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PROCEEDINGS AND DEBATES OF THE 98th CONGRESS, SECOND SESSION

SENATE—*Thursday, August 9, 1984*

(Legislative day of Monday, August 6, 1984)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Sovereign Lord of history and the nations, we pray for the Republican Convention. Guide those who make final arrangements that all agendas may function efficiently and productively. Grant safety to all who travel to and from Dallas—the leadership, delegates, the press, and observers. Discourage any destructive forces which would frustrate or embarrass the meeting.

We pray, Gracious God, special protection for President and Mrs. Reagan, Vice President and Mrs. Bush, those Senators and their families who are in attendance. Give wisdom to the chairman and those responsible for order and security, and may Thy presence and blessing rest upon the Convention Center, the hotels, and in the hearts of all who participate. Thy will be done in Dallas as it is in Heaven. For Thy glory and honor. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

THE CHAPLAIN'S PRAYER

Mr. BAKER. Mr. President, I thank the Chaplain for his prayer. I am sure I speak on behalf of the President and his party, and the Vice President and his, and all Republicans who would attend when I thank him for the prayer on their behalf by our distinguished Chaplain this morning.

SENATE SCHEDULE

Mr. BAKER. Mr. President, today may be the day we go out, and it may not. It depends. It is my hope that the conferees on the part of the House and Senate can promptly resolve our differences on the supplemental appropriations bill, and bring us a conference report to deal with during this day in which event it would be the hope of the leadership that we could adjourn until September 5. That is a Wednesday.

Let me say, parenthetically, that the Members should not be put off by the fact that is a Wednesday and assume that that automatically means the following Monday. It does not mean that. It is the intention of the leadership on this side to do business, and to have rollcall votes during that period of Wednesday, Thursday, and Friday, the 5th, 6th, and 7th of September. We will have an adequate—indeed ample—number of things to do, especially in appropriation bills.

On the schedule today, Mr. President, as Members no doubt know, there is a provision for five Senators to have special orders after the leaders have claimed their time, and then a period for the transaction of routine morning business until noon.

After that, Mr. President, under the order previously entered, at the hour of 12 noon the Senate will go into executive session to consider three treaties: Calendar Nos. 23, 35, and 36 with a total of 10 minutes debate on the three treaties taken together, and with one vote to count for three votes.

Mr. President, after that the Senate will resume consideration of the unfinished business which is the agriculture appropriations bill.

It is hoped, Mr. President, that the Senate can complete its action on the agriculture appropriations bill, and in a fairly prompt manner at least during this day. Senators should be reminded that at 3 o'clock there will be a cloture vote on the Wilkinson nomination to be preceded by 1 hour of controlled debate. Then after the Wilkinson nomination vote on cloture, if cloture succeeds, the Senate will proceed immediately without further action to vote on the nomination. If cloture is not invoked, or if the nominee is confirmed, the Senate will then return to the consideration of the agriculture appropriations bill.

There are other matters that we can take up today, Mr. President, and we will fish for those in the course of the day, meaning we will see how many we can clear on both sides of the aisle. There are a couple of conference reports, and a growing stack of routine matters to be dealt with.

I do expect the Senate to be in session all day. How late we will be in today really depends on how long it takes the conferees to arrive at an agreement on the supplemental conference report. Whether we are in tomorrow or Saturday in turn depends on how we can resolve that issue.

Mr. President, I believe that is all I have to say today. I offer my remaining time under the standing order to the distinguished minority leader.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. HUMPHREY). The minority leader is recognized.

Mr. BYRD. Mr. President, I have no need for time, if the majority leader would like to yield time back.

Mr. BAKER. Mr. President, I yield my time back.

RECOGNITION OF SENATOR GRASSLEY

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa is recognized for not to exceed 15 minutes.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

S. 2927—LEGISLATION FOR PROTECTION OF GOVERNMENT WHISTLEBLOWERS

Mr. GRASSLEY. Mr. President, I rise for the purpose of the introduction of legislation and a short commentary about my reasons for introducing this bill.

Mr. President, in the Soviet military system those who bear the bad news are shot. The system likes no evil and so hears no evil. It gets what it encourages—coverups; wholesale violations of discipline; corruption; inefficiency; stagnation. This is the system of rewards and punishments at work.

It is important that we understand the Soviet system. In many ways, ours works the same way. This is true not only of our military system, but of the Federal system as a whole. To illustrate, let me quote K. William O'Connor, special counsel of the Merit System Protection Board, who advises those who would disclose waste and fraud:

> I'd say that unless you're in a position to retire or are independently wealthy, don't do it. Don't put your head up, because it will get blown off.

Mr. President, understanding the incentives of our Federal system helps us understand why waste is so pervasive in our Government. Waste occurs by no accident—the Federal system rewards it. And those who would seek to stop it are flattened.

The Congress has determined that one's Federal service must be guided by the Code of Ethics for Government Service. Yet in administrative practice, there is no such guidance, the Code of Ethics notwithstanding.

In fact, the system connives and conspires against such guidance. There is no other way to account for the obvious disconnect between the bureaucracy's noble-sounding rhetoric and its activity to the contrary against the likes of George Spanton, Franklin Spinney, Ompal Chauhan, Ernest Fitzgerald, and others who are driven by integrity rather than bureaucractic incentives.

Our bureaucrats love to make high-minded speeches about how the system is always improving. Yet notice in these speeches they never use past tenses. They never refer to what they have already accomplished. There is a simple reason for this—in too many instances they have not done anything. To the bureaucrat, merely saying is doing. This is what Admiral Rickover calls "Say-Do." Words are necessary, but even more desirable are actions, which prove intent. If the bureaucracy did even a fraction of what it says it does, there would be no problems involving the likes of George Spanton, Franklin Spinney, Ernest Fitzgerald, and Ompal Chauhan. If actions prove intent, it is very clear what the bureaucracy truly supports, the Code of Ethics notwithstanding.

Today I introduce a bill, along with several of my colleagues, to increase protection for those civil servants who dare to be responsible in a system that does not tolerate responsible behavior. The following Senators are included as original cosponsors: Mr. HEFLIN, Mr. BIDEN, Mr. DOLE, Mr. JEPSEN, and Mr. DIXON.

We introduce this bill because the present legal structure provides absolutely no protection for civil servants. Presently, civil servants are tried entirely within the administrative system. In such a context, the system will always prevail. And it does. Witness the George Spanton case. Never has a case been so thoroughly documented and the evidence so heavily weighted against the system. Yet in the Spanton case, the system is clearly prevailing.

It is time for a change. Yet no matter how existing statutes are amended, no Federal employee will ever be protected as long as his case remains within the administrative arena. Meaningful and effective change can only occur if the employee can step out of the administrative system and into the Federal court system. That is what this bill is designed to do.

The bill would grant the special counsel the authority to better carry out his intended charter, established in 1978, to protect so-called whistleblowers. It would allow the special counsel authority to seek these protections in Federal court, when the administrative system does not work.

Currently, special counsel's authority is limited to actions before the Merit Systems Protection Board. He is unable to appeal or intervene in any actions within the Federal court system, even if such actions were initiated administratively by the special counsel. The inability of the special counsel and Merit Systems Protection Board to protect whistleblowers became evident in the Spanton case where the Board ruled it had no jurisdiction to issue protective orders. In cases where agency officials may be attempting to coerce a whistleblower to refuse to testify or to withdraw a complaint, the special counsel is without means to protect the whistleblower from such harassment.

This bill would allow the special counsel to pursue civil actions in Federal court involving issues within the special counsel's statutory jurisdiction, that is, protecting against prohibited personnel practices. The special counsel could apply for:

First, enforcement of subpoenas.

Second, enforcement of Merit Systems Protection Board orders.

Third, injunctions against agency counsel interference in special counsel investigations.

Fourth, injuctions of whistleblowers.

Fifth, appeal of final Merit Systems Protection Board orders.

Mr. President, this is a time when the Congress must exercise its chief responsibility in the Federal process: that of serving as a check and balance to the administrative process. It is clear in the case of responsible whistleblowers that remedies must be sought and corrections made. Only where there are remedies can there be rights. The Congress must ensure that our laws and intended ethics do not grow apart, as they are now doing.

For this, the Congress bears a responsibility. It is the responsibility of determining the context in which our civil servants work. If there is a mismatch between the principles espoused in our Code of Ethics on the one hand, and how the work of Government is executed on the other, then we will destroy any noble sense of purpose among our civil servants, and feed a cancer of cynicism.

There are obviously several issues which come into play here. The most important is building and maintaining trust. Trust is the bonding of a free government. We cannot demand trust unless we are prepared to earn it. That relationship holds true not only within the administrative process, but also between the people of this country and their Government.

It is our intent, those of us sponsoring this bill, that we in Government take a further step toward earning the trust of the people. I hope the rest of our colleagues will join us in this effort.

Mr. President, I ask unanimous consent that the statement of the ranking minority member of the Subcommittee on Administrative Practice and Procedure, Senator HEFLIN of Alabama, with whom I am jointly introducing this bill, be entered into the RECORD as if read.

I also ask that Mr. DIXON and Mr. JEPSEN be added as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

● Mr. HEFLIN. Mr. President, waste and abuse of taxpayer dollars is something we are all concerned about, and the Subcommittee on Administrative Practice and Procedure, under the distinguished leadership of my colleague from Iowa, Senator GRASSLEY, has delved deeply into the problem. Today, Senator GRASSLEY and I are introducing legislation to strengthen statutory protections for Government employees who disclose wrongdoing or mismanagement in Government agencies. I believe this is an important first step in the right direction.

I have long been concerned about the lack of protection for these whistleblowers. In hearings last year, I was shocked at the horror stories of former Government employees who

had been intimidated, harassed, or even fired for revealing waste or fraud they saw firsthand on the job. Beyond the moral rightness of rewarding honesty, it is clear that these employees are in the best position to watch for waste and fraud. When, for example, Defense Department employees reveal that they can buy hammers at the local hardware store for $7 that the Defense Department is paying $700 for, it become evident why higher-ups would try to conceal such shocking revelations.

It is so dangerous to be honest these days that William J. O'Connor, the Special Counsel created to protect whistleblowers' interests, has advised potential whistleblowers not to put your head up, because it will get blown off. Now I know the Special Counsel trying to do his job. The legislation Senator GRASSLEY and I are introducing today is designed to give him the tools to do so.

Congress created the Office of Special Counsel of the Merit Systems Protection Board to protect against illegal retaliation against civil servants. Mr. O'Connor, the current Special Counsel, testified before the subcommittee that he is limited in his ability to protect whistleblowers effectively. Currently, he cannot bring actions in Federal court. This legislation would put teeth in the Special Counsel's authority to protect whistleblowers by allowing him to seek protective orders, enforcement of subpoenas and Merit Systems Protection Board orders, injunctions against agency counsel interference in Special Counsel investigations, and appeal of final Merit System Protection Board orders in Federal district court.

Mr. President, the need for these necessary and long-overdue reforms became evident in our oversight hearings on whistleblowers. I strongly urge my colleagues to help us protect these courageous employees go against the grain and save rather than spend taxpayers dollars. They deserve no less.

Thank you, Mr. President.●

Mr. GRASSLEY. Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2927

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds and affirms that—

(1) the Code of Ethics for Government Service charges that any person in government service should expose corruption wherever discovered;

(2) reprisals against employees who report incidents of fraud, waste and mismanagement is prohibited by law;

(3) the Constitution protects the rights of all citizens; and

(4) every person has a right to seek remedies to protect their individual rights.

SEC. 2. Section 552 (a) (4) (F) of title 5, United States Code, is amended by adding at the end thereof the following: "Except as provided in section 518 of title 28 with respect to litigation in the Supreme Court, the Special Counsel or any attorney designated by the Special Counsel may appear as a counsel on behalf of any party in a civil action brought in connection with any function carried out by the Special Counsel pursuant to this title or any provision of law, and may initiate and prosecute on behalf of any party in any such case, an appeal of the decision of any administrative tribunal, district court of the United States of the United States Claims Court. Any person aggrieved by a prohibited personnel practice under this title may intervene as a matter of right pursuant to Rule 24 of the Rules of Civil Procedure in any administrative or judicial action brought pursuant to this section and any such party appealing an administrative decision shall have the right to have the facts subject to trial de novo by the reviewing court.".

SEC. 3. Section 1206(j)(1) of title 5, United States Code, is amended by inserting before the period the following:", and the Special Counsel and any attorney appointed pursuant to this section shall have the authority provided in section 552 of title 5.".

Mr. GRASSLEY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from New Hampshire, suggests the absence of a quorum. The Clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, I thank the Chair.

HOW SERIOUS IS THE OUTLOOK FOR THE FEDERAL DEFICIT?

Mr. PROXMIRE. Mr. President, how serious is the Federal deficit that will confront this country over the next 6 years? Will vigorous economic growth not take care of it? Are not the prophets of gloom and doom going too far in forecasting mammoth deficits? Do we really have to make huge cuts in Federal spending and sharply increase Federal taxes to bring the deficits under control?

The answers to these questions are obvious. The Federal deficits that will confront this country for the remainder of this decade of the eighties will be very serious, indeed. They could be catastrophic, tying our economy into a high-interest straightjacket and imposing immense debt service costs on coming generations of Americans. Vigorous economic growth cannot and will not take care of those deficits. The prophets of doom and gloom have, if anything, understated how massive those deficits will be as the years go on. Even the Office of Management and Budget—the budget spokesman for President Reagan, operating under his complete control—estimates that the deficit for the next 6 years will vary between $156 billion and $164 billion.

That, Mr. President, is an astonishing estimate. The administration tell us that its policies will, by 1989, add almost a trillion dollars to the national debt. Under their own administration, based on their own estimates, Federal deficits will soak up about half of the new savings of the American people. They will drive this country deeper and deeper into debt to foreign lenders.

Does that sound bad, Mr. President? Well, believe me, it is a lot worse. Those Reagan administration estimates are based on what are ridiculously optimistic assumptions, and when I say ridiculously optimistic, I mean it. They assume that the interest rate paid by the Federal Treasury will decline steadily and sharply over the next 6 years. Now, Mr. President, no one can forecast interest rates with any assurance. So how can I say the administration is wrong in predicting that interest rates will fall from their present level of 10.5 percent down to the administration's forecast rate of 5.3 percent in 1989? Could that not happen? Sure, and you might win a million-dollar lottery tomorrow, too. But I would not base my budget for the rest of the year on winning a million dollars in a lottery. The prospects for the interest rate falling to one half of its present level over the next 6 years are about the same as winning a million bucks in a lottery. In fact, if you accept the other two OMB assumptions, they are absolutely nil.

You see, Mr. President, the administration can only hold the deficit down to $156 billion per year by 1989 by assuming this country not only will have no recession, but that we will virtually repeal the business cycle and that we will zip along with economic growth ranging from 4.3 percent in 1985 to 3.9 percent in 1989.

What is wrong with that assumption? Two things: No. 1, it is extraordinarily optimistic. And, second if we have economic growth at that level, there is literally no way that inflation and interest rates would not zoom out of sight. Why? Here's why: the combination of mammoth Federal borrowing to fund the deficit—taking one half or more of all new savings, plus the stepped-up borrowing by the private sector to fund the exuberant eco-

nomic growth would certainly push interest rates and eventually the price level up, sharply up. Under those circumstances, interest rates could no more fall to one half of their present level than we could repeal the law of gravity.

If we take the Congressional Budget Office estimate of the Federal deficit over the next 6 years, we can expect a steadily rising deficit reaching $263 billion in 1989. But even that is rosily optimistic. The deficit will probably be much higher.

Why higher? Because CBO assumes that interest rates, as measured by the Treasury bill rate, will come down from the present 10.5 percent level to 8.9 percent. It also assumes no recession, no stagnation, but solid growth of the economy averaging close to 3 percent. For 6 years—an overall 8-year uninterrupted recovery and that would be a new record. Conceivably, inflation and interest rates could rise only moderately with that scenario. It seems far more likely to this Senator that under those circumstances interest rates would rise decisively.

Keep in mind that the Congressional Budget Office, even with these rosily optimistic assumptions, estimates a Federal deficit that will be close to 5 percent of the GNP by 1989, about the same appalling level we have now.

Mr. President, I might point out that the real reason for the difference between the estimates of the size of the deficit on the part of the administration and the part of CBO is that interest rate. Because the interest rate is 8.9 percent instead of 5.3 percent, it will mean the debt service on this colossal national debt of between a trillion-and-a-half and two trillion dollars will be $100 billion higher. That accounts for most of the difference. That is why I think the CBO estimate is so much more realistic, but still not realistic enough.

Throughout the period between now and 1989 the CBO assumes the Federal deficit year after year will run between a staggering 4.6 percent and 4.9 percent of the GNP. That means a far higher level of Federal borrowing than this country has ever endured for such a long period of time, and far and away higher than the country has lived through in peacetime.

Mr. President, if this and succeeding Congresses fail to face these grim facts, our economy is in for some very hard times, indeed. High deficits will, in my judgment, certainly mean much higher interest rates than either OMB or CBO have estimated. If we find that the business cycle has not been repealed and we have a recession during the next 6 years, the deficit will go through the roof. And our ability to fight it with compensatory fiscal policy—that is with more Government spending and lower taxes—would be preempted by the colossal deficits that already plague us.

Why could we not fight a future recession the way we have in the past: Why not simply deepen the deficit, cut taxes, and provide the unemployment compensation and tax cuts we need? Here's why not: A massive recession deficit under such circumstances would mean immense pressure driving up interest rates and torpedoing any recovery by the interest-rate-sensitive industries.

So what does this mean? It means that any Congress or any President or future President of the United States must recognize that we have to hold down spending on every front—military spending, domestic spending, all spending. If they do not recognize that, they are living in a dangerous dream world. It means that any Member of the Congress or any President who does not recognize the imperative necessity for increasing revenues—Yet, that means increasing taxes—is kidding himself and trying to kid the people he represents.

Mr. President, in this case the cold figures speak more loudly than any words. I ask unanimous consent that a table showing the Congressional Budget Office of Management and Budget estimates respectively of the deficit, the percent of GNP represented by that deficit, the 91-day Treasury bill rates, the interest rates estimated by these two agencies of the Federal Government, and, estimates of economic growth for the years 1984 through 1989 be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	1984	1985	1986	1987	1988	1989
Deficit (billions):						
Congressional Budget Office	$172	$178	$195	$216	$238	$263
Office of Management and Budget	$164	$167	$177	$173	$156	$156
Percent of GNP:						
Congressional Budget Office	4.8	4.6	4.6	4.7	4.8	4.9
Office of Management and Budget	4.6	4.2	4.1	3.7	3.1	2.9
91-day T-bill rates (percent):						
Congressional Budget Office	10.0	9.7	8.9	8.9	8.9	8.9
Office of Management and Budget	9.3	9.9	8.8	7.6	6.2	5.3
Net interest (billions):						
Congressional Budget Office	$111	$134	$150	$169	$194	$214
Office of Management and Budget	$103	$128	$145	$140	$131	$125
Percentage of real (noninflationary) GNP growth:						
Congressional Budget Office	7.3	3.6	3.1	3.3	3.1	3.0
Office of Management and Budget	7.2	4.3	4.0	4.0	4.0	3.9

Mr. PROXMIRE. Mr. President, I challenge any Member of this body to study and ponder these figures, and then explain how this country can achieve a healthy economy and sustained recovery without both massive spending reductions and major tax increases.

CAN CIVIL DEFENSE HELP COPE WITH A NUCLEAR WINTER?

Mr. PROXMIRE. Before scientists advanced the thesis that a nuclear war would leave an aftermath of worldwide darkness persisting for weeks and of bitter subzero cold lasting for months, many Americans strongly opposed civil defense for protection against the consequences of nuclear war. Those who opposed spending resources on civil defense for this purpose contended that all the energies in the Nation should go into preventing a nuclear war. Once a nuclear war occurred these civil defense opponents contended the devastation would be so terrible that all of mankind might perish and that certainly the United States as an organized entity would disappear together with civilization as we know it, with or without civil defense. They argued that any remnant that might survive a nuclear war could not be helped significantly by any action we might take in the name of civil defense.

The population of most of the cities would perish outright, and many of the remainder would die of radioactive fallout. This would be the consequence of the first nuclear attack. But a nuclear war would be no more likely to end with that first attack than any other war. After all both of the superpowers have such a surfeit of nuclear weapons that the war could go on as long as missiles could fire—from hidden and protected land bases, from the air and especially from invisible, mobile, and quiet submarines that could cruise the bottom of the oceans for months. With transportation and communications blasted beyond repair, the Nation would break down at best into separate regional entities or more likely into marauding bands each struggling and fighting for the food and water to stay alive. Any convocation of these groups, in fact any visibility at all, would be greeted by the adversary with a renewed nuclear attack. In view of the immense nuclear arsenals on both sides, each would run out of targets long before they ran out of weapons. Short of total extermination it would be difficult to visualize an end.

That is one scenario, and it is, indeed, hard to find a reasonable place for civil defense or anything else for that matter in that crazy and bitter scenario. And yes, indeed, the world might end just this way. But then again it might not and probably will not.

Unfortunately, almost all of our thinking about a nuclear war has concentrated on the specter of the two superpowers fighting a war that would end in total disaster for both. Precisely because it is now so obvious to both sides that total disaster for both would indeed, be the consequence, there is

virtually no real prospect that such a nuclear war will ever be fought. Deterrence has worked for more than 30 years to prevent such a war. It works now more securely than ever. It will continue to work in the future. Of course, anything can happen. The Soviet leaders in a fit of madness might choose mutual suicide, but the odds against it are a hundred to one, perhaps a thousand to one. Of course, we could have a terrible, ghastly mistake. Either side might misinterpret computer or radar signals and decide to "launch on warning." But this, too, is extremely unlikely.

What kind of nuclear war is more likely? The two superpowers might become involved in a conventional war, perhaps in Europe. The superior Soviet tank and air support might win shocking and sudden success. We might then decide to use our tactical nuclear weapons—capable of taking out tanks and pinpointing enemy troop concentrations. We would do this for two purposes. First, such first nuclear weapons use could stop the Soviet European offensive. Second, it could serve notice on the Soviet Union that we would use our full military capability, including our nuclear forces, in defense of Europe. Would the Soviet Union respond by incinerating the world, including their own nation, with a full scale nuclear war or would they negotiate? Maybe they would choose full scale nuclear war. Probably they would negotiate. While this scenario is far more likely than a sudden U.S.S.R. attack without warning or provocation on this country, it is still unlikely for these reasons: First, precisely because a Soviet invasion of Western Europe might trigger a superpower nuclear war, the Soviets are very unlikely to invade Western Europe. If they do, they are very likely to stop when they do encounter tactical nuclear weapons. But admittedly the odds on a general nuclear war developing from this scenario may drop to say 10 to 1.

In the judgment of this Senator, a civil defense response to the scenarios I have discussed to date would be close to useless. On the other hand, nuclear proliferation, with a dozen or more additional countries building nuclear arsenals, seems more likely than ever sometime in the future. The nuclear arms race technology has developed nuclear devices that are much cheaper—and now within the economic capability of scores of nations. Both Russia and the United States have shown how much more economical per ton of destructive power nuclear weapons can be than conventional weapons. As more and more countries develop their own nuclear arsenals, the prospect for nuclear war among these smaller countries greatly increases. As time and technology proceed, the likelihood that an Iran or a Libya or some other country with similarly reckless leadership will institute nuclear war becomes almost a certainly.

The nuclear winter scientists tell us that a nuclear war involving as little as 2 percent—500 megatons—of the world's present nuclear arms megatonnage could precipitate a nuclear winter. We could have and probably will have a nuclear war within the next 20 or 25 years—not involving the United States or the Soviet Union directly. Neither would be likely to fire a nuclear weapon. But each would become the victim of the nuclear winter that would bring darkness, icy, killing cold, and widespread starvation to both countries. In this likelihood, civil defense could play a big lifesaving part. It is time we thought about it, planned for it, and considered acting on it.

MILITARY CRUELTY IN UGANDA

Mr. PROXMIRE. Mr. President, in the late 1970's, the world was outraged by the genocidal acts of Uganda's Idi Amin. The United States stood by helplessly as innocent civilians were imprisoned, tortured, and murdered by the military regime.

Idi Amin suspended parts of the Ugandan Constitution and suppressed political opposition, denying his people basic human rights, including the right to live.

The end of Idi Amin's reign brought relief and a hope for a more humanitarian government.

But apparently, Uganda today is ruled in a fashion even more horrible than during Amin's regime. According to an article in the Washington Post on Sunday, August 5, the Ugandan Army is pursuing a get tough policy that may be even more atrocious than that of the previous government.

Thousands of civilians have died as a result of the murderous policies of the Ugandan Army. Reports from official U.S. sources estimate that between 100,000 and 200,000 Ugandans have been killed in the past 3 years.

The violence and suffering is concentrated in the area of central Uganda called the Luwero Triangle, which the Ugandan Army associates with the opposition party and the National Resistance Army.

Food cut-offs have created mass starvation, and there have been reports of random killings and massacres of entire villages.

Arrests of political opponents are numerous, and the conditions are horrible at the military prisons where they are detained. Imprisoned only for the beliefs they hold, the political prisoners suffer physical abuse and starvation.

The Washington Post article quotes Roger Winter, director of the U.S. Committee for Refugees. He says:

> It would not have been believable to a westerner that conditions in Uganda could be worse under Milton Obote than they were under Idi Amin. But the numbers of people affected by these crazy, irrational killings are larger.

He explains:

> You have an army which is totally out of control; there is no command and control structure.

And that is the result of the chaos in the Ugandan Army? Sources say the Army has engaged in the senseless killing of women and children. It has a killing spree in a town called Namugongo. It has forced thousands of people from their homes for no apparent reason.

And no one is stopping them.

Perhaps if the United States had vigorously protested Amin's genocidal policies, his successors would not have dared to repeat them. When genocidal policies are confirmed, the world community must act to punish the offender.

The Genocide Treaty offers that opportunity. I urge my colleagues to consider ratification of the Genocide Treaty now.

RECOGNITION OF SENATOR LEAHY

The PRESIDING OFFICER. Under the previous order, the Senator from Vermont is recognized for not to exceed 15 minutes.

MY FATHER, HOWARD LEAHY

Mr. LEAHY. Mr. President, it has been written that "any man's death diminishes me because I am involved in mankind."

I realized that more than ever this year when my father died at the age of 83 on February 7: With my family, I knew that good and loving man would not be part of my life for the first time in 43 years and that life, so enriched by him, would be diminished as it would necessarily be by the loss of anyone so loved.

My father, Howard Leahy, was a gentle and kind man, with an unfailing sense of humor and love of life. He and my mother Alba had an unbroken love for half a century. That love lasted until the moment of his death. He gave so much to my mother and she to him, as well as to my brother John, my sister Mary, and myself. While his love for the four of us and all of his family was broken only by death, ours will always continue for him.

The way he touched and influenced people was reflected in his eulogy at his funeral in Montpelier, VT. The eulogy was delivered by his godson and cousin, Father Francis Holland. Dad had a special affection and respect for Father Holland that was shared in the eulogy.

I ask unanimous consent that his eulogy, so lovingly given, be printed in the RECORD.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

EULOGY

Be calm and remember that I am God, supreme over all the nations, supreme on the earth. Daniel 6:28

Your Excellency Bishop Anderson, devoted Religious, distinguished officials from Washington, D.C., worthy state, county and city officials, members of the family of Howard Leahy, his relatives and friends—my dear friends in Christ.

We are gathered here to pay tribute to the memory of Howard Leahy.

We are gathered together in this Church of St. Augustine to celebrate the rite of Christian burial for one who was a devoted husband, a loving father, an exemplary Christian and my godfather—Howard Leahy. It is not by accident that this church was chosen but by plan and design. We are here because this was Howard's parish—the main source of spiritual strength for the journey he and Alba have traveled together successfully for nearly 50 years. It was in this church where he prayed, received the sacraments and ministered as an usher. It was in this church where his lifestyle and value system was discovered and nurtured and helped to shape him into the beautiful person we have grown not only to admire and to love but also to imitate.

This past week we celebrated the feast of the Presentation of Jesus in the temple. The scene was a typical one. It was the custom for all young couples to bring their children to the temple. This day, however, was singular—singular not in the act but in the fact that the child being presented was the Lord. Simeon and Anna were quick to recognize him. Since that day countless people have acted as Mary and Joseph—presenting the Lord to other Annas and Simeons—to you and to me. I believe Howard has been such a person—a true Christ bearer, giving witness of the Lord to all—actually acting as the hands, the feet and the voice of the Lord.

In the book of Wisdom we read the souls of the just are in the hands of God and no torment shall touch them . . . they are at peace. I believe at this very moment Howard is at peace, for now in fuller measure he is a child of God, now he is no longer an heir of heaven but a proud possessor of a place in heaven participating to a greater degree in a life of friendship with God.

Today we hear of many individuals suffering from an identity crisis. In Howard's life there was never an identity crisis. He knew who he was, and what he could become—a saint, and he did—he became a saint.

With faith, hope and love for his Lord and Savior Jesus Christ he lived out with success the days allotted to him in this life.

He was a good father, an attentive husband. He worked diligently and successfully to support his family. He helped them make their way in life. He was a faithful member and a tireless worker for his parish, the Knights of Columbus, the Kiwanis Club and a charter member of the Vermont Printers association. All of this was an important part of his life.

He was kind, he was generous. He was a Christian gentleman, friend to many and enemy to no one. He took to heart the words of God in the book of Daniel "Be calm and remember that I am God, supreme on the earth."

Like Howard, we believe that Jesus has conquered death and so this rite of Christian burial is a celebration.

We are reminded of this in the Liturgy of this Mass—"for your faithful people life is changed not ended." Though his earthly life has come to an end more important is the fact his eternal life has begun. Now he is reunited to his dear parents and all his loved ones who have preceded him in the sleep of death and where one day we all hope to be reunited.

Alba, John, Senator Patrick, Mary Helena—I do not have to tell you how all of us here today share in your loss. Be assured of our prayers for you that God will give the grace to sustain you in these hours of sorrow. Be particularly assured of my prayer for your loving husband and father, Howard Leahy—may he rest in peace. Amen.

Mr. LEAHY. My father and mother, through their lives, gave so much to so many, but especially to my brother John, my sister Mary, and myself. During the last few days of his life, we three and my mother, my wife Marielle, and John's daughter Theresa and our children, Kevin, Alicia, and Mark, stayed with dad throughout the day and night trying to comfort him and ease the suffering by returning some small measure of what he had given us. As a family, we talked about a life which truly measured the man.

My father's family came to Vermont from Ireland a couple of generations before his birth on July 22, 1900. His father, my grandfather, a stonecutter in the quarries in Barre, died, as did so many others, of lung disease before my father was a teenager.

He then had to go to work to help support his mother and his sister at a time when his age and his Irish ancestry and religion often worked against him. But he persevered and, largely self-taught, became a successful printer, a weekly newspaper publisher, and owner of the Leahy Press. In fact, we all grew up with printer's ink in our veins. Actually, the three Leahy children gave new meaning to the expression "printer's devils."

Our home was literally in front of the family business, which began at our kitchen door in Montpelier and extended back. We daily saw a father who worked long, long hours, but who was always with each of us, with love, support, and guidance. He and my mother were together virtually every day and gave me the principles I have always tried to live by.

Without much formal education, he was one of the best read and most knowledgeable people I have met in either private or public life. My own love of reading and history I got from him, and from him I got my desire and commitment to public life. Far more important than that, however, was the way he taught me how to be both a husband and a father—again, with love and commitment and a sense of sharing and giving.

Many in Vermont have told me how their lives were touched by him. They have told of countless acts of generosity and caring. They have told me how they enjoyed his zest for life and were impressed by his unshakable honesty.

He was a knowledgeable man, interested in life, a perfectionist in his craft as a printer, but always forgiving of the lack of perfection in me and others. He gave love and he received love. His last words to me and each of our family was to say how he loved us.

Proud of his Irish ancestry and the family he engendered, proud of his religion and his background, he always seems to be the one meant when the Irish say:

May the wind be always at your back.
May the sun be on your face.
May the rain fall gently on you.
May the road rise to meet you.
May you rest in the hand of your Lord.

Mr. President, there is no question in my mind that that is where he rests. I shall miss always this good and just and loving man.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MURKOWSKI). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RANDOLPH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR RANDOLPH

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia [Mr. RANDOLPH] is recognized for not to exceed 15 minutes.

SENATOR RANDOLPH REVIEWS CRUCIAL 203-202 VOTE OF 1941

Mr. RANDOLPH. Mr. President, I have listened to my cherished colleagues who have spoken. Senator LEAHY gave a beautiful tribute to his father and Senator PROXMIRE gave warnings of possible nuclear war. In this country and in the world—a constantly shrinking world—we are faced with very, very controversial and pressing problems.

I came to Capitol Hill and was sworn in as a Member of the House of Representatives on March 9, 1933. For the record, I am the only Member of the Congress at the present time who served here during the first 100 days of the administration of Franklin D. Roosevelt, in that era called the "New Deal."

I recall the rollcalls in which I have been involved during more than 51 years. As of this date, I have cast,

during my congressional career, 10,675 votes.

These votes have not always been what might be called key votes. Measures sometimes, as we know, are passed by large majorities.

I mention the 10,675 votes. That may be a record of any Member who has voted in the history of the Congress of the United States.

I recall that first vote. We elected Henry T. Rainey a Member of the House of Representatives from Illinois. That first vote was to select the Speaker of the House of Representatives. The Speaker was a huge man, eloquent in speech, with always a large shock of white hair. On that date there were other votes.

I am centering our remarks today on these decisionmaking votes. Across the years of memory there comes to me that very, very close vote—they cannot be any closer—that we had in the House of Representatives on the evening of August 12, 1941. The measure before us was whether we should continue the Selective Service System, and extend the draft, or whether that law would expire.

The vote, as I have emphasized was 203 to 202. Five days earlier, the Senate had extended the draft by a vote of 45 to 30.

I recall very bitter comments made by Members in the House of Representatives. I shall never forget one Member who said, and I am sure he believed exactly what he was saying, "that there is no nation, that would dare attack the United States of America"; he further said, "there is no nation that would even give consideration to attacking us through an invasion. I am sure these speeches were very sincerely made. It was felt that no country would wage war on the United States of America.

The Senate and the House of Representatives carried forward the draft to ensure the manpower with which to defend this country if we were attacked.

It was on August 18 that President Franklin D. Roosevelt signed that legislation into law. I stress again passage in the Senate on August 7, and this close, close, close vote of 203 to 202 in the House of Representatives 5 days later. Six days later, I repeat, the Chief Executive of our Republic signed that vital legislation into law.

I have a theory, and I am not sure that it is valid, that the Japanese, through the war lords of that country, decided that the time to strike us was close at hand. They felt that America was divided 203 to 202, and that we would not have the resolve necessary to repel an attack. They felt that with divisiveness in our country that we would not be able to strike back. The Japanese on December 7 gave to us the surprise perhaps of all surprises, in a sense, when at Pearl Harbor and in the Pacific they struck our Armed Forces, our installations, our ships, our aircraft from the air and on the sea.

After that crucial vote I boarded the Diplomat, one of the very fine trains of the Baltimore and Ohio Railroad Co. It departed Washington, DC the evening of August 12 as it progressed westward through Maryland, West Virginia, across the Ohio River, into St. Louis. As I boarded the train, there was some feeling that perhaps in the rechecking of the vote the result would be different. Then in the House of Representatives the Members called out their vote just as we do now in this body. They were not punching a mechanized voting machine as they now do. In the tallying of the vote and the request for a recapitulation, I felt that the vote was very close.

Sharing that train was the U.S. Senator from the State of Louisiana, Senator John H. Overton. He was elected in November 1932 as I was elected.

The other Member of the Congress aboard the train was Representative Edwin Schaefer. He served a congressional district in Illinois which included East St. Louis. He was also elected in November of 1932 and served in the House of Representatives until January 3, 1943.

We were wondering if the vote was 203 to 202. Mr. Schaefer told me that he had asked his secretary to contact the station at Martinsburg where the train was to stop, and that we would be told then if that vote stood at 203 to 202.

When we arrived at Martinsburg, which is an important city in the eastern panhandle of our beautiful State, we were reassured that there was a margin of one vote for the draft.

I ask unanimous consent that a column I wrote for the Washington Times Herald which appeared on August 26, be inserted in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

STATEMENT BY REPRESENTATIVE JENNINGS RANDOLPH

This column is being written, as the Baltimore and Ohio train rolls and sways westward through the Maryland highlands. It's between 9 and 10 o'clock on Tuesday night, August 12, and my pencil seems to wobble a bit, not only on account of the careening of the observation car but due to the shakiness which still clings to a member of Congress who only a few minutes earlier had hurried to the station from as close a roll-call vote as one seldom sees during a hectic era in legislative history.

When I left the floor it appeared the tally on the draft service extension had carried by an uncertain one-vote margin. A recheck was in progress when I left the bedlam which had ripped out after minutes of tension from both sides of the aisle.

Already aboard the train when I arrived was my colleague from East St. Louis, E. M. Schaefer. He had voted on this highly controversial subject, but sensing also the closeness of the count had asked his secretary to send a wire on the result.

Senator John H. Overton, homeward bound for a Louisiana rest soon joined us. He wondered, as did seven or eight others in the car, as to the actual result.

An effort was made to tune the radio to a news broadcast but the fading reception kept the secret to an ether wave not caught by the ears of those anxious ones pressing close to the cabinet set.

The Diplomat, powered by a Diesel engine, kept poking its steel nose deeper into the hill country and it was not long until the lights of Martinsburg appeared beside the winding tracks.

Hardly had the train stopped when a telegram to Schaefer arrived bearing these words:

"Bill passed by one vote. 203 yeas, 202 nays."

And thus we knew the result. No cheers—no exultation—no laughter—we were rather quiet, for it was in our hearts as in the hearts of most Americans—just a time of quiet reflection on a step taken.

This writer did only what he felt was best for his country. And I like to think that even though the House was divided there is a unity down deep which will stand against the days of trial which we feel are soon to come.

Peter Carter would have wanted me to write a gay column but I've failed, and yet I know she will forgive for she's built that way.

My colleagues have "bedded down" for the night. Soon after midnight the long line of coaches and sleepers will come to a grinding stop atop the Alleghenies. There at Mountain Lake Park I'll find Mary, my wife, waiting with the car. Then three minutes to the cottage where our oldest boy 7, is asleep. He knows nothing of this terrible war which comes ever closer to our homeland. It's easier perhaps for me to say at his age that I would want him to serve his country in its hour of need but I can't help but express the hope that he would be ready in his time to do what lads in their twenties are doing now—and that is to stand strong and true against the evil winds which blow against our citadel of freedom. His parents would want it that way.

Mr. RANDOLPH. Next Monday would have been the day I would have spoken had we been in session. It would have been exactly 43 years ago since the 203-to-202 vote. There may be those who will read these words, including our column. They will understand our discussing these matters at this time.

I am grateful for the opportunity to speak today. I am appreciative for all the years that I have had in the Congress of the United States. I have had more than 4 million persons, citizens in West Virginia, who have marked an "X" before my name during our 14 years in the House of Representatives and now the 26th year in the Senate of the United States.

I will be talking later, understandably, on some measure or measures in the few months before on January 2, 1985, when I will leave the Senate of the United States. I will have the memories of the years on Capitol Hill, of the privilege that I have had, a

shared privilege, with others, regardless of party label, who have made this, in a sense, not a stopping place but a home. I have come to know, to understand, and to appreciate the Members of this body.

The PRESIDING OFFICER. The Senator's time has expired.

RECOGNITION OF SENATOR MOYNIHAN

The PRESIDING OFFICER. Under the previous order, the Senator from New York, Senator MOYNIHAN, is recognized for a period not to exceed 15 minutes.

SENATOR JENNINGS RANDOLPH

Mr. MOYNIHAN. Mr. President, I am not one to begin these remarks without noting the attention and affection with which I have listened to my revered friend, the chairman, the senior Senator from West Virginia. I hope this is not the last occasion in which he speaks in these terms to his colleagues who see in him a living presence of the continuity of this body for more than one quarter of his life in the Congress, and a very large portion of the life of the Senate has been graced by his presence and will continue, God willing, until the end of this Congress. I thank him for his remarks.

THE PUNTA HUETE AIRFIELD IN NICARAGUA

Mr. MOYNIHAN. Mr. President, yesterday the administration in a news conference released a background paper, entitled: "Nicaragua's Military Build-up and Support for Central America's Subversion." The press' attention was directed to the question of Nicaraguan aid to guerrillas in El Salvador, which was the intention of the Department of State briefers. So this is not surprising.

Even so, I would hope to draw attention to a matter almost casually included in the document but which is anything but casual in its implication. This is to say, a photograph, as of June 1984, of the Punta Huete airfield in Nicaragua. This is an installation built just outside of Managua, about 30 kilometers, with an airstrip longer than that of Andrews Air Force Base—3,200 meters in length, 44 meters in width, and a 1-meter thickness, which the Department of Defense properly states would make it the largest and most capable military airfield in Central America. It would be capable of receiving any aircraft from the Soviet inventory, including their strategically capable Backfire bomber.

My purpose here is simply to suggest that this ought to have received more attention, here, in Managua, and in the rest of the world. This is the one event that has occurred in Central America, specifically in Nicaragua, which has the potential of transforming a regional crisis into a global crisis.

Mr. President, I visited Nicaragua last December in the course of a general tour of the region. It seems to me not inappropriate at this point to make public some conversations—which were certainly known to the person with whom I was talking—which I had with the members of the Nicaraguan junta during that visit. The date was December 9, and the scene was Managua.

In meeting with the junta members, I had one primary purpose which I pursued with, I hope, some persistence. I first met that morning with Sergio Ramirez, who is a member of the junta, and reading now from notes taken on the occasion, speaking as an individual Senator, I said that the one thing I would hope they would understand was that, given the U.S. position in the world, it was elemental necessity that there neither be nor be thought to be a further extension of Soviet power into the Western Hemisphere.

I said that anyone over 40 would remember the Cuban missile crisis when the world seemed close to nuclear war. A successful agreement was reached in which the Soviets took their missiles out, and we agreed to leave the Cuban regime alone. I further said that what the United States could not allow and did not want was any repetition of that crisis.

I said it was, accordingly, important to hear Nicaraguan officials state, as they were then doing, that they wanted no Soviet bases, and that neither the United States nor the Soviets needed bases in this part of the world. If what Nicaragua was saying was true, it seemed to want what we wanted as well.

Mr. Ramirez responded that if America feared that Nicaragua was going to agree to Soviet submarines, airbases, or missile sites, it should know that it "would not happen now or in the future." I quote him. We went on with regard to combat aircraft. Mr. Ramirez said Nicaragua would have no need for them if there were none elsewhere in the region.

Later in the morning, Mr. President, I met with Tomas Borge, who is one of the leading members of the junta, and spoke again to him of these matters. I stressed that the U.S. strategic concerns about avoiding nuclear war were such that we could never allow a recurrence of the Cuban missile crisis, that our responsibility to the world was such that we could not allow this to happen. I said I was a member of the Kennedy administration and will not forget that week. The Nicaraguans, I continued, should understand our interest as an "objective reality," to use their terms.

Mr. Borge thereupon assured me that the Government of Nicaragua would not permit a Soviet nor any other military base on his territory.

That evening, Mr. President, I left Managua. I had a press conference at the airport, and there I said to the press openly:

> I made one point which might be of interest to you, which is that the United States is one of two world nuclear powers and that imposes a terrible responsibility. I was a member of the Administration of President Kennedy and I recall the Cuban missile crisis and if you were in the government and in Washington, or in Moscow, you did not know if the end of civilization would come the next day. And that was at a time when there were a small number of nuclear warheads. Today the U.S. has 11,000 nuclear warheads. The Soviets have 9,000 but theirs are larger and more powerful. The danger of a very quick reaction has grown—the problem we described as "crisis stability". The one thing that the United States could never and would never allow is another crisis involving the Soviets and the Western Hemisphere, because it would be a political crisis which the Soviets would have to choose to create. It would not in fact be a military crisis.

La Prensa, as you would expect, very carefully reported what I said; Barricada and El Nuevo Diario chose to ignore those particular remarks. But they are a matter of record.

The point, Mr. President, was to say that when the Soviets sought over two decades ago to install their missiles in Cuba, they did not then have the submarine capability to launch an attack on the mainland United States from such proximity. They now do.

Let me say again. As one of the two nuclear superpowers, the United States has undertaken the responsibility to maintain the nuclear peace. No regional concern could possibly outweigh this global concern. This must be understood. If Nicaragua invites the Soviets to establish themselves on the mainland, or merely acquiesces in their doing so, the result would be a situation the United States as a responsible world power could not and would not accept. We would move instantly to reverse it.

The decision to place missiles in Nicaragua, base Backfire bombers, or to put Mig's in, would accordingly be a decision to create a political crisis, and that we could not allow. This is an objective reality, as the Nicaraguans would say.

The report of the Bipartisan Commission on Central America said as much on January 11, a month after I was present in Managua. It stated:

> Indigenous reform movements, even indigenous revolutions, are not themselves a security concern of the United States. History holds examples of genuinely popular revolutions, springing wholly from native roots. In this hemisphere, Mexico is a clear example. But during the past two decades we have faced a new phenomenon. The concerting of the power of the Soviet Union and Cuba to

extend their presence and influence into vulnerable areas of the Western Hemisphere is a direct threat to U.S. security interests. This type of insurgency is present in Central America today.

But there should be no question that the U.S. Congress, with as near unanimity as it will ever attain, and the American Government and the American public, will not accept the presence of Soviet strategic or tactical forces on the mainland of Central America. Should it occur, it will have been done for the simple purpose of creating a political crisis; no serious military objective will have been achieved, as might have been done in 1962. Such a presence would bear the prospect, I repeat, of transforming a regional crisis into a global one.

The Nicaraguans have chosen, even so, to build an airfield at Punta Huete that has the potential of creating that global crisis within hours, simply by the appearance there of strategic Soviet bombers or tactical aircraft. That the Nicaraguans have gone forward in this project leads me to ask whether they understand what I was saying or believed what they were saying.

I speak only to put the Nicaraguan Government and those who support it on notice that the unanimity of this judgment in this body, as I believe it will be, derives not from any passing agreement on specifics, but from a fundamental, objective reality. This country is one of the two superpowers in the world. The United States has an absolute responsibility to its allies and to the world to see that a nuclear crisis, does not recur. And that that would occur should Punta Huete airport appear to be used by Soviet strategic or tactical forces.

Mr. President, I thank the Chair for its patience in this matter and say that I hope this message will not go unattended in those parts of the world to which it is directed.

CONGRESSMAN SOLARZ ON THE PHILIPPINES

Mr. MOYNIHAN. Mr. President, yesterday there appeared on the op-ed page of the New York Times an insightful essay about American policy toward the Philippines, written by our distinguished colleague Representative STEPHEN J. SOLARZ.

Congressman SOLARZ is chairman of the House Foreign Affairs Subcommittee on Asian and Pacific Affairs, and his knowledge of that region, and of the Philippines in particular, is truly a resource for the Congress. Mr. SOLARZ wisely advises that serious consideration be given now to the long-term consequences of our current policies toward this important ally of the United States.

I commend the essay to my colleagues and urge that it be given the very serious consideration it warrants.

I ask unanimous consent that the text of the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 8, 1984]

PRESS FOR PHILIPPINE REFORMS

(By Stephen J. Solarz)

WASHINGTON.—A year after the assassination of opposition leader Benigno S. Aquino Jr., the Philippines is in the midst of its most severe economic and political crisis in decades. Yet the attention focused on the vast capital flight and foreign debt burden, the May parliamentary elections and the investigation of the Aquino assassination has obscured a development that may have far more significant long-term consequences for that country and for America's position in Asia: the rapidly expanding strength of the Communist-dominated New People's Army.

Instead of waiting until the New People's Army is on the verge of winning power, the United States should press for political and economic reforms now, while there is still time to prevent a guerrilla victory.

During recent years, the New People's Army has expanded beyond the island of Luzon and established itself as a truly national insurgency. It has 10,000 to 20,000 men under arms, who collect taxes and dispense "justice." They exert substantial or even controlling influence in roughly one-fifth of the barrios, the country's smallest political unit. The insurgents' front group, the National Democratic Front, can mobilize tens of thousands of people—mostly non-Communists—for anti-Government demonstrations.

There are several reasons for the dramatic increase in opposition to the Government and support for the New People's Army. Real wages have fallen by more than one-third in the past decade. The country is groaning under a $25 billion foreign debt. Through the establishment of monopolies and the centralization of corruption—what Filipinos call "crony capitalism"—the country's top leadership has siphoned off the nation's wealth on a vast and unprecedented scale.

The combination of economic deterioration and political repression has created a situation in which more and more people see the rebels as an alternative to the regime of President Ferdinand E. Marcos. The widespread belief that the Government was responsible for the Aquino assassination has greatly accelerated these trends. Compounding the problem, many units of the Philippine Constabulary and Army are often brutal and corrupt. Their actions probably do as much to fuel the insurgency as to control it.

Thus, the Philippines bears a certain resemblance to South Vietnam in the late 1950's. Once again, the United States appears tied to a corrupt and inefficient Government that has lost the confidence of its people.

There are, to be sure, important differences between the two situations. The New People's Army has no sanctuaries in neighboring countries and, unlike the Vietnamese Communists, is not receiving any outside support. It has not yet succeeded in seizing the nationalist banner as Ho Chi Minh did in Vietnam, and it must contend with the democratic tradition of the Philippines. There is little prospect of a Communist takeover in the next several years, but such a threat could easily materialize by the early 1990's without fundamental political and economic reforms.

A Communist victory in the Philippines could have extremely adverse consequences for the United States. The flickering flame of democracy, which we helped kindle, would be permanently extinguished. We would almost inevitably lose our air and naval bases at Clark Field and Subic Bay, which greatly facilitate our ability to preserve the peace and maintain a balance of power in Asia. Their loss would also shake the confidence of our friends in the area in our ability to fulfill our commitments to them.

The best way to forestall the further growth of the New People's Army would be to restore democracy, giving the democratic opposition a genuine opportunity to compete for power and providing an alternative to violence as a way of bringing about fundamental change. Some have hailed the opposition's gains in the recent elections and the emergence of a freer press as evidence of significant political liberalization. But what the tremendous turnout at the polls really indicated is that the Filipino people want democracy—not that democracy has been restored.

The National Citizens Committee for Free Elections, which mobilized 150,000 volunteer poll-watchers, estimates that the elections were so fraudulent in one-quarter to one-third of the races that the opposition rather than the Government would have won a majority in the National Assembly if the vote had been honest. Moreover, all television and most radio stations—the main source of news, for Filipinos—are controlled by Marcos supporters and allow the opposition limited access.

What can the United States do? We must distinguish between support for the Filipino people and support for Mr. Marcos. An alliance with the Filipino people is essential to preserving our long-term relationship with the country. Identification with the Marcos regime must be avoided if we are to escape political disaster.

Some would argue that we should suspend our present aid program to the Philippines unless basic reforms are made, or even end our aid in an effort to force President Marcos from office on the grounds that no solution to the crisis is possible as long as he holds power. Yet given the limited size of our aid program—$240 million a year—such a cutoff could easily backfire. Mr. Marcos might make a bid for popular support by adopting a rabidly nationalistic, anti-American stance. Nor can we be sure, in those circumstances, that his successor would be better. Finally, ending American aid could jeopardize our access to the bases.

Given the deteriorating situation and the limits of American power, we are faced with extremely difficult choices. Yet the American stake in stability and democracy in the Philippines requires that Washington use all its influence to persuade Manila to make essential reforms.

Our leverage would be the offer of a large-scale economic assistance program—separate from the bases agreement—and cooperation with the International Monetary Fund's efforts to reschedule the country's huge foreign debt. This should be granted only on two conditions. The first would be a return to full-scale democracy, including genuinely open press and broadcasting and the abolition of Mr. Marcos's power to legislate by decree. The second would be the elimination of widespread corruption and a restructuring of the economy—including

dismantling the sugar, coconut and grain monopolies—in order to reverse the country's economic decline and growing income disparities.

There is no guarantee that such a strategy would work. But against the background of economic crisis, public pressure on Mr. Marcos might become so strong that he would accept the offer. Even if he did not, we would have sent a powerful message to the Filipino people that the United States cares about their future and wants to preserve the historic ties between our two nations.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 12 noon, with statements therein limited to 10 minutes each.

RELIGIOUS FREEDOM AND RELIGIOUS TOLERANCE

Mr. BUMPERS. Mr. President, no person in a position of responsibility should ever remain silent when a constitutional right is being abused or peoples' religious beliefs are threatened, no matter how minutely.

I am reluctant to speak this morning, and I won't mention a group by name because it would only give them publicity and, to some extent, credibility. But I also know that the Holocaust was a result of leaders cowering under their desks, too frightened to speak out about what they knew was wrong and what was coming as a result.

McCarthyism swept this country in 1951, and while I was not here at the time, I suspect that in both of our cloakrooms in the back of this Chamber, Senators were deploring McCarthyistic tactics while continuing to vote for everything that Senator McCarthy presented on this floor because they were afraid of their constituencies and worried about their next election.

So I rise today to make sure I am never accused of falling into that category.

Mr. President, I rise to protest the literature that has been placed under the windshield of almost every automobile in the Washington-Maryland-Virginia area and in other parts of the country as well. Literature that contains the most scurrilous, outrageous pack of outright lies about the Pope and the Catholic church.

I would rise today as a Senator to protest this literature no matter from where it emanated, but I am very sad to say that this literature came from an organization that is in my home State.

Mr. President, the reason I speak is because I want to assure the rest of the Nation, Catholic and non-Catholic, that this literature is sickening to every person in Arkansas, as well as every person in the rest of the Nation who is unfortunate enough to find it under his windshield wiper or see it posted in a public place, as it has been in downtown Washington.

I think every Senator at some time or other has had to apologize for some group in his State which is engaged in some aberrational conduct or some abuse of a right that is guaranteed under the Constitution.

But these despicable groups, filled with venom and hate, are anathemia to every citizen of every State and especially my State, and they are the antithesis of everything we love, everything that has made this Nation great.

Religious freedom is at the very root of the strength of this Nation, and religious tolerance is our greatest strength.

So I speak out today to say to this group, and any other like-minded group that they will have to walk over at least this Senator's body before their insane, mindless hatred becomes an acceptable code of conduct in this Nation.

Mr. President, it is their right under the free speech clause of the Constitution to do what they are doing, but it is my duty under the same Constitution, and under the same first amendment, to protect every citizen of this country in his or her religious beliefs.

I have a right and in this case, a duty to speak out when someone attempts, through a constitutional freedom, to deprive others of another cherished constitutional freedom—freedom of religion.

Mr. President, when I was sworn in to the Senate of the United States, I held up my right hand, as we all did, and swore that I would uphold the Constitution of the United States, and I swore to uphold not just one part of it but all of it.

Mr. President, I yield the floor.

U.S. AMBASSADOR JAMES E. GOODBY

Mr. RUDMAN. Mr. President, I ask unanimous consent to place in the RECORD an important and timely statement by my constituent, Ambassador James E. Goodby, on the Stockholm Conference on Security in Europe. Ambassador Goodby, who is head of the U.S. delegation to the Stockholm Conference, explains how the West seeks through the Conference to address likely causes of war in Europe—miscalculation, faulty judgements, or uncertainty about the military intentions of an adversary—by devising accords that would make military activities in Europe more predictable and subject to inquiry and inspection as to their intent. Ambassador Goodby describes the background to the Conference, and outlines the constructive and forward-looking proposals the West has put forward at Stockholm. Unfortunately, the practical and effective Western proposals have not yet been matched by a show of equal determination on the part of the Soviets fully to develop the potential of the Conference to build mutual confidence and cooperation on military activities. The opportunity still exists, however, for the Soviet Union to follow the course of cooperation in Stockholm and make a start toward improving the existing system of international security in Europe.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SECURITY FOR EUROPE

(By James Goodby, Ambassador and Head of the U.S. Delegation to the CDE in Stockholm)

For the past ten years, the United States and its NATO allies have sought to ease the division of Europe through the process of dialogue, cooperation and critique created by the Helsinki accords of 1975. From the Helsinki process has now emerged a new negotiating forum which has the potential to create a system of security based on carefully defined cooperation in military affairs "from the Atlantic to the Urals". This is the Conference on Confidence- and Security-Building Measures and Disarmament in Europe, which opened in Stockholm last January.

The Stockholm Conference is different from "classical" arms control negotiations in that it addresses not the capabilities for war, the number of weapons and troops, but rather the most likely causes of war: flawed judgements or miscalculations stemming from fears of sudden attack and uncertainty about the military intentions of an adversary. It is highly unlikely that any war at all will commence in Europe. But if war should ever come, it probably would not be in the form of a "bolt-from-the-blue" attack by one side against another. The most probable cause of the outbreak of war would be some small incident, perhaps connected with a military manoeuvre, which would not be clearly understood, leading to confrontation and armed conflict. This nightmare is an improbable scenario but the stakes are so high that some reassurance against such a contingency would be in everyone's interest. If it is successful, the Stockholm Conference will negotiate and put into place certain procedures which could stop a fatal progression towards catastrophe.

Procedures which would make military activities in Europe more predictable would reassure governments that those activities were normal, routine and non-threatening. Procedures for questioning and verifying the essential character of specific military activities would provide more certain knowledge of the intentions of the parties to this agreement. Such reassurance would lead to increased confidence and security among all participating states. It could also, in time, lead to a habit of co-operation among participants on activities affecting their most vital national security interests, thus acting to dissolve distrust. From this, a new system of international security might emerge in Europe, which could soften some of the rougher edges of the adversarial relationship and provide a mechanism for preventing escalation towards crisis and war.

Proposals have been advanced by the sixteen members of the Atlantic Alliance which represent initial steps towards this ambitious goal. These proposals do not call for large changes in the military postures of the countries involved in the Stockholm Conference. That objective is for other negotiations. But if a first, substantial agreement can be achieved in Stockholm, the consequences can be of historic importance.

The Stockholm Conference will remain an integral part of the Helsinki process, and its achievements will be evaluated in a CSCE Follow-up Meeting scheduled for Vienna in 1986, which will also review progress in the other dimensions of the process, including human rights. As US Secretary of State George Shultz said when he addressed the opening of the Stockholm Conference last January, "True peace and security in Europe depend on a foundation of basic freedoms—not least of which is the right of peoples to determine their own future . . . Confidence-building in a larger sense means pursuing the work of Helsinki—through practical steps to break down barriers, expand human contact and intellectual interchange, increase openness, and stretch the boundaries of the human spirit".

ORIGINS OF THE STOCKHOLM CONFERENCE

Although the Stockholm Conference is the child of the Helsinki process, it has even more remote ancestors. When Soviet Foreign Minister Molotov in 1954 called for an all-European security treaty, he was giving expression to a key objective of Soviet policy, then and now: a security arrangement for Europe which would ratify postwar borders and, if possible, isolate the United States from European security affairs. With Western Europe thus isolated, the Soviet Union would be left in the position of supreme arbiter on the continent.

What the diplomacy of the Soviet Union and its allies eventually settled for was the Conference on Security and Co-operation in Europe (CSCE). But the conference was far from what the East had originally envisaged. In fact, it was much closer to western concepts.

Before the negotiations which led to the Helsinki Final Act could even begin, some long-standing issues dividing Europe had to be resolved or accommodated. An example was the signing of the 1972 Quadripartite Agreement on Berlin. And although Soviet accommodations to western interests were probably regarded as tactical concessions necessary for a longer-range strategy, the agreements which preceded or came from the Helsinki meeting created political dynamics which significantly altered the role of the CSCE as conceived by Moscow.

The Helsinki Conference and the process which flowed from it, in fact, came to support a grand strategy pursued by the United States and its allies which, in the broadest terms, sought to ameliorate the harsher results of the division of Europe; far more than a European Security Conference in the eastern sense, it also encompassed human rights, human contacts, economic issues, and cultural and educational exchanges. The Helsinki Final Act of 1975 accepted the Western concept that security embodies political, social, and economic concerns as well as strictly military concerns. The CSCE gave a particular impetus to the promotion of human rights, and it remains today a major forum for pursuing enhancement of fundamental principles of Western democracies.

Furthermore, by including both the United States and Canada as full partners in the process, the Helsinki Final Act reaffirmed the necessity for permanent American involvement in European security matters.

SHORTFALLS AND SHARED INTERESTS

Far from fulfilling a Soviet conception, the Stockholm Conference mandated in the Madrid CSCE review meeting in September 1983, emerged from a French idea for a multi-stage "Conference on Disarmament in Europe", which looked to a high-level forum on security and disarmament issues, linked to the CSCE process.[1] The French called for a first stage devoted to making significant improvements in those provisions of the Helsinki Final Act which called for notification and observation of military manoeuvres. A second stage would discuss broad disarmament issues.

The Helsinki process has shown that the West can pursue and achieve some limited objectives in negotiations with the East. Thus, there already has been experience with the kinds of co-operative security arrangements (which are referred to as confidence- and security-building measures) which the West seeks to enact in Stockholm. Those measures agreed in the Helsinki Final Act are modest in scope; they need to be expanded in Stockholm. Implementation of them has been imperfect; implementation needs to be strengthened in Stockholm. Nevertheless, experience with them and their implementation up to now has been instructive. It is possible even now to see how co-operation in security affairs can work, as well as how this co-operation needs to be improved.

The central features of the Helsinki security provisions were a measure calling for pre-notification twenty-one days in advance of certain military manoeuvres involving more than 25,000 troops and a measure calling for invitation of observers to those manoeuvres. There was also a measure calling for notification of some smaller-scale exercises involving fewer than 25,000 troops. The zone of application extended only 250 kilometers into the Western part of the Soviet Union.

In the eight and a half years since adoption of the Final Act, there have been nearly one hundred notifications of military activities in Europe involving well over two million men. Although the system has worked well on the whole, notable exceptions exist, and precisely in the case of the largest military manoeuvre conducted by a CSCE state since 1975: the USSR's Zapad 81, which took place in 1981 in the Soviet Union near the Polish border and which was not properly notified.

In accordance with the Helsinki agreements, observers have been invited to approximately fifty exercises. The West has extended more than thirty invitations; the United States alone has invited Warsaw Pact observers to ten exercises. The Eastern record is less impressive. The Warsaw Pact has announced more than twenty manoeuvres but has invited Western observers to less than half of these. And among the Western observers, American observers have been invited to Warsaw Pact manoeuvres only twice and not at all since 1979.

In the area of smaller-scale exercises, the West has notified twenty-nine manoeuvres. The Warsaw Pact has notified four.

On the basis of this record, clearly the thirty-five CSCE participants have not fully met the aspirations of the Final Act. In particular, they have not succeeded in dealing with the problem of misunderstanding or miscalculation concerning military activities where, in the words of the Final Act, "participating states lack clear and timely information about the nature of such activities". In spite of partial implementation of the Helsinki agreement, therefore, significant uncertainties still exist among the participating states about the military activities taking place in Europe and about the intentions which lie behind them. Such uncertainties can be destablizing, and this circumstance points the way to an interest which East, West and neutrals should hold in common.

THE WESTERN PROPOSALS

On 24 January 1984, the sixteen members of the Atlantic Alliance tabled a formal six-point proposal, the first of the Stockholm conference, the thrust of which was to make the military environment in Euope more understandable, predictable and stable. That the Sixteen were able to table a comprehensive document at the outset of the Conference is indicative of the unity and seriousness of purpose with which the Alliance has approached this negotiation.

In brief, the six Western measures are:

Measure 1, the *Exchange of Military Information*, which provides that, on a yearly basis, participants will inform each other about the structure of their ground and air forces in all of Europe, giving unit designation, normal headquarters location, and composition of the forces.

Measure 2, *Exchange of Forecasts of Activities Notifiable in Advance*, calls for an exchange of forecasts, again on a yearly basis, of military activities. The forecasts would furnish the name of the exercise, the countries participating, the size and type of forces involved, and the place and time it would occur. The forecasts would also list the purpose of the exercise.

Measure 3, *Notification of Military Activities*, calls for notification, forty-five days in advance, of activities involving field training of units at division level or above and notification of certain mobilization and amphibious exercises.

Measure 4, *Observation of Certain Military Activities*, requires states to invite observers from all other states to all pre-notified activities and to certain alert activities.

Measure 5, *Compliance and Verification*, has two parts. States agree not to interfere with the "national technical means"[2] of other states; secondly, participating states may send observers, on a limited basis, to observe activities which seem not to be in compliance with negotiated agreements.

Measure 6, *Development of Means of Communication*, asks that the participating states develop better means and procedures for urgent communications.

These measures are mutually reinforcing. Their objective is to reduce tensions, to promote common understanding among all participants, and to diminish the danger of armed conflict arising from misunderstanding or miscaluation. They focus on preventing a sequence of events which has all too

[1] See Nicole Gnesotto, "Conference on Disarmament in Europe opens in Stockholm," NATO Review No. 6, 1983.

[2] National Technical Means (NTM) refer to assets which are under national control for monitoring compliance with the provisions of an agreement. NTM includes photographic reconnaissance satellites, aircraft-based systems (such as radar and optical systems), as well as sea- and ground-based systems (such as radars and antennae for collecting telemetry).

often led to war on the continent of Europe: the incident, military movement, or political event which is misunderstood, with misunderstanding leading to suspicion, reaction, escalation, and perhaps confrontation and conflict.

AND HOW THEY WORK

The six points of the Western proposal can be implemented easily with a minimum of intrusion into or alteration of normal, non-threatening military activity. The process would work something like this:

A context of basic information is established through Measure 1, near the end of each year. Much of the information which would be exchanged is already available to the CSCE states through other means. At the same time, under Measure 2, a state would advise the other participants of its planned military activities during the next calendar year. Incidentally, because modern training and rotational activities are complex and are planned a year or more in advance, military forces routinely develop this kind of information.

Measure 3, on pre-notification, then provides more detail, and also a cross-check on the forecast. If a state should notify under Measure 3 an activity not previously forecast, other countries could demand an explanation of the apparent anomaly. A nation with aggressive intent would be raising an alarm against itself if it announced an exercise which it had not forecast, and, of course, this alarm would sound even louder if a country failed either to forecast or to notify forty-five days in advance of the event. The measures are thus self-enforcing.

The observers called for in Measure 4 serve to verify that activities are as they have been advertised. But there may be occasions where one state sees, or thinks it sees, an activity that has not been notified but should have been. In such a case, under Measure 5, suspicions can be alleviated or confirmed by asking for verification, either by direct observation, if necessary, or by some other appropriate means. The communications network of Measure 6 could be utilized to seek further information on a potentially destablizing event.

These measures would not, in themselves, prevent war. They could not absolutely prevent one state from using force for political intimidation. But they could make unwanted confrontation less likely, and they could raise the political cost of using force to intimidate. By establishing a pattern of routine activities, anomalies would stand out clearly. Governments would know with reasonable certainly what was supposed to happen. If a departure from the routine pattern occurred, they would have some time to clarify the situation before political tensions escalated or in time to take counteraction against a real threat. The result, over time, should be an increase in confidence and stability among the participating countries.

The six points of the Western package are, as required by the mandate for the Stockholm Conference, militarily significant, politically binding, verifiable, and applicable to the whole of Europe. The Helsinki measures were less meaningful in military terms. They applied only to part of Europe, most of the European Soviet Union being excluded. Exercises to be notified were larger. The notification period was only twenty-one days, as opposed to forty-five. There was no exchange of information to establish a base of knowledge. There was no annual forecast. And, the Helsinki measures were largely voluntary. The measures proposed by the West in Stockholm are meant to be mandatory.

HOARY IDEAS

All thirty-five states, to one degree or another, have supported an expansion of the measures of the Helsinki Final Act. But, of course, differences exist. The Soviet Union chose for Stockholm a collection of rather hoary ideas, which are hardly the grist for a serious security negotiation. This incongruous approach, drawing on a stock of old proposals, would be compatible with the thesis that Moscow has still not fully assessed the potential of the Stockholm Conference.

At the outset, however, Soviet behaviour in Stockholm has been consistent with at least one of the goals they have pursued throughout the Helsinki process: the Soviet Union has tried to use the Conference for image-building, attempting to portray Moscow as the defender of peace and the United States and some of its allies as aggressive, militaristic adventurers. The Soviet Union has also sought to find and exploit differences between the United States and Europe. This self-serving approach has not caught on either among other delegations or with the European or American publics, but it has prevented the Conference from getting quickly down to business.

The Soviet Union has raised two objections to the Western proposals. It claims that they amount to "legalized espionage" and that they are technical and too trivial to affect the security situation that exists today in Europe.

While it is true that the Soviet Union is a closed society in which routine information is much harder to obtain than in the West, it is not true that the Western measures seek to expose important secrets of the Soviet military establishment. The information exchange and forecast measures ask for facts which frequently are already available in the public domain. The notification measure involves only field exercises, not other sensitive areas. Nor would observers prowl at will all over Soviet or any other territory. They would visit the area where field training exercises were taking place. Even the most superficial examination of the Western measures deflates the contention that they aim at any kind of espionage.

The second Soviet charge is that the Western proposals involve trivial technical matters which would do little or nothing to enhance security in Europe. For its part, the Warsaw Pact has offered six alternative proposals: agreements on the non-use of force, the non-first-use of nuclear weapons, nuclear weapons free zones, reduction of military budgets, a chemical weapons ban in Europe, and expansion of the confidence-building measures of the Helsinki Accords.

Many of these ideas have been around for a long time, some for a quarter of a century or more, and they have failed in all that time to gain consensus among the states now participating in the Stockholm Conference. Furthermore, the chemical weapons ban is currently being negotiated in Geneva; the UN annually tries to carry on a study of military budgets, where the Soviets and their allies have been entirely unco-operative.

The non-use of force proposal, usually combined with a proposal not to be the first to use nuclear weapons, has emerged as the flag-ship of the Warsaw Pact's entries. The Western countries have never questioned the principle of non-use of force; we all subscribe to it in the UN Charter, the Helsinki Final Act and, most recently, in the concluding Document of the Madrid CSCE Review Meeting last year. The point that we have made in Stockholm is that the principle must now be given effect and expression through an agreement on practical measures which will affect the everyday behaviour of the thirty-five participating countries and their military establishments. In order to make clear the American view on this issue, President Reagan, in a major policy statement on 4 June, announced explicitly that "if discussions on reaffirming the principle not to use force, a principle in which we believe so deeply, will bring the Soviet Union to negotiate agreements which will give concrete, new meaning to that principle, we will gladly enter into such discussions".

In expressing Western willingness to meet the Soviet concerns and to explore every reasonable avenue for progress to serious negotiations, the President clearly and specifically identified the context in which the non-use of force principle must be approached. "Mere restatement of a principle all nations have agreed to in the UN Charter and elsewhere", he said, "would be an inadequate conclusion to a conference whose mandate calls for much more. We must translate the idea into actions which build effective barriers against the use of force in Europe." The United States is prepared to discuss reaffirmation of the principle of non-use of force; the discussion must be in the context of negotiations on measures that will have a real impact on military activities in Europe.

Proposals made in the Stockholm Conference by the Soviet Union in fact recognize such a context. The Soviet Union, supported by other Warsaw Treaty Organization countries, has proposed an expansion of the Helsinki confidence-building measures in ways that could prove to be similar in kind to proposals offered by NATO countries and by the neutral and non-aligned countries in the conference. These proposals remain on the periphery of the Eastern presentations; the West hopes they will move closer to the centre of understanding shared by nearly all the other participants in the conference. In keeping with President Reagan's 4 June initiative, the West is seeking to encourage the East to recognize the possibilities for progress and move to join the developing consensus.

A TIME FOR CHOICE

Some observers, especially in the East, like to characterize the current international situation as a time of deep crisis between East and West, a time of tension so great that normal discourse between East and West is all but impossible. The necessity for choice remains, however, no matter how one characterizes the current European scene, reacts to it, or allocates the credit for it. The thirty-five nations of the Stockholm Conference are beginning the process of deciding, incrementally, what to make of this new forum. This includes the Soviet Union, of course, and the evidence suggests that Moscow, even though its grand strategy and ultimate objectives remain unchanged, is now far from certain how it should proceed with its original idea of a European Security Conference under present-day circumstances.

For the Atlantic Alliance, the process of inventing and agreeing on the six confidence- and security-building measures tabled by the Alliance on 24 January required an effort which testifies to the Alliance's intentions in Stockholm. The neutral or non-aligned group of nations also accepts

the proposition that the Stockholm Conference can be a path to genuine improvements in security. Thus, the majority of participants already agree that the potential of Stockholm should be seriously explored.

The Soviet Union now faces a choice of whether to exaggerate differences in its relations with the West or to try, at Stockholm, the path of greater co-operation, looking not for unilateral gain but for mutual advantage. Relations between the United States and the Soviet Union are not destined to be trouble free. There will always be competitive elements in relations between systems with such different social, political, and economic values. But limited cooperation is possible in security affairs as in other areas.

If the Soviet Union decides that its interests lie in following a co-operative rather than an adversarial course, the Stockholm Conference can make a start towards improving the stability of the current system of international security. In so doing, it can lay the foundation of confidence and experience essential for more ambitious and complex negotiations in the future.

In itself, the Stockholm Conference can be a forum of co-operative action, offering an opportunity to restart the international dialogue and improve the climate of relations among states. What is needed now is a commitment from all thirty-five participating states, including the Soviet Union, to seize that opportunity.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECLAMATION SAFETY OF DAMS ACT AMENDMENTS

Mr. BAKER. Mr. President, there is one matter which has been cleared with the distinguished minority leader, I understand, and has been cleared on this side of the aisle for action by unanimous consent.

Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 1652, Calendar Order No. 719.

The PRESIDING OFFICER. The bill will be stated by title.

The bill clerk read as follows:

A bill (H.R. 1652) to amend the Reclamation Safety of Dams Act of 1978, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the bill.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

SAFETY OF DAMS

Mr. McCLURE. Mr. President, the Reclamation Safety of Dams Act which was signed into law by President Carter on November 2, 1978 authorized the appropriation of $100 million to the Secretary of the Interior for purposes of a dam safety program for the Bureau of Reclamation. The act established the ground rules under which the Secretary was authorized to construct, operate, and maintain new or modified features at existing Federal reclamation dams for safety purposes.

The act specifically provides that the funds were to be used only for safety purposes and not for providing additional water storage capacity or the development of benefits in addition to those which were provided by the additional structure. Costs of the program which resulted from age and normal deterioration of structures or from nonperformance of reasonable and normal maintenance were to be treated as project costs and reimbursable to the Federal Government by project participants in accordance with existing law.

For the benefit of my colleagues, I think it appropriate that we review the origins of the Reclamation Safety of Dams Act and why amendments to that act are presently before the Senate.

Three events of the 1970's served to focus public and congressional attention on the problems associated with dam safety.

I am sure my distinguished colleagues from West Virginia recall the tragic circumstances surrounding the failure of the Buffalo Creek Dam in February 1972. As they will recall, on the morning of February 26, Buffalo Creek Dam failed sending 400-acre feet of debris laden water down the Buffalo Creek Valley wiping out the town of Saunders, leaving 4,000 people homeless and taking the lives of 125 people. Damage claim settlements were about $26 million and in addition the Federal Government provided $6.3 million in disaster relief assistance.

Just a few months later, on June 9, 1972, Canyon Lake Dam in South Dakota failed, destroying half of the town of Rapid City leaving 5,000 people homeless, and taking the lives of 240 people. Damages were estimated at $60 million and Federal aid was $23 million.

Finally, in my own State of Idaho, on June 5, 1976, the failure of Teton Dam. As many of my colleagues will recall, Teton Dam was completed by the Bureau of Reclamation in November 1975. The Teton Dam failure caused 11 deaths, disrupted the lives of thousands, cost the Federal Government over $350 million in damage claims and in disaster assistance. And in addition the Federal Government is now denied the revenues from a 20,000 kilowatt powerhouse and the social and economic benefits accruing from the irrigation of 150,000 acres. We are also out of pocket the $79 million for the construction of Teton Dam and powerhouse.

Such were the events of the time which lead the Carter administration to propose to the Congress a bill to authorize the Reclamation of Safety of Dams Program. As originally proposed, the bill contained an open-ended authorization; however, in keeping with committee custom in the authorization of water resource programs, both the Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs amended the administration's proposal to include an appropriation ceiling of $100 million which was believed adequate to address the dam safety problems which has been identified up to that time.

It is because of that cost ceiling that we are called upon to consider amendments to the act. As additional information was developed by the Bureau of Reclamation it became apparent that the original authorization is inadequate to address the dam safety insufficiencies discovered through further investigation.

Mr. President, I ask unanimous consent that a tabulation prepared by the Bureau of Reclamation showing the status of safety work under the program be included in the RECORD at this point.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

DAMS ON WHICH CORRECTIVE ACTION IS EITHER COMPLETE OR UNDERWAY

[Costs through Feb. 28, 1984]

Name of dam	Location	Modification schedule		Expenditures to date		Estimated additional funds required	Total estimated cost	Nature of safety deficiency and corrective action
		Start	Complete	E&R center	Region			
Gibson Dam, MT	Upper Missouri	7/11/80 5/06/81 7/20/83	11/5/81 5/27/83 4/02/84	11,720	3,188,165	92,829	3,292,714	Dam failure due to revised inflow design flood. Corrective action to anchor downstream abutments and various work on dam structure also electrical modification and supervisory control equipment were installed.
Deerfield Dam, SD	Upper Missouri	05/82	12/84	18,697	5,844,810	456,360	6,319,867	Dam failure due to revised inflow design flood. Corrective action to provide sufficient surcharge storage and spillway capacity.

DAMS ON WHICH CORRECTIVE ACTION IS EITHER COMPLETE OR UNDERWAY—Continued

[Costs through Feb. 28, 1984]

Name of dam	Location	Modification schedule		Expenditures to date		Estimated additional funds required	Total estimated cost	Nature of safety deficiency and corrective action
		Start	Complete	E&R center	Region			
Lake Sherburne Dam, MT	Upper Missouri	05/82	11/83	165,653	3,492,093	None	3,567,746	Dam failure due to revised inflow design flood. Corrective action to provide increased surcharge storage.
Willow Creek Dam, MT	Upper Missouri	NA	NA	3,423	343,980	None	247,403	Potential failure of spillway due to revised inflow design flood. Corrective action to provide an early warning system to alert downstream residents of major flood or structural failure.
Island Park Dam, Stage I; Stage II, ID	Pacific Northwest	03/79	03/85	23,987	4,327,382	3,513,045	7,864,414	Stage I.—Completed. Existing spillway was badly deteriorated and unsafe. Corrective action to provide safe operation of spillway and continued availability of project benefits. Stage II.—Two hazardous conditions—liquefaction potential exists on 40 percent of dam and dike foundation materials. Also, dam failure can result from occurrence of revised inflow design flood. Corrective action to protect against failure caused by earthquake or severe flood.
Heart Butte Dam, ND	Upper Missouri	09/86	10/88	30,675		4,260,000	4,290,675	Dam failure due to revised inflow design flood; corrective action to provide sufficient spillway capacity to pass revised inflow design flood.
Pactola Dam, SD	Upper Missouri	02/85	09/87	538,802		9,350,000	9,888,802	Dam failure due to revised inflow design flood; corrective action to provide sufficient surcharge storage and spillway capacity.
Horsetooth Dam, WY	Lower Missouri	03/85	08/86	182,790		4,024,000	4,206,790	Dam failure due to revised inflow design flood; corrective action will contain inflow design flood water by raising the crest of the dam.
Fruitgrowers Dam, CO	Upper Colorado	09/85	12/86	328,588		1,882,000	2,210,588	Hydrologic problem; replace spillway.
T. Roosevelt Dam, AZ	Lower Colorado	1988	1997	3,352,970		85,400,000	88,752,970	Seismic problem; install drainage gallery. Hydrologic problem; spillway modification.
Horseshoe/Cliff Dam, AZ	Lower Colorado	1988	1998	19,305 20,559		127,500,000	127,539,864	Hydrologic problem; breach Horseshoe; Construct Cliff Dam (solves spillway problems at Bartlett Dam).
Stewart Mountain, AZ	Lower Colorado	02/88	1993	605,141	347,990	40,200,000	41,153,131	Hydrologic—spillway addition; seismic—foundation modification.
Hormon Flat Dam, AZ	Lower Colorado	1988	1991	3,249		5,500,000	5,503,249	Seismic Problem—install seismic rock anchors.
Horse Mesa Dam, AZ	Lower Colorado	1988	1991	45,797		5,500,000	5,545,797	Seismic problem—install cable rock anchors.
Bartlett Dam, AZ	Lower Colorado	1988	1991	15,555		6,500,000	6,515,555	Seismic problem—install cable rock anchors.
Stony Gorge Dam, CA	Mid-Pacific	07/84	11/85	4,988	1,243,188	3,586,307	4,834,403	Hydrologic Problem.
Lahontan Dam, NV	Mid-Pacific	11/82	11/84	0	5,134,664	1,729,402	6,864,066	Hydrologic; Possible liquefaction.
Guernsey Dam, WY	Lower Missouri	07/83	09/84	69,470	476,490	262,818	808,778	Dam failure due to revised inflow design flood. Corrective action will modify the north spillway to restore ability of the dam to pass the inflow design flood.

Mr. McCLURE. Mr. President, the paramount objective of the Safety of Dams Act is to protect lives and property. The philosophical basis underlying the existing law is that the United States, having designed and constructed a dam which it now finds to pose a major threat to the lives and property of its citizens, shall proceed with the utmost expediency to eliminate the source of danger. We have a moral obligation to provide the necessary authority to ensure the safety of those individuals whose lives and property would be in jeopardy should a Federal dam fail. We also have an obligation to the taxpayer to protect his interest in Federal property and the costs of ensuing damages should that structure fail.

Should the Congress not enact the necessary authority to proceed with the safety of dams program, we have failed our obligation.

It is my understanding that the Senator from Ohio [Mr. METZENBAUM] will offer an amendment to this bill.

Mr. President, I would like to state at this time that the substance of the amendment by the Senator from Ohio has been reviewed by staff, the offices of several interested Members, and by representatives of the water resources community. The consensus is, that the amendment offers a reasonable, albeit grudgingly accepted compromise. Frankly, it is difficult to explain to a reclamation farmer whose livelihood is dependent upon a government dam, and has been for sometime, that he must pay additional costs to make the structure safe. That explanation is something that we from the Western States will have to live with and manage the best we can. But in the interest of protecting lives and property, I am willing to accept the amendment of the Senator from Ohio.

This is a carefully negotiated amendment which responsibly answers the questions by the Senator from Ohio raised during consideration of the issue by the Committee on Energy and Natural Resources; both in this and the 97th Congress.

As proposed, the amendment provides that beneficiaries of Bureau of Reclamation water resource projects will shoulder an appropriate share of dam safety expenditures. The key element in the amendment is the provision that the additional funding authorized by the bill is subject to reimbursability to the Treasury according to the formula explicitly provided in the amendment by the Senator from Ohio. I would point out for the benefit of my colleagues that whereas the House bill simply addresses reimbursability for additional benefits bestowed by dam safety modifications; the amendment by the Senator from Ohio includes repayment of expenditures which are solely the result of needed safety modifications.

As I understand the amendment, it is clear to me that the original $100 million authorization as provided in the Reclamation Safety of Dams Act of 1978 is not subject to the repayment or reimbursability requirements that would be imposed by the amendment for the additional $650 million for dam safety repairs that would be authorized by H.R. 1652. It is also clear that expenditures made pursuant to the authority of H.R. 1652 are subject to reimbursability requirements as delineated in the new section 4(c) to the Reclamation Safety of Dams Act of 1978 as amended by the Reclamation Safety of Dams Act of 1984. Section 4(c) requires that 15 percent of the costs of dam safety work be allocated to the authorized purposes of the structure and be reimbursed to the Treasury in accordance with criteria established by subparagraphs 1, 2, 3, and 4, of section 4(c). In keeping with long established congressional policy which has been reiterated in many authorization acts, those costs which are allocated to irrigation are to be reimbursed without interest and subject to the ability of the water user to repay.

In turn, those costs properly allocated to municipal and industrial water supply, the generation of electric power, or repayment pursuant to the Federal Water Project Recreation Act are to be repaid with interest. I might point out for the benefit of my colleagues, that repayment of these costs, with interest, is also in keeping with existing reclamation law. I am also pleased that certain other costs, including flood control, as allocated will remain nonreimbursable.

The amendment by the Senator from Ohio also addresses perhaps a unique problem, and that is the need to modify the Jackson Lake Dam, a feature of the Minidoka Project, Idaho-Wyoming while at the same time subjecting costs of safety modifications to the reimbursability requirements included in the proposed amendment.

I am sure that many of my colleagues are familiar with the physical circumstances surrounding the need to address the safety problems at Jackson Lake Dam. The structure was built almost 80 years ago in an active earthquake area utilizing a process and material that is not acceptable to present day construction standards. Jackson Lake Dam is a threat to downstream

residents and failure of the structure would be catastrophic to the lives and property of thousands in Wyoming and Idaho. The amendment recognizes the fact that Jackson Lake Dam has been paid for long ago by project beneficiaries and that costs of dam safety work which are to be allocated pursuant to the amendment would be allocated in accordance with operation and maintenance charges.

I am also pleased to see that the Senator from Ohio does not intend that expenditures and related repayment contracts will subject project beneficiaries to the requirements of the Reclamation Reform Act. Obviously, we both agree that dam safety expenditures pursuant to the amendment proposed by the Senator from Ohio do not impose, or reimpose the acreage or other limitations of the Reform Act. Frankly, the reimbursability requirements that would henceforth be required pursuant to these amendments were not foreseen by the Federal Government nor by the project beneficiaries when they entered into good faith repayment contracts with the Secretary of the Interior.

I want to make sure, however, that it is clear that in the event that the Secretary discovers a structure that is in immediate danger of failure, he may do all within his power to prevent such a failure and without regard to the repayment requirements contained in the amendment. I am sure that neither the Secretary of the Interior nor any of my colleagues would want to delay dam safety related work under emergency conditions because of repayment requirements.

For two Congresses, the issue of dam safety has been obscured by the seeming controversy as to who should be responsible for payment of dam safety costs. Critics of the program allege that new benefits are bestowed upon project participants over and above those they already receive. Nothing could be further from the truth. The original act is crystal clear, and I quote from section 3 of the act:

Construction authorized by this act shall be for the purpose of dam safety and not for the specific purposes of providing additional conservation storage or of developing benefits over and above those provided by the original dams and reservoirs.

The real benefits of the Reclamation Safety of Dams Program are to the Nation and not the project participants. The dam safety program is designed to protect the Federal interest in Federal property, the Federal interest in payment to the Treasury, the Federal interest in the employment, the industrial base, the agricultural productivity, and the increased return in taxes that result from water resource development. By preventing dam failure, we will relieve the taxpayer from the burden of damage claims, disaster relief assistance, or the loss of Federal property and revenues.

It is with a sense of great relief that I stand here to witness passage of this legislation—relief on behalf of those whose lives and property are threatened by unsafe Federal dams. We must maintain the momentum of the Reclamation Safety of Dams Program by providing sufficient funding authority.

AMENDMENT NO. 3664

(Purpose: To provide for the reimbursement of certain dam safety costs)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 3664.

Mr. METZENBAUM. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(a) At the end of page 1, line 2, insert the following: "That this Act may be cited as 'The Reclamation Safety of Dams Act Amendments of 1984' and".

(b) Beginning on page 1, line 5, strike all through page 2, line 8, and insert in lieu thereof:

"(1) In subsection 4(b), strike 'Costs' and insert the following in lieu thereof: 'With respect to the $100,000,000 authorized to be appropriated in the Reclamation Safety of Dams Act of 1978, costs'.

"(2) After section 4(b), add the following new subsections:

'(c) With respect to the additional $650,000,000 authorized to be appropriated in The Reclamation Safety of Dams Act Amendments of 1984, costs incurred in the modification of structures under this Act, the cause of which results from new hydrologic or seismic data or changes in state-of-the-art criteria deemed necessary for safety purposes, shall be reimbursed to the extent provided in this subsection.

'(1) Fifteen percent of such costs shall be allocated to the authorized purposes of the structure, except that in the case of Jackson Lake Dam, Minidoka Project, Idaho-Wyoming, such costs shall be allocated in accordance with the allocation of operation and maintenance charges.

'(2) Costs allocated to irrigation water service and capable of being repaid by the irrigation water users shall be reimbursed within fifty years of the year in which the work undertaken pursuant to this Act is substantially complete. Costs allocated to irrigation water service which are beyond the water users' ability to pay shall be reimbursed in accordance with existing law.

'(3) Costs allocated to recreation or fish and wildlife enhancement shall be reimbursed in accordance with the Federal Water Project Recreation Act (79 Stat. 213), as amended.

'(4) Costs allocated to the purpose of municipal, industrial, and miscellaneous water service, commerical power, and the portion of recreation and fish and wildlife enhancement costs reimbursable under the Federal Water Project Recreation Act, shall be repaid within 50 years with interest. The interest rate used shall be determined by the Secretary of the Treasury, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the applicable reimbursement period during the month preceding the fiscal year in which the costs are incurred. To the extent that more than one interest rate is determined pursuant to the preceding sentence, the Secretary of the Treasury shall establish an interest rate at the weighted average of the rates so determined.

'(d) the Secretary is authorized to negotiate appropriate contracts with project beneficiaries providing for the return of reimbursable costs under this Act; *Provided, however,* that no contract entered into pursuant to this Act shall be deemed to be a new or amended contract for the purposes of section 203(a) of P.L. 97-293.' "

(c) Renumber the subsequent subsections of the bill.

(d) On page 3, line 7, after "Texas," add the following: "and Foss Dam, Oklahoma,".

Mr. METZENBAUM. Mr. President, this amendment represents the end of a 3-year controversy over who should pay the cost of repairing unsafe Federal dams in the West. While it falls considerably short of what I would like, it nonetheless is a giant step toward a more sound national water resource policy.

The bill would authorize $650 million in repairs at more than 30 dams in the West. I have contended that local users should share the costs of the repairs. While the dams were built and are owned by the United States, their safety defects are not the result of poor design or poor workmanship. Rather, new state-of-the-art design criteria or new hydrologic and seismic data have cast into doubt the safety of the dams.

Over the years, an unassailable principle of Federal water law has been that, where there are local benefits, local beneficiaries should help pay. It seems equally unassailable to me that, where a repair is necessary to continue a benefit, local users should be willing to pay.

Until today, local users were unwilling to contribute to the cost of making the dams safe. They sincerely felt that, since the Federal Government built the dams, the Federal Government should pay to fix them.

Ever since this bill emerged from the Energy Committee a year ago, these two positions have seemed irreconcilable. But the recognition on all sides that the bill must pass led to negotiations which have yielded a compromise we can all accept.

I support this amendment largely because it establishes two landmarks for national water policy legislation.

Cost sharing has always been part of water project development, but dam safety has stood almost alone as the only water resource function not subject to cost-sharing. With this amend-

ment, we bring dam safety into the cost-sharing corral. In doing so, I believe, we establish the principle that virtually no Federal water investment shall be immune from cost sharing. For if we can apply cost sharing to dam safety repairs, arguably the most critical of all water resource functions, then we should apply cost sharing to virtually any water resource investment.

As far as I'm concerned, this bill establishes a base from which all future cost-sharing debates should begin.

This bill also provides that costs allocated to municipal and industrial water customers and costs allocated to recreation, fish and wildlife, and commercial power be repaid with interest fixed at market rates.

For decades, Congress has subsidized western water development through below market interest rates governing repayment of Federal water investments. For example, the interest applied to all units of the central Arizona project, regardless of when construction begins, is 3.2 percent. Thus, a unit built in 1984 or 1990 will carry the same rates as a unit started in 1970. Taxpayers throughout the country have paid a heavy price for this unwarranted subsidy. With this bill, for the first time we have set terms requiring repayment with interest based on market rates. I believe this represents the end of the policy where taxpayers in Ohio, Florida, and elsewhere subsidize western water development through below market financing.

Under the amendment, the Federal Government would pick up 85 percent of the dam safety repair costs while local beneficiaries would pay the remaining 15 percent. Repayment by farmers would be treated on an interest-free, ability-to-pay basis, as has been the case for more than fifty years. Municipal and industrial water users and others would repay their entire share over 50 years, with interest computed on the average market yield of long term Treasury obligations.

As I said, this amendment does not go nearly as far as I should like, but too much is at stake to hold the bill up indefinitely. Too much farmland and too many communities are endangered. Indeed, too many lives are threatened.

As difficult as it has been for me to compromise, I recognize that supporters have had an equally difficult time. This is a bread-and-butter issue to them; it hits their constituents squarely in the pocketbooks. That is why I want to particularly commend the work of Senator DECONCINI, who spearheaded the drive to reach this compromise, and Representative UDALL and Governor Babbit of Arizona who nurtured it. Each of them, in his own way, did much to make it possible for this compromise to be arrived at. They did so at great political risk and demonstrated considerable courage and leadership.

I also commend Senator MCCLURE for his role in this compromise. I know he feels strongly that local users should not pay a share of these costs and I am sure he swallowed long and hard before getting on board. In the end, all of us have put the overriding national need for this bill ahead of our own political agendas.

Mr. DECONCINI. Will the Senator yield?

Mr. METZENBAUM. I yield to the Senator from Arizona.

Mr. DECONCINI. Mr. President, I ask unanimous consent that if the amendment of the Senator from Ohio does not have the name of the junior and senior Senators from Arizona on it as cosponsors, their names be added.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, swift passage of the reauthorization of the Reclamation Safety of Dams Program is tantamount to the protection of the health and safety of millions of American citizens in the Western United States. We have attempted, year in and year out, to get this body to pass legislation raising the authorization ceiling for safety repairs at Federal reclamation dams from the current $100 million to the $750 million level contained in the bill before us. So far these attempts have proven unsuccessful, not because Members of this body do not believe that safety modifications are necessary, but because certain Members believe a share of the total cost of these modifications should be borne by the non-Federal entities who will benefit from the safety work. It should be noted that modifications to Federal structures, purely for safety purposes, is and always has been a 100-percent Federal responsibility. The structures covered by the Reclamation Safety of Dams Act were designed and built by the Federal Government. Thus, the Federal Government bears a substantial responsibility to ensure that these structures continue to operate soundly and safely. If a reclamation dam should fail because the Federal Government was negligent in carrying out its duty to undertake activities critical to its safe functioning. The Bureau of Reclamation is liable for any damages to lives and personal property that may occur as a result.

Many of our reclamation dams in this country, Mr. President, are in desperate need of repair. Approximately 67 reclamation structures throughout the 15 Western States are in need of some type of safety work. The Bureau of Reclamation estimates the total cost for safety corrections at reclamation dams currently to be somewhere in the range of $714 million. This is the cost for work that must be undertaken strictly for safety of dams purposes. Obviously, the less than $50 million remaining in the safety of dams authorization is insufficient to meet this Nation's reclamation safety needs.

We know firsthand of the tragedy of a dam failure. Although located in a sparsely populated area, the failure of the Teton Dam in 1976 killed 11 people and caused more than $400 million in damage. The fact that the Federal Government has paid more than $350 million in claims stemming from the failure only emphasizes its legal liability for dam safety. Either we pay now for the repairs, or we pay later for negligence.

Proponents of cost-sharing for dam safety modifications have argued that the beneficiaries of the reclamation projects should bear a proportionate share of the total costs associated with the modifications. They argue that absent a non-Federal contribution, the operation of these structures will continue without regard to cost or productivity. Mr. President, I do not believe this to be the case. The costs for the initial construction and continued operation of these structures has been a non-Federal responsibility—their costs have been repaid to the U.S. Government.

In these days of fiscal austerity, however, it is naive to assume that we can continue to operate on the principles of the past. In order to be the recipient of funds from Federal programs, we will have to contribute a larger share of the costs. While I have not been an advocate of cost-sharing for safety of dams modifications, I have become convinced over the past few months that non-Federal entities have to carefully assess their needs in light of their financial resources. I have worked hard, with the help of my distinguished and able colleague from Ohio [Mr. METZENBAUM] and other Federal, State, and local representatives from the State of Arizona, to develop a cost-sharing arrangement Arizonans and other Western residents can live with to allow us to move forward with safety modifications to Federal reclamation structures. The amendment I have offered with my colleague form Ohio and the senior Senator from Arizona, [Mr. GOLDWATER] is a fair, responsible, and balanced approach to cost sharing.

The amendment I have cosponsored will require non-Federal entities to pay 15 percent of the costs of safety modifications with interest over a period of 50 years. The amendment allocates the cost based on the congressionally authorized purposes of a structure and allows the costs of modifications for irrigation water service to be reimbursed on an ability to pay, without interest. The amendment fur-

ther stipulates that the interest to be charged on the non-Federal contribution shall be determined by the Secretary of the Treasury based on market yield.

Mr. President, some opponents of cost sharing, no matter what the percentage, will continue to argue against its adoption in any form, where it has not been an instituted practice in the past. New cost-sharing arrangements may not be easy to swallow. This amendment will place a financial burden on water and power users in my State. However, it is a burden we can and will have to live with if we want to continue to prosper and protect the health and safety of our citizens. The amendment is a good deal for the Western States and a good deal for the Federal Government.

I thank the distinguished Senator from the State of Ohio for all of his hard work, responsiveness, and fair treatment in the formulation of this amendment. I also thank his staff for their diligent efforts in working with the diverse interests to develop an amendment westerners can support.

This amendment has the support of Governor Babbitt of Arizona and the chairman of the House Interior Committee, Mr. UDALL. It is my hope that my fellow westerners can and will support the adoption of this amendment so we can get on with our Nation's reclamation safety of dams needs.

Mr. President, I cannot sit down today without expressing again my sincere appreciation to the Senator from Ohio and Doug Lowenstein of his office for their willingness to meet this head-on. I guess this is true of most compromises, that I am not totally pleased with the cost sharing set out in the amendment, but I have the greatest respect and always have for the Senator from Ohio, not only for his deep convictions and feelings in this matter but also for his expertise in the legislative process and for realizing that compromise is the best way of making law. He understands that it is the best thing that could be done in this case for the safety of literally hundreds of thousands of Americans; he also has the realization that something has to be done for the safety of dams, not just in Arizona, but in many States.

Likewise, I express my thanks to Senator MCCLURE, chairman of the Committee on Energy, for his ability and work in this area; to Gary Ellsworth and Russ Brown, of his staff; Gregg Gannet, of the committee staff; and Patty Lynch, of my office. The entire Arizona delegation has worked on this. Representative UDALL is committed to do all he can to see that this is enacted into law. Governor Bruce Babbitt was instrumental in negotiations. Patty Lynch, of my staff, and Jim Magner, who used to be in my office, worked on putting it together.

It is a compromise. It is not all that I would like to see happen, but it is the best we can do, and Arizona and the beneficiaries of these safety provisions are going to have to change their way of looking at such projects, even though there is ample justification for my feeling that it should be totally a Federal responsibility. I also thank Mike Rapport, of Arizona, for the work he did. I am delighted to associate myself with the junior Senator from Ohio [Mr. METZENBAUM] for reaching this compromise. I thank him once more.

Mr. METZENBAUM. Mr. President, I would like to engage the chairman of the Energy and Natural Resources Committee in a brief colloquy.

The amendment proposed by myself and Senator DECONCINI deletes a provision in the House-passed bill. That provision says that if, in the course of doing dam safety work, additional benefits result to project beneficiaries, the proportionate cost of those additional benefits shall be repaid by the beneficiaries in accordance with existing law.

The proposed amendment deletes this provision because it is at least arguably inconsistent with the 1978 act that this legislation amends. The 1978 act provides that modifications shall be for the purposes of dam safety and not for the specific purposes of providing additional benefits. This rule is important and should not be eroded by any language that implies that modifications resulting in additional benefits may be done under the authority of the 1978 act.

Does the chairman of the Energy Committee agree that the 1978 act specifically prohibits the use of dam safety funds for the specific purpose of conferring additional benefits and also does not authorize construction of replacement structures?

Mr. MCCLURE. Yes; the Senator has correctly stated the prohibitions in the 1978 act.

Mr. METZENBAUM. Does the chairman agree that this prohibition is important and should be retained?

Mr. MCCLURE. Yes; Mr. President; and I am pleased that the Senator's amendment does retain the prohibition. Dam safety funds should be used for dam safety purposes and not be used to confer benefits over and above those provided by the original dams and reservoirs.

Mr. METZENBAUM. Does the chairman agree that modifications resulting in additional benefits may be done in conjunction with dam safety work only if the additional benefits are authorized by other existing laws or by future congressional authorization?

Mr. MCCLURE. Yes; that is the case under the 1978 act, and would continue to be the case under the amendment by Senators METZENBAUM and DECONCINI.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3664) was agreed to.

Mr. METZENBAUM. I move to reconsider the vote.

Mr. MCCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NICKLES. Mr. President, I rise in strong support of the passage of H.R. 1652 as I share the concerns of my colleagues that we must provide the necessary funding to protect the lives and property of those who live below Federal reclamation dams.

The additional funding authorized by H.R. 1652 is particularly important to my home State of Oklahoma. The Bureau of Reclamation has identified three dams in my State which are in need of safety related modifications.

Altus Dam, which is part of the W.C. Austin project in the southwestern part of Oklahoma supplies irrigation water to almost 48,000 acres of cropland and is important to the local as well as State economy. The Bureau is concerned for the ability of the dam to withstand floodflows and estimates that it will cost $4 million to undertake the needed safety work.

Arbuckle Dam is the principal feature of the project of the same name and is located in Murray and Garvin Counties in south central Oklahoma. The project provides municipal and industrial water supplies, flood control, and is famous for outstanding recreational opportunities. The Lake of the Arbuckles, as the reservoir is called, supports heavy fishing and boating use and is probably one of the best fishing lakes in Oklahoma. The Bureau has identified the need to modify Arbuckle Dam to survive flood flows at an estimated cost of $2.5 million.

Foss Dam, located on the Washita River in southwestern Oklahoma is a feature of the Washita project and, like Arbuckle Dam, provides municipal and industrial water supplies, flood control, and important recreation and fish and wildlife benefits. The estimated cost of safety modifications to provide for structural stability and flood safety is $3 million.

I realize that these projects are not as big or costly as some of the other modifications which will take place under the program, but they are not diminished in human terms because of their relatively small costs. Should these structures fail, the cost in lives, were a single person lost, is too much to pay.

I urge my colleagues to adopt H.R. 1652.

Mr. GOLDWATER. Mr. President, I am delighted to join the distinguished chairman of the Senate Energy and

Natural Resources Committee, the Senator from Idaho [Mr. McCLURE] in support of this legislation.

H.R. 1652, a bill to amend the Reclamation Safety of Dams Act of 1978, would increase the 6-year-old authorization $650 million and provide new and needed authority for the Secretary of the Interior to get on with the job or repairing 57 Federal reclamation dams in 15 States.

Some 6 months ago, the President of the United States said in a letter to a number of us that safety problems at Federal dams should be corrected as expeditiously as possible. H.R. 1652 permits that policy declaration to be translated into action.

At the outset, three points are in order.

First, the funds authorized under this legislation would be used only for the repair of existing dams designed, built, and owned by the U.S. Bureau of Reclamation. When these facilities were constructed, some as far back as 75 years ago, the Federal Government made a deal with the American people.

The Federal Government would construct and fund the dams. In exchange, the local beneficiaries would repay the Government most of the construction cost. It has been a profitable arrangement all around. Barren desert turned into farm land to feed a nation. Mining and technology flourished, producing raw goods and finished products for the rest of the country and the free world.

In the meantime, the Federal Government received back more than 85 percent of its original investment. Plus, every year, billions of dollars more has flowed into the Treasury in the form of operating incomes, service contract payments, power revenues, and taxes.

Second, the principle of providing for the public health and welfare should apply apply across the board. No one can convince this Senator from Arizona that the safety of those 57 dams, which happen to be located in 15 States west of the 100th meridian, is any less important than the safety of the harbors and the waterways in the East.

The need to repair these dams is very real. Indeed, many pose a clear and present danger to the millions of people living downstream from these Federal structures.

For example, the hydrologists and meteorologists now predict that the watershed above the Phoenix metropolitan area can receive three times as much rain and runoff as the six dams on the Salt and Verde Rivers were designed to handle.

In 1980, we experienced far more water than even the experts predicted. We nearly lost Theodore Roosevelt Dam, 80 miles east of Phoenix, and almost witnessed the failure of Steward Mountain Dam some 35 miles above Phoenix. That series of floods resulted in more than $60 million in damage. If the Steward Mountain Dam had failed, the Bureau of Reclamation estimates that the damage would have exceeded $600 million.

Mr. President, the original Reclamation Safety of Dams Act provides that costs incurred in the modification of structures, the cause of which results from new hydrologic or seismic data or changes in state-of-the-art criteria deemed necessary for safety purposes, shall be nonreimbursable under the Federal reclamation law.

However, this bill will have an amendment attached which requires 15 percent of the dam safety repairs to be reimbursed by industrial, municipal, and irrigation water users to the Federal Government. Because of opposition to full Federal payments for these modifications by some Senators east of the Mississippi River, the western Senators have accepted this 15 percent cost reimbursement amendment. I support the amendment.

In short, the heavy rains and flooding in recent years experienced in Arizona have caused the Government to reevaluate the storage and spillway capacity of its dams on the Salt and Verde Rivers. That's why the U.S. Bureau of Reclamation now thinks that structural modifications are absolutely essential.

In Arizona, we are talking about 2 million acre feet of water stored behind dams. That water is used on farms, in cities and by industry. Valley water users have paid for these dams once already. To ask them to fully pay for them again simply doesn't make much sense to me.

Third, as a life-long student of the desert southwest, I am surprised by very few things. I have seen the entire personality of a plateau changed by the sudden approach of summer thunderheads. I have felt the warmth of the midday sun chilled within minutes by pelting hail. And, I have watched quiet canyons turned into raging rivers by spring snowmelt or a late summer cloudburst.

It is important that the dams in the West that need fixing are fixed so that we are prepared for these unusual and unique weather patterns which present the serious possibility of dam failure with resultant loss of lives and property. I am pleased to add my support to this important legislation, not only for the State of Arizona, but also for the entire Western part of our Nation.

Mr. HECHT. I am very encouraged by the progress we seem to have made in resolving the dispute over cost-sharing on Federal dam safety repairs needed throughout the West. I especially want to thank my colleague, Senator METZENBAUM, for the determined yet always constructive approach he has taken on this issue.

As we learned from the tragic accident at Jackson Lake Dam a few years ago, many Bureau of Reclamation dams are in sore need of design modifications and safety repairs. This has traditionaly been recognized as a Federal obligation—since the Government built and continues to own these dams—toward protecting the people and property located downstream from these facilities.

The Metzenbaum-DeConcini amendment to H.R. 1652, a bill to expand the Safety of Dams Act of 1978, is a compromise in the very best sense of the word. Though the Federal Government will continue to bear a lion's share of the financial costs associated with the dam safety work, local water users will now be required to repay 15 percent of these costs over a 50-year amortization period. In these times of fiscal restraint, I think this cost-sharing formula is both necessary and appropriate.

Mr. President, this dam safety bill has been collecting dust in the comittees of Congress for nearly 4 years now. Today's compromise amendment has to be seen as a major breakthrough, and am hopeful that we can complete action on this matter before the end of this legislative session. I urge my colleagues support for the Metzenbaum-DeConcini amendment.

Mr. METZENBAUM. Mr. President, I wish to speak for just 1 second.

When you deal with an issue such as dam safety or the Hoover Dam, matters of that kind, I think it is very important to say that those of us who serve in this body are not experts on those issues and we find it necessary to call upon our staff, who oftentimes, themselves, when they dig into the subject, are not expert but, in order to advise us, have to become expert on the subject.

I publicly acknowledge my appreciation for all of the work effort and advice that I received from Doug Lowenstein, a member of my staff, and I commend the staffs of Senator DECONCINI and Senator MCCLURE, both of which have been extremely helpful in bringing about this amicable resolution of a very difficult issue.

Mr. WALLOP. Mr. President, I am disheartened that the cost of passing a Reclamation Safety of Dams Act today is one that holds life and environmental safety hostage to a requirement for cost-sharing.

I believe that the Federal Government should be required to pay virtually the entire cost of dam safety repairs. Beneficiaries should be relieved of any repayment obligations other than any additional benefit which might accrue because of the repair, such as additional storage capacity, because they are in no way at fault for a bad or inadequate design or construc-

tion technique of the Federal Government.

Although my distinguished colleague from Ohio proposes through his compromise to put dam safety legislation on the same footing with all other projects of the Bureau of Reclamation and the Army Corps of Engineers projects, I submit that dam safety is a special case and should be so treated by Congress. This is not fiscal irresponsibility. It is being responsible. It is putting human life and environmental safety first.

Regardless of the fact that dam building costs have always been allocated among the various beneficiaries, and regardless of the fact that safety improvements are an integral part of the capital investment made in reclamation project, the bargain originally made never included paying for the same service twice. Local users are not responsible for safety defects at Federal dams, the Federal Government is.

Whether or not the defects in the dams have been discovered through new hydroelectric or seismic data, or changes in the state of the art design criteria as my colleague from Ohio asserts, the fact remains that many dams across the country are unsafe.

We have that kind of problem in Wyoming, in the Grand Teton National Park. The Jackson Lake Dam is unsafe. It is unsafe because it was built by the Federal Government from lakebed material that liquefies when there is seismic activity in the area. Given the fact that the dam has been situated very near to a geologic fault along the earthquake zone, the two factors together add up to a very high potential for loss of life and serious environmental damage if we have an earthquake which measures 7.5 on the Richter scale. Yet, I am informed by the Bureau of Reclamation, which has ordered Jackson Lake to be drawn down to 6,745 feet this coming October as an additional safety precaution until the dam can be rebuilt, that there is a very high probability of a 7.5 Richter scale earthquake.

If you will recall, Mr. President, the recent Challis, Idaho earthquake which took one child's life in that sparsely populated area. Challis is only 230 miles from Jackson Lake Dam and the dam is uncomfortably close to the same earthquake fault line.

I feel it is most inequitable to shift the burden of reconstruction in any way to those irrigators, water districts, or power entities that have been repaying the original cost of construction in good faith. The Government set the rules and price of repayment when the dams were originally built. They made the estimates and costs. Now the people that depend upon the water in the reservoirs behind these unsafe dams are going to be told by the Federal Government that they have to pay much more than originally thought, or may even be able to afford to pay, to continue to have access to the very water to which they own a property right. That simply isn't fair.

Senator METZENBAUM asserts that its unfair to shift the burden of rebuilding the dams to the taxpayers at large. I submit that we are a government of the people. If we, as the people, are the contractors, we, the people, should pay the price of repair for our design or construction failures. I also submit that just one failure, such as the Jackson Dam, would cost this country in liability and emergency, and everything else, far more than what the repair of that dam costs. It is false economy to the very public that we are seeking to protect. A national safety obligation is a national safety obligation, and should be so treated.

However, as strong as my feelings are where this dam safety legislation is concerned, I do not want to risk taking that one child's life. I do not want to risk the lives of the thousands of Americans and foreign visitors that come to see nature's bounty at the Grand Teton National Park. I do not want to risk the lives of the Jackson or Moose residents, or anyone else who might be unfortunate enough to be in the area if there is an earthquake and we haven't repaired Jackson Dam. This compromise which has been hammered out by Senator METZENBAUM which puts the power of the purse over all else means that we will be able to go forward with the Jackson Lake Dam repair. For that reason, I reluctantly support passage of the bill. Its only saving grace is the fact that at least it does have a proviso which allows costs allocated to irrigation water services to be reimbursed under existing law when such costs are beyond the water user's ability to pay.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, has the bill been adopted?

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 1652) as amended, was passed

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DECONCINI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask that Calendar 439, which is the companion Senate bill, and Calendar 485, which is the budget waiver to accompany that measure, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

URGING SENATE CONSIDERATION OF S. 1300

Mr. HUDDLESTON. Mr. President, a majority of my colleagues have joined me in sending a letter to the majority leader urging him to schedule S. 1300, the Rural Electrification and Telephone Revolving Fund Self-Sufficiency Act of 1984, for floor consideration as soon as possible.

There is no doubt that Members of the Senate have differences of opinion about the merits of this legislation. However, the people of rural America are entitled to have the legislation debated and voted on in a free and open manner. The House of Representatives has already acted favorably on companion legislation, and I do not believe that the 25 million citizens who are served by the REA program will understand why legislation that a majority of Senators want to consider cannot be brought to a timely vote in the Senate.

Senator HELMS, in his capacity as chairman of the Agriculture Committee, and I have discussed the scheduling of S. 1300 with Senator BAKER. I am confident that the Senate leadership will not be deterred from scheduling this legislation merely because of rumors or threats of extended debate. I am prepared to work with the leadership in every way to ensure that Senators have an opportunity to vote on this important legislation.

I ask unanimous consent that the text of the letter sent to Senator BAKER be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY,
Washington, DC, August 8, 1984.

Hon. HOWARD H. BAKER, Jr.,
Majority Leader,
U.S. Senate, Washington, DC.

DEAR MR. MAJORITY LEADER: We respectfully urge you to schedule S. 1300, the Rural Electrification and Telephone Revolving Fund Self-Sufficiency Act of 1984, for floor consideration as soon as possible.

S. 1300 was introduced on May 17, 1983, and reported favorably by the Committee on Agriculture, Nutrition, and Forestry on June 29, 1984. Forty-seven Senators are sponsors of the legislation.

Enactment of S. 1300 is needed to ensure that the Nation's rural electric and telephone systems will be able to continue to provide high quality, affordable electric and

telephone service to consumers in rural America.

Sincerely,

Walter D. Huddleston, Ed Zorinsky, Thad Cochran, Mark Andrews, John Melcher, David L. Boren, Alan J. Dixon, David Pryor, Howell Heflin, Max Baucus, Lloyd Bentsen, Jim Sasser, John Danforth, James Abdnor, Larry Pressler, Bob Kasten, Jr., Charles H. Percy, Robert T. Stafford, Jeff Bingaman, Paul Sarbanes, John Glenn, Dennis DeConcini, Jim Exon, Wendell Ford, Fritz Hollings, Quentin Burdick, Gary Hart, Russell Long, J. Bennett Johnston, Tom Eagleton, Sam Nunn, Dale Bumpers, John C. Stennis, Carl Levin, Don Riegle, Rudy Boschwitz, Jennings Randolph, George Mitchell, Daniel K. Inouye, Strom Thurmond, John W. Warner, Chic Hecht, Chuck Grassley, John Heinz, Arlen Specter, Roger W. Jepsen, Dave Durenberger, Spark M. Matsunaga, Joe Biden, Alan Cranston, Paul Laxalt, Pete V. Domenici, Christopher J. Dodd.

RECESS APPOINTMENTS

Mr. BYRD. Mr. President, today I am introducing a resolution expressing the sense of the Senate with regard to Presidential power to make recess appointments. Supported by a large number of my colleagues, the resolution urges that recess appointments be avoided except where there has been a formal termination of a session of the Senate or where the Senate will be in recess for longer than 30 days. In both cases, the resolution expresses the view that the recess-appointment power should not be used simply to avoid controversy or to circumvent the constitutional power and responsibility of the Senate.

Mr. President, the framers of the Constitution took great care to delineate the separate powers of the House, the Senate, the Executive, and the judiciary. In drafting the Constitution, the framers combined principle and pragmatism in a manner that has come to typify America's approach to solving problems. That mix of principle and pragmatism is very much evident in the drafting of the appointment power.

In seeking to assure an effective separation of powers between the President and the Senate, the framers gave the President the right to appoint the officers of his administration subject to the advice and consent of the Senate.

At the same time, the framers recognized the practical realities of their time. They did not expect the Senate to be in continuous session. The question of recalling Senators to consider specified nominations also raised practical difficulties. Communications were slow and uncertain. Travel from one 18th century American city to another was measured in terms of days rather than hours.

With an eye toward keeping the Government effective as well as free, the framers allowed the President to make appointments while the Senate was in recess. Such recess appointees were to serve until the end of the next session unless confirmed by the Senate for a longer tenure in office.

Many Presidents have chosen to use the power to make recess appointments. President Theodore Roosevelt went so far as to make a recess appointment during a one-second, pro forma adjournment. In most cases, however, recess appointments have been made during the period between one Senate session and the next—in other words, the first session, second session, special sessions, and so on—when the Senate had been in recess for a lengthy period of time.

President Reagan, however, has begun to take a different approach. In the 23-day recess for the Fourth of July holiday and the Democratic Convention, 17 recess appointments were made. In several cases, the recess appointments avoided serious and probing debate by the Senate on controversial issues. There was no evidence that the needs of Government required any of these appointments to be made as recess appointments.

These were not minor appointees to inconsequential offices. Among his July appointments was Dr. Martha Seger, the President's choice for a 14-year term on the Federal Reserve Board. To many economists, the Fed ranks as the single most powerful economic agency of the Government. Its power to influence everything from interest rates to the international value of the dollar and trade matters, as well, has been more than evident over the past few years. In addition, the Fed is the principal regulator of a banking system that is increasingly troubled by an enormous international debt and questionable domestic loans.

Dr. Seger's nomination was moving expeditiously through the regular Senate process. Her nomination was sent down in early June, the Senate Banking Committee held 4 days of hearings on the nominee, and her nomination was favorably reported by the committee on June 29, 1984. Before the Senate had a chance to put her name on the Calendar, however, the President had made a recess appointment. There was no crisis in Government demanding Dr. Seger's immediate attention. The then current membership of the Fed was perfectly competent to discuss the future conduct of monetary policy at the July 14 Federal Open Market Committee meeting.

Dr. Seger's nomination was controversial. Make no mistake about that. Her nomination was reported on a 10 to 8, straight-line party vote. A number of my Democratic colleagues expressed strong reservations about the nominee's qualifications for the job. They gave every indication of planning to speak against her nomination on the floor. But instead of allowing the Senate to provide its advice and consent, the White House moved to preempt the process by making a recess appointment.

A similar distaste for controversy seems to have been behind the July recess appointment of Adm. Lando W. Zech, Jr., to the Nuclear Regulatory Commission. Admiral Zech's nomination had been sent to the Senate in mid-June.

At the time, there were a number of controversial decisions facing the Commission. Confirmation hearings and floor debate would have given the Senate an opportunity to judge the Admiral's approach to nuclear regulation. Instead, even before the Environment and Public Works Committee had an opportunity to schedule hearings, a recess appointment put him on the Commission. Last Thursday, the Commission made a controversial decision on Diablo Canyon, a nuclear powerplant in California.

Mr. President, the emerging pattern of these recess appointments goes well beyond the merits or demerits of a particular nominee. Appointments made to avoid controversy during short Senate recesses raise a constitutional question and challenge the constitutional powers and responsibilities of the Senate.

This resolution, Mr. President, carries a lengthy list of cosponsors—40 in all. It expresses the sense of the Senate that the President should refrain from using his recess-appointment powers unless there is a formal termination of a session or a recess of the Senate that lasts longer than 30 days. Of course, there is nothing magic about a 30-day period—there may come a time when circumstances would dictate a longer period. But 30 days recommends itself to me, because current statutory law allows the President to detail an individual to fill any executive office for a period of 30 days. In effect, the Congress and the Executive have picked the 30-day period as a working rule of thumb for temporary appointments.

I am not suggesting that the 30-day period should be an open sesame for any and all recess appointments. On the contrary, I believe the President should generally rely on the other options available to him. An individual can be in acting status or a deputy can handle the duties without a formal title. The recess-appointment power was designed to be used where necessary for the urgent needs of Government. It is not meant to be a quick route around controversy or thorough Senate consideration of a nominee.

Independent commissions do stand in a somewhat different situation. In

most cases, an independent commission can function without a full complement of members. A member whose term has expired can stay on to help with the administrative burden.

I do not mean to say that a President should never use his recess-appointment power or that there is never a circumstance in which a recess appointment is necessary—even when the Senate may be out for less than 30 days. For instance, I joined with a number of my colleagues to urge the President to move expeditiously—including the possibility of recess appointments—to fill longstanding vacancies on the Synthetic Fuels Corporation Board. It was a case where the Board did not have a quorum and was in danger of destroying a substantial amount of private investment that had been made in anticipation of board action. In effect, we felt that failure to form a quorum of the Board would endanger the entire synthetic fuels program.

That is an example, I think, of what the Founding Fathers had in mind. It was an emergency situation which I have already explained and in those situations I think the President certainly has good reason to make a recess appointment.

But Mr. President, the recess appointment power is one to be used sparingly and then only with thought to the intent of the Constitution.

The framers of the Constitution have passed on to us an enduring document of great simplicity and power. They quite consciously used general language to outline the various powers of the Government of the United States. They expected the Government and the Constitution would flourish if their successors were equally able to combine principle and pragmatism. And it is with that in mind that my colleagues and I are offering this resolution today to help draw a line between senatorial and Executive power that is true to both the spirit of the Constitution and the realities of our own time and place.

Mr. President, the following Senators are cosponsors: Messrs. BAUCUS, BIDEN, BINGAMAN, BRADLEY, BUMPERS, CHILES, LAUTENBERG, LEAHY, LEVIN, MATSUNAGA, MELCHER, METZENBAUM, CRANSTON, DECONCINI, DIXON, DODD, EAGLETON, EXON, FORD, GLENN, HART, HOLLINGS, HUDDLESTON, INOUYE, JOHNSTON, KENNEDY, MITCHELL, MOYNIHAN, NUNN, PELL, PROXMIRE, PRYOR, RANDOLPH, RIEGLE, SARBANES, SASSER, STENNIS, TSONGAS, and ZORINSKY. These names have been presented in alphabetical order.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 430

Whereas, the United States Constitution in Article II, Section 2, Clause 2, vests in the Senate the power to give its advice and consent to presidential appointments,

Whereas, the Appointments Clause specifies the method clearly preferred by the Framers for the regular appointment of Officers of the United States;

Whereas, the Appointments Clause has been judicially determined to be an aspect of the principle of separation of powers woven into the United States Constitution (*Buckley* v. *Valeo*, 424 U.S. 1 (1976)),

Whereas, the reasons behind the Recess Appointment Clause, Article II, Section 2, Clause 3, like those supporting the pocket veto power, have been largely superseded by modern methods of instantaneous communication and the modern practice of Congress with respect to abbreviated intrasession adjournments (*Kennedy* v. *Sampson*, 511 F. 2d 430 (D.C. Cir. 1974)),

Whereas, the adherence to Appointment Clause procedures, unlike a recess appointment that thereafter may be rejected by the Senate, precludes subsequent challenges with respect to the appointee's rightful exercise of significant authority pursuant to the laws of the United States, Therefore be it

Resolved, That it is the sense of the Senate that the exercise of the power to make recess appointments should be confined to a formal termination of a session of the Senate, or to a recess of the Senate, protracted enough to prevent it from discharging its constitutional function of advising and consenting to executive nominations. As the President as well as the heads of Executive and military departments are authorized to detail officers of the United States to fill vacancies in offices at all levels of the Federal Government, Chapter 33, Title 5, United States Code, which details are valid for at least thirty days, no recess appointment should be made when the Senate stands adjourned or recessed within a session for a period of less than thirty days.

Mr. SARBANES. Mr. President, I commend the distinguished Senator from West Virginia, the minority leader, for addressing the problem of the recess appointment. It reflects the minority leader's longstanding concern with the Constitution, his knowledge of its provisions, and his consistently reflecting the determination that the agencies of our Government ought to work within the content of the Constitution and its requirements and the intention of the framers.

There is a developing tendency, which I find of great concern, the willingness to distort, undermine, and even destroy the process in order to achieve a particular result, in this instance placing certain people on boards in order to be in decisionmaking positions.

The process which has been so carefully established over the history of this republic is going to be destroyed and in the course of doing that, we are all going to be the losers. It seems to me the minority leader in his statement, and with reference to the bill or resolution he intends to propose, is addressing a problem which is of particular concern at the moment because of what occurred during the last recess of the Congress, where we had 17 recess appointments in an intrasession break for a very limited period of time.

I think that constitutes a circumvention of the confirmation power of the U.S. Senate. I think if allowed to go unchallenged and unremedied, it is moving us down the path of undercutting the proper duties and responsibilities of this body and, therefore, weakening the constitutional system.

I want to thank the minority leader for addressing this question and hope that all Members of the Senate will recognize that their responsibility to uphold the Constitution and their responsibilities as Members of this body are at stake in terms of this erosion of what I believe to be a clearly constitutional requirement with respect to the role of the Senate.

Mr. BYRD. Mr. President, I thank my distinguished colleague, the Senator from Maryland, for his remarks.

RECESS NOMINATIONS

Mr. MITCHELL. Mr. President, our constitutional system of government gives to the President the right and authority to nominate individuals to serve in the executive branch. But it gives to the legislative branch—more specifically, to the Senate, the right and authority to confirm those nominations.

Thus, the policy prerogatives of a President—the right to appoint individuals who share Presidential priorities—is balanced with a degree of accountability through the confirmation process.

It is a carefully crafted system which has, in the main, served our Nation well. Our National Government, despite inevitable lapses, has earned a reputation for probity and integrity in its public officials that ranks with the highest in the world. Our citizens have enjoyed the benefits of a Government in which bribery and corruption are the exception, not the rule. And our society has been strengthened by the secure knowledge that a change at the head of government does not invariably mean the virtual dismantling of all existing policies and practices. No society or government can function in an ever-changing chaos; even if an election changes the fundamental philosophic outlook in the White House, a sudden change in one branch of government cannot and should not sweep away all that has gone before.

In the past several years, however, we have seen several attempts to achieve such an outcome. Beginning with the nominations of individuals to run the environmental and natural resource operations of our Government, we have seen those whose duty it is to carry out the laws instead try to undermine and weaken those laws. We have seen individuals who were con-

firmed on the verbal claim that they would follow policies laid down by the legislative branch—the elected representatives of the American people—then proceed to systematically ignore those policies in practice.

That experience has generated, naturally enough, substantial concern about the need for a more thorough confirmatory process, in which the verbal intentions of nominees can be judged against their records, their past actions and their off-the-record statements.

This is as it should be. An overreaching by one branch of government, under our system, automatically provokes a reaction and response from the other branches. That is the purpose and intention of the separation of powers; to make sure that no overweening executive or overly aggressive legislature successfully gathers to itself all the powers of government.

Our Constitution recognizes that Government power, in order to be controlled, must be dispersed. It also recognizes that the effective dispersal of power is best achieved by intentionally creating and maintaining tensions between the demands of one government branch as against the demands of another.

The purpose of controlling governmental power is straightforward: It preserves the freedoms of our people. Our constitutional liberties are meaningless if the legislative branch can rewrite or redefine them. Our constitutional rights are empty if the executive branch can deny their exercise in practice.

And in order to inject a degree of accountability into the executive branch—a huge institution with but one directly elected individual—the Constitution grants to the Senate the right to confirm to office those unelected individuals chosen to run our Government.

Without that element of accountability, an important aspect of the balance of powers is weakened. And when one part of that structure is weakened, the entire structure risks further failure.

The confirmation process is no less important to the structure of our Government than any of the other checks and balances which maintain its stability and strength.

Yet in this administration, we have seen a systematic effort to bypass the confirmation process wherever true controversy exists between the policy preferences of the administration and the policy written into law by the Congress.

The Legal Services Corporation is one such example. The administration's hostility toward legal service for the poor is demonstrated by its continuing efforts to terminate the program. But the congressional support for the role of the Legal Services Program has been just as effectively demonstrated by the continuation of funding for it.

In this impasse, rather than seeking accommodation or recognizing the constitutional directive that the executive carry out the laws rather than rewrite them, the administration has instead attempted to dismantle the program by appointing individuals to operate it who are opposed to its existence.

And it has chosen to achieve that goal by simply bypassing the confirmation process and appointing recess nominees to operate the Corporation. The fact that its preferred nominees would face extensive Senate questioning has undoubtedly contributed to that choice. But the point of the confirmation process is precisely that: To permit the elected representatives of the people to raise the kinds of questions that may concern the people.

The resolution being proposed, therefore, seeks to reaffirm the traditional and constitutional limits to the recess appointment power. It seeks to reinvigorate the spirit of comity between the branches without which our system cannot function. And it seeks to preserve the right of the Senate to examine, debate and vote upon the unelected individuals who are nominated by the President to operate our Government.

I am pleased to cosponsor this resolution. It does not impinge on any of the constitutional powers of the President. It does not seek to impose a rigid and unworkable limit to the operations of the executive branch. But it does seek to reestablish firmly that the confirmatory role of the Senate is as constitutionally significant as the appointive power of the President. And it does seek to regain the balance between the legitimate demand of the President to be served by people who share his philosophy and the equally compelling claim of the Senate to assure that the laws will be carried out, not changed, by the executive branch.

I believe that we owe it to the Senate institution to clearly and definitively express our sense, as a body, that the constitutional balance must be preseved in the area of nominations as in others. The Congress has been castigated in the press and by the administration in the past year for overstepping its legitimate reach in trying to write the foreign policy. The Congress has been advised by the Supreme Court that its oversight responsibilities do not include an unlimited right to override executive branch actions. These criticisms and restraints upon the legislative branch are a legitimate and necessary counterbalance; they are part of our system.

A strong reaffirmation of the limits and responsibilities of the executive branch is no less important and necessary.

Support for this resolution would send the clear message that the Congress expects the laws to be carried out and that it expects administration policy to be informed by congressional directive, not to be bent to the administration's will. And it will help restore that essential element of constitutional comity which, like civility in debate, is fundamental to the operation of our National Government.

AN APPEAL TO SRI LANKAN EXPATRIATES

Mr. CRANSTON. Mr. President, I have spoken before in this Chamber of my deep concern over the communal violence in Sri Lanka that has taken the lives of innocent Tamil and Sinhalese citizens. These acts of terror in Sri Lanka are continuing. Press reports indicate that more than 40 people have been killed since August 4, in the latest outbreak of fighting.

The All Party Conference—which the President of Sri Lanka has organized to address the grievances of the Tamils and other communities—reconvened on July 23. I believe that this peaceful process of accommodation must be given every chance to bring about constructive solutions to the communal tensions that have been so tragically divisive. A constructive climate in Sri Lanka must be provided so that a political, negotiated settlement of the issues separating the Sinhalese and Tamil communities can be achieved.

Further bloodshed can only serve to deepen the rift between the communities. I am concerned about reports that money is being sent from the United States to support elements in Sri Lanka that resort to force as an instrument of policy to attain their ends. We must condemn the cycle of terror that blocks the road to peace. Violence will cease only when it is clear that it has not ally nor any constituency. And only then will peace be possible. I call on my Senate colleagues to join me in an urgent appeal to all Americans to reject those who support, promote or condone the cause of violence in Sri Lanka.

DRUG ABUSE IN NEW YORK CITY

Mrs. HAWKINS. Mr. President, the task of achieving the eradication of our Nation's No. 1 problem, drug abuse, can seem overwhelming.

In this second, third, and fourth in a series of articles on drug abuse in New York City, the problem of drug abuse is discussed from just about every aspect: The smuggling, the dealing, law enforcement from the local and Federal vantage points, the various re-

habilitation, maintenance and treatment programs, eradication at the source, and most importantly, the suffering of the victims.

As those spending their lives fighting drug abuse express in these articles, it does indeed seem to be an insurmountable problem.

The difficulties experienced by those attempting to stem the tide of drug abuse seem magnified by the scope of the problem in New York City. For example, it is estimated that between 50 and 75 percent of the 11,000 pounds of illegal heroin smuggled into this country come in via New York City, and it is the conduit as well for 40 percent of the cocaine entering our shores. To try and address these staggering figures, the Drug Enforcement Administration has assigned 12 percent of its total personnel to New York City, and those involved in the narcotics division of the New York City Police Force number 460.

And while the numbers in these articles on drug abuse do represent a problem of almost unimaginable magnitude, I see the same thing happening to urban areas in my home State of Florida. These articles make mention of a dozen Colombian crime families taking over the Borough of Queens; the former paradise of southern Florida has been all but destroyed by the inundation of drug dealers and traffickers.

As these articles point out, greater efforts are being made by everyone involved: Federal officials, local law enforcement authorities, rehabilitation program operators, and private sector groups. Despite the escalation of efforts to find desperately needed solutions, the problems are still multiplying.

For example, after two decades of seeking methods to halt the illicit use of heroin, barbituates and amphetamines, rehabilitation experts are faced with a new problem, cocaine. Formerly a drug too expensive and too rare to be purchased and used by any but the affluent, it is now in our country in such quantity and at such cheap prices that it has become a street drug. In fact, because of the priorities attached to heroin and cocaine, Federal drug enforcement authorities have virtually ceased their marijuana investigations.

Mr. President, we must not let this problem overwhelm us, whether on the Federal or the local level. We must take the information provided us by these articles and have it make us even more determined to win the war against drug abuse.

I respectfully request that the articles entitled, "The Drug Pipeline: From Europe to New York," "Strategies Clash in the War on Drugs," "Drug Programs: Help for Only a Few," in the New York Times, dated May 21, 1984, May 22, 1984, and May 23, 1984, be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE DRUG PIPELINE: FROM EUROPE TO NEW YORK

(By Selwyn Raab)

Arriving in New York City on flights from Geneva or Paris, Albert Camille Gillet gave all the appearances of a prosperous European businessman. A chauffeured limousine usually waited to drive him to Manhattan, where he always stopped at fine hotels and dined at expensive restaurants.

In contrast, Jose Martinez-Torres lived in a dingy, poorly furnished apartment in the Bronx, only occasionally traveling out of the city on business trips.

The two men are never known to have met. Yet both, according to court records, were recently involved in the same illegal billion-dollar business: trafficking in heroin and cocaine.

Mr. Gillet was a courier for an international organized-crime ring known as the "Sicilian Connection." He also laundered money from narcotics transactions.

Over an 11-month period, he has admitted, he delivered to drug importers in Queens and Long Island 120 pounds of heroin with a retail street value of more than $100 million.

Federal prosecutors believe that the importers supplied by Mr. Gillet were linked to two organized-crime groups in New York City—the Joseph Bonanno and Carlo Gambino families. The Federal Drug Enforcement Administration estimates that these two groups and three other organized-crime factions in the city are responsible for about half of the 11,000 pounds of illegal heroin smuggled into the country every year.

Mr. Martinez-Torres was a middle-level drug wholesaler, according to Federal prosecutors. He was accused of buying raw heroin and cocaine from organized-crime importers, like those supplied by Mr. Gillet, and using his Bronx apartment as a "mill," a place where drugs were "cut," or packaged for small-time street dealers.

In an average year, Mr. Martinez-Torres made almost $3 million from sales to dealers in the city, Connecticut, Massachusetts and Pennsylvania, Federal officials asserted in court statements. The Drug Enforcement Administration estimates that the volume of business at Mr. Matinez-Torres' mill was similar to about 100 other drug mills operating in the city.

Federal and local police undercover agents in the New York area have rarely been able to penetrate deeply into the hierarchies of drug rings through informers or undercover agents.

Most narcotics investigations end with what are called "buy and bust" arrests, in which a low- or middle-level dealer is seized after selling illicit drugs to an undercover agent. Such arrests usually produce little intelligence about trafficking tactics or profits.

But, through separate criminal cases involving Mr. Gillet and Mr. Martinez-Torres, investigators said they got unusual inside views of the drug pipeline from Europe to New York.

Mr. Gillet, a Belgian, was recruited as a heroin smuggler or courier in 1979. He was then 58 years old and worked for a shipping company in Antwerp. For a decade he had also helped smuggle cigarettes into Italy for a Mafia gang.

At a trial in Federal Court in Brooklyn in 1981 and 1982, Mr. Gillet testified as a prosecution witness against three purported drug traffickers. He said that in 1979 his Italian Mafia contacts switched from cigarette smuggling to the more lucrative business of exporting heroin to the United States.

Federal investigators said Mr. Gillet, who had a criminal record in Belgium for robbery and selling hashish, was trusted by a Mafia gang in Sicily that Italian police say was headed by Francesco Mafara. Moreover, Mr. Gillett's Mafia employers believed that Mr. Gillet, because of his demeanor and nationality, would arouse little suspicion going through Customs Service inspections in the United States with pounds of heroin tucked into his suitcases.

A pudgy man with thinning brown hair, Mr. Gillet wore thick hornrimmed glasses and dressed conservatively.

"He is unimposing, so ordinary looking, he is the very last fellow you would think could commit a crime," said Victor Rocco, a former assistant United States attorney in Brooklyn. "He surely exploited that image."

From July 1979 to May 1980, Mr. Gillet made 24 flights from Europe to New York. During that period he brought in 56 kilograms—about 120 pounds—of heroin and returned to Italy with partial payments from the American importers totaling $3 million. A kilogram, generally called a kilo, is 2.2 pounds.

PERFUME FOOLED DRUG DOGS

Details about smuggling methods in Europe and the United States were disclosed by Mr. Gillet when he testified at the drug trial in Brooklyn. He said morphine base—raw morphine—was bought in Southwest Asia by the Mafia and refined into heroin at laboratories in Sicily and the Italian mainland.

Mr. Gillet said he collected packages of heroin at the home of a Mafia member in Palermo, Sicily. The heroin was concealed in false compartments in a suitcase. In an attempt to confuse specially trained dogs that are used by the authorities to smell heroin in suitcases at airports, Mr. Gillet said, the packages were sprayed with perfume that had a pepper base.

At the house in Palermo, Mr. Gillet said, the heroin was weighed and sometimes its purity was tested. Small samples were heated in a test tube until they liquefied. If the white heroin retained its color and liquefied only after it reached 230 degrees Fahrenheit, he said, that was considered by the Mafia as proof the drug had a purity content of 90 percent or higher.

The purity affects the price paid by importers.

Mr. Gillet said the heroin—which cost the Mafia $12,500 a kilo when bought as morphine base—was sold to the American importers for an average of $130,000 a kilo.

3 NEW YORK CONNECTIONS

Before his first trip to New York, Mr. Gillet said, he was given the telephone numbers of three separate importers in the New York area and was instructed to identify himself as Merluzzo, the Italian word for codfish. He was also given half of a torn thousand-lira note and told that the American importers would either have the other half of the note or would know the serial number on his part of the note.

Because United States Customs officers were believed to be vigilant about searching passengers for drugs who arrived on flights from Sicily or Italy, Mr. Gillet went to Swit-

zerland or France before flying to Kennedy International Airport. "I knew I would receive V.I.P. treatment when I took the Concorde and went through Customs," he testified.

In all his trips carrying heroin, Mr. Gillet said, his baggage was examined only twice by the Customs Service and the concealed drugs went undetected. Mr. Gillet testified that he turned over the heroin to three importers in New York—Riccardo Cefalu, Michele Mazzola and Emmanuele Logiudice. The largest transactions, he testified, were with Mr. Cefalu.

After arriving in New York, Mr. Gillet said, Mr. Cefalu would arrange to have someone pick him up in a parking lot near the airport and drive him to Mr. Cefalu's home in Greenlawn, L.I. There the heroin would be exchanged for money.

A SUITCASE FULL OF CASH

Mr. Gillet described how Mr. Cefalu and a relative, whom Mr. Gillet identified as "Dominick," paid him on one visit.

"Dominick brought bags with money," he testified. "He arranged the whole of it on top of the sofa as we used to always, with two rows. There was $330,000, $350,000—I don't remember exactly."

"We counted it," he continued. "Then I arranged all of this in the suitcases and as I couldn't put the whole of it in the suitcase, I put the rest of it in my traveler's bag."

The money, in $10 and $20 bills, was stuffed into other suitcases and flight bags and carried by Mr. Gillet.

Mr. Gillet also testified that he turned over heroin to Mr. Mazzola, who owned a pizzeria in Queens, and Mr. Logiudice, who owned a hairdressing salon in Bayside, Queens.

For each trip to New York, Mr. Gillet said, he was paid $10,000 by his Italian employers. He also got a 3 percent commission for laundering money in Switzerland by exchanging the dollars for lire or Swiss francs, using false names.

Mafia bosses, Mr. Gillet testified, wanted lire, not dollars, because converting large sums of dollars in Italy might attract the attention of the Italian police.

As a courier, Mr. Gillet testified, he received about $350,000 in an 11-month period, including his commissions.

Mr. Gillet was arrested during a baggage inspection in Rome while returning with eight kilograms of heroin from New York. The American traffickers had rejected the heroin, he testified, because it was not pure enough.

On Mr. Gillet, the Italian police found the home and business telephone numbers of Mr. Cefalu, Mr. Mazzola and Mr. Logiudice. The information was turned over to the Drug Enforcement Administration, which began investigations here.

Mr. Gillet's arrest resulted in the smashing of the ring he worked for in Italy and the convictions here of 11 men—including Mr. Cefalu, Mr. Mazzola and Mr. Logiudice—on various Federal drug charges. In 1982, Mr. Cefalu, who is 57 years old, got the stiffest sentence—11 years with no chance of parole.

At the trial, Mr. Gillet said that at the time of his arrest the three dealers in New York still owed the exporters in Palermo about $2.5 million for heroin deliveries. In exchange for testifying as a prosecution witness, Mr. Gillet was granted immunity from prosecution here. He is, however, serving a prison term in Belgium for drug trafficking and bribery.

WORKED AS A BODYGUARD

Reena Raggi, who is in charge of the narcotics section for the United States Attorney's office in Brooklyn, said traditional organized-crime importers never deal directly with wholesalers. Instead, she said, the leaders employ lower-ranking gang members to arrange deliveries of the raw heroin to dealers like Mr. Martinez-Torres.

It was a paid informer, Cologero L. Vizzini, who brought Mr. Martinez-Torres to the attention of Federal agents. Upon being paroled from prison in 1982, Mr. Vizzini, who had a lengthy police record, including convictions for manslaughter and robbery, agreed to infiltrate Mr. Martinez-Torres' operation.

While in prison, Mr. Vizzini befriended a convicted Bronx drug dealer, Jaime Vila. Mr. Vila, apparently impressed by Mr. Vizzini's background as a gunman, arranged for him to work as a bodyguard for Mr. Martinez-Torres.

Mr. Vizzini testified last year that Mr. Vila posed for a photograph with him in the Federal prison in Lewisburg, Pa. Mr. Vizzini was then instructed by Mr. Vila to show the photograph to Mr. Martinez-Torres as a sign that he was sent by Mr. Vila and could be trusted.

From April to July 1982, Mr. Vizzini said, he was a bodyguard for Mr. Martinez Torres at his drug mill in apartment 5B at 2526 Bronx Park East in the Morris Park section. At a trial in Federal Court in Manhattan, Mr. Vizzini, a prosecution witness, testified that Mr. Martinez Torres claimed he had a "connection" with an organized-crime group that sold him uncut heroin for about $200,000 a kilo.

Mr. Vizzini said heroin was delivered to the apartment in quantities of one-eighth of a kilo. Heroin and cocaine were cut, or packaged, Mr. Vizzini testified, on a nonporous, marbel-topped table in the living room or in the bedroom of the apartment.

Mr. Vizzini said that he sometimes participated with about six other people in cutting heroin or cocaine, and that some workers wore surgical masks because of the thick fumes created.

Lamps with 250-watt bulbs were shone on the heroin and cocaine to remove any moisture and make it easier to package, he noted.

"The stuff is laid on the table," Mr. Vizzini said. "It's cut with lactose. A certain amount of heroin is put in. Usually there's three or four lights on top. The guy who sits at the head of the table has a little instrument, about six inches, usually like a little cup that picks up just enough to go into the bag, the little cellophane bag."

"The guy next to him has a little bag in his hand," he went on. "The guy lays it out, knocks it on its side, cleans it off. The next guy catches the bag and passes it on and they're sealed. They tape it together and place them in bundles of 10."

Thousands of glassine bags were stored in the apartment for packaging, Mr. Vizzini said. The heroin was put in bags marked "La Tumba," Spanish for "the tomb," and the cocaine in packages marked "Nice."

On July 1, 1982, the apartment was raided by Drug Enforcement Administration agents who found what prosecutors said were records containing code names for Mr. Martinez-Torres's customers in New York City, Connecticut, Pennsylvania and Massachusetts.

Mark Gottridge, an assistant United States attorney in Manhattan, said the records showed that Mr. Martinez-Torres sold out-of-state dealers a bundle—or 10 bags—for $85. Bronx dealers were charged $65 to $70 for each bundle. The price was higher for the out-of-staters apparently because they could sell each bag for as much as $20 while the price in the city was $10, according to prosecutors.

Mr. Gottridge said the records also revealed that in the six months before his arrest, Mr. Martinez-Torres sold 177,750 "dime" bags—$10 bags—of heroin for about $1.7 million.

Last year Mr. Martinez-Torres and nine other purported members of his ring were convicted on Federal drug charges. Mr. Martinez-Torres received the longest sentence, 20 years.

Shortly after the trial, the body of the 44-year-old Mr. Vizzine was found in a car near the Grand Central Parkway in Queens. He had been shot and set on fire.

No suspect has been arrested for the murder. Police Department and Federal officials said they believed Mr. Vizzini may have been slain because of his undercover work.

STRATEGIES CLASH IN THE WAR ON DRUGS

(By Selwyn Raab)

From their desks on the 17th floor of a West Side skyscraper, the agents of a Federal drug task force have a majestic view of New York and New Jersey.

Ten miles uptown, in the headquarters of the Police Department's Bronx narcotics unit, the panorama is scarred tenements and an elevated subway line.

The two horizons reflect the different perspectives and strategies of the Federal Government and the Police Department in their separate campaigns against drug traffickers in New York City and the suburbs.

The agents of the Federal Drug Enforcement Administration's New York Task Force concentrate on international and major domestic drug rings. It is not unusual for them to work several years on a single case.

In the Bronx, as elsewhere in the city, police narcotics officers have little time to devote to complex investigations. Their priority is quick arrests—"buy and bust"—in an effort to rid the streets of small-time dealers and addicts.

For both forces, the city is a major drug battleground because transactions here influence trafficking throughout the United States.

Bruce E. Jensen, head of the Drug Enforcement Administration's metropolitan New York field office, said that between 50 and 75 percent of the 11,000 pounds of illegal heroin smuggled into the country comes through the city. And the agency estimates that about 40 percent of the cocaine that floods the country is siphoned through the metropolitan area.

The Drug Enforcement Administration has 240 agents in the city, about 12 percent of its total personnel in the country. The Police Department has 460 investigators and supervisors assigned to the Narcotics Division. Critics, however, question the effectiveness of both the Federal and police antinarcotics programs.

Congressional representatives and local police officials, including Police Commissioner Benjamin Ward, contend that the Drug Enforcement Administration has failed to staunch the flood of drugs into the city and suburbs.

Many prosecutors, drug rehabilitation officials and police officers say the Police De-

partment has floundered in various drives to contain trafficking on the streets of New York.

They believe it has changed policies too frequently—sometimes trying to knock out drug suppliers and sometimes, as now, resorting to large-scale roundups of street dealers and addicts on the Lower East Side and in Harlem.

ROUNDUPS SWAMP COURTS

Roundups—unless followed up by swift prison sentences for dealers and rehabilitation programs for addicts—have no long term effect, the critics assert. And, they note, the large-scale sweeps have swamped the courts and rehabilitation centers, while dealers from the Lower East Side have simply moved to other neighborhoods.

Drug Enforcement Administration officials and Commissioner Ward, however, defend their methods as the best way of combating current conditions.

Kenneth G. Robinson has been working on high-level cases with the Drug Enforcement Administration Task Force in New York since 1972. He is one of 90 city detectives on loan to the unit, which also has 34 Federal and 21 state police investigators. Most of the Federal drug agents in the city are working on cases that do not involve the task force.

For the last six years, Mr. Robinson has been assigned to cocaine investigations. Federal prosecutors say he is an expert on the Colombian traffickers who are the major suppliers of the drug.

At least 12 Colombian cocaine "crime families" have entrenched themselves in Queens, primarily in Jackson Heights, Elmhurst and Flushing, Mr. Robinson said in an interview at the Drug Enforcement Administration's offices at 555 West 57th Street at 11th Avenue.

BILLION-DOLLAR COCAINE TRADE

Each family, he estimated, is selling $60 million to $70 million a year worth of cocaine to wholesalers or middle-level dealers for a total profit to the Colombian groups of more than $1 billion a year.

"A kilo costs them $2,000 or $3,000 to bring in from Colombia and they sell it to dealers here for $30,000 to $40,000," Mr. Robinson said. The cocaine is adulterated, or cut, by dealers and eventually a kilogram—or kilo, which weights 2.2 pounds—is worth about $1 million in retail sales on the street, he said.

The Drug Enforcement Administration has found the Colombian crime groups virtually impossible to infiltrate, mainly because gang members fear their families will be slain if they cooperate with investigators. "If they suspect someone is cheating, they'll take out his entire family," Mr. Jensen said. "They are far more prone to violence than American organized-crime groups."

Most of the Colombian traffickers, Mr. Jensen said, are illegal immigrants who use false identification documents to return to the United States even after being deported.

The Drug Enforcement Administration has compiled dossiers on the Colombian crime groups through years of trailing suspects, tapping telephones and seizing financial and other records.

The leaders of the groups, Mr. Robinson said, normally remain in Colombia or Florida, although they visit here. In Queens, each group has a "captain" or leader who supervises about 10 "lieutenants" or workers in distributing cocaine to American buyers.

SMUGGLERS ARE 'CREATIVE'

"They only sell in kilo quantities and they must sell it exactly as they received it, more than 90 percent pure and never cut," Mr. Robinson said, "It's their form of quality control."

Thomas J. Deignan, a Drug Enforcement Administration agent who is Detective Robinson's partner, said the Colombians smuggle cocaine into the city on commercial flights from Central and South America and in cars driven from Florida and other Southeastern states.

He added: "They're creative. They'll hide it in freight shipments. Or in one day they'll send 17 mules on different flights. They don't care if four or five get caught as long as 12 or 13 get through." "Mules" is drug jargon for couriers.

Couriers who have been arrested have been found to have swallowed as much as 600 grams—or 20 ounces—of cocaine in condoms, federal officials said.

'NEVER WANT TO GO HOME'

"The captains and lieutenants try to be obscure," Mr. Deignan said. "They don't dress flashy or wear expensive jewelry. They don't drive around in big cars. About the only thing they want is expensive apartments with good security and doormen so no one will surprise them in their apartments or rob them."

Detective Robinson said workers or lieutenants who have been arrested here often were farm laborers in Colombia. "Back home they're considered hillbillies," he said. "Here, they aren't given much money, about $100 a week, but they get a free apartment, a car and a TV set. Most of them never want to go home. It's nirvana as long as they remain loyal to their bosses."

For the last five years, Detective Robinson and Agent Deignan have stalked the leader of one of the Colombian families in Queens, whom they identified as Victor Crespo. In early 1979, Detective Robinson, while trailing a suspected cocaine dealer, saw the suspect meet a man later identified as Mr. Crespo.

"The dealer scraped and bowed to Crespo and you could see how important he considered Crespo," Detective Robinson recalled. Agents identified Mr. Crespo after stopping a car he was riding in on the pretext that it fit the description of a getaway car in a robbery. Mr. Crespo produced his passport as identification.

For two weeks in 1979, Mr. Robinson and other agents followed Mr. Crespo without finding any evidence to implicate him in a crime.

A MAJOR DRUG VIOLATOR

It was only after he eluded the agents that they learned that he was wanted as a major drug violator in Colombia and Peru and was the head of one of the cocaine groups in the city.

"We know his organization does more than $60 million in business here and we have arrested some of his workers and gotten some of their records, so we have a good idea of how much they're making," Mr. Robinson said. "But they have an inexhaustible supply of replacements for anyone arrested."

"It's frustrating," he added, "because he knows we are looking for him. He uses false documents to slip in and out of the country. It's a cat-and-mouse game—but we'll get him."

On a recent afternoon, 20 undercover investigators in the Bronx section of the Police Department's Narcotics Division prepared for a raid.

At their base, in the 50th Precinct station house in the Kingsbridge section, the investigators listened to Sgt. Kevin Duffy explain their two-part mission: They were to round up drug dealers in St. James Park in the North Bronx while simultaneously raiding a "smoke-shop," across the street from the park, where marijuana was being sold.

Standing in front of a blackboard with a diagram of the park, which is bounded by Creston and Jerome Avenues and 191st and 193d Streets, Sergeant Duffy spoke above the thunder of elevated subway trains.

Four "uncles," or undercover agents, he explained, would buy drugs in the park and in a bodega that was being used as a smoke shop.

The uncles would be observed by officers in unmarked cars and a panel truck at the entrances to the park. After the buys were made, the uncles would broadcast descriptions of the sellers on two-way hand-held radios and the other investigators would arrest them.

'DEALERS LIKE COCKROACHES'

All of the officers, most of whom wore faded casual clothes and sneakers, laced their bulletproof vests tightly. Some carried shotguns or bats.

"Merchants near the park have been complaining about the pushers," said Lieut. Edward T. Minogue, who was in charge of the raid. "As soon as the weather warms up, the dealers come out like cockroaches."

Last year, the 55 officers assigned to the Bronx unit made 3,349 arrests. "It was a routine year for us," Lieutenant Minogue said, although cocaine arrests are rising. "We haven't got the worst conditions in the city but the Bronx is pretty typical. There are 9 or 10 prime hot spots up here."

Investigators in the Bronx, like most narcotics officers, are frequently offered bribes by dealers. Last February, according to two members of the unit, a dealer who was caught with two kilos of cocaine offered to turn over $10,000 and one of the kilos if the officers would allow him to escape.

Bribe offers of $500 or $1,000 are almost routine, officers said.

All investigators and supervisors in the Narcotics Division are automatically transferred after three years of duty, partly because of fears of corruption. The department began the policy in the early 1970's after widespread graft was uncovered in a special narcotics unit.

Some officers contend that the transfer policy lowers morale and eliminates the best-trained narcotics investigators.

At St. James Park, the police radios crackled: "From uncle, the bodega is doing a brisk business," and, "This is uncle, two right in front of monkey bars—they're doing."

NEIGHBORS WATCH RAID

While officers with handcuffs dangling from their belts guarded the outside of the bodega, and onlookers gathered on the sidewalk, directly across the street in the park the officers continued to radio reports of buys and descriptions of dealers.

"O.K., let's go," Lieutenant Minogue ordered over his radio. About 15 officers raced into the park as the suspects bolted toward exits. Ten men were lined up in front of the park as the "uncles" concealed in cars nearby identified them as dealers.

Several officers guarded the suspects with baseball bats. "When they see bats, they'll run but they don't resist," one officer said.

"We only lost one mutt," Lieutenant Minogue noted, referring to a dealer, as the suspects were taken away to be booked.

Two hours later, using the same tactics, the unit again raided the park. Nine more suspected dealers were arrested. In the second raid, an officer said that when she made a buy the dealer told her, "The saints were good to me—the cops hit this place in the morning and I wasn't here."

The sweeps in the park and the smoke shop resulted in 22 arrests for the sale of cocaine, marijuana and other drugs. Four were felony charges, the rest misdemeanors.

"We know most of them will pay a fine of $50 and be back out there in three or four days," said one investigator, who asked to be identified by his nickname, Dee.

"For us it's cosmetics, cleaning the streets briefly," he added. "For them, it's just the cost of doing business."

FOR DRUG PROSECUTOR, A SENSE OF FRUSTRATION

Bulging columns of manila folders are piled every day on the desk of Terrence J. Crockford. Each folder represents one of the 200 narcotics cases that Mr. Crockford is responsible for prosecuting.

Mr. Crockford is one of the 50 assistant district attorneys in the office of the city's Special Narcotics Prosecutor, Sterling Johnson Jr., where most of the Police Department's 9,373 felony drug arrests last year were processed.

In 1983, Mr. Crockford handled 220 cases. Most of his cases—like 95 percent of narcotics arrests in the city—ended with an arrangement in which the defendant pleaded guilty in exchange for a reduced charge or a lower sentence. Only four of Mr. Crockford's cases went to trial last year.

The 34-year-old Mr. Crockford is assigned to prosecuting defendants arrested in Operation Pressure Point, the police crackdown against drug dealers on the Lower East Side. "We mainly get $10 sales of heroin or cocaine," Mr. Crockford said. "It's mostly lower-echelon street people."

'IT'S BEEN FRUSTRATING'

Defendants who are first offenders and who are arrested with small amounts of drugs often are placed on probation or given suspended sentences, he said. Those who have a previous felony conviction face up to life imprisonment, although most are sentenced to a maximum of four years.

"It's been frustrating," Mr. Crockford said in an interview in his office at 80 Centre Street in smaller caseloads we might not be so inclined to offer pleas right away. A lot of assistants feel the volume is burying us."

A total of 97 cases in the Special Prosecutor's Office went to trial last year, according to court records. Mr. Crockford said that many of the cases involve defendants who have had previous drug arrests, and that they continue dealing because of the profits. He noted that dealers on the Lower East Side make about $200 a day from illegal sales while "steerers," who direct customers, get about $100.

"We must keep putting pressure on the dealers, because there's a million kids out there who are probably willing to make that kind of money by selling bags on the street," Mr. Crockford said.

"Yes, there are disappointing, frustrating aspects for us," he added. "But we have to keep the pressure on because it does have an impact out there when the word gets out that at least some people are going away to prison."

Besides the more than 9,000 felony drug arrests by the police last year, the Federal Drug Enforcement Adminsistration made 1,177 arrests on Federal charges in the New York metropolitan area.

Because the Federal courts are less crowded, most of the Federal cases went to trial and many defendants received prison terms of more than 10 years.

DRUG PROGRAMS: HELP FOR ONLY A FEW

(By Selwyn Raab)

Every business day, dozens of executives and employees in the Wall Street area enter an unmarked suite of offices in a building next to the American Stock Exchange. If they meet at the door, none of the men or women extend any sign of recognition.

The unmarked suite is a clinic, and the clients—former heroin addicts—are there to obtain methadone, a synthetic opiate that blocks their desires for heroin.

Uptown, in a converted tenement in the Bronx, 120 men and women begin each day chanting in unison a 200-word pledge to "rise from the ashes" and to reform themselves. Also former addicts, they are in a Phoenix House center that relies on therapy to overcome drug habits.

The methadone-maintenance clinic and the Phoenix House are two components in a drug-rehabilitation network in New York State that will cost $200 million to operate this year. All of the programs, public and private, residential and nonresidential, have room for 70,000 patients—5 percent of the estimated 1.4 million drug abusers in the state, according to the State Division of Substance Abuse Services.

For two decades, the state has subsidized a variety of drug-rehabilitation efforts. At best, the results have been mixed.

Methadone maintenance has emerged as the largest treatment method, with 32,000 people in publicly supported and private outpatient clinics. Almost 28,000, are in New York City. About 3,000 patients are in methadone programs on Long Island and in the northern suburbs.

Nationwide, 70,000 people are in methadone treatment.

Methadone works by blocking the desire for heroin without producing the same narcotic high. Its proponents cite two major reasons for its widespread use. It has reduced crime that heroin addicts would normally commit to buy the illegal drug, and, at a cost of $2,200 a year for each outpatient, it is less expensive than drug-free residential care, which costs $8,500 a year a patient.

A state study on drug abuse in 1982 found that "the claims for methadone's capacity to reduce the grim proliferation of heroin use have far less validity than was originally hoped." The report, prepared by Joseph A. Califano Jr., who was special counselor to former Gov. Hugh L. Carey, stressed that methadone had permitted thousands of addicts to work and conduct reasonably normal lives.

The report, however, noted "serious drawbacks" with methadone. They included the findings that 40 percent of all patients dropped out before one year of treatment; more than 50 percent continued to use heroin or nonopiate drugs, including cocaine, and a methadone black market has been created in which the addictive drug is sold illegally, often by methadone patients.

Dr. Vincent P. Dole, an internist and researcher at the Rockefeller University who helped develop methadone as a therapy in the 60's, said that "nothing as efficient" had been found to cope with heroin addiction.

"It is the only program that has large-scale application," Dr. Dole said in an interview. "A black market has been created, because there is an unmet demand and because political propaganda and community opposition have made it impossible to open more clinics."

The clinic in the Wall Street area, at 74 Trinity Place, is run by the New York Infirmary-Beekman Hospital. At the clinic, most of the 215 patients appear two or three times a week, where they drink a prescribed dose of bitter-tasing methadone in an orange-flavored concoction. Patients who are considered reliable get take-home supplies for weekends and days when they do not visit the clinic.

Federal law requires that the patients undergo periodic urinalysis to determine if they have lapsed and are using drugs again. Additionally, clinics must provide some type of counseling.

The regimen at the Trinity Place clinic is similar to programs at 95 others in the city. The major difference is that the Wall Street patients are more affluent than in most other programs, and a patient can be charged as much as $40 a week for treatment.

Many of the patients expressed two principal concerns in interviews. They worried that their careers would be shattered if their employers discovered they were in a methadone program. And, because the treatment is indefinite—perhaps lifelong—they were troubled by the possible physical side effects that might develop.

'IT SAVED MY LIFE'

An assistant vice president at a bank, who asked to be identified only by his first name, Neil, summarized the views of other patients. "If my bosses knew I was on methadone," he said, "it would be the biggest black mark against me. In the straight world, I'm a junkie, someone you may never be able to trust.

"I've met people in business meetings, former junkies who are in this program, and we can't give the slight nod. It's funny and scary.

Yet, without methadone, I'd be in jail or dead. It saved my life."

Patients said that as former addicts it was easy for them to spot current abusers and that there was widespread use of heroin and cocaine in the financial district.

"Why do they use it?" said Jack, a trader at a brokerage house who is a methadone patient. "They say it's pressure; it's a crutch. There are more junkies on Wall Street than most people realize."

'JUST LIKE MEDICATION'

Mark, an investment counselor, and his wife, Louise, an executive for a public-relations company, arrive together twice a week for their methadone.

"I know I might have to use it for a long period, or the rest of my life, but that's just like medication for a heart disease," Louise said. "That's how I look at it."

"Methadone offers me stability," her husband said. "I have so many pressures and worry that I can't kick it. I'm not afraid of the physical pain, but the emotional pain of being without it."

The concept of using a drug to cure a dependency on another drug is shunned by programs that call themselves therapeutic communities. About 3,300 patients are in state-supported residential therapy programs. The programs generally view drug

abuse as stemming from personality disorders and require treatment periods of 18 months.

THERAPY AND ENCOUNTER SESSIONS

The Califano report also found high dropout rates for the residential drug-free approach, 75 percent in the first year and 90 percent before completing a program. For outpatient drug-free therapy, the Califano report described results for heroin addicts as "unimpressive."

Most residential programs emphasize group therapy and lacerating encounter sessions, where patients are encouraged to be brutally self-critical. Many are multidrug abusers, known in the drug culture as "garbage heads."

"They have spent 20 to 30 years getting here, and they have to learn in two years how to mature from the age of 13 to an adult," explained Stephen Jones, a counselor at the Phoenix House center in the Bronx.

The Phoenix House Foundation runs one of the largest drug-free rehabilitation programs in the country, including the Bronx residential center, at 1851 Phelan Place on University Heights.

At the center, 120 men and women include those who have volunteered for treatment as well as some who have been convicted of crimes and have been sent there under alternatives to prison terms. Their ages range from 18 to 49.

Everyone at the center, or "community," has a job or task, from mopping floors to teaching classes in basic English. After 14 months, a patient moves to "re-entry" by being sent outside during the day to resume or begin an occupation or schooling.

At night, they must return to Phelan Place.

"Our residents vary from 'ghetto' kids to rich, rich kids," said Larry Stallings, the 32-year-old director who is a former heroin addict. "Our program teaches self-reliance, how to deal with basics, getting up at time, making beds, how to be responsible persons."

'PHOENIX HOUSE STAMP'

During the first three months, newcomers are virtually cut off from the outside world, with little communication with parents or relatives.

"We want to put a Phoenix House stamp on them," Mr. Stallings said. "Before they start making progress, they have to learn that they will have to change themselves."

In the basement lounge of the five-story building, a longtime resident, Walter, recently outlined the rules prohibiting such acts as stealing or "impulsive behavior" to a group of 15 newcomers.

"This is our home, we have to respect and share it with others," Walter said. "We have to accept authority and learn to have a job. There is a need for order, otherwise there is chaos."

'WHAT ARE YOU SCARED OF'?

Later, at a therapy session, members of a "clan" or group discussed the concern some of them had of "wasting" a year or two in the program.

"Remember going into a vacant building at 2 or 3 in the morning with a candle to cop or steal?" a patient who led the discussion asked. "What are you scared of in here? Rejection? That no one is going to like you?"

Dr. Mitchell Rosenthal, a psychiatrist who is president of the Phoenix Foundation, explained the major reasons for emphasizing discipline and self-criticism.

"They have lived in a kind of social coma," he said. "They have been so self-absorbed with drug use that they became chronically thoughtless about everything else in life.

"Discipline puts them in a stressful situation. We put them in a social crucible, in which we can get them feeling what other people have learned much more gradually in life."

The director of research of the foundation, George De Leon, attributed the high dropout rate in therapeutic communities partly to an "open-door policy" and the "long and difficult regime." He said 75 percent of the residential patients who have completed a program never returned to drugs.

After two decades of seeking methods to half the illicit use of heroin, barbiturates and amphetamines, rehabilitation experts are faced with a new problem—cocaine. About 9 percent of the patients seeking help at state-supported programs list cocaine as their chief problem.

The director of the Substance Abuse Division, Julio A. Martinez, acknowledged that public programs had failed to attract middle-class or wealthy cocaine abusers. Most of state programs are in run-down or borderline neighborhoods and are mainly used by heroin addicts, according to Mr. Martinez.

There are few private facilities available for cocaine abusers, and private counseling is expensive—$10,000 or more a year.

CENTER FOR COCAINE ABUSERS

"The medical community has not assumed the responsibility to sufficiently train people in drug abuse," Dr. Robert B. Millman, director of drug research at New York Hospital, said. "Most physicians say: 'Why bother with drug abusers? They did it to themselves,' or 'They're poor and they won't pay their bills, so send them to a public clinic.' "

An outpatient-treatment center for cocaine abusers opened last July in Regent Hospital, a private institution at 425 East 61st Street, near York Avenue. The cost for each year of the program, which consists of individual and group therapy, will be $8,800. More than 50 patients have entered it.

The director of substance-abuse research at the hospital, Dr. Arnold M. Washton, described the public drug treatment system as "overburdened" and said large-scale public financing for cocaine abusers should be avoided.

"The average cocaine user is making over $30,000 a year and spending $500 a week on the drug," he said. "Why should you and I have to pay for his treatment?"

FEDERAL EFFORT AT COORDINATION

The Reagan Administration, in its drive against trafficking, has emphasized law enforcement. It has set up 12 antidrug groups, including 1 in the New York metropolitan area, to concentrate on organized-crime groups and their involvement in narcotics.

Since last June, the Administration also has moved to coordinate the efforts of such agencies as the Coast Guard, Defense Department and Customs to interdict major drug smugglers.

In the last two years the Federal contribution to rehabilitation in the state has declined, from $34.3 million to $19.4 million, according to the state.

Police Commissioner Benjamin Ward is also counting on tough policies to drive dealers and addicts off the streets. Since last January, his crackdown against low-level dealers in Manhattan has resulted in more than 4,600 arrests.

"The death penalty couldn't deter the drug trade," Commissioner Ward said in an interview. "What I'm doing is cutting robberies and burglaries, even if doesn't deter dealers.

"I'm not in the business of rehabilitating junkies. I'm in the business of taking back the streets for the good people."

The street "sweeps," or mass arrests, Commissioner Ward said, might influence the White House and local political leaders to provide more money to combat traffickers.

"You put enough pressure on the Mayor Kochs and the Governor Cuomos and the President Reagans of this country, they'll open up prisons," he said. "We are embarrassing various levels of government to put more money into law enforcement and rehabiltation."

I'D NEED A MARINE DIVISION

Bruce E. Jensen, who is in charge of the 240 Federal Drug Enforcement Administration agents in the city, Long Island and the northern suburbs, said his office's personnel had recently been reinforced, but only to the strength it had 10 years ago.

Because of the priorities attached to heroin and cocaine, the D.E.A. has virtually halted marijuana investigations. "To stop all the drugs coming into New York, I'd need a Marine division," Mr. Jensen said.

Most social scientists believe the United States has experienced more drug abuse than any other Western industrialized country. Psychiatrists, psychologists and sociologists cite a combination of factors for their spread, including these:

¶The widespread acceptance of marijuana, which has encouraged users to experiment with harder drugs such as cocaine and heroin. Studies have found that 30 percent of regular marijuana smokers use another drug.

¶The glamorization of cocaine as a sophisticated, supposedly benign, "recreational" drug that is widely used by such role models as entertainers and athletes.

¶The existence of organized-crime groups, which have reaped vast profits by distributing narcotics.

FRUSTRATIONS ARE CITED

Leaders of rehabilitation programs and law-enforcement officials generally agree antidrug campaigns by the police and D.E.A. will have limited long-term effect unless there are treatment programs for addicts.

"The fight against narcotics is frustrating," the city's Special Narcotics Prosecutor, Sterling Johnson Jr., said, "It's like digging a hole in the ocean. If you stop for a minute, it will be filled with water again.

"There has to be a greater commitment from Federal and local government, not just on law enforcement, but for greater political pressure on source countries where the drugs come from, for treatment of addicts and educating our kids about the dangers of drugs."

Dr. Rosenthal of the Phoenix Foundation said:

"There always seems to be a lack of integrated planning between criminal-justice and treatment people. What is the point of locking up thousands of addicts—and most street pushers are addicts—unless there is room at the inn for treatment?"

After 12 years of working with drug abusers, Dr. Washton of Regent Hospital, who is a psychologist, said he saw signs society was

beginning to take "a much harder line against drug use."

"We have gone through a permissive phenomenon, which brought recreational drug use into the culture," he said. "After a blowout week at work, it was considered all right to have a quick escape and release from the rat race, especially with drugs that were touted as nonaddictive.

"People are now less accepting of occasional drug use, even those who have been doing it since the 1960's. There is a nationwide movement just getting started that is saying this society will no longer tolerate the use of mood-altering chemicals the way it has for the past 20 years."

BOB COOK: GOOD FRIEND AND HOUSING INDUSTRY LEADER

Mr. PERCY. Mr. President, earlier this year, Bob Cook, who has served for 28 years as chief executive officer of the Illinois Association of Realtors, announced his plans to retire. I have known Bob for many years, sought his advice and trusted his judgment. He has been an outstanding leader in the housing field, and a nationally recognized spokesman for realtors. We have profited immeasurably from his wisdom. As much as he deserves a respite from his near three decades of commitment and hard work, it is difficult to let him leave.

The Illinois Association of Realtors has grown a thousand percent under his guidance and energetic leadership—from 2,200 to 23,000 members. As the Illinois Realtors' representative on public policy issues, he has left his mark on a number of key States statutes which both protect the consumer and guarantee a high performance standard among those privileged to call themselves Illinois Realtors.

Bob's leadership skills and his noteworthy ability to work with people and discern their needs and talents have extended beyond his professional life and into a long and distinguished record of church and community service. His graciousness and caring are evident in all he does; Bob truly can be called a humanitarian.

There are probably few Members left in the Senate who remember—or were here—when I served as a member of the Housing Subcommittee. My first bill and my first major interest when I came to the Senate both were concerned with improving and enhancing the opportunities for homeownership among moderate- and lower-income families. Through the work which led to passage of my proposal as part of the Housing Act of 1968, I came to know many in the field of housing who are good friends to this day. I am honored to count Bob Cook among them.

The nice thing about Bob is that, while he may be retiring from his Illinois Realtor post, we know he will not retire from life. I, for one, look forward to seeing the success of the next project, whatever it may be, to which he puts his hand. There is no doubt in my mind that the people around him will benefit the most.

In a world where durability is in short supply and transience is the norm, it has been good to know that Bob Cook is here. His personal commitment to, and guidance of, one of Illinois' most important professional associations has been a source of strength not only to the Illinois Realtors but also to us, in public life, who have relied on his unfailing sense of what is right and what can be accomplished when people work together.

Mr. President, I know my colleagues join me in saluting Bob for his 28 successful and productive years. And we most certainly have not heard the last of him. I look forward to working with him in the years ahead in my projects of mutual interest.

THE LINK BETWEEN NARCOTICS AND INTERNATIONAL TERRORISM

Mrs. HAWKINS. Mr. President, last week, I chaired a hearing into the link beween narcotics trafficking and international terrorism. During this hearing, we heard from a former Nicaraguan diplomat who provided detailed accounts of narcotics use and trafficking by senior members of the Nicaraguan Government.

Then, earlier this week, I released recently declassified photographs, taken by the Drug Enforcement Administration, which provide undeniable evidence of participation by a senior Nicaraguan Government official in narcotics shipments to the United States. The proof is so clear, that in one photograph the Nicaraguan official is shown loading bales of cocaine onto a waiting airplane with the invaluable assistance of a member of the Colombian Congress, and a member of the Nicaraguan military!

Mr. President, the contempt thus demonstrated by the Government of Nicaragua for its democratic neighbors makes it necessary for appropriate action to be taken immediately. Unless we take necessary steps to force Nicaragua to cease such activities, we, as Americans, will continue to suffer the effects of the flow of illegal narcotics into this country; we will continue to witness our own demise, as exhibited by impaired national defense, lowered productivity, failed education, increased violent crime, and addiction and death.

Drug abuse costs all of us in many different ways. It was estimated recently that the national mean scores for SAT's have decreased almost 16 percent, due in part to our children's increasing use of illicit drugs readily available in schoolyards and playgrounds. As far as the impact of drugs on crime, not only has the volume of violent crime increased almost 47 percent in the past few years, but also law enforcement authorities estimate that between 40 and 60 percent of all serious crime in the United States is drug-related. A particularly horrific example of the lethal partnership of drugs and crime is found in the study done of 237 heroin addicts who committed more than 500,000 crimes in an 11-year period. The use of illegal narcotics in the workplace is costing us dearly as well; it had been estimated that increased drug use by workers is costing us more than $10 million a year.

All this, and more, are due to the drugs which stream into our country, a stream that is facilitated by nations like Nicaragua.

Nicaragua—a drug smuggler's dream. It is a country which lies exactly halfway between the world's cocaine supply and the United States. It seems also that smugglers are allowed full use of Nicaragua's airports and the help of military personnel in loading cocaine onto planes destined for the United States.

I intend, therefore to introduce a Senate resolution, legislation calling for the Members of the U.S. Senate to join me in condemning the Government of Nicaragua for its drug trafficking activities. When the Government of this nation is involved in drug trafficking to the extent that military airstrips, refueling operations, and radar coordination are being utilized, it is time for our Government to take the strongest action possible.

I urge each and every one of my colleagues, therefore, to join me in condemning Nicaragua for its drug trafficking activities. Only by an expression of universal outrage, made by this entire body, can we be effective in our continued efforts to prevent Americans from remaining willing victims of the scourge of drug abuse.

THE SECOND SUPPLEMENTAL APPROPRIATIONS, 1984

Mr. MITCHELL. Mr. President, last night, I opposed final passage of the supplemental appropriations bill for fiscal year 1984 (H.R. 6040). I did so, however, with mixed feelings because it containd a number of sound provisions. Of particular interest to me, for instance, were those parts of H.R. 6040 which would make important and necessary appropriations for several Veterans' Administration programs. Those appropriations cover shortfalls in VA compensation and pension accounts, the VA's loan guarantee revolving fund, and the readjustment benefits account.

I strongly support all of these programs and I would like to make clear my vote in opposition to final passage should not be considered to reflect any opposition to the VA funds included in the bill.

Nor do I want anyone to doubt my support for the Federal food stamp program. This bill contained $700 million in food stamp funding; the appropriation would fund the program from September 6 through September 30.

Lastly, H.R. 6040 includes $353 million to cover an estimated shortfall in the Pell educational grant program for the academic years 1983–84 and 1984–85 and $50 million for the removal of asbestos from the Nations' schools. These are both important programs that have my wholehearted support.

Having cited several provisions of H.R. 6040 which I favored, I will now turn to the two major deficiencies in the bill which led me to oppose it on final passage.

First, and foremost, I opposed the bill because the overall level of appropriations contained in it was excessive. Its grand total was $6.85 billion, an amount which exceeds the budget estimate of $5.94 billion by over $900 million, or 15 percent. Moreover, the bill exceeds the House-passed supplemental by $1.4 billion.

While many of the provisions contained in the bill clearly were supportable, others could have been pared considerably. With only 7 weeks remaining in fiscal year 1984, there simply is no need of a supplemental of this size. The House figure, I believe, is adequate to cover the funding shortfalls which will result in emergency situations; at the same time, the House level, in my judgment, is more fiscally responsible, given the enormous U.S. deficit, the burden of which ultimately will be borne by U.S. taxpayers.

My second major reason for opposing the supplemental appropriation on final passage related to the $116 million in additional military assistance for El Salvador which it contains.

With fiscal year 1984 drawing to a close, I don't think this $116 million for El Salvador can be responsibly obligated before October. Nor do I think this further expansion of our military assistance program is necessary to maintain the strength of the newly elected President of El Salvador or to assure the security interests of the United States in the Central American region. To the contrary, the supplemental military assistance provided in the bill may be counterproductive.

I say this because I agree wholeheartedly with Senator INOUYE, who, during the debate on the bill, cautioned the Senate not to remove the means by which the United States can promote reform in the military of El Salvador.

The continual provision of U.S. military assistance without regard to Salvadoran military reforms provides the military with no incentive to eliminate its own inadequacies. As Senator INOUYE said, "We hold out a 'technological' option to reform * * * The technological option, if pursued to its logical conclusion, can defeat the guerillas, but it will leave an unreformed military with power to rule El Salvador."

I would like to conclude by saying that the military aid contained in the bill is wholly unnecessary to assure the Salvadorans of U.S. support. We should all remember that even without the extra money for arms contained in this legislation, the United States has this year already provided $126 million, an amount $45 million higher than President Reagan initially requested for fiscal year 1984.

It is my hope that my two major objections will be addressed by the committee on conference. I hope that both the grand total of the bill and the El Salvador military aid level will be substantially reduced. If this is accomplished, I will support the conference report for, as I have noted, a number of important programs require supplemental funding.

MARYLAND'S INCREDIBLE OLYMPIANS

Mr. MATHIAS. Mr. President, in the past week and a half, Americans have locked their attention on the Olympic Games, enthralled as the world's athletes have vied in contests of grace, strength, and determination. I am happy to note that we in Maryland have been injected with a double dose of Olympic spirit this summer.

As one of only two sites outside of California to play host to an Olympic event, our capital city of Annapolis staged six first-round soccer matches. For many, this was a once-in-a-lifetime chance to see Olympic competition in person, and they journeyed to Annapolis by the thousands last week from all over the East. After watching the play of seven of the finest teams in the world, our visitors left with an appreciation of why soccer is internationally the most popular spectator sport.

Meanwhile, we have had the pleasure of rooting for 10 Maryland Olympians in Los Angeles. These incredible Marylanders have provided us with some of the most memorable moments in the Olympics—the spectacular and thrilling, the moving and poignant.

Theresa Andrews, a swimmer from Annapolis, dedicated this past year of training to her brother, paralyzed last summer in an accident. We will not soon forget the sight of Ms. Andrews, fresh from victory in the 100-meter backstroke, going to her brother, in a wheelchair at poolside, and presenting him with her gold medal. It was an action that reminded us all about the spirit of a sport and the soul of a family.

Ms. Andrews, incidently, went on to win another gold medal by swimming the opening leg in the women's 400-meter medley relay. Two other Maryland women, Betsy Beard of Chestertown and Kathy Keeler of Chevy Chase, were instrumental in the dramatic one-second victory of the United States over the Romanians in the eight-oars rowing competition. This was the first gold medal the United States had ever won in women's rowing.

In other events, Rob Stull of Damascus served as the noncompeting captain of the U.S. modern pentathlon team, winner of a silver medal. Scott Steele of Annapolis, competing in the yachting windglider class, also earned a silver medal, and Bruce Merritt of Ridge is making an excellent showing in the canoeing. Many of the Maryland Olympians, in fact, seem to reflect the State's close relationship with the water—other water sportsmen include Norman Bellingham of Rockville and Dan Schnurrenberger of Mt. Airy in the men's kayak, and Patrick Kennedy of Cockeysville in the men's 200-meter butterfly.

Finally, we look forward to watching Carl Schueler of Silver Spring in the 50-kilometer walk in men's track this weekend.

Maryland is proud of its Olympians and takes pleasure in sharing the exhilaration of their athletic accomplishments.

IS POLLUTION THREATENING TO DESTROY OUR FORESTS?

Mr. BRADLEY. Mr. President, I rise to call attention to evidence of a threat to our Nation's forests that could assume catastrophic proportions. Although this evidence has been mounting for some time, very little is being done to understand what is happening or how we can combat it.

Trees in both the United States and Germany show damage, and we do not know why. We suspect the cause may be pollution from fossil fuel burning, but no one can prove which pollutants are responsible or just how they are affecting the trees. I would like to cite some of the evidence that is turning up.

First, in both the United States and Germany, tree growth rates dropped sharply over a 4-year span around 1960. Tree growth has been below normal ever since. The problem affects trees all over the Eastern United States and Germany, and affects both deciduous and evergreen trees. What happened in 1960? What is causing the slow growth? Could it get worse? We do not know.

Second, in Germany, large numbers of trees are sickening and dying back for an unknown reason. Both deciduous and evergreen trees have been losing green leaves and needles. Leaves are turning yellow, the crowns are thinning, and new growth shoots are

misshapen. This problem first appeared about 1980. Less than 3 years later, the problem now affects 34 percent of the trees in the famous Black Forest.

Third, a similar die-back problem has appeared in the United States. So far, the U.S. problem only affects one species—red spruce. We know that for the past 20 years, red spruce has experienced the same growth decline as all other species. Is red spruce only the first species to be affected by die-back? Are other species about to be hit as has happened in West Germany? Again, we do not know the mechanism or even which pollutants are responsible.

What alarms me most is that we do not understand any of the damage mechanisms. This means we do not know which of several air pollutants is the culprit, or if pollution is the sole cause. We cannot even rule out the possibility that something other than pollution might be at work. Also, because we do not understand the damage mechanisms, we cannot say if damage is cumulative or only depends on pollution received in a given year. If damage depends only on the year-to-year deposition, perhaps we can afford to wait until we know enough to tailor control expenditures to the key problems and to save money. If the damage mechanism is cumulative, we are sitting on a time bomb and every year's delay makes things worse. Year-to-year or cumulative? We cannot prove either hypothesis.

In the face of this accumulating evidence, the administration is doing too little about finding the cause. While the administration raised EPA's R&D budget for 1985 by 2 percent in constant dollars, this same administration has cut EPA R&D funding by 39 percent from its 1980 level. So EPA's R&D budget today is still only two-thirds of the 1980 level. Industries connected with forestry, wood, lumber, paper, and allied products, generate about $21 billion annually in personal income. Yet fiscal year 1984 funding for acid rain was only about $3 million, and will be about $5 million in fiscal year 1985. I believe that it is time to establish an expedited research program to uncover the cause of the damage to our Nation's forests so that we can take rational steps before a catastrophe occurs.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, the time for the debate on the three treaties has already expired under the order previously entered. It was to begin at 12 o'clock noon. If there is any Senator who wishes me to extend that time, I will do so.

May I inquire of the minority leader if he has any preference? Otherwise, I will dispose of it and go on and vote.

Mr. BYRD. Mr. President, time has expired, but we were not in executive session, were we?

Mr. BAKER. No; we were not.

Mr. BYRD. If the distinguished majority leader would not object, I would like to see 10 minutes remain.

Mr. BAKER. Very well.

Mr. President, then I ask the Chair lay before the Senate the matter contemplated by the order previously entered in respect to the treaties.

EXECUTIVE SESSION

TREATIES—ESTATE AND GIFT TAX CONVENTION WITH THE KINGDOM OF DENMARK

TREATY WITH THE KINGDOM OF THAILAND ON COOPERATION IN THE EXECUTION OF PENAL SENTENCES

CARTAGENA CONVENTION FOR THE PROTECTION AND DEVELOPMENT OF MARINE ENVIRONMENT OF THE WIDER CARIBBEAN REGION

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session to consider three treaties, Calendar Orders numbered 23, 35, and 36, with the total time of debate limited to 10 minutes, to be equally controlled by the chairman and ranking minority member of the Foreign Relations Committee or their designees.

Mr. BYRD. Mr. President, I am advised now that nobody on this side wishes to speak.

Mr. PELL. The minority leader is correct, but if it is the wish of the majority to fill the time, I will be glad to talk for 5 minutes, whatever the majority leader wishes.

Mr. BAKER. Mr. President, I see the chairman of the committee. May I inquire of him if he has need for time for debate, or are we prepared to vote on the treaties?

Mr. PERCY. I should like to make a statement and then vote.

Mr. BAKER. Very well.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, today the Senate considers three treaty agreements. The first is the Estate and Gift Tax Convention with the Kingdom of Denmark, Treaty Doc. No. 98-6. The committee held a hearing on this agreement on April 26, 1984 and reported it favorably to the Senate on May 24, 1984. The committee's views on this agreement are contained in Executive Report 98-26, a copy of which should be available at each Senator's desk.

The second treaty now under consideration is the Treaty with the Kingdom of Thailand on Cooperation in the Execution of Penal Sentences. The committee held a hearing on the Thai Prisoner Transfer Treaty on June 14, 1984 and reported it favorably on June 27, 1984. The committee report on this agreement, Executive Report 98-8, should be available at each Senator's desk.

The third agreement voted on by the Senate at this time is the Cartagena Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region. The convention was reported favorably by the Foreign Relations Committee on August 3, 1984. The committee report on this agreement, Executive Report 98-40, should be available at each Senator's desk.

Mr. President, I have appended to my statement brief summaries of these three agreements. I ask unanimous consent that they be included in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. I urge the Senate to give its approval to these important treaty agreements which have the full support of the Foreign Relations Committee and the administration.

EXHIBIT 1

DANISH ESTATE AND GIFT TAX TREATY

The proposed estate and gift tax treaty with Denmark is consistent with current U.S. treaty policy that favors estate and gift taxation on the basis of domicile rather than the situs of the transferred property. The general principle of the proposed treaty is that the country of domicile may tax the estate or gifts of a decedent or donor on a worldwide basis but must credit tax paid to the other country with respect to certain types of property situated there. The primary taxing right with respect to transfers of real property and certain business property is given to the country in which such property is situated.

There is one particular provision I wish to highlight in the proposed treaty, that being the provision concerning the marital deduction. The proposed treaty provides, in effect, that each country shall accord the benefits of its internal law with respect to interspousal transfers to transfers of estates of decedents domiciled in the other country. At the time the treaty was negotiated, both the internal laws of the United States and Denmark allowed 50 percent of a decedent's property to be transferred to a spouse free of tax. Since those negotiations we have amended our internal law to permit a 100 percent deduction for interpersonal transfers. In light of this change in our law, Denmark has agreed to allow a full exemption from its tax for interspousal transfers by U.S. domiciliaries. As time has not permitted the negotiation of a protocol to reflect this agreement, the Foreign Relations Committee recommends that the Senate approve the proposed treaty with a reservation on this issue. This reservation is not expected to create a serious problem for Denmark.

THAI PRISONER TRANSFER TREATY

Mr. President, the Senate approved two other prisoner transfer treaties. What are the reasons for entering into these kinds of agreements? The problem of Americans jailed abroad for a variety of offenses, especially drug-related ones, has mushroomed during the past fifteen years. In 1983, over 3000 United States citizens were arrested abroad and over 1800 remained in jail at the end of that year. This is not just an Ameri-

can problem but involves citizens of many other countries, particularly those of Western Europe.

The solution that developed to cope with this growing problem was the implementation of treaties on the transferability of penal sanctions, otherwise known as prisoner transfer treaties. The underlying purposes of such treaties are to assist in law enforcement, relieve the country in which a foreigner may be imprisoned of an unwanted economic and administrative burden, and promote the social rehabilitation of the offender in his home country where he may be placed in a more favorable environment and where he may receive the support of family and friends.

The United States has previously entered into bilateral prisoner transfer treaties with Mexico, Canada, Panama, Peru, Bolivia, and Turkey. In general, these treaties allow the return of prisoners to their home country to serve out their foreign sentence, provided that a set of conditions are met. In 1977, the United States enacted implementing legislation to authorize the transfer of offenders to and from foreign countries (18 U.S.C. 4100-4115).

Senator Hawkins chaired the Committee hearing on the Thai Prisoner Transfer Treaty, and I wish to commend her for the fine work she has done in reviewing the Treaty to make sure that it will not hamper United States efforts to combat international narcotics trafficking. I am confident, based on assurances made to the Committee by the Department of Justice, that the Thai Prisoner Transfer Treaty will be a productive and effective bilateral agreement between our government and the Government of Thailand.

CARTAGENA CONVENTION

The Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region was drafted in March 1983 at Cartagena, Colombia, signed by the United States, 12 other countries and the EEC, and transmitted to the Senate for advice and consent on January 27, 1984. The purpose of the Convention is to create a general legal framework for the protection of the marine environment of the Caribbean Sea, the Gulf of Mexico and the adjacent areas of the Atlantic. Developed under the auspices of the United Nations Environment Program (UNEP) Regional Seas Program, it complements the specific projects approach of the Caribbean Action Plan, provides for the application of existing international agreements, and directly contributes to the creation of higher and more consistent international standards of marine pollution control.

The scope of the Convention is well-suited to the many and diverse environmental challenges of the area. The Wider Caribbean Region is made up of states with different economic and political structures, natural resources, social systems, ecological characteristics and potential capabilities. Most are developing countries and suffer from environmental problems resulting from underdevelopment or from the side effects of development programs that neglect to take into account their environmental consequences. The small islands, in particular, suffer uncontrolled urban growth, erosion, soil loss and deforestation, loss of economically valuable plant and animal species, extensive loss of beach sand, and oil pollution. Tourism, in some cases the most important source of national income, has made new demands on the fragile coastal areas and habitats.

In confronting these problems, the Convention employs a definition of pollution closely in line with that of the U.S. Clean Air Act and includes provisions on specially protected areas, wildlife protection, environmental impact assessment and cooperation in emergency situations. It calls for coordination of scientific research and technical assistance in order to strengthen the institutions of the smaller states that are responsible for environmental management. It also contains an annex for non-compulsory but binding arbitration for the settlement of disputes. Financial rules will be determined after the Convention enters into force and must be adopted unanimously.

The Convention is designed to be supplemented by detailed protocols. A Protocol to the Convention Concerning Cooperation in Combating Oil Spills has already been drawn up, signed and approved as an Executive Agreement. It is particularly important to the United States because of the tremendous flow of oil through the region and because it extends to other hazardous substances as well. The United States is also seeking protocols on land-based sources of marine pollution, protected areas and wildlife preservation. However, in order to become party to any protocol, including the oil spill protocol, the U.S. must ratify the Convention.

Mr. PERCY. Mr. President, I yield to my distinguished colleague, the ranking member of the Foreign Relations Committee, Senator PELL.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PELL. Mr. President, I urge that the Senate give its advice and consent to ratification of this treaty, the Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region. Drafted under the auspices of the U.N. Environment Program's Regional Seas Program, it was signed in March 1983 at Cartagena, Colombia, by the United States, 12 other countries and the European Economic Community and represents an important step forward in the development of sound environmental policy for the region.

The Cartagena Convention, as this treaty is commonly called, creates a framework of legal obligations for the control of many forms of marine pollution and includes provisions on environmental impact assessment, specially protected areas, and the coordination of scientific and technical assistance. Implementation of these provisions will be ensured and other hazardous substances that has already been approved as an Executive agreement. However, in order to become party to any protocol, including the oilspill protocol, a country must ratify the convention.

Burdened by the side effects of rapid urban growth, tourism, and numerous development projects, the Caribbean marine environment faces challenges that can only be met through the kind of regional cooperation envisioned in this convention. Unfortunately, no signatory has ratified as of yet. I understand, however, that other countries are eager to commit themselves once the convention has been ratified by the United States.

The Cartagena Convention will make a valuable contribution not only to the region in question but also to the continued development of international environmental law. Furthermore, it enjoys the enthusiastic support of all interested parties, including 17 major environmental groups. Mr. President, I ask unanimous consent that a copy of the letter from these groups be inserted in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MONITOR, THE CONSERVATION, ENVIRONMENTAL, AND ANIMAL WELFARE CONSORTIUM,
Washington, DC, July 24, 1984.

Hon. CHARLES F. PERCY,
Chairman, Senate Committee on Foreign Relations, Washington, DC.

DEAR SENATOR PERCY: The organizations listed in the last paragraph of this letter would like to express their appreciation to you for scheduling Committee consideration of ratification by the United States of the Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region.

This UNEP sponsored Environmental Protection Convention has the potential of being ratified by virtually all Wider Caribbean countries (Central America, Mexico, Caribbean and northern South American countries). As you know, President Reagan strongly supports ratification. It is completely consistent with U.S. foreign policy relating to the region.

It is supported by the Oceanic Society, IUCN, World Wildlife Fund (U.S. Appeal), National Audubon Society, Caribbean Conservation Association, Monitor International, as well as the organizations sending this letter.

It has a great potential for regional environmental good. Unfortunately 16 months after the Convention was signed by 13 countries and the Economic Commission for Europe, none have ratified. Our sources in Wider Caribbean countries have indicated that their governments are waiting for U.S. ratification before ratifying themselves.

We would be most grateful to your Committee for taking necessary action to ensure expeditious U.S. ratification.

The attached list of organizations in the Monitor Consortium support this letter.

Thank you for considering this letter.

Sincerely,

CRAIG VAN NOTE,
Executive Vice President.

ORGANIZATIONS SUPPORTING RATIFICATION BY THE UNITED STATES OF THE CONVENTION FOR THE PROTECTION AND DEVELOPMENT OF THE MARINE ENVIRONMENT OF THE WIDER CARIBBEAN

American Cetacean Society.
American Humane Association.
American Littoral Society.
American Society for the Prevention of Cruelty to Animals.
Center for Environmental Education.[1]
Connecticut Cetacean Society.
Defenders of Wildlife.

[1] Not members of Monitor Consortium.

Environmental Defense Fund.[1]
The Fund for Animals.
Greenpeace U.S.A.
The Humane Society of the United States.
International Fund for Animal Welfare.
Let Live.
Massachusetts Society for the Prevention of Cruelty to Animals.
National Parks and Conservation.
Society for Animal Protective Legislation.
The Whale Center.

Mr. BAKER. Mr. President, would the Senator from Illinois and the Senator from Rhode Island be inclined now to yield their time back so we can proceed to vote?

Mr. PELL. Mr. President, I yield back the remainder of my time.

Mr. PERCY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the resolutions of ratification.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Alabama [Mr. HEFLIN], and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 222—Treaty Document 98-6
223—Treaty Document 98-8
224—Treaty Document 98-13]

YEAS—97

Abdnor	Glenn	Moynihan
Andrews	Goldwater	Murkowski
Armstrong	Gorton	Nickles
Baker	Grassley	Nunn
Baucus	Hart	Packwood
Biden	Hatch	Pell
Bingaman	Hatfield	Percy
Boren	Hawkins	Pressler
Boschwitz	Hecht	Proxmire
Bradley	Heinz	Quayle
Bumpers	Helms	Randolph
Burdick	Hollings	Riegle
Byrd	Huddleston	Roth
Chafee	Humphrey	Rudman
Chiles	Inouye	Sarbanes
Cochran	Jepsen	Sasser
Cohen	Johnston	Simpson
Cranston	Kassebaum	Specter
D'Amato	Kasten	Stafford
Danforth	Kennedy	Stennis
DeConcini	Lautenberg	Stevens
Denton	Laxalt	Symms
Dixon	Leahy	Thurmond
Dodd	Levin	Tower
Dole	Long	Trible
Domenici	Lugar	Tsongas
Durenberger	Mathias	Wallop
Eagleton	Matsunaga	Warner
East	Mattingly	Weicker
Evans	McClure	Wilson
Exon	Melcher	Zorinsky
Ford	Metzenbaum	
Garn	Mitchell	

NAYS—0

NOT VOTING—3

Bentsen	Heflin	Pryor

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolutions of ratification are agreed to.

The resolutions of ratification agreed to are as follows:

ESTATE AND GIFT TAX CONVENTION WITH THE KINGDOM OF DENMARK

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Between the Government of the United States of America and the Government of the Kingdom of Denmark for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Estates, Inheritances, Gifts and Certain Other Transfers, signed at Washington on April 27, 1983, subject to the reservation that, notwithstanding the provisions of paragraph 2 of Article 9 (Reductions), the United States and Denmark shall not impose their duties on estates and inheritances with respect to property that passes from a decedent domiciled (within the meaning of Article 4 (Fiscal Domicile)) in Denmark and the United States, respectively, to the spouse of such decedent if, in the case of the determination of Danish tax, the spouse so requests. This provision will not be interpreted to require the United States to exempt interspousal transfers that would not be exempt under U.S. law in force at the time this treaty becomes effective when made by a domiciliary of the United States.

PRISONER TRANSFER TREATY WITH THAILAND

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the United States of America and the Kingdom of Thailand on Cooperation in the Execution of Penal Sentences, signed at Bangkok on October 29, 1982.

CARTAGENA CONVENTION FOR THE PROTECTION AND DEVELOPMENT OF THE MARINE ENVIRONMENT OF THE WIDER CARIBBEAN REGION

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region, done at Cartagena de Indias March 24, 1983.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolutions of ratification were agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I am advised that the military construction authorization conference report may have been cleared on both sides, and if that is the case I wish to go to it.

But while I check that and before we go to the agriculture bill, I suggest the absence of a quorum.

The PRESIDING OFFICER [Mr. STAFFORD]. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

SYNTHETIC FUELS PROGRAM

Mr. RANDOLPH. I desire only to reemphasize what the able minority leader has said, not only on the problem of recess appointments, but on the problems we have faced in the Congress, in the administration, and in the Nation in reference to establishing and sustaining a viable program of synthetic fuels.

It is absolutely necessary we have a program of alternate fuels to supply this Nation and our people with fuels, both for surface transportation, and those aircraft of many designs and sizes that fly above.

As recently as 1979, we were hit in the solar plexus by OPEC. Those interested in securing gasoline for use in their cars to get to work, or other activities in which they were engaged found even though they sat in long lines at a filling station, when they arrived at the pump there was no fuel.

This situation will present itself again. Beside the recent disabling attacks on oil tankers in the Persian Gulf, in Cairo, Egypt, on April 12, Saudi Oil Minister Yamani stated:

> The political importance of oil still exists because the Western world cannot live without Arab oil supply. We believe by 1987 the picture will change and the strength of oil as a political weapon will return to what it was in 1973.

I feel strongly the program in the Congress, which began with the signature of Franklin Roosevelt on legislation in 1944, proved we could use coal as the feedstock for both motor fuel for cars and aviation fuel for aircraft. We could use shale from the Rocky Mountain States for the same purpose, and we could use the forestry and agricultural products in synthetic fuel production. All of this was initiated in 1944. All of these sources gave to us alternate fuels. But, shortsighted actions of the U.S. Government in 1955 offset the progress made in the preceding decade. I had been identified with the earlier legislation as well as Senator O'Mahoney of Wyoming. But what happened? The whole program was stopped. We had some $82 million in these pilot projects. Some $3 million, I say to the minority leader, was returned to the Federal Treasury, and the whole program was shut down.

This was a shortsighted policy. I am saying today that we must not repeat what we did—not this Senator nor other Senators—during that period. Those projects were successful in the forties, just as the Great Plains gasifi-

cation, the Union Oil Shale, and Down Syngas projects will be successful in this and the coming decade.

I see in the Senate today my cherished friend, Senator GOLDWATER, of Arizona. I recall that he has spoken, as I have spoken, on this subject in the Senate.

I am not saying that the Synthetic Fuels Program has been properly carried forward during the past few months or years. I am not discussing those who presently serve on the Board of the Synthetic Fuels Corporation [SFC] now.

Yet, I rise now to zero in on our failure to continue to develop a Synthetic Fuels Program for the United States of America.

I rise now to oppose reductions in funding for synthetic fuels. I rise to indicate my disagreement with those in the administration, who have said vacancies on the SFC Board will not be filled unless they receive congressional agreement on such funding reductions.

We live in a very volatile age in this country where if enough ships carrying oil in the Persian Gulf are struck by aircraft, we may face another OPEC threatening our allies just as a few years ago they were threatening America. Because of our international energy agreements and commitments to those allies we will again be the loser in terms of energy self-sufficiency.

I am not one to prophesy doom, but I am one to look at the record and to know what has served as precedent 30 years ago. Now we are called upon once again to use good judgment in the Synfuels Program. If there are mistakes in it, if the directions in which we are working are not best, if those in charge of the program are not able to carry out its legislative charge, I say fix it, but do not make another mistake by again destroying the interest in synthetic fuels so vital to our long-term national well-being.

Mr. GOLDWATER. Mr. President, I am so glad our good friend from West Virginia, a pioneer on this subject, has spoken. We are facing a growing problem and probably none of us in this body will be alive when it becomes a major problem. But in this world, we are approaching a population of 6, 8, 10, 12 billion people, and everybody has to depend upon heat to live—not just the airplane engines, diesel engines, automobile engines, but just the plain, necessary heat we require to live in our homes. We should have been on synthetic fuels 15 years ago. This which we call oil will run out. I do not know when.

We have the sun up there and are still doing far too little with solar energy. We have vast areas in the West of rock which can be turned into synthetic fuels, but we are not doing enough on it.

I am so glad that my friend from West Virginia has once again called this to the attention of the American people.

ROLLCALL VOTES

Mr. GOLDWATER. Mr. President, almost every day we are confronted with rollcall votes. We passed a rule many, many years ago that rollcall votes should be limited to 15 minutes. It has been a long time since I have seen one which ran only 15 minutes.

I asked for some research. Here are the results: In the first session of this Congress, we had 42 hours and 54 minutes in overtime, that is over the 15 minutes. As of the close of business yesterday, we have had 29 hours and 10 minutes.

That is a total of 72 hours and 4 minutes, which is nine 8-hour days. I think it is time we begin observing the 15-minute rule. I yield the floor.

MILITARY CONSTRUCTION AUTHORIZATION, 1985—CONFERENCE REPORT

Mr. THURMOND. Mr. President, I submit a report of the committee of conference on H.R. 5604 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. GOLDWATER). The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5604) to authorize certain construction at military installations for fiscal year 1985, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 8, 1984.)

Mr. THURMOND. Mr. President, the matter before the Senate is the conference report on H.R. 5604, the military construction authorization bill for fiscal year 1985.

The report authorizes new funding authority for military construction and military family housing projects in the amount of $9,133,908,000. The conference amount is a reduction of $166,181,000 from the amount authorized by the Senate earlier this year.

The final bill provides authority to proceed with approximately 1,500 different projects at more than 700 different locations in the United States and overseas. Funding authority is also provided for the operation and maintenance of the 400,000 units of military family housing currently in the defense inventory.

There were about 300 items in dispute which were resolved by the conference committee. The details of the actions by the conferees are included in the conference report and, while I do not intend to discuss them in depth, I would be pleased to respond to questions by any Member.

I want to acknowledge the efforts of the junior Senator from New Mexico, Senator BINGAMAN, during deliberations on this bill. Senator BINGAMAN took over this year as the ranking Democratic Member of the Senate Armed Services Military Construction Subcommittee. He has worked diligently throughout the consideration of this bill and he has left his mark on the final bill. We clearly present you a better product as a result of his efforts.

I think the conference report provides the Defense Department with adequate funding authority to meet its most urgent construction needs and I urge my colleagues to support the bill.

Mr. President, I yield to the distinguished minority member, Mr. BINGAMAN.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. I thank the Chair. Mr. President, I am pleased to join Senator THURMOND in urging the Senate to adopt the conference report on the Military Construction Authorization Act for fiscal year 1985. I appreciate his kind remarks about my contribution to this bill.

This was my first opportunity to serve as the ranking minority member on the Subcommittee on Military Construction of the Armed Services Committee. I was privileged to serve with the subcommittee's very able and distinguished chairman [Mr. THURMOND]. Under his leadership, the consideration of this bill in the committee, on the Senate floor, and in the conference was a model of bipartisan cooperation in an area of great importance. Chairman THURMOND deserves much credit for that success.

Too frequently, the subject of military construction is overlooked. Yet it is a vital element in our national defense. The efficiency of our Armed Forces is directly related to the conditions in which our servicemen and their families live and work. We ask these men and women to make great sacrifices, to live and work in places that are far from home and often inhospitable. It is incumbent upon Congress to make sure that the facilities in which they live and work meet their needs. Adequate facilities are essential to the accomplishment of their mission and the maintenance of high morale.

Yet we in Congress must also ensure that we do not build military facilities that we do not need or that cost more than they should. It is our job to bal-

ance the needs of the Armed Forces with our available resources. In my view, the conference committee has done an excellent job in striking the right balance.

There are several points that I believe are particularly noteworthy about this bill. First, the conference has reached agreement to authorize $9.1 billion in military construction and family housing appropriations, some $1.2 billion below the President's request in January. Yet we were able to make these reductions without a substantial adverse affect on the overall program. Many of the reductions reflect changed circumstances, such as additional savings from a favorable bidding climate and the deferral of certain projects.

Second, the bill adopts a number of proposals designed to increase the efficiency of the use of military construction funds. These include a provision that I sponsored which establishes a blue ribbon panel of outside experts to review the criteria for sizing of military hospitals. As most Members of this body know, we have in this country today an excess number of hospital beds. Rising hospital costs and greater use of preventive medicine have led to increase use of out-patient facilities and have resulted in excess hospital bed capacity. Therefore, it seemed to me that an independent review of the sizing criteria for proposed military hospitals was needed.

I was particularly concerned about the availability and use of civilian medical facilities with excess capacity in the same communities at which new military hospitals are proposed. I further wanted to be sure that there was an appropriate balance in the new hospitals between in-patient and out-patient facilities, a balance which took into consideration the current health care trends, in particular the emphasis on wellness and preventive health care. Finally, I hope the blue ribbon panel will reexamine the connection between wartime mobilization requirements and the sizing of military hospitals. The results of this panel's work will hopefully be of great utility in the Congress future deliberations on the sizing of the Madigan Army Hospital, Brook Army Medical Center, and other major military hospitals.

Third, several Senators expressed concern about certain construction projects—which were all valid military requirements—that either had or had not been funded in this bill. I am pleased to report that we have been able to accommodate all of their concerns. In particular, I should like to mention Senator LEVIN, my distinguished colleague on the Armed Services Committee, who worked persistently and effectively with the members of the conference committee to obtain the necessary additional funding for several projects at K.I. Sawyer AFB and Wurtsmith AFB in Michigan, relating to deployment of air-launched cruise missiles and other activities at these bases. Similarly, Senator ANDREWS worked with our committee to authorize a new composite medical facility at Minot AFB, ND. The Air Force had been requesting this facility for some time, and all agreed it was needed. However, last year Senator ANDREWS noted that the cost seemed excessive and he pursued the matter with the Air Force. As a result, the Air Force now projects that the facility will cost only $27.5 million, some $10.5 million less than last year's request.

These are some examples, Mr. President, of the kind of work that can be accomplished by the Congress when we work in a bipartisan fashion. I am pleased that we have done so much to strengthen our national defense but at a reasonable cost.

I join with the senior Senator from South Carolina in urging my colleagues to vote for the conference report.

The PRESIDING OFFICER. Are there amendments to this particular piece of legislation?

The Chair hears none.

The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote.

Mr. BINGAMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I take this opportunity to commend a few of the staff members who did such outstanding work on this military construction bill: Mr. Jeff Smith, the minority counsel with the Senate Armed Services Committee; Mr. Ed McGaffigan, the staff member to Senator BINGAMAN; Mr. Ken Johnston, professional staff member of the majority; Mrs. Marie Dickinson, staff assistant to the majority; and Mr. Jim Smith, a professional staff member.

I want to say further, Mr. President, that Mr. Jim Smith has been the staff member who has worked on these matters for 10 years. I do not believe I have come in contact with a more professional, a more competent, a more efficient staff member on Capitol Hill than Jim Smith. I especially want to express my opinion about his high caliber of work. That was again demonstrated in this bill we have just adopted.

Mr. BINGAMAN. Mr. President, let me join in that commendation of all the staff work that went into this bill and, in particular, I second the Senator's statements about the extremely competent and professional bipartisan work that Mr. Jim Smith did in connection with the preparation of this bill.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURE APPROPRIATIONS, 1985

Mr. COCHRAN. Mr. President, I move that the Senate proceed to the consideration of H.R. 5743, an act making appropriations for agriculture, rural development, and related agencies programs for the fiscal year ending September 30, 1985, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. BYRD. Mr. President, may I be heard?

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. Mr. President, we did not understand that there would be a motion rather than a unanimous-consent request. We have, however, run the lines on our side of the aisle. We find no objection to going to the measure. Whether or not the Senator wants to move, I cannot answer for him.

Mr. COCHRAN. Mr. President, I withdraw the motion, and I ask unanimous consent that the Senate proceed to the consideration of H.R. 5743, an act making appropriations for agriculture, rural development, and related agencies programs for the fiscal year ending September 30, 1985, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 5743) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1985, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments.

(The parts intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

H.R. 5743

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1985, and for other purposes; namely:

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING AND MARKETING

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, including not to exceed $75,000 for employment under 5 U.S.C. 3109, $5,240,000: *Provided,* That not to exceed $8,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

STANDARD LEVEL USER CHARGES (USDA)

For payment of Standard Level User Charges pursuant to Public Law 92-313 for programs and activities of the Department of Agriculture which are included in this Act, $67,254,000: *Provided,* That in the event an agency within the Department of Agriculture should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 10 per centum of the funds made available for Standard Level User Charges to or from this account.

ADVISORY COMMITTEES (USDA)

For necessary expenses for activities of Advisory Committees of the Department of Agriculture which are included in this Act, [$1,398,000] *$1,384,020: Provided,* That no other funds in this Act shall be available to the Department of Agriculture for support of activities of Advisory Committees.

DEPARTMENTAL ADMINISTRATION

For Budget and Program Analysis, $3,767,000; for Personnel, Finance and Management, Operations, Information Resources Management, Equal Opportunity, Small and Disadvantaged Business Utilization, and Administrative Law Judges and Judicial Officer, $14,930,000; making a total of $18,697,000 for Departmental Administration to provide for necessary expenses for management support services to offices of the Department of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, of which not to exceed $10,000 is for employment under 5 U.S.C. 3109: *Provided,* That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558.

WORKING CAPITAL FUND

An amount of [$8,000,000] *$6,000,000* is hereby appropriated to the Departmental Working Capital Fund, *without fiscal year limitation,* to increase the Government's equity in this fund and to provide for the purchase of automated data processing, data communication, and other related equipment necessary for the provision of Departmental centralized services to the agencies.

OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS

[For necessary expenses to carry on services relating to the coordination of programs involving public affairs, and for the dissemination of agricultural information and the coordination of information work and programs authorized by Congress in the Department, $6,719,000, of which not to exceed $10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed $2,000,000 may be used for farmers' bulletins and not fewer than two hundred thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by 44 U.S.C. 1301: *Provided,* That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

[For necessary expenses for liaison with the Congress on legislative matters, $501,000.

[For necessary expenses for programs involving intergovernmental affairs, emergency preparedness, and liaison within the executive branch, $471,000.]

For necessary expenses to carry on services relating to the coordination of programs involving governmental and public affairs and emergency preparedness; acting as liaison within the executive branch and with the Congress on legislative matters; and for the dissemination of agricultural information and the coordination of information work and programs authorized by Congress in the Department, $7,614,090; of which not to exceed $10,000 shall be available for employment under 5 U.S.C. 3109, and, not to exceed $2,000,000 may be used for farmers' bulletins and not fewer than two hundred thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by 44 U.S.C. 1301: Provided, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), $30,142,000 including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(8) of the Inspector General Act of 1978 (Public Law 95-452), and including a sum not to exceed $50,000 for employment under 5 U.S.C. 3109; and in addition, $15,924,000 shall be derived by transfer from the appropriation, "Food Stamp Program", and merged with this appropriation.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses, [$15,079,000] *$14,642,000;* and in addition, [$786,000] *$723,000* shall be derived by transfer from the appropriation, "Food Stamp Program", and merged with this appropriation.

FEDERAL GRAIN INSPECTION SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, as amended, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, as amended, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 for employment under 5 U.S.C. 3109, $6,936,000: *Provided,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building: *Provided further,* That none of the funds provided by this Act may be used to pay the salaries of any person or persons who require, or who authorize payments from fee-supported funds to persons or persons who require, nonexport, nonterminal interior elevators to maintain records not involving official inspection or official weighing in the United States under Public Law 94-582 other than those necessary to fulfill the purposes of such Act.

INSPECTION AND WEIGHING SERVICES

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $36,856,000 (from fees collected) shall be obligated during the current fiscal year for Inspection and Weighing Services.

AGRICULTURAL RESEARCH SERVICE

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for), home economics or nutrition and consumer use, and to coordinate and provide program leadership for higher education work of the Department, and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100; [$485,379,000] *$489,022,000: Provided,* That appropriations hereunder shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $115,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That funds appropriated herein can be used to provide financial assistance to the organizers of international conferences, if such conferences are in support of agency programs: *Provided further,* That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further, That uniform allowances for each uniformed employee of the Agricultural Research Service shall not be in excess of $400 annually: Provided further,* That of the appropriations hereunder not less than $10,526,600 shall be available to conduct marketing research: *Provided further,* That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed $125,000, except for headhouses connecting greenhouses which shall each be limited to $500,000, and except for ten buildings to be constructed or improved at a cost not to exceed $250,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building or $125,000 whichever is greater: *Provided further,* That the limitations on alterations contained in this Act shall not apply to a total of $200,000 for facilities at Beltsville, Maryland: *Provided further,* That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further,* That the limitation on purchase of land shall not apply to an option to purchase land at Houma, Louisiana, for a term of not to exceed one year.

Special fund: To provide for additional labor, subprofessional, and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at Federal research installations in the field, $2,000,000.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Agricultural Research Service, where not otherwise provided, $21,650,000.

SCIENTIFIC ACTIVITIES OVERSEAS (FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies owed to or owned by the United States for market development research authorized by section 104(b)(1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b) (1), (3)), $5,000,000: *Provided,* That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further,* That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph: *Provided further,* That not to exceed $25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

COOPERATIVE STATE RESEARCH SERVICE

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including $156,484,000 to carry into effect the provisions of the Hatch Act approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), and further amended by Public Law 92-318 approved June 23, 1972, and further amended by Public Law 93-471 approved October 26, 1974, including administration by the United States Department of Agriculture, and penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); $13,053,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a—582a-7), as amended by Public Law 92-318 approved June 23, 1972, including administrative expenses, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); $23,474,000 for payments to the 1890 land-grant colleges, including Tuskegee Institute, for research under section 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (Public Law 95-113), as amended, including administration by the United States Department of Agriculture, and penalty mail costs of the 1890 land-grant colleges, including Tuskegee Institute; [$17,235,000] *$29,407,000* for contracts and grants for agricultural research under the Act of August 4, 1965, as amended (7 U.S.C. 450i); [$32,518,000] *$50,000,000* for competitive research grants, including administrative expenses; *$5,760,000 for the support of animal health and disease programs authorized by section 1433 of Public Law 95-113, including administrative expenses; $540,000 for grants in accordance with section 1419 of Public Law 95-113, as amended;* $702,000 for research authorized by the Native Latex Commercialization and Economic Development Act of 1978; *$1,000,000 for rangeland research grants as authorized by subtitle M of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended, including administrative expenses;* $10,000,000 for grants to upgrade 1890 land-grant college research facilities as authorized by section 1433 of Public Law 97-98, to remain available until expended; and $975,000 for necessary expenses of Cooperative State Research Service activities, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 for employment under 5 U.S.C. 3109; in all, [$254,441,000] *$291,395,000.*

EXTENSION SERVICE

Payments to States, Puerto Rico, Guam, the Virgin Islands, *Micronesia,* and American Samoa: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962 (7 U.S.C. 341-349), section 506 of the Act of June 23, 1972, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.), to be distributed under sections 3(b) and 3(c) of the Act, for retirement and employees' compensation costs for extension agents, and for costs of penalty mail for cooperative extension agents and State extension directors, $241,484,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $60,354,000[, of which $25,533,000 shall be transferred from the appropriation, "Food Stamp Program", and merged with this appropriation]; payments for the urban gardening program under section 3(d) of the Act, [$3,500,000] *$3,000,000;* payments for the pest management program under section 3(d) of the Act, $7,531,000; payments for the farm safety program under section 3(d) of the Act, $1,020,000; payments for the pesticide impact assessment program under section 3(d) of the Act, $1,716,000; *payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, $4,000,000;* payments for extension work under section 209(c) of Public Law 93-471, $983,000; payments for extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326, 328) and Tuskegee Institute, [$17,724,000] *$17,758,000;* in all, [$308,779,000] *$337,846,000;* of which not less than $79,400,000 is for Home Economics: *Provided,* That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, as amended, shall not be paid to any State, Puerto Rico, Guam, or the Virgin Islands, *Micronesia,* and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Federal administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962, section 506 of the Act of June 23, 1972, section 209(d) of Public Law 93-471, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, $5,898,000; of which not less than $2,300,000 is for Home Economics.

NATIONAL AGRICULTURAL LIBRARY

For necessary expenses of the National Agricultural Library, [$11,661,000] *$11,400,000: Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $35,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That not to exceed $575,000 shall be available pursuant to 7 U.S.C. 2250 for the alteration and repair of buildings and improvements.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; and to protect the environment, as authorized by law, [$277,041,000] *$265,581,000;* of which $1,000,000 shall be available for the control of outbreaks of insects, plant diseases and animal diseases to the extent necessary to meet emergency conditions: *Provided,* That $1,000,000 of the funds for control of the fire ant shall be placed in reserve for matching purposes with States which may come into the program: *Provided further,* That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 per centum: *Provided further,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two, of which one shall be for replacement only: *Provided further,* That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious diseases or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, as amended, and section 102 of the Act of September 21, 1944, as amended, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, [$2,386,000] *$2,361,000.*

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, as amended, and the Poultry Products Inspection Act, as amended, [$353,239,000] *$355,248,000: Provided,* That

this appropriation shall be available for field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the construction, alteration, and repair of buildings and improvements, but, unless otherwise provided, the cost of constructing any one building shall not exceed $90,000, except for two buildings to be constructed or improved at a cost not to exceed $150,000, and the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; research relating to the economic and marketing aspects of farmer cooperatives; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; [$45,752,000] *$45,614,000*; of which not less than $200,000 shall be available for investigation, determination and finding as to the effect upon the production of food and upon the agricultural economy of any proposed action affecting such subject matter pending before the Administrator of the Environmental Protection Agency for presentation, in the public interest, before said Administrator, other agencies or before the courts: *Provided,* That not less than $350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: *Provided further,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That not less than $145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further,* That the $545,000 made available under this paragraph by Public Law 98-151 for the purpose of defraying expenses incurred in moving to new quarters shall be available until expended.

STATISTICAL REPORTING SERVICE

For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, [$56,289,000] *$56,430,000*: *Provided,* That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop: *Provided further,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL COOPERATIVE SERVICE

For necessary expenses to carry out the Cooperative Marketing Act of July 2, 1926 (7 U.S.C. 451-457), and for activities relating to the marketing aspects of cooperatives, including economic research and analysis and the application of economic research findings, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and for activities with institutions or organizations throughout the world concerning the development and operation of agricultural cooperatives (7 U.S.C. 3291), $4,639,000; of which $139,000 shall be available for a field office in Hawaii: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $15,000 shall be available for employment under 5 U.S.C. 3109.

WORLD AGRICULTURAL OUTLOOK BOARD

For necessary expenses of the World Agricultural Outlook Board to coordinate and review all commodity and aggregate agricultural and food data used to develop outlook and situation material within the Department of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), $1,642,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution and regulatory programs as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $70,000 for employment under 5 U.S.C. 3109, $29,464,000; of which not less than $1,543,000 shall be available for the Wholesale Market Development Program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building: *Provided further, That none of the funds appropriated or made available under this Act may be used by the Secretary of Agriculture to implement any amendment to an order applicable to a fruit, vegetable, nut or specialty crop issued pursuant to section 8c of the Agricultural Adjustment Act, as amended and reenacted by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c), unless each such amendment thereto is submitted to a separate vote.*

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed [$30,910,000] *$23,072,000* (from fees collected) shall be obligated during the current fiscal year for administrative expenses.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $5,995,000 for formulation and administration of Marketing agreements and orders pursuant to the Agricultural [marketing] *Marketing* Agreement Act of 1937, as amended, and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), [$1,000,000] *$990,000.*

OFFICE OF TRANSPORTATION

For necessary expenses to carry on services related to agricultural transportation programs as authorized by law; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $20,000 for employment under 5 U.S.C. 3109, [$2,540,000] *$2,514,600*: *Provided,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building.

PACKERS AND STOCKYARDS ADMINISTRATION

For necessary expenses for administration of the Packers and Stockyards Act, as authorized by law, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $5,000 for employment under 5 U.S.C. 3109, $9,035,000.

FARM INCOME STABILIZATION

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.); sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q); sections 1001 to 1004, 1006 to 1008, and 1010 of the Agricultural Act of 1970 as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501 to 1504, 1506 to 1508, and 1510); the Water Bank Act, as amended (16 U.S.C. 1301-1311); the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101); sections 401, 402, and 404 to 406 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 to 2205);

and laws pertaining to the Commodity Credit Corporation, [$50,857,000] *$52,201,000*: *Provided*, That, in addition, not to exceed [$342,452,000] *$345,992,000* may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund for a total of [$393,309,000] *$398,193,000*: *Provided further*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations.

[DAIRY INDEMNITY PROGRAM

[For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer, or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968, as amended (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, $180,000: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government.]

CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, as authorized by the Federal Crop Insurance Act, as amended (7 U.S.C. 1516), [$202,234,000] *$200,000,000*: *Provided*, That not to exceed $700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 508(b) of the Federal Crop Insurance Act, as amended, [$126,000,000] *$110,000,000*.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

To reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), [$8,500,000,000] *$8,698,269,000*.

[GENERAL SALES MANAGER

[(ALLOTMENT FROM COMMODITY CREDIT CORPORATION)

[Not to exceed $6,025,000 may be transferred from the Commodity Credit Corporation funds to support the General Sales Manager who shall work to expand and strengthen sales of United States commodities (including those of the Corporation) in world markets pursuant to existing authority (including that contained in the Corporation's charter), and that such funds shall be used by the General Sales Manager to carry out the above activities. The General Sales Manager shall report directly to the Board of Directors of the Corporation of which the Secretary of Agriculture is a member. The General Sales Manager shall obtain, assimilate, and analyze all available information on developments related to private sales, as well as those funded by the Corporation, including grade and quality as sold and as delivered, including information relating to the effectiveness of greater reliance by the General Sales Manager upon loan guarantees as contrasted to direct loans for financing commercial export sales of agricultural commodities out of private stocks on credit terms, as provided in titles I and II of the Agricultural Trade Act of 1978, Public Law 95-501, and shall submit quarterly reports to the appropriate committees of Congress concerning such developments.]

TITLE II—RURAL DEVELOPMENT PROGRAMS

RURAL DEVELOPMENT ASSISTANCE

OFFICE OF RURAL DEVELOPMENT POLICY

For necessary expenses, not otherwise provided for, of the Office of Rural Development Policy in providing leadership, coordination, and related services in carrying out the rural development activities of the Department of Agriculture, as authorized by section 603 of the Rural Development Act of 1972, as amended (7 U.S.C. 2204b); section 2 of the Rural Development Policy Act of 1980 (7 U.S.C. 1921), and grants pursuant to the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926(a)(11) and 7 U.S.C. 1932(c)), [$2,439,000] *$2,017,000*: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $5,000 of this appropriation shall be available for employment under 5 U.S.C. 3109.

FARMERS HOME ADMINISTRATION

RURAL HOUSING INSURANCE FUND

For direct loans and related advances pursuant to section 517(m) of the Housing Act of 1949, as amended, $17,000,000 shall be available from funds in the Rural Housing Insurance Fund, and for insured loans as authorized by title V of the Housing Act of 1949, as amended, [$3,170,000,000] *$3,261,000,000*; of which not less than [$3,170,000,000] *$3,260,000,000* shall be available for subsidized interest loans to low-income borrowers, as determined by the Secretary, and for subsequent loans to existing borrowers or to purchasers under assumption agreements or credit sales; and not to exceed $10,000,000 to enter into collection and servicing contracts pursuant to the provisions of section 3(f)(3) of the Federal Claims Act of 1966 (31 U.S.C. 952).

During fiscal year 1985, no more than 10,500 units may be assisted under rental assistance agreements entered into or extended during the year pursuant to authority under section 521(a)(2) of the Housing Act of 1949, as amended, and the total new obligation incurred over the life of these agreements shall not exceed $116,000,000 to be added to and merged with the authority provided for this purpose in prior fiscal years: *Provided*, That the life of the agreements entered into or extended during fiscal year 1985 shall not exceed five years.

For an additional amount to reimburse the Rural Housing Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1483, 1487e, and 1490a(c)), including $2,985,000 as authorized by section 521(c) of the Act, $1,843,927,000, and for an additional amount as authorized by section 521(c) of the Act as may be necessary to reimburse the fund to carry out a rental assistance program under section 521(a)(2) of the Housing Act of 1949, as amended.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

For direct loans pursuant to Sec. 523(b)(1)(B) of the Housing Act of 1949, as amended (42 U.S.C. 1490c), $2,700,000 shall be available from funds in the Self-Help Housing Land Development Fund.

AGRICULTURAL CREDIT INSURANCE FUND

Loans may be insured, or made to be sold and insured, under this fund in accordance with and subject to the provisions of 7 U.S.C. 1928-1929, or guaranteed, as follows: real estate loans, [$801,000,000] *$705,000,000*, including not less than [$750,000,000] *$675,000,000* for farm ownership loans of which $50,000,000 shall be guaranteed loans; and not less than [$31,000,000] *$26,000,000* for water development, use, and conservation loans of which $6,000,000 shall be guaranteed loans; operating loans, [$2,070,000,000] *$2,570,000,000* of which [$150,000,000] *$650,000,000* shall be guaranteed loans; and emergency insured and guaranteed loans in amounts necessary to meet the needs resulting from natural disasters.

For an additional amount to reimburse the Agricultural Credit Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), $1,089,943,000.

RURAL DEVELOPMENT INSURANCE FUND

For loans to be insured, or made to be sold and insured, under this fund in accordance with and subject to the provisions of 7 U.S.C. 1928 and 86 Stat. 661-664, as follows: insured water and sewer facility loans, [$375,000,000] *$270,000,000*; guaranteed industrial development loans, [$200,000,000] *$100,000,000*; and insured community facility loans, [$130,000,000] *$100,000,000*.

For an additional amount to reimburse the Rural Development Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), $560,005,000.

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), [$125,000,000] *$90,000,000*, to remain available until expended, pursuant to section 306(d) of the above Act.

VERY LOW-INCOME HOUSING REPAIR GRANTS

For grants to the very low-income elderly for essential repairs to dwellings pursuant to section 504 of the Housing Act of 1949, as amended, $12,500,000.

[RURAL HOUSING FOR DOMESTIC FARM LABOR

[For financial assistance to eligible nonprofit organizations for housing for domestic farm labor pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), $4,393,000.]

MUTUAL AND SELF-HELP HOUSING

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. [1940(c), $6,000,000] *1490(c), $10,000,000*.

RURAL COMMUNITY FIRE PROTECTION GRANTS

For grants pursuant to section 7 of the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313), $3,250,000 to fund up to 50 per centum of the cost of organizing, training, and equipping rural volunteer fire departments.

COMPENSATION FOR CONSTRUCTION DEFECTS

For compensation for construction defects as authorized by section 509(c) of the Housing Act of 1949, as amended, $1,000,000.

RURAL RENTAL ASSISTANCE PAYMENTS

For new rental assistance agreements entered into during fiscal year 1985 pursuant to authority under section 521(a)(2) of the Housing Act of 1949, as amended, $52,250,000. During fiscal year 1985, no more than 4,750 new units may be assisted under the agreements entered into during that year, and the total costs incurred over the life of these agreements shall not exceed the amount appropriated: *Provided*, That the life of the agreements entered into or extended during fiscal year 1985 shall not exceed five years.

[RURAL HOUSING PRESERVATION PILOT GRANTS

[For grants for rural housing preservation, as authorized by section 533 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181), $10,000,000.]

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-1995), as amended; title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490h); the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), for administering the loan program authorized by title III A of the Economic Opportunity Act of 1964 (Public Law 88-452 approved August 20, 1964), as amended, and such other programs for which Farmers Home Administration has the responsibility for administering, $327,251,000, together with not more than $3,000,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated Farm and Rural Development Act, as amended, and section 517(i) of the Housing Act of 1949, as amended, or in connection with charges made on borrowers under section 502(a) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed $1,000,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), to meet unusual or heavy workload increases: *Provided further*, That not to exceed $500,000 of this appropriation may be used for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed $1,600,000 of this appropriation shall be available for contracting with the National Rural Water Association or other equally qualified national organization for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That, in addition to any other authority that the Secretary may have to defer principal and interest and forego foreclosure, the Secretary may permit, at the request of the borrower, the deferral of principal and interest on any outstanding loan made, insured, or held by the Secretary under this title, or under the provisions of any other law administered by the Farmers Home Administration, and may forego foreclosure of any such loan, for such period as the Secretary deems necessary upon a showing by the borrower that due to circumstances beyond the borrower's control, the borrower is temporarily unable to continue making payments of such principal and interest when due without unduly impairing the standard of living of the borrower. The Secretary may permit interest that accrues during the deferral period on any loan deferred under this section to bear no interest during or after such period: *Provided further*, That, if the security instrument securing such loan is foreclosed, such interest as is included in the purchase price at such foreclosure shall become part of the principal and draw interest from the date of foreclosure at the rate prescribed by law.

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), as follows:

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), shall be made as follows: rural electrification loans, not less than $850,000,000 nor more than $1,100,000,000; and rural telephone loans, not less than $250,000,000 nor more than $325,000,000; to remain available until expended: *Provided*, That loans made pursuant to section 306 of that Act are in addition to these amounts but during 1985 total commitments to guarantee loans pursuant to section 306 shall be not less than $1,325,000,000 nor more than $2,345,000,000 of contingent liability for total loan principal: *Provided further*, That as a condition of approval of insured electric loans during fiscal year 1985, borrowers shall obtain concurrent supplemental financing in accordance with the applicable criteria and ratios in effect as of July 15, 1982.

For an additional amount to reimburse the rural electrification and telephone revolving fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), $215,964,000.

RURAL TELEPHONE BANK

For the purchase of Class A stock of the Rural Telephone Bank, $30,000,000, to remain available until expended (7 U.S.C. 901-950(b)).

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized programs for the current fiscal year. During 1985, and within the resources and authority available, gross obligations for the principal amount of direct loans shall be not less than $185,000,000 nor more than $220,000,000.

RURAL COMMUNICATION DEVELOPMENT FUND

To reimburse the Rural Communication Development Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in making Community Antenna Television loans and loan guarantees under sections 306 and 310B of the Consolidated Farm and Rural Development Act, as amended, $841,000.

SALARIES AND EXPENSES

For administrative expenses to carry out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), and to administer the loan and loan guarantee programs for Community Antenna Television facilities as authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-1995), and for which commitments were made prior to fiscal year 1985, including not to exceed $7,000 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $150,000 for employment under 5 U.S.C. 3109, $30,340,000.

CONSERVATION

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f) including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100; purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, $356,364,000; of which not less than $3,913,000 is for snow survey and water forecasting and not less than $3,999,000 is for operation of the plant materials centers: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunc-

tion with land being purchased for other purposes, shall not exceed $10,000, except for one building to be constructed at a cost not to exceed $100,000 and eight buildings to be constructed or improved at a cost not to exceed $50,000 per building and except that alterations or improvements to other existing permanent buildings costing $5,000 or more may be made in any fiscal year in an amount not to exceed $2,000 per building: *Provided further,* That when buildings or other structures are erected on non-Federal land that right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further,* That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration projects: *Provided further,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed $25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service.

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigations, and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1006-1009), [$15,911,000] *$13,556,000*: *Provided,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $60,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), [$8,858,000] *$8,675,000*: *Provided,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, $182,300,000 (of which $27,300,000 shall be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a), as amended and supplemented): *Provided,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $5,000,000 shall be available for emergency measures as provided by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), and not to exceed $200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That $14,000,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (86 Stat. 663): *Provided further,* That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1010-1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and the provisions of the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), $26,000,000: *Provided,* That $2,000,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (86 Stat. 663): *Provided further,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956, as amended (16 U.S.C. 590p(b)), $21,315,000, to remain available until expended.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

AGRICULTURAL CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act approved February 29, 1936, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q), and sections 1001-1004, 1006-1008, and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501-1504, 1506-1508, and 1510), and including not to exceed $15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, $190,000,000, to remain available until expended for agreements, excluding administration but including technical assistance and related expenses, except that no participant in the Agricultural Conservation Program shall receive more than $3,500, except *that where a participant has a long-term agreement, the total payment shall not exceed the annual payment limitation multiplied by the number of years of the agreement, and* where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community *and for long-term agreements*: *Provided,* That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetlands Types 3 (III) through 20 (XX) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further,* That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other conservation materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out approved farming practices as authorized by the Soil Conservation and Domestic Allotment Act, as amended, as determined and recommended by the county committees, approved by the State committees and the Secretary, under programs provided for herein: *Provided further,* That such assistance will not be used for carrying out measures and practices that are primarily production-oriented or that have little or no conservation or pollution abatement benefits: *Provided further,* That not to exceed 5 per centum of the allocation for the current year's program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the Agricultural Conservation Program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further,* That for the current year's program $2,500,000 shall be available for technical assistance in formulating and carrying out rural environmental practices: *Provided further,* That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities" approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18 U.S.C. 1913 to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized in the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, $12,500,000, to remain available until expended, as authorized by that Act.

WATER BANK PROGRAM

For necessary expenses to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), $8,800,000, to remain available until expended.

TITLE III—DOMESTIC FOOD PROGRAMS

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751-1761, and 1766), and the applicable provisions other than section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1773-1785, and 1788); $3,804,680,000, to remain available through fiscal year 1986, of which $1,474,861,000 is hereby appropriated and $2,329,819,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided,* [That, of funds provided herein, $48,700,000 shall be available only to the extent an official budget request is transmitted to the Congress: *Provided further,*] That funds appropriated for the purpose of section 7 of the Child Nutrition Act of 1966 shall be allocated among the States but the distribution of such funds to an individual State is contingent upon that State's agreement to participate in studies and surveys of programs authorized under the National School Lunch Act and the Child Nutrition Act of 1966, when such studies and surveys have been directed by the Congress and requested by the Secretary of Agriculture: *Provided further,* That if the Secretary of Agriculture determines that a State's administration of any program under the National School Lunch Act or the Child Nutrition Act of 1966 (other than section 17), or the regulations issued pursuant to these Acts, is seriously deficient, and the State fails to correct the deficiency within a specified period of time, the Secretary may withhold from the State some or all of the funds allocated to the State under section 7 of the Child Nutrition Act of 1966 and under section 13(k)(1) of the National School Lunch Act; upon a subsequent determination by the Secretary that the programs are operated in an acceptable manner some or all of the funds withheld may be allocated: *Provided further,* That if the funds available for Nutrition Education and Training grants authorized under section 19 of the Child Nutrition Act of 1966, as amended, require a ratable reduction in those grants, the minimum grant for each State shall be $50,000: *Provided further,* That only final reimbursement claims for service of meals, supplements, and milk submitted to State agencies by eligible schools, summer camps, institutions, and service institutions within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act for meals, supplements, and milk served during any month only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary.

SPECIAL MILK PROGRAM

For necessary expenses to carry out the special milk program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772), $17,600,000, to remain available until September 30, 1986: *Provided,* That only final reimbursement claims for milk submitted to State agencies within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary.

FEEDING PROGRAM FOR WOMEN, INFANTS AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental food program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), [$1,254,288,000 for the period October 1, 1984 through August 1, 1985] *$1,471,000,000*: *Provided,* That funds provided herein shall remain available until September 30, 1986.

COMMODITY SUPPLEMENTAL FOOD PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), including not less than $1,350,000 for the projects in Detroit, New Orleans, and Des Moines, $24,918,000: *Provided,* That funds provided herein shall remain available until September 30, 1986: *Provided further,* That, of funds provided herein, not to exceed $6,416,000 shall be made available for States for carrying out section 5 of the Agriculture and Consumer Protection Act of 1973.

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011-2027, 2029), [$10,797,573,000 for the period October 1, 1984 through September 7, 1985] *$11,450,000,000*: *Provided,* That funds provided herein shall remain available until September 30, 1985, in accordance with section 18(a) of the Food Stamp Act: *Provided further,* That up to 5 per centum of the foregoing amount may be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further,* That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further,* That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: *Provided further,* That $345,000,000 of the funds provided herein shall be available only to the extent necessary after the Secretary has employed the regulatory and administrative methods available to him under the law to curtail fraud, waste and abuse in the program.

NUTRITION ASSISTANCE FOR PUERTO RICO

For monthly payments to the Commonwealth of Puerto Rico for nutrition assistance as authorized by 7 U.S.C. 2028, $825,000,000.

FOOD DONATIONS PROGRAMS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)) and section 4(b) of the Food Stamp Act (7 U.S.C. 2013), [$139,546,000] *$141,146,000*: *Provided,* That for fiscal year 1985 only final reimbursement claims for service of meals submitted within ninety days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act.

TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

For necessary expenses to carry out the Temporary Emergency Food Assistance Act of 1983, as amended, $50,000,000: *Provided,* That, in accordance with section 202 of Public Law 98-92, the funds shall be available only if the Secretary determines the existence of excess commodities.

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the Domestic Food Programs funded under this Act, $83,187,000; of which $5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification and prosecution of fraud and other violations of law: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $150,000 shall be available for employment under 5 U.S.C. 3109.

HUMAN NUTRITION INFORMATION SERVICE

For necessary expenses to enable the Human Nutrition Information Service to perform applied research and demonstrations relating to human nutrition and consumer use and economies of food utilization, $7,496,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

TITLE IV—INTERNATIONAL PROGRAMS

FOREIGN AGRICULTURAL SERVICE

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954, as amended (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $110,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), [$84,291,000] *$83,291,000*: *Provided,* That not less than $255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

GENERAL SALES MANAGER

(ALLOTMENT FROM COMMODITY CREDIT CORPORATION)

Not to exceed $6,025,000 may be transferred from the Commodity Credit Corporation funds to support the General Sales Manager who shall work to expand and strengthen sales of United States commodities (including those of the Corporation) in world markets pursuant to existing authority (including that contained in the Corporation's charter), and that such funds shall be used by the General Sales Manager to carry out the above activities. The General Sales Manager shall report directly to the Board of Directors of the Corporation of which the Secretary of Agriculture is a member. The General Sales Manager shall obtain, assimilate, and analyze all available information on developments related to private sales, as well as those funded by the Corporation, including grade and quality as sold and as delivered, including informa-

tion relating to the effectiveness of greater reliance by the General Sales Manager upon loan guarantees as contrasted to direct loans for financing commercial export sales of agricultural commodities out of private stocks on credit terms, as provided in titles I and II of the Agricultural Trade Act of 1978, Public Law 95-501, and shall submit quarterly reports to the appropriate committees of Congress concerning such developments.

PUBLIC LAW 480

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1691, 1701-1715, 1721-1726, 1727-1727f, 1731-1736g), as follows: (1) financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms pursuant to titles I and III of said Act, not more than $1,021,000,000; of which [$555,000,000] *$705,000,000* is hereby appropriated and the balance derived from proceeds from sales of foreign currencies and dollar loan repayments, repayments on long-term credit sales, carryover balances, [and Commodity Credit Corporation funds as authorized by 7 U.S.C. 1702;] *and such additional amounts as may be necessary to replace unrealized estimates of receipts;* and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, not more than $650,000,000, of which $650,000,000 is hereby appropriated: *Provided,* That not to exceed 10 per centum of the funds made available to carry out any title of this paragraph may be used to carry out any other title of this paragraph.

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT

For necessary expenses of the Office of International Cooperation and Development to coordinate, plan, and direct activities involving international development, technical assistance and training, international scientific and technical cooperation in the Department of Agriculture, including those authorized by the Food and Agriculture Act of 1977 (7 U.S.C. 3291), [$3,574,000] *$5,574,000*; and the Office may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).

TITLE V—RELATED AGENCIES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Food and Drug Administration; for payment of salaries and expenses for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; [$372,172,000] *$372,072,000.*

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $1,450,000.

STANDARD LEVEL USER CHARGES (FDA)

For payment of Standard Level User Charges pursuant to Public Law 92-313 for programs and activities of the Food and Drug Administration which are included in this Act, $26,072,000: *Provided,* That in the event the Food and Drug Administration should require modification of space needs, a share of the salaries and expenses appropriation may be transferred to this appropriation, or a share of this appropriation may be transferred to the salaries and expenses appropriation, but such transfers shall not exceed 10 per centum of the funds made available for Standard Level User Charges to or from this account.

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed $25,000 for employment under 5 U.S.C. 3109; $27,292,000; including not to exceed $700 for official reception and representation expenses, and not to exceed $2,957,000 for automated data processing.

FARM CREDIT ADMINISTRATION

LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES

Not to exceed $22,092,000 (from assessments collected from farm credit system banks) shall be obligated during the current fiscal year for administrative expenses including the hire of three passenger motor vehicles, as authorized under 12 U.S.C. 2249.

TITLE VI—GENERAL PROVISIONS

SEC. 601. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 602. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year 1985 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed seven hundred thirty-four (734) passenger motor vehicles of which seven hundred six (706) shall be for replacement only, and for the hire of such vehicles.

SEC. 603. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefore as authorized by law (5 U.S.C. 5901-5902).

SEC. 604. Not less than $1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

SEC. 605. No part of the funds contained in this Act may be used to make production or other payments to a person, persons, or corporations who harvest or knowingly permit to be harvested for illegal use, marihuana, or other such prohibited drug-producing plants on any part of lands owned or controlled by such persons or corporations.

SEC. 606. Advances of money from any appropriation in this Act for the Department of Agriculture may be made by authority of the Secretary of Agriculture to chiefs of field parties.

SEC. 607. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed $2,000,000: *Provided,* That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 608. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Scientific Activities Overseas (Foreign Currency Program); Public Law 480; Mutual and Self-Help Housing; Rural Housing for Domestic Farm Labor; Watershed and Flood Prevention Operations; Resource Conservation and Development; Animal and Plant Health Inspection Service, Buildings and Facilities; *Agricultural Research Service, Buildings and Facilities;* Agricultural Stabilization and Conservation Service Salaries and Expenses funds made available to county committees; the Federal Crop Insurance Corporation Fund; and Buildings and Facilities, Food and Drug Administration.

SEC. 609. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 610. Not to exceed $50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94-449.

SEC. 611. Notwithstanding any other provision of law, employees of the agencies of the Department of Agriculture, including employees of the Agricultural Stabilization and Conservation county committees, may be utilized to provide part-time and intermittent assistance to other agencies of the Department, without reimbursement, during periods when they are not otherwise fully utilized, and ceilings on full-time equivalent staff years established for or by the Department of Agriculture shall exclude overtime as well as staff years expended as a result of carrying out programs associated with natural disasters, such as forest fires, droughts, floods, and other acts of God.

SEC. 612. Funds provided by this Act for personnel compensation and benefits shall be available for obligation for that purpose only.

SEC. 613. No part of any appropriation contained in this Act shall be expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract as provided by law.

SEC. 614. None of the funds appropriated or otherwise made available by this Act shall be available to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 615. Certificates of beneficial ownership sold by the Farmers Home Administration in connection with the Agricultural

Credit Insurance Fund, Rural Housing Insurance Fund, and the Rural Development Insurance Fund shall be not less than 75 per centum of the value of the loans closed during the fiscal year.

SEC. 616. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 per centum of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 617. None of the funds in this Act shall be used to carry out any activity related to phasing out the Resource Conservation and Development Program.

SEC. 618. None of the funds in this Act shall be used to prevent or interfere with the right and obligation of the Commodity Credit Corporation to sell surplus agricultural commodities in world trade at competitive prices as authorized by law.

SEC. 619. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 620. During fiscal year 1985, notwithstanding any other provision of law, no funds may be paid out of the Treasury of the United States or out of any fund of a Government corporation to any private individual or corporation in satisfaction of any assurance agreement or payment guarantee or other form of loan guarantee entered into by any agency or corporation of the United States Government with respect to loans made and credits extended to the Polish People's Republic, unless the Polish People's Republic has been declared to be in default of its debt to such individual or corporation or unless the President has provided a monthly written report to the Speaker of the House of Representatives and the President of the Senate explaining the manner in which the national interest of the United States has been served by any payments during the previous month under loan guarantee or credit assurance agreement with respect to loans made or credits extended to the Polish People's Republic in the absence of a declaration of default.

SEC. 621. None of the funds in this Act shall be available to reimburse the General Services Administration for payment of Standard Level User Charges in excess of the amounts specified in this Act.

SEC. 622. In fiscal year 1985, the Secretary of Agriculture shall initiate construction on not less than twenty new projects under the Watershed Protection and Flood Prevention Act (Public Law 566) and not less than five new projects under the Flood Control Act (Public Law 534).

SEC. 623. Funds provided by this Act may be used for translation of publications of the Department of Agriculture into foreign languages when determined by the Secretary to be in the public interest.

SEC. 624. None of the funds appropriated by this or any other Act may be used to relocate the Hawaii State Office of the Farmers Home Administration from Hilo, Hawaii, to Honolulu, Hawaii.

SEC. 625. Provisions of law prohibiting or restricting personal services contracts shall not apply to veterinarians employed by the Department to take animal blood samples, test and vaccinate animals, and perform branding and tagging activities on a fee-for-service basis.

SEC. 626. None of the funds provided in this Act may be used to reduce programs by establishing an end-of-year employment ceiling on full-time equivalent staff years below the level set herein for the following agencies: Farmers Home Administration, 11,700; Agricultural Stabilization and Conservation Service, 2,550; and Soil Conservation Service, 14,156.

[SEC. 627. Notwithstanding section 502(d) of the Housing Act of 1949, from amounts made available for the Rural Housing Insurance Fund in this Act for fiscal year 1985, $1,610,000,000 shall be made available for low-income borrowers and $690,000,000 shall be made available for very low-income borrowers: *Provided*, That up to $230,000,000 may be transferred from low-income amounts to very low-income amounts if the Secretary certifies that qualified applicants are available.

[SEC. 628. Loss of single family housing by tornados, floods, fire, or other disasters, does not come under the terms of subsection D of section 1490(a) of title 42 of the United States Code which applies to "disposition or nonoccupancy", therefore, in cases of loss by disaster, the Secretary shall accept payment of unpaid principal and interest as full settlement of borrower's liability.

[SEC. 629. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available in this Act is hereby reduced by 1 per centum.]

Mr. COCHRAN. Mr. President, the bill which is now before the Senate provides appropriations for the Department of Agriculture (excluding the Forest Service), the Commodity Futures Trading Commission, the Food and Drug Administration, and places a limitation on the administrative expenses of the Farm Credit Administration.

Agriculture is responsible for over 23 million jobs in America. These jobs include work in agricultural research, production, marketing, and distribution. Agriculture-related activity accounts for more jobs in this country than the transportation, steel, and automotive industries combined. And, while other industries are suffering substantial trade deficits, agriculture boasts a $19.5 billion trade surplus.

There is no question that agriculture is one of the most important industries in the United States.

The agriculture appropriations bill contains funding for agricultural research; soil and water conservation programs; agricultural export promotion programs; animal and plant health inspection services; and various other programs which directly benefit the farming community. The bill also funds various inspection programs which go beyond the farm to protect our citizens from unsafe foods and unfair trade practices. Nutrition programs, such as food stamps, child nutrition programs, and the women, infants, and children's [WIC] program, are also a major part of this appropriations bill.

In this year of concerted efforts to reduce the budget deficit, the Appropriations Committee has given very careful attention to the proper funding levels for the programs in this bill. As a result, the totals for new budget authority will be $400 million below the fiscal year 1984 appropriations level if the supplemental appropriations bill, as approved by the Appropriations Committee, is enacted into law. We are also within our subcommitt's 302(b) allocation for nondefense discretionary budget authority. I hope Senators will refrain from offering any amendments which would add to the total appropriations level.

The totals in our bill appear to be higher than the budget estimate and House-passed levels. I hope my colleagues will notice that a major part of this difference is due to bookkeeping differences.

Also, the budget request assumed substantial legislative changes which would have produced significant savings in these programs if they had been enacted. We have funded the programs based on the requirements of current law. It should also be noted that the House funded the Food Stamp Program and the WIC Program for less than the full fiscal year—food stamps through September 7, 1985 and WIC through August 1, 1985. Because of the difficulty and confusion which accompany supplemental appropriations bills, and the burden placed on State agencies which operate the programs, the Senate Appropriations Committee is recommending full-year funding for the nutrition programs.

Another major difference between our bill and the House-passed bill is the reimbursement for net realized losses of the Commodity Credit Corporation. The House funded this reimbursement for $283 million less than the budget request. This reimbursement, by law, must be appropriated at some point, and delaying the appropriation only masks the true cost of reimbursement.

The last major difference, in terms of total appropriations, is another bookkeeping difference. The House cut the Public Law 480, titles I and III program, by $150 million, with the difference to be made up through transfers from the Commodity Credit Corporation. Again, this will be funded later through CCC reimbursements, so we are recommending an upfront approach and restoring the $150 million.

The Appropriations Committee recommendation also includes a $50 million competitive research grants program, $28.5 million of which is for a new biotechnology initiative proposed

by the administration. This type of research will help the United States retain its superiority in agricultural research and production technology.

The committee recommendation also includes $650 million for guaranteed farm operating loans. In fiscal year 1984, the banking industry has taken an increased interest in the guaranteed loan program. The committee report includes language to insure that this does not serve as a Government "bail-out" program for troubled banks, but does ensure that the additional guarantees will permit banks to refinance farmers who are facing financial problems.

Mr. President, at this point, I ask unanimous consent that a copy of the highlights of the bill be printed in the RECORD.

There being no objection, the highlights were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1985 AGRICULTURE APPROPRIATIONS BILL—HIGHLIGHTS OF COCHRAN/EAGLETON PROPOSAL TO SUBCOMMITTEE

July 25, 1984

TITLE I—AGRICULTURAL PROGRAMS: $11,156,108,710

A. Research and Extension:

ARS	$489,022,000
CSRS	291,395,000
Extension	343,744,000
ARS Buildings & Facilities	21,650,000

Includes $5,000,000 post-graduate fellowship program to address shortage of scientists, educators, etc., in both the public and private sector.

Concurs with the House in providing small increases for Hatch Act; Cooperative Forestry (McIntire-Stennis); Payments to 1890's and Tuskegee Institute; and Smith-Lever.

Restores several special grants which were slated for reduction either by the budget or by the House bill.

Provides $50,000,000 competitive grants program, including $28,500,000 for a new initiative in biotechnology research proposed by the Administration.

Provides full funding for the Expanded Food and Nutrition Education Program (House proposed $26 million transfer from food stamp program).

Appropriates $9.1 million Metabolism and Radiation Research lab.

Appropriates $11.1 million National Soil Tilth Center.

Appropriates $.7 million Warmwater Aquaculture Research Center.

Appropriates $.3 million germplasm collection facility.

Appropriates $.450 million Small Farms Research Center.

B. Marketing and Inspection Services:

1. Animal and Plant Health Inspection Service, $267,942,000.

Funds brucellosis program at the FY 1984 level.

Restores fire ant, witchweed, animal welfare, and gypsy moth programs to FY 1984 levels.

2. Food Safety and Inspection Service, $355,248,000.

Provides 134 additional staff years to improve program integrity, especially in slaughter inspection and import/export expansion.

3. Statistical Reporting Service, $56,430,000.

Restores Peanut Stocks and Processing Report.

4. Agricultural Cooperative Service, $4,639,000.

Restores to FY 1984 level

5. Agricultural Marketing Service—Marketing Services, $29,464,000.

Retains Wholesale Market Development Program

Limitation on Administrative Expenses, $23,072,000.

$7.5 million below House; reflects transfer of warehouse inspection from AMS to ASCS

C. Agricultural Stabilization and Conservation Service:

Salaries and Expenses, $52,201,000; $345,992,000 (transfer from CCC).

Provides necessary increase to budget for expenses related to restoration of ASCS programs (detailed in Conservation section of these highlights).

Restores funds for cotton warehouse examinations.

Restores not-yet-enacted legislative savings of $6 million for community committee elections.

General Provision prevents full-time equivalent staff year ceiling from being set below 2550.

D. Federal Crop Insurance Corporation: $310,000,000.

Provides FY 1984 level because of lack of accurate estimates for '85

E. Commodity Credit Corporation: $8,698,269,000.

Same as budget request; $975,367,000 below FY 1984

TITLE II—RURAL DEVELOPMENT ASSISTANCE: $4,842,834,000

(House comparisons refer to House Committee-reported bill)

A. Farmers Home Administration:

1. Housing programs—restores single-family and multi-family housing loans for low-income and very-low income families to FY 1984 level; provides $116,000,000 for renewals and servicing of 10,500 rent subsidy agreements, and $52,250,000 for 4,750 new rent subsidy agreements; reject House general provision separating low and very-low income funds, because authorizing legislation has been drafted to that effect.

2. Farmer programs:

a. Ownership loans—Insured, $649,000,000 ($25 million over budget; $72 million below House); guaranteed, $56,000,000 (Budget/House).

b. Operating loans—Insured, $1,920,000,000 (Budget/House); guaranteed, $650,000,000.

c. Emergency Disaster Loans—Provides such sums as necessary.

3. Rural Development Loans and Grants:

a. Water and sewer facility loans, $270,000,000 ('84 level).

b. Water and sewer grants, $90,000,000 ('84 level).

c. Business and Industrial loans, $100,000,000.

d. Community facility loans, $100,000,000 (Budget).

e. Other grants: concur with House, except: Mutual and Self-help housing grants $10,000,000 ($4 million over '84 level and House); housing grants for Domestic Farm Labor—no new appropriation, carryover funds sufficient; rural-housing preservation pilot grants—no appropriation.

4. FmHA Salaries and Expenses:

Concurs with General Provision setting full-time equivalent staff year ceiling at not less than 11,700.

Includes $1.6 million for circuitrider program for rural water systems.

B. Rural Electrification Administration (off-budget):

Insured electric and telephone loans: Concurs with 1984 and House levels.

Guaranteed electric and telephone loans: Concurs with Budget and House level as floor.

Retains floor and ceiling concept; budget proposed single level.

Concurs with House for Rural Telephone Bank ($30 million) and reimbursement for interest and other losses (216 million).

C. Conservation:

Rejects $127 million cut in Soil Conservation Service (SCS) and rejects the consolidation and reduction ($138 million) in Agricultural Stabilization and Conservation Service (ASCS) programs, including Forestry Incentives Program (FIP) and Water Bank.

Freezes targeting for fiscal year 1985 at 10 percent of conservation technical assistance funding.

Includes bill language to exempt long-term agreements (LTAs) from annual payment limitation of $3,500, but LTAs must not exceed an average yearly cost of more than $3,500.

Sets staff year ceilings at no less than 2,550 for ASCS and 14,156 for SCS (General Provision.)

TITLE III—DOMESTIC FOOD PROGRAMS: $17,875,027,000

(Including $2.3 billion transfer from Sec. 32)

Budget levels were again based on substantial legislative savings, and again, the House funded the following programs for less than the full fiscal year. We rejected this and based full year appropriation on current CBO estimates:

(a) WIC—$1,471,000,000 ($229 million over House).

(b) Food Stamps $11,450,000,000 ($760 million over House).

Funds Child Nutrition programs at $3.8 billion (including $2.3 billion transfer from Sec. 32.)

Nutrition Assistance for Puerto Rico, $825,000,000.

$50,000,000 for storage and transportation expenses for distribution of surplus commodities.

Rejects consolidation of WIC and Commodity Supplemental Food Program

TITLE IV—INTERNATIONAL PROGRAMS: $1,443,865,000

(Comparison to House refers to Committee-reported House bill)

Returns General Sales Manager to Foreign Agricultural Service (House proposed to make it a separate position under CCC)

Provides P.L. 480 program levels of $1,021,000,000 for Titles I/III and $650,000,000 for Title II.

Provides full amount of estimated requirement for appropriations ($705 million) for Titles I/III, and provides that additional appropriations will be available to meet program level if this amount falls short; House reduced appropriation by $150 million and would require CCC to make up difference.

TITLE V—RELATED AGENCIES: $426,886,000

Provides $399.6 million for Food and Drug Administration, rejecting $5 million user fee proposal for new drug application.

Appropriates $27.3 million for Commodity Futures Trading Commission.

Provides $22.1 million limitation on administrative expenses of the Farm Credit Administration.

Mr. COCHRAN. Mr. President, I thank each member of the committee

for their help in developing this bill and also for the advice and assistance that some 50 Senators provided to the committee during our consideration of these programs. All of that has been very helpful and important in the development of the bill that is now before the Senate.

I especially thank the distinguished Senator from Missouri [Mr. EAGLETON] for his outstanding assistance as the senior Democrat on the committee.

Mr. President, I understand that the Senator from California has an amendment, and at this point, I yield the floor.

AMENDMENT NO. 3665

Mr. CRANSTON. Mr. President, I thank the distinguished Senator from Mississippi very much for his cooperation, and I thank the Senator from Missouri for yielding his prerogative of making his opening statement so that I may very briefly offer an amendment that has been cleared on both sides. I send that amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The committee amendments have not been disposed of yet.

Mr. CRANSTON. I ask unanimous consent that this may be in order at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from California [Mr. CRANSTON], for himself and Mr. WILSON, proposes an amendment numbered 3665:

On page 9, line 9, after the word "Louisiana," insert "and at Fresno, California,".

Mr. CRANSTON. Mr. President, this amendment would allow the Agricultural Research Service to obtain a 1-year option to purchase a 30-acre site in Fresno, CA, to house a horticultural research center. There is no cost associated with it at present since there has been no appraisal.

Mr. COCHRAN. Mr. President, this amendment would give the Agricultural Research Service the authority to buy an option on the purchase of land which is adjacent to USDA property in Fresno, CA. This amendment will be made as part of a provision which is currently in the bill regarding a similar situation in Houma, LA. It will allow the Department of Agriculture to conduct an appraisal of the land to determine its fair market value and whether the purchase can be justified. The Department may then purchase an option on the land which will prevent its sale for up to 1 year. This will allow Congress an opportunity to review the appraisal and the justification of the purchase, and to consider funding in the fiscal year 1985 supplemental appropriations bill or the fiscal year 1986 regular agriculture appropriations bill.

I recognize the urgency of this matter to the research center in Fresno, and I would urge the Department of Agriculture to expedite its consideration of this matter.

Mr. President, we have no objection to the amendment. We recommend the Senate approve it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment (No. 3665) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EAGLETON. Mr. President, considering the budgetary constraints under which we have been forced to work, I believe the committee has done an excellent job in putting together the fiscal year 1985 agriculture appropriations bill. As the subcommittee chairman has explained, this bill is about $1.2 billion over the President's budget, and about $1.6 billion over the House bill. Unfortunately, the House used smoke and mirrors to arrive at their numbers, and the administration employed smoke and mirrors as well as unreasonable legislative proposals to arrive at theirs.

Almost $1 billion of the increase over the budget and the House is in the nutrition programs. The administration's budget assumed substantial legislative changes in the nutrition programs and a cut of some 400,000 participants from the WIC Program. The House bill appropriates the funding levels requested by the administration, but this will adequately fund the Food Stamp Program only through September 7 and the WIC Program through August 1.

We rejected the partial year funding scheme of the House. Partial year funding complicates program administration and does absolutely nothing to lower the eventual costs of the nutrition programs. We have assumed no legislative changes in the Food Stamp Program since that is the responsibility of the authorizing committee, and we have rejected the administration's proposal to cut WIC.

I believe we have done a pretty good job of addressing the funding needs of the nutrition programs. The level provided for the Food Stamp Program reflects the Congressional Budget Office' estimate of what is needed to fully fund the program. As the committee report points out, this estimate is based on certain economic and participation assumptions which may or may not come to fruition. The committee has once again directed that the Secretary take no action to reduce benefits unless the Congress is given adequate opportunity to consider the supplemental funding which would be necessary to avoid benefit reductions. It is incumbent upon the administration to accurately report to the committee in a timely manner any change in the funding requirements for the Food Stamp Program.

This bill also exceeds the budget request for the soil conservation programs. In spite the continued evidence that soil erosion remains a severe problem, the President proposed cutting the conservation programs by 30 percent. It is the committee's position that we cannot afford to delay progress in the fight against soil erosion. The funding level provided by the committee essentially freezes conservation program support at the current level.

Likewise we have rejected proposed cuts in the rural housing program of the Farmers Home Administration. Although we have made great progress in meeting the housing needs of low-income rural families, that past progress does not justify the 30-percent reduction in the rural housing program proposed by the Reagan administration. Much has yet to be done to improve the housing stock in rural America. The committee recommendation for the rural housing program represents a freeze at the fiscal year 1984 funding level.

For the FmHA farm programs, the committee has increased the budget request for guaranteed farm operating loans by $500 million in order to meet the demand for operating credit. Over the past 2 years the Secretary of Agriculture has utilized his interchange authority to rob the water and waste disposal loan and grant program and the rural housing program in an effort to meet increasing demand for FmHA farm operating credit. That authority was designed to give the Secretary some flexibility to meet emergency needs. It was not to be used to arbitrarily reduce funding for programs he does not care to implement in favor of those he does. I firmly believe the Secretary has abused the interchange authority and we should give careful consideration to modifying it.

The committee has again included bill language restating the Secretary's current authority to permit the deferral of principal and interest and to forego foreclosure. In my home State of Missouri farmers have experienced one disaster after another. Many have no chance of meeting their current farm payments nor will they be able to stay in farming without substantial forebearance on the part of FmHA. It is the responsibility of the Secretary to utilize the authority he has to keep these farmers in business.

U.S. agriculture is preeminent in the world, due in great part to the excellent research and extension programs funded by this bill. The committee

action includes the budget request to substantially expand the competitive research grant program, including $28.5 million to initiate a new research effort in the area of biotechnology. If we have any hope of keeping our farmers and agribusinesses competitive with the rest of the world, we must give them the advances in productivity that will be brought about through biotechnology. In addition, we have continued funding for postgraduate fellowships. Without this support, the pool of scientific talent from which our future agricultural researchers can be drawn will continue to shrink. The funding provided the extension service will maintain the current base program and will double the funding available to implement the Renewable Resources Extension Act. We have restored the proposed cut in the Expanded Food and Nutrition Education Program and have directed that additional effort be put forth to inform low-income individuals of their eligibility for the Federal nutrition programs.

Mr. President, I am especially pleased that the committee has accepted my recommendation that we concur in the House action to provide the second year of funding support for an Agricultural Policy Institute which is collocated at Iowa State University and the University of Missouri. The purpose of the institute is to maintain a comprehensive computer modeling system of the United States and international food and agricultural industry in order to evaluate the near and long-term implications of alternative farm policies.

I am sure my colleagues have shared my frustrations with recent agricultural policy. Farm program expenditures have skyrocketed and yet the number of farm foreclosures and bankruptcies seems to grow daily. Export credit guarantees are at new highs and our volume of agricultural exports continues to slide. We hear widespread claims that inflation has been whipped into submission, while on the farm there have been 3 years of deflation in land prices, leaving farmers with no security to offer their bankers on new loans and leaving the bankers with little or no security for the loans they have already extended.

The Agricultural Policy Institute will give the Congress, farm groups and the general public a new and important tool to develop and analyze farm policies. This is a tool that will be most helpful in bringing into focus the potential impacts of alternative farm policies on farm income, agricultural exports and Government costs. I am hopeful that the Institute will give us a better chance at writing an effective farm bill in 1985.

Mr. President, these are a few highlights of this year's bill. I commend the job Senator COCHRAN has done in bringing the legislation to the floor. I believe it is a good bill which deserves the support of my colleagues.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the committee amendments be considered as having been agreed to en bloc and that the bill as thus amended be considered as original text for the purpose of amendment provided that no point of order shall be waived by reason of the agreement to this request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it it so ordered.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. HUDDLESTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3666

(Purpose: To prohibit the use of funds made available by the Act to permit additional leverage transaction merchants to engage in the offer and sale of standardized contracts until the Commodity Futures Trading Commission demonstrates its ability to regulate such additional offers and sales)

Mr. COCHRAN. Mr. President, I send an amendment to the desk in behalf of the Senator from Indiana [Mr. LUGAR] and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for Mr. LUGAR, proposes an amendment numberd 3666.

Mr. COCHRAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 64, between lines 9 and 10, insert the following new section:

SEC. 627. None of the funds made available by this Act may be used to permit leverage transaction merchants to engage in the offer and sale of standardized contracts described in section 19(a) of the Commodity Exchange Act (7 U.S.C. 23(a)), as added by section 23 of the Futures Trading Act of 1979 (92 Stat. 876), for the delivery of gold, silver bullion, bulk coins, or other commodities, in addition to such leverage transaction merchants who on the date of the enactment of this Act were permitted to engage in such offers and sales, until—

(1) the Commodity Futures Trading Commission transmits to the Congress documentation of its ability to regulate successfully such additional offers and sales, including a copy of the proposed rules and regulations of the Commission pertaining to such offers and sales; and

(2) sixty calendar days of continuous session of the Congress have elapsed after the date of such transmittal.

Mr. LUGAR. Mr. President, my amendment would require the Commodity Futures Trading Commission to provide the Congress with at least 60 legislative days' notice prior to lifting the moratorium on the entry of new firms into what is commonly referred to as the leverage business.

Prior to the 1978 reauthorization of the Commodity Exchange Act, the Congress and the CFTC found the leverage industry to be so plagued with undesirable elements that a moratorium was placed on the entry of additional firms into the leverage business pending the establishment of more effective regulations. This moratorium allowed four firms to continue to trade leverage contracts. Because the CFTC has been unable to promulgate adequate regulations, and because the Congress was concerned with the ability of the CFTC to regulate effectively an expanded leverage industry, the 1982 amendments to the Commodity Exchange Act did not lift this moratorium. Specific language was included, however, which mandated the CFTC to end the moratorium whenever all regulations are in place and working properly. Given the subjective nature of the criteria which would allow a reopening of this industry, I am concerned that the decision to lift the moratorium might occur without proper congressional oversight and review.

My amendment simply states that the Commodity Futures Trading Commission must provide notice to the Congress at least 60 days prior to ending the moratorium. As chairman of the subcommittee with jurisdiction, the Subcommittee on Agricultural Research and General Legislation, I intend to utilize this 60-day period to evaluate fully the adequacy of current law and regulations in controlling fraud within the leverage industry.

In my opinion, and in the opinion of many futures industry observers, the leverage industry should not be permitted to sell commodities outside of the registered futures exchanges. There have been and continue to be serious allegations of misconduct by firms still permitted to trade leverage contracts. These firms have been the source of an extraordinarily high number of customer complaints and lawsuits.

Despite my view, and despite the record of these firms, I have requested only a maintenance of the status quo. My amendment continues the moratorium that has existed since 1978 and would have no effect on the industry as it exists today.

My amendment has a precedent in the 1978 Commodity Exchange Act. In that bill, Congress mandated that the CFTC provide advanced notice prior to authorizing trade in options on futures contracts which had experienced a high degree of fraudulent activity in earlier trading. I believe it is prudent to provide the same type of notification requirement for new leverage trading.

I hope my colleagues in the Senate will agree to include this commonsense amendment in the 1985 agriculture appropriations bill.

Mr. COCHRAN. This amendment to the general provisions title of the bill continues a Commodity Futures Trading Commission [CFTC] moratorium on the entry of new firms into the leverage industry. This moratorium has been in effect since 1978, so this amendment will have no effect on the industry as it exists today.

The amendment requires that the CFTC provide the Congress with documentation which demonstrates the Commission's ability to regulate the leverage industry. Sixty calendar days of continuous session after transmittal of this documentation must expire to the lifting of the moratorium.

This 60 days will be used by the authorizing committee to review the adequacy of proposed regulations in controlling fraud within the leverage industry. This review will ensure that the lifting of the moratorium is the result of adequate and effective regulations, rather than the result of pressure from the industry and from a few Members of Congress.

I understand that there is no opposition to this amendment, and I move that it be agreed to.

AMENDMENT NO. 3667

Mr. HUDDLESTON. Mr. President, I offer an amendment to the amendment that has just been offered by the distinguished Senator from Mississippi which would merely add to the so-called moratorium on leverage transactions, transactions related to dealer options.

These are two areas in which Congress has already expressed some concern and has given specific instructions to the Commission with respect to developing regulations to cover trading in these matters.

The Commission has not advanced as far in dealer options as it has on the leverage contracts, in that it has not yet proposed the specific regulations. The process of making that determination is now going on at the Commission. They are studying the issue. It will be later this year, possibly next year, before they advance to the state that they have that leverage.

This is merely to provide some kind of protection and some kind of opportunity for Congress to take a look at the future regulations in these areas which in the past have caused some difficulties from a consumer standpoint.

I believe the amendment to the amendment has been approved by the sponsors, and I ask for its adoption.

Mr. COCHRAN. Mr. President, as I understand it, the Senator from Kentucky is offering an amendment to amend the Lugar amendment.

The PRESIDING OFFICER. That is correct.

The amendment to the amendment will be stated.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. HUDDLESTON] proposes an amendment numbered 3667 to the amendment numbered 3666.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the Cochran (for Lugar) amendment 3666, on line 12, after "sales," insert: "or to expand the granting of dealer options pursuant to section 4c(d) of the Commodity Exchange Act beyond that presently permitted under regulations of the Commodity Futures Trading Commission."

Mr. COCHRAN. Mr. President, we have reviewed the amendment offered by the Senator from Kentucky. We have no objection to it and recommend that it be approved.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3667) was agreed to.

Mr. COCHRAN. Mr. President, we have also received assurances that there is no objection to the amendment of the Senator from Indiana [Mr. LUGAR], as amended by the amendment of the Senator from Kentucky. We ask that the amendment, as amended, be approved.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended.

The amendment (No. 3666), as amended, was agreed to.

Mr. COCHRAN. Mr. President, at this point, I urge that those Senators who have amendments please offer them at this time, if they can do so. We hope to be able to complete action on this bill soon. A number of Senators have indicated an interest in offering amendments, some of which we will be able to dispose of in very short order. Others may require some discussion and possibly rollcall votes.

We hope that we can wrap up the consideration of the bill very quickly, and we hope we will get the cooperation of Senators in doing that.

AMENDMENT NO. 3668

(Purpose: To Allow Guaranteed Farm Operating Loans To Be Available Immediately Upon Enactment of This Act)

Mr. COCHRAN. Mr. President, I send to the desk a committee amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes an amendment numbered 3668.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 31, line 3 after "loans" and before the semicolon insert: "and shall be available immediately upon enactment of this Act".

Mr. COCHRAN. Mr. President, this is an amendment, some may recall, which we discussed during the consideration of the supplemental appropriations bill which the Senate considered and passed last night.

This amendment will make available the $600 million for guaranteed farm operating loans already provided in the bill immediately upon enactment of this legislation.

This is the action that was requested by the Committee on Appropriations during the markup of this bill. It was the suggestion of the Senator from Kentucky [Mr. HUDDLESTON] that this change be made in the date for the funds that will be available for such guaranteed operating loans.

This amendment will allow farmers who face an immediate credit crisis to obtain loans from financial institutions and to have these loans guaranteed by the Farmers Home Administration.

I know of no opposition to the amendment. I think the amendment has been cleared on both sides of the aisle, and we recommend that it be approved.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3668) was agreed to.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3669

(Purpose: To Appropriate an Additional Amount for the Federal Share of the Funds Needed To Conduct a Cotton Boll Weevil Eradication Program in Arizona and California)

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from California [Mr. WILSON] for himself and Mr. DECONCINI proposes an amendment numbered 3669.

Mr. WILSON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 10, strike out "$267,581,000" and insert in lieu thereof "$266,681,000".

On page 16, line 14, strike out the period and insert in lieu thereof the following: ": *Provided further,* That not less than $1,100,000 of the funds made available by this paragraph shall be available for the Federal share of the funds needed to conduct a cotton boll weevil eradication program in Arizona and California.".

Mr. WILSON. Mr. President, as you know I have the privilege of representing the magnificent State of California. We are proud of many things, but not the least an industry not often associated with California in the popular mind but nevertheless known to you as being of critical importance to both our State and Nation. I am talking about agriculture.

Besides being a population colossus, California is also our Nation's leading agricultural state. California is our Nation's No. 1 farm State with a $16 billion annual industry.

While many folks don't think of us as a farm State, even fewer would probably single out California as a cotton State. But it is. It is our third leading crop and last year we passed Texas in terms of our total dollar value.

The reason I sketch this little story to you. Mr, President, is that there is a great threat to this cotton industry which has recently arisen in the form of the dreaded cotton boll weevil.

We know about pests in California, let me assure you. We spent just recently some $100 million to contain an outbreak of the Mediterranean fruit fly which was a threat to every grower of fresh fruits and vegetables in the State. I am happy to report to you that with the help of the U.S. Department of Agriculture we have stopped that nasty Medfly and hope, in fact, to stop it at its point of origin at the Guatemala-Mexico obrder in a cooperative effort with these governments.

But having survived the Medfly, we are now faced with the reality that our $1 billion cotton industry of California is under the threat of the boll weevil that has crossed the Colorado River from Arizona and has found its way into the rich agricultural farm communities in the Coachella and Imperial Valleys.

Those of you from the farm States know how devastating the boll weevil can be to cotton crops. For you not familiar with the dreaded pest, the boll weevil thrives on the cotton bolls for its breakfast, lunch, and dinner and with snacks in between. In fact, the darn things eat around the clock.

I am rising today, Mr. President, to seek your support and that of my colleagues for an amendment that has been offered to the Agricultural appropriations bill for an additional $1.1 million to be added to its Animal and Plant Health Inspection Service [APHIS] to initiate a boll weevil eradication program in the Southwestern States. The Department of Agriculture has committed its support to the eradication program, once the funds are made available. California and Arizona have approved legislation that requires program participation and the collection of a per bale assessment to pay 70 percent of the financing of the program while the Federal Government would pay the remaining 30 percent. The State of California has made a commitment to their 70-percent share of the effort.

The 1984 budget for control of the cotton boll weevil is $1.95 million for eradication programs in North Carolina and South Carolina. My distinguished colleague, Senator DENNIS DECONCINI of Arizona, and I are asking for the additional $1.1 million to begin a similar eradication effort very much needed in the States of California and Arizona. I am also happy to advise you, Mr. President, that my distinguished colleague from Mississippi, who perhaps more than anyone here understands the threat of boll weevil and who is chairman of the Appropriations Subcommittee on Agriculture, fully supports our amendment.

Mr. President, we have taken a positive turn on the effort to fight this outbreak through a cooperative program among California, Arizona, Mexico, and the U.S. Government of Agriculture. The effort includes strict slowdown regulations in the United States and pesticide applications in Mexico being funded by USDA.

With your support and the investment of a relatively small amount of money, we can make certain that this tremendous threat to an important industry will be stopped dead in its track and continue to maintain California as not only the breadbasket to much of this country and the world but as the great cotton State that it is.

Mr. President, I thank you for your time and my colleagues for their support.

Mr. President, this amendment would add $1.1 million to allow the extension of a very successful cotton boll weevil eradication program to the States of Arizona and California.

I am joined in cosponsoring this measure by Senator DECONCINI.

The reason is that we are very much concerned with the threatened spread from the Mexican northern interior into Arizona and thence into California and to the Imperial, Coachella, San Joaquin Valleys of the very, very destructive pest, the boll weevil.

We are well aware of the devastation that can be visited by the pest of this kind in California.

California recently spent $100 million to try to contain an outbreak of Mediterranean fruit fly which was a threat to the growers of fresh vegetables and fruits in our State. Happily, with the help of the U.S. Department of Agriculture, we have finally stopped the Medlfy, and we also hope that in cooperation with the Governments of Mexico and Guatemala we can extend the eradication effort to the point of orgin at the Guatemalan-Mexican border.

Having survived that, we now face the reality that our $1 billion cotton industry and the cotton industry in our good neighbor, the State of Arizona, is under threat from the boll weevil which has crossed into Arizona.

Those Senators from farm States, particularly those in which cotton is grown, know the devastation that the boll weevil can reap upon our cotton crops. It is voracious, it is insatiable, and only if eradicated early in the threat can we avert the very considerable damage to this third largest crop in California.

Its importance to our two States I think is well indicated by the fact that both States have taken the necessary action to meet the contribution that is required locally to match that from the Federal Government.

There is in addition to the money that is contributed by the State a prevail assessment on the part of the growers. Both California and Arizona have already met their commitment. They have taken the steps required. They have even passed punitive legislation that assures that any infected area will in fact be cordoned off so as to isolate that threat.

In both Arizona and California legislation has been passed which prevents the growing of stubbed cotton and also requires plowdown after harvest and a clear period of 45 days.

Strict enforcement provisions have been enacted in both States. The penalty for failure to comply with the requirement is that the farmer can be assessed 150 percent of the cost, and if farmers do not comply the State is authorized to place a lien on the property.

These, I think, give evidence that the States affected are very serious about doing what they must do in order to eradicate this threat.

Mr. President, the existing amount budgeted for boll weevil eradication and very successful efforts that have taken place in the States of South Carolina and North Carolina is largely consumed by those efforts. That is what makes necessary this addition to the fund.

I am unaware of any opposition to this addition and I suggest that without it being made at this time, the States of Arizona and California face the most serious possible threat.

Mr. DECONCINI. Mr. President, I am pleased to be a cosponsor of the amendment offered by Senator WILSON to add $1.1 million to the fiscal year Agriculture appropriations

bill to cover the Federal share of a boll weevil eradication program in the States of Arizona and California. Under the proposed eradication effort, Arizona and California will provide at least 70 percent of the cost of the program in their respective States with the Federal Government financing the remaining 30 percent of program costs.

Cotton is the major cash commodity in the State of Arizona. If that crop is destroyed through an infestation of the boll weevil, it will have a devastating impact on the Arizona economy. Clearly, a coordinated effort to prevent the expansion of the boll weevil habitat and to eventually eradicate the pest from the United States is essential to a healthy agricultural sector.

Arizona experienced a serious infestation of the boll weevil 2 years ago. Through a series of tough regulatory initiatives, they were successful in reducing the boll weevil problem. Among the actions taken by the State were laws to ban stub cotton and to establish a host free period during which farmers are required to plow their fields after harvest and leave them clear for a 45-day period. In addition, strict enforcement provisions were enacted. If a farmer does not plow his fields, as required, the State will plow them and the farmer will be assessed 150 percent of the cost. If farmers do not comply, the State is authorized to place a lien on the property. I cite these actions to demonstrate how seriously the State of Arizona approaches the boll weevil problem.

Despite the measures undertaken by the State of Arizona, there are areas within the State where the boll weevil remains a problem. A new infestation could, of course, occur at any time. A coordinated spraying program is crucial to an effective eradication program and I strongly support the Department of Agriculture's initiatives in this regard. Unfortunately, the boll weevil is continuing to expand is habitat to the north in the State of California, and it is imperative that we prevent the boll weevil from reaching the San Joaquin Valley where it could establish a permanent habitat.

We know that the proposed eradication program in Arizona and California can be effective. A demonstration eradication program was initiated in the northeastern section of North Carolina in 1980. It proved so effective that last fall it was expanded to encompass the entire States of North and South Carolina. I am convinced a similar program in Arizona and California will be equally successful and it is important that the program be implemented as soon as possible. I am, therefore, most grateful to the chairman of the Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies, Senator COCHRAN, for agreeing to include moneys in the pending measure to insure that a boll weevil eradication program can commence next year in Arizona and California.

Mr. COCHRAN. Mr. President, I thank the Senator from California [Mr. WILSON] for bringing this amendment to the attention of the Senate.

There has been a successful eradication program in both North Carolina and South Carolina, and this amendment would allow the expertise gained by the Department of Agriculture in those States to be used in a program in California, Arizona, and parts of Mexico.

The program is administered by the Animal and Plant Health Inspection Service which provides 30 percent of the funds necessary to carry out the program. The remaining 70 percent comes from State and local sources, usually from local growers.

It is my understanding that funds are available in both California and Arizona that are sufficient to provide the 70-percent matching funds.

I further understand that in both California and Arizona there is the legal authority under State law to collect and disperse these matching funds.

There are some Southeastern States which also have expressed an interest in a boll weevil eradication program, but there is no legal authority in those States to assist growers or to appropriate local, matching funds.

Our committee in its report directs the Secretary of Agriculture to submit a supplemental appropriations request if additional States pass the necessary State-authorizing legislation that would either provide for a referendum or the assessment of levies on growers for the purpose of coming up with the local matching fund.

Mr. President, I know of no objection to this amendment, and I recommend that the Senate approve it.

Mr. EAGLETON. Mr. President, there is no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment (No. 3669) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WILSON. Mr. President, I thank the Chair, and I thank the distinguished managers of the legislation.

AMENDMENT NO. 3670

(Purpose: To provide for a study)

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment of the Senator from New Jersey.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] for himself and Mr. BRADLEY, proposes an amendment numbered 3670.

On page 18, line 25: immediately after "expended" insert: *"Provided further,"* That this appropriation shall be available for a study, which the Economic Research Service with the Agricultural Marketing Service would conduct, as to the barriers, imposed by the milk control laws of various states, to market entry by milk processors, dealers and handlers, and the impact of such laws upon supply and consumption of milk and milk products and wholesale and consumer prices."

Mr. LAUTENBERG. Mr. President, This amendment is quite simple. It would provide for a study by the USDA's Economic Research Service about State barriers to market entry by milk processors and dealers. The Economic Research Service would study where and how States legally keep dealers out of their markets. And it would determine the effect of such barriers. Specifically:

Do we ensure adequate supplies of milk to consumers by stopping milk dealers from competing in other States?

Or does reducing competition actually force consumers to pay higher prices?

Does reducing competition actually reduce consumption, and thereby deny the farmer additional outlets and additional income.

Mr. President, I am prompted to offer this amendment because of the situation that exists in the northeastern region of our Nation. New York State maintains a State-licensing scheme that makes it all but impossible for milk dealers from New Jersey, or Pennsylvania, and New England to enter the New York market. New York disallows licenses if it decides that a market is already adequately served, and if a new entrant will create destructive competition. And if that fails, the State can deny a license if it finds it contrary to the public interest.

New York has read this licensing statute strictly. That is the view of dealers who want to get in. But, it is also the view of experts in the field, such as Mr. Alden Manchester, who singles New York out as having the most restrictive licensing law. I ask unanimous consent that an excerpt from a book by Mr. Alden Manchester of the USDA be printed in the RECORD at the completion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit No. 1.]

Mr. LAUTENBERG. Mr. President, by applying its licensing law so strictly, New York does a number of things:

It prevents dealers from New Jersey, Pennsylvania, and New England from entering the New York market. To be honest, that hurts the economy of my State and the adjoining States. Be-

cause efficient, competitive companies are being denied the right to expand—to expand their business and to expand their employment.

The New York law hurts cosumers. I am talking about consumers in New York. Mr. President, New York consumers are paying up to 52 cents a gallon more for milk than consumers in New Jersey. And, a major cause, I think, is the lack of competition at the dealer's level. I know the farmer is not to blame. I know, because New York and northern New Jersey operate under the same milk marketing order. The processors in New York and the processors in New Jersey buy milk from the same New York farmers and they pay the same price. Somewhere between the farm and the supermarket checkout up to 52 cents is added to the price of a gallon of milk in New York.

For the information of my colleagues, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks additional price data on this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit No. 2.]

Mr. LAUTENBERG. The New York law does not just hurt out-of-State processors and in-State consumers, Mr. President. It also hurts dairy farmers. Because, restricting market entry means that dealers cannot compete. If they could compete, they would push prices down and push consumption up. And that would mean more demand at the farm level—and more income to the American dairy farmer.

That is why the Eastern Milk Producers Cooperative Association—a giant group of some 3,000 dairy farmers, 1,500 of whom are New York farmers—has gone on record in support of New Jersey license applicants. Because they want to see more competition. They want farmers to have a choice of outlets.

In sum, Mr. President, restrictions on market entry hurt dealers, they hurt consumers, and they hurt farmers. Who do they help? A few, inefficient dealers who want to be shielded from competition.

Now, I think I should say a few words about what this amendment would not do. I appreciate the concern many of my colleagues have about the health of the American dairy industry. I am concerned, too. New Jersey has hundreds of dairy farmers and we want them to thrive. Without expressing an opinion here, one way or the other, I know there have been long and emotional debates about the Federal system of milk marketing orders, about Federal price supports, about agricultural cooperatives. And I know that an effort by the Federal Trade Commission to study agricultural cooperatives was stopped by the opposition of the dairy industry. So, let me make one point clear. This amendment is not aimed at the Federal milk marketing orders, it is not aimed at Federal price supports, it is not aimed at agricultural cooperatives. And it has nothing to do with the FTC.

It asks for a study by USDA, and the study would be of State restrictions on market entry.

The 1946 Milk Marketing Act clearly authorizes just the kind of study we are requesting. That act authorizes and directs the Secretary to conduct analyses of artificial barriers to the supply of milk. That is what we are talking about.

Mr. MOYNIHAN. Will the Senator yield for a question?

Mr. LAUTENBERG. Mr. President, I am almost finished with my statement, if the Senator would not mind.

Mr. MOYNIHAN. I simply want to ask, as I understand it, whether at 2 o'clock we turn to another matter. I assume the Senator is prepared to resume the discussion of his amendment when we have disposed of the other matter, and we return to this one.

Mr. LAUTENBERG. The Senator is absolutely right.

Mr. MOYNIHAN. I thank the Senator.

Mr. LAUTENBERG. I understand there is a request, Mr. President, to have my amendment laid aside, which I am willing to do.

The PRESIDING OFFICER. It is 3 minutes until 2 o'clock. Can the Senator conclude in 3 minutes?

Mr. LAUTENBERG. I can try. If there is no objection, I will continue.

Mr. President, Federal law authorizes and directs the Secretary to conduct analyses of statutes that add to the spread between what a farmer sells his milk for and the price the consumer pays. That is what we are talking about. In fact, the Economic Research Service has conducted two studies of State milk-marketing laws. So, the precedent is there, and the expertise is there. I have consulted with Secretary Block's office, and I have been advised that USDA does not oppose this amendment.

Mr. President, notwithstanding this clear Federal authority, one might argue that this should be a matter left to the control of one State. I disagree. The study would address a matter of interstate commerce. Raw milk moves from New York into Pennsylvania, New Jersey, and New England. But packaged, processed fluid milk cannot move back. There should be no question that this is an interstate commerce issue, and that the Federal Government has the authority and the duty to review the matter.

Still, Mr. President, I am not suggesting that this body step in and tell New York how to run its dairy industry. We are not proposing to preempt New York law. But, we are expressing our concern about a matter that has an impact not only in New York, but outside New York, throughout a region that includes Pennsylvania, New Jersey, and New England.

That is why this amendment is supported by the New Jersey Milk Industry Association and the New Jersey Secretary of Agriculture.

That is why it is supported by the Milk Distributors Association of the Philadelphia area, and the Pennsylvania Milk Dealers Association.

Congress Watch, the national consumer group, also supports the amendment.

Perhaps, if the USDA conducts the study called for in this amendment, and confirms that unreasonable restrictions on market entry hurt consumers—by restricting supplies or increasing prices—then New York may reexamine its law—which was passed roughly 50 years ago.

EXECUTIVE SESSION

The PRESIDING OFFICER. Under the previous order, the hour of 2 p.m. having arrived, the Senate will go into executive session to resume consideration of the nomination of James Harvie Wilkinson III, of Virginia, to be U.S. circuit judge for the fourth circuit, with 1 hour under the previous order to be equally divided and controlled by the chairman of the Judiciary Committee, Mr. THURMOND, and the Senator from Massachusetts, Mr. KENNEDY, or their designees.

The Senate proceeded to the consideration of executive business.

Mr. LAUTENBERG. Mr. President, do I resume the floor on return to normal business?

The PRESIDING OFFICER. When the Senate resumes legislative session, the amendment will be in order.

Mr. LAUTENBERG. I thank the Chair.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, on behalf of the distinguished chairman of the Judiciary Committee, I yield myself 30 seconds.

It is my hope, Mr. President, that even though it is now 2 o'clock, that we may find 2 or 3 minutes to do a State-Justice appropriations conference report which is available and cleared on both sides. I have sent word to the minority leader that we are prepared on this side, and I believe they are prepared on the other side to go forward with that conference report. I believe we can do it in 2 or 3 minutes. But I would propose to him when he arrives the possibility that we could do that and leave unchanged the time for the cloture vote at 3 o'clock. The minority leader has not yet reached the

floor, but in the meantime, I wish Senators to be on notice of the possibility of such a request. I may ask the managers of this debate to yield so that I can make that request later if the minority leader agrees to it. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BAKER. Mr. President, if I may, then, I ask unanimous consent that I may suggest the absence of a quorum with the charge equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I am advised that the minority leader has no objection to us going forward with the State-Justice-Commerce appropriations conference report under these conditions: I ask unanimous consent, Mr. President, that the Senate now resume legislative session solely for the purpose of considering the conference report on H.R. 5712, the State-Justice-Commerce approprations bill; and, that the consideration of that conference report may proceed for not more than 5 minutes; and, that at the end of 5 minutes the Senate return to executive session and resume consideration of the pending business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, a parliamentary inquiry: Under the order just entered, if the conference report is agreed to prior to 5 minutes, we will resume executive session, and I will make that request. But if at the end of the 5 minutes, the conference report has not been disposed of, the order provides, I believe, that the Senate will automatically go back into executive session.

The PRESIDING OFFICER. The majority leader is correct.

Mr. BAKER. I thank the Chair.

STATE, JUSTICE, COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1985—CONFERENCE REPORT

Mr. BAKER. Mr. President, I submit a report of the committee of conference on H.R. 5712 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The bill clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5712) making appropriations for the Departments of Commerce, Justice, State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of August 8, 1984.)

Mr. RUDMAN. Mr. President, this conference report is familiar to all Members of the Senate. It is $11,520,976,200, which is below the target set by the full Appropriations Committee, and which we have assurance meets the requirements of OMB and the White House.

Mr. President, I submit a report of the committee of conference on H.R. 5712, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for fiscal year 1985, and ask for its immediate consideration.

The conference report totals $11,520,976,200. This is $23,800 below the budget allocation agreed to by the Senate Appropriations Committee and is in line with the so-called "Rose Garden" freeze agreement. In other words, the conference report is fully in line with Presidential and congressional budget ceilings. It is a fiscally responsible report.

Let me briefly outline some of the more important provisions in the conference report. The conferees agreed to continue the effort to enhance the FBI and the Drug Enforcement Administration, and particularly to focus on getting violent criminals and organized crime drug smugglers off the street. We agreed to add 1,000 new positions to the Immigration and Naturalization Service to significantly beef up the patrols along the Southwest border. We agreed to provide $85 million to the U.S. Information Agency for the radio transmitter modernization of the Voice of America. We increased the funding for international educational and cultural exchanges by 30 percent. We provided over $1.1 billion for the National Oceanic and Atmospheric Administration so that agency can continue to develop our Nation's oceanic resources and provide ever-more accurate weather reports. We provided $200 million for continuation of the Economic Development Administration. We significantly enhanced the budget of the State Department to strengthen the conduct of our Nation's foreign affairs. In short, we provided needed resources for the agencies in this bill without breaking the budget. It is a conference report we can all take pride in.

This report is also bipartisan. It would never have been completed without the efforts of all the members of the Commerce, Justice, and State subcommittees. In particular, the ranking minority member, Senator HOLLINGS, has been indispensable. His advice is always timely and sage. His wit kept us going when the conference got bogged down. His leadership was crucial to get us through the complexities of the appropriations process. I also wish to thank a number of other individuals without whom this conference report would be before us today: Representative SMITH, Representative O'BRIEN, Rick Spees, John Shank, Santal Manos, and Warren Kane of the subcommittee staff, and John Osthaus and Terry Bevels of the House subcommittee staff.

Mr. President, I urge my colleagues to support this conference report.

Mr. President, let me say very briefly that I want to express my appreciation to the ranking member, my friend, Senator HOLLINGS from South Carolina, who has been enormously helpful through the entire year helping me as acting chairman of the subcommittee to bring this to a fruitful conclusion.

I yield for any comments of my colleague.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, on behalf of the minority, I want to endorse the conference report on H.R. 5712, the appropriations bill for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for fiscal year 1985. We had a full conference with our House counterparts and I believe we worked out a fair amount for all of the 151 amendments that the Senate made to this bill. Most of those amendments were technical in that they related to the the form rather than the substance of the bill. Nevertheless, we worked through all of them under the leadership of our acting chairman, the distinguished junior Senator from New Hampshire.

As the acting chairman has indicated, we were advised by the Office of Management and Budget that we risked a veto if the bill totaled more than $11,521,000,000. As our members will recall, the House bill amounted to nearly $10,750,000,000. That amount excludes the $1,139,017,600 originally in the bill that was deleted by point of orders on the House floor for the Economic Development Administration, Federal Trade Commission, Legal Services Corporation, and the National Endowment for Democracy, as well

as by a general 4-percent reduction. Our bill reinstated those items, at lesser amounts than was reported to the House; and we also deleted the overall 4-percent cut that the House had approved in favor of specific reductions. All told we had to work $369,000,000 out of the House-passed bill to satisfy the OMB. I am happy to report that we were able to accomplish that objective without endangering any of the vital programs supported by this bill.

Not only did we preserve the funding of the EDA and Legal Services Corporation, but the bill also maintains funding for the Trade Adjustment Assistance Program and the direct loans of the Small Business Administration, all of which President Reagan budgeted nothing for in fiscal year 1985. EDA and Trade Adjustment Assistance are proven programs and must be maintained to assist those communities outside of the economic mainstream or impacted by imports.

Of particular interest to me was the $3,500,000 that the Senate approved and the conferees endorsed for the Federal contribution to the Tailored Clothing Technology Corporation [TC] which offers tremendous potential for rescuing the American apparel industry and their textile suppliers from the ever-increasing imports of finished goods.

We called for a unified budget for the Office of Textiles and Apparel in reporting the bill to the Senate in June. We would have reached that goal in the conference except that the bottom line forced us to use trade adjustment funds for the last time. In accordance with the overall guidelines in the Senate report, it should be clear to the Department of Commerce that a unified budget for OTEXA should be part of their fiscal year 1986 funding request to the committee.

The conferees agreed on a total of $8,800,000 for enhancements to the National Weather Service as part of the STORM initiative that I formulated earlier this year. These enhancements to the PROFS, Profiler, Mesocale Convection Systems Research, and the Aircraft Services Programs will get these vital improvements underway, albeit at a much lower level than I would have personally preferred.

Mr. President, there were two major items of controversy in the conference. The first was with the Federal Trade Commission and its investigations of the regulatory authority of municipalities. After much discussion, the conferees agreed with my position that the Federal Trade Commission should not interpose itself in municipal regulatory matters. Senator RUDMAN, of course, had a different view and argued eloquently for his position but finally, the House managers agreed that there was no need for a "National Nannie" to be interfering in local matters. We come back with a recommendation that, in my opinion, is certainly appropriate in that we limit the way FTC uses its appropriated funds. But we have receded on the legislation inserted by the Senate dealing with immunity for the municipalities for trebel damages. Personally I support that immunity for our cities, and had no problem with it being in the bill, but there should be no concern that the committee in this regard is overstepping its jurisdiction.

The other major controversy centered on the funding for the National Endowment for Democracy. As the Senate will recall, we approved the appropriation of $21,300,000 with a prohibition on any of the funds going to the political parties; after I had attempted to zero NED and instead, use the funds to bolster the education exchanges from Central America. The conference agreement provides $18,500,000 for NED, as authorized, in the salaries and expenses account of the USIA rather than in a separate appropriation. The agreement also includes an administrative provision embracing the Senate prohibition that none of these funds are to be made available to any political party operating in the United States. The House yesterday, by a surprising vote of 237 to 181, retained the $18,500,000 for NED and also approved the prohibition on the funds going to the political parties.

Mr. President, let me note that as of July 30, 1984, the NED has only expended $2,538,235 of the $18,000,000 appropriated for fiscal year 1984. I ask unanimous consent to insert in the RECORD at this point, a chart prepared by the National Endowment for Democracy of their expenditures and commitments as of July 31, 1984.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

NATIONAL ENDOWMENT FOR DEMOCRACY FISCAL YEAR 1984 GRANT OBLIGATIONS AS OF JULY 30, 1984

Organization	Amount obligated by NED Board	Grants made to date (as of July 30, 1984)			Disbursements to date (as of July 30, 1984)
		Grant No.	Period	Amount	
Free Trade Union Institute	$11,000,000	84.4B.01.0	Apr. 3, 1984 to Dec. 31, 1984	$10,519,951.00	$2,025,770.00
Center for International Private Enterprise	1,700,000	84–4A–01.0	do	1,211,279.29	149,118.93
National Democratic Institute for International Affairs	1,500,000	84–4D–01.0	Apr. 3, 1984 to Oct. 31, 1984	369,690.00	183,995.00
National Republican Institute for International Affairs	1,500,000	84–4C–01.0	Apr. 3, 1984 to Sept. 30, 1984	264,950.00	135,808.50
China Intellectual	200,000	84–AA–01.0	June 8, 1984 to June 7, 1985	200,000.00	25,693.00
Sakharov Institute	50,000	84–AA–01.0	July 1, 1984 to Sept. 30, 1984	50,000.00	13,150.00
Committee for a Community of Democracies	75,000	84–AA–03.0	July 1, 1984 to June 30, 1985	75,000.00	4,700.00
Partners of the Americas: Chile [1]	60,000				
Aid to Political Prisoners and Intellectual Opposition in Poland [2]	66,000				
Columbia University Law School: Human Rights Exchange [2]	100,000				
Total	16,251,000			12,690,870.29	2,538,235.43

[1] Pending NED Board commitment in principle for contritutions of funding for fiscal year 1985 and fiscal year 1986.
[2] Pending Program Committee final review.

Mr. HOLLINGS. Mr. President, in closing I want to once again acknowledge the masterful job that Senator RUDMAN has done as acting chairman of this bill. It is no mean feat to preside over this bill that probably involves more different interests and constituencies than any of the regular appropriations bills. Usually we groom our chairmen on the legislative or the District of Columbia or one of the other so-called minor bills, but the distinguished junior Senator from New Hampshire has proven his metal by assuming the leadership of this bill while our distinguished chairman, Senator LAXALT, was otherwise diverted. I also want to thank Senator RUDMAN for his many courtesies with the matters of particular interest to me and the other members of this committee, as well as the excellent work of the subcommittee staff in keeping us well advised of the various matters in this bill.

Mr. President, I commend the distinguished Senator from New Hampshire who has done a professional job in really negotiating and bringing about some very knotty problems to a compromise and consensus and solution.

I would like to yield to our distinguished colleague, the Senator from Montana, 1 minute because he wanted to make a statement at this time.

Mr. MELCHER. Mr. President, I thank my colleague for yielding.

Mr. President, one of the sections of this conference report is the joint resolution, a sense-of-the-Congress, which urges that U.S. surplus Government-owned food commodities be made available to Guatemalan refugees

living in camps in Mexico. Passage of this provision this week is timely while the international meeting on population growth takes place in Mexico City.

There is a direct correlation between the world conference on population growth and the availability of food. I believe that the additional food is vital for many millions of people in various countries throughout the world, and the population increase both present and future makes the question of increasing the available food supplies one of the most urgent priorities facing us all.

I ask unanimous consent that future remarks be made a part of the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mexico is an appropriate location to discuss the relationship between population and available food supply. Earlier this year the University of Mexico released a detailed study that concluded that 35 percent of the people of Mexico lack adequate nourishment for optimum growth and health. Considering that 50 percent of the people in Mexico are 15 years of age and younger, malnourishment during early development and growth years of any child is a likely detriment to fulfillment of the potential of that child throughout his or her life.

We have the food. The United States has in Government warehouses both dried milk and wheat that is in surplus to U.S. domestic needs. Both the Senate and the House have approved this joint resolution in this bill advocating that these food supplies be made available through section 416 of our agricultural law.

I am pleased to have been the author of both this section of this bill and improvements in section 416 adopted by Congress and signed into law by the President on April 10. Because of the availability of the U.S. Government-owned dried milk and wheat and the improvements in section 416 there is no reason to prevent the use of these food supplies promptly and continuously by these Guatemalan refugees in Mexico.

Indeed Congress by this action has sought to be of assistance to our neighbors to the south in the humanitarian effort of the Mexican Government in so generously offering a haven and help to Guatemalans who have fled their country to escape the oppression of the Guatemalan army. This is generous on the part of Mexico. Most of the refugees are Mayan Indians from the mountains of Guatemala which have been harassed, killed, and otherwise oppressed by their own Government's army.

Although the High Commission on Refugees of the United Nations is providing food and many of the expenses of the refugees, there have been valid reports of the need for milk for them. Although corn meal is the basic food stuffs of the refugees, supplying wheat flour and the ovens and the instructions of how to use these foods would fulfill some of the nourishment needs of the refugees. Section 416 now provides that some of the dried milk and wheat can be sold on the local market of the country receiving the donated food which provides for the cost of processing, transportation, and equipment such as ovens as well as other expenses incurred in the distribution and use of the food. I believe this is all essential in the case of these refugees which total 50 to 60,000 in camps plus many other thousands that live out of camps but with the populous of Mexico.

Neither Secretary George Schultz nor the Office of the U.S. High Commissioner for Refugees in New York City believe there is any need for additional food. I respectfully disagree. I have twice discussed with Bishop Samuel Ruiz Garcia of the Diocese of San Cristobol Delas Casas in the state of Chiapas, Mexico, in which most of the refugee camps are located, the question of the condition of the refugees. He believes that more dried milk in particular is needed for the children and that if some means of instruction and ovens were supplied all of the refugees would be benefited with wheat flour. I find it discouraging that those far removed in our State Department here in Washington or in New York City's Office of U.N. High Commissioner for Refugees find no need for food for what I believe to be a hungry group of refugees.

I hope that through the passage of this bill we can jar the attention, the interest, and concern and perhaps the conscience of this administration to ascertain the facts of the need for more adequate nutrition for these refugees as well as millions of other hungry people throughout the world.

Mr. NICKLES. Mr. President, I am pleased that the amendment to H.R. 5712 offered by Mr. GLENN and myself survived the conference and is before us today for final passage. That amendment provides a $50,000 death benefit to the survivors of a Federal law enforcement officer or firefighter whose death was the direct and proximate result of a personal injury sustained in the line of duty.

This amendment contained in H.R. 5712 provides the same death benefit to Federal public safety officers as that contained in S. 2472, the Federal Public Safety Officers' Supplemental Death Benefits Act of 1984, which I introduced and Senator GLENN cosponsored. That bill and this amendment acknowledge the deep commitment of these Federal employees and recognize the hardships that inevitably follow the loss of one's spouse.

I am grateful that this benefit survived and that we are now in a position to send this amendment to the President to become public law.

Mr. MOYNIHAN. I would like to engage the Senator from New Hampshire, Mr. RUDMAN, in a brief colloquy.

As my distinguished colleague may be aware, the Census Bureau's Center for International Research has long held an extraordinary collection of rare materials from the People's Republic of China, the Soviet Far East, Vietnam, and non-Communist East Asia. These materials, which date from the 1950's and early 1960's, include provincial newspapers, trade journals, agricultural reports, and other items which have proven of great use and interest.

Unfortunately, due to space and budget limitations, the Center has been forced to eliminate much of its older collection. These materials have been offered to several institutions, university libraries, and individuals across the country; some regional periodicals and foreign research reports have even been thrown away. Because of the burgeoning number of new publications arriving daily from the Far East, the problem will only continue to grow. As more and more of the Center's older materials are discarded, it runs the risk of declining into merely a current periodicals library. Clearly, some action must be taken.

Am I correct in assuming that funds for the Center for International Research have been included in the appropriations bill now before us?

Mr. RUDMAN. The gentleman is correct.

Mr. MOYNIHAN. I am certain that my distinguished colleague would agree with me that this extensive collection would prove of enormous value, both to scholars and to the State and Defense Departments. Many of these areas are of great strategic importance to the United States, and such rare and valuable information should be preserved where it is easily accessible.

I have been informed by the Center for International Research that for a sum of approximately $58,000, they would be able to transfer much of this material onto microfilm and microfiche, so that it would be more compact to store and less costly to preserve. This amount also would include the cost of purchasing a microfilm reader and printer for the China branch of the Center.

Could I ask my distinguished colleague to join me in recommending that some portion of this amount be directed to the China branch by the Director of the Census Bureau and the Director of the Center for International Research for these purposes?

Mr. RUDMAN. I would be happy to join the Senator in that recommendation.

Mr. MOYNIHAN. I thank the Senator.

Mr. DOMENICI. Mr. President, I support the conference agreement accompanying H.R. 5712, the Commerce, Justice, State, and the Judiciary Appropriation bill for fiscal year 1985.

H.R. 5712 provides $11.5 billion in budget authority and $9.7 billion in outlays for the activities of the Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

With outlays from prior-year budget authority and adjustments to conform mandatory programs to the Senate-passed budget resolution, fiscal year 1985 outlays associated with this conference agreement would be $11.9 billion.

The Senate Appropriations Committee has not yet made its 302(b) allocations to subcommittees under a first budget resolution.

When Appropriations Committee subcommittee allocations are available, I ask unanimous consent to have printed in the RECORD tables comparing the spending in this conference agreement to this subcommittee's allocation.

Nondefense discretionary spending in this conference agreement is consistent with the guidance given to the subcommittee by the full Senate Appropriations Committee on June 14, 1984. Mr. President, I ask unanimous consent that a table showing this relationship be inserted into the RECORD at the conclusion of my remarks.

I urge my colleaues to support this conference report.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Commerce, Justice, State, and the Judiciary Subcommittee nondefense discretionary budget authority, fiscal year 1985

[In billions of dollars]

Conference agreement (H.R. 5712), subcommittee total	11.3
Committee guidance [1]	11.3
Senate-passed level	11.2
House-passed level	11.2
President's request [2]	10.6
Subcommittee total compared to:	
Committee guidance [1]	
Senate-passed level	+.1
House-passed level	+.2
President's request [2]	+.7

[1] Nondefense discretionary cap guidance approved by the Appropriations Committee on June 14, 1984.

[2] No funding is included for the Legal Services Corporation, as reflected in the President's January 1984 budget submission.

Mr. GLENN. Mr. President, I want to take this opportunity to commend the House of Representatives who have agreed to the conference report on H.R. 5712, Commerce, Justice, State, and the Judiciary appropriations. Included in this conference report is a provision which I sponsored that would provide for a $50,000 death benefit to the survivors of Federal firefighters and law enforcement officers who are killed in the line of duty.

This measure will amend the Public Safety Officers Benefits Act and extend this benefit to Federal employees. This benefit has previously been provided to the families of State and local public safety officers. Federal firefighters and law enforcement officers routinely risk their lives and secure the areas in which the Federal Government operates. These firefighters and law enforcement officers deserve the same peace of mind as their counterparts on the State and local levels have from knowing that if they die in the line of duty, their families will at least be afforded minimal financial security.

Mr. President, I urge my colleagues to support the passage of this conference report.

Mr. RUDMAN. There are several matters on the conference report on H.R. 5712, that I would like to clear up along with the distinguished ranking minority member of the conference, Senator HOLLINGS. The first is an incorrect figure in the report of the managers, for the enhancement for the FIST Program in the U.S. attorneys and marshals account. While the report states that $1 million was earmarked for enhancements in the FIST Program, I recall that $2 million was actually agreed to for this program. Does the ranking minority member share my recollection?

Mr. HOLLINGS. I certainly share the recollection of the acting subcommittee chairman.

Mr. RUDMAN. I thank my good friend from South Carolina. A second point I would like to raise is about the OJARS account. If you add all the program levels we earmarked in the OJARS account, it totals to more than the bottom line allocated in the conference report. It is the intention of the Senate conferees that the earmarked program levels be carried out.

Mr. HOLLINGS. I agree. There is an LEAA reversionary fund that last year contained nearly $5 million. That money was set aside to cover any shortfalls that might occur when all the LEAA projects were concluded. Obviously, any money needed to cover mandatory LEAA closing costs must come out of the reversionary fund. But, before any new initiatives are undertaken by OJARS, the programs earmarked by the conferees in H.R. 5712 should be fully funded.

Mr. RUDMAN. That is certainly the intent of the conferees. If that is not enough, OJARS should determine if programs funded subject to authorization will in fact be authorized. If not, we will entertain a request to transfer needed moneys.

Mr. HOLLINGS. Again, I fully agree with your directions to the Department.

Mr. RUDMAN. Another point I would like to raise, regards the appropriation for the Immigration and Naturalization Service. The House provided over $20 million for the INS over the budget request. In conference, that amount was reduced to $6 million over the Senate allowance. That $6 million was not earmarked for specific programs. However, the INS has submitted a proposal outlining its priorities on ways to spend that money. If it meets with the approval of the ranking minority member, I would like to submit this exhibit from INS as our agreement as to how the additional $6 million is to be applied.

Mr. HOLLINGS. I have seen that exhibit and agree with the INS allocation of the additional $6 million. The exhibit should be printed in the record.

(Exhibit A follows.)

Mr. RUDMAN. I might add that it is also the intent of the Senate conferees that the positions for inspections at Los Angeles International Airport earmarked in the Senate report should be filled by the Service.

Mr. HOLLINGS. I agree with my friend from New Hampshire. The Senate report is binding on the agency, since it was not contradicted either in the House report or the conference report.

Mr. RUDMAN. I thank my friend.

Mr. HOLLINGS. If I may now address a question to the subcommittee chairman, that portion of H.R. 5712 which provides funding for the Office of Justice Assistance in the Department of Justice refers to programs authorized by the Justice Assistance Act of 1984. As you may know, the Senate is presently considering authorizing legislation comparable to justice assistance legislation passed by the House last year (H.R. 2175). The House-passed measure is entitled "The Justice Assistance Act of 1983," while the measure being considered by the Senate is entitled "the Justice Assistance, Missing Children, and Juvenile Justice Act of 1984." It is my understanding that the Appropriations Committee's reference in H.R. 5712 to the Justice Assistance Act of 1984 was intended to apply to either of the pending measures, both of which amend the Omnibus Crime Control and Safe Streets Acts of 1968. Is that a correct interpretation of the reference in H.R. 5712?

Mr. RUDMAN. The citation was intended to identify the appropriate pending legislation designed to authorize the justice assistance program under the Omnibus Crime Control and Safe Street Act of 1968, as amended.

Mr. HOLLINGS. Finally, Mr. President, I would like to make a point

about the Victim-Witness/Law Enforcement Coordinating Committee positions funded in the conference report. The conference report provides half the positions requested by the Department. Since the Department requested one position for each Judicial district, only half the districts will be covered in fiscal year 1985. Is my recollection correct?

Mr. RUDMAN. I say to my friend that he is absolutely right.

Mr. HOLLINGS. Will the subcommittee request a list of districts that will receive LECC/victim-witness coordinators?

Mr. RUDMAN. Yes. We look forward to receiving that list as soon as it is available. I might say to my friend that I am sure that the Department will place some of the positions in large populous districts. However, at the same time, some of the positions should go to sparsely populated rural districts. Those districts with large areas to cover need an effective coordinator who can guarantee that court proceedings run smoothly. In addition, in sparsely populated districts, there is often not the array of other social agencies that provide the same services in large metropolitan areas. For those reasons, I am confident that rural districts will be well represented on the Department's list.

EXHIBIT A.—IMMIGRATION AND NATURALIZATION SERVICE, FISCAL YEAR 1985 DECISION UNIT COST

[Dollars in thousands]

Decision unit	1985 congressional submission			House/Senate conference-add-on		
	Perm. pos.	WY	BA	Perm. pos.	WY	BA
Inspections	1,454	1,796	$75,046	80	60	$2,309
Border Patrol	3,715	3,660	160,058			
Investigations	1,025	793	42,662			
Antismuggling	318	297	14,479	14	11	588
Detention and deportation	1,148	1,185	79,010			
Subtotal	7,660	7,731	371,255	94	71	2,897
Adjudications and naturalization	1,170	1,149	41,395	76	57	2,797
Refugees and overseas	64	115	7,681			
Subtotal	1,234	1,264	49,076	76	57	2,797
Training	61	61	6,503			
Data and communications systems	174	166	49,009			
Information and records management	1,197	1,240	37,236			
Intelligence	28	24	1,522			
Research and development	2	2	531			
Construction and engineering	15	17	6,083			
Field management and support	299	281	11,641			
Legal proceeding	190	171	7,708	6	5	306
Subtotal	1,966	1,962	120,233	6	5	306
Executive direction and control	196	195	8,820			
Administrative services	417	424	25,155			
Subtotal	613	619	33,975			
Total	11,473	11,576	574,539	[1] 176	[1] 133	6,000

[1] Position/workyears proposed by INS.

Mr. RUDMAN. Mr. President, the conferees have included language mandating the transfer of the NOAA-D spacecraft to the Navy for the Navy remote ocean sensing system only upon reimbursement by the Navy for the cost of that spacecraft. The National Oceanic and Atmospheric Administration estimates this cost is approximately $18 million. Does the distinguished ranking minority member agree that the Department of Commerce should not accept a reimbursement for less than this amount?

Mr. HOLLINGS. Certainly not, Mr. President, especially in view of the fact that the replacement cost for the spacecraft is several times that figure.

Mr. RUDMAN. In addition, the transfer is conditioned upon a determination by the Secretary of Commerce that the NOAA-D spacecraft is not needed to replace a NOAA polar orbiting weather satellite. Is it the understanding of the Senator from South Carolina that the conferees intend that the NOAA-D spacecraft be used to maintain a two polar orbiting weather satellite system if it is needed to avoid a data gap?

Mr. HOLLINGS. In view of the loss of the NOAA-8 weather satellite, I agree with the Senator from New Hampshire that the NOAA-D spacecraft should be used if necessary to maintain the continuity of a two polar orbiting weather satellite system. If it is not needed for this purpose, and the Navy reimburses NOAA for its costs, the Department of Commerce is free to transfer the spacecraft to the Navy for the N-ROSS project.

Mr. RUDMAN. Finally, Mr. President, does the Senator agree that any reimbursement received from the Navy be applied against the cost of continuing the two polar orbiting satellite system?

Mr. HOLLINGS. I certainly do, Mr. President.

Mr. RUDMAN. I thank the distinguished ranking minority member for helping to clarify the agreement of the conferees on this issue.

Mr. GLENN. Mr. President, I want to take this opportunity to commend the honorable conferees of the House of Representatives who have agreed to the Senate's amendment to H.R. 5712 which would provide a $50,000 death benefit to the survivors of Federal firefighters and law enforcement officers who are killed in the line of duty.

This measure will amend the Public Safety Officers Benefits Act and extend this benefit to Federal employees. This benefit has previously been provided to the families of State and local public safety officers. Federal firefighters and law enforcement officers routinely risk their lives and secure the areas in which the Federal Government operates. These Federal firefighters and law enforcement officers deserve the same peace of mind as their counterparts on the State and local levels have from knowing that if they die in the line of duty, their families will at least be afforded minimal financial security.

Mr. President, I urge my colleagues to favorably consider the conference report on this measure.

Mr. CRANSTON. Mr. President, I am pleased to see that the provisions of the conference report on H.R. 5712, the fiscal year 1985 Commerce, Justice, State and Related Agencies Appropriations Act relating to the appropriations for the Legal Services Corporation include language which prohibits the Corporation from defunding, on the basis of activities which an independent hearing office appointed by the President of the Corporation has already found not to be grounds for defunding, a grantee or contractor which received funding from the Corporation during fiscal year 1984. This provision will be beneficial to a particular California legal services project, the Western Center for Law and Poverty. I had previously raised the funding problems of this program with the distinguished Senator from New Hampshire [Mr. RUDMAN], as well as my good friend and colleague from California [Mr. ROYBAL], who shared my concerns about the manner in which the Corporation was proceeding with respect to the Western Center's funding.

Mr. President, the situation we were dealing with was quite simple. The Western Center for Law and Poverty is a Legal Services Program providing specialized backup assistance to other California legal services programs and clients. It is widely recognized as being an outstanding program that provides high quality services to legal services clients and programs throughout California. Indeed, the Legal Services Corporation has evaluated the work of the Western Center annually since 1980 and has found it to be a superior program.

Earlier this year, the current President of the Legal Services Corporation, Donald Bogard, announced his intention to deny refunding to the Western Center on the basis of alleged violations of the Legal Services Corporation Act and regulations through Western Center activities which had taken place in 1979 and 1980. After receiving notice of the intended denial of refunding, the Western Center requested a review of that decision. Mr. Bogard then appointed a retired California judge, Ralph M. Drummond, to serve as an independent hearing officer to consider the case and make a recommended decision to the Corporation.

Mr. President, it should be noted that the hearing officer selected by Mr. Bogard was appointed to the California Superior Court by President Reagan when he was Governor of the State of California. I do not believe that there has been the slightest sug-

gestion that the hearing officer selected by Mr. Bogard was prejudiced in favor of the Western Center.

Having conducted a hearing and received the evidence presented by both sides, Judge Drummond found in favor of the Western Center and against Mr. Bogard's proposed defunding. He found that the preliminary determination of the Corporation to defund the program was substantially without merit. He also found the proposed penalty to be disproportionate to the offenses charged. I ask unanimous consent that the text of Judge Drummond's recommended decision be printed in the RECORD at the conclusion of my remarks.

Mr. President, the necessity of this amendment arises from the fact that the President of the Corporation has refused to abide by the outcome of the hearing conducted by the independent hearing officer. The Western Center was forced to initiate an action in a U.S. district court to halt the proposed defunding.

In that action, the Corporation was overruled once again. Federal District Court Judge Barrington Parker issued a preliminary injunction against the denial of funding and called the Corporation's actions arbitrary and capricious. Given the past behavior of the Corporation, there is reason to suppose that the Corporation will continue its efforts to defund this program in the next fiscal year. This provision in the fiscal year 1985 Appropriations Act should put a halt to those maneuvers.

Judge Drummond's decision, I believe, speaks for itself as to all the reasons why defunding is inappropriate. One point I would like to underscore is the finding that the penalty, even if there was a violation of the law as alleged—a conclusion that is a murky one at best under the law and regulations then applicable—is grossly out of proportion to the alleged offense. Mr. President, I think this is particularly important. The alleged offenses took place 4 years ago and the activities were carried out with the express encouragement of the prior administration of the Legal Services Corporation. There has been no allegation that any of the alleged offenses have been continuing, and the grant in question was for $61,665. The present annual funding level for the Center, which Mr. Bogard proposes to discontinue, is $860,000.

I do not believe that the low-income communities in California should be denied the high quality services provided by the Western Center under these kind of circumstances. Clearly, it is they who will ultimately be the victims of the unfair course that Mr. Bogard continues to pursue.

I am extremely grateful to the distinguished Senator from New Hampshire [Mr. RUDMAN] and my good friend from South Carolina [Mr. HOLLINGS] for their acceptance of the House amendment and to my colleague from California [Mr. ROYBAL] for his actions to have that amendment offered in conference.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RECOMMENDED DECISION IN THE MATTER OF REVIEW OF THE PRELIMINARY DETERMINATION BY LEGAL SERVICES CORPORATION TO DENY REFUNDING TO THE WESTERN CENTER ON LAW AND POVERTY, INC.

(By Judge Ralph M. Drummond (Ret.))

The above entitled matter was heard by the Honorable Ralph M. Drummond on February 29, 1984. Oral and documentary evidence was introduced and the cause argued and submitted for decision on that date. The court, having considered the evidence and heard the arguments of counsel and read and considered their posthearing briefs and being fully advised of the issues makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. The Legal Services Corporation (hereinafter "LSC") advised the Western Center on Law and Poverty, Inc., (hereinafter "Western Center") by letter of January 4, 1984, that LSC had made a preliminary determination to deny refunding to the Western Center for 1984 on the ground that the Western Center failed to comply with the Legal Services Corporation Act (hereinafter the "Act") and Regulations thereunder (Exhibit 1).

2. The Western Center through its counsel made a written request for review of the preliminary determination.

3. The president of LSC, Donald Bogard, appointed the Honorable Ralph Drummond as presiding officer to conduct a hearing for review of the preliminary determination of denial of refunding and advised the Western Center of the name of the presiding officer, the name of the attorney representing LSC, the proposed hearing date and the time and place of the hearing.

4. The attorney for the Western Center, Max Gillman of Latham & Watkins and the attorney representing LSC, John E. Mueller of Nielsen, Hodgson, Parrinello & Mueller met with Judge Drummond on February 27, 1984, at a prehearing conference in the Latham & Watkins Newport Beach offices. At that time it was stipulated that the denial of refunding hearing would be held in Latham & Watkins offices in Newport Beach, California on February 29, 1984, at 9:30 A.M. Said hearing, open to the public, was held on that date.

5. The Western Center is a specialized law unit providing representation and assistance in litigation and legislative advocacy to California legal services programs and clients. It has been funded in part on an annual basis by LSC (Exhibit 11).

6. The Western Center submitted a proposal for a grant application dated February 20, 1980, to LSC seeking approximately $61,000 in funds for Proposition 9 related activities (Exhibit 1-2). That grant application sought funds to provide information to clients, to hire coordinators to provide in "technical assistance" to clients, and for travel and "extraordinary printing, travel and mailing costs" (Exhibit 1-4, pp. 1-4). While the language is somewhat broad and in some respects ambiguous, the grant application does not propose utilization of funds for purely political activities nor does it seek funds to conduct a state wide political campaign against Proposition 9 (Exhibit 1-4).

7. LSC awarded to the Western Center a special needs grant on March 12, 1980, in response to the aforementioned February 20, 1980, grant application (Exhibit 1-5).

8. Between late 1979 and June 1980, the Western Center on Law and Poverty, Inc., (Western Center), provided legal assistance to eligible clients of the Center who were opposed to Proposition 9 on the June 1980 ballot in California, and supported neighborhood legal services programs representing eligible clients on the same matter.

9. Western Center's work on behalf of clients opposed to Proposition 9 consisted primarily of gathering information on the potential effects of Proposition 9 and explaining the information to clients and local legal services attorneys.

(a) Western Center employees did not tell people how to vote on Proposition 9 or express opposition of the Western Center to the Proposition.

(b) Western Center employees gave advice and representation to clients who sought to register voters, but Western Center employees did not themselves register voters or organize voter registration.

(c) Western Center employees did not transport voters to the polls or organize the transportation of voters to the polls.

(d) Western Center employees did not aid any partisan political association or any campaign for public office in the course of providing legal assistance to eligible clients who were opposed to Proposition 9.

10. The Legal Services Corporation (LSC), with full knowledge of what Western Center proposed to do on behalf of clients who opposed Proposition 9, encouraged and approved in advance that work.

11. The Legal Services Corporation, through its General Counsel, with full knowledge of what Western Center proposed to do on behalf of clients who opposed Proposition 9, gave its legal opinion to Western Center that such work was permissible under the Legal Services Corporation Act.

12. The Legal Services Corporation, with full knowledge of what Western Center proposed to do on behalf of clients who opposed Proposition 9, made a special grant to Western Center of $61,664 to pay for that work.

13. The Legal Services Corporation knew what the Western Center proposed to do on behalf of clients who opposed Proposition 9 because Western Center sent to the Legal Services Corporation all task force memoranda (Ex. 1, Att. 2 and Ex. 60), its draft grant proposal (Ex. 10), and a final grant.

14. The Legal Services Corporation knew what Western Center was doing on behalf of clients who opposed Proposition 9 after it made the special grant to Western Center and gave its legal opinion that the proposed activities were in compliance with law because LSC personnel attended meetings of Western Center employees and legal aid employees assisting clients opposed to Proposition 9, and because LSC employees and Western Center employees working on behalf of clients in opposition to Proposition 9 kept in contact with each other by phone and discussed Western Center's work during the relevant period.

15. After Western Center had completed its work on behalf of clients who were opposed to Proposition 9 and in support of legal aid programs on behalf of their clients, a Western Center employee, Alan Rader,

spoke about the Western Center's Proposition 9 activities to LSC officials during two speeches, one in Los Angeles in 1980, and one in Denver in 1981. LSC officials, with full knowledge of the work that Western Center had done, and after hearing Mr. Rader's speech, congratulated Mr. Rader and ratified the work of the Center.

16. The activities described by Alan Rader in his speech in Denver in January, 1981, (Ex. 1, Att. 3), were among the activities which were approved in advance by the Legal Services Corporation and were the activities which the Corporation, through its General Counsel, had told Western Center were legal, in the General Counsel's opinion, under the LSC Act.

17. At no time before January 4, 1984, when LSC mailed to Western Center notice of its preliminary determination that the Center should be denied funding, did LSC notify Western Center that it believed that any activity undertaken by Western Center during 1979, or 1980, was illegal.

18. At no time has the Legal Services Corporation offered to Western Center notice and an opportunity to informally resolve with LSC or to cure any purported illegality in its activities during 1979 or 1980.

19. The Legal Services Corporation has evaluated the work of the Western Center annually since 1980, and has correctly concluded that the Center is a superior program which provides high quality services to eligible clients and to legal services programs through California. Thus Western Center has already cured any violation which might have occurred in 1979 or 1980.

20. The Western Center is a superior legal services program with a statewide reputation for excellence.

21. Denial of refunding to Western Center would irreparably injure the legal aid programs and clients who depend on Western Center for assistance. Western Center provides a unique statewide perspective, continuity, very high quality services, and substantial expertise on poverty law issues that could not be replaced if the Center's funds were distributed to other legal services programs in California.

22. Because many of Western Center's cases are complex and time-consuming, and could not be handled by neighborhood legal services programs or the private bar, Western Center clients would be adversely affected if the Center were denied refunding.

23. Based on all of the foregoing facts, I further find that LSC's preliminary determination to deny refunding to, or to terminate the funding of, the Western Center is substantially without merit.

CONCLUSIONS OF LAW

1. I need not reach the issue of whether the Western Center violated the Legal Services Corporation Act, because I conclude that:

(a) The Legal Services Corporation regulations (45 C.F.R. Part 1606 and 1625) permit denial of refunding or termination of funding only in the case of a clear violation of law by a recipient;

(b) The Western Center's activities in 1979-80 on behalf of clients opposed to Proposition 9 did not constitute a clear violation of Sections 1006 or 1007 of the Legal Services Corporation Act.

(c) Sections 1006 and 1007 of the Act are complex, and Western Center reasonably and in good faith relied on the LSC's interpretation and opinion that the Center's activities were in conformance with those sections;

(d) Therefor, the Legal Services Corporation may not deny refunding to the Western Center or terminate its grant.

2. The LSC may not deny refunding to, or terminate the funding of, Western Center because the penalty is disproportionate to the offenses charged in light of the Western Center's importance to the legal services community and the lack of any continuing violations of law on the part of the Western Center for the past four years.

3. Based on all of the foregoing conclusions, I further conclude that LSC's preliminary determination to deny refunding to, or to terminate the funding of, Western Center is substantially without merit.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. I thank the Chair, and we thank the distinguished majority and minority leaders for making this possible.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 5 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, $200,000,000: *Provided*, That during fiscal year 1985 total commitments to guarantee loans shall not exceed $150,000,000 of contingent liability for loan principal.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 6 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $28,500,000: *Provided*, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provision of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-nine permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1985.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 19 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$1,113,066,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

; and in addition, $25,900,000 shall be derived by transfer from the Fund entitled "Promote and develop fishery products and research pertaining to American Fisheries"; and in addition, $9,300,000 shall be derived by transfer from the Fund entitled "Coastal Energy Impact Fund"

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 24 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

: *Provided*, That unobligated balances in the account "Coastal Zone Management" are merged with this account on October 1, 1984: *Provided further*, That grants to States pursuant to section 306 and section 306(a) of the Coastal Zone Management Act, as amended, shall not exceed $2,000,000 and shall not be less than $450,000: *Provided further*, That upon reimbursement by the Secretary of the Navy for the cost of the NOAA-D spacecraft, and upon a determination by the Secretary of Commerce that the NOAA-D spacecraft is not needed to replace a NOAA polar orbiting satellite, the Secretary of Commerce shall make the spacecraft available for the Navy Remote Ocean Sensing System, and the Secretary of the Navy shall provide the Secretary of Commerce with access to the civil data produced by the System: *Provided further*, That of the funds appropriated in this paragraph, necessary funds shall be used to fill and maintain a staff of three persons, as National Oceanic and Atmospheric Administration personnel, to work on contracts and purchase orders at the National Data Buoy Center in Bay St. Louis, Mississippi, and report to the Director of the National Data Buoy Center in the same manner and extent that such procurement functions were performed at Bay St. Louis prior to June 26, 1983, except that they may provide procurement assistance to other Department of Commerce activities pursuant to ordinary interagency agreements. Where practicable, these positions shall be filled by the employees who performed such functions prior to June 26, 1983.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$24,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 32 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 104. No funds in this Act, or any other Act, may be used within two years after the date of enactment of this Act, to transfer title to the parcel of real property

located on McKown Point, West Boothbay Harbor, Maine (General Services Administration control number 1314-30174-23), unless such transfer is to the State of Maine, and contains conditions and use restrictions similar to those in the transfer of the adjacent parcel of real property on September 26, 1978 (General Services Administration control number 1314-30174-23-015-0800): *Provided*, That the title of the property will revert back to the Federal Government if the property ceases to be used for public purposes.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 34 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATING-DIFFERENTIAL SUBSIDIES

(LIQUIDATION OF CONTRACT AUTHORITY)

For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amended, $377,750,000, to remain available until expended.

RESEARCH AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for research and development activities, as authorized by law, $2,900,000, to remain available until expended, and in addition, $7,000,000, to remain available until expended, which shall be derived by transfer from the unobligated balances of the Ship Construction account.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 36 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

GENERAL PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

None of the funds provided in this Act for the Maritime Administration shall be used for enforcement of any rule with respect to the repayment of construction differential subsidy for permanent release of vessels from the restrictions in section 506 of the Merchant Marine Act, 1936, as amended, until May 15, 1985.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 37 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-02); not to exceed $200,000 for land and structures; not to exceed $200,000 for improvement and care of grounds and repair to buildings; not to exceed $3,000 for official reception and representation expenses; purchase (not to exceed twelve) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $93,611,000. Not to exceed $300,000 of the foregoing amount shall remain available until September 30, 1986, for research and policy studies.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 42 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For expenses necessary for the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $13,582,000: *Provided*, That not to exceed $68,000 shall be available for official reception and representation expenses.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 44 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $2,500 for official reception and representation expenses, $205,340,000: Provided, That none of these funds shall be available after January 1, 1985 for establishing a comprehensive statistical data base on the small business sector in the United States economy and for other research on small business issues unless a computerized listing of small businesses in the United States is made available upon request to the Small Business Development Centers established under the authority of the Small Business Act, as amended; and for grants for Small Business Development Centers as authorized by section 21(a) of the Small Business Act, as amended, $28,500,000. In addition, $70,000,000 for disaster loan making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster loan fund".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 45 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

WHITE HOUSE CONFERENCE ON SMALL BUSINESS

For necessary expenses of the White House Conference on Small Business as authorized by Public Law 98-276, $2,000,000, to remain available until expended: Provided, That none of these funds shall be available for obligation until December 1, 1984.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 47 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business loan and investment fund", $269,000,000, to remain available without fiscal year limitation; and for additional capital for new direct loan obligations to be incurred by the "Business loan and investment fund", $215,000,000, to remain available without fiscal year limitation.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 55 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: $194,163,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 63 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: $33,000,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 64 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$26,550,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 73 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$503,450,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 77 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$70,311,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 79 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Provided further, That $4,000,000 of this amount shall be available to carry out a missing children's assistance program to be available only upon enactment into law of authorizing legislation;

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 87 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as

amended, $305,000,000: Provided, That the funds appropriated in this paragraph shall be expended in accordance with the provisions under the heading "Legal Services Corporation, Payment to the Legal Services Corporation" contained in Public Law 98-166 except that "fiscal year 1984", wherever it appears in such provisions, shall be construed as "fiscal year 1985"; "fiscal year 1983", wherever it appears in such provisions, shall be construed as "fiscal year 1984"; "January 1, 1984" shall be construed as "January 1, 1985"; "$6.50" shall be construed as "$7.61"; and "$13" shall be construed as "$13.57"; and shall not be denied to any grantee or contractor which received funding from the Corporation in fiscal year 1984 as a result of activities which have been found by an independent hearing officer appointed by the President of the Corporation not to constitute grounds for a denial of refunding: Provided further, That notwithstanding the previous provisions of this paragraph, $2,000,000 shall be available to increase quality legal services to the elderly by: (1) developing classroom and bar association source materials on law affecting the elderly for use by law schools, the private bar, legal services grantees, and in continuing education seminars; (2) developing plans to encourage the private bar to do more to provide better pro-bono services for elderly and higher quality paid services; (3) developing a clinical program to supplement local Legal Services Corporation grantees; and (4) disseminating the results to other law schools, legal aid societies and other interested parties; such pilot programs shall be distributed, if applicants are available, to varying size and geographically located schools; at least 50 per centum of the funds required shall come from non-federal sources and federally funded assets and projects will not be included in in-kind services, no grant shall exceed $200,000; the application and award procedure shall not require a detailed plan or extensive paperwork so long as the recipient signs a guarantee that more than 50 per centum of the funds required shall come from non-federal sources and that federally funded assets and projects will not be included in in-kind services; the awards shall be made by July 1, 1985 and the projects shall each be completed by July 1, 1987; grantees shall not copyright the material developed and shall not charge other private groups or individuals for such material and such charge shall be not more than approximately their net cost of production. *Provided further,* That notwithstanding the preceding provisos, no more than $1,158,000 shall be expended for the budget category entitled "Program Improvement and Training", no more than $1,829,000 shall be expended for the budget category entitled "Delivery Research and Experimentation", and no more than $11,283,000 shall be expended for the budget category entitled "Support for the Provision of Legal Assistance: Provided further, That none of the funds appropriated in this Act for the Corporation shall be used, directly or indirectly, by the Corporation to promulgate new regulations or to enforce, implement, or operate in accordance with regulations effective after April 27, 1984 unless the Appropriations Committee of both Houses of Congress have been notified fifteen days prior to such use of funds as provided for in section 509 of this Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 89 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

the provisions of 22 U.S.C. 2696(b)3) are hereby waived for $5,000,000 in gains realized in this appropriation account because of fluctuation in foreign currency exchange rates or changes in overseas wages and prices; $1,264,901,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 101 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$9,100,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 103 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$9,600,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 108 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

For expenses of the Board for International Broadcasting, including grants to RFE/RL, Inc., $97,498,000 of which not to exceed $52,000 may be made available for official reception and representation expenses.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 113 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 2 of 1977, the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), and the United States Information and Education Exchange Act, as amended (22 U.S.C. 1431 et seq.), to carry out international communication, education and cultural activities, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $270,000, of which $250,000 is to facilitate U.S. participation in international expositions abroad); expenses authorized by the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.), living quarters as authorized by 5 U.S.C. 5912, and allowances as authorized by 5 U.S.C. 5921-5928; and entertainment, including official receptions, within the United States, not to exceed $20,000; $545,856,000: *Provided,* That not to exceed $7,303,000 of the amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2452(a)(3)), shall remain available until expended: *Provided further,* That not to exceed $18,500,000 of the foregoing appropriation shall be available for grants to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act: *Provided further,* That not to exceed $674,000 of the foregoing appropriation may be used for representation abroad: Provided further, that receipts not to exceed $500,000 may be credited to this appropriation from fees or other payments received from or in connection with English-teaching programs as authorized by section 810 of Public Law 80-402, as amended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 115 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag Exchange Programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $121,352,000. For the Private Sector Exchange Programs, $8,648,000, of which $1,500,000, to remain available until expended, is for the Eisenhower Exchange Fellowship Program.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 119 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ADMINISTRATIVE PROVISION

None of the funds provided in this Act for the United States Information Agency shall be awarded to the National Democratic Institute for International Affairs, the National Republican Institute for International Affairs, or any other organization connected in any manner with any political party operating in the United States.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 122 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$370,228,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 125 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$101,500,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 127 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$140,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 145 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *to the Federal Trade Commission, unless specifically authorized by law hereafter,*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 147 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the "SEC. 511." named in said amendment, insert: *SEC. 512.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 148 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the "SEC. 512." named in said amendment, insert: *SEC. 513.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 149 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the "SEC. 513." named in said amendment, insert: *SEC. 514.*

Mr. RUDMAN. Mr. President, I ask unanimous consent that the amendments in disagreement be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RUDMAN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate.

The PRESIDING OFFICER. Without objection, the motion is agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

NOMINATION OF JAMES HARVIE WILKINSON III

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the pending business in executive session.

Mr. THURMOND. Mr. President, how much time is left on this nomination?

The PRESIDING OFFICER. There are 24 minutes remaining under the control of the Senator from South Carolina and the Senator from Massachusetts.

Mr. THURMOND. Twenty-four minutes per side is left?

The PRESIDING OFFICER. Twenty-four minutes equally divided.

Mr. THURMOND. Mr. President, on Tuesday of this week the Senate Judiciary Committee held a third hearing on the nomination of J. Harvie Wilkinson III for the position of U.S. circuit judge for the Fourth Circuit Court of Appeals.

The hearing started at 10 a.m. and lasted until approximately 8 p.m. in the evening. All of the witnesses requested by Senator KENNEDY were present for this hearing with the exception of Mr. Timothy Cook, who had indicated that he did not desire to testify. I had a subpoena prepared for Mr. Cook; however, Senator KENNEDY decided he did not want it to be issued.

As is evident by the length of the hearing, everyone without exception was given ample opportunity to question all of the witnesses before the committee as extensively as they desired.

I am happy to report that this hearing, like the other two, disclosed no new derogatory information concerning Mr. Wilkinson.

Much had been said on the floor of the Senate as well as in the press concerning telephone calls made by Justice Lewis Powell on behalf of the nominee and the influence he allegedly exerted that caused some individuals to change their votes in favor of Mr. Wilkinson.

Justice Powell previously informed the committee that he contacted Mr. Gene Lafitte of New Orleans, a friend of his whom he had been associated with in the American College of Trial Lawyers. Justice Powell said that he had a brief conversation with Mr. Lafitte in which he told him of Mr. Wilkinson's qualifications. He did not inquire where he stood, nor did he know how Mr. Lafitte voted.

Incidentally, he did this on his own accord, not at the request of Mr. Wilkinson.

Mr. President, I asked Mr. Lafitte about this call, and I also asked him how he voted on the nomination. I found it extremely interesting to note that Mr. Lafitte voted against Mr. Wilkinson. Justice Powell's call had no improper influence whatsoever on Mr. Lafitte. It is also interested to note that of the six ABA witnesses present at the committee hearing, two others in addition to Mr. Lafitte had received telephone calls in favor of Mr. Wilkinson. Both of these individuals, Mr. James Howard of Norfolk, VA, and Mr. Stuart Dunnings of Lansing, MI, voted against Mr. Wilkinson. It appears very frivolous, therefore, to continue to say that calls made on behalf of the nominee had any improper influence on the outcome of the ABA committee's favorable vote. That should lay to rest once and for all any concerns that Justice Powell may have unduly influenced any member of the ABA to change their vote. In fact, the opposite case can be made—if a vote was changed, it was changed from a "yes" vote to a "no" vote.

The Chairman of the ABA committee, Mr. Frederick Buesser, Jr., told the Judiciary Committee:

> I think that any member of the public has the right to discuss or attempt to influence, for that matter, any member of our Committee. We, in the normal course of events, would normally welcome input from people . . . We seek it originally from sources that we select, and would be in poor position to decline to receive information which is offered gratuitously to us.

Mr. President, I asked each of the ABA members present if they thought any improper influence was used upon them by anyone at any time, and they all replied in the negative.

I would like to now attempt to clarify one point that appeared in the press yesterday. The article in question said that Mr. Wilkinson actually had made some 60 calls to supporters before the vote, and succeeded in having 10 of the ABA committee's 14 members contacted by those backers. I think it only appropriate that the record show that Mr. Wilkinson, in attempting to comply with a request for telephone logs, books, memoranda, and so forth, made by Senators KENNEDY and METZENBAUM, provided the committee with his telephone bills which disclosed all the telephone calls made from his home from October 23, 1983, to December 8, 1983. The total number of calls made is in no way indicative of whom Mr. Wilkinson actually talked to. In fact, Wilkinson testified under oath that of all of the calls he made over this period, he only talked to 14 friends concerning his nomination and the ABA.

Mr. President, when Mr. Buesser was questioned about the so-called lobbying campaign, he stated that he still feels Mr. Wilkinson is qualified. All of the other ABA witnesses, with the exception of the three who voted against him initially, still feel the same way. In fact, Mr. Buesser went on to say that had Mr. Wilkinson had more trial experience, he would have received a well-qualified rating by the ABA committee.

Mr. President, I think Mr. Wilkinson was very candid and frank in his testimony before the committee. He was standing up for his reputation, and it appears that what he did was in no way improper. It was not obscure; it was not hidden; it was no secret; and I am confident that he approached it in the proper manner. I am convinced more now than ever that the American Bar Association reached the right conclusion when they found Mr. Wilkinson qualified for the position of judge for the Fourth Circuit Court of Appeals.

As chairman of the Judiciary Committee, I do not hesitate to come before this body and recommend Mr. Wilkinson for the position for which he has been nominated. I therefore urge my colleagues to vote for cloture in this matter, and allow the Senate to work its will on this nomination.

I might say again, Mr. President, that the Judiciary Committee voted 11 to 5 in favor of this nomination in the Judiciary Committee.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. Fifteen minutes and 55 seconds.

Mr. THURMOND. Mr. President, does Senator KENNEDY wish to speak now?

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself such time as I might use.

Mr. President, I strongly oppose Senate action on the nomination of J. Harvie Wilkinson to the fourth circuit.

After more than 4 months of repeated requests for an additional hearing to address the numerous significant

questions that have been raised about the Wilkinson nomination, a hearing was finally held this past Tuesday. The hearing was lengthy and many new and disturbing revelations about Mr. Wilkinson and the process by which he was nominated to the fourth circuit were presented.

It is fair to say that every question and allegation raised about Mr. Wilkinson was resolved against him.

At Tuesday's hearing, these facts and conclusions were confirmed by witnesses from the ABA Standing Committee on the Federal Judiciary:

J. Harvie Wilkinson has the least experience of any individual ever nominated to be a Federal court of appeals judge.

Confidential information about the possibility that he would be found unqualified by the ABA committee—and that the two ABA committee investigators had reached different conclusions—was given to Mr. Wilkinson on the very eve of the ABA committee vote.

The ABA committee was angered by the breach of confidence by the Justice Department; and, in an unprecedented action, the chairman of the ABA committee wrote to Department of Justice officials to complain specifically about their handling of the Wilkinson nomination.

Mr. Wilkinson, and Jonathan Rose and Edward Schmults of the Department of Justice, met together a few days before the critical ABA vote. They developed a comprehensive and far-reaching game plan to influence members of the ABA committee to find Mr. Wilkinson qualified.

The game plan to influence the ABA vote consisted of targeting prominent individuals who would be influential with certain ABA committee members, and having those individuals contact the ABA committee member they would be most likely to influence.

During a 3-day period from November 5–7, 1983, Mr. Wilkinson made dozens of telephone calls in an effort to line up supporters to contact the ABA committee members before the crucial vote. During this period, Mr. Wilkinson also talked to Justice Power four times about his efforts to influence the ABA committee.

Ultimately, the lobbying campaign resulted in at least 14 individuals contacting ABA committee members about Mr. Wilkinson.

In addition to Mr. Wilkinson's efforts, Mr. Rose and Mr. Schmults were active participants in the lobbying campaign. Mr. Schmults called two ABA committee members, and even asked Justice Powell himself to do whatever he could to help.

Mr. Schmults also discussed the situation with Fred Fielding at the White House, and with Bradford Reynolds and other officials at the Department of Justice.

Until the Senate Judiciary Committee hearing this past Tuesday, none of the ABA committee members had any idea of the extensive lobbying campaign orchestrated by Mr. Wilkinson to gain approval by the ABA committee. Committee members agreed that such a campaign was unprecedented.

The chairman of the ABA committee acknowledged that he did not know whether votes on the committee were influenced by the lobbying campaign.

Some members of the committee who were present at the hearing stated that the nomination of Mr. Wilkinson should be reexamined by the ABA committee in light of this significant new information.

Members of the committee agreed that Wilkinson's lobbying campaign would be a negative factor if they were evaluating Wilkinson now. The chairman of the ABA committee even said that, prior to learning of the lobbying campaign, he would rate Wilkinson 7 on a scale of 1 to 10. The lobbying campaign would knock him down to a 2 or 3 out of 10 on the issue of his qualifications.

During the ABA investigation, neither Mr. Wilkinson nor the officials of the Justice Department made any effort to provide the ABA committee with the names of individuals later enlisted to lobby specific members. It was only later, when Wilkinson learned his nomination was in trouble, that he arranged the calls.

Notwithstanding the strong disapproval of the ABA committee for the lobbying campaign, Wilkinson announced that he would do the same thing over again.

The new evidence presented at the Judiciary Committee hearing describes a fatally tainted ABA evaluation process concerning this nomination. The importance of the ABA rating of a potential nominee cannot be overstated. At the hearing, Mr. Schmults testified that, in his 3 years as the Justice Department official in charge of nominations, only one candidate rated unqualified by the ABA was forwarded to the Senate.

Finally, let me make these closing points: It is ironic that, as we meet here the American Bar Association is holding its annual convention in Chicago. I have nothing but the highest admiration for the outstanding job that the American Bar Association and its Standing Committee on Federal Judiciary have done in recent years in screening literally hundreds of candidates nominated for the Federal judiciary.

As a former chairman of the Senate Judiciary Committee, I have worked extremely closely with the ABA in this task. I know how much the bar association has done to improve the quality of the Federal judiciary over the years, and I regard the role of the ABA as indispensible in preserving that high quality for the future.

But the Wilkinson case stands alone. We have before us a nominee who was unwilling to play by the rules. He intruded—surreptitiously and pervasively—into the ABA process of impartial, independent, and confidential review.

Individual members of the ABA were appalled at our hearing on Tuesday, as the irrefutable details came tumbling out of how Wilkinson abused the good faith of their committee. His actions irreparably compromised the process of review, and I do not believe that he should benefit from his wrongdoing by being confirmed to one of the highest judicial offices in the land.

The materials and the testimony supplied to the Judiciary Committee at the hearings this week prove beyond any reasonable doubt that, in the 4- or 5-day period between November 3 and November 7, 1983, leading up to the critical ABA vote on the nominee, Mr. Wilkinson and his friends in the Justice Department planned and implemented an intense and unprecedented lobbying campaign to override a possible negative rating by the ABA and to insure a rating of qualified for Mr. Wilkinson.

It is irrelevant whether any ABA votes were changed or not. It is clear that Mr. Wilkinson tried—and tried hard—to change them. He even implicated Supreme Court Justice Lewis Powell in his scheme.

We all know what is at stake here. It is unlikely in the extreme that Mr. Wilkinson's nomination would ever have been submitted to the U.S. Senate if the ABA had rated him not qualifed. The tragedy of these circumstances is that Mr. Wilkinson might well have been rated qualified if the ABA review had been permitted to proceed fairly. But we cannot know that with any certainty. What we do know is that Mr. Wilkinson, for all his talents, was not willing to entrust his future to the fair and impartial review that all other judicial nominees receive, for the Federal district court and the circuit court and the Supreme Court of the United States, and so he sought to stack the deck.

Above all else, a Federal judge must be willing to abide by the rules, or the rule of law will fail. Mr. Wilkinson acted injudiciously when he violated the integrity of the ABA committee and participated in this intensive scheme to tilt the review process in his favor. On this unsatisfactory state of the record, he is not fit for high judicial office.

Mr. President, I reserve the remainder of my time.

Mr. THURMOND. Mr. President, I yield 10 minutes of the time in support of the nomination to the distinguished Senator from Virginia [Mr. TRIBLE].

Mr. TRIBLE. I thank my colleague for yielding.

Mr. President, I rise in strong support of the nomination of J. Harvie Wilkinson III of Virginia. We have concluded today one of the most thorough examinations of a nominee to the bench ever seen by Members of the Senate, an examination conducted by both Republicans and Democrats. Nothing—I repeat, nothing—discussed here or in the hearing this week calls into question Mr. Wilkinson's fitness to serve on the bench.

We have heard much about lobbying, about contacts with friends, telephone calls, and discussions with high-ranking public officials. Mr. Wilkinson did some campaigning. So what? Who in the Senate has not campaigned for a job in his or her life? It is quite appropriate for those who seek jobs to talk to their friends, their former employers, people who are in a position to judge them personally and professionally, and ask them to say a good word on their behalf. Nothing is improper about that. We have all done it.

Indeed, the ABA says that they welcome that kind of information and that, in this case, it did not in any way influence the result. In fact, Mr. President, none of the members of the ABA on the Federal judiciary present at our hearing indicated that their votes were influenced in any way.

What did the so-called lobbying campaign amount to? Mr. Wilkinson asked 14 persons who knew his work and his character to speak to members of the committee on his behalf. He was quite open about that. He fully reported that to the committee. He even supplied his telephone records.

Two former employers of Mr. Wilkinson—former Deputy Attorney General Schmults and Justice Powell—spoke positively to ABA members about his nomination. At no time was Justice Powell asked to make a call. He did that on his own initiative. He made a single phone call. That member of the committee of the Judiciary voted against Wilkinson. Some influence, Mr. President. Some influence.

There is an additional point here. Mr. Wilkinson's professional reputation was at stake, was on the line. It is entirely proper for one who is being evaluated in this way to bring relevant information to committee members. It is quite simply, I suggest to my colleagues, a matter of fundamental fairness that when someone is being evaluated, he has a right to tender evidence in his own behalf.

It is also a mystery to me why former employers of Mr. Wilkinson, who had held high positions of great responsibility in our Government, and who judged Mr. Wilkinson superbly qualified for the bench, should not convey their impressions to the committee.

That is exactly the kind of information the committee needed, and without that they were unable to pass judgment. The sum and substance of all this, after a long day of hearing requested by Members of this body, is that there is nothing to suggest that these communications were inconsistent with the independent judgment of the committee and the statements of the ABA members reaffirmed that fact. They welcomed the communication. It did not influence the outcome.

Now, let us go beyond that. We have talked at great length about the qualifications of this man. I think it is somewhat instructive that the opponents of this nomination have seen fit to base their opposition not on the man's merits, not on his qualifications, but on the peripheral considerations brought to our attention today. If you cannot win on the merits, then you try to divert the attention of this body.

Mr. President, I suggest that if we will focus on the man, you cannot help but be impressed with his qualifications, and his great potential for high service to this Nation to his State.

At the kind invitation of the distinguished chairman of the Judiciary Committee, I sat in on most of the hearing. It began at 10 a.m. It lasted until almost 8 p.m. I heard virtually all of the testimony for Mr. Wilkinson and those who have expressed concerns. I wish that each Member of this body could have been there. I am a partisan in his favor, I will admit quite frankly. But in 8 years as a Member of the Congress, in the House of Representatives and now in the Senate, I have never been more impressed with an individual who has appeared before a Senate or House committee. During his appearance on that long and trying day, he demonstrated precisely the qualities all of us hope for in a Federal judge—grace under fire, a profound knowledge of the law, a deep respect for the integrity of the judiciary and the legal profession, and a facility of expression, one that is evidenced in abundance in his critically acclaimed writings.

Mr. Wilkinson is an extraordinarily talented lawyer and scholar. He is a man of unimpeachable integrity. He will be a jurist of rare distinction. We have talked about this for months. Every procedural obstacle has been thrown in the path of this nomination. We have endeavored to satisfy every request from both sides of the aisle. Slowly, painfully perhaps, but those hearings have been held, three in all. I say to my colleagues on both sides of the aisle that we have met those reservations and those requests. The third day of hearings was held. Those who oppose Mr. Wilkinson have had more than their day. I believe it is now the hour for the Senate to speak. I do not believe that we should frustrate this nomination process any longer. I believe that this man has a right to have the Senate express its approval or disapproval of this nomination. Therefore, I urge my colleagues to invoke cloture to give the Members of this body, Republicans and Democrats alike, an opportunity to stand up, and speak out, and pass judgment on this nominee. Reasonable men may disagree on his merits, Mr. President, but I suggest that if you take a look at this young man, if you are able to put partisan, and political, and philosophical objections aside, you cannot help but be persuaded that he is a man of rare quality. But I say this to each Senator. The time has come to speak. The time has come for us to pass judgment on this individual, and that is all I request. I yield back the remainder of my time.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. Sixteen minutes and thirty-two seconds.

Mr. KENNEDY. I will be glad to yield 5 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. I thank my friend from Massachusetts. I take it, Mr. President, that there is not time for those of us who have not made up our minds on how we are going to vote on this issue, is that correct?

Mr. KENNEDY. Mr. President, I always have time for those who have not made up their minds.

Mr. EXON. I was asked which side I was on. I do not know, Mr. President. That is why I am sitting here listening to the debate. One of the problems we have in this body is that when we give time agreements, you are asked, "are you for or against?"

I do not know. I would like to have time to ask some questions and make some observations. I am not a lawyer, but I suspect the record might show that the junior Senator for Nebraska has probably appointed far more judges than any Member of this body. I served my constituents in Nebraska 8 years as Governor. There was no duty that I took more solemnly than appointing judges because, by and large, judges are appointed for life. They are to dispense justice, and fairness, and reason for a long time after most of those who make the appointments have any say in the matter thereafter. Therefore, I have taken my responsibilities in confirming members of the Federal judiciary since I have been in the Senate equally as serious. I wonder if my good friend from Virginia, with whom I have had the pleasure of discussing this nomination on numerous occasions, could answer a question or two first. Has Mr. Wilkinson

ever served in the Justice Department of the U.S. Government?

Mr. TRIBLE. Yes; he has. He has held a high-ranking position in the Justice Department, in addition to his many years of scholarly pursuit.

Mr. EXON. I have heard pros and cons on the so-called qualifications of Mr. Wilkinson, and I can only take the word of my colleagues, some of whom disagree.

Let us assume for the moment that the man is highly qualified. Let us assume for the moment that he has judicial temperament, even though I think most would agree that he has not had an opportunity to show that yet because he has not been in the judiciary per se. Let us assume that there is no question about his qualifications. I believe my friend from Virginia, who I have been listening to, pretty well outlined that. Let us assume all that is true. Is the Senator from Virginia then saying it is his opinion that the procedure and process which one goes through in obtaining a judgeship and how that individual performed in that process has nothing whatsoever to do with whether or not he should be confirmed?

Mr. TRIBLE. I think the full experience of any individual must be considered as we evaluate the prospects for his success in a high post. But what this man did, in my judgment at least, is quite reasonable and appropriate. To those who would disagree with that assessment, I simply say that what he did was not in the least bit decisive in terms of the outcome. Let us assume, for the sake of conversation, that it is not appropriate for a man who is being considered for a job to encourage those who know him best to say a good word on his behalf. Even assuming this point, Mr. Wilkinson's contacts should not be decisive in our deliberations because we know from the RECORD that these efforts did not influence the result.

Mr. EXON. I thank my friend for the answer. I guess I am not totally satisfied with it. I am somewhat troubled—maybe I should not be—by at least the news reports—and I ask my friend from Virginia whether or not it is true—that even though it would have been entirely proper for anyone passing on this to call a member, a sitting member, of the Supreme Court to ask the qualifications of this individual, who previously worked for one member of the Supreme Court, I am somewhat troubled—maybe I should not be, but I am somewhat troubled by the fact that a sitting member of the Supreme Court supposedly telephoned one of the 14 members of the American Bar Association who had the responsibility to judge whether or not this man was qualified. Putting it another way, if someone makes inquiry of a member of the Supreme Court, that is one thing. It seems to me to be not in the best taste for a member of the Supreme Court to volunteer, or lobby, call it what you will, one of the individuals who had a key role to play as to whether or not this man was qualified.

Before I allow my friend from Virginia to respond to that, I simply say that there is nothing wrong with the Chief Justice——

The PRESIDING OFFICER. The time yielded to the Senator has expired.

Mr. EXON. May I have 1 more minute?

There is nothing wrong with making an inquiry of a member of the Supreme Court. But I do not think any Member of this body can truly say that when a member of the Supreme Court makes a telephone call to one of the 14 members of the bar association committee, lobbying for this individual, it does not smack somehow of a type of pressure, indirect or otherwise, that would be brought on lawyers who have to make the determination.

I might add that if anyone looks bad in this whole process, it is the American Bar Association.

Mr. TRIBLE. On that we will not disagree.

Mr. EXON. Maybe it is not fair to try Mr. Wilkinson on what the bar association has represented it did or did not do.

The PRESIDING OFFICER. The additional time of the Senator has expired.

Mr. EXON. I would like the Senator to respond on his time.

The PRESIDING OFFICER. Who yields time?

Mr. TRIBLE. If the chairman will yield me an additional minute, I will respond.

Mr. THURMOND. I yield 2 minutes to the Senator.

Mr. TRIBLE. I would like to say three things to my friend from Nebraska.

First of all, Mr. Wilkinson did not ask the Justice to make that telephone call for him. Rather, the only evidence before us is that Justice Powell, on his own initiative, made that contact. So I say to my friend that if he is concerned about that contact he should not lay the blame for it at the feet of the nominee. He really should not hold Mr. Wilkinson responsible for a contact for which he was not responsible.

Second, the person contacted, Mr. Jean Lafitte of Louisiana, ultimately voted against Mr. Wilkinson. So that contact really had no practical effect.

Third, I respectfully submit to my friend that if he has concerns, those concerns perhaps should be registered on an up-and-down vote on the nomination. Surely, they should not be an obstacle to that final resolution. The first vote will be on cloture, on whether this man should have a right to be approved or disapproved.

Those are my three responses to the Senator.

I thank the chairman for yielding additional time.

Mr. EXON. Mr. President, will the Senator from Massachusetts yield 1 minute?

Mr. KENNEDY. I yield 1 minute.

Mr. EXON. Mr. President, I am troubled about this, and maybe I should not be. I think it is a legitimate part of the inquiry that is going on here.

How did this come about? How was it that in the initial instance, it was indicated that the bar association thought he was not qualified, and he later turned out to be qualified? One of the intervening instances was a call from a member of the Supreme Court to one of the 14 members of the bar association who had something to say about this.

Does the Senator from Virginia know how many calls there were between the Justice of the Supreme Court and Mr. Wilkinson preceding the call that the Justice made to one of the 14 members who had to pass on his qualifications?

Mr. TRIBLE. Let me first clarify the factual situation.

There was never a finding against Mr. Wilkinson. There was just one report, and that report had a recommendation for and a recommendation against. It was that one report with two recommendations that was proffered to the 14-member committee.

On the basis of that one report, after full consideration, they voted 10 to 4 in favor of Mr. Wilkinson, finding him qualified.

In terms of the chronology, I note that Mr. Wilkinson is not only a former employee of Justice Powell, but also a friend of many years, and there were a number of phone calls during the course of time.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes and 11 seconds.

Mr. KENNEDY. I yield myself 2 minutes.

Mr. President, it is true that Mr. Wilkinson worked in the Justice Department, in the Civil Rights Division. It is also true that the Justice Department indicated to the Judiciary Committee that it was during Mr. Wilkinson's brief tenure there, that for the first time in the history of the Civil Rights Division, it was penalized because of the failure to respond to interrogatories that were the responsibility of Mr. Wilkinson.

The final point is this: I do not think any of us are questioning the right of any nominee to be able to present or make the best case in his or her

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behalf. The fact is that this nominee was interviewed by Mr. Lane and Mr. Howard, the ABA committee members who conducted the investigation at the University of Virginia Law School about his nomination. At that time, Mr. Wilkinson did not say, "Look, there are all these individuals, including Justice Powell, who will testify in my behalf." Or, "Speak to my students," in particular a black student whom he asked to intervene with a minority member of the Bar Association at the same time that the black student was asking Mr. Wilkinson for a job reference. He could have said: "Talk to my students. Talk to a Supreme Court Justice. Talk to the members of the Justice Department. Talk to my other kinds of associates." He could have requested these individuals be contacted as part of the normal ABA investigation, if he believed they had information which would be so valuable to the ABA Committee. But not Mr. Wilkinson. Not until he was leaked confidential information that his confirmation was in trouble, and then he pulls out all the stops and uses confidential material.

Mr. Buesser, who is the chairman, said in his testimony:

Before I started on this I would have said that he was one of those qualified candidates that was easily qualified despite his lack of trial experience; I would have given him, if the scale ran from 1 to 10, in the area of qualified I would have given him perhaps a 7.

Having now been exposed to the fact that he did make these telephone calls in large numbers, . . . I guess I would move him maybe down to a 2 or a 3.

When we asked Mr. Howard, who conducted the investigation, he said:

Senator, I was extremely disappointed with the breach of confidentiality by the Justice Department, and I was appalled by what I term misconduct on the part of the appointee, plotting and asking evidently folks to support him. It is my firm conviction that this matter needs restudy.

Senator KENNEDY. Mr. Dunnings?

Mr. DUNNINGS. I join in precisely what Mr. Howard has indicated. I am now going into my sixth year on the committee and this is the first time that I have ever encountered anything of this nature.

In addition, I feel that our committee, having been furnished with this information, has a duty and an obligation to reconsider the vote we have taken . . .

Mr. Wilkinson, when asked about the whole issue of lobbying and whether he would do it all over again, said, unhesitatingly, "Yes, exactly the way I did it."

Mr. Buesser, who was the chairman of the committee responded to a question by the Senator from Ohio on the probative value of this kind of conduct on the question of judicial temperament as follows:

Senator METZENBAUM. I want to ask both you, Mr. Buesser, and Mr. Lane, if you had known of all these calls and lobbying efforts on the part of Mr. Wilkinson, and now you do know that, do you not believe that this is a matter, that this nomination should be reevaluated by your committee, because of the relevance it has to the qualifications, temperament of a judicial nominee who would see fit to lobby the American Bar Association committee, put pressure on it?

Mr. BUESSER. Is the question addressed to me?

Senator METZENBAUM. Yes.

Mr. BUESSER. My answer to that is no, but I agree with Mr. Lane that it militates against the favorable view that I had of Harvie Wilkinson, but I would simply ascribe it to youthful indiscretion, Senator—but I would not change my mind.

Senator METZENBAUM. You are saying to us that the United States Senate ought to confirm a man who is guilty of youthful indiscretion and has had no trial experience and that he would be a fine member of the Circuit Court of Appeals?

Mr. BUESSER. Well, with those senior judges sitting on both sides of him, I believe they would keep him out of this kind of trouble.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes and 23 seconds remaining.

Mr. KENNEDY. Mr. President, I yield 25 seconds to the Senator from Louisiana.

Mr. LONG. Mr. President, in the context of which the Senator referred to the person of the bar association saying he would now move him down from a seven to a two, would two be a passing grade in that context, a qualified grade?

Mr. KENNEDY. I believe that a fair answer to that is that he would not have changed his vote on the issue of qualification.

Mr. LONG. Would two still be a qualified vote?

Mr. KENNEDY. I would interpret his answer to be favorable, although I do not believe that particular question was addressed to him.

Mr. President, I withhold the remainder of my time.

Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes and 40 seconds remaining.

Mr. KENNEDY. How much time remains on the proponents' side?

The PRESIDING OFFICER. The Senator from South Carolina has 7 minutes and 13 seconds remaining.

Mr. THURMOND. Mr. President, I yield 4 minutes to the distinguished Senator from North Carolina [Mr. EAST].

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 4 minutes.

Mr. EAST. Mr. President, I appreciate the opportunity to speak on this nominee. Time is brief, and I shall move quicky as obviously I must.

First, I wish to underscore the qualifications of this candidate. He is a graduate of Yale University. He graduated Phi Beta Kappa, summa cum laude. He was named "Scholar of the House," an exceptional distinction at the University of Virginia Law School, one of the most prestigious in the country. He was named to the Law Review which, as law students know, is the highest honor that one can achieve, and he was in fact an editor of the Law Review, and he was named to the Order of Coif, which is confined to the top 10 percent in terms of academic quality.

No one seems to question the general academic credentials of this gentleman or the great potential competence thereof in terms of not only the academic record but the courses that he taught. This would be pertinent to his work on the appellate bench.

What we have been focusing upon is this so-called lobbying effort, and I wish to quickly respond to that.

With all due respect to the Senator from Massachusetts, for whom I have the highest regard, first I note that these hearings lasted from 10 to 7. Because of his attendance at a funeral in Kentucky, he was only able to be there for the last couple of hours of those hearings.

I think when one was there for the entire session, which I was, and one had the opportunity to hear from members of the bar association as well as to hear from the witness himself, the word "lobbying" simply is not what occurred.

What is occurring in the ABA process of collecting data is a very loose open-ended process in which they have no particular investigators, they have no particular standards or guidelines. They are simply open to people to call them, be they positive or negative.

Mr. Wilkinson was very candid. He asked those who knew of his experience professionally, academically, and otherwise, to please make their views known which would be a very natural thing to do. I submit it would be unnatural not to do it. He asked 14 people, and he listed those in a letter of August 7, and these would be gentlemen who would be in a position to testify as to his background, his credentials, and so forth. It was very natural and normal.

That is not lobbying. It was simply a normal dimension of the whole informational process which candidly is somewhat casual and openended by the ABA committee.

But any lawyer would understand that if the ABA committee came back with an unqualified rating that is a deep stain on your professional reputation, and I daresay any lawyer where you have such an open-ended process would do likewise, and Mr. Wilkinson said he would, and I would do likewise.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. EAST. Mr. President, I ask unanimous consent for 1 additional minute.

Mr. THURMOND. Mr. President, the Senator from Virginia wished another minute, and I wanted a minute-and-a-half.

I yield 1 more minute.

Mr. KENNEDY. Mr. President, reserving the right to object, is the Senator asking for 1 additional minute on the whole issue or on the time before cloture?

Mr. THURMOND. Mr. President, I yield 1 additional minute of my time.

The PRESIDING OFFICER. The Senator is recognize for 1 additional minute.

Mr. EAST. Mr. President, let me conclude on this point: I do not think "lobbying" is the correct word. I think it was part of the loose open-ended informational process, and I conclude on this note, that coming out of the Judiciary Committee this was a nonpartisan vote of 11 to 5. This is not a partisan issue.

I also note that the ABA approved of him 10 to 4, what they consider a substantial majority.

So I think the approval is there in a bipartisan, nonpartisan way.

The credentials are overwhelming and I think in fairness to Mr. Wilkinson he clearly answered this question about the lobbying and deserves to be confirmed by unanimous consent.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. THURMOND. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes and 31 seconds remaining.

Mr. THURMOND. Mr. President, I yield 1 minute to the distinguished Senator from Virginia.

Mr. TRIBLE. Mr. President, I thank the chairman for yielding.

I simply wish to set the record straight on a couple points that have been raised.

First of all, the chairman of the ABA reviewing committee, Mr. Boesser, said that if you could take "qualified" and put it on a scale of 1 to 10, after hearing all this, he may indeed reduce his rating on the qualified scale from 7 to some lower mark. But he would still find the man qualified. He said that without equivocation.

The only two members of the committee who testified before us who voiced some continuing concern were the two members who voted against Mr. Wilkinson in the first place. Each member was asked if they would have changed their vote, and they said no. That vote was 10 to 4 in favor of Mr. Wilkinson.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from South Carolina.

Mr. THURMOND. Mr. President, just a word in closing: I remind the Senate that at the first two hearings not a single Democratic Senator appeared at the hearings.

We gave them a third day of hearings and heard their witnesses all day, and I can tell you that nothing has changed. The Bar Association is still 10 to 4 in favor of this nominee. The Judiciary Committee is still 11 to 5 in favor of this nominee.

He has done nothing dishonest. He was a clerk for Justice Powell. He went to him and asked his advice. He did not tell him to do anything. Justice Powell said he did not. On his own accord, Justice Powell contacted one member of the committee to merely explain his qualifications.

He brought no pressure on him. He did not attempt to hurt him in any way.

That was done all the way through.

Mr. President, this man is qualified. This job is a writing job. It is a scholarly job. They all admit he is one of the brightest young minds in this country. Even those on the other side admit how smart he is.

I am wondering if this is not a question of philosophy—liberal against conservative—because he is conservative.

Why are these people opposing him? I do not think it is on his qualifications. I really do not think so.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. METZENBAUM. Mr. President, will the Senator from Massachusetts yield time to me?

Mr. KENNEDY. I yield.

Mr. METZENBAUM. Mr. President, let us face the first point that the Senator from South Carolina mentions, and that is the matter of no one attended the first hearing. The whole issue with respect to Mr. Wilkinson's lobbying of the bar committee only came up after the hearing had been concluded and when it became evident in the hearing the other day that 60 calls had been made by Mr. Wilkinson within a 4-day period after he had been informed by the Justice Department that he was in some trouble, then Mr. Wilkinson called everyone under the Sun in order to lobby them with respect to this matter.

It is a fact that when Mr. Buesser was asked a question he said that he would have dropped him from a 7 to a 2. Mr. Lane, who was there, who had also voted for him, said something a little different. He said, "I would have to think further. I just hate to make a judgment under these circumstances."

But let me also emphasize the 7-to-2, because what Mr. Buesser was saying inferentially was, "I would drop him substantially in my evaluation. We in the bar are now in a bind. We have taken a position, and I am not sure that I want to change the position or have the bar association switch from favorable to unfavorable."

This is the first time in over 3 years that Mr. Schmults has been at the Justice Department that anyone has been sent up to this committee that was unqualified, the first time within 3 years, with the exception of one other individuals whom the Senate did not see fit to confirm and we did not, and it did not come out of the Judiciary Committee.

Mr. Wilkinson caused the Justice Department of the U.S. Government to be fined for failing to file interrogatories, the first time in the history of the civil rights division that had occurred.

The whole issue simply is that this man who has a good background as far as professional training is concerned has never appeared in a courtroom except for one argument on a motion.

This man could not really be approved under normal circumstances, except for the unprecedented push that the White House has given this nomination.

I think we have to search our own consciences as to whether we are going to be for him or against him on the basis of the fact that we are making a lifetime appointment. I strongly urge that we not confirm Mr. Wilkinson.

Mr. DENTON. Mr. President, once again I rise in my strong support of the nomination of J. Harvie Wilkinson III, of Virginia, to be a judge of the Fourth Circuit Court of Appeals. Mr. Wilkinson is uniquely qualified by his background and experience and will be an able addition to the Federal bench. He possesses a rare combination of extraordinary intellect and practical experience which will enable him to serve with great distinction.

Let us examine Mr. Wilkinson's background and experience. He is a 1967 Phi Beta Kappa, Magna Cum Laude, graduate of Yale University. He was the notes editor of the Law Review at the prestigious University of Virginia Law School, from which he graduated with the Order of the Coif in 1972.

Mr. Wilkinson began his legal career as a law clerk for the Honorable Lewis F. Powell, Justice of the U.S. Supreme Court, for 1½ years. I note that Justice Powell has called Mr. Wilkinson one of the very finest of his 45 law clerks. Specifically, in a letter to the committee Justice Powell stated that Mr. Wilkinson is an exceptionally gifted legal scholar, and a compassionate and thoughtful human being. The Justice went on to note that "in my opinion, he is fully qualified to serve on a Court of Appeals."

Mr. Wilkinson then became a professor at the prestigious University of Virginia Law school where he taught courses in Federal courts, criminal

procedure, and Constitutional law. At UVA, Mr. Wilkinson was one of the most popular professors on campus and earned the respect of liberals and conservatives alike for his scholarship. In fact, he won the award for the outstanding teacher in the entire university.

Additionally, Mr. Wilkinson ran the editorial page of the Norfolk Virginian-Pilot, one of the largest metropolitan daily newspapers in Virginia, where his editorials supported such progessive ideas as a holiday honoring the late Dr. Martin Luther King, Jr. and minority recruitment to the city police department's volunteer emergency response team.

He has served with distinction as Deputy Assistant Attorney General in the Civil Rights Division of the Justice Department. While at the Justice Department, he was responsible for the supervision of more than 50 litigators and for many complex cases.

Mr. Wilkinson is a scholar of national reputation, whose works have been used by courts and academicians alike. He has authored three books, "Harry Byrd and Changing Face of Virginia Politics; Serving Justice: A Supreme Court Clerk's View; and From Brown to Bakke: The Supreme Court and School Integration," a book well received by the civil rights community. He has also written a number of law review articles.

Given his scholarship and wide-ranging employment background, Mr. Wilkinson is without question eminently qualified. Therefore, I will vote in favor of closure and in favor of the nomination, and I urge my colleagues to do the same.

Thank you, Mr. President.

Mr. LAXALT. Mr. President, J. Harvie Wilkinson will make an outstanding appellate judge; indeed, I wonder whether his manifest abilities and qualifications have not worked against him here in the Senate and perhaps explain why his confirmation has been so long delayed. Sadly, there are those in this town who believe that the only thing worse than an advocate of judicial restraint is an intelligent, well-trained, and articulate advocate of judicial restraint. It becomes increasingly clear that Professor Wilkinson is suspected of knowing that under our democratic system, the role of a judge is sharply limited by statute, precedent, and the Constitution. Evidence of such a charge does abound, and, as was revealed toward the end of Tuesday's hearing on the nomination, indications of this frame of mind lurk even within Professor Wilkinson's scholarly and editorial writings. There, I believe, lies the heart of the controversy.

In all fairness, not everyone who differs from him on philosophical matters has attempted to stand in the way of the Wilkinson confirmation. For example, one of the members of the ABA's Standing Committee on the Federal Judiciary has testified that as a liberal Democrat with initial misgivings about the nominee, he became convinced of Professor Wilkinson's qualifications after careful study of his strong scholarship and brilliant writing ability. The ABA committee as a whole reached the same conclusion, finding the candidate qualified by a 10 to 4 vote. Similarly, Republicans and Democrats on our Judiciary Committee approved Professor Wilkinson by the wise margin of 12 to 4.

Justice Lewis Powell, for whom Professor Wilkinson clerked after graduating magna cum laude and Phi Beta Kappa from Yale University and after graduating near the top of his class at the University of Virginia Law School and serving as notes editor of the Law Review there, writes: "I can say with confidence that of the some 45 fine clerks I have had in my 12 years on the Court, J. Harvie Wilkinson III, ranks among the best. He is an exceptionally gifted legal scholar, and a compassionate, thoughtful human being. In my opinion, he is fully qualified to serve on a Court of Appeals." Justice Powell, who daily reviews the work of circuit judges and who has had long opportunity to gauge Professor Wilkinson's intellectual rigor and personal temperament, is probably as well equipped as any man to make this judgment. Objectively evaluating the nominee's credentials from another perspective, Frederick Buesser, Chairman of the ABA Standing Committee, notes: "Mr. Wilkinson's extensive writings were furnished to the Committee and showed him to be an unusually able writer and legal scholar with the apparent capacity to become an outstanding appellate judge." Justice Powell and the ABA committee are joined in their praise of Jay Wilkinson by the faculty and students who have worked closely with the nominee during his distinguished career as a professor at the University of Virginia Law School and by Professor Wilkinson's former colleagues at the Department of Justice.

The ABA standing committee has been implicitly criticized for its nonpartisan decision, based on a wealth of information, that Professor Wilkinson is indeed qualified to be an appellate judge. I am confident that the ABA handled its public service obligation well, and that the committee members are entirely honest in stating that their vote was not influenced by 14 telephone calls made on Professor Wilkinson's behalf. Moreover, it is clear from the record that the ABA did not deviate from its standard criteria in evaluating the nominee. It is certainly true that Professor Wilkinson has spent the bulk of his professional career in the classroom rather than in the courtroom; he has devoted his life to thinking, lecturing, and writing about such subjects as federal courts, criminal procedure, and constitutional law. The ABA standards are explicit that: "[i]n exceptional cases, when there is significant evidence of distinguished accomplishment in the field of law, an individual with limited trial experience may be found qualified."

The ABA guidelines continue:

> The Committee . . . looks for an especially high degree of scholarship and academic talent in prospective nominees for the appellate courts. The abilities to write lucidly and persuasively, to harmonize a body of law and to give guidance to the trial courts in future cases are matters of great concern for the evaulation of prospective nominees for the appellate courts.

Jay Wilkinson is exquisitely qualified to undertake such tasks and has the potential to perform brilliantly.

Mr. DECONCINI. Mr. President, I intend to vote in favor of Mr. Wilkinson because I believe that he is qualified to serve as a judge on the U.S. Fourth Circuit Court of Appeals. I believe he is an intelligent man and will do a competent job on the appellate court. It has always been my position that the President is entitled to appoint people he wishes to such offices as he has the authority and privilege to fill. The Senate's role in the confirmation process is indefinite but I believe that if an individual is competent and law-abiding, he or she should be confirmed. I have heard nothing during Mr. Wilkinson's extended confirmation process that has persuaded me that he does not meet this standard.

However, there are two aspects of this nomination that do disturb me. First, I am very concerned that this administration seems to believe that only white males are qualified to serve as Federal judges. I am aware that, for what I consider to be political reasons, the President has broadened his selections in the last month to include women and minorities, but I submit that the true test of his philosophy and commitment to justice is his first 3½ years of judicial appointments. As of May 1984, this administration had appointed approximately 140 Federal judges. Of these, only 14 have been women. The record of the administration as to minority appointees is even worse. As of May, less than 10 blacks and Hispanics had been appointed by President Reagan to the Federal bench. Mr. Reagan repeatedly points to his appointment of Associate Justice Sandra Day O'Connor to prove his commitment to the advancement of women. The appointment of one women to the Supreme Court does not make up for his dismal record on other Federal judicial appointments. The administration has expressed its desire to appoint qualified women and Hispanics to Federal judgeships, but has said that there are very few who

meet the experience criterion. This explanation of past failures on their part is what concerns me about the Wilkinson nomination. While I think Mr. Wilkinson is qualified to be an appellate judge, I don't think he is more qualified than a number of women, Hispanics, blacks, and others. I have expressed my concern about the lack of such appointments to Attorney General Smith. I have received his assurances that every effort will be made to balance their appointment roster to include all Americans. If Mr. Reagan is reelected, I hope that this commitment by Mr. Smith will extend to Mr. Reagan's second term. I intend to see to it that we do not have a replay of President Reagan's first 19 months in office in which he appointed 68 white men, 1 black man, and 3 women to Federal trial and circuit court judgeships.

I also have a great deal of concern about the role of the American Bar Association in the appointment and confirmation process. I believe we should limit our reliance on their recommendations and treat them as we do any other interested party. I was pleased to have had the opportunity to discuss this process, with several members of the ABA Standing Committee on Federal Judiciary at the second Wilkinson hearing on August 7. While I was reassured by those particular members' sincerity, integrity, and good sense, I am still disturbed by the tremendous reliance placed by the White House, Department of Justice, and the Senate on this private organization. I am hopeful that the controversy surrounding the Wilkinson nomination, including his lobbying campaign and the administration's role in it, will lead to changes in the entire confirmation process.

Mr. BIDEN. Mr. President, the nomination of J. Harvie Wilkinson III to serve as a judge of the fourth circuit court of appeals has presented the Senate with a unique opportunity and a very troublesome dilemma. At first glance, Mr. Wilkinson's brilliant academic record and professional accomplishments would seem to point toward certain confirmation and a promising career on the Federal bench. However, in the course of considering this nomination, the Senate has been forced to look long and hard at the very process by which judicial appointments are made. As a result, the vote today reflects more than a passing assessment of the credentials of one particular individual. It is a vote on the manner in which the Senate carries out its constitutional duty to advise and consent. It is a vote on the integrity of the judicial selection process. And finally, it is a vote on the character of a single individual caught up in that process and struggling to come out on top.

I take exception to those who have portrayed the extended hearings in this case as nothing more than partisan politics. I have long maintained that the President of the United States, no matter who he or she might be, has the right to appoint individuals to the Federal bench whose philosophies are consistent with the administration in power. Partisanship on this issue should be part of the Presidential election and the American people ought to be aware of and vote on the future composition and direction of the highest courts of this land. But I want to state clearly for the record that my vote today is not on Mr. Wilkinson's judicial philosophy or party politics, and I do not believe that is the basis on which other Members of this body should make up their minds. And I do not believe that the lengthy confirmation process in this case was motivated by these concerns.

For those Members of the Senate who do not serve on the Judiciary Committee, I want you to know that an extraordinary hearing took place this week. For the first time in many years, the process by which candidates for the judiciary are evaluated by the American Bar Association was brought out into the open. Tuesday's hearing was not an inquiry into Mr. Wilkinson's views on judicial activism or States rights or civil rights. In fact, those topics were never considered. This hearing instead explored the role that the American Bar Association plays in assisting the executive branch and the Senate in appointing and confirming judicial nominees in general and in this nomination in particular. I am strongly of the opinion that this was an invaluable service to ourselves and to the American people. And I am equally of the opinion that some changes need to be made.

Certain facts about this case did come to light. High ranking officials in the Justice Department did disclose confidential matters about the ABA investigation to Mr. Wilkinson and others. In response to these disclosures a concerted and well-planned campaign was carried out, both by the nominee and the Justice Department, to influence the vote of the prestigious ABA standing committee on the judiciary. This conduct was objected to by the chairman and others members of the committee, leading to the private admonishment of the Deputy Attorney General by the ABA. Mr. Wilkinson was ultimately awarded a "qualified" rating by a vote of 10 to 4, with some members of the committee believing strongly that such an evaluation was merited, others believing that it was not. Having been made aware of the extent of the campaign waged by Mr. Wilkinson, some members of the ABA committee would like to reconsider that vote; others doubt that the outcome would be any different.

Given the nature of the evaluation process that is undertaken by the ABA, it was inevitable that a situation such as this would occur. During the hearing, it was freely admitted by both Ed Schmults, the former Deputy Attorney General and Mr. Frederick Buesser, the current chairman of the ABA standing committee, that there is "constant communication" between the Justice Department and the committee concerning judicial nominees. This communication concerns a great deal more than logistics or scheduling; it involves the particular qualifications of individual candidates. The ABA is not isolated from the Department of Justice in the judicial selection process; it has become an intrinsic part of that process. Potential nominees are submitted to the ABA committee long before those names are forwarded to the Senate. Without ABA approval, a nominee has little chance of getting through to confirmation; with ABA approval, the Senate, as a whole, infrequently subjects the qualifications of individual candidates to serious scrutiny. In that sense, the ABA screening has become the essence of the nomination and confirmation process. It was inevitable that this, or any other, administration's desire to place a particular candidate on the Federal bench come foursquare with the ABA procedures. The only surprise is that a lobby campaign to influence the ABA committee members, such as that conducted by Mr. Wilkinson, has not come to light sooner.

Looking at the larger picture, I believe this points to a dereliction of duty on the part of the U.S. Senate. This is not a reference to any one hearing. It is a comment on the process we have allowed to develop over an extended period of time, in which each and every one of us has participated. The Wilkinson hearing brought home to me that some changes need to be made. As the ranking member of the Senate Judiciary Committee, I am going to ask the chairman and others concerned about this issue to undertake a wholesale review of the way in which the Senate screens judicial nominees. I hope the American Bar Association and the Justice Department will join with me in this effort. I believe the Wilkinson case is a glaring example of the maxim that old habits do not necessarily make good habits.

Mr. President, let me address my vote on the nomination before us. I greatly admire Mr. Wilkinson's academic record and there is no doubt that he has achieved a great deal since his admission to the bar in 1973. It is not his experience or his political affiliation that troubles me. But I must say that I am gravely concerned by his response to these circumstances—perhaps the first time in his career that it

was suggsted he was not qualified for a position he sought.

I have no doubt of Mr. Wilkinson's sincerity when he stated that he believed his professional reputation to be at stake. It was. But I for one, believe that his actions could have been far more tempered and his judgment more steady. He could have conveyed to the committee members the information he considered important—about himself and his professional credentials—in a manner that would have maintained the integrity and confidentiality of the ABA evaluation process. His reaction, panic almost, was not what I hope to see by a candidate for one of the Nation's most important courts. As a consequence, I do not believe that Mr. Wilkinson exemplified the character or judicial temperament so important for a nominee to such high office.

For those reasons, I will reluctantly vote against cloture and against this nomination. I must say that I regret that the process that has been invoked has led to this result.

Mr. SPECTER. Mr. President, after listening to and considering the testimony at the additional hearing on Professor Wilkinson's nomination for the U.S. Court of Appeals for the Fourth Circuit, I am voting for cloture and in favor of the nomination.

I do so because of Professor Wilkinson's impressive academic background, his legal writings, and the keen intellect which he displayed during the course of the hearing, and because I do not believe him to be disqualified because of his efforts to persuade the American Bar Association committee to find him qualified. During this additional day's hearing, Professor Wilkinson testified at length, and I found him to be an impressive witness as he responded to a variety of questions including detailed responses on complex legal issues.

His academic record has always been impressive including Phi Beta Kappa standing at Yale, Order of the Coif at the University of Virginia Law School, and his service as an editor of the University of Virginia Law School Review. His experience as a clerk to Supreme Court Justice Powell and his tenure as a professor provide additional academic and professional qualifications. It would be preferable if he had significant trial experience; but I do not find that a disqualification given his other credentials.

As to his efforts to persuade the American Bar Association committee to find him qualified, I do not disagree with his testimony that he should not be faulted for seeking to defend his professional reputation.

As to the processes of the American Bar Association committee and the Department of Justice disclosures, I believe that substantial corrections are in order. Mr. Frederick G. Buesser, Jr., chairman of the American Bar Association committee, identified the inappropriate activities by the Department of Justice in his letter to the Honorable Edward C. Schmults and the Honorable Jonathan C. Rose in the first two paragraphs as follows:

Several members of our committee have been quite disturbed over what they feel has been a breach of confidentiality arising out of the Wilkinson appointment. In accordance with their suggestions I propose to make this a subject of discussion at our mid-year meeting in Las Vegas.

When we were discussing Mr. Wilkinson you will recall that I advised you that I believed any personal calls made on his behalf at or about the time a vote was being taken would be considered in bad taste and, therefore, quite counter-productive. Independent responses, both oral and written, from a number of Committee members have indicated that my estimate was accurate.

For the future, this matter should serve as a precedent that ABA confidence should not be breached to produce such a lobbying campaign.

As to the ABA procedures themselves, it is my judgment that significant changes are in order. As I suggested to Mr. Buesser, during the course of the hearings, two changes should be forthcoming:

First. There should be specific written rules which would govern the appointment of a second investigator. In the Wilkinson matter, it appeared that the second investigator might have been appointed as a device to obtain approval for the nominee when the first investigator found him unqualfied.

Second. There should be specific procedures for disseminating to all members of the committee all the information which comes into any individual member just as any factfinders, such as all members of a jury, should have all the information. All members of the committee should have all the relevant information. For example, it was conceded that all members of the committee did not know that Mr. Dunnings had been contacted by one of Professor Wilkinson's former law students, Mr. Melvin Hollowell, in an effort to have a black student contact a black committee member. While there may be disagreement about the weight to be given to that evidence, it was clear at the hearing that all present at the hearing believed that it was a significant matter which should have been known by all the committee members.

In my opinion, the additional day of hearings was very important to illuminate the American Bar Association procedures and, perhaps, to improve them for the future. One final note: Under the unanimous-consent agreement of the Senate, Mr. Justice Powell was listed as a witness. He declined the invitation in a brief letter as follows:

SUPREME COURT OF THE UNITED STATES,
Washington, DC, August 2, 1984.

Hon. STROM THURMOND,
Chairman, Senate Judiciary Committee,
Senate Office Building, Washington, DC.

DEAR SENATOR THURMOND: This is to thank you for the invitation to testify before the Judiciary Committee at a hearing next Tuesday on the nomination of J. Harvie Wilkinson, III, for a federal judgeship.

As I advised your Mr. Short who called me late this afternoon, I have nothing to add to my letter to Senators Kennedy, Biden and Metzenbaum of March 12, 1984.

Accordingly, I decline your invitation.

Sincerely,

LEWIS F. POWELL, Jr.

As I commented at the hearing, it is my opinion that it was up to the Committee on the Judiciary of the U.S. Senate rather than Justice Powell, to determine whether he had anything to add.

When I learned of his declination on August 3, I wrote to him as follows:

U.S. SENATE,
Washington, DC., August 3, 1984.

Hon LEWIS F. POWELL, Jr.,
The Supreme Court of the United States,
U.S. Supreme Court Building,
Washington, DC.

DEAR JUSTICE POWELL: I respectfully urge you to reconsider your declination of the Senate's request for your testimony on the pending nomination of Professor J. Harvie Wilkinson.

In my judgement there are significant questions on which you have much to add.

In the event you do not appear at the Tuesday hearing, I request that you respond in advance of 3:00 p.m. on Thurdsay, August 9, 1984, the time of the Senate cloture vote on the nomination, to the following questions:

1. Prior to the time that Mr. Howard first contacted you in the summer of 1983, did you have any contact with Mr. Wilkinson regarding his interest in or candidacy for a judgeship on the Court of Appeals? Have you had any subsequent contact with Mr. Wilkinson regarding your contacts with ABA committee members? Please specify.

2. Have you ever been contacted by former Deputy Attorney General Edward C. Schmults, former Assistant Attorney General Jonathan C. Rose, or any other official or employee of the Justice Department or the Administration in connection with Mr. Wilkinson's nomination to the Court of Appeals? Please specify.

3. In your letter of March 12, 1984 to Senators Kennedy, Biden and Metzenbaum, you stated that you called Mr. Lafitte " on my own initiative," but a Washington Post article of March 8, 1984, purporting to be based upon an interview with you, states that "Powell said that he was asked by one of the [other two ABA] callers to contact a third committee member and did so." Please clarify.

4. The evaluation criteria applied by the ABA Standing Committee on Federal Judiciary provide that "substantial trial experience (as a lawyer or a trial judge) is important for prospective nominees to both the appellate courts and the trial courts," and that for appellate court nominees the Committee may place "somewhat" less emphasis on the importance of "extensive trial experience."

(a) At the time you wrote the March 12 letter, were you familiar with these criteria?

(b) Would it be correct to assume, in light of Mr. Wilkinson's lack of trial experience, that your statement that Mr. Wilkinson is "fully qualified to serve on a Court of Appeals" was made outside of the context of the ABA rules?

5. In an article published on April 9, 1984 in the Virginian-Pilot, reference is made to a telephone interview with you in which you are reported to have said that suggestions that you pressured ABA members to support Mr. Wilkinson were "absurd."

(a) Did you consider the possibility that an unsolicited telephone call from a sitting U.S. Supreme Court Justice to a practicing attorney in New Orleans might, regardless of intentions, have the effect of exerting pressure?

(b) Did you perceive any distinction between offering your opinion, as a Supreme Court Justice, on the qualifications of a judicial candidate in response to an inquiry from an ABA committee member specifically responsible for soliciting comments, and offering your opinion on your own initiative to another committee member not responsible for seeking comments on the candidate's qualifications?

(c) Do you consider it as having an appearance of undue influence by evidence outside the Committee's record for a committee member to have received such a call?

6. You state in your March 12 letter that it is "not unusual for federal judges to be asked their opinion as to the qualifications of persons under consideration for appointment to the federal bench."

(a) In your experience, is it equally commonplace for federal judges to offer such an opinion to an ABA committee member who has not requested it?

(b) Are you aware of any specific instances in which this has occurred in the past?

Respectfully,

ARLEN SPECTER.

On August 9, 1984, I received the following letter from Justice Powell:

SUPREME COURT
OF THE UNITED STATES,
Washington, DC., August 9, 1984.

DEAR SENATORS SPECTER, KENNEDY, AND METZENBAUM: Your respective letters of August 3 and 5 were received during my absence at the American Bar Association meeting in Chicago. I am responding out of respect for the Senate, and in recognition of the importance of your constitutional duty to give "advice and consent" on judicial appointments. As the letters are similar in most respects, I make this joint rely.

The issue before the Judiciary Committee and the Senate, as I understand it, is whether Professor Wilkinson—who has been nominated by the President—is qualified to serve as a Federal Court of Appeals Judge. With all respect, it seems to me that your questions are irrelevant to whether Professor Wilkinson has the requisite qualifications.

I nevertheless address briefly what seem to me to be your principal concerns. I have expressed no views concerning Professor Wilkinson to any member of the ABA Committee other than those specified in my March 12 response to the letter of March 9 from Senators Kennedy, Biden and Metzenbaum. Nor have I submitted any statement or material to the ABA Committee.

Professor Wilkinson, whom I have known since his childhood, called me a number of times—as he has over the years. He was deeply distressed, understandably so, by charges that he was insensitive to the rights of women and minorities—charges that are refuted by his numerous published writings as well as by his reputation with students and faculty members at the University of Virginia Law School. I do not recall that he ever requested me to take any action on his behalf.

Deputy Attorney General Schmults also called me and inquired whether I would speak to members of the ABA Committee. I did not agree to make any calls. I called Mr. Lafitte only because Mr. Lane advised me that the committee member from my state of Virginia had given a negative report on Professor Wilkinson. (See my letter of March 12.)

One of the questions in the memorandum attached to the letter from Senators Kennedy and Metzenbaum asked my views as to Advisory Opinions Nos. 57 and 59, which interpret the Code of Judicial Conduct. It is clear, I believe, that my conversations with Messrs. Howard, Lane and Lafitte were entirely consistent with these Advisory Opinions. I had nothing to do with the submission of Professor Wilkinson's name to the President or the President's consideration of Professor Wilkinson's qualifications. Although it apparently would have been appropriate under Advisory Opinion 59 for me to do so, I did not communicate directly or indirectly with the ABA Committee, or any of its members, prior to the inquiries made of me. (See my letter of March 12.)

I believe the foregoing statements are factually accurate, though your questions covered virtually an entire Term of Court during which my attention and thought centered on the demanding duties here.

In accordance with the affirmative "responsibility" of judges stated in Advisory Opinion 59, I now add the the following. I practiced law in state and federal courts actively for 35 years, and have served on this Court for more than 12 years. In light of this experience, I know and appreciate the importance of high quality on the bench. As I advised Mr. Howard, I would not think Professor Wilkinson qualified to serve on a District Court because of his lack of trial experience. But I worked with him closely for the year-and-a-half he served as my law clerk, and I have no doubt that he is qualified to serve—with credit to himself and the federal judicial system—as a Court of Appeals Judge. This is the substance of all that I have ever said to any member of the ABA Committee.

Sincerely,

LEWIS F. POWELL, Jr.

As is evident, had Justice Powell honored the Senate's request to appear, there would have been an opportunity for eliciting responses to significant, unanswered questions.

Mr. MATHIAS. Mr. President, the nominee, J. Harvie Wilkinson III, is clearly an intelligent, personable, and popular young man. He has attracted remarkable support from his students at the University of Virginia, his colleagues in the Department of Justice, and his senior mentors. He was written books, articles, and editorials that prove his competence in expressing himself in writing. But he is without practical experience in a courtroom and a large part of the responsibility of an appellate judge is to evaluate the propriety of procedures in courtrooms.

This was of concern to the American Bar Association.

Mr. Frederick Buesser, chairman of the ABA Standing Committee on the Federal Judiciary, addressed the concern in testimony before the Senate Judiciary Committee noting that appellate judges generally sit in panels of three, he said:

> You have two senior people, hopefully, one on each side of you, to keep you from error, and you are getting well trained and in a couple of years, as several of the learned highest judges of the land reported, he will pick this up in short order—there's nothing to it.

It sounds to me that the American Bar Association recommends something similar to a restricted license to operate a motor vehicle under limited conditions such as daylight only or when wearing specified vision aids. But the Constitution does not envision a limited license for appellate judges. Once nominated and confirmed a judge appointed under the authority of article III of the Constitution is vested for life with the plenary powers of a Federal judge. A judge's authority can never be restrained or restricted. A judge emerges whole and complete from the confirmation process. If, as the American Bar Association suggests, Mr. Wilkinson is in need of further experience and maturity, it is difficult to see how the Senate can, in conscience, confirm him.

The notion that Federal appellate judges ought to be men and women with substantial experience in the practice of law is neither an arbitrary requirement, nor an excuse for avoiding the infusion of new blood in the ranks of judges. It is, on the contrary, a criterion that reflects our invariable practice in filling vacancies on the Federal courts of appeal, and that embodies sound conclusions about judicial temperament.

Common sense tells us that there is a reason why appellate judges need extensive experience in the law before ascending the bench. Judges are not simply scholars or philosophers, though the best ones may be scholarly or philosophical. They are men and women who must decide real cases involving real disputes among real litigants. In the case of appellate judges, they must decide the case on the basis of a cold record compiled in the trial court. The irreplaceable role of experience is to enable a judge to bring a case to life, to glean from the frozen words of a trial record the vital dispute that is before the appellate court for resolution. This is a difficult task for any judge, but it would be particularly difficult for a judge who has never tried a case, counseled a client, or applied his knowledge of the law to the resolution of real disputes between individuals of flesh and blood.

The history of nominations to the Federal courts of appeals tells us that the experience criterion is not a novel idea. The views of some of our Na-

tion's most distinguished jurists reiterate the same theme. Justice Oliver Wendell Holmes told us many decades ago that "the life of the law has not been logic; it has been experience." But it was Justice Benjamin Cardozo who applied this maxim to the situation that we confront here today. In his essay, "The Growth of the Law," Cardozo wrote:

> The lawyer cannot rise to the full measure of his power in persuading, nor the judge to the full measure of his power in deciding, without an understanding of the process which the one attempts to control and the other to pursue.

In other words, no judge can be fully successful without experience in the practice of law generally, and in the conduct of litigation in particular.

The Senate should heed Cardozo's advice. We should decline to consent to Mr. Wilkinson's nomination to be U.S. circuit judge, so that he will have the opportunity to gain the experience that may well, in due course, qualify him to serve with distinction on the U.S. Court of Appeals for the Fourth Circuit.

I reach this conclusion reluctantly and regretfully, and I reach it without prejudice to a further consideration of Mr. Wilkinson's obvious talents for a similar judicial appointment or for another post at some time in the future. Having reached this conclusion, I seek no further delay and shall vote for cloture but against confirmation.

CLOTURE MOTION

The PRESIDING OFFICER. The hour of 3 p.m. having arrived, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provision of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the nomination of James Harvie Wilkinson III, of Virginia, to be United States Circuit Judge for the Fourth Circuit.

Senators Howard Baker, Ted Stevens, Strom Thurmond, Bob Kasten, Paul Trible, John East, Slade Gorton, Pete Wilson, Chic Hecht, William D. Armstrong, Daniel Evans, Jesse Helms, Orrin Hatch, Jeremiah Denton, Thad Cochran, and Paul Laxalt.

VOTE

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived. The question is, Is it the sense of the Senate that debate on the nomination of James Harvie Wilkinson III, of Virginia, to be U.S. circuit judge for the fourth circuit shall be brought to a close? The yeas and nays are required and the clerk will call the roll.

Mr. KENNEDY addressed the Chair.

Mr. BYRD. Mr President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the presence of a quorum.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HECHT). Without objection, it is so ordered.

The question is, Is it the sense of the Senate that debate on the nomination of James Harvie Wilkinson III, of Virginia, to be U.S. circuit judge for the fourth circuit shall be brought to a close? The yeas and nays are mandatory under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Alabama [Mr. HEFLIN], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The yeas and nays resulted—yeas 65, nays 32, as follows:

[Rollcall Vote No. 225 Ex.]

YEAS—65

Abdnor	Garn	Pell
Andrews	Goldwater	Percy
Armstrong	Gorton	Pressler
Baker	Grassley	Quayle
Baucus	Hatch	Randolph
Boren	Hatfield	Roth
Boschwitz	Hawkins	Rudman
Chafee	Hecht	Simpson
Chiles	Heinz	Specter
Cochran	Helms	Stafford
Cohen	Humphrey	Stennis
D'Amato	Jepsen	Stevens
Danforth	Kassebaum	Symms
DeConcini	Kasten	Thurmond
Denton	Laxalt	Tower
Dixon	Long	Trible
Dole	Lugar	Wallop
Domenici	Mathias	Warner
Durenberger	Mattingly	Weicker
East	McClure	Wilson
Evans	Murkowski	Zorinsky
Exon	Nickles	

NAYS—32

Biden	Hart	Metzenbaum
Bingaman	Hollings	Mitchell
Bradley	Huddleston	Moynihan
Bumpers	Inouye	Nunn
Burdick	Johnston	Packwood
Byrd	Kennedy	Proxmire
Cranston	Lautenberg	Riegle
Dodd	Leahy	Sarbanes
Eagleton	Levin	Sasser
Ford	Matsunaga	Tsongas
Glenn	Melcher	

NOT VOTING—3

Bentsen	Heflin	Pryor

The PRESIDING OFFICER. On this vote, the yeas are 65, the nays are 32. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Under the previous order, the Senate will now vote on the question: Will the Senate advise and consent to the nomination of James Harvie Wilkinson III, of Virginia, to be U.S. circuit judge for the fourth circuit?

Mr. BAKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. BAKER. Mr. President, I withdraw my request.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. On this question, the yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Alabama [Mr. HEFLIN], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 58, nays 39, as follows:

[Rollcall Vote No. 226 Ex.]

YEAS—58

Abdnor	Exon	Nickles
Andrews	Garn	Percy
Armstrong	Goldwater	Pressler
Baker	Gorton	Quayle
Baucus	Grassley	Roth
Boren	Hatch	Simpson
Boschwitz	Hawkins	Specter
Chafee	Hecht	Stafford
Cochran	Heinz	Stennis
Cohen	Helms	Symms
D'Amato	Humphrey	Thurmond
Danforth	Jepsen	Tower
DeConcini	Kassebaum	Trible
Denton	Kasten	Wallop
Dixon	Laxalt	Warner
Dole	Long	Weicker
Domenici	Lugar	Wilson
Durenberger	Mattingly	Zorinsky
East	McClure	
Evans	Murkowski	

NAYS—39

Biden	Hatfield	Mitchell
Bingaman	Hollings	Moynihan
Bradley	Huddleston	Nunn
Bumpers	Inouye	Packwood
Burdick	Johnston	Pell
Byrd	Kennedy	Proxmire
Chiles	Lautenberg	Randolph
Cranston	Leahy	Riegle
Dodd	Levin	Rudman
Eagleton	Mathias	Sarbanes
Ford	Matsunaga	Sasser
Glenn	Melcher	Stevens
Hart	Metzenbaum	Tsongas

NOT VOTING—3

Bentsen	Heflin	Pryor

So the nomination was confirmed.

Mr. TRIBLE. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the

Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TRIBLE. Mr. President, I want to express my sincere appreciation to all my colleagues, Republicans and Democrats alike, for their consideration of J. Harvie Wilkinson III, soon to be Judge J. Harvie Wilkinson III of the 4th Circuit Court of Appeals.

My special thanks go to the distinguished majority leader, HOWARD BAKER, and the distinguished chairman of the Judiciary Committee, STROM THURMOND, for their wise counsel and steadfast support during this long, arduous, and untimely sucessful nomination process.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

AGRICULTURE APPROPRIATIONS, 1985

The Senate continued with the consideration of H.R. 5743.

Mr. BAKER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The amendment by the Senator from New Jersey, No. 3670, to the agriculture appropriations bill.

Mr. BAKER. I thank the Chair.

Mr. President, it is the hope of the leadership on this side that we can finish the agriculture appropriations bill today. I am advised that it may not take a terribly long time to do that. I hope not.

We are also waiting for the conference report with the House of Representatives on the supplemental appropriations bill. I have now learned, with some regret, that that conference will not begin until 5:30 p.m.

Mr. President, if it is clear that we are not going to get a conference report back tonight—and I think it is increasingly unlikely that we will, I will consult with the minority leader first; but it would be my preference, and perhaps my intention, after conferring with the minority leader, to ask the Senate to go over until tomorrow, after we finish the agriculture bill and other formalities with which we have to deal.

I will have a further announcement to make on that a little later. I thank all Senators for giving me the opportunity to make this announcement.

AMENDMENT NO. 3670

Mr. LAUTENBERG. Mr. President, am I correct in assuming that we are now back to the pending business?

The PRESIDING OFFICER. The Senator is correct.

Mr. LAUTENBERG. Mr. President, before my amendment was laid aside under the previous order, I had explained the background and the need for this amendment.

To summarize, New York maintains a licensing scheme that keeps milk processors from other States from entering their market. I said it hurts the dealers who want to compete, it hurts the farmers who want a choice of outlets and want increased consumption of milk that competition will bring, and it hurts consumers, who pay up to 52 cents a gallon more for milk in New York than in New Jersey.

I had made clear that the amendment does not direct itself to Federal marketing orders, to Federal price supports, or to agricultural guidelines.

The amendment calls for a study of a State law that impedes competition in interstate commerce—a study that is clearly authorized by existing law, and to which the Secretary of Agriculture has no objection, it is a study that is supported by a variety of groups.

Perhaps if the USDA conducts the study called for in this amendment and confirms that unreasonable restrictions on market entry hurt consumers by restricting supplies or increasing prices, then New York may reexamine its law which was passed roughly 50 years ago.

New York's law is anachronistic. It impedes competition. It hurts the consumer. The USDA would make a significant contribution to the body of knowledge about the milk industry, if it conducts the study we propose, if it details the consequences of antiquated laws, and the need for change.

Mr. President, aside from the protected milk processors, all parties concerned should have an interest in this study. It is in the interests of dairy farmers to know which costs are being added to the final price of their product, additional costs that do not accrue to their benefit, but only serve to depress consumption. It is in the interests of consumers—consumers in New York—to know why they pay up to 52 cents a gallon more than neighbors across the river and why a family of four could pay up to $150 more a year, if not more because of a statutory scheme that protects a handful of noncompetitive businesses. Mr. President, I think we should find the answers.

Mr. President, I ask unanimous consent that some additional materials be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. LAUTENBERG. Mr. President, I note also that my colleague from New Jersey, Senator BRADLEY, has joined as a cosponsor of this amendment.

I urge its adoption.

EXHIBIT 1

THE PUBLIC ROLE IN THE DAIRY ECONOMY—WHY AND HOW GOVERNMENTS INTERVENE IN THE MILK BUSINESS

(Alden C. Manchester)

RESTRICTING COMPETITION

Inevitably, regulation of the prices which milk was sold at wholesale and retail also involved regulation of other competitive practices. Discounts were obviously a part of the price, so they required immediate regulation. Nonmonetary services to retailers also had to be regulated, or the price regulation would be undercut. In-store equipment (milk coolers) and in-store labor were the most prominent such services, but there were many others.

There is a strong tendency for the objective of preserving competition to be translated into the preservation of competitors, which soon came to mean those now in the business. That can lead to the exclusion of new entrants. In a few States, rules for licensing of milk dealers became restrictive. New York's milk control law provided that additional licenses should not be issued when they might lead to "destructive competition." This provision was interpreted very tightly by the New York authorities, in one case leading to denial of a license in Geneva where only two dealers were already licensed. Since licenses were issued for particular markets, when markets began to grow in size in the fifties, a dealer needed a new license to expand the scope of his distribution. These too were hard to get. (Spencer and Christiansen, 1955, pp. 38–41, 90–92.)

In a few other States, somewhat similar licensing regulations are used to restrict the entrance of new firms. The Virginia situation parallels that in New York fairly closely. In Oregon, restrictive licensing was overturned by the Oregon Supreme Court in 1951, in a case involving the expansion of Safeway Stores distribution from its Portland plant into Salem.

Georgia milk control attempted to limit competition through limits on the issuance of licenses and other, more imaginative means. In one case, a price-cutting firm in Savannah was disciplined by removal of price controls from the Savannah market for a short period, while the larger competing firms carried on a price war. Only 17 days were required to exhaust the resources of the price-cutter (Harris, 1966, pp. 58–60). State controls quickly returned to the Savannah market.

Many states expanded the regulation of resale prices into regulation of trade practices. Others embarked on trade practice regulation alone. All of this was a response to the competitive pressures discussed in Chapter 7. Such laws were on the books in 28 states in 1976 (Shaw and Levine, 1978). Probably they are effective in only a handful where enforcement is vigorous. Eight require price filing, which tends to maintain prices more effectively than other means. Nearly all prohibit sales below cost and eight define cost by a percentage markup. Sometimes the markup has been set at a high level. The effects of such regulation are likely minimal in most of the country, but there are some exceptions.

EXHIBIT 2.—INTERNATIONAL ASSOCIATION OF MILK CONTROL AGENCIES SUPERMARKET MILK PRICE SURVEY SUMMARY, MAY 7–11, 1984

Market	Quarts, paper		½ gal.				Gallons				Class I price 3.5 percent butterfat	Minimum butterfat content of whole milk
			Paper		Plastic		Paper		Plastic			
	Range	Prevailing price	Range	Prevailing price	Range	Prevailing price	Range	Prevailing price	Range	Prevailing price		
Whole milk												
Arizona: Phoenix	57–58	58	92–98	96					181–197	197		3.5
California:												
Los Angeles	55–60	57	97–104	103					191–203	201	14.27	3.5
Sacramento		56	99–101	99					195–196	195	14.03	3.5
San Francisco	55–56	56	95–99	99					185–195	195	14.03	3.5
Colorado: Denver	63–70	67	113–133	131					229–250	250	[1] 15.42	3.2
Georgia: Dalton	61–79	63	115–139	118					205–215	215		
Hawaii: Honolulu	98–105	99	157–168	168					299–330	329	[1] 21.33	3.3
Iowa:												
Cedar Rapids	62–73	63	101–115	101					199–204	199	[1] 14.33	3.25
Council Bluffs	60–78	60	97–137	97					179–269	179	[1] 14.33	3.25
Des Moines	61–63	63	99–106	99					143–199	189	[1] 14.33	3.25
Kentucky: Frankfort	73–75	73	128–139	129	128–139	129			179–249	199	14.78	3.25
Maine:												
Augusta	56–58	58	100–107	100	104–111	106	153–157	153	195–210	195	15.08	3.25
Bangor	57–58	58	100–106	106		110			195–205	195	15.08	3.25
Minnesota:												
Duluth	62–75	69	110–130	123					220–245	238	[1] 13.81	3.25
Mankato	63–70	65	99–110	104					207–220	207	[1] 13.81	3.25
Moorhead	59–65	59	110–125	118					236–245	240	[1] 13.81	3.25
Minneapolis/St. Paul	54–79	59	94–110	99		89			179–220	197	[1] 13.81	3.25
Mississippi: Starkville						109				209		
Montana: Statewide		67		131						262	14.93	3.25
Nebraska: Omaha	60–78	60	97–137	97					179–269	179	[1] 14.33	3.25
Nevada:												
Elko		65		117						233	13.98	3.5
Las Vegas		54		105					209–213	209	13.68	3.5
Reno		61	104–109	104	104–109	104			206–209	206	14.03	3.5
New Jersey:												
North Jersey	56–62	57	99–109	105					195–209	203	[2] 14.33	3.25
South Jersey	51–65	51	95–109	95					187–199	187	[2] 14.92	3.25
New York:												
Albany		58	112–113	113					223–225	223	[2] 14.33	3.40
New York City	53–72	[4] 63	95–139	[4] 118					189–269	[4] 226	[2] 14.33	3.40
Rochester	57–85	63	108–139	119					218–248	239	[2] 14.33	3.40
Syracuse	51–63	57	93–107	99					185–211	199	[2] 14.33	3.40
North Carolina:												
Asheville	69–83	73	119–157		129–149				199–233	209	15.89	3.25
Charlotte	73–95		99–165		137–155				189–229	199	15.89	3.25
Greensboro	75–85	75	135–159	135	129–149	139			189–239	199	15.89	3.25
Raleigh	85–89	85	145–157		145–155	149			199–259	199	15.89	3.25
Winston-Salem	63–75	75	119–139		125–139				185–229	185	15.89	3.25
North Dakota:												
Bismarck		59		118				236		242	[1] 13.24	3.25
Dickinson		60		119				238		244	[1] 13.24	3.25
Fargo		59		117				231		237	[1] 13.24	3.25
Grand Forks		59		118				236		242	[1] 13.24	3.25
Williston		61		121				242		248	[1] 13.24	3.25
Ohio:												
Cincinnati		77		113						199	[1] 14.38	3.25
Columbus	69–88			121					199–209		[1] 14.38	3.25
Oklahoma:												
Oklahoma City	63–79	63	106–149	117		119			212–289	233	[1] 14.99	3.25
Tulsa	64–85	64	102–148	108		112			204–275	215	[1] 14.99	3.25
Pennsylvania:												
Altoona/Johnstown	52–60	52	100–111	101			201–206			204		3.25
Harrisburg	53–54	53		102				203		198		3.25
Philadelphia	49–79	54	95–109	99	97–100		192–209	192	181–204	189		3.25
Pittsburgh	54–69	55	97–101	97					190–193	190		3.25
Scranton/Wilkes Barre	51–53	51		101						200		3.25
South Carolina:												
Charleston	75–83	79	99–143	139	123–143	139			199–239	199		3.25
Columbia	67–89	79	119–155	143	127–155	143			199–239	199		3.25
Greenville	69–75	73	119–139	139	135–147	135			179–229	199		3.25
Utah:												
Provo	58–62	59	101–108	104					169–192	183	13.96	3.2
Salt Lake City	59–63	61	103–108	107					179–191	189	13.96	3.2
Vermont:												
Barre	59–62	59	106–109	106					199–209	199		3.5
Berlin	59–62	59	104–108						199–211	199		3.5
Montpelier	59–62	59	106–109	106					199–209	199		3.5
South Barre		58	107–108	107					199–213	199		3.5
Virginia:												
Eastern	68–87	67	113–148	117		29			199–239	199	15.86	3.25
Southwest	63–79	68	107–135	122					189–235	199	15.46	3.25
Western	60–85	75	105–155	199		125			179–249	197	15.66	3.25
Washington: Seattle Area	59–61	59	115–117	115					219–223	223	13.93	3.25
Wisconsin: Madison	56–59	57	97–104	99	98–104	102			173–199	173	[1] 14.19	3.25
LOW-FAT MILK												
Arizona: Phoenix		55	89–99	99					175–191	191		
California:												
Los Angeles	53–59	55	96–102	100					189–199	199		
Sacramento	54–56	55	97–99	98					184–187	184		
San Francisco	53–55	54	93–98	98					177–188	184		
Colorado: Denver	62–65	64	109–127	120					219–243	240		
Georgia: Dalton	59–60	60	105–129	110					199–209	205		
Hawaii: Honolulu	94–105	105	167–169	167			289–330	329				
Iowa:												
Cedar Rapids	60–69	61	95–109	99					173–199	173		
Council Bluffs	55–71	62	89–133	93					155–205	169		
Des Moines		58	89–106	91					121–181	169		
Kentucky: Frankfort		73	125–135	125	125–135	125			160–200	100		
Maine:												
Augusta		58	100–111	100	104–111	106			195–210	195		
Bangor	55–58	58	100–106	106		110			195–205	195		
Minnesota:												
Duluth	59–73	65	102–120	113					200–230	226		
Mankato		63	96–105	97					191–210	197		

EXHIBIT 2.—INTERNATIONAL ASSOCIATION OF MILK CONTROL AGENCIES SUPERMARKET MILK PRICE SURVEY SUMMARY, MAY 7–11, 1984—Continued

Market	Quarts, paper		½ gal.				Gallons				Class I price 3.5 percent butterfat	Minimum butterfat content of whole milk
			Paper		Plastic		Paper		Plastic			
	Range	Prevailing price	Range	Prevailing price	Range	Prevailing price	Range	Prevailing price	Range	Prevailing price		
Minneapolis/St. Paul	54–65	57	86–100	92	86	86			163–200	183		
Moorhead	57–65	59	100–120	113					200–230	226		
Mississippi: Starkville						109				179		
Montana: Statewide		63		124						246		
Nebraska: Omaha	55–71	62	89–133	93					155–205	169		
Nevada:												
Elko		63		115						229		
Las Vegas		52		103						205		
Reno		58		102		102				202		
New Jersey:												
North Jersey	56–75	59	97–129	105					179–199	189		
South Jersey	49–69	50	91–119	93					167–191	177		
New York:												
Albany				109								
New York City	53–79	[4] 66	99–135	[4] 119								
Rochester			79–135	113								
Syracuse			89–107	95								
North Carolina:												
Asheville			127–157		127–147				149–229	205		
Charlotte			99–145		143–153				149–219	189		
Greensboro			139–141		119–143				189–239	189		
Raleigh			153–159		145–155				195–209	205		
Winston-Salem			119–129		119–137				149–229			
North Dakota:												
Bismarck		57		113				226		232		
Dickinson		57		114				228		234		
Fargo		56		111				219		223		
Grand Forks		57		113				226		232		
Williston		58		116				232		238		
Ohio:												
Cincinnati		75		111						168		
Columbus		60	99–119							168		
Oklahoma:												
Oklahoma City	60–74	60	102–149	116		115			206–289	231		
Tulsa	63–84	63	107–129	106	109–119	115			198–230	212		
Pennsylvania:												
Altoona/Johnstown	52–58	52	99–103	100						202		
Harrisburg	52–53	53	100–001	101						196		
Philadelphia	51–61	53	93–109	99					177–201	186		
Pittsburgh		54	96–100	96					188–192	188		
Scranton/Wilkes-Barre		51	101–102	101						200		
South Carolina:												
Charleston	69–81	79	99–147	139	129–130	130			149–219	189		
Columbia	69–89	79	103–159	139	130–133	130			149–229	189		
Greenville		73	119–141	139	130–133	130			169–225	169		
Utah:												
Provo	53–59	53	96–103	99					169–183	179		
Salt Lake City	56–60	59	98–104	99					171–187	183		
Vermont:												
Barre		62	106–109	106					189–209	189		
Berlin		65	105–114						169–209			
Montpelier			107–109	107					205–209	205		
South Barre		59		107					168–207	168		
Virginia:												
Eastern	66–78	69	109–155	115					197–219	197		
Southwest	63–77	67	102–127	115					185–215	189		
Western	68–77	73	105–129	117					175–205	189		
Washington: Seattle Area	56–69		109–114	112					215–219			
Wisconsin: Madison	54–57	56	84–95	87	87–95				145–167	147		
SKIM MILK												
Arizona: Phoenix	47–51	49		83					155–159	157		
California:												
Los Angeles	44–48	48	83–90	88					161–174	169		
Sacramento	42–46	46	84–85	84					159–165	165		
San Francisco	44–46	46	83–87	86					163–167	165		
Colorado: Denver	59–63	60	93–116	110					200–202	202		
Georgia: Dalton			105–129	109						179		
Hawaii: Honolulu	93–105	105	129–174	168								
Iowa:												
Cedar Rapids	59–73	59	92–105	79					168–175	168		
Council Bluffs	49–62	62	85–123	89					143–197	149		
Des Moines		57	81–96	81					111–161	153		
Kentucky: Frankfort			125–135		125–135				159–179	179		
Maine:												
Augusta	56–98	58	100–107	100								
Bangor	57–58	58		106								
Minnesota:												
Duluth	55–73	60	86–110	95					170–200	188		
Mankato		59	80–95	89					160–180	177		
Minneapolis/St. Paul	46–59	49	72–85	77		77			135–160	153		
Moorhead	54–70	55	93–110	101					202–220	215		
Montana: Statewide		57		113						226		
Nebraska: Omaha	49–62	62	85–123	89					143–179	149		
Nevada:												
Elko		60		107						213		
Las Vegas		50		98						195		
Reno		54		98						196		
New Jersey:												
North Jersey	56–65	59	93–110	105					173–199			
South Jersey	48–59	49	89–109	91					159–189	165		
New York:												
Albany			101–106	101								
New York City	49–79	[4] 66										
Rochester			83–125	104								
Syracuse			79–105	89								
North Carolina:												
Asheville			119–157	139								
Charlotte			133–149			143				189		
Greensboro			131–143			143				189		
Raleigh			129–155									
Winston-Salem			119–135									

EXHIBIT 2.—INTERNATIONAL ASSOCIATION OF MILK CONTROL AGENCIES SUPERMARKET MILK PRICE SURVEY SUMMARY, MAY 7–11, 1984—Continued

Market	Quarts, paper		½ gal.				Gallons				Class I price 3.5 percent butterfat	Minimum butterfat content of whole milk
			Paper		Plastic		Paper		Plastic			
	Range	Prevailing price	Range	Prevailing price	Range	Prevailing price	Range	Prevailing price	Range	Prevailing price		
North Dakota:												
Bismarck		54		107				214		220		
Dickinson		54		108				216		222		
Fargo		53		104				203		209		
Grand Forks		54		107				214		220		
Williston		55		110				220		226		
Ohio:												
Cincinnati		75		111						159		
Columbus	59–75		95–137							159		
Oklahoma:												
Oklahoma City	45–74	45	89–141	89		89			189–205	189		
Tulsa		45	92–109	89	96–110	110			184–209	189		
Pennsylvania:												
Altoona/Johnstown	49–59	49	94–109	95					188–197	192		
Harrisburg	49–52	50	94–96	96						186		
Philadelphia	48–73	52	90–100	96					171–195	179		
Pittsburgh	52–69	52		93						182		
Scranton/Wilkes Barre	47–48	48	93–95	95						184		
South Carolina:												
Charleston	69–79	75	99–145	139		130			189–209	189		
Columbia	67–79	75	119–145	143		130			179–209	189		
Greenville	69–73	71	133–141	135	130–139	139			149–179	149		
Utah:												
Provo	50–56	51	90–95	91					159–172	170		
Salt Lake City	50–58	55	90–99	95					169–179	175		
Vermont:												
Barre		62		106								
Berlin		62		106								
Montpelier		61		106								
South Barre		58		107								
Virginia:												
Eastern	62–87	62	89–155	105					179–212	199		
Southwest	57–68	61	99–135	103					149–199	159		
Western	61–79	71	96–145	99					169–189	189		
Washington: Seattle area		49	91–95	93								
Wisconsin: Madison	52–55	52	73–94	85	83–89	87			137–158	137		

[1] Includes premium.
[2] 201 to 210 mile zone.
[3] F.o.b. plant 0 to 55 mile zone.
[4] Average price.

EXHIBIT 3

STATE OF NEW JERSEY,
DEPARTMENT OF AGRICULTURE,
Trenton, July 26, 1984.

Re: New York's Restrictive Milk Dealer Licensing Policy.

Hon. FRANK LAUTENBERG,
Senate Office Building, Washington, DC.

DEAR SENATOR FRANK LAUTENBERG: Your interest in making it possible for New Jersey's milk dealers to obtain licenses to sell milk in New York is greatly appreciated.

For many years New York has enforced restrictive licensing of milk dealers located within and without New York. Consequently, New Jersey dealers have not been able to expand their sales of milk into that state. New Jersey has no such restrictive licensing policy and has licensed dealers from New York, Pennsylvania and other states who wish to sell milk in our state.

Philosophically, we strongly oppose restrictive licensing because we believe that such policy restricts competition and causes consumers to pay unnecessarily high prices for milk. New Jersey's milk control program is one of the oldest in the nation, and our milk prices are among the lowest in the nation. We believe that these low prices reflect a healthy competitive market climate.

It is our understanding that you intend to introduce legislation which would direct the United States Secretary of Agriculture to conduct a study of state restrictive licensing practices and their impact upon consumer milk prices. Hopefully such study would point up the inherent evils of the practice and cause New York, and any other state which may be exercising such policy, to relax their restriction on market entry.

We congratulate you upon your efforts in this area and will assist you in any way that we can.

Sincerely,

ARTHUR R. BROWN, Jr.

NEW JERSEY MILK INDUSTRY
ASSOCIATION, INC.,
Trenton, NJ., July 27, 1984.

Hon. FRANK LAUTENBERG,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR FRANK LAUTENBERG: I would like to bring to your attention a problem that has troubled the members of our Association for some time.

New York State has a milk licensing law that effectively bans out-of-state milk dealers from soliciting accounts, and thus from selling, milk in New York. Section 258-C of Article 21 of the New York State Agriculture & Markets Act give the Commissioners of Agriculture & Markets the authority to deny a license if he finds "that the issuance of the license will tend to a destructive competition in a market already adequately served". This same test (applied by counties) holds for New York dealers as well. Thus competition is restricted both internally and externally.

Unfortunately for the general public of New York, the application of this law has resulted in consumer milk prices considerably higher than in neighboring states.

For example, consumers in North Jersey paid a prevailing price of $2.03 in May 1984 for a gallon of whole milk while in New York City, consumers paid an average price of $2.26 and consumers in Philadelphia paid a prevailing price of $1.89. All dealers in these markets pay (within a few pennies per hundred pounds) the same price for their raw milk.

Several of our members would like to be licensed to sell milk in New York. Two operate or supply an affiliated chain of convenience stores in the Northeast. Both have been denied New York licenses. A third supplies most of the stores of a National Supermarket chain here in the Northeast but has been denied a New York license to supply those stores located in New York.

It is the opinion of this Association that such a law restricts competition and thus imposes an economic burden on consumers and results in higher prices for them.

Several years ago the USDA conducted a nationwide study of milk regulations (in particular—pricing regulations) by states and their effect on the consumer price of milk. It resulted in many states reevaluating and reforming their regulations often to the advantage of consumers.

If a study were undertaken by USDA to examine the effects of state licensing (nationwide), consumers may again benefit if restrictive state licensing laws are reviewed and reformed.

Any help and assistance you and your staff can give to such a study would be greatly appreciated by our Association and its individual members.

Very truly yours,

DANIEL F. WETTLIN III.

H. P. HOOD INC,
Boston, MA, July 27, 1984.

Senator FRANK R. LAUTENBERG,
Senate Office Building, Washington, DC.

DEAR SENATOR LAUTENBERG: H. P. Hood Inc. supports your proposed amendment to H.R. 5743 entitled, "Making appropriations for Agriculture, Rural Development and Related Agencies programs for the fiscal year

ending September 30, 1985, and for other purposes".

Trade barrier laws and regulations in the milk industry still persist—in a few areas, such as New York State. New York's obsolete laws and regulations prevent H. P. Hood Inc. from full access to New York milk markets, even though we purchase much of our milk from New York dairy farmers. The proposed study could quantify the impact of New York's trade restrictions on consumer and producer prices for milk and provide a basis for legislative direction and appropriate action.

If we can be of any assistance to you and other Senators and their staffs in regard to any legislative considerations regarding the dairy industry, please feel free to contact us at any time.

Sincerely yours,

H. L. WILDASIN, Ph.D.,
Director of Government Relations.

MILK DISTRIBUTORS ASSOCIATION
OF THE PHILADELPHIA AREA, INC.,
Trenton, NJ, July 26, 1984.

Hon. FRANK R. LAUTENBERG,
Hart Senate Office Building, Washington, DC.

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Very truly yours,

DANIEL F. WETTLIN III.

PUBLIC CITIZEN,
CONGRESS WATCH,
Washington, DC, July 31, 1984.

DEAR SENATOR LAUTENBERG: We are writing to express our support for the amendment we understand you plan to offer to the Agriculture Appropriations bill, H.R. 5743, to provide for a study of state barriers to market entry by milk processors and dealers. The study would survey where and how such barriers exist, and assess their impact upon the supply, consumption and price of milk, at the wholesale level and to consumers.

We believe that vigorous competition ultimately serves the best interest of consumers. Unreasonable barriers to market entry reduce choices available to consumers. They tend to deny consumers new kinds of products and enhanced customer service. Perhaps, most significant of all, restricted market entry dampens price competition, keeping prices artificially high.

A study by the U.S. Department of Agriculture, as set forth in your proposed amendment, would focus attention on the impact of anticompetitive restriction on market entry, and would, we hope, lead to appropriate reforms.

Sincerely,

JAY ANGOFF,
Staff Attorney.

Mr. COCHRAN. Mr. President, I know that the Senators from New York, Mr. D'AMATO and Mr. MOYNIHAN, had some interest in this amendment, and when we set this bill aside to take up the judicial nomination, there was some conversation about the impact of this amendment.

We discussed it informally, and I think for the purpose of the RECORD and to be sure we understand what this amendment seeks to do, let me ask the distinguished Senator from New Jersey if it is true that he is simply urging with this amendment that a study be undertaken to determine the impact of State laws on the marketing of milk. Is that a fair assessment of the amendment?

Mr. LAUTENBERG. That is precisely the motivation of this amendment; that is, to review the law, not mandating change or alteration.

Mr. COCHRAN. It is my further understanding that there is no effort being made to tell the Department of Agriculture or the Economic Research Service what the findings should be as a result of the study.

Mr. LAUTENBERG. The Senator is absolutely correct.

Mr. COCHRAN. I think that those answers and those assurances will help alleviate any concerns or worries on the part of the Senators from New York.

I regret that we do not have any discussion at this point from the Senators from New York. I think there may have been a statement that they wanted to have put in the RECORD.

Let me do this, Mr. President. I do know that there were prepared statements for the Senators to make. Let me ask unanimous consent that statements by the Senators from New York, Mr. MOYNIHAN and Mr. D'AMATO, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, am I correct that the manager is prepared to accept the amendment?

Mr. COCHRAN. Mr. President, the Senator from New York, Mr. MOYNIHAN is now on the floor. For the benefit of the Senator from New York, I just asked unanimous consent that a statement by him be included in the RECORD. I am happy to withdraw that request. I made it in behalf of the distinguished Senators, Mr. MOYNIHAN and Mr. D'AMATO.

But in view of the fact that the Senator is here, he might want to ask questions of the author of the amendment.

We had discussed the fact that this amendment only calls for a study, and that there is no attempt by the Senator from New Jersey to suggest to the Department of Agriculture what the findings should be with respect to the impact of State laws on milk marketing.

I was prepared to recommend that the amendment be agreed to. I am happy the Senator is here. I yield the floor.

Mr. MOYNIHAN. Mr. President, may I thank the distinguished Senator from Mississippi for his graciousness in this matter. I will not detain the Senate but for just a brief moment, in the first instance, to express by appreciation to the Senator from New Jersey, who has raised an altogether valid question. He has asked that a study be made under existing statutory authority of the Secretary of Agriculture to address a question that is legitimately of concern to States in this region.

On a personal note, I will speak as someone who lives on a dairy farm in New York State, surrounded by dairy farms. My neighbors are principally in that activity.

I simply wish to ask the Senator from New Jersey if he would be willing to contemplate that this study might be expanded. What I think it very well could include is an examination of the impact of the current milk price support legislation on the questions of distribution and interstate flow.

I would think it the case that the milk farmers of New Jersey, Pennsylvania, Connecticut, and Massachusetts would share the situation of New York dairy farmers. We have a mindboggling arrangement whereby we pay

dairy farmers not to produce milk and charge for the milk they do produce.

If you were to invent a series of disincentives in any ordinary market situation, it would be a disincentive that says that the Federal Government as it were, will charge you 50 cents a hundredweight for the milk you do produce and will pay you $10 a hundredweight for the milk you do not produce.

This has worked satisfactorily only for large producers of the kind that do not exist in our two States.

One dairy farm in California will receive over $3 million in payments from the Federal Government for not producing milk, and we understand they plan to use the money to expand their capacity to increase production again when the present program expires March 31, 1985.

In the State of New York there are many medium- and small-sized producers who cannot take advantage of Federal programs such as this even if they choose to do so. If they cut back production they would cut it below the level at which it is economic for milk trucks to come and collect what they produce.

The law is written almost as if to say you are excluded because you are not big enough; and the law, of course, is written in the name of the smaller and medium-sized producers, but it has had just the opposite effect.

It seems to me that we contemplate the question the Senator from New Jersey raises, we should include in it the common circumstance of our respective milk producers. Paid diversion now costs $1.5 billion a year. The Senator from Mississippi will grant that $1.5 billion a year is rather a large price to pay people not to produce milk, particularly when it comes in quantities of $3 million per farm, if you want to call that a "farm."

I simply would like to ask if we could not agree in a colloquy to include this subject in the Secretary's study?

Mr. LAUTENBERG. I thank the distinguished Senator from New York for his observations. I share some of his concerns.

I, however, made a commitment that this study would be confined to the licensing laws for marketing milk products within the States. I would prefer to keep it as narrowly focused as possible.

However, I would certainly support an amendment, if the Senator from New York would offer one, to provide for the study he has proposed.

Mr. MOYNIHAN. I thank my friend.

Mr. President, I thank my colleague. I yield the floor. I thank particularly the chairman.

Mr. COCHRAN. Mr. President, I am advised now that the Senator from New York, Mr. D'AMATO, would like to speak on the Lautenberg amendment. He is presently at a committee meeting and is on his way to the floor. I hope that we could accommodate his wish.

I have no desire to prolong the debate. I think the intent of the amendment is well stated and well understood by the Senate. I am prepared to recommend that we agree to the amendment, but I do want to protect the interest of the Senator from New York, Mr. D'AMATO.

Just for clarification, let me say that it is my understanding that this will not add any new money to the bill. We are not trying to appropriate or add any new funds that are not otherwise included in the bill. Is that correct?

Mr. LAUTENBERG. That is true.

Mr. COCHRAN. Mr. President, until we do have the Senator from New York, Mr. D'AMATO, here, unless there are others who wish to speak, I will yield the floor.

Mr. METZENBAUM. Mr. President, will the manager of the bill yield to the Senator from Ohio for a moment? In the interest of time, I wonder if he might not, in this instance, want to ask or permit me to ask unanimous consent to set aside the Lautenberg amendment in order that I might offer an amendment and let the Senate proceed forward to consider that subject.

Mr. COCHRAN. Mr. President, I have no objection to the Senator offering an amendment. I know that the Senator from Colorado has an amendment that he was going to offer and he has been waiting on the floor for some time, but I know the Senator from Ohio has, also. I think I will let the presiding officer decide who to recognize in this instance.

Can we have some idea? Is the amendment acceptable? Is it one that we have discussed with him or is it a new one that we have not heard of?

Mr. METZENBAUM. I cannot say it is or is not acceptable. I think the answer is that it is, but, in all fairness to the Senator from Mississippi, it is not an amemdment that deals specifically with agriculture matters.

In order that I may bring the matter to a head, I ask unanimous consent that the pending amendment be set aside temporarily in order that I may offer an amendment at this point.

Mr. COCHRAN. Mr. President, reserving the right to object, I am reluctant to agree at this point that the amendment of the Senator from New Jersey should be set aside. I feel as though we are at a point now where we can conclude the consideration of his amendment pending the arrival of the Senator from New York [Mr. D'AMATO].

Mr. MOYNIHAN. Will the chairman yield?

Mr. COCHRAN. I yield to the Senator from New York.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. COCHRAN. The Senator from Mississippi has the floor, I believe, Mr. President, under a reservation of the right to object to the unanimous-consent request.

The PRESIDING OFFICER. A Senator does not lose the floor by making a unanimous-consent request. The Senator from Ohio has the floor. The Senator reserved the right to object.

Mr. LAUTENBERG. Mr. President, I reserve the right to object to the unanimous-consent request of the Senator from Ohio.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, it is my hope that we can conclude consideration of this amendment and then move onto other amendments. I know the Senator from Ohio has an amendment and the Senator from Colorado [Mr. ARMSTRONG] has an amendment. I hope that we can conclude this amendment before we proceed to the amendment of the Senator from Colorado.

Mr. METZENBAUM. Mr. President, it is my understanding that I still have the floor. I would, therefore, propound another unanimous-consent request.

Mr. COCHRAN. Mr. President, it is my understanding——

The PRESIDING OFFICER. The Senator from Mississippi has been recognized and has the floor.

Mr. COCHRAN. Mr. President, I will be happy to yield to the Senator for a question without losing my right to the floor.

Mr. METZENBAUM. Mr. President, I wonder if the Senator from Mississippi would not be willing to get us all to agree, so we can move on, that the pending amendment be set aside; that the amendment of the Senator from Colorado be taken up; that immediately upon the disposition of that, if the junior Senator from New York is not present, we might proceed to the consideration of my amendment, and that if the junior Senator from New York is not present that I might be in a position to take up my amendment; all with the understanding that, at the conclusion of either the Armstrong or Metzenbaum amendment, Senator LAUTENBERG would be recognized at that point, and proceed forward with his amendment.

Mr. COCHRAN. Mr. President, I have no problem with that kind of arrangement. I do know that there has been some objection in the past with trying to line up the order in which Senators would be recognized for the purpose of offering amendments. I am sure the Senator will be recognized by the Chair if he seeks recognition after the amendment has been dealt with.

I was simply trying to recognize a travel arrangement that the Senator from Colorado had.

Mr. METZENBAUM. Mr. President, the Senator from Colorado came over to me and indicated he wanted to proceed. I am willing to let the Senator from Colorado go forward and I will have an opportunity to be recognized in due course.

Mr. MOYNIHAN. Mr. President, will the Senator yield for a question?

Mr. COCHRAN. Yes.

Mr. MOYNIHAN. Mr. President, the distinguished chairman heard the exchange between the Senator from New Jersey and myself with respect to the confined nature of the study that he is requesting, and which the Senate will agree to. I spoke of a somewhat larger subject.

A colloquy has been agreed to, as I understand it, between the manager of the bill and myself on this matter. I wonder if this would not be an appropriate place to have that colloquy.

Mr. COCHRAN. Mr. President, I have no objection to that at all. As a matter of fact, this deals with the amendment on the alternative methods of establishing milk-price-support levels.

Mr. MOYNIHAN. Exactly.

Mr. COCHRAN. This would really be one way of disposing of the amendment the Senator was discussing with the Senator from New Jersey.

Mr. MOYNIHAN. Mr. President, pursuant to section 107 of the Agriculture and Food Act of 1981 [Public Law 97-98], the Department of Agriculture was directed to prepare a report "describing the strengths and weaknesses of existing Federal programs and the consequences of possible new programs for controlling or minimizing surpluses of fluid milk and the products thereof." USDA's Economic Research Service released such a report, entitled "Review of Existing and Alternative Federal Dairy Programs" this past January. This report will certainly aid Congress next year as it reauthorizes our Federal farm programs. The report provides useful information on certain facets of the dairy-price-support program, milk marketing orders, and alternative-supply-control options. This report however, has no discussion of regional-price supports. Regional-price supports could discourage excessive production in flush areas so that cooperatives in certain parts of the country do not sell exclusively to the Commodity Credit Corporation.

Mr. COCHRAN. The Senator is correct, in that the recently completed study did not cover all possible areas that may be useful to the Senate as it reviews the dairy program in fiscal year 1985. I agree that regional-price support merits consideration.

Mr. MOYNIHAN. Mr. President, I would urge the Secretary of Agriculture to examine this idea, and provide whatever analysis is necessary for an adequate review by the appropriate agricultural committees by the time the paid diversion program for milk expires.

Mr. COCHRAN. Mr. President, this will be of assistance to us, and I agree that additional information and analysis of dairy-price-support options would be helpful.

Mr. MOYNIHAN. Mr. President, I thank the distinguished chairman.

I see my friend from New York has arrived on the floor.

Mr. COCHRAN. Mr. President, I yield to the Senator from New York [Mr. D'AMATO].

Mr. D'AMATO. Mr. President, the Senator from New Jersey has put forward this amendment as an attempt to open the dairy business in New York to out-of-State competition. It is his contention that this will aid consumers of New York by lowering the prices for milk. In fact, if New York State did not have the law on the books which the Senator claims is used to bar out-of-State milk dealers, hundreds of thousands of people in New York could be cut off from needed milk supplies.

The New York law that my good friend [Senator LAUTENBERG] finds onerous affects an entire area's milk needs and is there to see to it that the area's milk needs are served adequately. It is designed so that it would not be profitable for milk deliverers to do otherwise.

So that when New Jersey dealers apply for licenses in New York, they are more than willing to serve the large suburban supermarkets. But the question is will they also deliver milk to Bedford-Stuyvesant, Harlem, and South Bronx? The answer is no. Out-of-State dealers are not interested in providing such services to the marginal areas where there is little, if any, profit.

Two of the largest New Jersey milk dealers, Tuscan and Farmland, also serve portions of the New York State market. They wish to expand their service areas as do many New York dealers. Both set of dealers have to demonstrate that the area they wish to serve is not being adequately served now, and that their entry would include provisions that would enable the small milk distributors to continue to be served. This is all that the State law requires. It is evenhanded in its requirements. It does not set higher standards for out-of-State dealers than it does those within the State.

Almost every State in the Union has regulations which govern the distribution of milk. This is because milk is a product which is necessary for survival. It is not just another commodity.

We in the Congress should not be in the business of deciding whether State laws are appropriate. This is clearly a State's rights issue. The amendment is a back-door attempt to begin the process of reversing the proper jurisdiction of the State in this matter, and I am quite concerned about it. Again, I do not question my colleague's motivations. I can understand his reaction when constituents come to him, and believe that they are being discriminated against.

I would like to make two final points. In 1978, the Department of Agriculture did a study of State legislation of milk prices, trade practices, and the new study proposed in this amendment would therefore largely go over ground that rather recently has been covered by the Department. I think this time could be spent better.

When the 1978 study was conducted, it found that fully 28 States have regulations which deal specifically with trade practice regulations for milk. New York is not alone in its concerns with the proper distribution of milk. This amendment has not been the subject of hearings by the committee which has jurisdiction over this matter—the Agriculture Committee. I think that might be a better course than to proceed with the study.

If the Senator believes that a problem exists with respect to this matter, I would suggest it would be most appropriate for this body to ask the Senate Agriculture Committee to hold hearings on the matter, and if such a hearing were to provide evidence of problems, then the Senate could ask the Department to make a more thorough examination into this matter, and recommend the appropriate Federal action. The action we are being asked to take today is, I believe, premature. We should not rush to throw money at every perceived problem. I would hope that we could take a more reasoned approach.

Notwithstanding these arguments, I appreciate the position of my colleague from the great State of New Jersey, in which I once lived, and most of my relatives still live. We want to see fair competition. But as I have outlined, we want to see to it that we do not do violence to the entire marketplace, and create a problem where there will be certain areas that will receive no service. Having said that, I thank the distinguished senior Senator from New York, I thank the chairman, Senator COCHRAN, and Senator LAUTENBERG for giving me this opportunity by holding the debate. I regret the delay in my arrival.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator, Mr. D'AMATO, for his comments. This is not in anyway an effort to dictate to the Department what the findings of any study should be. We are prepared, since it does not add any money to the bill, to recommend that the amendment be agreed to.

STATE MILK MARKET LAWS

Mr. MOYNIHAN. Mr. President, while I have no quarrel with the intent of the amendment offered by my distinguished colleague from New Jersey [Mr. LAUTENBERG], I would wish to point out that New Jersey milk dealers do have access to New York markets. Tuscan Dairy Farms, Inc., for instance, has licenses in Orange and Rockland Counties. Farmland Dairy, Inc., has licenses in Orange, Rockland, and Westchester Counties. Both of these companies have licenses to sell special products, such as cream, throughout New York State.

Our milk market laws are not intended to serve as a barrier to out-of-State processors, handlers, and dealers. The criteria used by the State commission on agriculture and markets in licensing decisions are applied equally to in-State and out-of-State applicants. Rather, our milk market laws are intended to prevent destructive competition and monopolistic practices or price-fixing by individual companies. I might add that New York State's milk market laws have been upheld by the appellate division of the New York State Supreme Court.

Mr. President, I also wish to point out that the Department of Agriculture and the Federal Trade Commission have not found problems with New York State, or any other State's, milk market laws. Finally, Mr. President, I note that the New York State Legislative Commission on Expenditure Review is conducting a study of the State's milk market laws and should release its findings and recommendations early next year.

The PRESIDING OFFICER. Is there further debate on the amendment? If not the question is on agreeing to the amendment of the Senator from New Jersey [Mr. LAUTENBERG].

The amendment (No. 3670) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JEPSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3671

(Purpose: To prohibit the payment of certain agricultural incentive payments to persons who produce certain agricultural commodities on highly erodible land)

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ARMSTRONG. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. ARMSTRONG] proposes an amendment numbered 3671.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 64, between lines 9 and 10, insert the following new section:

SEC. 627. (a) This section may be cited as the "Highly Erodible Land Conservation Act of 1984".

(b) For purposes of this section:

(1) The term "agricultural commodity" means any agricultural product planted and produced by annual tilling of the soil, including one-trip planters.

(2) The term "highly erodible land" means land classified by the Soil Conservation Service of the Department of Agriculture as class IVe, VIe, VII, or VIII land under the land capability classification systems in effect on the date of enactment of this Act. The land capability class for a field shall be that determined by the Secretary to be the predominant class under regulations issued by the Secretary.

(3) The term "Secretary" means the Secretary of Agriculture.

(c) Except as provided in subsection (d) and notwithstanding any other provision of law, following the date of the enactment of this Act, any person who produces an agricultural commodity on highly erodible land shall be ineligible, with respect to such commodity produced on such land, for—

(1) any type of price support, income assistance, or production adjustment payments for such commodity made available under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), or any other Act;

(2) a loan for the construction or purchase of a facility for the storage of such commodity made under section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h));

(3) crop insurance for such commodity under Federal Crop Insurance Act (7 U.S.C. 1501 et seq.);

(4) a disaster payment for such commodity made under the Agricultural Act of 1949 (U.S.C. 1421 et seq.); or

(5) a new loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), or any other provision of law administered by the Farmers Home Administration, if the Secretary determines that such loan will be used for a purpose that will contribute to excessive erosion of highly erodible land.

(d) Subsection (c) shall not apply to any of the following:

(1) Any land that was cultivated by a person to produce any of the 1973 through 1984 crops of agricultural commodities.

(2) Any crop of an agricultural commodity planted by a person before the date of the enactment of this Act.

(3) Any crop of an agricultural commodity planted by a person during any crop year beginning before the date of the enactment of this Act.

(4) Any loan described in subsection (c) made before the date of the enactment of this Act

(5) Any crop of an agricultural commodity produced using a conservation system that has been approved by a soil conservation district and that is based on technical standards set forth in the Soil Conservation Service technical guide for that soil conservation district. In areas where no soil conservation district exists, the Secretary shall determine the adequacy of the conservation system to be used in the production of any agricultural commodity on highly erodible land.

(e) To ensure compliance with the provisions of this section on the part of those persons participating in the programs described in subsection (c), as well as fair and equitable treatment in the application of this section, the Secretary shall use the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) in the administration of this section.

(f) The Secretary shall establish, by regulation, an appeal procedure under which a person who produces an agricultural commodity on land classified as class IVe, VIe, VII, or VIII land under the land capability classfication systems applicable under this section may seek review of such classification.

(g) As soon as practicable after the date of the enactment of this Act, the Secretary shall complete soil surveys on those private lands that do not have a soil survey suitable for use in determining the land capability class for purposes of this section. In selecting localities for such surveys, the Secretary shall, insofar as possible, select those localities where significant amounts of highly erodible land are being converted to the production of agricultural commodities.

Mr. ARMSTRONG. Mr. President, this amendment is on a familiar subject, and in fact is identical in its text to language which has previously passed the Senate most recently, on November 18 of last year. It is in its form the "sodbuster" bill.

Just to refresh the memory of my colleagues as to the issue which we are concerned about, it is the enormous destruction of fragile grasslands in certain parts of the country, primarily out West. Fragile grasslands and other marginal soils are being plowed at a truly alarming rate, creating conditions which could lead to another great Dust Bowl. Recent data from the National Resources Inventory shows that 3.8 million acres of fragile grasslands were plowed from 1977 to 1982. This is the equivalent of nearly 2,100 acres per day. In my own State, for example, more than 500,000 acres of this fragile grassland has been plowed since 1978.

The point is this: We are talking in this amendment about land which frankly is not suitable for cultivation, which probably in reality should never be put to that kind of use but should remain as grazing land. Once it is plowed—once the plow breaches that native sod, the land is effectively destroyed because it is subject then to the erosion of wind and water at a rate which simply cannot be replaced. The damage that can be done by a single plowing could take more than 100 years of natural activities to cure. So

we are talking about a very serious problem to the land which is plowed.

Even more significant in my opinion is the fact that neighboring land is frequently damaged to a great degree. I have shared previously with Senators pictures of dust which is blown across the prairie, which comes to rest against fenceposts practically waist high in some areas, and in many cases creating an enormous environmental damage and economic damage to people who are adjacent to those who have unwisely plowed these native grasslands.

Mr. President, it is tempting when you see that kind of damage arising to say that we should not permit it, and that we ought to just outlaw it. That is not what my amendment does even though I must admit it is a temptation. I believe, however, that it is not wise for the Federal Government to get into the business of land use control or telling anybody what they can or cannot do on their own property. So in reflecting on this problem and seeking counsel about it, the concept of this sod buster legislation was developed to simply say that the Federal Government would not encourage people to plow this fragile land, and that we would remove the crop subsidy for any crops grown on newly-plowed, fragile land that was first broken after the effective date of this act.

In my opinion, it is a rather neat solution to the problem. It is not a panacea, of course. It does not solve the question of what we shall do about land which has already been plowed, and which has been subject in many cases to horrendous erosion. It does not say that, if somebody is stubborn and insisting on unwisely plowing this kind of land, we are going to stop them. But this legislation, if enacted, in my opinion, would save millions of acres of fragile, irreplaceable grassland from being plowed up because we would eliminate most, if not all, of the economic incentive to do so.

Let me just sum up quickly because there is no sense in dragging this out. We have considered the issue on a number of occasions before.

This bill will not stop erosion, nor will it tell farmers what they can or cannot do. It merely means that the Federal Government will get out of the business of encouraging and subsidizing this unwise conservation practice.

The legislative history I think is fairly clear. This matter was first adopted as an amendment on the agriculture appropriations bill about 2 years ago, in September 1982. Unfortunately, we were not able to persuade our colleagues in the House that they should accept that amendment, and I regret to say that in the period of time since the Senate first expressed its will on this issue that more than 2 million acres of fragile grasslands have been plowed, land which might well have been plowed, and subject to this erosion had we been able to get the House to go along with it.

However, the House was unwilling to do so at the time and so we came back in another format and on the 18th of November of last year we passed it in a slightly different form as a legislative bill. The House has now agreed to the principle of that legislation, but has done so in a bill which also contains some much broader and, I regret to say, more controversial provisions. That bill is now in conference between the House and Senate.

Unfortunately, there seems to be very little prospect that conference will come to a fruitful agreement. I have talked to the conferees both in the Senate and in the House and the best indication I have is that unless the Senate were willing to agree to a costly new program of soil conservation payments, that is, paying people to take lands out of production, that we are unlikely to get a bill as a result of that conference.

I am not sure whether or not that idea which the House has come up with is well-advised or not. Frankly, I have grave doubts that it is. But the political practicality of it is that we are not going to start a new program which has the potential to be very, very costly on short notice at this time just before a national election. If such a program is a good one, and if it has a chance to be adopted, it seems to me it would be a part of the overall deliberations on the farm bill when that comes up for renewal next year.

In the meantime, our little sodbuster bill, about which there is, so far as I know, little or no controversy, is sort of in a catch-22 situation.

So the reason I offer this amendment today is simply to get it moving and to say to the House, "Won't you please take the part we agree upon and leave the issues about which there is not general agreement for resolution at some later time this session or next year?"

This proposal, you will recall, is endorsed in concept and, in fact, the text of it has been endorsed, by virtually all of the national and many States and local farm organizations, and by the major conservation groups as well: the National Audubon Society, the National Association of Fish and Wildlife Agencies, the Soil Conservation Society of America, the Environmental Policy Center, the Conservation Foundation, National Farmers Union, the American Farm Bureau Federation.

Mr. President, I ask unanimous consent that the entire list of those who support this legislation be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ORGANIZATIONS ENDORSING THE SODBUSTER BILL

NATIONAL ORGANIZATIONS

U.S. Department of Agriculture.
Great Plains Agricultural Council.
National Governors' Association.
American Farm Bureau Federation.
National Association of Conservation Districts.
National Farmers Union.
Women Involved in Farm Economics (WIFE).
The Environmental Policy Center.
The Conservation Foundation.
American Wilderness Alliance.
Soil Conservation Society of America.
American Farmland Trust.
Natural Resources Defense Council.
Society for Range Management.
Land Improvement Contractors of America.
National Audubon Society.
The Wildlife Habitat Charitable Trust.
National Assn. of Fish & Wildlife Agencies.

STATE AND LOCAL ORGANIZATIONS

Colorado Department of Agriculture.
Colorado State Soil Conservation Board.
Rocky Mountain Farmers Union.
Colorado Farm Bureau.
Colorado Cattlemen's Association.
Colorado State Grange.
Colorado Association of Soil Conservation Districts.
Colorado Association of Wheat Growers.
North Dakota Wildlife Society.
Colorado Audubon Council.
Trout Unlimited, Colorado Council.
League of Women Voters of Colorado.
Colorado Potato Growers Exchange.
High County Citizens Alliance.
Denver Audubon Society.
Pikes Peak Cattlemen's Association.
Weld County Livestock Association.
Eagle County Soil Conservation District.
Centennial Soil Conservation District.
Lincoln County Soil & Water Conservation District.
Morgan Soil Conservation District.
Turkey Creek Soil Conservation District.

Mr. ARMSTRONG. Before I yield the floor, let me note there is another point of view about this which deserves to be considered and which I believe will be considered as a result of an amendment that I think our colleague from Montana wishes to offer.

He wants to go a little further than I am suggesting. It is my understanding that the Senator from Montana will offer as an amendment to my amendment, language which would say that you cannot get a subsidy for any crop which you grow if part of that crop is grown on newly plowed fragile grassland. To be specific, if you plow up a section of fragile grassland and plant wheat, you do not get crop subsidy for the wheat grown on the fragile land, nor if it happens you grow wheat elsewhere on your farm or in the same ownership you do not get subsidy for that.

He will explain to you why that is a good idea. I have some reservations on whether or not it is a good idea, but my main concern is that in the process of improving this proposal we may improve it to death.

The bill which has previously passed the Senate and which I now offer as an amendment, has really been shopped around very carefully with all the farm organizations, the environmental groups, and others. Some do not think it goes far enough, but there is general agreement that it will do a considerable amount of good and no damage. There is in some quarter a lingering idea about going further than I have suggested going. It is for that reason that after the Senator from Montana has had the opportunity to offer his amendment I hope he would be inclined to withdraw it or the Senate not go along with it.

If not, we would be starting back on the same track of improving and improving this bill, finally ending up with a bill that will not make it through the legislative process.

I see the Senator from Montana is here to express his slightly different point of view.

Before I yield, I would like to say that even though I come down in slightly different position than he does on how is the best tactical way to handle this, I want to acknowledge the leadership and the interest he has shown on this, and also to acknowledge publicly that on the last night of the session last year he was the one who helped us cut through the red-tape and actually bring the bill to the point of again passing. So we have been allies in this cause and I appreciate his leadership, help, support, and encouragement. Even though we disagree slightly about the best formulation on this legislation, we are really on the same team.

Mr. MELCHER. Will the Senator yield?

Mr. ARMSTRONG. I yield the floor.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Will the Senator from Colorado yield for some questions as a followup to his statement?

Mr. ARMSTRONG. Yes; I will be happy to.

Mr. MELCHER. The Agriculture Committee considered this matter after hearings and after considerable deliberation and reported out a bill which was different than what the Senator had introduced and was different than what the House has had.

Is it not correct that the bill, as reported by the Senate committee, had a provision that would go further in preventing sodbusting than what the Senator had first proposed in his bill?

Mr. ARMSTRONG. Yes, Mr. President; I believe the Senator is correct. It is my understanding that the provision in the Senate committee bill would have further discouraged sodbusting by saying that if you broke this native sod to grow a particular crop, wheat, for example, on one portion of your acreage, that you could not receive crop subsidy for that portion nor for any of that particular crop grown anywhere on your property.

So in one sense it could be said that it would serve to further deter sodbusting.

Mr. MELCHER. I thank the Senator.

So, Mr. President, the reason the Senate Agriculture Committee reported the bill that way is that soil conservation districts and farmers in almost all the Western States, said if we are going to do something about correcting sodbusting, there has to be something in it so that people will not continue to break up this fragile land. If you are just going to slap their wrists by telling them, "If you bust up another 100 acres, that 100 acres will not be eligible for any farm program," they will probably continue to do it.

There is a reluctance on my part to force on any landowner by law some restrictions on what that landowner does with his land. But over the course of time we have had to pass a series of laws that place some restrictions on what a landowner does with his land, after the Congress has found such abuse to the land that it has become a national concern and a national problem.

Such a bill was the strip-mine bill, which regulates coal strip mining all over the United States, except in Alaska and Hawaii.

Sodbusting, which has been going on in my State for at least 20 years now, is a similar case. The term, itself, deserves some explanation. The term means the grassland is plowed up and planted into crops; sodbusting. You might say, well, why should the Federal Government ever get involved in telling a landowner what he should do about breaking up his land and how he handles it? Over the past 20 years—my particular part of Montana is a pretty good case in point—we have had land torn up that had been grassland for some length of time that is truly fragile land, and put back into a crop. Some of this land had been broken up in the earlier part of the century and was homesteaded and people found out that they could not make a living on it. The fact was that the crops were not good enough to support a family, so it was allowed to go back into grass so it could support cattle or sheep. And the people then could make a living off that.

We very much fear, when we see this land being torn up again and put back into crops, that the end result might get us back to where we were in the thirties, when so much of the soil eroded that we had what was known as the Dust Bowl. We do not want to see it happen again. There have been several million acres of land in Montana over the past 20 years that have been broken up and put into crop. To the extent that it is very fragile land—and almost all of it is—the dangers of erosion do, indeed, become much more than a problem of one or two or a handful of farmers. It becomes the problem of the county, then it becomes a problem of the State, then it becomes a problem of the region.

That is exactly where we are now. We have found out that erosion in the Western States has increased dramatically. Based on some information that has been developed by the Soil Conservation Service recently and released just recently, we have found that the acres damaged by erosion have jumped considerably in a great number of States.

We find that between the wind erosion season of 1982 and the start of 1983—that is, May of 1983—in several States, including my own, the amount of erosion damage has increased fourfold.

Mr. President, this is not information that is just an estimate of somebody's; it is the considered work of the Soil Conservation Service and their best techniques in measuring erosion problems. Numerous States have increased in erosion damage—in Montana from 360,000 acres in the erosion year of 1982 to the spring of 1983. That has jumped up to 1.5 million acres for the erosion year beginning in the fall, November 1983 to May of 1984. There are similar figures for neighboring States and other States in the West. You see that an erosion problem does indeed seriously damage the soil.

It has become a national problem, Mr. President. That is why Congress must act.

The committee on which I serve, the Senate Committee on Agriculture, in its best judgment, found that to pass a bill with hardly any teeth in it was not going to do much about the problem. That is why we passed it out of committee on the basis that if you bust up some of this fragile soil, you simply will not be eligible for any of the farm programs for the particular commodity on which you are breaking up soil. There is a little bit of bite in that.

It does not force the landowner to do what that landowner really wants to do. If he is really bent on plowing up the land and putting it into crop, he can still proceed. But what it does do is, if you are in wheat country and intent on putting wheat on there, you are not just going to suffer another little slap on the wrist for breaking up another hundred acres to put with the 2,000 acres you already have. You are not going to be able to get in any of the programs with the 2,000 acres, also. That might stop sodbusting, and if we do not stop sodbusting, we should not pass the bill.

I feel rather strongly about it. I feel so strongly about it that I allowed the

Senator from Colorado to amend the version of the bill the committee had reported. How did I allow it? I assisted in getting the hold taken off so we could pass the bill with the one provision—unanimous consent, with one provision. What was that? To offer his amendment and to sit down, not generate any opposition to it.

I did so because I wanted movement on this side in the Senate, knowing that the House would probably never go along with just a little tap on the wrist to stop sodbusting. Indeed, they did not.

They have come back with a bill that is called cross-compliance. If you have any sodbusting, that farmer is not eligible for any of the programs, no matter what it is. He would not be eligible for the feed grain program, would not be eligible for anything. That is called cross-compliance. There are some farm organizations that are quite upset about that. They are wondering not about sodbusting and cross-compliance; they are wondering just about setting a precedent that says, for some reason, if you do something that does not fit into the mold, you will not be eligible for any program.

That is where the House is. When we got back into conference, it became clear that those of us who say, "Let us really stop sodbusting"—might have to go for this so-called cross-compliance. In fact, I believe I could. I told the House Members I could do that. My vote would be all right. It is pretty tough. It is tougher than what we passed out of the Senate. But I could go for it.

We found that the Department of Agriculture liked the bill in the form the Senate Committee on Agriculture had passed it, and felt the House had probably gone a little bit too far.

How do they feel about what the Senator from Colorado has recommended? They think that if you are not going to do very much, that is something. That is how the Department views it. But they prefer something that is strong enough to stop, to be a deterrent against sodbusting. So they opt for what I call the middle ground; that is, what we passed out of the committee and what I shall shortly offer as a substitute to the amendment of my friend from Colorado.

I am not coming in here, Mr. President, as a sort of dog in the manger, to bite at the amendment of my good friend from Colorado. I am coming in here as a member of the committee and attempting to uphold what we have found to be the best judgment—last year—and which I believe we still think, as a committee, is the best judgment, and which the Department of Agriculture thinks is the best version and what the National Association of Soil Conservation Districts thinks is the best version.

Those are pretty significant people involved with the problem: The Agriculture Committee of the Senate; the House committee, I take it, went for a tougher version—they would think that we had probably done the right thing if we took what I am going to offer. The Department of Agriculture, and the National Association of Soil Conservation Districts would also agree. And I can tell you, Mr. President, every last person who works for the Soil Conservation Service believes that we had better have at least as much teeth in it as what the Senate committee did in the amendment that I shall offer as a substitute to the amendment of my friend from Colorado.

There are some other groups that like it, too. They have a deep interest in the environment and in the land itself. These include: The American Farmland Trust, the Sierra Club, the Soil Conservation Society of America, the National Association of Soil Conservation Districts, which I have already mentioned, the Audubon Society, and the Natural Resources Defense Council.

I hope we are not going to prolong this matter. I think what we have done is probably wise in terms of moving the bill out of the Senate, even though it was different and weaker than what the Senate Agriculture Committee had presented, because it did stir up movement over in the House. I think we might force the Senate to be voting on something that they would rather not if we stuck for the House version, which is cross-compliance, so in this case I am very much opting for the middle ground.

AMENDMENT NO. 3672

(Purpose: To prohibit the expenditure of funds to provide to persons who produce certain agricultural commodities on highly erodible land benefits from certain agricultural programs)

Mr. MELCHER. Mr. President, I send an amendment to the desk in the nature of a substitute.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 3672.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of language proposed to be inserted, insert:

AGRICULTURAL COMMODITY PRODUCTION ON HIGHLY ERODIBLE LAND

SEC. . (a) For purposes of this section—

(1) the term "agricultural commodity" means any agricultural product planted and produced by annual tilling of the soil, including one-trip planters;

(2) the term "highly erodible land" means land classified by the Soil Conservation Service of the Department of Agriculture as class IVe, VIe, VII, or VIII land under the land capability classification systems in effect on the date of enactment of this section. The land capability class for a field shall be that determined by the Secretary to be the predominant class under regulations issued by the Secretary; and

(3) the term "Secretary" means the Secretary of Agriculture.

(b) Except as provided in subsection (c) and notwithstanding any other provision of law, following the date of enactment of this section any person who produces an agricultural commodity on highly erodible land shall be ineligible, as to any of that commodity produced during that crop year by such person, for—

(1) any type of price support, income assistance, or production adjustment payments for such commodity made available under the Agricultural Act of 1949, the Commodity Credit Corporation Charter Act, or any other Act;

(2) a loan for the construction or purchase of a facility for the storage of such commodity made under section 4(h) of the Commodity Credit Corporation Charter Act;

(3) crop insurance for such commodity under the Federal Crop Insurance Act;

(4) a disaster payment for such commodity made under the Agricultural Act of 1949; or

(5) a new loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act, or any other provision of law administered by the Farmers Home Administration, if the Secretary determines that such loan will be used for a purpose that will contribute to excessive erosion of highly erodible land.

(c) Subsection (b) shall not apply to—

(1) any land that was cultivated by a person to produce any of the 1973 through 1984 crops of agricultural commodities;

(2) any crop of an agricultural commodity planted by a person before the date of enactment of this section;

(3) any crop of an agricultural commodity planted by a person during any crop year beginning before the date of enactment of this section;

(4) any loan described in subsection (b) made before the date of enactment of this section; or

(5) any crop of an agricultural commodity produced using a conservation system that has been approved by a soil conservation district and that is based on technical standards set forth in the Soil Conservation Service technical guide for that soil conservation district. In areas where no soil conservation district exists, the Secretary shall determine the adequacy of the conservation system to be used in the production of any agricultural commodity on highly erodible land.

(d) To ensure compliance with the provisions of this section on the part of those persons participating in the programs described in subsection (b) as well as fair and equitable treatment in the application of this section, the Secretary shall use the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act in the administration of this section.

(e) The Secretary shall establish, by regulation, an appeal procedure under which a person who produces any agricultural commodity on land classified as class IVe, VIe,

VII, or VIII land under the land capability classification systems applicable under this section may seek review of such classification.

(f) The Secretary shall, as soon as practicable, complete soil surveys on those private lands that do not have a soil survey suitable for use in determining the land capability class for purposes of this section and, insofar as possible, concentrate on those localities where significant amounts of highly erodible land are being converted to the production of agricultural commodities.

(g) The Secretary shall issue regulations defining the term "person" and prescribing rules to govern determinations of persons who shall be ineligible for program benefits under this section so as to ensure fair and reasonable determinations of ineligibility, including regulations that protect the interests of tenants and sharecroppers.

Mr. MELCHER. Mr. President, I have pretty well described the amendment and described the distinction between the substitute I am offering and the amendment offered by the Senator from Colorado. There may be others who wish to speak on this who are not present on the floor. If somebody wishes the floor at this time, I yield it, Mr. President.

Mr. ARMSTRONG. Mr. President, I think we can dispose of this matter very quickly. I only want to add a couple of footnotes to what the Senator from Montana has said and my earlier statements.

When I was sitting around with a group of friends in Limon, CO, about 3 years ago worrying about this problem, we could not figure out how we were going to stop these big speculators, many of them foreign nationals, coming into places like Colorado and plowing up huge tracts of land.

As we were thinking about the problem over dinner, the idea of this legislation, of withdrawing Federal crop subsidies from newly plowed land, occurred to us. But when I presented that idea the first time on the floor of the Senate, what seemed to be just a natural, commonsense idea proved to be very controversial. In fact, a number of groups and individuals who are now warmly supporting this concept were at the outset not only lukewarm, some of them were adamantly opposed, and so we went through a process over a period of some months of shopping it around, talking to people, getting their ideas, seeing what their concerns were. Out of that came the bill which has previously passed in this Chamber.

I am not saying that the Senator from Montana is wrong. I am saying that in my opinion the amendment which I have presented, which the Senate has previously passed, will accomplish most of the purpose.

The Senator makes the point that this does not address itself to somebody who has 2,000 acres and plows up another 100.

That is not where the problem is out our way. The problem is people who come in and will invest an enormous amount of money in cash and credit to buy a huge tract of land, who get in trouble because of high interest rates and who are thereby tempted into an unwise conservation practice, that is, to plow up land knowing that it is highly erodible and gambling that they can get one crop or two crops before the land blows away. If their gamble succeeds, the crop is frequently worth more than the land.

That is the kind of thing that is not a theoretical danger but which has been happening at the rate of over 2,000 acres per day on the average for the last 2 years. And so we have seen more than a million acres of this kind of land go under the plow since the first time the Senate acted on this measure.

It is because of that history, because of the fact that we have tried to put this together a step at a time and the fear that if we overreach ourselves that we will not still be able to get any action that I am reluctantly going to oppose the suggestion of my friend from Montana.

If is a difference of tactics. It is a difference of what will be most likely to endure and succeed that divides. Certainly, he is trying to solve the same problem that I am addressing.

Mr. President, unless there is something more to be said, I am ready to go to vote and let the Senate decide whether it would like to take the substitute or go with the amendment that we have acted on previously.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER (Mr. EVANS). The Senator from Montana is recognized.

Mr. MELCHER. I really think this problem deserves a little more thought and consideration by the Senate. I think the Senator from Colorado is absolutely correct in stating that he presented the problem several years ago and got less than a warm reception—it would stretch the imagination to call it even a lukewarm reception—on the Senate floor because there was a reluctance to dictate by another act of Congress what you can do with your own land.

But the fact is that the time has come—and the time has been ripe for the last year or two—to pass a bill that is meaningful.

Mr. President, I gave the example just a few minutes ago, which was alluded to by the Senator from Colorado, of a farmer who plows up another 100 acres of land and puts it into a crop, busts the sod for 100 additional acres of cropland and then is penalized not on the 100 but also on the 2,000, who cannot get into the wheat program or, if he is busting it up for the feed program, cannot get in under the feed program either. There is some restraint. He mentions the problem in Colorado where some operator with a large amount of capital will break up 1,000 or 2,000 acres in one given year.

Well, that is no news to me and no news to Montana, no news to those vast areas of some pretty big counties where one operator has broken up not just a couple thousand acres but over the course of years has broken up 60, 80, 90, 100, maybe 150,000 acres.

But I only ask the Senate to think about this. This is a move to stop that operation, because it is bad news. It is truly bad news. The erosion problems that are developing are not just the erosion problems of one or two or a handful of farmers. They are erosion problems now of an entire area.

It behooves us as a Congress to stop it. If we are trying to stop it, how badly do we want to stop it? With just a slight pressure or do we want to say to the person who has busted up another 50,000 or 60,000 acres of land and is causing an erosion problem, "If you continue this on this highly erodible land, well, you can do it if you like but we cannot allow you to be in the wheat program, if that is what you are planning on, and it will not apply to that 50,000 or 60,000 acres that you have already broken up"? What is the stronger action? What is the real restraint? Is it really very much restraint to an operator of this type to say, "Well, the 500 acres or the 1,000 acres you break up this year will not be eligible for the wheat program" or to say to them, as we should, "To continue this practice now, the 1,000 acres that you are going to break up this year will not be eligible for the wheat program, plus you will not be eligible for the wheat program on the 50,000 acres that you have broken up over the past 15 years"? I think that has a little teeth and will stop the practice.

Mr. President, I do not want to delay the Senate, but I believe there are one or two Senators who want to speak on this and for just a brief 3 or 4 minutes, I am going to ask for a quorum call to put in calls to them to allow them to get to the floor, if they still want to speak, unless somebody else wants the floor.

Mr. President, I suggest the absence of a quorum.

Mr. GRASSLEY. Mr. President, will the Senator withhold?

Mr. MELCHER. Yes; I am glad to withhold.

Mr. GRASSLEY. I want to speak on this point.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, is it in order for me to speak at this point?

The PRESIDING OFFICER. The Senator has the floor.

Mr. GRASSLEY. Mr. President, I want to express my support, odd as it might sound, for both amendments which embody the sodbuster bill that the Senate earlier considered. But I

also want to take this opportunity to set the record straight on a couple of things that deal with a controversy that has arisen between the other body and their conferees and the Senate conferees on this subject.

I have been admonished by a couple of my Iowa colleagues in the other body that I ought to get behind the bill that they passed in the other body earlier. I want to say that in no way will I do that. In fact, I will ask, on the other hand, that these Members of the other body take a closer look at what they did to the farmers of this country. I particularly would like to have the farmers of my State take notice as well.

I am not going to take a back seat to anybody in my concern about soil conservation. During my service in Congress, I have worked hard for programs that would curtail the massive soil erosion that occurs in my State. But what I am not willing to do is hurt the farmers of my State who are already suffering economically. In my judgment, as I have studied the sodbuster bill that was passed by the other body, that is exactly what it would do, at least for the farmers of my State. The version that was passed by the other body is not a sodbuster bill; it is a farmbuster bill. I am not going to have anything to do with that kind of legislation.

I was a cosponsor of the original sodbuster bill introduced by my distinguished friend and colleague from Colorado, Senator ARMSTRONG. He had found that Federal price support programs were serving as an incentive for people in his State and others to plow up fragile grazing and pastureland which had never before been cropped, and which never should be cropped. This specific bill, was meant to prevent the tremendous soil erosion that comes from sodbusting as well as discourage the production of over abundant crops. The original sodbuster bill, then, would bar Federal farm benefits for crops grown on this fragile land. This eliminated the incentives posed by the Federal Government. As I understand this legislation, this is all that the sodbuster bill was intended to do.

After the introduction of the bill by the Senator from Colorado, my distinguished colleague from Iowa, the chairman of the Soil Conservation Subcommittee of the Senate Agriculture Committee, recognized the value of not only eliminating incentives but also imposing a carefully thought-out, firm, but not punitive, disincentive to sodbusting. He recommended, and passed out of his committee, a revised sodbuster bill that would bar Federal farm program benefits for the particular crop grown on the fragile crop land but would also bar these benefits for that crop on the rest of the farm operation. So if I, as a farmer, plow up fragile farmland to plant a crop of corn, my whole corn crop would be ineligible for benefits.

A significant point to understand, and one which I will make clearer in a moment, is that under the version proposed by my colleague from Iowa, which, as I understand it, is today being offered by the good Senator from Montana, a farmer would be allowed to plant a different crop and still remain eligible for any farm program benefits on the other crops on the farm. So, in my example, if I were to plow up a fragile portion of my farm and if I planted oats, the corn on the rest of my farm would still be eligible for program benefits.

Unfortunately, the sodbuster bill and this general issue of sodbusting, fell victim to election year one-upsmanship by a number of Members of the other body. The House of Representatives took the Senate version and added an amendment with extremely punitive disincentives for sodbusting. Under the House version, if a farmer crops fragile farmland, he will lose all farm program benefits, not only for that crop planted on the fragile land but also all farm program benefits—price supports, crop insurance, farmers' home loans, and other assistance—for the entire farm.

On the surface, this may sound like a good idea. But I invite our House colleagues to take off their rose-colored glasses for a moment, to take a look at the real world, to take a look at the condition of the farm economy, particularly in my State of Iowa. Stop and think about how punitive that is and how detrimental it is going to be for a lot of farmers who otherwise would not be hurt, who are in a tough condition in farming that they would rather not be but are forced to be in.

Mr. President, if the House sodbuster bill had been law last year, when Iowa and other parts of the country were hit by a severe drought, the House bill would have virtually cut the throats of our drought victims. It would have kicked Iowa's farmers while they were down. It would have withheld from Iowa's drought victims the only safety net left to them. And why? It should be clear to our House colleagues that southern Iowa has a large number of livestock farmers. In fact, much of the rolling land there—much of it might even be called hilly land in that area—is not suited for sustained, year-after-year, row crops. Consequently, most of it is put in pasture for grazing.

Last year, southern Iowa livestock farmers were hit with a double whammy. First, the drought hit them, forcing them to liquidate their livestock on a massive scale. Second, they were further discouraged by the prospects of a continued deterioration of the red meat market because of the dairy program. Livestock farmers knew that they faced hundreds of millions of dollars in additional losses if the participation in the dairy program and the dairy cow culling was as high as expected.

Consequently, livestock farmers sold their herds in response to the drought and in expectation of further losses because of the dairy program.

So I have to ask: What do you suppose these southern Iowa farmers would do in 1984? Many of them had no choice as to what they might do. They had to plow up this fragile land in southern Iowa that ought to be pasture land—not out of greed or profit motives, which is corrected by the Senate sodbuster bill, but they were forced to crop this land, instead of grazing it, by sheer desperation, just to survive economically. If they do not drop that hilly land, they will go bankrupt or be forced out of business. For this reason, because of this economic plight, because of some of the policies we made here, these farmers need a couple of years to pull themselves back up so they can get back into raising livestock, which, of course, is very beneficial to soil conservation efforts.

The other body, however, has turned a cold, insensitive shoulder. They are telling these drought farmers: "You can crop that land, but we are going to pull the plug on you. We are going to take away your safety net and farm benefits."

I just cannot believe the twisted thinking that went into this punitive amendment. I cannot believe the other body believes this is a worthy thing to do to our drought victims. But the other body did not stop with that. They increased the ramifications of their punitive provisions by greatly broadening the farm land that would be covered. In short, they apply these punitive restrictions class 3E farmland, instead of limiting it to the Senate's standard of class 4E and above. The lower the number, the better the land in terms of suitability for farm crops. So, in Iowa, for instance, we have about 6.2 million acres of class E crop land and 1.12 million acres of class E pasture land. The House version would cover this land too, although it would affect primarily the pasture land. In total, the punitive sodbuster provisions in the other body would apply to over 2.8 million acres of Iowa pasture land. You can pity the poor livestock farmer who is hit by a drought and has the misfortune of owning part of this nearly 3 million acres. The other body just pulled from them their safety net.

There is another part of the bill passed by the other body which I have a tough time understanding. That is the $225 million that they want to spend on a cost-share program over the next 3 years. This program would pay farmers who take fragile farm

land out of production. Now, if I understand this provision correctly, the chairman of the Senate Soil Conservation Subcommittee, my colleague from Iowa, has already authored a pilot project to study the effectiveness of this approach. The project will provide valuable information for our deliberations during the consideration of the 1985 farm bill.

Instead of showing a little restraint and patience to see whether or not this approach is effective, the other body wants to throw $225 million more of our taxpayers money at a problem. What is the rush?

Well, this is 1984, a year of elections, and that is probably the urgency. At least we can raise that question. Or is it a responsible approach, I suppose I should ask myself as well.

But there is one great irony that I cannot resist to point out. Perhaps it will not have the meaning to my colleagues from other parts of the country. But it will certainly cause some red faces in the Midwest. Just who does the house propose to pay this $225 million to?

Will it go to the small family farmers? Will it go there to those people who really need it? I am not aware of any House restrictions on the number of acres a person can farm and still be eligible. So I would have to conclude that it is not reserved just for the small family farmer.

I will tell you who is going to get most of this money. It will end up going to those big operators, the speculators, and the outside investors who have become so notorious in southern Iowa.

I am appalled at what the House of Representatives did. They harangue about a big operator who buys up fragile hilly southern Iowa land to crop it, and then implement a program to pay him to take this land out of production. Obviously, I do not think these people should be rewarded. There are some folks in the other body who just have not been thinking clearly.

Well, I am not going to sit back and allow the other body to reward the investors of the world who buy up and abuse Iowa's fragile land, nor will I accept a bill by the other body that drastically hurts drought victims.

My only request of my Senate colleagues, who might have to fight this House bill in conference, is I would ask you not to give in. I want to improve our soil conservation efforts just as much as anyone. But I refuse to support a half-baked proposal by the other body that rewards land barrons who abuse farmland and that cuts the throats of drought disaster victims.

Again, the House bill is not a sodbuster bill. It is a farmbuster bill. It should be very obvious to all of you then, who consider my remarks, that either one of these Senate versions of the sodbuster bill are worthy of our support, and more important, worthy of a tough defense on the part of our conferees in the Senate and House conference committee.

Mr. MELCHER. Mr. President, I wish to respond to my good friend from Iowa. He has indeed raised some concerns of a number of Senators and a number of farm organizations.

The situation where we are at in the conference committee is that the conference committee has not met. It has not met this week or last week or the week before. As a matter of fact, it is getting on to the point where we wonder whether the conference committee will ever meet again, and it is for that reason that I had prepared to introduce the sodbuster, only the sodbuster part of their version of the bill onto this appropriation bill.

As we know, most of us, when we are going to do something like this on an appropriation bill we want to think it is pretty high priority but this indeed is high priority. We want it to be successful in this version, the version that the committee had reported out and the version that I have offered as a substitute for the amendment of the Senator from Colorado.

I think there is some real chance that if this version, this so-called middle ground be confirmed and approved, I guess is the correct way to do it, by the Department of Agriculture and by the soil conservation districts and other organizations I earlier mentioned, there is a pretty good chance the House of Representatives is going to accept it. We will have a sodbuster bill passed by both bodies, and it will be on the President's desk in a matter of days. We certainly need it now.

I hope my substitute amendment can be agreed to.

Mr. President, I had earlier said that I wished to invoke a quorum call just to give time for anyone else who wishes to speak on this proposal to be here. But there has been plenty of time and we allowed Senators we knew might have some interest in discussing it to come to the Chamber, and I know of no one else who wishes to.

I am ready for a vote.

Mr. JEPSEN. Mr. President, I commend my colleagues for once again introducing this amendment to prohibit the Federal Government from subsidizing destructive farming practices.

For almost 4 years now the Congress has grappled with the concept of sodbusting, plowing out highly erodible lands that should never have been plowed but which should have instead remained under a protective, permanent vegetative cover.

The action taken by a sodbuster is a clear and definite one. The penalties or disincentives which we in the Congress feel would discourage this action, however, remains unclear or uncertain to some.

Sodbusting is a concept that has been discussed at town meetings, in the press, at congressional hearings, at public interest forums, in the Agriculture Committees in both the House and the Senate, and in debate on both the House and Senate floors. Several versions of this bill have been passed by both committees and in the respective Chambers of Congress. However, it is time for the Senate to put an end to the discussions, to move ahead of a deadlocked conference on the conservation bill, and to show leadership and direction in the area in which we have always excelled—soil conservation.

Proper land management, soil and water conserving farming systems are the basic capital investment of a productive agricultural plant. And it is this productive agricultural plant that will contribute to maintaining a vital agricultural sector which—as I have said time and again—will give the United States an agricultural system that is economically profitable and environmentally sound.

Mr. HUDDLESTON. Mr. President, the amendment before us would make producers who cultivate land classified as highly erodible by the Soil Conservation Service ineligible for price support loans or commodity program payments, farm storage facility loans, Federal crop insurance, disaster payments, and Farmers Home Administration insured or guaranteed loans.

The legislation is needed to discourage new cultivation of fragile lands that are unsuitable for intensive agricultural production without the application of proper conservation practices.

Some land will be exempted from the provisions of the amendment, essentially land that is already being cultivated and land that is being farmed under good conservation practices.

Under the version of the so-called sodbuster provision before us, any producer who grows a commodity on highly erodible land that does not qualify for an exemption would have Federal program benefits denied as to all of that commodity grown anywhere by the producer during the crop year involved. This was the approach contained in S. 663, as reported by the Senate Agriculture Committee.

The amendment also requires the Secretary of Agriculture to issue regulations defining the term "person" and prescribing the rules for determining who shall be ineligible for program benefits so as to ensure fair and reasonable determinations of ineligibility.

This specific requirement, which was not contained in S. 663, as reported by the Senate Agriculture Committee, should help ensure that the sodbuster provisions are implemented by the Department of Agriculture in a balanced and sensible manner.

I will point out that the Senate and the House have already passed sodbuster legislation. However, during the conference to resolve the differences between the House and Senate versions of that legislation, the administration threatened to veto any conference agreement that included authorization for a Conservation Reserve Program—a key provision of the House bill. The conference has not been able to resolve the issue and Chairman HELMS has stated that he would like additional time to consider the matter.

The House conservation provision authorizes a $225 million Conservation Reserve Program. The funds authorized would be obligated over 3 years. Under the program, the Secretary of Agriculture would provide financial assistance to producers who take erosion-prone land out of production for at least 7 to 15 years. The provisions are strongly supported by conservation groups.

It is my hope that the conference will be able to reach agreement on the sodbuster and conservation reserve legislation and that the Senate's approval of this amendment will encourage the conference to reach agreement in a timely manner. Therefore, I urge my colleagues to support the amendment.

Mr. COCHRAN. Mr. President, I am prepared to go to a vote also. I simply say to the Senators that I am one of those who has voted for both versions. I voted as a member of the Agriculture Committee for the proposal of the Senator from Montana and as a member of the full Senate for approval of the bill that the Senator from Colorado [Mr. ARMSTRONG] is presenting now.

I might say that it probably would be easier in conference to get the Armstrong version approved. Senators should consider that. So I am not saying that either version should be rejected because both are very good proposals, they are very sound, and they do have the support of the administration as well.

The PRESIDING OFFICER. The question is on agreeing to the Melcher amendment to the Armstrong amendment.

Mr. MELCHER. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana to the amendment of the Senator from Colorado.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Nevada [Mr. LAXALT] is necessarily absent.

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from California [Mr. CRANSTON], and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

The PRESIDING OFFICER [Mr. WILSON]. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 62, nays 34, as follows:

[Rollcall Vote No. 227 Leg.]

YEAS—62

Abdnor	Ford	Metzenbaum
Andrews	Glenn	Mitchell
Baucus	Grassley	Moynihan
Bingaman	Hart	Nickles
Boren	Heflin	Nunn
Boschwitz	Heinz	Pell
Bradley	Helms	Percy
Bumpers	Hollings	Pressler
Burdick	Huddleston	Proxmire
Byrd	Humphrey	Randolph
Chafee	Inouye	Riegle
Chiles	Jepsen	Roth
Cohen	Johnston	Sarbanes
D'Amato	Kennedy	Sasser
Danforth	Lautenberg	Simpson
Dixon	Leahy	Stafford
Dodd	Levin	Stennis
Durenberger	Long	Stevens
Eagleton	Mathias	Tsongas
East	Matsunaga	Zorinsky
Exon	Melcher	

NAYS—34

Armstrong	Hatch	Rudman
Baker	Hatfield	Specter
Biden	Hawkins	Symms
Cochran	Hecht	Thurmond
DeConcini	Kassebaum	Tower
Denton	Kasten	Trible
Dole	Lugar	Wallop
Domenici	Mattingly	Warner
Evans	McClure	Weicker
Garn	Murkowski	Wilson
Goldwater	Packwood	
Gorton	Quayle	

NOT VOTING—4

Bentsen	Laxalt
Cranston	Pryor

So Mr. MELCHER's amendment (No. 3672) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MELCHER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3671, AS AMENDED

The PRESIDING OFFICER. The question is on agreeing to the Armstrong amendment (No. 3671), as amended.

The amendment (No. 3671), as amended, was agreed to.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. MELCHER. Will the Senator yield for just a minute?

Mr. METZENBAUM. Without losing my right to the floor. Is it for the purpose of the motion to reconsider?

Mr. MELCHER. Mr. President, I merely want to state that the amendment that has been adopted has been long sought by the Senator from Colorado. He pioneered it on the Senate floor, laying the groundwork several years ago, to make sure that the Senate and the Congress as a whole made some objection to the practice of sodbusting and to try to prevent it by appropriate legislation. I highly commend the Senator from Colorado for his leadership.

Mr. ARMSTRONG. Mr. President, I wish to reply in kind and congratulate the distinguished Senator from Montana for his cooperation on this issue and the Senator from Iowa and others who have been active in this area a long time to try to get some kind of an agreement. While we disagreed slightly today on the best form of amendment to send to the House, the important issue is that we have the right kind of amendment adopted—not just proposed but adopted—which will terminate the incentives for plowing of these fragile grasslands and that that be enacted and signed into law and on the books prior to the next plowing season. We wish the conferees well in trying to work out something that everybody can agree to.

AMENDMENT NO. 3674

(Purpose: To express the sense of the Congress that obligations issued outside the United States be in registered form)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 3674.

At the appropriate place, insert the following section:

SEC. . (a) The Congress finds that—

(1) the Secretary of the Treasury should take all reasonable and necessary steps to improve and promote tax compliance,

(2) long-term debt issued in registered form improves tax compliance,

(3) in the Tax Equity and Fiscal Responsibility Act of 1982, Congress restricted the use of unregistered obligations in order to promote tax compliance,

(4) the Secretary of the Treasury is presently considering the issuance outside the United States of unregistered obligations to finance the public debt,

(5) such issuance by the United States or United States corporations may lead to evasion of United States and foreign taxes, and

(6) the Secretary of the Treasury has the authority to require that all obligations issued outside the United States be in registered form in order to be exempt from Unites States tax.

(b) It is the sense of the Congress that the Treasury Department not issue obligations for purchase by foreign investors in bearer form until it has been determined by actual experience that issuance of obligations in registered form is a significant barrier to sale of such securities resulting in substantially greater rates of interest than otherwise would be necessary.

Mr. METZENBAUM. Mr. President, my amendment expresses the sense of the Senate that the Department of the Treasury should take all reasonable and necessary steps to encourage tax compliance. To that end, it urges the Secretary of the Treasury to require the sale of bonds in registered form to qualify for tax-exempt status.

Mr. President, as part of the Deficit Reduction Act, Congress repealed the 30 percent withholding-tax that has been imposed on interest paid to foreigners. This is a provision that was strongly supported by the administration. And it is a provision that had no place in a so-called deficit reduction package.

Permit me to explain.

It is a fact that there has been a gaping loophole in the 30-percent withholding tax. Under a tax treaty provision with The Netherlands Antills. interest paid to persons in the Antilles has been exempt from the withholding provision.

The result has been the establishment of a blizzard of paper corporations that participate in a multi-million dollar-a-year tax dodge. In fact, 15,000 corporations, many of them subsidiaries of U.S. companies, have set up paper firms to sidestep the foreign withholding tax. These companies have sold between $25 billion and $30 billion in bonds since 1974.

According to the Wall Street Journal, the U.S. Government has been the loser.

Quoting from the October 11, 1982 Wall Street Journal:

> The Commerce Department experts who calculate the U.S. balance of payments now believe that a failure to report such foreign borrowing by banks and corporations is a major contributor to the "mystery category," an unexplained flow of money into the U.S. that is throwing Government statistics off by about $25 billion a year.
>
> The Internal Revenue Service, which has traditionally allowed tax credits to companies that borrow through Antillean subsidiaries, has begun to challenge the tax returns of some major U.S. corporations. The IRS's office of internal operations has suspected for several years that U.S. tax skimmers and drug dealers also are using Antilles companies to recycle money back into the U.S.
>
> The Central Intelligence Agency, according to several government sources, has reported that Arab investors are switching money from U.S. bank certificates of deposit and Treasury bills into the Eurobond market to get higher interest rates and the greater privacy of the Antillean route, which prevents scrutiny by such prying agencies as the IRS and the CIA.
>
> The U.S. Treasury believes that one of the main reasons it can't persuade major U.S.-trading partners to negotiate new tax treaties is that their investors prefer to go through the Antilles.

So how did the administration and the Finance Committee suggest we deal with the Antilles window? Did they suggest that the loophole be plugged? No. Instead of eliminating the loophole, they recommended elimination of the tax itself.

It appears to be a new theory of tax reform: If there is a loophole in the law, do not correct the problem—repeal the law.

How absurd can we get?

Who benefits? I shall tell you who benefits, Mr. President.

It will increase the profits of U.S. investment houses.

It will make the Eurobond market more accessible for many, if not most, fortune 500 companies now using the Antilles loophole.

It offers tax amnesty to those corporations who used the Antilles to escape the tax but were being challenged by the IRS.

And it will encourage drug smugglers and others to use the Eurobond market to recycle illicit money into the United States.

And at what cost is repeal accomplished?

By repealing the tax, instead of closing the loophole, the Federal Treasury will lose an estimated billion dollars a year in foregone revenue.

But lost revenue is far from the only cost. Repeal has increased the overseas demand for the U.S. dollar, keeping the dollar overvalued, inflating the all-time record trade deficit, and sending more American jobs overseas. In fact, the very day on which the president signed the tax bill, the U.S. dollar rose to a 10-year high.

Mr. President, this tax reform charade would have been absurd enough even if the Treasury Department had not indicated that it intended to take it one step further. But it has.

The Department is currently considering a proposal to promote the tax-free sale of U.S. Government securities in the Eurobond market by offering a special kind of security known as a bearer bond.

It is my understanding that the chairman of the Committee on Finance will make available for the RECORD a response on this subject from the Secretary of the Treasury, indicating that he does not intend to proceed in that direction. But that does not remove the fact that it has been widely publicized that such an intent is definitely being considered.

A bearer bond is an instrument whose main appeal to buyers lies in the fact that it can be purchased and held anonymously. U.S. firms have for years sold such securities on foreign markets to lenders who for various reasons wish to keep their identities secret. Some wish to evade taxes, others to get around currency restrictions, and still others are no doubt engaged in laundering illicit profits from drug smuggling and other criminal activities.

In fact, because of concerns that bearer bonds facilitate tax evasion, Congress restricted their sale in 1982. The Tax Equity and Fiscal Responsibility Act prohibits the sale of bearer bonds by Federal agencies and denies certain tax benefits to U.S. corporations issuing bearer bonds. In addition, the law imposes an excise tax on bonds that violate these prohibitions. The law exempts bonds sold to foreigners when there are arrangements designed to ensure that such bonds not be sold or resold to Americans. Under the new proposed regulations, however, the only arrangement that is necessary is a covenant, a mere promise, by the sellers that no U.S. person will buy the bonds.

Are there any penalties for breaking the covenant?

No.

Do we have any means of determining whether or not these bonds are finding their way into the hands of U.S. buyers?

Of course not.

So much, Mr. President, for tax compliance.

Where does the administration think it will sell these unregistered bonds?

The fact is that the Treasury Department is eyeing what is known as the Eurobond market. And what a market it is.

The Eurobond market is a large, completely unregulated, pool of overseas dollars. According to The Wall Street Journal: "Many investment bankers on both sides of the Atlantic believe there is a lot of shady, illegal, activity in this vast, unregulated market."

It is market that operates almost entirely on trust, and quite frequently, with scandal. Last October, for example, it was discovered that millions of dollars in fraudulent securities were being traded bearing such names as the State of Connecticut, Citicorp, BankAmerica, and Massachusetts schools.

And last June, the chief Eurobond trader at a major New York-based securities firm was allegedly involved in a fraudulent bond scheme. One small broker firm that stands to lose from the scam said: "If you can't deal with a partner who is the head London trader at a major U.S. securities firm, who can you deal with?"

This is the market in which the Treasury Department is thinking about selling its bonds.

It is not the first time a Government agency has explored the possibility of selling debt in the Eurobond market. In 1974, the Federal National Morgage Association established a paper corporation in the Netherlands Antilles. And in 1978, it requested permission from the Treasury Department to use the Antilles Treaty loophole to market securities in the Eurobond market.

The Treasury Department found mindboggling the thought that a Fed-

eral agency would use the Antilles loophole and it vetoed the idea. But now the Treasury Department has taken an about-face.

I see no reason to permit the Treasury Department to use the Eurobond market in a manner that will make it easier for Americans and others to launder money and to evade taxes. Foreigners already own $160 billion in U.S. debt and the recent repeal by the Congress of the 30-percent withholding tax on interest paid to foreigners will no doubt make U.S. instruments even more attractive to overseas investors.

I am not alone in this belief. The Government and Federal Agencies Securities Committee, a private-sector group that advises the Treasury Department on marketing Federal securities, has concluded that bearer bonds are not necessary to move U.S. Government securities overseas. The committee has urged the Treasury not to issue bearer bonds because such a policy "at least to some degree encourages and condones tax evasion and illicit anonymity."

Senator DOLE, the distinguished chairman of the Finance Committee, in a letter to Secretary Regan discouraging the use of bearer bonds, wrote:

My concerns center around the possibility that any safeguards designed to ensure sale to non-U.S. persons, such as covenants by underwriters and associated sellers, may be inadequate to prevent such bonds from eventual ownership by U.S. persons. Because of the repeal of the 30-percent withholding tax on U.S. interest earned by foreigners, I have some concerns that U.S. persons may find it more attractive to pose as foreigners and obtain Treasury securities without any trace of such ownership available to the IRS and, thus, evade U.S. taxes

• • •

Mr. President, it is clear that the legislation that repealed the 30-percent withholding tax was by no means intended to encourage Treasury to take a step of this kind. The law requires the Department to establish a certification process in order to ensure that Americans do not use this repeal to evade their U.S. tax obligations. It also empowers Treasury to mandate registration as a precondition for according tax-exempt status to securities sold in the Eurobond market.

My amendment expresses the sense of the Congress that the Treasury Department should give heed to this issue in order that it not be possible for foreign purchasers to purchase bonds that are exempt from the 30-percent withholding tax and to do so by buying them in bearer form. I believe that only in this responsible manner can we let Treasury know of the Senate concern for this issue. I believe that it is wrong for the Federal Government to promote tax evasion and it is wrong to permit U.S. corporations to do so as well. I hope that Treasury will act in order to prevent the sale of U.S. Treasury bonds in bearer form and that at an appropriate time in the not-too-distant future it will also see to it that corporations not be issuing bonds in bearer form which permit the same kind of illicit and illegal activities.

Madam President, I ask unanimous consent that there be included in the RECORD an editorial of Wednesday, August 8, 1984, from the Washington Post, an editorial of July 19, 1984, from the New York Times, and an editorial of Thursday, July 5, 1984, from the Washington Post.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 5, 1984]

UNCLE SAM'S TAX HAVEN

Move over Netherlands Antilles. Watch out, Swiss bankers. Uncle Sam is setting up a tax haven within his own borders. No more need to create dummy corporations or sacrifice interest in numbered accounts. Big-time tax avoiders may soon be able to get the high interest and security of U.S. Treasury and triple-A corporate bonds without fear of the tax collector.

This opportunity is provided by the big tax bill recently passed by Congress, which repeals tax withholding on interest paid to foreign investors. The repeal opens the way for the U.S. Treasury, along with corporate borrowers, to take full advantage of the sometimes shady billions floating around the anonymous Eurobond market. The Treasury Department usually favors extension rather than repeal of withholding measures. But the Treasury's need for new markets for its burgeoning debt has overshadowed its traditional commitment to honest tax-paying.

The respectable argument for withholding repeal is that it will remove artificial barriers to the free flow of capital. But for most foreign investors, tax withholding is a barrier to buying U.S. securities only if they want to cheat their own countries' tax systems. Most countries have signed treaties with the United States which, in return for concessions important to the United States, either eliminate or reduce withholding for their citizens. The only catch is that, to benefit from treaty exemptions or credits, foreign investors have to let their own governments know about their investment income—which many of them don't want to do.

While supporters of repeal prefer to talk about tax "sheltering" rather than ugly old tax cheating, there is no ambiguity about the expected source of interest among foreign investors. Experts advise the Treasury that it won't be able to peddle its securities in the Eurobond market unless it eliminates all disclosure requirements and, either directly or indirectly, converts to the anonymous bearer bonds traded on the Eurobond market—propositions that Treasury is now considering.

Treasury hopes that attracting more foreing capital will help reduce U.S. interest rates and hence lower the value of the dollar on foreign exchanges. But in the short run, as some people predicted, repeal of withholding added to upward pressure on the dollar. The dollar not only surged on the news that repeal had passed, but even rose 10 days earlier on a premature rumor of passage. That's more bad news for U.S. exports.

This blatant attempt to persuade foreign investors to finance still more of this nation's debt will not endear us to our allies who are struggling with recovery problems far more severe than our own. Nor will it make them inclined to help the United States track down its own big-time tax avoiders when they take refuge in foreign markets. If Congress doesn't find the idea of converting the United States into the world's largest tax haven repugnant enough in itself, perhaps these more practical considerations will persuade it to change its mind.

[From the Washington Post, Aug. 8, 1984]

SOLICITING TAX EVASION

In a conspicuous display of poor judgment the Treasury Department is considering whether to sell, overseas, a type of security known as a bearer bond. Most government bonds are registered in the name of the holder. That makes it less inviting to steal them, but it also means that the government knows who's collecting the interest. A bearer bond is unregistered. The government simply pays the person who has possession of it—the bearer. The Treasury is attracted by the thought that foreign buyers might bid higher for bearer bonds than for the conventional sort. Why do you suppose investors might pay a premium for anonymity?

It is grotesque that the Treasury should entertain this blatant solicitation to tax evasion. When the idea began to take shape in mid-July, Sen. Robert Dole, the chairman of the Finance Committee, wrote to Secretary Donald T. Regan expressing his concern at a "perceived collusion by the U.S. Treasury with tax evaders." Sen. John H. Chafee and, in the House, Rep. Doug Barnard wrote similar letters. None of them has received an answer. The Treasury still hasn't made up its mind.

The Administration seems to assume that, since the buyers would be foreigners, they would only be evading other countries' taxes. That's far from clear. Since the purchasers would be anonymous, as Sen. Dole pointed out, it will be impossible for the Treasury to know whether they are being sold—or resold—to Americans.

But if the logic of this scheme is weak, the moral implications are worse. At a time when money is becoming increasingly mobile, every government in the world is having trouble with tax evasion. They can control it only to the extent that they are prepared to work together. The United States has recently been having a degree of real success in its campaign to pry open the records of some of the Caribbean tax havens and even to coax a measure of cooperation from the Swiss banking authorities. This progress would be undercut by resorting now to bearer bonds.

Why does the Treasury continue to contemplate such an obviously bad idea? Perhaps the administration is getting anxious about its ability to keep drawing in money from abroad. The Reagan economic policy is pushing this country into increasing dependence on an inflow of foreign capital—from a modest $11 billion in 1982 to an unprecedented $41 billion in 1983 to something over $80 billion this year. You are entitled to doubt that this kind of geometric progression can continue much longer. Perhaps the Treasury Department is beginning to feel a strain sufficiently severe to press it

toward expedients even as dubious as bearer bonds.

[From the New York Times, July 19, 1984]

AMERICA AS TAX HAVEN

The Federal Government has long fretted about Americans who use foreign havens to conceal their income and avoid income taxes. Places like the Cayman Islands, the Netherlands Antilles, Lichtenstein and Macao have been all too ready to assist in the evasion. Unable to beat them, the Reagan Administration is now thinking of joining them, by inviting other countries' evaders to invest anonymously in the United States. Some American investors may also get in on the deal.

The purpose would be to save money on Federal borrowing, on the theory that investors will accept lower interest if they can dodge both American and foreign taxes. The shameful result, besides losing tax dollars, would be to turn the United States into a tax haven. It would also raise the demand for dollars, increase their value and create more trouble for America's already overpriced exports.

The Instrument of evasion would be "bearer" bonds. At present, a bond issued by any level of government or a private company must be registered in the buyer's name. The interest paid is then easily traced, as is any tax due—to Washington or the bondholder's government—on the interest. "Bearer" bonds, however, reveal no name. Common in Europe, and formerly in this country, they're payable to anyone who presents them—the "bearer."

American bonds are popular for their high interest rates and modest risk. But America's regislation requirement and tax withholding tend to reduce that popularity.

Large American corporations have circumvented registration and withholding by doing their foreign borrowing through offshore tax havens. The Treasury, however, could hardly follow them. So it got Congress to repeal the 20-year-old withholding rule in the 1984 tax bill, and is now considering legalizing the "bearer" form for foreigners.

By thus clearing a path for more foreign investment, the Treasury might save as much as $50 million in lower interest rates on each year's borrowings. But is it right to encourage tax evasion in friendly countries? And is it right to discriminate against American investors or to lure them into foreign alliances to gain anonymity?

It's taken years to negotiate tax treaties with other nations to make sure that income is taxed somewhere, but not doubly. This proposed chicanery would enrich the United States and some American corporations, but in ways that would leave other governments resentful and looking for damaging countermeasures.

The PRESIDING OFFICER (Mrs. KASSEBAUM). The Senator from Kansas is recognized.

Mr. DOLE. Madam President, there has been much discussion recently about whether the treasury department should issue obligations in bearer form for sale to foreigners. The issue is based on concern that we do not inadvertently lessen compliance with our tax laws while we try to lower the government's cost of borrowing.

A little background on the issue may be helpful. The Deficit Reduction Act which the President signed just a few weeks ago repealed a provision in the tax code which imposed a 30-percent tax on interest earned in the United States by foreigners. It was not as large a step as some have made it out to be because many of our tax treaties contain articles to significantly reduce or even eliminate this tax. Indeed, one of the motivations for repealing the tax was that U.S. corporations could arguably issue obligations which would not be subject to the tax by use of Netherlands Antilles finance subsidiaries. It was felt that it would be better tax policy for these obligations to be issued directly, rather than relying on interpretations of the scope of treaty provisions.

It might be asked why did we care? The simple answer is that we wanted to lower the cost of issuing debt obligations. We also wanted to give the U.S. Treasury an opportunity to have access to the foreign market for the same reason. Therefore, under the Deficit Reduction act, the United States will now be able to issue debt obligations to foreigners without imposition of a 30-percent tax on interest paid.

Another indirect effect of the repeal of the withholding tax, which was discussed at the hearings the finance committee held on the subject, is the elimination of the appearance of classifying some nations as authorized "tax havens" because of favorable negotiated treaty provisions limiting or eliminating the withholding tax.

This background puts into perspective the issue of whether Treasury should sell bonds to foreigners which are payable to the bearer, rather than specifying who the purchaser is. The latter alternative is referred to as issuance in registered form.

It has been argued that some foreigners prize anonymity in their investments so much that they would be very reluctant to purchase obligations issued in registered form. It has been further argued that this reluctance would make sale of registered securities difficult, if not impossible, even for the U.S. Treasury. At the least, it has been argued that Treasury would have to pay a somewhat higher rate of interest on registered obligations than would be necessary if the same obligations were issued in bearer form.

If that is all there were to the issue, I guess everyone would agree that allowing Treasury to issue bearer bonds made sense. Unfortunately, there is a complicating factor: it might be possible for U.S. citizens and residents to purchase those obligations by posing as foreigners and, as a result, avoid Federal income taxes that are due on the interest earned. Indeed, questions about this compliance issue were raised both during the Senate's consideration of this provision and when the repeal of the withholding tax was discussed in the House-Senate conference.

The Senator from Kansas believes that the Treasury should try registered bonds in this new foreign market before issuing bearer bonds. If experience proves that selling registered bonds is difficult or inefficient, the bearer bond option would still be available. However, at least until we have some experience on which to base our decisions, it seems to this Senator that we should show some concern over the potential compliance problem.

This Senator all along has been confident that the Treasury Department would not condone, let alone encourage, noncompliance with the Federal tax laws. The Secretary of Treasury and the other Treasury officials involved in this matter have been, in fact, concerned about the compliance implications of whether its obligations are issued in bearer or registered form and have been studying the issue carefully since Congress repealed the 30-percent tax. The Secretary has informed me today that they have no plans to issue bearer obligations to foreigners. He states the Treasury's position is the same as ours. I would hope this will put the issue to rest.

Madam President, I have listened to the distinguished Senator from Ohio. I may have been incorrect, but I was under the impression that if the Treasury Secretary indicated that he had no plans to issue bearer securities, that might resolve this issue. I do not know whether it is necessary to pass a resolution. It seems to contradict our efforts to have the Treasury Secretary indicate in writing what his plans were. I do have the letter to which the Senator from Ohio alluded. It is dated today. It says:

THE SECRETARY OF THE TREASURY,
Washington, DC, August 9, 1984.

Hon. BOB DOLE,
U.S. Senate,
Washington, DC.

DEAR BOB: I would like to acknowledge your letter of July 16, 1984, expressing your concern about the issuance of Treasury securities in bearer form after the repeal of the 30 percent withholding tax on interest paid to foreign persons.

I share your concerns regarding the tax compliance aspects of the repeal legislation and I assure you that, in implementing repeal, I will take into consideration the issues raised in your letter.

Although no final decisions as to the precise manner in which the repeal legislation will be implemented have been made, I can assure you that the Treasury Department has no plans to issue bearer securities.

With best wishes,

DONALD T. REGAN.

I might say that since that time I have been notified that I can state publicly that Treasury is not going to issue any bearer securities. That statement is from the Secretary of Treasury. We have heard other statements about "no plans" and sometimes plans

develop, so we went back to clarify that portion of it. I think I am safe to say that it is ironclad. Based on that I would hope we might not need the resolution. The Treasury Secretary has responded favorably to the letter I wrote, to the letter of the distinguished Senator from Rhode Island [Mr. CHAFEE], and to the interests and concerns expressed by the distinguished Senator from Ohio [Mr. METZENBAUM].

Madam President, I ask unanimous consent that my letter and that of Senator CHAFEE be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 30, 1984.

Hon. DONALD T. REGAN,
Secretary, Department of the Treasury, Washington, DC.

DEAR MR. SECRETARY: I understand that the Treasury Department is currently devising regulations to implement an important provision in the Tax Reform Act of 1984 of which I was an original cosponsor; namely, the repeal of the 30 percent withholding tax on interest paid to foreign investors. The Treasury Department was supportive of and instrumental in the passage of this provision, so I want to make clear at the outset that I trust any regulations you issue will be absolutely consistent with the original purpose of this legislation.

The Act gives the Treasury and corporations authority to issue bearer bonds, so long as there are reasonable assurances that these bearer bonds are not being sold to American citizens. I have been informed that you are being encouraged to remove any requirements that foreign investors reveal their identify in order to issue Treasury securities at a lower rate of interest. I encourage you to consider some limited registration of these securities first, to see whether such registration is in fact a barrier to sales. It would certainly be easier to drop any such requirement if it proves unworkable, than to impose a registration requirement in the future if noncompliance becomes a problem.

The question of tax avoidance by Americans purchasing these tax-exempt bearer obligations abroad was raised during the Conference on the tax bill. At the time, I, and the other cosponsors of this legislation, assured others that our bill calling for repeal of the 30 percent withholding tax would pose no compliance problem. We specifically cited the provisions in the bill giving the Treasury Department the power to make certain that these obligations were not being sold to American citizens.

It is my position that we must be extra careful to prevent American purchasers from avoiding U.S. taxes.

Sincerely,

JOHN H. CHAFEE,
U.S. Senator.

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC, July 16, 1984.

Hon. DONALD T. REGAN,
Secretary, U.S. Department of the Treasury, Washington, DC.

DEAR SECRETARY REGAN: I have been informed that the Treasury Department is considering allowing foreign investors to purchase Treasury securities in bearer form. It is my understanding that you have been advised that removing any requirements that foreign investors reveal their identity could allow the Treasury to issue their securities at a lower rate of interest and thus incur significant interest savings in financing the national debt.

The Deficit Reduction Act gives the Treasury and corporations authority to issue bearer bonds, provided safeguards ensure their sale only to foreign investors, and I recognize the need for the Government to consider cost savings in all attempts to finance the national debt. I do want, however, to express my concern about the appearance of this form of financing, the cost effectiveness of issuing Treasury bearer bonds after taking into account the effect on taxpayer compliance, and the implications of such a step for the future.

Obviously, to the extent Treasury bond rates are reduced because of U.S. tax avoidance by holders of these obligations, the Treasury savings will be reduced and possibly eliminated.

My concerns center around the possibility that any safeguards designed to ensure sale to non-U.S. persons, such as covenants by underwriters and associated sellers, may be inadequate to prevent such bonds from eventual ownership by U.S. persons. Because of the repeal of the 30% withholding tax on U.S. interest earned by foreigners, I have some concerns that U.S. persons may find it more attractive to pose as foreigners and obtain Treasury securities without any trace of such ownership available to the IRS and, thus, evade U.S. taxes. A perceived collusion by the U.S. Treasury with tax evaders is of even greater concern to me than a similar potential use of private U.S. corporate securities by such persons. I know that my concerns are shared by others, and sincerely hope that you will carefully keep these factors in mind as you make your decision.

In addition, I would hesitate to assume summarily that most foreign investors would not find Treasury obligations attractive even if issued in registered form. U.S. Treasury securities are among the most secure investments in the world. We have no experience to judge the attractiveness of registered Treasury securities now that the 30% withholding tax has been repealed. Also, it would seem to me that the U.S. Treasury might be the most reliable institution in the world with regard to maintaining secret the identity of its bondholders. You might consider testing the sale of such securities with some limited registration requirements, and if such actual sales show that registration is a barrier, you could consider dropping the requirements. On the other hand, it is unlikely that, once a practice of issuing bearer debt is begun, you could ever reimpose registration requirements if noncompliance proves to be a problem in the future.

Finally, I want to emphasize that the conferees, in passing the 30% withholding provisions, were concerned about the issue of tax evasion by U.S. persons as a result of this repeal and the participation by Treasury in such evasion. In recognition of that concern, the Deficit Reduction Act grants Treasury additional authority to require registration of debt instruments that might otherwise be exempt from the registration requirements under TEFRA.

Therefore, I believe that Treasury should carefully consider alternative means of compliance when their securities are issued and should not feel pressured into taking steps that cannot be reversed in the future.

Sincerely,

BOB DOLE,
Chairman.

Mr. DOLE. Madam President, I think the statements made by the distinguished Senator from Ohio indicate a real concern, that many of us share. The editorials that the Senator from Ohio has placed in the RECORD I think adequately state some of the concerns. I think we have made a pretty good case and the Secretary of Treasury has responded that he agrees. I wonder now if it is necessary to pass the resolution. Is there any reason to pursue the resolution if we have achieved what both the Senator from Ohio and the Senator from Kansas wanted to achieve?

Mr. METZENBAUM. I appreciate the position of the chairman of the Finance Committee, and as I read the letter from the Secretary of the Treasury it sounds somewhat close to a statement that the distinguished Secretary made rather recently in which he said there were no plans for a tax increase in 1985. I do not think that relates to this issue——

Mr. DOLE. I might say to the Senator from Ohio that when I read that, my antenna went up. I said, "Oh, oh, you better check this 'no plans' language because it could mean something else." But we now have the assurance that it is ironclad.

Mr. METZENBAUM. I would like to come back to that in a moment, but I would like to ask the distinguished chairman of the Finance Committee whether he does not share the same concern that I have expressed in my remarks; I think it is a fact that a number of corporations are now issuing bonds in bearer form and the Treasury has not seen fit to act in connection with those activities.

Although this resolution does not address itself to that subject—and, after consultation with the staff of the Senator from Kansas, deliberately did not do so—I should like to have the view of the chairman of the Finance Committee as to whether or not it would be appropriate if we were to be able to obtain all the revenue that the Treasury is entitled to by reason of interest paid in connection with corporate bearer bonds, or whether the Treasury should not, in fact, move in the other direction, to see that the Treasury's interest is protected.

Mr. DOLE. I do not believe I disagree with what the Senator from Ohio has stated.

It seems to me that if, in fact, there is not adequate compliance, we may want to take some action—not a sense-of-the-Senate resolution.

With respect to getting a commitment from the Treasury Secretary that they are not going to issue bearer securities, we have that. I think that

has been achieved, and I believe the Secretary has acted in good faith. But if for some reason this issue should drag along and Treasury starts issuing bearer bonds, maybe to see what happens, without having first tried other alternatives, then I hope we would revisit this. The Senator from Ohio would be prepared to do it, and I would.

Mr. METZENBAUM. I certainly would.

Mr. DOLE. It is a matter that should be addressed up front.

I believe we have achieved what the Senator from Ohio mentioned to me yesterday, and that is when I asked the Treasury to respond to my earlier letter. I said:

> If there is not some unequivocal indication, then you are going to have to deal with a resolution. I am not certain what it will say. It seems to me that the best way would be to indicate, in response to our letters, that there are no plans to issue bearer securities.

We now have unequivocal assurance that there will be no issuance of bearer securities.

I hope we might just let it go at that, and I am prepared to cooperate with the Senator from Ohio.

Mr. METZENBAUM. With those assurances from the chairman of the Finance Committee and with the representations of what the Secretary of the Treasury intends to do with respect to Treasury-issued bonds, and his further assurances with respect to the concerns I have concerning corporate issues, I do not think it is necessary to press this resolution to a vote, and the Senate need not act on it.

Under those circumstances, Madam President, I will withdraw the amendment.

Mr. DOLE. Madam President, I thank the Senator form Ohio. I think this is the right disposition of this matter. We are watching this very carefully, I can assure the Senator from Ohio—not just the Senator from Kansas but also other Senators on both sides of the aisle—and we believe there will be a satisfactory resolution and that we have achieved our goal so far as the Treasury Department is concerned.

I appreciate the Senator withdrawing his resolution. In my view, Secretary Regan has responded in good faith. I believe he understood that if some assurance were given, there would not be need for legislative action. We will see what develops; and if something goes awry between now and the time we return, we will revisit it.

Mr. METZENBAUM. I thank the chairman of the Finance Committee.

Mr. EXON. Madam President, I am joined by my colleague from Nebraska, Senator ZORINSKI and Senators BURDICK, BAUCUS, and ANDREWS in offering a bipartisan amendment which would restore the target price levels for wheat and feed grains to those levels provided for in the 1981 farm bill. I emphasize, Madam President, that this is a restoration move only. The level of a target price is not being increased over what the Congress and this administration promised in the 1981 farm bill. We are merely keeping the faith to agriculture producers with this amendment.

As Senators will recall, in March the Congress adopted the administration-supported agriculture bill which froze wheat and feed grain target prices at $4.38 and $3.03 respectively for 1984 and 1985. This action which I opposed was wrong then and is wrong now! If there is one thing we need, it is a farm program that is long range and not changed at the whim of any administration. We adopted a 4-year farm program in 1981 for crop years 1982 through 1985. It was intended then that the target prices provided for in that bill should be relied on as fixed through the end of 1985. But the administration changed its position and pushed through the target price freeze adding to the continuing uncertainty in our agricultural sector.

Madam President, the reduction of target prices has meant a reduction in farm income during a time of declining commodity prices, increasing interest rates and a downward spiral of land values. The administration, by proposing the target price freeze, and this Congress, by playing "puppet" and "rubberstamp" by adopting it, broke a commitment to the family farmers of this Nation made in the 1981 farm act. What this Congress did was make major changes in the playbook in the middle of the game which has fueled commodity price reductions in an already seriously depressed farm economy. While we consider emergency remedies, we must never take our eyes off the ball. The depression in agriculture is primarily that we must somehow formulate policies to improve prices.

No one has seen our agriculture producers in such serious financial difficulty since those devastating days in the 1930's. We truly face the basic question of the survival of up to 30 percent of our family farmers and ranchers. One of this Nation's basic industries, agriculture, is sick, as sick as it ever has been. Like a cancer, financial ruin is spreading through young and older alike; for the most part through no fault of their own. The Secretary of Agriculture himself is at or near bankruptcy in his partnership farming operations. He runs about the country preaching the administration line that all is well, and doing absolutely nothing to begin to relieve the situation. John Block admonishes the agriculture operators "don't look to Washington for help." Chrysler did and they got it. The textile industry did and the administration responded with Chinese import restrictions. Brazil, Argentina, Mexico, Bolivia, and others did and we responded with giving the President his request for $8.3 billion more for the International Monetary Fund, the Continental Illinois National Bank did and the Government came through in record-breaking fashion with billions in bailout with essentially a blank check to meet future losses there. But John Block says Washington cannot help farmers, ranchers, and rural America. I suggest we would be better off with Darth Vadar as Secretary of Agriculture.

The economic health of this Nation, on the whole, seems to have improved. The economic health of the American farmer-rancher has not benefited from the current upswing nor has their small business suppliers. Their economic health continues to deteriorate. Of special concern has been the inability of our family farmers in obtaining credit. As my colleagues will remember, the U.S. Department of Agriculture recently published a report on the decline in land values across this Nation. This decline is directly related to the current difficulties many of our farmers are having obtaining sufficient credit to continue operating. Their profit-and-loss statements are all loss. Their cash-flow is negative. Substantially because of the plunge in land values, their debt to asset ratios have destroyed their previous security for credit.

Madam President, in certain regions and States, especially the Midwest, land prices have dropped like a rock the last 4 years and have accelerated that drop during the past year. We have all seen recent USDA reports which far, far understate the decline in farmland values in Nebraska. Let me tell you, USDA figures showing at 12-percent decline are not even close to the real land-price drop in my State. You show me the USDA official who came up with that figure and I will show the millions of acres they can promptly buy! Land values have dropped from 20 percent to over 50 percent throughout the State in the last 4 years alone. This disastrous decline falls heavily on the farmer-rancher, his commercial lender and the entire rural community. Most of you know that farmers and ranchers use their land as collateral for loans. When this collateral is devalued, like we are experiencing in the agriculture sector today, operating money simply dries up as banks and other commercial lenders can no longer loan money on equity which is unstable and on a downward spiral. This situation clearly indicates just why our family farmers are facing the serious problems of obtaining adequate credit. Tied directly to this land value decline is the fact

that the income security which our farmers had relied upon in the target price levels of the 1981 farm bill have been cut and frozen at lower levels which only contributes to the decline in land values. No one knows where the bottom of land values are. In the near future, I intend to propose to Congress and the administration a possible remedy to the farmland devaluation crisis.

During the Senate's ill-advised actions in March, Freezing the target prices for wheat and feed grains, the argument was made that the higher the domestic price supports for American agriculture commodities, the more difficult time the United States has in selling its products abroad. While this argument plays well and has always been endorsed by the administration, I believe the facts speak differently. This is a continuation of the "cheap food" policy that has abounded for years in Democratic and Republican administrations alike.

Since Congress enacted the March agriculture bill, and the Secretary of Agriculture lowered the basic loan rates, agriculture exports have not gone up as proponents of this theory so strongly espoused. They have only continued to decline. Let us explore the agriculture export picture for fiscal years 1981 through 1983 to see how bad this export situation really is.

Madam President, in 1979, the United States exported some $33 billion in agriculture commodities. In 1980, the year of the grain embargo, the United States moved almost $40 billion in agriculture products. In 1981, the United States exported over $43 billion worth of products. In 1982, this country sold only some $39 billion in farm products. In 1983, this dropped again to $34.7 billion. We do not have the final figures for this fiscal year, but I can predict the picture will be just as gloomy, if not worse, than 1983.

Those of us who are willing to face up to the reality of this serious decline in agriculture exports know full well that the domestic price supports are not the direct result of lower agriculture exports. If they were, why does this Nation continue to see an increasing export decline after the passage of the March target price freeze and subsequent loan rate reduction? I will tell you why! The value of the U.S. dollar abroad is too high. It is choking off customers because they cannot afford to come into our markets to buy our farm products as well as other finished goods. But one may ask why is the dollar so high? The dollar is so high because the U.S. deficit is so high. In fact, the Federal deficit was near $200 billion in fiscal 1983 and will be near that figure at the end of this fiscal year. This deficit is strangling exports and the ability of the family farmer to sell his products abroad. This is not the fault of our food producers, it is because of faulted Government fiscal and export policy. But the Secretary of Agriculture warns our beleaguered food producers "not to look to Washington." Since a series of faulted Government policies are primarily responsible for the farmers dilemma why should not they look here for some small measure of relief? I imagine even Darth Vadar would at least listen.

Madam President, we must take action to bolster this industry or I am convinced we will see farmers and ranchers by the thousands being forced off the land in the months ahead and move into the unemployment statistics. We must take some type of action which will immediately begin to improve their income security in an effort to provide our agriculture sector with a much-needed shot in the arm to help them through this critical period.

This amendment I am proposing will do just that. In addition to increasing the wheat target price by 7 cents this year and 27 cents next year. It will also increase the corn target price by 15 cents for 1985. These few cent increases can have the effect of beginning to stop the deterioration in the farm economy. It could start the upswing our family farmers so desperately need. They need to see a flicker of light at the end of the tunnel.

I anticipate we will have great gnashing of teeth from the White House on this proposal. I know there will be some in this body who rise in opposition citing everything from "certain veto" to "excessive budget exposure." Madam President, these veiled threats have little impact on the dirt farmer or livestock producer in Nebraska who sees his land values declining, exports drying up, commodity prices falling, and interest rates rising. Such threats have little impact on the producer who sees no hope of obtaining credit for even 1 more year because the bottom has dropped out of his equity. Today, the only thing he is sure of is that the bank won't lend any more money, the corn prices are dropping fast as the huge crop harvest approaches, and the administration's Secretary of Agriculture is offering only empty works of, "take heart, things are improving." Not in Nebraska. Not in the Farm Belt.

Madam President, the cost of this amendment is small compared to the bailouts and deals we have provided financial institutions, manufacturers, and foreign nations. For the remainder of 1984, CBO estimates no cost. In 1985, the estimate is $1.05 billion. This cost is well worth the price if it helps in rescuing agriculture from ruin.

Madam President, I shall ask that the excellent editorial by Mr. Allan Strunk of the McCook Gazette on the subject of agriculture and the Federal Government which sums it all up very well be printed at the conclusion of my remarks.

When I offer this amendment I certainly urge my colleagues to adopt and support it to begin to solve this serious problem that we have in agriculture.

Madam President, I ask unanimous consent at this time that the editorial to which I referred be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FARMERS SHOULD NOT LOOK TO WASHINGTON FOR AID

Speaking at the annual meeting of the Soil Conservation Society of America in Oklahoma City this week, Secretary of Agriculture John Block said the farmers of America should not look to Washington for an economic bail out.

"We absolutely must move away from more government control of agriculture," he added.

Okay! We agree American farmers should not look to Washington for blessings. Even though Washington has financially bailed out New York City, Argentina, the Chrysler Corporation and more recently Continental Illinois Bank.

American agriculture should not depend on Washington! But, by the same token Washington should not muddy the agriculture picture as it has in the past.

It was Washington, not the farmers of America who badly damaged if not destroyed our world markets by the Carter grain embargo after the Russians invaded Afghanistan.

Further Washington, not the American farmers are responsible for the "strong" American dollar overseas which in effect prices us out of world grain markets.

It was Richard Nixon more than a decade ago who did more for American agriculture than anyone else when he twice devalued the American dollar thus making American goods and agricultural products within the reach of foreign countries.

Despite blunders by Washington as far as American agriculture is concerned, we still favor President Reagan in the upcoming election because we think his overall course is better than continued liberalism and socialism as offered by Walter Mondale and Company.

But on the agriculture level we would have to rate both Reagan and Block as disasters. Their payment-in-kind program was the most expensive and complicated of all the agricultural mazes.

If the American farmer is not to look to Washington for assistance, he should also not be forced to look to Washington for undue burdens and blunders.

Mr. ZORINSKY. Madam President, when the Senate acted on March 22, 1984, to freeze target price levels for wheat, corn, cotton, and rice at the 1983 level for 1984 and 1985, I opposed the action.

The Senate has an opportunity today to restore target price levels and renew the commitment made to the Nation's farmers in the 1981 farm bill. I am a cosponsor, with my colleague Senator EXON, of the amendment

before the Senate to accomplish this objective.

The administration asked farmers to accept the freeze with the tradeoff being a vague export promotion scheme to be financed with funds cut from farm price support payments. In my view, it is an insult to farmers' intelligence to ask them to give up income assured under the 1981 farm bill in favor of an export trade promotion program.

Farmers are tired of hearing about grandiose schemes to promote exports, especially when the administration has failed to take other steps that could boost exports without sacrificing price support payments.

In the 1981 farm bill, Congress authorized such sums as are necessary for carrying out an export expansion program.

In the trade provisions approved last year we merely rubberstamped something we authorized 2 years before, taking millions out of the pockets of farmers to fund a program that is already authorized in the interest of expanding agricultural exports—the export credit revolving fund.

Under the offered amendment, 15 cents per bushel would be restored to the corn target price in 1985, up from the current target price support of $3.03 per bushel, increasing target price support to $3.18 per bushel.

For wheat, the amendment would raise target prices by 7 cents per bushel in 1984 and 27 cents per bushel in 1985, up from the current level of $4.38 per bushel, increasing target price support to $4.45 and $4.65 per bushel respectively for the 2 years. Unless cuts made last year are restored, the payment loss to farmers in 1984 and 1985 will come off the top of what would be their net profit.

Regardless of whether we wish to be reminded of our responsibility, I think it important that we acknowledge now that when the 1981 bill became law, we assured the American farmer that he could make long-term plans based on its provisions.

They took that piece of paper and document that I described called a 1981 farm bill, looked at the wording "United States Of America," on the top of it, took it to their banker and said, "This is what my Government has promised me." The banker looked at that 4-year farm bill and said, "Sure enough. We have credibility in our Government. This is a 4-year farm bill and the Government certainly will honor its commitment."

Unfortunately we did not. We changed the rules of that ballgame in the middle of the game.

I am distressed that this step represents a breaking of faith with farmers who counted on the 1981 Agriculture Act for setting a policy which they could depend on.

When the 1981 farm bill was on the floor of the Senate, nearly 50 amendments were considered. Many of them were adopted by voice vote or with a recorded vote.

Many of those amendments, and the related debates and countermoves, centered on the level of loan rates to be established on the major commodities over a 4-year period and the target price levels to become applicable to grains, cotton, and rice.

Some of my colleagues who were most active in pressing for the administration's views in these subject areas were successful in forcing the adoption of loan rate minimums and the applicable target prices by substantial margins in the recorded votes.

You will recall that we were uncertain of our ability to cope with inflation at that time, and it is my clear recollection that the administration and some of the leaders of the majority party in the Senate insisted on abandoning any reference to the cost of production or parity in establishing these important price support levels. They insisted on naming specific amounts for each of the annual programs.

Senators will also recall, I am sure, that farmers, as well as other borrowers, were faced with interest rates ranging from 15 to 20 percent at that time. Many of the debts assumed in 1981 and 1982 are still to be repaid—the interest rates have not been lowered on those loans.

Many in this Chamber will argue, "Well, somebody else caused those interest rates to be at that percentage at that time, and they have come down." Go tell a farmer who signed up at that time who is committed to paying off loans at that rate of interest, that all of a sudden he will be pleased since interest rates are now not what they were in the days that he signed up for higher interest rates.

The fact is he made a commitment to the bank to pay that loan off at those interest rates and this Government and this institution made a commitment to the farmers of America that it stood behind a 4-year farm bill with commitments of given target prices that were written into that law. Now there is not much of a difference on either category in my book.

The only thing we as politicans or federally elected officials or an institution have is the credibility of those that have placed us here to represent them. And you can imagine what kind of credibility you attain telling farmers, "This is it for 4 years. Go commit yourself to these high interest rates because these are what the target prices will be."

And then when push comes to shove, say, "See you later. You're on your own."

Even when we think now of new loans at interest rates somewhat reduced from the highs of 2 and 3 years ago, it is apparent they are already beginning to rise again.

I do not like for our Government to welch on its commitments. As a matter of fact, we would not do so in the conduct of foreign affairs, although possibly we have been accused by many of doing so. We would not do it to the insurance industry or the banking industry and get away with it. I hope that Members of the Senate realize they have taken an unprecedented action in dealing with the farmers and ranchers of this country in this manner.

My colleagues may recall that at the time of the vote to cut target prices in June of last year, there were 19 opposing organizations on record in hearings before the Senate and House. They are as follows:

National Farmers Organization.
National Grange.
Grain Sorghum Producers Association.
National Rural Electric Cooperative Association.
National Farmers Union.
Mid-Continent Farmers Association.
Communicating for Agriculture.
National Rice Growers Association.
Southwest Peanut Growers Association.
National Association of Wheat Growers.
National Milk Producers Federation.
National Peanut Growers Association.
Cooperative League of the United States.
Women Involved in Farm Economics.
Central Exchange Farm Cooperatives.
American Agricultural Movement.
Hawaiian Sugar Planters Association.
Northeast Area Agricultural Association.
National Association of Farmer-Elected Committeemen.

I submit, Madam President, that our economically hard-pressed farmers need the added income that restoring target price payments will provide. In this connection, I call to your attention my remarks of Tuesday, July 24, 1984, regarding Nebraska agriculture and the credit and income situation generally in farm country.

I know many will say, "Yes, but this costs money." Is that not too bad to save an American farmer that produces food? We thought nothing of passing more food for the needy, more help for developing countries to supply food for their poor. Who is going to grow the food? Are we going to leave the Chamber and go out there and plant the seed, or are we going to save those people that are doing it and made one mistake? They became too efficient and productive in what they are doing. It is too bad the big bank in Illinois did not become too productive and efficient in what it was doing or we would not have to spend the money of the taxpayers of this country to bail it out.

It is too bad many of our friends in Latin American countries are not more productive and efficient or we would not have to bail out the IMF and all the world banking institutions and supply them with the very farmers'

tax money to bail them out while we will not even throw them an innertube to save his ability to stay on the farm and produce the food that we are giving away as bigshots back here on behalf of the United States of America.

I urge my colleagues to support this amendment.

Thank you, Madam President.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Madam President, I thank very much my friend and colleague from Nebraska, who is an original cosponsor, for his words that adequately describe the serious situation that we have. As I said, he is an original cosponsor.

Mr. BURDICK. Madam President, I support the amendment offered by Senator EXON. He is one of the most knowledgeable Members of this body on farm policy and the interrelationship of our farm economy to our national and international economy.

I do not believe anyone in this body is going to argue that farm income is adequate. It clearly is not. I'm sure we will hear, however, that what farmers want is for interest rates to come down, and that requires a reduction in the budget deficit. I agree with that. Interest costs became the second highest expense item for farmers last year. Modern farming is capital intensive. Interest costs will drive many families out of farming this year, unless something is done to help them.

I want dearly to get the budget deficits down. I wish the President would take the budget deficits more seriously. There are many things we could do to get those deficits down. However, promoting economic recovery in the industrial sector at the expense of the agricultural sector is not fair, and will not create the kind of recovery that can be lasting.

Adequate farm income is the key to the continued existence of our family farm system of agriculture. Adequate farm income is the key to the proper conservation of our soil and water resources across this vast continent. Adequate farm income is essential to the survival of many towns and communities across rural America. Adequate farm income is a key component of our national economy.

For 10 years, the concept behind our farm bills has been to use the target price to set a floor under farm income. Commodity loans, on the other hand, are used to protect the Government against too much budget exposure. Wheat and feed grain farmers' incomes are protected through the use of deficiency payment. That is, farmers who participate in the voluntary farm program are paid the difference between the target price and the market price or the commodity loan rate, whichever is higher. Thus, the maximum deficiency payment, or the maximum budget exposure to the Federal Government, is the difference between the target price for a commodity and the loan rate for that commodity.

As long as farm programs are operated correctly, the commodity loan rate tends to set a floor under market prices as well. Thus deficiency payments should seldom have to be as much as the maximum budget exposure. In fact, if acreage reduction programs, the commodity loan, and the farmer-owned reserve are operated correctly, there really should not have to be any deficiency payments at all. Actually, that is the theory. Things are never as clear-cut and concise as that, however.

I do sympathize with Secretary Block and others at the Department of Agriculture whose crystal ball is clouded by exchange rates, by weather and bugs, by the policies of our competing exporters, by the changing needs of importers, and other factors. But, the fact that crystal balls are never as precise as we wish they were is, in my mind, a good argument for this amendement to restore farm income protections to those levels we enacted 3 years ago.

Madam President, in the report that accompanied the 1981 farm bill to the floor of the Senate, the Committee on Agriculture, Nutrition, and Forestry made much of the fact that it had held several weeks of comprehensive hearings on farm policy. The report stated that the—

legislation adopted by the committee reflects the fact that 1981 was the first year in memory in which severe budgetary constraints were such a prominent factor in the consideration of farm policy.

The report goes on to say,

The committee went to great lengths to fashion a farm bill that would not result in unacceptably large Federal outlays. For the most part, the committee was successful in maintaining a reasonable farm program without burdening the American taxpayer unnecessarily.

Madam President, the committee report also states,

It is the desire of the committee that the Secretary of Agriculture use the tools provided in this legislation to assist farmers to keep supply in line with demand at market prices which will assist farmers in operating their farms at a profit. By doing so, the report states, "the budget exposure from target prices provided in the legislation will be minimal."

The report also states the committee's intentions clearly when it states,

If either an extremely good crop or loss of markets creates depressed prices, target prices will provide income protection to farmers to keep them out of "boom and bust" cycles until adjustments can be made by either reducing supplies or expanding demand.

Target prices, Madam President, are to be used to protect farm income. They are not to be used to adjust supply. There are other mechanisms for that. A set-aside, or a paid diversion, or the farmer-owned reserve are all tools that exist to hold down surpluses and keep market prices at a level that will allow a wheat, feed grain, cotton, or rice producer to realize a profit.

The evidence is fairly clear, however, that target prices are too low to make farm programs, including acreage reduction programs, work properly.

We should recall that the 1981 farm bill reported to the Senate by the Agriculture Committee contained target prices at higher levels than they are now. That was the bill that the committee states was the result of extensive and thorough hearings on the subject. That is the bill that the committee said represented the right combination of incentives to farmers to participate in farm programs, to make them work, and at an acceptable cost to the Federal Government. The committee was probably right. The target price for wheat in the committee bill was to be $4.20 per bushel for the 1982 crop; $4.40 per bushel on the 1983 crop; $4.60 per bushel on the 1984 crop, and $4.80 per bushel on the 1985 crop. Actually, those were to be the minimum target prices. The Secretary of Agriculture was to be empowered with increasing the target price to reflect increases in the cost of production.

Again, that was what the Committee on Agriculture felt was an adequate trade-off between a strong family farm economy and unacceptable costs. When that bill got to the floor of the Senate, those target prices were cut. Let's not forget that. Those target prices that were so carefully worked out by the committee were cut. The level that eventually went into the law was a minimum of $4.05 per bushel for the 1982 crop; $4.30 per bushel for the 1983 crop; $4.45 per bushel for the 1984 crop, and $4.65 per bushel for the 1985 crop. Again, the Secretary was empowered to adjust those target price levels upward to reflect increases in the cost of production. For the 1982 and 1983 crops, the Secretary has not chosen to make any upward adjustment in the target prices, in spite of the fact that production costs have increased for farmers at a faster rate than the general inflation index. The Exon amendment would restore target prices to those levels signed into law in 1981 after they had already been cut once by the Senate.

But, Madam President, the cuts made in the target price during Senate floor action in 1981 and again this year, were too deep. Net farm income measured in real terms has been at its lowest point since the worst years of the Depression during the 1930's. Bankruptcies of family farms have

been at record high levels. But those statistics have names. They are Clarence Olson, and Ben Volk, and Larry Robinson, and Thomas Washington, and Mitsui Nagumo, and Eleanor Johnson. They aren't bureaucratic categories. They are people. They have hearts and souls and faces. They have served this country when called. They have felt heartache and joy. They are mostly hard working, middle class Americans who have built something with their hands. The wear and tear shows in their faces and on their hands. They have raised their families to hold dear those values that will allow America to remain a beacon to peoples struggling for liberty around the world. It is those Americans that we are talking about today. When we talk about farm income, those are the people we hold in our hands.

Madam President, I urge the adoption of the Exon amendment.

AMENDMENT NO. 3679

(Purpose: To prohibit the use of funds made available under the Act to make payments available to producers for the 1984 and 1985 crops of wheat and feed grains based on target price levels that are lower than the levels prescribed in the Agriculture and Food Act of 1981)

Mr. EXON. Madam President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON] for himself, Mr. ZORINSKY, Mr. BURDICK, Mr. BAUCUS, Mr. ANDREWS, Mr. PRESSLER, and Mr. MELCHER, proposes an amendment numbered 3679.

Mr. EXON. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 24, line 25, strike out the period and insert in lieu thereof the following: ": *Provided further*, That none of the funds appropriated or made available under this Act may be used by the Secretary of Agriculture to make payments available to producers for the 1984 and 1985 crops of wheat and feed grains under sections 107B(b) and 105B(b) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(b) and 1444d(b)) computed on the basis of an established price of less than (1) in the case of wheat, $4.45 per bushel for the 1984 crop and $4.65 per bushel for the 1985 crop, and (2) in the case of feed grains, $3.03 per bushel for the 1984 crop of corn and $3.18 per bushel for the 1985 crop of corn.".

Mr. EXON. Madam President, I believe the amendment has been adequately described. I would just say once again what it does. The amendment offered by myself, and Senators ZORINSKY, BURDICK, BAUCUS, ANDREWS, PRESSLER, and MELCHER, is a bipartisan amendment which restores the target price levels for wheat and feed grains to those levels provided for in the 1981 farm bill. I emphasize, Madam President, that this is a restoration move only. The level of the target price is not being increased over what the Congress and this administration promised and committed to in the 1981 farm bill. We are merely keeping faith to the agriculture producers with this amendment.

Madam President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Madam President, let me point out to the Senate that this amendment would reverse a recently made decision of the Congress which made changes in the support programs for agriculture for the 1985 crop year. Just 4 months ago we had this issue before this body.

The Senate, after careful deliberation, and on the recommendation of the Senate Committee on Agriculture, Nutrition, and Forestry, accepted legislation by a vote of 78 to 10 to make certain changes in the target prices and other support mechanisms provided by the 1981 farm bill.

One thing that farmers do not like is a constantly changing farm program administered by the Department of Agriculture. If this amendment is adopted, it would require a change by the Department of Agriculture in the subsidy program. I have not read a copy of this amendment, but I assume it relates to target prices for wheat as well as feed grains for the 1985 crop year. I see that the Senator from Nebraska is indicating that that is correct.

Let me say that the cost of this program to the Federal Treasury would be some $1.6 billion. One thing that farmers really need nowadays as much as anything is reduced interest rates. We need to reduce the Federal deficit, and not increase it.

I would urge Senators to reject this amendment. It is my intention, after those who want to speak have had an opportunity to do so, to move to table the amendment of the Senator from Nebraska.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. BAKER. Madam President, before the Senator does, would he yield to me for a moment?

Mr. COCHRAN. Madam President, I yield to the majority leader.

Mr. BAKER. Could I inquire of the managers how many more amendments there are we know to be dealt with. The reason for the inquiry is to find out whether it is practical to finish this bill tonight. It is now all but certain we are going to be in tomorrow. If the Senator will permit me, Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 o'clock a.m. on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Madam President, could the managers give me some idea of how many amendments are left, and how long it might take?

Mr. COCHRAN. Madam President, the list that I have indicates that there are five additional amendments to be dealt with. Four of those amendments will involve colloquies or discussion of the amendment, and will not require a recorded vote. There is a possibility that one other record vote would be required, but that is only a possibility. I am assuming that all of these amendments could be disposed of within an hour. I think we can finish the bill tonight.

Mr. BAKER. I thank the manager.

Madam President, we ought to continue with this amendment, I think. Then I intend to confer with the minority leader and with the two managers, and we will then make a decision on whether to try to finish this bill tonight or tomorrow.

Let me say while the Senator is yielding to me that I have the greatest respect for the distinguished Senator from Nebraska—and I do have a great respect for him. But I must say that if this amendment is adopted, and if indeed it costs $1 billion plus, that makes this bill highly unattractive to me. I am not prepared to say what I would do then, but I am not prepared to ask the President to sign a bill that has another billion dollars in it. So I very much hope that the manager will oppose this amendment, and will perhaps move to table it. If he does, I promise him I will support him.

Mr. COCHRAN. Madam President, I thank the majority leader very much for those comments. I know there are probably others who want to discuss the amendment, Madam President, and, therefore, I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Madam President, I want to take a minute. We were here until 1 a.m. this morning, and I think many Senators would like to dispose of this bill, or come back tomorrow and dispose of the bill. It seems to this Senator that we have to be realistic. We all represent farmers. We know this is an election year. This is a time to play games, make speeches, tell farmers one day we are going to reduce the interest rates, and tell them the next day we are going to increase the costs of Government. I think we cannot have it both ways.

There is no increase for rice producers in this amendment, and no in-

crease for cotton producers—just wheat and feed grains. I am certain the Senator from Nebraska would be glad to add anything else to raise the cost, but the biggest problem we have is the Federal deficit. I hear my colleagues on the other side decrying the deficit almost on a daily basis. But every day somebody wants to add another $1 billion or $2 billion. We try to justify it because of the farmers. Tomorrow it will be for veterans. Tomorrow or the next day it will be for senior citizens. We are punishing the very people we stand up and say we are trying to help. We went through this farm program debate. We tried for 6 months to improve some of the farm programs, and we finally did. There was an amendment similar to this to raise target prices when the farm bill was up in March of this year. It was tabled by a vote of 68 to 25. It just seems to me we have to make a choice. Either we are going to play politics with the American farmer, or we are going to tell the American farmer we are serious about reducing the deficit and lowering the interest rates. Farmers in my State are concerned about higher prices. They would like better market prices. They would like a better export program. They were pleased that President Reagan lifted the Carter grain embargo. They were pleased we are making more efforts on exports. I am not so certain that everybody out there in the country is looking for bigger and bigger farm subsidies. They are looking for lower and lower interest rates. We thought we worked out a pretty good program. We added money to diversion payments. We added money to export programs. We added money to Public Law 480, it was a bipartisan agreement which passed by a wide margin of 78 to 10.

We thought we had laid to rest all of these other arguments because the previous action was bipartisan. I do not fault anybody for offering amendments, except that I am chairman of the Finance Committee and we are always accused of raising taxes. One reason we have to raise taxes is to pay for some of these programs; some of these little add-ons that cost $1 billion or $1½ billion. I do not find many farmers wanting to pay more taxes, or wanting to pay more in interest rates.

In the spring of 1984, the Congress approved the Agricultural Programs Adjustment Act of 1984. This bill reduced the 1984 crop wheat target price slightly, and held 1985 crop targets for wheat, corn, upland cotton, and rice to their 1984 levels. Now there is a proposal to reverse the 1985 crop action, and to allow target prices to escalate, as originally envisioned in the Agriculture and Food Act of 1981.

The escalating target prices in the 1981 act were the result of great concern about inflation and rising production costs. But inflation in the period since that bill was enacted has been reduced dramatically, and the fixed target price increases are no longer appropriate.

When target prices are set at levels above variable costs, they encourage farmers to expand acreage under surplus conditions. They also raise land prices and production costs in the most efficient producing regions of the country, with benefits going to existing landowners, and new entrants and renters footing the bill And they encourage unwise use of resources—expansion of cropland onto highly erosive land, and mining of ground water for the irrigation of surplus crops.

That is why the administration sought, for over a year, a reduction in the mandatory escalation of target prices. The 1984 act was a responsible piece of legislation which not only halted target price increases, but also set forth a number of actions designed to help the farm sector: more attractive acreage diversion programs, increases in export and food aid programs, and improved farm financing. The proposal to reverse the target price decision would upset this carefully crafted balance. Although it might gain a few votes in the short run, it would be harmful to the agricultural sector in the long run.

Finally, escalating target prices create tremendous budget exposure when budget deficits are at a record high. The higher targets for all commodities will probably cost taxpayers an additional $1.5 billion to $2.0 billion in fiscal year 1986. Wheat and feed grains alone would cost $1 billion to $1.5 billion. Farmers have a great amount to gain by reducing deficits—lower deficits reduce pressures on interest rates, and interest is a major farm expense. Lower interest rates also moderate the value of the dollar relative to other currencies, making our products less expensive overseas, and stimulating U.S. exports.

So I hope we support the Senator from Mississippi when he moves to table the amendment.

Mr. COCHRAN. Madam President, I move to table the amendment of the Senator from Nebraska and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON. Will the Senator yield?

The PRESIDING OFFICER. The motion to table is not debatable.

Mr. BAKER. Madam President, does the Senator wish more time?

Madam President, I ask unanimous consent that notwithstanding the tabling motion, the Senator from Nebraska be recognized for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Nebraska.

Mr. EXON. Madam President, I thank the Chair and I thank the majority leader. I will be very brief. We are ready to go to a vote.

I hear the gnashing of the teeth that I predicted in my opening remarks from the other side of the aisle. When we were talking about saving money I was interested in the several votes that took place on this floor last night. I believe there were some $900 million proposed to this body in the increase in foreign aid and it passed. Any attempt to cut foreign aid was stopped. When you ask for about the same amount of money for some small help to the American farmer during his most darkest hours since the 1930's, I hear the familiar gnashing of teeth which usually comes from the other side of the aisle.

Let the record so show.

There is one correction. The CBO says this will cost $1 billion, not $1.6 billion that was stated by the manager of the bill. I simply say on the mistake that we made 4 months ago for the change in the program, I can assure you the farmers of America will not be upset about us making the change in this direction in the farm program because all it does, I emphasize once again, is to return to the target price figures which were promised to the farmers of America by this Congress and by this administration back in 1981.

I thank the Senate for its consideration.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Nebraska. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Wisconsin [Mr. KASTEN], the Senator from Nevada [Mr. LAXALT], the Senator from Idaho [Mr. MCCLURE], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Texas [Mr. TOWER], are necessarily absent.

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from California [Mr. CRANSTON], the Senator from New York [Mr. MOYNIHAN], the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 66, nays 25, as follows:

[Rollcall Vote No. 228 Leg.]

YEAS—66

Armstrong	Byrd	Danforth
Baker	Chafee	DeConcini
Biden	Chiles	Denton
Bingaman	Cochran	Dixon
Boschwitz	Cohen	Dodd
Bradley	D'Amato	Dole

Domenici	Humphrey	Percy
Durenberger	Jepsen	Proxmire
East	Kassebaum	Quayle
Evans	Lautenberg	Roth
Garn	Leahy	Simpson
Glenn	Levin	Specter
Goldwater	Lugar	Stafford
Gorton	Mathias	Stevens
Grassley	Mattingly	Symms
Hatch	Metzenbaum	Thurmond
Hatfield	Mitchell	Trible
Hawkins	Murkowski	Tsongas
Hecht	Nickles	Wallop
Heflin	Nunn	Warner
Heinz	Packwood	Weicker
Helms	Pell	Wilson

NAYS—25

Abdnor	Hart	Pressler
Andrews	Hollings	Randolph
Baucus	Huddleston	Riegle
Boren	Inouye	Sarbanes
Bumpers	Johnston	Sasser
Burdick	Kennedy	Stennis
Eagleton	Long	Zorinsky
Exon	Matsunaga	
Ford	Melcher	

NOT VOTING—9

Bentsen	Laxalt	Pryor
Cranston	McClure	Rudman
Kasten	Moynihan	Tower

So the motion to lay on the table amendment No. 3679 was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3680

(Purpose: To increase the amount appropriated to carry out the special supplemental food program)

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. GORTON). The amendment will be stated.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY], for himself, Mr. HOLLINGS, Mr. EAGLETON, Mr. BOSCHWITZ, Mr. HUDDLESTON, Mr. DOLE, Mr. DANFORTH, and Mr. SASSER, proposes an amendment numbered 3680.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 49, line 9, strike out "$1,471,000,000" and insert in lieu thereof "$1,500,000,000".

Mr. KENNEDY. Mr. President, this is an amendment to increase the appropriation on the WIC program. If it is agreeable with the majority leader, we will lay down this amendment this evening and begin debate on it at a time designated by the majority leader tomorrow. I do not think it will take a great deal of time. At the conclusion of debate, I hope to have a rollcall vote.

Mr. BAKER. Mr. President, I thank the Senator from Massachusetts. He and the manager on this side indicated that they would like to lay down this amendment tonight. It will be pending when we resume consideration of this matter tomorrow.

Mr. BOREN. Mr. President, will the Senator yield?

Mr. BAKER. I yield.

Mr. BOREN. Mr. President, I have an amendment I want to dispose of tonight, which would be subject to some brief discussion, and then will not be acted upon. It would probably be withdrawn after discussion. I wonder if it would be possible to complete it. I do not think it would take more than 3 or 4 minutes tonight.

Mr. BAKER. Mr. President, I hope the Senator knows that what I am about to say I really mean.

There are few Members of this body whom I respect more—perhaps none whom I respect more—than the Senator from Oklahoma, and few whom I respect as much.

It is with reluctance that I relate to him the old Tennessee saying: If I open the barn, the horse will get out, and there will be no end to those who want to do the same thing.

I have already talked to a number of Senators and indicated to them that there would be nothing further tonight except laying down the Kennedy amendment. I ask the Senator from Oklahoma to forbear and do it tomorrow, and I will be very grateful.

Mr. BOREN. I understand.

Mr. BAKER. I thank the Senator.

Mr. HELMS. Mr. President, I commend the able chairman of the Appropriations Committee [Mr. HATFIELD] and the chairman of the Agriculture Subcommittee [Mr. COCHRAN] for their correction of a notable shortcoming in the House-passed agriculture appropriations bill.

For several years, the House has played budgetary games by funding various food assistance programs for only part of the fiscal year. Their committee report states that the President's budget request for the Food Stamp Program, for instance, was $10.8 billion. Then the report will declare that the committee recommended the administration's budget level.

However, Mr. President, hidden in the fine print will be a statement that the amount appropriated is to fund the program through some point in the next fiscal year, but not the full fiscal year. For instance, this year, the House decided that the program would be funded only through September 7, 1985, 3 weeks short of the end of the fiscal year.

The obvious consequence of this little ploy is to create a situation whereby the programs eventually will cost far more than the appropriation bill specifies. Yet the appearance, for the present, will be that the appropriations recommendation is within the President's budget request—when, in fact, on an annualized basis, it is not. As I have noted before, I am concerned that this device may be expanded beyond the food and nutrition service programs where it has been used so frequently in the past. I am concerned that, if so expanded, it has the potential to do even further damage to the budget process in the Congress and cause a breakdown in attempts at fiscal responsibility in the Congress. The Senate Appropriations Committee has not tried to deceive the American taxpayer, but has funded these programs for a full fiscal year.

While I commend the Senate committee for its "truth-in-packaging", I regret that I find the spending total is still excessive. This bill is $1.2 billion over the President's budget request. We cannot contain deficit spending when appropriations exceed even the President's budget.

To the extent that greater spending adds to the deficit and further contributes to higher interest rates, this additional $1.2 billion—above President Reagan's budget—simply cannot be afforded by the taxpayers. Higher interest rates would be very adverse to farmers, businessmen, homeowners, and others who seek to finance farm and business expansion, or buy a new home. Americans remember all too vividly the 21½-percent prime interest rate and an inflation rate of nearly 14 percent which were the legacies of the Carter-Mondale administration. We must keep spending within control, lest it re-ignite these disastrous economic forces.

There should be no doubt that the way we can best help farmers and every other segment of our economy is through less spending, not more. For instance, for every 1-percent increase in interest rates, farmers have $2 to $3 billion less in net farm income.

I also want to express my support for the position taken by the committee in recommending appropriations for several child nutrition programs that expire at the end of fiscal year 1984.

The Committee on Agriculture, Nutrition, and Forestry reported legislation, S. 2722, on May 25 of this year which would reauthorize these programs for 2 years at current services levels.

Unfortunately, however, there appears to be some resistance to proceeding with the committee's reported bill. The majority leader notified committee chairman quite some time ago that in order to expedite floor consideration of reported bills, given the crowded calendar, it would be necessary to achieve short-time agreements, and in as many cases as possible, not to have amendments which would prove time consuming.

These five expiring programs are now being held hostage by some in return for provisions to increase spending on other child nutrition pro-

grams, primarily the School Lunch Program, that do not expire this year. I very much regret this development, as I had anticipated it might be possible to expedite the consideration of S. 2722. I am still very optimistic that this "hostage" strategy may yet give way to a consensus agreement to proceed with S. 2722.

Nonetheless, I am pleased that the appropriations figures in the appropriations bill are consistent with those authorized in S. 2722, and I have no objection to that segment of this appropriations bill. I have previously outlined my views on the need for additional changes in these programs, but I shall not repeat those here.

The primary reason for the excessive spending—above the President's budget—is because of higher spending for the Food Stamp Program. Mr. President, if there is one program that Americans know continues to need reform, it is the Food Stamp Program. The Congress should adopt the President's food stamp proposals to save tax dollars, rather than consider further increases. Contrary to public perception, the program continues to cost more each year. There have been no "cuts." All we have had is some—rather modest—reduction in the rate of growth.

Mr. President, I concur with the instruction included in the bill's language which makes the availability of $345 million for the food stamp program contingent on the Secretary of Agriculture taking "the regulatory and administrative methods available to him under the law to curtail fraud, waste and abuse in the program."

Certainly, the Secretary is obligated to do everything that he possibly can to ensure that the current regulations and administrative policies do not directly, or indirectly, lead to fraud, waste, or abuse in this enormously costly program.

I note some rather inconsistent language in the committee report which appears to suggest limitations on the Secretary with regard to developing regulations or otherwise taking administrative actions to remedy problems existing in the food stamp program. There is no legislative basis for some of these suggested limitations, and I am certainly pleased that the committee did not attempt to reverse or override the clear language in the bill itself.

For instance, the committee report suggests that the Secretary should limit the actions which the Department may take with respect to determining economies of scale in food stamp allotments for various size households. One of the recommendations of the President's Private Sector Survey on Cost Control—the Grace Commission—was that the economies of scale used in the food stamp program should be reevaluated because the present economies of scale are unduly weighted in favor of small households and against larger households. The Grace Commission recommended that this be studied and revised to provide greater equity.

The President has indicated, as recently as his press conference last week, that all recommendations of the Grace Commission are being evaluated by the various Federal agencies, and that those changes which can be effected through administrative changes, as opposed to legislative changes, may be implemented in the future. This certainly includes changes in the economies of scale in the determination of food stamp allotments.

The Food Stamp Act of 1977, the authorizing legislation, requires the Secretary to determine the cost of the "thrifty food plan" which is then the basis for household food stamp allotments. The act clearly states that "the Secretary shall * * * make household-size adjustments in the thrifty food plan * * * taking into account economies of scale." (Section 3(o)(1).) Thus, it is clear that the Secretary has the legislative authority for calculating, and making appropriate adjustments in, the economies of scale.

Additionally, the committee report suggests that the Secretary should not implement major revisions in food stamp regulations until after reauthorization changes which may be made in the program next year. That suggestion implies that the Secretary is somehow bound not to make potentially important regulatory revisions for over 1 year. This suggestion is certainly not binding on the Secretary, and I, for one, would hope that he would not take it seriously. It is imperative, as the appropriations bill language states, that the Secretary take all available means to tighten this program through regulatory and administrative improvements. There is absolutely no legislative basis for suggesting or directing that the Secretary should not undertake changes in regulations. This is his responsibility and his obligation. His authority to make and revise regulations is based not only on changes in the law, but also on his obligation to tighten loopholes that may exist in current regulations and his duty to simplify and streamline certain procedures to make the program as efficient as possible.

Historically, the departments have considerable flexibility in implementing the statutes passed by the Congress. Different administrations take differing philosophical and regulatory approaches when designing regulations where a good deal of the detail is left to administrators to determine. Many of the current food stamp regulations were written by very liberal officials in the Department of Agriculture during the Carter administration. Frankly, I am somewhat disappointed that Reagan administration officials have been so slow moving in correcting many of the deficiencies of the Carter-era regulations.

At any rate, whenever a thorough review has been accomplished, the Secretary should move with all dispatch to expedite any regulatory changes that would improve the program's operation and eliminate possibilities for fraud, waste, and abuse.

With regard to the issue of food stamps for the homeless, certainly the members of the Committee on Agriculture, Nutrition, and Forestry share the concern of the members of the Appropriations Committee that food stamp benefits be provided to those in need. Equally obvious, however, should be the concern that specific safeguards be taken to ensure that the program is not abused by individuals who are, or claim to be, homeless. The possibilities for verification are significantly diminished when no known address is available for recipients. Additionally, the possibilities for multiple participation and other forms of fraudulent participation are increased when welfare rolls are opened wide to those who claim to be homeless. Help should be given to those who truly are homeless, but verification of need is made much more difficult in such situations.

The Appropriations Committee report has also taken liberties with its suggestions with regard to permitting States to overspend WIC program funds during the present fiscal year, fiscal year 1984. Current authorizing legislation requires the Secretary to allocate the available WIC funds among the States at the beginning of the fiscal year and to reallocate funds periodically if a State is unable to spend all of its allocation. Some States have sought authority to overspend their allocations by "borrowing" against future appropriations. In other words, for example, an individual State might overspend in fiscal year 1984, possibly using State money as a "float," and then expect to be repaid from the future fiscal year's appropriation. In my judgment, this is a very unwise management technique.

Currently, States that spend up to, or over, the maximum of their allocation have a distinct advantage over those States that adopt a more conservative budget approach of remaining within their allocation, possibly by underspending by several percentage points. In my view, the latter States are entitled to equity which can be achieved more appropriately by permitting unexpended funds to carry over to the following fiscal year, as is done with a number of other programs and as is provided for in the appropriation bill.

Several bills this year have addressed this same end-of-the-year

question by various means. The House passed legislation, H.R. 7, which would permit overspending of WIC by up to 2½ percent. Bills were introduced in the Senate to permit 2- and 2½-percent overspending. I introduced legislation, S. 2545, to permit a 3-percent carryover.

The Appropriations Committee report attempts to do through report language what the Congress has not yet opted to do through changes in the authorizing legislation; that is, permit overspending in 1 fiscal year with a subsequent reduction in the following fiscal year's allocation.

Clearly, this suggestion is nonbinding on the Secretary of Agriculture. The need for a legislative change in the authorizing legislation is apparent from the numerous legislative initiatives which have been introduced to resolve the issue, albeit in diverse approaches.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond 8 p.m., in which Senators may speak for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, there will be no more votes tonight.

CONSOLIDATED FAMILY FARMS

Mr. PRESSLER. Mr. President, on August 1, 1984, I chaired a Senate Small Business Family Farm Subcommittee hearing on the implications of a plan initiated by a group known as Consolidated Family Farms. The plan developed by this group of Chicago investors would trade units in a limited partnership to farmers in return for the deed to their farmland. The creditors who hold mortgages or liens against the property would also receive units in the partnership as payment for the debt. Theoretically, this plan would help farmers to eliminate a heavy debt and give them a better chance to make a profit. To date, the States of Kansas and Iowa have prohibited the group from operating in their States. The prohibition is based on State law governing corporate ownership of farmland. Unfortunately, during the hearing, several misconceptions became evident.

Because of misleading statements made by the group and the plan's failure to adequately protect farmers' rights, I have written the Securities and Exchange Commission [SEC] urging them to postpone approval of the Consolidated Family Farms' registration until farmers' rights are adequately protected. I ask unanimous consent that the text of my letter be included in the RECORD.

Following the hearing, the Consolidated Family Farms group indicated that they would amend their registration to provide farmers and other limited partners with more guarantees and some control in the management of the partnership. The amended registration will be resubmitted to the SEC and to the Small Business Subcommittee on the Family Farm. I am hopeful that changes will be made to protect farmers' rights in any such agreement.

Mr. President, I urge all of my Senate colleagues to review the Consolidated Family Farms' plan and to join me in requesting that their registration not be approved until farmers' rights are adequately protected under any such agreement.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE
COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION,
Washington, DC, August 7, 1984.

Mr. JOHN S.R. SHAD,
Chairman, Securities and Exchange Commission, Washington, DC.

DEAR MR. SHAD: As you know, I recently chaired a hearing in the Senate Small Business Family Farm Subcommittee on the plan sponsored by Consolidated Family Farms of Chicago. This organization filed a registration with your office on June 28, 1984. The registration establishes vague guidelines under which this group proposes to exchange farm ownership for units in a limited partnership. It also exchanges such units with credits for payment of outstanding debts. I do not know if this registration meets the requirements of your agency, but it certainly does not adequately protect the interests of farmers.

During the Senate hearing, several misconceptions about the program became apparent. Some of these misconceptions are listed below.

On several occasions during the hearing, witnesses representing Consolidated Family Farms referred to the plan as a cooperative. They argued that farmers would be banding together to increase their bargaining power and reduce their risks. But Committee questioning made it apparent that the plan does not represent a cooperative venture. Under the plan, the farmer or any other limited partner would have no voice in the management of the partnership and would possess no ownership rights. In a true cooperative, the members would have voting and ownership rights.

The witnesses also stated that the farmers who deeded over their land to Consolidated Family Farms would be able to lease the land back at a rate of 7½ percent of the value of the land. However, the group's SEC registration does not establish the rental rate or provide assurances that the land will be rented back to the farmer. The group stated that those terms would be spelled out in a rental contract. This contract would run from one to five years and there would be no guarantee that it would be renewable. There was also no guarantee that the land would not be sold at any time.

Consolidated Family Farms also tried to portray the advisory committee as a group that would have real control over the operations of the partnership. But in reality, the committee would have no control and the make-up of the committee is such that the general partners or the small group of investors would also control the committee. As a result, the farmers and creditors who make the capital investment in the partnership would have no voice in the management of the business. The general partners who provide no substantial investment would retain complete control. The control of the general partners is so great that they could even tell a farmer what crop to raise and where to raise it.

There is no assurance that profits which the partnership might make would be paid out to unit holders or that the units would retain any value. Again, the distribution of profits is totally at the discretion of general partners and the value of the units would be determined by a currently weak market.

These are just a few of the problems that became evident during the committee hearing. With these points in mind, I urge you to disapprove the registration of Consolidated Family Farms until full information about the operation of this partnership proposal is provided and the rights of farmers, creditors and other investors are protected in the plan. Farm policy is not within your jurisdiction, but I hope you will take into consideration that farmers must have stronger assurances that they can stay on their farms and that their rights will be protected.

Unfortunately, agriculture in the United States is suffering through some very difficult times and some farmers will try anything to hold onto their farms and their way of life. For this reason, some farmers might agree to such an arrangement without understanding all of the details of such a program. Most farmers do not have and cannot afford an attorney who can warn them about the possible disadvantages of such partnership contracts. Thus, it is important for the government to take the lead in clarifying the potential risks involved.

In addition, many banks and other lenders could be adversely affected through involvement in such speculative ventures. Many states have banking laws that would prohibit banks from taking units in a partnership as payment for a loan.

Following the hearing, the Consolidated Family Farms group indicated that they would amend their registration to provide farmers and other limited partners with more guarantees and some control in the management of the partnership. The amended registration will be re-submitted to the SEC and to the Small Business Subcommittee on the Family Farm. I am hopeful that changes will be made to protect farmers' rights in any such agreement.

I hope you will carefully consider all of these factors before any SEC ruling is made on the Consolidated Family Farms registration.

Thank you for your cooperation in this important matter. If you have any questions or if I can be of any assistance, please don't hesitate to contact me.

Sincerely,

LARRY PRESSLER,
U.S. Senator.

HOOVER DAM

Mr. PERCY. Mr. President, 2 weeks ago, the Senate debated the controversial bill, S. 268. This bill would have extended for 30 years a power alloca-

tion and pricing contract for power generated at Hoover Dam. There are many provisions of S. 268 that I agreed with. However, I still could not support this bill.

I do advocate the important new terms and conditions for the allocation of power that were included in the bill. This contract is the result of years of negotiation between the Federal Government and California, Arizona, and Nevada. I also supported the useful and overdue reforms in national water policy including upfront cost sharing by non-Federal interests for expanded generating facilities at the dam. I was further encouraged by the inclusion of a conservation program to be implemented by the Western Area Power Administration. This will help bring cost-effective energy planning to the entire West. Finally, I strongly supported the authorization for visitors facilities and safety improvements at the dam.

Despite these fine provisions which I believe will improve Western hydropower, there remains the central component of the bill which I opposed—an antiquated pricing arrangement. A pricing scheme that is out of touch with the reality of today's costs of electricity. A regional subsidy that not only favors the West but also damages States in the industrial heartland such as Illinois.

The issue here is whether the Federal Government should continue to sell hydropower well below market rates even after the cost of building the facility has been repaid. Here I must answer, no.

The 30-year contract before the Senate is a giveaway. It will cost the Federal Government $3.86 billion by 1997 in lost revenue. Nearly $4 billion that could be used to reduce the deficit.

The pricing scheme is regionally inequitable. This artificially cheap power promotes Western development at the expense of the Northeast and Midwest regions. If this contract is enacted, businesses and people from Illinois will continue to be drawn to the West because of low subsidized energy prices. And who is paying for this subsidy? Taxpayers. Taxpayers from Illinois and other States in the Frost Belt who receive none of the benefits of Hoover Dam.

Now I do not suggest that the Federal Government should charge market rates for this power. Nor do I support, as some of Members of the House have advocated, auctioning off this hydroelectric power. I simply say that the Federal Government must sell its hydroelectric power at a fair cost, not a Western cost.

Finally, I could not support this bill because of its adverse effects on conservation. Artificially cheap power is a disincentive for the West to conserve. Other States have learned how to sacrifice and use less. The West must learn too. Cheap power is only an incentive for more demand.

Let us support the fair parts of this bill. We should pass a bill which authorizes the allocation of power from Hoover Dam. We should pass a bill which reforms our national water policy. We should support funds to expand the facility and improve its safety. But, we should not have voted for this unfair Federal Government giveaway.

NORTHBROOK CIVIC FOUNDATION CELEBRATES 60TH YEAR

Mr. PERCY. Mr. President, I join with all Illinoisans in saluting the Northbrook Civic Foundation on the occasion of its 60th anniversary.

Pioneers in the field of community philanthropy, a small group of Northbrook citizens joined together in 1924 to channel their talent and enthusiasm to improve their village.

To generate revenue for their charitable ambitions, the Northbrook Civic Foundation devised the idea of Northbrook Days, a gala carnival fundraiser which for 59 years has drawn to its door both the village of Northbrook and residents from surrounding communities to enjoy civic-minded activities.

Run entirely by volunteers from the community, Northbrook Days has grossed up to $100,000 in past years. This year's 5-day festival is expected to be the most successful ever, and I am personally looking forward to attending the event this Saturday, August 11.

But only focusing on the enjoyment the Northbrook Civic Foundation gives to the residents of the village of Northbrook during Northbrook Days would overlook the significant contributions the organization has made over the years toward improving the community.

The village green that Northbrook Days will be staged was purchased for the city and donated by the Northbrook Civic Foundation. The independent, not-for-profit group also has donated a reading room to the Northbrook Library and playground equipment to local parks. The foundation has been especially concerned and generous with the Northbrook Fire Department, donating a $40,000 emergency vehicle and "Jaws," a pneumatic car "can opener" which in its first year of use has already saved two lives.

The Northbrook Park District, Boy Scouts, Girl Scouts, and local sports organizations have also benefited greatly from the organization's contributions.

Another important philanthropic activity of the foundation is its sponsorship of scholarships for local students. Each year, a number of Northbrook's most promising students are aided in achieving their educational aspirations through the generosity of the Northbrook Civic Foundation. All totaled, more than $1 million has been spent on improving the community of Northbrook by the Northbrook Civic Foundation during the last 60 years, including more than $100,000 for the student scholarships.

I am proud of the accomplishments of the Northbrook Civic Foundation. I know of no other community that has banded together more successfully than the village of Northbrook in providing for the betterment of its community.

The foundation's drive, willingness to sacrifice, and success in achieving its goals provide an example that I hope will inspire other communities to create similar civic-minded organizations.

Mr. President, it is my privilege and honor to commend the Northbrook Civic Foundation before the U.S. Senate, and I know I speak for myself and the rest of colleagues in wishing the foundation continued future success.

VIRGIL HILL, U.S. OLYMPIC TEAM

Mr. BURDICK. Mr. President, I rise today to recognize a member of the U.S. Olympic team. This athlete not only represents our country, but also the State of North Dakota. Virgil Hill is a middleweight boxer from Grand Forks and Williston. And, for the past 12 years he has dreamed of representing his country. Virgil is the only North Dakotan on the U.S. Olympic team, and like all North Dokatans, he has proved to be a champion. He was considered an underdog during the U.S. Olympic trials and also in the Olympic competition. This may have been because of a lack of notoriety nationally. But we North Dakotans know better and will be proudly watching as he fights for the Gold Medal on Saturday.

I myself, have had a reputation around the Senate, and my State, of being a tough guy in the gym. But, thank God, Virgil and I are in different weight classes, and will not meet in the ring.

THE CARL D. PERKINS VOCATIONAL EDUCATION ACT OF 1984

Mr. FORD. Mr. President, it is with mixed emotions that I rise to speak in support of legislation passed last evening reauthorizing the Vocational Education Act. I am, on the one hand, most pleased that the Senate has finally acted to reauthorize this important program. At the same time, however, I am saddened that the author of the original 1963 act, the late Repre-

sentative Carl D. Perkins, did not live to see this reauthorization. As my colleagues know, Representative Perkins passed away on August 3d. It is therefore most appropriate that the Senate has honored Carl Perkins by entitling this reauthorization the Carl D. Perkins Vocational Education Act of 1984. I am most pleased to have been a cosponsor of this amendment and I commend Chairman HATCH and Senators STAFFORD, PELL, KENNEDY, and RANDOLPH, of the Labor and Human Resources Committee for proposing this tribute.

Carl Perkins was the dean of the Kentucky delegation, measured not only by his years of service in the House but by the contributions he made to improving the living, working, and educational conditions of his constituents in the Seventh District in eastern Kentucky and all those underprivileged throughout this Nation. Chairman Perkins considered the Vocational Education Act to be one of his most important achievements and I know he would be humbled and honored by the gesture we have made to his record of service.

It is a fitting tribute to Carl Perkins that the legislation which he authored, amended, and advanced over the years should bear his name. Those of us who were privileged to serve in the Congress with Representative Perkins know of his unyielding dedication to improving the quality of education for all. Children across this Nation have been able to rise above the poverty and deprivation of their surroundings due to the educational programs, such as the Vocational Education Act, which Carl Perkins fought long and hard for. Carl Perkins' legacy of hope and determination will live on through the action taken by the Senate last evening. I commend my colleagues for proposing this tribute and I congratulate the Senate on passing the Carl D. Perkins Vocational Education Act of 1984.

IMPORTANCE OF WORLD POPULATION PROGRAMS

Mr. CHAFEE. Mr. President, I rise to commend Senator PACKWOOD'S amendment of yesterday reaffirming U.S. commitment to furnishing international population family planning assistance under the Foreign Assistance Act of 1961.

The United States has taken an international leadership role in funding voluntary population programs. Relatively inexpensive family planning programs improve maternal and child health, bring down birth rates, reduce the number of abortions, and contribute to economic development.

Although population growth has stopped in several European countries, 34 Third World countries have populations that are expanding at 3 percent or more every year. The result is inadequate housing, health care, education, hunger and malnourishment and frustration. In these countries the failure to institute successful population policies is leading to a broad-based decline in the standard of living. This is a trend the United States must help reverse by continuing its support of world family planning programs.

An annual population growth of 3 percent will lead to a nineteenfold increase in population in a century. In the attached article, the Washington Post reports the World Bank projection that unless prompt family-planning measures are taken in poor countries, the world's population will explode from 4.8 billion to about 10 billion by the year 2050. India alone is projected to add more than another billion people to its population before stabilizing at 1.84 billion, while neighboring Bangladesh and Pakistan could increase from 99 and 97 million at present to 430 million and 411 million, respectively. If these projections are correct, the Indian subcontinent would be home to 2.7 billion people—more than the entire world population in 1950. Stopping world population growth requires bringing the number of births and deaths more nearly into balance.

The United States must recognize the necessity of continuing its support for comprehensive family planning services at home and abroad. There is no humane justification for limiting funds to promote effective birth control. The demand for family planning services is great and continues to increase.

Slowing population growth will not, in and of itself, solve the problems facing developing countries, but it will help provide a more stable environment in which political and economic leaders can formulate development programs. For example, it has been estimated that new family planning programs could prevent over 5 million infant deaths every year by preventing conceptions in high risk mothers and by allowing longer spacing between births so that infants receive adequate care, adequate feeding, and a better start in life.

If the United States were to limit expenditures on family planning services, the results would be disastrous. Without birth control information and contraceptive devices, unwanted pregnancies would definitely follow. The number of abortions would rise since some women would turn to abortion as a remedy for an unwanted pregnancy. Finally, child abuse and mortality would increase. Comprehensive family planning programs focus on limiting pregnancy in high risk mothers. Without such services there is little hope that these women would receive adequate care.

Without internal social stability there can be no positive development in the Third World. Family planning is a necessary component of any national program to increase per capita income and economic well-being. It is a stimulant to growth and a means to reduce unequal social opportunities. Any attempt to decrease expenditures for these pregnancies would be inhumane and foolish and should be avoided.

I ask unanimous consent that an article from the Washington Post reporting on the World Bank's "Annual World Development Report," be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POPULATION EXPLOSION FORECAST—WORLD BANK URGES FAMILY PLANNING IN THIRD WORLD

(By Hobart Rowen)

Unless prompt family-planning measures are taken to reduce fertility rates in poor countries the world's population will explode from 4.8 billion to about 10 billion by the year 2050, the World Bank said in a grim review of the problem in its Annual World Development Report, to be published today.

A.W. Clausen, president of the World Bank, said in a speech in Nairobi, Kenya, that even that projection "may well be optimistic" and that world population would exceed 11 billion by 2150. The report also raised the question of "whether for some countries it is not already too late," to check the population explosion.

Virtually all of the growth cited in the report would be in developing countries, whose population would grow from 3.6 billion to 8.4 billion, with India, at 1.513 billion, the most populous nation on earth, followed by China at 1.450 billion.

Widespread killing of female infants still may be practiced in China with deaths numbering in the tens of thousands annually, according to information released yesterday by the National Academy of Sciences in Washington. The acadamy also said statistics released by the Chinese government disclosed that about 27 million people died as a result of the "Great Leap Forward" program of Chairman Mao Zedong in the late 1950s and early 1960s.

Clausen said the projected population explosion "poses an unacceptalbe situation" for development "because it means lower living standards for hundreds of millions of people."

By 2150, Kenya's population is projected to increase eightfold—from 19.7 million to "a staggering 160 million, a situation surely as impermissible as it is unimaginable," he said.

The population of the richer countries would increase by only 200 million to 1.4 billion in 2050. By then, there are expected to be at least 20 Third World cities with populations of 30 million each.

Symbolizing the shift of urban concentrations from the developed to the less developed world, Sao Paulo, Brazil—smaller in 1950 than Manchester, England—is expected to rank second with 25.8 million. Mexico City would top the list at 31 million, while London, second in 1950 at 10 million, would not rank among the top 25.

Such excessive urban growth, the report says, will exacerbate unemployment, disease, congestion, pollution, and crime.

Population growth rates for all developing countries have slowed from a peak of 2.4 percent in 1965 to about 2 percent today, because birth rates have declined slightly more than death rates, according to World Bank senior economist Nancy Birdsall.

Much of the credit for the lower average is due to a sharp fall in the Chinese birth rate.

Reagan administration officials, sensitive to political controversies involving right-to-life and abortion issues, took a low-key attitude to the call for better family planning, pointing out that it was a staff document, not a "policy" statement by the bank.

The administration is considering a ban on providing U.S. family-planning assistance to foreign governments or international groups that finance abortions, but a draft proposal has drawn congressional criticism and the White House is reportedly seeking a compromise.

The draft emphasized that population growth was not necessarily a problem in developing countries and that economic expansion, rather than population control, should be emphasized in providing foreign assistance.

In his speech, Clausen emphasized that the family-planning policies had to be "noncoercive" and "sensitive to the rights and dignity of individuals."

Bank officials stressed that they have never advised any government on whether to legalize abortion.

Clausen noted that in the past 10 years, countries such as China, Colombia, India and others have shown that public policies to reduce fertility can be effective.

"Poverty and rapid population growth reinforce each other. Therefore, the international community has no alternative but to cooperate, with a sense of urgency, in an effort to slow population growth if development is to be achieved," Clausen said.

The report estimates that about $2 billion annually—less than $1 per capita—is spent on public family-planning programs.

To meet the needs of women who say they would like to limit or space births, but who do not use contraceptives, would require another $1 billion.

Most Third World countries, with over 90 percent of the population subsidize family planning, according to the report.

But there are 27 countries—half of them in Africa—with no programs at all. In almost every country that does have a program, the services still fail to extend into rural regions.

The report says most families in the Third World have at least four children—five in rural areas. World Bank experts say they think that it "would be difficult but not impossible" to reduce the number to two or three.

The price of achieving such a reduction would be high—more than $7 billion in the year 2000, the report said.

The main "optimistic" assumption underlying the projections is that fertility will fall by the year 2000 in most countries to the "replacement level," at which women on the average give birth to only enough daughters to replace themselves in the population.

The report expressed grave doubts that this is possible in the poorer countries of Africa and southern Asia. The more likely result, it said, is that by 2150, with world population surpassing 11 billion, the southern Asian and sub-Saharan African countries will account for 50 percent of the global population total, compared with about 30 percent today.

In the African and southern Asian countries, the report speculated that rising unemployment and "increasing landlessness" might overwhelm existing social and political institutions.

POPULATION PROJECTIONS FOR DEVELOPING COUNTRIES

[Population in millions]

	Mid-1982	2000	2050
Chad	5	7	17
Bangladesh	93	157	357
Ethiopia	33	57	164
Nepal	15	24	54
Mali	7	12	31
Burma	35	53	99
Zaire	31	55	136
Malawi	7	12	35
Upper Volta	7	10	25
Uganda	14	25	67
India	717	994	1,513
Rwanda	6	11	34
Burundi	4	7	20
Tanzania	20	36	93
Somalia	5	7	16
Haiti	5	7	13
Benin	4	7	18
Central African Republic	2	4	10
China	1,008	1,196	1,450
Guinea	6	9	20
Niger	6	11	29
Madagascar	9	16	42
Sri Lanka	15	21	31
Togo	3	5	13
Ghana	12	24	66
Pakistan	87	140	302
Kenya	18	40	120
Sierra Leone	3	5	11
Afghanistan	17	25	55
Bhutan	1	2	3
Cambodia	7	10	17
Laos	4	6	14
Mozambique	13	24	63
Vietnam	57	88	154
Sudan	20	34	86
Mauritania	2	3	6
South Yemen	2	3	9
Liberia	2	4	10
Senegal	6	10	26
North Yemen	8	12	32
Lesotho	1	2	5
Bolivia	6	9	18
Indonesia	153	212	330
Zambia	6	11	29
Honduras	4	7	14
Egypt	44	63	102
El Salvador	5	8	15
Thailand	49	68	102
Papua New Guinea	3	5	8
Philippines	51	73	116
Zimbabwe	8	16	49
Nigeria	91	169	471
Morocco	20	31	59
Cameroon	9	17	50
Nicaragua	3	5	10
Ivory Coast	9	17	44
Guatemala	8	12	22
Congo	2	3	8
Costa Rica	2	3	5
Peru	17	26	44
Dominican Republic	6	8	14
Jamaica	2	3	4
Ecuador	8	13	24
Turkey	47	65	101
Tunisia	7	10	17
Colombia	27	38	57
Paraguay	3	5	8
Angola	8	13	32
Cuba	10	12	14
North Korea	19	27	42
Lebanon	3	3	5
Mongolia	2	3	5
Syria	10	17	37
Jordan	3	6	14
Malaysia	15	21	31
South Korea	39	51	67
Panama	2	3	4
Chile	12	15	20
Brazil	127	181	279
Mexico	73	109	182
Algeria	20	39	97
Argentina	28	36	50
Uruguay	3	3	4
South Africa	30	52	106
Venezuela	17	26	43
Israel	4	5	8
Hong Kong	5	7	8
Singapore	3	3	3
Trinidad and Tobago	1	2	2
Iran	41	70	139
Iraq	14	26	57
Oman	1	2	3

POPULATION PROJECTIONS FOR DEVELOPING COUNTRIES—Continued

[Population in millions]

	Mid-1982	2000	2050
Libya	3	7	17
Saudi Arabia	10	19	49
Kuwait	2	3	5
United Arab Emirates	1	2	3

Source: World Development Report, 1984.

The world's 10 most populous countries

[Population in millions]

China	1,034.5
India	746.4
U.S.S.R	274.0
United States	236.3
Indonesia	161.6
Brazil	134.4
Japan	119.9
Bangladesh	99.6
Pakistan	97.3
Nigeria	88.1

Source: Population Reference Bureau Inc., 1984.

ENTERPRISE ZONES

Mr. CHAFEE. Mr. President, I am pleased to join 35 of my colleagues who yesterday reintroduced President Reagan's enterprise zone initiative. The bill introduced is similar to my original proposal, first introduced in the 97th Congress as S. 2298, the Enterprise Zone Tax Act of 1982. However, the bill introduced yesterday has been modified and it is identical to the provisions the Senate passed this spring as part of the Deficit Reduction Act of 1984.

The Senate has passed enterprise zone legislation twice since 1983, but the House has refused to consider the bill. During the recent conference on the Deficit Reduction Act of 1984, the House conferees refused to accept our enterprise zone provisions, even though the enterprise zone bill in the House had 257 cosponsors.

Yesterday's proposal is a modest experiment which may prove to be of tremendous economic importance to the most financially distressed areas of our country. The proposal authorizes the Secretary of the Department of Housing and Urban Development to designate up to 25 areas per year, for a period of 3 years, as enterprise zones. These zones would then qualify for certain special Federal tax treatment. Areas would be nominated by State and local governments and would have to meet certain criteria of economic distress and population, have a continuous boundary, and receive a commitment from the State and locality to take a course of action designed to remove impediments to economic development in the area.

No enterprise zones would be designated before January 1, 1985.

Once designated, enterprise zones would receive the following Federal tax relief:

An additional investment tax credit of 3 or 5 percent for personal property and 10 percent for real property for capital investment in the zone.

A 10-percent tax credit to employers for increases paid to zone employees over the previous year, at a maximum of 2½ times the employer's FUTA wage base.

A tax credit for employers for wages paid to disadvantaged zone employees, equal to 50 percent of wages paid to such employees—not counting Federal subsidies for job training. This credit would be available for 7 years and drop 10 percent per year beginning in the fourth year.

A 5-percent tax credit to employees in the zone for income earned in zone employment, maximum $450 per employee.

Capital gains tax would not be imposed on the gain from the sale of any interest in a zone business or any property used in the conduct of a zone business.

The restrictions on the use of ACRS for IDB-financed property, and the sunset of the small issue exemption, would not apply to IDB's used to finance zone small business.

In addition, enterprise zones would be given preference in establishing foreign trade zones, and they could qualify for limited Federal regulatory relief. Federal contributions would last 20 years with a 4-year phaseout.

The Sabre Foundation has conducted a study of State-designated enterprise zones. Twenty-one States have enacted similar enterprise zone programs, and enterprise zones are now operational in nine States. The Sabre Foundation conducted interviews with and mailed questionnaires to State and local officials to assess the record of active enterprise zones in 182 communities.

I am requesting that a summary of the findings of the Sabre Foundation study be included in the RECORD immediately following my remarks. The study revealed that at, a State level, the enterprise zones are working to create new jobs, especially for the previously unemployed and disadvantaged. The survey also seems to indicate that the principal gains in employment are coming, not from the relocation of companies to the zones, but from the expansion of established firms and startups of small businesses. The zones also seem to have a disproportionately beneficial effect on manufacturing as a sector.

The Sabre Foundation study is certainly not conclusive, but it does give us reason to continue to pursue this proposal on a Federal level. It just may work, and I urge my other colleagues to join with us today in this experiment to revitalize and create jobs in some of the most economically distressed areas of our country.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEW JOBS, BUSINESS EXPANSIONS MARK STATE ENTERPRISE ZONE EFFORTS

Although U.S. enterprise zones average less than nine months in age, a new study has found that the state-designated zones are making tangible progress in revitalizing depressed urban and rural areas.

Of the 21 states with recently enacted zone programs, enterprise zones are now operational in nine states. The Sabre Foundation, in the first systematic assessment of U.S. zones, conducted interviews with and mailed questionnaires to hundreds of state and local officials to assess the record of active enterprise zones in 182 communities.

The survey concentrated upon three aspects of enterprise zone performance: employment, business investment, and fiscal impacts. The survey results give new evidence to address the following questions around which the enterprise zone debate has revolved:

Do enterprise zones lead to the creation of new jobs?

Yes. To date, state-designated zones can claim 20,271 jobs in place or in progress. Business startups and expansions within zones have already generated 4,601 jobs. In the opinion of officials administering local zone programs, another 4,085 jobs have been saved when businesses planning to move out of a depressed area had a change of heart after the enterprise zone was declared. (The "saved" companies were typically among the largest employers in their areas, and several have subsequently expanded.) Officials also reported plans for an additional 8,477 hires by zone-based entrepreneurs, and estimated that 3,108 further jobs will be created by firms whose applications for zone operation are now pending.

Jobs created or saved in enterprise zones have frequently proven significant for sponsoring communities. In Norwalk, Connecticut, for example, the saving or creation of approximately 1,000 jobs in the past year represents a substantial share of the 5,000 jobs that were in the zone area at the time of designation.

Who is hired?

Evidence from a subsample of communities suggests that unemployed and disadvantaged workers are doing well in enterprise zones. Although few communities have instituted comprehensive systems to track the hiring practices of zone-based firms, five communities have found that expanding firms have been hiring from 23.3 to 100 percent of their new workers from the ranks of the unemployed or disadvantaged. On average, the report concludes, these two categories account for approximately 30 percent of new zones hires.

What kinds of business activity benefit?

Some states and cities indicated that they initially felt enterprise zones would help them primarily to persuade companies to relocate from existing cities in other jurisdictions to their own. The survey found, however, very few relocations. This may change with time, but for the moment the principal gains in employment have come from expansion of established firms and startups of small businesses. The importance of startups and expansions is of particular interest because so many of these areas were dying as centers of business enterprise before the zones were declared.

Given the debate on the decline of American manufacturing and the flight of manufacturing facilities overseas, it is noteworthy that enterprise zones have had a disproportionate impact on manufacturing as a sector. In the economy as a whole, businesses engaged in manufacturing account for less than 21 percent of business enterprises. In the enterprise zones, 29 percent of the new projects are occurring in the manufacturing sector.

How much investment has occurred?

Local and state officials administering enterprise zone programs reported that more than $450 million of private investment has been committed since activation of the incentives in depressed areas. New construction, renovations, and plant expansions were underway in the vast majority of zones surveyed.

Do enterprise zones work to the detriment of businesses near but not in the zone?

This issue loomed large in the debates of state legislatures that enacted a program. The survey, however, encountered only one report of significant border effects. That came from Ohio officials who asserted that a number of businesses had been established just outside one zone, favorably positioned to service existing and prospective companies operating in the zone.

What sort of incentives are used?

In zones showing particularly strong job generation results, the state and local incentive packages in many cases went beyond tax relief to remove other obstacles to business development Streamlining regulatory procedures, reducing crime, and stimulating neighborhood clean-fixup efforts appeared particularly effective in improving the climate for jobs creation.

What are the fiscal effects of enterprise zones?

The survey found evidence that tax revenue loss is accompanied by reduced spending demands. State and local programs—which are approximately 20 percent as powerful in tax relief as the proposed federal package—to date can claim to have generated or saved 20,271 jobs. A large share of the jobs created in the zones have gone to unemployed workers and residents, including the long term unemployed, in those cities tracking the hiring practices of firms. Although the zones have been designated in areas of lagging business activity, state enterprise zones so far have also been the sites of 160 startup firms. Nonetheless, past estimates of enterprise zone tax revenue loss have overlooked the fiscal impact of self-sufficiency for newly-hired individuals who previously require unemployment compensation or transfer payments for support, and assumed that the zones would merely relocate business activity rather than stimulate new startups and expansions.

"Operational state enterpirse zones have given a promising start to a new economic development initiative," noted Dick Cowden, coauthor of the Enterprise Zone Activity in the States survey. "In establishing a 'climate of opportunity' for businesses and residents alike, local and state officials have pointed the way to more effective national approaches to resolving pressing problems."

MESSAGES FROM THE HOUSE

At 1:48 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1546. An act to amend the Deepwater Port Act of 1974, and for other purposes.

The message also announced that the House had passed the following bills, each with an amendment, in which it requests the concurrence of the Senate:

S. 1015. An act to clear certain impediments to the licensing of the vessel La Jolie for employment in the coastwise trade.; and

S. 1989. An act for the relief of Vladimir Victorovich Yakimetz.

The message further announced that the House agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4325), to amend part D of title IV of the Social Security Act to assure, through mandatory income withholding, incentive payments to States, and other improvements in the child support enforcement program, that all children in the United States who are in need of assistance in securing financial support from their parents will receive such assistance regardless of their circumstances, and for other purposes.

The message further announced that the House had passed the following bill in which it requests the concurrence of the Senate:

H.R. 6027. An act to clarify the application of the Clayton Act to the official conduct of local governments, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 1145. An act to recognize the organization known as the Catholic War Veterans of the United States of America, Incorporated.

S. 1429. An act to amend the Small Business Act to extend and strengthen the Small Business Development Center Program, and for other purposes.

H.R. 4325. An act to amend part D of title IV of the Social Security Act to assure, through mandatory income withholding, incentive payments to States, and other improvements in the child support enforcement program, that all children in the United States who are in need of assistance in securing financial support from their parents will receive such assistance regardless of their circumstances, and for their purposes.

The measures were subsequently signed by the President pro tempore [Mr. THURMOND].

A message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. WHITTEN, Mr. BOLAND, Mr. NATCHER, Mr. SMITH of Iowa, Mr. ADDABBO, Mr. LONG of Maryland, Mr. YATES, Mr. ROYBAL, Mr. BEVILL, Mr. LEHMAN of Florida, Mr. DIXON, Mr. FAZIO, Mr. HEFNER, Mr. CONTE, Mr. MCDADE, Mr. EDWARDS of Alabama, Mr. MYERS, Mr. MILLER of Ohio, Mr. COUGHLIN, and Mr. KEMP as managers of the conference on the part of the House.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 4280) to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes.".

The message further announced that the House has passed the bill (H.R. 1841) to promote research and development, encourage innovation, stimulate trade, and make necessary and appropriate amendments to the antitrust, patent, and copyright laws, with amendments; it insists upon its amendments to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. RODINO, Mr. BROOKS, Mr. EDWARDS of California, Mr. SEIBERLING, Mr. HUGHES, Mr. SYNAR, Mr. CROCKETT, Mr. SCHUMER, Mr. FEIGHAN, Mr. FUQUA, Mr. FISH, Mr. MOORHEAD, Mr. HYDE, Mr. SAWYER, and Mr. LUNGREN as managers of the conference on the part of the House.

The message also announced that the House insists upon its amendment to the amendment of the Senate to the bill (H.R. 2878) to amend and extend the Library Services, and Construction Act; it asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. HAWKINS, Mr. FORD of Michigan, Mr. ANDREWS of North Carolina, Mr. SIMON, Mr. WILLIAMS of Montana, Mr. KOGOVSEK, Mr. OWENS, Mr. HARRISON, Mr. ACKERMAN, Mr. PENNY, Mr. ERLENBORN, Mr. JEFFORDS, Mr. GOODLING, Mr. COLEMAN of Missouri, Mr. PETRI, Mrs. ROUKEMA, Mr. GUNDERSON, and Mr. PACKARD as managers of the conference on the part of the House.

The message further announced that the House has passed the bill (S. 2603) to extend the authorization of appropriations for, and to revise the Older Americans Act of 1965, with amendments; it insists upon its amendment to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. HAWKINS, Mr. BIAGGI, Mr. ANDREWS of North Carolina, Mr. MILLER of California, Mr. CORRADA, Mr. WILLIAMS of Montana, Mr. OWENS, Mr. ECKART, Mr. COLEMAN of Missouri, Mr. PETRI, Mrs. ROUKEMA, and Mr. CHANDLER as managers of the conference on the part of the House.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 4585) to authorize appropriations for the Office of Environmental Quality and the Council on Environmental Quality for fiscal years 1985, 1986, 1987, and for other purposes, with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the bill (S. 2556) to authorize appropriations for the American Folklife Center for fiscal years 1985 through 1989, with amendments, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bill, without amendment:

S. 2820. An act to name the Federal Building in McAlester, Oklahoma, the "Carl Albert Federal Building".

The message further announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 4354. An act to designate the Federal Building and United States Courthouse in Ocala, Florida, as the "Golden-Collum Memorial Federal Building and United States Courthouse";

H.R. 4717. An act to designate the Federal Building and United States Courthouse in Las Vegas Nevada, as the "Foley Federal Building and United States Courthouse";

H.R. 5323. An act to designate the United States Courthouse Building in Hato Rey, Puerto Rico, as the "Clemente Ruiz Nazario United States Courthouse";

H.R. 5747. An act to designate the Federal Building in Oak Ridge, Tennessee, as the "Joe L. Evins Federal Building";

H.R. 5997. An act to designate the United States Post Office and Courthouse in Pendleton, Oregon, as he "John F. Kilkenny United States Post Office and Courthouse";

H.J. Res. 420. Joint resolution honoring Chad Knutson whose remarkably unselfish decision to donate his organs at his death made possible multiple life and sight-saving transplant operations;

H.J. Res. 505. Joint resolution designating the week beginning September 23, 1984, as "National Adult Day Care Center Week";

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week";

H.J. Res. 554. Joint resolution to designate the week of November 11, 1984, through November 17, 1984, as "Women in Agriculture Week";

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week";

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 594. Joint resolution designating the week beginning February 17, 1985, as a time to recognize volunteers who give their time to become Big Brothers and Big Sisters to youths in need of adult companionship; and

H.J. Res. 606. Joint resolution to designate the week of October 14, 1984, through October 21, 1984, as "National Housing Week".

MEASURES REFERRED

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4354. An act to designate the Federal Building and United States Courthouse in Ocala, Florida, as the "Golden Collum Memorial Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

H.R. 4717. An act to designate the Federal Building and United States Courthouse in Las Vegas, Nevada, as the "Foley Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

H.R. 5323. An act to designate the United States Courthouse Building in Hato Rey, Puerto Rico, as the "Clemente Ruiz Nazario United States Courthouse"; to the Committee on Environment and Public Works.

H.R. 5747. An act to designate the Federal Building in Oak Ridge, Tennessee, as the "Joe L. Evins Federal Building"; to the Committee on Environment and Public Works.

H.J. Res. 420. Joint resolution honoring Chad Knutson, whose remarkably unselfish decision to donate his organs at his death made possible multiple life and sightsaving transplant operations; to the Committee on the Judiciary.

H.J. Res. 505. Joint resolution designating the week beginning September 23, 1984, as "National Adult Day Care Center Week"; to the Committee on the Judiciary.

H.J. Res. 554. Joint resolution designating the week of November 11, 1984, through November 17, 1984, as "Women in Agriculture Week"; to the Committee on the Judiciary.

H.J. Res. 594. Joint resolution designating the week beginning February 17, 1985, as a time to recognize volunteers who give their time to become Big Brothers and Big Sisters to youths in need of adult companionship; to the Committee on the Judiciary.

H.J. Res. 606. Joint resolution designating the week of October 14, 1984, through October 21, 1984, as "National Housing Week"; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bill and joint resolutions were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 6027. An act to clarify the application of the Clayton Act to the official conduct of local governments, and for other purposes;

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month";

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week".

The Committee on Energy and Natural Resources was discharged from the further consideration of the following bill, which was placed on the calendar:

H.R. 5561. An act to enhance the economic development of Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and for other purposes.

The following joint resolutions were read the first and second times by unanimous consent, and placed on the calendar:

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week".

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week".

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day".

By unanimous consent, the action of the Senate indefinitely postponing the following bill was vitiated, and the bill placed on the calendar:

S. 757. A bill to amend the Solid Waste Disposal Act to authorize funds for fiscal years 1983, 1984, 1985, 1986, and 1987, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary reported that on today, August 9, 1984, he had presented to the President of the United States the following enrolled bills:

S. 1145. An act to recognize the organization known as the Catholic War Veterans of the United States of America, Incorporated;

S. 1224. An act to provide for the disposition of certain undistributed judgment funds awarded the Creek Nation; and

S. 1429. An act to amend the Small Business Act to extend and strengthen the Small Business Development Center Program, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3631. A communication from the Assistant Administrator of the Environmental Protection Agency (Pesticides and Toxic Substances), transmitting, pursuant to law, EPA's final rule on data requirements for pesticide registration; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3632. A communication from the Assistant Administrator of the Environmental Protection Agency (Pesticides and Toxic Substances), transmitting, pursuant to law, EPA's final rule on data compensation procedures; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3633. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on a violation of the antideficiency act; to the Committee on Appropriations.

EC-3634. A communication from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of the processing support function at the Navy International Logistics Control Office, Philadelphia, PA, to performance by contract; to the Committee on Armed Services.

EC-3635. A communication from the Acting Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the conversion of the base supply function at Peterson Air Force Base, CO, to performance under contract; to the Committee on Armed Services.

EC-3636. A communication from the Acting Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the conversion of the source data entry system function at Tinker Air Force Base, OK, to performance by contract; to the Committee on Armed Services.

EC-3637. A communication from the Acting Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the conversion of the base information transfer center function at Los Angeles Air Force Station, CA, to performance by contract; to the Committee on Armed Services.

EC-3638. A communication from the Chief of the Program Liaison Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report on experimental, developmental, and research contracts of $50,000 or more, by company; to the Committee on Armed Services.

EC-3639. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Regional Rail Reorganization Act of 1973 to clarify the provisions for transfer of ownership of the Consolidated Rail Corp. (Conrail) to the private sector, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-3640. A communication from the Deputy Associate Director for Royalty Management Operations, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on refunds of excess royalty payments; to the Committee on Energy and Natural Resources.

EC-3641. A communication from the Deputy Associate Director for Royalty Management Operations, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on refunds of excess royalty payments; to the Committee on Energy and Natural Resources.

EC-3642. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, a report entitled "Performance Profiles of Major Energy Producers, 1982"; to the Committee on Energy and Natural Resources.

EC-3643. A communication from the Secretary of the Interior transmitting, pursuant to law, the 1983 report on Federal coal management; to the Committee on Energy and Natural Resources.

EC-3644. A communication from the Comptroller General of the United States transmitting, pursuant to law, an assessment of the adequacy of the Environmental Protection Agency's indemnification study; to the Committee on Environment and Public Works.

EC-3645. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on the cost of clean air and water; to the Committee on Environment and Public Works.

EC-3646. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, the eighth annual report on the Child Support Enforcement Program; to the Committee on Finance.

EC-3647. A communication from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, international agreements, other than treaties, entered into by the United States within 60 days previous to August 1, 1984; to the Committee on Foreign Relations.

EC-3648. A communication from the D.C. Auditor transmitting, pursuant to law, the Bi-Annual Audits of the Advisory Neighborhood Commissions, 1982-83; to the Committee on Governmental Affairs.

EC-3649. A communication from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, a report on the Board's accounting system for the year ended September 30, 1983; to the Committee on Governmental Affairs.

EC-3650. A communication from the D.C. Auditor transmitting, pursuant to law, a review of minority contracting in the Department of Environmental Services; to the Committee on Governmental Affairs.

EC-3651. A communication from the Assistant to the President for Management and Administration, Director, Office of Administration, Executive Office of the President, transmitting, pursuant to law, a report on the accounting system of the Executive Office of the President for fiscal year 1983; to the Committee on Governmental Affairs.

EC-3652. A communication from the Assistant Attorney General for Legislative and Intergovernmental Affairs transmitting a draft of proposed legislation to establish Federal criminal penalties for offenses involving computers; to the Committee on the Judiciary.

EC-3653. A communication from the Chief Justice of the United States transmitting, pursuant to law, the report of the proceedings of the Judicial Conference of the United States; to the Committee on the Judiciary.

EC-3654. A communication from the Secretary of Education transmitting, pursuant to law, final regulations relative to removal of parts and technical amendments; to the Committee on Labor and Human Resources.

EC-3655. A communication from the Secretary of Education transmitting, pursuant to law, final regulations for school assistance for local educational agencies in areas affected by Federal activities; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-743. A joint resolution adopted by the Legislature of the State of California; to the Committee on Armed Services.

"SENATE JOINT RESOLUTION No. 45

"Whereas, the State of California has the largest retired military community in the United States and includes among its population over 208,000 retired military personnel in addition to their dependent families; and

"Whereas, these military retirees receive over 180 million dollars per month in retired military pay, amounting to 2 billion dollars annually, much of which goes for the daily living expenses of the retired military community and thus helps support the economy of the State of California; and

"Whereas, it is believed that the contributions of the retired military community to the economy of California are beyond most people's realizations; and

"Whereas, the health care of our retired military community should be of primary concern to the government of the United States because of the large outlay of existing federal funds through CHAMPUS for private care of those who are under the age of 65 and their dependents and Medicare for those 65 or older who are no longer eligible for CHAMPUS; and

"Whereas, with the passage by Congress of the Former Military Spouses Protection Act, additional health care costs will be incurred by the federal government and the military establishment through CHAMPUS and Medicare; and

"Whereas, more than 63,000 retired military personnel and an estimated 100,000 military dependents in California are 65 years of age or over and eligible for Medicare; and

"Whereas, the Department of Defense operates military on-base hospitals on the 109 military facilities in California which, through expansion, could accommodate those retired military personnel and dependents over 65 now using Medicare, the additional 145,000 retired personnel and dependents eligible for CHAMPUS, and the unknown numbers of eligible former military spouses; and

"Whereas, the use of CHAMPUS and Medicare funds to expand on-base hospital facilities will result in employment for design, construction, and added military medical support personnel, all of which are greatly needed in the present state of the economy; and

"Whereas, the use of present CHAMPUS and Medicare funds for on-base hospital expansion and employment will eventually produce a savings to the Department of Defense as well as satisfy the medical needs of the former military spouses; and

"Whereas, these savings could be put to effective use to stimulate other areas of the economy; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to support and enact legislation recognizing the medical needs of retired military personnel and their families and of former military spouses by expanding medical facilities on defense installations to guarantee use by retired personnel who now rely on private care through CHAMPUS or Medicare by using these CHAMPUS and Medicare funds to construct needed facilities on California's 109 military installations, thus creating construction work for the unemployed and employment for the medically trained, and reducing CHAMPUS and Medicare funds for private care over the next decade, with a view to eliminating the future need for most of Medicare and CHAMPUS funds for retired military; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Senate Arms Services Committee, and to the House Armed Services Committee."

POM-744. A resolution adopted by the Southern Health Association relating to the Fiscal Year 1985 Federal Budget for the Department of Health and Human Services; to the Committee on Appropriations.

POM-745. A resolution adopted by the Southern Health Association relating to HR 4684, aid to communities and states in meeting nutritional needs; to the Committee on Agriculture, Nutrition, and Forestry.

POM-746. A resolution adopted by the Legislature of the State of Alaska; to the Committee on Agriculture, Nutrition, and Forestry.

"HOUSE RESOLVE No. 10

"Be it resolved by the House of Representatives:

"Whereas the Rural Electrification Administration (REA) has extended electric service to rural areas across the nation; and

"Whereas as the least developed state in the union, Alaska has the greatest need for the REA program; and

"Whereas REA cooperatives, like other utilities, need continued financing for growth and redevelopment; and

"Whereas the REA revolving loan fund is being depleted by an excess of expenses over interest income; and

"Whereas the REA revolving loan fund is further threatened by loss of its $7.9 billion capital to the United States Treasury beginning in 1993; and

"Whereas Alaska's special conditions were not considered when the current REA statute was enacted and, as a result, the high-cost areas in rural Alaska do not qualify for lower interest loans now available in other states; and

"Whereas S. 1300, currently pending in the Committee on Agriculture of the United States Senate, would remedy these problems;

"Be it Resolved by the House of Representatives, That the United States Congress is respectfully urged to give expeditious and favorable consideration to S. 1300, so that this important legislation can be enacted at the earliest possible date."

POM-747. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation.

"ASSEMBLY JOINT RESOLUTION No. 60

"Whereas, cable television is an important communications medium that serves as an extension of interstate commerce; and

"Whereas, there is no existing national policy governing cable television although a definite need exists therefor; and

"Whereas, national cable television policy needs to accommodate a meaningful role for state and local governments in overseeing the growth and development of cable television consistent with federal policies; and

"Whereas, national cable television policy also needs to establish a legislative framework that includes: (1) a rational franchise renewal process that strikes a reasonable balance between cable television operators' need for franchise stability and local government ability to acquire the best possible cable television services for their citizens; (2) rate deregulation procedures; (3) reasonable franchise fees; and (4) guarantees of public access, equal employment opportunity and adequate consumer protections for California's 3 million and the nation's 40 million cable television subscribers; and

"Whereas, the Congress has before it legislation to establish a national cable television policy that is the result of a compromise agreement between the National Cable Television Association and the National League of Cities which embodies the above principles; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California is in

support of the compromise agreement of the National Cable Television Association and the National League of Cities relating to national cable television policy, and federal legislation that embodies the principles enunciated herein and be it further

"Resolved, That the Legislature respectfully calls upon the Congress to enact federal cable television legislation this session; and be it further

"Resolved, That the Legislature respectfully calls upon the Federal Communications Commission to forego regulation that would unfairly and improperly preempt state and local government involvement in the development of cable television in California; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States; to the Speaker of the House of Representatives; to each Senator and Representative from California in the Congress of the United States; to the Chairperson of the Senate Commerce Committee; to the Chairperson of the House Energy and Commerce Committee; and to the Chairperson of the House Subcommittee on Telecommunications, Consumer Protection, and Finance; to the Chairperson and Commissioners of the Federal Communications Commission; and to the Governor of the State of California."

POM-748. A resolution adopted by the Southern Health Association relating to R. J. Reynolds Tobacco Company advertising; to the Committee on Commerce, Science, and Transportation.

POM-749. A joint resolution adopted by the Legislature of the State of California; to the Committee on Energy and Natural Resources.

"SENATE JOINT RESOLUTION NO. 39

"Whereas, New Melones Reservoir was authorized by the Flood Control Act of 1944 and by the Flood Control Act of 1962 for purposes of flood protection, irrigation water, power generation, fishery enhancement, and recreation; and

"Whereas, the Department of the Army (Army Corps of Engineers) prepared master recreation plans for the New Melones Lake Area and Lower Stanislaus River in August 1976 and April 1977, respectively, which contained detailed work plans for recreational facilities and public access areas at 13 sites around the reservoir and 15 sites along the river below the dam; and

"Whereas, less than 15 percent of the total funds required to complete these planned facilities have been spent to date; and

"Whereas, public use of these facilities has been overwhelming, with campers, boaters, and fishermen making use of whatever facilities are available in great numbers; and

"Whereas, the master plan for the reservoir detailed 13 sites around the reservoir which were to contain 1400 campsites, 225 lodging units, 615 picnic units, 39 boat launching lanes, 3 marinas with 820 slips, and a host of related facilities such as parking lots and comfort stations; and

"Whereas, the master plan for the lower Stanislaus River, as amended, detailed 15 sites along the river which were to contain 85 individual and 6 group campsites, 190 picnic areas, 1 boat ramp, and related facilities such as parking lots and comfort stations; and

"Whereas, in May 1982, it was announced by the Department of the Army that no funds would be budgeted for additional construction of recreational facilities at New Melones unless local governments shared in the cost, a policy which is contrary to every promise made by the federal government and which will have severe repercussions on the ability of local governments to cope with the hundreds and thousands of users of the reservoir; and

"Whereas, the policy has resulted in less than a comfortable state for reservoir visitors, intrusion onto private lands as visitors try to make do and set up their campers wherever vacant land is available, disruption of the environment from litter and destruction of natural features, and a heavy financial burden on local governments which are saddled with the responsibility of providing services which should be provided by the federal government; and

"Whereas, the overall plan for the New Melones Project is an integrated development effort, and the recreational development which was planned by the Department of the Army is an integral part of the project, and was promised as mitigation for the loss of the free-flowing Stanislaus River; and

"Whereas, a firm commitment was made by the federal government to provide and operate these improvements, and its promises should be kept, as to do otherwise will erode citizens' confidence and expectations and severely impact the financial resources of local governments; now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to fulfill the obligations of the federal government to construct and operate recreational facilities for New Melones Reservoir in accordance with the 1976 Master Plan for the New Melones Lake Area and the 1977 Lower Stanislaus River Master Plan, as developed and amended through 1983 by the Army Corps of Engineers; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Army, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-750. A resolution adopted by the Legislature of the State of Alaska; to the Committee on Energy and Natural Resources.

"BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

"Whereas, Alaska played a significant role in World War II because of its strategic location; and

"Whereas, many Alaskans fought in World War II and many Americans from other states spent periods of time in Alaska as part of the war effort; and

"Whereas, the people of the United States and of Alaska have an interest in the preservation of artifacts from World War II to remind them of this cataclysmic event in the history of our nation; and

"Whereas, The State of Alaska has the primary concern in the preservation of artifacts of historical significance found in the state;

"Be it resolved, That the Alaska State Legislature requests the federal government not to remove World War II artifacts of historical significance from Alaska but to make them available for preservation in museums in the state; and be it

"Further resolved, That the Alaska State Legislature requests Congress to make it illegal to remove from Alaska a vehicle, aircraft, watercraft, or weapon used during World War II for the purpose of conducting the war unless the removal is authorized by the federal and state government or unless the artifact is determined by the federal and state government to be hazardous to human or animal life in the area in which it is located.

"Copies of this resolution shall be sent to the Honorable George Bush, Vice-President of the United States and President of the Senate; the Honorable Thomas P. O'Neill, Jr., Speaker of the House of Representatives; the Honorable Verne Orr, Secretary of the Air Force; the Honorable John F. Lehman, Jr. Secretary of the Navy; the Honorable John O. Marsh, Jr., Secretary of the Army; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

POM-751. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Environment and Public Works.

SENATE CONCURRENT RESOLUTION NO. 130

"Whereas, there is no interstate highway that runs northwest to southeast between Denver, Colorado, Oklahoma City, Oklahoma, and New Orleans, Louisiana; and

"Whereas, the millions of people who drive between those cities each year must take a circuitous route, wasting time and energy; and

"Whereas, tourism and commerce are discouraged within this large area of the nation due to the unnecessary transportation expense and time; and

"Whereas, everyone north or west of Denver and east of New Orleans as well as everyone between Denver and New Orleans would benefit from an interstate highway between the two cities; and

"Whereas, the population of the nation is shifting from the East to the Sun Belt, increasing the need for an interstate highway between Denver and New Orleans every year; and

"Whereas, without such an interstate the state highways along the route will become overburdened and dangerous, further discouraging tourism and commerce.

"Therefore, be it resolved by the Senate of the Legislature of Louisiana, the House of Representatives thereof concurring, That the Congress of the United States is hereby memorialized to take immediate and appropriate action to authorize and order construction of an interstate highway between Denver, Colorado, Oklahoma City, Oklahoma, and New Orleans, Louisiana.

"Be it further resolved, That the proposed highway should follow a route through Oklahoma beginning in Hugo and including Antlers, Atoka, Stringtown, Coalgate, Tupelo, Stonewall, Ada, Byng, Stratford, Asher, Macomb, Norman, Moore, Oklahoma City, Yukon, El Reno, Watonga, Canton, Hucmac, Seiling, Woodward, May, Slapout, Beaver and Tyrone.

"Be it further resolved, That copies of this Resolution be transmitted to the President of the United States, the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives, the Louisiana Congressional Delegation, the Secretary of the United States Department of Transportation, the Governors of Louisiana, Oklahoma, and Colorado, and the Secretary of the Louisiana

Department of Transportation and Development."

POM-752. A resolution adopted by the General Assembly of the State of Illinois; to the Committee on Foreign Relations.

"SENATE RESOLUTION No. 649

"Whereas, Of the approximately 2,500 servicemen and civilians of the United States of America who are missing or otherwise unaccounted for in Southeast Asia, 105 are from Illinois; and

"Whereas, The families of those prisoners of war and those still missing are subjected to unrelenting mental anguish and a sense of futility in their quest for information about their loved ones; and

"Whereas, The conscience of every American Citizen should be troubled on behalf of these families; and

"Whereas, President Reagan has proclaimed that July 20, 1984, be designated as National POW-MIA Recognition Day; and

"Whereas, It is the United States Government's moral and legal responsibility to ensure the return of all prisoners of war and to secure an accounting of missing personnel and the repatriation of remains of those who perished serving our Nation; therefore, be it

"Resolved by the Senate of the Eighty-Third General Assembly of the State of Illinois, That this Chamber joins with the entire Nation in honoring all of the brave Americans missing or imprisoned in Southeast Asia, in expressing our support to their families, and in recognizing July 20, 1984, as National POW-MIA Recognition Day; and be it further

"Resolved, That we urge the Congress of the United States to demand that the governments of Vietnam, Cambodia and Laos promptly account to the government of the United States for all Americans missing in those countries and return all American servicemen still being held captive; and be it further

"Resolved, That we express particular concern for the families of the following Illinois residents who remain unaccounted for in Southeast Asia:

"LTC Harold Joseph Alwan
"MAJ Harry Arlo Amesbury, Jr.
"SSGT Gregory Lee Anderson
"CAPT Robert Donald Beutal
"PFC Wayne Bibbs
"SSGT Timothy Roy Bodden
"CAPT Arthur Ray Bollinger
"LT Dainel Vernor Borah, Jr.
"SSGT Alan Boyer
"LTC James Alvin Branch
"LTJG Thomas Edward Brown
"COL Robert Wallace Brownlee, Jr.
"MAJ Bernard Ludwig Bucher
"LCDR Kenneth Richard Buell
"CAPT Park George Bunker
"SSGT Michael John Burke
"MAJ Joseph Henry Byrne
"MAJ Ralph Laurence Carlock
"CAPT John Werner Carlson
"CAPT John Bernard Causey
"COL Charles Peter Claxton
"CWO Dean Eddie Clinton
"LCDR Ralph Burton Cobbs
"CAPT Willard Marion Collins
"CAPT Joseph Bernard Copack, Jr.
"SSGT Kenneth Leroy Cunningham
"MAJ Patrick Robert Curran
"SSGT Raymond George Czerwiec
"CAPT Thomas Carl Daffron
"SP4 Randall David Dalton
"WO James Leslie Dayton
"LT Richard Carl Deuter
"LCDR Michael Edward Dunn
"CWO Dennis Keith Eads
"AX3 William Farrell Farris
"WO Barry Frank Fivelson
"ATC Ronald Edmond Galvin
"SGT Charles Hue Gatewood
"LCDR Donald Arthur Gerstel
"LTJG John Bryan Golz
"COL Robert Warren Hagerman
"MSGT Thomas Edward Heideman
"SSGT Robert Dale Herreid
"LCPL Joseph Arnold Hill
"SFC Anthony Frank Housh
"LCDR Roger Burns Innes
"PFC Michael James Jablonski
"1 LT Ronald James Janousek
"CAPT Jack Elmer Keller
"LCDR Kenneth Keith Knabb, Jr.
"LTC Jeffrey Charles Lemon
"SGT Leonard J. Lewandowski, Jr.
"MAJ Robert Ray Lynn
"CAPT George Duncan MacDonald
"COL Notley Gwynn Maddox
"CAPT Richard Carlton Marshall
"SP5 James Phillip Mason
"LTC Glenn David McElroy
"HN James Patrick McGrath
"LTC Carl Ottis McCormick
"LCDR Robert Charles McMahan
"LCDR Roger Allen Meyers
"SSGT William John Moore
"CAPT Wayne Ellsworth Newberry
"AX2 Randall John Nightingale
"CAPT Joseph Paul Nolan, Jr.
"CAPT Michael Davis O'Donnell
"LTC Floyd Warren Olsen
"CAPT Warren Robert Orr, Jr.
"LTC Robert Joseph Panek, Sr.
"LTC Donald Eugene Parsons
"CAPT Roger Dale Partington
"MAJ Wayne Edward Pearson
"LCDR Gordon Samuel Perisho
"CWO James Larry Phipps
"LCDR Thomas Holt Pilkington
"CAPT Jerry Lynn Pool
"1 LT William Marshall Price
"SSGT Dennis Michael Rattin
"MAJ Ronald Reuel Rexroad
"MAJ Robert Paul Riggins
"SSGT Billie Leroy Roth
"LT Leland Charles Cooke Sage
"CPL Richard Eugene Sands
"CAPT Leroy Clyde Schaneberg
"SP4 David Lee Scott
"SGT Robert Carl Sherman
"2 LT David William Skibbe
"COL Harold Victor Smith
"CAPT Joseph Stanley Smith
"PVT James Clellon Story
"CAPT Dean Paul St. Pierre
"LTC John Willard Swanson, Jr.
"PFC Jerrold Allen Switzer
"SSGT Derri Dykes
"SSGT Oral Ray Terry
"CAPT Kenneth Deane Thomas, Jr.
"CAPT John Cline Towle
"LTJG Dusin Cowles Trowbridge
"CWO Eykel Martin D. Vanden II
"MAJ James Edward Whitt
"SP4 Richard Dennis Wiley
"MAJ Robert Cyril Williams
"MAJ Kenneth Joseph Yonan
"MAJ Robert John Zukowski, and be it further

"Resolved, That copies of this preamble and resolution be delivered to the Illinois Chapter of the National League of Families of American Prisoners and Missing in Southeast Asia, the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and each member of the Illinois Congressional Delegation."

POM-753. A joint resolution adopted by the General Assembly of the State of Illinois; to the Committee on the Judiciary.

"SENATE JOINT RESOLUTION No. 123

"Whereas, The size of the federal budget deficit threatens the economic health of the United States; and

"Whereas, The Congress of the United States adds to the budget deficit by passing appropriation bills which include unnecessary or excessive expenditures; and

"Whereas, In such cases, the President is forced to choose between signing such appropriation bills, thereby spending some money wastefully, and vetoing the entire bills, thereby eliminating funds for other worthwhile programs; and

"Whereas, Congress, as an institution, is inherently limited in its ability to impose fiscal discipline; and

"Whereas, The great majority of States has addressed this problem by giving their governors the power to veto or reduce individual line items in appropriation bills; and

"Whereas, Granting the President of the United States a similar power could help reduce the federal budget deficit; and

"Whereas, Article V of the Constitution of the United States provides that amendments to the Federal Constitution may be proposed by the Congress whenever two-thirds of both Houses deem it necessary; therefore, be it

"Resolved by the Senate of the Eighty-Third General Assembly of the State of Illinois, the House of Representatives concurring herein, That this body propose to the Congress of the United States that procedures be instituted to propose and submit to the several states an amendment to the Constitution of the United States to give the President of the United States the power to veto or reduce items in appropriation bills; and be it further

"Resolved, That this Body also proposes that the Legislatures of each of the several States comprising the United States shall apply to the Congress requesting the enactment of an appropriate amendment to the Federal Constitution; and be it further

"Resolved, That a copy of this resolution be presented to the presiding officers of the United States Senate and House of Representatives, to the members of the Illinois Congressional Delegation, and to the presiding officers of each house of the various State legislatures."

POM-754. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Governmental Affairs.

HOUSE CONCURRENT RESOLUTION

"Whereas, The Congrress of the United States has pending before it H.R. 5144, the proposed Public Employee Pension Plan Reporting and Accountability Act of 1984, and a related measure, H.R. 5143, which would extend federal regulation to the domain of public pension systems for state and local government employees; and

"Whereas, The State of Texas, by S.C.R. 7, 67th Legislature, 2nd Called Session, signed by then Governor William Clements, has previously expressed its opposition to earlier proposed versions of this legislation; and

"Whereas, The National Conference of State Legislatures is on record to the effect that such legislation, if passed, would usurp state sovereignty, intruding into a province properly reserved to the 50 states and impinging on the diversion of powers set forth in the United States Constitution; and

"Whereas, The United States Supreme Court in 1876 in *National League of Cities* v. *Usery* held that the Congress does not have

the authority to intervene in relations between state and local governments and their employees; and

"Whereas, Texas constitutional and statutory law already provides adequate protection to participants in and annuitants of its several statewide pension systems; and

"Whereas, Article XVI, Section 67, of the Texas Constitution affords safeguards requiring that pension investments be made prudently by pension trustees considering both probable income and safety of capital, by requiring that such funds be held in trust for pension participants and annuitants, by prohibiting diversion of the funds for other purposes, and by requiring that benefits be funded on an actuarially sound basis; and

"Whereas, The State Pension Review Board, established by statute in 1979, already supervises the state's public pension systems, making unnecessary any preemptive federal supervision, which would only be redundant; and

"Whereas, Texas statutes provide for disclosures by the state's several pension systems to their participants and annuitants and for reports by these systems to the supervisory State Pension Review Board; and

"Whereas, The Texas open records law makes available to the public and to any investigative governmental entities information maintained by state pension systems other than confidential information from individual member files; and

"Whereas, The proposed congressional legislation would permit extensive federal control over state pension plans, giving federal officials almost open-ended regulatory authority in this area; and

"Whereas, The proposed legislation threatens forced "social" investment of public pension funds in financially troubled enterprises, rendering a lower than appropriate rate of return while attaching significant risk to the investment; and

"Whereas, The proposed legislation would slow initial payments of claims and benefits by imposing complicated, new procedural requirements, simultaneously creating increased costs and burdens for the several statewide public pension systems; and

"Whereas, Being in many ways similar to legislation introduced in previous congresses, the legislation proposed in the 98th Congress would repeat many of the other faults cited in the aforementioned resolution of the 68th Legislature; now, therefore, be it

"Resolved, That the 68th Legislature 2nd Called Session, of the State of Texas hereby request the Congress of the United States to defeat H.R. 5143 and H.R. 5144 relating to federal regulation of state and local pension systems; and, be it further

"Resolved, That the Texas secretary of state forward official copies of this resolution and of S.C.R. 7 of the 67th Legislature, 2nd Called Session, to the speaker of the House of Representatives and the president of the Senate of the United States Congress with the request that they be officially entered and reentered in the Congressional Record as a memorial to the Congress of the United States in evidence of Texas' opposition to the proposed federal legislation; and, be it further

"Resolved, That the Texas secretary of state also forward official copies of these resolutions to the legislatures of the other states with the request that they join the State of Texas in opposing passage of any version of any legislation preempting state authority over public pension systems."

POM-755. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Governmental Affairs.

"SENATE CONCURRENT RESOLUTION

"Whereas, Legislation to enact the Public Employee Retirement Income Security Act has once again been introduced in the Congress of the United States in the form of HR 4928 and HR 4929 (Senate companion bills, S 2105 and S 2106); and

"Whereas, Federal regulation of this state's public pension systems would increase administrative costs, draining away funds that would otherwise be used to pay benefits; and

"Whereas, Federal regulation of this state's public pension system would slow the initial payment of claims and benefits by imposing federal promulgations on procedures, while making the records of individual members open to public scrutiny; and

"Whereas, The State Pension Review Board already supervises the state's public pension plans insuring their actuarial soundness and prudent investments; and

"Whereas, Texas law already provides for disclosure by these pension plans to their participants and annuitants and for reports by these plans to the State Pension Review Board; and

"Whereas, Article XVI, Section 67, of the Constitution of Texas protects the interests of participants and annuitants of public pension plans by requiring that pension investments be made prudently by pension trustees considering both probable income and safety of capital, by requiring that such funds be held in trust for pension participants and annuitants, by prohibiting diversion of the fund for other purposes, and by requiring the benefits be funded on an actuarially sound basis; and

"Whereas, Texas statewide public pension plans are in sound actuarial condition; and

"Whereas, The Texas Open Records Act makes information maintained by public pension plans, other than information in individual member files, available to the public as well as to any governmental entity who wishes to investigate the conduct of their affairs; and

"Whereas, Studies of public pension plans commissioned by the federal government show that the great majority of public employees in the United States are covered by sound pension systems but that federal pension systems (even excluding Social Security) have extremely high unfunded liabilities; and

"Whereas, There is considerable pressure, especially in areas of the nation which are suffering economic hard times, to use public pension funds belonging to the public employees to bail out financially troubled governments and industries with "social" investments made at a lower than appropriate rate of return or posing an excessive risk to the capital of the funds; and

"Whereas, Passage of H.R. 4929 (S. 2106) could prompt the Internal Revenue Service to impose a greater tax liability on death benefits, an income tax on employees for the state contribution, and a tax on investment earnings, drastically cutting the amounts available for benefits; and

"Whereas, The proposed legislation would:

"(1) preempt state laws and constitutional provisions which impose strict fiduciary responsibilities on public pension trustees in Texas and provide other valuable protection to public pension participants and annuitants;

"(2) make possible the promulgation of federal rules or enactment of future amendments which would, having preempted state protections, permit or require social investing by public funds at the expense of retirement system participants and annuitants;

"(3) impose increased costs and burdens on public retirement systems through its reporting requirements, benefit application procedure requirements, and other provisions which will divert funds from these plans which would otherwise be used to pay benefits;

"(4) permit extensive federal control over state pension plans through its almost open-ended authority for the Secretary of Labor to issue regulations to accomplish the purposes of the Act;

"(5) make the federal courts the primary interpreter of state pension laws;

"(6) encourage frivolous personal lawsuits against pension fund trustees and advisors which will discourage their uncompensated service to public employees; and

"(7) interfere with the responsibility of boards of trustees as established in state statutes and constitutional provisions for actuarial projections and benefit cost estimates to the state legislature; and

"Whereas, The provision for exempting a state from this legislation (1) applies essentially to the reporting and disclosure sections of the legislation and would not exempt Texas pension participants from the preemption of its statutory constitutional protections; (2) cannot assure Texas of exemption because of the unknown requirements of the federal regulations regarding reporting and disclosure, especially with respect to information made confidential by Texas law; and (3) give the governor of a state power to exempt a state only in accordance with regulations issued by the Secretary of Labor and subject to the power of the Secretary of Labor to revoke the exemption; and

"Whereas, Any attempt presently to permit or require social investing of Texas public funds would require a constitutional amendment to be voted on by the people, but if this federal legislation were enacted, such social investing could be permitted or required by federal regulation or a quiet, unobtrusive amendment of federal law; and

"Whereas, In a policy statement adopted at the National Conference of State Legislatures (NCSL) annual meeting in 1981, the NCSL resolved that "the Public Employee Retirement Income Security Act and any similar proposals be opposed as a serious usurpation of the sovereign power of the state and local governments"; now, therefore, be it

"Resolved by the Senate of the State of Texas, 67th Legislature, 2nd Called Session, the House of Representatives concurring, That the Texas Legislature hereby declare opposition to passage of the Public Employee Retirement Income Security Act in any version; and, be it further

"Resolved, That the Texas Secretary of State forward official copies of this resolution to the President of the Senate and the Speaker of the House of Representatives of the United States Congress and to all members of the Texas delegation to the congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States; and, be it further

"Resolved, That the Texas Secretary of State forward official copies of this resolution to the legislatures of the other states with the request that they join this state in

opposing the passage of any version of the Public Employee Retirement Income Security Act."

POM-756. A resolution adopted by the Southern Health Association relating to family planning programs; to the Committee on Labor and Human Resources.

POM-757. A resolution adopted by the Southern Health Association relating to consumer protection legislation; to the Committee on Labor and Human Resources.

POM-758. A joint resolution adopted by the Legislature of the State of California; to the Committee on Veterans Affairs.

"ASSEMBLY JOINT RESOLUTION No. 135

"Whereas, California has recognized the sacrifices made by our state's veterans; and

"Whereas, California has a veterans home and farm loan program that has been in operation for over 60 years; and

"Whereas, California's Cal-Vet program has enabled over 375,000 California veterans to secure low interest home loans; and

"Whereas, A federal House-Senate congressional conference committee is considering legislation (H.R. 4170, the Tax Reform Act) that contains a provision which would sharply curtail and ultimately halt the popular Cal-Vet farm and home loan program for California veterans by elimination of the tax-exempt status of the bonds sold for the program; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature respectfully memorializes the President and the Congress of the United States to preserve the popular Cal-Vet farm and home loan program as it now exists; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-759. A resolution adopted by the General Court of the Commonwealth of Massachusetts; ordered to lie on the table.

"RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ESTABLISH A NATIONAL ACADEMY OF PEACE AND CONFLICT RESOLUTION

"Whereas, the world today is increasingly troubled by international strife; and

"Whereas, recent technological advances have enabled international conflicts to have potentially disastrous consequencies for all humankind; and

"Whereas, the people of the Commonwealth of Massachusetts recognize the value of sound international relationships and the imperative need to improve relations among all nations; and

"Whereas, the resolution of conflicts whether personal, local, national, or international can best be accomplished by trained personnel; and

"Whereas, the systematic use of trained personnel in the resolution of international conflicts could save this Nation and others, countless billions of dollars, and untold human suffering; therefore be it

"Resolved, That the Massachusetts General Court urges that Congress of the United States to establish a National Academy of Peace and Conflict Resolution dedicated to training persons in peaceful conflict resolution techniques; and be it further

"Resolved, That copies of this resolution be transmitted forthwith by the clerk of the Senate to the President of the United States, to the presiding officer of each branch of Congress and to the Members thereof from the commonwealth"

POM-760. A resolution adopted by the House of Representatives of the Commonwealth of Pennsylvania; ordered to lie on the table.

"HOUSE RESOLUTION No. 222

"Whereas, the United States is in need of a national industrial policy; and

"Whereas, The United States is the only industrial country which does not have a national industrial policy; and

"Whereas, It is in the country's best interests to attempt to reduce the trade deficit; and

"Whereas, The creation of additional manufacturing jobs and other industrial positions would serve to aid the economy; and

"Whereas, The Industrial Competitiveness Act (HR 4360), presently on consideration by Congress, serves to achieve these goals; therefore be it

Resolved, That the House of Representatives of the Commonwealth of Pennsylvania memorialize the Congress of the United States to enact the Industrial Competitiveness Act (HR 4360), as soon as possible."

POM-761. A resolution adopted by the Senate of the State of Illinois; to the Committee on the Judiciary.

POM-761. A resolution adopted by the Senate of the State of Illinois; to the Committee on Labor and Human Resources.

"SENATE RESOLUTION No. 481

"Whereas, At no time in the history of our country has the topic of achieving and sustaining world peace been as prevalent in daily life; and

"Whereas, War is not a sudden process, but instead a sometimes avoidable final escalation or breaking point in a series of conflicts nations; and

"Whereas, Very little attention is given to non-military approaches to resolving these conflicts before military force becomes the only remaining option; and

"Whereas, Establishing a United States Academy of Peace would be a viable and effective step in a national effort to expand both the human and financial resources being devoted to the study of the ways and means of peace and, in particular, the means of ocnflict resolution; and

"Whereas, A U.S. Academy of Peace would, among other endeavors, aid universities and individuals already involved in peace studies with funding and information-sharing, research war and peace, and study past successes and failures in handling international disputes; and

"Whereas, The members of the United States Congress will be voting, early in 1984, on Senate Bill 564, which addresses the question of establishing a U.S. Academy of Peace; and

"Whereas, Nine state legislatures are currently on record in support of the idea; therefore, be it

"Resolved by the Senate of the Eighty-Third General Assembly of the State of Illinois, That we urge the members of the United States Congress to vote favorably on Senate Bill 564, and to establish a United States Academy of Peace dedicated to strengthening our knowledge of peace and our ability to maintain it; and be it further

"Resolved, That a copy of this preamble and resolution be presented to President Ronald Reagan, to the Secretary of the Senate of the United States, to the Clerk of the House of Representatives of the United States, and to each Member of the Congress from this State."

POM-762. A resolution adopted by the Senate of the State of Illinois; to the Committee on the Judiciary.

SENATE RESOLUTION No. 667

"Whereas, Until recently, local governmental units, like the States, were immune from antitrust liability under the Sherman Act; and

"Whereas, In January of 1982, the United States Supreme Court in *Community Communications. Co.* v. *City of Boulder,* extended the reach of antitrust laws to actions of local governmental units; and

"Whereas, Although actions of the fifty States remain immune from federal antitrust laws, the days of automatic immunity for local governmental units are now clearly over; and

"Whereas, The antitrust exposure of units of local government reaches into virtually every aspect of local government; and

"Whereas, Since the Boulder decision, a number of antitrust lawsuits have been filed against local governments throughout the United States; and

"Whereas, The cost of the defense of such suits, even when successfully defended, is enormous and places a severe strain upon the budgets of local governmental units; and

"Whereas, What is needed to effectively immunize local governmental units from liability under the federal antitrust laws is federal legislation; therefore, be it

"Resolved by the Senate of the Eighty-Third General Assembly of the State of Illinois, That we strongly urge the United States Congress to enact legislation that will place units of local government on the same basis as the fifty States by making such units of local government immune from federal antitrust laws; and be it further

"Resolved, That copies of this Resolution be sent to the Clerk of the United States House of Representatives, the Secretary of the United States Senate, and the members of the Illinois Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on the Budget, without recommendation without amendment:

S. Res. 427. Original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 2160 (Rept. No. 98-589).

By Mr. MATHIAS, from the Committee on Rules and Administration, with amendments and an amendment to the title:

H.R. 1250. A bill to provide that registration and polling places for Federal elections be accessible to handicapped and elderly individuals, and for other purposes (Rept. No. 98-590).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute and an amendment to the title:

S. 2650. A bill to enable the Consumer Product Safety Commission to protect the public by ordering notice and repair, replacement or refund of certain toys or articles intended for use by children if such

toys or articles create a substantial risk of injury to children (Rept. 98-591).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 2505. A bill to provide a right of first refusal for metropolitan areas before a professional sports team is relocated, and for other purposes (Rept. No. 98-592).

By Mr. HATCH, from the Committee on Labor and Human Resources, without amendment and with a preamble:

H.J. Resolution 452. Joint resolution recognizing the important contributions of the arts to a complete education.

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment and with a preamble:

S. Res. 412. Resolution to congratulate and commend the USA Philharmonic Society.

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 426. Original resolution waiving section 402(a) of the Congressional Budet Act of 1974 with respect to the consideration of S. 2433.

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 253. Joint resolution to authorize and request the President to designate September 16, 1984, as "Ethnic American Day."

S.J. Res. 267. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week."

S.J. Res. 275. Joint resolution to designate the month of October 1984 as "National Spina Bifida Month."

S.J. Res. 287. Joint resolution to authorize and request the President to designate January 27, 1985, as "National Jerome Kern Day."

S.J. Res. 295. Joint resolution to provide for the designation of the week of October 14 through October 20, 1984, as "Myasthenia Gravis Awareness Week."

S.J. Res. 299. Joint resolution to designate November 1984 as "National Diabetes Month."

S.J. Res. 305. Joint resolution to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week."

S.J. Res. 308. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week."

S.J. Res. 309. Joint resolution authorizing and requesting the President to designate January 1985 as "National Cerebral Palsy Month."

S.J. Res. 316. Joint resolution designating the week of September 30 through October 6, 1984, as "National High-Tech Week."

S.J. Res. 318. Joint resolution to designate the week of September 16, 1984 through September 22, 1984, as "National Development Disabilities Awareness Week."

S.J. Res. 322. Joint resolution designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week."

S.J. Res. 325. Joint resolution to designate October 7, 1984, through October 13, 1984, as "National Children's Week."

S.J. Res. 327. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week."

S.J. Res. 330. Joint resolution designating the month of August 1984, as "Ostomy Awareness Month."

S.J. Res. 332. Joint resolution to proclaim October 16, 1984, as "World Food Day."

S.J. Res. 333. Joint resolution to designate September 21, 1984, as "World War I Aces and Aviators Day."

S.J. Res. 334. Joint resolution to provide for the designation of the month of November 1984, as "National Hospice Month."

S.J. Res. 335. Joint resolution to designate the week beginning on May 19, 1985, as "National Tourism Week."

S.J. Res. 336. Joint resolution to proclaim October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world."

S.J. Res. 337. Joint resolution designating October, 1984, as "Computer Learning Month."

S.J. Res. 340. Joint resolution to designate the week of September 23, 1984, as "National Historically Black Colleges Week."

By Mr. WARNER, from the Committee on Armed Services, with an amendment in the nature of a substitute and an amended preamble:

S. Con. Res. 75. Concurrent resolution favoring a National Museum of the U.S. Army.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Charles A. Legge, of California, to be U.S. District Judge for the Northern District of California;

Ilana Diamond Rovner, of Illinois, to be U.S. District Judge for the Northern District of Illinois;

Marcel Livaudias, Jr., of Louisiana, to be U.S. District Judge for the Eastern District of Louisiana; and

Anthony J. Scirica, of Pennsylvania, to be U.S. District Judge for the Eastern District of Pennsylvania.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. STEVENS (for Mr. HELMS) (by request):

S. 2925. A bill to reduce the cost of and improve the food stamp program and for other purposes; read the first time.

By Mr. STEVENS (for Mr. HATCH (for himself, Mr. DECONCINI and Mrs. HAWKINS)):

S. 2926. A bill to amend the Federal Food, Drug, and Cosmetic Act to revise the procedures for new drug applications, to amend title 35, United States Code, to authorize the extension of the patents for certain regulated products, and for other purposes.

By Mr. GRASSLEY (for himself, Mr. HEFLIN, Mr. BIDEN, Mr. DOLE, Mr. JEPSEN and Mr. DIXON):

S. 2927. A bill to amend title 5 of the United States Code regarding the authority of the Special Counsel; to the Committee on the Judiciary.

By Mr. DOLE:

S. 2928. A bill to extend for one year the conditional ceiling on Federal matching for foster care, and the temporary provision authorizing Federal matching for foster care maintenance payments for certain children voluntarily placed in foster care; to the Committee on Finance.

By Mr. DOMENICI:

S. 2929. A bill for the relief of Juan Macias-Arias, his wife Margarita Racich de Macias, and their children Juan Eduardo Macias-Radich and Mary Macias; to the Committee on the Judiciary.

By Mr. SYMMS (for himself and Mr. MCCLURE):

S. 2930. A bill to repeal the changes made by the Tax Reform Act of 1984 with respect to the tax treatment of debt instruments issued for property; to the Committee on Finance.

By Mr. TRIBLE (for himself, Mr. GORTON, Mr. HEFLIN, Mr. INOUYE, Mr. RIEGLE, Mr. HOLLINGS, Mr. KASTEN, Mr. MATSUNAGA, Mr. STEVENS, Mr. PACKWOOD, Mr. FORD and Mrs. KASSEBAUM):

S. 2931. A bill to facilitate certain space launches, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. FORD:

S. 2932. A bill to amend the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979 to authorize appropriations for fiscal years 1985 and 1986, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. D'AMATO:

S. 2933. A bill to amend the Internal Revenue Code of 1954 to provide that restrictions on the allowance for depreciation and the investment credit for property leased by a tax-exempt entity not apply to certain correctional facilities leased by State and local governments; to the Committee on Finance.

By Mrs. HAWKINS:

S. 2934. A bill to create the Marjorie Kinnan Rawlings National Wildlife Refuge in the State of Florida; to the Committee on Environment and Public Works.

By Mr. DANFORTH (for himself and Mr. FORD):

S. 2935. A bill to provide that on the request of a State or local government authority, the National Bureau of Standards may investigate serious accidents at fixed site amusement parks; to the Committee on Commerce, Science, and Transportation.

By Mr. CRANSTON:

S. 2936. A bill to provide for cooperative agreements between the Secretary of the Interior and State and local governments for law enforcement within Federal water resource projects; to the Committee on Energy and Natural Resources.

By Mr. BOSCHWITZ:

S. 2937. A bill for the relief of Hreinn Pio Francisco Lindal; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 2938. A bill to amend parts A and B of title XVIII of the Social Security Act to provide that nurse practitioners may recertify the need for certain services originally certified by a physician; to the Committee on Finance.

By Mr. PERCY:

S. 2939. A bill to provide for an additional bankruptcy judgeship for the Central District of Illinois; to the Committee on the Judiciary.

By Mr. THURMOND (by request):

S. 2940. A bill to amend title 18, United States Code, to make a crime the use, for fraudulent or other illegal purposes, of any computer owned or operated by the United States, certain financial institutions, and other computers where the offense involves interstate or foreign carriers; to the Committee on the Judiciary.

By Mr. PRYOR:

S. 2941. A bill to authorize the Secretary of Health and Human Services to conduct a clinical trial to determine the efficiency and economic feasibility of providing medicare coverage for personal emergency response systems; to the Committee on Finance.

By Mr. BRADLEY:

S. 2942. A bill to amend subpart 3 of part A of title IV of the Higher Education Act of 1965 to provide an additional authorization for State student incentives for grants to students based on merit; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN (for himself, Mr. BRADLEY, Mr. SPECTER, Mr. KENNEDY, Mr. SARBANES, and Mr. TSONGAS):

S. 2943. A bill to amend title IV of the Regional Rail Reorganization Act of 1973 to establish a Rail Capital Infrastructure Fund; to the Committee on Commerce, Science, and Transportation.

By Mr. GORTON:

S. 2944. A bill for the relief of Frederick Paul, of Seattle, Washington; to the Committee on the Judiciary.

By Mr. BYRD (for himself and Mr. RANDOLPH):

S. 2945. A bill to waive certain requirements of Section 103a of the Internal Revenue Code of 1954 with respect to certain veterans' mortgage obligations; to the Committee on Finance.

By Mr. D'AMATO:

S. 2946. A bill to require the Secretary of Health and Human Services to coordinate and support research concerning Alzheimer's disease and related disorders, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DODD (for himself and Mr. WEICKER):

S.J. Res. 342. Joint resolution to designate November 21, 1985 as "William Beaumont Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BRADLEY, Mr. BUMPERS, Mr. CHILES, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. MATSUNAGA, Mr. MELCHER, Mr. METZENBAUM, Mr. CRANSTON, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. EAGLETON, Mr. EXON, Mr. FORD, Mr. GLENN, Mr. HART, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. INOUYE, Mr. JOHNSTON, Mr. KENNEDY, Mr. MITCHELL, Mr. MOYNIHAN, Mr. NUNN, Mr. PELL, Mr. PROXMIRE, Mr. PRYOR, Mr. RANDOLPH, Mr. RIEGLE, Mr. SARBANES, Mr. SASSER, Mr. STENNIS, Mr. TSONGAS, and Mr. ZORINSKY):

S. Res. 430. Resolution to express the sense of the Senate on recess appointments; to the Committee on the Judiciary.

By Mr. DIXON (for himself, Mr. BOSCHWITZ, Mr. HUDDLESTON, Mr. DOLE, Mr. ZORINSKY, Mr. JEPSEN, Mr. RIEGLE, Mr. PERCY, Mr. EXON, Mr. DANFORTH, Mr. PROXMIRE, Mr. PRESSLER, Mr. BUMPERS, Mr. QUAYLE, Mr. GRASSLEY, Mr. COCHRAN, Mr. HEFLIN, Mr. KASTEN, Mr. BOREN, Mr. HELMS, Mr. FORD, Mr. EAGLETON, Mr. NICKLES, Mr. MATTINGLY, Mr. WARNER, Mr. MURKOWSKI, Mrs. KASSEBAUM, Mr. ABDNOR, Mr. EVANS, Mr. LEVIN, Mr. DURENBERGER, Mr. ARMSTRONG, Mr. THURMOND, Mr. GORTON, and Mr. MATSUNAGA):

S. Res. 431. Resolution relating to Canadian pork imports; to the Committee on Finance.

By Mr. GORTON:

S. Res. 432. Resolution referring the bill for the relief of Frederick Paul to the Chief Judge of the United States Claims Court; to the Committee on the Judiciary.

By Mr. PACKWOOD (for himself, Mr. BRADLEY, Mr. PERCY, Mr. CRANSTON, Mr. HART, Mr. WEICKER, Mr. COHEN, Mr. STAFFORD, Mr. CHAFEE, Mr. LEVIN, Mr. MATHIAS, Mr. RIEGLE, Mr. EVANS, Mr. GLENN, Mr. HEINZ, Mr. INOUYE, Mrs. HAWKINS, Mr. METZENBAUM, Mr. MATSUNAGA, Mr. BURDICK, Mr. DODD, Mr. BINGAMAN, Mr. KENNEDY, and Mr. HOLLINGS):

S. Con. Res. 135. Concurrent resolution reaffirming the United States commitment to furnishing international population and family planning assistance under the Foreign Assistance Act of 1961; to the Committee on Foreign Relations.

By Mr. STEVENS (for Mr. PACKWOOD) (for himself, Mr. HOLLINGS, and Mr. LONG):

S. Con. Res. 136. Concurrent resolution to correct technical errors in the enrollment of the bill S. 1546; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself, Mr. HEFLIN, Mr. BIDEN, Mr. DOLE, Mr. JEPSEN, and Mr. DIXON):

S. 2927. A bill to amend title 5 of the United States Code regarding the authority of the Special Counsel; to the Committee on the Judiciary.

(The remarks of Mr. GRASSLEY appear earlier in today's RECORD.)

By Mr. DOLE:

S. 2928. A bill to extend for 1 year the conditional ceiling in Federal matching for foster care, and the temporary provision authorizing Federal matching for foster care maintenance payments for certain children voluntarily placed in foster care; to the Committee on Finance.

EXTENSION OF PROVISIONS OF ADOPTION ASSISTANCE AND CHILD WELFARE ACT

● Mr. DOLE. Mr. President, today I am introducing, on behalf of the administration, a bill which would provide for a simple 1-year extension of three provisions of the Adoption Assistance and Child Welfare Act of 1980 (Public Law 96-272). The provisions which are presently scheduled to expire on September 30, 1984, are:

First, the conditional ceiling on federal financial participation in State expenditures for foster care;

Second, the provision under which a State may use for child welfare services Federal funds made available to it under the conditional ceiling that are not needed for foster care maintenance payments; and

Third, the provision that authorizes Federal financial participation in State foster care maintenance payments for certain children voluntarily placed in foster care.

As I mentioned, these provisions were added to the Social Security Act by the Adoption Assistance and Child Welfare Act of 1980, which reformed and revitalized the already existing program of Federal support for State foster care activities, and added a new program to aid States in providing adoption assistance.

The Secretary of the Department of Health and Human Services issued a report on June 11, 1984, detailing the support provided by the Adoption Assistance and Child Welfare Act to reinforce activities of the States that began prior to or in anticipation of the passage of the legislation. The report also described the ways in which the legislation has helped the States to maintain their momentum in implementing changes designed to ensure good child welfare practices.

The Department is carefully reviewing the Federal program and intends to propose legislative improvements early in the next Congress. The 1-year extension of expiring provisions contained in the legislation I am introducing today should provide ample time for HHS to complete its review and for Congress to act on any new legislation which may be proposed.

It is my hope that the Finance Committee can work with the Committee on Ways and Means in the other body to ensure that these important provisions are extended before the October 1 deadline.

Mr. President, I ask unanimous consent that the brief text of this legislation be included in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2928

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 474(b) of the Social Security Act (42 U.S.C. 674(b)) is amended—

(1) in paragraphs (1), (2)(B), and (4)(B), by striking out "1981 through 1984" and inserting instead "1981 through 1985";

(2) in paragraph (2)(A), by

(A) striking out "and" at the end of clause (iii),

(B) striking out the period at the end of clause (iv) and inserting "; and", instead, and

(C) adding after clause (iv) a new clause (v) as follows:

"(v) with respect to fiscal year 1985, only if the amount appropriated under section 420 for such fiscal year is equal to $266,000,000."; and

(3) in paragraph (5)(A), by

(A) striking out "October 1, 1984" and inserting instead "October 1, 1985", and

(B) striking out "fiscal year 1984" in clause (ii) and inserting instead "each of fiscal years 1984 and 1985".

(b) Section 474(c) of that Act is amended in paragraphs (1) and (2) by striking out "1981 through 1984" and inserting instead "1981 through 1985".

(c)(1) Section 102(a)(1) of the Adoption Assistance and Child Welfare Act of 1980, P.L. 96-272 (42 U.S.C. 672 note), is amended by striking out "October 1, 1984" and inserting instead "October 1, 1985".

(2) Section 102(c) of that Act is amended by striking out "October 1, 1984" each place it appears and inserting instead "October 1, 1985".●

By Mr. SYMMS (for himself and Mr. McCLURE):

S. 2930. A bill to repeal the changes made by the Tax Reform Act of 1984 with respect to the tax treatment of debt instruments issued for property; to the Committee on Finance.

RESTORATION OF SELLER FINANCING

Mr. SYMMS. Mr. President, today, I am introducing legislation to repeal the provisions of the Deficit Reduction Act of 1984 which virtually eliminate seller financing in thousands of transactions involving the sale of property.

While the changes that were incorporated in the Deficit Reduction Act were intended to eliminate some perceived abuses, the new rules go far beyond their original intent, and penalize those who legitimately seller-finance the sale of property.

The new law requires sellers to charge an interest rate which is at least 110 percent of the applicable Federal borrowing rate. If that 110-percent test is not met, the seller is deemed by the Internal Revenue Service to have received an imputed interest rate of 120 percent. In other words, if a seller charges less than 110 percent of the applicable rate, he is then taxed as if he received 120 percent. The effect of placing the test rate at or above the market rate is to effectively kill seller financing at a time when it is a key element in many transactions in the market today.

While the Senate did pass additional legislation which provided exemption levels for the sale of principal residences of less than $250,000, and farms selling for less than $1 million, nothing was done to preserve seller financing of other property or small businesses, where seller financing is critical.

The intent of the legislation being introduced today is to insure that completely innocent sellers and buyers will not be penalized by rules intended to curb limited perceived abuses by repealing the provisions enacted in the most recent tax bill.

The tax and spending package that was recently enacted was supposed to have the effect of lowering interest rates. It seems rather ironic that the provisions incorporated in that bill will have the effect of actually increasing interest rates, substantially, in the area of real estate financing.

I am hopeful that the Congress will repeal this provision before its adverse effects are felt.

By Mr. TRIBLE (for himself, Mr. GORTON, Mr. HEFLIN, Mr. INOUYE, Mr. RIEGLE, Mr. HOLLINGS, Mr. KASTEN, Mr. MATSUNAGA, Mr. STEVENS, Mr. PACKWOOD, Mr. FORD, and Mrs. KASSEBAUM):

S. 2931. A bill to facilitate certain space launches, and for other purposes; to the Committee on Commerce, Science, and Transportation.

COMMERCIAL SPACE LAUNCH ACT

Mr. TRIBLE. Mr. President, today Senators GORTON, HEFLIN, HOLLINGS, RIEGLE, MATSUNAGA, INOUYE, PACKWOOD, KASTEN, STEVENS, FORD, and KASSEBAUM and I are introducing legislation which establishes a centralized and efficient regulatory framework to manage private sector space launch activities. The Commercial Space Launch Act provides the Department of Transportation with licensing authority over private expandable launch vehicles.

A central purpose of this legislation is to facilitate and encourage the growth of a commercial space launch capability which will complement NASA's reusable space shuttle.

The current Government approval process for private space launch operations is a regulatory minefield involving as many as 18 Federal agencies and 22 different statutes—statutes which were never intended to apply to commercial space launch activities.

Our bill replaces this burdensome, patchwork approach with a regulatory framework which promotes private launch activities, protects public health and safety, and meets foreign policy and national security requirements.

The Commercial Space Launch Act will designate the Department of Transportation as the lead Government agency for encouraging and facilitating the commercialization of expendable launch vehicles. In providing this one-stop-shopping service to space entrepreneurs, DOT will be required to consult with the Department of State in matters affecting foreign policy, and the Department of Defense in matters affecting national security.

Under this bill, the launch licenses issued by DOT would subsume existing licensing requirements and approvals with the exception of those licenses issued under the Communications Act of 1934. DOT is also authorized to foster commercial use of excess Government launch property and to establish, after consultation with appropriate agencies, the terms and conditions of such use.

Mr. President, our Nation no longer holds a monopoly in the space launch business. By encouraging a commercial ELV capability, this legislation will enhance our international competitiveness in the space launch marketplace and promote economic growth. Some predict that private expendable launch activities will grow to a $10 billion per year industry within the decade. This fledgling industry can provide jobs and other benefits for our people as we approach the 21st century.

Exploiting the vast economic potential of space requires the Federal Government to be a partner, rather than obstacle. The Commercial Space Launch Act, is an important step in opening the final frontier of space to private enterprise.

I ask unanimous consent that this bill and a summary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2931

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Commercial Space Launch Act".

FINDINGS

SEC. 2. The Congress finds and declares that—

(1) the peaceful uses of outer space continue to be of great value and to offer benefits to mankind;

(2) private applications of space technology have achieved a significant level of commercial and economic activity, and offer the potential for growth in the future, particularly in the United States;

(3) new and innovative equipment and services are being sought, created, and offered by entrepreneurs in telecommunications, information services, and remote sensing technology;

(4) the private sector in the United States has the capability of developing and providing private satellite launching and associated services that would complement the launching and associated services now available from the United States Government;

(5) the development of launch vehicles and associated services on a commercial basis would enable the United States to retain its competitive position internationally, and contribute to the national interest and economic well-being of the United States;

(6) provision of launch services by the private sector is consistent with the national security and foreign policy interests of the United States and would be facilitated by stable, minimal, and appropriate regulatory guidelines that are fairly and expeditiously applied; and

(7) the United States should encourage private sector launches and associated services and, only to the extent necessary, regulate such launches and services in order to ensure compliance with international obligations of the United States and to provide for the national security, foreign policy, and public health and safety interests of the United States.

PURPOSES

SEC. 3. The purposes of this Act are—

(1) to promote economic growth and entrepreneurial activity through utilization of

the space environment for peaceful purposes;

(2) to encourage the United States private sector to provide launch vehicles and associated launch services by simplifying and expediting the issuance or transfer of launch licenses and by facilitating and encouraging the utilization of Government-developed space technology; and

(3) to designate an executive department to oversee and coordinate the conduct of launch operations, to issue and transfer launch licenses authorizing such activities, and to ensure that public health and safety, foreign policy, and national security interests of the United States are satisfied.

DEFINITIONS

SEC. 4. For purposes of this Act, the term—

(1) "agency" means an Executive agency as defined in section 105 of title 5, United States Code;

(2) "controlling interest", for purposes of paragraph 11(C) of this section, means a direct or indirect legal or beneficial interest in or influence over another person arising through ownership of capital stock, interlocking directorates or officers, contractual relations, or other similar means, which substantially affect the independent business behavior of such person;

(3) "launch" means to place or attempt to place, on a commercial basis, a launch vehicle and payload if any in a suborbital trajectory, in Earth orbit in outer space, or otherwise in outer space;

(4) "launch property" means tooling, propellants, launch vehicles and components thereof, and other physical items constructed for or used in the manufacture, launch preparation, or launch of a launch vehicle;

(5) "launch services" means those activities involved in the preparation of a payload for launch, the provision of a launch vehicle, and the conduct of a launch;

(6) "launch site" means the location on Earth from which a launch takes place, as defined in any license issued or transferred by the Secretary under section 7 of this Act, and includes all facilities located on a launch site which are necessary to conduct a launch;

(7) "launch vehicle" means any vehicle constructed for the purpose of placing a payload in outer space, and any suborbital rocket;

(8) "payload" means any object which a person undertakes to place in outer space by means of a launch vehicle, and includes subcomponents of the launch vehicle specifically designed or adapted for that object;

(9) "person" means any individual and any corporation, partnership, joint venture, association, or other entity organized or existing under the laws of any State or any nation;

(10) "Secretary" means the Secretary of Transportation;

(11) "State", and "United States" when used in a geographical sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the United States Virgin Islands, Guam, and any other commonwealth, territory, or possession of the United States; and

(12) "United States citizen" means—

(A) any individual who is a citizen of the United States;

(B) any corporation, partnership, joint venture, association, or other entity organized or existing under the laws of the United States or any State; or

(C) any corporation, partnership, joint venture, association, or other entity (whether organized or existing under the laws of a State or a foreign nation) which is doing business in the United States, if the controlling interest in such entity is held by individuals or entities described in subparagraph (A) or (B), and if (i) exercise of jurisdiction over such person is consistent with any international agreement in force for the United States at the time that the relevant launch is to take place or the relevant launch site is to be operated, and (ii) the launch or operation of a launch site would not occur in the territory of a foreign nation.

GENERAL RESPONSIBILITIES

SEC. 5. (a) The Secretary shall be responsible for carrying out this Act, and in doing so shall—

(1) encourage and facilitate launches by the private sector; and

(2) consult with other agencies to provide consistent application of licensing requirements under this Act and to ensure fair and equitable treatment for all license applicants.

(b) To the extent permitted by law and as circumstances require, Federal agencies shall assist the Secretary in carrying out the provisions of this Act.

REQUIREMENT OF LICENSE FOR PRIVATE SPACE LAUNCH OPERATIONS

SEC. 6. (a) No person shall launch a launch vehicle or operate a launch site within the United States, and no United States citizen shall launch a launch vehicle or operate a launch site outside the United States, unless such person or United States citizen is authorized to do so under a license issued or transferred under this Act.

(b) No United States citizen or other person who holds a license issued or transferred under this Act may launch a payload unless that payload complies with all requirements of Federal law. The Secretary shall ascertain whether such citizen or person has obtained any license or other permit which is required by any Federal law for launch of a payload. If any such license or permit has not been obtained, the Secretary may take such action under this Act as the Secretary considers necessary to prevent the launch of a payload by a holder of a license issued or transferred under this Act, until such citizen or person has obtained the license or permit. If no such license or permit is required by any Federal law, the Secretary may take such action under this Act as the Secretary considers necessary to prevent the launch of a payload by a holder of a license issued or transferred under this Act if the Secretary determines that the launch of such payload would jeopardize the public health and safety or the national security and foreign policy interests of the United States.

AUTHORITY TO ISSUE AND TRANSFER LICENSES

SEC. 7. (a) The Secretary may issue or transfer a license for launching one or more launch vehicles or for operating one or more launch sites, or both, to an applicant who meets the requirements of this Act and regulations issued by the Secretary under this Act. Any license issued or transferred under this section shall be in effect for such period of time as the Secretary may specify, in accordance with the provisions of section 12 of this Act.

(b) Notwithstanding any other provision of law, the authority of the Secretary to license or transfer a license for launches and matters related to such launches is exclusive, except for any license issued under the Communications Act of 1934 (47 U.S.C. 151 et seq.). No person shall be required to obtain any license, transfer, approval, waiver or exemption regarding the launch of a launch vehicle or the operation of a launch site, except as may be required pursuant to this Act.

LICENSING REQUIREMENTS

SEC. 8. (a) The Secretary shall by regulation prescribe requirements for the issuance or transfer of a license under section 7 of this Act.

(b) In prescribing requirements under subsection (a) of this section, the Secretary shall consult with appropriate agencies, in accordance with section 22 of this Act.

(c) The Secretary may, in any individual case, waive the application of any requirement prescribed under subsection (a) of this section with respect to a license if the Secretary determines that such waiver is in the public interest and will not jeopardize the public health and safety or the national security and foreign policy interests of the United States.

LICENSE APPLICATION AND APPROVAL

SEC. 9. (a) Any person may apply to the Secretary for issuance or transfer of a license under this Act, in such form and manner as the Secretary may prescribe. The Secretary shall establish procedures and timetables to expedite review of applications under this section and to reduce regulatory burdens for applicants.

(b) The Secretary shall issue or transfer a license to an applicant if the Secretary determines in writing that the applicant complies and will continue to comply with the requirements of this Act. The Secretary shall include in such license such conditions as may be necessary to ensure compliance with this Act, including an effective means of on-site verification that a launch or operation of a launch site conforms to representations made in the application for a license or transfer of a license. The Secretary shall make a determination on any application within 180 days after receipt of such application. If the Secretary has not made a determination within 120 days after receipt of such application, the Secretary shall inform the applicant of any pending issues and of actions required to resolve such issues.

(c) The Secretary, any officer or employee of the United States, or any individual or entity with which the Secretary has entered into a contract under section 13(b) of this Act may not disclose any data or information under this Act which qualifies for exemption under section 552(b)(4) of title 5, United States Code, or is designated as confidential by the person or agency furnishing such data or information, unless the Secretary determines that the withholding of such data or information is contrary to the public or national interest.

MODIFICATION, SUSPENSION AND REVOCATION OF LICENSES

SEC. 10. (a) Upon application by the licensee or upon the Secretary's own initiative, the Secretary may modify a license issued or transferred under this Act, if the Secretary finds that the modification will comply with the requirements of this Act and regulations issued under this Act.

(b) The Secretary may suspend or revoke any license issued or transferred under this Act if the Secretary finds—

(1) that the licensee has substantially failed to comply with any provision of this Act, the license, or any regulation issued under this Act; or

(2) that the suspension or revocation is necessary to satisfy any foreign policy or national security concern of the United States.

Any such revocation or suspension shall become effective at such time as is specified by the Secretary.

(c) The Secretary may terminate, prohibit, or suspend immediately any launch or operation licensed by the Secretary under this Act if the Secretary finds that such launch or operation is detrimental to the public health and safety or if the Secretary finds that such launch or operation is detrimental to the national security or foreign policy interests of the United States. Any termination, prohibition or suspension issued by the Secretary under this subsection shall become effective immediately and shall continue in effect during any review of such order under section 11 of this Act.

(d) Whenever the Secretary takes any action under this section, the Secretary shall notify the licensee in writing of the Secretary's finding and the action which the Secretary has taken or proposes to take regarding such finding.

ADMINISTRATIVE AND JUDICIAL REVIEW

SEC. 11. (a) An applicant for a license and a proposed transferee of a license under this Act shall be entitled to a determination on the record after an opportunity for a hearing in accordance with section 554 of title 5, United States Code, of—

(1) any decision of the Secretary under section 9(b) to issue or transfer a license with conditions or to deny the issuance or transfer of license; or

(2) any action of the Secretary under section 10 of this Act to modify, suspend or revoke a license, or to terminate, prohibit or suspend immediately any launch or operation licensed by the Secretary.

(b) Any final action by the Secretary under this Act to issue, transfer, deny the issuance or transfer of, suspend, revoke, or modify a license or to terminate, prohibit, or suspend immediately any launch or operation licensed by the Secretary shall be subject to judicial review as provided in chapter 7 of title 5, United States Code.

REGULATIONS

SEC. 12. The Secretary may issue such regulations, after notice and comment in accordance with section 553 of title 5, United States Code, as may be necessary to carry out this Act.

MONITORING OF ACTIVITIES OF LICENSEES

SEC. 13. (a) Each license issued or transferred under this Act shall require the licensee—

(1) to allow the Secretary to place Federal officers, employees or other designated individuals as observers at any launch site used by the licensee and at any production facility or assembly site used by a contractor of the licensee in the production or assembly of a launch vehicle in order to monitor the activities of the licensee or contractor at such time and to such extent as the Secretary considers reasonable and necessary to determine compliance with the license or to carry out the responsibilities of the Secretary under section 6(b) of this Act; and

(2) to cooperate with such observers in the performance of their activities.

(b) The Secretary may, to the extent provided in advance by appropriation Acts, enter into a contract with any individual or entity to carry out the functions of the Secretary under subsection (a)(1) of this section.

USE OF GOVERNMENT PROPERTY

SEC. 14. (a) The Secretary shall take such actions as may be necessary to facilitate and encourage the acquisition (by lease, sale, or otherwise) by the private sector of launch property or services of the United States which are excess or are otherwise not needed for public use.

(b) Notwithstanding any other provision of law, the Secretary shall establish and collect from any person a reimbursement for the lease, sale, or other use of excess launch property or launch services of the United States. The amount of any reimbursement, in the case of temporary use, shall be established in an amount equal to the direct costs incurred by the United States as a result of such use. The amount of any such proceeds in the case of sales shall be fair market value, as determined by the Secretary. The amount of any such reimbursement or proceeds of sale shall be deposited in the general fund of the Treasury, except that payments for utilities, property or services furnished by any agency to a buyer or lessee under this section shall be covered into the Treasury to the credit of the appropriation from which the cost of furnishing such utilities, property or services was paid.

(c) The Secretary may establish requirements for liability insurance, hold harmless agreements, proof of financial responsibility, and such other assurances as may be needed to protect the United States, its agencies and personnel from liability or loss or injury as a result of launch activities involving Government facilities or personnel.

LIABILITY INSURANCE

SEC. 15. Each person who launches a launch vehicle or operates a launch site under a license issued or transferred under this Act shall have in effect liability insurance at least in such amount prescribed by the Secretary as is sufficient to satisfy international obligations of the United States. The Secretary shall prescribe such amount after consultation with the Attorney General and other appropriate agencies.

ENFORCEMENT AUTHORITY

SEC. 16. (a) The Secretary shall enforce the provisions of this Act. The Secretary may delegate the exercise of any enforcement authority under this Act to any officer or employee of the Department of Transportation or of any other agency, with the approval of the head of such agency.

(b) In carrying out this section, the Secretary may—

(1) make investigations and inquiries, and administer to or take from any person an oath, affirmation, or affidavit, concerning any matter relating to enforcement of this Act; and

(2) pursuant to any lawful process—

(A) enter at any reasonable time any launch site, production facility or assembly site of a launch vehicle or a payload (in accordance with section 6(b) of this Act) for the purpose of conducting any inspection of, and may inspect, any object which is subject to the provisions of this Act and any records or reports required by the Secretary to be made or kept under this Act; and

(B) seize any such object, record or report where there is probable cause that such object, record or report was used, is being used, or is likely to be used in violation of this Act.

PROHIBITED ACTS

SEC. 17. It is unlawful for any person to violate any requirement of this Act, any regulation issued under this Act, or any term, condition, or restriction of a licensee issued or transferred by the Secretary under this Act.

CIVIL PENALTIES

SEC. 18. (a) Any person who is found by the Secretary, after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, to have committed any act prohibited by section 17 of this Act shall be liable to the United States for a civil penalty of not more than $100,000 for each violation. Each day of a continuing violation shall constitute a separate violation. The amount of such civil penalty shall be assessed by the Secretary by written notice. The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty which may be or which has been imposed under this section.

(b) If any person fails to pay a civil penalty assessed against such person after the penalty has become final or if such person appeals an order of the Secretary and the appropriate court has entered final judgment in favor of the Secretary, the Attorney General shall recover the civil penalty assessed in any appropriate district court of the United States. In such an action, the validity, amount and appropriateness of such penalty shall not be subject to review.

(c) For the purposes of conducting any hearing under this section, the Secretary may—

(1) administer oaths; and

(2) issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, documents and other records, and seek enforcement of such subpoenas in the appropriate district court of the United States.

RELATIONSHIP TO OTHER LAWS AND INTERNATIONAL OBLIGATIONS

SEC. 19. (a) No State may adopt or have in effect any law, rule, regulation, standard or order which is inconsistent with the provisions of this Act. Nothing in this Act shall preclude a State from adopting or putting into effect any law, rule, regulation, standard or order which is in addition to or more stringent than any requirement or regulation issued under this Act. The Secretary may, and is encouraged to, consult with the States to simplify and expedite the approval of space launch activities.

(b) A launch vehicle shall not, by reason of the launching of such vehicle, be considered an export for purposes of any law controlling exports.

(c) Nothing in this Act shall apply to—

(1) the launch or operation of a launch vehicle, the operation of a launch site, or any other space activity carried out by the United States or pursuant to any contract entered into by the United States; or

(2) any planning or policies relating to any such launch, operation or activity.

(d) The Secretary shall carry out the responsibilities of this Act consistent with any obligation assumed by the United States in any treaty, convention or agreement that may be in force between the United States and any foreign country, and shall consider any applicable laws and requirements of any foreign country.

REPORT

SEC. 20. Not later than one year after the date of enactment of this Act, the Secretary shall submit to Congress a report describing all activities undertaken pursuant to this Act, including a description of the process regarding the application for and approval of licenses under this Act. As part of such

report, the Secretary shall include recommendations for additional legislation that may further launch activities. Such report shall also identify Federal statutes, treaties, regulations, and policies which may have an adverse effect on launch operations, and include recommendations on appropriate changes to such statutes, treaties, regulations and policies.

SEVERABILITY

SEC. 21. If any provision of this Act, or the application of such provision to any person or circumstance, is held invalid, the remainder of this Act and the application of such provision to any other person or circumstance shall not be affected by such invalidation.

CONSULTATION

SEC. 22. (a) The Secretary shall consult with the Secretary of Defense on all matters under this Act affecting national security. The Secretary of Defense shall be responsible for identifying and notifying the Secretary of those national security concerns of the United States which are relevant to activities under this Act.

(b) The Secretary shall consult with the Secretary of State on all international matters arising under this Act. The Secretary of State shall be responsible for identifying and notifying the Secretary of those foreign policy obligations and commitments of the United States which are relevant to activities under this Act.

(c) The Secretary shall consult with other agencies, as appropriate, in order to carry out the provisions of this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 23. For purposes of carrying out this Act, there are authorized to be appropriated to the Secretary $4,000,000 for fiscal year 1985 and such sums as may be necessary for fiscal years 1986, 1987, 1988, and 1989.

EFFECTIVE DATE

SEC. 24. (a) Except as provided in subsection (b) of this section, this Act shall take effect 180 days after the date of enactment of this Act.

(b) Regulations to implement this Act shall be promulgated no later than 180 days after the date of enactment of this Act.

S. 2931 THE COMMERCIAL SPACE LAUNCH ACT

SUMMARY

This bill provides the Department of Transportation with licensing authority over private expendable launch vehicles (ELV). Under this bill, DOT is responsible for:

Issuing RLV launch licenses.

Facilitating lease and acquisition of government launch facilities.

Ensuring compliance with treaties, foreign policy objectives (after consultation with the State Department), and safety requirements.

Streamlining government regulation of private ELV launches.

DOT is currently authorized, under Executive Order 12465, as the lead government agency responsible for encouraging and facilitating private ELV operations. Although the Executive Order empowers DOT to facilitate the ELV licensing process, it does not provide DOT with the authority to issue launch licenses. The statutory authority will provide industry with the certainty it needs to make long-term strategic decisions and will also streamline the regulatory process, which now can include up to 18 agencies and 22 different statutes.

SECTIONAL ANALYSIS OF S. 2931

Sec. 2.—Findings.—Affirms that the private sector has the capability to provide commercial launch services and that government can encourage this activity by establishing stable and minimal regulatory guidelines. Government supervision is necessary to ensure compliance with U.S. treaty obligations and to safeguard national security, foreign policy, and public safety.

Sec. 3.—Purposes.—The purpose of this legislation is to promote economic growth and simplify the issuance of commercial launch licenses. The bill also facilitates private sector use of government developed ELV technology.

Sec. 4.—Definitions.

Sec. 5.—General Responsibilities—Assigns the DOT Secretary with the responsibility for carrying out the provisions of this Act, and encourages consultation with other federal agencies. The bill directs other federal agencies to assist the Secretary in carrying out this act.

Sec. 6.—Requirement of License for Private Space Launch Operation—Requires a government license for private sector space launches. The Secretary is authorized to terminate a license if the launch jeopardizes foreign policy, national security, or safety concerns. This Act subsumes all other licenses required under existing law, except for licenses required under the Communications Act of 1934.

Sec. 7.—Authority To Issue and Transfer Licenses—Authorizes the Secretary to issue or transfer a commercial launch license. DOT retains exclusive licensing authority with the exception of licenses issued under the Communications Act of 1934.

Sec. 8.—Licensing Requirements—Authorizes the Secretary to develop regulatory requirements for the issuance of launch licenses. Directs Secretary to review existing laws to avoid burdensome regulations, and authorizes waiver of licensing requirements if such an action is in the public interest and does not jeopardize public safety, national security, or foreign policy.

Sec. 9.—License Application and Approval—Enables any U.S. citizen to apply for a license in a manner prescribed by the Secretary. Authorizes Secretary to issue a license within 120 days of receipt of the application, and prohibits the Secretary or her designee from disclosing proprietary information.

Sec. 10.—Modification, Suspension, and Revocation of Licenses—Provides the Secretary with authority to modify, suspend, or revoke a launch license. Such actions become effective at such time as is specified by the Secretary, and may involve consultation with the Secretary of State and the Secretary of Defense.

Sec. 11.—Administrative and Judicial Review—Provides license holders and applicants with administrative review if government action results in modification, suspension, or revocation of a launch license.

Sec. 12.—Regulations—Provides the Secretary with authority to issue regulations to implement Act.

Sec. 13.—Monitoring of Activities of Licensees—Authorizes the Secretary or her designee to observe licensed operation, and monitor assembly or construction.

Sec. 14.—Use of Government Property—Authorizes the Secretary to facilitate private sector access to U.S. government launch facilities and establishes terms and conditions of private sector reimbursement to government for use of such facilities. Provides the Secretary with authority to establish requirements for liability insurance.

Sec. 15.—Liability Insurance—Require licensees to have liability insurance which is at least sufficient to meet U.S. treaty obligations.

Sec. 16.—Enforcement Authority—The Secretary is responsible for enforcing provisions of this Act.

Sec. 17.—Prohibited Act—Specifies that violations of this Act are unlawful.

Sec. 18.—Civil Penalties—Prescribes civil penalties for violation of Section 17.

Sec. 19.—Relationship to Other Law and International Obligations—Establishes that launch vehicles are not to be viewed as exports, and exempts government launch activities from provisions of this bill.

Sec. 20.—Report on Legislation—Requires Secretary to prepare for Congress a report on the agency activities taken pursuant to this Act.

Sec. 21.—Separability—Provides that if any provision of the Act is held invalid, remainder of the Act is not affected by such invalidation.

Sec. 22.—Consultation—Provides that the Secretary shall consult with the Secretary of Defense, in matters affecting national security, and the Secretary of State, in matters affecting foreign policy.

Sec. 23.—Authorized Appropriations—Authorizes appropriations of $4M in FY 1985 to implement this Act.

Sec. 24.—Effective Date—Provides that the Act will take effect 180 days after enactment.

By Mr. D'AMATO:

S. 2933. A bill to amend the Internal Revenue Code of 1954 to provide that restrictions on the allowance for depreciation and the investment credit for property leased by a tax-exempt entity not apply to certain correctional facilities leased by State and local governments; to the Committee on Finance.

PRISON CONSTRUCTION PRIVATIZATION ACT

● Mr. D'AMATO. Mr. President, I am today reintroducing my Prison Construction Privatization Act of 1984. I originally introduced this legislation on August 2, 1984, as S. 2903.

The Prison Construction Privatization Act of 1984 will provide important incentives to the private sector to become more involved in prison, jail, and detention center construction and rehabilitation. This principally will be done by exempting these activities from the sale/leaseback restrictions recently enacted in the Deficit Reduction Act of 1984.

My purpose in introducing this legislation is to address a problem that is national in scope: prison overcrowding. Today, Mr. President, 30 States have their entire prison systems or individual facilities within their systems under court order to relieve overcrowding. In 1983 alone, over 21,000 prison inmates were released early as a result of overcrowding. I feel strongly that the Federal Government should play a role in solving this problem.

I am reintroducing the Prison Construction Privatization Act today with some minor modifications. As I stated earlier, my bill exempts certain correc-

tional facilities from the sale/leaseback restrictions of the recently passed tax bill. The legislation I am introducing today cleans up the language defining a qualified correctional facility. In addition, the new legislation clarifies when a facility must be placed in service so that owners can qualify for various tax incentives.

Mr. President, the thrust of my legislation has not changed, I have only reintroduced the bill in a more exact form. I ask unanimous consent that this revised version of my bill be reprinted in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (3) of section 168 (j) of the Internal Revenue Code of 1954 (defining tax-exempt use property) is amended by adding at the end thereof the following new subparagraph:

"(E) Exception for qualified correctional facilities.—

"(i) IN GENERAL.—The term 'tax-exempt use property' shall not include a qualified correctional facility which is leased by any State or political subdivision thereof or any agency or instrumentality of the foregoing.

"(ii) AGREEMENT TREATED AS LEASE.—For purposes of this title, if any agreement with respect to a qualified correctional facility is characterized by all parties to the agreement as a lease and a tax-exempt entity described in clause (i) is the lessee under such agreement, then—

"(I) such agreement shall be treated as a lease, and

"(II) the lessor shall be treated as the owner of the property and the lessee shall be treated as the lessee of the property.

"(iii) QUALIFIED CORRECTIONAL FACILITY.—For purposes of this subparagraph, the term 'qualified correctional facility' means any property which is devoted primarily for use as a prison, jail, or other detention facility (including any related facility) and which—

"(I) is leased by a tax-exempt entity not later than 90 days after the property is originally placed in service by the lessor or lessee, or

"(II) is leased by a tax-exempt entity within 90 days of the completion of a substantial rehabilitation (within the meaning of section 48 (g) (3)) of the property by the lessor or lessee.".

(b) The amendments made by this section shall apply to property placed in service after December 31, 1984, in taxable years ending after such date and binding contracts signed before January 1, 1990.●

By Mrs. HAWKINS:

S. 2934. A bill to create the Marjorie Kinnan Rawlings National Wildlife Refuge in the State of Florida; to the Committee on Environment and Public Works.

MARJORIE KINNAN RAWLINGS NATIONAL WILDLIFE REFUGE

Mrs. HAWKINS. Mr. President, I am very pleased to be introducing legislation to create the Marjorie Kinnan Rawlings National Wildlife Refuge in Florida. This 30,000-acre refuge is designed to protect critical habitat for the endangered Florida panther. Its creation is fully supported by the Interior Department.

Marjorie Kinnan Rawlings' writings, including the Pulitzer Prize-winning "The Yearling," 1938, "Cross Creek," 1942, which was recently made into a major motion picture, "South Moon Under," 1933, "Golden Apples," 1935, and a variety of short stories, demonstrated an understanding of the land and its importance to people that is rarely duplicated. She was a woman ahead of her times. She lived an independent life at a time when few would accept such a role for a woman, and she wrote about the land and environment at a time when few Americans of either sex were concerned with the subject.

I might add that I read her books when I was a teenager, and was deeply moved by them, particularly "The Yearling," which I still love.

One biographical sketch calls her a "nature writer of deep poetic sensibility" and notes "her 'Cross Creek' is a pastoral idyll which compares favorably with Walden (Pond)." Mrs. Rawlings passed away in 1953, and is buried in Island Grove, FL, in the midst of the countryside she so well described in "Cross Creek." Her home is preserved, and her papers are housed at the University of Florida in Gainsville, a short distance from the Cross Creek area. She is survived by her second husband, Norton S. Baskin of St. Augustine, whose cooperation in this effort I greatly appreciate.

Given that refuges are not named after living persons, I believe Marjorie Kinnan Rawlings best represents the spirit of environmental appreciation so common in Florida. I am delighted to be able to name this refuge for her.

The refuge will be located in the Fakahatchee Strand/Big Cyprus area of Collier County, FL. It will be immediately north of the Fakahatchee Strand State Preserve and west of State Route 29. It represents the area Federal wildlife biologists believe to be the most important panther habitat not currently in Federal or State possession. Other significant concentrations of Florida panthers are in Big Cyprus National Preserve and Everglades National park.

The refuge lands should cost approximately $12 million, and I would certainly hope that the Appropriations Committee will continue its generous support of the project.

Mr. President, I ask unanimous consent that the text of the legislation creating the refuge may be printed in the RECORD immediately following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2934

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to protect the habitat and enhance the preservation and recovery of the endangered Florida panther, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to establish the Marjorie Kinnan Rawlings National Wildlife Refuge in the State of Florida. The refuge shall contain certain lands north of State Route 84 and Fakahatchee Strand State Preserve, and west of State Route 29, in Florida, comprising approximately 30,000 acres as depicted on a map entitled "Marjorie Kinnan Rawlings National Wildlife Refuge", dated August 9, 1984 and available for inspection in the office of the Secretary.

SEC. 2. Within the boundary of the refuge, the Secretary may acquire lands, waters, and interests therein by donation, purchase with donated or appropriated funds, or exchange. When the Secretary determines that lands, waters and interests therein have been acquired sufficient to constitute an efficiently administrable unit for the purposes of this Act, he shall establish the refuge by publication of a notice to that effect in the Federal Register. Pending such establishment and thereafter, the Secretary shall administer all lands, waters and interests therein acquired under this Act in accordance with the provisions of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd-668ee), and may utilize such additional statutory as may be available to him for the conservation and development of the wildlife resources in general, and the Florida panther population in particular, within the refuge.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. DANFORTH:

S. 2935. A bill to provide that on the request of a State or local government authority, the National Bureau of Standards may investigate serious accidents at fixed-site amusement parks; to the Committee on Commerce, Science, and Transportation.

INVESTIGATIONS AND FIXED-SITE AMUSEMENT PARKS

● Mr. DANFORTH. Mr. President, today I am introducing legislation on behalf of myself and Senator FORD to provide the National Bureau of Standards with authority to investigate serious accidents at fixed-site amusement parks.

This legislation would empower State and local officials to call upon the NBS—the Government's leading scientific and technical agency—to investigate any amusement-park accident that caused or could have caused death or serious injury. The NBS would issue findings and recommendations on how the accident could have been prevented and how similar accidents could be avoided in the future.

Mr. President, this year, 10 persons have been killed in amusement-park accidents and thousands more have been injured seriously enough to require treatment in hospital emergency rooms. One of the fatal accidents this

year occurred on July 7, at the Six Flags Amusement Park in Eureka, MO. A patron riding a new standup roller coaster was thrown from the ride and killed as family members looked on in horror. St. Louis County investigators have yet to determine, with certainty, the cause of the accident.

Amusement-park rides are becoming increasingly sophisticated. Many are highly complex machines that make use of state-of-the-art computer technology. They can cost more than $1 million. To investigate certain accidents thoroughly, there may be a need to call upon the expertise of engineers, metallurgists, physicists, or other highly trained technicians. Only one Federal agency has this level of expertise. It is the National Bureau of Standards. NBS has approximately 2,800 employees, over 1,300 of which are professionals. Among these professionals are 415 physicists, 309 engineers, and 109 computer scientists, as well as chemists, mathematicians, and metallurgists. Contrast this with the Consumer Product Safety Commission—the agency which some have suggested should have the authority to investigate amusement-park accidets. The CPSC has a scant 600 employees, and not nearly the breadth of expertise.

Mr. President, the NBS has a proven track record of professionalism in accident investigations. It has investigated tragedies such as the Hartford Civic Center roof collapse and the collapse of the cooling tower at Willow Island, WV. In 1981, at the request of Senator EAGLETON and me, the Bureau investigated the catastrophic skywalk collapse at the Hyatt Regency Hotel in Kansas City. The Bureau's investigation was thorough, professional, and efficient. Its report identified the cause of the accident, and has been credited with speeding the settlement of lawsuits in that case. The NBS could bring similar professionalism and expertise to bear in the investigation of amusement-park accidents. It could consider factors such as design, metal fatigue, computerization, and the effects of centrifugal force. The Bureau's recommendations would serve to raise the standards of amusement-park safety, just as investigations and reports by the National Transportation Safety Board are widely credited with making air, rail, and water transportation much safer.

Mr. President, I urge my colleagues to support this legislation, and I request that the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the National Bureau of Standards of the Department of Commerce may investigate any accident at a fixed site amusement park if—

(1) such accident caused death or serious personal injury, or could have caused death or serious personal injury;

(2) such accident related to an amusement at a fixed site amusement park;

(3) an appropriate State or local government authority, requests in writing the Secretary of Commerce to conduct an investigation; and

(4) the Secretary of Commerce makes a determination to conduct such investigation.

(b) Upon conclusion of an investigation, the Bureau shall issue a report containing its findings, conclusions, and recommendations. Such report shall include—

(1) findings of the causes of the accident, including a scientific and technological examination of the material, physical, and chemical conditions that contributed to the accident;

(2) recommendations for actions or procedures which could have prevented the accident; and

(3) recommendations for actions or procedures to prevent similar accidents.

(c) The Bureau shall send a copy of a final accident report to—

(1) the State or local government authority requesting the investigation; and

(2) any other appropriate person or organization as determined by the Secretary of Commerce.

SEC. 2. Nothing in this Act shall be construed to limit or affect any existing authority of the Secretary of Commerce.

SEC. 3. The provisions of section 8 of the National Bureau of Standards Authorization Act for Fiscal Year 1983 (15 U.S.C. 275b) shall not apply to any service performed pursuant to the first section of this Act.●

By Mr. INOUYE:

S. 2938. A bill to amend parts A and B of title XVIII of the Social Security Act to provide that nurse practitioners may recertify the need for certain services originally certified by a physician; to the Committee on Finance.

RECERTIFICATION OF CERTAIN SERVICES UNDER MEDICARE

● Mr. INOUYE. Mr. President, today I am introducing legislation which would modify both part A and part B of our Nation's Medicare Program in order to ensure that where it is necessary for the beneficiary to have a health care practitioner recertify that he or she continues to need certain medical services, this recertification process can be performed by a nurse practitioner as well as by a physician. This would be the case, for example, for home health care.

Under my proposal, the Medicare Act would still require that the original certification be made by a physician; however, subsequent recertification could be done by a member of either profession.

Mr. President, I request unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, (a) section 1814(a)(2) of the Social Security Act is amended by striking out "(and recertifies" and inserting in lieu thereof "(and the physician, or, in the case of a service described in subparagraph (A), (B), (C), or (D), the physician or a nurse practitioner recertifies".

(b) Section 1835(a)(2) of such Act is amended by striking out "(and recertifies" and inserting in lieu thereof "(and the physician, or, in the case of home health services, the physician or a nurse practitioner recertifies".

(c) The amendments made by this Act shall apply with respect to recertifications made on or after the date of the enactment of this Act.●

By Mr. PERCY:

S. 2939. A bill to provide for an additional bankruptcy judgeship for the Central District of Illinois; to the Committee on the Judiciary.

ADDITIONAL BANKRUPTCY JUDGESHIP FOR CENTRAL DISTRICT OF ILLINOIS

Mr. PERCY. Mr. President, I am introducing legislation today which would correct what I believe was a technical mistake in the Bankruptcy bill. The Bankrupty bill passed last month reduced the number of bankruptcy judges in the central district of Illinois from three to two. My legislation would restore the third bankruptcy positon in the central district.

Currently, there are full-time bankruptcy judge positions in Springfield and Peoria, and a part-time position in Danville. Prior to the Bankruptcy bill, in April 1982, the Administrative Offices for the U.S. Courts, Bankruptcy Division, surveyed the case load for the Danville Division and recommended that the part-time position be upgraded to full time. The Judicial Council for the Seventh Circuit Court of Appeals concurred with this recommendation. The Federal Judicial Conference, based upon these recommendations and the recommendations of the U.S. District Court for the Central District of Illinois, on September 22, 1983, ordered the part-time position in Danville to be converted to full-time status and directed that this change become effective as soon as possible.

The conversion of the Danville office required additional appropriation of funds, and while the additional funds were included in the supplemental appropriations bill, the bill was not enacted prior to the new Bankruptcy Act. Clearly, the need for three judges in the Central District of Illinois has been demonstrated. The Danville position covers 11 counties, or about 480,000 persons. In 1980, the Danville Division handled 1,169 bankruptcy petitions; 943 in 1981; 1,036 in 1982; 1,094

in 1983, and to date, 550 cases have been filed this year. In addition, during this period of time, the court has handled approximately 950 adversary proceedings, the claims have been filed involving over 18,000 creditors. The central district is approximately 200 miles wide, and it would obviously be an inconvenience to both debtors and creditors to be forced to transact many bankruptcy matters in Springfield or Peoria in the event there is no longer a sitting judge in Danville.

For these reasons, I urge that the Senate consider this amendment to section 152 of the Bankruptcy Act to provide for three full-time bankruptcy judges in the central district. I ask unanimous consent that the bill and resolutions passed by the Ford and Kankakee County Bar Associations be printed in the RECORD.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2939

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 152(a)(2) of title 28, United States Code, is amended by striking out—

"Illinois:	
"Northern	8
"Central	2
"Southern	1.";

and inserting in lieu thereof the following:

Illinois:	
"Northern	8
"Central	3
"Southern	1.".

RESOLUTION

Whereas, the Congress of the United States has passed House bill 5174 amending the Bankruptcy Code on July 11, 1984; and

Whereas, Section 152 of House bill 5174 provides for two full-time bankruptcy judges in the Central District of Illinois; and

Whereas, a bankruptcy office in Danville, Illinois, has existed since 1920; and

Whereas, the Central District of Illinois has previously had three (3) bankruptcy judges; and

Whereas, the provisions of section 152 of House bill 5174 would in effect eliminate the Danville, Illinois, office to the detriment and inconvenience of the eleven counties and 480,000 residents served by the said Danville office; and

Whereas, on September 22, 1983, the United States District Court for the Central District of Illinois ordered that the Danville office be converted to a full time status; and

Whereas, to implement the said conversion it is necessary to amend section 152 of House bill 5174;

Now, therefore, be it resolved by the members of the Kankakee County, Illinois, Bar Association, That our Representatives and Senators in Congress be urged to amend the said section 152 to provide for three (3) full time bankruptcy judges in the Central District of Illinois.

FORD COUNTY BAR ASSOCIATION RESOLUTION

Whereas, the Bankruptcy Amendments and Federal Judgement Act of 1984 has been signed into law by President Reagan after passage of the United States House of Representatives and the United States Senate, and

Whereas, said law provided for only two full time federal bankruptcy judges for the Central District of Illinois, and

Whereas, this act in its present form will eliminate the bankruptcy judgeship now sitting in Danville, Illinois, Kankakee, Illinois, and Paris, Illinois, and

Whereas, the funds for making this judgeship a fill time judgeship were appropriated in the fiscal year 1984-1985 federal budget, and

Whereas, the United States 7th Circuit Court of Appeals and the United States Judicial Conference be recommended that the Danville judgeship be made a full time judgeship, and

Whereas, the creditors, debtors, citizens and members of the bar of Ford County, Illinois, will be adversely affected by having the Danville Bankruptcy Court matters consolidated with either the Springfield bankruptcy court or the Peoria bankruptcy court.

Now, therefore, it is resolved as follows:

That Congressman Daniel Crane and Edward Madigan, and Senators Alex Dixon and Charles Percy be asked to propose immediate legislation providing for a full time judgeship for the Danville Bankruptcy Court and that appropriate amendments to this act and to any other appropriate legislation be proposed forthwith and that they be requested to use all expedient efforts to accomplish the passage of said legislation.

By Mr. THURMOND (by request):

S. 2940. A bill to amend title 18, United States Code, to make a crime the use, for fraudulent or other illegal purposes, of any computer owned or operated by the United States, certain financial institutions, and other computers where the offense involves interstate or foreign commerce; to the Committee on the Judiciary.

FEDERAL COMPUTER SYSTEMS PROTECTION ACT

Mr. THURMOND. Mr. President, on behalf of the administration, I am today introducing legislation which establishes Federal criminal penalties for certain computer-related offenses.

According to the Department of Justice, computer offenses are increasing both in the Government and the private sector. Under current Federal law, there are no specific offenses relating to computer fraud and theft. The bill proposed by the administration would make it a Federal felony to engage in computer-related fraud or theft or to damage or destroy a computer, computer program, or information stored in a computer.

Mr. President, I ask unanimous consent that the bill which I am introducing on behalf of the adminstration, the letter of transmittal, and a section-by-section analysis of the proposal be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2940

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Computer Systems Protection Act of 1984."

SEC. 2. (a) Chapter 47 of Title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 1028. Computer fraud and abuse.

"(a) Whoever having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by false or fraudulent pretenses, reporesentations, or promises, or to embezzle, steal, or convert to his use or the use of another, property not his own, for the purpose of executing such scheme or artifice or embezzlement, theft or conversion or attempting to do so, knowingly accesses or attempts to access a computer, shall—

"(1) if the computer is owned by, under contract to, or operated for or on behalf of—

"(A) the United States Government; or

"(B) a financial institution; or

"(2) if in committing or concealing the offense two or more computers are used which are located in different States or in a State and a foreign country.

be fined not more than two times the amount of the gain directly or indirectly derived from the offense or $50,000, whichever is higher, or imprisoned not more than five years, or both.

"(b) Whoever knowingly and willfully without authorization damages, destroys or attempts to damage or destroy a computer described in subsection (a) (1) and (2) or knowingly and willfully without authorization damages or attempts to damage any computer program, or data contained in such computer shall be fined not more than $50,000 or imprisoned not more than five years, or both.

"(c) Whoever intentionally and without authorization accesses a computer as defined in (a)(1), or a computer system or computer network including such computer, shall be guilty of a misdemeanor and shall be fined not more than $25,000 or imprisoned for not more than one year, or both.

"(d) Whoever violates any provision of paragraph (a), (b) or (c) shall forfeit to the United States any interest acquired or maintained in any computer and computer software, which has been used to commit the violation. Upon conviction under this section, the court shall authorize the Attorney General to seize all property or other interest declared forfeited under this section upon such terms and conditions as the court shall deem proper. If a property right or other interest is not exercisable or transferable for value by the United States, it shall expire, and shall not revert to the convicted violator. The United States shall dispose of all such property as soon as commercially feasible, making due provision for the rights of innocent persons.

"(e) The Attorney General is authorized to delegate, in whole or in part, to other departments and agencies concurrent investigative authority under this section subject to agreement between the Attorney General and the department or agency affected.

"(f) DEFINITIONS.—For the purpose of this section the term—

"(1) 'computer' means an electronic, magnetic, electrochemical, or other high speed data processing device performing logical, arithmetic, or storage functions, and includes any data storage facility or communications facility directly related to or operating in conjunction with such device;

"(2) 'computer system' means a set of related connected or unconnected computers, computer equipment, devices and software;

"(3) 'computer network' means two or more interconnected computers, computer terminals or computer systems;

"(4) 'financial institution' means—

"(A) a bank with deposits insured by the Federal Deposit Insurance Corporation;

"(B) the Federal Reserve or a member of the Federal Reserve including any Federal Reserve bank;

"(C) an institution with accounts insured by the Federal Savings and Loan Corporation;

"(D) a credit union with accounts insured by the National Credit Union Administration;

"(E) a member of the Federal Home Loan Bank system and any home loan bank;

"(F) a member or business insured by the Securities Investor Protection Corporation; and

"(G) a broker-dealer registered with the Securities and Exchange Commission pursuant to Section 15 of the Securities and Exchange Act of 1934;

"(5) 'property' includes, but is not limited to, financial instruments, information, including electronically procesed or produced data, and computer program and computer software in either machine or human readable form, computer services and any other tangible or intangible item of value;

"(6) 'financial instrument' means any check, draft money order, certificate of deposit, letter of credit, bill of exchange, credit card, debit card or marketable security, or any electronic data processing representation thereof;

"(7) 'computer program' means an instruction or statement or a series of instructions or statements, in a form acceptable to a computer, which permits the functioning of a computer system in a manner designed to provide appropriate products from such computer system;

"(8) 'computer software' means a set of computer programs, procedures and associated documentation concerned with the operation of a computer system;

"(9) 'computer services' includes but is not limited to computer time, data processing, and storage functions;

"(10) 'United States Government' includes a branch or agency thereof;

"(11) 'access' means to instruct, communicate with, store data in, retrieve data from, or othewise make use of any resources of a computer, computer system, or computer network; and

SEC. 3. The table of sections of Chapter 47 of Title 18, United States Code, is amended by adding at the end thereof the following:

"1028. Computer fraud and abuse."

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AND INTERGOVERNMENTAL AFFAIRS,
Washington, DC, August 3, 1984.

The VICE PRESIDENT,
U.S. Senate,
Washington, DC.

DEAR MR. VICE PRESIDENT: Enclosed for your consideration and appropriate reference is the Federal Computer Systems Protection Act of 1984, a legislative proposal to establish federal criminal penalites for offenses involving computers.

Computer-related crime is a growing problem both in the government and the private sector and increasing reliance upon computers creates an enormous potential for criminal activity in the future. As there is currently no discrete federal statute tailored to deal with computer crime, prosecution of computer-related offenses is often difficult. The enclosed bill is designed to fill this potentially serious gap in federal criminal law by providing sanctions for certain computer-related offenses.

This bill would make it a federal felony offense to engage in computer-related fraud or theft or to damage or destroy a computer, computer program or information stored in a computer. These felony sanctions would apply to offenses involving computers owned or operated by the Federal Government or a federally insured financial institution or other computers where the offense involves two or more computers operating in different states or in a state and a foreign country.

The enactment of this legislation would also establish federal misdemeanor sanctions for unauthorized access to a computer owned or operated by the Federal government or a federally insured financial institution. Definitions of key terms used in the proposal are included to clarify the reach of the measure. A more detailed analysis of the provisions of this legislation is set out in the enclosed section-by-section summary.

The Office of Management and Budget has advised that submission of this proposal is in accord with the Administration's program.

Sincerely,

ROBERT A. MCCONNELL,
Assistant Attorney General.

SECTION-BY-SECTION ANALYSIS

Section one of the bill contains its short title: The Federal Computer Systems Protection Act of 1984.

Section two of the bill adds a new section 1028 to title 18 of the United States Code proscribing computer fraud and other crimes involving computers. The proposed new section contains five subsections, (a)-(f).

Proposed subsection (a) makes it a felony to knowingly devise or intent to devise a scheme or artifice to defraud, or for obtaining money or property by false or fraudulent pretenses or representations, or to embezzle, steal or convert the property of another, and to access or attempt to access certain computers for these purposes. The term "access" is defined in proposed subsection 1028(f)(11) and means to instruct, communicate with, store data in, retrieve data from, or otherwise make use of any resources of a computer, a computer system, or computer network. Subsection (a) is designed to plug a potentially serious gap in existing federal law by providing a specific sanction for computer related crime. Presently there is no federal law directly related to such an offense. When computers are used in federal crimes such as an interstate fraud scheme, any federal response must be based on a theory of prosecution that can be made to fit the facts of the case. Since computers open up entire new areas for crimes the facts of a particular case may not always fit. For example, computers are repositories of tremendous amounts of valuable information and data but placing a value on this material should it be stolen is often difficult or impossible.

The proposed subsection is drafted in language that is taken from the mail fraud (18 U.S.C. 1341) and wire fraud (18 U.S.C. 1343) statutes to the maximum extent possible. It is intended that the extensive body of law that has been developed interpreting these statutes apply to the new subsection 1028(a).

The penalty for a violation of subsection 1028(a) can extend to five years' imprisonment and a fine of $50,000 or double the amount derived from the offense, whichever is greater.

The subsection only applies if the computer accessed or to which access is attempted is in one of three categories. They are computers owned by, under contract to, or operated for or on behalf of the United States government; computers owned by, under contract to, or operated for or on behalf of a "financial institution;" and other computers where the offense involves computers located in two or more States or in a State and a foreign country. This third basis of jurisdiction is purposely drafted in a narrow fashion to respect State and local jurisdiction over purely intrastate offenses. It reflects the view that States are fully capable of investigating and prosecuting computer crimes within their borders and that the federal role, to the extent it rests upon the Commerce Clause, should be limited to instances where the Federal Government can make a unique contribution because of the nationwide reach of federal legal process and of federal investigative agencies. The term "financial institution' is defined in subsection 1028(f)(4) and includes all banks insured by the Federal Deposit Insurance Corporation, Federal Reserve member banks, federally insured savings and loan associations and credit unions, and certain federally insured or registered brokerage firms.

Subsection 1028(b) sets out another felony offense involving computers. It proscribes the knowing and unauthorized damaging or destroying of a computer, computer program, or data contained in a computer. The computers covered are those in the three categories listed in subsection 1028(a). The conduct aimed at here would include the physical destruction of or damage to a computer itself (the hardware), and damaging a computer program or data in the computer. "Computer program" is a defined term in subsection 1028(f) and means an instruction or statement or a series of instructions or statements, in a form acceptable to a computer, which permits the functioning of a computer system in a manner designed to provide appropriate products from such computer system. The penalty for a violation of the subsection extends to five years' imprisonment and a $50,000 fine. Attempts to violate the subsection are also covered.

Subsection 1028(c) would make it a misdemeanor punishable by up to one year's imprisonment and a $25,000 fine to intentionally and without authority access a computer owned by, under contract to or operated for or on behalf of the United States or a financial institution, or a computer system or computer network including such a computer. The term "computer system" is defined is subsection 1028(f). It means a set of related connected or unconnected computers, computer equipment, devices and software. The term "computer network" is also defined in subsection 1028(f). It means two or more interconnected computers, computer terminals, or computer systems.

The conduct proscribed in subsection 1028(c) is akin to a trespass into someone else's property. A person who rummages through the information contained in a computer, computer system, or computer network—for example by accessing the computer system or network through his home computer—causes the same sort of harm as an intruder who clandestinely enters a person's home to look through the contents of

the owner's personal records and documents. Subsection (c) applies whether or not anything of value, such as information, it taken.

Subsection 1028(d) provides for the forfeiture to the United States of the interest acquired or maintained in any computer or computer software used in the offense by a person convicted of a violation of subsection (a), (b), or (c). A forfeiture provision provides for significant deterrence to potential violators above the threat of a prison sentence and fine. Some courts can be expected to be reluctant to give prison sentences or meaningful fines in some cases involving computers, particularly those in which the defendant has merely made an unauthorized access to a computer system or network by means of his home computer. The possibility that such a person might have to forfeit his expensive home computer should dissuade him from such unauthorized rummaging.

The subsection sets out a criminal forfeiture and the intention of the government to seek a forfeiture, which is left to the discretion of the prosecutor, must be alleged in the indictment or information. If the defendant is found guilty of the offense, a special verdict must be returned concerning the forfeiture allegations. At that point the government could seize the computer or the defendant's interest in the computer software. Prior to this time the court may enter a restraining order or require the defendant to post a bond to guard against unauthorized disposition of the forfeitable property. Although usually the computer itself would be forfeited, the subsection also refers to "computer software" to cover the situation where a person has an interest in a computer program that has been developed and sold to facilitate a fraud scheme or unauthorized access to a computer system or network. "Computer software" is defined in subsection 1028(f) as a set of computer programs, procedures and associated documentation concerned with the operation of a computer system. Of course subsection (d) only applies to the defendant's interest in the computer or software. If a person used his employer's computer in violation of subsection (a), (b), or (c) he would have no forfeitable interest in it.

Subsection 1028(e) provides that the Attorney General may delegate concurrent investigative authority to other Federal departments and agencies with respect to offenses under this new section. This will clearly authorize the Attorney General to enter into memoranda of understanding with other departments and agencies to achieve a proper allocation of investigative responsibilities under this section.

Subsection 1028(f) sets out definitions that apply to the section, most of which have been discussed in connection with the other subsections. The key term "computer" means an electronic, magnetic, electrochemical or other high speed data processing device performing logical, arithmetic, or storage functions, and includes any data storage facility or communications facility directly related to or operating in conjunction with such device. It includes home as well as business computers.

"Property", a term used in subsection (a) to describe the object of a computer fraud or theft scheme, is defined to specifically include information and "computer services". In turn "computer services" is defined to include computer time, data processing and data storage facilities. Thus, a person who with criminal intent used a computer to access another computer, a computer system or computer network, and used the other computer, computer system or network to perform calculations or process or store data would be guilty of a violation of subsection 1028(a). Similarly, a person who with criminal intent used a computer to access another computer, computer system, or network in a way that prevented access by legitimate users would also violate subsection 1028(a) because he has taken computer time. These situations are to be contrasted with the simple unauthorized access provisions of 1028(c) which would apply if the accessed computer, system, or network was not used for calculations or storage and if the access did not prevent simultaneous access by a legitimate user.

By Mr. PRYOR:

S. 2941. A bill to authorize the Secretary of Health and Human Services to conduct a clinical trial to determine the efficiency and economic feasibility of providing medicare coverage for personal emergency response systems; to the Committee on Finance.

CLINICAL TRIAL OF MEDICARE COVERAGE FOR PERSONAL EMERGENCY RESPONSE SYSTEMS

● Mr. PRYOR. Mr. President, today I am introducing legislation which, though small in scope, should provide the Congress with significant new information which will help us to decide how we can best use new technologies to help elderly and disabled citizens remain in their homes.

In my more than 20 years of public service, I have witnessed the development of many programs which have helped to significantly improve the quality of life for older Americans. One major area, however, in which we have been painfully negligent, has been in the development of a health care network within which the elderly and disabled are encouraged and able to remain in their homes for as long as possible. New technologies have provided us with a variety of new devices which may prove very effective in eliminating the need for costly institutionalization. Among these are the emergency response systems that have been developed over the last 10 years or so.

Emergency response systems have three basic components: first, the electronic communication equipment located in the home which signals for outside assistance; second, the 24-hour response center—frequently located in the local hospital—which receives the emergency signal; the third, the local emergency response organization—which could be the local police, visiting nurses, ambulance service, or hospital—which responds to the emergency signal.

While there is widespread use of these response systems—it is estimated that they are available in 48 States—there is no consistent coverage of this service. Currently, 12 States provide coverage of emergency response systems under section 2176 community based health care Medicaid waivers, and several other States have developed State-funded programs to provide these services. The Older Americans Act also funds such systems under title II. So there is a broad concensus in the State and local communities that such a service can be helpful, particularly for the frail elderly who live alone.

In 1975 the National Center for Health Services Research authorized a study based in Boston of the usefulness of emergency response systems in the Boston-Cambridge area. Results of the study were favorable, but there have been no additional, comprehensive studies of these systems. And the Boston study did not explore the effectiveness of such systems in rural areas, where it might be suspected that they might be even more effective in allowing the elderly to remain in their homes.

The legislation which I am introducing today—and which is being introduced by Congressman PEPPER on the House side—would authorize the Secretary of Health and Human Services to conduct a clinical trial to determine the efficiency and economic feasibility of providing medicare coverage for personal emergency response systems. The legislation specifies that the Secretary must consider, during the course of the study, a broad range of health, psychological, and environmental characteristics of the group under study, as well as a control group. The Secretary must report back to the Congress within 3 years on the outcome of the study.

Mr. President, it is my hope that this study will provide us with the most comprehensive and conclusive evidence to date on the usefulness of home emergency response systems. I ask that the full text of the legislation be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2941

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CLINICAL TRIAL

SECTION 1. (a) In order to determine the efficiency and economic feasibility of providing medicare coverage under title XVIII of the Social Security Act for personal emergency response systems, the Secretary of Health and Human Services (hereinafter in this Act referred to as the "Secretary") shall conduct a clinical trial in which—

(1) beneficiaries of medicare coverage under such title voluntarily participate in such trial and are randomly arranged into an experimental group which receives access to personal emergency response systems described in section 2 and a control group which does not receive such access;

(2) agencies which offer medical, public safety, or similar services as their primary function establish and maintain such response systems (hereinafter in this Act referred to as "monitoring agencies"); and

(3) such monitoring agencies monitor and respond to signals for emergency medical assistance transmitted over such response systems by notifying medical personnel or other persons designated to attend to members of the experimental group.

(b) To facilitate the purpose of the clinical trial, the Secretary shall examine data from such trial and consider—

(1) the effect access to personal emergency response systems has on members of the experimental group, including—

(A) changes in their physical and psychological health,

(B) changes in their disability or impairment status,

(C) causes of, or circumstances involving, their death or recovery from any illness or injury,

(D) their use of medical services, including number and causes of hospitalization, visits with physicians, admissions to nursing homes, and use of home health services, and

(E) their use of other medical, public safety, or similar services provided by monitoring agencies;

(2) the personal characteristics of members of the experimental and control groups, including their—

(A) race, age, and sex, and

(B) social relations and living arrangements with relatives, friends, and neighbors before and during the clinical demonstration;

(3) the frequency, purpose, and outcome of use of any personal emergency response system by members of the experimental group;

(4) the total health care expenditures incurred by members of the experimental group as compared with those incurred by members of the control group, including—

(A) health care costs reimbursable under medicare, and

(B) other health insurance payments or health care expenses paid by, or on behalf of, such persons; and

(5) the costs, including acquisition and operation expenditures, of providing personal emergency response systems for members of the experimental group.

(c) For purposes of such trial, the Secretary may, only to the extent provided in advance in appropriation Acts, enter into a contract with each monitoring agency which assures the Secretary that such agency will provide, maintain, and monitor the personal emergency response system throughout such trial.

CRITERIA FOR EACH PERSONAL EMERGENCY RESPONSE SYSTEM

SEC. 2. For purposes of the clinical trial, each personal emergency response system shall include—

(1) communication equipment located in the home of any member of the experimental group which transmits signals for emergency medical assistance over an existing telephone line to a local response center;

(2) a local response center operated by a monitoring agency to monitor such incoming signals; and

(3) medical personnel or other persons designated to attend to any member of the experimental group whenever emergency medical assistance is requested for such member.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. There are authorized to be appropriated such sums as may be necessary to carry out this Act.

REPORT

SEC. 4. The Secretary shall, within three years after the date of the enactment of this Act, transmit a report to the Congress containing the findings and conclusions of the clinical trial authorized by this Act, along with any legislative recommendations concerning the efficiency and economic feasibility of providing medicare coverage under title XVIII of the Social Security Act for personal emergency response systems.●

By Mr. BRADLEY:

S. 2942. A bill to amend subpart 3 of part A of title IV of the Higher Education Act of 1965 to provide an additional authorization for State student incentives for grants to students based on merit; to the Committee on Labor and Human Resources.

STATE MERIT GRANTS ACT

Mr. BRADLEY. Mr. President, I rise to introduce the State Merit Grants Act of 1984, which authorizes $25 million in Federal funding to establish student aid programs based on merit. Joining me in introducing this legislation is Senator DOMENICI, the chairman of the Budget Committee. We believe that this bill is a cost effective investment in our Nation's youth.

Mr. President, the dominant Federal role in higher education is to help provide the resources necessary to enable financially needy students to attend college. I am a strong supporter, Mr. President, of the current focus on needs-based student aid. But while we have a duty to help the needy meet the cost of their education, we also have a responsibility to recognize, encourage and support the academic achievements of the most outstanding students graduating from secondary schools. If we are serious about promoting excellence in education we need to reward excellence. We need to send a message to our young students to encourage their academic achievement and reward those who have invested their efforts in accomplishing the highest academic standards.

Mr. President, I believe that my bill will help accomplish the goal. The legislation provides $25 million a year to encourage States to establish merit-based scholarships. To receive Federal funds, States are required to match the Federal funds on a $2 for $1 ratio, using State or private resources. This Federal/State program will provide assistance to roughly 40,000 t0 80,000 students, depending on the size of the grant awards.

The bill creates a separate authorization of funds under an existing program, the State Student Incentive Grant Program, which provides Federal matching funds to States to establish needs-based student aid. The legislation we propose will not undermine aid to the needy but will act as a proper partner to our current system of student assistance.

Mr. President, this year my own home State of New Jersey instituted the Garden State Distinguished Scholars Program. This program will provide merit scholarships to 1,000 top notch New Jersey students. The New Jersey program recognizes the academic achievement of the most outstanding scholars graduating from New Jersey secondary schools and provides an incentive for academically able New Jersey students attend New Jersey colleges and universities. This is the kind of program that we need to encourage and support at the Federal level.

Under my proposal, the Garden State Distinguished Scholars Program would receive roughly three-quarters of a million dollars annually in Federal funds to provide an additional 500 to 1,000 awards, depending on the size of the grant awards.

Mr. President, efforts such as the one in New Jersey need to be supported at the Federal level. We need to honor and reward academic excellence and encourage students to achieve at the highest academic levels. It is my hope that the Senate will enact this legislation this winter during the upcoming Senate deliberations on the reauthorization of the higher education student assistance programs.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State Merit Grants Act of 1984".

SEC. 2. Section 415A(b)(1) of the Higher Education Act of 1965 (hereafter referred to as "the Act") is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by striking out "1984, and" and inserting in lieu thereof "1984,";

(3) by inserting after "1985," the following: "and such sums as may be necessary for each of the fiscal years 1986 and 1987,"; and

(4) by adding at the end thereof the following new subparagraph:

"(B) There are authorized to be appropriated $25,000,000 for the fiscal year 1985, and such sums as may be necessary to each of the fiscal years 1986 and 1987, for payments to States for grants to students based on merit in accordance with this subpart.".

SEC. 3. (a) Section 415B(a)(1)(A) of the Act is amended by striking out "section 415A(b)(1)" and inserting in lieu thereof "section 415A(b)(1) (A) and (B)".

(b) Section 415B(a)(2) of the Act is amended by striking out "section 415A(b)(1)" and inserting in lieu thereof "section 415A(b)(1) (A) and (B)".

SEC. 4. (a) Section 415C (b) of the Act is amended by inserting after "allotment" the following: "attributable to amounts appropriated pursuant to subparagraph (A) of section 415A(b)(1)".

(b) Section 415C of the Act is amended—

(1) by redesignating subsection (c) as subsection (d);

(2) by inserting after subsection (b) the following new subsection:

"(c) From a State's allotment under this subpart for any fiscal year attributable to amounts appropriated pursuant to subparagraph (B) of section 415A(b)(1), the Secretary is authorized to make payments to such State for paying 33⅓ per centum of the amount of merit-based student grants pursuant to a State program which—

"(1) is administered by a single State agency under section 1203;

"(2) provides that such grants will be in amounts not in excess of $2,000 per academic year for attendance on a full-time basis at an institution of higher education;

"(3) provides for the selection of recipients of merit-based grants on the basis of criteria established by the State;

"(4) provides that, effective with respect to any academic year beginning on or after October 1, 1978, all nonprofit institutions of higher education in the State are eligible to participate in the State program, except in any State in which participation of nonprofit institutions of higher education is in violation of the constitution of the State or in any State in which participation of nonprofit institutions of higher education is in violation of a statute of the State which was enacted prior to October 1, 1978;

"(5) provides for the payment of the non-Federal portion of such grants from non-Federal sources including, when applicable, private resources; and

"(6) provides (A) for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of an accounting for Federal funds paid to the State agency under this subpart, and (B) for the making of such reports, in such form and containing such information, as may be reasonably necessary to enable the Secretary to perform his functions under this subpart with respect to merit-based grants.".

By Mr. MOYNIHAN (for himself, Mr. BRADLEY, Mr. SPECTER, Mr. KENNEDY, Mr. SARBANES, and Mr. TSONGAS):

S. 2943. A bill to amend title IV of the Regional Rail Reorganization Act of 1973 to establish a Rail Capital Infrastructure Fund; to the Committee on Commerce, Science, and Transportation.

CONRAIL INFRASTRUCTURE FUND ACT

● Mr. MOYNIHAN. Mr. President, I rise today to introduce the Conrail Infrastructure Fund Act—legislation of considerable import to every region of the Nation. This legislation would help revitalize the Nation's railways, improving interstate commerce and employing thousands of Americans in rail and rail-related jobs. What is more, this bill would accomplish these ends without raising a cent of taxes or increasing a single dollar of spending.

Members of this body are well aware, Mr. President, that Secretary of Transportation Elizabeth Dole now is evaluating bids from various private corporations to purchase the Federal Government's share of the Consolidated Rail Corporation, or Conrail. The Federal Government, we all recall, formed Conrail in 1976 from a number of bankrupt railroads, including the Penn Central. Since so doing, the Federal Government has spent considerable sums to ensure the viability of the railroad network in the Northeast-Midwest region. In return for the substantial investment. Conrail now is paying sizable dividends—for in recent years, Conrail has performed well. In 1983, the railroad earned a profit of more than $300 million, Conrail should make even more in 1984.

At this time, it appears that the proceeds from the sale of Conrail will exceed $1 billion. The question facing the Congress is how can the Federal Government most efficiently use the proceeds from the sale.

The legislation I offer today represents a reasonable and proper response. My bill would establish a railroad capital improvement fund, in which proceeds from the sale of the Consolidated Rail Corporation will be deposited. The funds in this rail capital improvement fund would be distributed to the States based on two factors: the amount of the State taxes foregone by each State under provisions of the Northeast Rail Services Act of 1981; and the percentage of total Conrail mileage in each State in 1976.

Mr. President, I need not elaborate to Members of this body the importance of a sound and efficient transportation network, including a rail network, to the Nation's economy. Nathaniel Hawthorne did not overstate the case when, in 1851, he declared that, "Railroads are positively the greatest blessing that the ages have wrought for commerce."

Hawthorne's remark still has great relevance. Railroads remain the single largest land carrier of freight in the United States—indeed, the world—transporting last year more than 37 percent of all U.S. intercity cargo. All of us, from the corporate president to the assembly line worker, depend on railroads to deliver goods to the marketplace, so that we may enjoy the rich abundance that is America. In 1983, U.S. railroads carried over 524 million tons of coal and more than $2 billion in farm produce.

May I point out, Mr. President, that there is little question about the need to improve the rail lines in the Northeastern and Midwestern States served by Conrail. According to a recent study by the Joint Economic Committee, New York railroads alone need more than $300 million in capital improvements. The costs of not improving our railroads will be much too great to bear—for when our rail lines deteriorate, we all suffer, as American commerce slows.

Mr. President, I would like to make two additional points. First, I am well aware of the substantial Federal commitment to Conrail over the years. What better way for the Federal Government to spend the proceeds from the sale than to ensure that our investment in Conrail will be preserved? We can preserve our existing investment by channeling the proceeds from Conrail into productive capital improvements to ensure the long-term health of the railroad.

Second, this legislation benefits not only the region of the Nation served by Conrail, but all of America. A healthy and efficient rail network in the region served by Conrail is essential for all regions of the Nation; if one part of the Nation's rail systems declines, consumers and producers in all regions of the country feel the adverse effects.

In conclusion, Mr. President, the measure I offer today is an entirely reasonable one—one fully worthy of the support of my colleagues in this body.

I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2943

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Conrail Infrastructure Fund Act."

SEC. 2. Title IV of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 761 et seq.) is amended by adding at the end the following new section:

CAPITAL IMPROVEMENT FUNDS

"SEC. 413. (a) ESTABLISHMENT.—(1) There is established as a separate account in the Treasury of the United States a revolving fund (hereafter in this section referred to as the "fund") which shall be administered by the Secretary of Transportation for the purposes set forth in this subsection (b).

"(2) Any proceeds received by the United States from any transfer of the Corporation's stock or rail properties or freight service responsibilities under this title shall be deposited in the fund. The term 'proceeds' shall mean the gross amount of all cash or the monetary value of all assets or other considerations, either immediate or deferred, received by the Federal government or any of its agencies in consideration for the transfer of the stock, rail properties or freight service responsibilities of Conrail.

"(3) Money in the fund shall, consistent with the purposes set forth in subsection (b), be invested in obligations of the United States or in obligations guaranteed thereby.

"(b) PURPOSES.—(1) The Secretary shall distribute all moneys in the fund to each State on the basis of the amount of State taxes exempted under the provisions of Section 1140 of the Northeast Rail Services Act of 1981. The remainder of the funds shall be allocated to each State on the basis of these funds multiplied by a fraction whose numerator is the Conrail mileage as of April 1, 1976 in such State and whose denominator is the total Conrail mileage in all States as of April 1, 1976. The funds shall be eligible for rail-related infrastructure capital improvements. Not more than 10 percent of a State's allocation may be used for planning or administrative activities."

"(2) For the purposes of this section, the term "rail-related infrastructure capital improvements" shall include projects for the removal, rehabilitation, improvement, or construction of bridges over highways and railroads, grade crossings, main and branch lines, signal systems, and other rail facilities."

"(3) The Secretary shall not allocate money from the fund for projects to improve rail properties owned by private freight railroads and used exclusively for freight purposes unless the State certifies that such railroads cannot reasonably be expected to make such improvements in the normal course of operations."

"(c) REGULATIONS.—Within 90 says after the date of enactment of the Conrail Sale Rail Infrastructure Fund Act, the Secretary shall issue regulations with respect to the provisions under this title.●

● Mr. BRADLEY. Mr. President, I rise in support of this bill, which will provide needed relief of the States in which Conrail operates. It will restore the tax revenues they lost while Conrail was in public ownership. And it will provide needed money for the repair of facilities associated with Conrail, but for which Conrail denies responsibility.

This bill establishes a trust fund to receive the proceeds of the sale of Conrail. States would receive money from the trust fund to compensate them for the burdens that Government ownership has imposed.

First, each State would receive the back taxes it lost under NERSA while Conrail was Government-owned. In New Jersey's case, the accumulated tax loss amounted to more than $11.5 million by June 15 of this year.

Second, the balance of the fund would be allocated to each State in proportion to its share of Conrail's total mileage in that State. With 7.6 percent of the total mileage, New Jersey would get 7.6 percent of the fund. This money would not amount to a windfall, but it will clearly help the State make needed repairs and improvements to facilities associated with Conrail. This money would be used for such things as maintaining and repairing the 120 highway bridges in New Jersey which span Conrail tracks.

This measure can help modernize and repair our aging infrastructure. I urge my colleagues to support it.●

By Mr. GORTON:

S. 2944. A bill for the relief of Frederick Paul of Seattle, WA; to the Committee on the Judiciary.

RELIEF OF FREDERICK PAUL

● Mr. GORTON. Mr. President, today I am introducing a private bill for the relief of Mr. Frederick Paul of Seattle, and an accompanying resolution to refer the bill to the U.S. Claims Court. I note that my colleague, Congressman MIKE LOWRY, is introducing companion measures in the House of Representatives. This legislation is necessary to provide full judicial review of Mr. Paul's claim arising from his tremendous efforts on behalf of the Eskimos of the North Slope of Alaska in conjunction with the Alaska Native Claims Settlement Act of 1971 [ANCSA].

Mr. Paul, a member of the Tlingit Indian Tribe of Alaska and a Seattle resident, has championed the rights of Native Americans for many years, as did his father and grandfather before him. The culmination of his work came in 1971, when, after spending 5 years and 7,000 hours on behalf of the Arctic Slope Eskimos and others, he was a linchpin in passage of the Alaska Native Claims Settlement Act. ANCSA carved out 44 million acres in Alaska and set up a $962 million fund to help settle the Native Alaskans' land claims. Of that total, Mr. Paul's clients, the Eskimos of the North Slope, received $50 million and 5 million acres of land.

In 1966, Fred Paul took on the case of the Arctic Slope Native Association, whose members believed that part of Alaska was theirs by aboriginal right. He accepted the challenge, and as required by law, sought and signed a contract with the Interior Department to represent the Natives Association, in keeping with the statutory requirements of section 81 of title 25 of the United States Code. For the next 5 years he put in 7,000 hours of his own time, and traveled thousands of miles to talk to his 3,500 clients, who were scattered over northern Alaska.

When Congress passed the landmark Settlement Act, it abolished all lawyer contracts, and instead provided a $1.9 million fund for the 27 lawyers and consultants. The act further restricted reimbursable expenses to cover only a few types of costs, and excluded many other direct out-of-pocket expenses. Fred Paul's share of that fund came to a little over $275,000—an amount that, in light of Fred's long and unwavering commitment of time, energy, and money, pales in comparison to the value of the ANCSA settlements and to fee awards for similar suits.

Fred Paul signed his 1966 contract with Interior in good faith, and trusted that his statutorily regulated and administratively approved attorney's contract was valid and enforceable. That contract stated that he would be entitled to an equitable fee. ANCSA voided that contract. Because of some of the legal intricacies between Native Americans, the courts, and Congress, Mr. Paul has been unable to obtain a full judicial hearing on the equity and legality of this abrogation.

This bill and reference resolution address this problem. The measures ask the U.S. Claims Court, which has jurisdiction for claims against the Federal Government, to examine the facts of the situation and report to Congress. The court would examine whether Congress tread upon the Eskimos rights to counsel and to petition Congress, and whether it justify denied Paul's contractual right to an equitable fee. My legislation does not prejudge whether this is so—it simply asks the Claims Court to review Mr. Paul's petition, and within 18 months report to Congress on whether his claim is legal or equitable, and the amount, if any, legally or equitably due from the United States to him.

Mr. President, it is my sincere hope that the Senate will act on this bill and resolution promptly, so that Fred Paul's case can be heard in full and the issue resolved.●

By Mr. BYRD (for himself and Mr. RANDOLPH):

S. 2945. A bill to waive certain requirements of section 103a of the Internal Revenue Code of 1954 with respect to certain veterans' mortgage obligations; to the Committee on Finance.

WEST VIRGINIA VETERANS MORTGAGE BONDS PROGRAM AND REFERENDUM

Mr. BYRD. Mr. President, today I introduce a bill to correct a provision of the Deficit Reduction Act of 1984 relating to West Virginia's Veterans Mortgage Bonds Program.

On March 9, the West Virginia Legislature acted to authorize a referendum item on the November general election ballot with respect to veterans mortgage bonds. The Deficit Reduction Act provides for termination of such programs under certain conditions, but excluded those programs that had been modified by State governments by providing transition rules for various States.

The bill I am introducing provides such an exclusion for a State that adopted a resolution relating to the Veterans Mortgage Bonds Program on March 9, 1984, and that ratified such a resolution in 1984.

This change will allow the West Virginia referendum to be voted on in November without the threat of Federal termination of the program affecting the outcome.

This legislation will encourage housing construction in West Virginia, which still suffers from unemployment of 13.7 percent. The bill will also provide the possibility of homeownership to the more than 200,000 veterans in my State.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2945

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. QUALIFIED VETERANS' MORTGAGE OBLIGATIONS AUTHORIZED BY 1984 STATE REFERENDUM.

Subsection (o) of section 103A of the Internal Revenue Code of 1954 (relating to ad-

ditional requirements for qualified veterans' mortgage bonds) is amended by adding at the end thereof the following new paragraph:

"(7) SPECIAL RULE FOR A STATE PROGRAM AUTHORIZED BY 1984 STATE REFERENDUM.—Paragraphs (2) and (3) shall not apply to any obligation which would (but for such paragraphs) be a qualified veterans' mortgage bond if—

"(A) such obligation is issued pursuant to a resolution—

"(i) adopted by a State legislature on March 9, 1984, and

"(ii) ratified in a State referendum held in 1984, and

"(B) such obligation could have been issued pursuant to such resolution as in effect on the date of the ratification described in subparagraph (A)(ii)."

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply with respect to obligations issued after the date of the enactment of this Act.

By Mr. D'AMATO:

S. 2946. A bill to require the Secretary of Health and Human Services to coordinate and support research concerning Alzheimer's disease and related disorders, and for other purposes; to the Committee on Labor and Human Resources.

ALZHEIMER'S DISEASE RESEARCH COORDINATION ACT OF 1984

Mr. D'AMATO. Mr. President, I rise today to introduce the Alzheimer's Disease Research Coordination Act of 1984 to improve our utilization of Alzheimer's disease and related disorders research funds.

This legislation will direct the National Institute on Aging [NIA] to coordinate, not only research within the National Institutes of Health and the Department of Health and Human Services, but also the many other scientific disciplines outside of the usual research efforts on this disease. This bill also recommends that NIA earmark a portion of the budget of the Alzheimer's Disease Research Centers for multiplinary research. Finally, this legislation will direct NIA to concentrate more of its effort on health services research.

The changing demographics of the United States has brought Alzheimer's disease to the forefront in recent years. As a nation, we now must be more concerned than ever about those diseases that primarily affect our elderly. Our population's mean age has shifted; we now have more people over the age of 65.

Alzheimer's disease is a very complicted disease. It changes the neurochemistry, pathology, histopathology, anatomy, and physiology of the brain. To successfully research the effects of Alzheimer's disease, we need neuroscientists, neuropathologists, geneticists, epidemiologists, psychologists, psychiatrists, and members of the other scientific disciplines NIA accepts as important to the study of Alzheimer's disease all working together in a coordinated fashion. Coordinating the work of these sciences will expedite the goal of finding the cause of this tragic disease.

The Alzheimer's Disease Research Centers were created this fiscal year to concentrate our research efforts. It is important that other research efforts associated with Alzheimer's disease, but not now directly involved in it, also be included in the centers' studies. That is why this legislation strongly urges NIA to allow a certain portion of the centers' budget to be used for interdisciplinary research. Since some major advances in Alzheimer's disease research have been made by chance, I expect this legislation to minimize advancement by coincidence in this complex disease.

As complicated as is this disease, so, too, is the treatment for those who must live with this degenerative disorder. I feel strongly that the currently available health care methods for our Alzheimer's disease sufferers is insufficient. These patients have special needs that are unlike those of the sufferers from any other illness. Thus, a certain amount of our research effort must be directed to ameliorate this growing health care problem.

There have been, however, a number of encouraging medical developments since 1976 in the fight against Alzheimer's that have made me optimistic for success in the long run. For example, we have found that Alzheimer's is not just nonspecific brain rot or old age run rampant. It has been established scientifically that a certain kind of brain cell is dying. This offers us, for the very first time, a rational way to treat this disease. I am confident a major breakthrough is just around the corner.

Therefore, there must be more funds available to recruit individuals outside the Alzheimer's disease laboratories' current expertise in order to begin a more interdisciplinary approach to this research. Alzheimer's disease is so complicated that we are going to have to bring a lot of experts under one roof if we are to conquer it.

Mr. President, as research funds for Alzheimer's disease continue to grow at an impressive pace, to over $50 million for fiscal year 1985, I believe this research should be properly directed. I commend the National Institute on Aging for the work they have accomplished thus far in this area. My legislation will assist them in continuing their fine work.

I ask unanimous consent that my bill be printed in the RECORD, and I also urge its speedy enactment.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2946

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alzheimer's Disease Research Coordination Act of 1984".

SEC. 2. Part H of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"ALZHEIMER'S DISEASE RESEARCH

"SEC. 465. (a) The Secretary, through the Institute, shall—

"(1) coordinate research concerning Alzheimer's disease and related disorders conducted or supported by the National Institutes of Health and other agencies in the Department of Health and Human Services; and

"(2) support, and encourage other Institutes of the National Institutes of Health and other agencies of the Department to support—

"(A) basic and clinical biomedical research and health services research concerning Alzheimer's disease and related disorders, including research in the disciplines of neuroscience, neuropathology, genetics, molecular genetics, biochemistry, epidemiology, pharmacology, psychology, psychiatry, and any other scientific discipline the Secretary considers pertinent to the study of Alzheimer's disease and related disorders; and

"(B) research concerning methods to provide acute and long-term care to individuals with Alzheimer's disease and related disorders.

"(b) The Secretary, through the Institute, shall in each fiscal year insure that each specialized research center for Alzheimer's disease supported by the Department expend a portion of the Federal assistance provided to such center for such fiscal year for the conduct of multidisciplinary research concerning the cause, detection, prevention, control, and treatment of Alzheimer's disease and related disorders.

"(c) Within one year after the date of enactment of this section, and annually thereafter, the Secretary, after consultation with the Institute, shall prepare and transmit to the Congress a report describing the status of research concerning Alzheimer's disease and related disorders conducted or supported by the Department. Such report shall include—

"(1) a comprehensive plan for the conduct or support of research concerning Alzheimer's disease and related disorders, with particular emphasis on the support of multidisciplinary research; and

"(2) a description of research activities concerning Alzheimer's disease and related disorders conducted or supported by the Institute, other Institutes of the National Institutes of Health, and other agencies of the Department, including activities conducted by specialized centers for Alzheimer's desease supported by the Department.".

ADDITIONAL COSPONSORS

S. 1889

At the request of Mr. THURMOND, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1889, a bill to amend the act authorizing the establishment of the Congaree Swamp National Monument to provide that at such time as the principal visitor center is established, such center shall be designated as the "Harry R.E. Hampton Visitor Center."

S. 2143

At the request of Mr. HATCH, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2143, a bill to amend the Internal Revenue Code of 1954 to allow a credit for the occupational training of displaced persons.

S. 2146

At the request of Mr. HATCH, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2146, a bill to require States provided assistance under part B of title XIX of the Public Health Service Act to expand prevention and treatment programs for alcoholism, alcohol abuse, and drug abuse among women, and to require the Secretary of Health and Human Services to conduct research on alcoholism, alcohol abuse, and drug abuse among women.

S. 2258

At the request of Mr. MOYNIHAN, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Georgia [Mr. MATTINGLY], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 2258, a bill to grant a Federal charter to the 369th Veterans' Association.

S. 2318

At the request of Mr. HATCH, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2318, a bill to provide financial assistance to States for a program of occupational training for single working parents and homemakers.

S. 2353

At the request of Mr. GRASSLEY, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 2353, a bill to amend the Internal Revenue Code of 1954 to provide that one-half of the amounts paid by a self-employed taxpayer for his or her health insurance premiums will be allowed as a business deduction.

S. 2514

At the request of Mr. CRANSTON, his name, and the names of the Senator from West Virginia [Mr. RANDOLPH], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Arizona [Mr. DECONCINI], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of S. 2514, a bill to amend title 38, United States Code, to enhance the management of Veterans' Administration medical treatment programs by providing for the referral of veterans to non-Veterans' Administration entities and arrangements for additional necessary services, to revise and clarify the authority for the furnishing of care for veterans suffering from alcohol or drug dependence, to require the Administrator to establish the position of Associate Director for Post-Traumatic Stress Disorder, to require the Administrator to submit a report to Congress regarding programs of the Veterans' Administration providing hospice and respite care to certain veterans, and to authorize the Administrator of Veterans Affairs to provide telecaption television decoders to totally deaf veterans in certain cases, and for other purposes.

S. 2735

At the request of Mr. BRADLEY, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2735, a bill to rescind funds appropriated to the Energy Security Reserve by the 1980 Department of the Interior and Related Agencies Appropriations Act, and for other purposes.

S. 2816

At the request of Mr. D'AMATO, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 2816, a bill to stem the tide of antisemitism.

S. 2878

At the request of Mr. HATCH, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 2878, a bill to amend the Federal Food, Drug, and Cosmetic Act to establish conditions for the export of drugs.

S. 2897

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 2897, a bill to amend the Employee Retirement Income Security Act of 1974 to clarify effective date provisions retroactively applying benefits guarantees to certain pension plans.

SENATE JOINT RESOLUTION 206

At the request of Mr. TSONGAS, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Missouri [Mr. DANFORTH], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Joint Resolution 206, a joint resolution designating first Sunday of every August as "National Day of Peace."

SENATE JOINT RESOLUTION 269

At the request of Mr. LEVIN, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of Senate Joint Resolution 269, a joint resolution designating the week beginning September 23, 1984, as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 275

At the request of Mr. DIXON, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of Senate Joint Resolution 275, a joint resolution to designate the month of October 1984 as "National Spina Bifida Month."

SENATE JOINT RESOLUTION 304

At the request of Mr. HELMS, the names of the Senator from Vermont [Mr. STAFFORD], the Senator from Indiana [Mr. LUGAR], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Alabama [Mr. DENTON] were added as a cosponsor of Senate Joint Resolution 304, a joint resolution to designate the month of October 1984 as "National Quality Month."

SENATE JOINT RESOLUTION 310

At the request of Mr. LEVIN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Joint Resolution 310, a joint resolution to designate the week beginning September 16, 1984, as "National Osteopathic Medicine Week."

SENATE JOINT RESOLUTION 319

At the request of Mr. DOLE, the name of the Senator from Indiana [Mr. QUAYLE] was added as a cosponsor of Senate Joint Resolution 319, a joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

SENATE JOINT RESOLUTION 324

At the request of Mr. HATCH, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 324, a joint resolution to designate November 1984, as "National Christmas Seal Month."

SENATE JOINT RESOLUTION 325

At the request of Mr. NUNN, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 325, a joint resolution to designate October 7, 1984, through October 13, 1984, as "National Children's Week."

SENATE JOINT RESOLUTION 327

At the request of Mr. KASTEN, the names of the Senator from Alaska [Mr. STEVENS], and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of Senate Joint Resolution 327, a joint resolution to designate the week beginning September 2, 1984 as "Youth of America Week."

SENATE JOINT RESOLUTION 334

At the request of Mr. DOLE, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Joint Resolution 334, a joint resolution to provide for the designation of the month of November 1984, as "National Hospice Month."

SENATE JOINT RESOLUTION 336

At the request of Mr. DENTON, the names of the Senator from Maine [Mr. COHEN], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 336, a joint resolution to proclaim October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world.

SENATE JOINT RESOLUTION 339

At the request of Mr. HOLLINGS, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Joint Resolution 339, a joint resolution designating March 1985, as "National Mental Retardation Awareness Month."

SENATE JOINT RESOLUTION 340

At the request of Mr. THURMOND, the names of the Senator from Utah [Mr. HATCH], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of Senate Joint Resolution 340, a joint resolution to designate the week of September 23, 1984, as "National Historically Black Colleges Week."

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. DODD, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Concurrent Resolution 10, a concurrent resolution calling upon the Government of the United Kingdom to ban the use of plastic and rubber bullets against civilians.

SENATE CONCURRENT RESOLUTION 74

At the request of Mr. TSONGAS, the names of the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Texas [Mr. TOWER], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Concurrent Resolution 74, a concurrent resolution to encourage and support the people of Afghanistan in their struggle to be free from foreign domination.

SENATE RESOLUTION 412

At the request of Mr. HOLLINGS, the names of the Senator from Delaware [Mr. BIDEN], and the Senator from Florida [Mr. CHILES] were added as cosponsors of Senate Resolution 412, a resolution to congratulate and commend the U.S.A. Philharmonic Society.

SENATE CONCURRENT RESOLUTION 135—RELATING TO INTERNATIONAL POPULATION AND FAMILY PLANNING ASSISTANCE

Mr. PACKWOOD (for himself, Mr. BRADLEY, Mr. PERCY, Mr. CRANSTON, Mr. HART, Mr. WEICKER, Mr. COHEN, Mr. STAFFORD, Mr. CHAFEE, Mr. LEVIN, Mr. MATHIAS, Mr. RIEGLE, Mr. EVANS, Mr. GLENN, Mr. HEINZ, Mr. INOUYE, Mrs. HAWKINS, Mr. METZENBAUM, Mr. MATSUNAGA, Mr. BURDICK, Mr. DODD, Mr. BINGAMAN, Mr. KENNEDY, and Mr. HOLLINGS) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 135

Whereas in 1974 delegations representing the governments of 136 countries, including the United States, unanimously endorsed a statement of the World Population Conference which calls for efforts to address population growth in the context of goals for socioeconomic development and also recognizes both the rights and the responsibilities of all couples to family planning;

Whereas in 1984, global population is projected to increase by more than 80 million people, the largest annual increase in the history of the world;

Whereas a recent study by the National Academy of Sciences, which is supported by numerous other studies, finds that "family planning programs have a significant, independent effect over and above socioeconomic factors" on the decline of fertility in developing countries;

Whereas for two decades and with repeated bipartisan leadership, the Congress has committed the United States Government to strong support for international, voluntary population and family planning programs;

Whereas in the Foreign Assistance Act of 1961, the Congress states as national policy that "voluntary population planning programs can make a substantial contribution to economic development, higher living standards, and improved health and nutrition";

Whereas in 1982, the Agency for International Development (hereafter in this preamble referred to as "AID") accurately expressed the intent of the Congress regarding support for population and family planning by stating: "Assistance for voluntary population and family planning programs is an essential part of a cost effective program of United States development assistance";

Whereas as part of the United States commitment to voluntary population and family planning the Congress specifically has given high priority to United States support for the work of nongovenmental organizations (NGOs) in voluntary population and family planning programs in developing countries;

Whereas the Congress has prohibited the use of United States population assistance to pay for abortion, biomedical research on abortion, or lobbying for abortion as a method of family planning, and AID repeatedly has reported to the Congress, based on ongoing audits, that AID funds are not spent for these activities or any other activities not conducted in accordance with applicable Federal laws and regulations;

Whereas the conference report of the International Security and Development Cooperation Act of 1981 asserts that the prohibitions on abortion funding authorized by the Act sufficiently constitute the "necessary limits on United States support for international population planning programs with respect to concern about adequate directives against promotion of abortion-related activities";

Whereas the AID document of September 1982 entitled "Policy Paper: Population Assistance" sets forth United States population assistance policy as authorized by law;

Whereas the House of Representatives has reiterated its support for this policy again in 1984 with its passage of the International Security and Development Cooperation Act of 1984, and the Committee on Foreign Relations of the Senate has done the same with its own version of the International Security and Development Cooperation Act; and

Whereas the July 13, 1984, "Policy Statement: International Conference on Population" released by AID departs from congressional authorization and intent as well as current practice with respect to furnishing United States population assistance: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring therein), That (a) the Congress hereby reaffirms the commitment of the United States, as set forth in section 104 of the Foreign Assistance Act of 1961 and as evidenced by funding in annual appropriations Acts, to the furnishing of population assistance.

(b) It is the sense of the Congress that—

(1) United States policy toward furnishing such assitance, and the administration of such assistance, should continue to comply faithfully with the intent of Congress in enacting such Acts; and

(2) the President, in furnishing population assistance, should not deny funds to any multilateral institution or any nongovernmental or private and voluntary organization because of the participation by such institution or organization, paid for with funds derived from non-Federal sources, in any activity involving population growth or family planning which is carried out in accordance with all applicable Federal laws and regulations.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

● Mr. PACKWOOD. Mr. President, yesterday, Senator BRADLEY and I introduced a sense of the Senate resolution as an amendment to the second supplemental appropriations bill (H.R. 6040). Unfortunately, the Senate did not have an opportunity to vote on the resolution. Today, we are introducing the same resolution.

We are submitting this concurrent resolution in direct response to the position articulated yesterday by former Senator James Buckley, the head of the U.S. delegation to the United Nations International Conference on Population in Mexico City. Without consulting Congress, this administration has changed the course of over two decades of foreign policy on international aid for family planning.

First, the long standing philosophy underpinning our policy for international family planning has been continued high rates of population growth significantly place burdens on economies unable to provide sufficient goods and services for the growing population. In the posture articulated yesterday, the United States rejects the notion that we are caught up in a global population crisis. This negates every study I have been able to find. In fact, the recent World Bank's Annual World Development Report finds that the world's population will explode from 4.8 to 10 billion by the year 2050.

The administration also now indicates it will cut off funds to private, nongovernmental organizations that fund abortions with non-Federal sources. Existing law prohibits the use of U.S. international population assistance from directly supporting abortions or abortion-related activities. The administration—judging from Mr. Buckley's statement—intends to add a new restriction eliminating money for family planning to organizations that provide abortions with their own funds.

Women from developing nations need access to safe and effective methods of family planning if they are to exercise their right to make decisions about family size. If the administration implements this new policy, many women who now have access to family planning will loose that availability. Additionally, about 400 million women in the world do not have access to family planning services now. Does the administration want to increase that number? Mr. President, limiting access to family planning services in developing nations will mean more children, more abortions, more desparation, poverty, and starvation.

I sincerely hope that those Senators who support family planning will support this concurrent resolution. It simply reaffirms Congress commitment to U.S. population assistance and urges the President to support what has been sensible bipartisan international voluntary population and family planning policy for two decades.●

SENATE RESOLUTION 430—RELATING TO RECESS APPOINTMENTS

Mr. BYRD (for himself, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BRADLEY, Mr. BUMPERS, Mr. CHILES, Mr. CRANSTON, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. EAGLETON, Mr. EXON, Mr. FORD, Mr. GLENN, Mr. HART, Mr. HOLLINGS, Mr. HUDDLESTON, Mr. INOUYE, Mr. JOHNSTON, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. MATSUNAGA, Mr. MELCHER, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. NUNN, Mr. PELL, Mr. PROXMIRE, Mr. PRYOR, Mr. RANDOLPH, Mr. RIEGLE, Mr. SARBANES, Mr. SASSER, Mr. STENNIS, Mr. TSONGAS, and Mr. ZORINSKY) submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 430

Whereas, the United States Constitution in Article II, Secion 2, Clause 2, vests in the Senate the power to give its advice and consent to presidential appointments,

Whereas, the Appointments Clause specifies the method clearly preferred by the Framers for the regular appointment of Officers of the United States,

Whereas, the Appointments Clause has been judicially determined to be an aspect of the principle of separation of powers woven into the United States Constitution (*Buckley* v. *Valeo*, 424 U.S. 1 (1976)),

Whereas, the reasons behind the Recess Appointment Clause, Article II, Section 2, Clause 3, like those supporting the pocket veto power, have been largely superseded by modern methods of instantaneous communication and the modern practice of Congress with respect to abbreviated intrasession adjournments (*Kennedy* v. *Sampson*, 511 F. 2d 430 (D.C. Cir. 1974)),

Whereas, the adherence to Appointment Clause procedures, unlike a recess appointment that thereafter may be rejected by the Senate, precludes subsequent challenges with respect to the appointee's rightful exercise of significant authority pursuant to the laws of the United States, Therefore be it

Resolved, That it is the sense of the Senate that the exercise of the power to make recess appointments should be confined to a formal termination of a session of the Senate, or to a recess of the Senate, protracted enough to prevent it from discharging its constitutional function of advising and consenting to executive nominations. As the President as well as the heads of Executive and military departments are authorized to detail officers of the United States to fill vacancies in offices at all levels of the Federal Government, Chapter 33, Title 5, United States Code, which details are valid for at least thirty days, no recess appointment should be made when the Senate stands adjourned or recessed within a session for a period of less than thirty days.

SENATE RESOLUTION 431—RELATING TO CANADIAN PORK IMPORTS

Mr. DIXON (for himself, Mr. BOSCHWITZ, Mr. HUDDLESTON, Mr. DOLE, Mr. ZORINSKY, Mr. JEPSEN, Mr. RIEGLE, Mr. PERCY, Mr. EXON, Mr. DANFORTH, Mr. PROXMIRE, Mr. PRESSLER, Mr. BUMPERS, Mr. QUAYLE, Mr. GRASSLEY, Mr. COCHRAN, Mr. HEFLIN, Mr. KASTEN, Mr. BOREN, Mr. HELMS, Mr. FORD, Mr. EAGLETON, Mr. NICKLES, Mr. MATTINGLY, Mr. WARNER, Mr. MURKOWSKI, Mrs. KASSEBAUM, Mr. ABDNOR, Mr. EVANS, Mr. LEVIN, Mr. DURENBERGER, Mr. ARMSTRONG, Mr. THURMOND, Mr. GORTON, and Mr. MATSUNAGA) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 431

Whereas the pork industry contributes $9,000,000,000 annually to the United States economy;

Whereas over 450,000 United States farmers produce pork for domestic and foreign markets;

Whereas United States imports of live hogs from Canada averaged 100,000 animals each year between 1970 and 1974, yet since 1981, such imports have increased yearly from 146,000 head to an estimated more than 1,000,000 head in 1984;

Whereas the adverse economic effect of the recent surge in imports of Canadian hogs and pork products on United States pork producers have been estimated to be in excess of $500,000,000 in 1982 and 1983, and approximately $300,000,000 during the first five months of 1984;

Whereas the Canadian government provides price support for hogs at a level equal to 90 percent of the previous five-year average market price, indexed for changes in cash costs of production of hogs, which represented a payment of $6.54 per head to Canadian pork producers last year, and all but one provincial government of Canada also provide direct production assistance to support Canadian pork producers; and,

Whereas it is essential that the Administration act immediately to address the threat to the United States pork production industry caused by the dramatic increased in imports of hogs and pork products from Canada; now therefore be it

Resolved, That is is the sense of the Senate that the President should direct appropriate members of the Administration, including the United States Trade Representative, the Secretary of Agriculture, and the Secretary of Commerce, to aggressively pursue discussions with the Canadian government directed toward resolving this situation and use all available authorities in an effort to protect the economic viability of the United States pork industry and to promote free and fair trade.

● Mr. DIXON. Mr. President, today I am submitting a sense of the Senate resolution urging the President to direct appropriate members of the administration, including the U.S. Trade Representative, the Secretary of Agriculture and the Secretary of Commerce, to aggressively pursue discussions with the Canadian Government regarding Canadian pork imports. I am pleased that 34 of my colleagues are joining me in this effort.

Historically, the United States and Canadian pork trade balances have shifted between the two nations. The balance of trade has shifted six times since 1960. However, the dramatic increase in the volume of Canadian hogs and pork products imported into the United States in the past 7 years has caused a great deal of concern among U.S. pork producers. It appears that this latest shift in trade will not be to the benefit of the United States in the future.

This latest shift in trade with Canada can be attributed to both the Canadian support program for pork and the value of the dollar.

U.S. imports of live hogs from Canada averaged 100,000 animals each year between 1970 and 1974 with only 30,000 head being imported in 1975. However, since 1981, there has been an increase yearly from 146,000 head to an estimated 1 million to 1,500,000 head in 1984.

U.S. imports of pork from Canada have historically been in the form of frozen products. Frozen pork imports averaged approximately 25,000 tons in the early 1970's with a low of 9,000 tons in 1976. However, U.S. imports of frozen pork reached 27,000 tons in 1983.

The most dramatic increase in pork products has been in imports of fresh/chilled pork. These products increased to 93,000 tons last year compared to an average of 2,500 tons per year between 1970 and 1977.

Total pork product imports from Canada have increased 30 percent in the first 6 months of this year, compared to the same time in 1983.

The University of Missouri has estimated the economic impact of these imports on U.S. pork producers to be in excess of one-half billion dollars in 1982 and 1983, and approximately $300 million in the first 5 months of 1984.

A major reason for the increase growth in Canadian pork imports is the support programs for Canadian

hog producers provided for by the Federal and provincial governments.

At the Federal level, the Agricultural Stabilization Act of 1958 provides a mandatory support level for hogs at 90 percent of the previous 5-year average market price, indexed for changes in cash costs of production.

In addition, each Canadian provincial government, except Newfoundland, provides hog producers with a stabilization program. The programs differ in scope and coverage, but they share a common goal of stabilizing returns for hog producers.

It has been estimated that both Federal and provincial programs have provided total support payments from 1975 to 1982 of C$266 million.

The strength of the dollar also has made our markets more attractive to Canadian producers. U.S. agricultural exports to Canada last year were little changed—up by nearly $25 million—while Canadian imports to the United States increased by more than $100 million.

Mr. President, our greatest concern is that this may not be a short-term problem, but may represent a long-term shift in trade that will continue to impact our pork producers. If that is the case, the matter deserves our attention.●

● Mr. HUDDLESTON. Mr. President, the large and growing volume of hogs and pork products entering the United States from Canada is creating additional hardship for financially troubled pork producers in this country.

Kentucky producers have pointed out to me that there is a 30-day quarantine period on live hogs entering into Canada. This quarantine effectively eliminates U.S. export sales opportunities in Canada. Hogs and feeder pigs entering the United States from Canada have no such restrictions.

In addition, the Canadian Government operates an income stabilization program that results in a payment to pork producers above market returns. U.S. pork producers, who do not benefit from any similar assistance program, view the Canadian program as a subsidy that promotes pork production and results in shipments of excess production to the United States.

A further problem is the strong U.S. dollar. The Canadian dollar is currently valued, in U.S. currency, at only 70 cents. This imbalance in currency value provides a powerful economic magnet for foreign-produced goods, including Canadian pork.

This resolution addresses the situation by urging the President first, to negotiate with the Canadian Government on easing the adverse effects on U.S. pork producers caused by the recent surge in Canadian imports, and second, to use all available authorities to protect the economic viability of the U.S. pork production industry.

I urge my colleagues to support this resolution.●

SENATE RESOLUTION 432—REFERRING THE BILL S. 2944 TO THE COURT OF CLAIMS

Mr. GORTON submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 432

Resolved, the bill S. 2944, "a bill for the relief of Frederick Paul of Seattle, Washington" now pending in the Senate, is hereby referred to the United States Claims Court and the Chief Judge of the United States Claims Court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of Title 28, United States Code; said Court shall file its report within eighteen (18) months from the date of filing of Mr. Paul's petition in said Court giving such findings of fact and conclusions of law therein as shall be sufficient to inform the Congress of the nature and character of the demand as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

AMENDMENTS SUBMITTED

RECLAMATION SAFETY OF DAMS ACT AMENDMENTS

METZENBAUM (AND OTHERS) AMENDMENT NO. 3664

Mr. METZENBAUM (for himself, Mr. DECONCINI, and Mr. GOLDWATER) proposed an amendment to the bill (H.R. 1652) to amend the Reclamation Safety of Dams Act of 1978, and for other purposes, as follows:

(a) At the end of page 1, line 2, insert the following: "That this Act may be cited as 'The Reclamation Safety of Dams Act Amendments of 1984' and ".

(b) Beginning on page 1, line 5, strike all through page 2, line 8, and insert in lieu thereof:

"(1) In subsection 4(b), strike 'Costs' and insert the following in lieu thereof: 'With respect to the $100,000,000 authorized to be appropriated in the Reclamation Safety of Dams Act of 1978, costs'.

"(2) After section 4(b), add the following new subsections:

'(c) With respect to the additional $650,000,000 authorized to be appropriated in The Reclamation Safety of Dams Act Amendments of 1984, costs incurred in the modification of structures under this Act, the cause of which results from new hydrologic or seismic data or changes in state-of-the-art criteria deemed necessary for safety purposes, shall be reimbursed to the extent provided in this subsection.

'(1) Fifteen percent of such costs shall be allocated to the authorized purposes of the structure, except that in the case of Jackson Lake Dam, Minidoka Project, Idaho-Wyoming, such costs shall be allocated in accordance with the allocation of operation and maintenance charges.

'(2) Costs allocated to irrigation water service and capable of being repaid by the irrigation water users shall be reimbursed within fifty years of the year in which the work undertaken pursuant to this Act is substantially complete. Costs allocated to irrigation water service which are beyond the water users' ability to pay shall be reimbursed in accordance with existing law.

'(3) Costs allocated to recreation or fish and wildlife enhancement shall be reimbursed in accordance with the Federal Water Project Recreation Act (79 Stat. 213), as amended.

'(4) Costs allocated to the purpose of municipal, industrial, and miscellaneous water service, commercial power, and the portion of recreation and fish and wildlife enhancement costs reimbursable under the Federal Water Project Recreation Act, shall be repaid within 50 years with interest. The interest rate used shall be determined by the Secretary of the Treasury, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the applicable reibursement period during the month preceding the fiscal year in which the costs are incurred. To the extent that more than one interest rate is determined pursuant to the preceding sentence, the Secretary of the Treasury shall establish an interest rate at the weighted average of the rates so determined.

'(d) The Secretary is authorized to negotiate appropriate contracts with project beneficiaries providing for the return of reimbursable costs under this Act; *Provided, however*, That no contract entered into pursuant to this Act shall be deemed to be a new or amended contract for the purposes of section 203(a) of P.L. 97-293.' ".

(c) Renumber the subsequent subsections of the bill.

(d) On page 3, line 7, after "Texas," add the following: "and Foss Dam, Oklahoma,".

AGRICULTURE APPROPRIATIONS, 1985

CRANSTON AMENDMENT NO. 3665

Mr. CRANSTON proposed an amendment to the bill (H.R. 5743) making appropriations for Agriculture, Rural Development, and related agencies programs for the fiscal year ending September 30, 1985, and for other purposes, as follows:

On page 9, line 9, after the word "Louisiana," insert "and at Fresno, California,"

LUGAR AMENDMENT NO. 3666

Mr. COCHRAN (for Mr. LUGAR) proposed an amendment to the bill (H.R. 5743), supra, as follows:

On page 64, between lines 9 and 10, insert the following new section:

SEC. 627. None of the funds made available by this Act may be used to permit leverage transaction merchants to engage in the offer and sale of standardized contracts described in section 19(a) of the Commodity exchange Act (7 U.S.C. 23(a)), as added by section 23 of the Futures Trading Act of 1978 (92 Stat. 876), for the delivery of gold, silver bullion, bulk coins, or other commodities, in addition to such leverage transaction merchants who on the date of the enactment of this Act were permitted to engage in such offers and sales, until—

(1) the Commodity Futures Trading Commission transmits to the Congress documentation of its ability to regulate successfully such additional offers and sales, including a copy of the proposed rules and regulations of the Commission pertaining to such offers and sales; and

(2) sixty calendar days of continuous session of the Congress have elapsed after the date of such transmittal.

HUDDLESTON AMENDMENT NO. 3667

Mr. HUDDLESTON proposed an amendment to amendment No. 3666 proposed by Mr. LUGAR, to the bill (H.R. 5743), supra, as follows:

In the COCHRAN (for LUGAR) amendment No. 3666, on line 12, after "sales," insert: or to expand the granting of dealer options pursuant to section 4c(d) of the Commodity Exchange Act beyond that presently permitted under regulations of the Commodity Futures Trading Commission.

COCHRAN AMENDMENT NO. 3668

Mr. COCHRAN proposed an amendment to the bill (H.R. 5743), supra, as follows:

On page 31, line 3 after "loans" and before the semicolon insert: "and shall be available immediately upon enactment of this Act"

WILSON AND DECONCINI AMENDMENT NO. 3669

Mr. WILSON (for himself and Mr. DECONCINI) proposed an amendment to the bill (H.R. 5743), supra, as follows:

On page 15, line 10, strike out "$265,581,000" and insert in lieu thereof "$266,681,000".

On page 16, line 14, strike out the period and insert in lieu thereof the following: ": *Provided further*, That not less than $1,100,000 of the funds made available by this paragraph shall be available for the Federal share of the funds needed to conduct a cotton boll weevil eradication program in Arizona and California.".

LAUTENBERG AND BRADLEY AMENDMENT NO. 3670

Mr. LAUTENBERG (for himself and Mr. BRADLEY) proposed an amendment to the bill (H.R. 5743), supra, as follows:

On page 18, line 25: immediately after "expended" insert: *"Provided further*, That this appropriation shall be available for a study, which the Economic Research Service with the Agricultural Marketing Service would conduct, as to the barriers, imposed by the milk control laws of various states, to market entry by milk processors, dealers and handlers, and the impact of such laws upon supply and consumption of milk and milk products and wholesale and consumer prices."

ARMSTRONG AMENDMENT NO. 3671

Mr. ARMSTRONG proposed an amendment to the bill (H.R. 5743), supra; as follows:

On page 64, between lines 9 and 10, insert the following new section:

SEC. 627. (a) This section may be cited as the "Highly Erodible Land Conservation Act of 1984".

(b) For purposes of this section:

(1) The term "agricultural commodity" means any agricultural product planted and produced by annual tilling of the soil, including one-trip planters.

(2) The term "highly erodible land" means land classified by the Soil Conservation Service of the Department of Agriculture as class IVe, VIe, VII, or VIII land under the land capability classification systems in effect on the date of enactment of this Act. The land capability class for a field shall be that determined by the Secretary to be the predominant class under regulations issued by the Secretary.

(3) The term "Secretary" means the Secretary of Agriculture.

(c) except as provided in subsection (d) and notwithstanding any other provision of law, following the date of the enactment of this Act, any person who produces and agricultural commodity on highly erodible land shall be ineligible, with respect to such commodity produced on such land, for—

(1) any type of price support, income assistance, or production adjustment payments for such commodity made available under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), or any other Act;

(2) a loan for the construction or purchase of a facility for the storage of such commodity made under section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b (h));

(3) crop insurance for such commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.);

(4) a disaster payment for such commodity made under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.); or

(5) a new loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), or any other provision of law administered by the Farmers Home Administration, if the Secretary determines that such loan will be used for a purpose that will contribute to excessive erosion of highly erodible land.

(d) Subsection (c) shall not apply to any of the following:

(1) Any land that was cultivated by a person to produce any of the 1973 through 1984 crops of agricultural commodities.

(2) Any crop of an agricultural commodity planted by a person before the date of the enactment of this Act.

(3) Any crop of an agricultural commodity planted by a person during any crop year beginning before the date of the enactment of this Act.

(4) Any loan described in subsection (c) made before the date of the enactment of this Act.

(5) Any crop of an agricultural commodity produced using a conservation system that has been approved by a soil conservation district and that is based on technical standards set forth in the Soil Conservation Service technical guide for that soil conservation district. In areas where no soil conservation district exists, the Secretary shall determine the adequacy of the conservation system to be used in the production of any agricultural commodity on highly erodible land.

(e) To ensure compliance with the provisions of this section on the part of those persons participating in the programs described in subsection (c), as well as fair and equitable treatment in the application of this section, the Secretary shall use the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) in the administration of this section.

(f) The Secretary shall establish, by regulation, an appeal procedure under which a person who produces an agricultural commodity on land classified as class IVe, VIe, VII, or VIII land under the land capability classification systems applicable under this section may seek review of such classification.

(g) As soon as practicable after the date of the enactment of this Act, the Secretary shall complete soil surveys on those private lands that do not have a soil survey suitable for use in determining the land capability class for purposes of this section. In selecting localities for such surveys, the Secretary shall, insofar as possible, select those localities where significant amounts of highly erodible land are being converted to the production of agricultural commodities.

MELCHER AMENDMENT NO. 3672

Mr. MELCHER proposed an amendment to amendment No. 3671 proposed by Mr. ARMSTRONG to the bill (H.R. 5743), supra; as follows:

In lieu of language proposed to be inserted, insert:

AGRICULTURAL COMMODITY PRODUCTION ON HIGHLY ERODIBLE LAND

SEC. . (a) For purposes of this section—

(1) the term "agricultural commodity" means any agricultural product planted and produced by annual tilling of the soil, including one-trip planters;

(2) the term "highly erodible land" means land classified by the Soil Conservation Service of the Department of Agriculture as class IVe, VIe, VII, or VIII land under the land capability classification systems in effect on the date of enactment of this section. The land capability class for a field shall be that determined by the Secretary to be the predominant class under regulations issued by the Secretary; and

(3) the term "Secretary" means the Secretary of Agriculture.

(b) Except as provided in subsection (c) and notwithstanding any other provision of law, following the date of enactment of this section any person who produces an agricultural commodity on highly erodible land shall be ineligible, as to any of that commodity produced during that crop year by such person, for—

(1) any type of price support, income assistance, or production adjustment payments for such commodity made available under the Agricultural Act of 1949, the Commodity Credit Corporation Charter Act, or any other Act;

(2) a loan for the construction or purchase of a facility for the storage of such commodity made under section 4(h) of the Commodity Credit Corporation Charter Act;

(3) crop insurance for such commodity under the Federal Crop Insurance Act;

(4) a disaster payment for such commodity made under the Agricultural Act of 1949; or

(5) a new loan made, insured, or guaranteed under the Consolidated Farm and Rural Development Act, or any other provision of law administered by the Farmers

Home Administration, if the Secretary determines that such loan will be used for a purpose that will contribute to excessive erosion of highly erodible land.

(c) Subsection (b) shall not apply to—

(1) any land that was cultivated by a person to produce any of the 1973 through 1984 crops of agricultural commodities;

(2) any crop of an agricultural commodity planted by a person before the date of enactment of this section;

(3) any crop of an agricultural commodity planted by a person during any crop year beginning before the date of enactment of this section;

(4) any loan described in subsection (b) made before the date of enactment of this section; or

(5) any crop of an agricultural commodity produced using a conservation system that has been approved by a soil conservation district and that is based on technical standards set forth in the Soil Conservation Service technical guide for that soil conservation district. In areas where no soil conservation district exists, the Secretary shall determine the adequacy of the conservation system to be used in the production of any agricultural commodity on highly erodible land.

(d) To ensure compliance with the provisions of this section on the part of those persons participating in the programs described in subsection (b) as well as fair and equitable treatment in the application of this section, the Secretary shall use the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act in the administration of this section.

(e) The Secretary shall establish, by regulation, an appeal procedure under which a person who produces any agricultural commodity on land classified as class IVe, VIe, VII, or VIII land under the land capability classification systems applicable under this section may seek review of such classification.

(f) The Secretary shall, as soon as practicable, complete soil surveys on those private lands that do not have a soil survey suitable for use in determining the land capability class for purposes of this section and, insofar as possible, concentrate on those localities where significant amounts of highly erodible land are being converted to the production of agricultural commodities.

(g) The Secretary shall issue regulations defining the term "person" and prescribing rules to govern determinations of persons who shall be ineligible for program benefits under this section so as to ensure fair and reasonable determinations of ineligibility, including regulations that protect the interests of tenants and sharecroppers.

IMPROVEMENTS TO RIVERS AND HARBORS

ABDNOR (AND OTHERS) AMENDMENT NO. 3673

(Ordered to lie on the table.)

Mr. ABDNOR (for himself, Mr. STAFFORD, Mr. RANDOLPH, and Mr. MOYNIHAN) submitted an amendment intended to be proposed to the bill (S. 1739) to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; as follows:

On page 112, beginning on line 11, strike all through line 4 on page 117, and insert in lieu thereof the following, and renumber subsequent sections accordingly:

"SEC. 501. (a) Any sums deposited in the Inland Waterway Trust Fund, established pursuant to Public Law 95-502, shall be available for obligation by the Secretary, upon his request, to be utilized for the construction of any lock and/or dam project for the purposes of commercial navigation on the inland waterways of the United States, if such construction was initiated after June 30, 1984: *Provided, however,* That such Trust Fund shall be the sole source of Federal funding for the commercial navigational features and components of all such projects.

"(b) for the purpose of this section, the term:

"(1) 'inland waterways of the United States' means those waterways and harbors authorized to be constructed or maintained by the Secretary to depths of fourteen feet or less and utilized for the purposes of commercial navigation, provided that such definition includes the Columbia River, Oregon and Washington, from Lewiston, Idaho, to the downstream side of Bonneville Lock and Dam; and

"(2) 'commercial navigational features and components' means those portions of a lock and/or dam project on the inland waterways of the United States that is designated and utilized primarily for the purposes of commercial navigation."

SEC. 2. On page 166, beginning with line 11, delete all though line 9 on page 177, and insert in lieu thereof the following:

"TITLE X—HARBORS

"SEC. 1001. (a) There is authorized to be established a National Commission on Harbor Maintenance (hereinafter in this title referred to as the "Commission"), which shall report to the President and the Congress no later than two years after the date of enactment of this Act on the annual and long-term costs of maintaining the Nation's harbors, and make such recommendations as it finds appropriate on what portion of the costs of such maintenance, if any, should be assumed by non-Federal interests. In the event the Commission makes recommendations for the non-Federal assumption of a portion of harbor maintenance costs, consideration shall be given without prejudice to the recovery of such costs through ad valorem based vessel charges, uniform national tonnage fees, port specific fees, and any other method of collection which the Commission may choose to consider.

"(b) The Commission shall be composed of the Secretary of the Army, the Secretary of Transportation, the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Agriculture, and a chairman to be appointed by the President.

"(c) The Commission shall weigh the interests of the port authorities, navigation districts, and similar organizations, as well as shippers and carriers of the United States and the impact on U.S. trade and the economy in making its recommendations, and shall include in its report an assessment of the impact of its recommendations on each of these interests.

"(d) To assist the Commission in its work, there is authorized to be established a Shipping Advisory Board to be composed of eleven members, selected by the Commission Chairman, to provide representation for the United States port interests from various coasts and the Great Lakes, both large and small United States ports, United States shippers of bulk and general cargoes, and United States carriers of both bulk and general cargoes.

"(e) To carry out the purposes of this section, there is authorized to be appropriated to the Commission for the fiscal year ending September 30, 1985, or thereafter, the sum of $3,000,000, such sum to remain available until expended.

"(f) Until such time as the report of the Commission is submitted to the Congress, and Congress acts by law to adopt, reject, or modify the recommendations, if any, of the Commission, the Secretary shall obligate from sums appropriated no more than $420,000,000 in any single fiscal year for the purpose of operating and maintaining the harbors of the United States.

"(g) Nothing in this section shall be construed to prohibit or otherwise interfere with the authority of the Secretary or other Federal agency to operate or maintain any harbor of the United States for emergency purposes or for purposes of Coast Guard navigation requirements, Department of the Navy navigation requirements, or requirements for vessels carrying military personnel and materiel.

"SEC. 1002. (a) The appropriate non-Federal interests shall be responsible for 50 per centum of the costs incurred by the Secretary for surveying, planning, designing, and engineering necessary prior to the construction of a general cargo harbor.

"(b)(1) A non-Federal interest may undertake a feasibility study for improvements to a general cargo harbor, and submit such study to the Secretary. To assist non-Federal interests, the Secretary shall, as soon as practicable, promulgate guidelines for harbor feasibility studies in order to provide sufficient information for the formulation of a plan of study.

"(2)(A) The Secretary shall review each feasibility study submitted by non-Federal interests for a general cargo harbor submitted under paragraph (b)(1) of this section for the purpose of determining whether or not such study was prosecuted in accordance with the guidelines promulgated under such paragraph and was developed in compliance with Federal laws and regulations applicable to navigation projects for harbors.

"(B) Not later than one hundred and eighty days after receiving any feasibility study under paragraph (b)(1) of this section, the Secretary shall transmit to the Congress, in writing, the results of such study and any recommendations the Secretary may have concerning the project described in such study.

"(3) The costs of studies made under this subsection shall be borne by the non-Federal interest, except that whenever a study results in the construction of a project, 50 percent of the cost of such study shall be credited toward the non-Federal interest's cost-sharing requirement under section 1003 of this Title.

"SEC. 1003. (a)(1) The non-Federal share of the cost of construction of general cargo harbors on which construction has not been commenced as of the date of enactment of this Act shall be 30 per centum, *Provided, however,* That the Federal share of the cost of projects constructed to depths no deeper than 20 feet below mean low water shall be 100 per centum."

"(2) For purposes of this section, a project shall be deemed to have commenced construction if the non-Federal interest has entered into a written contract as of December 31, 1983, with the Secretary to provide local

cooperation required pursuant to the project authorization, including, where applicable, an agreement under section 221 of Public Law 91-611, as amended.

"(b) Prior to Federal initiation of construction of a project approved pursuant to this section, or a general cargo harbor previously authorized by the Congress for which construction has not commenced under the terms of subsection (a)(2) of this section, the Secretary and the non-Federal interest shall enter into a cooperative agreement according to procedures set forth in the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501). The non-Federal interest shall agree to:

"(1) provide to the Federal Government lands, easements, and rights-of-way, required for construction, operation, and maintenance of such project;

"(2) hold and save the United States free from damages due to the construction or operation and maintenance of such project except for damages due to the fault or negligence of the United States or its contractors; and

"(3) provide to the Federal Government the non-Federal share of all other construction of such project: Provided, however, That the value and costs of providing lands, easements, and rights-of-way, shall be credited toward the non-Federal share of the cost of construction. Any cost differential needed to fulfill the non-Federal share shall be provided to the Federal Government on a pro rata basis during the period of construction, beginning not later than one year after construction is initiated.

"(4) In the case of general cargo harbor project planned to be constructed to a depth no greater than 25 feet below mean low water, the Secretary shall permit the cost differential in the non-Federal share to be be repaid with interest over a period not to exceed 25 years from the date construction is initiated.

"SEC. 1004. (a) Any non-Federal interest is authorized to undertake navigational improvements in deep-draft harbors of the United States, subject to obtaining any permits required pursuant to Federal and State laws in advance of the actual construction of such improvements.

"(b) The Secretary is authorized to complete and transmit to the appropriate non-Federal interest any study for improvements to deep-draft harbors of the United States which were initiated prior to the date of enactment of this Act, or, upon the request of such non-Federal interest, to terminate such study and transmit such partially completed study to the non-Federal interest. Studies under this subsection shall be completed without regard to the requirements of subsection (c) of this section.

"(c) When requested by an appropriate non-Federal interest the Secretary is authorized to undertake all necessary studies and engineering for any construction to be undertaken under subsection (a) of this section, and assist in obtaining all necessary permits: *Provided*, That the non-Federal interest contracts with the Secretary to reimburse the United States for the cost of such studies and engineering during the period that they are conducted.

"(d) The Secretary is authorized to complete deep-draft harbor construction projects for which construction was initiated by the Secretary prior to the date of enactment of this Act: *Provided*, That for projects in which the appropriate non-Federal interest has not entred into a written contract as of December 31, 1983, with the Secretary to provide the local cooperation required pursuant to the project authorizations, including, where applicable, an agreement under section 221 of Public Law 91-611, as amended, such non-Federal interest shall be required to contract with the Secretary to repay, within fifty years of the date of enactment of this Act, the cost of all such work undertaken after September 30, 1984, together with interest on the unpaid balance at a rate to be determined by the Secretary of the Treasury. The Secretary of the Treasury, in determining such rate of interest, shall consider the average market yields during the month preceding the fiscal year in which each advance is made on outstanding marketable obligations of the United States with remaining periods of maturity comparable to the reimbursement period of the project.

"(e) Beginning on October 1, 1984, the Secretary shall undertake no construction work on any harbor except under the terms of this section, or sections 1003 or 1005 of this Title.

"(f) Whenever a non-Federal interest constructs improvements to any harbors, the Secretary shall be responsible for maintenance to forty-five feet below mean low water, and 50 per centum of the costs of incremental maintenance below forty-five feet below mean low water: Provided, That the Secretary certifies that the project is constructed in accordance with appropriate engineering and design standards.

"(g) Pursuant to subsection (a) of this section, the non-Federal interest shall provide 50 per centum of the costs expended on any relocation and alteration of existing pipelines, cables, and related facilities (but not to include any cost for upgrading or improvements to such pipelines, cables, and related facilities necessary for the construction of deep-draft harbors).

"SEC. 1005. (a) Nothing in this title shall be construed to prohibit or otherwise interfere with the Secretary or other Federal authority to operate, maintain, or improve any harbor for purposes of Coast Guard navigation requirements, Department of the Navy navigation requirements, or requirements for vessels carrying military personnel and materiel.

"(b) Any protest authorized under the provisions of this section may include additional improvements requested by the appropriate non-Federal interest: Provided, That prior to the commencement of such improvements, the appropriate non-Federal interest enters into a contract with the Secretary or other Federal authority to pay, during the period of construction, that portion of the project's cost which the Secretary or other Federal authority determines to be allocable to non-defense-related needs, if such project is a deep-draft harbor, or 30 per centum of the cost during the period of construction, if such project is a general cargo harbor. If such non-Federal interest fails to so participate, the Secretary or other Federal authority shall design such project solely to meet national defense requirements.

"(c) If non-Federal interests undertake a project under the terms of section 1004 of this title which can be expected to provide direct benefits to the national defense requirements of the United States, the Secretary of other Federal authority is authorized prior to the commencement of construction to contract with such non-Federal interests, subject to appropriations Acts, to pay, during the period of construction, that portion of the project costs directly attributable to national defense requirements, as defined in subsection (a) of this section.

"(d) Whenever the Secretary undertakes improvements to a general cargo harbor, the Secretary is authorized to reduce the percentage share of commitment required by the non-Federal interest on a proportional basis related to that portion of the traffic that provides direct benefits to the national defense requirements of the United States.

"SEC. 1006. (a) Notwithstanding any other provision of law, any appropriate non-Federal interest, upon enactment of this Act and in accordance with the provisions of this section, is authorized to recover its obligations for construction under the terms of Sections 1003, 1004, or 1005 of this title, together with its costs for incremental maintenance work undertaken pursuant to section 1004 of this title, including associated administrative expenditures, by the collection of fees for the use of such projects by vessels in commercial waterway transportation. Such fees shall be established after a public hearing held pursuant to State law and shall reflect to a reasonable degree the benefits provided by the project to a particular class or type of vessel.

"(b) Fees collected by a non-Federal interest purusant to the authority of this Section shall be used only for the purpose of paying for the non-Federal share of the cost of construction and incremental maintnenance work on harbors, or any obligations undertaken for that purpose.

"(c) Fees authorized by this section shall not be imposed on:

"(1) vessels owned and operated by the United States or any other nation or any political subdivision thereof and not engaged in commercial service;

"(2) vessels used by a State or political subdivision thereof in transporting persons or property in the business of the State or political subdivision and not engaged in commercial service;

"(3) vessels in intraport movements; and

"(4) vessels with design drafts of 14 feet or less.

"SEC. 1007. (a) Upon the application of the appropriate non-Federal interest, the Secretary is authorized to guarantee, and to enter into commitments to guarantee, the payment of the interest on, and the unpaid balance of the principal of, up to 90 percent of any obligation issued by a non-Federal interest to finance the non-Federal portion of the cost of a general cargo harbor or deep draft harbor undertaken under the terms of this title.

"(b) An obligation guaranteed under this section shall have a maturity date not to exceed 50 years or the useful life of the project, whichever is less.

"(c) The costs that shall be financed by a guaranteed obligation shall include the associated costs of the project including environmental mitigation, the acquisition and preparation of dredge spoil disposal sites, easements, rights of way, and similarly related costs.

"(d)(1) The non-Federal interest shall convey to the Secretary such security interest in the project as the Secretary may reasonably require to protect the interest of the United States.

"(2) The non-Federal interest shall not be required to convey a security interest in any asset other than those which are a part of the project, nor to provide any additional collateral or guarantees to the Secretary.

"(3) The security interest in the project conveyed to the Secretary shall be subordinate to any lender's security interest cover-

ing funds provided to the non-Federal interest for the project, but not covered by the guarantee of the Secretary.

"(e) The full faith and credit of the United States is pledged to the payment of any guarantee made under this section with respect to both principal and interest, including interest as provided for in the guarantee occurring between date of default on a guaranteed obligation and the payment in full of the amount guaranteed.

"(f) Any guarantee or commitment to guarantee made by the Secretary under this section shall be conclusive evidence of the eligibility of the obligation for that guarantee, and the validity of any commitment to guarantee so made shall be incontestable.

"(g) The aggregate unpaid principal amount of the obligations guaranteed under this section and outstanding at any time shall not exceed $2,000,000,000. No additional limitations may be imposed on commitments to guarantee obligations for any fiscal year, except in such amounts as those established in advance in authorization Acts.

"(h) The Secretary shall assess a guarantee fee of not less than one-quarter of one per centum per annum, nor more than one per centum per annum of the average principal amount of a guaranteed obligation outstanding. All monies received by the Secretary shall be deposited in general fund of the Treasury.

"(i)(1) In the event of a default, which has continued for 30 days, in any payment of the non-Federal interest of principal or interest due under an obligation guaranteed under this section, the obligee or his agent shall have the right to demand, at or before the expiration of such period as may be specified in the guarantee or related agreements, but not later than 90 says from the date of that default, payment by the Secretary of the unpaid principal amount of that obligation and of the unpaid interest thereon to the date of payment. Within such a period as may be specified in the guarantee or related agreements, but not later than 30 days from the date of that demand, the Secretary shall promptly pay the obligee or his agent the unpaid principal amount of that obligation and unpaid interest to the date of payment. The Secretary shall not be required to make that payment if, prior to the expiration of that period, he shall find that there was no default by the obligor in the payment of principal or interest or that the default has been remedied prior to any such demand.

"(2) Any amount required to be paid by the Secretary under this section shall be paid in cash.

"(3) In the event of any default under any guaranteed obligation or any related agreement, the Secretary shall take such action against the non-Federal interest or any other parties liable thereunder that, in the Secretary's discretion, may be required to protect the interests of the United States. A suit may be brought in the name of the United States or in the name of the obligee, and the obligee shall make available to the United States all records and evidence necessary to prosecute any such suit. The Secretary shall have the right, at the Secretary's discretion, to accept a conveyance of title to a possession of property from the non-Federal interest or other parties liable to the Secretary, and may purchase the property for an amount not to exceed the unpaid principal amount of the obligation and interest thereon. In the event the Secretary shall receive, through the sale of property, an amount of cash in excess of any payment made to an obligee under this section and the expenses of collection of those amounts, the Secretary shall pay that excess to the non-Federal interest.

"(4) The Secretary may not issue a guarantee when the interest is exempt from Federal income tax under section 103 of the Internal Revenue Code of 1954.

"(5) To make any payments required under any guarantee under this section, there is authorized to be appropriated to the Secretary such sums as may be necessary."

Renumber following sections accordingly.

SEC. 3. On page 181, at the end of line 2, delete the semicolon and insert in lieu thereof the following:

"Provided, That for any project so authorized prior to January 1, 1972, the value and costs of providing lands and the costs of construction of dredged disposal sites by non-Federal interests shall be considered to be a payment toward the non-Federal share of such project;".

SEC. 4. On page 185, after line 5, insert the following section, and renumber the subsequent section accordingly:

"SEC. 1011. (a) Notwithstanding any other provision of this Title, the following works for improvement of deep-draft harbors are hereby authorized to be prosecuted by the Secretary under the terms of this section and in accordance with the plans and subject to the conditions recommended in the respective reports hereinafter designated: *Provided,* That the figures listed in this section shall be subject to the limitations provided under section 213 of this Act and this Title: *And provided further,* That any such work shall be subject to the conditions described in subsection (b) of this section:

"(1) Norfolk Harbor and Channels, Virginia: Report of the Chief of Engineers dated November 20, 1981, at a cost of $514,000,000 (October 1983);

"(2) Mobile Harbor, Alabama: Report to the Chief of Engineers dated November 18, 1981, at a cost of $468,900,000 (October 1983); and

"(3) Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana; Report to the Chief of Engineers dated April 9, 1983, at a cost of $525,000,000 (October 1983).

"(b)(1) No construction on any project authorized pursuant to this section shall be undertaken by the Secretary until the non-Federal sponsor agrees in writing, and shows evidence satisfactory to the Secretary that such sponsor possesses the legal and financial capability of raising the funds necessary, to pay 25 per centum of the cost of such project on a periodic basis during the construction of such project, then pay an additional 25 per centum of the cost of such project, over a 30-year period commencing once the project is available for use by vessels having drafts greater than 45 feet, together with interest on the unpaid balance at a rate to be determined by the Secretary of the Treasury. The Secretary of the Treasury, in determining such rate of interest, shall consider the average market yields on Federal securities of similar maturity during the 12 months preceding the date in which construction on such project was initiated by the Secretary.

"(2) The authority for any project undertaken pursuant to this section shall expire five years following the date on which such project was authorized, unless 10 per centum of the funds necessary for the construction of such project shall have been obligated jointly by Federal and non-Federal interests.

"(c) No projects undertaken under the authority of this section shall be eligible for any guarantees under the terms of Section 1004 of this Title."

● Mr. ABDNOR. Mr. President, on numerous occasions in the past I have made statements to rally support for Senate action on S. 1739, the Water Resources Development Act. Today, Senators STAFFORD, RANDOLPH, MOYNIHAN and I have agreed to support changes to S. 1739 which I believe will clear the way for Senate action on this bill in September and the enactment of responsible water resource development legislation.

Frankly Mr. President, I support these changes reluctantly. I still can find no serious flaw in the navigation titles of S. 1739 as reported by the Committee on Environment and Public Works last November. I feel that the criticisms which have been raised over these provisions stem either from an unwillingness to accept innovative policy measures, or simply all out opposition to any change in the method of financing navigation projects.

Mr. President, I also believe this Nation needs a water development bill this year, and I join with my committee colleagues in offering these changes, which we will together support on the Senate floor, in the belief that by so doing we are breaking the impasse on this legislation and can now anticipate general agreement to consider S. 1739 on the Senate floor in September.

Section 1 of this draft amendment relates to inland navigation project cost-sharing and was originally proposed by Senator STAFFORD last June. This proposal eliminates the major objections which inland navigation interests have raised to the proposal which the Environment and Public Works Committee reported last November and will allow necessary inland navigation improvements to proceed at a rate that will not further strain the Federal deficit. I want to emphasize that this proposal will not raise the current fuel tax one iota.

Section 2 of this draft amendment reiterates amendment 3137 introduced on May 24, 1984, except that it would also provide full Federal financing for those few projects which are less than 20 feet deep.

Section 3 of this draft amendment provides that cost expended by non-Federal interests for the disposal of dredged material for projects authorized before January 1, 1972 would be credited toward their required cost-share.

Section 4 includes changes to the deep-draft navigation title which are intended to provide flexibility for port improvements deeper than 45 feet, and yet retain the basic provisions of this title which insure that this type

of project will be financed in the future by the private sector and not by Federal appropriations. The new provisions outlined here would give those ports which are eligible to proceed as federally financed projects to depths greater than 45 feet, and have been favorably reviewed by the Chief of Engineers, a limited opportunity to proceed as a cost-shared Federal project.

The cost-sharing option would be open to eligible ports for a period of 5 years. Cost-sharing for the portions of the project being deepened to less than 45 feet would remain 70 percent Federal and 30 percent non-Federal contributed during construction. Cost-sharing for deepening below 45 feet would be 50 percent Federal and 50 percent non-Federal with 25 percent of these costs being contributed during construction and the other 25 percent repayed over time. Federal loan guarantees would not be available for these deep-draft projects under this option.

I am convinced that these proposals should bring the debate over the future of Federal water resource development to a head on the Senate floor in September. I believe Senate action on this legislation can now proceed quickly when we return from the August recess, and I trust the Senate leadership will schedule S. 1739 for consideration by the full Senate as soon as possible.●

● Mr. STAFFORD. Mr. President, I am pleased to join with several of my colleagues on the Committee on Environment and Public Works in sponsoring an amendment that makes revisions in key navigational provisions of S. 1739, the water resources development bill.

It is, frankly, with a good deal of reluctance that I move away from the position that was taken by the committee when it reported titles 5 and 10 of S. 1739 to the Senate last autumn. I voted with the committee majority when we reported the bill, 14 to 2. I believed those provisions were sound, and, if anything, needed to be strengthened.

While there are many aspects of this amendment that concern me, I recognize that changes, such as these, are necessary if we are to break the logjam and bring S. 1739 before the Senate. It was for that reason that I earlier suggested a new approach to title 5, an approach incorporated into this amendment.

For these reasons, I must suggest to my colleagues in the Senate that I will vote to accept this amendment to titles 5 and 10. But I do not plan to move a comma further from the committee bill. This amendment, I am told, represents the firm position of each of the sponsors of this amendment. It is on that assumption that I am pleased also to serve as a cosponsor.

The majority leader has indicated that S. 1739 will be among the bills that the Senate takes up soon after Labor Day. That decision pleases me, as I know it is gratifying to many members of the Senate.

But our goal must be a clear one. It is to obtain legislation that will be signed by the President.

It is apparent to me that the President will not sign a bill close to the one passed by the House (H.R. 3678). Conversations with administration officials will confirm that view for any of my colleagues. Nor should the President sign such a bill, which contains high costs and no significant innovations in attracting new money into the water resources program.

To obtain legislation that can be signed, the Senate must pass a bill offering the conferees considerable flexibility to develop a signable bill. This will force the Senate into the unenviable role of playing Scrooge. But the alternative is to have no new law, and to delay further work on many important projects.

We must pass a bill that is close in dollar costs to the one reported by our committee, and, I must stress, with changes in titles 5 and 10 no more severe than the provisions we are recommending today.

The issue isn't whether the Nation needs sound water resources development. The real issue before the Senate is this: Where is the money going to come from?

I believe we are kidding ourselves—and the American people—if we think there will be any major increase in Federal spending to take care of water resources needs in the coming years. If that assumption is correct, then any major increases in spending must come from non-Federal sources, including beneficiaries, the users and shippers, or there will be no increase in development.

The Senate bill, S. 1739, now contains some $10 billion in new Federal work. The House-passed bill, I am told, contains something like $18 billion in new Federal investment.

Our current level of Federal spending in Corps of Engineers construction is well under $1 billion a year. The Congress actually appropriated $890 million for Corps construction work in the fiscal year 1985 appropriations bill.

Do we really believe that the Federal Government will increase, after eliminating the effects of inflation, that figure significantly over the next several years? Aren't we struggling to reduce Federal spending, to reduce the deficit?

And if we don't increase that spending level significantly above that $1 billion-a-year figure, our committee-reported bill alone will carry us through the year 1994. The House bill would carry out through the year 2002.

And that is assuming we spend not a dime of Federal money on ongoing projects, or make any effort to eat into the backlog of authorized Corps work, which now approaches $35 billion.

We must show restraint.

We must show restraint in order to avoid making empty promises to many communities across this land.

We must also show restraint so that we can send to the President a bill he will sign, and one that will not require new taxes or aggravate the deficit.●

● Mr. RANDOLPH. Mr. President, I am very pleased to join with my colleagues on the Environment and Public Works Committee—Chairman STAFFORD, Senator ABDNOR, and Senator MOYNIHAN—to offer amendments to titles V and X of S. 1739, which we believe represent a reasonable compromise between diverse and often conflicting interests.

During my service on Capitol Hill, I have been a strong advocate of healthy inland waterway and port systems. The products of our industries, our mines, and our farms must be able to move; they must be able to move efficiently lest we limit ourselves and what our economy can achieve. Water transportation is essential to this process and is, therefore, essential to the national economy.

The projects authorized in titles V and X of S. 1739 will help insure the vitality of our inland waterway and ports systems. Therefore we must, within reason, do what has to be done to bring this bill into law and these projects into being.

Senators STAFFORD, ABDNOR, and MOYNIHAN, and I have met with other Members and among ourselves. We believe that the proposals incorporated in these amendments to titles V and X address' the concerns some Members have expressed about S. 1739 as reported by the Committee on Environment and Public Works. I believe these proposals can be the basis for a navigation policy which is fair and should receive the support of the administration.

Mr. President, it has been 8 years since Congress passed comprehensive major water resources legislation. That is far too long, for this Nation's water resources needs are numerous and they are urgent. We, therefore, must act on this legislation with deliberate speed.

The House of Representatives has already passed an omnibus water resources act. It is my hope that early in September, we will consider S. 1739 and the amendments we offer today.●

● Mr. MOYNIHAN. Mr. President, at this late stage of the 98th Congress, one of our highest priorities should be the enactment of a water resources bill. We in the Water Resources Subcommittee and the full Committee on Environment and Public Works have

worked hard to develop legislation that promotes an equitable, efficient water resources program and authorizes the construction of the many worthy projects that require Federal funding.

S. 1739, which I cosponsored with Senator ABDNOR, is the lastest incarnation of our efforts, and we are now ready to bring S. 1739 to the Senate floor. In recent months, Members of this body have expressed a diversity of views on the new policies established by the bill. Two parts of S. 1739 have inspired especially strong disagreements: Title V, dealing with our Nation's system of inland waterways and title X, dealing with harbors.

I am keenly aware of the need for modernization of the locks and dams on the inland waterways. In recent visits to lock and dams on the inland waterways. In recent visits to lock and dam 26 on the Mississippi River, the Gallipolis lock and dam on the Ohio River, and Monogahela River lock and dam 8, I witnessed long barge queues and the effects of structural deterioration. But new locks and dams are expensive, and limited funds must be spent carefully.

S. 1739 would place a cap on total Federal spending on the inland system and authorize the Corps of Engineers to recover any excess costs through user-fees. This approach has elicited protests from those who feel that the Corps of Engineers should not have the discretion to impose new user-fees. I now join my colleagues on the Environment and Public Works Committee in a new proposal that relies on existing fees to finance new construction projects. Any project not yet under construction would be financed solely by the Inland Waterway Trust Fund, which receives revenue from an 8-cent-per-gallon fuel tax. I believe that this approach represents a modest but useful step toward greater financial responsibility for the beneficiaries of inland waterway projects.

Our proposal for harbor projects emphasizes flexibility. We seek to encourage port authorities to finance deep draft projects with their own resources, making available Federal loan guarantees to facilitate borrowing. There would, however, be a second option. Congress could authorize selected projects, and the Federal Government would then share costs with non-Federal sponsors. The non-Federal share would be 50 percent for the dredging of channels deeper than 45 feet, 30 percent for channels between 20 and 45 feet, and zero for shallow channels. A substantial portion of the non-Federal share would have to be paid during construction.

I am confident that with these changes, S. 1739 will be a fair bill that Congress can swiftly enact.●

AGRICULTURE APPROPRIATIONS, 1985

METZENBAUM AMENDMENT NO. 3674

Mr. METZENBAUM proposed an amendment to the bill (H.R. 5743), supra, as follows:

At the appropriate place, insert the following section:

SEC. . (a) The Congress finds that—

(1) the Secretary of the Treasury should take all reasonable and necessary steps to improve and promote tax compliance,

(2) long-term debt issued in registered form improves tax compliance,

(3) in the Tax Equity and Fiscal Responsibility Act of 1982, Congress restricted the use of unregistered obligations in order to promote tax compliance,

(4) the Secretary of the Treasury is presently considering the issuance outside the United States of unregistered obligations to finance the public debt,

(5) such issuance by the United States or United States corporations may lead to evasion of United States and foreign taxes, and

(6) the Secretary of the Treasury has the authority to require that all obligations issued outside the United States be in registered form in order to be exempt from United States tax.

(b) It is the sense of the Congress that the Treasury Department not issue obligations for purchase by foreign investors in bearer form until it has been determined by actual experience that issuance of obligations in registered form is a significant barrier to sale of such securities resulting in substantially greater rates of interest than otherwise would be necessary.

CONSUMER LEASE AND LEASE-PURCHASE AGREEMENT ACT

PROXMIRE AMENDMENT NOS. 3675 THROUGH 3678

Mr. PROXMIRE submitted four amendments intended to be submitted to the bill (S. 2851), to authorize depository institution holding companies to engage in certain activities of a financial nature and in certain securities activities, to provide for the safe and sound operation of depository institutions, and for other purposes, as follows:

AMENDMENT NO. 3675

At the end of the bill, add the following:

FDIC ASSESSMENT BASE AND ASSESSMENT RATE

SEC. 1107. The Federal Deposit Insurance Act is amended—

(1) by inserting "except as provided in section 7 (b)(5)," after "(A)" in section 3 (1)(5);

(2) by striking out "one-twelfth" in the first sentence of section 7 (b)(1) and insert in lieu thereof "one-fifteenth";

(3) by striking out "and" at the end of clause (A) of section 7 (b)(5); and

(4) by striking out the period at the end of section 7 (b)(5) and inserting in lieu thereof the following: "; and

"(C) any deposits received in any foreign branch.".

At the end of the table of contents, add the following:

"Sec. 1107. FDIC assessment base and assessment rate.".

FDIC INSURANCE ON FOREIGN DEPOSITS

Mr. PROXMIRE. Mr. President, I am introducing today an amendment to S. 2851 to require that banks pay insurance premiums to the FDIC on their foreign deposits. The amendment would also lower the FDIC insurance premium rate from one one-twelfth of 1 percent to one-fifteenth of 1 percent. The effect of these two changes will be to keep the total level of FDIC insurance premiums about the same while shifting more of the cost to the large money-center banks that take in deposits through their foreign branches.

The Federal Deposit Insurance Act now requires banks to pay an insurance premium of one-twelfth of 1 percent of their total deposits received in the United States. Deposits received at foreign branches are excluded and therefore are not subject to a premium charge. This exclusion had little practical effect when the Federal Deposit Insurance Act was written over 50 years ago since foreign deposits were then almost nonexistent. But since the late 1950's, foreign deposits of U.S. banks have skyrocketed.

By the end of March 1984, foreign office deposits of U.S. banks reached $347 billion, or about one-fifth of all U.S. bank deposits. Foreign deposits can actually exceed domestic deposits at money-center banks. For example, at the end of 1983, the Continental Illinois Bank took in $13.4 billion in deposits at its domestic offices and $16.6 billion at its foreign offices. By relying extensively on foreign deposits, Continental was able to cut its FDIC insurance premium base by more than 50 percent, thus saving nearly $14 million a year in premium charges.

Under current law, FDIC insurance premiums are projected to reach about $1.3 billion in 1984. Including foreign deposits in the premium base will increase revenues by about 20 percent. Reducing the premium rate from one-twelfth of 1 percent to one-fifteenth of 1 percent will reduce revenues by about 20 percent. The two actions, taken together, will thus produce about the same amount of revenue while shifting the cost.

Under my amendment, the vast majority of banks would pay less in deposit insurance premiums. The typical smaller bank would receive a 20-percent reduction. For many larger regional banks, the gains and losses would cancel each other. Only the largest 20 to 25 banks would be faced with a premium increase. According to the FDIC, these largest banks would pay about $120 million more for deposit insurance. For a large bank like Citicorp, the additional premium would reduce profits by about 3 percent.

The need for expanding the FDIC insurance base was made dramatically clear in the wake of the Continental Illinois rescue package. One of the reasons the bank suffered a loss in market confidence was due to its heavy reliance on foreign deposits. Moreover, one of the main reasons the bank regulators felt compelled to save Continental was to maintain the confidence of foreign depositors in all U.S. financial institutions. In the end, the principal beneficiaries of the Continental rescue program were its foreign depositors.

Although foreign deposits figured prominently in the FDIC rescue package for Continental, they did not contribute 1 penny of revenues to the FDIC insurance fund. In effect, foreign depositors in large U.S. banks enjoy the benefits of deposit insurance without having to pay for it. Instead, the cost is shifted to the FDIC, and ultimately to the rest of the banking industry and their customers. Thus the smaller- and medium-sized banks are forced to pay for the excesses of the largest banks.

This built-in discrimination against smaller banks will become even worse now that we have firmly established the precedent that we will allow a large bank to fail. In effect, a large bank enjoys the benefits of a 100-percent Federal guarantee on all its liabilities while depositors in smaller- or medium-sized banks are at risk if their deposit exceeds $100,000. This difference will enable large banks to borrow more cheaply and in the long run, it will give them a decisive competitive advantage over their smaller- or medium-sized rivals.

My amendment would remove at least part of this competitive inequity by shifting more of the cost of FDIC deposit insurance to where it properly belongs. The FDIC considered recommending such a change to the Congress last year and will, I understand, support my amendment.

My amendment would not change the insurance status of foreign deposits which, under present law, are uninsured. Large banks will no doubt argue that it is unfair to charge them a premium against foreign deposits that are not insured by the FDIC. But as we have seen in the case of Continental, foreign depostis are 100 percent guaranteed by the Federal Reserve and the FDIC regardless of whether they are technically insured or not. Since uninsured foreign deposits contribute to the risk exposure of the FDIC insurance fund, it is only fair that they be assessed a premium.

Mr. President, I ask unanimous consent that an article from the New York Times be inserted in the RECORD at the end of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 5, 1984]

BIG BANKS WORRIED BY AN F.D.I.C. PLAN

(By Robert A. Bennett)

The near collapse and multibillion-dollar rescue of the Continental Illinois National Bank and Trust Company has been an embarrassment for the nation's biggest banks. It could be expensive for them as well.

Part of the fallout has been the reopening of a long-standing debate among regulators and the big banks over whether banks should be required to pay insurance premiums to the Federal Deposit Insurance Corporation on their foreign deposits. Currently, the law exempts foreign deposits from such premiums, but that policy is being reconsidered by an interagency group under the Treasury Department's leadership.

Even before Continental's near-collapse, Government officials were leaning toward recommending to Congress that the law be changed, according to sources within the F.D.I.C. The argument was that in all the failures and near failures of large banks during the last decade, a large proportion of the deposits protected by the F.D.I.C. was in foreign branches. In the case of Continental, which required a $4.5 billion package from the F.D.I.C., foreign deposits made up the lion's share of the total.

A lot of money is involved. Much higher premiums—amounting to an increase of about $120 million a year—would be imposed on a handful of major banks, having a significant effect on their profits. On the other hand, assessing foreign deposits would lower the insurance costs of the vast majority of the nation's 14,500 insured banks, which have few, if any, foreign deposits.

"There are a lot of inequities in the world, especially in the banking industry these days," says Sydney E. Niblo, chairman and chief executive officer of the First State Bank of Abilene, Tex. Like other bankers around the country, Mr. Niblo contends that Continental's rescure underscores a basic unfairness in the deposit-insurance program.

The F.D.I.C. apparently agrees. Earlier this year, it planned to ask Congress to change the law to make foreign deposits subject to the premiums. But, according to sources within the F.D.I.C., the agency backed down after the major banks threatened to lobby against a bill containing other proposals to which the F.D.I.C. gave higher priority.

A CHANGE IN RATE

Stanley C. Silverberg, director of the F.D.I.C.'s division of research and strategic planning, estimates that if the agency had assessed foreign deposits last year, the 22 banks with deposits over $10 billion would have paid $400 million in deposit-insurance premiums, compared with the $280 million they actually paid. And that takes into account a lowering of the overall assessment rate—to one-fifteenth of 1 percent of total deposits, from one-twelfth of 1 percent of domestic deposits—that would have been possible if the foreign deposits had been assessed.

The $120 million increased in premiums would have been especially dramatic because most of it would have come from a very small number of banks in New York, Chicago and San Francisco.

"Obviously we selfishly argue that we think the present system is okay, but we concede that there's merit to the other side's argument," said a senior officer of a major New York bank, who asked not to be identified.

"We wish the issue would go away," said a vice president of a major New York bank, who said his bank preferred not to comment.

But smaller banks take a different view. "From an equity standpoint, I would like to see anything done that would help hold the premium down," said Noel Estep, president of the Southwest National Bank in Wichita, Kan., which has total assets of $115 million.

ASKS LOWERING OF PREMIUMS

The only New York banker who spoke for the record was Thomas E. Jones, Citibank's chief accounting officer. He contended that the major banks currently are paying more than their fair share because they must pay premiums on all their domestic deposits, even if they are far above the officially insured limit of $100,000. "Our premiums should actually be lowered," he said, noting that a huge proportion of the big banks' deposits are in denominations bigger than $100,000.

But Mr. Jones acknowledged that when banks get into trouble, the F.D.I.C. usually protects all depositors, even when they have more than $100,000 in the bank.

For Mr. Jones' Citibank, assessing foreign deposits could be costly. At the end of 1983, it had $47.7 billion on deposit in its foreign branches, representing more than 74 percent of its total deposits.

A rough estimate, based on an assessment rate of one-twelfth of 1 percent of domestic deposits, would have Citibank paying about $13.8 million in F.D.I.C. premiums last year. But that would have risen to almost $42.5 million if Citibank's foreign deposits had been assessed, even if the rate had been reduced to one-fifteenth of 1 percent. The increase, $28.7 million, would be equivalent to about 3 percent of Citicorp's net income.

Other banks that would be hit hard by a change would be the Morgan Guaranty Trust Company, where foreign deposits represent 64 percent of the total; the Manufacturers Hanover Trust Company, 63 percent; the Chase Manhattan Bank, 62 percent; the Bankers Trust Company, 58 percent; Marine Midland, 48 percent, and Chemical Bank, 38 percent.

If foreign deposits had been assessed, the premiums paid by these seven banks would have more than doubled last year—even at the lower assessment rate—to $165.5 million, from $79.6 million. That would have represented 3 or 4 percent of the after-tax profits of the seven banks, except for Chemical, where the increase would have accounted for about 1 percent of its net income.

AMENDMENT NO. 3676

Beginning with page 64, line 9, strike out all through page 65, line 19.

Redesignate the remainder of the bill and modify the table of contents accordingly.

INTEREST ON RESERVES

Mr. PROXMIRE. Mr. President, I am today introducing an amendment to S. 2851, the Financial Services Competitive Equity Act to strike title IV which requires the Federal Reserve to pay interest on certain reserve balances maintained by banks and other depository institutions.

The payment of interest on reserves is opposed by the Reagan administration. According to CBO, this action will increase the Federal budget deficit by nearly $4 billion over the next 6 years. Similar cost estimates were ar-

rived at by the Federal Reserve and the Treasury.

Under the Federal Reserve Act, banks are required to maintain reserves against a specified percentage of their deposits. These reserves are held at Federal Reserve banks and help the Fed to control the Nation's money supply. Since 1913, when the Federal Reserve System was created, interest has not been paid on reserves.

The principal assets of the Federal Reserve are U.S. Treasury obligations which it buys and sells through open market operations. These assets are financed through two principal liabilities—Federal Reserve notes—currency—and bank reserve, that is, reserve balances maintained by banks at the Fed.

After paying its administrative expenses, the Federal Reserve returns the interest income from its assets to the Treasury. The amount of interest returned shows up as a revenue item on the books of the Treasury. If the Fed were to pay interest on a portion of its own liabilities, it would have less money to return to the Treasury. Federal revenues would decline and the Federal budget deficit would increase.

Although there are nearly 40,000 depository institutions in the United States, only 4,600 are required to maintain reserves at the Federal Reserve. Moreover, just 122 of the Nation's largest banks account for 65 percent of all the reserves at the Fed.

From the standpoint of the Federal budget, the payment of interest on reserves has exactly the same effect as if Congress were to appropriate unrestricted cash grants to be given directly to the Nation's largest banks with the bulk of the payments going to a mere handful of giant money center banks.

As reported, S. 2851 requires the Federal Reserve to pay interest on reserves held against money market deposit accounts and super-NOW accounts. Both of these accounts were authorized in 1982 and enable banks to offer instruments that are competitive with money market mutual funds. Reserves against these accounts now comprise about 10 percent of total reserves, but are projected to account for half of all reserves by 1988 if interest were paid.

Those who favor interest on reserves make three arguments:

First, noninterest bearing reserves are an unfair tax on banks; second, noninterest bearing reserves place banks at a competitive disadvantage compared to nonregulated entities such as money market mutual funds offering similar products; and third, large money center banks are in financial difficulty because of their foreign loans and need to have their earnings bolstered. None of these arguments stands up to close scrutiny.

First, banks are one of the least taxed industries. According to the Joint Committee on Taxation, the 20 largest banks paid taxes equal to 2.7 percent of their U.S income in 1981. Ironically, banking spokesmen attempting to explain this embarrassingly low tax rate often cite the requirement to maintain noninterest bearing reserves as partial justification.

Second, commercial banks do not need any financial help from the U.S. taxpayer to enable them to compete with money market mutual funds. They have been hugely successful on their own. For example, in December 1982, money market mutual funds had assets of $233 billion compared to only $43 billion in money market deposit accounts at bank and thrift institutions. By March 1984, money market mutual fund assets declined to $186 billion while money market deposits accounts at banks and thrifts soared to an astonishing $393 billion. As a practical matter, the marketing benefits of having Federal deposit insurance and access to the Federal Reserve discount window more than outweigh the cost of noninterest bearing reserves.

Third, no commercial bank spokesman has ever argued that interest on reserves is needed as a bailout for improvident foreign loans. Nor have the bank regulators. If a bailout is indeed required, it should be justified on the record and targeted to those institutions that actually need it.

At a time when Congress has cut back on virtually every program to aid the poor, the elderly the disadvantaged, and the handicapped in order to curb our budget deficit, it is ludicrous that the Senate should vote to increase our deficit by $4 billion in order to benefit a handful of large money center banks who have made absolutely no showing that they need relief.

AMENDMENT NO. 3677

On page 10, lines 15 and 16, strike out the parenthetical phrase.

One page 12, line 25, strike out "shares of any insured institution, or".

Beginning with page 16, line 24, strike out all through page 17, line 19, and insert in lieu thereof the following:

"(C) A bank holding company may not acquire control of an insured institution except as authorized by section 13(f) of the Federal Deposit Insurance Act or section 408(m) of the National Housing Act.".

On page 38, line 19, strike out "acquiring shares of any bank or".

Beginning with page 39, strike out all after "(12 U.S.C. 1843(c))" on line 17, through page 40, line 2, and insert in lieu thereof "; and".

On page 43, between lines 4 and 5, insert the following:

"(G) A savings and loan holding company may not acquire control of a bank except as authorized by section 13(f) of the Federal Deposit Insurance Act of section 408(m) of the National Housing Act.".

Mr. PROXMIRE. Mr. President, I am introducing today an amendment to S. 2851, The Financial Services Competitive Equity Act. The purpose of my amendment is to delete from S. 2851 the authority it gives bank holding companies to purchase thrift institutions and the authority it gives savings and loan associations to purchase commercial banks. Under current law these cross-industry acquisitions are generally prohibited unless they involve a failing institution. When I offered this amendment during the Banking Committee markup of this bill it was defeated by a tie vote of 9 to 9. I am offering the amendment again today because of my deep concern that the strong commitments thrifts now have to mortgage financing could become eroded if the industry becomes dominated by commercial banking interests.

Both the Federal Reserve Board—the Board—and the Federal Home Loan Bank Board—the FHLBB—the principal regulators of bank holding companies and thrifts, respectively, have long-standing and reasoned policies opposing, as a general matter, the acquisition of savings and loans by bank holding companies. The FHLBB has opposed such acquisitions on general policy grounds emphasizing the possible diversion of funds from the housing industry and a redirection of the activities of S&L's toward the purposes of the bank holding companies. The regulations of the FHLBB do not include the operation of a commercial bank as a permissible activity for multiple S&L holding companies.

With regard to the Federal Reserve Board's opposition to such mergers, I note that section 4 of the Bank Holding Company [BHC] Act generally prohibits a bank holding company from engaging, either directly or indirectly through a subsidiary in nonbanking activities, that is, in activities other than those of banking or managing or controlling banks. The principal exception to this prohibition is contained in section 4(c)(8) of the BHC Act which authorizes a bank holding company to acquire a nonbanking company if that latter company is engaged in activities that the Federal Reserve Board determines are: One, "so closely related" to banking; and two, as to be "proper incident" thereto. That statute States that in determining whether a particular activity is a "proper incident" to banking or managing or controlling banks, the Board shall consider "whether its performance by an affiliate of a holding company can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects such as undue concentration of resources, decreased or unfair competition, conflicts of interest or unsound banking practices."

In 1974, after a notice and comment rulemaking procedure the Federal Reserve Board concluded that the operation of a savings and loan association is "closely related" to banking within the meaning of setion 4(c)(8) of the act.

In February 1977 the Board considered the second question whether savings and loan association activities are a "proper incident" to banking. In the D.H. Baldwin decision the Board determined that, as a general matter, S&L activities are not a proper incident to banking since the potential adverse effects of generally allowing affiliations of banks and S&L's were sufficiently strong to outweigh such benefits as might result in individual cases. Among the potential adverse effects from such affiliations cited by the Board were: One, the conflict between the statutory and regulatory frameworks within which banks and S&L's operated. The Board noted that FHLBB had already stated that it did not intend to hold that commercial banking was a "proper incident" to the operation of an insured S&L; two, the erosion of the institutional rivalry between banks and savings and loans. The Board noted that such rivalry offers public benefits; and three, the potential for undermining Federal prohibitions against interstate banking.

In a 1981 study the Federal Reserve cited other possible adverse effects of affiliations between BHC's and thrifts. These included: One, the effects on competition in local consumer financial services; two, the likelihood for conflicts of interest to develop; three, the loss of interindustry rivalry; four, the undue concentration of resources; and five, the effects on public convenience.

On various occasions since 1977 the Board has held that the adverse effects of allowing BHC/thrift mergers could be overcome in the case of a failing thrift because of the substantial public benefits associated with preserving such institution as a competitor. In each instance, however, the Board reaffirmed its view that such mergers should not be generally permitted.

In 1982 Congress when it passed the Garn-St Germain Act confirmed the Board's authority to allow the acquisition by a bank holding company of a failing thrift institution. Under that statute, however, Congress requires the Board to favor intraindustry and intrastate transactions over interindustry and interstate mergers. The Garn-St Germain Act also provides the Home Loan Bank Board with a veto over any such thrift/BHC mergers.

On June 8 of this year the Federal Reserve Board again denied an application for a BHC/thrift merger and reaffirmed its view that in most instances the adverse effects of such mergers outweigh any public benefits that might be present in particular transactions. The Federal Home Loan Bank Board likewise continues to oppose such mergers.

I think we should heed the longstanding policy advice of the two regulatory institutions we have established to supervise our bank holding companies and thrifts. This is particularly true when the advocates of the change in existing law on this point in S. 2851, have not offered any sound rationale for it. I fear that if the committee bill on this point is permitted to stand, there is a real danger that the separate existence and identity of the thrift industry will gradually disappear. More and more thrifts will become subsidiaries of bank holding companies and thus subject to the financial strategies and philosophies of their bank oriented parents. The strong commitments thrifts now have to mortgage financing will become eroded if the industry becomes dominated by commercial banking interests.

I agree also with the concern expressed by the Federal Reserve Board that a merging of the bank and thrift industries could also end the healthy diversity of opinion expressed by the two major trade associations representing commercial banks and savings and loan associations. In shaping our financial structure, Congress benefits by having a diversity of viewpoints. We would not be well-served by a single, monolithic view of what our financial system should look like. I urge your support for my amendment. It will help ensure the survival of an independent thrift industry dedicated to serving the housing needs of the average American.

AMENDMENT NO. 3678

At the end of the bill, add the following:

BANK REGULATION STUDY

SEC. 1107. (a) The Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Comptroller of the Currency shall each conduct an independent study of how the risk of bank failures may be reduced. In the course of such study, each such agency shall consider—

(1) changing examination procedures to provide earlier indications of potential financial difficulties;

(2) increasing the amount and quality of required primary capital;

(3) requiring the issuance of a subordinated debt as a supplement to primary capital;

(4) placing restrictions on contingent liabilities including loan commitments and stand-by letters of credit;

(5) limiting the extent of any mismatch in the maturities of assets and liabilities;

(6) establishing liquidity requirements commensurate with the volatility of a bank's liabilities and the liquidity of its assets;

(7) increasing deposit insurance premiums for larger bank to compensate for the implicit guarantee provided for all deposit liabilities; and

(8) other related issues.

(b) A report containing the results of each study shall be transmitted to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and to the Committee on Banking, Housing, and Urban Affairs of the Senate not later than six months after the date of enactment of this Act.

At the end of the table of contents, add the following: "SEC. 1107. Bank regulation study.".

Mr. PROXMIRE. Mr. President, I am introducing today an amendment to S. 2851, The Financial Services Competitive Equity Act. My amendment is very relevant to one of the chief purposes of S. 2851 in that the bill aims to provide for, among other things, the safe and sound operation of depository institutions. The amendment I am offering simply requires the Federal Deposit Insurance Corporation [FDIC], the Comptroller of the Currency, and the Federal Reserve System, our principle bank regulators, to each conduct an independent study of how the risk of bank failures may be reduced. It calls upon each agency to submit its study to the Banking Committee of each House of Congress not later than 6 months after the date of enactment of this legislation.

I want each agency to give its own best recommendations on how to strengthen our banks and financial system, because frankly I am worried about the over-all health of that system. A safe and soundly maintained and operated banking system is basic to the economic well-being of our Nation. Banking institutions occupy a unique and vital place in the economy. They are the principal suppliers and allocators of credit to the various sectors of commerce and industry. They are the principal organizations in our society by which decisions at the governmental level to increase or decrease the money supply are effectuated and translated into reality in the marketplace. They are also the principal institutions in which the deposits and savings of individuals, partnerships, and corporations are held. Because the essence of banking is lending out this money, which belongs to somebody else and must be available on demand, it is absolutely necessary that there be trust in the banking system and our banks. Likewise, because all of these banking functions are so intertwined with the public interest, it is essential that the actions of banks be subjected to the highest degree of public scrutiny.

Certain practices in our banking system over the past 15 years have, slowly but surely, created an unhealthy atmosphere in our financial system. Banks changed their orientation from "safety and soundness" to "go-go banking" marked by high public profiles, high risks, and an aim for the highest possible profits. The

number of problem banks—banks which are categorized by regulatory authorities as possibly requiring aid from their stockholders because of their condition, or banks which are in danger of failing—have recently increased in size and numbers. These developments, along with information about declines in capitalizations, weak foreign lending portfolios, insider deals and conflicts of interest, "hot money" deposits, and other bad practices, have all led to a widening crisis of confidence in the soundness of our banks. The most recent disaster at the Continental Illinois Bank, which necessitated a massive government bail out, gives particular emphasis to this confidence gap. If confidence is not restored, it will eventually have a very negative impact on our country's economy and jobs for our workers.

My amendment calls on each of our Federal regulatory authorities to conduct independent studies on how best to restore safety to and increase confidence in our banking system. It requires each agency to consider and address questions important to banking safety; among them: First, whether capital adequacy requirements should be raised; second, whether deposit insurance premiums should be increased for banks that assume excessive credit and/or interest rate risks; and third, whether bank examination procedures need to be changed to assure that regulators acquire more timely information about whether individual banks are getting into difficulties. The amendment is not limiting and each agency can address and make recommendations on other issues which it believes are relevant to the safety and soundness of our banking system.

I am asking each agency to submit its own report because currently all three agencies play a role in regulating our commercial banks. The Federal Reserve regulates State-chartered member banks; the Comptroller of the Currency regulates national banks; and the Federal Deposit Insurance Corporation regulates State-chartered nonmember insured banks. There is an overlap in the jurisdiction of each agency, however, in that all national banks are required to be members of the Federal Reserve, while national banks and State-member banks are insured by the FDIC. The Federal Reserve, in turn, regulates bank-holding companies whose subsidiaries may include national banks and insured State nonmember banks.

None of these agencies will invade the bureaucratic turf of the others, even though the consequences of poor regulation by one will be felt by the others. For example, the Federal Reserve has loaned billions of dollars to national banks in distress which are supervised by the Comptroller. This has complicated monetary policy and misallocated bank reserves to speculative uses. The FDIC has had to underwrite the losses of banks which are regulated by the other agencies. The FDIC and the Comptroller, in turn, have had banks which they supervise deteriorate to the point of distress because of poor regulation of their holding companies by the Federal Reserve.

Arthur Burns, the distinguished former Chairman of the Federal Reserve and now our Ambassador to West Germany, has noted that this system of overlapping regulatory powers is "conducive to subtle competition among regulatory authorities to relax constraints, sometimes to delay corrective measures." Former Vice Chairman of the Federal Reserve, J.L. Robertson, has testified before the Banking Committee that there is an "institutional reluctance among the regulators to pull the rugs out from under their own banks." This arises in part because of the ability of the banks to switch regulators. This is perceived as a threat by the regulators because these agencies derive their funds, not from government appropriations, but from private assessments on the banks they regulate. If an agency regulates fewer banks, its size has to shrink. Each agency has an impetus to not be tougher than the others, least they lose their "clients".

In order to avoid a combined, watered-down, lowest common denominator, consensus report, my amendment calls upon each banking agency to submit its own report setting forth its own best judgments on what needs to be done. There is no doubt in my mind that a major portion of our growing problems in banking can be attributed to poor performance by our regulators. By compelling each agency to submit its own views on how to rectify these problems, we can be assured that the regulators will be a part of our own efforts to develop a blueprint for restoring confidence in our commercial banking system, which is vitally important for our Nation's continued economic growth.

I urge your support for this amendment.

AGRICULTURE APPROPRIATIONS, 1985

EXON (AND OTHERS) AMENDMENT NO. 3679

Mr. EXON (for himself, Mr. ZORINSKY, Mr. BURDICK, Mr. BAUCUS, Mr. ANDREWS, Mr. PRESSLER, and Mr. MELCHER) proposed an amendment to the bill (H.R. 5743), supra, as follows:

On page 24, line 25, strike out the period and insert in lieu thereof the following: ": *Provided further,* That none of the funds appropriated or made available under this Act may be used by the Secretary of Agriculture to make payments available to producers for the 1984 and 1985 crops of wheat and feed grains under section 107B (b) and 105B (b) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(b) and 1444d(b)) computed on the basis of an established price of less than (1) in the case of wheat, $4.45 per bushel for the 1984 crop and $4.65 per bushel for the 1985 crop, and (2) in the case of feed grains, $3.03 per bushel for the 1984 crop of corn and $3.18 per bushel for the 1985 crop of corn.".

KENNEDY (AND OTHERS) AMENDMENT NO. 3680

Mr. KENNEDY (for himself, Mr. HOLLINGS, Mr. EAGLETON, Mr. BOSCHWITZ, Mr. HUDDLESTON, Mr. DOLE, Mr. DANFORTH, and Mr. SASSER) proposed an amendment to the bill (H.R. 5743), supra, as follows:

On page 49, line 9, strike out "$1,471,000,000" and insert in lieu thereof "$1,500,000,000".

PRODUCT LIABILITY ACT

TRIBLE AMENDMENT NOS. 3681 THROUGH 3683

Mr. TRIBLE submitted three amendments intended to be proposed to the bill (S. 44), to regulate interstate commerce by providing for a uniform product liability law, and for other purposes, as follow:

AMENDMENT NO. 3681

On page 57, line 12, insert "(1)" immediately after "(g)"; on line 20, immediately before "If" insert the following: "If the assessment is reversed (without remand) upon appeal, the stay of such other claims shall be lifted."; and on line 20, strike all from "If no such appeal" through line 24 and insert in lieu thereof the following:

"(2) If no such appeal is made, or upon affirmance of the assessment on appeal, all other claims for punitive damages based on the same allegations of reckless disregard shall be barred, except that a claim for an additional assessment of punitive damages based on the same allegations of reckless disregard may be made to a court if the court determines that—

"(A) there exists substantial and material evidence which was not available when the original claim was presented; and

"(B) an additional assessment of punitive damages is necessary to advance the public interest and to assure that the total amount of punitive damages for that conduct is commensurate with the gravity and nature of the defendant's conduct, taking into account the factors identified in subsection (b).".

AMENDMENT NO. 3682

On page 58, strike lines 1 through 12 and insert in lieu thereof the following:

"(h) Upon an appeal of a determination by the trier of fact regarding liability for punitive damages, the appellate court shall consider whether, based on the factors identified in subsections (a) and (b), the determination is supported. Upon an appeal of a determination by the court regarding the amount of punitive damages to be assessed, the appellate court shall consider whether, based on the factors identified in subsection (c), the amount assessed is in the public in-

terest and is consistent with the gravity and nature of the defendant's conduct.".

AMENDMENT No. 3683

On page 58, line 13, strike all from "Notwithstanding" through "Act." on line 17.

ARKANSAS WILDERNESS ACT OF 1984

STAFFORD AMENDMENT NO. 3684

Mr. BUMPERS (for Mr. STAFFORD) proposed an amendment to the bill (S. 2125), entitled the "Arkansas Wilderness Act of 1983," as follows:

On page 4, line 17, strike everything after "Flatside" through line 20 and insert in lieu thereof, "Wilderness;".

CALIFORNIA WILDERNESS ACT

WILSON AND CRANSTON AMENDMENT NO. 3685

Mr. STEVENS (for Mr. WILSON) (for himself, and Mr. CRANSTON) proposed an amendment to the bill (H.R. 1437) entitled the "California Wilderness Act of 1983", as follows:

(1) Page 39, line 20, strike the word "Peak".

(2) Page 39, line 21, strike the word "Peak".

(3) Page 58, line 1, strike the word "Act" and insert in lieu thereof "Title".

(4) Page 59, at the end of the list of roadless areas, add the following:

Angeles	Pleasant View	F5008
Shasta-Trinity	Castle Crags	B5219
Shasta-Trinity	Mt. Shasta	C5213
Lake Tahoe Basin M.U.	Pyramid	05023

(5) Page 61, at the end of the list of roadless areas, add the following:

Lassen	Mill Creek	05284
Los Padres	Garcia Mountain.	05107

(6) Page 62, strike all of lines 14 and 15, and insert in lieu thereof the following: "resources facilities on those portions of the North Fork, Middle Fork or South Fork of the Tuolumne or Clavey Rivers that are outside the boundary of the wild and scenic river area as designated in this section. Nothing".

(7) Page 65, after line 19, insert a new subparagraph (B) as follows: "construction of attached structural additions, not to exceed 100 per centum of the square footage of the origin building, and", and renumber remaining subparagraph accordingly.

(8) Page 66, line 16, strike the words "The following" and insert in lieu thereof "In addition, the following".

(9) Page 75, line 2, strike the words "three years;" and insert in lieu thereof the following: "two years, and two shall be for a term of three years;".

(10) Page 75, after line 15, insert a new subsection (e) to read as follows "The Secretary, or a designee, shall from time to time, but at least annually, meet and consult with the Board on matters relating to the administration of the scenic area.", and re-designate the following subsections accordingly.

ST. CROIX ISLAND INTERNATIONAL HISTORIC SITE

STEVENS AMENDMENT NO. 3686

Mr. STEVENS proposed an amendment to the amendment of the House to the joint resolution (S.J. Res. 25), redesignating the Saint Croix Island National Monument in the State of Maine as the "Saint Croix Island International Historic Site," as follows:

Strike Section 2.

ARIZONA WILDERNESS ACT OF 1984

GOLDWATER AMENDMENT NO. 3687

Mr. STEVENS (for Mr. GOLDWATER) proposed an amendment to the bill (S. 2242), to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes, as follows:

Strike out all after the enacting clause and substitute: That this Act may be cited as the "Arizona Wilderness Act of 1984".

TITLE I

SEC. 101. (a) In furtherance of the purpose of the Wilderness Act (16 U.S.C. 1131-1136), the following lands in the State of Arizona are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System:

(1) certain lands in the Prescott National Forest, which comprise approximately five thousand four hundred and twenty acres, as generally depicted on a map entitled "Apache Creek Wilderness—Proposed", dated February 1984, and which shall be known as the Apache Creek Wilderness;

(2) certain lands in the Prescott National Forest, which comprise approximately fourteen thousand nine hundred and fifty acres, as generally depicted on a map entitled "Cedar Bench Wilderness—Proposed", dated August 1984, and which shall be known as the Cedar Bench Wilderness;

(3) certain lands in the Apache-Sitgreaves National Forest, which comprise approximately eleven thousand and eighty acres, as generally depicted on a map entitled "Bear Wallow Wilderness-Proposed", dated March 1984, and which shall be known as the Bear Wallow Wilderness;

(4) certain lands in the Prescott National Forest, which comprise approximately twenty-six thousand and thirty acres, as generally depicted on a map entitled "Castle Creek Wilderness-Proposed", dated August 1984, and which shall be known as the Castle Creek Wilderness;

(5) certain lands in the Coronado National Forest, which comprise approximately sixty-nine thousand seven hundred acres, as generally depicted on a map entitled "Chiricahua Wilderness-Proposed", dated March 1984, and which are hereby incorporated in and shall be deemed part of the Chiricahua Wilderness, as designated Public Law 88-577;

(6) certain lands in the Coconino National Forest, which comprise approximately eleven thousand five hundred and fifty acres, as generally depicted on a map entitled "Fossil Springs Wilderness-Proposed", dated April 1984, and which shall be known as the Fossil Springs Wilderness;

(7) certain lands in the Tonto National Forest, which comprise approximately fifty-three thousand five hundred acres, as generally depicted on a map entitled "Four Peaks Wilderness-Proposed", dated April 1984, and which shall be known as the Four Peaks Wilderness;

(8) certain lands in the Coronado National Forest, which comprise approximately twenty-three thousand six hundred acres, as generally depicted on a map entitled "Galiuro Wilderness Additions-Proposed", dated April 1984, and which are hereby incorporated in and shall be deemed a part of the Galiuro Wilderness as designated by Public Law 88-577;

(9) certain lands in the Prescott National Forest, which comprise approximately nine thousand eight hundred acres, as generally depicted on a map entitled "Granite Mountain Wilderness-Proposed", dated April 1984, and which shall be known as the Granite Mountain Wilderness;

(10) certain lands in the Tonto National Forest, which comprise approximately thirty-six thousand seven hundred and eighty acres, as generally depicted on a map entitled "Hellsgate Wilderness-Proposed", dated August 1984, and which shall be known as the Hellsgate Wilderness;

(11) certain lands in the Prescott National Forest which comprise approximately seven thousand six hundred acres, as generally depicted on a map entitled "Juniper Mesa Wilderness-Proposed", dated February 1984, and which shall be known as the Juniper Mesa Wilderness;

(12) certain lands in the Kaibab and Coconino National Forests, which comprise approximately six thousand five hundred and ten acres, as generally depicted on a map entitled "Kendrick Mountain Wilderness—Proposed", dated February 1984, and which shall be known as Kendrick Mountain Wilderness;

(13) certain lands in the Tonto National Forest, which comprise approximately forty-six thousand six hundred and seventy acres, as generally depicted on a map entitled "Mazatzal Wilderness Additions—Proposed", dated August 1984, and which are hereby incorporated and shall be deemed a part of the Mazatzal Wilderness as designated by Public Law 88-577: *Provided*, That within the lands added to the Mazatzal Wilderness by this Act, the provisions of the Wilderness Act shall not be construed to prevent the installation and maintenance of hydrologic, meteorologic, or telecommunications facilities, or any combination of the foregoing, or limited motorized access to such facilities when nonmotorized access means are not reasonably available or when time is of the essence, subject to such conditions as the Secretary deems desirable, where such facilities or access are essential to flood warning, flood control, and water reservoir operation purposes;

(14) certain lands in the Coronado National Forest, which comprise approximately twenty thousand one hundred and ninety acres, as generally depicted on a map entitled "Miller Peak Wilderness—Proposed", dated February 1984, and which shall be known as the Miller Peak Wilderness;

(15) certain lands in the Coronado National Forest, which comprise approximately

twenty-five thousand two hundred and sixty acres, as generally depicted on a map entitled "Mt. Wrightson Wilderness—Proposed", dated February 1984, and which shall be known as the Mt. Wrightson Wilderness;

(16) certain lands in the Coconino National Forest, which comprise approximatey eighteen thousand one hundred and fifty acres, as generally depicted on a map entitled "Munds Mountain Wilderness—Proposed", dated August 1984, and which shall be known as the Munds Mountain Wilderness;

(17) certain lands in the Coronado National Forest, which comprise approximately seven thousand four hundred and twenty acres, as generally depicted on a map entitled "Pajarita Wilderness—Proposed", dated March 1984, and which shall be known as the Pajarita Wilderness;

(18) certain lands in the Conconino National Forest, which comprise approximately forty-three thousand nine hundred and fifty acres, as generally depicted on a map entitled "Red Rock-Secret Mountain Wilderness—Proposed", dated April 1984, and which shall be known as the Red Rock-Secret Mountain Wilderness;

(19) certain lands in the Coronado National Forest, which comprise approximately thirty-eight thousand five hundred and ninety acres, as generally depicted on a map entitled "Rincon Mountain Wilderness—Proposed", dated February 1984, and which shall be known as the Rincon Mountain Wilderness;

(20) certain lands in the Tonto National Forest, which comprise approximately eighteen thousand nine hundred and fifty acres, as generally depicted on a map entitled "Salome Wilderness—Proposed", dated August 1984, and which shall be known as the Salome Wilderness;

(21) certain lands in the Tonto National Forest, which comprise approximately thirty-two thousand eight hundred acres, as generally depicted on a map entitled "Salt River Canyon Wilderness—Proposed", dated April 1984, and which shall be known as the Salt River Canyon Wilderness;

(22) certain lands in the Coconino National Forest, which comprise approximately eighteen thousand two hundred acres, as generally depicted on a map entitled "Kachina Peaks Wilderness—Proposed", dated August 1984, and which shall be known as the the Kachina Peaks Wilderness;

(23) certain lands in the Coronado National Forest, which comprise approximately twenty-six thousand seven hundred and eighty acres, as generally depicted on a map entitled "Santa Teresa Wilderness—Proposed", dated February 1984, and which shall be known as the Santa Teresa Wilderness; the governmental agency having jurisdictional authority may authorize limited access to the area, for private and administrative purposes, from U.S. Route 70 along Black Rock Wash to the vicinity of Black Rock;

(24) certain lands in the Tonto National Forest, which comprise approximately thirty-five thousand six hundred and forty acres, as generally depicted on a map entitled "Superstition Wilderness Additions—Proposed", dated August 1984, and which are hereby incorporated in and shall be deemed to be a part of the Superstition Wilderness as designated by Public Law 88-577;

(25) certain lands in the Coconino National Forest and Prescott National Forest, which comprise approximately eight thousand one hundred and eighty acres, as generally depicted on a map entitled "Sycamore Canyon Wilderness Additions—Proposed", dated April 1984, and which are hereby incorporated in and shall be deemed a part of the Sycamore Canyon Wilderness as designated by Public Law 92-241;

(26) certain lands in the Coconino National Forest, which comprise approximately thirteen thousand six hundred acres, as generally depicted on a map entitled "West Clear Creek Wilderness—Proposed", dated April 1984, and which shall be known as the West Clear Creek Wilderness;

(27) certain lands in the Coconino National Forest, which comprise approximately six thousand seven hundred acres, as generally depicted on a map entitled "Wet Beaver Wilderness—Proposed", dated February 1984, and which shall be known as the Wet Beaver Wilderness;

(28) certain lands in the Prescott National Forest, which comprise approximately five thousand six hundred acres, as generally depicted on a map entitled "Woodchute Wilderness—Proposed", dated August 1984, and which shall be known as the Woodchute Wilderness.

(29) certain lands in the Coconino National Forest, which comprise approximately ten thousand one hundred and forty acres, as generally depicted on a map entitled "Strawberry Crater Wilderness—Proposed", dated April 1984, and which shall be known as Strawberry Crater Wilderness;

(30) certain lands in the Apache-Sitgreaves National Forest, which comprise approximately five thousand two hundred acres, as generally depicted on a map entitled "Escudilla—Proposed Wilderness", dated April 1984, and which shall be known as Escudilla Wilderness.

(b) Subject to valid existing rights, the wilderness areas designated under this section shall be administered by the Secretary of Agriculture (hereinafter in this title referred to as the "Secretary") in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of enactment of this Act.

(c) As soon as practicable after enactment of this Act, the Secretary shall file a map and a legal description of each wilderness area designated under this section with the Committee on Interior and Insular Affairs of the United States House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. Such map and description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in such legal description and map may be made. Such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, United States Department of Agriculture.

(d) The Congress does not intend that designation of wilderness areas in the State of Arizona lead to the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within a wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(e)(1) As provided in paragraph (6) of section 4(d) of the Wilderness Act, nothing in this Act or in the Wilderness Act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from Arizona State water laws.

(2) As provided in paragraph (7) of section 4(d) of the Wilderness Act, nothing in this Act or in the Wilderness Act shall be construed as affecting the jurisdiction or responsibilities of the State of Arizona with respect to wildlife and fish in the national forests located in that State.

(f)(1) Grazing of livestock in wilderness areas established by this title, where established prior to the date of the enactment of this Act, shall be administered in accordance with section 4(d)(4) of the Wilderness Act and section 108 of Public Law 96-560.

(2) The Secretary is directed to review all policies, practices, and regulations of the Department of Agriculture regarding livestock grazing in national forest wilderness areas in Arizona in order to insure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in this Act.

(3) Not later than one year after the date of the enactment of this Act, and at least every five years thereafter, the Secretary of Agriculture shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a report detailing the progress made by the Forest Service in carrying out the provisions of paragraphs (1) and (2) of this section.

SEC. 102. (a) In furtherance of the purposes of the Wilderness Act, the Secretary of Agriculture shall review the following as to their suitability or nonsuitability for preservation as wilderness and shall submit his recommendations to the President:

(1) certain lands in the Coronado National Forest, which comprise approximately eight hundred fifty acres, as generally depicted on a map entitled "Bunk Robinson Wilderness Study Area Additions—Proposed", dated February 1984, and which are hereby incorporated in the Bunk Robinson Wilderness Study Area as designated by Public Law 96-550;

(2) certain lands in the Coronado National Forest which compromise approximately five thousand and eighty acres, as generally depicted on a map entitled "Whitmire Canyon Study Area Additions—Proposed", dated February 1984, and which are hereby incorporated in the Whitmire Canyon Wilderness Study Area as designated by Public Law 96-550; and

(3) certain lands in the Coronado National Forest which comprise approximately sixty-two thousand acres, as generally depicted on a map entitled "Mount Graham Wilderness Study Area", dated August 1984, and which shall be known as the Mount Graham Wilderness Study Area.

With respect to the areas named in paragraphs (1) and (2), the President shall submit his recommendations to the United States House of Representatives and the United States Senate no later than January 1, 1986.

(b) Subject to valid existing rights, the wilderness study areas designated by this section shall, until Congress determines otherwise, be administered by the Secretary so as to maintain their presently existing wilderness character and potential for inclusion in the National Wilderness Preservation System.

SEC. 103. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

(2) the Congress has made its own review and examination of national forest system roadless areas in Arizona and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest system lands in States other than Arizona, such statement shall not be subject to judicial review with respect to national forest lands in the State of Arizona;

(2) with respect to the national forest system lands in the State of Arizona which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), except those lands designated for wilderness study upon enactment of this Act, that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Arizona reviewed in such final environmental statement or referred to in subsection (d) and not designated wilderness or wilderness study upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Arizona are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976 and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Arizona for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to national forest system roadless lands in the State of Arizona which are less than five thousand acres in size.

SEC. 104. Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274) is amended by inserting the following after paragraph (50):

"(51) VERDE, ARIZONA.—The segment from the boundary between national forest and private land in sections 26 and 27 township 13 north, range 5 east, Gila Salt River meridian, downstream to the confluence with Red Creek as generally depicted on a map entitled 'Verde River—Wild and Scenic River', dated March 1984, which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture; to be administered by the Secretary of Agriculture. This designation shall not prevent water users receiving central Arizona Project water allocations from diverting that water through an exchange agreement with downstream water users in accordance with Arizona water law. After consultation with State and local governments and the interested public and within two years after the date of enactment of this paragraph, the Secretary shall take such action as is required under subsection (b) of this section.".

SEC. 105. There are added to the Chiricahua National Monument, in the State of Arizona, established by Proclamation Numbered 1692 of April 18, 1924 (43 Stat. 1946) certain lands in the Coronado National Forest which comprise approximately eight hundred and fifty acres as generally depicted on the map entitled "Bonita Creek Watershed", dated May 1984, retained by the United States Park Service, Washington, D.C. The area added by this paragraph shall be administered by the National Park Service as wilderness.

TITLE II

SEC. 201. The Congress finds that—

(1) the Aravaipa Canyon, situated in the Galiuro Mountains in the Sonoran desert region of southern Arizona, is a primitive place of great natural beauty that, due to the rare presence of a perennial stream, supports an extraordinary abundance and diversity of native plant, fish, and wildlife, making it a resource of national significance; and

(2) the Aravaipa Canyon should, together with certain adjoining public lands, be incorporated within the national wilderness preservation system in order to provide for the preservation and protection of this relatively undisturbed but fragile complex of desert, riparian and aquatic ecosystems, and the native plant, fish, and wildlife communities dependent on it, as well as to protect and preserve the area's great scenic, geologic, and historical values, to a greater degree than would be possible in the absence of wilderness designation.

SEC. 202. In furtherance of the purposes of the Wilderness Act of 1964 (78 Stat. 890, 16 U.S.C. 1131 et seq.) and consistent with the policies and provisions of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743; 43 U.S.C. 1701 et seq.), certain public lands in Graham and Pinal Counties, Arizona, which comprise approximately six thousand six hundred and seventy acres, as generally depicted on a map entitled "Aravaipa Canyon Wilderness—Proposed" and dated May 1980, are hereby designated as the Aravaipa Canyon Wilderness and, therefore, as a component of the national wilderness preservation system.

SEC. 203. Subject to valid existing rights, the Aravaipa Canyon Wilderness shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness. For purposes of this title, any references in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act and any reference to the Secretary of Agriculture with regard to administration of such areas shall be deemed to be a reference to the Secretary of the Interior, and any reference to wilderness areas designated by the Wilderness Act or designated national forest wilderness areas shall be deemed to be a reference to the Aravaipa Canyon Wilderness. For purposes of this title, the reference to national forest rules and regulations in the second sentence of section 4(d)(3) of the Wilderness Act shall be deemed to be a reference to rules and regulations applicable to public lands, as defined in section 103(e) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701, 1702).

SEC. 204. As soon as practicable after this Act takes effect, the Secretary of the Interior shall file a map and a legal description of the Aravaipa Canyon Wilderness with the Committee on Energy and Natural Resources of the United States Senate and with the Committee on Interior and Insular Affairs of the United States House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided*, That correction of clerical and typographical errors in the legal description and map may be made. The map and legal description shall be on file and available for public inspection in the offices of the Bureau of Land Management, Department of the Interior.

SEC. 205. Except as further provided in this section, the Aravaipa Primitive Area designations of January 16, 1969, and April 28, 1971, are hereby revoked.

TITLE III

SEC. 301. (a) In furtherance of the purposes of the Wilderness Act, the following lands are hereby designated as wilderness and therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately six thousand five hundred acres, as generally depicted on a map entitled "Cottonwood Point Wilderness—Proposed", dated May 1983, and which shall be known as the Cottonwood Point Wilderness;

(2) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately thirty-six thousand three hundred acres, as generally depicted on a map entitled "Grand Wash Cliffs Wilderness—Proposed", dated May 1983, and which shall be known as the Grand Wash Cliffs Wilderness;

(3) certain lands in the Kaibab National Forest and in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately seventy-seven thousand one hundred acres, as generally depicted on a map entitled "Kanab Creek Wilderness—Proposed", dated May

1983, and which shall be known as the Kanab Creek Wilderness;

(4) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately fourteen thousand six hundred acres, as generally depicted on a map entitled "Mt. Logan Wilderness—Proposed", dated May 1983, and which shall be known as the Mount Logan Wilderness;

(5) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately seven thousand nine hundred acres, as generally depicted on a map entitled "Mt. Trumbull Wilderness—Proposed", dated May 1983, and which shall be known as the Mount Trumbull Wilderness;

(6) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately eighty-four thousand seven hundred acres, as generally depicted on a map entitled "Paiute Wilderness—Proposed", dated May 1983, and which shall be known as the Paiute Wilderness;

(7) certain lands in the Arizona Strip District, Arizona, and in the Cedar City District, Utah, of the Bureau of Land Management, which comprise approximately one hundred and ten thousand acres, as generally depicted on a map entitled "Paria Canyon-Vermilion Cliffs Wilderness—Proposed", dated May 1983, and which shall be known as the Paria Canyon-Vermilion Cliffs Wilderness;

(8) certain lands in the Kaibab National Forest, Arizona, which comprise approximately forty thousand six hundred acres, as generally depicted on a map entitled "Saddle Mountain Wilderness—Proposed", dated May 1983, and which shall be known as the Saddle Mountain Wilderness; and

(9) certain lands in the Arizona Strip District, Arizona, and in the Cedar City District, Utah, of the Bureau of Land Management which comprise approximately nineteen thousand six hundred acres, as generally depicted on a map entitled "Beaver Dam Mountains Wilderness—Proposed", dated May 1983, and which shall be known as the Beaver Dam Mountains Wilderness;

(b) The previous classifications of the Pauite Primitive Area and the Paria Canyon Primitive Area are hereby abolished.

SEC. 302. (a) Subject to valid existing rights, each wilderness area designated by this title shall be administered by the appropriate Secretary in accordance with the provisions of the Wilderness Act: *Provided*, That any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary who has administrative jurisdiction over the area.

(b) Within the wilderness areas designated by this title, the grazing of livestock, where established prior to the date of enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary concerned deems necessary, as long as such regulations, policies, and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in the Wilderness Act.

SEC. 303. As soon as practicable after enactment of this Act, a map and a legal description on each wilderness area designated by this title shall be filed by the Secretary concerned with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and description shall have the same force and effect as if included in this Act: *Provided*, That correction of clerical and typographical errors in each such legal description and map may be made by the Secreatary concerned subsequent to such filings. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture or in the Office of the Director of the Bureau of Land Management, Department of the Interior, as is appropriate.

SEC. 304. The Congress hereby finds and directs that lands in the Arizona Strip District of the Bureau of Land Management, Arizona, and those portions of the Starvation Point Wilderness Study area (UT-040-057) and Paria Canyon Instant Study Area and contiguous Utah units in the Cedar City District of the Bureau of Land Management, Utah, not designated as wilderness by this Act have been adequately studied for wilderness designation pursuant to section 603 of the Fedeal Land Policy and Management Act (Public Law 94-579), and are no longer subject to the requirement of section 603(c) of the Federal Land Policy and Management Act pertaining to the management of wilderness study areas in a manner that does not impair the suitability of such areas for preservation as wilderness.

TITLE IV

SEC. 401. If any provision of this Act or the application thereof is held invalid, the remainder of the Act and the application thereof shall not be affected thereby.

NOTICES OF HEARINGS

SUBCOMMITTEE ON LABOR

Mr. NICKLES. Mr. President, the Subcommittee on Labor will hold oversight hearings on the Taft-Hartley Act and Railway Labor Act on September 13, and September 18, 1984. The hearings will be held in room 430 of the Dirksen Senate Office Building and will begin at 9:30 a.m. each day. Persons wishing to testify on these acts or any pending legislation amending these acts should submit a written request to Chairman DON NICKLES, Subcommittee on Labor, 428 Dirksen Senate Office Building, Washington, DC 20510, by August 28. If you have any questions concerning the hearings, please contact Chuck Carroll, on the subcommittee staff, at 202-224-5546.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands and Reserved Water, of the Committee on Energy and Natural Resources, be authorized to meet during the session of the Senate on Thursday, August 9, at 9 a.m., to hold a hearing to consider S. 2850, to designate certain National Forest System lands in the State of Montana for inclusion in the National Wilderness Preservation System, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FOREIGN AGRICULTURAL POLICY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Foreign Agricultural Policy, of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Thursday, August 9, at 2 p.m., to hold a hearing to examine the reasons for the increase in imports of Canadian pork and to consider an appropriate response by the United States to the increase.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

OBJECTIONS TO PELL RESOLUTION

● Mr. GOLDWATER. Mr. President, last night during consideration of H.R. 6040, the second supplemental appropriation bill for fiscal 1984, I raised a procedural objection when the Senator from Rhode Island [Mr. PELL] sought to offer an unrelated amendment. The specific ground of my objection was both that the amendment was not germane to the appropriation bill and that the amendment proposed general legislation to an appropriation bill. The Chair presented the question of relevancy to the Senate and a large majority of Senators, 69 to 23, agreed with me that the amendment was not germane.

Mr. President, I did not have an opportunity to explain last night why I made an objection to the Pell amendment, which was a restatement of Senate Resolution 74 which the Senator from Rhode Island introduced last year. The porposed resolution would declare the sense of the Senate relative to the future of the people on Taiwan.

First, I do not feel this is any time for us to take an action which might be seen as upsetting our relations with Free China. The difficulty with the resolution is that it could be interpreted in many different ways, not only as to the relationship of the United States with the governing authorities on Taiwan, which in fact, is the Republic of China, but differences of interpretation as to U.S. relations with Communist China.

On the one hand, I am pleased that the proposed resolution specifically includes a reference to the Taiwan Relations Act, the foundation in law of economic, cultural and security relations between the United States and Free China. The Taiwan Relations Act

gives a firm statutory basis, as part of the law of the land, to our Government's dealings with the people and governing authorities on Taiwan and provides a firm commitment by the United States to assist in the military defense of Free China. In the connection, the Pell resolution might be construed as reinforcing the Senate's support of the Taiwan Relations Act.

Also, it is conceivable that the resolution may be interpreted as upholding the official policy of the leaders of the Republic of China not to negotiate with Red China on the matter of reunification so long as Red China insists that the Republic of China must give up all claim to independent sovereignty as a precondition to talks. If the central government on Taiwan should ever walk into talks with Red China having already conceded primacy of sovereignty to Peking, then the Republic of China, which is still recognized by over 20 nations, would have lost its proper claim to legitimacy. There would be nothing left to talk about except how the takeover would proceed. Thus, the resolution might be interpreted to mean no more than that the Government on Taiwan should not be forced or pressured into giving up its independent sovereignty as the Government of and for all free Chinese people.

As I have stated in this body on several occasions, I believe that Red China's so-called nine point peace offer to the Republic of China is a sham. There is no honesty to it. Our Government should never pressure the leaders of the Republic of China into accepting the Communist plan or as treating it as serious. Red China can no more be believed now, than it could when it made exactly the same kind of promises to the people of Tibet years ago.

Now, the problem with the resolution that particularly concerns me is that it could be interpreted in the exactly opposite direction. It might have been understood as supporting the claim of a small and violent minority in Taiwan who wish to overthrow the Republic of China and replace it with a so-called native Taiwan regime. The people who are striving for this goal are not peaceful reformers. The Taiwan Independence Movement and its arm of violence, the World United Formosans for Independence, are believed in recent years to have attempted the assassination of the present President of the Republic of China, during a visit he made to New York City several years ago, and to be the source of bombing threats and damage to governmental offices of the Coordination Council for North American Affairs which were established within the United States after derecognition of Taipei.

Mr. President, it is this possible connotation of the resolution that I must object to. I cannot in any way endorse the efforts of a group known for its violence to overthrow the legitimate and responsible government on Taiwan. I do not think the U.S. Senate should do anything to encourage this small band of revolutionaries in their effort to undermine or tear down the legal government on Taiwan.

Mr. President, I believe the vast majority of people in the Republic of China, including native Taiwanese, support and welcome the government headed by President Chiang Ching kuo. The economic and social policies of the Republic of China have brought enormous benefits to the people. Economic freedom and wealth is growing in the Republic of China and it is enjoyed by all groups. The spread between the highest level income group, the top 20 percent, and those in the lowest 20 percent group, is only four times in the Republic of China, more favorable than in the United States, Japan, or many other industrialized nations.

At the same time, there is freedom of religion, freedom of travel, freedom to choose one's profession, and a sound legal system in the Republic of China.

Also, the trend of political developments is toward greater democratization. The number of new members for the three elective bodies, the National Assembly, the Legislative Yuan and the Control Yuan, were all expanded helping to revitalize these bodies. Approximately half of the active members of the Legislative Yuan are now regularly elected in Taiwan every 3 years.

Also, a major development occurred 2 or 3 years ago upholding the concept of separation of powers consistent with U.S. concepts of an independent judiciary. The Central Government voluntarily accepted and implemented an interpretation by the Council of Grand Justices, the Constitutional Court, which held that the District and High Courts of the Republic of China should be directly under the jurisdiction of the separate Judicial Yuan, rather than under the Ministry of Justice of the Executive Yuan, a political branch of government.

Mr. President, I believe developments in the Republic of China are running very strongly in the direction of greater freedoms and expanded representative government, and I do not think this body should do anything to discourage or upset these positive trends. This explains some of the concerns which I have with the proposed resolution.●

SMALL BUSINESS AND FEDERAL PROCUREMENT COMPETITION ACT OF 1984 ENHANCEMENT

● Mr. TSONGAS. Mr. President, I am pleased to congratulate my colleague from Connecticut Senator WEICKER, and my colleague from Illinois, Senator DIXON, in support of the Small Business and Federal Procurement Competition Enhancement Act of 1984.

Competition, Mr. President, is the very keystone of our economy. From the days of Adam Smith, who wrote "the Wealth of Nations" in the year our Nation declared its independence, we have adhered to the idea that a free and open marketplace best serves the people. We believe that healthy competition gives all consumers goods and services at appropriate prices. We have fought to eradicate imperfect competition and monopoly, especially since the era of trustbusting under Teddy Roosevelt's administration. We have seen the deleterious effects of cartels, particularly one of oil producers which sent the world into recession and inflation.

Nowhere is the value of competition as apparent as in the procedures of Government procurement. We have heard horror stories of the infamous "spare parts problem," in which ordinary items were purchased at outlandish prices; I join my colleagues today in expressing our belief that this problem is due in a large part to a lack of effective competition in procurement. The obstacles to competition are numerous: prequalification requirements that prevent some bidders from even being considered, the restriction of technical data necessary for firms to develop their bids, the loss of these data due to mismanagement, and so on.

Nowhere could the healthy competition of small businesses be more useful than in this spare parts problem. If small business were more often considered in the procurement of parts, support, and services, the Government would surely buy at competitive prices and save the taxpayers' money. Moreover, many small businesses would be able to win a much-needed boost. Increased competition in the Government sector will benefit the economy as a whole.

As well as encouraging free competition, the Small Business and Federal Procurement Competition Enhancement Act will perform two important functions. First, it will require Federal agencies to develop and implement plans for management of technical data, with review by the General Accounting Office—a simple but important matter of housekeeping. Second, the act will require breakout procurement center representatives [BPCR's] at to be placed at each major procurement center. A Small Business Administration test proved BPCR's to be extremely effective; three of them saved the Government more than $35 million in fiscal year 1983 by opening the

procurement of some 1,600 items to competition.

For these reasons, Mr. President, I am compelled to urge all of my colleagues to support this bill.●

DU PONT GIFT OF PARKLAND TO THE PEOPLE OF DELAWARE AND PENNSYLVANIA

● Mr. ROTH. Mr. President, I have recently learned of a magnanimous gift made by the Du Pont Co. to the people of Delaware and Pennsylvania. The gift is 1,762 acres of beautiful rolling countryside in the White Clay Creek Valley which will be used as a nature park.

The Delaware House of Representatives has passed a resolution extending their gratitude. I add my thanks and the resolution will be printed in the RECORD, as follows:

HOUSE RESOLUTION NO. 267

Whereas, the members of the 132nd General Assembly learned on June 27, 1984, of the magnificent gift of 1,762 acres of unspoiled land in the White Clay Creek Valley, north of Newark, for a park; and

Whereas, the $8.5 million property, once considered for a dam for New Castle County, contains 528 acres in Delaware and 1,234 acres in Pennsylvania and was described by Governor Dick Thornburgh, of the Quaker State, as "the most priceless gift any organization can bestow on our society today."; and

Whereas, Edward G. Jefferson, DuPont Company chairman, said the land would be deeded to the two states for wildlife preservation and public recreation under joint administration; and

Whereas, Governor Pete du Pont of Delaware said this was "a very important day for Delaware . . . and for people who like the great outdoors"; and

Whereas, part of the new park adjoins the Walter S. Carpenter State Park, made up of lands given to Delaware by the late President and Chairman of the DuPont Company; and

Whereas, James Coleman, regional director of the National Park Service, described the area as "a unique and nationally important stream valley."; and

Whereas, the National Park Service, which recommended the nature park after a study requested by the DuPont Company, said in a report that the land "possesses a number of natural and cultural featurs that are unique, high-quality resources of multistate and national significance"; and

Whereas, the addition of this rendezvous for sylvan refreshment to Delaware's park system will improve and increase the State's national attraction for all who enjoy outdoor recreation.

Now therefore:

Be it resolved, That the House of Representatives of the 132nd General Assembly sincerely thanks the DuPont Company for the gift of 1,762 acres of land in White Clay Creek Valley to be used for a nature park under joint administration by the States of Delaware and Pennsylvania.

Be it further resolved, That a copy of this resolution be sent without delay to Edward G. Jefferson, Chairman of the DuPont Company, as a token of our appreciation for this priceless gift.●

JUDGE J. ARNOLD BRESSLER

● Mr. LAUTENBERG. Mr. President, I take this opportunity to honor the memory of a devoted public servant and beloved father, J. Arnold Bressler, who passed away June 20, 1980, at the age of 66.

Judge Bressler was graduated from John Marshall School of Law at age 20, making him the youngest ever to be graduated from the school. During World War II he served as chief of communications at Port Newark in the Coast Guard Reserve, earning a victory medal. When Bressler was only 32, Gov. Walter Edge appointed him to the Hudson District Court as the youngest man ever named as judge in that court. From 1959 to 1962 Judge Bressler served on the Bayonne Board of Education. He then represented Bayonne in the New Jersey State Assembly from 1962 to 1966.

All Americans can learn from Judge Bressler's accomplishments and ideals. His compassionate, principled commitment to the community sets a standard of dedication.

Mr. President, at this time I submit for the RECORD an article from the Jersey Journal written by Judge Bressler's son, Ronald G. Bressler.

A SON REMEMBERS

(By Ronald G. Bressler)

"There is a desperate need in our nation for men and women equipped to help us maintain our way of life against a world that is hostile to it in many areas. But, even more acute than the need for educated men and women is the need for those who, in addition to being learned and skilled, are warm, compassionate and humane."

Words written about America in 1980? They certainly seem to apply today. Actually, they were written in 1932 by my late Dad, Judge J. Arnold Bressler as part of an essay that he titled "The Road To Service".

It was the depth of the worst economic depression in the nation's history when my father was a student in John Marshall College Of Law, admitted at the age of 15.

He was editor-in-chief of the John Marshall Law Journal and the John Marshall Calendar, both publications gaining nationwide renown.

"Of all the things I have learned in my own life," he continued," the most valuable has been the ability to get along with my fellow men, to know their strength and their weakness as I know my own, to enthuse when they succeed and to help them when they falter.

"The power of human understanding cannot be gained from the study of books so much as from the study of humanity.

"It is something you will find in the patient faces of parents, in the counsel of your friends, in the encouragement and devotion of your best friends.

"Study men's hearts: learn to serve mankind and, with the growing potential of your own deeper wisdom, you will find a path to the mind of God."

Like Franklin D. Roosevelt who saved the nation from the depression, my Dad was a supreme optimist.

"You may find it in the love of your life companion," he wrote. "You may find it in the trusting eyes of a child. Look for it . . . the deep fundamental truth you start to steer by, as you live for others."

In studying my Dad's essay, "The Road To Service" I can see why he gave all of himself for the benefit of all other people throughout his lifetime.

When he was appointed as the youngest judge in New Jersey's history at the age of 31 in 1946, New Jersey and the nation faced the worst housing crisis in history with massive evictions facing millions of people.

It would have been very easy for him to sit back and sign eviction orders placing thousands of Bayonne families out on the streets as the law allowed.

Instead he saved 20,000 people from being evicted and this program was adopted by judges all over the state who consulted with him and was finally enacted into law by the New Jersey Legislature.

The youth of Bayonne during that massive housing crisis immediately at the end of World War II make up many of the middle-age citizens of today's Bayonne.

As youngsters they saw a judge devote himself to the positive—not the negative—to saving people, whole family units by the thousands, and at the same time sponsoring Brotherhood Essay Contests, Police and Firemen's Public Safety Valor Awards and youth programs right in the courtroom itself.

I remember hundreds of Bayonne youths invited into my Dad's courtroom on Broadway at 22nd Street in 1947 and with more than a dozen of them seated on his desk he distributed free tickets to the Rodeo.

My Dad wrote "There are many roads that lead to life's main highways. The road ahead has many turns. What road will you choose? Take the road to service.

"Set your feet upon the broad highway of high principles and uncompromising ideals. The milestones on that road are not always dollar signs, but these are not the most important yardsticks for estimating your achievements.

"Those who live by material things alone may never properly evaluate their true worth in the world, but legions—the eloquent and silent people hear you and others who may never know your name, will bless you, in their own way for the good that you have done among your family, your friends, neighbors, and the community."

In 1949 he fought for the Tide Water Employees in their strike when the company was trying to break the union—I remember him going out in a snowstorm to make a radio appeal for a rare blood type and his car turning over . . . he got out and refused any medical attention until the radio appeal was made and the blood donor was flown from Boston down to here—the one-man fight to save Bayonne's Railroad in the Legislature when he was an Assemblyman—the Bayonne School Board financial crisis when he turned around a $100,000.00 deficit to a $50,000.00 surplus and put the educational system back on a sound business basis and so on and on.

As I look back upon those days, I have every confidence that Judge Bressler's dedication to the future of humanity expressed by his achievements of yesterday will find continued success in the youths of many tomorrows!●

THE STUTTGART RICE RESEARCH FACILITY

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. PRYOR. Mr. President, the fiscal year 1985 approriations bill for the Department of Agriculture and Related Agencies includes essential money in the budget for the Agricultural Research Service for rice research. The Senate Appropriations Committee recognized the very fine work performed by the staff at the research facility, located in Stuttgart, AR.

The report of the Senate Committee on Appropriations contains the following language on page 25:

> The Committee again recognizes the importance of rice research activities conducted at the ARS facility in Stuttgart, Arkansas. The Department will be expected to at least continue the research activities and staffing levels at the Stuttgart facility commensurate with recent-year levels.

Mr. President, the State of Arkansas is far and away the leader in rice production in this Nation. Although only six States currently produce rice, the rice producers or Arkansas produce more than those of any other two rice-producing States combined. Therefore, it seems to me to be essential that the facility be located in Arkansas, and be close to the rice-growing areas. That's just the case, Mr. President. This facility is located in Stuttgart, AR, in the Grand Prairie region. This is the central area of the rice producing region, and therefore, the research conducted at the facility can be easily disseminated to rice producers and the industry.

I commend the efforts of the very fine staff at the facility, headed by Dr. Francis Williams. The research conducted at the facility is extremely important to the industry and to our rice producers, and I hope that the funds included in this bill will allow these efforts to continue.

Mr. President, I appreciate the work of the members of the Appropriations Committee, including the chairman of the Agriculture Subcommittee, Mr. COCHRAN, the ranking member, Mr. EAGLETON, and my colleague from Arkansas, Mr. BUMPERS. We all have an interest in this rice facility, and I'm pleased it will be able to continue its fine work.●

THE GI BILL

● Mr. COHEN. Mr. President, I wish to call the Senate's attention to a recent editorial in the Army Times. The editor seems to have grasped what has eluded so many members of this body—that the version of the GI bill approved by the Senate will not help our recruiting problems because it is too unattractive.

I quote from the editorial:

VEAP has been a failure, chiefly because many lower ranking members don't feel they can afford to invest the $25 to $100 per month required. Why, then, do the Senators think a program that requires the troops to chip in far more—a third of their pay for 2 years ($250 per month)—is likely to do any better?

Let us make a head-to-head comparison of the two plans. Under the Glenn proposal, service members, in effect, involuntarily chip in $250 per month of their salary for 2 years, for a total pay deduction of $6,000. Then, afterward, the Government matches this 2-for-1; service members receive a total benefit of $18,000. Or, if they wish, they can take their original pay deduction—$6,000—as a lump-sum bonus.

Under Super VEAP with kickers, the existing plan for critical skill areas, service members can contribute a maximum of $100 per month. If service members are unusually frugal and salt away $150 per month of their pay, their total disposable monthly pay is the same as under the Glenn proposal. But at the end of 2 years, the service member has more money, $18,800—$15,200 from the Government under the VEAP Program, and $3,600 saved from base pay. This does not include the interest on the saved $150 per month that service members can earn this way, but cannot earn under the Glenn proposal. Interest considerations widen the gap in favor of VEAP even more.

Alternately, service members can opt out of the VEAP Program. In that case, they get back their contribution, plus the money they saved (so far they are as well off as under the Glenn proposal), plus the interest earned on their monthly personal savings. So, service members are better off with VEAP whether they go on to college or reenlist. And VEAP is already in trouble because it is not attractive enough.

Mr. President, we are deluding ourselves if we believe that the version of the GI bill this body passed in June will attract the vast number of high quality youth our military needs. I do not believe that it will. The Army Times does not believe that it will. Even our own Congressional Budget Office doesn't believe that it will. CBO estimated that this plan will attract fewer than 50 high quality accessions—not 50,000, but 50.

Mr. President, let us avoid a repeat of the quality disaster of the late 1970's. Let us avert the coming military manpower crunch. Let us choose a plan that will actually attract high quality young people instead of merely posturing in this election year. Let us support the House of Representatives' version of the GI bill.

The editorial follows:

[From the Army Times, July 2, 1984]

GLENN'S FOLLY

The veterans education measure just approved by the Senate is a hastily contrived, ill-conceived alternative to what is needed: a new, non-contributory GI Bill-style education aid program. After rejecting what would have been a modest version of the old GI Bill, the senators voted 72 to 20 for a cheap imitation.

We predict that if the full Congress is foolish enough to go along with the program, it will cost even less than projected—because so few service members will use it.

The Senate plan would pay a veteran $500 per month in education benefits over 36 months for a total of $18,000.

However, to qualify for the money, a person would have to sign up for two years of service and, during that period, contribute $250 per month toward the program for a total of $6,000. Morever, he could not draw quarters or subsistence allowances during the two years unless government quarters and mess were not available.

Sen. John Glenn (D-Ohio), who invented the plan, figures that service members make an average of about $670 per month during their first two years, so their contribution would amount to giving up a little more than one-third of their pay.

How many potential applicants are going to put in two years at less than two-thirds pay even to earn double their contribution in benefits?

Consider the services' experience with the contributory education plan Congress voted when the non-contributory Vietnam-Era GI Bill ended—the Veterans Educational Assistance Program. VEAP allows members to put up $25 to $100 per month to earn two-for-one matching funds from the government of up to $8,100.

VEAP has been a failure, chiefly because many lower-ranking members don't feel they can afford to invest the $25 to $100 per month required.

Why, then, do the senators think a program that requires the troops to chip in far more—a third of their pay for two years—is likely to do any better?

The Army, having argued it needed a "competitive edge" to attract recruits who otherwise might have joined one of the other services, was allowed to sweeten the pot for certain recruits. The resulting Army College Fund ("Ultra VEAP") has been more successful, but it is no substitute for a non-contributory education aid package, which, if properly drawn, could not only attract good people but could help keep them in for a full career.

Even if the Glenn plan should prove popular, how would it help the services? Presumably, it would attract high-caliber young people with the qualifications to go to college and the determination to get there, even if it means a substantial investment of time and money. But the plan would require only a two-year hitch to qualify for the maximum benefits. Two years is barely enough time to train a skilled technician, and we would not give the services good odds on holding one who has a desire for a degree and a nest egg of $24,000 (his money plus the government's) available to pursue it.

The carefully drafted House measure, developed by Rep. G.V. Montgomery (D-Miss), would help all the services continue to attract sufficient numbers of quality recruits, even when the economy once more is booming and the pool of military-age youngsters

has dwindled. And it would let the Army keep its competitive edge.

Considering the size of the federal budget deficit, Congress may decide the Montgomery plan is too expensive to pass this year. But we would rather see it delayed another year than see Congress buy the Glenn plan. If Congress wants a relatively cheap program that doesn't work very well, it should keep VEAP. That is, of course, unless the lawmaker's object is to make themselves look generous during an election year by voting a program with an attractive jackpot that few troops will be able to claim.●

THE AMERICAN STEEL INDUSTRY: MYTH VERSUS REALITY: XII

● Mr. HEINZ. Mr. President, today I am presenting my 12th in a series of brief statements that will appear periodically in an effort to elevate the level of debate on the crisis in the steel industry.

Recently, there have been several items in the RECORD urging both the Congress and the administration to deny relief to our import-injured steel industry. Despite the ITC's decision that found serious injury had been caused by imports and its recommended import relief remedy of a combination of tariffs and quotas, critics continue to urge no action. Today, I would like to address several of their arguments as I make my case for relief to an industry whose very survival is threatened by the massive onslaught of unfairly priced and unfairly traded imports entering the U.S. market. The quotations are from the statements by the Senator from Rhode Island [Mr. CHAFEE] of June 18, June 26, and July 26.

MYTH

The labor costs of U.S. steelmakers were then (1968) and still are undermining its competitiveness. CONGRESSIONAL RECORD, June 18, 1984, p. 16978.

REALITY

American steelworkers have worked hard to help restore competitiveness to a beleaguered industry. In early 1983, the United Steelworkers signed a 41-month agreement with the major, integrated producers to substantially reduce wage-and-benefit costs. The 10.9-percent wage reduction is perhaps the deepest cut in labor's history, except for the 1979 Chrysler-UAW agreement.

The agreement's essential provisions are: decrease in wage rates by $1.31 per hour, restored in roughly equal increments on February 1, 1984, 1985, and 1986; reduction in Sunday premium pay from one and a half time to one and one fourth time, to be restored on February 1, 1986; full suspension of the cost-of-living clause for the agreement's first 17 months; during the next year, it will not be triggered until the Consumer Price Index [CPI] rises by 4 percent, and in the final year until after the CPI rises by 1.5 percent; elimination of one holiday, and all vacation bonuses, and the extended vacation program which gave an average 1.3 weeks of additional vacation per employee per year.

At the beginning of 1983, employment costs were $26.12 per hour worked, on the average. However, this figure was artificially high because it included insurance and other benefits for many of the laidoff employees. By January 1984, many of these benefits were terminated. Thus, the terminated benefits and the negotiated reductions lowered employment costs to $21.08 per hour, a savings of 20 percent or $5 per hour.

With respect to labor costs, U.S. producers simply cannot compete with South Korea, Brazil, Taiwan, or South Africa. Yet, it cannot be our national policy to drive steelworker wages down to levels equal with the worst paid labor in the world. Raising the standard of living for steelworkers has been a primary goal of collective bargaining. Lynn Williams, head of the United Steelworkers describes the situation:

At present, some of them, after years in the mill, earn enough to meet the intermediate family budget, as adjusted, set by the Labor Department for a family of four ($26,568). The earnings of others, however, remain in the low category, ($16,334). Thus, the most highly paid of our members have reached a point where they can afford a car, a modest home and an education for their children. The lowest paid barely make it.

MYTH

While increased domestic production as a result of quotas might lead to employment of about 10,000 additional steelworkers, the loss of jobs in the metalworking industries will be many times 10,000. CONGRESSIONAL RECORD, June 18, 1984, p. 16979.

REALITY

A CRS study by David Cantor, "Output and Employment Effects of U.S. Steel Import Quotas," estimates that as a result of the increase in total real output domestically caused by a 15-percent quota, employment would rise by 21,600 persons, 6,440 of them in the steel industry. If this employment increase is offset by declines in exports due to foreign retaliation, less favorable exchange rates and natural declines in U.S. export industries, the total net employment effect of such a quota is projected to be a maximum net loss ranging from 80 to 3,325 jobs. In fact, given the uncetainty in these calculations, while the latter figure is for the worst case, there might, in reality, be no loss at all. At any rate, the prediction of tens of thousands of lost jobs is nowhere near David Cantor's estimates.

MYTH

* * * import protection—tariffs or quotas will have a profound impact on other sectors of the economy. CONGRESSIONAL RECORD, June 26, 1984, p. 18695.

REALITY

The CRS study concerning output and employment effects concludes that although quota limits on steel imports would have beneficial effects for the steel industry and the industries supplying it, it cannot be expected that the quotas would have a major impact on the economy. The U.S. basic steel industry is simply too small in relation to the economy as a whole and the amounts of steel involved are even smallar. In 1983, the value in current dollars of steel shipments equaled less than 2 percent of the value of the total manufacturer's shipments. Even if domestic producers increased their output by 10 million tons, its value in current dollars would be less than 0.3 percent of the value of total manufacturer's shipments.

The CBO study, as cited in the RECORD, agrees with CRS that "the role of the steel industry in the overall U.S. economy is small enough that the quota would not greatly affect the general price level, the GNP, or total domestic employment." The effects of higher prices and any misallocation of resources would only affect specific sectors of the economy, all off which would be too small to be captured definitively in a macroeconomic model.

MYTH

We can do more for the industry by refusing import relief and thereby forcing necessary, though sometimes unpleasant, restructuring. CONGRESSIONAL RECORD, July 26, 1984, p. 21210.

REALITY

For years, those opposed to import-quota relief for steel producers have cited the lack of effort by the steel industry to rationalize outdated capacity and modernize effectively as grounds for their opposition. Until industry was seen as actively helping itself, import relief would be unacceptable. Today, it is generally acknowledged and supported by David Cantor's study, "America's Steel Industry: Modernizing to Compete," that the industry is "Aggressively implementing programs of rationalization and modernization to maintain or increase its stature among the world's steel industries, especially in the U.S. market, where import penetration has reached levels of about 20 percent." U.S. steelmaking capacity has been cut by nearly 22 million tons since 1979 and between 1974 and March 1984 over 400 steel plants in the United States have been shut down. In 1983, the number of jobs totaled 243,000, a decline of 210,000 jobs from 1977. Yet, when confronted with these facts, critics have immediately shifted their ground and have opposed import relief on the grounds that the injured American steel industry is capable of healing itself. Regardless of the argument, import relief will remain unacceptable to these critics.

The Senator from Rhode Island, [Mr. CHAFEE] also asks: "Shouldn't we rather encourage even greater efforts toward modernization so that steel-

makers won't rest on their recent progress, while foreign producers continue to make innovations?" In response, I believe that temporary quota relief from imports would supplement and encourage the modernization efforts presently being made by the steel industry. The industry has taken the first step and now it is up to Government to extend its support. A free world market in steel no longer exists. Competing foreign firms are often Government controlled and able to undercut domestic producers by selling dumped and subsidized steel in our market. Import quotas would give the industry a breathing space in order to restructure and regain the competitiveness necessary to survive in a world no longer guided by free-market principles.

The steel industry should be aided in its attempt to modernize rather than be refused the aid needed to survive. I have urged the President, in his review of the ITC remedy recommendation, to tie import relief to further adjustment. By insisting on adjustment as part of import relief we would show a concern for the industry as well as a determination to let free-market principles prevail.

MYTH

• • • import relief for steel will do great harm to the world trading system. CONGRESSIONAL RECORD, July 26, 1984, p. 21210.

REALITY

These views concerning the American steel industry incorporate two fundamental assumptions: first, that a free world market for steel exists and second, that everyone involved in that market is playing by the rules. Unfortunately, natural comparative advantage—the traditional economic concept upon which the world and U.S. trade philosophy is based—has very little to do with most foreign steel manufacturing or export. The U.S. steel industry is one of the last in the world to remain tied to free-market trade. Most major U.S. competitors are completely Government controlled; created and defined largely by Government policy. The decisive market force has become the maintenance of employment or the generation of foreign exchange. Import restrictions have been a part of the national policy of most of these competitors for many years. The world trading system envisioned by free trades simply does not exist.

In today's world market, very few foreign competitors play by the rules as well know them. The American steel industry has not only suffered from insufficient protection against unfair imports, but from the weakness of current barriers to imports as well. The United States is one of the last open markets for steel in the world. Thus, foreign exporters are increasingly willing to take the risks in circumventing U.S. customs law in order to get their products into the U.S. market. In order effectively to restore competitiveness to the American steel industry, policymakers must cope with the world trade situation as it exists rather than as they would like it to be.

An insistence upon the application of pure, free-market principles to a world steel market which is anything but free is an unacceptable and more importantly, unworkable solution for the suffering American steel industry. The critical state of the industry necessitates a departure from economic theory into reality in order to restore our steel producers to a state of health.●

BRUCELLOSIS

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. PRYOR. Mr. President, as we consider the fiscal year 1985 appropriations bill for the Department of Agriculture and related agencies, I want to call attention to the subject of brucellosis. First, I would like to commend the Senator from Mississippi [Mr. COCHRAN], for his efforts. Our States have the same problem with the brucellosis outbreak, and I want to join in this effort to eradicate the problem. Also, Mr. President, I want to express my hope that we can start to make some significant progress in the near future on the eradication of brucellosis.

This issue is one of great importance to the beef cattle producers in the State of Arkansas, Mr. President, and I hope the funding level contained in the Senate bill will help speed up our efforts to rid ourselves of this disease. Arkansas, like several other States, is now a class C State under the program. We are taking steps to get the problem under control, and to move forward with an eradication effort.

It's my understanding, Mr. President, that a task force within the beef cattle industry has been working for quite some time on a 5-year eradication plan that should be ready shortly. Once this plan is finalized, Mr. President, I think the industry and the beef cattle producers will find that Congress is more than willing to help in this area. I know that in Arkansas, for example, we could use additional personnel to work on the brucellosis problem. Currently, we have a personnel shortage, and I'm very hopeful that some of the money provided under this bill will be used to provide States, like Arkansas, with more personnel. This move would not only help combat the problem, Mr. President, but it would also show the beef-cattle producers in this country that we're willing to take the steps necessary to eradicate the problem.

I look forward to the completion of the industry's recommendations, and I hope that we can work together in a joint effort on the brucellosis problem.●

SENATE JOINT RESOLUTION 340—NATIONAL HISTORICALLY BLACK COLLEGES WEEK

● Mr. CHILES. Mr. President, I am happy to be an original cosponsor of legislation introduced in the Senate on August 6, 1984, to designate the week of September 23, 1984, as "National Historically Black Colleges Week." I am proud to join 34 other Senators in the introduction of Senate Joint Resolution 340. It is important to underscore the tremendous contributions to society that the 103 historically black institutions have made.

Four of these historically black institutions of higher learning, namely, Florida A&M University, Bethune Cookman College, Florida Memorial College, and Edward Waters College, are located in my own State of Florida. These institutions are vital to the well-being of the higher educational system of my State. They have provided opportunities for thousands of black youths in my State who otherwise would not have been able to attend school because the opportunity was not available elsewhere. Florida A&M University, Bethune Cookman College, Florida Memorial College, and Edward Waters College were all founded to fill the commitment of providing educational opportunities for black youths, not only in Florida but around the country. Later, after the historic *Brown* desegration decision of 1954, these institutions continued to exist and fulfill the need—not to preserve segregated educational facilities but rather to provide firm, viable, and valuable educational opportunities for all. This commemorative joint resolution is important to remind the Congress and the country of the significant contributions the graduates of these institutions have made. The 103 historically black colleges have given to this Nation, doctors, lawyers, teachers, businesspersons, scientists, farmers, architects, politicians, and others who have enriched this country. The tradition of quality education and the expansion of opportunity should be affirmed and supported by the Congress. We can make our support known through the adoption of Senate Joint Resolution 340.

Mr. President, a nation's progress is measured in either tiny steps or giant strides taken in its educational system. I believe that our Nation's giant strides are attributable to an educational system that is inclusive of all its people. Our continued progress depends on our continued commitment to that ideal.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under the act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provisions stipulates that, in the Senate, the notification of a proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point a notification which has been received.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 2, 1984.

In reply refer to: I-04604/84ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-61, concerning the Department of the Army's proposed Letter of Offer to Turkey for defense articles and services estimated to cost $129 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

You will also find attached a certification as required by Section 620C(d) of the Foreign Assistance Act of 1961, as amended, that this action is consistent with Section 620C(b) of that statute.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL No. 84-61

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(B) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Turkey.

(ii) Total Estimated Value:

	Millions
Major defense equipment[1]	0
Other	$129
Total	129

[1] As defined in sec. 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: A quantity of 600 M48A5 tank conversion kits each consisting of 13 selected subkits, support items, and services for the conversion of M48A1 tanks to the M48A5 configuration.

(iv) Military Department: Army (URL).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) *Date Report Delivered to Congress:* Aug 2, 1984.

POLICY JUSTIFICATION

TURKEY—M48A5 TANK CONVERSION KITS

The Government of Turkey has requested the purchase of a quantity of 600 M48A5 tank conversion kits each consisting of 13 selected sub-kits, support items, and services for the conversion of M48A1 tanks to the M48A5 configuration at an estimated cost of $129 million.

This sale, the fourth of an anticipated six total purchases, will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Turkey; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The Government of Turkey needs these conversion kits to continue to upgrade its Korean War vintage M48 series tanks. Turkey will have no difficulty in absorbing and maintaining the converted tanks as the tanks, parts, tools, and test equipment are already in the inventory and trained personnel are available. This sale will enable the Turkish Army to increase its military capability. The tank conversion kits will be provided in accordance with and subject to the limitations on use and transfer provided for under the Arms Export Control Act, as embodied in the terms of sale. This sale will not adversely affect either the military balance in the region or U.S. efforts to encourage a negotiated settlement of the Cyprus question.

There is no prime contractor for all of the various sub-kits requested in this sale. Parts and sub-kits of the conversion kits produced by the various contractors will be shipped to the Anniston Army Depot, Alabama, for assembly into a "package" shipment.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Turkey.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

U.S. DEPARTMENT OF STATE, UNDER SECRETARY OF STATE FOR SECURITY ASSISTANCE, SCIENCE AND TECHNOLOGY,
Washington, DC, July 27, 1984.

Pursuant to section 620C(d) of the Foreign Assistance Act of 1961, as amended (the Act), and the authority vested in me by Department of State Delegation of Authority No. 145, I hereby certify that the provision to Turkey of 600 M48A5 tank conversion kits at an estimated cost of $129 million is consistent with the principles contained in section 620C(b) of the Act.

This certification will be made part of the certification to the Congress under section 36(b) of the Arms Export Control Act regarding the proposed sale of the above named articles and is based on the justification accompanying said certification, and of which such justification constitutes a full explanation.

WILLIAM SCHNEIDER, Jr.●

THE LEADERSHIP IN EDUCATIONAL ADMINISTRATION DEVELOPMENT ACT OF 1984

● Mr. CHAFEE. Mr. President, it had been my intention to offer an amendment to S. 2341 to establish a program to expand career development opportunities for elementary and secondary school administrators.

Since it was extremely important for the Senate to approve the Vocational Education Act amendments in a timely fashion, I did not seek to have the amendment considered yesterday. However, it is my hope that the Senate will have an opportunity to examine this proposal in the near future.

Recently, I joined with Senators HATFIELD, CHILES, HOLLINGS, COCHRAN, and MOYNIHAN in introducing S. 2512, the Leadership in Educational Administration Development Act of 1984. The LEAD bill is among several school improvement initiatives recently recommended in the report of the Senate Republican Conference Task Force on Education.

Although studies on American education do not identify any single ingredient for success in improving schools, they do indicate that our most effective schools are those characterized by strong leadership by the school principal. The principal sets a school's instructional objectives, strengthens the commitment of teachers, evaluates school achievements and takes corrective action when they fall short.

The leadership skills of principals and other school administrators are being tested now as never before. We look to school administrators to ensure that the drive for educational improvement will not falter. My legislation establishes a program to help equip administrators for this challenge by enhancing their managerial, evaluation, communication, budgetary and human relations skills.

The importance of well-trained school administrators is too often overlooked. Earlier this year the National Institute of Education released a study of the role of the school principal.

According to NIE:

> One of the key players in the field of education is the principal—the man or women in the middle, the one responsible for seeing to it that his or her school is an effective one . . . Yet these players are chosen in a process that is ridden with chance . . . A principal is often chosen because of his or her image rather than educational leadership qualities.

Local school districts must improve their methods of selecting school principals. But more can and must be done to increase career development opportunities for school administrators. Many of our school principals often lack sufficient preparation for their jobs, and find limited opportunities for inservice training.

My proposal will enable the Secretary of Education to award contracts for the establishment of training centers for elementary and secondary school administrators. Up to $20 million per year will be available for the establishment of training centers throughout the Nation. In order to assure that every State receives some assistance in this endeavor, the legisla-

tion stipulates that at least $150,000 will be set aside for each State.

These training centers will conduct workshops emphasizing the unique combination of educational and managerial skills which are required for effective school administration. The programs will train administrators to:

First, set educational goals and strategies to attain them;

Second, master objective techniques for evaluating teacher performance;

Third, assess the effectiveness of the school curriculum;

Fourth, improve the quality of instruction through analysis and classroom observation; and

Fifth, improve the administrative abilities necessary for effective school leadership—communications, consensus-building, time-mangement, budgetary, disciplinary and other skills.

Administrators already at work, as well as those entering this challenging field, will be served by the centers. This legislation recognizes that effective school administration skills cannot simply be learned from a book. The programs will feature instructors from both the business and academic communities and will offer training by practicing administrators with proven records in effective school districts. The centers will collect and disseminate information about leadership skills associated with successful schools, and offer internships in business, industry and established effective schools.

This measure will be an extremely worthwhile addition to the school improvement legislation which has begun to emerge from the 98th Congress. I hope it can soon be considered by the Senate.●

A THANK YOU TO SUMMER INTERNS

● Mr. LEVIN. Mr. President, allow me to take a few minutes to thank an unwearying group of young men and women who have made all our lives and those of our staffs a little easier this summer. I speak, of course, of summer interns.

They have walked thousands of miles running errands, opened and sorted tons of mail, researched volumes of materials, Xeroxed reams of documents, attended hours of committee hearings, and answered countless telephones.

Each summer my staff and I have had the assistance and support of these dedicated, bright young people. Now, as this year's group starts to head back home and many prepare for another year on college campuses across the Nation, I feel it is most appropriate to say, "thank you" for all the good work.

Hopefully, their internships have been an interesting, unforgetable, and educational experience. I hope that they have made many friends and will return home with a better understanding of the U.S Senate and the legislative process. Perhaps a few will aspire to run for public office in the years to come.

Whatever the future holds, they should know that their summer in Washington was beneficial to us and that they have made a difference. I would especially like to thank Pete Altinok, Roland Aragona, David Bolton, Lisa Brouillette, Linda Calcaterra, Stephen Driker, Brad Fuller, Mark Freedman, Brian Gleason, Karen Hogg, Zoe Maduros, Gayl Marans, Rowena Marcelo, Denise Michael, Richard Monto, Eric Nederlander, Anthy Papista, Patrick Potter, Katy Stokes, Darren Weingard, and Chuck Zanger who worked with my staff this summer.●

SOUTH CENTRAL SMALL FARMS RESEARCH CENTER

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. PRYOR. Mr. President, I am pleased that the Committee on Appropriations of the Senate included $450,000 in the fiscal year 1985 agriculture appropriations bill, H.R. 5743, for construction at the South Central Small Farms Research Center. This facility, which is located in Booneville, AR, has been helpful in providing research and technical assistance to agriculture and farm families in many areas of the Southern United States.

The $450,000 that is included in the bill will provide for the construction of a permanent administration and laboratory building. This addition to the Booneville operation will be very instrumental in allowing the facility and the employees to continue their excellent work.

Mr. President, I commend the efforts of my colleague from Arkansas, Mr. BUMPERS, and I also appreciate the support of the chairman of the subcommittee, the Senator from Mississippi [Mr. COCHRAN], and the ranking minority member, the Senator from Missouri [Mr. EAGLETON].●

SURVEY FINDS EXIMBANK PERFORMANCE INADEQUATE

● Mr. HEINZ. Mr. President, the National Association of Manufacturers recently completed a survey assessing the performance of the Export-Import Bank in light of the amendments made by Congress last year to the Bank's charter. Those amendments directed the Bank to pursue aggressively its responsibilities to provide competitive financing for American exports.

Mr. President, too frequently in the past American exporters were severely disadvantaged in the area of export financing. Their foreign competitors would have very concessionary financing, backed by their governments, and would procede to capture traditional American export markets. The American exporter was left either to watch his business deteriorate because of his inability to match the foreign credit offers, or he was forced to make his export sales from his foreign subsidiaries, where he would also have access to the foreign government's generous export credits.

Mr. President, I have no fondness for subsidies. But I do believe in giving our exporters a level playing field in their export competition. I believe that with a level playing field American exporters will do very well. They will win many sales based on the quality, reliability, and price of the American goods and services.

That is why I find the results of the NAM survey very distressing. Congress seems to have succeeded in large measure in convincing the Eximbank to set its loan rates equal to those of our foreign competitors. But, according to this survey, these competitive loan rates too often remain only on paper. The loans are not being offered. By May 30 of this year, 8 months into the fiscal year, the Eximbank had used only 25 percent of its direct loan authority.

Part of this failure on the part of the Bank to meet its responsibilities to provide adequate financing is due to the perception, shared by 63 percent of those surveyed, that adequate financing will not be provided. As one exporter stated, "the name of the game is to get the export and not just grind out paper that can't win business. Exporters need the Bank's 'best shot' the first time." Apparently, that aggressive support is not forthcoming.

Congress has addressed the statutory questions. It is now time that the Eximbank demonstrated, from its lowest levels on up, a change of attitude. Their job is to encourage exports not discourage exporters.

Mr. President, I ask that the article describing the results of the NAM survey be printed in the RECORD at this point.

The article is as follows:

COMPANIES RATE EXPORT-IMPORT BANK

A recent NAM survey suggests serious dissatisfaction in the U.S. business community regarding the Export-Import Bank's ability to offer competitive export financing. In November 1983, Congress amended Exim-Bank's charter, making it clear that the competitiveness of U.S. exports is more important than making money or even breaking even. In the language of the statute, "The Bank shall consider its average cost of money as one factor in its determination of interest rates, where such consideration does not impair the Bank's primary function of expanding United States exports through fully competitive financing."

COMPETITIVE MANDATE

How well the bank has carried out its competitive mandate to date is a major question raised in the new NAM survey. So far, 43

companies have responded. Of these, 10 percent felt that the bank was not doing this part of its job "at all" and 53 percent felt that it was doing it "inadequately." Only 20 percent of the respondents said that Exim was "adequately" meeting its competitive mandate *(table 1)*.

One engineering/construction firm wrote that "the name of the game is to get the export * * * and not just grind out paper [preliminary commitments] that can't win business." The firm added: "Exporters need the Bank's 'best shot' the first time.

A major semiconductor firm said, "Traditionally, Exim programs have been geared toward transportation, mining equipment, and large capital equipment exporters. These are not the high-potential export products. High technology equipment exporters have different needs."

A heavy equipment manufacturer wrote: "Exim needs to become active rather than reactive. We should not have to fight an uphill, time-critical battle with EximBank each time a competitive situation arises."

The response to this most recent NAM survey exceeds NAM's last major survey on this subject conducted in 1977 and also apparently represents a larger sampling of corporate opinion than EximBank uses in preparing its own competitiveness reports. At a meeting of Exim's Advisory Committee of private sector representatives on May 31, Exim officials stated that only 10 corporations were formally surveyed by the bank and perhaps an equal number were informally contacted by telephone. Similar survey procedures were reportedly used with the banking community. Any greater surveying effort would have to be cleared by the Office of Management and Budget, an Exim official said.

BUSINESS NOT GOING TO EXIM

The results of the new NAM survey indicate that U.S. companies often do not even bother to bring business to the bank to see if financing support might be available. Over the past year-and-a-half,68 percent of the companies responding to the survey did not take business to Exim because they felt financing was either not available or uncompetitive. Fifty-eight percent of the companies rated this business as either "very important" or "important." Eighteen companies alone identified nearly $1 billion worth of export business that they did not take to the EximBank during this period because they did not believe the bank would help (table 2).

Some of the business not going to the EximBank is instead being sourced by U.S. firms out of their foreign subsidiaries. Sixty-three percent of the companies surveyed said they have supplied goods from foreign plants because of the availability of better export credit facilities abroad. In the words of one company official, "We will regularly offer equipment from both U.S. and overseas plants for the same job. This is done primarily due to the uncertainty surrounding Exim rates and availability. Exim is usually too slow in responding to competitive financing vertification."

The NAM results on foreign sourcing confirm the findings of a survey conducted by the Machinery and Allied Products Institute (MAPI) in 1981. The MAPI-survey of just 39 companies found that $386 million worth of business in 1981 was sourced overseas because of better official financing support.

As for export business actually taken to the bank, the companies who responded to the NAM survey said that they requested a total of 127 preliminary commitments (PCs) for Exim financing from the beginning of FY 83 to the present. Fifty-three percent of these PCs were accepted and 45 percent of those acceptances actually became loans. Forty-three percent of the 127 PCs-requested were either rejected or held without action.

The NAM survey clearly shows that the export financing facilities in all other major industrial counties are superior to those of EximBank. The Japanese and French systems are rated far higher than the U.S. system as are those of the United Kingdom and Brazil. Ratings for Italy, Canada and Germany suggest that those countries have only a sight edge over the United States in export credit. In no case, however, did the ratings show foreign financing facilities to be inferior or even equal to the U.S. financing system; they were all rated as better *(table 3)*.

Among the aspects of Exim's policy that U.S. manufacturers find most troubling are these:

Application of a 2 percent user fee on disbursed loans;

Relatively high interest rates on direct loans;

A percentage of loan coverage that is below, and so not competitive with, foreign offerings;

The virtual absence of a mixed credit program; and

Lack of medium-term credit.

While critical of Exim policies in these areas, survey respondents identified several relatively new Exim programs that have enhanced the competitiveness of U.S. export financing. The improvement most frequently cited was the reduction of Exim interest rates to OECD levels. Other improvements mentioned were (1) the increase in direct loan cover from 65 percent to 75 percent, with an additional 10 percent of the loan coming from the supplier at interest rates matching those of the official loan package; (2) the more aggressive approach to small business; and (3) Exim's guarantee of payments in currencies other than dollars.

EXIM COMPETITIVENESS REPORT

The findings of NAM's survey on EximBank contrast sharply with the conclusions of the bank's own competitiveness report, a draft of which was released at the May 31 Advisory Committee meeting mentioned above. This draft stated "all indications are that 1983 was a year in which long-term U.S. export credit moved to absolute competitiveness with the standard official export credit and reduced the gap between the U.S. system and its competitors in extraordinary support." The report acknowledged that this competitive assessment for 1983 was based on a level of EximBank activity 40 percent below that of 1982 and 66 percent below that of 1981 and 1980.

It should be noted that for 1984 the bank only expects to use $2.6 billion out of its $3.8 billion allocation for direct loans. And that assessment may be unduly optimistic. By May 30, which was the end of the eighth month of FY 84, the bank had spent only 25 percent of its direct loan budget. Just to keep pace with the lower loan target of $2.6 billion the bank would have had to have spent 82 percent—$780 million—more than it actually did in the period from October 1983 to May 1984.

The low level of EximBank loan activity is undoubtedly due to the relatively slow rate of economic growth in America's major export markets, especially Latin America, and to the strong U.S. dollar, which has sharply cut into the price competitiveness of U.S. goods. Exim's draft report quite correctly cites these factors as influencing the demand for the bank's services.

The NAM survey results, however, suggest that Latin American austerity and the overvalued dollar may not be only explanations for Exim's relative quiescence. There is a widespread perception in the U.S. business community that in many cases the EximBank is simply not going to provide fully competitive financing, the kind that would be needed to neutralize that offered by our overseas competitors. This perception has influenced American business decisions, not only on whether but on how to seek overseas business.

SURVEY FOLLOWUP

The survey described above represents a first step in NAM's effort to get the views of member companies on EximBank's policies. Almost 30 companies said they have case examples that demonstrate both positive and negative aspects of the Exim financing program. Furthermore, they have indicated a willingness to work with NAM in developing case studies to be used in evaluating how well the bank is meeting its competitiveness mandate. The results of this work will be published in future editions of Trade & Industry.

TABLE 1

Respondents Rate Implementation of Competitiveness Mandate:

Aggressively, 0%—Inadequately, 53%.
Adequately, 20%—Not all, 10%.

TABLE 2

Three Questions Answered:

From the beginning of FY 83 to date, are there instances where your company did not take business to the EximBank because you believed that financing was either not available or uncompetitive?

Yes, 68%—No, 27%.

If the answer to the preceding question was "yes," how would you characterize the importance of this business to your company?

Very important, 35%—Somewhat important 7%.
Important, 23%—Not important 0%.

If possible, can you provide either the numbered of cases or the dollar value of the business not taken to the Eximbank?

18 responses ranging from $300,000 to $500 million.
Total: $954.85 million.
Average: $50 million.

TABLE 3

Respondents Rate Foreign Export Finance Facilities:

[In percent]

	Better than United States	Same as United States	Worse than United States
Brazil	58	5	5
Canada	43	28	5
France	78	15	0
Germany	48	38	8
Italy	43	25	3
Japan	85	3	3
South Korea	38	20	8
United Kingdom	60	28	0

●

● Mr. MOYNIHAN. Mr. President, I rise today to share with my colleagues my thoughts on the proposals present-

ed by the U.S. delegation at the United Nations Population Conference being held this week.

Under the Foreign Assistance Act of 1961, the United States has provided support to developing nations, to help address the disturbing patterns of world population growth. This aid has been vital to the efforts of many nations to develop and implement safe and effective methods of family planning.

At the United Nations Conference in Mexico City, 140 delegates from all over the world are gathering to discuss how their nations may best continue their efforts to reduce rising population rates. Despite the recent study by the World Bank, the World Development Report, linking rapid population growth to huge increases in poverty, joblessness, and health problems, the U.S. delegation appointed by President Reagan will advance a policy that represents a retrenchment from all previous American and international actions. The delegation will propose a resolution stating that free-market economics, rather than family planning programs, offer the best solution to population problems, and calling for the denial of foreign aid to any nongovernmental organization that funds abortions with moneys other than those from the United States. This is a reversal of past and current U.S. policies.

Robert McNamara, former president of the World Bank, has warned that this reversal likely would lead to more abortions, not fewer, because "such organizaitons as International Planned Parenthood, now substantially dependent on U.S. funding, will no longer receive U.S. funds, and yet it is one of the most effective forces in the world for population planning."

Is it prudent, I must ask, to condition an aspect of our foreign policy toward developing nations on the view that they should receive aid only if they adhere to our views of family planning? Under current law enacted in 1974, no U.S. funds may be used for abortions. The administration's proposal goes much further: no organization could receive U.S. funds if they have decided to include abortions funded from other sources, as a component of their population control efforts.

Family planning organizations have a desparately difficult task, to develop population control strategies. In light of the expected population explosion predicted by the World Bank and others, the United States should not find itself actually hindering the efforts of developing nations to reduce their growth rates.●

MAPLE RESEARCH GRANT

● Mr. LEAHY. Mr. President, the production of maple syrup in Vermont is a part of our long and proud agricultural heritage. Vermont products have acquired an international reputation for quality and taste. It's naturally good.

Maple syrup production represents a $10 million industry in my home State and an important source of supplementary income for many Vermont family farmers. The demand for maple products increases every year, and the market potential both here and abroad is very large.

Yet, it appears that the maple tree is at risk.

Mr. President, I met in February of this year with maple industry leaders and scientists from the University of Vermont. They presented the results of a study to me which revealed some distressing facts about the maple stand. It found the total number of living maple trees has declined 25 percent since 1965 and maple tree reproduction is off an alarming 85 percent.

It is clear that work must begin now to determine the causes of the maple tree stand problems in Vermont, which have implications for the maple industry nationwide.

The University of Vermont, through its agricultural experiment station, has been conducting maple tree research for more than 50 years. Its maple farm is the only field research station in the country devoted solely to understanding all aspects of the maple industry and sap production. The University will commit approximately $100,000 to an accelerated study of the decline of the maple tree.

Mr. President, I want to thank the chairman of the Appropriation Subcommittee on Agriculture, Rural Development, and Related Agencies, Senator COCHRAN, for including $250,000 in H.R. 5743 to augment this work. I also appreciate the help that the ranking minority member of the subcommittee, Mr. EAGLETON, and his staff have provided on this project.

Mr. President, it is crucial that this research gets underway as soon as possible. We must begin work now to reverse the decline of the maple stand.●

A NEW COTTONSEED

● Mr. TOWER. Mr. President, I would like to bring to the attention of my colleagues a new strain of glandless cottonseed that has been developed recently in Texas and which may be a significant solution to many of the world's nutritional needs. In short, glandless cottonseed is grown to be eaten, not woven into fabric and worn. More importantly, glandless cottonseed contains 35 to 65 percent high quality protein—an abnormally high protein source even in comparison with soybean meal and other flours with a high protein content.

The future of this new cottonseed as a protein supplement in a wide variety of foods is virtually limitless. Also, unlike many other protein sources, glandless cottonseed can be produced in virtually every country in the world suffering from severe problems of malnourishment. As our world population continues to grow, the need for easily produced sources of high protein will become more critical. At this point, glandless cottonseed may well be the No. 1 answer to that increasingly vital need.

Mr. President, in order to provide my colleagues with more in-depth information about this new cottonseed, I ask that the following article from Texas Women's University's Office of Information be included in the RECORD.

The article follows:

A NEW STAFF OF LIFE DEVELOPED IN TEXAS

How long has it been since you ate cotton?

A new staff of life, glandless cottonseed, may soon become an important part of your diet. It has been found to contain protein of high quality.

As the story of glandless cottonseed develops in Texas, its primary spokesman is Carl Cox, executive director of the Natural Fibers and Food Protein Commission of Texas (NFFPC), a state agency which sponsors, supervises and/or funds research to promote the sale of Texas-produced cotton, wool, mohair, oilseeds and their proteins. "At the same time that we have developed seed for human food, we have maintained top quality cotton from the same plant," he said. "Do you realize the economic implications? They are fantastic." Without decreasing the quality of the cotton as a fiber, one bale of glandless cottonseed (500 lbs.) yields 165-200 lbs. of glandless cottonseed protein.

Glanded cottonseed contains gossypol, a pigment toxic to humans. In glandless cottonseed, the pigment is not present. Between those two statements lie decades of research, the dedication of world-famous scientists, unswerving faith in glandless cottonseed as an important new source of vegetable protein, the frustration of delay in getting it to market and, recently, international involvement.

Dr. Scott McMichaels of the USDA Shafter Station in California discovered glandless cottonseed on the Hopi Indian reservation in Arizona in the mid-1950's. Some of the cotton plants were a lighter green color than the others and there were no gland spots visible in their slick, opaque green bolls. When he cut into a seed from this different colored cotton, he found it clear, cream colored and glandless. Could absence of glands mean that it might be edible?

Even though one company, Trinity Oil Mill in Fort Worth, marketed cottonseed flour products more than 40 years ago, it was McMichael's discovery which opened the door to a new generation of sophisticated research into the glandless variety.

Several years later, in the early 1960s, Cox was visiting the nation's only full-scale cottonseed tonnage processing plant located at the Food Protein Research and Development Center at Texas A&M University. Four tons of glandless cottonseed arrived to be processed into oil. "I picked up the glandless cottonseed importance by accident. My interest at that point was purely visual. The oil was clear and the seeds were white. This excited me to the point where I caught the

next plane west to visit McMichaels, look at this cotton and find out the cause of the unusual phenomenon I had seen in an oil mill. Extracted oil is usually dark and has to be refined to become clear. This glandless cottonseed oil was clear to begin with," he said. "Whenever you reduce preparation by a full step, you save producers time and money."

Glandless cottonseed plants are visually identifiable from the day they emerge. "The green is so different that you can identify it from glanded cotton when you're driving by at 55 miles an hour," according to Cox. He wondered why it was not being grown in Texas. Years passed before Cox's question was answered.

Scientists had found that gossypol glands in traditional cottonseed are toxic to humans, so the USDA sponsored a project, through a flour mill in Lubbock, to try to extract the gossypol mechanically. Thirty gossypol glands fit easily onto the head of a pin and mechanical removal was found to be economically unfeasible, which led the NFFPC fund the Texas A&M Food Protein Research and Development Center to tackle the problem genetically.

Researchers at Texas A&M found that glandless cottonseed was missing a chromosome. In order to reliably produce glandless cottonseed they removed the chromosome genetically from known varieties. "It took 16 back-crosses to do it and that means a minimum of eight years even with two crops a year," Cox explained. This is a major feat in plant genetics.

Along with solving the problem of growing glandless cottonseed genetically, Texas A&M researchers have incorporated all their modern expertise in plant breeding. The results are early maturing, seedling vigor, cold tolerance, insect resistance, absence of nectar, and high strength along with a storm-resistant closed boll, very attractive to the farmer.

"The greatest day in our program was when we were able to lure the late Dr. Karl Mattil away from Swift to Texas A&M to work on glandles, cottonseed," Cox said. "Mattil was the man who discovered homogenization and soft margarine and he was known as the dean of food engineering in the world. We made 20 years progress in his seven years on the project," said Cox. Dr. Carl Cater of Texas A&M has also made tremendous contributions.

NFFPC also funded the Texas Research Center at Texas Tech to research the fiber from glandless cotton from start to finish to ensure no decrease in quality from cotton already being grown in the state; Texas Woman's University to study the effects of glandless cottonseed protein on animals and humans and, if proven safe, development of palatable food products; and the University of Texas Econometric Research and Marketing Center to study its economic feasibility for production and marketing.

Some $3 million from Cotton Incorporated, a grower-financed research and promotion organization, has been earmarked for glandless cotton research through NFFPC in the past decade. An estimated $12 million has been spent by growers, universities, state agencies and private companies to date.

Dr. Betty Alford, dean of the College of Nutrition, Textiles and Human Development at Texas Woman's University, is a nutrition researcher who has devoted the past 14 years to the study of glandless cottonseed. "I began as part of the late Dr. Pauline Beery Mack's research team. She was the dean who began TWU's involvement in this area and she was a renowned nutrition researcher. We have conducted thousands of animal and human studies to determine the safety of glandless cottonseed.

Based on TWU's research, the Food and Drug Administration approved glandless cottonseed as a food additive in 1979," said Alford. As a food additive, cottonseed flour reduces dough stickiness and controls spread when used in amounts of one to six percent. It reduces fat absorption, improves browning and increases shelf life of certain baked products by reducing rancidity.

TWU researchers do not recommend substituting 100 percent glandless cottonseed flour in some bakery products because it lacks gluten, which causes dough to rise, and they have formulated substitution tables for its use.

Considering the needs of undernourished nations, TWU has conducted studies in a home for children and a home for the aged to determine the minimum amount necessary to support and maintain health if cotton were the sole source of protein. "Needs vary by body weight, lifestyle and age," Dr. Alford explained. "Because it contains 35 to 65 percent high quality protein, cottonseed flour is an outstanding food source nutritionally. It is also defatted, which may help solve some other problems in the United States."

TWU research has disclosed that, like most other products, the use of glandless cottonseed is not recommended for persons with some diseases. On the other hand, for some reason not yet known, the addition of glandless cottonseed products in controlled situations has been found by TWU researchers to be beneficial to persons with Downs Syndrome, A disease accounting for one-third of the mental retardation in the United States.

The Product Development and Research Laboratory in TWU's Department of Nutrition and Food Sciences found glandless cottonseed flour (and, more recently, flakes and kernels) to be very versatile for many delicious dishes including those with ground meat, egg and cheese mixtures, casseroles, quick bread, baked goods, snacks and confections. In Denton, Texas, school children participating in taste tests gobbled sausage rolls and pizza. The elderly preferred glandless cottonseed protein in hot fruit.

TWU researchers have developed general guidelines for cooking with glandless cottonseed in the home. They also have found means of incorporating glandless cottonseed flour, flakes and kernels into native recipes for such areas as Nigeria, southern India and Central America. Shrimp and tempura vegetables have been rated "excellent" by several groups of Japanese visitors.

In 1976-77, when Dr. Mary Evelyn Blagg Huey, the president of Texas Woman's University, was chairman of the NFFPC, she introduced some of the food products at the Japan/Texas Trade Mission in Tokyo. Manufacturers lined up to find out more about glandless cottonseed and had to be told that the seed was available only for research at that time.

Huey, who is again NFFPC chairman, and Cox have both spent a lot of time trying to interest mills across the United States in producing glandless cottonseed flour products when seed became available. The milling companies have not been interested.

Until 1984, glandless cottonseed was available only through Rogers Cotton Seed Company in Waco. Rogers contracted with farmers to grow the patented seeds. A Japanese firm, Yazaki USA Corporation, has now purchased the Rogers company and will pay an incentive premium to participating growers of $75 per ton, up to a total price not to exceed $225 per ton. The premium is the amount above that paid by oil mills.

The premium on 40,000 acres in Texas will total about $1 million this year and projections are that the Yazaki program could double every year for the next three to five years, according to an article in the Houston Chronicle. The incentive money to growers is expected to exceed $3 million by the end of 1985.

Yazaki's marketing arm is C. Itoh, Inc., the world's largest flour and grain trading company.

Of course, the logical question is "Why is a Japanese firm doing this, instead of an American company?" The answer is parallel to what happened to laser chips developed in the U.S.A. A professor at Cal Tech peddled his laser chip idea to Texas Instruments, RCA and IBM but nobody pursued it. A Japanese company, Atashi, saw the potential and bought it. Anything going into outer space has laser chips and, because of that one product, Hitachi is the fastest-growing company in the world today. The story is detailed in the November, 1983, *Smithsonian Magazine.*

"The same thing happened to us in the food industry," Cox said.

Yazaki has already introduced some of the glandless cottonseed food products developed by TWU at a national nutritional foods convention in Atlanta and people in Washington can sample some of them in the NFFPC/TWU booth on August 16-18 during the USDA Food and Fitness Fair on the Mall.

Some TWU research indicates that cottonseed protein results in greater bone density in rats and in children. As a result, the King Ranch is now experimenting with glandless cottonseed to see whether it will produce stronger bones in thoroughbred race horses. Fish need protein, and the national fisheries and hatcheries might find glandless cottonseed products a source of high protein fish food. The possibilities for utilization are almost endless.

"When it comes to human nutrition, every undernourished country in the world either grows or can grow cotton," Cox emphasized. Glandless cottonseed has the potential for meeting the needs of a burgeoning world population facing both a decreasing supply of animal protein and an increasing need for better nutrition.

The great leap forward in glandless cottonseed flour is going to come in concentrates and isolates or extracts having literally thousands of uses, Cox predicts. Glandless cottonseed protein isolates have already been added to carbonated and citrus beverages to increase protein content and have been used in whipped toppings and meringues. A coagulated cottonseed protein curd product has shown great promise both as a cream cheese alternate and as a meat substitute. Emulsions from it simulate salad dressing and mayonnaise.

"The really big volume is coming when somebody somewhere decides on the importance of protein drinks as a health food for the general public. With its 99 percent solube protein, glandless cottonseed is again the answer," Cox said confidently.●

VOCATIONAL EDUCATION ACT REAUTHORIZATION

● Mr. RIEGLE. Mr. President, after more than 2 years of work and much compromise, the Senate has approved the reauthorization of the Vocational Education Act. I commend my colleagues who have joined in this effort. I particularly commend Senators PELL and STAFFORD for their contribution and long hours of effort.

Vocational education is a vital program across this Nation. However, in States like Michigan, the program takes on added significance. Michigan's business and industry is faced with sweeping technological advances that must be implemented in order to stay competitive. The immense problem and challenge of training and retraining Michigan's workforce has brought a heightened awareness to our State's educators, business, and industry leaders regarding the vital link vocational education provides.

According to the Michigan Occupational Education Association, three-fourths of Michigan's jobs require vocational/technical skills. Currently over 300 high schools, 53 area centers, and 29 community colleges offer vocational training courses with a total enrollment exceeding 330,000 students.

Long before Federal efforts to promote educational equity were initiated, the Smith-Hughes Act of 1917 was providing Federal assistance for programs in trade and industrial subjects. Although Federal aid accounts for less than 10 percent of the total spent on vocational training, that 10 percent has been used to provide critical funds for basic maintenance and to serve the needs of special populations including women, the disadvantaged, and the handicapped.

The bill the Senate passed yesterday authorizes $900 million in fiscal 1985, an increase of $161 million over this year. Roughly half the funds will go to States for expanding training opportunities for groups which have traditionally had limited access to vocational training. States will be required to use 25 percent of those funds for serving the handicapped, 50 percent for the disadvantaged, 2 percent for prison inmates, and 23 percent for sex equity programs to help homemakers and single parents entering the workforce. The remaining portion of the funds will be used for program improvement, including purchase of equipment.

In addition to vocational education, this bill will reauthorize the Women's Educational Equity Act, which supports projects for eliminating sex bias from education programs. The bill will authorize $6.2 million in fiscal 1985 and such sums as Congress considers necessary in 1986-89.

Finally, this bill includes an authorization of $500,000 to convene a national summit conference on education in response to the numerous reports issued concerning the state of public education in this Nation. The conference would develop recommendations for Federal and State legislation to improve the quality of education.

Mr. President, this legislation, which now bears the name of the late esteemed chairman of the House Committee on Education and Labor, Carl D. Perkins, is an important part of our continuing efforts to revitalize our industrial base. I sincerely hope that the differences between the House and Senate versions of this legislation are quickly resolved and swiftly sent to the President for signature.●

PHILLIP ETTINGER, RICKOVER INSTITUTE PARTICIPANT

● Mr. LEVIN. Mr. President, I would like to take this opportunity to congratulate a young Michiganite on being chosen to attend the first session of the Hyman Rickover Science Institute in Leesburg, VA, from July 8 to August 17.

Phillip Ettinger of Southfield, MI, was 1 of only 60 students chosen to participate in this program—the only one of its kind which combines theoretical training with practical experience. The program is a summer educational experience for the gifted youth of our Nation.

Phillip Ettinger is a credit to the State of Michigan and I am pleased to congratulate him on his outstanding achievement.●

ECONOMIC EQUITY

● Mr. DURENBERGER. Mr. President, this week marks a landmark in our effort to achieve economic equity for American women and families. The House of Representatives, following our earlier action, passed two major sections of the Economic Equity Act of 1983—private pension reform and child support enforcement. Passage of private pension reform will help ensure pension equity for millions of older women and passage of child support enforcement will provide America's single-parent families with greater financial and familial stability.

Since I first introduced the Economic Equity Act of 1981, I have learned a great deal about the myriad of economic inequities faced by American women. During the 97th Congress we began to tackle just a few of the roadblocks that confront women in their efforts to achieve economic stability.

In 1981, Congress finally understood the financial crisis faced by an American woman upon the death of her spouse. Recognition of this problem eventually resulted in passage of estate tax reform legislation, modeled on the Economic Equity Act, which recognized the role of the woman as an equal partner in building a family farm or business and protected her interests from the tax collectors after her husband's death.

The 97th Congress also perceived the need to assist women in obtaining farm credit and enacted another provision of the EEA which eliminated the bias in farm credit that put unmarried women at the bottom of the preference list.

The Economic Equity Act of 1981 focused attention on the difficulty many working parents experience when they attempt to obtain affordable, quality dependent care. This resulted in passage of an EEA initiative which increased the dependent care tax credit—particularly for lower income families. Fortunately, the Senate perceived the need to make the credit refundable—thereby aiding those most in need of assistance. Unfortunately, the House objected to this provision and it was dropped in conference.

Finally, individual retirement accounts were expanded in 1981 to make virtually all income-earning workers eligible. In addition, homemakers who do not have outside earnings were permitted to establish an IRA.

The years 1981 and 1982 represented great progress in our effort to achieve economic equity. In fact, the term "economic equity" quickly became a popular expression. Despite the progress made during the 97th Congress, many inequities continue to exist. The Economic Equity Act of 1983, which I sponsored in the Senate, was introduced in March 1983, to continue our drive against economic discrimination.

The EEA of 1983 (S. 888) is a comprehensive package of legislative initiatives—each one designed to remedy a form of economic inequity.

Title I addresses tax and retirement discrimination and is divided into five sections: private pension reform; individual retirement accounts; displaced homemakers tax credit; heads of household zero-bracket-amount reform; and civil service retirement reform.

Title II continues our effort to provide assistance to working families by increasing the dependent care tax credit further, making the credit refundable, and establishng a clearinghouse for information and referral.

Title III prohibits discrimination on the basis of race, color, religion, sex, or national origin in insurance and annuities. This proposal recognizes the inequities in gender-based distinctions frequently utilized by insurance companies and seeks to make insurance gender neutral.

Title IV seeks to remove rules, regulations, guidelines, programs, and policies of agencies and executive departments which result in different treatment based on gender.

Finally, title V reforms our child support enforcement system to ensure

child support assistance for all children—not just those receiving AFDC. In addition, a series of mandatory practices and procedures are ordered which will increase the effectiveness of our child support system.

Like its predecessor, the Economic Equity Act of 1983, quickly generated widespread support. It became a priority for me, Senators PACKWOOD, HATFIELD, and HART, members of the Congressional Caucus for Women's Issues, and representatives of 32 major national organizations. Shortly after its introduction, it was cosponsored by 34 Senators and 129 Representatives.

This strong commitment, coupled with Senator DOLE'S commitment to economic equity, resulted in 2 days of comprehensive hearings on the entire Economic Equity Act on June 20, and 21, 1983.

Those hearings, as well as later hearings on specific provisions of the bill, quickly demonstrated the harsh realities of economic discrimination against women.

Mrs. Geneva Burgess, of Glen Burnie, MD testified at our hearings that her husband's pension had been denied to her despite many years of marriage and family partnership. She poignantly identified the pain she had suffered as a result:

> Mr. Chairman, it is probably too late for me. But it is not too late for thousands of women who lose out this year or the next. It is not too late for someone like Patricia Tice who also lives in Maryland and who told me that her husband is dying of cancer at age 50.
>
> She has written to IBM to see about getting a share of his benefit. But even after 23 years with the company, when Mrs. Tice moved frequently with her husband to further his career, whe will be out of luck if he does not make it another five years. She was crying to me on the phone because she knows he will not make it. I ask for her sake and the sake of thousands of other women who count on their husband's pensions to get by, for you to change the law.

Tragically, Mrs. Tice's husband did not make it—he died shortly before Mrs. Tice was to testify before the House Ways and Means Committee on the need for the Economic Equity Act's pension reform. Despite her husband's death, a courageous Mrs. Tice appeared before the committee to continue her drive for pension equity.

To demonstrate their conviction to a strong child support enforcement system, five women from Flint, MI, drove to Washington, DC, in a van, to testify before the Senate Finance Committee.

These women vividly identified the frustration and anxiety many women experience when attempting to raise a family alone. Patricia Kelly, a founder of KINDER, testified about the importance of child support and the impossible catch-22 that single parents find themselves caught up in without adequate child support.

> For millions of women like myself child support is the lifeline enabling us to be self-supporting and productive. The extremely high costs of housing, food, clothing, utilities, and child care along with the fact that many women have few job skills and choose the traditional role of mother and housewife first, results in female heads of households and their children becoming poverty stricken after divorce.

The mail which I receive reiterates the urgency of economic equity. I recently received a letter from a constituent, 52 years old, crippled with arthritis, with a mentally retarded and handicapped child who described the inequities in our civil service retirement system:

> We are now in the process of a divorce, and this is where I have a great problem and desperately need some help. I am listed as his beneficiary on a survivor's annuity from the Government, but, I understand that with the divorce, I will no longer benefit from the plan. To me, this is really unfair. The Government Retirement Plan took the place of Social Security so I will not be receiving this. The survivor's annuity plan was supposed to be for my benefit later in life.

Sadly, these are not unique cases. Women continue to earn only 59 percent of what men earn—and that percentage has actually decreased over the past 15 years. Of the 441 occupations listed by the U.S. Census Bureau, women are concentrated primarily in the 20 lowest paid job classifications. One out of every three families which depends on a woman for its sole source of support lives in poverty. In fact, although women constitute only 43 percent of the labor force, they comprise 66 percent of those living in poverty.

The 98th Congress began to respond to these problems by enacting significant provisions of the Economic Equity Act of 1983. The House and Senate have now unanimously passed legislation to improve our child support enforcement system and reform our private pension laws. In addition, the 98th Congress passed laws which make it easier for dependent care facilities to obtain nonprofit status and for individuals to include alimony for the purpose of establishing an independent retirement account. The Senate has passed regulatory reform legislation during the 98th Congress and the House enacted a bill which would establish a clearinghouse for dependent care facilities. Finally, both the Senate and the House have begun to address the need for civil service retirement reform.

Passage of private pension reform by the Senate on the last day of the 1st session of the 98th Congress was the critical first step toward successful consideration of the Economic Equity Act during the 98th Congress. That step was quickly followed by House passage of child support enforcement reform, Senate passage of child support enforcement legislation, Senate passage of a spousal IRA proposal, enactment of legislation for dependent care facilities, Senate passage of regulatory reform, House enactment of an even better private pension bill, and now passage by both the House and Senate of identical private pension legislation and child support enforcement legislation.

The private pension plan which was adopted this week will help millions of American women, like Mrs. Burgess and Mrs. Tice, who experience discrimination in our pension laws. That bill will require payment of a survivor's annuity to a spouse of a worker who was fully vested even if that worker dies before the annuity starting date. Had this law been in effect when Mrs. Burgess' husband died she would not have had to experience the inequities of her husband's pension plan. In addition, the bill would require consent of both spouses to terminate survivor's benefit rights. It also would establish joint and survivor's annuity benefits as the normal type of benefit payout for any plan which offers an annuity as an optional form of benefit.

The private pension reform legislation also benefits workers and their families by ensuring that individuals who temporarily leave their jobs will not lose their pension rights for prebreak periods of service. Additional protection for men and women who take maternity or paternity leave is also provided. To assist individuals who enter the work force at an early age, typically women, the bill reduces the minimum age of pension participation from 25 to 21 and it lowers the minimum age of vesting from 21 to 18 years.

In many cases divorced women find themselves without any pension benefits if they are divorced after many years of marriage. This bill would allow for an equitable division of pension accounts in court-ordered divorce actions. Finally, it would require individual benefit statements to include a notice to participants identifying when vested benefits may be forfeited.

Similarly, the child support legislation which we enacted this week will help millions of single-parent families. Failure to pay child support in this country has reached epidemic proportions. In fact, this situation has become so serious that everyone knows someone who is not receiving child support.

The child support legislation passed by Congress is a strong piece bill which incorporates many of the provisions of title IV of the Economic Equity Act. It will require mandatory wage withholding after arrearages equal 1 month. Mandatory Federal and State income tax offsets for both AFDC and non-AFDC arrearages will begin as a result of passage of this legislation. In addition, the bill requires the imposition of mandatory liens, se-

curity and bonding, and reporting to credit bureaus. The child support legislation, in recognition of the serious consequences of divorce on all family members, provides support for State and local government initiatives with respect to visitation, child custody, and related domestic issues. The bill establishes a 4-month extension of medicaid for families who are terminated from AFDC due to the receipt of child support. Finally, the legislation commences a new incentive formula for both AFDC and non-AFDC and gradually reduces the Federal matching payments. Hopefully, the incentive change will encourage States to become more cost-effective and responsive to all families.

I believe the progress we have made with passage of the Economic Equity Act provisions is promising. Although none of these issues may have dominated the front newspapers the way that title IX and other critical issues have, each of the issues I have cited will have an important effect on improving the economic status of women and low- and moderate-income families.

We haven't passed an omnibus Economic Equity Act—in fact, many of the provisions have passed with different authors or as amendments to other bills. But even without the fanfare, I believe that with our progress and with the support and commitment of so many dedicated citizens, we can look back to this time as the turning point in economic equity for women.

We will not give up the fight for economic equity. In fact, with each new step my commitment to this cause grows and I look forward to pushing on with the Economic Equity Act of 1985.●

S. 2568—THE CIVIL RIGHTS ACT OF 1984

● Mr. PACKWOOD. I ask that the text of the editorial, "Thank Title IX for Some of That Gold," from the August 5, 1984, Washington Post, appear in the CONGRESSIONAL RECORD in support of S. 2568, the Civil Rights Act of 1984.

The editorial follows:

[From the Washington Post, Aug. 5, 1984]

THANK TITLE IX FOR SOME OF THAT GOLD

(By Kenneth H. Bastian, Jr.)

The whole world is watching American women win Olympic gold medals in Los Angeles, thanks to a dramatic explosion of interest—and money—devoted to women's sports in the United States. As a firm believer in the private sector, and as one who does not advocate government interference where it has no business, I'd be delighted to report that the catalyst for this growth in women's amateur sports was the same as for me: early encouragement from school athletic programs and generous corporate sponsorships.

Instead, a key reason that Cheryl Miller leads our women's basketball team to one victory after another and that Tracy Caulkins has broken swimming records for our country is that they, like the majority of their teammates, have benefited from a law passed by Congress in 1972.

That law, Title IX of the Education Amendments of 1972, states that "no person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits, of, or be subjected to discrimination under any educational program or activity receiving financial or federal assistance."

It forced American schools, colleges and universities to broaden their women's athletic programs, and led the first athletic scholarships' being made available to women. The results have been dramatic: the number of women in intercollegiate athletic programs jumped from 16,000 in 1972 over 150,000 today. In 1972 only 7 percent of high school athletes were girls. Ten Years later, the number had jumped to 35 percent. The quality, as well as the quantity, of their achievements has been spectacular.

For example, men have taken only seven minutes off their best record marathon running time in the past 10 years. Women, many training seriously for the first time thanks to new women's professional coaches in school programs, have taken an hour and five minutes off their 1964 record. The same story can be told throughout the sports world: women finally are beginning to reach their potential as athletes.

Yet even as we cheer these victories, they may be fleeting. The dramatic increase in female athletic achievement is threatened by the U.S. Supreme Court's ruling in the Grove City College case, which struck down the Title IX provision.

Already schools are relaxing their efforts. According to the Women's Sports Foundation, 23 sex discrimination cases—aimed at forcing compliance with Title IX cases in school athletic programs—have been dropped.

"If an administrator takes it into his head that 'basketball is for boys,' he can do away with girls' basketball with no fear of governmental action," says Donna de Varona, a founding member and president of the Women's Sports Foundation, who won two Olympic gold medals in swimming in 1964.

She knows what the future could hold without Title IX. After her gold medal victories in Tokyo, she had no real opportunities to train in college. However, Don Schollander, her fellow gold medalist, went on to compete for four more years in the highly developed world of men's collegiate swimming.

In the *Grove City* ruling, the Supreme Court found that the equality requirements are "program specific," so that if a college receives $10,000 in federal funds for its mathematics programs, that money must be spent equally for men and women only in mathematics programs. This interpretation allows schools to accept federal dollars through one office while discriminating in another.

Other school programs—including athletics—no longer need to provide equal opportunity if they don't get that direct federal funding. Many schools, therefore, won't have to comply, since their sports are funded from non-federal sources—student fees, alumni groups, ticket sales and television contracts.

Will they voluntarily continue to fund women's sports in a big way? Many believe not, since enough progress hasn't been made yet to elevate women's sports to the same profit-making level as men's sports. Before Title IX, which aimed at promoting the potential of each individual—whether male or female—in sports, athletic directors historically concentrated on whatever program provided the most public attention and revenue for their schools.

College athletic budgets for women, which grew under pressure from Title IX from 1 percent to 16 percent of the total spent on all college sports, probably will shrink again unless Congress acts.

Many of our future Olympic women athletes might have to retire in their teens, like de Varona, while their male counterparts compete for their colleges and universities. Scholarships may dry up. And this may turn out to be the peak year for U.S. women in the Olympics. Of the more than 200 women Olympians representing our nation in the current games, more than 170 received their training in a university or college athletic program.

It is ironic that this progress should be threatened in the same year that finds a woman on the Supreme Court, women aboard the space shuttle, women in the Cabinet and a woman running for vice president. It doesn't have to happen. Both the Democrats and the Republicans, who claim to offer equal opportunity for all Americans, should support legislation that will reinforce the key provisions of Title IX. In a May 22 press conference, the president voiced his support for Title IX, but the language reversing the Grove City College case is currently stalled in the Senate, and time is running out for passage and for our women athletes.●

NATIONAL CREDIT UNION SHARE INSURANCE FUND: PHASE IN THE 1 PERCENT

● Mr. SASSER. Mr. President, title VIII of the Omnibus Deficit Reduction Act, passed by the Senate on June 27 and signed into law on July 18, contained a series of amendments designed to improve the long-range stability and financial management flexibility of the credit union system. I was pleased to support these amendments, which had been unanimously polled out of the Senate Banking Committee in April.

A key amendment dealt with the further capitalization of the National Credit Union Share Insurance Fund. The NCUSIF was established in 1970 and serves as the basic insuring mechanism for member credit unions. The recapitalization plan will require a contribution from participating credit unions of 1 percent of their insured shares into the fund, making it comparable to the FDIC and FSLIC. The plan has broad support from credit unions, regulators, and Congress.

I was somewhat concerned, Mr. President, by a letter I received from one of my constituents, Mr. Craig Esreal of the Navy Memphis Federal Credit Union in Tennessee. Mr. Esreal reports the possibility that the National Credit Union Administration may demand full payment of the 1 percent of insured shares in a single deposit, rather than in installments as permit-

ted by law and as recommended by legislative history.

Mr. President, there are a number of credit unions around the country in a very tight liquidity squeeze. Over 20 percent of them had negative earnings for the 1983 calendar year. As Mr. Esreal points out—and I ask that the text of his letter be included at the conclusion of my remarks—a number have loan-to-share ratios in excess of 90 percent. These credit unions would be put in an extremely difficult situation if any sort of one-payment deposit were required. Such a result would be absolutely counter to the reason for passing these amendments.

The law clearly allows NCUA the flexibility to phase in the 1-percent deposit, and I urge and recommend that they do so. Several of my colleagues on the Banking Committee have also openly supported this approach. Chairman GARN and Senators CRANSTON, RIEGLE, and D'AMATO have reiterated congressional intent that the phasein flexibility be used. I add my confirmation to that understanding of the law as enacted.

The credit union movement has been, and continues to be, a vital factor in the economic lives of working people in this country. We passed the credit union amendments in support of their continuing role in this regard. Recapitalization of the Share Insurance Fund was designed to help, not hurt. It is my hope and expectation that the NCUA will heed the recommendations of Congress, and of credit union executives like Mr. Esreal, in adopting a phasein approach to the recapitalization plan.

The letter follows:

NAVY MEMPHIS FEDERAL
CREDIT UNION,
NAVAL AIR STATION MEMPHIS,
Millington, TN, August 1, 1984.

NATIONAL ASSOCIATION OF FEDERAL CREDIT UNIONS,
Washington, DC.

DEAR SIR/MADAM: I am very pleased to see the recapitalization legislation has been approved. The share insurance fund needs to be strengthened and I feel the 1 percent plan will accomplish this task without placing undue hardship on the individual credit unions if implemented properly. I would like to forward one caveat. Many credit unions, especially some of the small ones, are experiencing liquidity problems. At the recent NAFCU meeting in Washington, D.C., I talked to several credit union managers who had loan to share ratios in excess of ninety percent and were experiencing liquidity problems. It would place a sever hardship on these credit unions if the 1 percent insured shares is to be submitted in a single payment. I feel implementing the plan in several installments over a twelve or twenty-four month period would allow these credit unions to plan and prepare for the transfer. Let us strengthen our share insurance fund but not at the expense of placing financial hardship on any credit union.

Sincerely,

W. CRAIG ESRAEL,
Assistant General Manager.●

WASHINGTON POST ARTICLE: "UNITED STATES SEES NO CRISIS IN POPULATION"

● Mr. DENTON. Mr. President, I would like to call the attention of my colleagues to an article from today's edition of the Washington Post entitled, "United States Sees No Crisis in Population." It contains yet another example of distortion of the facts in the reporting of the news, a distortion to which, for some reason, the Post seems especially prone.

After recounting events at the United Nations Population Conference in Mexico City, the article discusses, in its last section, the Senate's consideration yesterday of the Packwood/Bradley amendment to the supplemental appropriations bill. The amendment attempted to repudiate the President's new population policy which includes no contributions through the Agency for International Development to proabortion family planning providers in other countries. The Post describes yesterday's debate as reflecting "sharp bipartisan opposition to the new international population policy."

What the article fails to mention is that the Packwood/Bradley amendment was withdrawn after a procedural test vote on the abortion issue on an amendment offered by my distinguished friend and colleague from North Carolina, Senator HELMS, showed that it would have been defeated. By supporting the Helms amendment, the Senate reaffirmed its commitment to the President's population policy by voting to commend the President for his leadership in protecting the life of the unborn at home and abroad.

Those who read the article must have gotten the impression that the President is acting without the support of the Senate. Those of us who were here on the floor yesterday know that, fortunately for the President and for the future unborn children of the world, nothing could be further from the truth. It is unfortunate that the Washington Post, which prides itself on being a great newspaper, did not report the whole story.

Mr. President, I ask that the full text of "United States Sees No Crisis in Population" be printed in the RECORD immediately following my remarks.

The article follows:

UNITED STATES SEES NO CRISIS IN POPULATION

(By William A. Orme, Jr.)

MEXICO CITY, August 8.—The United States rejects "the notion that we are caught up in a global population crisis," the head of the U.S. delegation to the United Nations population conference declared here today.

Former Senator James L. Buckley spoke to reporters before addressing the conference, where he reiterated that Washington will cut off funds to all private organizations that "perform or actively promote abortion." He also argued that state-supported birth control programs are less important than the adoption of "market-oriented" economic policies.

He said the link between economic policy and family planning was necessary to avoid "disruption of the natural mechanism for slowing population growth."

"Population growth is of itself neither good nor bad," Buckley told the conference, expressing official U.S. policy. "It becomes an asset or a problem in conjunction with other factors, such as economic policy, social constraints, and the ability to put additional men and women to useful work.

"People, after all, are producers as well as consumers."

Reflecting dissension within the U.S. delegation, Buckley's speech today nonetheless acknowledged that "the current situation in many developed countries is such that relief from population pressures cannot be achieved overnight even under optimal economic policies. In the meantime, rapid population growth compounds already serious problems and increases the costs and difficulties of economic development."

In his address, Buckley emphasized that the United States has raised family planning aid 30 percent since 1980 and currently provides 44 percent "of the total population assistance provided by developed nations." The Reagan administration's position "does not represent a radical shift," Buckley said.

Critics of the U.S. position "should wait a year and see how the Reagan administration administers the policy," William Draper, president of the Export-Import bank and U.S. delegation member, said in an interview.

"I think every member of this delegation feels there should be more family planning, not less," Draper said.

One anticipated shift in U.S. population policy is an acceleration of funding of organizations promoting "natural" birth control methods supported by the Catholic Church. Such groups already are slated to receive $6 million this year, up from $800,000 in 1981, M. Peter McPherson, administrator of the Agency for International Development and a delegation member, said.

By stressing the U.S. commitment to both family planning and free-market economics, Buckley's brief address effectively embraced opposing viewpoints within the U.S. delegation, informed observers said.

"We are speaking here with one voice," said McPherson, who is seen as perhaps the most vocal advocate among the U.S. representatives of assistance in population control.

But in his press conference remarks, Buckley continued to emphasize the administration's official view that state-supported birth control programs are less important than the adoption of "market-oriented" economic policies. He also said the United States disputes forecasts that soaring birth rates will lead to "doom, gloom, and perpetual scarcities."

Comparing the present U.S. position to Washington's policy approach at the first international conference on population in Bucharest 10 years ago, Buckley said the U.S. view is closer to the Third World's argument that family planning programs must be accompanied by economic growth. At Bucharest, Buckley said, the development nations tended to concentrate on reducing numbers, and the developing world concentrated on increasing development.

Today, however, "99 percent" of the delegations believe the two issues are "inextricably linked," Buckley said.

In his address, Buckley repeated that the United States will cut off funds to all private organizations that "perform or actively promote abortion," as well as to any government "which engages in forcible coercion to achieve population goals."

U.S. delegates have declined to specify how they expect U.S. foreign aid directors to define "coercion," with some noting privately that even documented abuses in China and India were never the official policy of those governments.

In Singapore, often cited by U.S. spokesman as a model of population and economic management, the government denies free public education to all but the eldest two children.

"Is that coercion? We don't think so because no one is stopping Singaporeans from having as many children as they please," said one adviser to the U.S. delegation.

The U.S. delegation today introduced an amendment to the preamble of the conference's draft declaration that "calls attention to the extraordiary progress registered in Third World health and economic conditions since the Bucharest meeting, advances which offer 'substantial hope' that the population problem will be resolve," Buckley said.

Debate on suggested alternations of the declaration's wording will not take place until later in the conference, scheduled to conclude Aug. 13 or 14. But Buckley, indicating that the United States is not eager for a floor fight said today, "We cannot expect agreement on every item that has necessary place on our agenda".

Washington Post staff writers Spencer Rich and Bosko Jaksic added:

On Capitol Hill, there was sharp bipartisan opposition to the new international population policy. In the House, nearly 60 members including 11 Republicans released a letter to President Reagan opposing the new policy as likely to "increase unwanted preganancies and abortions by reducing voluntary family planning efforts" and criticizing the policy as "radical and unsound." In the Senate, Sens. Bob Packwood (R-Ore.) and Bill Bradley (D-N.J.) introduced a sense of the Senate resolution repudiating the policy and reaffirming Congress' commitment to furnishing population control assistance.

Packwood called the president's new international policy a "short-sighted policy reversal which * * * will contribute to misery and deprevation in other countries around the world."

Bradley said that if Congress were to go along with the president's policy it would "cut off about $50 to $70 million in federal funds to many nongovenmental organizations such as International Planned Parenthood."

Both Packwood and Bradley argued that abortion was not the issue because any use of U.S. funds for abortion was alrady forbidden. They said the only issue was whether all government family planning funds should be denied to an organization that with its own money provides abortion advice and services.●

THE UKRAINIAN FAMINE

● Mr. RIEGLE. Mr. President, I am pleased to cosponsor two important pieces of legislation concerning the Ukrainian famine of 1932-33, which are currently pending before the Senate Foreign Relations Committee.

Senate Concurrent Resolution 101, introduced by Senator D'AMATO, calls for the commemoration of the Ukrainian famine, and S. 2456, introduced by Senator BRADLEY, calls for the establishment of a commission to study and document the events which led to this tragic event.

Mr. President, history provides us with countless examples of man's inhumanity to man. During World War II, the Jews suffered a genocide of their people by the Germans of the Third Reich. In China, many died in the collectivization of land by Mao during the Great Leap Forward. From 1915-17, the Armenian people suffered a genocide at the hands of the Turkish Government, and we now know of the terrible situation in Uganda in which hundreds of thousands of civilians have been killed over the past 3 years.

With the passage of time, the world has become increasingly aware of yet another tragedy—that which befell the Ukrainian people over 50 year ago.

The Ukraine, an area long blessed with bountiful harvests, was once known as the "breadbasket" of Europe. While hardship was never a stranger to the Ukrainian people, they had been mercifully spared the pain of hunger.

With the Soviet collectivization of Ukrainian farmland in the late 1920's, all that began to change. In a deliberate move, designed to eliminate the Ukrainian people, Stalin initiated a program in which the harvests of the peasants' farmland were expropriated to the Soviet state, leaving little or no food for the Ukrainians. Deprivation of food, coupled with inhumane treatment by Soviet authorities, led to the death of between 7 and 14 million peasants. Thus, the Ukrainians become the victims of the world's first and only man-induced famine.

Just as the world now recognizes the tragedies which have been inflicted upon people of other nations, so too must we pay tribute to the thousands of innocent Ukrainians who lost their lives during this famine.

Unpleasant as it is to recall these tragic events, we must do so in order to guard against their recurring in the future. An appropriate and long-overdue contribution to this effort would be the Senate's ratification of the Genocide Convention, which makes genocide a crime punishable under international law. In tribute to all those Ukrainians who perished in the famine, I urge prompt Senate action on this important matter.●

U.N. USES U.S. TAXPAYER FUNDS TO SPONSOR MEETINGS OF TERRORIST GROUPS

● Mr. DENTON. Mr. President, in behalf of the millions of American taxpayers who are called upon to provide $603 million for the U.S. proportionate share of funds toward the assessed budget of the United Nations for next year I must express my outrage at U.N. continued use of U.S. tax dollars to help finance the terrorist activities of the Palestine Liberation Organization [PLO] and the South West Africa People's Organization [SWAPO]. The PLO is costing American lives and undermining U.S. peace efforts in the Middle East, using the customary techniques of murder, abduction, assassination, and intimidation with the support and backing of the Soviets.

Similarly, the South West Africa People's Organization [SWAPO], openly sponsored by the Soviets, is intensifying its terrorist campaign to seize control of Namibia in violation of efforts of the U.S. Government to achieve independence for Namibia through the usual democratic process of a fair and free election.

From August 7 to August 9 a special committee of the United Nations, all as discussed in a U.N. press release of June 18, 1984, is holding a meeting in Tunis, Tunisia, in northern Africa where Mr. Sam Nujoma, president of SWAPO, will deliver a keynote address and Mr. Yassir Arafat, chairman of the PLO, will address the same conference.

Under U.N. sponsorship, these two terrorist leaders are joining together to combine their efforts in intensified attacks on Israel and Namibia.

The conference is described by the United Nations as a "conference of Arab solidarity with the struggle for liberation in southern Africa".

For several years, the U.S. Congress has enacted various laws which prohibit U.N. use of American tax money to finance the activities of PLO and SWAPO. The United Nations continues to flout the law, and finance these terrorist meetings throughout the world, of which the Tunisia conference is only the latest example. On November 22, 1983, President Reagan signed Public Law 98-164 which prohibits the use of funds appropriated for the United Nations to "provide benefits" to the Palestine Liberation Organization or to the South West Africa People's Organization.

Public Law 98-164 also requires that the President "shall annually review the budget of the United Nations" and report to the U.S. Congress on any projects benefiting terrorists.

I shall be watching for that report. I will review it carefully to see that the United Nations and the U.S. State Department are complying with the policy of the U.S. Congress to protect American taxpayers from having their hard-earned money misappropriated by the United Nations to help finance PLO or SWAPO terrorism.●

NEW YORK BOND PROGRAM

● Mr. MOYNIHAN. Mr. President, there has been some public discussion of late about the administration of the mortgage revenue bond program in New York. My distinguished colleague from the Senate Finance Committee, my chairman, Senator DOLE, has written my good friend Mario Cuomo, the Governor of New York, questioning the fairness of New York's mortgage revenue bond program. Public interest has been aroused, no doubt, by the televised pictures of New Yorkers camping out for days to receive applications for mortgages under this program, at a fixed rate of 10.98 percent.

This is a commentary not on the New York mortgage revenue bond program, but on the administration's economic policies that produce prohibitively high market mortgage rates, nearing 15 percent today. Thousands of moderate-income New Yorkers and millions of other Americans cannot afford to buy their first homes without help, as from the mortgage revenue bond program.

I have had some doubts about the efficiency of the approach of mortgage revenue bonds; but I have no doubts whatsoever about the fairness of the program in New York. Last year, more than 7,000 New York families received $335 million in mortgages subsidized through the mortgage revenue bond program. Their average income was $31,000, and the average price of homes financed with these subsidized mortgages was $54,000. In New York, at least, the mortgage revenue bond program is not operated to subsidize upper-income families.

Senator DOLE wrote Governor Cuomo about the New York program. I ask that Governor Cuomo's response to Senator DOLE be printed in the RECORD.

The letter follows:

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, NY, August 8, 1984.

Hon. ROBERT DOLE,
U.S. Senator, Senate Office Building, Washington, DC.

DEAR SENATOR DOLE: Thank you for your recent letter regarding New York State's administration of the mortgage revenue bond program, through which tax-exempt bonds are issued to provide low-interest mortgage loans to first-time home buyers and home buyers in economically distressed areas.

As you indicated, New York has a proven history of effective management of this program and has served as a model for other states.

Under New York's program, administered by the State of New York Mortgage Agency [SONYMA], more than 7,000 subsidized mortgages were provided last year alone. SONYA's most recent bond issuance is expected to benefit an additional 3,500 households.

Although New York does not impose an income limitation on SONYMA's mortgage program our experience has shown that the income of participating households is not excessive. The average income of households is not excessive. The average income of households receiving SONYMA mortgages in 1983 was $31,000. Moreover, the average purchase price of houses financed through SONYMA was $54,000—well below the $90,000 average price of a home in New York. In short, the mortgage revenue bond program in our State provides affordable financing for moderate-income families purchasing modest cost homes.

In addition, a significant percentage of bond proceeds in New York—a percentage which has doubled under my Administration—is targeted to homes purchased in designated areas of chronic economic distress. Mortgage loans targeted to these areas not only benefit individual home buyers but also revitalize declining neighborhoods.

The mortgage revenue bond program is not a panacea for all of the housing needs in our State or the nation. But it does substantially benefit thousands of households of moderate means whose dream of home ownership would otherwise remain out of reach for one reason: high interest rates. For example, with mortgage rates currently hovering around 15 percent, a houshold on Long Island would need a gross annual income of $70,000 to qualify for conventional financing of an average price house.

As you know, the cause of these high interest rates is the massive and unprecedented Reagan deficit. Indeed, the long lines outside New York banks formed by persons seeking affordable SONYMA mortgages provides dramatic evidence of the impact the Reagan deficit has had on the average American. Deficit induced high interest rates preclude thousands of moderate-income families from buying homes. Especially hard hit are younger, first-time home buyers. For them, home ownership is possible only with the lower-rate mortgages provided by the Mortgage revenue bond program.

I am sure that you are aware that the mortgage revenue bond program as presently structured cannot possibly meet the housing needs of the lowest income families. Even at a below market mortgage rate of 10.98 percent (as provided through SONYMA's latest issuance), it would be extremely difficult for a family with an income of $10,000 or $15,000 to purchase a home. For the poor, decent and affordable rental housing is the answer, particularly in urban areas. Unfortunately, the Reagan Administration has virtually eliminated federal support for the construction of low-income rental housing and has slashed other low-income rental housing subsidies.

Nevertheless, New Yorkers are thankful that Congress this year—after an unwarranted dely—voted to extend the mortgage revenue bond program. We will continue to administer the program in a fair and effective manner.

Sincerely,

MARIO M. CUOMO,
Governor.

P.S. I commend you for your candid and sensible assessment of the magnitude of the federal deficit and the ultimate need to raise revenues to address the problem. Your comments, and those of many of your Republican colleagues in the Senate, are refreshingly honest, given the President's apparent desire to wish away the deficit.●

THE PASSING OF ANTHONY WALLACE, SR.

● Mr. WEICKER. Mr. President, I was indeed sad to learn of the passing of Anthony Wallace of New Milford, CT, on June 1. Tony Wallace was a dear friend, and I consider it an honor to have both campaigned and served with him in elective office. Truly, he embodied what is good about politics.

The following tribute appeared in the New Milford Times on June 21, 1984. It was written by his son, Anthony Wallace, Jr., and I submit it to my colleagues as a special tribute to a special person.

The text of the tribute reads:

ANTHONY E. WALLACE: A MAN FOR ALL SEASONS

When Anthony E. Wallace, retired President and Chief Executive Officer of the Connecticut Light and Power Company and former Speaker of the State House of Representatives, died on the morning of June 1, 1984, the people of Connecticut and our great nation lost both a dear friend and a truly remarkable individual. A born leader his wisdom, vision, energy, and unshakable faith in the infinite creativity of mankind and the indomitable spirit of his fellow man left an indelible mark on the heart of human progress. Few of us, however, were fortunate enough to know Tony, as he preferred to be addressed, as intimately as I did.

For 38 years he walked with me through this wonderful and oft precarious world that we live in and more than once took me by the hand to calm my fledgling fears and anxieties and skillfully guided me to the top of the hill. He was a man of tremendous vitality and compassion who always put aside his own well-being and comfort to help fulfill the dreams and aspirations of all those who reached out and touched him. He was, in every sense of the word, unselfish. The embodiment of all that is good and just and honorable in humanity and that which we, individually and collectively, tend to glorify and revere.

Tony was a rare breed. A unique and dying breed. A composite of the American dream. A man of unlimited ambition whose thirst for knowledge and self-improvement led him to the campus of UCLA and later to Harvard where he excelled. From these venerable halls he rose, solely on his own merit, to the pinnacle of success—both public and private. If ever there lived a person who could honestly lay claim to the cherished title of 'the self-made man' Tony Wallace was it. One need only spend a few minutes in his presence, listen to him speak, look into his soft engaging blue eyes, and feel the firm warmth of his large square hand to know that he was something special. Like viewing a total eclipse of the sun, once you met him there was little doubt in your mind that the experience was exceptional and not likely to repeat itself with anyone his equal for some time—if ever.

Tony was, indeed, a winner. In everything he stood for and chose to pursue. Even those who opposed him throughout his illustrious career, both in business and the political arena, would have to admit—a few perhaps only to themselves and behind closed doors—that in the final analysis he was, unequivocally, the superior man. Truly, a man for all seasons.

But, perhaps, it was his unfaltering love and devotion to his elegantly beautiful and dedicated wife, Helen, and family that best exemplified the totality of his commitment to the lives of others. A husband, a father, a

grandfather. Whatever his role he invariably went above and beyond the call of duty. Not for any personal gain but simply because he cared. And, it was this selfless caring that always set him apart from the mass of humanity, the throng of so many 'would-be' winners. I suppose, in a way, it was just his manner of showing how terribly grateful he was to be a part of something so grand and wonderful and enduring as a family bonded by loyalty and love. A marvelously close family whose profound pride in self he ultimately created and even now, in death, has never stopped nourishing.

I wish I could state a legacy for Tony Wallace. I cannot. He was by far too many things to too many people to capsulize the man and the value of his 68 years on this earth. That challenging assignment I shall humbly place in the hearts of all those who dearly loved him and those who simply called him 'friend.'

However, I can honestly tell you how I personally felt when I was informed of his passing. The moment my eyes swelled with tears and I sadly realized that eternity had finally stepped between us and that never again would I be able to hear that pleasant voice, look into those smiling eyes, or feel the warm solid grasp of the hand that had always been there when I needed it. The loving hand that had labored so diligently, so magnificently, toward helping so many many others.

I suddenly felt very lonely.●

H.R. 6040—SECOND SUPPLEMENTAL APPROPRIATIONS, 1984

● Mr. GLENN. Mr. President, although I was present for last night's vote on H.R. 6040 my vote on that measure was not recorded. Although it is impossible under Senate rules to correct the circumstances surrounding that oversight, I do want to take this opportunity to express my disappointment with the way we were conducting the Nation's business last evening, and too often as a pattern in recent days. To put it bluntly, I frankly think the American people are being jerked around and I think they have a right to be angry.

Here we are, 2 days before the August recess, rushing to pass spending bills for domestic and foreign policy programs with limited debate and without regard to spending limits and targets set by a congressional budget resolution. Now, I understand that in an election year everybody wants to look good in the eyes of the voters and everybody wants to be able to go back home and point to the goodies he or she has been able to deliver to their constituents. But I think its high time we place some sort of control on the kind of campaign contributions made last night.

The only way we can accomplish that is to first agree on spending limits and then insist that measures brought to the floor conform to those limits. Right now we are not doing either. We have yet to agree on spending limits for 1985 and yet today we are moving forward to approve new spending programs. Last night we turned our back on 1984 spending limits and approved extra appropriations that have not even been authorized by either House of Congress. Many of these programs, such as the emergency food and shelter program, are meritorious and deserve to be considered for additional funding in the budget process, not outside of it. And that is what I am objecting to. We are carelessly returning to the old practices that brought us to our current deficit woes—spending taxpayer's dollars without the discipline of a budget.

Mr. President, the Senate used to pride itself on being known as the world's greatest deliberative body. Well, we are being deliberate, all right. We are deliberately avoiding debate and rational policy discussion. And by conducting the Government's business via a series of supplemental appropriations and continuing resolutions we are only demonstrating our continuing irresolution to get control over these staggering Federal deficits. It is a sham and a charade—and I do not want any part of it. I think the people of this country deserve better than that—and I think the people of Ohio agree with me.●

THE U.S. BUSINESS & INDUSTRIAL COUNCIL'S DECLARATION OF POLICY

● Mr. MATTINGLY. Mr. President, I would like to bring to the attention of my colleagues the declaration of policy that has been issued by the U.S. Business & Industrial Council.

The statement presents the council's view that economic freedom and political freedom are intertwined; that they are mutually dependent on one another; and that to strengthen one is to strengthen the other.

While I do not agree with all of the specific legislative proposals recommended by the council, I do believe that the declaration deserves the attention of my colleagues because it contains a clearly enunciated recognition of the dangers faced by the United States in today's world; because it recognizes that those dangers can only be contained with a defense second to none; and because it emphasizes that a free economy is essential to a free country.

I ask that the declaration of policy appear in the RECORD.

The material follows:

DECLARATION OF POLICY

INTRODUCTION

For more than fifty years the United States Business and Industrial Council has maintained an unwavering and principled concern for our political and economic traditions, during a half-century that has incorporated unmatched distruptions in the political and economic order of the nation and the world.

The clear understanding that the USBIC has had for its past, present and future directions is sharply reflected in its annual Declaration of Policy—a Council tradition. It is the written Declaration of Policy that has enabled the Council throughout the years to stand forthright on the issues—however unpopular or controversial—with the full support and working of its membership.

The principles expressed in the Declaration form the basis for the work of the USBIC's Issue Task Forces. These Council directors—all experts in their fields—produce definitive studies of policy areas of particular concern to the Council membership, and to the American business community as a whole. These Task Force White Papers contribute substantive analysis and detailed recommendations for legislation.

The USBIC Declaration of Policy is thus a forthright statement of what its membership believes to be the critical problems that will confront the country in the coming year based and built upon the experiences of more than a generation of thoughtful American businessmen. It is this Declaration to which is owed the continuity and consistency so evident in the fifty year history of the United States Business Industrial Council.

I. A STRONG AMERICA

The USBIC wants this country's defense to be second to none and favors a foreign policy that will protect our sovereignty, economic strength, and strategic interests.

Foreign policy and defense

The United States has reached another critical point in its global security situation. Beginning in 1981, the U.S. made a substantial start on rebuilding its deteriorated defenses. At the same time, the United States adopted a stronger foreign policy posture, with a view to preventing further erosion of the free world position. These measures enhanced the overall security of the United States and its free society and helped safeguard the liberties and materials well-being of the American people. The firm response of the United States to the threat of another communist outpost in the Caribbean, on the island of Grenada, and the determination of the U.S. to proceed with the deployment of cruise missiles in Western Europe constituted evidence of a vigorous national security policy commensurate with the danger facing the United States.

The energetic actions undertaken by the U.S. government on behalf of freedom have engendered a furious response, however, from those elements who wish the United States to engage in unilateral disarmament, to accept a new Soviet-Cuban surrogate in Central America, and to yield to revolutionary pressures everywhere in the world. Studied efforts have been made to handicap the President in his constitutional exercise of authority in the field of foreign policy, to prevent the provision of military assistance to free nations and freedom fighters who want to resist communism expansionism and guerrilla warfare, and to block further rebuilding of U.S. defense capabilities. The President and others lawfully charged with the security of the United States in this hemisphere and elsewhere have had to contend with highly politicized media campaigns designed to denigrate the U.S. effort to prevent further expansion of the Soviet-Cuban foothold in the Western Hemisphere.

The dangers of the United States appearing weak, indecisive and unwilling to respond fully to threats in its national backyard is all the greater because of change in the leadership of the Soviet Union, America's principal adversary. The United States

cannot afford to allow defeatist elements to wage a successful war from within as they did during the Vietnam years. The maintenance of peace in the world depends on clear manifestations of American will to defend freedom. Moreover, enlargement of the zone of Soviet-Cuban influence in Central America would lead to a profound destabilization of Mexico and South American countries.

The spurious "peace" campaigns in Europe, which are directed against deployment of new missiles, also have a direct bearing on the well-being of the American people. It is the aim of the Soviets to decouple Western Europe from the United States and to sunder the unity of the Atlantic nations which has existed since the end of World War II. The American people have an enormous strategic and economic stake in maintaining close ties with their NATO allies, countries which are bastions of capitalistic economic power in a world that is increasingly socialist in character.

The USBIC favors negotiations with the Soviet Union to the end of achieving real reductions in nuclear and chemical weapons and supports President Reagan's vigorous efforts in this area. It would be a grave error, however, for the United States to accept any agreement put forth by the Soviet Union simply for the purpose of having a paper agreement. Solid guarantees and assurances of verfication must be written into any agreements which represent authentic paths to peace.

There is a dangerous tendency, manifested in some sections of public opinion, Congress and the media, to believe that United States policy represents an impediment to peace and that a more yielding and compromising spirit is needed. This argument flies in the face of history and reason and poses a serious threat to real peace and security. Insofar as the Western hemisphere is concerned, the United Staes cannot peacefully coexist with additional communist nations, as the 25 years of Castroite rule in Cuba makes clear. Each expansion of communist power represents an additional threat to the safety of the American people.

The United States faces threats elsewhere in the world, and a number of these threats are economic in character. It is an unfortunate fact of history that there are many nations that are full of envy and hostility towards the United States and its institutions, as manifested most clearly in the case of Iran. The Third World, which has been the beneficiary of so much American generosity, often seems ready and eager to bite the hand that literally feeds it. This is a condition and an atmosphere that will not disappear in the short run and is beyond the ability of the United States to change. Fortunately, however, the United States is not without friends abroad, and the failure of socialist economic systems around the world is an instructive lesson. In time, countries which have taken the socialist route and experienced retardation in their economic life, will be compelled to reexamine the American model of success. At the same time, America should assist countries that are politically and philosophically allied with us with their economic development.

In the critical period ahead, America's technological superiority must be safeguarded and enhanced. Our industrial base must be revitalized to ensure our capability to mobilize in time of crisis. While the U.S. properly wishes to trade abroad it must be careful not to trade away technical advantages which the future prosperity and security of the American people depend on.

Finally, the United States will face critical decisions regarding worldwide lending practices which will lead to a return of prudence and an end to financial overexposure. Errors of judgement made in the past expose the United States and its financial system to a measure of peril, and one of the principal areas where sound and balanced leadership is required is in the area of international lending.

Any review of challenges and problems facing the United States, however brief, illustrates very clearly the imperative aneed for the highest quality leadership in the United States in the years ahead. Without firm, principled leadership, aware of the range of threats facing the free world, the United States and its free society will be in mortal danger.

Military readiness

The USBIC believes strongly that our fighting men must have weapons that are "trigger ready"—that is, weapons that meet their established mission, tasks, and threats.

It is clear that, in current military operations, there are too many reported failures, accidents, and materiel shortcomings in weapons systems, equipment, logistic support, and supplies. Too many bottlenecks and similar problems occur at the subcontractor and parts supplier levels. Military procurement practices are abused, and materiel maintenance management is inadequate.

The Council is convinced that these problems can be addressed by requiring contractors to provide warranties on defense hardware and other materiel.

A free economy is essential to a free country. It is also the basis for national prosperity. The remarkable economic recovery experienced by the United States over the past two years is eloquent testimony to the inherent strength of our free enterprise system. However, the opponents of economic freedom have not eased the pressures for continuation and even expansion of government policies that have reduced economic freedom for many Americans. Economic difficulties of recession, unemployment, and the decline of several of our major industries have renewed the demands for a return to the masssive government role in the economy, including expansionary monetary policies, huge social welfare programs and other domestic policies that are the cause of America's economic problems.

The USIC believes that the nation can only return to its traditions of prosperity, high employment, and genuine economic growth by standing firm on the principles of economic freedom, which include drastically reduced federal spending, continuing efforts to reduce regulation of business, and a consistent monetary policy.

Private property and free enterprise

The United States Business and Industrial Council firmly supports the concept of property as the Foundation of personal liberty. The USBIC urges protection of the property rights of the American people.

Current activities by anti-business groups disclose a studied effort to separate control from ownership of property and, in effect, to limit and qualify property rights of corporations and shareholders. The current insistence in some quarters that corporations name so-called "public" directors—spokesmen for unions and consumers—is part of the effort to restructure the traditional American concept of property rights.

It is clear that there is a major effort afoot to deny investor-owned companies the right to make key decisions affecting their operations. The anti-business groups seek to deny business decision-making power regarding plant location or relocation, product selection, source of supply, and advertising. There is a campaign underway to compel companies to disclose essentially proprietary business information. Foes of free enterprise urge Congress to authorize severe penalties, including jail terms, for company executives who violate new social guidelines.

A federal law should preempt state laws only where the law expressly states that it is the intent of Congress to do so, when the constitution so empowers. Federal courts now exercise too much discretion in deciding whether or not a federal law preempts state laws covering the same area. Congress should not allow the courts to second-guess its intentions in this fashion.

Legislation has been proposed at state and federal levels to penalize companies that wish to relocate, thus making them "captive industries." If a state is losing businesses because its taxes are too high, its regulations too rigid, and its labor-management policies too solicitous of big unions, imposing an exit tax on departing corporations will not improve its economy and that of the nation as a whole. It can only lead to more business closings and more unemployment.

The USBIC believes that the managerial functions of business should be discharged by the chosen representatives of the stockholders and investors—i.e., by those who bear the risk of loss and are entitled to the profits.

Profits and the concomitant risk of loss make the free enterprise system run; they are the dynamics, the driving forces of industrial progress. Without profits, there would be no investment to provide new jobs and additional opportunities for the growing work force of an expanding population. A no-profit economy inevitably results in a socialistic economy.

A pure free market, free enterprise economy is without equal in providing the greatest selection of goods and services at the least possible costs. Free enterprise means the right to succeed and the right to fail. Successful enterprises should not be penalized by government for their success, and unsuccessful enterprises should not be kept in operation with transfusions of tax dollars.

Government attempts to rescue failing corporations open the door to vast subsidy operations and to indirect control of private companies by directors nominated by government. The business community should take the lead in opposing such bail-outs, as they undermine the free enterprise system.

Capital formation and tax reform

Rapid capital formation is the key to a prosperous economy. Unfortunately, capital formation has been discouraged in the United States.

Clearly, if free enterprise is to survive and the nation to enjoy a high standard of living, capital formation must be encouraged. Citizens must be given incentives for investing instead of spending.

The creation of such incentives means allowing citizens to retain their earnings. Therefore, the USBIC believes in tax reform consistent with the principles of free enterprise. Our specific proposals in this area include the following:

1. The elimination of double taxation of corporate profits. At the present time, such profits are taxed as corporate income, and

then again as personal income when paid to shareholders as dividends.

2. The retention of adequate tax incentives, including intangible drilling costs and the percentage depletion allowance, to encourage exploration and development of domestic petroleum supplies.

3. A constitutional amendment setting a fixed ceiling on the rate at which federal income, estate, and gift taxes can be levied and collected, except on income taxes in time of congressionally-declared war.

4. A less restrictive business tax structure: to stimulate production and increase job opportunities. This should include the reduction and eventual elimination of capital gains taxes.

5. An evenhanded approach to the regulation of tax-exempt organizations and contributions; the withdrawal of tax-exempt status from any organization that promotes lawless and destructive ends.

6. The elimination of unfair tax advantages presently enjoyed by cooperatives, credit unions, and labor unions. These organizations are now using tax-free income engage in a number of large, profit-making enterprises in competition with taxpaying enterprises.

7. A reduction of government spending with an appropriate lowering of personal income taxes.

Government economic policy and inflation

The USBIC holds firm in the conviction that the destructive forces of inflation, present and anticipated, and resultant high interest rates and thus the related problems of unemployment, widespread business bankruptcies, and general economic decline, are the consequences of government deficits.

The past three years have seen remarkable success in the lowering of inflation, which is one of the most important governmental achievements in this period, but renewed inflation is likely if federal spending is not contained. Budget deficits in the range of $180 billion have been projected through 1987. The USBIC considers deficit spending of that magnitude intolerable.

The Council has always held that there is a definite and undeniable link between inflation and deficit spending by the federal government. Therefore, the Council deplores attempts to explain away or to ignore deficits as unimportant or unrelated to our nation's economic well-being.

The government's bills must be paid. When it pays them by expanding the money supply, the currency is debased. More dollars in circulation do not automatically mean greater wealth. Instead, the value of the currency is reduced. Likewise, heavy government borrowing from the private sector reduces the amount of capital available for business investment and expansion.

These two approaches to financing deficits are responsible for the persistently high interest rates the nation has experienced in recent years. Rates consist of real interest, plus an inflation premium which reflects expectation of further decline in the value of money. Heavy demand for capital by government keeps rates high, making money unaffordable to smaller companies.

For years, Congress has made little or no attempt to limit spending to revenues. It has been reluctant to do so because of pressure from labor unions, financially troubled cities, the welfare lobby, and other groups favoring free-spending federal programs. This profligate spending has led to an inflationary psychology among our people, causing them to expect continued inflation.

The federal debt exceeded $1.6 trillion in fiscal year 1984. This does not include government guaranteed loans and other contingent liabilities that are growing at an alarming rate. Even with essential defense spending increases, it is possible to make massive cuts through better management. The Council endorses the findings of the Grace Private Sector Task Force, which found that $424 billion could be saved over three years.

The Council urges the Congress to take the following actions:

1. Reduce federal expenditures to the essential minimum for the functioning of the government as defined in the Constitution.

2. Prohibit any further increase in the debt ceiling, except in time of congressionally-declared war, and the contracting of any further obligations outside this ceiling.

3. Approve an amendment to the Constitution limiting federal expenditures to receipts in time of peace, and limiting taxes to a percent of GNP.

4. Provide for a return at the earliest possible time to a currency convertible to gold or other indexed commodity and the transformation of the present managed currency system.

5. Rescreen all previous appropriations to effect necessary savings.

6. In reaching a balanced budget, do so by spending cuts, not by increased taxation.

7. In addition, the Council calls for better accountability and control of off-budget expenditures.

Wage-price controls

The Council rejects all suggestions of controls on wages, prices, rents, and dividends by all levels of government. Such controls would deal only with the symptoms of our economic ills, not the root causes.

Whenever they have been tried over the centuries, controls have proved to be a failure. They result in black markets and in misallocations of resources. Moreover, wage and price controls inevitably require rationing, which has been a failure when tried and which is unacceptable to the American people. Rationing also requires an army of enforcement agents and costs immense sums. It makes no sense to prevent the normal operations of the marketplace and to continue to allow the government to print money. Controls of the money supply invariably are rejected by proponents of economic controls. They would tie down everyone but the bureaucrats.

Government regulation of business

American industry and business have evolved over the years in response to the changing needs and desires of the consuming public. The USBIC favors fair and effective enforcement of the antitrust laws, but rejects the yardstick of mere size as a criterion of monopoly, undue concentration, or lack of competition.

In addition, the USBIC is opposed to the federal licensing of corporations as a condition of engaging in interstate and foreign commerce as an unwarranted extension of federal power.

The Council is also opposed to any form of favoritism in the awarding of government contracts. At the present time it is not uncommon for a corporation to be denied a contract simply because it is non-union, or is located in the wrong congressional district, or refuses to conform its business to the satisfaction of bureaucratic planners, or because of its size. It is the opinion of the USBIC that the sole criteroin for the awarding of government contracts should be the question "Which firm offers the American taxpayers the best product or service at a competitive price?" Among other examples, the Council is opposed to favoritism in awarding contracts to cooperatives that enjoy special tax advantages.

In addition, whenever a regulated industry is forced to operate in a competitive as well as in a regulated environment, it is appropriate—to assure equity and fairness in the marketplace—to deregulate those portions of the regulated enterprise which confront significant competition. The national interest is best served by adhering to the principle of the "level playing field," which means simply that all participants are governed by the same basic ground rules.

Finally, the Council takes this opportunity to strongly condemn what it regards as the harassment of private businessmen by government bureaucrats. Owing to a variety of circumstances—chief of which are the proliferation of government agencies and the sharp rise of legal costs—it is now possible for nonelected bureaucrats to intimidate businessmen into complying with their guidelines simply because it is no longer practical for businessmen to litigate every challenge to their constitutional rights. Such harassment is especially burdensome to the small businessman, and is a factor in small business failures—thus undermining free competition. Furthermore, this situation heralds an era of potential bureaucratic dictatorship, and imperils the rights of all Americans. The Council urges that the arbitrary power enjoyed by so many federal bureaucrats be curbed.

Toward this same end, the USBIC urgently recommends that the rising tide of government forms be stemmed. Such paperwork—much of it either useless or an invasion of corporate privacy—is time-consuming, expensive and ultimately detrimental to the consumer, inasmuch as in the last analysis it is he who must pay for the government's "fishing expeditions."

Bankruptcy

The USBIC applauds the Supreme Court's unanimous decision upholding the right of a company to abrogate union agreements when undergoing reorganizations under Chapter 11 of the Bankruptcy Code. The USBIC believes, however, that current bankruptcy law allows debtors to defraud creditors, and in many cases to avoid payment of just debts that they have the ability to pay from current or future earnings. The USBIC urges that the Bankruptcy Code be amended in order to prevent such abuses.

"Alternative economics"

The threat of nationalization of U.S. industries is not an immediate one, though there is frequent advocacy of this approach in liberal and radical economic and polemical literature. A more immediate threat is a blurring of the lines between the public and private sector and efforts to institute so-called worker control in failing industries. It is to the advantage of the American people and essential to the survival of free enterprise in the United States that there continue to be a sharp distinction between the private and public sectors. It is equally important that the notion of worker control of industries, as is being advanced for failing steel mills, be understood as a form of subsidization. All such schemes depend on massive assistance in one form or another. Without skilled management such as is to be found in the private sector, there is no possibility of such enterprises succeeding—

only the likelihood of increased subsidization by the taxpayers. The so-called "Alternative Economic System" now being pushed by radical groups is simply socialism under a more acceptable name.

Advocates of the market economy have long recognized the fact that government can never match the efficiency and reourcefulness of private enterprise. Accordingly, the USBIC believes that it is only common sense for the government to open the way for free market solutions to our pressing national problem.

Essential first steps toward this objective include the following:

1. An end to unwarranted government interference in private enterprise.

2. The gradual elimination of all federal subsidies, except those essential for national defense.

3. A return to genuine competition, the law of supply and demand, and other basic free market principles.

4. An increased effort by government at all levels to contract out as much work as possible to the private sector, to improve the quality of government work.

Specifically, the Council urges the development of free market alternatives to the present U.S. Postal Service. A good beginning would be the elimination of the government monopoly on the delivery of first class mail.

One of the nostrums now being advanced is a new Reconstruction Finance Corporation that would be politically independent. One proposal calls for an FRC to be capitalized with $5 billion from the U.S. Treasury and authorized to provide guarantees and loans at below-market rates to private firms and local governments. It would be a bailout mechanism for floundering cities and sick industries. Such an institution would be virtually beyond public control and be able to deflect investment from needed venture capital projects.

Consumerism and the market

The USBIC, representing a broad range of industrial, commercial, and general business activities, is deeply concerned about the needs of consumers. Indeed, all sectors of American business share that concern. If business weren't interested in the wants of consumers, business would fail.

The advocates of "consumer" legislation deliberately ignore this fundamental truth. They dismiss efforts of industry to provide high quality goods and services and to police fly-by-night operators. Rather, the advocates of consumer legislation seem more determined to destroy business than to encourage quality goods and services. Indeed, many of their proposals have had the effect of raising prices to consumers.

Some consumer advocates admit that regulation has often backfired on the consumer, but they seem to think that additional regulation will somehow solve the problem. What is really needed, of course, is a return to free market principles.

Nowhere in the world outside the United States do consumers find such a wide range of competitive products. This competitive situation is one of the factors contributing to the excellence of American-made goods and services. It is time, therefore, that the business community go on the offensive in upholding the value of their products and in exposing unfair critics.

Product liability

Each year American business must meet the exorbitant cost of insurance premiums for product liability coverage. The reason for this is the substitution by a substantial majority of American jurisdictions of "strict tort liability" for liability predicated on negligence.

RECOMMENDATIONS

The USBIC opposes any state of federal product liability law that does not include the following features:

(1) The provision to allow sellers to reassert the traditional defense of contributory negligence in all product liability cases; (2) Alternatively, the adoption of comparative negligence standards for plaintiffs who sue on strict liability. Such standards compare the fault of the plaintiff with that of the defendant and apportion damages by reference to a statutory formula; (3) Prohibition against the use of contingent fees in all product liability actions on compensation with awards given only for actual physical injury; (4) The adoption of a 6 year statute of limitations on product liability with some reasonable accommodation made for latent defects, and an unqualified 2 year statute of limitations on product liability actions. In all product liability actions, the plaintiff must show that the product was manufactured by the defendant, a requirement that would specifically overrule the onerous concept of market share liability. We oppose any provisions that encourage the establishment of additional federal standards.

Antitrust for cooperatives

The Council believes that the same antitrust laws that apply to corporations should also apply to cooperatives. Cooperatives should be taxed on the same basis as corporations.

Foreign trade and investments

America favors fair trade and regards the following conditions as prerequisites for truly free trade: unrestricted movement of capital investment, convertibility of currencies at freely floating rates, parallel fiscal and monetary policies, and safeguards against exploitation by foreign tax structures or government-backed monopolies or cartels. These conditions do not exist at this time.

Indeed, the United States faces increasing trade difficulty with countries that have state-directed economies or where major industries are nationalized or where massive export programs aimed at the American market, are subsidized, guided, and controlled by government. These countries seek to dominate American markets while denying the U.S. manufacturers an opportunity to compete in their domestic markets.

Accordingly, the USBIC urges the Executive branch to deal firmly with foreign governments that favor cartels and other restrictive devices harmful to America's trade. When our economic well-being is threatened by restrictive or discriminatory trade policies and non-tariff barriers of other nations, we should respond with appropriate measures of our own.

We should also remove "most favored nation" status for trade purposes with all Marxist countries and ban sales of any and all strategic products, minerals, and technology to these countries, as well as imports except for strategic commodities.

The solution to the problem of the trade deficit is more complex. Primarily, it requires major increases in American productivity and a greater public awareness of the full cost to the nation of vast imports. Massive reductions in the cost of government regulation and increased productivity will also help American business gain flexibility for competition in foreign markets.

USBIC endorses legislation which would enhance the ability of American manufacturers to tap the vast export market for U.S.-made goods. USBIC supports legislation that would encourage American exports by facilitating the formation and operation of export trading companies and export trade associations.

V. RESOURCE DEVELOPMENT

We propose the maximum development of needed resources while keeping any adverse environmental impact to an acceptable level. Wise use of our resources should include reasonable conservation and reclamation measures, and exploration and development of natural resources on our public land areas. The USBIC strongly supports the proposition that the United States does have the ability to achieve energy independence, while retaining the pristine quality of our public lands. The energy and minerals industries can and do coexist with the environment.

An energy policy

The USBIC is confident that the private sector can meet this country's energy needs, and urges a free market solution to our current energy problems. The lifting of price controls on crude oil on January 28, 1981, was a salutary first step in this direction. In like manner, remaining controls on natural gas prices and on the use of gas should be removed. The law of supply and demand, not the rule of government, should determine the price of energy, and the design of autos and other energy-related products. Corporate fuel economy requirements should be abolished, and the free market should guide its design.

To this end, the federal Department of Energy should be abolished. The Department is a chaotic bureaucracy that absorbs billions of tax dollars and has interfered with, rather than contributed to, the production and distribution of energy in the U.S. In addition, the Synthetic Fuels Corporation should be dismantled.

The USBIC is adamantly opposed to the concept of the so-called "windfall profits" tax on oil. Consequently, we urge its repeal. This is a false name for a heavy excise tax that is levied on the production of oil at the wellhead, not on profits. The $227 billion that the tax is supposed to provide for research and production of "alternative" energy sources goes directly into the federal Treasury, instead of productive capital investment. The ultimate losers are the consumers, who must pay the increased costs of production and distribution of gasoline and heating oil, as producers lose incentive to explore new sources. At the same time, the USBIC supports further research and development of renewable and synthetic sources of energy within a free enterprise context. Regardless of the merits of the 55 mph speed limit, serious constitutional questions arise over federal usurpation of states' rights.

If we are to reduce our dependence on foreign oil to a significant degree, we must renew our faith in nuclear energy. It is vital that the American utilities be permitted to contract for and construct nuclear power plants without the endless bureaucratic and environmental harassment that has extended the construction time for a nuclear plant to about 12 years. Where proper precautions are observed, nuclear power is our safest source of energy.

In this regard, Congress and NRC should act promptly to expedite the transportation,

off-site storage, and reprocessing of spent nuclear fuels.

The USBIC also believes that nuclear power plants should be constructed and operated by investor-owned utilities, whose operating knowhow and dollar investments should be protected against claims from government-subsidized entities. Antitrust review of nuclear projects should be separated from the licensing process to prevent "blackmail of private enterprise by public power.

Vast United States coal deposits must be utilized to the maximum extent commensurate with healthful air quality, and research and development in coal gasification and liquefication must be encouraged. Congress should amend the Clean Air Act and the Clean Water Act to carefully define their requirements and to allow the states, once they have met these minimum federal standards, to adopt whatever mix of emission and effluent limitations they deem appropriate for their particular circumstances.

Surface mining for coal should be permitted to the maximum degree compatible with reasonable reclamation practices. Coal is the relatively untapped energy source on which our nation must rely if we are to be assured that our energy sources will be adequate to our needs.

Contrary to popular misconception, we are not running out of energy. We are merely exhausting those reserves that are most easily utilized. Developing new reserves will be expensive, so there is no way that higher prices for energy can be avoided. The only question is whether we will have abundant energy at reasonable prices under a free market, or limited supplies at high prices under government controls.

Minerals and mining

In 1950, the United States obtained half or more of its needs of 4 of the 13 basic industrial minerals from overseas. Today, we are dependent on foreign sources for more than half of 27 strategic minerals.

It is obvious that this country could easily be at the mercy of unstable governments in the developing world for supplies of vital minerals, including chrome, platinum, nickel, manganese, cobalt and zinc. These are indispensable to our basic heavy industries, and our defense industries in particular.

The United States has abundant supplies of many important minerals, but restrictive mining and land use laws have hamstrung production of them for years. Through the Mineral Leasing Act of 1920 public or government-owned land is available to individuals for mining purposes. But increasing withdrawal of public land from resource development in the name of protecting the environment has drastically cut back tracts available for mining. OSHA, EPA, and wilderness regulations have contributed to the shutdown and lack of development of many mining facilities. The USBIC applauds efforts to reverse this trend.

The USBIC believes that our increasing dependence on foreign mineral sources leaves the nation vulnerable to sudden cutoffs or embargoes by unfriendly governments. Since our growing dependence on foreign sources of minerals is due to restrictive regulation and land and sea use policies, these should be drastically revised in favor of rapid development of America's mineral resources, and stockpiling of certain strategic minerals.

Furthermore, the Council opposes the concept of seabed minerals as a "common heritage of mankind." Private enterprise should not be obligated by an international authority dominated by landlocked nations to turn over the fruits of their substantial investments in seabed mining to countries that make no investment and take no risks in extracting minerals from the oceans beyond national boundaries.

Land use controls

Controls over land use are being sought by local and state agencies as well as at the federal level. These controls unconstitutionally restrict the right of citizens to determine the use of their property. Certainly every effort should be made to resist the socialist idea that property is owned as private property only to the extent that society doesn't need it.

The USBIC also supports efforts by individuals and businesses to control a greater share of the vast acreages owned by the federal government. Traditionally, the government sold land to private individuals and companies. The Council supports the reduction of arbitrary federal control over government land by requiring the government to make available for sale selected tracts of federal land that have been inaccessible to private concerns. In addition, the USBIC supports the concept of a limitation of "designated wilderness." The Council opposes the establishment of "buffer zones" around wilderness areas since these create additional "de facto" wilderness areas.

Pollution control

The USBIC favors reasonable and equitable laws to promote clean air, clean water, and general environmental enhancement. It takes note of the very substantial efforts of American free enterprise companies to control pollution and to develop anti-pollution devices and programs. Industry should be protected against unreasonable and irregularly applied standards, and public authorities should be urged to stand firm against scare tactics and emotionalism with regard to pollution. The Council shares the concern over the possible harmful effects of "acid rain," and enjoins the public and private sectors to continue research on it. However, the controversy over "acid rain" should not be permitted to pressure companies in certain industries or certain regions to undertake huge new anti-pollution expenditures regardless of economic consequences.

Federal pollution controls should be limited to those which directly affect the health of people, and are in keeping with the constitution. The public has not been adequately informed of the vast scope of anti-pollution efforts by industry. The steel, electrical power, paper, chemical and petroleum industries, to cite only a few, have devoted colossal sums to the abatement of pollution.

Pollution abatement also has to be considered in balance with other national needs and problems. The automobile industry, for example, shouldn't be required to accept emission control regulations which are in advance of the state of technology or which make motor vehicles prohibitively expensive to operate. The requirements of personal transportation have to be recognized in a large country with decentralized city populations.

Furthermore, the public must be made to realize that unreasonable pollution controls demanded by government stand to cost them untold billions of dollars in the form of higher prices and increased fuel consumption.

Water resources

The nation is just beginning to realize that full development of natural resources in the West requires massive amount of water. Efficient management of existing water supplies is not the answer to present and future needs. Emphasis must be placed on gaining access to new water resources for the arid regions of the country. To this end, the USBIC favors studies and negotiations aimed at persuading Canada, which owns from one quarter to one-third of the world's supply of fresh surface water, to make available its surplus water on a market basis to the arid parts of the United States.

VI. EQUAL RIGHTS FOR MANAGEMENT AND LABOR

The rights of the individual worker and the general welfare of the people should take precedence over the special privileges enjoyed by organized labor.

Union coercion

Much of the corruption and arrogance that characterizes the labor movement today stems from the unique privileges of coercion that unions enjoy under federal law. In states without right-to-work laws, a worker may be forced to join or to pay dues to a union in order to hold a job. In all states, individual workers may be forced to accept a union as their bargaining agent against their will.

The USBIC believes that union membership should be strictly voluntary, and that unions should be empowered to bargain only for their own members. The Council favors reform of our national labor laws to achieve these ends.

To further protect workers and the public from union coercion, the USBIC proposes the following additional reforms:

1. The enactment of legislation which would remove exemptions of labor unions from prosecution for criminal activity;

2. That strikes be made subject to control of the bargaining unit by secret ballot of membership after consideration of the employer's last negotiated best offer;

3. That existing restrictions against secondary boycotts be retained and strengthened;

4. That compulsory check-off of union dues be prohibited; whenever check-off agreement on exactly the same basis that was used in agreeing to the check-off;

5. That all bargaining agents be required to recertify every five years;

6. That all union elections be held by secret ballot.

Antitrust for unions

The USBIC calls on Congress to place unions under the antitrust laws. The exercise of monopoly power by labor unions is one of the basic problems of our society. Monopolistic union power drives up the cost of goods and services. The public interest requires that unions be prohibited from taking actions which will unreasonably restrain trade and commerce.

The USBIC has long supported legislation that would have the effect of placing labor unions under the antitrust laws. Such legislation is long overdue. No reason exists why labor unions should be exempt from antitrust laws which apply to business enterprises. A labor monopoly is clearly detrimental to the public interest.

National Labor Relations Board

Over the years, the National Labor Relations Board has played a key role in denying justice to employers and non-unionized employees. Where the issue has been union ad-

vantage or the public welfare, the NLRB has almost uniformly decided in favor of the union.

The USBIC believes that the concept of administrative justice on which the Board is based, in addition to the built-in bias toward union organizations, renders the NLRB a basically unfair and improper instrument in labor disputes. The Council subscribes to the principle that controversies regarding labor-management relations should be removed from the NLRB's jurisdiction and turned over to the federal courts.

Strikes against private employers

The use of physical force, threats, violence and mass picketing interferes with the employee's freedom of choice and should not be permitted. Conscientious and fearless enforcement of the law at state and local levels would largely eliminate these evils. In many instances, public officials, charged under their oath of office with law enforcement, have been grossly derelict in their duties.

The USBIC urges enactment of legislation to prevent public subsidization of strikers. It is intolerable that subsidies have been given in the form of food stamps, welfare payments, and unemployment compensation. Strikers have jobs; they simply refuse to perform them. In no way, therefore are they deserving of public charity or assistance. Moreover, the subsidization of strikers hits the public twice, in taxes to pay for the benefits, and higher prices caused by excessive wage demands enforced by strikers.

The USBIC also believes that the existing Taft-Hartley prohibition against secondary boycotts at construction sites should be retained.

Wages and productivity

Productivity, the amount that a worker producers per hour, is a prime indicator of the nation's economic strength. Increased productivity is the only valid source of higher earnings and an improved standard of living.

In time past, American worker productivity was unparalleled. This was a major factor in America's economic success. But increases in worker productivity in the United States have lagged far behind other industrial nations in recent years. Unless Americans greatly increase their productivity, the U.S. will cease to be the leading industrial nation before the end of this century.

Wage increases by government fiat as a substitute for wage increases which reflect higher productivity can only aggravate our present economic problems. The inability of U.S. business and industry to compete in world markets is due to the wage and productivity gap betweeen American labor and that of foreign competitors.

Accordingly, the USBIC opposes any increase in the minimum wage. Minimum wage laws not only fuel the rise in costs and prices but have the effect of eliminating thousands of jobs for the people who need them most—the young, the poor, and the unskilled.

One of the encouraging signs in the past two years had been the surfacing of the novel concept of the "giveback" which brings wage agreements more in line with economic realities. Another happy change is in the direction of union concessions on work rules, which are essential if American industry is to regain its competitive position in domestic and world markets. This has been a recession phenomenon, but unions must be made to realize that the survival of U.S. industry depends on modernization of work rules.

In addition, the Council opposes the concept of "work preservation" clauses as an exchange for union concessions on wages and benefits.

Also, the Council favors the repeal of the Walsh-Healy and Davis-Bacon Act (which regulate the wages paid on government procurement and construction contracts). These laws are prime examples of government wage distortions for political purposes. If these laws are not repealed, they should at least be enforced so as to reflect the local prevailing wages.

Employee health safety, and benefits.

American business has a history of concern for employee health and safety. The vast majority of companies have rules requiring health and safety procedures. The states also have laws regulating such matters.

Nevertheless, the Occupational Safety and Health Administration remains in existence, despite its lack of success in reducing accidents.

OSHA fails to place any responsibility on the individual worker for using health and safety equipment provided by the employer. It fails to recognize the major role that worker carelessness plays in causing industrial accidents. It has eaten up new investments that should have gone to create jobs, and has raised prices for the consumer. At the same time it has provided federal bureaucrats, union leaders, and disgruntled employees with another weapon to use against management.

The USBIC therefore advocates that the Occupational Safety and Health Act of 1970 be repealed, and that the task of ensuring worker safety be returned to the states and private safety promotion groups.

It is also essential that the federal bureaucracy's excesses in the enforcement of the Federal Coal Mine Health and Safety Act of 1969 (which have contributed to reductions of up to 50% and more in productivity of underground coal mines—with resulting increases in coal cost) be curbed so as to reduce the massive overkill and harassment now being applied. This act, incidently, has been no more successful than OSHA in reducing accidents.

The provisions of Title IV of the act should be repealed or be amended so as to rescue the coal mining companies from the enormous and overwhelming potential liability of the socialized subsidy to coal miners by way of so-called black lung benefits.

The states should have maximum latitude in the solution of unemployment problems peculiar to their localities. The USBIC strongly opposes any federalization of the unemployment program, or workmen's compensation program, including federal payment of benefits or the imposition of federal standards for the payment thereof.

The Employee Retirement Income Security Act of 1974 (ERISA) has in many ways worked against the interests of the workers it was designed to protect. Nearly every provision—vesting and funding requirements, termination insurance, rules regarding fiduciary responsibility—has tended to increase the cost of providing pension benefits. The paperwork burdens alone are unduly burdensome to small business. Indeed, thousands of companies have terminated their pension plans since ERISA has gone into effect. Because of its counterproductive results, the USBIC recommends that the act be repealed.

The bulk of this country's private pension funds are financed entirely by employers. These funds are a major source of capital for our economy. It is therefore in the interest of both labor and management that they be profitably invested.

Unfortunately, union trustees of these funds are now being urged to use them as social weapons. In other words, to base investment decisions on noneconomic criteria such as whether or not a potential borrower is friendly to organized labor. The Council urges that the fiduciary obligations of pension fund trustees be tightened to prevent such abuses.

Public employees

The USBIC strongly opposes unionization of public employees and urges the states to forbid strikes by these employees. Widespread employee strikes have revealed the threat these work stoppages represent to the normal functioning of American cities and communities. The public has a right to expect that fire, police, sanitation and hospital services as well as school and mail services will not be interrupted by any group at any time. If public employee strikes gain acceptance, entire communities will be subject to economic blackmail and be endangered by crime, fire, or epidemic.

Unionization of public employees, with resulting control over the availability of essential public services, is the chief current objective of the labor movement. The monopoly position of the unions already represents a serious threat to the well-being of the country, and any extension of that monopoly power into the area of public services would be a social disaster for many communities.●

DEFICITS: TELLING IT LIKE IT IS

● Mr. HOLLINGS. Mr. President, as long as I have been a member of the Senate Budget Committee—and well before that—I have been trying to make some basic points about the threat of Federal deficits.

First, those deficits are eating away the economic vitality of the Nation. While current economic statistics give the impression of an oasis in our economic dilemma, I'm afraid they are only a mirage. The hard reality is that we are confronted with a desert of deficits.

Second, both Congress and the White House must summon up the nerve to address those deficits in a convincing way. We must understand that the battle must begin now, and must continue over the long haul. It will require collective discipline, and a keen sense of individual responsibility and sacrifice.

If we do not do what is required of us, the costs to the economy and to the hopes of workers, consumers, and our children will be dreadful.

I think the American public understands the problem. And I think they are prepared to rally behind those willing to take the hard steps necessary to safeguard our economic foundations, despite the pain those steps may require.

Recently, I had the chance to read an article by George Cunningham of

Watertown, SD. It amounts to a biting indictment of those who will not face the deficit facts. It is not a pleasant message, but it is accurate, perceptive and reasoned.

My strong feeling is that there are countless thousands of Americans like Mr. Cunningham who, while they may not be gifted with his ability to hit the bull's eye of a problem, are nonetheless vitally concerned about the course of the American economy.

The Cunningham message is tough, clear, and decisive. We must make strong action against the Federal deficits. Those deficits will not bow to political convenience. Cunningham believes it will take political courage and common sense. And he is right.

Mr. President, I believe this is a message to be heard in the Halls of Congress, and I ask that a copy of the article be printed in the RECORD.

The article follows:

[From the Argus (Sioux Falls, SD) Leaders, June 9, 1984]

VOTERS MUST REJECT POLITICIANS WHO RUN UP HUGE DEFICITS

(By George Cunningham)

While some in Congress pat themselves on the back for taking tough action against budget deficits in the passage of an increase in certain federal taxes on liquor, smoking materials and motor fuels; the facts suggest that their action is little more than a fiscal band-aid to stem the hemorrhage of a flawed federal monetary policy.

The fastest growing federal program is interest on the debt. Right now the debt is $1.4 trillion; our interest payment is about $140 billion annually. If we do not slow down the growth of spending and make some significant tax changes, the federal debt is going to be $2.5 trillion by 1990 and the interest some $250 billion a year.

Our prolific spending is effectively mortgaging the future of our children and grandchildren as surely as if we signed the papers to do so at our local bank. We are saddling them with a burden that will cause them to forever question why we did not have the courage to deal realistically with our own spending patterns.

Big government—the complex web of federal imvolvement in our daily lives—often is perceived as something created in Washington and foisted upon an unsuspecting public. History, however, suggests the opposite. In most cases, big government represents the federal response to a multitude of interest groups that have jockeyed and lobbied for favors from Washington.

These are the same groups that pour millions of dollars into Congressional and Senate races to insure that their access to the federal treasury continues without interruption.

Undoing or adjusting any government program or regulation almost always makes someone unhappy, usually someone with political clout. It is not unusual for those who rale the loudest against the federal spending to be first in line to sign up for benefits, contracts or some other type of federal financial assistance. We cannot have it both ways.

Our present recovery is classic Keynesian; fueled by the huge federal deficit ($195 billion in 1983) and a large increase in consumer spending marked by a $142 billion increase in installment debt over the past five quarters.

Expanded private sector spending, promised as a result of corporate tax savings built into the 1981 Economic Recovery and Tax Act, has yet to result in significant investments in new plants and equipment, thus creating more jobs, because of higher than normal interest rates.

Government borrowing, together with efforts by the Federal Reserve to fine tune the money supply, have, understandably, made businessmen wary about substantive capitol investments in an uncertain economy. They understand the problem of the growing federal debt even if those at the levers of government do not.

Some now tell us that we may need a constitutional amendment to balance the federal budget. I find it ironic that Congress and the administration so lack fiscal discipline that they must turn to the Constitution to rescue them from their own spending habits.

It is somewhat akin to the arsonist complaining when the fire trucks are late. If that is the only way it can be done—let us do it.

But there is another way—and that is to elect individuals to the Congress and the Senate who care more about the country than about their next re-election bid; who are more concerned about the future of our nation than they are about appeasing every political lobby, special interest pressure group and favor-seeking constituency that knocks on their door.

We cannot continue to send to the Congress these summer soldier and shineshine patriots who promise everything, deliver little and run up huge debts.

Realistically, the only way to deal with the federal debt and deficit is to cut spending and increase taxes in a mix and match formula that reduces the negative impact on society.

For example, we need to substantively change our tax code so that everyone pays his or her full and fair share.

We need to carefully examine every federal entitlement and program to bring necessary benefits into line with genuine needs.

While we should be ready to appropriate every dollar needed to protect the interests of the United States, support our friends, advance the cause of freedom and promote the prospects of peace—we should not spend a dollar more than necessary to meet those goals. And we must bring soaring medical costs under control.

This will not be achieved by politicians who conduct business as usual.

This is not a Democratic or a Republican problem—it is an American problem that we must deal with directly and forcefully.

This can only be achieved by sending individuals to the Congress who stand for something—who are willing to bite the bullet regardless of the political fall-out.

Those who do less, as Dante described them in his *Inferno*, are those "who took no sides, therefore they are given no place. As they pursued the ever-shifting illusion of their own advantage, changing their courses with every changing wind, so they pursue eternally an elusive, ever-shifting banner."

Surely we can do better than that.●

HONORING CARROLL COLLEGE'S DIAMOND JUBILEE

● Mr. BAUCUS. Mr. President, I rise today to honor the 75th anniversary of one of the foremost educational institutions in the Northwest—Carroll College, located in Helena, MT.

Ever since the Right Reverend John P. Carroll, Bishop of Helena, founded the college in 1909, it has stood unrelenting as a monument to the cherished tenets of higher learning. Carroll College has helped expand the intellectual, imaginative, and social awareness of countless Americans from every State of the Union. Today, Carroll has grown to become Montana's largest independent college, with a current enrollment of over 1,300 students.

No doubt one of the forces behind Carroll's longevity and continued success is the special feeling of enthusiasm and pride that complements each student's education. As one graduate recently told me:

It is the unique atmosphere that molds the Carroll experience—a top-rate faculty, an administration committed to academic excellence, and of course friendly smiles and old-fashioned Western hospitality.

Indeed, there is a certain spirit that surrounds the campus—a spirit rooted in rich tradition and personal accomplishment.

And so, as students, faculty, staff, alumni and supporters throughout the country prepare to celebrate Carroll's diamond jubilee, I would like to offer this tribute on behalf of myself and the people of Montana on this most special occasion. To Carroll College President Francis J. Kerins and all others responsible for the success of the past 75 years, we commend you for your contribution to educational excellence in America, and we trust your next 75 years will be as prosperous as your last.●

ORGANIC FARMING SYSTEMS

● Mr. LEAHY. Mr. President, organic farming systems hold great potential for lowering costs of production on the farm and lessening the environmental damage that now accompanies conventional agricultural operations.

That is why I introduced the Agricultural Producivity Act of 1983, S. 1128 in April of last year. This legislation, which now has 26 cosponsors both Republican and Democrat, would set up 12 onfarm organic farming system research demonstration projects. Each of the farms would be studied over a 5-year period as it made the transition from conventional methods of agriculture to organic systems.

The Senate Agriculture Committee, at my request, held a hearing on this legislation June 14. Mainstream agricultural scientists, agronomists, and farm group representatives testified in support of S. 1128.

Mr. President, I continue to find it incredible that the U.S. Department of Agriculture [USDA] is opposed to this

modest research effort which could help farmers tremendously.

James Risser, a writer for the distinguished agricultural newspaper, the Des Moines Register, recently completed a four part series on organic farming in the United States.

Mr. President, I ask that this series appear in the RECORD and recommend it to my colleagues.

The material follows:

[From the Des Moines Register, June 10, 1984]

AS COSTS SOAR, MORE FARMERS GOING "ORGANIC"

(By James Risser)

WASHINGTON, DC.—Organic, non-chemical farming—long the province of gardeners and hobby farms—is beginning to gain a toehold among the larger, commercial farmers who produce the bulk of this country's food and feed crops.

Caught in a cost squeeze as the price of fertilizers and pesticides has risen, plagued by doubts about the evironmental and health effects of the chemicals they pour onto their land, some farmers have made the switch to organic methods.

More would like to, but are afraid.

The number of organic farmers still is small—perhaps 25,000, maybe more—but is growing. Giving up chemicals—"going cold turkey," as one organic farmer put it—is a risky, uncertain undertaking, and many farmers suffer financially in the first few years. But more and more of them seem willing to try.

Many who succeed say that after a transition period, their crop yields equal those of their chemical-using neighbors. Others admit to smaller outputs, but say that by eliminating chemicals from their budget they come out all right on net income.

Paradoxically, while the interest in organics has grown at the farm level, the U.S. Department of Agriculture (USDA)—historically the source of much of the nation's research into farming methods—has become a major roadblock.

The department, under Secretary John Block, has ignored most of the recommendations contained in a 1980 USDA report on organic farming and, contrary to one of the report's central themes, abolished the job of organic farming co-ordinator.

Block himself, who comes out of the large-farm, chemically intensive grain cropping philosophy that has come to dominate U.S. agriculture since World War II, has been publicly quoted as calling organic farming a "dead end" course.

Whether large-scale organic farming in today's world is just a pipe dream, a sentimental desire to return to a bygone era, or whether there may in fact be a significant role for organic farming to play in contemporary commercial farming, is the major topic of this series.

LARGER QUESTION

In a way, the debate over organic farming, which is going on in the agricultural community and beginning to penetrate the halls of Congress, is part of the larger question of whether modern U.S. agriculture can continue as it is.

Soil erosion, water pollution, water scarcity, all of which continue to be vigorously discussed in government and in the private sector, are part of that larger picture. Some experts wrestling with those problems have come to believe that they are a direct product of the type of farming going on in America and that only a wholesale change in farming methods will solve them.

It is from the angel that some of the interest in organic farming has developed, while for others the interest in eliminating or sharply reducing chemical use has an economic motive—reducing the cost of farming. And for still others, organic farming is a way of life with almost religious overtones.

At the same time, the generally positive findings of the 1980 USDA report were tempered by warnings to farmers contemplating a switch to organic agriculture. Weeds, insects, smaller crops, uncertain long-term effects on soil fertility, and perhaps reduced income, all lurk ready to trap the unwary farmer—especially one not prepared for the long hours and careful management decisions that go into making the transition to nonchemical farming.

And from the standpoint of the overall U.S. economy, some analysts think a widespread switch to organic farming would cut total U.S. farm production and reduce exports.

Nevertheless, from the small farmers and orchard owners of the Northeast, to the corn and soybean farms of the Midwest, to the vegetable and fruit growers of the West Coast, organic farming slowly but steadily gains converts. Those who make the change do so in the face of indifference by the USDA and by most of the land-grant agricultural colleges, hostilities from chemical firms, and sometimes ridicule by their fellow farmers.

USDA HOSTILITY

Typical of the way organic farming foes play to farmers' fears was this statement, delivered on national television in 1971 by then Agriculture Secretary Earl Butz:

"Before we go back to an organic agriculture in this country, somebody must decide which 50 million Americans we are going to let starve or go hungry."

USDA hostility toward organic farming was broken briefly in the late 1970's by Agriculture Secretary Bob Bergland who, impressed by the success of a Minnesota neighbor in raising a combination of grain crops and livestock by non-chemical means, ordered a departmental study.

The cautiously optimistic report assessed the pros and cons of organic farming and made a series of recommendations. The study was one of the most popular USDA had ever done; some 40,000 copies were distributed here and abroad.

Bergland immediately implemented one of the report's key findings—that USDA needed a full-time organic farming co-ordinator, as a first step toward getting the department more heavily involved in the subject, in finding out more about organic farmers and their methods, in stepping up research, and in looking at public policies that might be discouraging moves toward organic farming.

YOUNGBERG NAMED

He named Dr. I. Garth Youngberg, former chairman of the political science department at Southeast Missouri State University, a member of the USDA organic study team and a coauthor of the team's report.

What happened to Youngberg and the report is illustrative of USDA's attitude since President Carter's defeat by Ronald Reagan led to Bergland's replacement by Block. It also helps to explain why farmers interested in organics have turned to private researchers and others for assistance, building up their own small but fervent research and information network.

But first, one must look at what the 1980 report said.

It noted that "organic farming" has no precise definition. To some it means foreswearing all chemicals. To others, it means sharply reducing use of synthetic fertilizers and pesticides, but employing them on occasion. And to others, organic farming is an entire system, encompassing not only the chemical question but crop choices, cultivation methods, and the like.

The USDA team decided to define organic farming as "a production system which avoids or largely excludes the use of synthetically compounded fertilizers, pesticides, growth regulators and livestock feed additives."

"To the maximum extent feasible," its definition continued, "organic farming systems rely upon crop rotations, crop residues, animal manures, legums, green manure, off-farm organic wastes, mechanical cultivation, mineral-bearing rocks, and aspects of biological pest control to maintain soil productivity and tilth, to supply plant nutrients, and to control insects, weeds and other pests."

"COMMON MISCONCEPTION"

It is "a common misconception," that authors stressed, "that today's organic farmers have regressed to agriculture as it was practiced in the 1930s." In fact, "this is not the case," they said.

"Most of today's organic farmers use modern farm machinery, recommended crop varieties, certified seed, sound livestock management, recommended soil and water conservation practices, and innovative methods of organic waste and residue management."

Based on its research, interviews and visits to 69 organic farms in 23 states, the 10-member study team found "increasing concern about the adverse effects of our U.S. agricultural production system, particularly in regard to the intensive and continuous production of cash grains and the extensive and sometimes excessive use of agricultural chemicals."

When farmers were asked why they had switched to organic farming, they gave several reasons, with the higher cost of petroleum-based farm chemicals leading the list. They also believed chemical-reliant intensive farming led to a "steady decline in soil productivity and tilth from excessive soil erosion and loss of soil organic matter."

Other reasons they gave were degradation of the environment from erosion, sedimentation and chemical pollution of waterways, and the possible hazards to human and animal health and to food safety from heavy use of pesticides.

COMMON GOAL

A common goal of the organic farmers, the USDA team found, was "to develop practices that are less exploitive of nonrenewable resources and which would sustain agricultural production indefinitely and with good economic return."

GENERAL FINDINGS

Some of the general findings of the USDA study were these:

Organic farmers rotate common grain crops, such as corn, wheat and soybeans with alfalfa, clover and other hay crops that add nitrogen to the soil and help protect it against erosion, compaction and other problems.

Most have abandoned the old moldboard plow and shifted to implements that disturb the soil less. At he same time, they do extra cultivation for weed control, because they

do not use chemical herbicides. Their weed-control methods are "reasonably effective," but weeds are one of their major enemies.

They keep their soil fertile by plowing under legume crops as "green manure," and add animal manure, leave crop residues on the land and apply organic fertilizers, such as leather dust, cottonseed meal and rock phosphate. Some farms supply their own animal manure; or other farms with few animals, manure must be purchased.

Insect control is achieved by selective crop rotation, which tends to prevent the insects from getting established, and by natural predator insects, such as ladybird beetles, which increase in number once chemicals are dropped.

On the crucial question of farm production, the study team found that "crop yields on a per-acre basis were comparable to those obtained on nearby chemical-intensive farms." Some had yields 10 to 20 percent higher than their chemical neighbors; some were lower by about the same amount.

"A consensus among organic farmers in the Midwest was that yields from organic systems were often higher than yields from conventional in dry years, comparable in normal years, and lower in high-moisture years."

But the report warned that "crop yields were often markedly reduced during the first several years following the shift from chemical to organic farming," with crops stunted by "nutrient deficiency" or by "severe weed infestation."

TRANSITION PERIOD

But the organic farmers found that "after the third or fourth year, as the rotations became established, yields began to increase and eventually equalled the yields they had obtained chemically."

It is this transition period, as much as anything else, that discourages many otherwise willing farmers from attempting the switch, particularly in today's economically depressed setting.

Even if times were good, it would take a great leap of faith and perhaps large initial expenditures for a farmer to give up intensive row-cropping of grain and go back to a mixed grain-pasture-livestock kind of farming.

The USDA report warned that "general statements concerning yields expected with organic farming are restricted by the great range of soils, crops, climatic conditions, livestock enterprises, and management levels present in U.S. agriculture, and also by the general lack of research results."

FINDINGS ON YIELDS

In general, however, corn yields are somewhat less on organic farms and soybean yields are about the same or slightly higher, it indicated.

In one study, conducted by the University of Missouri in the mid-1970s, 15 organic farms in the western Corn Belt were compared with conventional farms located in the same area. The crop yields were as follows:

Corn: Conventional farms—78 bushels per acre; organic farms—75 bushels.

Soybeans: Coventional farms—28 bushels; organic farms—32 bushels.

Oats: Conventional farms—47 bushels; organic farms—64 bushels.

Wheat: Conventional and organic farms—both 34 bushels per acre.

Dealing with the "bottom line"—whether or not farmers can make a good living farming organically - the USDA report concluded that "although research information is limited, it apperars that net returns from crop production on some organic crop/livestock farms are comparable to those obtained from convention crop/livestock farms."

The USDA income findings confirmed a study done a few years earlier by Washington University at St Louis, Mo. That study, organized by environmental scientist and author Barry Commoner and carried out by team of researchers headed by William Lockeretz, was the first to actually measure the economic success of modern commercial farming.

That study calculated production costs and crop yields on 14 organic farms and 14 farms employing chemicals in five Corn Belt states between 1974 and 1976. Lockeretz's results were quite favorable to the advocates or organics.

Corn yields on the organic farms were 3 percent to 7 percent lower than on the conventional chemical-using farms. However, the organic farmers used 60 percent less fossil energy to produce their crops, mainly because they did not use chemicals, so the net income of the two groups was virtually identical. Soil erosion was strikingly less—by about about one-third—on the organic farms.

CROP ROTATION

Lockeretz, testifying later before a congressional committee, did not urge that all farm chemicals be abandoned. But he said his study "does suggest that we may have given up something by accepting the often dogmatically asserted pronouncements about how a major reduction in fertilizer or pesticide use would doom us to wildly increased food costs, if not outright starvation and famine."

Most farmers in states like Iowa now use chemicals to grow corn and soybeans exclusively. The USDA study included hypothetical comparisons of such farms with organic farms that follow a four-, five- or seven-year rotation growing alfalfa or oats some years instead of corn or soybeans.

In that analysis, the conventional corn-soybean farmers consistently had a "greater economic return above variable costs," said the report.

The reason was not that the conventional farms out-yielded the organic, but that the alfalfa and oats grown in some years by organic farmers would not have sold for as much as corn or soybeans.

Based on such crop production figures alone, farmers may be understandably reluctant to convert to organic farming, the study said. It added that the analysis did not include the higher "social costs" of conventional chemical farming—its greater soil erosion, water pollution, possible health hazards, and perhaps long-term declining productivity.

HARD TO ESTIMATE

Economic returns from organic farming are, like yields, hard to estimate because of varying local conditions and because a widespread shift in cropping patterns would by itself influence crop prices.

If farmers changed to organic farming in a massive way, thereby sharply cutting U.S. corn and soybean production, prices for those two commodities could be expected to rise dramatically, giving farmers a greater return per bushel, USDA said. On the other hand, prices for newly plentiful small grain and hay crops probably would drop.

"The total income for this situation is uncertain," said the report.

In a computerized study done in 1979 at the Center for Agricultural and Rural Development at Iowa State University, it was found that in a theoretical total shift to organic farming in the United States "crop production would meet domestic needs, but potential export levels would not be met. Decreased crop production would result in higher farm grain prices and higher total farm income in all regions. Total cost per unit of production would be higher, and consumer food prices would be significantly higher."

USDA'S report said that if many small farmers changed to organics, there would be "little economic impact on the U.S economy." But the effect of a wholesale shift is "extremely difficult to estimate."

NUMBER OF DRAWBACKS

Despite its encouraging tone, USDA's 1980 study listed a number of drawbacks of organic farming: A possible eventual drop in soil fertility with no use of chemical fertilizers, greater risks from weeds and insects, a possible reduction in total farm output, substitution of low-income crops for the higher paying crops that farmers have been accustomed to raising, and the increased cost of labor on organic farms.

"The greatest opportunity for organic farming will probably be on small farms and on larger mixed crop/livestock farms with large numbers of animal units," the study team concluded. It also saw a "limited" chance for "large-scale shifts to organic farming" unless "significant changes are brought about in public policy and in the overall structure of U.S. agriculture."

A return to grasses and legumes, as crops to rotate with grains, would mean a reduction in total U.S. grain production and perhaps a drop in grain exports—a radical departure from U.S. farm policy of the past decade or two. On the other hand, organic advocates say that is less of an issue today than in 1980 since today the problem is too much grain and stagnant export demand.

In any case, the USDA report was firm in its insistence that much more should be done to investigate the promise of organic agriculture—research a systematic gathering of information about all aspects of organic farming, establishment of organic farming courses at leand-grant colleges, and dissemination of information to interested farmers. In all, there were 27 specific recommendations.

REPORT HAILED

Secretary Bergland hailed the report and took the first step of appointing study team member and co-author Youngberg as the organic farming coordinator. And he named an organic farming advisory committee as recommended in the report.

Youngberg took up his new duties, and held a series of seminars around the nation to publicize the report. Farmers turned out in droves, overflowing the small meeting halls Youngberg has chosen in anticipation of a modest interest. USDA's research establishment began devising possible organic research projects, and the fledgling movement seemed to be on the verge of a breakthrough.

Then came two events that derailed things—issuance of a report by the Council for Agricultural Science and Technology (CAST), and, a month later, the election of President Reagan.

CAST, headquartered at Ames, IA, and partly funded by chemical companies and other agribusiness firms, issued a report arguing that crop yeilds might fall as much as 25 percent in an organic system. It warned of falling exports and the bringing of less

desirable lands into crop production. Organic boosters claimed the report was biased and erroneous, but it received wide attention.

With Reagan's appointment of Block to head USDA, organic farming was in further trouble. As one who used chemicals heavily on his Illinois farm and as an enthusiastic member of the American Farm Bureau, which advocates and sells chemicals, Block has little use for organic farming.

He told a magazine interviewer at the time that there would be no follow-up to Bergland's "dead end" research into organics.

PROTESTS SPURNED

True to his word, Block killed plans to issue a USDA policy statement on organic farming, ignored language in the 1981 farm bill telling USDA to step up its organic research efforts, and directed Youngberg to spend only half-time on his organic-farming duties.

Block spurned congressional protests, and when Youngberg and his boss, science director Anson Bertrand, urged more USDA money for organic research, the secretary turned them down. A frustrated Bertrand resigned in the spring of 1982.

A few months later, Youngberg received a notice that his job was being eliminated. Iowa Representatives Berkley Bedell and Tom Harkin protested, and Representative James Weaver (Dem., Ore.), leading House proponent of organic farming research termed USDA "a captive of the chemical industry . . . a pitiful agency, looking backward, not forward."

The protests were unavailing, and Youngberg left. An organic farming office no longer existed at USDA.

Last week, a caller seeking a copy of the report from USDA was told none was available. Try to reach Garth Youngberg, the caller was told. He might have some copies.

[From the Des Moines Register, June 12, 1984]

A REVOLUTION IN THE MAKING ON IOWA, NEBRASKA FARMS

(By James Risser)

BOONE, IA.—Fifteen years ago, Dick Thompson came to the realization that life on the farm was not what he'd envisioned when he left Iowa State University a decade earlier with a master's degree in animal husbandry.

Using the most modern farming methods and the most powerful chemicals, Thompson had devoted all his 300 acres to corn, year after year. Yields were climbing, but so were costs. More production, greater volume, seemed the only answer.

At the same time, the livestock that his education had prepared him to raise always seemed to be sick with one disease or another, despite all the antibiotics available to treat them.

Then Dick and his wife, Sharon, underwent what they describe as part religious experience, part discovery—they decided they were mired in a system in which "enough was never enough, and quick was never quick enough."

Rejecting many of the basic tenets of his education, Thompson dropped chemical fertilizers and pesticides and abandoned continuous corn production in favor of a five-year crop rotation, raising corn, soybeans, oats and hay. He has been an organic farmer ever since.

Almost simultaneously, 150 miles west in Valley, Neb., Del Akerlund was having a worried talk with his brother about what was going on at their 760-acre grain and livestock farm.

"We had gotten into chemical farming right after World War II," Akerlund recalled in a recent interview at his farm. "We were the first in our area to start with chemical fertilizers. The universities were encouraging use of the herbicides and insecticides, and we got into that, too."

After 22 year of generally successful farming with chemicals, things began to go wrong, said Akerlund. "We had trouble with weeds cropping up in our soybeans. We couldn't raise oats and hay because of the chemical residues in the soil. And the migrating birds weren't coming here anymore.

"The bull snake and the jack rabbit were being eliminated. The quail gradually declined, and that alarmed us. We wondered what in the world was happening to our environment."

The new national interest in environmentalism and consumer protection brought reports of health hazards to farmers from chemicals, and possible risks to consumers from chemical residues in foods.

"My brother and I just looked at one another this one day and said, 'That's it.' If we couldn't make it without chemicals, we'd just go broke and go into something else," said Akerlund. "So, we went cold turkey, and we haven't used chemicals since."

NOT ALL ROSES

For Akerlund, like Thompson, the switch wasn't all roses. There were some poor crops and some weed problems, but they stuck with it, experimenting to find better ways of doing things.

Today, their farms are healthy looking, neat and prosperous. Skepticism from farmer colleagues has slowly died, and both Thompson and Akerlund are sought by farmers contemplating a change to organic farming.

Both serve on the board of the recently formed Institute for Alternative Agriculture and appear at conferences on non-chemical farming. Thompson recently received a grant from the Regenerative Agriculture Association—part of the Rodale publishing and research complex in Pennsylvania—to continue his experiments with growing ridge-till soybeans without herbicides.

One of the criticisms of organic farming is that, because of its rejection of chemicals, it cannot successfully use reduced tillage cultivation techniques for halting soil erosion. Reduced tillage, which leaves crop residues on the ground, can lead to weed problems, so many farmers trying reduced tillage employ greater amounts of herbicides, at costs up to $30 an acre.

But Thompson claims success using permanent ridges, careful cultivation, and the use of manures. A field day to demonstrate the process is scheduled on his farm Aug. 30.

Thompson's corn yields have stayed at about the 125-bushel-to-the-acre level that he enjoyed prior to giving up chemicals, and have sometimes been higher. He also achieves normal soybean and oats yields, and raises hogs and beef cattle.

TOP SECRET

The secret to successful organic farming, he thinks, is good management and constant innovation to combat weeds or improve soil fertility. While he farms, Sharon is in charge of a large, organic garden. And both travel the country, telling their story.

"Our emphasis is not to tell all other farmers to be non-chemical, and we don't want to scare them or turn them off," said Thompson. "The emphasis is on conserving soil and reducing costs."

Typical erosion rates in the central Iowa area are eight to 10 tons to the acre, which is about the state average but double the acceptable limits set by soil scientists. Thompson said his erosion rates are no more than four tons, and on land in the meadow phases of crop rotation as low as one ton.

Some organic farmers see a moral or religious element to what they're doing, and the Thompsons are no exception. They have told audiences that at one point they realized that "God was going to teach us how to farm." Their awakening led them to a type of farming that makes a profit, but that "changed our priorities from dollars to principles," they said.

On the Akerlund farm is eastern Nebraska, the main crops are corn and soybeans, rotated with wheat, rye, oats, clover and alfalfa. Akerlund also raises cattle and said "this type of agriculture gives me a cash flow all year. Conventional monoculture farmers tend to harvest everything at one time."

"It took me about three year to get the place in proper shape, and income-wise, it didn't seem to hurt us. We'd been spending $25,000 a year for chemicals just before we quit. But I tell young farmer groups not to do as I did, not to quit chemicals all at once. It's risky, and we're in a dangerous time, economically speaking."

LAND-GRANT SCHOOLS EDGING INTO ORGANIC STUDY

Akerlund says farmers who change to organic farming seldom go back, "but some end up using small amounts of herbicides because of weed problems. And some banks and other lending agencies will see a farmer with lower yields the first year or so, which isn't a fair test, and they'll order him to 'farm chemically, or get out.' "

Dr. Richard Harwood. research director at Rodale, agreed that grain farmers seldom give up organic farming once they take the plunge. (Harwood prefers the term "regenerative" farming, as carrying less "emotional baggage" than "organic" farming and its connotation to some people of hippie gardeners.)

"Corn and soybeans are fairly easy to grow organically," he said. "Once you get the rotation established, and particularly if you have animals and can put hay into your rotation, you generally have few problems."

But, Harwood added, growers of apples and other fruits and cotton farmers sometimes encounter insect infestations that force them back to chemical sprays. Potatoes and tobacco also are rarely grown organically, due to bugs, he said.

Dr. J. Patrick Madden, a Pennsylvania State University agricultural economist, is just completing a two-year survey of organic farmers, in which he found that some had decided to keep using herbicides for weeds. But few "really give up" on organics, and the vast majority are successful, he said.

Madden said government and land-grant colleges are slow to offer advice on farming organically, "but if you go conventional, they'll give you lots of help." In some ways, organic farming is less predictable than chemical farming, and college researchers "don't want to recommend things that might be disastrous for a farmer," he said.

"But in fact it need not be disastrous," said Madden. "What we need now is more research and more technological transfer, so

that we can develop a sustainable and less toxic agriculture."

CRITICISM JUSTIFIED

Dr. John Pesek, an Iowa State University agronomist, said criticisms of the U.S. Department of Agriculture and the land-grant schools for "going the high-technology, high-off-farm input route" are justified. But he said they flowed from a national policy that emphasized high crop production and expanded exports. Also, some researchers have gotten funding from firms and other organizations whose whole thrust is toward chemical farming, he indicated.

But Pesek said some schools, including Iowa State, are starting to do more, and he said USDA should move in the same direction. In recent years, Iowa State has sponsored a conference for farmers on "biological farming" (another name sometimes used for reduced-chemical farming), has begun research on alternative agricultural methods and on conservation tillage, and is compiling for USDA existing information on low-technology farming, said Pesek.

He expressed concern about "the very detrimental things we've done to the soils of this state" with intensive row-crop farming, and said he foresees a day when farming will be practiced "over a wide continuum" that ranges from no chemicals to heavy chemical use.

The organic farming movement has, at the least, reawakened interest in crop rotation. R. Kent Crookston, an agronomy professor at the University of Minnesota, said in a recent article that "in our recent past, the yield benefits of rotations were almost forgotten by many farmers."

Even the limited step of alternating corn and soybean crops will boost yields of each crop by 10 percent over yields from growing either crop continuously, he said.

Nebraskan Akerlund says birds have returned to his farm, and wind erosion—a constant threat in his area—has lessened dramatically since he began using more cover crops and planted trees. "When there's high wind here, my place is like an oasis; it doesn't blow and the other farms do."

Akerlund also claims higher soil organic matter, faster seed emergence, better "keeping quality" of his grains, and healthier livestock with a better feed-to-meat conversion ratio.

He is sold on non-chemical farming and has devoted much of his time to urging other farmers to cautiously make the change. "But most of them continue on, hoping there'll be a better day. But there never will be. They're ruining the land."

[From the Des Moines Register, June 13, 1984]

THE LAND INSTITUTE FORGES INTO FUTURE OF AGRICULTURE

(By James Risser)

"It is the human agricultural system which must grow more toward the ways of nature, rather than the other way around. . . . We have yet to develop on agriculture as sustainable as the nature we destroy." Wes Jackson in "New Roots for Agriculture."

SALINA, KS—Along one bank of the Smoky Hill River is central Kansas, farm fields show the effects of erosion brought about by row-crop cultivation and intensive grain production. The river bank itself is crumbling and falling into the silt-laden stream.

On the other side, Wes Jackson stands, hands jammed into pockets scowling and talking about the washing away of U.S. farm land.

"Tillage agriculture, with annual crops, is the cause of the soil loss problem. Things like terracing won't solve it, because that's applying an engineering solution to an ecological problem."

It was erosion—now threatening at least one third of American crop land—that first thrust Jackson into the search for an environmentally sustainable agriculture.

A Kansas farm boy by birth, a biologist and Ph.D. geneticist by training, Jackson gave up college teaching eight years ago and returned to Kansas to found The Land Institute, a small and rustic research organization whose work has put it at the leading edge of a quietly spreading attempt to find a new way to farm.

Jackson, in his late 40s, can claim membership in the informal alliance of farmers, academics and environmentalists who—frustrated by government and agribusiness inaction—are looking into such things as reduced tillage, crop rotations, and farming without chemical fertilizers and pesticides.

Jackson, a strong supporter of those techniques, has gone beyond them. He has struck off in directions of his own questioning the fundamental way that farmers produce food and feed crops by planting them anew each spring and harvesting them each fall.

The logical result of the studies and experiments under way at The Land Institute's 188 acres would be a revolutionary kind of farming—radically altered and even entirely new kinds of plants, perennials that come up year after year like the native Kansas prairie grasses but with the proteins and other nutritive attributes of our current grain crops.

PROPER CARE OF LAND

His work could add a new dimension to the insistence of organic farming advocates that not only should synthetic chemical use be sharply curtailed, but that the proper care of American farm land requires a return to crop rotations, cover crops, strip-cropping and other protective measures.

The establishment of perennial crops, perhaps grown in a mixed polyculture fashion with two or more crops in the same field, could do away with much to today's soil-disturbing cultivation and provide a year-round ground cover. That could do wonders in preventing topsoil erosions and keeping the land fertile.

The trick is to come up with the right combinations of plants, to genetically cross-breed perennials with corn and other grains. This is at the heart of the efforts by Jackson, his wife Dana, their small staff, and the 10 graduate students who come to The Land Institute each year to study and to work.

One of this year's students is Janine Calsbeek, from Packwood, Ia., and a graduate of Northwestern College at Orange City. "This place has really opened up my eyes to some things about taking care of the Earth," she said. Whether many farmers can afford to rotate crops, much less "handle the transition to new crops and a different way of farming" is something she hasn't yet decided.

In addition to the perennials project, the institute is looking at energy conservation and waste management. Its main building gets its electricity from a pair of modern, thin-bladed windmills that tower overhead. During the raw Kansas winters, heat comes from solar collectors and wood stoves.

Rodale Research Center in Pennsylvania, leader in organic farming research, has taken note of what Jackson is doing and has obtained a variety of plants from his living "library" of perennials to aid its own field tests.

One of Jackson's projects involves eastern gama grass, a perennial that is related to corn. It has three times the protein percentage of corn, and cattle "relish" it, according to Jackson.

On the other hand, its normal yield is about one bushel to the acre. Jackson's idea is to try to combine the high yield characteristics to traditional annual corn, the perennial nature of a new corn from Mexico, and the beneficial aspects of eastern gama grass.

It's a difficult task, and "it may not work," said Jackson. But he's encouraged by the experimental results so far, and says the recent discovery of a genetic mutant could increase gama grass' normal yield 15- to 30-fold.

Other research aimed at breeding winter hardiness into grain sorghum, which in its original form is a perennial but which has been grown as an annual crop here. Trying to cross sugar cane with Johnson grass is another experiment.

Jackson also has done work on the Kansas sunflower, and says that perennial sunflowers rasied at The Land Institute already equal the domestic annual sunflower in oil production. He's found that the sunflower's roots exude a substance that kills weeds, acting as a natural herbicide.

"The trouble with most of our domestic crops," says Jackson, "is that they're genetic paupers," shorn of many of their natural protective characteristics through years of specialized breeding aimed at boosting yields.

Jackson's work on hundreds of perennials planted at The Land Institute is slow, but far more challenging to his way of thinking than "the safe research they do at the land-grant schools."

There's no other research like this going on anywhere, trying to see the characteristics and uses of wild plants."

With his warnings that "today's agriculture has essentially been independent of ecology," and that preparations must be made for the day when "the oil is gone, when we switch from an industrial agriculture to a biological agriculture based on sunshine," Jackson has become one of the gurus of these searching for an environmentally sound farming.

He was keynoted speaker last February at the fourth annual "Ecological Farming Conference" at La Honda Calif., where some 500 farmers and researchers gathered to hear some of the leaders in the organic farming field. One was Miguel Altieri, an entomology professor at the University of California who uses the term "agroecology" to describe his research into making better use of natural systems in farming. He accuses modern agriculturists of having concentrated too much on solving individual problems—increasing a crop's yield, or fighting a particular insect, for example—instead of taking a more "holistic" approach to a healthly agriculture.

Altieri says that farming based on "the uninterrupted availability of supplemental energy and resources" is "no longer appropriate." He proposes not only more research on organic farming and other alternative techniques, but policy changes to encourage a trend back toward smaller, self-sufficient farms

POLYCULTURE FARMING

Another conference participant, Stephen Gliessman, professor of environmental studies at the University of California at Santa Cruz, reported on studies conducted at Tabasco, Mexico, where corn beans and squash were grown together, in "polyculture" fashion

Yields were generally higher than when the crops were grown singly, in "monoculture," Chemicals were not used but nitrogen for the soil was provided by the mix of crops, insects were controlled by natural predators and both bugs and weed were minimized by plant spacing.

However, John Luna, a pest management specialist at Virginia Polytechnic Institute who once farmed organically in Oregon, warned the La Honda conferees that "there are some limitations to a totally orgainc approach to commercially profitable agriculture."

He said his own problems trying to grow cherries and vegetables without chemicals led him to a more "integrated pest management" strategy, with some chemical pesticides combined with natural predators, proper tillage and insect-repelling herbs.

But he scornfully referred to many agricultural entomologists as "nozzle heads" who "slander organic farmers" and advocate more chemical spraying. Greater pesticide use "can only lead to perpetuating a decaying agricultural system," said Luna.

Organic farming has taken perhaps its strongest hold in California, where it has gained popularity with fruit and vegetable producers, and where state law provides that food grown without chemicals can be labeled "organic." Such food often sells at premium prices.

Norman Coates of Orleans, Calif., whose long hair, massive beard and casual demeanor seemed to represent a lifestyle often linked with California, told of going to the country to get away from things and to grow carrots.

He started with four acres, went to 10, then 30, and now 50, on which he raises carrots organically. "It's hard for me to think of my farm as a big commercial production, but I guess that's what it is," said Coates.

Recent organic research of more relevance to Midwest grain farmers has been conducted at the University of Nebraska's agricultural experiment station at Mead by Dr. Warren Sahs. In eight years of tests, organic corn grown in rotation with oats, clover and soybeans, and fertilized with animal manure, had identical yields to corn grown continuously and treated with chemical fertilizer, insecticide and herbicide.

When corn was grown in rotation with other crops, but also treated with fertilizer and herbicide, it out-yielded the organic corn by about 10 percent.

Similar findings have come from the DeSoto Wildlife Refuge in western Iowa, where primarily to protect migrating fowl and other wildlife, farm land owned by the refuge is rented to farmers with the provision that they may use herbicides if necessary but no chemical fertilizers or insecticide. Over five years, yields of "biological corn," as the refuge managers call it, outyielded the corn treated with chemicals by four bushels to the acre.

Sahs, whose research at Nebraska makes him unusual among land-grant college staff, concludes that with crop rotations, insects are not much of a problem, that weeds can give an organic farmer real trouble, and that if net income rather than maximum crop production is the goal, organic methods with their lower costs offer some promise for commercial farming.

"I'm afraid there are going to be a lot more farmers go broke," he said, "and they're looking for answers, for alternatives."

[From the Des Moines Register, June 14, 1984]

FUNDS SOUGHT FOR ORGANIC FARM STUDY

(By James Risser)

WASHINGTON, DC.—The prestigious National Academy of Sciences disclosed Thursday that it plans an extensive study of organic farming and other alternatives to contemporary chemical-intensive agriculture.

Charles Benbrook, who heads the agriculture board of the academy's National Research Council, told a Senate Agriculture Committee hearing that "there is clearly something profound occurring on well-managed organic farms."

Referring to "documented achievements in terms of yields and production costs" by organic farmers, Benbrook said his board is "keenly interested in how alternative farming methods can help increase productivity on American farms."

He added, in a prepared statement submitted to the Senate panel, that "a disservice is done to U.S. agriculture as a whole by not responding in a more balanced way to the research and education needs of this particular agricultural constituency"—an apparent reference to the U.S. Department of Agriculture's opposition to studying or disseminating information on nonchemical farming.

The Senate committee heard testimony Thursday, both pro and con, on a bill that would create organic farming pilot projects on a dozen conventional chemical-using farms. The advantages, drawbacks and costs of converting the farms to organic methods would be studied over a five-year period.

Organic farming eliminates or sharply reduces use of synthetic fertilizers, insecticides and herbicides, and employs crop rotations, cover crops, manure and other nonchemical soil nutrients.

Its advocates say it reduces farmers' costs, curbs soil erosion, protects the environment and safeguards the health of farmers and food consumers. Foes say it is not practical in today's agriculture and would cause a huge drop in U.S. crop production and grain exports if adopted on a broad scale.

Orville Bentley, assistant secretary of agriculture for science and education, testifying against the bill, said chemicals "make it possible for the farmer to make a profit."

The administration opposes the bill because of its cost ($10.5 million spread over five years) and because of "the restrictive requirements on the conduct of the research" called for by the bill, said Bentley.

He insisted that the "USDA is by no means opposed to organic or other alternative farming methods" and said about $18 million in annual USDA research expenditures go for things that could benefit organic farmers.

NO TESTS

But Senator Patrick Leahy (Dem., Vt), accusing the department of "animosity" toward organic farming, said the USDA has no individual designated to head organic farming research and is conducting no on-farm tests. He rejected Bentley's cost argument, saying the money required by the bill would amount to .002 percent of USDA's research and extension budget.

Under the previous administration, the department issued a generally favorable report on organic farming and its potential for greater use, but now does not make information on the subject readily available, said Leahy. "I cannot go to a farm meeting in Vermont now without hearing about these methods or being asked why no more information is available," he said.

Benbrook said the National Academy of Science's planned study would build upon the 1980 USDA organics report and would examine organic farming's potential for aiding national soil conservation and crop production adjustment goals.

Professor William Lockeretz of Tufts University said his studies a decade ago at Washington University showed that "organic farmers in the Midwest were doing quite well raising the major crops of the region, such as corn and soybeans, on a fully commercial scale." He endorsed the bill, saying "There is no substitute for whole-farm research."

FARM BUREAU

But Professor John Pesek, head of the agronomy department at Iowa State University, said the bill is "deficient" because it does not propose to use enough farms and would end after five years. He expressed doubts about the wisdom of pilot-farm research, but said that if Congress decided to go ahead it should require that the studies last a minimum of 10 years and preferably 20 years or more.

The American Farm Bureau Federation said the money could be better spent by giving it to land-grant universities to finance research into genetically manipulating corn and cotton to make them more naturally pest-resistant and less dependent on chemical fertilizers.

The fertilizer industry, whose annual sales to farmers total nearly $10 billion, urged the bill's defeat. Gary Myers, president of the Fertilizer Institute, complained of "misconceptions" and a "mystique" surrounding organic farming, and said a wholesale switch to use of manures would require huge increase in U.S. livestock numbers.

There are better ways, he said, to achieve soil and water conservation. Myers rejected what he said was the premise of the bill—that U.S. agriculture as now practiced is "wasteful" and cannot endure over the long term .

I. Garth Youngberg, executive director of the Institute for Alternative Agriculture, said the bill would help to correct a research imbalance and "help our nation's farmers begin to wean themselves away from their heavy dependence upon increasingly expensive fossil fuel-based production inputs."

The legislation also was supported by the Soil Conservation Society of America, the National Association of Conservation Districts, Natural Resources Defense Council, Friends of the Earth, and the Regenerative Agriculture Association, headed by Robert Rodale.

TRADEOFF

Rodale told the committee that "there is a sad trade-off between productivity and destruction on American farms today," with high grain production coming at the cost of "tragic levels of soil loss, pervasive water and air pollution, burdensome levels of debt, weakening of rural communities, and the removal of millions of rural people from their farm homes."

Contrary to their image of being backward in their methods, organic farmer actually "use a sophisticated and truly scientific

understanding of the renewable resource within their reach." he said.

A number of other countries are ahead of the United States on organic farming concepts, said Rodale.●

THE 135TH ANNIVERSARY OF THE FREE SONS OF ISRAEL

● Mr. MOYNIHAN. Mr. President, I would like to take this opportunity to congratulate the Free Sons of Israel upon celebrating its 135th anniversary.

The Free Sons of Israel is the oldest national Jewish fraternal benefit order in the United States. For over a century, this organization has contributed to the continued vitality of the American pluralist ethos.

The breadth and scope of its activities are far-reaching. The Foundation Fund alone, which supports, among other things, homes for senior citizens, convalescent homes, and summer camps for needy children, is a source of inspiration to all of us who hold dear the values of communal service. The Free Sons Scholarship Fund and the Free Sons Hebrew Awards reflect the orgaization's deep commitment to education.

I hope that the next 135 years of this splendid organization will be as productive and fruitful as the last 135 years have been.●

WRONGFUL LIFE

● Mr. DURENBERGER. Mr. President, last week the New Jersey Supreme Court upheld the right of a handicapped child to recover extraordinary medical expenses as a result of this "wrongful birth." Although the court did not go so far as to hold that no life would have been preferable, its decision is shocking because it comes painfully close to adopting a quality of life argument.

In *Peter Procanik, etc. et al.* v. *Joseph Peter Cillo, et al. and Harold A. Sherman, et al.* (A-89), the plaintiff was born with severe handicaps as a result of his mother's contraction of German measles during her pregnancy. His mother was informed by her doctor, prior to Peter's birth, that she was immune to German measles and she was assured that she should have no expected problems. After the child was born it was apparent that the doctors had misdiagnosed the type of measles which the mother had contracted.

The litigation which was commenced on behalf of the child alleged that the doctors should assume liability for medical expenses for the child, as well as damages for a diminished childhood, because they failed to present the parents with the option of terminating the pregnancy.

The New Jersey Court held that the child could recover extraordinary medical expenses as a result of his birth defects—despite the fact that the doctors did not cause the defects. The Court reasoned:

When a child requires extraordinary medical care, the financial impact is felt not just by the parents, but also the injured child. As a practical matter, the impact may extend beyond the injured child to his brothers or sisters. Money that is spent for the health care of one child is not available for the clothes, food, or college education of another child.

Recovery of the cost of extraordinary medical expenses by either the parents or the infant, but not both, is consistent with the principle that the doctor's negligence vitally affects the entire family. *Procanik* v. *Cillo*, page 14.

Fortunately, the court did not permit recovery for diminished childhood or emotional distress. In precluding recovery the justices found:

The crux of the problem is that there is no rational way to measure non-existence or to compare non-existence with the pain and suffering of his impaired existence. Whatever theoretical appeal one might find in recognizing a claim for pain and suffering is outweighed by the essentially irrational and unpredictable nature of that claim. . . .

In brief, the ultimate decision is a policy choice summoning the most sensitive and careful judgment.

From that perspective it is simply too speculative too permit an infant plaintiff to recover for emotional distress attendant on birth defects when that plaintiff claims he would be better off if he had not been born. Such a claim would stir the passion of jurors about the nature and value of life, the fear of non-existence, and about abortion. That mix is more than the judicial system can digest. We believe that the interests of fairness and justice are better served through more predictably measured damages—the cost of the extraordinary medical expenses necessitated by the infant plaintiff's handicaps. Damages so measured are not subject to the same wild swings as a claim for pain and suffering and will carry a sufficient sting to deter future acts of medical malpractice.

As speculative and uncertain as is a comparison of the value of an impaired life with non-existence, even more problematic is the evaluation of a claim for diminished childhood. *Procanik* v. *Cillo*, page 17.

Despite the court's denial of a diminished childhood, I find this decision frightening. It represents a beginning, I believe, toward acceptance of the philosophy that the quality of life is measurable and surpasses the right to life itself.

In the Procanik case, Justice Schreiber, in his dissent, recognized the impossibility of measuring the value of life, citing Chief Justice Weintrob, he stated:

Ultimately, the infant's complaint is that he would be better off not to have been born. Man, who knows nothing of death or nothingness, cannot possibly know whether that is so.

We must remember that the choice is not between being born with health or being born without it; it is not claimed the defendants failed to do something to prevent or reduce the ravages of rubella. Rather the choice is between a worldly existence and none at all. Implicit, beyond this claim against the physician for faulty advice, is the proposition that a pregnant woman who, duly informed, does not seek an abortion, and all who urge her to see the pregnancy through, are guilty of wrongful injury to the fetus, and indeed that every day in which the infant is sustained after birth is a day of wrong. To recognize a right not to be born is to enter an area in which no one could find his way. *Gleitman* v. *Cosgrove*, 49 N.J.22, 63 (1967)

Mr. President, I agree with Chief Justice Weintrob. Certainly our hearts and sympathies are with the family of this child, but we cannot presume to say he should not have been born—that no life is better than existence. America's millions of disabled citizens should dispel any such notions.

Instead of espousing a belief that a handicapped life is not worth living, we must act to enrich the lives of our handicapped citizens to their fullest. In doing so, we will serve the best interests of our society.

Mr. President, I ask that the text of Justice Schreiber's dissent be included in the RECORD.

The dissent follows:

[Supreme Court of New Jersey, A-89, September Term 1983]

PETER PROCANIK, an infant by his guardian ad litem, ROSEMARIE PROCANIK, and ROSEMARIE PROCANIK and MICHAEL PROCANIK, individually, PLAINTIFFS-APPELLANTS, *v.* JOSEPH PETER CILLO, HERBET LANGER, and ERNEST P. GREENBERG, DEFENDANTS-RESPONDENTS, and HAROLD A. SHERMAN, LEE S. GOLDSMITH, and GREENSTONE, GREENSTONE & NAISHULER, a professional corporation, DEFENDANTS

Schreiber, J., dissenting in part.

I join in substantially all of Justice Pollock's sensitive opinion concerning the infant's claim of general damages for wrongful life. However, I cannot agree that the defendant doctors must pay the infant the costs of medical and other health-care expenses that were not incurred as a result of any breach of duty owed by the doctors to the infant.

The majority recognizes *ante* at——(slip op. at 16-18), as do I, that the child's wrongful life action for general damages is fundamentally flawed. *See generally* Annot., "Tort liability for wrongfully causing one to be born," 83 *A.L.R.* 3d 15 (1978) (overview of case law on wrongful life). The bedrock for that conclusion is that man does not know whether nonlife would have been preferable to an impaired life. As Chief Justice Weintraub so eloquently framed the issue:

"With respect to the claim advanced on behalf of the infant, I agree with the majority that it cannot be maintained. Ultimately, the infant's complaint is that he would be better off not to have been born. May, who knows nothing of death or nothingness, cannot possibly know whether that is so.

"We must remember that the choice is not between being born with health or being born without it; it is not claimed the defendants failed to do something to prevent or reduce the ravages of rubella. Rather the choice is between a worldly existence and none at all. Implicit, beyond this claim against a physician for faulty advice, is the proposition that a pregnant woman who, duly informed, does not seek an abortion, and all who urge her to see the pregnancy

through, are guilty of wrongful injury to the fetus, and indeed that every day in which the infant is sustained after birth is a day of wrong. To recognize a right not to be born is to enter an area in which no one could find his way." [*Gleitman* v. *Cosgrove*, 49 *N.J.* 22, 63 (1967) (Weintraub, C.J., dissenting in part).]

Once one acknowledges, as the majority has, *ante* at —— (slip op. at 16-18), that the child has no cause of action for general damages stemming from wrongful life, it is unfair and unjust to charge the doctors with the infant's medical expenses. The position that the child may recover special damages despite the failure of his underlying theory of wrongful life violates the moral code underlying our system of justice from which the fundamental principles of tort law are derived.

An essential element of negligence law is that the defendant's conduct must proximately cause the plaintiff's damages. Most significant is the fact here that the defendant doctors did not injure the child. The doctors did not cause or fail to do something to prevent the multiple birth defects. Yet the damages with which the doctors are being charged are the costs of the medical expenses necessitated by those birth defects.

It is, of course, proper for a court to inquire whether traditional common-law notions should continue to be followed. Therefore, it is appropriate to ask why the crucial component—causation—should not be eliminated in assessing special damages against these defendents. The reason for proximate cause is that it is fair to require a defendant to pay for the damages he causes, and it is generally unfair to charge a defendant for damages he does not cause.

There are two circumstances in which monetary awards unrelated to the plaintiff's injury may be justifiable. The first is when punishment is in order, that is, when the defendant should be punished civilly for wanton and willful misconduct to the plaintiff. However, there is no allegation that the defendants' conduct approached that level and, indeed, the majority accepts the proposition that the defendants did not direct any improper conduct toward the infant plaintiff.

The second circumstance in which awarding such damages may be justified is when the award would help to deter doctors from negligently failing to advise parents of significant possible defects in their future children. How realistic is that contention? First, doctors carry malpractice insurance, and the costs seemingly imposed on the defendants will actually be borne by those members of the public using these services of obstetricians or whatever grouping of doctors occurs for insurance purposes. Second, under existing law, parents have a malpractice claim for the identical misconduct. *Schroeder* v. *Perkel*, 87 *N.J.* 53 (1981). Thus, the possible deterrent effect is already there.

Finally, some other forms of deterrence against malpractice now exist. The Legislature has acted to protect society from incompetent doctors by authorizing the State Board of Medical Examiners to suspend or revoke a doctor's license when it has been demonstrated that he is professionally incompetent to practice medicine. *N.J.S.A.* 45:9-16(i). Hospitals have also established their own standards of care, and may revoke the hospital privileges of doctors who fail to satisfy those standards, directly affecting the doctors' ability to practice medicine. *Cf. Greisman* v. *Newcomb Hosp.*, 40 *N.J.* 389 (1963) (hospital's discretionary power to grant admitting privileges to doctors must be exercised in the public interest).

On balance I do not believe the Court is justified in discarding the concept that defendants ordinarily pay as damages only those expenses that are incurred as a result of the defendants' action or inaction. To make the leap from negligence to noncausally-related damages is unwarranted in this case. I, too, am sensitive to the difficulties with which this family must grapple. However, sympathy for a handicapped child and his parents should not lead us to ignore the notions of responsibility, causation, and damage that underlie the entire philosophy of our system of justice. It would be unwise—and, what is more, unjust—to permit the plaintiff to recover damages from persons who caused him no injury. I cannot concur in such a result.●

PLO AND SWAPO JOIN FORCES IN RESOURCE WAR AGAINST U.S. INTERESTS

● Mr. DENTON. Mr. President, United States national security is under an ever-increasing threat because of the Soviet resource war against the United States. In 1973, Soviet leader Leonid Brezhnev announced in Prague, Czechoslovakia—at just about the time the Soviets were providing Cuban soldiers to install a Communist puppet government in Angola—that the Kremlin aims "to gain control of the two great treasure houses on which the West depends—the energy treasure house of the Persian Gulf and the mineral treasure house of Central and Southern Africa."

This week in Tunis, Tunisia, in North Africa, the United Nations is sponsoring a conference featuring a keynote speech by Sam Nujoma, leader of the South West Africa Peoples Organization [SWAPO], a Soviet-backed terrorist group which has been operating from bases in the southern part of Marxist Angola since 1975 to seize control of neighboring Namibia by the usual Communist terrorist tactics of murder, abduction, and intimidation against the civilian population.

Land mines planted by SWAPO to blow the legs off black men, women, and children in northern Namibia are such common place terrorist events that they are hardly reported in the press any more. What most Americans do not realize is that the SWAPO terrorist attacks—financed, equipped, trained, and guided by Soviet advisers—are a significant step in Soviet empire expansionism to cut off U.S. industrial access to strategic minerals available only in the free world in Southern Africa. This has been carefully documented in extensive hearings in March 1982 held by the Senate Subcommittee on Security and Terrorism.

Former Secretary of the Navy J. William Middendorf II, now serving as U.S. Ambassador to the Organization of American States, not long ago in a speech at Leeds Castle in Great Britain, pointed the finger at Soviet strategy in the resource war, saying that:

> The Soviets are following a policy of resource diplomacy or resource blackmail, which is aimed at denying the increasingly import-dependent West the resources it needs for survival * * * starting with oil and proceeding to other strategic raw material.

In August 1983, the U.S. Congressional Budget Office issued an excellent report entitled "Strategic and Critical Non-Fuel Minerals: Problems and Policy Alternatives," which stated:

> The United States is a net importer of 64 "strategic and critical" minerals and metals (defined as those needed to supply the Military, industrial and civilian needs of the U.S. during a national defense emergency and whose supplies are dependent on imports) * * * U.S. import dependence is almost total for minerals such as chromium, cobalt, manganese, bauxite, and the platinum group (rhodium, paladium, platinum, ruthenium, osminum and irridium). Moreover, U.S. dependence on imported minerals is the increasing * * * dependence of foreign minerals risks for the US. economy, for national preparedness in the event of war.

The so-called Arab solidarity conference, sponsored by the United Nations this week in Tunis, is described in the U.N. press release of June 18, 1984, this way:

> The conference is intended to emphasize the solidarity of Arab governments and nongovernmental organizations with the liberation struggle in southern Africa and explore ways and means of increased assistance to the national liberation movements in southern Africa.

It is well known by students of Communist propaganda that the term "liberation movements in Africa" is simply a euphemistic way of describing SWAPO and similar terrorist groups who are furthering Soviet empire expansionism with the Brezhnev policy of trying to put U.S. industrial dependence on strategic minerals in Africa under Soviet control so our country can be subjected to diplomatic, political, and economic blackmail.

Those of us in the U.S. Congress whom the voters have entrusted with seeing to the national security of America must take every possible step to stop U.N. financing of this new threat presented by the U.N. efforts to combine the Palestine Liberation Organization [PLO] terrorist campaign against Israel with the SWAPO threat against Namibia. In this connection, I invite the attention of colleagues to an article entitled "Soviets Target Key Minerals in Southern Africa," by Carl Shipley, which appeared recently in the Conservative Digest.

The article follows:

SOVIETS TARGET KEY MINERALS IN SOUTHERN AFRICA

(By Carl Shipley)

In its January 1982 issue, the magazine *Sea Power* reported that a recent study:

. . . confirms what defense analysts know all too well, but the American press, public and Congress are only belatedly starting to realize: that the United States faces a potential mineral crisis which will grind American industry to a screeching halt and create worldwide economic chaos . . . the Soviet Union, having achieved military parity with the U.S. virtually across the board—and military superiority in a number of areas—now may be attempting to gain monopolistic control of a number of key strategic metals and minerals without which the United States and its free world allies would be militarily helpless.

Over the last few years since 1973, the Soviet Union has concentrated very heavily on sub-Sahara Africa. Why? Regional countries particularly rich in mineral resources are Zaire, Zambia and Namibia, as well as South Africa itself. Indeed, this part of the world is sometimes referred to as the "Persian Gulf of minerals."

Of the thirteen most important minerals, more than half of the world's reserves are found in southern Africa and the Soviet Union. According to a current report of the U.S. Congressional Budget Office, "The United States is a net importer of 64 'strategic and critical' minerals and metals (defined as those needed to supply the military, industrial, and civilian needs of the U.S. during a national defense emergency and whose supplies are dependent on imports)."

This same report points out the U.S. import dependence is almost total for minerals such as chromium, cobalt, manganese, bauxite, and the platinum group (rhodium, palladium, platinum, ruthenium, osmium and iridium). As stated in the report, "U.S. import dependence is increasing . . . Dependence on foreign minerals creates risks for the U.S. economy and for national preparedness in the event of war."

In a recent article written by Congressman James Santini, former chairman of the Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs of the U.S. House of Representatives, he said:

Without minerals, there would be no modern agriculture, no energy production, no transportation systems or communications network, and no weaponry for national defense. Each year, Americans use for various purposes an average of 41,000 pounds of minerals per person. Over four billion tons of minerals are needed annually to sustain the U.S. economy.

SOVIETS POISED FOR TAKEOVER

In 1975, a pro-Soviet government was installed in Angola with the aid of Cuban troops. Angola borders Namibia, which in turn borders the mineral-rich states of southern Africa. The Soviets and their terrorist proxies are stirring trouble in these states in preparation for a takeover and near-total control of the world's strategic minerals.

Because few Americans are familar with the long term implications of the Soviet strategy with respect to strategic minerals, its entirely possible that one day the U.S. will wake up to find we are the victims of Soviet control of the strategic minerals without which our technological civilization will collapse. Then Americans must pay economic blackmail in the form of exorbitant prices, such as we went through in the 1970s during the oil boycott, or be subject to diplomatic blackmail by the Soviets which might move the U.S. further down the road to socialism and ultimate Soviet domination. It is time for American voters to wake up and blow the whistle on members of the U.S. Congress and demand that our government block further Soviet empire expansionism in southern Africa.●

FEDERAL CROP INSURANCE

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. PRYOR. Mr. President, for the better part of two years, I have been working to solve some of the problems that have occurred with the expansion of the Federal Crop Insurance program. I've expressed my concerns and met with Mr. Merritt Sprague, Manager of FCIC, in order to improve the program and make it more responsive to the needs of Arkansas producers who purchase crop insurance.

Mr. President, Arkansas producers have increased their crop insurance coverage since the expansion of the program. As the total coverage has grown, there has been an increased work load at the regional level and, as a result, delays in processing of claims and applications. In an effort to respond to the problem regarding Arkansas claims, Mr. Sprague has proposed to transfer Arkansas crop insurance matters from one region to another. This proposal does not, however, deal adequately with the needs of Arkansas farmers.

Arkansas producers pay total premiums that exceed those paid by producers in several regions. For example, in the 1982 crop year, Arkansas producers paid crop insurance premiums of $13.2 million. This exceeded the gross premiums collected in all crop insurance regions in the country except four.

In light of the developments, Mr. President, and due to the fact that there's been such an expansion of the program in Arkansas, the House Appropriations Committee included report language dealing with the establishment of an FCIC office in Arkansas. The language, which appears on page 50 of the committee report, is:

In view of the acceptance of and participation in the current crop insurance program by Arkansas farmers, the committee expects the Corporation to expeditiously reestablish a field office within Arkansas.

Mr. President, I commend my House colleagues, in particular the gentleman from Arkansas [Mr. ALEXANDER] for their efforts on this matter. I hope this office can be established promptly to assist Arkansas producers. It will be very helpful to them and will improve service to the farmers of my State who have been active participants in the crop insurance program.●

THE NEED TO REFORM THE FECA

● Mr. DURENBERGER. Mr. President, recent events have convinced me that one of Congress' top priorities next year must be the reform of the Federal Election Campaign Act [FECA]. Clearly, the objects of our present inaction—the deficit, tax reform, and so on—deserve a high place on next year's agenda. But such issues are merely the symptoms, not the root causes, of the paralysis that grips our governing institutions. Elections, on the other hand, are the linchpin of our representative system, and, without doubt, much of the blame for the flaws in our policymaking process lies in the way we have mismanaged elections under the FECA.

As the article following this statement shows, the FECA has conspicuously failed to achieve its goals of promoting full public disclosure and making the system more responsive to the public interest. According to the article, even Walter Mondale, one of the most ardent FECA proponents of the 1970's, has been unable to resist systematically contravening the act's intent in pursuit of his Presidential ambition. At the same time, however, the FECA has ominously helped to increase the influence of special interest groups over Congress. Thus, far from being merely a source of embarrassment for hypocrits, the FECA has become an unacceptable danger to the very public interest it was ostensibly designed to serve.

The FECA's most perverse effect has to reinforce the already pronounced trend toward the decline of our political party system. Historically, it has been our parties—not organized special interests, and not single-issue voting blocs—where the general interests of all Americans have found their greatest representation. Indeed, the parties' demise signals a profound weakening of Congress' ability to represent the public.

Notably, before 1960, elections were largely labor-intensive, and organizations able to mobilize armies of campaign workers on election day could claim broad authority for setting public policy. Party leaders exercised powerful influence as mediators among special interests, articulating the public interest in broad programmatic themes. Party organizations would then use their electoral leverage to enforce legislative discipline, thereby ensuring support for such policies in the Congress.

However, with the advent of television and direct mail, campaigns became increasingly capital-intensive, and traditional methods of party assistance declined in importance. As parties lost their ability to shape candidates' positions and enforce disci-

pline in Congress, individual legislators assumed the role of mediators among special interests. Yet because legislators needed to develop personalized coalitions of support, they came more directly under the influence of particular interests. With this increased influence, interest groups gained the ability to play legislators off against one another. And in so doing, they institutionalized a new and dangerous phenomenon: governmental paralysis, through a process of divide and conquer.

Instead of responding to these electoral changes by shoring up the role of parties, the largely liberal reformers of the 1970's sought to weaken parties further by limiting their role in the funding of elections. They did so, on the one hand, because they saw party leaders as thwarting the will of the people by resisting the ideas of groups outside the mainstream of party politics; and on the other hand, because they saw money as corrupting intraparty decisions by giving the economic interests too much power vis-a-vis these "outsider" groups. The FECA reforms adopted in the 1970's consequently treated parties, individuals, and political action committees similarly, limiting the amounts all three could contribute to individual candidates in an election cycle.

Predictably, these reforms failed to make elections—the cost of which were driven by technology—any less capital-intensive. Instead, they channeled contributions into an expanding number of PAC's operating outside of the party structures, as well as a variety of "soft money" conduits not regulated by the Federal Election Commission. One result has been that candidates have become even more dependent on special-interest funding sources—in part because PAC's could proliferate, while parties could not. Another has been that candidates, such as former Vice President Mondale, have been encouraged to develop increasingly dubious accounting schemes to exploit the FECA's loopholes for electoral advantage.

Even with these highly visible problems, however, there remains an impasse over campaign finance reform. On the one hand, the social interests of the left are still intent on negating the financial advantage of the more conservative economic interests. Yet what these interests fail to appreciate, is that they have largely attained political parity through the coverage of their issues in the free media. With legislator-constituent ties based increasingly on publicity, Members of Congress are more sensitive than ever to embarrassing media coverage. As a result, interest groups no longer need vast economic resources in order to affect elections or influence legislation.

The other side of the impasse is that the Constitution will not permit the stifleling of views expressed through financial expenditures on behalf of a candidate or position. Thus, whether through overt contributions to candidates, or tacit activities—such as those described in the "Waltergate" article—campaign financing will continue to utilize the resources of economic interests, regardless of schemes to frustrate such expression.

Moreover, the article points out that the act is ridden with reporting loopholes. In the following letter, for example, National Conservation Action Committee [NCPAC] Chairman Terry Dolan asserts that as much as $100 million of organized labor's expenditures in behalf of candidate Mondale may go unreported under the FECA. Many corporate activities will similarly go unreported. The actual amounts are unknown. Yet the disclosure of campaign expenditures has been perhaps the most useful aspect of the act, since it provides the public with the means to judge the activities of those who would influence our political process. Clearly, such special interest loopholes in FECA reporting requirements do little to enhance the public interest.

Equally clear, it is time for Congress to reform the FECA in ways that strengthen parties. The decline of party discipline—not money—has been the primary factor undermining our ability to achieve a governing consensus on the difficult issues of the day. No doubt, loosening the FECA's strangle hold on the parties will be opposed by the "social" special interests who advocate public financing of elections. But their selfish ulterior motive is merely to gain tactical advantage over the economic special interests. Significantly, public financing will fail to deal with the basic problems of governmental paralysis; it can only weaken parties further; and it will only channel financial resources into a variety of more tacit—and less discernible—forms of influence.

Mr. President, next year Congress must break the special interest impasse over campaign finance reform. In a day and age when election campaigns are by nature more capital intensive, our parties need to be freed from FECA shackles that treat them as "super PAC's"—as though they were nothing more than selfish special interests, capable of corrupting the Congress. We have clearly failed in our initial efforts to adapt our election laws to the new realities of the communications age. Let us hope that our recent frustrations have given us a new appreciation for the legislative discipline that only the parties can provide.

Mr. President, I ask that the article entitled "Waltergate" and the letter by NCPAC Chairman Dolan be printed in the RECORD.

The materials are as follows:

NATIONAL CONSERVATIVE
POLITICAL ACTION COMMITTEE,
Alexandria, VA, July 3, 1984.

MR. LANE KIRKLAND,
President, AFL-CIO, Washington, DC.

DEAR MR. KIRKLAND: There have been estimates that organized labor is going to spend over $100 million to elect Walter Mondale.

As you know, our organization is in the middle of a $12 million independent expenditure campaign on behalf of Ronald Reagan.

I am writing to make you an offer. We are willing to call off our expenditure campaign for Reagan if big labor stops its political activities for Mondale.

Basically what we are suggesting is "a mutually verifiable freeze" on our activities in the presidential race. To prove we are not breaking this agreement, we will make our records public if you will do the same.

Assuming you turn down this offer, in the interest of the public's right to know, I hope that you will release to the press the amount of money the unions are spending in all their activities that affect the outcome of the election, including "non-partisan" voter education, get-out-the-vote campaigns, voter registration, phone banks, staff salaries and other things.

I am eagerly awaiting your response.

Sincerely,

JOHN T. "TERRY" DOLAN,
National Chairman.

[From Regardie's, July 1984]

WALTERGATE

(By Bill Hogan and Alan Green)

(In his 1975 book The Accountability of Power, Walter Mondale described why he had abandoned his campaign for the 1976 Democratic presidential nomination in midstream. "I simply did not have the overwhelming desire necessary to do what had to be done to get elected," he wrote.

(By 1981 Mondale had put that hesitation aside. He was ready to do anything—and everything—that had to be done to win the nomination. Over the next three and a half years the former vice president would exploit the law firm that employed him, authorize the creation of secret checking accounts, and otherwise subvert the campaign finance reforms he had helped to enact in the wake of Watergate.

(While other potential presidential nominees sought to obey federal election laws, Mondale and his advisers sought to bend or even break them. Even today, many operations of the Committee for the Future of America, the PAC they established to wage an undeclared presidential campaign, are shrouded in secrecy.

(During its brief existence Mondale's PAC covertly channeled funds from corporate and labor union treasuries to an undisclosed number of individuals and companies, including his law firm. It sought to hide the use of its contributors list by Mondale's presidential campaign and later disposed of that asset—which had cost nearly $1 million to develop—in a secret sale. And once Mondale had begun to campaign for the presidency, his debt-ridden PAC, which had officially shut down, managed to raise tens of thousands of dollars—with no employees, no telephones, and no office.

(This is the story of how, for one presidential candidate, winning became the only thing.)

MONDALE'S SECRET PAC'S

On October 6, 1982, former vice president Walter F. Mondale brought a cheering crowd of Wisconsin democrats a message of hope: with their help, gubernational candidate Anthony S. Earl would win the November 2 election and return the state government to its progressive roots. Judging from the applause that the party faithful gave him, they liked what they heard.

Mondale was capping a one-day swing through Wisconsin with a speech at a $50-a-plate Democratic fundraising dinner. For more than a year and a half he had been traveling the nation as heir apparent to the Democratic party's presidential nomination. At nearly every stop he contributed money to Democratic candidates, and this evening was no exception. With his arm around Earl's shoulders, Mondale presented him with a $3,000 check from the Committee for the Future of America, the political action committee of which Mondale was chief spokesman and fundraiser.

Four months later an auditor for the Wisconsin State Elections Board, in reviewing Earl's campaign finance reports, noticed the $3,000 contribution from Mondale's PAC. There was, however, something curious about the money; it apparently had not come from the Committee for the Future of America—or at least not from the one registered with the Federal Election Commission in Washington, DC. No committee with that name had ever registered with Wisconsin's State Election Board. A routine inquiry went out asking for CFA to clarify the matter.

What happened next was anything but routine. On March 1, 1983 the State Elections Board received a "Campaign Registration Statement" from something called the Committee for the Future of America State & Local IV, along with a campaign finance report disclosing $107,550 in income and a single expenditure, the $3,000 contribution to Earl's campaign committee. Also in the envelope was the new committee's notice of termination, informing the elections board that the PAC's business in Wisconsin was finished.

One month later, in Mondale's home state of Minnesota, officials of the Ethical Practices Board received a termination report from another Mondale PAC with a nearly identical name: the Committee for the Future of America State & Local II. In its first "Report of Receipts and Expenditures," the PAC disclosed that in December 1981 it had received $36,000, including $10,000 from the National UAW (United Auto Workers) Political Action Committee and $25,000 from the Los Angeles County Council on Political Education. Its sole expenditure had been a $10,000 contribution to the gubernatorial campaign committee of Warren Spannaus, Minnesota's attorney general, which it had made on December 30, 1981.

Under Minnesota law, the PAC had a problem: of the $36,000 it collected in December 1981, $35,000 had come from two organizations that were not registered with the Ethical Practices Board, which led to a request that it comply with statutory disclosure requirements.

The PAC failed to respond, so nearly a month later the Ethical Practices Board sent it an "Official Notice of Delinquency." The PAC's general counsel, Washington lawyer Lynda S. Mounts, replied in a letter that the PAC "finds itself in the unfortunate position of being unable to obtain the required disclosure information" from its contributors. To avoid legal sanctions, the Committee for the Future of America State & Local II asked the Spannaus in '82 Volunteer Committee for its $10,000 back, got it, and quietly went out of business—in Minnesota, at least.

The same PAC had surfaced in California on March 24, 1982 by filing a "Campaign Statement" with the secretary of state's office. It reported collecting $1,000 and spending it on a contribution to the campaign committee of Los Angeles mayor Tom Bradley, who was running for governor.

Owing to loopholes in California's campaign finance law, the Committee for the Future of America State & Local II was able to file disclosure statements that, while legal, were almost entirely false. In Minnesota, the PAC reported that it had $26,000 in the bank at the end of 1981, including funds from the Los Angeles County Council on Political Education; in California, it reported that it had no money in the bank at the end of 1981. In Minnesota, the PAC reported that on January 19, 1982 it had received $10,000 from the general fund of the Region No. 13 United Food & Commercial Workers International Union (AFL-CIO) in Minneapolis; its California reports showed only a $585 contribution from that union.

These and other discrepancies in the way Mondale's PAC reported its finances—perfectly legal, and perfectly misleading—would be impossible to discover except by sheer accident.

These two PACs represent only the tip of a soft-money iceberg whose mere existence has been the most tightly guarded secret within Mondale's inner circle. Since 1981 the former vice president's closest advisers have maintained a series of secret political funds that were specifically designed to circumvent the Federal Election Campaign Act and avoid any real regulation by state campaign finance authorities.

Mondale has made no secret of the Committee for the Future of America, the PAC he formed in early 1981 for the ostensible purpose of underwriting his political travels around the nation in support of Democratic candidates. He has, however, made a secret of its nonfederal clones: the Committee for the Future of America State & Local I, II, III, and IV and unknown others that may exist.

These "subcommittees," operating under widely divergent and largely ineffective state campaign finance laws, were designed to channel money into the Mondale operation that could not legally be accepted by parent Committee for the Future of America: money from corporate treasuries, from the general funds of labor unions, and from individuals who had already given CFA $5,000 a year, the federal ceiling. These contributions were supposedly made to help Mondale's PAC influence state and local—as opposed to federal—elections.

In reality, however, the only purpose behind Mondale's state and local committees was to collect contributions that would have been illegal had they been deposited directly in the PAC's account. No otherwise legal money—contributions conforming to federal election law—seems to have found its way into these committees.

Today it is virtually impossible to piece together how much money was routed through these soft-money accounts and where it went. The Mondale organization, ingeniously enough, planned it that way; by dividing the soft-money pie into an unknown number of slices (DFA State & Local I, II, III, and IV, and so on), it precluded the possibility that one state's aggressive campaign finance office might somehow force everything to be disclosed.

Mondale's aides deliberately played another kind of shell game to guard against anyone finding out what was going on. By manipulating the movement of money from account to account, they could prevent disclosure, within one state, of how funds were actually raised and spent.

Details of a wide range of other payments were hidden by funneling them through something called the Allocated Operating Account which merged the money with other CFA funds. Because Mondale's PAC used this account to pay for many of its day-to-day expenses, its disclosure reports to the Federal Election Commission significantly understate its actual payments to an unknown number of individuals and companies.

As a consequence, Mondale's Committee for the Future of America, which is widely assumed to have been a $2.5 million political operation, was larger than that. How much larger, nobody outide Mondale's inner circle knows. Some of the PAC's own employees, in fact, had no idea that their salaries were being subsidized by money from corporate treasuries, union dues, and individuals who had already contributed as much as they could under federal law. Michael Berman, Mondale's legal adviser and the treasurer of his presidential campaign, declines to say how many covert PACs were operating, how much they raised, or where the money went.

In comparison to federal campaign finance law, state regulation is notoriously limp; at last count, 28 states allowed PACs to accept direct contributions from corporations and 41 allowed them to accept money from the general funds of labor unions. Because many states have no disclosure laws and others cannot enforce the laws they have, soft money can be siphoned up by a PAC like the Committee for the Future of America and spent in absolute secrecy.

In Ohio, for example, where CFA State & Local IV operated in 1982, the PAC reported raising $131,675 (including a $40,000 loan) and spending $4,209 on statewide campaigns. Its other spending, totaling $127,242, was listed as "expenditures by National Committee not attributable to Ohio." The same PAC reported spending only $3,085 on behalf of Wisconsin candidates; it listed $128,373 as "expenditures by National Committee not pertaining to Wisconsin." Details of these expenditures, whatever they are, presumably have not been disclosed anywhere.

And in New Hampshire, where CFA State & Local III operated briefly, its sole contributor during one reporting period was Philadelphia real estate developer Richard Rubin, who gave $4,600 on August 24, 1982. None of that money reached New Hampshire candidates. Five days earlier Rubin had given $5,000, his maximum legal contribution for the year to Mondale's parent PAC.

This way of doing business would surface in Mondale's 1984 presidential campaign, when spurious delegate "committees" were invented to evade federal election law. By coldly calculating the most effective ways to exploit loopholes in state and federal campaign finance laws, Mondale's advisers seem to have ignored one thing: by presenting Mondale as a politician who has diligently sought to obey the spirit of those laws, they have unwittingly made him vulnerable to charges of hypocrisy. So far, secrecy and

subterfuge have been their only means of protecting him.

Even viewed in the most forgiving light, Mondale's abuses of the nation's campaign finance laws have been neither isolated nor inconsequential. Yet somehow he has remained unaccountable for wholesale violations of the reforms he helped enact a decade ago. During the entire 1984 Democratic presidential campaign, not once has Mondale been asked to explain his PAC's secret solicitation of corporate and other contributions prohibited in federal campaigns. The public has not known the truth, and Mondale has not seen fit to volunteer it.

In January 1983 Mondale delivered a spirited speech before delegates to the California Democratic Conference, who also heard from six other presidential hopefuls. By nearly all accounts Mondale generated the most enthusiastic response. His words that day carried a certain conviction:

"I say it's time, fellow Democrats, that we declare war on special-interest money in American politics. Let's put a cap on campaign spending. Let's plant controls on these PACs. Let's end the loopholes of so-called independent committees. Let's establish a system of public funding for congressional campaigns. And in these next two years let us say again that the government of the United States is not for sale. It belongs to the American people, and we want it back."

THE HIDDEN AGENDA

On July 16, Democrats will gather in San Francisco to nominate their presidential candidate. Since leaving the vice presidency three and a half years ago, Walter Mondale has worked hard for that nomination. By all accounts, he will get it.

Through a torturously long and sometimes bitter contest, Mondale survived. he campaigned longer and harder than his opponents did. He raised and spent far more money than they did. Following a string of early defeats, Mondale's awesome campaign organization managed to make him the front runner once again. It was, in all, a masterful performance.

Today one major controversy tarnished that performance: the Mondale campaign's creation of 135 "independent" delegate committees as a means of evading federal election law, which limits how much candidates may spend in total and in each primary. The committees were phony; their real purpose was not to elect Mondale delegates but to vacumm up money Mondale could not accept (from individuals who had already contributed the legal maximum) and money Mondale had promised he would not accept (from PACs).

Only after opponent Gary Hart had complained to the Federal Election Commission and the issue had turned into a political liability did Mondale's organized shut down its delegate committees. First Mondale claimed the committees were entirely independent and beyond his control; then he said the flood of PAC money into the committees would stop; next he ordered that the committees be disbanded; and finally he agreed to count the committees' spending against his own campaign ceiling and to give some of the money they had raised back to the contributors. "We will refund all contributions made to delegate committees," Mondale said, "which would not have been acceptable if made to the campaign directly."

Mondale hoped that would put an end to the issue, but it did not, Federal Election Commission records show that Mondale's presidential campaign organization choreographed the operation, which included transfers of money and employees between the delegate committees and Mondale headquarters and a coordinated effort to defray the national campaign's expenses in key primary states. Hart's organization has charged that the scheme was illegal and is threatening to challenge at the Democratic National Convention the legitimacy of Mondale delegates elected with "tainted" funds.

Some saw the episode as nothing more than a mistake within the Mondale operation, an isolated case of expediency mattering more than ethics. In truth, however, it was busines as usual.

From nearly the moment Mondale left the vice presidency, his top advisers set out to create a series of illusions—ingenious fictions about how he has made a living, how he has financed his political and business activities, and how faithfully he has followed the spirit and letter of the nation's election laws. These efforts to hide the truth have been remarkably successful, granting Mondale an enormous advantage over his competitors and allowing him to virtually grasp the one thing he has wanted all along: the Democratic party's presidential nomination.

Mondale and his advisers created the Committee for the Future of America, whose purpose, they claimed, was to underwrite his travels across the nation on behalf of Democratic candidates. This has become par for the presidential course: plenty of other presumed and actual candidates (among them Ronald Reagan, Edward Kennedy, Howard Baker, and Robert Dole) have had similar PACs. So perhaps it should not surprise anyone that CFA was little more than a front for the maintenance of Mondale's political machine.

Yet the secret side of the Committee for the Future of America was at sharp odds with the public posture of its chief spokesman and fundraiser. While Mondale decried the influence of special-interest money on American politics, his PAC sought out funds that would have been flatly illegal if contributed to a candidate for Congress—or, for that matter, the presidency. Moreover, his top advisers engaged in extraordinary efforts to keep their entire soft-money operation secret.

When Mondale's PAC ran desperately short of money in 1982, only the forbearance of its major creditors—including Mondales's law firm, Winston & Strawn—enabled it to make contributions to Democratic candidates for the November elections. And when CFA desperately needed money to settle these debts in 1983, Mondale's friends and business associates came to its rescue. As a presidential candidate, Mondale voluntarily washed his hands of the money, claiming it corrupted the election process; at the same time, this unwelcome money was being used to pay off his own PAC's creditors.

Even what seems to be the closing chapter in the story of Mondale's PAC—the disposal of its 25,000-name fundraising list—is shrouded in secrecy. Mondale's advisers have publicly said that the buyer is a California mailing list broker, which, as far as it goes, may be true. What they have never publicly disclosed, however, is that someone else, whose identity they claim not to know, actually owns the list and has regularly profited from renting it to others, including Mondale's presidential campaign committee.

Secrecy is the principal evil—some say the only evil—in the financing of political campaigns. It has been the wellspring of famous scandals from the Teapot Dome to Watergate and the inspiration for campaign finance laws that are intended to close the loopholes and promote public disclosure of the sources and uses of funds. When candidates and committees faithfully obey the laws, the public can draw a clear picture of how political money is raised and spent.

Secrecy has been so central to Mondale's political operation, however, that an accurate picture is impossible to obtain. His advisers refuse to discuss the soft-money operation they began in 1981 other than to reluctantly confirm that it existed. They say the facts surrounding CFR's repayments to Mondale's law firm are nobody's business but their own. They even decline to provide details about Mondale's questionable treatment of his income and tax deductions as a self-empolyed businessman.

During a televised debate with opponents Gary Hart and Jesse Jackson on June 3, 1984, two days before the last round of presidential primaries, Mondale defended his handling of the controversy surrounding the Mondale delegate committees. "I've gone clear beyond anything that was necessary," he said, "because I want not just to comply with the law—I want to demonstrate an ethical standard a sense of personal responsibility, that goes beyond what is needed.

MONDALE'S POLITICAL EXPENSE ACCOUNT

From the beginning, the Committee for the Future of America was, in many respects, Walter Mondale's political expense account. Formed Just 14 days after he left the vice presidency, CFA was the mechanism for raising the millions of dollars that would allow Mondale, as a noncandidate, to do everything he would later do as a candidate.

From the outset, Mondale's advisers claimed that CFA was not a presidential campaign-in-waiting. "This is not a Mondale campaign operation," aide Michael Berman said in 1981. "We see this as a means of getting good Democrats elected."

Presidential campaigns have gotten so expensive and the nonmination process so protracted that undeclared candidates need PACs to gain an early edge. The Committee for the Future of America gave Mondale at least a $2.5 million head start over his opponents (money that would not count toward his spending ceiling as a declared presidential candidate), a ready-made mailing list of sympathetic souls, and an experienced staff whose loyalty had been cemented by two years on his political payroll. Moreover, Mondale's PAC allowed him to collect valuable IOUs that could be redeemed the moment he actually become a presidential candidate.

Mondale's PAC also served as a holding pen for the individuals and consulting firms that would run the official phase of his presidential campaign. And it allowed longtime financial backer who didn't have the means to retain Mondale as a corporate director or consultant to help in smaller but nonetheless significant ways.

The Committee for the Future of America's operations were split between two Washington law firms. Grove, Engelberg & Gross rented CFA space for its official headquarters, although it amounted to little more than a mailing address and desk space for employees outside of Mondale's inner circle.

The real command center was four blocks away at 2550 M Street, NW in the Washington, office of Winston & Strawn, Mondale's

law firm. A small battalion of Mondale operatives worked there, as did James Johnson, Mondale's chief political strategist, who had set up his own consulting firm, Public Strategies, on the premises.

Winston & Strawn was, in effect, the corporate headquarters of "Mondale, Inc," a term Johnson had coined to describe the former vice president's varied business and political roles: lawyer, speaker, writer, corporate director and consultant, chief spokesman and fundraiser for the Committee for the Future of America, and undeclared presidential candidate.

Within little more than a year, Mondale's PAC had evolved into a burgeoning operation. By August 1982 it had raised $1,755,113 and contributed $89,750 in direct contributions to Democratic congressional candidates, and it was carrying 19 employees on its payroll. Yet the PAC's apparent financial condition, as reported to the Federal Election Commission and re-reported by newspapers all over the nation, masked its real problems. Although CFA has plenty of cash in the bank, huge undisclosed debts—$134,477 in all—left it with $22,419 in red ink at the end of August—a time when it was gearing up, supposedly, to pump financial assistance into key Democratic races.

The flow of soft money into the PAC's treasury, however, helped it to meet its considerable day-to-day operating expenses. In August 1982 alone, soft-money solicitations brought in $5,000 from the Service Employees International Union in Washington, DC; $5,000 from the Central Produce & Equipment Company in Duluth, Minnesota; $5,000 from Archer-Daniels-Midland Company in Decatur, Illinois, which is run by Minnesota farmer/businessman Dwayne Andreas; $3,000 from Wexler & Associates in Washington, DC, a consulting firm run by Anne Wexler (who was also a CFA board member); and a variety of other contributions from corporations and unions.

Other soft-money checks came from Burger King Corporation in Miami; Carl Byoir & Associates, a New York public relations firm; the Jerome L. Greene Foundation, Abbott Industries, and Lily of France Marketing, Incorporated, all in New York; the Newark and San Francisco offices of Touche Ross & Company, an accounting firm; Davis Oil Company in Denver; and District Photo, Incorporated in suburban Washington, DC.

Virtually every expense the PAC incurred, from long-distance telephone service to a UPI machine for election night 1982, could be split in some way—paid partly with hard money and partly with soft money. Some of the PAC's soft money went to Public Strategies, Johnson's consulting firm, for part-time secretarial service; to Johnson and Berman, for miscellaneous expense reimbursements; and to Berman's Washington law firm, Kirkpatrick, Lockhart, Hill, Christopher & Phillips, for "administrative costs."

The enormously complex apportioning scheme was regulated by Berman, who frequently summoned file folders of bills to this office so that they could be prorated and paid. The centralization of this operation, not coincidentally, accommodated the need for secrecy.

Of the money that Mondale's PAC reported to the Federal Election Commission, very little found its way into congressional candidate's campaign treasuries. Of the $2.5 million it raised through the end of 1983, only $136,880 went in direct contributions to Democratic House and Senate candidates. Mondale aides defend this ratio—roughly five cents of every dollar raised—by pointing to the high cost of raising money. CFA also reported nearly $92,000 in in-kind campaign contributions, which usually amounted to apportioning the cost of airline tickets and hotels bills for Mondale and his staff. Nearly two-thirds of the PAC's spending for travel apparently had little to do with helping candidates; at least $139,330 was not allocated to any campaign.

In many cases, the Committee for the Future of American's ostensible business—"getting good Democrat elected"—was secondary to getting one good Democrat elected. The real campaign, of course, was Mondale's. In January 1982, for example, CFA picked up the tab for a three-day conference at the Wye Plantation on Maryland's Eastern Shore, at which more than a hundred Mondale supporters received strategy briefings. The PAC's newsletter, which was mailed to all contributors, regularly published such features as "A Message from Walter Mondale," "Excerpts from Mondale Speeches," and "Mondale on the Issues." During Labor Day weekend in 1982, the PAC spent at least $75,000—plus an unknown amount of soft money—so that Mondale could give nationwide radio addresses on such topics as Reaganomics, arms control, jobs, and "the future." CFA funds were even used to pay for Mondale's meetings at Minnesota fishing resorts.

Many major contributors to Mondale's PAC were clearly interested in something more than helping Democratic congressional candidates; they were interested in enhancing Mondale's prospects for winning the Democratic presidential nomination. Of the PAC's 744 contributors of $500 or more, 380—more than half—had also given the Mondale for President Committee at least $500 through early 1984. Only seven of those 744 contributors—less than 1 percent—had given Gary Hart's presidential campaign $500 or more. None of them had made major contribution to Jesse Jackson's campaign.

A few months after Mondale's presidential campaign committee began raising its own money, the Committee for the Future of America would become, for all practical purposes, a thing of the past.

MONDALE INC.'S CORPORATE OFFICES

As Walter Mondale crisscrossed the nation in 1982, campaigning for Democratic candidates and earning money from speaking engagements and consulting contracts, the partners at Winston & Strawn avoided what seemed to be an inevitable confrontation. No ultimatums had been issued; instead, the delicate chores of diplomacy had been assumed by John Reilly, a senior partner in the Washington office of Chicago's oldest law firm.

More than a year earlier Reilly had arranged for Mondale, his friend of 20 years, to join Winston & Strawn. He had even relinquished his corner office, the firm's biggest, to make way for the former vice president. (This year Mondale has entrusted Reilly with the important job of searching for and screening potential running mates.)

As Winston & Strawn's "rainmaker," Mondale was to attract new clients, not practice law. He was paid $150,000 a year, provided with a chauffeur and car, and allowed to place a number of his own aides on the law firm's payroll. As part of the deal, Winston & Strawn also permitted Mondale's top political strategist, James Johnson, to set up a consulting business, Public Strategist, in its offices.

At the outset, in early 1981, everyone seemed happy with the arrangement. Over the next two years, however, the tensions within Winston & Strawn were, at times, palpable. As the firm's lawyers were shifted around to make way for a growing contingent of Mondale operatives, inconveniences became irritations. Reilly once again gave up his office, this time for Johnson. After the move, Johnson's office was down the hall from Mondale's, separated only by one of Winston & Strawn's conference rooms. Soon, however, to allow Johnson private access to Mondale, a crew of workmen cut doors in both ends of the conference room.

Although Mondale spent most of his time away from Winston & Strawn, the law firm's offices were supporting, financially and otherwise, his rapidly expanding organization. Winston & Strawn's partners found that some people on their payroll whose attentions were commanded by Mondale's needs had little time for the firm's work. By mid 1982, in fact, an entire side of Winston & Strawn's fifth-floor office had become known inside the firm as the Mondale Wing.

Trying to make the best of the situation, Reilly found himself soothing bruised egos and patching up problems. Everyone acknowledged that if Mondale were elected president in 1984 his association with Winston & Strawn would lend a nice sheen to the firm's image—and presumably to its long-term profit picture as well.

But Winston & Strawn's senior partners, surveying the firm's performance in 1981, knew the bottom line: Mondale had not brought in a single new client. As a consequence, they zeroed in on a pressing business matter: the former vice president had become a growing financial drain on the firm.

Although the situation at Winston & Strawn was carefully hidden from outsiders, the Mondale operation's spending had gone far beyond anyone's control. An internal accounting system had been put in place to keep track of expenses attributable to any of several activities unrelated to the law firm's business: Mondale's personal affairs; Mondale's own business pursuits; Mondale's PAC, the Committee for the Future of America; and Johnson's consulting firm, Public Strategies.

The Accounting system, basically a collection of log books, broke down. Although the firm's lawyers methodically kept track of their long-distance telephone calls and photocopies so the expenses could be billed to clients, for example, no such discipline was practiced by those in the Mondale Wing. In one attempt to impose that discipline, Winston & Strawn installed electronic meters on its photocopying equipment so that it could not be used without a preassigned billing code.

From early on, some Winston, & Strawn employees worked exclusively on Mondale's business and political affairs. As the legal and financial implications of this arrangement became clear, however, some employees began moving, in musical-chairs fashion, to different payrolls. Over the course of a single year, a Mondale worker might draw paychecks from Winston & Strawn, Mondale himself, Mondale's PAC, Mondale's presidential campaign committee and Public Strategies.

The sheer volume of activity was an accountant's nightmare; it was frequently impossible to reconstruct who within the Mondale operation had spent what on whose behalf. One thing, however, was clear: CFA Was responsible for most of the debts. As

negotiations continued over how much and how soon Winston & Strawn would be repaid for everyting, one problem precluded a speedy resolution: Mondale's PAC had been deeply in debt throughout late 1892, sometimes by as much as $150,000.

In 1981 Winston & Strawn received a total of $5,913 in reimbursements from Mondale's PAC: by the end of 1982 it had been repaid $11,703 more, $5,000 of it on December 30. Then, beginning in February 1983, the trickle turned into a flood tide: CFA's reports to the Federal Election Commission show successive payments in early 1983 of $5,000, $5,000 $4,636 $20,000, $10,000, and $10,000. All of these repayments, according to Berman, reflected costs advanced by Winston, & Strawn in 1981 and 1982. (A remaining debt to Winston & Strawn of $5,926 had not been paid as of March 1984.)

By the end of 1983 Winston & Strawn had recovered $245,119 from Mondale's PAC, Mondale's presidential Campaign committee, and Mondale himself. The money represented repayments to the law firm for everything from airline tickets to the salary of Mondale's chauffeur. Most of these payments were disclosed publicly. Other payments, including at least $19,234 that had come from one or more of Mondale's soft-money accounts, have never been made public.

Mondale's exploitation of his employer, Winston & Strawn, poses serious ethical and legal questions. In essence he used its resources to underwrite the expenses of a massive political operation at times his PAC could not afford to pay them on its own. After the Winston & Strawn partners complained about the magnitude and the legal implications of what was going on, Mondale's advisers acknowledged the debts by having CFA repay the law firm more than $54,000 in hard money during 1983—but only creditors had been satisfied.

As a consequence, for nearly two years Mondale's PAC grossly underreported to the Federal Election Commission its true financial obligations to Winston & Strawn. Under federal election law, Winston & Strawn was required to have been paid "within a commercial reasonable time in the amount of the normal and usual rental charge." From the limited records made available to us by Mondale's PAC, it is clear that did not happen.

The Committee for the Future of America was not a client of Winston & Strawn. The law firm did not profit from its relationship with CFA as it did from its other business relationships. When Winston & Strawn was finally compensated for the use of its resources—"something of value," which is the same as money under federal election law—it received no interest. (In some cases, two years may have elasped between the time Winston & Strawn incurred the costs and the time it was repaid.) As a result, Mondale's advisers, in all likelihood, thrust his law firm into the position of unwittingly making unreported, and therefore illegal, contributions to his PAC.

THE MASTER PLAN

Sometime before the polls had even closed on Tuesday, November 2, 1982, an account was opened at DC National Bank through which Walter Mondale's 1984 presidential campaign would be financed. Over the next two months the Mondale machine would prepare for the official launch of his candidacy—raising money, hiring staff, directing consultants—according to a detailed master plan maintained by James Johnson, Mondale's most trusted adviser.

On January 3, 1983—two days after contributions to his campaign because eligible for federal matching funds—Mondale's presidential committee officially registered with the Federal Election Commission. Before that date—while Mondale was still raising money, traveling, and acting as spokesman for his PAC—he was careful, for the record, not to make up his mind about whether to run. "I did everything consistent with the law, which is that I was not a candidate," Mondale told a reporter for the *Washington Post*. "I was helping congressional candidates. I was very careful both never to say anything different and believe anything different."

No one at Winston & Strawn, however, could have had any doubts about Mondale's intention to run. There, employees of Mondale's PAC worked alongside employees of Mondale's "testing the water" committee, which was soon renamed the Mondale for President Committee. Some of the exploratory committee's expenses were even charged to Mondale's law firm. From the outside, the PAC and the presidential committee may have appeared to be separate; from the inside, they were indistinguishable.

As soon as there was enough money to do it, Johnson began hiring staff for the presidential committee. He did not have to look far. Eight of the first nine people he hired were drawn from the payroll of the Committee for the Future of America. Mondale's PAC had 17 employees on election day, 1982; 14 of them were eventually shifted to the Mondale for President Committee. The migration was so methodical, in fact, that most did not miss a single day between paychecks.

More than a dozen consultants and suppliers were paid by Mondale's PAC and his presidential committee simultaneously, making it virtually impossible to tell where and how any lines were drawn between their respective activities. Many times, in fact, there were no lines.

Even before Mondale announced his candidacy, for example, his top advisers planned the presidential campaign's secret use of the PAC's 25,000-name contributor list which had been compiled over two years at a cost of nearly $1 million. To keep it secret, they routed payments through Targeted Communications Corporation, a direct-mail consulting firm based in Falls Church, Virginia. Because Targeted Communications had been retained by both Mondale's PAC ("the left hand") and his presidential committee (the "right hand"), it was the ideal conduit for shielding financial handshakes from public view.

Even though the Mondale for President Committee used the PAC's fundraising list in early 1983, there was no way for outsiders to know it. In its report to the Federal Election Commission for the last half of 1983, Mondale's PAC showed an undated payment of $2,002 from Targeted Communications that it described as "direct mail list income." It made no reference at all to the Mondale for President Committee.

Why the need for such secrecy? The answer would be obvious only to those versed in the intricacies of the Federal Election Campaign Act, which says that if political committees act in "cooperation, consultation, or concert" their independent status may be endangered. If Mondale's PAC and his presidential committee were deemed to be affiliated, all of their contributions and expenditures would be brought under a single umbrella.

The consequences of such affiliation, theoretically, could be enormous: at least $905,182, and perhaps much more—the total amount by which 444 individual donors to both committees exceeded the $1,000 limit for contributions to presidential campaigns—might have to be counted against Mondale's spending ceiling; in certain circumstances, the excess funds might even have to be returned to the contributors. (This amount, of course, does not include the contributions raised by CFA's covert affiliates.)

Federal election law also holds that political committees "established, financed, maintained, or controlled by the same person or group of persons are affiliated." For this reason, Mondale's advisers were careful, on paper, to preserve the illusion of separation: there were two sets of incorporation papers, two sets of books, two sets of officers. In fact, however, Mondale's advisers controlled both committees. Michael Berman, the treasurer of the Mondale for President Committee, performed precisely the same duties for the Committee for the Future of America. Berman's denial of this role is tempered by his admission that the PAC's financial reports to the Federal Election Commission were prepared in his law firm's office, at least from early 1983 on, by a "volunteer" who, he says, had nowhere else to work.

The "volunteer" was Elizabeth Brittain, a full-time employee of the Mondale for President Committee. Brittain even signed some of the PAC's reports to the Federal Election Commission, and at least one of them was run through the postage meter at the presidential committee's headquarters.

By the time Mondale made his presidential ambitions official, not much was left of the Committee for the Future of America. The PAC's staff had dwindled to three, all of whom would soon move over to the cash-heavy presidential committee's payroll. The charade, in short, was over.

For yet another month, however, Mondale's advisers continued to promote CFA as a potential force in the 1983 and 1984 elections. The motivation for this deception was not optimism, but need. Though its real financial condition had been carefully masked during the 1982 elections, when it might have caused some political embarrassment, Mondale's PAC was still deeply mired in debt at the beginning of 1983. Its biggest debt, in fact, was to Mondale's employer.

CFA once again turned to direct mail fundraising. In late January 1983 Gerry Sikorski, a newly elected Democratic congressman from Minnesota, appealed by mail to CFA's financial supporters. (Mondale, who had signed all of the PAC's previous solicitations, could no longer lend his name to them without risking a determination that his committees were affiliated under federal election law.) Sikorski implored them to "defeat the New Right in the 1983 elections (in Louisiana, Mississippi, Kentucky, Philadelphia, Boston, etc.) and prepare for the 1984 elections so that we can purge extremist, right-wing politics out of the American system."

Sikorski's letter continued: "That is why I ask you to *please* renew your special financial support for CFA *today*. We must begin 1983 as involved in shaping new policies as we were in rejecting the old. CFA must help pioneer a new role of political cooperation between the government and the people."

Just days after its contributors received this urgent appeal—before most had even found time to respond to it—Mondale's ad-

visers decided to shut down the PAC for good. This development paralleled a dramatic change in the PAC's publicly reported financial condition. On January 31, 1983, $45,138 in previously unreported debts from 1981 and 1982 appeared on the PAC's records at the Federal Election Commission. Over the next two days CFA amended each of the first 10 reports it had filed with the Federal Election Commission, revealing, in the process, that it has failed to disclose—or had improperly disclosed—debts dating from as far back as the first half of 1981.

Most of the previously undisclosed—debts were to Presidential Airways, a charter aircraft company. The line of credit apparently extended to Mondale's PAC in 1982 ranged from $23,525 to $45,572; through the end of that year, in fact, the Committee for the Future of America had paid Presidential Airways only $8,268 for charter airline flights billed at $53,841. The enormous balance on the PAC's invoices, which it finally paid between February and May 1983, apparently included no interest charges or late payment penalties. (Some of the PAC's soft money was channeled to the company; how much is unknown.) Employees of Presidential Airways refuse to discuss these matters or any others that pertain to Mondale's PAC.

The PAC's two major debts, to Winston & Strawn and Presidential Airways, were almost completely retired in the first half of 1983, as Mondale's presidential compaign hit full stride. CFA managed to raise $253,308 in hard money during this period, 88 percent of it in amounts of $1,000 or more. Twenty-six individuals and nine other PACs gave the legal maximum of $5,000 each, accounting for $175,000 in contributions—more than two-thirds of CFA's total intake.

More than $43,000 streamed into Mondale's PAC even after its last employee, executive director Curtis Wiley, resigned, on March 31, 1983. (Wiley joined the Mondale for President Committee the following day.) A handful of Mondale's well-heeled friends and business associates helped to bail out his PAC, allowing it to repay almost all of its debts to his employer. New York investment bankers Herbert Allen and Herbert Allen, Jr., for example, each gave Mondale's PAC $5,000 on March 10; at the time, Mondale was still on the payroll of their firm, Allen & Company. Chicago businessman Irving B. Harris and his wife each gave Mondale's PAC $5,000 on May 3. Harris was a generous friend: he had previously donated huge sums to Family Focus, a Chicago-based nonprofit group, earmarking the money to help pay $100,000 in consulting fees to Mondale and at least $50,000 to Public Strategies.

Michael Berman says Mondale did nothing during this period to help raise funds for his debt-ridden PAC. Among the documents he provided us is a legal memorandum claiming that since January 2, 1983, "Mr. Mondale has not acted on CFA's behalf in any capacity—he has not raised funds, traveled, or acted as spokesman." Who, then, raised the money?

Berman's answer: "Volunteers."

SECRET TRANSACTION

Today if anyone asks questions about these activities—indeed, asks anything at all about the Committee for the Future of America—the PAC's officers do not wish to answer them. Washington lawyer Lynda S. Mounts, the PAC's general counsel and corporate secretary, says she does not even know who has custody of his books. Although Mounts also says she does not know how to reach CFA's president and treasurer, David Phelps, his business telephones ring within the quarters of Cadwalader, Wickersham & Taft, the law firm in which she works. Phelps does not respond to telephone inquiries about CFA's business. Apparently, his role for the PAC was to sign three of its Federal Election Commission reports.

One question nobody will answer is, what happened to the computerized fundraising list of Mondale's PAC? Political mailing lists, because they can be rented to others for $50 and up per 1,000 names, can be exceedingly valuable properties. CFA's mailing list of 25,000 contributors, in fact was its only asset with income-generating potential.

The mailing list mystery is a prime example of how Mondale's advisers sought to use election law loopholes as a smokescreen for transfers of large amounts of money. Only this much is certain: On April 22, 1983 Mondale's PAC deposited a $23,233 check from Names in the News, a San Francisco mailing list broker. The payment was for what CFA described as a "direct mail list purchase."

Was it?

"I really can't discuss it," says Elaine Murphy, a vice president of Names in the News. "All of our transactions are totally confidential."

Readers of CFA's disclosure reports to the Federal Election Commission might conclude that Names in the News had purchased the contributor list. Murphy, however, says her company has never owned the PAC's list but is simply a broker for those who wish to rent it. Who, then, *does* own the list?

"We're not in a position to divulge that," Murphy says.

Michael Berman says he does not know. Curtis Wiley, the former executive director of Mondale's PAC, says he does not know.

Even the person who apparently negotiated the transaction, Robert Smith, the president of Targeted Communications Corporation, claims he does not know. "Names in the News specifically requested that the purchaser be kept confidential," he says. Smith does not explain why he would be asked to keep secret something he does not know.

Soon after the $23,233 transaction was completed, Names in the News began renting the Mondale mailing list under a different name (PAC Donors). Mondale's advisers clearly wanted to hide the fact that his PAC's contributor list was, for the first time ever, on the industry's rental market—in short, that someone was making money every time it was used. An April 14, 1983 letter to Names in the News noted: "We would make only one request—that the origin of the list not be revealed. It is our understanding the list will be renamed and may be referred to as a 'PAC donor file' but a specific name will not be used."

SWEETHEART DEALS

Walter Mondale has never been a wealthy man.

"When I left office after 22 years, not counting our house we had a net worth of $15,000," he told a reporter in 1981. "And we had to lie about the [value of our] furniture to get the figure up to that." Since then Mondale has done quite well for himself. He, in fact, was the most successful subsidiary of Mondale, Inc.

After leaving the vice presidency, Mondale methodically exploited the enthusiasm of others—long time political supporters, for the most part—to hire him and his aids for what amounted to make-believe jobs. At Winston & Strawn, for example, Mondale has been paid more than $12,000 a month for assignments neither he nor his employer have been willing to discuss.

The Winston & Strawn arrangement was not Mondale's only sweetheart deal. From 1981 to 1983 he collected more than $469,381 in fees as a corporate director and consultant. Family Focus, the Chicago-based nonprofit group that helps teenage parents, hired Mondale in 1981 and 1982, at $50,000 a year, to help with its fundraising. The impetus for this contract, as well as the money, came from Irving B. Harris and Bernard Weissbourd, two wealthy Chicago businessmen, whose families channeled an additional $31,250 into Mondale's PAC. Ultimately, Mondale raised no money for Family Focus; his efforts in 1982 were limited to touring one of its centers and attending an advisory committee meeting.

Northwest Energy Company, which built the Alaska pipeline, paid Mondale $43,750 in 1981; its chairman, John G. McMillian, also gave CFA $5,000, the legal limit, the same year. This is one case in which Mondale confirmed, more or less, that he got paid for doing little or no work: he admitted that his only task consisted on finding out, with a single telephone call, when a congressional hearing was scheduled.

Investment banker Herbert Allen has been Mondale's most generous benefactor. As the chairman of Columbia Pictures Industries, he arranged for Mondale to receive $103,773 in fees. When Columbia was acquired by Coca Cola, he found another niche for the former vice president at Allen & Company, his New York investment banking firm, which paid Mondale $56,250. Allen and his son, Herbert Allen, Jr., also helped defray Mondale's political expenses; in 1982 and 1983 they gave at least $15,000 to his PAC.

Mondale also collected more than $303,000 from 1981 to 1983 as a self-employed lecturer and writer. His fees ranged from $150 for an article in the *Los Angeles Times* to $42,000 from the Borsen Corporation of Denmark for three speeches (at $14,000 per) on March 15, 16, and 17, 1983 in Amsterdam, Copenhagen, and Helsinki.

These arrangements gave Mondale the financial freedom to devote virtually all of his energies, form 1981 on, to his real business: running for president.

Mondale has said he was able to draw a clear line between his business and political activities. "I have been punctiliously careful to separate the two," he told a *Washington Post* reporter in late 1983. "I wanted it that way. That is also the law. You can't have private funds paying for political activities."

It seems certain, however, that private funds were sometimes used to pay for Mondale's political activities and that political funds were sometimes used to pay for Mondale's private activities—in short, that no one in the Mondale organization, including Mondale, carefully kept the two separate.

In fact, Mondale the politician was often indistinguishable from Mondale the businessman, at least in his reports to the Internal Revenue Service. A close examination of the income he reported and the tax deductions he claimed as a self-employed businessman shows the degree to which Mondale allowed those separate roles to blend together.

For example, Mondale listed $14,842 in "travel reimbursements" as income on his 1983 tax return. In response to a request for more information, Michael Berman provided a breakdown of Mondale's travel-related

income and expenses for that year that showed, among others, payments from the National Education Association ($4,297); the American Society of Newspaper Editors ($2,239); the Springhill Conference Center in Orono, Minnesota ($1,450); the Sheet Metal Workers union ($1,356); the American Council on Education ($985); the Southern Christian Leadership Conference ($730); the Kentucky Democratic Party ($694); and the American Federation of Government Employees ($204). The list does not contain any travel-related deductions—expenses Mondale paid himself—that clearly corresponds to these reimbursements.

To establish that Mondale did not profit personally from any of the reimbursements—although doing so would not violate the Internal Revenue Code provided they were declared as income—we asked Berman to show that Mondale had paid the underlying expenses himself. Berman refused; he says any implication that Mondale billed organizations for expenses he did not pay is "absolutely false."

Even if Mondale paid these bills himself, it seems questionable that all of the expenses would qualify as business-related deductions. Mondale's financial disclosure reports for 1981 through 1983 show that he received only a single fee from only one of the groups: a $1,500 honorarium from the National Education Association, on June 7, 1982. It is difficult to understand, therefore, how most of the payments could be legitimately related to Mondale's business pursuits. Moreover, many of them are patently political—exactly the kind of expenses underwritten in 1982 by the Committee for the Future of America and in 1983 by the Mondale for President Committee.

Some of the organizations Mondale billed, including the National Education Association, the Kentucky Democratic Party, and the Sheet Metal Workers, were unable to find any record of having made travel reimbursements to him in 1983. Others were able to locate such records.

Mondale spoke, for example, at the annual convention of the American Society of Newspaper Editors in Chicago on May 7, 1982. Nearly a year later ASNE received a memo from Mondale's office requesting a payment of $2,329 for his air fare. When ASNE asked for a breakdown or invoice, Mondale's office sent it a photocopy of a bill for $4,658 from Presidential Airways to CFA. Accompanying it was the explanation that ASNE was being asked to pay half of the cost of the chartered jet. ASNE was instructed to make its check payable to the "Walter F. Mondale Special Account," whose mailing address was Berman's law office.

Mondale's official travel schedule shows no CFA events immediately before or after his ASNE appearance. While another group was presumably asked to pay the other half of CFA's bill from Presidential Airways, no similar reimbursement appears on the list Bernam provided. (Presidential Airways will not say when or by whom its bill to Mondale's PAC was paid).

The blurring of Mondale's political and business activities is also reflected in his tax deductions for payments to his own employees and consultants from 1981 to 1983. In each of his first two years as a self-employed businessman, Mondale collected roughly the same amount in fees: $329,077 in 1981 and $334,768 in 1982. He claimed $30,111 in tax deductions for payments to his employees and consultants in 1981, or 9.2 percent of his total fee income for the year. In 1982, a year of intensive political activity for Mondale's PAC, his payments more than doubled—to $74,864, or 22.4 percent of his fee income. (Of the 12 people Mondale paid during 1982, eight also received money from his PAC.)

As a presidential candidate in 1983, Mondale still managed to collect $128,566 in fees. But his tax deductions for payments to his empoyees and consultants dropped to only $4,738, representing the part-time services of a single bookkeeper, or only 3.7 percent of his fee income for the year. Because the expenses Mondale incurred in generating outside income—the cost of business correspondence, scheduling, and so on—vanished entirely in 1983, an obvious question arises: were employees of his presidential committee doing this work for him?

Another significant change in Mondale's finances took place in 1982: he began paying Winston & Strawn an "administrative office charge" and deducting it on his tax return. Berman says the charge represented $17,532 in reimbursements for telephone and secretarial service, travel, taxicabs, photocopying, deliveries, and miscellaneous expenses. Berman is at a loss to explain why Mondale incurred no such "administrative office charge" at Winston & Strawn the year before.

Additional questions are raised by a comparison of Mondale's tax returns to the financial disclosure statements that he is required to file with the Federal Election Commission under the Ethics in Government Act. For example, Mondale reported receiving $128,566 in fees on his 1983 tax return; his financial disclosure statement, however, lists only $116,381 in fees, which, by law, must be itemized.

The $12,185 difference can be traced to a discrepancy in Mondale's disclosure of payments he received from Winston & Strawn in 1983: he reported $150,020 in "wages" on his tax return, $162,205 in "salary" on his financial disclosure statement. The gap has only two possible explanations: either Mondale made an accounting error or Winston & Strawn acted as a conduit for his speaking, writing, and consulting fees. Berman declines to clarify the matter.

These practices raise serious questions for which there may be simple answers. If there are, however, the Mondale campaign does not seem able to provide them.

THE PUBLIC'S RIGHT TO KNOW

Nearly 11 years ago, on September 18, 1973, Democratic Senator Walter F. Mondale of Minnesota appeared before the Senate committee on rules and administration to urge passage of legislation that would provide public financing for presidential elections.

"The present system almost gives an irresistible incentive to get around the law, and everybody knows it," Mondale said. "Every politician wants to get elected. If a law is so restrictive that they cannot get the money, they cannot get it honestly—they will be attempting to do it in another way."

"What we need," Mondale said, "is a system that will permit public leaders to be honest if they choose to be honest."

Today we have that system. In response to a Watergate-inspired wave of public outrage over secret money and its insidious influence on government, Congress cleaned up and opened up the financing of presidential election campaigns. It adopted, in modified form, Mondale's proposal for granting presidential contenders federal matching funds based on their ability to raise small amounts of money from large numbers of contributors.

But the sweeping reforms in campaign finance laws have been eroded because some politicians seek ways to bend them, or even break them, for their own benefit. Mondale, despite his assertions to the contrary, is one of those politicians.

The conduct of a lesser force in the 1984 Democratic presidential campaign, former Florida governor Reubin Askew, provides a small but significant illustration of how politics can be something other than business as usual.

Askew eschewed the pre-presidential campaign PAC approach. The money he raised through 1982 to test the presidential waters, $363,767 in all, was counted against the ceiling imposed by law for each candidate. Why not an Askew PAC? "It could be argued that it is a circumvention of the spirit, although not the letter, of the federal election law," an Askew spokesman said in mid 1982. "We decided to do it this way because he believes it is the right way to do it." When Askew and his aides went to the 1982 Democratic National Party Conference in Philadelphia, his exporatory committee paid the bills, reported them to the Federal Election Commission, and later counted the expenditures against his presidential campaign spending ceiling.

When Mondale and his entourage went to the same midterm party convention, the Committee for the Future of American paid the bills, including expenses for telephone banks, hospitality suites, and catered receptions. The expenditures were not counted against Mondale's presidential campaign spending ceiling because he had taken the precaution of claiming not to have made up his mind whether to even *seek* the Democratic nomination.

Some of Mondale's other convention expenses were paid with funds from one or more of his soft-money accounts, into which otherwise illegal contributions flowed in unknown amounts. Mondale had no legal obligation to reveal them to the Federal Election Commission, and he did not avail himself of any ethical obligation that might exist—in the spirit, say, of the public's right to know—to fully disclose his political finances.

If Mondale does not believe in clandestine bank accounts for political funds, secret sales of mailing lists, and hiding important details of his personal finances, the bold leadership he promises the nation fails to move even his own advisers.

Mondale's professed concern about the influence of special-interest money on American politics, which was at the center of his presidential agenda, has acquired a somewhat hollow, if not hypocritical, ring. Any further Mondale call for reform in this regard is not likely to inspire an already cynical public.

In his 1983 article on the Mondale political machine, "The Perpetual Campaign," the *Atlantic Monthly's* Gregg Easterbrook recounted a conversation with Mondale about the Committee for the Future of America: "When I asked him about his own PAC, Mondale became testy. 'I'm just doing what the other guy is doing,' he said. 'As long as the system exists, you have to use it.' "●

PLAN TERMINATION INSURANCE CLARIFICATION ACT

● Mr. D'AMATO. Mr. President, I rise today to cosponsor S. 2897, the Plan Termination Insurance Clarification Act. This measure will provide needed relief to a group of employees who have suffered both the loss of their pensions and the uncertainty of whether or not they are covered by the plan termination insurance provisions under the Employee Retirement Income Security Act [ERISA]. This bill will enable 272 members of the Hewitt-Robins Pension Plan No. 2 to receive the protections of plan termination insurance under the so-called window period provided under section 4082(b)—now section 4402(b) of ERISA.

When Congress enacted ERISA, it added plan termination insurance for the purpose of protecting benefits for participants in plans which terminate when plan assets are insufficient to provide the promised benefits. All four congressional committees involved with ERISA agreed to some form of the bill by February 21, 1974. However, ERISA was not enacted until September 2, 1974. Congress agreed that workers should not be deprived of the protection of plan termination insurance simply because of the delay in passage of the bill. Therefore, the "window period" was included to provide coverage to plans which terminated between July 1, 1974, and September 2, 1974.

It was important to Congress to determine the appropriate date of termination to determine what plans properly fall within the window period of section 4082(b). It would have been improper to permit employers to manipulate the date by reciting an "effective date" of termination unrelated to the actual facts relating to the situation.

Section 4082(b) provides that, for the purpose of determining the date of termination for this provision, "the corporation shall make the determination on the basis of the date on which benefits ceased to accrue or on any other reasonable basis consistent with the purposes of the subsection." Congress determined that the date that benefits cease to accrue would normally be used to determine the date of termination. Before ERISA, plans were not required to define the accrued benefit, which ERISA section 204 and I.R.C. section 411(b) now require for all plans. In some plans, benefits were not related to years of service and no benefits were provided upon termination of employment before retirement age. In such a plan, unlike Hewitt-Robins Pension Plan No. 2, it would have been impossible to determine when benefits ceased to accrue.

In addition, there could be unusual situations where the date benefits ceased to accrue might somehow distort the underlying facts of the situation, such as a plan providing only past service benefits which is terminated years after the period for which benefits are accrued. An alternative basis was needed in such situations. Therefore, Congress also allowed use of any other reasonable basis for such plans. In so doing, it was not the intent of Congress to deny protection of benefits to employees covered under plans under which benefits ceased to accrue during the window period.

Under the Hewitt-Robins Pension Plan No. 2, employee participants continued to earn continuous service credits and to accrue benefits until July 8, 1974, when an action was taken to terminate the plan. Under these circumstances, I am absolutely convinced that it would not fulfill the clear and proper intent of Congress to deny the employees involved in this plan the protection of the plan termination insurance program which they so rightly deserve and which was designed specifically to safeguard their pension benefits.

Since there is some lack of clarity regarding the date of plan termination regarding the Hewitt-Robins Pension Plan No. 2., these 272 participants may lose the benefits that they worked so hard to earn. S. 2897 will clarify the pension rights of these employees whose plan happened to terminate prior to the enactment of ERISA. It will make their financial futures more secure.

I am pleased to join my distinguished senior colleague from New York in supporting this legislation and I urge its speedy adoption.●

RELAXING CORPORATE AVERAGE FUEL EFFICIENCY STANDARDS

● Mr. DURENBERGER. Mr. President, there has been some discussion in the press recently about lowering the corporate average fuel efficiency [CAFE] standards.

The motor vehicle fuel economy standards mandated by Congress in the Energy Policy and Conservation Act—EPCA—represent the most significant energy conservation program in this country. The express purpose of the fuel economy program was to reduce the U.S. vulnerability to foreign events, by improving vehicle fuel efficiency over 1974 levels by 50 percent by 1980, and 100 percent, to 27.5 mi/gal by 1985. The EPCA fuel economy standards were intended to reduce U.S. oil consumption by 3 million barrels of oil per day by 1985.

Although there is a shortfall between the mileage new cars actually get on the road and the CAFE standards, there can be little doubt that the congressionally mandated fuel economy standards are a spectacular success that should be encouraged rather than dropped. When the National Highway Traffic Safety Administration—NHTSA—produced its last detailed annual fuel economy report in 1981, the agency estimated that in 1980 alone the milage standards reduced foreign oil imports by $3 billion. Purchasers of a 1985 car would save $3,300 in gasoline costs due to the mileage standards.

On a broader level, the CAFE standards have advanced major national policies. These include enhanced national security through reduced dependence on imported oil; significantly reduced fuel consumption; improved U.S. balance of trade and balance of payments resulting from reduced oil imports; reduced inflationary pressure, lessened dependence of the U.S. economy on foreign petroleum supplies; and stimulation of substantial innovation in automotive design and production technology. There can be little doubt that the CAFE standards by decreasing the demand for petroleum have helped break OPEC's ability to fix high oil prices.

The current discussion centers around the increased demand for large cars, the historic gas guzzler, which some say is the result of the oil glut and stabilized gasoline prices. GM and Ford argue that they cannot meet the CAFE standard this year because the consumer does not want the small car. Chrysler, on the other hand, exceeds the standards on all their models, large and small.

To a large extent the choices made by the driving public is determined by the price at the pump. Prices have stabilized, the economy is improving, and Americans are taking to the roads again.

How quickly they forget the gas lines, the high prices, and the crunch of the energy crisis.

But just because the driving public forgets does not mean we can forget. Consumer demand certainly has little to do with one manufacturer using fuel efficiency technology and another manufacturer not doing so in otherwise identical models which shows there is considerable room for easy improvement in fuel efficiency within any given category of automobile sizes.

Transportation is the largest sector in the U.S economy with respect to oil use. It is almost totally independent on oil and uses over 60 percent of all the oil in the United States. Now is not the time to abandon the road to energy independence. CAFE standards are an important link to that goal. Let us not weaken them.●

ARTICLES ON MIDDLE EAST BY SENATOR SPECTER

Mr. BOSCHWITZ. Mr. President, recently, the distinguished junior Senator from Pennsylvania [Mr. SPECTER]

wrote a series of articles that appeared in Israel Today.

On March 23, 1984, he wrote a very feeling and intelligent article entitled "Move Our Flag to Jerusalem."

On April 27, he wrote "Needed: A Middle East Summit." That is something that may result in peace in that area.

On May 25, 1984, the Senator from Pennsylvania wrote an article about the nightmare of terrorism, how it applied to the Middle East, how it was spreading to other parts of the world, and what could be done about it. The article is entitled "Terrorist Diplomats: A 'Nightmare.'"

On June 22, 1984, the Senator from Pennsylvania wrote an article entitled "Stingers: An Abuse of Power?"

In July, the Senator from Pennsylvania wrote an article entitled "Efforts on Behalf of Soviet Jewry Must Be Maintained." Indeed, they must, Mr. President, because this is perhaps the most overriding problem that faces the Jewish community of the world.

I ask unanimous consent to have these articles printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Israel Today, Mar. 23, 1984]

MOVE OUR FLAG TO JERUSALEM

(By Senator Arlen Specter)

Senator Moynihan and I testified before the Senate Foreign Relations Committee last month on one of the most important issues in U.S.-Israeli relations: the U.S. should move its Embassy to Jerusalem. This column summarizes my reasons for this position.

Recognition of Israel is of vital importance to world peace, and an integral part of appropriate recognition of Israel is recognition of Jerusalem as its capital. It is not just a formality. It is the difference between second class recognition of Israel and first class, full-fledged acknowledgement of its legitmacy.

Americans have long decried the consequences of second class citizenship, and it is particularly onerous in this situation. This is very different from the controversy, different from the controversy surrounding recognition of the People's Republic of China and the Republic of China on Taiwan. At issue here is Israel's basic security and very right to exist as a nation.

In failing to extend first class, full-fledged, recognition to Israel by acknowledging Jerusalem as its capital, we aid Israel's enemies. This unfortunate consequence is highlighted by two major international events in today's headlines: Syria's refusal to withdraw from Lebanon, and revelations of secret U.S. negotiations with the PLO.

When Syria has balked at withdrawing from Lebanon, it has done so out of hostility and anger over the May 17 agreement between Israel and Lebanon. Syria is determined not to see another Arab nation sign an agreement with Israel as a nation and, implicity, of Israel's right to exist. Syria's bottom-line is preventing full-fledged, first class recognition of Israel, and we are assisting that effort by failing to extend such recognition ourselves.

Similarly, news reports are filled with romors that we have been negotiating, through intermediaries, with the PLO. While I am opposed to recognizing the PLO in any event, there are those who contend that such recognition might be appropriate if the PLO would renounce terrorism and recognize Israel's right to exist. The PLO's refusal to cross that minimal threshold is further evidence of the widespread view in the Arab world that Israel is not entitled to recognition; that Israel is not entitled to exist. Again, despite our rhetoric of support for Israel, we actually give aid and comfort to this basic contention when we fail to recognize Jerusalem as the capital of Israel.

Instead of bolstering Israel's enemies, we ought to seize this opportunity to encourage those who are moving toward a reconciliation. I am referring particularly to Egyptian President Mubarak, with whom I met in Cairo on June 2, 1983. At that time, President Mubarak said that the Egyptian Ambassador would return to Israel within two weeks. As we know, that never occurred.

This commitment was reiterated when President Mubarak came to the United States last fall and met with the Foreign Relations Committee at a session which I attended. Responding to questions from me and others, Mubarak said he still intended to return the Egyptian Ambassador to Israel "at the earliest possible time." I am convinced that if President Mubarak saw more determination by the U.S., that time might be sooner rather than later.

When I met with Prime Minister Begin on Sept. 12, 1983, it was clear that this issue was of great importance to him. The meeting took place a few days after President Reagan's Sept. 1, 1983, "peace initiative." Prime Minister Begin expressed concern over the status of Jerusalem. He was concerned that the president's position on the West Bank embraced Jerusalem, and that local sovereignty might extend to some sections of Jerusalem. While I do not think this was part of the president's initiative, Prime Minister Begin's concerns, shared by other Israeli officials, are clearly not allayed by our failure to recognize Jerusalem as the capital of Israel.

The Senate is now considering a bill, S. 2031, to move the U.S. Embassy in Israel from Tel Aviv to Jerusalem. I was the first Senator to co-sponsor this legislation, which was introduced by Senator Moynihan (D-NY). Enactment of this legislation is consistent with past policies and is long overdue. The U.S. Embassy in the Soviet Union is located in Moscow, our embassy in the People's Republic of China is located in Beijing, our embassy in Saudi Arabia is located in Riyadh, and our embassy in Algeria is located in Algiers. We have stood by Israel through five wars and countless diplomatic battles, and we regularly bolster its economic development and military posture. Yet, we deny Israel a right that we routinely grant even its most vociferous foes.

The Reagan Administration contends, as has every administration since 1948, that relocating the American Embassy in Jerusalem would complicate U.S.-Arab relations. This argument belies reality. U.S.-Arab relations were complicated prior to 1948, and probably will be for many years to come. In Lebanon alone, which is one of the smallest Arab nations, there are some 17 different ethnic and religious factions. When the rest of the Arab nations are brought into the equation, we see a region of the globe that is stupefying in complexity. Will the movement of one embassy change this in the slightest? I think not.

Another contention is that a relocation of the U.S. Embassy to Jerusalem would violate "international law." This argument carries little weight. International law lacks the authority of sovereign domestic law and can be validated only by force or by recognition. Most of the Arab world still seeks to impose their view of international law through force, and for the past thirty-five years, Israel has teetered on the brink of annihilation. The second body of international law, that which is accorded by recognition, is what the legislation, S. 2031, seeks to uphold. In our decision-making, the latter should always prevail.

We have moved our flag and our fighting men to show our commitment. Surely we should move our flag and some furniture to Jerusalem to show the world that the United States is committed to 100 percent, first-class recognition of Israel and its right to exist. This is the rockbed for a lasting peace in the Mideast.

The United States has a legacy of leadership. We lived up to that legacy in 1948, when we were the first nation to declare recognition of Israel. Now it is time for us to complete that recognition by acknowledging Jerusalem as Israel's capital, by providing the leadership to encourage other Arab states to extend the same recognition, and by continuing to provide leadership toward lasting peace in the region.

[From Israel Today, Apr. 27, 1984]

NEEDED: A MIDDLE EAST SUMMIT

(By Senator Arlen Specter)

Now is the time to implement the objectives of the Camp David accords by convening a Mideast summit to negotiate the broad range of critical issues facing that region If the peace process is to replace the waging of war, then the parties to the Camp David accords—the United States, Israel and Egypt—must regain the initiative by leading the nations of the region to the conference table for a Mideast summit meeting.

Among the outstanding accomplishments of Israel over the 36 years since the deliverance from British rule, the Camp David accords rank among the most important. Peace in the Middle East is essential to the continued development of Israel as a secure, healthy, and regressive society, as well as a crucial cornerstone of world peace. Looking at the impressive strides made over these 36 strife-filled years, I cannot help but wonder what heights of achievement might have been possible in a context of peace and security.

How tragic, then, that the brightest hope for this imperative peace dwindles, as the Camp David accords are undermined or ignored. We should all be working to strengthen and broaden the Israeli-Egyptian Peace Treaty, and to address the wide range of issues central to achieving comprehensive peace in the Mideast region.

On April 25, 1982, Israel and Egypt crossed an important threshold in the implementation of the peace agreement of March 26, 1979, when the Sinai was peacefully returned to Egypt. President Mubarak and Prime Minister Begin at that time both strongly reaffirmed their nations' commitments to the success of the treaty. President Mubarak, however, made it clear that this tremendous achievement was just one step in the march toward peace in the Middle East. He declared that the Egypt-Israel treaty is "an important step toward a comprehensive peace, and its aftermath has spread throughout the Middle East," but he went on to emphasize that "Egypt has to redouble its efforts to safeguard the peace

process and open new channels of communication and exchange and assure future generations of a better tomorrow."

With this in mind, I have written President Mubarak urging him to take the next step in the peace process; to open these new channels of communications and exchange, by calling for a Mideast summit to include heads of state throughout the region, without whom lasting peace is illusory. Such a summit would be a natural extension of the efforts President Mubarak has already been making to broaden the scope of negotiation.

Last year, I visited Cairo and had an opportunity to discuss these issues at length with President Mubarak. I began that discussion by expressing the appreciation of the United States for Egypt's support of the Camp David accords and for his repeated statements that he would support in all ways the principles embodied therein. I then raised the question of further negotiations between Israel and Egypt in pursuance of the principles of the Camp David accords which had not yet reached full fruition.

President Mubarak expressed his interest in having such discussions but said that he did not believe the time was right. I inquired as to how President Mubarak thought that King Hussein of Jordan might be involved in those discussion. President Mubarak responded that he believed there would have to be a link established between Palestinian leaders and King Hussein before the involvement would occur.

Speaking for myself, I conveyed my view that Yasser Arafat and the PLO were inappropriate respresentatives of the Palestinains, but that we certainly needed to pursue those discussions in the future. President Mubarak said that wherever he has gone, he has explained the principles of the Camp David accords to leaders of other Arab nations and that, privately leaders of other Arab nations agree that Egypt had done the right thing in entering into this peace treaty with Israel's brokered by the United States.

President Mubarak observed that the Arab nations have a propensity to reject opportunities when they are presented and accept them only when it is two late. But notwithstanding that, President Mubarak was optimistic that the opportunity would be present for others among the Arab nations to join in the Camp David peace process and the extension of it.

It is precisely this kind of local initiative that holds the greatest promise for resolutions of the complex issues involved. The leadership role of the United States is valuable and undeniable, but only the nations of the Middle East can establish the framework for negotiation that must replace the armed conflict that has so far dominated the region.

The impact of the face-to-face meeting of Prime Minister Begin and President Sadat cannot be denied. Similarly, a broader summit is a prerequisite to meaningful negotiations aimed at easing tensions throughout the region and resolving the issues that create those tensions.

This first meeting need not be in Washington; Egypt may well be a more logical site. The venue for subsequent negotiations could then rotate among the participating nations. The United States could contribute as an observer or mediator, but the impetus and ideas must originate in the Middle East. Again, my own belief is that the PLO would be an inappropriate representative of the Palestinians, but the Palestinian people must be a part of the discussions.

The critical aspect of these talks is that they will expand the scope of negotiations to embrace not only the concerns addressed in the Egypt-Israeli Peace Treaty, but also deal with the situation in Lebanon, the threat posed by the Iran-Iraq conflict, and other issues of vital importance to the region. The importance of involving other states lies primarily in the prospect of a second Arab state following Egypt's example and recognizing Israel and its right of existence.

Israel has struggled bravely for 36 years to retain its independence and ensure its survival. But military strength and readiness are costly and ultimately uncertain guarantees of the lasting security that is necessary to foster an environment in which Israel can flourish. There are those who contend that times have never looked less promising for a major breakthrough such as a summit meeting. Yet, it is precisely at such times that our vision is often clearest, the need for action most compelling, and the value of bold initiatives the most self-evident.

After all, when a state must spend 50 percent of its budget on defense, suffers 200 percent annual inflation and spends several billion dollars to drive PLO fighters from neighboring Lebanon, the undertow to economic growth is almost overwhelming. The alternative is to achieve security through a better balance of strength and diplomacy, relieving the economy of part of this heavy burden.

The stake of Americans in all this exceeds even our concern, trust and affection for Israel. Soviet and American forces are in a face-off in the Mideast where the outbreak of another border war could ignite worldwide conflict, even nuclear exchange.

This is the moment to begin the process that can bring peace to this strife-filled region and allow Israel, to paraphase William Faulkner, to not merely endure but to prevail.

[From Israel Today, May 25, 1984]

TERRORIST DIPLOMATS: A "NIGHTMARE"

(By Senator Arlen Specter)

The shootings from the Libyan Embassy in London exemplify a problem whose correction would directly benefit Israel. The London incident showed civilized nations throughout the world the menace of terrorist-diplomats and the threat they pose to host nations. Common sense changes are needed in the laws of diplomatic immunity, to prevent such tragedies from recurring.

The machine-gunning from the Libyan Embassy in London presents a new form of international terrorism: Assassinations by hit men posing as diplomats and thus immune from prosecution. The world community is ill-prepared to combat this international nightmare.

With the news that the Libyan firing the machine gun was one of two suspects who both enjoyed full diplomatic immunity, the nightmare has become reality. British authorities allowed these two and the other occupants of the "People's Bureau" to return home. The diplomat-terrorist got away with murder.

Prime Minister Margaret Thatcher correctly called for revisions in the Vienna Convention, which is the source of diplomatic immunity. To deter such hit squad activities here, the U.S. should take the lead to renegotiate the Vienna Convention.

Article 31 of the Convention states: "A diplomatic agent shall enjoy immunity from the criminal jurisdiction of the receiving state." The convention thus codified a tradition of many centuries. International law, however, recognizes that violent crime such as murder can never be regarded as a proper exercise of diplomacy. Thus, it provides that the receiving state could use force against a diplomat engaging in criminal violence even though it could not prosecute him.

Justice, it was assumed, would be done by the sending state. Accordingly, the Vienna Convention provides that "the immunity of a diplomatic agent from the jurisdiction of the receiving state does not exempt him from the jurisdiction of the sending state."

Justice obviously cannot be done, however, in a situation of state-sponsored terrorism. In that circumstance, the sending state will reward rather than prosecute its agent. Again, the shooting in London illustrates the problem, for news reports asserted that Embassy personnel had received electronic communications from Tripoli instructing them to shoot the Libyan dissidents demonstrating near the embassy. The result, as the whole world knows, is that 11 students were injured and a British policewoman was shot to death.

The grant of immunity in the Vienna Convention would be revised to allow the receiving state to prosecute diplomats for murder and other armed offenses against persons.

Critics of this proposal will argue that the present unqualified immunity protects American diplomats in hostile nations such as Eastern bloc countries from unsubstantiated and unfounded charges. With the revisions, it would still do so. Diplomats of all countries would be immune from prosecution for the sort of charges that would readily be trumped up such as espionage, fraud or conspiracy.

It is inconceivable that this country or any other law-abiding country would instruct or permit diplomats to use firearms to assault political opponents. Therefore, the revisions would not limit the proper functioning of our diplomatic agents. Nor could armed assault charges such as murder by firearm be readily brought on manufactured evidence.

If there is a slight risk that some country might fabricate evidence against diplomats claiming involvement in assassination schemes, even though the fabrication would be obvious, that risk is worth taking. Otherwise, fanatical and lawless states such as Iran, Syria and Libya will be encouraged to operate death squads all over the world. Any state instructing diplomats to commit murder has so abused the concept of diplomatic immunity as to forfeit any claim to its protection.

Nor is it sufficient in the face of hit squads to argue that the receiving state can adequately protect itself by expelling the terrorist-diplomat after the fact. The damage will have been done, and he can and will simply be replaced by a new terrorist-diplomat. Assassinations will therefore continue.

Opponents may argue that revising the terms of immunity would be insufficient to deter murders by fanatics employed by murderous governments. This may be so, in some cases. There is a great difference, however, between surreptitious assassinations by secret agents of a foreign power and overt shootings from embassy windows. Both are intolerable, but the latter makes the victim state compound the crime by forcing it to release the criminal. Moreover, if the proposal saves even one life, that is reason enough to adopt it, despite the possibility that it may not prevent all potential assassinations.

Moreover, these revisions may deter a recurrence of such heinous acts as the shooting of Israel's ambassador to Great Britain in 1982 and the Olympic massacre of 1972.

No doubt it will take years to revise the Vienna Convention, but merely making the proposal will make a difference. It will put nations on notice that the world community will not tolerate another London.

[From Israel Today, June 22, 1984]

STINGERS: AN ABUSE OF POWER?

(By Senator Arlen Specter)

The President's announcment on May 29, 1984, that he had sent 400 Stinger missiles to Saudi Arabia using an "emergency" provision of the Arms Export Control Act (AECA) to bypass Congressional consideration aroused criticism from both supporters and opponents of the original proposal. That proposal had been submitted to Congress three months earlier but had been withdrawn because of strong Congressional objections, including my own.

This exercise of the "emergency waiver," then not only disregarded those earlier objections, but also circumvented any formal Congressional participation in this fateful decision, raising serious questions about possible abuse of emergency exceptions.

It is my sense that emergency waivers of Congressional consideration, such as those in the AECA and the War Powers Act, are meant to avoid hamstringing the President where unforseeable but immediate action is vital to American security, and Congress could not meet and consider the proposal in time. As I will explain more fully. I believe this is a much narrower exception to the general rule of Congressional consultation/approval than previous practice has implied.

First, let me emphasize that I firmly oppose the sale of Stinger missiles to Saudi Arabia on its merits. As I expressed to the President in my letter in early March opposing the sale, it is my view that providing such sophisticated weaponry to Saudi Arabia or to Jordan compromises the national security of the United States and its NATO allies. Previously, only those countries possessed this shoulder-fired surface-to-air missile designed to down flying aircraft. Suadi Arabia and Jordan are not involved as our NATO allies are, in the direct planning of our defense posture against possible Soviet invasion. In addition both countries have extensive dealings with PLO terrorists and other violent and lawless elements in the Middle East, raising the danger of misappropriation of the missile despite security precautions.

I question the wisdom of arming countries that have been at best, reluctant supports of our foreign policy in the Mideast. But when this policy also works to the disadvantage of our strongest ally in the region, it seems truly misguided.

The manner of the sale, however, raises grave concerns about the potential use of procedural loopholes to circumvent proper Congressional consideration. Under the Arms Export Control Act, the President must submit to the Speaker of the House of Representatives and the chair of the Senate Committee on Foreign Relations a detailed certification describing the proposed sale. It cannot proceed until at least 30 days after such certification during which time Congress can block the sale by adopting a concurrent resolution. This 30-day waiting period can be abrogated only if the President certifies that an emergency exists which requires such a sale "in the national security interests of the United States" and describes the emergency circumstances necessitating the immediate sale."

The certification procedure set forth in the Arms Export Control Act (AECA) reflects a prudent policy judgment that Congress ought to have a role in the decision to proceed with significant arms sales to foreign countries, and grew out of many of the same concerns that had led to the adoption of the War Powers Resolution. In fact, the original author of the relevant AECA provision expressly referred to the War Powers Resolution as a precedent of this legislative approach. Like the War Powers Act, the ADCA authorizes executive action without the need for Congressional input only in the case of emergency.

The issue, then, is what constitutes an "emergency." All too often, the concept of emergency is confused with "crisis." The former is defined as a "sudden generally unexpected occurence or set of circumstances demanding immediate attention." Time is the critical element. On the other hand, "crisis refers to an event regarded as a turning point which will decisively determine an outcome." (Source: Websters New World Dictionary)

In providing for Congressional consultation no major arms sales except where the President certifies "emergency circumstances necessitating . . . immediate sale," Congress conceded that there may be sudden occurrences demanding a response in less time than Congress could consider an Administration proposal. Under the operative language of the AECA, Congressional consideration could take up to 30 days. Thus, the President can apparently exercise his "emergency" authority any time a sale is necessary in less than 30 days.

While I am not convinced that the sale of Stinger missiles to Saudi Arabia met this requirement, I am equally concerned that 30 days is too long a period of time. Congress could realistically consider an arms sale proposal in a much shorter time frame, if necessary. I have concluded that five days is enough.

On May 15, 1984, I introduced a bill to amend the War Powers Act to require Congressional approval prior to the introduction of combat troops except to protect the security of the United States, its citizens, or its troops and in emergency situations. In that proposal, I defined an emergency situation as one requiring military action in less than five days. In my judgment, each House of Congress could act within two days, with one day for conference.

These expedited procedures could work equally well with other "emergency authority" provisions, such as that in the AECA.

On June 5, 1984, I attended a hearing of the Senate Appropriations Subcommittee on Foreign Operations on the decision making process leading to the Stinger sale and the justification for the exercise of emergency power. I asked the Undersecretary of State for Political Affairs whether the threat that justified the sale was not present on April 30, 30 days earlier. He responded that "the attacks that created what, in our judgment, represented an emergency, began on the 13th of May." Given that the sale did not occur until May 28, an expedited procedure for Congressional consideration within five days would have met the exigency without sacrificing the important role of Congress in the decision-making.

Another agrument articulated at that hearing for the exercise of emergency authority was that the Administration felt that going through a "normal notification procedure" would not "convey a very clear signal of support to a country that we would like to see have a capacity to defend itself."

As I noted at that time, advance authorization from Congress actually strengthens the Executive's position. This was made clear in our experience in Lebanon. Moreover, our experience in Vietnam taught us the folly of attempting to sustain a course of action that does not have public support, and the most accurate gauge of public support in our system of government are the members of Congress, both because of their accountability and because they have much more direct contact with their constituents than the Executive ever could.

Giving the Executive the flexibility to protect vital U.S. interests in an emergency is a prudent policy. Such flexibility, however, necessarily comes at the expense of Congressional involvement in significant foreign affairs decisions. Thus, it is essential in maintaining this delicate balance that the emergency authority of the Executive not be any broader than necessary, i.e., that it be restricted to true emergencies. I believe the procedures I propose for expedited Congressional consideration would go a long way toward achieving this balance.

EFFORTS ON BEHALF OF SOVIET JEWRY MUST BE MAINTAINED

(By Senator Arlen Specter)

Given the multitude of serious problems facing Israel at this time, it is all too easy to allow the plight of the Soviet Jews to fade into the background. The upcoming Israeli elections are fraught with ideological consequences regarding the West Bank and the situation in Lebanon, and Israel's inflation rate continues to rise at a truly alarming rate. Notwithstanding these concerns, it is imperative that we maintain our efforts on behalf of Soviet Jews.

During my July, 1982, visit to the Soviet Union, I found obvious evidence of human rights violations in Soviet dealings with Jews. Many refuseniks in Moscow and Kiev detailed practices of oppression. In Kiev, especially, the refuseniks feared to speak openly and declined to meet with me except individually and in their own homes. When efforts were made on my behalf to contact one refusenik who had spent time in prison, the idea had to be abandoned because a man believed to be a KGB agent waited outside his house.

I heard case after case of individuals whose emigration was being prevented by Soviet officials. In response to my question as to where success might be realized, I was told that cases which involved reuniting families would be given some consideration and that a change in Soviet policy might follow a change in economic conditions. Yet, Soviet officials acknowledged that they deny Jews the right to emigrate because such efforts to leave the U.S.S.R. are treasonous and that granting them could only lead to a dangerously increasing number of emigration requests.

But regardless of any increase or decrease in the number of emigration requests, the number of Soviet Jews actually allowed to leave has been decreasing at a distressing rate. According to the National Conference on Soviet Jewry, emigration of Jews has dropped from 9,447 in 1981, to 2,688 in 1982, to 1,314 in 1983. For the first six months of 1984, only 484 Jews were permitted to leave the Soviet Union.

Despite these grim figures, I believe that the situation can be improved if an intensified campaign is waged. We must emphasize to the Soviets at every opportunity that we consider the issue of human rights, including the emigration of Soviet Jewry, of great importance in evaluating our overall relations with them.

In May of 1983, the official Soviet Anti-Zionist Committee publicly claimed that emigration from the Soviet Union had virtually come to a halt, and only because most Soviet Jews who wanted to emigrate had already gone. Such a claim is patently preposterous. I cannot think of a more outrageous lie, except, perhaps, one made by the committee's chairman, a retired Soviet general, who said: "Zionism is increasingly modeled on the ideas and methods of Hitler."

Such obvious mendacity, however, is indicative of the depths to which Soviet emigration policy has now descended. The Kremlin obviously decided to establish this committee in an effort to rationalize the sharp curtailment of Soviet Jewish emigration.

During my talks with the Soviet refuseniks, they said two special efforts must be pursued: first, get the Soviets to change their overall policy to permit mass emigration; and, second, try to force action on the most eminent and egregious cases, such as those of Anatoly Shcharansky and the Sakharovs. In keeping with this line of attack, the U.S. Senate on May 18 voted 76 to 0 for a resolution that calls on the U.S.S.R. to allow Andrei Sakharov's wife, Elena Bonner, to emigrate to get medical treatment, and for President Reagan to continue to protest Soviet human rights violations.

While the overall Soviet policy toward its 1.8 million Jews is often affected by the vicissitudes of U.S.-Soviet relations, individual refusenik cases can be influenced by letters of support and sympathy from concerned citizens overseas. I have frequently written to members of Soviet leadership, including General Secretary Konstantin Chernenko, Soviet Ambassador Dobrynin and Interior Minister Federenko, regarding the suffering of various refuseniks, such as Sofia Eikenwald, Nelli and Yuri Spaizman, Eugenia Greenblatt and Moisei and Alexander Shukhgalter.

Letters and statements of solidarity on behalf of select Soviet refuseniks, especially if the refusenik is not well known, can do much to alleviate their anguish by informing the Soviet authorities that the refusenik's plight has not gone unnoticed. Often, the Soviets keep a file on letters concerning human rights violations pertaining to a certain refusenik, and the chances of official retaliation against a dissident or refusenik decrease with each new letter of support.

I have also continued to monitor closely the situation of Ida Nudel, a celebrated refusenik, whose courage has been an inspiration to all refuseniks and whose story I was told while in Russia. However, for every well-known refusenik, there are hundreds of others who wait and hope in obscurity, meeting with mettle the everyday harassment of Soviet life.

The imperishable candle lit here in the United States by Ida Nudel, Iosef Begun, Viktor Brailovsky, Anatoly Shcharansky and others will continue to illuminate the world to the injustices perpetrated by the Soviet government against its citizens. It is crucial, then, that we do not lessen our efforts on their behalf, even if other momentous events temporarily overshadow the suffering of Soviet Jewry.

ILLEGAL IMMIGRATION DISTORTS REAPPORTIONMENT

Mr. HUDDLESTON. Mr. President, last Friday I received some disturbing new information from the Congressional Research Service. Responding to a request that I made, CRS confirmed that the counting of illegal aliens in the 1980 census distorted reapportionment.

It has been firmly established that there is a large population of illegal aliens currently residing in the United States. Estimates of the number of illegal aliens range from 3 to 12 million.

In late 1979, certain agencies within the Federal Government decided that an unprecedented special effort would be made to encourage illegal aliens to respond during the 1980 census. The Justice Department even went so far as to restrict the Immigration and Naturalization Service from apprehending illegal aliens before, during, and after the census, to encourage them to respond and be counted.

In response to this misguided policy, I, along with dozens of my congressional colleagues, filed suit to stop the inclusion of illegal aliens in the reapportionment base which is the population total used for dividing up congressional seats among the States. Although we wanted illegal aliens counted, we did not want to see them represented in Congress.

It was our firm belief that including illegal aliens in the reapportionment base was a violation of the constitutional principle of "One man, one vote." This principle says that the Government must not weaken one person's vote and strengthen another's. By including illegal aliens in the reapportionment base, the Government was weakening the votes of voters in States that have few illegal aliens and strengthening the votes of voters in States where illegal aliens live. The most graphic example we offered was of some States losing congressional seats because of the illegal aliens being counted by the census.

Our case went to the Supreme Court of the United States twice, but we were in essence told that we were premature. To be specific, in *FAIR* v. *Klutznick*, 486 F. Supp. (D.D.C.), appeal dismissed, 447 U.S. 916 (1980), the Court dismissed the case for lack of standing to sue. The Court held that it could not determine before the 1980 census which of the plaintiffs lived in States that would lose congressional seats as a result of counting illegal aliens. The Court said that it would have to speculate on which plaintiff could properly bring the suit, and it was unwilling to make that kind of guess.

The 1980 census has now been taken, and the results are in. The Census Bureau says that it actually counted 2.1 million illegal aliens in the United States. It also claims that it probably missed at least half of the illegal aliens actually here in 1980. However, with this information we now know that these 2 million illegal aliens caused a shift of at least four congressional seats. We also know that the shift in the number of seats is probably larger because all illegal aliens were not counted.

Using the census data, the Congressional Research Service recomputed the reapportionment formula to show that the result would have been different if the illegal aliens had not been given representation. CRS estimates that the presence of illegal aliens in the United States in 1980 cost two States each a seat in Congress. Illegal aliens took two congressional seats away from the States of Georgia and Indiana. The State which gained an unearned congressional seat is California, and in addition, New York did not lose a seat which it otherwise might have. In other words, the census data and the CRS computations prove that what we predicted in the lawsuit was correct.

Furthermore, if we assume that illegals were undercounted by 50 percent, we discover that Alabama and Missouri also lost a seat.

Mr. President, I offer this new information to demonstrate that the continuation of our unsolved illegal alien problem in this country is generating serious political and constitutional questions that will only worsen.

If we do not solve this problem with comprehensive immigration reform legislation, illegal immigration to this country is certain to become institutionalized. Once this happens, we will be paralyzed and unable to take any positive action. The ultimate result of this paralysis, I am afraid, will be social disruption and clashes between native born Americans and immigrants. In other words, a violent backlash against immigration will occur. I consider this prospect extremely disturbing, and I strongly urge my colleagues in both Houses to act on immigration control legislation while we still have the opportunity to do so.

I ask unanimous consent that the findings of the Library of Congress on the effect of reapportionment of including illegal aliens in the 1980 census be printed in the RECORD.

There being no objection, the findings were ordered to be printed in the RECORD, as follows:

TABLE 2.—1980 APPORTIONMENT BASED ON VARIOUS ASSUMPTIONS ABOUT THE IMPACT OF ACCOUNTING FOR THE UNDOCUMENTED ALIEN ESTIMATES OF PASSELL AND WOODWARD

State	(1)	(2)	(3)	(4)	(5)
Alabama	7		+1		
Alaska	1				
Arizona	5				
Arkansas	4			+1	
California	45	−1	−3	−3	+2

TABLE 2.—1980 APPORTIONMENT BASED ON VARIOUS ASSUMPTIONS ABOUT THE IMPACT OF ACCOUNTING FOR THE UNDOCUMENTED ALIEN ESTIMATES OF PASSELL AND WOODWARD—Continued

State	(1)	(2)	(3)	(4)	(5)
Colorado	6				
Connecticut	6				
Delaware	1				
Florida	19			−1	
Georgia	10	+1	+1	+1	
Hawaii	2				
Idaho	2				
Illinois	22				
Indiana	10	+1	+1	+1	
Iowa	6				
Kansas	5				
Kentucky	7				
Louisiana	8				
Maine	2				
Maryland	8				
Massachusetts	11				
Michigan	18				
Minnesota	8				
Mississippi	5				
Missouri	9		+1	+1	
Montana	2				
Nebraska	3				
Nevada	2				
New Hampshire	2				
New Jersey	14				
New Mexico	3				
New York	34	−1	−1	−2	
North Carolina	11			+1	
North Dakota	1				
Ohio	21				−1
Oklahoma	6				
Oregon	5				
Pennsylvania	23				−1
Rhode Island	2				
South Carolina	6				
South Dakota	1				
Tennessee	9				
Texas	27				
Utah	3				
Vermont	1				
Virginia	10				
Washington	8				
West Virginia	4				
Wisconsin	9				
Wyoming	1				

[1] 1980 apportionment.
[2] Change if undocumented aliens subtracted.
[3] Change if undocumented aliens doubled and subtracted.
[4] Change if all aliens are subtracted.
[5] Change if undocumented alien counts are added.

IMMIGRATION CONTROL: THE IMPOSSIBLE DREAM

Mr. HUDDLESTON. Mr. President, as I stand here in the waning days of the 98th Congress, I am deeply troubled.

Here I am again talking about the same old problem you have heard me discuss many times. This problem is not a trendy new issue; it is, in fact, decades old. We have talked about it endlessly and studied it from every possible perspective; several times we have walked right up to it as if to deal with it, only to walk away again.

The problem is uncontrolled immigration and we still have not done anything to solve it. Remember all of the activity during the last several years? Countless hours of congressional hearings were held, numerous interagency studies were made, and a national select commission was organized to study the problem. After this groundwork was laid, the Senate passed a bill twice. The House, after much agonizing, also passed a similar bill, by a very narrow majority.

At the conclusion of all of this activity, we really thought we would get an immigration bill signed into law this year; but election year politics have gotten in the way, and many now believe that the effort is dead for years to come.

I, however, do not believe this. I believe that the American people want this legislation and that they will remember the politicians who stand in its way. Those who seek short-term political advantage by attacking the legislation or by failing to provide needed leadership to speed its passage will be held accountable in the final analysis.

The failure to deal effectively with this escalating national problem is a serious breach of responsibility to the American people. Those who turn their heads while certain special interest groups pursue selfish goals are in effect guaranteeing that the social and economic problems caused by massive, uncontrolled immigration will not only continue but also will multiply.

Many of you know how deeply I feel about this issue. I do not serve on the committee that handles immigration; this is not an area that I am required to look at by the rules of the Senate. My sole motivaion in seeking a solution to this problem is to make certain that the people of this great country continue to have the advantages and benefits they have worked so long to secure.

Uncontrolled immigration is not an issue that will go away. Instead, it will only get worse if we ignore it. Some have deluded themselves into believing that time alone will solve these problems. Obviously, this will not work. We must be the ones to make the difficult decisions that will solve this problem. We can no longer pass the buck on this issue.

There are Members of Congress who have demonstrated courage and statesmanship in tackling this very difficult issue. The distinguished chairman of the Senate Immigration Subcommittee, Senator SIMPSON, has done an outstanding job and I commend him for his dedication, hard work, and compassion. His counterpart on the House side, Congressman RON MAZZOLI, is also to be commended for his hard work and skill in guiding the bill through a field strewn with political landmines.

Many others, in both Houses, deserve to be mentioned for having the courage to stand up and be counted on this important issue. However, time precludes me from listing all who deserve praise.

I only wish that the type of leadership we have seen in the Senate and the House had been demonstrated in other quarters. If it had, I am confident that the immigration bill would now be law. However, it is not too late. A strong shove, directly from the White House, would help push this bill over the top. It is time for the President to become directly involved rather than to continue sitting on the fence. We need leadership and active involvement, not rhetoric.

To the leaders in my own party I say, let us solve this problem now while we still have a viable opportunity to do so. Let's clear the decks on this issue now, because next year we will need all the maneuvering room we can get to deal with a multitude of serious economic problems. Democrats represent all of the people and it is time we realize that immigration reform will benefit everyone in this country.

The effects of uncontrolled immigration on our country are dramatic and damaging. Take the effect of uncontrolled immigration on employment, both unemployment and conditions of work. In recent years, we have had new evidence of the displacement of American workers by illegal immigrants.

Former Under Secretary of Labor Malcolm Lovell reported that 40 million Americans compete directly with illegal aliens for jobs. Some uninformed people will tell you that Americans would not take the jobs that illegals hold. However, tell that to the 40 million Americans who worry every day about whether their boss will fire them so he can hire an illegal alien.

Many other experts and studies confirm that illegal immigrants hurt American workers. Illegals take jobs that Americans want and need, and by taking lower wages and accepting poor working conditions without complaint, they hurt American workers' wages and working conditions.

The average wage of an illegal immigrant apprehended in Denver in recent years was $6 an hour. Studies now show that the average illegal immigrant today is no longer doing "stoop labor;" but rather, is working in a city in a good paying job as well. When we talk about creating more jobs in this country, we should be aware that many are being created for illegal aliens and not for out-of-work Americans.

Even though unemployment has decreased in recent months, we still have a serious unemployment problem and we need to do more about job creation. Let us not forget that one of the easiest and least expensive ways of generating jobs is to do something about uncontrolled immigration. Let us go after one of the real problems in unemployment, something that will solve immediately one of the causes of unemployment. The Wall Street Journal called the immigration control bill the biggest jobs program around. I agree.

In conjunction with this, we should not forget the Congressional Budget Office finding that each unemployed person costs the Federal Treasury more than $7,000 a year in 1978 dollars. If we could replace 1 million ille-

gal aliens with American unemployed workers, we would save $7 billion in 1 year. That money would be saved for necessary entitlement programs, which have been cut in recent years, for American citizens.

It was once correct to talk about the poor, starving illegal immigrant who came here because he or she could not get work in their home country. We have to change that image today, however, because it is no longer the poorest and least skilled people who come here. Often, it is the most skilled, middle-class worker who comes here illegally.

Today, we are taking the "cream of the crop" of the Third World's elite; and, the flow is increasing steadily as depressed economies continue to cause more unemployment in foreign countries.

These new sophisticated illegal aliens are not as afraid of taking Government benefits as were the illegals of the past. In recent years, we have seen new evidence of just how easy it is for illegal aliens to get social services and benefits from American taxpayers.

We all know of the Supreme Court order which requires Texas to provide more than $400 million in public school tuition to illegal alien children.

Another example is a study by David North of the New Transcentury Foundation that found that millions of dollars in prohibited unemployment compensation payments are made to illegal aliens.

Although I will not go into a great deal of detail, I have to mention the effect that uncontrolled immigration has on our population and our resources. Immigration now makes up more than half of our population growth.

While Americans are sacrificing to have smaller families, our population keeps growing because so many people enter this country each year. This population growth means that our scarce resources, like water and energy, will be used up fast. Can we really afford to allow all of our difficult conservation efforts to be balanced out by illegal immigration?

Mr. President, the effort to reform our immigration laws and regain control of our borders has brought out the best and the worst in our political process. If we had more leaders at the national level like Senator SIMPSON and Congressman MAZZOLI, I am confident that we would now have a fair, generous, and effective immigration system in this country.

I strongly urge the national leaders in both political parties to get behind a good faith effort to develop an acceptable compromise out of the two bills that have been passed by the respective Houses of Congress. If we don't find an acceptable solution to this problem now, I am convinced that pressures will build until there is a full-scale backlash against all immigration. Let us act now, while there is still time to bring about a reasonable and fair solution to the problem. There is still time to act.

THE FUTURE OF SUGAR IN HAWAII AS SEEN BY AN ESTEEMED ECONOMIST

Mr. MATSUNAGA. Mr. President, I wish to share with my colleagues a recent article by Dr. Thomas K. Hitch, a most respected economist in Hawaii, entitled "The Future of Hawaii Sugar," which appeared in the July 7 Honolulu Star-Bulletin. Dr. Hitch was on the staff of the President's Council of Economic Advisers here in Washington before moving to Hawaii 34 years ago. He recently retired as senior vice president and chief economist of First Hawaiian Bank. Dr. Hitch does an excellent job of setting forth the factors which affect the future of Hawaii's most important agricultural industry.

Sugar ranks third behind tourism and Federal defense expenditures as a source of income for the people of Hawaii. It is responsible for some 7,500 jobs in direct employment and for almost 30,000 total jobs in our State. It is of critical importance, particularly to the economies of our rural islands away from Metropolitan Oahu.

Dr. Hitch notes that the survival of the sugar industry in Hawaii is dependent upon continuation of the sugar program as a critical element in its fight for survival. As he notes, this is not unique, for in 47 of the last 50 years we have had a sugar program and such programs have been essential to the earlier development and the continued survival of our industry.

I am aware that the Food and Agriculture Act of 1981 is not without its critics, nor is the sugar program, which is an important part of that act. I am pleased to report, however, that the sugar program, as administered by the Department of Agriculture, has operated without cost to the U.S. Treasury. In fact, during the 40-year period of the old Sugar Act, between 1934 and 1974, Uncle Sam enjoyed a profit in excess of $600 million over and above administrative costs. All sugar placed on loan under the de la Garza amendment has also been redeemed. Inasmuch as loans under the Farm Act fall due by the end of the fiscal year and the interest paid on such loans is equal to the Government's cost of borrowing money, there has been no budgetary impact.

Mr. President, I ask unanimous consent that Dr. Hitch's article, "The Future of Hawaii Sugar," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Honolulu Star-Bulletin, July 7, 1984]

THE FUTURE OF HAWAII SUGAR

(By Thomas K. Hitch)

I have talked with a lot of people in Hawaii who believe that sugar is on its way out after having been with us for 150 years.

Some just have a vague feeling of this sort because they have read so much in recent years about problems facing the industry, because a number of plantation companies have closed down, and because in most years out of the last 10 or 15 the industry has lost money.

Those who I have talked to who know something about the sugar industry point to four factors that could close down Hawaiian sugar.

The first is a very strong and tough union that could force labor costs so high that the industry could no longer be competitive.

The second is the fact that there is an immense amount of cheap foreign sugar in the world that could undersell Hawaiian sugar in the American market.

The third is that high fructose corn syrup is increasing production rapidly and can undersell cane and beet sugar.

The fourth is that Congress is not particularly sympathetic to special sugar legislation that is designed to protect the industry.

Let me take each of these four arguments and give you my opinion about them. I think it is important for each of us to have the facts that will determine whether Hawaiian sugar is probably on its way out, or is probably not.

First, the union. My first nine years in Hawaii were as director of research for the Hawaii Employers Council so that I followed sugar negotiations very closely throughout that decade, and I have followed labor and industrial relations issues very closely ever since.

I can tell you that while the ILWU is a tough union, it is also an economically realistic union and in my opinion is not going to drive any sugar company to the wall if other factors—soil, weather, terrain, etc.—are favorable to its continued existence. I have seen this union negotiate wage decreases for distressed plantations at times when all other unions were getting big wage increases.

There have been only four plantation companies that have gone to the wall in the 34 years I have been in Hawaii—Kohala and Puna on the Big Island, Kilauea on Kauai, and Kahuku on Oahu—and all had been marginal for decades because of adverse natural conditions. Three (Kohala, Kahuku and Kilauea) were on the north shores of their respective Islands and explosed to strong winds and a great deal of overcast and cloudy weather, and Puna simply had too much rainfall and not enough sun.

Second, cheap foreign sugar. Probably the most misunderstood commodity market in the world is the so-called "world sugar market."

Roughly 100 million tons of sugar is produced each year in the world. All but about 20 million tons are either consumed in the country in which they are grown (and sold at a good price that is almost always set and guaranteed by the government), or committed to some importing sugar country under the terms of a long-term contract that guarantees a home for it at a reasonable price. That gives 80 million tons of sugar a guaranteed market at a good price.

What about the remaining 20 million tons that are not consumed in the country in

which they are produced and must wander around the world looking for a market?

That 20 million tons are what is known as the "world sugar market," and it is usually a terribly distressed one with homeless sugar trying to find a market and be sold at almost any price—usually way below the costs of production.

For example, three years ago, before the United States reinstituted country-by-country quotas on the importation of sugar, European surplus beet sugar was being sold in the world and U.S. markets at 8 cents to 10 cents a pound, while the producers who made it were selling most of their sugar in the guaranteed European market at 27 cents a pound with the retail price considerably higher.

European sugar producers were subsidized by the European Economic Community to produce sugar to sell for 27 cents, and when there was a surplus, it didn't depress prices in Europe; the surplus was simply dumped abroad in the so-called world market.

Occasionally a combination of weather conditions and planting schedules results in a world shortage of sugar, at which time this surplus world sugar ceases to be surplus and is in great demand.

In 1974, its price rose to 65 cents a pound and in 1980 to 45 cents a pound—but most years it is in great surplus and being dumped at whatever prices it can get wherever it can be sold.

Most countries buffer themselves in one way or another against the roller coaster of this so-called world sugar market. Surplus-producing countries have guaranteed prices and marketing restrictions in the home market. Shortage countries have long-term purchasing agreements at set prices with surplus countries. Some countries have import quota arrangements on sugar, etc. That's why this 20 million tons don't have a home and wander around the world looking for one. It is not an economic commodities market in any sense of the word.

The United States, for most of the last 50 years, has buffered itself against the ups and downs of the world sugar market to a very large extent by a variety of means. For 40 years, from 1934 to 1974, we had production controls at home and country-by-country import quotas on foreign sugar that resulted in permitting just that amount of sugar to enter the American market that would result in a price that was fair to both the domestic producer and to the domestic consumer. That was a fine arrangement that worked well, but Congress let it expire in 1974.

For three years, from 1975 to 1977, we had no buffering from the world market with the result that prices were very low in 1976 and 1977. Since this threatened to destroy the entire domestic sugar industry, the president of the United States instituted sugar subsidies by presidential order in 1977, then for a couple of years we had what was known as the de la Garza amendment creating a price support-loan program.

We then had a couple of years where we relied upon a combination of high import fees and duties to keep the domestic price high enough to cover costs of production, and finally, in 1981, Congress included sugar in the Farm Act.

It turned out to be impossible to maintain the Farm Act target price by fees and duties on imported sugar, so finally in the spring of 1982 the president again imposed country-by-country quotas on the importation of foreign sugar. This has been a great help in bringing some stability to the domestic sugar market in the last couple of years.

Third, what about high fructose corn syrup? Plain old corn syrup has been on the grocery store shelves for a very long time, but about 20 years ago some scientists discovered that by hydrolyzing cornstarch to glucose and then converting some of the glucose to fructose by treatment with an immobilized enzyme, they could produce a high fructose corn syrup that was 42 percent fructose.

Later they improved the process and produced 55 percent fructose—which today can be produced and sold cheaper than cane or beet sugar. High fructose sweeteners now have gained about 20 percent of the total U.S. sweetener market, and combined with the old untreated corn syrups (glucose) and the low calorie sweeteners, accounts for more than one-third of U.S. sweetener consumption. There is a limit to how much high fructose sweeteners can expand because it can only be produced in liquid form and most sweeteners consumed directly must be in granulated, powdered or cubed form, but nonetheless, it is anticipated that in another decade the inroads of high fructose sweeteners and low calorie sweeteners will reduce sugar's share of the market to less than a half. Beyond that, unless high fructose sweeteners can be granulated (which no one sees on the horizon), their inroads will be about completed.

In the meanwhile, U.S. consumption of sweeteners increases steadily—going from 13 million tons in 1970 to 15 million tons in 1980—so that even though sugar's share of the market fell from nearly 80 percent in 1970 to some 63 percent in 1980, total sugar consumption fell by only one million tons—from 10.5 to 9.5 million tons.

And by the early 1990s, when sugar's share probably will have dropped below 50 percent of the sweetener market, the increase in total sweetener consumption to probably 18 million tons will still leave room for some 7 to 8 million tons of sugar.

Since the United States today produces less than 6 million tons of sugar, there still should be a market for this sugar a decade from now, and probably indefinitely, if the American market is not flooded with surplus sugar from the so-called world market.

So that raises the fourth question, namely, what are the possibilities of Congress continuing to buffer the U.S. domestic sugar market against the ruinous roller coaster of the so-called world sugar market?

We have had some kind of buffering for 47 out of the last 50 years. Sugar is presently entrenched in the Farm Act of the United States. Cane is produced in only four states, but beet is represented in Congress by nearly every state west of Michigan.

I certainly am in no position, nor is anyone else, to predict the outcome of battles in Congress 10 or even one year from now, but when you have a record of winning in 47 out of the last 50 years, I think it would be very rash to predict that Congress will stop buffering the American sugar producer (including the high fructose sweetener producer) from the undermining influence of the so-called word sugar market.

My conclusion about the future of cane and beet sugar in the United States is pretty obvious. The industry will continue to decline somewhat as it has in the last decade and a half due to the inroads of high fructose sweeteners.

The battles in Congress to keep it from being tossed to the world market wolves will be intense and perilous. But they will be won and a decade from now some 7 or 8 million tons of cane and beet sugar will be consumed in the United States with most of it produced by cane growers in Florida and Hawaii (with some from Louisiana and Texas) and by beet growers in the Western states.

Sugar in Hawaii may show some signs of sickness, but it is far from being a terminal case.

SENATOR JENNINGS RANDOLPH

Mr. BYRD. Mr. President, the close of the 98th Congress will be a sad event for those of us here in the Senate. Here in the Senate we have our differing viewpoints. We fight the good fight when necessary with each other, but there is a camaraderie among us. So, the close of Congress is always a sad time because some Members do not return.

The close of this Congress will be particularly sad because it will also mark the close of the public career of my friend and colleague in the Senate for 26 years, Senator JENNINGS RANDOLPH.

Senator RANDOLPH's career and indeed his life encompasses so many interests and endeavors that I shall certainly not try to deal with them all here this evening. I will save that for another day when there is more time.

However, to give a sample of the wide interests of this remarkable individual, I will just mention that JENNINGS RANDOLPH got a synthetic fuels bill passed in 1944, 40 years ago. He sponsored legislation to create the National Air and Space Museum in 1946. He managed to find time to serve as assistant to the president of Capital Airlines from 1947 until he was elected to the Senate in 1958. He served as the principal cosponsor of the act creating the Appalachian Regional Commission in 1965 and cosponsored, with Senator MATSUNAGA, a bill to create a National Peace Academy in 1984.

Senator RANDOLPH's career is certainly a varied career, and I often marvel at his kaleidoscope of interests.

The December 1983 edition of the Petroleum Independent has done an excellent article on my friend and colleague, which points to his long and successful career and his impact on so many areas of the life of this Nation.

So that the flavor of JENNINGS the man, and what he has tried to do for his State and his Nation, can be comprehended a little better before he leaves this body, I ask unanimous consent that the article from the Petroleum Independent be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AFTER FIVE DECADES IN WASHINGTON, ONE OF THE OILMAN'S BEST FRIENDS IN CONGRESS IS RETIRING

(By Bruce Wells)

Despite his having perhaps the most memorabilia-filled office of the U.S. Senate,

the first thing you notice when you walk inside is not the carved mountaineer standing in the corner, or the large photograph of him beside Franklin D. Roosevelt, or even the dozens of plaques and certificates that obscure *all* the walls. What you notice from the first moment is the sound of his voice and its soft and reassuring cadence, a West Virginian cadence that makes everyone within listening distance pause. When Democrat Sen. Jennings Randolph talks, people do listen, and in Washington they have been listening for the last half-century.

In early 1985, after somebody else moves into that office, and the many hundred hours of speeches from his desk in the U.S. Senate chamber are onl;y words in the CONGRESSIONAL RECORD, our nation will have lost one of its finest examples of what a politician can be. Randolph, the only current member of Congress who helped enact New Deal legislation in the dramatic first hundred days of the Roosevelt administration, has announced he will not seek re-election next Fall.

During his career the 81-year-old native of Salem, W.Va., has been a pioneer in aviation and transportation, an environmentalist who continues to advocate energy self-sufficiency, and, above all, a constant spokesman for the individual citizen—particularly the nation's handicapped. Saying that government should provide "a helping hand, not a handout," Randolph's record is an extension of his family's history of public service in West Virginia. He has a well-earned reputation in Congress as a humanitarian, with legislation that includes special programs for the blind and elderly, education and training, medical facilities and services—including Medicare and occupational safety and health standards, and fair labor standards—with special emphasis in matters pertaining to coal miners.

Always concerned for the future of the industries of West Virginia, Randolph also has been instrumental in developing this nation's future energy resources. Independent oil-men, for example, owe the senator a great debt; Randolph has been supportive of issues critical to independent oil and gas producers. In 1976 he teamed with the late Sen. Dewey Bartlett, R-Okla. in a bipartisan effort resulting in exemption of stripper wells from crude oil price controls. Likewise, he not only supported, but actively worked for the Bentsen Amendment to exempt independent producers from the Crude Oil Windfall Profit Tax of 1980. The success of the amendment on the Senate floor forced a compromise that limited the tax for independents to half the rate paid by integrated companies.

From his distinguished record, you can be sure there will be many more articles written about him when he retires. There will be still more accolades, presented with fanfare in posh Washington hotels, and lengthy speeches from admiring colleagues in the House and Senate. But for Randolph the greatest praise doubtlessly will be from the people in the cities and small towns of his home state. Today he remains a man for the people of West Virginia—ask anyone in Independence, where he has spoken at the annual Watermelon Festival 21 times.

Randolph's reputation is not surprising. When he first joined the House of Representatives in 1933 as a newly-elected Democrat, he not only brought a sure, measured voice, but also values inexorably a part of his mountain roots. There always have been Randolphs in West Virginia, and the senator's family tree is firmly planted in political soil.

Born March 8, 1902, in Salem, he was quick to learn what seems an early lesson of West Virginia life: remember and appreciate your experiences and be sure you can tell them well to others. All these years later, with mementos at hand, Randolph hasn't forgotten much. Taking a photograph from the wall and gazing at it, he can tell you the story behind the image, maybe missing a date or two, but capturing the flavor of the time. Would you like to hear about going into coal mines with Eleanor Roosevelt one afternoon and square-dancing with her that night? How about the rainy night in March, 1933, when Representative Randolph, not long before a small-town college professor, and some of his colleagues visited President Roosevelt and helped begin the crusade of the New Deal? The Senator can tell quite a few stories about all nine presidents with whom he has worked. However, the stories he likes best are those about his family and Salem, a community in North-Central West Virginia, a few miles west of Clarksburg.

"I grew up in a town where Main Street was something, you know, people stopped and talked. My grandfather Jesse Randolph was the first mayor of Salem. In fact, on his first day in office he had to fine himself. There was an ordinance that if your horse got up on the sidewalk—the sidewalk in those days was mostly timber on stilts—there was a fine of a dollar or two. So the first fine my grandfather imposed was on himself for his horse getting up out of the road and onto the sidewalk," Randolph says. His grandfather, who sported a goatee and had apple pie every morning for breakfast, was quite a colorful man, he says. Known as Uncle Jesse, "he was a man that Salem looked to, and he never let them down."

Aside from teaching his grandson how to ride a horse, pitch hay, and milk a cow, Jesse was a member of the West Virginia Legislature, a bank director, and involved in many businesses, including oil drilling and operating a general store. He was also the principal founder of Salem College, where his grandson would graduate and serve as a trustee and fundraiser.

"I remember my grandfather believing strongly in your word being your bond," the senator says. "When the college was first supposed to open the building wasn't finished, even though they had already announced that registration was to take place; Grandpa took all of the merchandise out of his general store and put it in lofts and barns elsewhere. Then a sign went up in front of that store—Salem College."

The college, which still figures prominently in the Randolph family's life today, is an independent institution founded in 1888 by the senator's grandfather and others. Stressing career-related subject matter, the college offers a variety of programs leading to associate, baccalaureate and master degrees. As when it started, a significant part of its financial support comes from West Virginia's oil and gas industry—helping to make it a unique private school.

The senator recently was presented a special citation from Salem College in recognition of his service. A member of the college's board for 60 years, he was made a trustee emeritus in 1974. Today, the family ties to Salem extend to his son Jay (Jennings Randolph Jr.), an NBC sports announcer, who graduated from the college in 1963. In the tradition of his forefathers, he is the fourth generation of Randolphs elected to the board.

Ernest Randolph, the senator's father, attended Salem College before eventually becoming a successful lawyer in Clarksburg. After leaving Salem and attending West Virginia University in Morgantown, he and his best friend shared a suit for courting, Randolph says. One result of this unusual arrangement was Ernest's marriage to Idell Bingman, the daughter of a lumberman who rode logs down the Tygart River from Elkins. They were married Oct. 22, 1896, in the Salem College Chapel. There were quite a few friends attending since Ernest had invited the town with an announcement in the local newspaper.

Both Randolph and his older sister, Ernestine, 84, were delivered by Dr. Walt Strother. Strother rode a horse with his medicines in the saddlebag and would visit his patients at any time. Upon returning, the story goes, the horse would often drop off the doctor at his office and then walk himself around the corner to Mathias William's livery barn. Born in a fine old house on Main Street, Jennings Randolph was named after William Jennings Bryan, a close friend of his father and three-time presidential candidate near the turn of the century. The senator started life with the idea he would be a good Democrat.

And those were rough days in Salem. The oil and gas industry had brought many new people into town, some wanting saloons, others to close the fledgling college. Randolph recalls his father, who served as Salem's mayor, standing on the porch roof with a pistol to deter the more violent roughnecks.

In 1922, at the age of 20, Randolph was secretary-treasurer of Randolph Oil Co., founded by his father. He owned 50 shares at $10 each, and "we drilled more dry holes than gushers, so the industry hasn't changed much," Randolph says. "My father drilled, I'd say, more than one hundred wells. I can remember going out when we thought a well was going to come in—and drive up into the hills in a buggy—and sometimes see a small gusher.

"My sister is very active and I think the mail that she's always enjoying most is her monthly royalty check from a gas well in Doddridge County, drilled way, way back by my father. My grandfather had interests in oil and gas too."

Randolph's support for the oil and gas industry is in spite of the roughnecks trying to burn both his grandfather's college and his father's home.

"They were rough—not dishonest—but rough because of their upbringing. But they wanted to burn the college down for some reason. The night they were to do it, why the president of the college took his gun and stayed all night in the belfry. He told them he was a man of peace, but the gun was cocked and loaded and the first man to set a torch to that building would receive a bullet between the eyes!

"My father went through the same experience when he was mayor and didn't think we should have open saloons. Those were really rough-tough days. There are photographs of Salem where you can see 10 or 20 rigs. It was an oil and gas town just like West Union. I remember working when we paved the first streets in Salem. You didn't put asphalt down as we do today; bricks went down. I remember so well working on Valley Street, and I got fifty cents a day. I was the water boy. I don't want to be too nostalgic though I am."

Randolph's nostalgia of the oil industry extends to the people and organizations with whom he has worked through the years. Like any member of Congress, he re-

ceives plenty of advice from people interested in particular issues. Sometimes it is hard to know who and what to believe on important legislation. Among his advisors on energy issues for the last fifty years has been the Independent Petroleum Association of America, and particularly the association's executive vice president, Lloyd N. Unsell. "I think Lloyd's a square-shooter, he doesn't pull any tricks," Randolph says. "He has a certain conscience of character about all the work he does. I think he has that reputation."

Randolph counsels with groups like IPAA to assist him in finding compromises between conflicting interests. The question of meeting the nation's energy needs while at the same time protecting the environment has been one of these concerns. "Very specifically, we don't want environmental concerns and the need for self-sufficiency in energy to impede each others' progress any more than need be," he has been quoted as saying. "We want to blend them where possible, or at least have them follow a parallel course. There must be compromise. Perfection for either energy or environment would mean the abolishment of the other; whereas, in reality, both perform a vital part in the general welfare of our country."

Significantly, although he remains a strong defender of the environment, the senator's stand on percentage tax depletion for energy producers has had a great impact on the number of oil and gas wells drilled. For independent oilmen, he repeatedly has made his point clear. "I have supported the depletion allowance through the years that I have been in Congress, and I would not drop my support of it now unless a more equitable substitute could be provided to exploratory drilling."

As for another important issue to the nation's producers, natural gas deregulation, Randolph said in an interview with U.S. News and World Report: "I think we ought to deregulate natural gas—the new supplies—but under federal supervision." He elaborated by adding he supported the Buckley Amendment, which he pushed for when it was presented in Senate debate on the Federal Energy Emergency Act. The Buckley Amendment defined "new" natural gas as that gas not previously under contract for delivery in interstate commerce, that gas covered by interstate contracts upon the expiration of these contracts following the enactment of such legislation, that gas produced from wells commenced following the enactment of such legislation, and that gas produced from wells commenced following the enactment. It also provided protection for the consumer by prohibiting a company from paying an affiliated company a higher price for purchased gas then the current price being paid non-affiliates for comparable gas and by prohibiting the renegotiation at higher rates of existing contracts prior to expiration.

Because of the resulting incentive of higher prices, the Buckley Amendment would have stimulated exploratory drilling in the United States. It would have enabled interstate suppliers to compete for gas that would otherwise be absorbed by unregulated intrastate markets. Finally, it would have encouraged a better allocation of energy resources through normal market forces. Although the Buckley Amendment was eventually defeated, Randolph speculates that a similar proposal could still be enacted. "I believe that this must be done if we are to have the extensive exploratory drilling that is necessary."

But the senator's optimism has its darker side too. In 1973 he told the Senate, "As we approach the 200th year since the founding of our country, it would appear that the greatest threat to our way of life is not from external sources, but from the lack of adequate response to many of the domestic challenges within our own society."

Sixty-three years before he made that statement, Randolph got his first introduction to politics. When he was eight years old he was playing with some friends in the hayloft of Gus Traugh's barn and heard some voices from below. Looking down, the boys saw a Salem man paying off people who voted for him in a recent election. Randolph went home and talked to his father and grandfather about the scene he would never forget. A few years later his father took him to the Democratic Convention of 1912 in Baltimore to see Woodrow Wilson get the nomination. But the truth is, the senator says now, at the time he was more interested in seeing Ty Cobb in a baseball game.

In 1924, after already being the youngest person ever elected to the board of trustees (he was a junior), Randolph graduated magna cum laude from Salem College. His class motto was: "From Possiblity to Actuality." Among his many achievements during his college days, "Jenks," as he was known to his basketball teammates, also played varsity tennis, was editor-in-chief of the *Green and White* college paper, and debated—one year on the affirmative side of whether the U.S. should join the League of Nations. Nicknames were popular at the time, with other classmates called Squint, Pud, Snaggles, and Carp. These were the days when all the men combed their hair straight back, as the senator still does. The college yearbook list his favorite expression as "no kidding," and having an ambition "to be on a lecture platform."

Upon his graduation from Salem, Randolph pursued a career in journalism. He worked several years for the *Clarksburg Daily Telegram*, where Sam Mallison was his city editor. From there he accepted a position as associate editor with the *West Virginia Review* followed by a co-ownership and associate editorship of the *Randolph-Enterprise Review* in Elkins. Part of his love for language developed in those days of deadlines, he says, particularly under the tutelage of his first city editor, Mallison. "Sam was a beautiful writer, and he helped me very much. He would say, 'You make the story beautiful, but you get the facts first. I don't want to hunt for the facts.' I still remember that," Randolph says.

Mallison's own career would reflect his writing skill and love for the state. Eventually to become one of the most respected reporters of the oil and gas industry, he wrote an ingrossing biography of state's most famous oilman, Michael Late Benedum. *The Great Wildcatter*, published in 1953, remains a testimony of the man, and the kind of men, who spend their lives searching for petroleum. The Claude Worthington Benedum Foundation in Pennsylvania, established by the oilman in 1944 in memory of his son, who died during the First World War, has provided millions of dollars to communities, educational and civic institutions throughout West Virginia.

Randolph, a close friend of the Benedum family and a trustee of the Foundation since 1958, went to Davis and Elkins College in 1926 to be a professor of journalism and public speaking, director of athletics, and college trustee until the start of his political career in 1930. He served 14 years in the House of Representatives (1933–1947) and in 1948, 1952, 1956, 1964, and 1968 was elected the West Virginia delegate-at-large in the Democratic National Conventions. Elected to the Senate in 1958, his list of awards would take several pages to list.

"Time is the stream I go a-fishing in" is a quote of Henry David Thoreau that the then-22-year-old Jennings Randolph wrote in reference to Clem Shaver, a fellow West Virginian who had become chairman of the National Democratic Committee. Still a big fan of William Jennings Bryan, Randolph has a collection of the statesman's books, and has spoken in many of the same towns on the Chautauqua circuit. "I spoke between the Swiss bell ringers and the magician." His first speech was in St. Clairsville, Ohio. The second was in Glenville, W. Va. "We were in tents in those days."

The senator's unwavering support for programs to improve public facilities, transportation systems, and the environment changed all Americans' lives. He has sponsored legislation for everything from the first air-mail pick-up service to the creation of a separate U.S. Air Force to airport development funding. In 1943 he flew to Washington in the first airplane fueled with coal to publicize synthetic liquefied fuel.

Randolph got a synthetic fuels bill passed in 1944 and $83 million was appropriate to advance the technology. He wrote in January 1944, "We must not, for the sake of our national security, come to depend on foreign countries. We must plan for the conservation of our national oil resources and the immediate development of practical methods for the commercial production of synthetic fuels." After World War II, however, interest waned and funding was phased out in the 1950s. However, the senator continues his alternative fuels development campaign through the Agri-Energy Roundtable, an organization of public and private sector leaders from industrialized and developing nations encouraging dialogue on the interrelationships between food and energy. Since 1980, he has spearheaded the Roundtable's outreach, stressing interdependence and the need for creative problem-solving through international conferences. In May he was named the Agri-Energy Roundtable "Man of the Year" at its fourth annual meeting in Geneva, Switzerland.

Randolph has always been an initiator. In 1946 he sponsored legislation to create what has become the most-visited museum in the world—The National Air and Space Museum, which has brought more than 60 millions visitors to the nation's capital since it opened in 1976. Prior to World War II, he authored legislation that eventually led to the establishment of the U.S. Interstate highway system. By 1946 he had risen to the rank of assistant majority whip and, between trips back home, started many new programs that would change the course of the nation.

But the West Virginian had other important programs to pursue during a 12-year respite from Congress, following his defeat in the 1946 election. From 1947 until his election to the Senate in 1958, Randolph served as assistant to the president of Capital Airlines, which merged with United Airlines in 1961. The former editor served as Capital's public relations man, traveling the airline's route system addressing school audiences, rotary clubs, chambers of commerce, and other organizations.

As a member of the Senate Public Works Committee since 1959 (chairman, 1966–

1980), Randolph remains a powerful man in Congress. He has a substantial say on billions of dollars allocated for projects including highways, water resources, pollution control programs, and other public facilities. He was the principal sponsor and Senate floor manager of the original act and subsequent revisions of the Appalachian Regional Development Act of 1965. This Act created the Appalachian Regional Commission, through which Federal funds are provided for improvement projects related to the economic development of West Virginia and parts of 12 other states.

Always an aviation pioneer, (he helped establish the Civil Aeronautics Board in 1938), before joining Congress Randolph had already helped with the development of the airport at Elkins, where he has been an official resident for over 50 years. The Elkins-Randolph County Airport was dedicated Jennings Randolph Field in 1973.

Randolph's concern for his state and country is shown by the kind of legislation for which he has been responsible in his career in public service: the Randolph-Sheppard Act, the Synthetic Liquid Fuel Act, the Solid Waste Disposal Act, the Appalachian Regional Development Act, the Economic Development Act, the first Black Lung Legislation, the Coal Mine Health and Safety Act, and the Occupational Safety and Health Act are some of them. In addition, he was responsible for the "transcontinental highway" hearings of the House Roads Committee; served as chairman of the first House Coal Subcommittee; sponsored legislation that created Harper's Ferry National Historical Park and The National Air Museum; authored the 26th Amendment to the Constitution—giving 18-year-olds the right to vote; and continues to work on the Clean Air Act, Clean Water Act, Endangered Species Act, and the "Superfund."

This is the record of the senior senator from West Virginia. A "New Dealer" who never lost sight of his hometown values, Randolph is a product of America's unique democratic system, and one of its best examples. Despite not running for reelection, he will be traveling again this year, speaking at banquets, graduations, and watermelon festivals.

Mr. BYRD. Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska.

ARKANSAS WILDERNESS ACT OF 1984

Mr. STEVENS. Mr. President, I ask unanimous consent that the Chair lay before the Senate Calendar 895 (S. 2125).

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2125), entitled the "Arkansas Wilderness Act of 1983."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

There being no objection, the Senate proceeded to the consideration of the bill, which had been reported from the Committee on Energy and Natural Resources with amendments as follows:

On page 1, line 4, strike "1983" and insert "1984".

On page 3, line 14, strike "SEC. 4." and insert "SEC. 3.".

On page 4, lines 8 and 11, strike "Bell Starr Caves" and insert "Poteau Mountain".

On page 4, line 17, strike "Wilderness" and insert "Wilderness—Provided that for purposes of the Act of July 14, 1955 (69 Stat. 322) as amended the Flatside Wilderness may be reclassified only by Act of Congress".

On page 4, line 21, strike subsection (c).

On page 5, line 3, strike "(f)" and insert "(e)".

On page 5, line 11, strike "(g)" and insert "(f)".

On page 5, line 18, strike "(h)" and insert "(g)".

On page 6, line 1, strike "(i)" and insert "(h)".

On page 6, line 7, strike "(j)" and insert "(i)".

On page 6, line 13, strike "Wilderness" and insert "Wilderness; and".

On page 6, line 14, strike "(k)" and insert "(j)".

On page 6, line 20, strike "Wilderness;" and insert "Wilderness.".

On page 6, after line 20, insert:

SEC. 4. The Congress finds that certain lands within the Ouachita National Forest, Arkansas, have important scenic, recreational, and wildlife values. In order to conserve and protect these values, the area lying adjacent to and between the two portions of the Poteau Mountain Wilderness as designated by this Act and comprising approximately three thousand four hundred acres, as generally depicted on a map entitled "Poteau Mountain Wilderness—Proposed", dated November 1983, shall be managed to protect the scenic, recreational, and wildlife values of these lands and shall be hereby withdrawn, subject to valid existing rights, from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral leasing and geothermal leasing and all amendments thereto. The area shall further be administered by the Secretary of Agriculture to maintain presently existing wilderness character with no commercial timber harvesting nor additional road construction permitted. The Secretary is authorized to permit motor vehicle access within the area where such access was established prior to the date of enactment of this Act or where such access is compatible with the purposes for which the area was designated. Management direction for the area that recognizes these values shall be included in the forest plan developed for the Ouachita National Forest in accordance with section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 as amended by the National Forest Management Act of 1976.

On page 4, line 23, strike SEC. 4. and insert:

SEC. 5. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

(2) the Congress has made its own review and examination of national forest system roadless areas in Arkansas and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the questions of the legal and factual sufficiency of the RARE II Final Environmental Impact Statement (dated January 1979) with respect to national forest system lands in States other than Arkansas, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Arkansas;

(2) with respect to the national forest system lands in the State of Arkansas which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Arkansas reviewed in such final environmental statement or referenced in subsection (d) and not designated wilderness upon enactment of this Act, or proposed for special management in Section 4 of this Act, shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Arkansas are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest system lands in the State of Arkansas for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974,

as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to National Forest System roadless lands in the State of Arkansas which are less then five thousand acres in size.

On page 13, line 6, strike "SEC. 5." and insert "SEC. 6.".

On page 14, after line 2, insert:

SEC. 7. Congress does not intend that designation of wilderness areas in the State of Arkansas lead to the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

So as to make the bill read:

S. 2125

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Arksansas Wilderness Act of 1984".

SEC. 2. (a) The Congress finds that—

(1) many areas of undeveloped national forest system lands in the State of Arkansas possess outstanding natural characteristics which give them high values as wilderness and will, if properly preserved, contribute as an enduring resource of wilderness for the benefit of the American people;

(2) the Department of Agriculture's second roadless area review and evaluation (RARE II) of national forest system lands in the State of Arkansas and the related congressional review of such lands have identified areas which, on the basis of their land-form, ecosystem, associated wildlife, and location, will help to fulfill the national forest system's share of a quality National Wilderness Preservation System; and

(3) the Department of Agriculture's second roadless area review and evaluation of national forest system lands in the State of Arkansas and the related congressional review of such lands have also identified areas which do not possess outstanding wilderness attributes or which possess outstanding energy, mineral, timber, grazing, dispersed recreation, and other values and which should not now be designed as components of the National Wilderness Preservation System but should be available for nonwilderness multiple uses under the land management planning process and other applicable laws.

(b) The purposes of this Act are to—

(1) designate certain national forest system lands in the State of Arkansas as components of the National Wilderness Preservation System, in order to promote, perpetuate, and preserve the wilderness character of the land, protect watersheds and wildlife habitat, preserve scenic and historic resources, and promote scientific research, primitive recreation, solitude, physical and mental challenge, and inspiration for the benefit of all the American people, to a greater extent than is possible in the absence of wilderness designation; and

(2) insure that certain other national forest system lands in the state of Arkansas be available for nonwilderness multiple uses.

SEC. 3. In furtherance of the purposes of the Wilderness Act, the following lands in the State of Arkansas are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

(a) certain lands in the Ouachita National Forest, Arkansas, which comprise approximately ten thousand nine hundred and sixty-two acres, as generally depicted on a map entitled "Black Fork Mountain Wilderness—Proposed", dated November 1983, and which shall be known as the Black Fork Mountain Wilderness;

(b) certain lands in the Ouachita National Forest, Arkansas, which comprise approximately six thousand four hundred and seventy acres, as generally depicted on a map entitled "Dry Creek Wilderness—Proposed", dated November 1983, and which shall be known as the Dry Creek Wilderness;

(c) certain lands in the Ouachita National Forest, Arkansas, which comprise approximately fourteen thousand five hundred and twenty-four acres, as generally depicted on a map entitled Poteau Mountain Wilderness—Proposed", dated November 1983, and which shall be known as the Poteau Mountain Wilderness;

(d) certain lands in the Ouachita National Forest, Arkansas, which comprise approximately ten thousand seven hundred and thirty-five acres, as generally depicted on a map entitled "Flatside Wilderness—Proposed", dated November 1983, and which shall be known as the Flatside Wilderness: *Provided,* That for purposes of the Act of July 14, 1955 (69 Stat. 322), as amended, the Flatside Wilderness may be reclassified only by Act of Congress;

(e) certain lands in the Ozark-Saint Francis National Forest which comprise approximately one thousand five hundred and four acres, as generally depicted on a map entitled "Upper Buffalo Addition—Proposed", dated November 1983, and which are hereby incorporated in and shall be deemed to be a part of the Upper Buffalo Wilderness as designated by Public Law 93-622;

(f) certain lands in the Ozark-Saint Francis National Forest, which comprise approximately fifteen thousand one hundred and seventy-seven acres, as generally depicted on a map entitled "Hurricane Creek Wilderness—Proposed", dated November 1983, and which shall be known as the Hurricane Creek Wilderness;

(g) certain lands in the Ozark-Saint Francis National Forest, Arkansas, which comprise approximately eleven thousand eight hundred and twenty-two acres, as generally depicted on a map entitled "Richland Creek Wilderness—Proposed", dated November 1983, and which shall be known as the Richland Creek Wilderness;

(h) certain lands in the Ozark-Saint Francis National Forest, Arkansas, which comprise approximately ten thousand seven hundred and twenty-nine acres, as generally depicted on a map entitled "Penhook Wilderness—Proposed", dated November 1983, and which shall be known as the Penhook Wilderness;

(i) certain lands in the Ozark-Saint Francis National Forest, Arkansas, which comprise approximately eighteen thousand two hundred and ninety-two acres, as generally depicted on a map entitled "East Fork Wilderness—Proposed", dated November 1983, and which shall be known as the East Fork Wilderness; and

(j) certain lands in the Ozark-Saint Francis National Forest, Arkansas, which comprise approximately sixteen thousand nine hundred and fifty-six acres, as generally depicted on a map entitled "Leatherwood Wilderness—Proposed", dated November 1983, and which shall be known as the Leatherwood Wilderness;

SEC. 4. The Congress finds that certain lands within the Ouachita National Forest, Arkansas, have important scenic, recreational, and wildlife values. In order to conserve and protect these values, the area lying adjacent to and between the two portions of the Poteau Mountain Wilderness as designated by this Act and comprising approximately three thousand four hundred acres, as generally depicted on a map entitled "Poteau Mountain Wilderness—Proposed", dated November 1983, shall be managed to protect the scenic, recreational, and wildlife values of these lands and shall be hereby withdrawn, subject to valid existing rights, from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral leasing and geothermal leasing and all amendments thereto. The area shall further be administered by the Secretary of Agriculture to maintain presently existing wilderness character with no commercial timber harvesting nor additional road construction permitted. The Secretary is authorized to permit motor vehicle access within the area where such access was established prior to the date of enactment of this Act or where such access is compatible with the purposes for which the area was designated. Management direction for the area that recognizes these values shall be included in the forest plan developed for the Ouachita National Forest in accordance with section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 as amended by the National Forest Management Act of 1976.

SEC. 5. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

(2) the Congress has made its own review and examination of national forest system roadless areas in Arkansas and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the questions of the legal and factual sufficiency of the RARE II Final Environmental Impact Statement (dated January 1979) with respect to national forest system lands in States other than Arkansas, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Arkansas;

(2) with respect to the national forest system lands in the State of Arkansas which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Arkansas reviewed in such final environmental statement or referenced in subsection (d) and not designated wilderness upon enactment of this Act, or proposed for special manage-

ment in Section 4 of this Act, shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Arkansas are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Arkansas for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to national forest system roadless lands in the State of Arkansas which are less than five thousand acres in size.

SEC. 6. As soon as practicable after the date of enactment of this Act, the Secretary of Agriculture shall file maps and legal descriptions of each wilderness area designated by this Act with the Committee on Energy and Natural Resources of the United States Senate, and the Committee on Interior and Insular Affaris and the Committee on Agriculture of the House of Representatives, and each map and legal description shall have the same force and effect as if included in this Act: *Provided, however*, That correction of clerical and typographical errors in such legal descriptions shall be on file and available for public inspection in the office of the Chief, United States Forest Service, Department of Agriculture.

SEC. 7. Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act of 1964 (78 Stat. 892) governing areas designated by that Act as wilderness areas, except that, with respect to any area designated in this Act, any reference in such provisions to the effective date of the Wilderness Act of 1964 shall be deemed to be a reference to the effective date of this Act.

SEC. 8. Congress does not intend that designation of wilderness areas in the State of Arkansas lead to the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

Amend the title so as to read: "A bill to designate certain national forest system lands in the State of Arkansas for inclusion in the National Wilderness Preservation System, and for other purposes."

AMENDMENT NO. 3684

Mr. BUMPERS. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for Mr. STAFFORD, proposes an amendment numbered 3684.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, line 17, strike everything after "Flatside" through line 20 and insert in lieu thereof, "Wilderness;".

Mr. BUMPERS. Mr. President, the possibility that the Flatside Wilderness Area could be given a class I air quality designation for purposes of the Clean Air Act was repeatedly raised during hearings held on the Arkansas wilderness bill and in subsequent discussions. Because of its proximity to Little Rock and to at least one major industrial facility, some groups feared that if the Governor exercised his discretion to upgrade the area from class II to class I future industrial development or expansion would be inhibited. The Arkansas Federation of Water and Air Users, the Arkansas Kraft Corp., and others asked that language be included in S. 2125 which would give sole authority to reclassify the Flatside Wilderness to the Congress. A precedent for this approach was established in the last Congress, when identical language was approved in the West Virginia wilderness bill.

I was not convinced that the language would provide greater protection than existing law against Flatside's classification being upgraded. In my view, the Congress would be more, not less, likely to seek to upgrade the classification than would the Governor of the State. However, I agreed to include the provisions in S. 2125, and the Energy and Natural Resources Committee accepted the language unanimously.

I regret that the chairman of the Environment and Public Works Committee cannot accept this relatively minor amendment which affects only one small area in my State. But the chairman is correct in noting that the language amends the Clean Air Act and therefore falls within the jurisdiction of his committee. I am also aware that the chairman of the House Subcommittee on Public Lands and National Parks has assured the House Energy and Commerce Committee that he will delete any language in the bill which amends the Clean Air Act. On that condition, the Energy and Commerce Committee will not assert its jurisdiction over the bill.

I am very sympathetic to the concerns raised by business groups in Arkansas about the potential for restricting industrial expansion in the area near the Flatside Wilderness, and I had hoped that the language previously approved by the Congress could be retained in the Arkansas bill. It is clear, however, that no legislation will be enacted which includes such provisions. Passage of the bill this year is critical, both to protect the areas designated by it and to release other National Forest lands for multiple use. Because I am confident that the Governor of Arkansas will ensure that Flatside remains a class II air quality area, I will support the bill as amended to delete the air quality provisions, and I will urge the House to adopt strong report language which states the intent of Congress that all areas designated as wilderness by the bill shall remain class II for purposes of the Clean Air Act.

Mr. President, the amendment in the bill did actually amend the Clean Air Act amendments, which was the cause of considerable concern to the Chairman of the Committee on Environment and Public Works, and others on that committee. I reluctantly agreed to not contest striking of the amendment that was placed on the bill in the committee, and have agreed to offer that amendment in the absence of Senator STAFFORD.

Mr. STEVENS. Mr. President, will the Senator from Arkansas yield?

Mr. BUMPERS. Yes.

Mr. STEVENS. Mr. President, is it my understanding that the Senator's amendment does preserve for the State of Arkansas the rights under the Clean Air Act amendments to designate areas as class I, if it chooses to do so?

Mr. BUMPERS. The Senator is correct.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. McCLURE. Mr. President, I have discussed this amendment with the Senator from Arkansas. I have no objection.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Vermont [Mr. STAFFORD].

The amendment (No. 3684) was agreed to.

Mr. STEVENS. Mr. President, I call to the attention of the Senate the fact

that this is another wilderness bill. It has been worked out in a manner that accords with an agreement with Senators from that State. I am delighted to see that, and I once again want to make a record for the Senate as a whole; that is, that this is the kind of procedure that ought to be followed with regard to wilderness in a State, and when the matter of Alaska wilderness comes before the Senate again, I hope we will receive the same treatment which we have not received in the past.

Mr. BUMPERS. Mr. President, the Arkansas Wilderness bill, reported by the Energy and Natural Resources Committee, is the result of literally years of effort on the part of many Arkansans committed to preserving some of the State's natural heritage, as well as excellent cooperation from the timber industry and other business groups that could be affected by additional wilderness designations.

I introduced S. 2125 last November with Senator PRYOR, and in February conducted a field hearing on the bill in Little Rock. Overwhelmingly positive testimony was presented by more than 115 witnesses. Most importantly, several potential problems were indentified with the bill, and some witnesses suggested amendments which would resolve these problems and alleviate their concerns about the proposal. Some of these problems were also discussed at the April 6 subcommittee hearing in Washington. As a result, the Energy and Natural Resources Committee approved several amendments to the bill designed to meet the concerns of affected groups, including amendments dealing with buffer zones, special-management directives, air-quality classifications, and others.

S. 2125 has been carefully developed to accommodate historical uses of the areas while ensuring that their unique wilderness qualities will be protected. Other changes in the original proposal developed by the Arkansas Conservation Coalition were made to the bill before its consideration by the Energy and Natural Resources Committee. For example, citizens living near the Poteau Mountain area worked with conservation groups and local officials to develop a compromise proposal for that area. Their proposal, which called for deleting roughly 3,400 acres originally identified for wilderness, and adding instead special management direction for that area, has been included in the bill. The acreage included in the Penhook and Fast Fork areas was also significantly reduced at the suggestion of local residents in order to allow greater vehicle access to the areas and to exclude cemeteries. The suggestions made by affected citizens and user groups have greatly improved S. 2125, and I am indebted to them for their cooperation and assistance.

I was also very pleased that the leadership of both the Senate Energy and Natual Resources Commtitee and the House Committee on Interior and Insular Affairs was able to reach an agreement on release language for statewide wilderness bills. The original release language in S. 2125 was the standard Colorado language previously approved in several other bills. I fully support the clarifications in the release language that have now been endorsed by both the House and Senate committees. The modified release language has been substituted for the Colorado language in S. 2125. While some disagreement still remains about the specific areas in Arkansas that should be given wilderness protection, there is no disagreement about the need to end the uncertainties about the status of national forest lands in Arkansas. The compromise release language now contained in S. 2125 has the support of the timber industry, and I hope that the legislation will improve the industry's ability to plan for its future timber needs.

The prospect of condemning privately owned land for wilderness has been frequently raised in Arkansas, and I want to emphasize that this proposal would not require or even permit the condemnation of a single acre of private land. The bill directs that the proposed wilderness areas would be managed in accordance with the 1964 Wilderness Act, which provides no authority for condemnation. Access to the few private inholdings associated with these areas will be maintained. I am confident the wilderness designations made by this bill would have no appreciable effect on any private landowner.

The 10 areas which will be added to the National Wilderness Preservation System by this legislation represent 117,000 acres of Arkansas' most beautiful and pristine national forest lands. Together, they constitute less than 5 percent of Arkansas' national forests, but preserving them will protect unique natural sites and provide exceptional recreational and research opportunities. The areas included in S. 2125 are the Upper Buffalo addition, Hurricane Creek, Richland Creek, Penhook, East Fork, and Leatherwood in the Ozark National Forest, and Black Fork Mountain, Poteau Mountain, Dry Creek, and Flatside in the Ouchita National Forest. Each is highly deserving of recognition as wilderness. Besides having exceptional wilderness attributes, the areas present relatively few management conflicts. Boundaries have been drawn for the areas to exclude all private land and to accommodate existing uses and access. The small amount of private land that lies within the boundaries of the areas is accessible by existing roads that will remain open. And finally, because the areas are generally small and scattered throughout the National Forests, they will be easily available to many recreational users.

Giving some of our national forest lands statutory protection as wilderness simply allows us to keep our options open for their use and enjoyment. In Arkansas, we are fortunate to have the ability to preserve 117,000 acres with outstanding wilderness attributes at so little real cost. I applaud the Senate for its recognizing the significance of the 10 areas that S. 2125 will add to the Wilderness System, and for taking such quick action on the bill.

(By request of Mr. BUMPERS, the following statement was ordered to be printed in the RECORD:)

● Mr. PRYOR. Mr. President, I want to express my pleasure that the Senate is taking action on the important issue of designation of wilderness areas in Arkansas. I am pleased to be a cosponsor with my distinguished colleague Senator DALE BUMPERS, of S. 2125, the Arkansas Wilderness Act of 1983.

Arkansas contains some of the most beautiful sights in the country or in the world. It also contains an abundance of natural resources. We, in Arkansas, have sought over the years to both preserve our scenic areas and to foster economic development. It is with an awareness of both goals that I urge that the Senate approve legislation that determines the lands that should be set apart as wilderness.

I am pleased that legislation to establish wilderness areas is making progress toward enactment this year. I think it is particularly significant that so many individuals and organizations have presented testimony at hearings on this subject.

I commend all those who have worked so hard to bring this proposal before the Senate and I urge the Senate's approval of it.●

Mr. McCLURE. Mr. President, the Clean Air Act gives each State the authority to designate any area within its borders as a class I area—that is, an area deserving of special air-quality protection. The language I am moving to strike would prohibit the State of Arkansas from classifying the Flatside Wilderness area as a class I area.

The prohibition in the bill would thus treat the Flatside Wilderness area differently from any other area of the State.

My amendment does not make the Flatside Wilderness area a class I area; the State would have to do that. And, if history is any guide, the State will probably not do so.

Since passage of the Clean Air Act Amendments of 1977, which gave States the authority, no State has designated an area as class I.

My amendment simply preserves the intent of the Clean Air Act to allow

the State of Arkansas—and any State—to choose the special protection a class I designation affords.

Mr. STEVENS. Mr. President, I do not object to the passage of the bill. I ask for the passage of the bill.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to designate certain national forest system lands in the State of Arkansas for inclusion in the National Wilderness Preservation System, and for other purposes.".

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. STEVENS. Mr. President, I hope my good friend, the Democratic leader, would agree that we might take up a series of items en bloc. I refer to Calendar No. 857, which is S. 1547; Calendar No. 858, which is H.R. 4214; Calendar No. 1037, which is S. 1770; Calendar No. 1038, which is S. 2157; Calendar No. 1047, which is S. 1790; Calendar No. 1048, which is S. 1859; Calendar No. 1049; which is S. 1889; Calendar No. 1050, which is S. 2036; Calendar No. 1051, which is S. 598; Calendar No. 1095, which is S. 648; Calendar No. 1096, which is S. 2732.

Mr. President, it would be my intention to ask unanimous consent that those items be considered and passed en bloc and the amendments be agreed to en bloc.

Mr. BYRD. Mr. President, there is no objection on this side to considering them en bloc, as the assistant majority leader has suggested.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I do ask unanimous consent to proceed in that order, that the bills be considered and passed en bloc, that amendments be agreed to en bloc, and that a motion to reconsider the en bloc action be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

LAND GRANT AMENDMENTS TO THE TOWN OF OLATHE, CO

The Senate proceeded to consider the bill (S. 1547) to amend the conditions of a grant of certain lands to the town of Olathe, CO, and for other purposes.

Mr. HART. Mr. President, I am pleased the Senate will today consider and pass legislation to ease the ability of the town of Olathe, CO, to improve its municipal water delivery system.

For more than 60 years, the town of Olathe, on Colorado's western slope, has enjoyed a reliable supply of fresh water from a reservoir located on Bureau of Land Management land. This land was conditionally conveyed to Olathe in 1919 for the construction of the reservoir.

Through the years, the water delivery pipeline system carrying water from the reservoir to the town has deteriorated and must be replaced. Because of the expectations of an energy boom on Colorado's western slope, the population of Olathe has doubled in the past 10 years. Consequently, Olathe has been forced to invest in expensive municipal improvements, leaving the town short of funds necessary to replace the pipeline. Further, because of the conditional nature of the land conveyance, the town can not use the reservoir as collateral to borrow privately.

The legislation before the Senate today is an effort to grant the Bureau of Land Management authority to transfer reservoir lands to the town of Olathe. This will enable Olathe to borrow against the land, securing funds for improvement of the pipeline. By passing this legislation, the Senate will remove the cloud which hangs over Olathe's efforts to improve its municipal facilities, permitting the town to finance repairs to its water supply system.

Mr. President, I urge my colleagues to adopt this legislation and remove a Federal barrier to Olathe, CO's, efforts at self-improvement.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1547) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1547

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to grant certain lands to the town of Olathe, Colorado, for the protection of its water supply", approved March 3, 1919 (40 Stat. 1317), is amended by—

(1) striking out "to have and to hold said lands for the purpose of the protection of the reservoirs and water supply pipelines and waterworks system of said town";

(2) striking out "*And provided further,* That title to the land shall revert to the United States should the same or any part thereof be sold or cease to be used for the purposes herein provided."; and

(3) adding at the end thereof the following: "*And provided further,* That in the event that the lands or any part thereof are sold or otherwise alienated by the town of Olathe on or before January 1, 1994, except as a consequence of a judgment at law or equity to recover sums owed by the town pursuant to a mortgage, sale to trustee, or similar agreement entered into by the town in order to secure funds for public purposes, directly related to repair, maintenance, or modernization of the reservoirs, water supply pipelines, or waterworks system of the town, the proceeds of such sale (excluding the value of any improvements made by the town or the fair market value of the lands or part thereof (excluding the value of any improvements made by the town at the time of such sale or alienation, whichever amount is greater, shall be paid to the United States by the town.".

STATE MINING AND MINERAL RESOURCES RESEARCH INSTITUTE PROGRAM

The Senate proceeded to consider the bill (H.R. 4214) to establish a State Mining and Mineral Resources Research Institute Program, and for other purposes, which had been reported from the Committee on Energy and Natural Resources with an amendment to strike all after the enacting clause and insert:

AUTHORIZATION OF STATE ALLOTMENTS TO INSTITUTES

SECTION 1. (a)(1) There are authorized to be appropriated to the Secretary of the Interior (hereafter in this Act referred to as the "Secretary") funds adequate to provide for each participating State $300,000 for the fiscal year ending September 30, 1985, and $400,000 to each participating State for each fiscal year thereafter for a total of five years, to assist the States in carrying on the work of a competent and qualified mining and mineral resources research institute or center (hereafter in this Act referred to as the "institute") at one public college or university in the State which meets the eligibility criteria established in section 10.

(2)(A) Funds appropriated under this section shall be made available for grants to be matched on a basis of no less than one and one-half non-Federal dollars for each Federal dollar during the fiscal years ending September 30, 1985, and September 30, 1986, and no less than two non-Federal dollars for each Federal dollar during the fiscal years ending September 30, 1987, September 30, 1988, and September 30, 1989.

(B) If there is more than one such eligible college or university in a State, funds appropriated under this Act shall, in the absence of a designation to the contrary by act of the legislature of the State, be granted to one such college or university designated by the Governor of the State.

(C) Where a State does not have a public college or university eligible under section 10, the Committee on Mining and Mineral Resources Research established in section 9 (hereafter in this Act referred to as the "Committee") may allocate the State's allotment to one private college or university which it determines to be eligible under such section.

(b) It shall be the duty of each institute to plan and conduct, or arrange for a component or components of the college or university with which it is affiliated to conduct, research investigations, demonstrations, and experiments of either, or both, a basic or practical nature in relation to mining and mineral resources, and to provide for the training of mineral engineers and scientists through such research, investigations, demonstrations, and experiments. The subject

of such research, investigation, demonstration, experiment, and training may include exploration; extraction; processing; development; production of mineral resources; mining and mineral technology; supply and demand for minerals; conservation and best use of available supplies of minerals; the economic, legal, social, engineering, recreational, biological, geographic, ecological, and other aspects of mining, mineral resources, and mineral reclamation. Such research investigation, demonstration, experiment and training shall consider the interrelationship with the natural environment, the verying conditions and needs of the respective States, and mining and mineral resources research projects being conducted by agencies of the Federal and State Governments and other institutes.

RESEARCH FUNDS TO INSTITUTES

SEC. 2. (a) There is authorized to be appropriated to the Secretary $10,000,000 for the fiscal year ending September 30, 1985. This amount shall be increased by $1,000,000 for each fiscal year thereafter for four additional years, which shall remain available until expanded. Such funds when appropriated shall be made available to institutes to meet the necessary expenses for purposes of—

(1) specific mineral research and demonstration projects of broad application, which could not otherwise be undertaken, including the expenses of planning and coordinating regional mining and mineral resources research projects by two or more institutes; and

(2) research into any aspects of mining and mineral resources problems related to the mission of the Department of the Interior, which are deemed by the Committee to be desirable and are not otherwise being studied.

(b) Each application for funds under subsection (a) of this section shall state, among other things, the nature of the project to be undertaken; the period during which it will be pursued; the qualifications of the personnel who will direct and conduct it; the estimated costs; the importance of the project to the Nation, region, or State concerned; its relation to other known research projects theretofore pursued or being pursued; the extent to which the proposed project will provide opportunity for the training of mining and mineral engineers and scientists; and the extent of participation by nongovernmental sources in the project.

(c) The Committee shall review all such funding applications and recommend to the Secretary the use of the institutes, insofar as practicable, to perform special research. Recommendations shall be made without regard to the race, religion, or sex of the personnel who will conduct and direct the research, and on the basis of the facilities available in relation to the particular needs of the research project; special geographic, geologic, or climatic conditions within the immediate vicinity of the institute; any other special requirements of the research project; and the extent to which such project will provide an opportunity for training individuals as mineral engineers and scientists. The Committee shall recommend to the Secretary the designation and utilization of such portions of the funds authorized to be appropriated by this section as it deems appropriate for the purpose of providing scholarships, graduate fellowships, and postdoctoral fellowships.

(d) No funds shall be made available under subsection (a) of this section except for a project approved by the Secretary and all funds shall be made available upon the basis of merit of the project, the need for the knowledge which it is expected to produce when completed, and the opportunity it provides for the training of individuals as mineral engineers and scientists.

(e) No funds made available under this section shall be applied to the acquisition by purchase or lease of any land or interests therein, or the rental, purchase, construction, preservation, or repair of any building.

FUNDING CRITERIA

SEC. 3. (a) Funds available to institutes under sections 1 and 2 of this Act shall be paid at such times and in such amounts during each fiscal year as determined by the Secretary, and upon vouchers approved by him. Each institute shall—

(1) set forth its plan to provide for the training of individuals as mineral engineers and scientists under a curriculum appropriate to the field of mineral resources and mineral engineering and related fields;

(2) set forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available for purposes of this Act, and in no case supplant such funds; and

(3) have an officer appointed by its governing authority who shall receive and account for all funds paid under the provisions of this Act and shall make an annual report to the Secretary on or before the first day of September of each year, on work accomplished and the status of projects underway, together with a detailed statement of the amounts received under any provisions of this Act during the preceding fiscal year, and of its disbursements on schedules prescribed by the Secretary.

If any of the funds received by the authorized receiving officer of any institute under the provisions of this Act shall be any action or contingency found by the Secretary to have been improperly diminished, lost, or misapplied, such funds shall be replaced by the State concerned and until so replaced no subsequent appropriation shall be allotted or paid to any institute of such State.

(b) The institutes are authorized and encouraged to plan and conduct programs under this Act in cooperation with each other and with such other agencies and individuals as may contribute to the solution of the mining and mineral resources problems involved. Moneys appropriated pursuant to this Act shall be available for paying the necessary expenses of planning, coordinating, and conducting such cooperative research.

DUTIES OF THE SECRETARY

SEC. 4. (a) The Secretary shall administer this Act and, after full consultation with other interested Federal agencies, shall prescribe such rules and regulations as may be necessary to carry out its provisions. The Secretary shall furnish such advice and assistance as will best promote the purposes of this Act, shall participate in coordinating research initiated under this Act by the institutes, shall indicate to them such lines of inquiry that seem most important, and shall encourage and assist in the establishment and maintenance of cooperation by and between the institutes and between them and other research organizations, the United States Department of the Interior, and other Federal establishments.

(b) On or before the first day of July in each year beginning after the date of enactment of this Act, the Secretary shall ascertain whether the requirements of section 3(a) have been met as to each institute and State.

(c) The Secretary shall make an annual report to the Congress of the receipts, expenditures, and work of the institutes in all States under the provisions of this Act. The Secretary's report shall indicate whether any portion of an appropriation available for allotment to any State has been withheld and, if so the reason therefor.

AUTONOMY

SEC. 5. Nothing in this Act shall be construed to impair or modify the legal relationship existing between any of the colleges or universities under whose direction an institute is established and the government of the State in which it is located, and nothing in this Act shall in any way be construed to authorize Federal control or direction of education at any college or university.

MISCELLANEOUS PROVISIONS

SEC. 6. (a) The Secretary shall obtain the continuing advice and cooperation of all agencies of the Federal Government concerned with mining and mineral resources, of State and local governments, and of private institutions and individuals to assure that the programs authorized by this Act will supplement and not be redundant with respect to established mining and minerals research programs, and to stimulate research in otherwise neglected areas, and to contribute to a comprehensive nationwide program of mining and minerals research, with due regard for the protection and conservation of the environment. The Secretary shall make generally available information and reports on projects completed, in progress, or planned under the provisions of this Act, in addition to any direct publication of information by the institutes themselves.

(b) Nothing in this Act is intended to give or shall be construed as giving the Secretary any authority over mining and mineral resources research conducted by any agency of the Federal Government, or as repealing or diminishing existing authorities or responsibilities of any agency of the Federal Government to plan and conduct, contract for, or assist in research in its area of responsibility and concern with regard to mining and mineral resources.

(c) No research, demonstration, or experiment shall be carried out under this Act by an institute financed by grants under this Act, unless all uses, products, processes, patents, and other developments resulting therefrom, with such exception or limitation, if any, as the Secretary may find necessary in the public interest, are made available promptly to the general public. Patentable inventions shall be governed by the provisions of Public Law 96-517. Nothing contained in this section shall deprive the owner of any background patent relating to any such activities of any rights which that owner may have under that patent.

(d) There are authorized to be appropriated after September 30, 1984, such sums as are necessary for the printing and publishing of the results of activities carried out by institutes under this Act and for administrative planning and direction, but such appropriations shall not exceed $1,000,000 in any single fiscal year.

CENTER FOR CATALOGING

SEC. 7. The Secretary shall establish a center for cataloging current and projected

scientific research in all fields of mining and mineral resources. Each Federal agency doing mining and mineral resources research shall cooperate by providing the cataloging center with information on work underway or scheduled by it. The cataloging center shall classify and maintain for public use a catalog of mining and mineral resources research and investigation projects in progress or scheduled by all Federal agencies and by such non-Federal agencies of government, colleges, universities, private institutions, firms, and individuals as may make such information available.

INTERAGENCY COOPERATION

SEC. 8. The President shall, by such means as he deems appropriate, clarify agency responsibility for Federal mining and mineral resources research and provide for interagency coordination of such research, including the research authorized by this Act. Such coordination shall include—

(1) continuing review of the adequacy of the Government-wide program in mining and mineral resources research;

(2) identification and elimination of duplication and overlap between agency programs;

(3) identification of technical needs in various mining and mineral resources research categories;

(4) recommendations with respect to allocation of technical effort among Federal agencies;

(5) review of technical manpower needs, and findings concerning management policies to improve the quality of the Government-wide research effort; and

(6) actions to facilitate interagency communication at management levels.

COMMITTEE

SEC. 9. (a) The Secretary shall appoint a Committee on Mining and Mineral Resources Research composed of—

(1) the Assistant Secretary of the Interior responsible for minerals and mining research, or his delegate;

(2) the Director, Bureau of Mines, or his delegate;

(3) the Director, United States Geological Survey, or his delegate;

(4) the Director of the National Science Foundation, or his delegate;

(5) the President, National Academy of Sciences, or his delegate;

(6) the President, National Academy of Engineering, or his delegate; and

(7) not more than six other persons who are knowledgeable in the fields of mining and mineral resources research, including two university administrators involved in the conduct of programs authorized by section 301 of the Surface Mining Control and Reclamation Act of 1977, two representatives from the mining industry, a working miner, and a representative from the conservation community. In making these six appointments, the Secretary shall consult with interested groups.

(b) The Committee shall consult with, and make recommendations to, the Secretary on all matters relating to mining and mineral resources research and the determinations that are required to be made under this Act. The Secretary shall consult with, and consider recommendations of, such Committee in such matters.

(c) Committee members, other than officers or employees of Federal, State, or local governments, shall be, for each day (including traveltime) during which they are performing Committee business, paid at a rate fixed by the Secretary but not in excess of the daily equivalent of the maximum rate of pay for grade GS-18 of the General Schedule under section 5332 of title 5 of the United States Code, and shall be fully reimbursed for travel, subsistence, and related expenses.

(d) The Committee shall be jointly chaired by the Assistant Secretary of the Interior responsible for minerals and mining and a person to be elected by the Committee from among the members referred to in paragraphs (5), (6), and (7) of subsection (a) of this section.

(e) The Committee shall develop a national plan for research in mining and mineral resources, considering ongoing efforts in the universities, the Federal Government, and the private sector, and shall formulate and recommend a program to implement the plan utilizing resources provided for under this Act. The Committee shall submit such plan to the Secretary, the President, and the Congress on or before March 1, 1986, and shall update the plan annually thereafter.

(f) Section 10 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Committee.

ELIGIBILITY CRITERIA

SEC. 10. (a) The Committee shall determine the eligibility of a college or university to participate as a mining and mineral resources research institute under this Act using criteria which include—

(1) the presence of a substantial program of graduate instruction and research in mining or mineral extraction or closely related fields which has a demonstrated history of achievement;

(2) evidence of institutional commitment for the purposes of this Act;

(3) evidence that such institution has or can obtain significant industrial cooperation in activities within the scope of this Act; and

(4) the presence of an engineering program in mining or mineral extraction that is accredited by the Accreditation Board for Engineering and Technology, or evidence of equivalent institutional capability as determined by the Committee.

(b) Notwithstanding the provisions of subsection (a), those colleges or universities which, on the date of enactment of this Act, have a mining or mineral resources research institute program which has been found to be eligible pursuant to Title III of the Surface Mining Control and Reclamation Act of 1977 (91 Stat. 445) shall continue to be eligible pursuant to this Act for a period of four fiscal years beginning October 1, 1984.

Mr. JOHNSTON. Mr. President, as a cosponsor of the Senate version of the bill which is before us today, I rise in strong support of H.R. 4214.

H.R. 4214 would, in effect, reauthorize for an additional 5 years the State Mining and Mineral Resources Research Institute Program that was established by the Surface Mining Control and Reclamation Act of 1977. The current authorization expires at the end of this fiscal year.

The purpose of the minerals program set up by H.R. 4214 remains the same as under its original authorization; that is to stimulate and sponsor programs in the research of and training of mineral scientists in the field of mining, mineral resources, and technology. We need only look to the existing program as evidence of its success in fulfilling this objective.

The Mineral Institutes Program had made major advances in promoting advanced study and research into mining by providing annual allotment grants to each of the 31 existing institutes located at universities throughout the country, and research grants to a select number of research centers. The research funds have also gone toward providing valuable scholarships, as well as graduate and postdoctoral fellowships to a large number of faculty members, students, and researchers. I am impressed by the fact that an average of 234 research projects per year were supported through the institutes program from 1978 to 1982.

My own State of Louisiana has been an active participant in the Minerals Institute Program through the Department of Petroleum Engineering at Louisiana State University. LSU's Mineral Institute has worked successfully on the enhanced recovery of oil and on optimizing the combustion characteristics of lignite and fuel oil.

Although H.R. 4214 is consistent with the original intent of the existing program, it does make some minor modifications. The membership of the Advisory Committee has been expanded to include representatives of academia, industry, labor, and the environmental community. It also specifies that the proceedings of the Committee are subject to section 10 of the Federal Advisory Committee Act which provides that the meetings of the Committee shall be open to the public, their results shall be published, and detailed minutes will be taken.

Furthermore, the bill sets up criteria to be considered by the Advisory Committee in determining whether a university qualifies as a mineral institute and is thereby eligible for funding under this act. In our Senate Energy and Natural Resources Committee deliberations we added a provision to exempt the 31 existing institutes from meeting the new criteria for a period for 4 fiscal years, beginning with fiscal year 1985. This period of time ensures that existing institutes will have time to satisfy the new eligibility criteria.

Additionally, in a time of fiscal constraints, the Federal share provided for in the bill has been scaled back from that of a 50/50 matching grant, to that of only 1 Federal dollar to 1½ non-Federal dollars for fiscal year 1985 and 1986, and for 2 non-Federal dollars from fiscal year 1987 for each succeeding year.

I believe it is important that while we recognize that the program has been successful enough to attract some measure of financial support from the private sector, Congress rightly feels it is appropriate that the Federal Government continue to involve itself. This sentiment is indirect-

ly conveyed in a memorandum, dated April 23, from Secretary Clark to David Stockman, Director of the Office of Management and Budget. Mr. Clark points out "support in the Congress for continued funding of mineral institutes is . . . overwhelming" and that in spite of the administration's position that the program should be supported solely by the private sector or State government, he finds it inadvisable for Mr. Stockman to recommend to the President that he veto H.R. 4214 on this basis alone.

I urge my colleagues to join me in enthusiastically supporting this bill. We must continue to provide America's institutions of higher learning with the chance to expand their research capabilities and therefore the opportunity to develop new technologies. Only with this continued support can we hope to regain our competitive edge in the mining and mineral industry.

I ask unanimous consent that Secretary Clark's memorandum to Director Stockman be included in the RECORD at this point

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, April 23, 1984.

Memorandum for; David Stockman, Director, Office of Management and Budget.
From: William Clark.
Subject: S. 2186/H.R. 4214 "State Mining and Mineral Resources Research Institutes".

Last month, you recommended the President veto a bill to fund Water Research Institutes. The Senate overrode the veto by a record vote of 87-12. Despite our efforts to garner support to sustain that veto in the House, that legislation passed the House by a vote of 309-81.

The President faces a similar situation in regard to pending legislation on mineral institutes.

The Mineral Institute program has changed since its inception in 1978. In response to a directive contained in the Conference Report on the Department of Interior's Fiscal Year 1982 Appropriation Act, the Department established five Generic Mineral Technology Centers. This has had the effect of focusing half of the research funding on specific problem areas such as respirable dust which are conducted at these generic centers. We recognize that responsibility for supporting these institutions should reside with state government and the private sector. We have set forth that position in letters early this year to Senator McClure (February 24) and Representative Udall (March 12).

Nevertheless, it is clear, as with Water Institutes, that support in the Congress for continued funding of mineral institutes is also overwhelming. The House Committee on Interior and Insular Affairs unanimously reported H.R. 4214 to the floor where it passed by a voice vote. The Senate Energy Committee also reported S. 2186 unanimously. It is awaiting action by the full Senate.

It is apparent that a veto will not be sustained on this legislation either, and I find it inadvisable that the President be placed in such a situation again.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, February 14, 1984.

Hon. DAVID A. STOCKMAN,
Director, Office of Management and Budget, Washington, DC.
(Attention Assistant Director for Legislative Reference).

DEAR MR. STOCKMAN: This is in answer to your request for our views on enrolled bill, S. 684, the "Water Resources Research Act of 1983."

We would not object to approval of the enrolled bill by the President.

Title I of the enrolled bill would authorize a process for the use of Federal funds to stimulate research among States and industry to solve common water related problems. Title I is similar to and would replace Public Law 95-467, the "Water Research and Development Act of 1978" and its predecessor, Public Law 88-379, the "Water Resources Research Act of 1964." An annual appropriation of $36,000,000 would be authorized to fulfill the purposes of the Act.

We testified in opposition to title I of the enrolled bill based on a belief that the States and industry should have the responsibility to finance the research needed in support of water resources management. However, we also recognized that in the 20-year history of these programs, the States have acquired much information useful in water planning, policy making and management. Additionally, throughout the history of the program, it has only been a minor part of Federally funded water research, and we anticipate that it would continue to be such.

Title II of the enrolled bill would convey Bureau of Reclamation managed desalting test facilities located at Wrightsville Beach, North Carolina, and at Roswell, New Mexico, to those municipalities. All right, title, and interest of the United States would be conveyed to the respective municipalities, without consideration, effective January 24, 1984, for the Wrightsville Beach Test Facility (WBTF), and December 31, 1983, for the Roswell Test Facility (RTF). As a condition for conveyance, each municipality would be required to operate and maintain the respective facilities for desalination or other related research for a period of four years subsequent to the conveyance date. This conditional period would expire on January 24, 1988, for the WBTF, and on December 31, 1987, for the RTF.

Recently, the two municipalities have been responsible for operation and maintenance of these facilities, without financial support from the United States, under the terms of use agreements signed by the two municipalities. The Roswell agreement was signed on January 12, 1983, and the Wrightsville Beach agreement on January 25, 1983. The expiration date for both agreements was December 31, 1983. The Department extended both agreements until June 30, 1984 or until the facilities are conveyed to their respective municipalities in the event there is a change in statutory authority before that date. The two agreements also stipulated that if there is no such change in statutory authority by this expiration date, it is the intent of the United States to have both facilities closed and declared surplus at that time. We anticipate completing the conveyances promptly upon enactment of the enrolled bill.

The Department of the Interior supports the efforts of these localities to continue the operations at these facilities over the next several years. To assure continued public-purpose use of them following the end of the four-year conditional period described in enrolled bill S. 684, we recommended the legislation be amended to require that the facilities be used solely for public purposes on an indefinite basis along with reverter clause to insure such continued use. The Congress adopted this recommendation.

Sincerely,

GARREY E. CARRUTHERS,
Assistant Secretary.

S. 684—"WATER RESOURCES RESEARCH ACT OF 1984"

Title I of S. 684 would authorize appropriations totalling $36 million annually for the fiscal years 1985-1989 for a variety of water resources research activities throughout the nation, including a new, separate authorization of grants for the development of water technology.

The Administration has consistently opposed this type of legislation because the principal benefactors, the States and industry, should have the responsibility to finance the research needed in support of their water resources management or planning roles. The Federal needs in water resources research are met through many programs in the Departments of the Interior and Agriculture and the Environmental Protection Agency. The U.S. Geological Survey alone spends over $200 million annually on water related research.

Public Law 95-467, the "Water Research and Development Act of 1978" and its predecessor, Public Law 88-379, the "Water Resources Research Act of 1964," authorized a process for use of Federal funds to stimulate research among States and industry to solve common problems. In the 20-year history of this program, the States and industry have acquired much information useful in water planning, policy making and management. The time has come, however, for States and industry to take the lead responsibility for financing the research that will benefit them.

To get the Federal budget under control, it is necessary to determine what is a proper Federal responsibility and what can be more effectively and fairly implemented at the State and local level. The direct beneficiaries of water resources research should provide the funding—the States and industry.

While a substantial sum is authorized for the grant program ($10 million), it is questionable as to how much research can be accomplished when, because of the number of institutes, only $115,000 to $150,000 will be granted to each institute annually.

Enactment of S. 684 will not save the Federal Government money. S. 684 does provide a higher matching formula than previous authorizations; however, Congress has not funded the matching grants since FY 1981. The matching grant program would add $20 million annually to the budget.

VETO OF WATER RESOURCES RESEARCH BILL

(Message to the Senate Returning S. 684 Without Approval. February 21, 1984)

To the Senate of the United States:

I am returning herewith without my approval S. 684, an act "To authorize an ongoing program of water resources research, and for other purposes."

Title I would authorize appropriations totalling $36 million annually for the fiscal years 1985-1989 for a variety of water resources research activities throughout the nation, including a new, separate authorization of grants for the development of water technology, which is not an appropriate Federal activity.

Title II would convey desalting test facilities that are no longer in Federal use to Wrightsville Beach, North Carolina, and Roswell, New Mexico. The Administration has supported these conveyances. I would be pleased to sign a bill that provides only for them.

For some twenty years, the Federal government has provided "seed money" for the type of water research that would be authorized by Title I. This Federal support has produced a number of successful State water research institutes. I believe that these State institutes are now at a point where further Federal involvement in their research activities is not necessary. They can stand and continue to succeed on their own.

Moreover, the water research that S. 684 would promote can be characterized as mostly local or in some cases regional in nature. The focus of such research will of course vary from State to State because water problems and needs often differ by region. The States and private industry should be fully responsible for financing research necessary to deal with their own particular problems and needs.

If we are to truly succeed in reducing Federal spending we must sort out those responsibilities which are appropriately Federal from those which can be more effectively and fairly implemented at the State and local level.

Accordingly, I feel constrained to disapprove S. 684.

RONALD REAGAN.

THE WHITE HOUSE, *February 21, 1984.*

Mr. FORD. Mr. President, I rise to speak on behalf of H.R. 4214, a bill to reauthorize for an additional 5 years the State mining and mineral resources research institute program, originally authorized by the Surface Mining Control and Reclamation Act of 1977.

The success of the minerals program is well documented by the many worthwhile research projects that have been completed thanks to the financial support of this program. In my home State of Kentucky such research has resulted in discovering and refining new methods for mitigating acid mine drainage problems. The program has also provided continuing education for practicing engineers and related professionals serving the mining industry.

Another important benefit of the minerals program has been the selection of the University of Kentucky as the contractor to operate the government-owned Kentucky Center for Energy Research Laboratory. Between the years 1972-82, the university's minerals program received just short of $39 million to conduct the Coal and Mineral Research and Development Program at the Energy Research Laboratory.

As well as sponsoring research projects, the minerals program has provided research funds for scholarships, and graduate and postdoctoral fellowships to students and faculty members across the country.

Let me note that as a condition of my support for reporting H.R. 4214 out of the Committee on Energy and Natural Resources, I sponsored an amendment to exempt the 31 existing institutes from meeting the new eligibility criteria set forth in this bill. This exemption would remain in effect for a period of 4 fiscal years—an adequate period of time to ensure that existing institutes could meet this new criteria and therefore continue as active participants in the minerals program.

I am pleased with the version of the bill before us today and I urge its prompt enactment into public law.

Mr. McCLURE. Mr. President, I am pleased that my colleagues on both sides of the aisle have consented to the passage of this measure. I want to extend particular thanks to my good friend and valued member of the Commmitee on Energy and Natural Resources, Senator JOHN WARNER who spearheaded this measure from its inception as the principal sponsor and who expedited the legislative hearing process as chairman of the Subcommittee on Energy and Mineral Resources.

As a cosponsor of this measure and a longtime supporter of the mining and mineral resources research institute program previously authorized in title III of Public Law 95-87, I am delighted with the overwhelming support for this measure today.

Mr. President, let me state for the record that the mining and mineral resources research institute program has made a significant contribution to reversing the trend of the 1960's when mining schools were closing down and State legislatures were abolishing longstanding Departments of Mining Engineering and Extractive Metallurgy, thus reducing the Nation's capacity for graduate education and research in these areas. Because of the establishment of the mining and mineral resources research institute program, several mining departments have been reestablished, competent mineral engineering research faculty have been added to virtually all of the participating institutes, many competent mineral engineers and scientists have been and are being trained and the caliber and quality of research on mineral resource problems have increased notably. In addition, considerable support for this program has been forthcoming from the States, industry, and various Federal agencies. In short, this program has been successful and with the passage of this measure I am confident it will continue to be so.

Mr. President, section 6(b) of the bill provides an authorization beginning in fiscal year 1985 for administrative planning and direction undertaken by the Secretary and for the printing and publishing of the results of activities carried out by institutes under the act. Administrative planning and direction activities clearly would include, in addition to general activities performed by the Secretary, those specific activities authorized by the bill, such as the Center for Cataloging—section 7—and the Committee on Mining and Mineral Resources Research—section 9.

Mr. WARNER. Mr. President, as the sponsor of this bill, I am extremely proud that today the Members of this distinguished body will approve a measure that represents a true concensus amongst my colleagues. Indeed, since my introduction of this bill on November 18, of last year, 33 of my colleagues have cosponsored it, not the least of whom is my good friend Senator JAMES A. MCCLURE, the distinguished chairman of the Energy and Natural Resources Committee. In addition, I want to thank Senator BENNETT JOHNSTON, the ranking minority member of the committee, and Senator WENDELL FORD, also a member of the committee, without whose help this might not have been possible. Mr. President, this bill clearly represents a product of bipartisanship.

As my colleagues know, this bill authorizes a program of Federal matching funds for qualified mining and minerals resources research institutes at one public college or university in each State which meets eligibility criteria established in the bill. Each institute is directed to conduct research in mining and mineral resources and to train minerals engineers and scientists.

During the last decade, there has been a steady decline in the numbers of mining and minerals-related engineers graduating from colleges and universities. As an engineering graduate, I recognize the strong national interest in encouraging our young people to choose science and engineering as careers.

The United States is competing in an international race for technological excellence, energy independence, and national security. The United States will not win this race without a strong foundation of superior knowledge and top personnel in mining and minerals. The research and training conducted at the institutes authorized under this bill will assist the U.S. mining industry in providing a solid foundation for our continued economic recovery and competitiveness in international trade.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill (H.R. 4214) was read the third time and passed.

EXTENSION OF FEDERAL OIL AND GAS LEASES

The Senate proceeded to consider the bill (S. 1770) to extend the lease terms of Federal oil and gas lease numbered U-39711, which had been reported from the Committee on Energy and Natural Resources with amendments.

(The parts intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

S. 1770

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any decision to the contrary heretofore made by the Secretary of the Interior of the United States or his authorized agents or representatives, United States oil and gas lease numbered U-39711 shall be held not to have terminated by operation of law or otherwise on January 30, 1980, but shall be deemed to be in full force and effect as having been capable of producing **[**oil and gas**]** *oil or gas* prior to the expiration date of the lease and the term of said lease shall be extended from that date forward for so long after the date of enactment of this Act as **[**oil and gas**]** *oil or gas* is produced in paying quantities. The **[**lessor**]** *lessee* shall be granted **[**a reasonable time**]** *six months* to install production equipment and facilities on said lease: *Provided,* That within thirty days after the receipt of written notice from the Secretary of the Interior the lessee shall tender payment of back rentals at the rate of not less than $5 per acre per year. Notice shall be given by the Secretary within thirty days after the effective date of this Act. The Secretary shall include in the reinstated lease a future rental requirement of not less than $5 per acre per year and a future royalty rate requirement of not less than 16⅔ per centum: *Provided, however,* That except as specifically modified herein as to such lease, all other provisions of the Mineral Lands Leasing Act of 1920, as amended, shall be applicable as to such lease.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TREATMENT OF MINERAL MATERIALS ON PUBLIC LANDS

The Senate proceeded to consider the bill (S. 2157) to clarify the treatment of mineral materials on public lands, which had been reported from the Committee on Energy and Natural Resources with an amendment to strike all after the enacting clause and insert:

That section 4 of the Act entitled "An Act to amend the Act of July 31, 1947 (61 Stat. 681) and the mining laws to provide for multiple use of the surface of the same tracts of public lands, and for other purposes", approved July 23, 1955 (69 Stat. 368; 30 U.S.C. 612) is amended—

(1) in subsection (b) by—

(A) inserting after "vegetative" the following "and mineral material"; and

(B) inserting after the second proviso the following: "Provided further, That if at any time the locator requires more mineral material for his mining operations than is available to him from the claim after disposition of mineral material therefrom by the United States subsequent to the location of the claim, he shall be entitled, free of charge, to mineral material for such requirements from the nearest mineral material site administered by the disposing agency which contains mineral material substantially equivalent to that estimated by the disposing agency to have been disposed of from the claim subject to reasonable rules and regulations for the protection of nonmineral resource values including environmental values:"; and

(2) in subsection (c) by inserting after "vegetative" the following "and mineral material".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PRESERVATION OF THE ART BARN AND PIERCE MILL

The Senate proceeded to consider the bill—S. 1790—to authorize the Secretary of the Interior to enter into a contract or cooperative agreement with the Art Barn Association to assist in the preservation and interpretation of the Art Barn and Pierce Mill located in Rock Creek Park within the District of Columbia, which had been reported from the Committee on Energy and Natural Resources with an amendment.

(The part intended to be stricken is shown in boldface brackets and the part intended to be inserted is shown in italic.)

S. 1790

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in furtherance of section 2(e) of the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (49 Stat. 656; 16 U.S.C. 462(e)), and in order to preserve for the benefit and inspiration of the people of the United States the Art Barn and the Pierce Mill located in Rock Creek Park within the District of Columbia, the Secretary of the Interior is authorized to enter into contracts or cooperative agreements with the Art Barn Association to assist in the preservation and interpretation of the barn and mill.

(b) Pursuant to subsection (a) and subject to such terms and conditions as the Secretary of the Interior may prescribe, funds appropriated to the Secretary of the Interior for operation and maintenance of the Art Barn and Pierce Mill may be made available to the Art Barn Association.

(c) The authority of the Secretary to enter into contracts and cooperative agreements pursuant to this Act shall expire five years after the date of enactment of this Act.

Mr. McCLURE. Mr. President, the committee intends that any new contract authority provided by this bill be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation acts.

Mr. THURMOND. Mr. President, I rise in support of S. 1790, a bill introduced by me on August 4, 1983, that would authorize the Secretary of the Interior to enter into a contract or cooperative agreement with the Art Barn Association to assist in the preservation and interpretation of the Art Barn and Pierce Mill located in Rock Creek Park within the District of Columbia.

Mr. President, the Art Barn and Pierce Mill are historically significant Federal properties operated as part of Rock Creek Park. For over a decade, the National Park Service has entered into annual agreements with the Art Barn Association, a small group of artists from in and around the District of Columbia, to use the Art Barn as an admission-free gallery for local artists to display their work.

In accordance with the annual cooperative agreements, the dedicated, hard-working and civic-minded members of the Art Barn Association have provided the management, scheduling, and supervision of exhibitions in the Art Barn, while the Park Service has maintained the building and grounds. Enactment of the legislation being considered today would authorize the execution of such contracts or cooperative agreements to cover both the Art Barn and the adjacent Pierce Mill, and would permit these contracts to cover time periods greater than 1 year.

Extending these agreements to a greater than 1 year time period will allow the association to plan exhibitions and activities with greater certainty. The additional space provided by Pierce Mill will permit the exhibition of even more art work, benefiting the general public and local artists alike.

Mr. President, I am pleased to recommend Senate passage of this worthwhile, noncontroversial legislation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1790) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1790

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in furtherance of section 2(e) of the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (49 Stat. 656; 16 U.S.C. 462(e)), and in order to preserve for the benefit and inspiration of the people of the United States the Art Barn and the Pierce Mill located in Rock Creek Park within the District of Columbia, the Secretary of the Interior is authorized to enter into contracts or cooperative agreements with the Art Barn Association to assist in the preservation and interpretation of the barn and mill.

(b) Pursuant to subsection (a) and subject to such terms and conditions as the Secretary of the Interior may prescribe, funds appropriated to the Secretary of the Interior for operation and maintenance of the Art Barn and Pierce Mill may be made available to the Art Barn Association.

(c) The authority of the Secretary to enter into contracts and cooperative agreements pursuant to this Act shall expire five years after the date of enactment of this Act.

TRANSFER OF LANDS TO NEW MEXICO STATE UNIVERSITY

The Senate proceeded to consider the bill (S. 1859) for the transfer of certain interests in lands in Dona Ana County, NM, to New Mexico State University, Las Cruces, NM, which had been reported from the Committee on Energy and Natural Resources with amendments.

(The parts intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

S. 1859

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to valid existing rights and except as provided in section 2, the Secretary of the Interior is authorized and directed to convey to the New Mexico State University, Las Cruces, New Mexico, **[**at no cost,**]** *at a cost of $2.50 per acre,* all right, title and interest of the United States in and to the following described public lands aggregating approximately 5,711.39 acres in Dona Ana County, New Mexico, to be used for the purpose of conducting educational, demonstrative, and experimental development with livestock, grazing methods, and range forage plants and other agricultural related research:

NEW MEXICO PRINCIPAL MERIDIAN

Township 20 South, Range 1 East

Secs. 16, 32, and 36 all.

Township 21 South, Range 1 East

Sec. 2, and 16 all.

Township 20 South, Range 1 West

Sec. 2, and 16 all;

Sec. 26, north half northeast quarter, northeast quarter northwest quarter;

Sec. 32, north half, north half southwest quarter, north **[**half southeast quarter, southeast quarter; and**]** *half southeast quarter, southeast quarter southeast quarter; and*

Sec. 36, all.

SEC. 2. There are reserved to the United States all minerals that may be found in the lands described in the first section, together with the right of the United States, its permittees, lessees, or grantees, at any time, to prospect for, mine and remove such minerals.

SEC. 3. In the event that the lands described in the first section, or any part thereof, are used for any purpose other than those for which conveyance is authorized, title to the entire tract shall immediately revert to the United States without the necessity for further action to accomplish the reversion of title to the United States.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HARRY R.E. HAMPTON VISITOR CENTER

The Senate proceeded to consider the bill (S. 1889) to amend the act authorizing the establishment of the Congaree Swamp National Monument to provide that at such time as the principal visitor center is established, such center shall be designated as the "Harry R.E. Hampton Visitor Center."

Mr. THURMOND. Mr. President, I am pleased that the Senate is today considering S. 1889, a bill to amend the act authorizing the establishment of the Congaree Swamp National Monument to provide that, at such time as the principal visitor center is established, such center shall be designated as the "Harry R.E. Hampton Visitor Center." I strongly support this legislation, which was introduced by me on September 27, 1983.

Mr. President, Harry Rutledge Elliott Hampton is unquestionably one of South Carolina's greatest naturalists. Born near Columbia, SC, on July 8, 1897, Harry Hampton devoted much of his life to the cause of conservation. Although his life came to an end in 1980, his tireless efforts to promote wise management of our natural resources will not soon be forgotten.

After earning a Bachelor of Arts degree in English from the University of South Carolina, Harry Hampton worked as a reporter, columnist, and coeditor for The State newspaper, writing his "Woods and Water" column for more than 30 years. In 1931, he helped create the South Carolina Game and Fish Association, and was later active in the formation of the State's Wildlife and Marine Resources Department.

His efforts on behalf of the Congaree Swamp began in 1954. For more than 20 years, Harry Hampton attended meetings, made speeches, wrote articles, and personally escorted people into the Swamp to observe and document trees, birds, and other wildlife. Due in part to his efforts, public awareness and support for protecting and preserving the Congaree Swamp rapidly grew. These diligent educational efforts culminated in congressional passage of legislation in 1976 establishing the Congaree Swamp National Monument. I was pleased to author this bill in the Senate and recall that we worked hard to achieve its enactment in the waning days of the 94th Congress.

Mr. President, it is entirely fitting that, when completed, the visitor center in Congaree Swamp National Monument be named after this man who devoted so much of his life to making this area accessible to the American people. I am pleased that this legislation has the support of the Reagan administration, and was favorably reported by the Energy and Natural Resources Committee on a vote of 20 yeas to 0 nays.

I commend this bill to my Senate colleagues, and invite them to join me in supporting its passage.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 1889) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Act approved October 18, 1976 (90 Stat. 2517), is amended by adding at the end the following new subsection:

"(c) At such time as the principal visitor center at such monument is established, such center shall be designated as the "Harry R. E. Hampton Visitor Center".

CONVEYANCE OF LAND TO BRIGHAM CITY, UT

The Senate proceeded to consider the bill (S. 2036) to require the Secretary of the Interior to convey to the city of Brigham City, UT, certain land and improvements in Box Elder County, UT, which had been reported from the Committee on Energy and Natural Resources with amendments.

(The parts intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

S. 2036

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That **[**(a)**]** notwithstanding section 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1719), when the Secretary of the Interior ceases to use the **[**land described in subsection (b)**]** *remaining Federal property at the Intermountain Indian Boarding School* for Indian school purposes he shall *publish the legal description of such property in the Federal Register, and shall* convey, by quitclaim deed and without consideration, to the city of Brigham City, Utah, all right, title, and interest of the United States in and to such land, including any improvements thereon.

[(b) The real property to be conveyed under subsection (a) is located in Box Elder County, Utah, and is described as follows:

Part of the northwest quarter section 30 township 9 north, range 1 west, Salt Lake base line and meridian, and part of the east half section 25, and the southeast quarter section 24 township 9 north, range 2 west, Salt Lake base line and meridian.

Beginning at a point of record on the west boundary of a parcel of land deeded to Brigham City Corporation in April 1983. Said point east 410.02 feet; south 15.52 feet; and south 0 degree 11 minutes 40 seconds west 511.91 feet from the northwest corner of section 30. Said point being further described as the southeast property corner of a parcel of land deeded to Box Elder County School District February of 1959 and recorded in book 123 page 450 of county records;

thence southerly along the westerly boundary of said city property the following seven courses: south 9 degrees 04 minutes 31 seconds west 627.78 feet; south 00 degrees 13 minutes 25 seconds west 748.53 feet; south 88 degrees 24 minutes 03 seconds west 623.38 feet; south 1 degree 38 minutes 23 seconds west 733.60 feet; south 61 degrees 29 minutes 28 seconds west 169.97 feet; south 89 degrees 36 minutes 03 seconds west 849.77 feet; south 73 degrees 31 minutes 13 seconds west 611.20 feet to the north boundary of a parcel of land deeded to Brigham City Corporation May 1977 and recorded in book 292 page 503 of county records;

thence north 89 degrees 56 minutes 56 seconds east (record north 89 degrees 56 minutes 00 seconds west) 648.59 feet to the easterly right of way of Highway 89 91 (Main Street);

thence northerly along easterly right of way of said highway 3,022.95 feet to the southerly right of way of 700 South Street;

thence south 88 degrees 25 minutes 11 seconds east 2,225.92 feet along the southerly right of way of said street, to the northwest property corner of said Box Elder County School District property;

thence south 00 degrees 11 minutes 40 seconds west (record south 00 degrees 19 minutes 30 seconds east) 578.85 feet to the southwest corner of said property;

thence south 89 degrees 48 minutes 20 seconds east (record north 89 degrees 40 minutes 30 seconds east) 756.76 feet to point of beginning. Containing 169.26 acres more or less.

SEC. 2. (a) Nothwithstanding section 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1719), the Secretary of the Interior shall, in addition to the proptery conveyed in the first section, convey by quitclaim deed and without consideration, to the city of Brigham City, Utah, all right, title, and interest of the United States in and to the real property described in subsection (b), including any improvements thereon.

(b) The real property to be conveyed under subsection (a) is located in Brigham City, Box Elder County, Utah, and is described as follows:

Part of the northwest quarter of section 30, township 9 north, range 2 west, Salt Lake base line and meridian.

Beginning at a point on the north line of section 30, said point being north 89 degrees 30 minutes 00 seconds east 410.46 feet from the northwest corner of said section, thence north 89 degrees 30 minutes 00 seconds east 1,224.24 feet along the section line to the westerly right-of-way line of Weber Box Elder Canal;

thence south 30 degrees 32 minutes 00 seconds east along said right-of-way 69.41 feet to a point referred to in book 369 page 578 of county records as the southeast corner of Brigham City Corporation property;

thence south 89 degrees 30 minutes 00 seconds west 350.0 feet being further described of record as north 89 degrees 54 minutes 32 seconds west 350.0 feet;

thence north 86 degrees 59 minutes 34 seconds west 711.18 feet being further described of record as north 86 degrees 24 minutes 06 seconds west 711.18 feet;

thence south 89 degrees 30 minutes 00 seconds west 199.18 feet to school board's east proptery line being further described of record as north 89 degrees 54 minutes 32 seconds west 192.39 feet;

thence north 00 degrees 19 minutes 30 seconds west 16.58 feet, to point of beginning containing 1.14 acres more or less.]

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LAND CONVEYANCE TO PAYSON, AZ

The bill (S. 598) to authorize a land conveyance from the Department of Agriculture to Payson, AZ, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 598

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of Agriculture is authorized to transfer, without consideration, to the town of Payson, Arizona, the following described parcel:

A parcel of land entirely within the south half of the southeast quarter of the southeast quarter of the southeast quarter, of section 5, township 10 north, range 10 east, Gila and Salt River base and meridian, Payson, Gila County, Arizona, more particularly described as follows: commencing at the common corner of sections 4, 5, 8, and 9, township 10 north, range 10 east, Gila and Salt River base and meridian;

thence north 89 degrees 56 minutes west, along the south line of section 5, a distance of 164.47 feet to the true point of beginning;

thence continuing north 89 degrees 56 minutes west, along the south line of section 5, a distance of 337.13 feet;

thence north 13 degrees 33 minutes 08 seconds east, a distance of 223.16 feet, to a point on the south right-of-way line of West Main Street;

thence south 74 degrees 10 minutes 23 seconds east, along the sough right-of-way line of West Main Street, a distance of 145.02 feet;

thence south 43 degrees 09 minutes east, along the south right-of-way line of West Main Street, a distance of 243.72 feet;

thence north 89 degrees 56 minutes west, along the south right-of-way line of West Main Street, a distance of 21.36 feet, to the true point of beginning.

The above described parcel of land contains 1.10 acres, more or less.

SEC. 2. (a) The property described in the first section shall be used for the preservation and display of articles of historical significance. If the property is not used for historical purposes, title to such property shall revert to the United States.

(b) Subject to the use restrictions provided in subsection (a), the town of Payson, Arizona, may provide for the administration of the property by the Northern Gila County Historical Society.

EXCHANGE OF CERTAIN LANDS IN SOUTH CAROLINA

The Senate proceeded to consider the bill (S. 648) to facilitate the exchange of certain lands in South Carolina.

Mr. THURMOND. Mr. President, I rise today in support of S. 648, a bill to facilitate an exchange between the U.S. Forest Service and the South Carolina Public Service Authority of certain lands located in South Carolina.

Mr. President, the South Carolina Public Service Authority operates the Santee-Cooper hydroelectric and navigation project, which is located in my home State of South Carolina, under a license issued by the Federal Energy Regulatory Commission. The project has a long and interesting history, and has contributed substantially to the economic growth and well-being of our State. For the benefit of my colleagues in the Senate who might not be as familiar with the history and importance of the Santee-Cooper project, I ask unanimous consent that an article appearing in the July–August 1984 edition of Public Power magazine entitled, "Dreams and Muscle Made Santee-Cooper," be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, enactment of the pending legislation, which I introduced on March 2, 1983, would make possible a land exchange that will benefit both the U.S. Forest Service and the South Carolina Public Service Authority. The Forest Service and the Authority have for some time agreed upon an exchange, whereby the authority would convey to the Forest Service 210 acres of productive forest land located directly across from the Forest Service headquarters in the Francis Marion National Forest, in return for approximately 1,276 acres of inundated land located within the Santee-Cooper project boundaries—land that is of no value to the Forest Service.

Although this proposed exchange received approval by the Federal Energy Regulatory Commission, the Commission has advised the Forest Service that it lacks authority to vacate the power withdrawal which has attached to the inundated land under section 24 of the Federal Power Act (16 U.S.C. section 818). Therefore, the authority would have to continue paying the

annual charge, even if it acquired fee title to the inundated lands. Not surprisingly, the authority is unwilling to exchange any lands with the Forest Service if it would have to continue paying rent for the land received in the exchange.

The legislation being considered by the Senate today would relieve the Authority of the obligation to pay rent to the Federal Government on the land which would be conveyed to the Authority, and thereby make possible the proposed exchange, which all concerned recognize as beneficial. I commend S. 648 to my colleagues, and invite them to join Senator HOLLINGS and me in supporting its adoption.

EXHIBIT 1

DREAMS AND MUSCLES MADE SANTEE COOPER

(By Jerry L. Stafford)

MONCKS CORNER, SC.—Fifty years ago South Carolina created its Public Service Authority to build and operate the Santee-Cooper Hydroelectric and Navigation Project. Since then the nation's first hydro project built in a tidal area has grown into a major energy and economic resource for the state.

The beginnings were not without struggle and opposition. Many private interests in the state simply did not want public power since it would be more economical and thus present potential competition for private power.

This was before the Great Depression. Much of rural South Carolina was still dark at night. Private utilities did not serve sparsely populated rural areas. But the need was here and Santee Cooper was created to meet it.

The idea that led to Santee Cooper's eventual creation originated in the 1920s with T. C. Williams, a Columbia businessman. He had a dream of building a lowland hydroelectric and navigation project that would connect the Santee and Cooper rivers and eventually provide inexpensive power to rural and urban areas of South Carolina. Williams' dream would create the first diversion in America of one river to another for power generation, navigation and flood control.

Critics enlisted scientists and engineers who scoffed at the idea and said it would not work. The dams and dikes would literally not hold water, they declared; it would all run out through the underground aquifer. Besides, they said, if they did hold water and it did work, all that electricity would never be sold.

The public was skeptical and Williams was ridiculed. Yet he and a growing cadre of public power supporters steadfastly pressed for development of the Santee Cooper project. The legislature, finally convinced, passed the enabling legislation in 1934.

The new law created the Public Service Authority and described plans for the hydroelectric and navigation project to be developed. This included "developing the Cooper, Santee, and Congaree rivers for interstate and intrastate commerce; the production, distribution, and sale of electric power; the reclamation and drainage of swampy and flooded land; and the reforestation of lands around its lakes."

More importantly, the legislation set forth a charter for the utility to operate in all respects "for the benefit of all the people of the state of South Carolina, for the improvement of their health and welfare and material prosperity."

The enabling act authorized the project, but the state did not fund either construction or operation. Nevertheless, guided by the persistence of Public Service Authority officials led by Chairman Burnet R. Maybank (later to become governor and U.S. senator) and others, believers sought funds. They filled special trains for Washington. With the stalwart leadership of such South Carolinians as Edgefield County Sen. Strom Thurmond, a coauthor of the enabling legislation who was also to become governor and a U.S. senator, a convincing case was made to federal officials.

A $48 million federal loan and grant was obtained the following year through President Franklin D. Roosevelt's Public Works Administration (WPA). The need to get people off relief rolls and back to work coincided with the need to build the project.

Construction remained only a dream for the next three years. Three private power companies in the state filed suits to block construction. Those disputes were resolved by the U.S. Supreme Court on May 23, 1938, when it upheld the authority's right to construct and operate the Santee Cooper system as authorized.

PROJECT WAS MASSIVE

When clearing and construction began, it was fast and furious, as if making up for those three years of lost time. Thousands of persons from every county in the state were taken off the relief rolls and put to work on the massive clearing operation.

No modern machinery shaped the massive project; it was muscles and mules. The policy was to use workers and mules even if a task could be accomplished with modern equipment.

At peak construction more tha 12,000 persons were employed clearing more than 225 square miles of swamplands in Berkeley, Clarendon, Orangeburg, Sumter and Calhoun countries. More than 40 million cubic yards of earth were removed to create Lakes Marion and Moultrie, and construction included 41 miles of dams and dikes, a seven-mile diverson canal, a powerhouse and a 75-foot lock at the Pinopolis Dam.

The project was massive in every respect. It required purchase of 1,326 separate tracts of land; resettlement of 901 families; relocation of more than 6,000 graves; and removal of more than 49 million board feet of timber from the Santee Swamp alone.

WAR SPEEDED PROJECT

Lakes Marion and Moultrie differ greatly in their topography, due primarily to the sudden arrival of World War II. The clearing would have been completed in Lake Marion, which lagged behind Lake Moultrie, if it had not been for the involvement of the United States in the war. President Roosevelt declared Santee Cooper a national defense project on June 27, 1941, and, four and one-half months later, ordered the clearing stopped and the lakes immediately filled to generate power to support the war effort. The first turbine tests at the new powerhouse began eight days after the bombing of Pearl Harbor.

An early Santee Cooper annual report described the final stages of completion for the project this way:

"On May 15, 1941, the mighty Santee was stopped on its wasteful surge toward the sea and the impoundment of an average of 12 billion gallons of water a day began. On Feb. 17, 1942, 165,000 acres of reservoir space was filled and the order given for the huge gantry crane atop the powerhouse to lift the stop gates and let in the power which upon that date began to spin out a golden flow of new wealth for the state who owns and operates it."

Less than three years after the clearing had begun, power was delivered to the first Santee Cooper customer—Pittsburgh Metallurgical Co. in Charleston, a producer of armor plating used during the war.

The Santee Cooper project was also developed for navigation and flood control. The full potential for navigation—from Columbia to Charleston—was never realized, however, because of the lack of demand for barge shipping coupled with the extreme costs which would be necessary to maintain a sufficient channel depth in the Congaree River.

Flood control, on the other hand, has been a major accomplishment of Santee Cooper. Flooding along the 15,000-mile Santee River watershed has been reduced by 75 percent.

THREE FOURTHS OF STATE SERVED

However, Santee Cooper's primary purpose has been to produce the electricity which is vital to the economic growth of the entire state. Today, Santee Cooper generates annually more than 3.4 billion kWh of electricity, which flows to more than 375,000 consumers throughout more than three-fourths of the state. About 65,000 of those power users are residential and commercial customers served directly by Santee Cooper in Berkeley, Horry and Georgetown counties. More than 310,000 customers who use Santee Cooper power have it delivered to them by two municipal power departments and 15 electric cooperatives.

It was through the distribution lines of those 15 rural electric cooperatives that Santee Cooper power lighted homes in 35 of the state's 46 counties. In 1961, a large gathering of state officials, media representatives and local residents on Sandy Island, near Georgetown, watched Santee Cooper officials throw the switch to bring electricity and modern living to that last dark corner of the state.

Other Santee Cooper customers include three military installations—Charleston Air Force Base, Charleston Navy Base, and Myrtle Beach Air Force Base—and more than 25 large industries. The system's industrial customers produce aluminum, steel, paper, chemicals, wood products, cement, textiles, solid-state electronics, carbon electrodes, and gaseous air products.

To generate the electricity demanded by a growing number of customers, Santee Cooper added new forms of generation to its hydroelectric base with oil, coal and nuclear fuel sources. From its initial generating capacity of 128,000 kW at the Jefferies Hydro Station in 1942, Santee Cooper's capacity has increased more than 2,000 percent—to 2.7 million kW in 1984.

RESOURCEFULNESS A CHARACTERISTIC

Santee Cooper takes pride in its innovative and energy-saving activities, not all of which are related to power generation. Efforts include its new economic development program, under which incentives are offered to new or expanding industries. Industries can get a discount, based on the number of new jobs created.

To save millions of dollars annually on generation, Santee Cooper purchased railroad cars to ship coal from mines in eastern Kentucky to its generating stations. And to save even more, Santee Cooper became the

first utility in the nation to use rail cars made of lightweight aluminum.

Aquatic management is a natural for Santee Cooper because Lakes Marion and Moultrie are recreational resources, in addition to their value for generation, navigation and flood control. Maintaining water quality is a commitment that includes year-round monitoring and seasonal battles to control noxious aquatic weeds.

Santee Cooper is looking at ways to use more of the heat usually lost in the generating process for additional energy applications. At one generating station, heat extracted from the cooling cycle of the plant is used in an aquaculture program to raise tropical fish stocked in small ponds and reservoirs to maintain weed control. At another generating facility, a horticulture program uses heat discharged through the cooling cycle to heat a two-and-a-half acre greenhouse in which cut plants and vegetables will be commercially raised.

The cement used in construction of the last two generating stations built was mixture of cement and fly ash—a by-product of the combustion process. That fine gray powder was transformed from an annoying liability into an asset, thanks to modern techniques employed by one of Santee Cooper's industrial customers, Santee Portland Cement Corp. of Holly Hill.

In the past 50 years, Santee Cooper has developed as a major energy and economic resource throughout its service area. The state authority has lived up to the commitment of its founders to "improve the quality of life in South Carolina."

The PRESIDING OFFICER. The bill is before the Senate and open to amendment.

If there be no amendment, the question is on the engrossment and third reading of the bill.

The bill (S. 648) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no charge shall be made under section 10(e) of the Federal Power Act (16 U.S.C. 803(e) (1976)) for the use of any interest of the United States in lands lying within the boundary of the South Carolina Public Service Authority's Santee-Cooper hydroelectric project (Federal Energy Regulatory Commission licensed project numbered 199) which pursuant to a Commission determination under section 24 of the Federal Power Act (16 U.S.C. 818 (1976)) are hereafter conveyed by the United States directly to the licensee for that project subject to the power reservation in said section 24, if the head of the Federal agency conveying the lands advises the Commission that it has received adequate consideration in lieu of annual charges.

CONTROL OF THE LAMPREY EEL IN THE PERE MARQUETTE RIVER

The Senate proceeded to consider a bill (S. 2732) to amend the Wild and Scenic Rivers Act to permit the control of the lamprey eel in the Pere Marquette River and to designate a portion of the Au Sable River, Michigan, as a component of the National Wild and Scenic Rivers System.

Mr. McCLURE. Mr. President, committee does not intend that this measure (S. 2732) authorize any additional budget authority for fiscal year 1985 than that already available to the Department of Agriculture and the Department of the Interior. The committee intends that if any fiscal year 1985 costs are incurred from implementation of the bill that they will be absorbed within funds otherwise available to the Department of Agriculture and the Department of the Interior.

Mr. LEVIN. Mr. President, I am pleased the Senate has agreed to passage of S. 2732, legislation which designates 23 miles of the Au Sable River as wild and scenic and authorizes the construction of a low-scale weir across one section of the Pere Marquette River to control the spawning of the lamprey eel.

The Senate Energy Committee recently passed this legislation unanimously and the administration also supports passage of the bill. During committee hearings on S. 1084, which contained the provisions in this bill, testimony in support of the designation of the 23 miles of the Au Sable River was presented by a Michigan resident and member of the Sierra Club.

The lamprey eel is a predatory fish that is destroying the game and commercial fish in the Great Lakes. Effective lamprey controls are essential to prevent the loss of the million dollar fishing industry in Lake Michigan. Since the section of the Pere Marquette River in which the weir is to be built is part of the National Wild and Scenic Rivers Act, any activity or structure which would interrupt the free-flowing nature of a designated wild or scenic river is prohibited. This necessitates the authorization for construction in the bill. The weir or dam will be constructed with a gap in the middle large enough to allow a canoe to pass through, and will allow the river to flow freely for 10 months out of the year. The gap will be closed during the spawning run, thus blocking passage of the eel. Construction of the dam is certainly a better alternative to control the lamprey eel than use of chemicals which is harmful to other forms of aquatic life in the Pere Marquette. In addition, the use of chemicals is also expensive.

The 23 miles of Au Sable River designated for inclusion in the National Wild and Scenic Rivers System, is an outstanding recreational and fishing segment of the river. The designation represents a compromise between land-owners and Forest Service recommendations.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2732) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2732

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a)(16) of the Wild and Scenic Rivers Act is amended by adding the following sentence at end thereof: "Notwithstanding any other provision of this Act, the installation and operation of facilities or other activities within or outside the boundaries of the Pere Marquette Wild and Scenic River for the control of the lamprey eel shall be permitted subject to such restrictions and conditions as the Secretary of Agriculture may prescribe for the protection of water quality and other values of the river, including the wild and scenic characteristics of the river.".

SEC. 2. Section 3(a) of the Wild and Scenic Rivers Act is amended by adding at the end thereof the following:

"(51) Au Sable, Michigan.—The segment of the main stem from the project boundary of the Mio Pond project downstream to the project boundary at Alcona Pond project as generally depicted on a map entitled 'Au Sable River' which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture; to be administered by the Secretary of Agriculture.".

Mr. STEVENS. Mr. President, I move to reconsider en bloc the votes by which the various bills were passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BUDGET ACT WAIVER

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate Calendar No. 947, which is Senate Resolution 387, the Budget Act Waiver to accompany Calendar 812, which is S. 1868.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state it.

The assistant legislative clerk read as follows:

A Senate resolution (S. Res. 387) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1868.

Mr. STEVENS. I ask for the adoption of the Budget Waiver.

The resolution (S. Res. 387) was considered and agreed to as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1868, a bill to add $2,000,000 to the budget ceiling for new acquisitions at Sleeping Bear Dunes National Lakeshore. S. 1868, as reported, authorizes the enactment of new budget authority which would first become available in fiscal year 1984.

The waiver of section 402(a) of such Act is necessary to permit congessional consideration of S. 1868. Such bill was not reported

on or before May 23, 1983, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

Mr. STEVENS. I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SLEEPING BEAR DUNES NATIONAL LAKESHORE

Mr. STEVENS. Mr. President, I ask that the Senate proceed immediately to the consideration of Senate Calendar Order No. 812, which is S. 1868.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1868) to add $17,996,558 to the budget ceiling for new acquisitions at Sleeping Bear Dunes National Lakeshore.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources with amendments as follows:

On page 1, line 6, strike "is" and insert "as amended is further".

On page 2, line 1, strike "$66,153,000" and insert "$82,149,558".

So as to make the bill read:

S. 1868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 15 of the Act entitled "An Act to establish in the State of Michigan the Sleeping Bear Dunes National Lakeshore, and for other purposes", approved October 21, 1970 (Public Law 91-479; 16 U.S.C. 460x-14), as amended, is further amended by striking out "$82,14 9,558" and inserting in lieu thereof "$84,149,558".

Amend the title so as to read: "A bill to add $2,000,000 to the budget ceiling for new acquisitions at Sleeping Bear Dunes National Lakeshore.".

Mr. STEVENS. Mr. President, I move adoption of the committee amendments.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. LEVIN. Mr. President, I am pleased the Senate is about to pass S. 1868, to raise the budget ceiling for acquisiton of land in Sleeping Bear National Lakeshore in Michigan.

Although the bill does not specify what properties would be acquired by raising the authorization ceiling, it has been generally agreed to by all parties that the acquisition targeted by this bill is the Miller Hill area of Sleeping Bear. Miller Hill is already included in the park, but the current authorization ceilling is not large enough to acquire this property. S. 1868 authorizes the Park Service to make purchases in the Miller Hill area. An owner in the Miller Hill area is anxious to sell his property to the Park Service and has threatened to develop the land. Of all the areas in the park that were considered as possible candidates for inclusion in the park, Miller Hill was considered to be the finest remaining scenic area left outside the park. Visitors to Sleeping Bear can see Miller Hill from within the park and development of this area would greatly affect the quality of Sleeping Bear.

It is good to see that the Senate is acting today to maintain the quality of Sleeping Bear National Lakeshore.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as amended.

The title was amended so as to read "A bill to add $2,000,000 to the budget ceiling for new acquisitions at Sleeping Bear Dunes National Lakeshore.".

Mr. STEVENS. I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALIFORNIA WILDERNESS ACT OF 1984

Mr. STEVENS. Mr. President, I ask the Chair to lay before the Senate Calendar No. 1107, the California Wilderness Act of 1983.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1437), entitled "The California Wilderness Act of 1983."

The Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources with an amendment to strike all after the enacting clause and insert:

That this title may be cited as the "California Wilderness Act of 1984".

TITLE I

DESIGNATION OF WILDERNESS

SEC. 101. (a) In furtherance of the purposes of the Wilderness Act, the following lands, as generally depicted on maps, appropriately referenced, dated July 1980 (except as otherwise dated) are hereby designated as wilderness, and therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the Lassen National Forest, California, which comprise approximately one thousand eight hundred acres, as generally depicted on a map entitled "Caribou Wilderness Additions—Proposed", and which are hereby incorporated in, and which shall be deemed to be a part of the Caribou Wilderness as designated by Public Law 88-577;

(2) certain lands in the Stanislaus and Toiyabe National Forests, California, which comprise approximately one hundred sixty thousand acres, as generally depicted on a map entitled "Carson-Iceberg Wilderness—Proposed", dated July 1984, and which shall be known as the Carson-Iceberg Wilderness: Provided, however, That the designation of the Carson-Iceberg Wilderness shall not preclude continued motorized access to those previously existing facilities which are directly related to permitted livestock grazing activities in the Wolf Creek Drainage on the Toiyabe National Forest in the same manner and degree in which such access was occurring as of the date of enactment of this title;

(3) certain lands in the Shasta Trinity National Forest, California, which comprise approximately seven thousand three hundred acres, as generally depicted on a map entitled "Castle Crags Wilderness—Proposed", and which shall be known as the Castle Crags Wilderness;

(4) certain lands in the Shasta Trinity National Forest, California, which comprise approximately eight thousand two hundred acres, as generally depicted on a map entitled "Chanchelulla Wilderness—Proposed", and which shall be known as the Chanchelulla Wilderness;

(5) certain lands in the Angeles National Forest, California, which comprise approximately four thousand four hundred acres, as generally depicted on a map entitled "Cucamonga Wilderness Additions—Proposed", dated July 1984, and which are hereby incorporated in, and which shall be deemed to be a part of the Cucamonga Wilderness as designated by Public Law 88-577;

(6) certain lands in the Los Padres National Forest, which comprise approximately sixty-four thousand seven hundred acres, as generally depicted on a map entitled "Dick Smith Wilderness—Proposed", dated July 1984, and which shall be known as Dick Smith Wilderness: Provided, That the Act of March 21, 1968 (82 Stat. 51), which established the San Rafael Wilderness is hereby amended to transfer four hundred and thirty acres of the San Rafael Wilderness to the Dick Smith Wilderness and establish a line one hundred feet north of the centerline of the Buckhorn Fire Road as the southeasterly boundary of the San Rafael Wilderness, as depicted on a map entitled "Dick Smith Wilderness—Proposed", and wherever said Buckhorn Fire Road passes between the San Rafael and Dick Smith Wildernesses and elsewhere at the discretion of the Forest Service, it shall be closed to all motorized vehicles except those used by the Forest Service for administrative purposes;

(7) certain lands in the Sierra National Forest, California, which comprise approximately thirty thousand acres, as generally depicted on a map entitled "Dinkey Lakes Wilderness—Proposed", and which shall be known as the "Dinkey Lakes Wilderness: Provided, That within the Dinkey Lakes Wilderness the Secretary of Agriculture shall permit nonmotorized dispersed recreation to continue at a level not less than the level of use which occurred during calendar year 1979;

(8) certain lands in the Sequoia National Forest, California, which comprise approximately thirty-two thousand acres, as generally depicted on a map entitled "Domeland Wilderness Additions—Proposed", dated March 1983, and which are hereby incorporated in, and which shall be deemed to be a part of the Domeland Wilderness as designated by Public Law 88-577;

(9) certain lands in the Stanislaus National Forest, California, which comprise approximately six thousand one hundred acres, as generally depicted on a map entitled "Emigrant Wilderness Additions—Proposed", and which are hereby incorporated

in, and which shall be deemed to be a part of the Emigrant Wilderness as designated by Public Law 93-632;

(10) certain lands in the Tahoe National Forest, California, which comprise approximately twenty-five thousand acres, as generally depicted on a map entitled "Granite Chief Wilderness—Proposed", dated July 1984, and which shall be known as the Granite Chief Wilderness;

(11) certain lands in the Cleveland National Forest, California, which comprise approximately eight thousand acres, as generally depicted on a map entitled "Hauser Wilderness—Proposed"; and which shall be known as the Hauser Wilderness;

(12) certain lands in and adjacent to the Lassen National Forest, California, which comprise approximately forty-one thousand eight hundred forty acres as shown on a map entitled "Ishi Wilderness—Proposed", and which shall be known as the Ishi Wilderness;

(13) certain lands in the Sierra National Forest, California, which comprise approximately eighty-one thousand acres, as generally depicted on a map entitled "John Muir Wilderness Additions, Sierra National Forest—Proposed", dated February 1983, and which are hereby incorporated in, and which shall be deemed to be a part of the John Muir Wilderness as designated by Public Law 88-577: Provided, That the Secretary of Agriculture is authorized to modify the boundaries of the John Muir Wilderness Additions and the Dinkey Lakes Wilderness as designated by this Act in the event he determines that portions of the existing primitive road between the two wilderness areas should be relocated for environmental protection or other reasons. Any relocated wilderness boundary shall be placed no more than three hundred feet from the centerline of any new primitive roadway and shall become effective upon publication of a notice of such relocation in the Federal Register;

(14) certain lands in the Klamath National Forest, California, which comprise approximately twenty-eight thousand acres, as generally depicted on a map entitled "Marble Mountain Wilderness Additions—Proposed", dated July 1984, and which are hereby incorporated in, and shall be deemed to be a part of the Marble Mountain Wilderness as designated by Public Law 88-577;

(15) certain lands in the Sierra and Inyo National Forests, California, which comprise approximately nine thousand acres, as generally depicted on a map entitled "Minarets Wilderness Additions—Proposed", and which are hereby incorporated in, and which shall be deemed to be a part of the Minarets Wilderness as designated by Public Law 88-577: Provided, That the existing Minarets Wilderness and additions thereto designated by this title henceforth shall be known as the Ansel Adams Wilderness;

(16) certain lands in the Eldorado, Stanislaus, and Toiyabe National Forests, California, which comprise approximately fifty-five thousand acres, as generally depicted on a map entitled "Mokelumne Wilderness Additions—Proposed", dated July 1984, and which are hereby incorporated in, and which shall be deemed to be a part of the Mokelumne Wilderness as designated by Public Law 88-577;

(17) certain lands in the Sierra and Sequoia National Forests, California, which comprise approximately forty-five thousand acres, as generally depicted on a map entitled "Monarch Wilderness—Proposed", dated July 1984, and which shall be known as the Monarch Wilderness;

(18) certain lands in the Shasta Trinity National Forest, California, which comprise approximately thirty-seven thousand acres, as generally depicted on a map entitled "Mt. Shasta Wilderness—Proposed", dated July 1984, and which shall be known as Mt. Shasta Wilderness;

(19) certain lands in the Six Rivers National Forest, California, which comprise approximately eight thousand one hundred acres, as generally depicted on a map entitled "North Fork Wilderness—Proposed", and which shall be known as the North Fork Wilderness;

(20) certain lands in the Cleveland National Forest, California, which comprise approximately thirteen thousand one hundred acres, as generally depicted on a map entitled "Pine Creek Wilderness—Proposed", and which shall be known as the Pine Creek Wilderness;

(21) certain lands in the Rogue River National Forest, California, and Oregon, which comprise approximately sixteen thousand five hundred acres, as generally depicted on a map entitled "Red Buttes Wilderness Additions—Proposed", dated July 1984, and which are hereby incorporated in, and which shall be deemed to be a part of the Red Buttes Wilderness as designated by Public Law 98-328;

(22) certain lands in the Klamath National Forest, California, which comprise approximately twelve thousand acres, as generally depicted on a map entitled "Russian Peak Wilderness—Proposed", and which shall be known as the Russian Peak Wilderness;

(23) certain lands in the San Bernardino National Forest, California, which comprise approximately twenty-one thousand five hundred acres, as generally depicted on a map entitled "San Gorgonio Wilderness Additions—Proposed", and which are hereby incorporated in, and which shall be deemed to be a part of the San Gorgonio Wilderness as designated by Public Law 88-577;

(24) certain lands in the San Bernardino National Forest, California, which comprise approximately ten thousand nine hundred acres, as generally depicted on a map entitled "San Jacinto Wilderness Additions—Proposed", and which are hereby incorporated in, and which shall be deemed to be a part of the San Jacinto Wilderness as designated by Public Law 88-577: Provided, however, That the Secretary of Agriculture may pursuant to an application filed within 10 years of the date of enactment of this title, grant a right-of-way for, and authorize construction of, a transmission line or lines within the area depicted as "potential powerline corridor" on the map entitled "San Jacinto Wilderness Additions—Proposed": Provided further, That if a power transmission line is constructed within such corridor, the corridor shall cease to be a part of the San Jacinto Wilderness and the Secretary of Agriculture shall publish notice thereof in the Federal Register;

(25) certain lands in the Sierra and Inyo National Forests and the Devils Postpile National Monument, California, which comprise approximately one hundred and ten thousand acres, as generally depicted on a map entitled "San Joaquin Wilderness—Proposed", and which shall comprise a portion of the Ansel Adams Wilderness established pursuant to subparagraph (a)(15) of this section: Provided, however, That nothing in this title shall be construed to prejudice, alter, or affect in any way, any rights or claims of right to the diversion and use of waters from the North Fork of the San Joaquin River, or in any way to interfere with the construction, maintenance, repair, or operation of a hydroelectric project similar in scope to the Jackass-Chiquito hydroelectric power project (or the Granite Creek-Jackass alternative project) as initially proposed by the Upper San Joaquin River Water and Power Authority: Provided further, That the designation of the San Joaquin Wilderness shall not preclude continued motorized access to those previously existing facilities which are directly related to permitted livestock grazing activities nor operation and maintenance of the existing cabin located in the vicinity of the Heitz Meadow Guard Station within the Ansel Adams Wilderness, in the same manner and degree in which such access and operation and maintenance of such cabin were occurring as of the date of enactment of this title;

(26) certain lands in the Cleveland National Forest, California, which comprise approximately thirty-nine thousand five hundred and forty acres, as generally depicted on a map entitled "San Mateo Canyon Wilderness—Proposed", and which shall be known as the San Mateo Canyon Wilderness;

(27) certain lands in the Los Padres National Forest, California, which comprise approximately two thousand acres, as generally depicted on a map entitled "San Rafael Wilderness Additions—Proposed", and which are hereby incorporated in, and which shall be deemed to be a part of the San Rafael Wilderness as designated by Public Law 90-271;

(28) certain lands in the San Bernardino National Forest, California, which comprise approximately twenty thousand one hundred and sixty acres, as generally depicted on a map entitled "Santa Rosa Wilderness—Proposed", and which shall be known as the Santa Rosa Wilderness;

(29) certain lands in the Angeles and San Bernardino National Forests, California, which comprise approximately forty-three thousand six hundred acres, as generally depicted on a map entitled "Sheep Mountain Wilderness—Proposed", dated July 1984, and which shall be known as Sheep Mountain Wilderness;

(30) certain lands in the Six Rivers, Klamath, and Siskiyou National Forests, California, which comprise approximately one hundred fifty-three thousand acres, as generally depicted on a map entitled "Siskiyou Wilderness—Proposed", dated July 1984, and which shall be known as the Siskiyou Wilderness;

(31) certain lands in the Mendocino National Forest, California, which comprise approximately thirty-seven thousand acres, as generally depicted on a map entitled "Snow Mountain Wilderness—Proposed", and which shall be known as Snow Mountain Wilderness;

(32) certain lands in the Sequoia and Inyo National Forests, California, which comprise approximately sixty-three thousand acres, as generally depicted on a map entitled "South Sierra Wilderness—Proposed", dated July 1984, and which shall be known as the South Sierra Wilderness;

(33) certain lands in the Modoc National Forest, California, which comprise approximately one thousand nine hundred and forty acres, as generally depicted on a map entitled "South Warner Wilderness Additions—Proposed", and which are hereby incorporated in, and which shall be deemed to be a part of the South Warner Wilderness as designated by Public Law 88-577;

(34) certain lands in and adjacent to the Klamath, Shasta Trinity and Six Rivers National Forests, California, which comprise approximately five hundred thousand acres, as generally depicted on a map entitled "Trinity Alps Wilderness—Proposed", dated July 1984, and which shall be known as the Trinity Alps Wilderness;

(35) certain lands in the Los Padres National Forest, California, which comprise approximately two thousand seven hundred and fifty acres, as generally depicted on a map entitled "Ventana Wilderness Additions—Proposed", and which are hereby incorporated in, and shall be deemed to be a part of the Ventana Wilderness as designated by Public Laws 91-58 and 95-237;

(36) certain lands in and adjacent to the Six Rivers and Mendocino National Forests, California, which comprise approximately forty-two thousand acres, as generally depicted on a map entitled "Yolla-Bolly Middle Eel Additions—Proposed", dated July 1984, and which are hereby incorporated in, and which shall be deemed to be a part of the Yolla-Bolly Middle Eel Wilderness as designated by Public Law 88-577.

(37) certain lands in the Plumas National Forest, California, which comprise approximately twenty-one thousand acres, as generally depicted on a map entitled "Bucks Lake Wilderness—Proposed", dated March 1983, and which shall be known as the Bucks Lake Wilderness;

(38) certain lands in and adjacent to the Los Padres National Forest, California, which comprise approximately twenty thousand acres, as generally depicted on a map entitled "Machesna Mountain Wilderness—Proposed", dated March 1983, and which shall be known as the Machesna Mountain Wilderness; and

(39) certain lands in the Sequoia National Forest, which comprise approximately ten thousand five hundred acres, as generally depicted on a map entitled "Jennie Lakes Wilderness—Proposed", dated March 1983, and which shall be known as the Jennie Lakes Wilderness.

(b) The previous classifications of the High Sierra Primitive Area, Emigrant Basin Primitive Area, and the Salmon-Trinity Alps Primitive Area are hereby abolished.

DESIGNATION OF PLANNING AREAS

SEC. 102. (a) In furtherance of the purposes of the Wilderness Act, the following lands shall be reviewed by the Secretary of Agriculture as to their suitability for preservation as wilderness. The Secretary shall submit his report and findings to the President, and the President shall submit his recommendations to the United States House of Representatives and the United States Senate no later than three years from the date of enactment of this title:

(1) certain lands in the Stanislaus and Toiyabe National Forests, California, which comprise approximately thirty thousand acres, as generally depicted on a map entitled "Carson-Iceberg Planning Area", dated July 1984, and which shall be known as the Carson-Iceberg Planning Area;

(2) certain lands in the Toiyabe National Forest, California, which comprise approximately forty-nine thousand two hundred acres as generally depicted on a map entitled "Hoover Wilderness Additions Planning Area", dated July 1984, and which shall be known as the Hoover Wilderness Additions Planning Area; and

(3) certain lands in the San Bernardino National Forest, California, which comprise approximately seventeen thousand acres, as generally depicted on a map entitled "Pyramid Peak Planning Area", dated July 1984, and which shall be known as the Pyramid Peak Planning Area.

(b) Subject to valid existing rights, the planning areas designated by this section shall for a period of four years from the date of enactment of this title, be administered by the Secretary of Agriculture so as to maintain their presently existing wilderness character and potential for inclusion in the National Wilderness Preservation System.

ADMINISTRATION OF WILDERNESS AREAS

SEC. 103. (a) Subject to valid existing rights, each wilderness area designated by this title shall be administered by the Secretary concerned in accordance with the provisions of the Wilderness Act: Provided, That any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this title.

(b) Within the National Forest wilderness areas designated by this title—

(1) as provided in subsection 4(d)(4)(2) of the Wilderness Act, the grazing of livestock, where established prior to the date of enactment of this title, shall be permitted to continue subject to such reasonable regulations, policies and practices as the Secretary deems necessary, as long as such regulations, policies and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in the Wilderness Act and this title;

(2) as provided in subsection 4(d)(1) of the Wilderness Act, the Secretary concerned may take such measures as are necessary in the control of fire, insects, and diseases, subject to such conditions as he deems desirable; and

(3) as provided in section 4(b) of the Wilderness Act, the Secretary concerned shall administer such areas so as to preserve their wilderness character and to devote them to the public purposes of recreational, scenic, scientific, educational, conservation, and historical use.

(c) Within sixty days of the date of enactment of this title, the Secretary of Agriculture shall enter into negotiations to acquire by exchange all or part of any privately owned lands within the national forest wilderness areas designated by this title. Such exchange shall to the maximum extent practicable be completed within three years after the date of enactment of this title. The Secretary is authorized to acquire such lands by means other than exchange, beginning three years after the date of enactment of this title. Acquisition shall be only with the concurrence of the owner. Values shall be determined without reference to any restrictions on access or use which arise out of designation as a wilderness area.

FILING OF MAPS AND DESCRIPTIONS

SEC. 104. As soon as practicable after enactment of this title, a map and a legal description on each wilderness area shall be filed with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and description shall have the same force and effect as if included in this title: Provided, That correction of clerical and typographical errors in each such legal description and map may be made. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

ADDITIONS TO NATIONAL PARK SYSTEM

SEC. 105. (a) The following lands are hereby added to the National Park System:

(1) certain lands in the Sequoia National Forest, California, which comprise approximately one thousand five hundred acres, as generally depicted on a map entitled "Jennie Lakes Additions, Kings Canyon National Park—Proposed", dated March 1983, and which are hereby incorporated in, and which shall be deemed to be a part of Kings Canyon National Park; and

(2) certain lands which comprise approximately one hundred eighty-five acres, as generally depicted on a map entitled "McCauley Ranch Addition, Yosemite National Park", dated December 1982 and numbered 80,021, and which are hereby incorporated in, and which shall be deemed to be a part of Yosemite National Park.

(b) Upon enactment of this title, the Secretary of Agriculture shall transfer the lands described in subsection (a) of this section, without consideration, to the administrative jurisdiction of the Secretary of the Interior for administration as part of the national park system. The boundaries of the national forests and national parks shall be adjusted accordingly. The areas added to the national park system by this section shall be administered in accordance with the provisions of law generally applicable to units of the national park system.

(c) The Secretary of the Interior shall study the lands added to the National Park System by subsection (a) of this section for possible designation as national park wilderness, and shall report to the Congress his recommendations as to the suitability or nonsuitability of the designation of such lands as wilderness by not later than three years after the effective date of this title.

(d) The Secretary of Agriculture is authorized and directed to transfer to the jurisdiction of the Secretary of the Interior for administration as a part of Yosemite National Park, two hundred and fifty-three acres of the Stanislaus National Forest at Crocker Ridge, identified as all that land lying easterly of a line beginning at the existing park boundary and running three hundred feet west of and parallel to the center line of the park road designated as State Highway 120, also known as the New Big Oak Flat Road, within section 34, township 1 south, range 19 east, and within sections 4, 9, and 10, township 2 south, range 19 east, Mount Diablo base and meridian. The boundary of Yosemite National Park and the Stanislaus National Forest shall be adjusted accordingly.

(e) The Secretary of the Interior is authorized and directed to transfer to the jurisdiction of the Secretary of Agriculture one hundred and sixty acres within the boundary of the Sierra National Forest identified as the northwest quarter of section 16, township 5 south, range 22 east, Mount Diablo base meridian, subject to the right of the Secretary of the Interior to the use of the water thereon for park purposes, including the right of access to facilities necessary for the transportation of water to the park.

NATIONAL PARK WILDERNESS

SEC. 106. The following lands are hereby designated as wilderness in accordance with section 3(c) of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132(c)) and shall be administered by the Secretary of the Interior in accordance with the applicable provisions of the Wilderness Act.

(1) Yosemite National Park Wilderness, comprising approximately six hundred and

seventy-seven thousand six hundred acres, and potential wilderness additions comprising approximately three thousand five hundred and fifty acres, as generally depicted on a map entitled "Wilderness Plan, Yosemite National Park, California", numbered 104-20, 003-E dated July 1980, and shall be known as the Yosemite Wilderness;

(2) Sequoia and Kings Canyon National Parks Wilderness, comprising approximately seven hundred and thirty-six thousand nine hundred and eighty acres; and potential wilderness additions comprising approximately one hundred acres, as generally depicted on a map entitled "Wilderness Plan—Sequoia-Kings Canyon National Parks—California", numbered 102-20, 003-E and dated July 1980, and shall be known as the Sequoia-Kings Canyon Wilderness.

MAP AND DESCRIPTION

SEC. 107. A map and description of the boundaries of the areas designated in section 106 of this title shall be on file and available for public inspection in the Office of the Director of the National Park Service, Department of the Interior, and in the Office of the Superintendent of each area designated in section 106. As soon as practicable after this title takes effect, maps of the wilderness areas and descriptions of their boundaries shall be filed with the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, and such maps and description shall have the same force and effect as if included in this title: Provided, That correction of clerical and typographical errors in such maps and descriptions may be made.

CESSATION OF CERTAIN USES

SEC. 108. Any lands (in section 106 of this title) which represent potential wilderness additions upon publication in the Federal Register of a notice by the Secretary of the Interior that all uses thereon prohibited by the Wilderness Act have ceased, shall thereby be designated wilderness. Lands designated as potential wilderness additions shall be managed by the Secretary insofar as practicable as wilderness until such time as said lands are designated as wilderness.

ADMINISTRATION

SEC. 109. The areas designated by section 106 of this title as wilderness shall be administered by the Secretary of the Interior in accordance with the applicable provisions of the Wilderness Act governing areas designated by that title as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this title, and where appropriate, any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

SEC. 110. Notwithstanding any existing or future administrative designation or recommendation, mineral prospecting, exploration, development, or mining of cobalt and associated minerals undertaken under the United States mining laws within the North Fork Smith roadless area (RARE II, 5-707, Six Rivers National Forest, California) shall be subject to only such Federal laws and regulations as are generally applicable to national forest lands designated as nonwilderness.

WILDERNESS REVIEW CONCERNS

SEC. 111. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress had made its own review and examination of national forest roadless areas in California and the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest lands in States other than California, such statement shall not be subject to judicial review with respect to National Forest System lands in the State of California;

(2) upon enactment of this title, the injunction issued by the United States District Court for the Eastern District of California in State of California versus Bergland (483 F. Supp. 465 (1980)) shall no longer be in force;

(3) with respect to the National Forest System lands in the State of California which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II), and those lands referred to in subsection (d), except those lands remaining in further planning as referred to in subsection (e), or designated as planning areas upon enactment of this title, that review and evaluation shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless prior to such time the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(4) areas in the State of California reviewed in such final environmental statement or referenced in subsection (d) and not designated as wilderness or planning areas by this title or remaining in further planning as referenced in subsection (e) upon enactment of this title shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: Provided, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the land management plans;

(5) in the event that revised land management plans in the State of California are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(6) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of California for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to—

(1) those national forest system roadless lands in the State of California: in the Plumas and Tahoe National Forests which were evaluated in the Mohawk Unit Plan; in the Six Rivers National Forest which were evaluated in the Blue Creek Unit Plan not designated as Wilderness by this Act and the Fox Unit Plan; in the Klamath National Forest which were evaluated in the King Unit Plan; in the Angeles National Forest which were evaluated in the San Gabriel Unit Plan; in the Modoc and Shasta-Trinity and Klamath National Forests in the Medicine Lake Unit Plan; in the Cleveland National Forest which were evaluated in the Palomar Mountain Unit Plan and Trabuco Unit Plan: in the Los Padres National Forest which were evaluated in the Big Sur Unit Plan; in the Tahoe National Forest which were evaluated in the Truckee-Little Truckee Unit Plan; and those portions of the Carson-Iceberg roadless area not designated as wilderness or planning areas or remaining in further planning as referenced in subsection (e);

(2) national forest system roadless lands in the State of California which are less than five thousand acres in size; and

(3) national forest system roadless areas or portions thereof in the State of California as identified in Executive Document Numbered 1504 Ninety-sixth Congress (House Document Numbered 96-119) and identified by name and number at the end of this subparagraph, which are not designated as wilderness by this title:

National Forest	Area name	Area I.D.
Eldorado	Pyramid	05023
Eldorado	Rubicon	05026
Eldorado	Dardanelles	05982
Eldorado	Tragedy-Elephants Back	05984
Eldorado	Raymond Peak	05985
Klamath	Orleans Mountain	B5079
Klamath	Condrey Mountain	05704
Lake Tahoe Basin M.U.	Dardanelles	05982
Lassen	Lost Creek	05089
Lassen	Polk Springs	05097
Lassen	Chips Creek	05099
Los Padres	Machesna Mountain	05110
Los Padres	Miranda Pine	05114
Los Padres	Tepusquet Peak	05116

Los Padres	Spoor Canyon	05118
Los Padres	Fox Mountain	05120
Los Padres	Cuyama	05135
Mendocino	Wilderness Contiguous	05137
Mendocino	Elk Creek	05140
Mendocino	Big Butte-Shinbone	05145
Mendocino	Black Butte	05269
Plumas	Chips Creek	05099
Plumas	Middle Fork	05167
Plumas	Bald Rock	05169
Plumas	West Yuba	05172
Rogue River	Condrey Mountain	06704
Sequoia	Agnew	05199
Sequoia	Woodpecker	05206
Sequoia	Domeland addition	05207
Shasta-Trinity	Chanchelulla	05220
Shasta-Trinity	East Fork	05226
Shasta-Trinity	Murphy Glade	05298
Shasta-Trinity	Fisher Gulch	A5299
Sierra	Mount Raymond	05242
Sierra	Dinkey Lakes	05244
Sierra	Rancheria	C5198
Six Rivers	Orleans Mountain	B5079
Six Rivers	North Fork Smith	05707
Stanislaus	Tuolumne River	05258
Stanislaus	Raymond Peak	05985
Tahoe	West Yuba	05172
Tahoe	North Fork American	05262
Tahoe	East Yuba	05264
Toiyabe	Dardanelles	04982
Toiyabe	Tragedy-Elephants Back	04984
Toiyabe	Raymond Peak	04985
Tahoe	Granite Chief	05261

(e) Certain National Forest System roadless lands in the State of California as identified in Executive Document Numbered 1504 Ninety-Sixth Congress (House Document Numbered 96-119) and identified by name and number at the end of this subsection, shall remain as further planning areas for purposes of this title:

National Forest	Area name	Area I.D.
Angeles	Sespe-Frazier	05002
Angeles	Arroyo Seco	05012
Cleveland	Sill Hill	05304
Cleveland	Caliente	05017
Eldorado	Caples Creek	05027
Inyo	White Mountains	A5058
Inyo	White Mountains	B5058
Inyo	Coyote-Southeast	05033
Inyo	Table Mountain	05035
Inyo	Mazourka	A5064
Inyo	Wheeler Ridge	05040
Inyo	Horse Meadow	05049
Inyo	Tioga Lake	05050
Inyo	Hall Natural Area	05051
Inyo	Log Cabin Saddlebag	05052
Inyo	Benton Range	05056
Inyo	Blanco Mountain	05059
Inyo	Birch Creek	05060
Inyo	Black Canyon	05061
Inyo	Andrews Mountain	05063
Inyo	Paiute	B5064
Inyo	Laurel-McGee	05045
Inyo	Buttermilk	05038
Lake Tahoe Basin M.U.	Freel	05271
Lassen	Wild Cattle Mountain	05093
Lassen	Butt Mountain	05100
Lassen	Trail Lake	B5095
Lassen	Heart Lake	05096
Lassen	Ishi	B5098
Los Padres	Antimony	05136
Los Padres	Bear Canyon	05104
Los Padres	Bear Mountain	05103
Los Padres	Big Rocks	05112
Los Padres	Black Butte	05102
Los Padres	Black Mountain	05108
Los Padres	Diablo	05127
Los Padres	Dry Lakes	05131
Los Padres	Horseshoe Springs	05115
Los Padres	La Brea	05117
Los Padres	La Panza	05109
Los Padres	Little Pine	05278
Los Padres	Los Machos Hills	05111
Los Padres	Machesna Mountain	05110
Los Padres	Matilija	05129
Los Padres	Quatal	05268
Los Padres	Sawmill-Badlands	05134
Los Padres	Sespe-Frazier	05002
Los Padres	Stanley Mountain	05113
San Bernardino	Sugarloaf	05186
San Bernardino	Raywood Flat	B5187
San Bernardino	Cucamonga B	B5174
San Bernardino	Cucamonga C	C5174
Sequoia	Dennison Peak	05202
Sequoia	Kings River	B5198
Sequoia	Oat Mountain	05197
Sequoia	Moses	05203
Sequoia	Scodies	05212
Sequoia	Cypress	A5213
Shasta-Trinity	Mt. Eddy	05229
Sierra	Kings River	B5198
Stanislaus	Carson-Iceberg (Pacific Valley portion)	B5986
Toiyabe	Sweetwater	04657
Toiyabe	Hoover Extension	E4662

SEVERABILITY

SEC. 112. *If any provision of this title or the application thereof is held invalid, the remainder of the title and the application thereof shall not be affected thereby.*

SEC. 113. *For fiscal years commencing after September 30, 1985, there are authorized to be appropriated such sums as may be necessary to implement the provisions of this title.*

TITLE II

DESIGNATION WILD AND SCENIC RIVER

SEC. 201. *Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271-1287) as amended is further amended by inserting the following new paragraph:*

"( ) TUOLUMNE, CALIFORNIA.—The main river from its sources on Mount Dana and Mount Lyell in Yosemite National Park to Don Pedro Reservoir consisting of approximately 83 miles as generally depicted on the proposed boundary map entitled 'Alternative A' contained in the Draft Tuolumne Wild and Scenic River Study and Environmental Impact Statement published by the United States Department of the Interior and Department of Agriculture in May 1979; to be administered by the Secretary of the Interior and the Secretary of Agriculture. After consultation with State and local governments and the interested public and within two years from the date of enactment of this paragraph, the Secretary shall take such action as is required under subsection (b) of this section. Nothing in this Act shall preclude the licensing, development, operation, or maintenance of water resources facilities on the North Fork, Middle Fork, or South Fork of the Tuolumne River or on the Clavey River. Nothing in this section is intended or shall be construed to affect any rights, obligations, privileges, or benefits granted under any prior authority of law including chapter 4 of the Act of December 19, 1913, commonly referred to as the Raker Act (38 Stat. 242) and including any agreement or administrative ruling entered into or made effective before the enactment of this paragraph. For fiscal years commencing after September 30, 1985, there are authorized to be appropriated such sums as may be necessary to implement the provisions of this subsection.".

TITLE III

ESTABLISHMENT OF NATIONAL FOREST SCENIC AREA

SEC. 301. *The area in the Mono Basin within and adjacent to the Inyo National Forest in the State of California, as generally depicted on a map entitled "Mono Basin National Forest Scenic Area" dated June 1983, and numbered 1983-3, is hereby designated as the Mono Basin National Forest Scenic Area (hereafter in this title referred to as the "Scenic Area"). Such map shall be on file and available for public inspection in the office of the Forest Supervisor, Inyo*

National Forest and in the office of the Chief of the Forest Service, Department of Agriculture. The Secretary of Agriculture (hereinafter in this title referred to as the "Secretary") may make minor revisions in the boundary of the Scenic Area after publication of notice to that effect in the Federal Register and submission of notice thereof to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Such notice shall be published and submitted at least sixty days before the revision is made.

EXTENSION OF NATIONAL FOREST BOUNDARY

SEC. 302. (a) The exterior boundary of the Inyo National Forest is hereby extended to include the area within the boundary of the Scenic Area. Any lands and interests therein acquired pursuant to section 303 shall become part of the National Forest System.

(b) For the purposes of section 7(a)(1) of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897; 16 U.S.C. 4601-4 through 4601-11), the boundary of the Inyo National Forest, as modified by this section, shall be treated as if it were the boundary of that forest on January 1, 1964.

ACQUISITION

SEC. 303. (a) The Secretary is authorized to acquire all lands and interests therein within the boundary of the Scenic Area by donation, exchange in accordance with this title or other provisions of law, or purchase with donated or appropriated funds, except that—

(1) any lands or interests therein within the boundary of the Scenic Area which are owned by the State of California or any political subdivision thereof (including the city of Los Angeles) may be acquired only by donation or exchange; and

(2) lands or interests therein within the boundary of the Scenic Area which are not owned by the State of California or any political subdivision thereof (including the city of Los Angeles) may be acquired only with the consent of the owner thereof unless the Secretary determines, after written notice to the owner and after opportunity for comment, that the property is being developed, or proposed to be developed, in a manner which is detrimental to the integrity of the Scenic Area or which is otherwise incompatible with the purposes of this title.

(b)(1) Not later than six months after the date of enactment of this title, the Secretary shall publish specific guidelines under which determinations shall be made under paragraph (2) of subsection (a). No use which existed prior to June 1, 1984, within the area included in the Scenic Area shall be treated under such guidelines as a detrimental or incompatible use within the meaning of such paragraph (2).

(2) For purposes of subsection (a)(2), any development or proposed development of private property within the boundary of the Scenic Area that is significantly different from, or a significant expansion of, development existing as of June 1, 1984, shall be considered by the Secretary as detrimental to the integrity of the Scenic Area. No reconstruction or expansion of a private or commercial building, including—

(A) reconstruction of an existing building,

(B) construction of reasonable support development such as roads, parking, water and sewage systems shall be treated as detrimental to the integrity of the Scenic Area or as an incompatible development within the meaning of paragraph (2) of subsection (a).

(c) Notwithstanding any other provision of law, the Secretary shall only be required to prepare an environmental assessment of any exchange of mineral or geothermal interest authorized by this title.

ADMINISTRATION

SEC. 304. (a)(1) Except as otherwise provided in this title, the Secretary, acting through the Chief of the Forest Service, shall administer the Scenic Area as a separate unit within the boundary of the Inyo National Forest in accordance with the laws, rules, and regulations applicable to the national forest system. All Bureau of Land Management administered lands that fall within the boundaries of the Scenic Area are hereby added to the Inyo National Forest and shall be administered in accordance with the laws, rules, and regulations applicable to the national forest system.

(2) The following parcels administered by the Bureau of Land Management are hereby added to the Inyo National Forest and shall be administered in accordance with the laws, rules, and regulations applicable to the National Forest System:

township 1 south; range 26 east; Mount Diablo Meridian:

east half of southwest quarter and south half of southeast quarter of section 10; and

township 1 north; range 26 east; Mount Diablo Meridian:

southwest quarter of northeast quarter and west half or southeast quarter of section 9;

southwest quarter of southwest quarter of section 15;

southwest quarter of northwest quarter and northwest quarter of southwest quarter of section 25;

north half of southeast quarter of section 26,

west half of northwest quarter and northwest quarter of southwest quarter of section 27;

township 1 north; range 27 east; Mount Diablo Meridian:

east half of southeast quarter of section 34;

southwest quarter of northwest quarter of section 35; and

west half of section 30 as intersected by Scenic Area Boundary.

(b)(1) In a manner consistent with the protection of the water rights of the State of California or any political subdivision thereof (including the city of Los Angeles) or of any person to the extent that such water rights have been granted or modified under the laws of the State of California, the Secretary shall manage the Scenic Area to protect its geologic, ecologic, and cultural resources. The Secretary shall provide for recreational use of the Scenic Area and shall provide recreational and interpretive facilities (including trails and campgrounds) for the use of the public which are compatible with the provisions of this title, and may assist adjacent affected local governmental agencies in the development of related interpretive programs. The Secretary shall permit the full use of the Scenic Area for scientific study and research in accordance with such rules and regulations as he may prescribe.

(2) Except as specifically provided in this subsection, no commercial timber harvesting shall be permitted in the Scenic Area, but the Secretary shall permit the utilization of wood material such as firewood, posts, poles, and Christmas trees by individuals for their domestic purposes under such regulations as he may prescribe to protect the natural and cultural resources of the Scenic Area. The Secretary may take action including the use of commercial timber harvest to the minimum extent necessary to control fires, insects and diseases that might—

(A) endanger irreplaceable features within the Scenic Area, or

(B) cause substantial damage to significant resources adjacent to the Scenic Area.

(c) The Secretary shall permit those persons holding currently valid grazing permits within the boundary of the Scenic Area to continue to exercise such permits consistent with other applicable law.

(d) The Secretary may enter into cooperative agreements with the State of California and any political subdivision thereof (including the city of Los Angeles) for purposes of protecting Scenic Area resources and administering areas owned by the State or by any such political subdivision which are within the Scenic Area.

(e) Within three years after the date of enactment of this title, the Secretary shall submit to the committees referred to in section 301, a detailed and comprehensive management plan for the Scenic Area which is consistent with the protection of water rights as provided in subsection (b)(1). The plan shall include but not be limited to—

(1) an inventory of natural (including geologic) and cultural resources;

(2) general development plans for public use facilities, including cost estimates; and

(3) measures for the preservation of the natural and cultural resources of the Scenic Area in accordance with subsections (a) and (b) of this section.

Such plan shall provide for hunting and fishing (including commercial brine shrimp operations authorized under State law) within the Scenic Area in accordance with applicable Federal and State law, except to the extent otherwise necessary for reasons of public health and safety, the protection of resources, scientific research activities, or public use and enjoyment.

(f) The Secretary is authorized to construct a visitor center in the Scenic Area for the purpose of providing information through appropriate displays, printed material, and other interpretive programs, about the natural and cultural resources of the Scenic Area.

(g)(1) Subject to valid existing rights, federally owned lands and interests therein within the Scenic Area are withdrawn from entry or appropriation under the mining laws of the United States, from the operation of the mineral leasing laws of the United States, from operation of the Geothermal Steam Act of 1970, and from disposition under the public land laws.

(2) Subject to valid existing rights, all mining claims located within the Scenic Area shall be subject to such reasonable regulations as the Secretary may prescribe to assure that mining will, to the maximum extent practicable, be consistent with protection of the scenic, scientific, cultural, and other resources of the area, and any patent which may be issued after the date of enactment of this title shall convey title only to the minerals together with the right to use the surface of lands for mining purposes subject to such reasonable regulations.

(h) Nothing in this title shall be construed to reserve any water for purposes of the Scenic Area or to affirm, deny, or otherwise affect the present (or prospective) water rights of any person or of the State of California or of any political subdivision thereof (including the city of Los Angeles), nor shall any provision of this title be construed to cause, authorize, or allow any interference with or infringement of such water rights so long as, and to the extent that,

those rights remain valid and enforceable under the laws of the State of California.

(i)(1) The Act entitled "An Act authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, California, certain public lands in California; and granting rights-of-way over public lands and reserved lands to the city of Los Angeles in Mono County in the State of California", approved June 23, 1936 (49 Stat. 1892), is hereby repealed.

(2) The Secretary and the Secretary of the Interior shall grant and convey rights-of-way easements, at no cost, to the city of Los Angeles for those rights-of-way on public lands and national forest lands in Mono County, California, as described and set forth in maps and accompanying descriptions which were—

(A) filed by the city of Los Angeles with the Secretary of the Interior on October 24, 1944, and

(B) accepted as proof of construction on behalf of the United States by the Commissioner of the General Land Office on January 4, 1945.

Such easement conveyances shall provide for the right of the city to continue its present operations and to maintain, reconstruct, and replace all existing water and power facilities located within the bounds of the area described in the maps and descriptions referred to in the preceding sentence. The United States shall reserve in the conveyance easements all rights to use and permit the use by others of the lands so conveyed to the extent that such use does not unreasonably interfere with the rights granted herein to the city of Los Angeles.

(3) The grant in paragraph (2) of this subsection shall become effective upon relinquishment in writing by the city of Los Angeles of its applications dated October 20, 1944, and January 17, 1945, to purchase twenty-three thousand eight hundred and fifty acres of Federal land.

(4) The easements granted under paragraph (2) of this subsection shall provide that whenever the city of Los Angeles ceases to use the land or any part thereof subject to such easements for the purposes for which it is currently being used, as of the date of enactment of this title, all interests in such land or part thereof shall revert to the United States.

(j) Existing community recreational uses, as of the date of enactment of this title, shall be permitted at the levels and locations customarily exercised.

STUDIES

SEC. 305. The Secretary shall take such steps as may be necessary to, within one hundred and eighty days of the date of enactment of this title, enter into a contract with the National Academy of Sciences for the purpose of conducting a scientific study of the ecology of the Scenic Area. The study shall provide for consultation with knowledgeable local, State, Federal, and private persons and organizations and shall provide findings and recommendations to the Congress. Such study shall be conducted in accordance with the best scientific methodology (as set forth by the National Academy of Sciences) and shall be transmitted by the National Academy of Sciences to the Committee on Energy and Natural Resources of the United States Senate, to the Committee on Interior and Insular Affairs of the United States House of Representatives, and to the Chief of the Forest Service not later than January 1, 1987. Progress reports regarding the study shall be transmitted to the above committees on January 1, 1985, and January 1 of each year thereafter.

ADVISORY BOARD

SEC. 306. (a) There is hereby established the Scenic Area Advisory Board (hereinafter referred to as the "Board"). The Secretary shall consult with and seek the advice and recommendations of the Board with respect to—

(1) the administration of the Scenic Area with respect to policies, programs, and activities in accordance with this title;

(2) the preparation and implementation of the comprehensive management plan; and

(3) the location of the visitor center authorized by section 304(f).

(b) The Board shall be composed of nine members, who shall be selected as follows:

(1) five members appointed by the Mono County Board of Supervisors;

(2) two members appointed by the Governor of California (one of whom shall be an employee of the California Division of Parks and Recreation);

(3) one member appointed by the mayor of the city of Los Angeles; and

(4) one member appointed by the Secretary (who shall be an employee of the Forest Service).

(c) Each member of the Board shall be appointed to serve for a term of three years except that the initial appointments shall be for terms as follows:

(1) of those members appointed by the Mono County Board of Supervisors one shall be appointed to serve for a term of one year, two shall be for a term of three years;

(2) of those members appointed by the Governor of California one shall be appointed to serve for a term of one year and one shall be appointed to serve for a term of three years; and

(3) the member appointed by the mayor of the city of Los Angeles shall be appointed to serve for a term of two years; and

(4) the member appointed by the Secretary shall be appointed to serve for a term of three years.

(d) The members of the Board shall be appointed within ninety days of the date of enactment of this title. The members of the Board shall, at their first meeting, elect a chairman.

(e) Members of the Board shall serve without compensation as such, but the Secretary is authorized to pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by the Board and its members in carrying out their duties under this title.

(f) Any vacancy in the Board shall be filled in the same manner in which the original appointment was made.

(g) A majority of those members appointed shall constitute a quorum for the conduct of all business of the Board.

(h) The Board shall terminate ten years from the date of its first meeting.

TRADITIONAL NATIVE AMERICAN USES

SEC. 307. In recognition of the past use of the Scenic Area by Indian people for traditional cultural and religious purposes, the Secretary shall insure nonexclusive access to Scenic Area lands by Indian people for such traditional cultural and religious purposes, including the harvest of the brine fly larvae. Such direction shall be consistent with the purpose and intent of the American Indian Religious Freedom Act of August 11, 1978 (92 Stat. 469). As a part of the plan prepared pursuant to section 304(c) of this title, the Secretary shall, in consultation with appropriate Indian tribes, define the past cultural and religious uses of the Scenic Area by Indians.

AUTHORIZATION OF APPROPRIATIONS

SEC. 308. In addition to other amounts available for such purposes, effective October 1, 1985, there are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

COMPLIANCE WITH BUDGET ACT

SEC. 309. Any new spending authority described in subsection (c)(2) (A) or (B) of section 401 of the Congressional Budget Act of 1974 which is provided under this title shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

AMENDMENT NO. 3685

(Purpose: Technical amendments to correct minor errors in language including typing omissions)

Mr. STEVENS. Mr. President, I send to the desk an amendment on behalf of the chairman of the committee [Mr. MCCLURE] and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. EVANS). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS) for Mr. WILSON and Mr. CRANSTON, proposes an amendment numbered 3685.

Page 39, line 20, strike out the word "Peak".

Page 39, line 21, strike out the word "Peak".

Page 58, line 1, strike out the word "Act" and insert in lieu thereof "Title".

Page 59, at the end of the list of roadless areas, add the following:

Angeles, Pleasant View, F5008.
Shasta-Trinity, Castle Crags, B5219.
Shasta-Trinity, Mr. Shasta, C5213.
Lake Tahoe Basin, M.U., Pyramid, O5023.

Page 61, at the end of the list of roadless areas, add the following:

Lassen, Mill Creek, O5284.
Los Padres, Garcia Mountain, O5107.

Page 62, strike all of lines 14 and 15, and insert in lieu thereof the following: "resources facilities on those portions of the North Fork, Middle Fork or South Fork of the Tuolumne or Clavey Rivers that are outside the boundary of the wild and scenic river area as designated in this section. Nothing".

Page 65, after line 19, insert a new subparagraph (B) as follows: "construction of attached structural additions, not to exceed 100 per centum of the square footage of the original building, and", and renumber remaining subparagraph accordingly.

Page 66, line 16, strike out the words "The following" and insert in lieu thereof "In addition, the following".

Page 75, line 2, strike the words "three years;" and insert in lieu thereof the following: "two years, and two shall be for a term of three years;".

Page 75, after line 15, insert a new subsection (e) to read as follows: "The Secretary, or a designee, shall from time to time, but at least annually, meet and consult with the Board on matters relating to the administration of the scenic area.", and redesignate the following subsection accordingly.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3685) was agreed to.

Mr. STEVENS. Mr. President, I understand there is a committee amendment in the nature of a substitute. I ask for the adoption of the committee substitute as amended.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute as amended, was agreed to.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. WILSON. Mr. President, I rise on what I consider to be a most historic occasion, upon the arrival on the floor of the U.S. Senate for your consideration a comprehensive wilderness plan for the great State of California.

I am joined in this by my distinguished colleague from California, Senator ALAN CRANSTON. It illustrates to you the bipartisan support this important measure enjoys in our State.

I will also note, Mr. President, that this bipartisan spirit also was much in evidence when last week the Senate's Energy and Natural Resources Committee without a single dissenting voice voted 11-0 to recommend this bill to you for your favorable consideration.

Mr. President, this bill very carefully balances environmental preservation and economic growth. This is the heart of the admittedly compromise approach which has received unprecedented support from Californians, from backpackers to board chairmen.

I think it indicative of this support, Mr. President, that every newspaper in California that has chosen to evaluate this plan has hailed this historic agreement. As so many other Californians have done, editorialists of all persuasions—conservatives and liberals alike—have recognized the need to break a stalemate of some 20 years now that has caused an intolerable logjam and doing a disservice to conservationists and industrialists alike.

It was 20 years ago that Congress authorized the Forest Service to survey areas for protection under the Wilderness Act. Some 15 years later, the Service proposed setting aside some 1.2 million acres of California Federal land, much of it rich in natural resources or recreational potential. Implementation was delayed by a 1979 court order, followed by a legislative stalemate in Congress on how to move ahead. The House and Senate battled over separate proposals and left 5 million acres of land in limbo.

This has meant needless and costly delay and possible cancellation of new mining, oil, and gas exploration. It precludes ski resorts and hydroelectric projects. It pulled the plug on power lines and raised roadblocks to new off-road vehicle trails. The Forest Service's own timber sales program was threatened, with potential disastrous results for many communities in the central and northern parts of the State.

Conservationists had no way of knowing what the future might be of their favorite pieces of wilderness.

About 2 months ago, we found a way out of this logjam. We forged a compromise which enjoys wide support, including that of both Senators from California, and key Members of the House. We have been assured should we approve what you have before you today, it will be approved by the House as well, perhaps even tonight.

The resulting plan would designate 1.8 million acres for wilderness protection—exactly halfway between the competing claims of the environmentalists and the Forest Service. It would pave the way for construction to proceed on dozens of projects stymied by court order.

It would permanently preserve some priceless natural resources, including tracts in the Sierra and Inyo National Forests and mountain areas which would bear the name of Ansel Adams.

It would be a fitting monument to the famed photographer, who captured the wild majesty of nature on paper and inspired the rest of us to preserve what he saw through the camera's eye for our grandchildren to gaze upon.

The poets assure us that only God can make trees. And that business provides jobs. And politicians forge compromises to guarantee both.

It is not a bad division of labor. If Californians cherish anything, it is their unique ability to make a living in a State worth living in.

The wilderness compromise protects much more than fast rivers and dense forests.

It proves that when the political process works, people can work for themselves. And, we can all draw inspiration from God's handiwork.

Mr. CRANSTON. Mr. President, I am delighted to rise in support of H.R. 1437, the California Wilderness Act of 1984. I want to express my sincere thanks to the chairman of the Senate Energy and Natural Resources Committee, Senator MCCLURE, for the expediency with which the committee moved this landmark legislation to the floor. My thanks, too, to my colleague from California, Senator WILSON, without whom this legislation would not have been possible.

Title I of the California Wilderness Act of 1984 designates 39 national forest wilderness areas, comprising some 1.8 million acres, 3 forest planning areas, 2 national park wilderness areas—one in Yosemite National Park and one in Sequoia-Kings Canyon National Park—and makes park additions. Title II of this legislation adds 83 miles of the Tuolumne River in California to the National Wild and Scenic Rivers System. And title III creates the Mono Basin National Forest Scenic Area in California.

Mr. President, I believe California is the most beautiful State in our Nation and nowhere else in this country is the potential for wilderness so great or potential wilderness more threatened. While there are many acres of land in California that are not wilderness which are enjoyed by millions of Americans—parks, forests, seashores, mountains, and valleys—wilderness is something else. Wilderness is an experience of nature as God made it without the embellishments and the detractions of mankind's developments.

I want to pay special tribute to the late Phil Burton, the architect of this California wilderness proposal. Passage of H.R. 1437 will be a hallmark of all Phil's efforts on behalf of the environment, and wilderness in particular. I am certain that Phil would be happy to know that the California Wilderness Act of 1984 includes the establishment of a new Ansel Adams wilderness of 229,336 acres made up of the existing minarets wilderness, proposed minarets additions, and the proposed San Joaquin wilderness. The Ansel Adams wilderness will adjoin the John Muir wilderness to form a continuous stretch of wilderness between Yosemite and Sequoia-Kings Canyon National Parks, two parks with which Ansel Adams is so frequently associated. I am deeply pleased that the California Wilderness Act of 1984 exemplifies the respect, gratitude, and affection so many continue to feel for these two great men.

I want to note that enactment of H.R. 1437 will resolve the California lawsuit on RARE II. The bill would leave 65 areas, or portions thereof, in further planning status and make the balance of the RARE II areas in California available for nonwilderness management and appropriate development. The House Interior Committee report on H.R. 1437 has further elaboration regarding many of the areas released from further planning.

Fire management within wilderness is an important concern in California. The bill contains language ensuring that the Secretary of Agriculture may take such measures as necessary to control fire. It is my understanding that this includes fire roads, fuel breaks, and other management techniques as discussed in the House Interior Committee report on H.R. 1437.

Additionally, the bill assures access to private property within wilderness areas. It is my understanding that existing law also permits continued motorized access to and the continued operation or maintenance of previously existing facilities associated with the production of hydroelectric energy in wilderness. Regarding the proposed Ansel Adams wilderness, the bill lan-

guage permitting the construction of a hydroelectric project similar in scope to the Jackass-Chiquito hydroelectric project does not permit development further upstream on the San Joaquin River, and specifically the Millers Crossing Dam project. This project would have flooded major portions of the San Joaquin River canyon far above the Mammoth Pool, and would have unacceptable impacts in the heart of the proposed wilderness.

Mr. President, I have long been interested in the future of the magnificent Tuolumne River. In the 93d Congress, I sponsored legislation to require a study of a 92-mile stretch of the Tuolumne as a possible candidate for wild and scenic river designation. As a result of this congressionally mandated study, the Department of the Interior and the Department of Agriculture in 1979 found that 83 miles of the Tuolumne possess outstanding natural, scenic, recreational, geologic, fish and wildlife, historic, and cultural values. President Carter, therefore, recommended that the qualifying 83 miles be included in the national river system. I am gratified that this legislation validates that recommendation and adds the Tuolumne River to the National Wild and Scenic Rivers System.

The bill includes language to make clear that both rights and obligations which already exist in the river basin such as those related to Hetch Hetchy Dam are not affected. It also includes language to ensure that preservation of the main stem of the Tuolumne River would not preclude hydroelectric development on four of the tributaries outside the boundaries of the area designated. However, in negotiating this provision, it has always been the intention of Senator WILSON and myself that tributary development on the north fork, middle fork, and south fork of the Tuolumne River and on the Clavey River would be consistent with maintaining the integrity of the three-family camps on the middle and south forks. Moreover, it is our intention that the construction, operation, and maintenance of any such tributary project shall not adversely affect the community of Hardin Flat nor the San Jose Family Camp, Berkeley Tuolumne Camp, nor Camp Towanga as established as of the date of enactment of this bill.

Finally, H.R. 1437 gives national recognition to the Mono Basin in California by creating the Mono Basin National Forest Scenic Area of about 66,000 acres. About 22,000 acres of Bureau of Land Management lands are transferred to the Forest Service under H.R. 1437. The entire scenic area is to be managed by the Forest Service.

Formed 1 million years ago, Mono Lake is one of the world's oldest lakes with water more than twice as salty as the ocean and with amazing tufa structures. In addition to the tufa spires and myriad geologic features, Mono Lake is a major sanctuary of numerous migratory birds—more than 100 species in all.

The Mono Lake legislation represents a carefully crafted compromise. The bill directs the National Academy of Sciences to undertake a study of the ecology of the Mono Basin. But, the legislation is not intended to effect one way or another upon California water rights law, or on water rights granted to the city of Los Angeles or outstanding litigation.

I urge my colleagues to join me in adoption of this important legislation.

Mr. WILSON. At this time, Mr. President, I ask the distinguished chairman of the Energy and Natural Resources Committee to engage in a colloquy with me to help clarify certain provisions of this bill. Would the Senator mind?

Mr. McCLURE. I would be happy to help clarify or answer any questions the Senator may have.

Mr. WILSON. It is my understanding that present law expressly allows access to existing facilities within designated wilderness areas that are associated with the production of hydroelectric energy. With regard to the bill at hand, this means that designation of wilderness areas by H.R. 1437 does not preclude continued motorized access by air or motorboat to our continued operation or maintenance of previously existing facilities, on Federal land, including gauging stations, which are used in the production of hydroelectric energy. For example, access for the purposes of operation and maintenance of hydroelectric facilities in the areas designated by this bill as the John Muir Wilderness additions and the Bucks Lake Wilderness, will be allowed under existing law and this bill. With regard to the Ansel Adams Wilderness, the bill is not intended in anyway to interfere with the construction, maintenance, repair, or operation of a hydroelectric project as specified in the bill. Is my understanding correct?

Mr. McCLURE. The Senator is absolutely correct in his understanding. Motorized access by air or motorboat to previously existing hydroelectric facilities that may be contained in any of the wilderness areas designated by this bill will be allowed in the same manner in which such access, operation and maintenance of such facilities were occurring as of the date of enactment of this bill. The Senator is also correct in his description of the provisions related to a hydroelectric project in the Ansel Adams Wilderness.

Mr. WILSON. I thank the Senator. Further, it is my understanding that the designation of the Mono Basin National Forest scenic area by this bill will not in any way inhibit, restrict or preclude the present operation, maintenance, reconstruction, replacement, and upgrading of existing electrical power systems within the boundaries of this scenic area and also within, upon, or in connection with existing easements, permits, licenses, or other authorizations issued to accommodate construction of these power systems.

Mr. CRANSTON. As one of the primary authors of this bill, I would like to associate myself with my colleague's remarks and note that it is my understanding as well that continued motorized access for purposes of operation and maintenance of electrical power systems within the Mono Basin National Forest scenic area and hydroelectric facilities within designated wilderness areas is provided for under existing law and would be allowed under this bill.

Mr. McCLURE. The Senators are correct in their understanding of how existing law and this bill before us today would apply to the management of Mono Basin National Forest scenic area and designated wilderness areas.

Mr. WILSON. I thank the Senator and ask his indulgence on one more matter. It has been brought to my attention that the Senate committee report accompanying this bill (S. Rept. 98-582) contains three typographical errors. On page 19, the acreage describing the reduction in area from the House passed version of H.R. 1437 to the area agreed to by the Energy and Natural Resources Committee for the Carson-Iceberg Wilderness area reads from 190,000 to 130,000 acres. As reflected in the bill reported out of committee and agreed to by Senator CRANSTON and myself, this acreage reduction should read from 190,000 to 160,000 acres—not 130,000 acres.

A similar typographical error was made in reference to the Siskiyou Wilderness area. On the same page and in the same list, the report incorrectly shows a reduction from 141,000 to 153,000 acres. These figures should read from 191,000—not 141,000—to 153,000 acres.

Additionally, on page 17 appears another typographical error. I believe the report should read that the bill leaves 65 areas, or portions thereof, in further planning status—not 110 areas as the report now shows.

Am I correct in understanding that these are indeed inadvertent errors made in the printing of the committee report?

Mr. McCLURE. The Senator is correct, The committee report was intended to read on pages 17 and 19 as he has described it. I thank him for bringing this to my attention and would only note that the bill language with regard to these two areas is correct and that the typographical error in the reporting of these respective

areas was made only in the committee report.

Mr. WILSON. I thank the distinguished chairman for helping me to clarify these points. I would be remiss if I failed to express my appreciation for all the good work, help and consideration that the chairman, members of his committee and its staff have afforded me in bringing this legislation to fruition. This bill before us today is the result of painstaking negotiations over a period of years, and without the chairman's guidance and without assistance in bringing this bill together, we would not be discussing this bill today.

I would now like to request my distinguished colleague from California to enter into a colloquy with me to help explain some of the thinking that is behind several of the provisions in this bill.

Mr. CRANSTON. I would be happy to discuss pertinent provisions of H.R. 1437 with my colleauge from California.

Mr. WILSON. To begin with, I should like to explain the reasoning for the location of certain wilderness boundaries on the San Joaquin Wilderness Area—renamed the Ansel Adams Wilderness by this bill—and the John Muir Wilderness additions. As noted on the appropriate map referenced in H.R. 1437, the boundary for the John Muir wilderness additions between Mono Hot Springs and Mono Creek Campground on the northwest edge of the wilderness proposal is to be located no more than 300 feet from any future power transmission line which may be agreed to by the Forest Service and Southern California Edison Co. as part of the so-called Vermilion project. The official map for the proposal indicates this intent. The transmission line will consist of three conductors supported on single wood poles outside the wilderness. The Vermilion project is presently being reviewed by the U.S. Forest Service and the California Department of Fish and Game with the project sponsor, Southern California Edison Co., which anticipates filing an application for the project with the Federal Energy Regulatory Commission in early 1985.

The boundary for the San Joaquin Wilderness Area where it crosses the San Joaquin River on the southwest edge of the wilderness area also is the subject of special managment language on the appropriate map referenced in the bill. The boundary is drawn so as to allow the raising of the Mamoth Pool Reservoir by a proposed 25 feet. This reservoir is located outside of the proposed San Joaquin Wilderness area, but raising the height of its dam may cause a small section of the river located in the proposed area by up to 25 feet. As the map notes, it is the intention of this bill to have the boundary set so as to allowing for the proposed raising of the reservoir.

Would my colleague agree that this is the intent of these map notations for both the San Joaquin Wilderness area and the John Muir Wilderness additions?

Mr. CRANSTON. My colleague is correct. His remarks reflect my understanding of these map notations.

Mr. WILSON. I thank my colleague. I would like to further clarify with him that it is our intent, and the intent of this bill, that all national forest system roadless areas or portions thereof identified in section 111(d)(3) as being released should be made available for nonwilderness management and apropriate development. The nonwilderness values of these particular areas are of such major significance that I felt it imperative to make them immediately available for nonwilderness management. The release of these areas from wilderness consideration is an integral part of the balance between preservation and development that this bill can lay claim to.

Would my colleague agree?

Mr. CRANSTON. Although I was reluctant to releast these particular further planning areas to nonwilderness management, I recognize it was necessary in order to reach agreement on a bill.

Mr. WILSON. Finally, I would like to comment on title II of this bill which designates the upper 83 miles of the Tuolumne River as part of the National Wild and Scenic Rivers System. One important element of this designation is the language which expressly allows the development of four tributaries to the main stem of the river, as long as this development occurs outside of the Wild and Scenic corridor. This provision was inserted at the request of Tuolumne County which wishes to retain its options for the development of these tributaries.

This provision was included only after careful study and consultation with water resource engineers which revealed that development of these minor tributaries, as presently proposed or contemplated for the future, would not detract form the Wild and Scenic characteristics of the main stem of the Tuolumne River.

Additionally, I would echo Senator CRANSTON's remarks found elsewhere in this discussion of H.R. 1437 that alluded to the family camps located on the South Fork and Middle Fork of the Tuolumne. I would hope and expect that any development of these tributaries would be done so as to protect these very popular and well established family camps and the community of Hardin Flat.

Mr. CRANSTON. Again, my colleague from California states his points clearly and concisely and I wish to associate myself with his remarks.

Mr. WILSON. Mr. President, I thank my colleague and urge the rest of my colleagues to join me in supporting swift enactment of this legislation.

Mr. STEVENS. Mr. President, let me state again for the record, as it is going to be my intention to do each time there is a wilderness bill, that I note once again that this wilderness bill has been worked out with the complete agreement of the two Senators from California. That is the way that the issue should be handled and I am delighted to see that agreement on a bipartisan basis.

I only wish that other matters which concerned over three-quarters of the wilderness system that are located in one State, the State of Alaska, had been treated in the same way. I hope they will be in the future.

I move passage of the bill.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as amended.

The title was amended so as to read, "The California Wilderness Act of 1984."

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BUDGET ACT WAIVER

Mr. STEVENS. Mr. President, I now ask the Chair to lay before the Senate Calendar 1092, which is Senate Resolution 421, and Calendar 1052, which is S. 806, taking the budget waiver first.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 421) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 806.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the budget resolution waiver.

The resolution (S. Res. 421) was agreed to as follows:

S. RES. 421

Resolved, That, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 806, a bill to provide for a plan to reimburse the Okefenokee Rural Electric Membership Corporation for the costs incurred in installing electric service to the Cumberland Island National Seashore.

The waiver of section 402(a) of such Act is necessary to permit congressional consideration of S. 806. Such bill was not reported

on or before May 18, 1984, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorization.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REIMBURSEMENT OF THE OKEFENOKEE RURAL ELECTRIC MEMBERSHIP CORPORATION

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A Bill (S. 806) to provide for a plan to reimburse the Okefenokee Rural Electric Membership Corporation for costs incurred in installing electrical service to the Cumberland Island National Seashore.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question is on agreeing to the bill.

The bill (S. 806) was agreed to.

The bill reads as follows:

S. 806

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, the Secretary of the Interior shall reimburse the Okefenokee Rural Electric Membership Corporation for the cost incurred by such corporation in installing transmission lines, transformers, and electric meters which serve the administrative needs of the Federal Government within Cumberland Island National Seashore in the State of Georgia. No such payment shall be made unless—

(1) the Corporation has entered into a written agreement with the Secretary which provides for—

(A) the continued adequate provision of electrical service by the Corporation at reasonable rates to satisfy the administrative needs of the seashore, as determined by the Secretary, and

(B) the prompt repayment of the Secretary of any amount paid by the Secretary under this Act, plus interest, in the event of the Corporation's future failure to provide electrical service under terms provided pursuant to paragraph (A); and

(2) the Secretary has performed an audit of the Corporation's records to determine the amount appropriately due the Corporation under the terms of this Act, which amount so determined by the Secretary shall constitute the maximum amount to be paid.

The amount so determined by the Secretary shall be reduced by an amount equal to the sum of all reimbursement for such facilities paid to the Corporation by any governmental or nongovernmental source before the date on which payment is made by the Secretary under this Act.

(b) There is authorized to be appropriated to carry out the provisions of subsection (a) not more than $338,000.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BUDGET ACT WAIVER

Mr. STEVENS. Mr. President, I ask unanimous consent that the Chair lay before the Senate Calendar 1093, Senate Resolution 422, and Calendar 1053, H.R. 3787, the budget waiver being first.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 422) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 3787.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the budget resolution waiver.

The resolution (S. Res. 422) was agreed to as follows:

S. RES. 422

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 3787, a bill to amend the National Trails System Act by adding the California Trail to the study list, and for other purposes.

The waiver of section 402(a) of such Act is necessary to permit congressional consideration of H.R. 3787. Such bill was not reported on or before May 18, 1984, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorization.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL TRAILS SYSTEM ACT AMENDMENTS

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3787) to amend the National Trails Systems Act by adding the California Trail to the study list, and for other purposes.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on third reading and passage of the bill.

The bill (H.R. 3787) was ordered to a third reading, was read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BUDGET ACT WAIVER

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1094.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 423) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 4596.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to, as follows:

S. RES. 423

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 4596, a bill to amend section 1601(d) of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street, Waterloo, New York.

The waiver of section 402(a) of such Act is necessary to permit congressional consideration of H.R. 4596. Such bill was not reported on or before May 18, 1984, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

The likelihood that the Committee on Energy and Natural Resources would report the companion measure, S. 2331, was reflected in its March 15, 1984 report to the Committee on the Budget pursuant to section 301(c) of the Congressional Budget and Impoundment Control Act of 1974. Therefore, the Appropriations Committee of the Senate has had adequate notice of this authorization. Enactment of H.R. 4596 is not expected to interfere with or delay the appropriations process.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ACQUISITION OF TITLE TO THE McCLINTOCK

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1054.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4596) to amend section 1601(d) of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street, Waterloo, New York.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MOYNIHAN. Mr. President, I am most pleased that the Senate is considering H.R. 4596, a bill to amend section 1601(d) of Public Law 96-607 to authorize the Secretary of the Interior to acquire title in fee simple to the McClintock House, which is located in Waterloo, NY. H.R. 4596, which was introduced by my good friend, Representative FRANK HORTON, was passed by the House on May 1, 1984 by a 404 to 13 vote.

On June 27, 1984, the Senate Energy and Natural Resources Committee reported H.R. 4596 and the companion Senate bill, S. 2331, which I introduced with Senator D'AMATO on February 22, 1984. The Senate may consider either measure, but is greatly expediting matters by taking up the House-passed legislation, H.R. 4596.

Mr. President, the McClintock House is part of the Women's Rights National Historical Park. It was at the McClintock House that Mary Ann McClintock, Elizabeth Cady Stanton, Susan B. Anthony, Lucretia Mott, and Martha Wright gathered in 1848 to draft the "Declaration of Sentiments" later adopted at the first National Women's Rights Convention. This document, which states that equality and justice should be extended to all people, regardless of sex, is considered one of our Nation's 50 most important documents.

I cosponsored the legislation to create the Women's Rights National Historical Park in 1980. The enacting statute—Public Law 96-607—lists the various, nonadjacent buildings and sites that comprise the park, which is located in the Seneca Falls area.

At the time the park was created, the Waterloo Baptist Church owned the McClintock House and used it as a parsonage for the adjacent church. Although the property was designated for inclusion in the park, acquiring it was deemed inappropriate. This is no longer the case. The Waterloo Baptist Church vacated both the parsonage and the church building in 1982, and desires to sell the property. H.R. 4596 would amend Public Law 96-607 to allow the National Park Service to acquire the house, thus assuring that it will be protected and administered in a fashion consistent with park purposes.

The bill, as amended, directs the Secretary of the Interior to remove all structures—principally the vacated Church—not relevant to the historical integrity of the McClintock House or the park. This should be done within 2 years of acquisition. I might add here, Mr. President, that the $40,000 necessary to purchase the McClintock House has already been appropriated.

Mr. President, I wish to thank the distinguished majority and minority leaders for their cooperation and assistance in this matter.

The bill was ordered to be read a third time, was read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that Calendar No. 1045, S. 2331, the Senate companion bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN FOLKLIFE CENTER AUTHORIZATION

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2556.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2556) entitled "An Act to authorize appropriations for the American Folklife Center for fiscal years 1985 through 1989", do pass with the following amendments:

Page 1, strike out all after line 2 over to and including line 2 on page 2, and insert:

That section 8 of the American Folklife Preservation Act (20 U.S.C. 2107) is amended—

(1) by striking out "and" after "1983,"; and

(2) by inserting after "1984" the following: ", $838,549 for the fiscal year ending September 30, 1985, and $867,898 for the fiscal year ending September 30, 1986".

SEC. 2. Section 8 of the American Folklife Preservation Act (20 U.S.C. 2107), as amended by the first section of this Act, is further amended—

(1) by inserting before "There" the following: "(a)"; and

(2) by adding at the end the following new subsection:

"(b) No amount authorized by subsection (a) of this section for the fiscal year ending September 30, 1985, or the fiscal year ending September 30, 1986, may be used for pay, benefits, or other expenses of any personnel position established after the date of the enactment of this subsection.".

Page 2, line 3, strike out "SEC. 2.", and insert: "SEC. 3.".

Amend the title so as to read: "An Act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes."

Mr. STEVENS. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion was agreed to, and I move to lay that motion on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

PUBLIC BROADCASTING AMENDMENTS ACT

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2436.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2436) entitled "An Act to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Public Broadcasting Amendments Act of 1984".

AUTHORIZATION OF APPROPRIATIONS FOR PUBLIC TELECOMMUNICATIONS FACILITIES

SEC. 2. Section 391 of the Communications Act of 1934 (47 U.S.C. 391) is amended—

(1) by striking out "and" after "1983," and

(2) by inserting after "1984," the following: "$50,000,000 for fiscal year 1985, $53,000,000 for fiscal year 1986, and $56,000,000 for fiscal year 1987,".

AUTHORIZATION OF APPROPRIATIONS FOR PUBLIC BROADCASTING

SEC. 3. (a) Section 396(k)(1)(C) of the Communications Act of 1934 (47 U.S.C. 396(k)(1)(C)) is amended—

(1) by striking out "and 1986" and inserting in lieu thereof "1986, 1987, 1988, and 1989";

(2) by striking out "and" after "1985,"; and

(3) by inserting before the period at the end thereof the following: ", $238,000,000 for fiscal year 1987, $253,000,000 for fiscal year 1988, and $270,000,000 for fiscal year 1989".

(b) Section 396(k)(3)(A)(i)(II) of such Act (47 U.S.C. 396(k)(3)(A)(i)(II)) is amended by striking out "research, training, technical assistance, engineering, instructional support, payment of interest on indebtedness,".

CRITERIA FOR APPROVAL AND EXPENDITURES BY SECRETARY OF COMMERCE

SEC. 4. Section 393 of the Communications Act of 1934 (47 U.S.C. 393) is amended by striking out subsection (c) and by redesignating subsection (d) as subsection (c).

REPEAL OF THE UNRELATED BUSINESS INCOME TAX PENALTY

SEC. 5. Section 396(k) of the Communications Act of 1934 (47 U.S.C. 396(k)) is amended by striking out paragraph (8) and by redesignating paragraphs (9) and (10) as paragraphs (8) and (9), respectively.

Amend the title so as to read: "An Act to amend the Communications Act of 1934 to extend certain authorization of appropriations contained in such Act, and for other purposes.".

Mr. STEVENS. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SAINT CROIX ISLAND INTERNATIONAL HISTORIC SITE

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Joint Resolution 25.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the resolution from the Senate (S.J. Res. 25) entitled "Joint resolution redesignating the Saint Croix Island National Monument in the State of Maine as the 'Saint Croix Island International Historic Site'", do pass with the following amendment:

Page 2, after line 13, insert:

SEC. 2. Section 106(b)(3) of the Act of October 15, 1977 (91 Stat. 1161), as amended by the Act of March 12, 1980 (94 Stat. 84), is further amended by changing "Energy" to "Interior" wherever it appears.

AMENDMENT NO. 3686

Mr. STEVENS. Mr. president, I move that the Senate concur in the House amendment with the Senate amendment which I send to the desk on behalf of the chairman of the committee, Senator MCCLURE.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. MCCLURE, proposes an amendment numbered 3686:

Strike section 2.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ANTITRUST, PATENT, AND COPYRIGHT LAW ADJUSTMENT ACT

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1841.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives.

Resolved, That the House insist upon its amendments to the bill (S. 1841) entitled "An Act to promote research and development, encourage innovation, stimulate trade, and make necessary and appropriate amendments to the antitrust, patent, and copyright laws", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That Mr. RODINO, Mr. BROOKS, Mr. EDWARDS of California, Mr. SEIBERLING, Mr. HUGHES, Mr. SYNAR, Mr. CROCKETT, Mr. SCHUMER, Mr. FEIGHAN, Mr. FUQUA, Mr. FISH, Mr. MOORHEAD, Mr. HYDE, Mr. SAWYER, and Mr. LUNGREN be the managers of the conference on the part of the House.

Mr. STEVENS. Mr. President, I move that the Senate disagree to the House amendments and agree to the conference requested by the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. THURMOND, Mr. MATHIAS, Mr. HATCH, Mr. DOLE, Mr. BIDEN, Mr. METZENBAUM, and Mr. LEAHY conferees on the part of the Senate.

S. 757, SOLID WASTE DISPOSAL ACT, PLACED ON THE CALENDAR

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate vitiate postponement of S. 757, the Solid Waste Disposal Act Amendments of 1983, and that the bill be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIVIL AERONAUTICS BOARD SUNSET ACT—APPOINTMENT OF CONFEREES

Mr. STEVENS. Mr. President, I ask the Senate to proceed to the consideration of H.R. 5297.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 5297) to amend the Federal Aviation Act of 1958 to terminate certain functions of the Civil Aeronautics Board, to transfer certain functions of the Board to the Secretary of Transportation, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, I move that the Senate insist on its amendment and request a conference with the House and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. EVANS] appointed Mr. PACKWOOD, Mr. GOLDWATER, Mrs. KASSEBAUM, Mr. HOLLINGS, and Mr. EXON conferees on the part of the Senate.

COMMITTEE DISCHARGED—H.R. 5561 PLACED ON THE CALENDAR

Mr. STEVENS. Mr. President, I ask unanimous consent that the Energy Committee be discharged from further consideration of H.R. 5561, a bill to enhance the economic development of Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and for other purposes, and it be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

FLORIDA WILDERNESS ACT OF 1983

Mr. STEVENS. Mr. President, I ask the Chair to lay before the Senate Calendar Order No. 1102, which is H.R. 9.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 9) to designate components of the National Wilderness Preservation System in the State of Florida.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources with amendments.

(The parts intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

H.R. 9

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Florida Wilderness Act of 1983".

WILDERNESS DESIGNATION

SECTION. 1. In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.) the following lands are hereby designated as wilderness, and therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the Apalachicola National Forest, Florida, which comprise approximately one thousand one hundred and seventy acres, are generally depicted on a map entitled "Bradwell Bay Wilderness Addition—Proposed", dated February 1980, and which are hereby incorporated in and shall be deemed a part of, the Bradwell Bay Wilderness as designated by Public Law 93-622;

(2) certain lands in the Apalachicola National Forest, Florida, which comprise approximately seven thousand eight hundred acres, are generally depicted on a map entitled "Mud Swamp/New River Wilderness—Proposed", dated February 1980, and shall be known as the Mud Swamp/New River Wilderness;

(3) certain lands in the Osceola National Forest, Florida, which comprise approximately thirteen thousand six hundred acres, as generally depicted on a map entitled "Big Gum Swamp Wilderness—Proposed", dated March 1980, and shall be known as the Big Gum Swamp Wilderness;

(4) certain lands in the Ocala National Forest, Florida, which comprise approximately seven thousand seven hundred acres, as generally depicted on a map entitled "Alexander Spring & Billies Bay Wilderness—Proposed", dated March 1980, and shall be known as the Alexander Springs Wilderness: *Provided, however,* That the Secretary of Agriculture shall not prohibit existing motorboat use on Alexander Springs Creek;

(5) certain lands in the Ocala National Forest, Florida, which comprise approximately thirteen thousand two hundred and sixty acres, as generally depicted on a map entitled "Juniper Prairie Wilderness—Proposed", dated November 1981, and shall be known as the Juniper Prairie Wilderness;

(6) certain lands in the Ocala National Forest, Florida, which comprise approximately two thousand five hundred acres, as generally depicted on a map entitled "Little Lake George Wilderness—Proposed", dated March 1980, and shall be known as the Little Lake George Wilderness; and

(7) certain lands in the Ocala National Forest, Florida, which comprise approximately three thousand one hundred and twenty acres, as generally depicted on a map entitled "Alexander Springs and Billies Bay Wilderness—Proposed", dated March 1980, and shall be known as the Billies Bay Wilderness.

WILDERNESS STUDY AREAS

SEC. 2. (a) In furtherance of the purposes of the Wilderness Act, the following lands shall be reviewed by the Secretary of Agriculture as to their suitability for preservation as wilderness. The Secretary shall submit his report and findings to the President, and the President shall submit his recommendation to the Congress of the United States no later than three years from the date of enactment of this Act:

(1) certain lands in Apalachicola National Forest, Florida, which comprise approximately six thousand five hundred acres, as generally depicted on a map entitled "Clear Lake Wilderness Study Area", dated April, 1984, and shall be known as the Clear Lake Wilderness Study Area; and

(2) certain lands in the Osceola National Forest, Florida, which comprise approximately four thousand four hundred acres, as generally depicted on a map entitled "Natural Area Wilderness Study Area", dated April, 1984, and shall be known as the Natural Area Wilderness Study Area.

(b) Subject to valid existing rights, the wilderness study areas designated by this section shall, until Congress determines otherwise, be administered by the Secretary of Agriculture so as to maintain their presently existing wilderness character and potential for inclusion in the National Wilderness Preservation System.

MAPS AND DESCRIPTIONS

SEC. [2] *3.* As soon as practicable after the provisions of section 1 of this Act take effect, the Secretary of Agriculture shall file maps and legal descriptions of each wilderness area designated by such section with the Committee on Interior and Insular Affairs and the Committee on Agriculture of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, and each such map and legal description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal descriptions and maps may be made. Each such map and legal description shall be on file and available for public inspection in the office of the Chief, United States Forest Service, Department of Agriculture.

ADMINISTRATION OF WILDERNESS

SEC. [3.] *4.* Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness: *Provided, That* any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of the relevant provisions of this Act.

OSCEOLA NATIONAL FOREST

SEC. [4] *5.* (1) The Department of the Interior shall not issue phosphate leases in the Osceola National Forest, Florida, unless and until the President transmits a recommendation to the Congress that phosphate leasing be permitted in a specified area in the Osceola National Forest. Notice of such transmittal shall be published in the Federal Register. No recommendation of the President under this section may be transmitted to the Congress before ninety days after publication in the Federal Register of notice of his intention to submit such recommendation.

(2) FINDINGS.—A recommendation may be transmitted to the Congress under paragraph (1) if the President finds that, based on the information available to him—

(i) there is a clear and present national need for the phosphate resulting from a domestic shortage of phosphate reserves, and

(ii) such national need outweighs the overall public values of the public lands involved, including the wilderness area designated in section 1(3) of this Act and any adverse environmental impacts which are likely to result from the activity.

(3) REPORT.—Together with his recommendation, the President shall submit to the Congress—

(i) a report setting forth in detail the relevant factual background and the reasons for his findings and recommendation;

(ii) a statement of the conditions and stipulations which would govern the activity; and

(iii) in any case in which an environmental impact statement in required under the National Environmental Policy Act of 1969, a statement which complies with the requirements of section 102(2)(C) of such Act. In the case of any recommendation for which an environmental impact statement is not required under section 102(2)(C) of the National Environmental Policy Act of 1969, the President may, if he deems it desirable, include such a statement in his transmittal to the Congress.

(4) APPROVAL.—Any recommendation under this section shall take effect only upon enactment of a joint resolution of Congress approving such a recommendation.

WILDERNESS REVIEW CONCERNS

[sec. 5. (a) The Congress finds that—

[(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

[(2) the Congress has made its own review and examination of national forest roadless areas in Florida and of the environmental impacts associated with alternative allocations of such areas.

[(b) On the basis of such review, the Congress hereby determines and directs that—

[(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest lands in States other than Florida such statement shall not be subject to judicial review with respect to national forest system lands in the State of Florida;

[(2) with respect to the national forest lands in the State of Florida which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II), except those lands remaining in further planning upon enactment of this Act, that review and evaluation shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974 as amended by the National Forest Management Act of 1976 (Public Law 94-588) to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revision of the initial plans and in no case prior to the date established by law for completion of the initial planning cycle;

[(3) areas in the State of Florida reviewed in such final environmental statement and not designated as wilderness by this Act or remaining in further planning upon enactment of this Act need not be managed for the purpose of protecting their suitability for wilderness designation pending revision of the initial plans;

[(4) unless expressively authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Florida for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.]

SEC. 6. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

(2) the Congress has made its own review and examination of National Forest System roadless areas in Florida and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest system lands in States other than Florida, such statement shall not be subject to judicial review with respect to National Forest System lands in the State of Florida;

(2) with respect to the National Forest System lands in the State of Florida which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), except those lands remaining in wilderness study upon enactment of this Act, that review and evaluation of reference shall be deemed for the purpose of the initial land managment plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National

Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time the Secretary finds that conditions in a unit have significantly changed;

(3) areas in the State of Florida reviewed in such final environmental statement or referenced in subsection (d) and not designated wilderness or wilderness study upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: Provided, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Florida are implemented pursuant to section 6 of the Forest and Rangeland Renewable Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless areas review and evaluation of National Forest System lands in the State of Florida for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to National Forest System roadless lands in the State of Florida which are less than five thousand acres in size.

SEVERABILITY

SEC. [6.] *7. If any provision of this Act or the application thereof is held invalid, the remainder of the Act and the application thereof shall not be affected thereby.*

Mr. McCLURE. Mr. President, the committee does not intend that this measure (H.R. 9) authorize any additional budget authority for fiscal year 1984 than that already available to the Department of the Interior and the Department of Agriculture. The committee also intends that any fiscal year 1985 costs incurred from implementation of the bill will be absorbed within funds otherwise available to the Department of the Interior and the Department of Agriculture.

Mrs. HAWKINS. Mr. President, this is a joyous day both for me personally and for the people of Florida. Today, the Senate will consider, and hopefully pass, H.R. 9, which establishes several areas in Florida as protected wilderness and declares the Osceola National Forest as off-bounds for phosphate mining. This bill has survived a long and often torturous process to get to the Senate floor, and I would like to commend the diligent efforts of the entire Florida delegation, particularly Senator CHILES and Congressman FUQUA, and my distinguished colleagues from the Committee on Energy and Natural Resources, Senator MCCLURE and Senator WALLOP. Together, we have already accomplished what many believed impossible.

The roots of H.R. 9 extend back to the first attempts to prohibit phosphate mining in the Osceola National Forest. But this legislation not only resolves this longstanding problem, it also establishes wilderness and wilderness study areas as well.

The seven wilderness designations included in H.R. 9 result for the conclusions of the RARE II study in Florida during the late 1970's. These areas, totaling approximately 49,000 acres, encompass land in Florida's three national forests—the Apalachicola, the Ocala, and the Osceola. The wilderness designations provide an important natural habitat for several endangered species, offer prime hiking, canoeing, and recreational opportunities, and harbor several significant archeological sites. During the comment period for the RARE II study, a wide range of the general public expressed their support of this plan, typifing the broad approval for the protection of the environment and endangered wilderness areas. Indeed, this wilderness designation has been endorsed by the entire Florida congressional delegation, many environmental groups, and a large number of community and academic organizations.

I am also pleased that the committee agreed to an amendment designating two other areas—totaling approximately 10,000 additional acres—to be wilderness study areas. These regions will be administratively protected from development until their suitability for wilderness protection is properly studied by the Forest Service and will retain interim protection until Congress releases them from this status.

The first wilderness study area, Clear Lake, is a 6,484 acre patch of land located in the Apalachicola National Forest. Due to its proximity to Tallahassee, Clear Lake is the closest of any of these designated areas to an urban setting. Consequently, the refuge provides an unique opportunity for city dwellers to enjoy and learn about the marvelous splendors of nature. Because protected wilderness is of such educational and recreational value to the region, the Leon County Commission passed a resolution in 1979 supporting the addition of Clear Lake to the wilderness system.

But this area deserves protection for more than these reasons. It is the largest upland pine habitat of all the wilderness area and, in addition, harbors the red cockaded woodpecker, a unique creature that requires the use of mature pine trees. Indeed, the habitat provides many important sites to nature's explorers—fox, deer, bear, and numerous rare and beautiful birds.

Natural area, the second wilderness study region, has been labeled "the most beautiful area in the Osceola" by many who have explored it. A portion of this 4,380 acre refuge has been designated a special natural research area by the Forest Service, because it boasts such diverse wildlife as the Florida black bear, bobcat, deer, indigo snake, turkey, fox, alligator, and numerous other creatures of the wild.

Mr. President, passage of this legislation is also important to Floridians and, indeed, all Americans, for a second reason; H.R. 9 resolves the longstanding dispute over phosphate mining in the Osceola National Forest. Between 1969 and 1972, four companies filed applications for preferential leasing rights to mine phosphates in an area covering roughly one-third of the Osceola. Over the past decade, these firms have encountered stiff opposition to their plans. The citizens of Florida, their elected representatives, and environmental and community groups have consistenly and forcefully opposed the mining of the Osceola Forest ecological as well as esthetical grounds. In fact, numerous interested parties, including myself, have filed lawsuits to prevent the environmental rape of the forest. Due to the potential amount of damage that would result from mining operations, the plan has bred such a wide-range of opposition that I know of no Florida official who supports the phosphate mining program.

However, this dispute became somewhat moot in late 1982 when the Department of the Interior, denied the pending lease applications of the mining companies, claiming that the firms could not meet departmental requirements. Unfortunately, instead of clarifying the issue, this decision only served to complicate the entire process. Immediately following the denial, the Congress passed a bill, that had been in the works for a long time, that compensated the mining companies for relinquishing their rights to the Osceola. Because the administration now felt, in light of the application denials, that the legislation granted the mining firms certain rights to which they were no longer entitled, the President vetoed the bill. However, in his veto message, the President expressed his support for wilderness des-

ignations, but reiterated his opposition to unnecessary compensation.

Mr. President, this year, H.R. 9, as amended, contains no compensation language objectionable to the administration. In fact, as far as I am aware, this bill faces no opposition in Congress or the administration. H.R. 9 is truly a consensus program. and why not? Who could really object to the preservation of the natural beauty of thousands of acres of Florida wilderness, and protects a tiny and wild stretch of land from being needlessly torn apart by phosphate mining. I hope that this Congress can reaffirm its commitment to protecting some of the last great refuges of nature in my State, and I strongly urge all of my colleagues to join me in support of this important measure.

Mr. CHILES. Mr. President, I am extremely pleased that the Senate today is passing legislation to permanently protect the Osceola National Forest in Florida. This rich, treasured forest in my State has been threatened by possible phosphate strip mining for almost 20 years now. For too long the citizens of Florida have lived with the possibility that draglines and slime ponds could one day replace the highly used and productive resources of this great forest. Today, we in the Senate get to send a long awaited and most welcome message to the people in Florida—the Osceola National Forest will be protected.

Members of the Senate will recall that Congress recognized the merits of protecting the Osceola during the 97th Congress. A Presidential veto of the Florida wilderness bill, however, thwarted our efforts to permanently protect the Osceola. While the former Secretary of the Interior, James Watt, rejected the phosphate mining lease applications by four companies, this decision has been legally challenged and litigation is now pending. I strongly support the Secretary's decision to reject the lease applications. In fact, I have worked with five different Secretaries of the Department of the Interior to encourage this very action. Even though I believe this decision to be the right one, mining needs to be prohibited by law so that, in the event the administration's decision is overturned in court, we are not faced with the possibility of mining in the forest. The bill we are passing today endures that, regardless of the outcome of pending litigation, no phosphate mining will take place in the Osceola National Forest.

Mr. President, in addition to banning phosphate mining in the Osceola National Forest, H.R. 9 also designates as wilderness seven areas located in three national forests in Florida—the Apalachicola, the Ocala, and the Osceola. These wilderness areas are the roadless or undeveloped areas that were studied and recommended by President Carter and the Forest Service in April, 1979 as a result of the RARE II process. Additionally, H.R. 9 calls for the further study of two other areas in the Apalachicola and Osceola National Forests for possible inclusion in the wilderness system.

This is a great day for Florida. This legislation guarantees the continued use, enjoyment and productivity of the Osceola National Forest and for this reason is a magnificent milestone in Congress' efforts to preserve and protect our Nation's natural resources. The passage of H.R. 9 is a great victory for those in my State who have worked so long and diligently to protect Florida's valuable forest wilderness areas and accomplish the permanent protection of the Osceola National Forest.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. STEVENS. Mr. President, I ask that the bill as amended be passed.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 9) was passed.

Mr. STEVENS. Mr. President, again I would point out to the Senate another bill agreed to wholeheartedly by the Senators from the State involved under the same law. I am delighted to see the progress being made on these bills. I congratulate my good friend from Idaho for the work that is being done by his committee.

Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ARIZONA WILDERNESS ACT OF 1984

Mr. STEVENS. Mr. President, I ask the Chair to lay before the Senate Calendar Order No. 896, which is S. 2242.

The PRESIDING OFFICER. The clerk will report.

A bill (S. 2242) to designate certain national forestlands in the State of Arizona as wilderness, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Energy and Natural Resources with an amendment in the nature of a substitute.

Mr. STEVENS. Mr. President, I ask unanimous consent that the committee substitute be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3687

Mr. STEVENS. Mr. President, I send to the desk an amendment in the nature of a substitute on behalf of Senator GOLDWATER.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] on behalf of Mr. GOLDWATER proposes an amendment numbered 3687.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

Strike out all after the enacting clause and substitute:

That this Act may be cited as the "Arizona Wilderness Act of 1984".

TITLE I

SEC. 101. (a) In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands in the State of Arizona are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System:

(1) certain lands in the Prescott National Forest, which comprise approximately five thousand four hundred and twenty acres, as generally depicted on a map entitled "Apache Creek Wilderness—Proposed", dated February 1984, and which shall be known as the Apache Creek Wilderness;

(2) certain lands in the Prescott National Forest, which comprise approximately fourteen thousand nine hundred and fifty acres, as generally depicted on a map entitled "Cedar Bench Wilderness—Proposed", dated August 1984, and which shall be known as the Cedar Bench Wilderness;

(3) certain lands in the Apache-Sitgreaves National Forest, which comprise approximately eleven thousand and eighty acres, as generally depicted on a map entitled "Bear Wallow Wilderness—Proposed", dated March 1984, and which shall be known as the Bear Wallow Wilderness;

(4) certain lands in the Prescott National Forest, which comprise approximately twenty-six thousand and thirty acres, as generally depicted on a map entitled "Castle Creek Wilderness—Proposed", dated August 1984, and which shall be known as the Castle Creek Wilderness;

(5) certain lands in the Cornonado National Forest, which comprise approximately sixty-nine thousand seven hundred acres, as generally depicted on a map entitled "Chiricahua Wilderness—Proposed", dated March 1984, and which are hereby incorporated in and shall be deemed part of the Chiricahua Wilderness, as designated Public Law 88-577;

(6) certain lands in the Coconino National Forest, which comprise approximately eleven thousand five hundred and fifty acres, as generally depicted on a map enti-

tled "Fossil Springs Wilderness—Proposed", dated April 1984, and which shall be known as the Fossil Springs Wilderness;

(7) certain lands in the Tonto National Forest, which comprise approximately fifty-three thousand five hundred acres, as generally depicted on a map entitled "Four Peaks Wilderness—Proposed", dated April 1984, and which shall be known as the Four Peaks Wilderness;

(8) certain lands in the Colorado National Forest, which comprise approximately twenty-three thousand six hundred acres, as generally depicted on a map entitled "Galiuro Wilderness Additions—Proposed", dated April 1984, and which are hereby incorporated in and shall be deemed a part of the Galiuro Wilderness as designated by Public Law 88-577;

(9) certain lands in the Prescott National Forest, which comprise approximately nine thousand eight hundred acres, as generally depicted on a map entitled "Granite Mountain Wilderness—Proposed", dated April 1984, and which shall be known as Granite Mountain Wilderness;

(10) certain lands in the Tonto National Forest, which comprise approximately thirty-six thousand seven hundred and eighty acres, as generally depicted on a map entitled "Hellsgate Wilderness—Proposed", dated August 1984, and which shall be known as the Hellsgate Wilderness;

(11) certain lands in the Prescott National Forest which comprise approximately seven thousand six hundred acres, as generally depicted on a map entitled "Juniper Mesa Wilderness—Proposed", dated February 1984, and which shall be known as the Juniper Mesa Wilderness;

(12) certain lands in the Kaibab and Coconino National Forests, which comprise approximately six thousand five hundred and ten acres, as generally depicted on a map entitled "Kendrick Mountain Wilderness—Proposed", dated February 1984, and which shall be known as Kendrick Mountain Wilderness;

(13) certain lands in the Tonto National Forest, which comprise approximately forty-six thousand six hundred and seventy acres, as generally depicted on a map entitled "Mazatzal Wilderness Additions—Proposed", dated August 1984, and which are hereby incorporated and shall be deemed a part of the Mazatzal Wilderness as designated by Public Law 88-577: *Provided*, That within the lands added to the Mazatzal Wilderness by this Act, the provisions of the Wilderness Act shall not be construed to prevent the installation and maintenance of hydrologic, meteorologic, or telecommunications facilities, or any combination of the foregoing, or limited motorized access to such facilities when nonmotorized access means are not reasonably available or when time is of the essence, subject to such conditions as the Secretary deems desirable, where such facilities or access are essential to flood warning, flood control, and water reservoir operation purposes;

(14) certain lands in the Coronado National Forest, which comprise approximately twenty thousand one hundred and ninety acres, as generally depicted on a map entitled "Miller Peak Wilderness—Proposed", dated February 1984, and which shall be known as the Miller Peak Wilderness;

(15) certain lands in the Coronado National Forest, which comprise approximately twenty-five thousand two hundred and sixty acres, as generally depicted on a map entitled "Mt. Wrightson Wilderness—Proposed", dated February 1984, and which shall be known as the Mt. Wrightson Wilderness;

(16) certain lands in the Coconino National Forest, which comprise approximately eighteen thousand one hundred and fifty acres, as generally depicted on a map entitled "Munds Mountain Wilderness—Proposed", dated August 1984, and which shall be known as the Munds Mountain Wilderness;

(17) certain lands in the Coronado National Forest, which comprise approximately seven thousand four hundred and twenty acres, as generally depicted on a map entitled "Pajarita Wilderness—Proposed", dated March 1984, and which shall be known as the Pajarita Wilderness;

(18) certain lands in the Coconino National Forest, which comprise approximately forty-three thousand nine hundred and fifty acres, as generally depicted on a map entitled "Red Rock-Secret Mountain Wilderness—Proposed", dated April 1984, and which shall be known as the Red Rock-Secret Mountain Wilderness;

(19) certain lands in the Coronado National Forest, which comprise approximately thirty-eight thousand five hundred and ninety acres, as generally depicted on a map entitled "Rincon Mountain Wilderness—Proposed", dated February 1984, and which shall be know as the Rincon Mountain Wildeness;

(20) certain lands in the Tonto National Forest, which comprise approximately eighteen thousand nine hundred and fifty acres, as generally depicted on a map entitled "Salome Wilderness—Proposed", dated August 1984, and which shall be known as the Salome Wilderness;

(21) certain lands in the Tonto National Forest, which comprise approximately thirty-two thousand eight hundred acres, as generally depicted on a map entitled "Salt River Canyon Wilderness—Proposed", dated April 1984, and which shall be known as the Salt River Canyon Wilderness;

(22) certain lands in the Coconino National Forest, which comprise approximately eighteen thousand two hundred acres, as generally depicted on a map entitled "Kachina Peaks Wilderness—Proposed", dated August 1984, and which shall be known as the Kachina Peaks Wilderness;

(23) certain lands in the Coronado National Forest, which comprise approximately twenty-six thousand seven hundred and eighty acres, as generally depicted on a map entitled "Santa Teresa Wilderness—Proposed", dated February 1984, and which shall be known as the Santa Teresa Wilderness; the governmental agency having jurisdictional authority may authorize limited access to the area, for private and administrative purposes, from U.S. Route 70 along Black Rock Wash to the vicinity of Black Rock;

(24) certain lands in the Tonto National Forest, which comprise approximately thirty-five thousand six hundred and forty acres, as generally depicted on a map entitled "Superstition Wilderness Additions—Proposed", dated August 1984, and which are hereby incorporated in and shall be deemed to be a part of the Superstition Wilderness as designated by Public Law 88-577;

(25) certain lands in the Coconino National Forest and Prescott National Forest, which comprise approximately eight thousand one hundred and eighty acres, as generally depicted on a map entitled "Sycamore Canyon Wilderness Additions—Proposed", dated April 1984, and which are hereby incorporated in and shall be deemed a part of the Sycamore Canyon Wilderness as designated by Public Law 92-241;

(26) certain lands in the Coconion National Forest, which comprise approximately thirteen thousand six hundred acres, as generally depicted on a map entitled "West Clear Creek Wilderness—Proposed", dated April 1984, and which shall be known as the West Clear Creek Wilderness;

(27) certain lands in the Coconino National Forest, which comprise approximately six thousand seven hundred acres, as generally depicted on a map entitled "West Beaver Wilderness—Proposed", dated February 1984, and which shall be known as the Wet Beaver Wilderness;

(28) certain lands in the Prescott National Forest, which comprise approximately five thousand six hundred acres, as generally depicted on a map entitled "Woodchute Wilderness—Proposed", dated August 1984, and which shall be known as the Woodchute Wilderness.

(29) certain lands in the Coconino National Forest, which compromise approximately ten thousand one hundred and forty acres, as generally depicted on a map entitled "Strawberry Crater Wilderness—Proposed", dated April 1984, and which shall be known as Strawberry Crater Wilderness;

(30) certain lands in the Apache-Sitgreaves National Forest, which comprise approximately five thousand two hundred acres, as generally depicted on a map entitled "Escudilla—Proposed Wilderness", dated April 1984, and which shall be known as Escudilla Wilderness.

(b) Subject to valid existing rights, the wilderness areas designated under this section shall be administered by the Secretary of Agriculture (hereinafter in this Title referred to as the "Secretary") in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of enactment of this Act.

(c) As soon as practicable after enactment of this Act, the Secretary shall file a map and a legal description of each wilderness area designated under this section with the Committee on Interior and Insular Affairs of the United States House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. Such map and description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in such legal description and map may be made. Such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, United States Department of Agriculture.

(d) The Congress does not intend that designation of wilderness areas in the State of Arizona lead to the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within a wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(e)(1) As provided in paragraph (6) of section 4(d) of the Wilderness Act, nothing in this Act or in the Wilderness Act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from Arizona State water laws.

(2) As provided in paragraph (7) of section 4(d) of the Wilderness Act, nothing in this

Act or in the Wilderness Act shall be construed as affecting the jurisdiction or responsibilities of the State of Arizona with respect to wildlife and fish in the national forests located in that State.

(f)(1) Grazing of livestock in wilderness areas established by this title, where established prior to the date of the enactment of this Act, shall be administered in accordance with section 4(d)(4) of the Wilderness Act and section 108 of Public Law 96-560.

(2) The Secretary is directed to review all policies, practices, and regulations of the Department of Agriculture regarding livestock grazing in national forest wilderness areas in Arizona in order to insure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in this Act.

(3) Not later than one year after the date of the enactment of this Act, and at least every five years thereafter, the Secretary of Agriculture shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a report detailing the progress made by the Forest Service in carrying out the provisions of paragraphs (1) and (2) of this section.

SEC. 102. (a) In furtherance of the purposes of the Wilderness Act, the Secretary of Agriculture shall review the following as to their suitability or nonsuitability for preservation as wilderness and shall submit his recommendations to the President:

(1) certain lands in the Coronado National Forest, which comprise approximately eight hundred fifty acres, as generally depicted on a map entitled "Bunk Robinson Wilderness Study Area Additions—Proposed", dated February 1984, and which are hereby incorporated in the Bunk Robinson Wilderness Study Area as designated by Public Law 96-550;

(2) certain lands in the Coronado National Forest which compromise approximately five thousand and eighty acres, as generally depicted on a map entitled "Whitmire Canyon Study Area Additions—Proposed", dated February 1984, and which are hereby incorporated in the Whitmire Canyon Wilderness Study Area as designated by Public Law 96-550; and

(3) certain lands in the Coronado National Forest which comprise approximately sixty-two thousand acres, as generally depicted on a map entitled "Mount Graham Wilderness Study Area", dated August, 1984, and which shall be known as the Mount Graham Wilderness Study Area.

With respect to the areas named in paragraphs (1) and (2), the President shall submit his recommendations to the United States House of Representatives and the United States Senate no later than January 1, 1986.

(b) Subject to valid existing rights, the wilderness study areas designated by this section shall, until Congress determines otherwise, be administered by the Secretary so as to maintain their presently existing wilderness character and potential for inclusion in the National Wilderness Preservation System.

SEC. 103. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

(2) the Congress has made its own review and examination of national forest system roadless areas in Arizona and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest system lands in States other than Arizona, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Arizona;

(2) with respect to the national forest system lands in the State of Arizona which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), except those lands designated for wilderness study upon enactment of this Act, that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Arizona reviewed in such final environmental statement or referred to in subsection (d) and not designated wilderness or wilderness study upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Arizona are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Arizona for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to national forest system roadless lands in the State of Arizona which are less than five thousand acres in size.

SEC. 104. Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274) is amended by inserting the following after paragraph (50):

"(51) VERDE, ARIZONA.—The segment from the boundary between national forest and private land in sections 26 and 27, township 13 north, range 5 east, Gila Salt River meridian, downstream to the confluence with Red Creek, as generally depicted on a map entitled 'Verde River—Wild and Scenic River', dated March 1984, which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture; to be administered by the Secretary of Agriculture. This designation shall not prevent water users receiving Central Arizona Project water allocations from diverting that water through an exchange agreement with downstream water users in accordance with Arizona water law. After consultation with State and local governments and the interested public and within two years after the date of enactment of this paragraph, the Secretary shall take such action as is required under subsection (b) of this section.".

SEC. 105. There are added to the Chiricahua National Monument, in the State of Arizona, established by Proclamation Numbered 1692 of April 18, 1924 (43 Stat. 1946) certain lands in the Coronado National Forest which comprise approximately eight hundred and fifty acres as generally depicted on the map entitled "Bonita Creek Watershed", dated May 1984, retained by the United States Park Service, Washington, D.C. The area added by this paragraph shall be administered by the National Park Service as wilderness.

TITLE II

SEC. 201. The Congress finds that—

(1) the Aravaipa Canyon, situated in the Galiuro Mountains in the Sonoran desert region of southern Arizona, is a primitive place of great natural beauty that, due to the rare presence of a perennial stream, supports an extraordinary abundance and diversity of native plant, fish, and wildlife, making it a resource of national significance; and

(2) the Aravaipa Canyon should, together with certain adjoining public lands, be incorporated within the national wilderness preservation system in order to provide for the preservation and protection of this relatively undisturbed but fragile complex of desert, riparian and aquatic ecosystems, and the native plant, fish, and wildlife communities dependent on it, as well as to protect and preserve the area's great scenic, geologic, and historical values, to a greater degree than would be possible in the absence of wilderness designation.

SEC. 202. In furtherance of the purposes of the Wilderness Act of 1964 (78 Stat. 890, 16 U.S.C. 1131 et seq.) and consistent with the policies and provisions of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743; 43 U.S.C. 1701 et seq.), certain public lands in Graham and Pinal Counties, Arizona, which comprise approximately six thousand six hundred and seventy acres, as generally depicted on a map entitled "Aravaipa Canyon Wilderness—Proposed" and dated May 1980, are hereby designated as the Aravaipa Canyon Wilderness

and, therefore, as a component of the national wilderness preservation system.

SEC. 203. Subject to valid existing rights, the Aravaipa Canyon Wilderness shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness. For purposes of this title, any references in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act and any reference to the Secretary of Agriculture with regard to administration of such areas shall be deemed to be a reference to the Secretary of the Interior, and any reference to wilderness areas designated by the Wilderness Act or designated national forest wilderness areas shall be deemed to be a reference to the Aravaipa Canyon Wilderness. For purposes of this title, the reference to national forest rules and regulations in the second sentence of section 4(d)(3) of the Wilderness Act shall be deemed to be a reference to rules and regulations applicable to public lands, as defined in section 103(e) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701, 1702).

SEC. 204. As soon as practicable after this Act takes effect, the Secretary of the Interior shall file a map and a legal description of the Aravaipa Canyon Wilderness with the Committee on Energy and Natural Resources of the United States Senate and with the Committee on Interior and Insular Affairs of the United States House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided*, That correction of clerical and typographical errors in the legal description and map may be made. The map and legal description shall be on file and available for public inspection in the offices of the Bureau of Land Management, Department of the Interior.

SEC. 205. Except as further provided in this section, the Aravaipa Primitive Area designations of January 16, 1969, and April 28, 1971, are hereby revoked.

TITLE III

SEC. 301. (a) In furtherance of the purposes of the Wilderness Act, the following lands are hereby designated as wilderness and therefore, as components of the National Wilderness Preservation System—

(1) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately six thousand five hundred acres, as generally depicted on a map entitled "Cottonwood Point Wilderness—Proposed", dated May 1983, and which shall be known as the Cottonwood Point Wilderness;

(2) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately thirty-six thousand three hundred acres, as generally depicted on a map entitled "Grand Wash Cliffs Wilderness—Proposed", dated May 1983, and which shall be known as the Grand Wash Cliffs Wilderness;

(3) certain lands in the Kaibab National Forest and in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately seventy-seven thousand one hundred acres, as generally depicted on a map entitled "Kanab Creek Wilderness—Proposed", dated May 1983, and which shall be known as the Kanab Creek Wilderness;

(4) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately fourteen thousand six hundred acres, as generally depicted on a map entitled "Mt. Logan Wilderness—Proposed", dated May 1983, and which shall be known as the Mount Logan Wilderness;

(5) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately seven thousand nine hundred acres, as generally depicted on a map entitled "Mt. Trumbull Wilderness—Proposed", dated May 1983, and which shall be known as the Mount Trumbull Wilderness;

(6) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately eighty-four thousand seven hundred acres, as generally depicted on a map entitled "Paiute Wilderness—Proposed", dated May 1983, and which shall be known as the Paiute Wilderness;

(7) certain lands in the Arizona Strip District, Arizona, and in the Cedar City District, Utah, of the Bureau of Land Management, which comprise approximately one hundred and ten thousand acres, as generally depicted on a map entitled "Paria Canyon-Vermilion Cliffs Wilderness—Proposed", dated May 1983, and which shall be known as the Paria Canyon-Vermilion Cliffs Wilderness;

(8) certain lands in the Kaibab National Forest, Arizona, which comprise approximately forty thousand six hundred acres, as generally depicted on a map entitled "Saddle Mountain Wilderness—Proposed", dated May 1983, and which shall be known as the Saddle Mountain Wilderness; and

(9) certain lands in the Arizona Strip District, Arizona, and in the Cedar City District, Utah, of the Bureau of Land Management which comprise approximately nineteen thousand six hundred acres, as generally depicted on a map entitled "Beaver Dam Mountains Wilderness—Proposed", dated May 1983, and which shall be known as the Beaver Dam Mountains Wilderness;

(b) The previous classifications of the Paiute Primitive Area and the Paria Canyon Primitive Area are hereby abolished.

SEC. 302. (a) Subject to valid existing rights, each wilderness area designated by this title shall be administered by the appropriate Secretary in accordance with the provisions of the Wilderness Act: *Provided*, That any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary who has administrative jurisdiction over the area.

(b) Within the wilderness areas designated by this title, the grazing of livestock, where established prior to the date of the enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary concerned deems necessary, as long as such regulations, policies, and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in the Wilderness Act.

SEC. 303. As soon as practicable after enactment of this Act, a map and a legal description on each wilderness area designated by this title shall be filed by the Secretary concerned with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and description shall have the same force and effect as if included in this Act: *Provided*, That correction of clerical and typographical errors in each such legal description and map may be made by the Secretary concerned subsequent to such filings. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture or in the Office of the Director of the Interior, as is appropriate.

SEC. 304. The Congress hereby finds and directs that lands in the Arizona Strip District of the Bureau of Land Management, Arizona, and those portions of the Starvation Point Wilderness Study Area (UT-040-057) and Paria Canyon Instant Study Area and contiguous Utah units in the Cedar City District of the Bureau of Land Management, Utah, not designated as wilderness by this Act have been adequately studied for wilderness designation pursuant to section 603 of the Federal Land Policy and Management Act (Public Law 94-579), and are no longer subject to the requirement of section 603(c) of the Federal Land Policy and Management Act pertaining to the management of wilderness study area in a manner that does not impair the suitability of such areas for preservation as wilderness.

TITLE IV

SEC. 401. If any provision of this Act or the application thereof is held invalid, the remainder of the Act and the application thereof shall not be affected thereby.

Mr. GOLDWATER. Mr. President, the bill before us, the Arizona Wilderness Act of 1984, will conclude Arizona's RARE II Program which began in 1977. It also includes the newly negotiated release language which the Senate has considered with regard to the wilderness bills which this body passed last month. Title I of the legislation would designate 29 acres containing 642,360 acres of national forest lands as wilderness; 67,930 acres in three units would be for future planning; and, 41 miles of the Verde River would come under the protection of the Wild and Scenic Rivers Act.

Title II, which passed the Senate last year as a separate bill, would designate Aravaipa Canyon as wilderness. The approximate 6,670 acre area is a Bureau of Land Management Primitive Area, the first such BLM classification in the Nation.

Title III designates nine new wilderness areas in northern Arizona, located in the "Arizona Strip" country. Approximately 394,900 acres of Bureau of Land Management and national forest lands would be wilderness.

Mr. President, during the many months that the various State wilderness bills have been under consideration, including that for my State of Arizona, my office and, I am sure, various offices in the Senate and the House, have been contacted by their respective State fish and wildlife agencies about the desirability to clarify the intent of Congress regarding the management of fish and wildlife in designated wilderness area. Contact has also been made by national organizations whose members are the State fish and wildlife agencies having legal

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and managerial responsibility for most of the wild living resources of the United States, Canada, and Mexico.

The groups are concerned because fish and wildlife agencies in many States with designated wilderness and/or wilderness study areas have experienced various difficulties with the Federal administrative agencies' interpretations of the Wilderness Act of 1964 relative to fish and wildlife conservation. The problems have varied regionally and among Federal administrative personnel. The State agencies have found that activities permitted in one Federal administrative region or in one wilderness are prohibited in others. A lack of uniformity is evident.

In the past, congressional committees have responded to some of the States' concerns, mainly in report language on various bills, but these responses have been piecemeal rather than orderly and comprehensive. Fish and wildlife are important elements of wilderness. Uniform guidance is needed, because, despite the Federal Government's ownership of the lands involved, the ownership and legal responsibility to protect and manage most fish and wildlife occurring in wilderness is and always has been vested in the States. Responsibility for fish and wildlife is discharged by the legally constituted fish and wildlife agencies in your State and mine. Thus, there is need for continual coordination and cooperative efforts between the State fish and wildlife agencies and the Federal land agencies to ensure that State agencies can properly conserve fish and wildlife resources in wilderness and wilderness study areas. At the same time, other wilderness values must be maintained.

Congressional committees have attempted to treat individual questions relative to fish and wildlife on an issue-by-issue basis, the result being that such existing policy guidance is uneven and scattered in narrative form through several documents. With this in mind, House Report 98-40, pertaining to the California Wilderness Act of 1983, contains a lengthy discussion of fish and wildlife management in wilderness.

I have been advised by the Arizona Game and Fish Department that the suggested policy guidelines in that House report do not cover certain important elements of professional fish and wildlife management. The States are therefore requesting that Congress set forth, in one place, policy guidelines for the management of fish and wildlife in wilderness areas and wilderness study areas administered by the U.S. Forest Service and the Bureau of Land Management. It is my hope that the appropriate House and Senate committees will address these concerns and I ask unanimous consent to have the suggested guidelines printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GOLDWATER. Mr. President, hundreds of hours have gone into putting this wilderness legislation together. My office and I have worked with individual ranchers, mining groups, the timber industry, utility groups, environmentalists, Native Americans, the Forest Service, the Bureau of Land Management, local, and State governments, you name it, we tried to work with everyone. I do not think everyone is happy with the results. There will always be people who want more, and some who want less. But, I think we have a bill that the people of Arizona can live with.

EXHIBIT 1

FISH AND WILDLIFE MANAGEMENT GUIDELINES IN WILDERNESS

As an overall preface to the statement of policy on this subject, it is directed that fish and wildlife management activities in wilderness will be planned and undertaken in conformance with the "minimum necessary" requirement of Section 4(c) of the Wilderness Act. The guiding principles of that section are that permitted activities will be temporary in nature, will leave no permanent marks, and will employ the minimum tool necessary to accomplish the task at hand.

As general policy, lands within the National Wilderness System shall be managed to allow ecological succession, including fire and infestations of insects, to operate freely insofar as they do not endanger significant resources outside such area. Fish and wildlife conservation should be directed toward maintenance of species identified in wilderness management plans and with special emphasis on species indigenous to the areas, and on the preservation of those classified as endangered or threatened under the provisions of the Endangered Species Act of 1973 or by the state in which the area is situated.

These guidelines and policies shall be considered in the overall context of the purposes and direction of the Wilderness Act of 1964 and this Act, and that they be promptly, fully and diligently implemented and made available to Forest Service and Bureau of Land Management personnel at all levels, to appropriate state fish and wildlife agencies, and to other appropriate individuals and parties:

1. Fish and wildlife research and management surveys

Research on fish and wildlife, their habitats and the recreational users of these resources is a legitimate activity in wilderness and study areas. Methods which temporarily infringe on the wilderness character may be used provided the information sought is essential for conservation of the species and alternative methods or locations are not available.

Helicopters and fixed-wing aircraft may be used to conduct approved fish and wildlife research activities in wilderness and study areas. Aircraft shall be used in a manner to minimize disturbance of other users, including humans and wildlife.

All fish and wildlife studies conducted within and over wilderness and study areas shall be conducted within the basic concept of preserving the natural character of the areas. Aerial counts and observations of wildlife shall be permissible for conservation of wilderness wildlife resources. Capturing and marking of animals, radio telemetry, and temporary installations, such as shelters for cameras and scientific apparatus, enclosures and exclosures, essential for wildlife research and conservation shall be permitted.

2. Facility development and habitat alteration

There are situations where facility development and habitat alterations may be necessary for the continued existence or welfare of fish and wildlife living on or adjacent to wilderness or study areas. This is particularly true in the case of wildlife species adversely impacted through the activities of man in such areas.

Flow maintenance dams, water developments, water diversion devices, ditches and associated structures and other fish and wildlife habitat developments necessary for fish and wildlife conservation and in existence prior to designation of a wilderness or study area may be permitted to remain in existence and be operated and maintained. The use of equipment should be based on the "minimum necessary" requirements of Section 4(c) of the Wilderness Act.

Clearing of debris which impedes the migratory movements of fish on critical spawning streams shall be permitted.

Maintenance of existing water supplies is an accepted practice in most wilderness areas and development of additional water supplies is permitted, but only when essential to wildlife survival. The use of mechanical equipment by management agencies in this context is permissible, but should be the "minimum necessary" as required by Section 4(c) of the Wilderness Act.

3. Endangered and threatened species

The importance of wilderness and study areas in providing habitat for endangered and threatened species of wildlife, as identified by federal and state governments, is recognized.

4. Angling, hunting and trapping

Angling, hunting and trapping are legitimate wilderness and study area activities subject to state and applicable federal laws and regulations.

5. Population sampling

Scientific sampling of fish and wildlife populations is an essential procedure in the maintenance of balanced populations in wilderness and study areas.

6. Chemical treatment

Chemical treatment may be necessary to prepare waters for the reestablishment of species identified in resource plans, to establish endangered or threatened species, or to correct undesirable conditions resulting from the influence of man.

7. Spawn taking

The collection of fish spawn shall be permitted from wilderness and study areas when alternative sources are nonexistent or unreliable or where spawn taking was an established practice prior to the area being officially designated.

8. Fish planting and transplanting

Planting or transplanting of fish may be conducted by the state agency, using means appropriate for wilderness or study areas, when any one of the following criteria is met: (a) to reestablish or maintain a species identified in the resource plan, (b) to restore

an endangered or threatened species, or (c) to maintain or enhance recreational values as identified in the wilderness management plan.

Barren lakes and streams may be considered for stocking after it has been mutually agreed that there will be no appreciable loss of scientfic values or adverse effects on wilderness resources.

Numbers, size and species of fish and time of planting will be determined by the state wildlife agency.

9. Aerial fish planting

Aerial planting of fish shall be permitted in wilderness and study areas where this was an established practice before the area was classified as a wilderness or study area, or where other practical means are not available.

10. Transplanting wildlife

Removal, reintroduction or supplemental transplants of terrestrial wildlife species in wilderness or study areas shall be permitted if: (a) the status of a threatened or endangered species would be enhanced; (b) the population of a native species eliminated or reduced by acts of man would be restored or enhanced; (c) other significant wilderness or study area values would not be impaired. Motorized methods may be permitted if they are necessary to accomplish a transplant and otherwise meet the "minimum necessary" requirements of Section 4(c) of the Wilderness Act.

11. Control of problem animals

Control of problem wildlife in wilderness and study areas may be necessary to reduce depredations on and conflicts with other wildlife and domestic livestock, to remove animals creating a public nuisance related to human interests, and to prevent transmission of diseases or parasites affecting other wildlife or humans.

12. Restoring essential food plants

When restoring essential food plants after disturbance, such as wildfire, only native species are permitted.

13. Prescribed or controlled burning

Prescribed or controlled burning, designed to maintain natural burn and regrowth cycles favorable to wildlife, is an acceptable and often a necessary management task in some wilderness areas.

Prescribed burning or allowing wildfires to burn under controlled conditions should be permitted only when: (1) the activity is designed to replace or to stimulate vegetative response in those areas where wildlife had been an essential ingredient in the maintenance of the wilderness character of an area but where past strict wildfire control measures had interfered with natural, evolutionary processes; and (2) the program is designed to maintain wildlife diversity in an area, with priority emphasis on habitat requirements for rare or endangered wildlife species.

14. Control of visitors

Many wildlife species are sensitive to human encroachments on their ranges. Grizzly bear, bighorn sheep, elk, mountain goat some migratory and resident birds and other wilderness wildlife species cannot tolerate excessive human intrusions, particularly during certain seasons of the year.

Wilderness managers should identify those specific areas within a wilderness which are essential to the continuance of sound native wildlife populations and meet the specific needs of individual wildlife species by initiating visitor use controls, particularly during those periods of the year in which wildlife's needs are the most critical.

15. Use of aircraft, motor boats or motor vehicles

Section 4(c) of the Wilderness Act permits the use of motorized equipment in wilderness if such use is found "necessary to meet minimum requirements for the administration of the area for the purposes of this Act." This language is viewed as permitting the occasional, temporary use by Federal and State officials of motor vehicles, helicopters, aircraft and the like, in furtherance of the purposes of a specific wilderness area. This language means that any such use should be occasional and temporary (example: transporting animals that have been trapped in a temporary enclosure to a release point outside the wilderness); that no roads should be built to accommodate vehicles; and that such use must be determined by wilderness managers to be the minimum necessary to accomplish the task.

Mr. DECONCINI. Mr. President, I commend my colleagues, Mr. GOLDWATER and Mr. UDALL, for all of the efforts they put forth in attempting to fashion a statewide wilderness bill that responds to all of the needs of our diverse State. When this process began less than 1 year ago, some of us in the congressional delegation and the State were skeptical about the ability to formulate a final resolution to the RARE II controversy in Arizona before the close of the 98th Congress. Thanks to the work of many, many interested citizens, user organizations, conservation interests, and hundreds of hours of devoted work by members of the Arizona congressional delegation and their staff, we now have an Arizona wilderness bill before this body. It is by no means the product of one interest or group of citizens. Rather, it is the result of many months of negotiation and arduous work by many citizens in Arizona to achieve a consensus among the various users and interests in the public lands in our State. While certain areas have been deleted from the House measure, other valuable resource areas have been added. In each unit, great effort was undertaken to insure that the boundaries were acceptable to all Arizonans. While title I of the bill adds an additional 658,580 acres of Forest Service roadless lands to the Federal wilderness system, and releases hundreds of thousands of acres of other Forest Service roadless lands to other uses, it still does not represent to some interests in my State, the best possible wilderness bill. However, it is definitely a compromise and as such, not everyone will be totally satisfied with what is contained in the final package.

Mr. President, I am a cosponsor of the measure before us. I believe this bill will preserve, under the status of the wilderness designation, numerous examples of the magnificent natural resources of the Southwest, ranging from steep and rugged canyons and cliffs in the northern and central portions of the State to the flatter areas of the southwestern desert. In my view, this bill does a good job of insuring that some of our most unique and pristine areas of Arizona will be protected and managed under the wilderness system for use by future generations of Arizonans and other Americans.

This bill also contains many provisions necessary to allow the continued and orderly use of wilderness consistent with the terms of the Wilderness Act of 1964. In a diverse State like Arizona where mining, ranching, timber cutting, water and power development are important factors in the continued growth of our State, and where recreation and the enjoyment of the wide open spaces of our more isolated areas in what attracts people to our great State, it is not always easy to balance the prodevelopment needs with the environmental concerns. We have tried to achieve this delicate balance. On the whole, however, the protection of these hundreds of thousands of national forest lands will provide needed recreational areas for the Arizona public, and allow opportunities for peace and solitude away from our day-to-day urban environments.

There is one small area that is contained in this substitute package, Mr. President, about which I am particularly pleased. It is a small addition to the Chiricahua National Monument, located within the Coronado National Forest in the southeastern portion of our State. The addition would expand the northern boundary of the monument by approximately 850 acres to take in the Bonita Creek watershed. Presently, there is a 90-acre patented mining claim on the northeastern tip of the monument and an adjoining road to the south which connects with the major Park Service road within the existing boundary of the monument. This mining claim and adjoining access road will be left open and excluded from this proposed addition. This addition to the monument is supported by local Forest Service and Park Service officials as it represents a more manageable boundary for both agencies and allows the protection of the Bonita Creek drainage under wilderness status. The individual who holds the title to the patented mining claim supports this proposal and will not be adversely affected. The 850 acres will be designated as wilderness and managed by the Park Service. Russ Butcher of Cottonwood, AZ, worked very hard in designing this unit and I am extremely gratified that it has been included.

Title III of this bill designates certain BLM and Forest Service units within the Arizona strip district as wilderness. This was introduced as a separate bill by myself and Senator GOLDWATER. It represents an outstanding example of how industry and other

user groups can work with conservation interests to come up with a resolution to the wilderness question without conflict. I am pleased that we are close to making this measure law for all of those who worked so hard in formulating the Arizona Strip District Wilderness Act.

I am also pleased that the continuing controversy over so-called release language has been resolved. The compromise release contained in this measure, in my view, goes a long way toward clarifying the intent of the Congress with respect to the management of areas not designated as wilderness under this act. I am grateful to my colleagues, Mr. McCLURE and Mr. WALLOP and their House counterparts, Mr. UDALL and Mr. SEIBERLING, for their efforts in negotiating this final compromise.

I believe special attention should be afforded numerous individuals who worked in good faith to formulate an Arizona wilderness measure. While they certainly did not see eye to eye at all times, I believe special recognition for their work on wilderness for Arizona should go to individuals like Joni Bosh, John Olsen, C.J. Hansen, Ed Wren, Henry Eyrich, Rob Smith, Mike Rappoport, numerous Wilderness Coalition volunteers, and numerous industry representatives, for their long hours of assistance, advice, and patience. The responsiveness of Forest Service officials throughout Arizona is certainly also worthy of recognition.

Mr. President, I support the Arizona wilderness bill before this body and urge its adoption. I have received petitions containing the names of thousands of Arizonans supporting the addition of Mount Wrightson and am pleased that it will be added to our Federal wilderness system. I am also pleased that we will add Kachina Peaks, an area sacred to the cultures of the Navajo and Hopi peoples, and the Red Rock-Secret Mountain unit which is of enormous interest to the residents of northern Arizona.

Mr. STEVENS. Mr. President, once again another wilderness bill with complete agreement of both Senators on a bipartisan basis even to the nature of the substitute that has been totally rewritten by the two Senators with agreement from all parties in their State. I think it is really a good feeling I have about the future of the Senate in reviewing wilderness matters. I hope that this comity to Members of the Senate from the States involved will continue into the years ahead.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute (No. 3687) was agreed to.

Mr. STEVENS. Mr. President, I ask that the bill be advanced to third reading.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading.

Mr. STEVENS. Mr. President, I now ask the Chair to lay before the Senate Calendar Order No. 743, which is H.R. 4707.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4707) to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. Mr. President, I move to strike all after the enacting clause and insert in lieu thereof the text of S. 2242, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alaska.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 4707), as amended, was passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that Calendar No. 896, S. 2242, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE CONCURRENT RESOLUTION 136—CORRECTING TECHNICAL ERRORS IN THE ENROLLMENT OF THE BILL S. 1546

Mr. STEVENS. Mr. President, I send to the desk a resolution on behalf of Senators PACKWOOD, HOLLINGS, and LONG and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the concurrent resolution.

The assistant legislative clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That, in the enrollment of the bill (S. 1546) to amend the Deepwater Port Act of 1974, and for other purposes, the Secretary of the Senate shall make the following corrections:

(1) In section 4(a)(3), in the amendment to section 18 of the Deepwater Port Act of 1974, strike "In the seventh sentence of subsection (f)(3)," and insert in lieu thereof the following: "In the eighth sentence of subsection (f)(3), as amended by this subsection,".

(2) In section 4(a)(4), in the amendment to section 18 of the Deepwater Port Act of 1974, strike "In the ninth sentence of subsection (f)(3)," and insert in lieu thereof the following: "In the tenth sentence of subsection (f)(3) as amended by this subsection,".

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. STEVENS. Mr. President, I now ask my good friend if it is in order to turn to the executive calendar commencing on page 4 and I seek his concurrence in asking unanimous consent to go into executive session for the purpose of considering the nominations beginning with Calendar Order No. 662, all of the nominations on page 5, on page 6 all the nominations, on page 7 all of the nominations, on page 8 all of the nominations, on page 9 all of the nominations, and all the nominations placed on the Secretary's desk.

Mr. BYRD. Mr. President, in response to the distinguished assistant majority leader this side has not cleared all of the nominees whose nominations are referred to by the distinguished assistant Republican leader, and I suggest that we begin with Calendar Order No. 931, Executive Office of the President, on page 5, continue with the Department of State, Department of State throughout page 6, if the assistant majority leader so wishes. On page 7 we have been able to clear Calendar Order Nos. 938, 940, 941, and on page 8, we have been able to clear all nominations under Department of State, and on page 9, nominations as follows: Calendar Order No. 949, Calendar Order No. 950, Calendar Order No. 952, and the nominations placed on the Secretary's desk in the Air Force, Army, on page 10.

Mr. STEVENS. Very well. I understand the deletions.

Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering the nominations which have just been enumerated in our two recitations, the ones that have been agreed to by the two of us.

Mr. BYRD. Yes; we did not agree to all of those that the assistant majority leader wanted.

Mr. STEVENS. It will be the ones that the two leaders have just agreed to that will be before the Senate in executive session.

Mr. BYRD. And that would be only those that have been cleared on this side.

Mr. STEVENS. That the minority leader has stated and I have stated the same.

Mr. BYRD. I thank the distinguished Republican leader.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The first nomination will be stated.

EXECUTIVE OFFICE OF THE PRESIDENT

The legislative clerk read the nomination of Jorge L. Mas, of Florida, to be a member of the Advisory Board for Radio Broadcasting to Cuba.

Mrs. HAWKINS. Mr. President, I am pleased today that the Senate is taking up the confirmation of Mr. Jorge L. Mas to be a member of the Presidential Advisory Board for Radio Broadcasting to Cuba. This is a position of great importance, and Mr. Mas is the first to be nominated to fill the nine-member panel. This Advisory Board will play an active role in the direction of the Radio Marti Program as it seeks to privide a responsible, accurate alternative to the propaganda that fills the Cuban media.

In this country we often take the freedom of the press for granted. But the press, and the flow of ideas and information it represents, is the guardian of our freedom. It has been said that "Ignorance is bliss," but for a society that respects democracy and reveres its freedom, "Ignorance is slavery." The key to freedom is the opportunity to make your own decisions, but unless we have access to ideas and information that enable us to make sound decisions, the claims to freedom are an illusion.

Unfortunately, no one understands this better than totalitarian dictatorships such as Fidel Castro's Cuba. For this reason the news and ideas presented to the Cuban people by the Castro regime are carefully censored so that they hear only what Castro wants them to hear. This is the reason, I believe, that Congress authorized the establishment of Radio Marti, to provide the people of Cuba with an alternative to Castro's propaganda. Radio Marti, acting as a surrogate home radio station, will break Castro's monopoly on the news and increase the ability of the Cuban people to make their own decisions based on more than what they are force-fed by the Cuban Government. This is the beginning of freedom for the people of Cuba.

The Radio Marti legislation that passed the Congress last year provided for the appointment of a nine-member Presidential Advisory Board to advise the President, the Director of the USIA, and the Agency's Associate Director for Broadcasting regarding the effectiveness of the activities being carried out under the Radio Broadcasting to Cuba Act, and to make such recommendations as it may deem necessary. President Reagan has not only nominated Mr. Mas to serve on this important and prestigious board, but has asked him to serve as its chairman.

Mr. Mas is a sound choice for this position. He is a man committed to democratic ideals, a man with a passionate love for freedom. He is a man that knows Cuba. He was born there and spent much of his life there. He knows the language, he knows the heritage, he knows the people. But he is equally at home here in his adopted country. He understands the values that we hold dear, and is dedicated to the principles that are the basis of our Republic. He understands the importance of bipartisanship in foreign policy and demonstrated this by working equally well with Republicans and Democrats in both Houses during the debate on the Radio Marti bill. In short, I believe that Jorge Mas brings the necessary talent, knowledge, and experience to the Radio Marti Board to make him ideal for the job, and I urge the Senate to confirm him in this position.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF STATE

The legislative clerk read the nominations of Howard Bruner Schaffer, of New York, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bangladesh;

Paul Fisher Gardner, of Texas, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Papua New Guinea, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Solomon Islands;

Robert J. Ryan, Jr., of the District of Columbia, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mali;

Paul H. Boeker, of Ohio, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan;

Richard Wood Boehm, of the District of Columbia, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus;

Maynard W. Glitman, of Vermont, a career member of the senior Foreign Service, class of minister-counselor, for the rank of Ambassador during the tenure of his service as the representative of the United States of America for mutual and balanced force reductions negotiations;

Alan Wood Lukens, of Pennsylvania, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of the Congo.

Leon Jerome Weil, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Nepal;

Larry C. Williamson, of California, a career member of the senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe;

Anthony Cecil Eden Quainton, of Washington, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait;

Brandon Hambright Grove, Jr., of District of Columbia, a career member of the senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zaire;

Edward J. Streator, of New York, a career member of the senior Foreign Service, class of career minister, to be the representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

Mr. MATHIAS. Mr. President, Edward Streator is a superb Foreign Service professional who has been nominated by the President to be representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

Ambassador-designate Streator has been the sheet anchor in our Embassy in London. As Deputy Chief of Mission from 1977 to the present, Mr. Streator has held our relations with the United Kingdom on a steady course through successive U.S. ambassadorial changes, changes in Secretaries of State and changes in U.S. administrations.

I have had a number of occasions in recent years to observe the exemplary manner with which Edward Streator has represented U.S. interests in London. He richly deserves and is eminently qualified for the rank of Ambassador and for the duties for which the President has nominated him. His long experience in Europe will ensure that, once confirmed, he will move quickly and effectively into his new job.

I urge speedy and positive action on the President's nominee for the position of U.S. representative to the OECD.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

The legislative clerk read the nomination of Charles D. Baker, of Massachusetts, to be Under Secretary of Health and Human Services.

Mr. DOLE. Mr. President, on August 7, the Committee on Finance held a hearing on the nomination of Charles D. Baker as Under Secretary, Department of Health and Human Services. As chairman of the committee, it is a privilege to report the committee's unanimous decision to report favorably the nomination of Mr. Baker.

For the record, the financial disclosure forms of this nominee have been reviewed, as well as other materials filed with the Office of Government Ethics. The Finance Committee is satisfied that there are no problems in this area.

The Under Secretary at the Department of Health and Human Services plays a critical role in management of one of the single largest organizations in this country. I am pleased to note that Mr. Baker is certainly qualified to fulfill his new responsibilities.

As Under Secretary, Mr. Baker will no doubt be called upon to provide executive direction, leadership, and management strategy for HHS. He is certainly qualified to do so.

Mr. Baker comes to this position with a great deal of practical experience with and knowledge of the management requirements of large organizations. Mr. Baker has a longstanding relationship with Harbridge House, Inc., a large management consulting firm which has had experience in dealing with the Department of Health and Human Services among other clients. Most recently, Mr. Baker served as vice chairman and director of the firm. Prior to that time he held the following successive positions with the firm: vice president, president, and chairman.

In addition to his private sector management experience, Mr. Baker is no stranger to the public sector having served as the Assistant Secretary for Policy and International Affairs and as Deputy Under Secretary, U.S. Department of Transportation.

Mr. Baker is a graduate of Harvard College and the Harvard Business School.

Mr. Baker is a well qualified candidate, Mr. President, and I urge the Senate to approve the nomination.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF COMMERCE

The legislative clerk read the nomination of Katherine M. Bulow, of Maryland, to be an Assistant Secretary of Commerce.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

The legislative clerk read the nomination of Victor M. Rivera, of Virginia, to be an Assistant Administrator of the Agency for International Development.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF ENERGY

The legislative clerk read the nomination of William W. Hoover, of Maryland, to be an Assistant Secretary of Energy.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The legislative clerk proceeded to read sundry nominations in the Air Force and in the Army, placed on the Secretary's desk.

Mr. STEVENS. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. STEVENS. Mr. President, I move to reconsider the votes by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

UTAH WILDERNESS ACT OF 1984

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate Calendar No. 1104, which is S. 2155.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2155) to designate certain national forest system lands in the State of Utah for inclusion in the National Wilderness Preservation System, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert:

That this Act may be cited as the "Utah Wilderness Act of 1984".

TITLE I—FINDINGS, PURPOSES, AND WILDERNESS DESIGNATION

SEC. 101. (a) The Congress finds that—

(1) many areas of undeveloped national forest system lands in the State of Utah possess outstanding natural characteristics which give them high values as wilderness and will, if properly preserved, contribute as an enduring resource of wilderness for the benefit of the American people;

(2) review and evaluation of roadless and undeveloped lands in the national forest system in Utah have identified those areas which, on the basis of their landform, ecosystem, associated wildlife, and location, will help to fulfill the national forest system's share of a quality National Wilderness Preservation System; and

(3) review and evaluation of roadless and undeveloped lands in the national forest system in Utah have also identified those areas which do not possess outstanding wilderness attributes or which possess outstanding energy, mineral, timber, grazing, dispersed recreation, or other values and which should not be designated as components of the National Wilderness Preservation System but should be available for nonwilderness multiple uses under the land management planning process, other applicable laws and the provisions of the Act.

(b) The purposes of this Act are to—

(1) designate certain national forest system lands in Utah as components of the National Wilderness Preservation System in order to preserve the wilderness character of the land and to protect watersheds and wildlife habitat, preserve scenic and historic resources, and promote scientific research, primitive recreation, solitude, physical and mental challenge, and inspiration for the benefit of all of the American people; and

(2) insure that certain other national forest system lands in the State of Utah be available for nonwilderness multiple uses.

SEC. 102. (a) In furtherance of the purpose of the Wilderness Act (78 Stat. 890), the following national forest system lands in the State of Utah are hereby designated as wilderness, and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Wasatch-Cache National Forest which comprise approximately forty-four thousand three hundred and fifty acres as generally depicted on a map entitled, "Mt. Naomi Wilderness—Proposed", dated June 1984, and which shall be known as the Mount Naomi Wilderness;

(2) certain lands in the Wasatch-Cache National Forest which comprise approximately twenty-three thousand eight hundred and fifty acres as generally depicted on a map entitled, "Wellsville Mountain Wilderness—Proposed", dated November 1983, and which shall be known as the Wellsville Mountain Wilderness;

(3) certain lands in the Wasatch-Cache National Forest which comprise approximately sixteen thousand four hundred and fifty acres as generally depicted on a map entitled, "Mt. Olympus Wilderness—Proposed", dated November 1983, and which shall be known as the Mount Olympus Wilderness;

(4) certain lands in the Wasatch-Cache National Forest which comprise approximately thirteen thousand one hundred acres as generally depicted on a map entitled, "Twin Peaks Wilderness—Proposed", dated June 1984, and which shall be known as the Twin Peaks Wilderness;

(5) certain lands in the Wasatch-Cache and Ashley National Forests which comprise approximately four hundred and sixty thousand acres as generally depicted on a map entitled, "High Uintas Wilderness—Proposed", dated June 1984, and which shall be known as the High Uintas Wilderness;

(6) certain lands in the Uinta National Forest which comprise approximately ten thousand seven hundred and fifty acres as generally depicted on a map entitled "Mt. Timpanogos Wilderness—Proposed", dated November 1983, and which shall be known as the Mount Timpanogos Wilderness;

(7) certain lands in the Uinta National Forest which comprise approximately twenty-eight thousand acres as generally depicted on a map entitled "Mt. Nebo Wilderness—Proposed", dated June 1984, and which shall be known as the Mount Nebo Wilderness;

(8) certain lands in the Manti-LaSal National Forest which comprise approximately forty-five thousand acres as generally depicted on a map entitled "Dark Canyon Wilderness—Proposed", dated November 1983, and which shall be known as the Dark Canyon Wilderness;

(9) certain lands in the Dixie National Forest which comprise approximately seven thousand acres as generally depicted on a map entitled "Ashdown Gorge Wilderness—Proposed", dated November 1983, and which shall be known as the Ashdown Gorge Wilderness;

(10) certain lands in the Dixie National Forest which comprise approximately twenty-six thousand acres as generally depicted on a map entitled "Box-Death Hollow Wilderness—Proposed", dated June 1984, and which shall be known as the Box-Death Hollow Wilderness;

(11) certain lands in the Dixie National Forest which comprise approximately fifty thousand acres as generally depicted on a map entitled "Pine Valley Mountain Wilderness—Proposed", dated June 1984, and which shall be known as the Pine Valley Mountain Wilderness; and

(12) certain lands in the Wasatch National Forest which comprise approximately twenty-five thousand five hundred acres as generally depicted on a map entitled "Deseret Peak Wilderness—Proposed", dated June 1984, and which shall be known as the Deseret Peak Wilderness.

(b) The previous classifications are hereby abolished: the Mount Timpanogos Scenic Area and the High Uintas Primitive Area.

SEC. 103. (a) As soon as practicable after the enactment of this Act, the Secretary of Agriculture shall file the maps referred to in this Act and a legal description of each wilderness area designated by this Act with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and legal description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal description and maps may be made. Each such map and legal description shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.

(b) Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act of 1964 (78 Stat. 892) governing areas designated by that Act as wilderness areas, except that, with respect to any area designated in this Act, any reference in such provisions to the effective date of the Wilderness Act of 1964 shall be deemed to be a reference to the effective date of this Act.

TITLE II—RELEASE OF LANDS FOR NONWILDERNESS USES

SEC. 201. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

(2) the Congress has made its own review and examination of national forest system roadless areas in Utah and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest lands in States other than Utah, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Utah;

(2) with respect to the national forest system lands in the State of Utah which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time the Secretary finds that conditions in a unit have significantly changed;

(3) areas in the State of Utah reviewed in such final environmental statement or referenced in subsection (d) and not designated wilderness upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided,* That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plan;

(4) in the event that revised land management plans in the State of Utah are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Utah for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to—

(1) those national forest system roadless areas in the State of Utah which were evaluated in any unit plan or which are being managed pursuant to a multiple use plan; and

(2) national forest system roadless lands in the State of Utah which are less than five thousand acres in size.

TITLE III—MISCELLANEOUS PROVISIONS

GRAZING IN WILDERNESS AREAS

SEC. 301. (a) Grazing of livestock in wilderness areas established by this Act, where established prior to the date of the enactment of this Act, shall be administered in accord-

ance with section 4(d)(4) of the Wilderness Act and section 108 of Public Law 96-560.

(b) The Secretary is directed to review all policies, practicies, and regulations of the Department of Agriculture regarding livestock grazing in national forest system wilderness areas in Utah in order to insure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in this Act.

(c) Not later than one year after the date of the enactment of this Act, and at least every five years thereafter, the Secretary of Agriculture shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a report detailing the progress made by the Forest Service in carrying out the provisions of paragraphs (a) and (b) of this section.

STATE WATER ALLOCATION AUTHORITY

SEC. 302. (a) As provided in section 4(d)(7) of the Wilderness Act of 1964, nothing in this Act shall constitute an express or implied claim or denial on the part of the Federal Government as to the exemption from Utah water laws.

(b) Within the Mount Naomi, Wellsville Mountain, Mount Olympus, Twin Peaks, High Uintas, Mount Nebo, Pine Valley Mountain, Deseret Peak, and Ashdown Gorge Wilderness areas as designated by this Act, the Forest Service is directed to utilize whatever sanitary facilities are necessary, including but not limited to vault toilets which may require service by helicopter, to insure the continued health and safety of the communities serviced by the watersheds in such wilderness areas in the State of Utah; furthermore, nothing in this Act shall be construed to limit motorized access and road maintenance by local municipalities for those minimum maintenance activities necessary to guarantee the continued viability of whatsoever watershed facilities currently exist or which may be necessary in the future to prevent the degradation of the water supply in such wilderness areas within the State of Utah, subject to such reasonable regulations as are deemed necessary by the Secretary of Agriculture.

(c) As provided in section 4(d)(8) of the Wilderness Act of 1964, nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Utah with respect to wildlife and fish in the national forests in Utah.

PROHIBITION ON BUFFER ZONES

SEC. 303. (a) Congress does not intend that designation of wilderness areas in the State of Utah lead to the creation of protective perimeters of buffer zones around any wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

MINERAL RESOURCES

SEC. 304. In furtherance of section 4(d)(2) of the Wilderness Act and the policies of the National Materials and Minerals Policy, Research and Development Act (94 Stat. 2305), the Secretary of the Interior shall continue to make assessments of the mineral potential of national forest wilderness areas in the State of Utah, on a recurring basis, consistent with the concept of wilderness preservation, in order to expand the data base with respect to the mineral potential of such lands.

SEC. 305. Within the Mount Naomi, Wellsville Mountain, Mount Olympus, Mount Nebo, Twin Peaks, High Uintas, Pine Valley Mountain and Deseret Peak Wilderness areas as designated by this Act the provisions of the Wilderness Act shall not be construed to prevent the installation and maintenance of hydrologic, meteorologic, climatological, or telecommunications facilities, or any combination of the foregoing, or limited motorized access to such facilities when nonmotorized access means are not reasonably available or when time is of the essence, subject to such conditions as the Secretary of Agriculture and the Secretary of the Interior deem desirable, where such facilities or access are essential to flood warning, flood control, and water reservoir operation purposes.

SEC. 306. (a) Certain lands adjacent to the Box-Death Hollow Wilderness as designated in section 102 of this Act, and generally depicted as the "Antone Bench Area" and areas 2, 3, 4, and 5 on a map entitled "Box-Death Hollow Wilderness—Proposed", dated June 1984, shall, subject to valid existing rights and until Congress determines otherwise, be managed in accordance with the following provisions:

(1) all lands within the areas are hereby withdrawn from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral and geothermal leasing and all amendments thereto, except that the Secretary of the Interior is hereby authorized to issue competitive leases for carbon dioxide within the areas for a period of five years from the date of enactment of this Act;

(2) a lease issued for carbon dioxide in the area shall be for a period of ten years and for so long thereafter as carbon dioxide is produced annually in commercial quantities from that lease: *Provided*, That an area covered by a lease shall be withdrawn from further carbon dioxide leasing or lease extension in the event production in commercial quantities from the lease is not occuring within ten years of the date of issuance of the lease; and

(3) exploration in the Antone Bench area shall be permitted only by helicopter or other methods which do not involve road construction or other significant surface disturbance.

(b) In the event development of a lease within the Antone Bench area is proposed, the following provisions shall apply:

(1) road construction shall be limited to the minimum standards necessary for proper development of the carbon dioxide resource consistent with safety requirements;

(2) roads, pipelines, electric lines, buildings, compressor stations and other facilities shall, to the maximum extent practicable consistent with economic extraction of the carbon dioxide resource, be camouflaged, constructed and located in a manner that will minimize visual, noise or other intrusions in the area and in the surrounding wilderness area;

(3) fill material, gravel and other material used for road and facility construction shall be obtained from outside the wilderness area;

(4) road or facility construction shall be limited, to the maximum extent practicable, to seasons or periods where there will be minimum impacts on recreation or wildlife uses;

(5) roads shall be used only in conjunction with carbon dioxide development operations and shall be closed to all other vehicular use, but shall be open for foot or horse travel;

(6) all roads or other facilities within the area shall, when no longer needed for carbon dioxide production, be removed and reclaimed to a condition of being substantially unnoticeable;

(7) all waste, debris, or other by-products associated with road construction, carbon dioxide production, or other development activities shall be disposed of outside the Antone Bench area and the Box-Death Hollow Wilderness; and

(8) consistent with State and Federal law no activities shall be allowed within the area which could significantly impair water quality or quantity in the Box-Death Hollow Wilderness and adjacent wilderness or wilderness study areas.

Mr. STEVENS. Mr. President, I ask unanimous consent that the committee substitute be adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I am very pleased to see the Senate act on the Utah Wilderness Act of 1984. Twenty years after this body voted to establish a National Wilderness Preservation System, I believe it is fitting that the State of Utah should take a major leap forward through passage of this act.

This legislation is the sum total of years of preparation by many people. First of all, I wish to thank my colleague from Utah, Senator HATCH. Throughout this long and adruous process, he and I have been united in our efforts to craft a bill that protects Utah's very best wilderness areas while releasing to multiple uses those lands which nature intended for us to develop. My thanks also goes to the Governor of Utah, Scott Matheson, who put a process into place in Utah 7 years ago that has helped make possible the successful resolution of this issue today. Let the record also show that my colleague in the House, Congressman JIM HANSEN, deserves much of the credit for this Utah bill because of his leadership in the other body against tremendous odds. Congressmen NIELSON and MARRIOTT have also been helpful during this long process. Together, I believe all of us have provided a united front in defense of the values that are so important to Utah's people. I would be remiss if I did not also thank my good friends Senators JIM MCCLURE and MALCOLM WALLOP and their able staffs, for sheparding this bill through the Senate. My hope now is that the House of Representatives will move expeditiously and adopt the Senate substitute.

The most important people of all in this process are the good people of Utah; the farmers, ranchers, miners, timber producers, and oil and gas producers. These people have waited patiently for the opportunity to resonsibly explore and possibly develop the resources that have been off limits until this bill is signed by the Presi-

dent. I also wish to recognize the sincere and responsible efforts of conservationists in Utah.

Were it not for the constant efforts of Mr. Dick Carter of the Utah Wilderness Association, there would likely not be such a broad-based system of wilderness system of wilderness in Utah. He and other conservationists raised the consciousness level for wilderness in Utah and certainly deserve to share in celebrating the successful passage of this legislation.

The wilderness package which is about to be voted upon by the Senate of the United States represents our best efforts to strike a balance between these diverse interests. I have no doubts that the Utah Wilderness Act of 1984 is fair and will benefit the people of Utah for years to come. Twelve separate Forest Service wilderness areas totaling over 750,000 acres plus 22,551 new BLM acres on the Arizona strip will create a wilderness system in Utah of over 800,000 acres when added to Utah's existing Lone Peak wilderness area. The nearly 3 million acres of land to be released to multiple uses under this act will open up opportunities for significant natural resource development in Utah.

Mr. President, I believe there is a little something for everyone in this bill. Both wilderness proponents and opponents can take some solace knowing that fact. Whether this legislation can stand the test of time, however, depends on the willingness of everyone involved in the formulation of this bill to work together to make certain that the provisions of the act can work. If a cooperative spirit can be fostered, then the Utah Wilderness Act will stand the test of time and benefit our people for generations to come. I for one am committed to see it succeed.

Mr. STEVENS. Mr. President, once again I call attention of the Senate that the two Senators from Utah and their State totally agree with the designation of wilderness within the State of Utah. That is a goal to be achieved with regard to every wilderness bill in the future, I hope.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as amended, as follows:

S. 2155

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That this Act may be cited as the "Utah Wilderness Act of 1984".

TITLE I—FINDINGS, PURPOSES, AND WILDERNESS DESIGNATION

SEC. 101. (a) The Congress finds that—

(1) many areas of undeveloped national forest system lands in the State of Utah possess outstanding natural characteristics which give them high values as wilderness and will, if properly preserved, contribute as an enduring resource of wilderness for the benefit of the American people;

(2) review and evaluation of roadless and undeveloped lands in the national forest system in Utah have identified those areas which, on the basis of their landform, ecosystem, associated wildlife, and location, will help to fulfill the national forest system's share of a quality National Wilderness Preservation System; and

(3) review and evaluation of roadless and undeveloped lands in the national forest system in Utah have also identified those areas which do not possess outstanding wilderness attributes or which possess outstanding energy, mineral, timber, grazing, dispersed recreation, or other values and which should not be designated as components of the National Wilderness Preservation System but should be available for nonwilderness multiple uses under the land management planning process, other applicable laws and the provisions of the Act.

(b) The purposes of this Act are to—

(1) designate certain national forest system lands in Utah as components of the National Wilderness Preservation System in order to preserve the wilderness character of the land and to protect watersheds and wildlife habitat, preserve scenic and historic resources, and promote scientific research, primitive recreation, solitude, physical and mental challenge, and inspiration for the benefit of all of the American people; and

(2) insure that certain other national forest system lands in the State of Utah be available for nonwilderness multiple uses.

SEC. 102. (a) In furtherance of the purpose of the Wilderness Act (78 Stat. 890), the following national forest system lands in the State of Utah are hereby designated as wilderness, and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Wasatch-Cache National Forest which comprise approximately forty-four thousand three hundred and fifty acres, as generally depicted on a map entitled, "Mt. Naomi Wilderness—Proposed", dated June 1984, and which shall be known as the Mount Naomi Wilderness;

(2) certain lands in the Wasatch-Cache National Forest which comprise approximately twenty-three thousand eight hundred and fifty acres as generally depicted on a map entitled "Wellsville Mountain Wilderness—Proposed", dated November 1983, and which shall be known as the Wellsville Mountain Wilderness;

(3) certain lands in the Wasatch-Cache National Forest which comprise approximately sixteen thousand four hundred and fifty acres as generally depicted on a map entitled "Mt. Olympus Wilderness—Proposed", dated November 1983, and which shall be known as the Mount Olympus Wilderness;

(4) certain lands in the Wasatch-Cache National Forest which comprise approximately thirteen thousand one hundred acres as generally depicted on a map entitled "Twin Peaks Wilderness—Proposed", dated June 1984, and which shall be known as the Twin Peaks Wilderness;

(5) certain lands in the Wasatch-Cache and Ashley National Forests which comprise approximately four hundred and sixty thousand acres as generally depicted on a map entitled "High Uintas Wilderness—Proposed", dated June 1984, and which shall be known as the High Uintas Wilderness;

(6) certain lands in the Uinta National Forest which comprise approximately ten thousand seven hundred and fifty acres as generally depicted on a map entitled "Mt. Timpanogos Wilderness—Proposed", dated November 1983, and which shall be known as the Mount Timpanogos Wilderness;

(7) certain lands in the Uinta National Forest which comprise approximately twenty-eight thousand acres as generally depicted on a map entitled "Mt. Nebo Wilderness—Proposed", dated June 1984, and which shall be known as the Mount Nebo Wilderness;

(8) certain lands in the Manti-LaSal National Forest which comprise approximately forty-five thousand acres as generally depicted on a map entitled "Dark Canyon Wilderness—Proposed", dated November 1983, and which shall be known as the Dark Canyon Wilderness;

(9) certain lands in the Dixie National Forest which comprise approximately seven thousand acres as generally depicted on a map entitled "Ashdown Gorge Wilderness—Proposed", dated November 1983, and which shall be known as the Ashdown Gorge Wilderness;

(10) certain lands in the Dixie National Forest which comprise approximately twenty-six thousand acres as generally depicted on a map entitled "Box-Death Hollow Wilderness—Proposed", dated June 1984, and which shall be known as the Box-Death Hollow Wilderness;

(11) certain lands in the Dixie National Forest which comprise approximately fifty thousand acres as generally depicted on a map entitled "Pine Valley Mountain Wilderness—Proposed", dated June 1984, and which shall be known as the Pine Valley Mountain Wilderness; and

(12) certain lands in the Wasatch National Forest which comprise approximately twenty-five thousand five hundred acres as generally depicted on a map entitled "Deseret Peak Wilderness—Proposed", dated June 1984, and which shall be known as the Deseret Peak Wilderness.

(b) The previous classifications are hereby abolished: the Mount Timpanogos Scenic Area and the High Uintas Primitive Area.

SEC. 103. (a) As soon as practicable after the enactment of this Act, the Secretary of Agriculture shall file the maps referred to in this Act and a legal description of each wilderness area designated by this Act with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and legal description shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal descriptions and maps may be made. Each such map and legal description shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.

(b) Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act of 1964 (78 Stat. 892) governing areas designated by that Act as wilderness areas, except that, with respect to any area designated in this Act, any reference in such provisions to the effective date of the Wilderness Act of 1964 shall be deemed to be a reference to the effective date of this Act.

TITLE II—RELEASE OF LANDS FOR NONWILDERNESS USES

SEC. 201. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

(2) the Congress has made its own review and examination of national forest system roadless areas in Utah and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest lands in States other than Utah, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Utah;

(2) with respect to the national forest system lands in the State of Utah which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time the Secretary finds that conditions in a unit have significantly changed;

(3) areas in the State of Utah reviewed in such final environmental statement or referenced in subsection (d) and not designated wilderness upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plan;

(4) in the event that revised land management plans in the State of Utah are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Utah for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to—

(1) those national forest system roadless areas in the State of Utah which were evaluated in any unit plan or which are being managed pursuant to a multiple use plan; and

(2) national forest system roadless lands in the State of Utah which are less than five thousand acres in size.

TITLE III—MISCELLANEOUS PROVISIONS

GRAZING IN WILDERNESS AREAS

SEC. 301. (a) Grazing of livestock in wilderness areas established by this Act, where established prior to the date of the enactment of this Act, shall be administered in accordance with section 4(d)(4) of the Wilderness Act and section 108 of Public Law 96-560.

(b) The Secretary is directed to review all policies, practices, and regulations of the Department of Agriculture regarding livestock grazing in national forest system wilderness areas in Utah in order to insure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in this Act.

(c) Not later than one year after the date of the enactment of this Act, and at least every five years thereafter, the Secretary of Agriculture shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a report detailing the progress made by the Forest Service in carrying out the provisions of paragraphs (a) and (b) of this section.

STATE WATER ALLOCATION AUTHORITY

SEC. 302. (a) As provided in section 4(d)(7) of the Wilderness Act of 1964, nothing in this Act shall constitute an express or implied claim or denial on the part of the Federal Government as to the exemption from Utah water laws.

(b) Within the Mount Naomi, Wellsville Mountain, Mount Olympus, Twin Peaks, High Uintas, Mount Nebo, Pine Valley Mountain, Deseret Peak, and Ashdown Gorge Wilderness areas as designated by this Act, the Forest Service is directed to utilize whatever sanitary facilities are necessary, including but not limited to vault toilets which may require service by helicopter, to insure the continued health and safety of the communities serviced by the watersheds in such wilderness areas in the State of Utah; furthermore, nothing in this Act shall be construed to limit motorized access and road maintenance by local municipalities for those minimum maintenance activities necessary to guarantee the continued viability of whatsoever watershed facilities currently exist or which may be necessary in the future to prevent the degradation of the water supply in such wilderness areas within the State of Utah, subject to such reasonable regulations as are deemed necessary by the Secretary of Agriculture.

(c) As provided in section 4(d)(8) of the Wilderness Act of 1964, nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Utah with respect to wildlife and fish in the national forests in Utah.

PROHIBITION ON BUFFER ZONES

SEC. 303. (a) Congress does not intend that designation of wilderness areas in the State of Utah lead to the creation of protective perimeters or buffer zones around any wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

MINERAL RESOURCES

SEC. 304. In furtherance of section 4(d)(2) of the Wilderness Act and the policies of the National Materials and Minerals Policy, Research and Development Act (94 Stat. 2305), the Secretary of the Interior shall continue to make assessments of the mineral potential of national forest wilderness areas in the State of Utah, on a recurring basis, consistent with the concept of wilderness preservation, in order to expand the data base with respect to the mineral potential of such lands.

SEC. 305. Within the Mount Naomi, Wellsville Mountain, Mount Olympus, Mount Nebo, Twin Peaks, High Uintas, Pine Valley Mountain and Deseret Peak Wilderness areas as designated by this Act the provisions of the Wilderness Act shall not be construed to prevent the installation and maintenance of hydrologic, meteorologic, climatological, or telecommunications facilities, or any combination of the foregoing, or limited motorized access to such facilities when nonmotorized access means are not resonably available or when time is of the essence, subject to such conditions as the Secretary of Agriculture and the Secretary of the Interior deem desirable, where such facilities or access are essential to flood warning, flood control, and water reservoir operation purposes.

SEC. 306. (a) Certain lands adjacent to the Box-Death Hollow Wilderness as designated in section 102 of this Act, and generally depicted as the "Antone Bench Area" and areas 2, 3, 4, and 5 on a map entitled "Box-Death Hollow Wilderness—Proposed", dated June 1984, shall, subject to valid existing rights and until Congress determines otherwise, be managed in accordance with the following provisions:

(1) all lands within the areas are hereby withdrawn from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral and geothermal leasing and all amendments thereto, except that the Secretary of the Interior is hereby authorized to issue competitive leases for carbon dioxide within the areas for a period of five years from the date of enactment of this Act;

(2) a lease issued for carbon dioxide in the area shall be for a period of ten years and for so long thereafter as carbon dioxide is produced annually in commerical quantities from that lease: *Provided*, That an area covered by a lease shall be withdrawn from further carbon dioxide leasing or lease extension in the event production in commercial quantities from the lease is not occurring within ten years of the date of issuance of the lease; and

(3) exploration in the Antone Bench area shall be permitted only by helicopter or other methods which do not involve road construction or other significant surface disturbance.

(b) In the event development of a lease within the Antone Bench area is proposed, the following provisions shall apply:

(1) road construction shall be limited to the minimum standards necessary for

proper development of the carbon dioxide resource consistent with safety requirements;

(2) roads, pipelines, electric lines, buildings, compressor stations and other facilities shall, to the maximum extent practicable consistent with economic extraction of the carbon dioxide resource, be camouflaged, constructed and located in a manner that will minimize visual, noise or other intrusions in the area and in the surrounding wilderness area;

(3) fill material, gravel and other material used for road and facility construction shall be obtained from outside the wilderness area;

(4) road or facility construction shall be limited, to the maximum extent practicable, to seasons or periods where there will be minimum impacts on recreation or wildlife uses;

(5) roads shall be used only in conjunction with carbon dioxide development operations and shall be closed to all other vehicular use, but shall be open for foot or horse travel;

(6) all roads or other facilities within the area shall, when no longer needed for carbon dioxide production, be removed and reclaimed to a condition of being substantially unnoticeable;

(7) all waste, debris or other by-products associated with road construction, carbon dioxide production, or other development activities shall be disposed of outside the Antone Bench area and the Box-Death Hollow Wilderness; and

(8) consistent with State and Federal law no activities shall be allowed within the area which could significantly impair water quality or quantity in the Box-Death Hollow Wilderness and adjacent wilderness or wilderness study areas.

Mr. McCLURE. Mr. President, I thank all parties who have contributed to this legislative action tonight, particularly with respect to the five wilderness bills, and to note that on passing bills with respect to wilderness designations in Arizona, Arkansas, California, Florida, and Utah the Senate has now enacted the first round of wilderness designations in every western public lands State save three. The States of Montana, Wyoming, and Idaho have yet to be resolved.

It is my firm hope—and perhaps I would be a little bold to say expectation—that those matters can be resolved yet before the end of this session and that we will have after 20 years concluded the first round of such designations.

I am mindful that there are those who wish to amend the actions that have been taken in earlier rounds, and I speak in particular of the possibility of legislation in the State of Colorado.

I want to also underscore what the Senator from Alaska has reiterated with respect to each of these bills as they passed—as was true with the earlier actions taken by the Senate with respect to Oregon and Washington in this session and New Mexico and Colorado in earlier sessions, and with respect to some of the eastern wilderness designations that have passed both in this session and earlier sessions of the Congress. We have made massive strides in this session of the Congress, and I am hopeful that these matters will be also acted upon very quickly in the other body so that these bills can be sent to the President for his signature.

I should also say it is my expectation that each of these bills will receive the approval of the President when presented to him if passed in the form they have now passed the Senate. We have added some 3 to 4 million acres to the Nation's wilderness system by the actions taken tonight. I very much appreciate the assistance of the majority leader, the assistant majority leader, and the leader of the Democratic minority in this body on what I think is the most significant action taken by the Senate in a number of years with respect to wilderness designations.

Mr. STEVENS. Mr. President, I remember so well. It is almost 30 years ago that I testified in behalf of the Eisenhower administration the first time any executive official had testified in favor of the wilderness proposal. I did so before the late Senator Neuberger. It was a proposal that merited consideration, and President Eisenhower backed it wholeheartedly. I am pleased to see the spirit of bipartisanship, and real consultation has been carried forward here in terms of the consideration of all of these bills.

Again, I say that the members of the committee who have worked so hard with regard to each one of these and their staffs on both sides of the aisle deserve the commendation of the Senate, and that it is a significant action that we have witnessed tonight with so many wilderness bills being adopted without opposition, and with full support of every State involved.

I do not mean to burden the Senate with my feelings that my State needs to have similar treatment, and needs to be accorded similar courtesy with regard to wilderness areas. That subject will be coming up again next year.

Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR FRIDAY

ORDER FOR RECOGNITION OF SENATOR PROXMIRE, SENATOR NUNN, AND SENATOR BYRD

Mr. STEVENS. Mr. President, I ask unanimous consent that there be a special order tomorrow in favor of the distinguished Senator from Wisconsin [Mr. PROXMIRE], the distinguished Senator from West Virginia [Mr. BYRD], and the distinguished Senator from Georgia [Mr. NUNN], of not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, on tomorrow, after the recognition of the two leaders under the standing order, and three orders for the recognition of Senators for not to exceed 15 minutes each, I ask unanimous consent that there be a period for the transaction of routine morning business until 11 a.m., in which Senators may speak for not more than 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. STEVENS. Mr. President, on tomorrow the Senate will convene at 10 a.m.

After recognition of the two leaders under the standing order, there will be three special orders, to be followed by a period for the transaction of routine morning business until 11 a.m., in which Senators may speak for not more than 3 minutes each.

At 11 a.m. the Senate will resume consideration of the pending business, which is the agriculture appropriations bill.

Mr. President, votes are expected throughout the day. In addition to the agriculture bill, there may be other matters taken up as they can be cleared.

In addition, it is the hope of the leadership on this side that we will receive a conference report on the supplemental appropriations bill on which the Senate can act.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader for his characteristic courtesy.

Mr. STEVENS. Mr. President, I am delighted to be able to work with my good friends from West Virginia, and to know that we have been able to handle with dispatch the business of the Senate.

RECESS UNTIL 10 A.M. TOMORROW

Mr. STEVENS. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 10 a.m. tomorrow.

The motion was agreed to; and, at 8:28 p.m., the Senate recessed until Friday, August 10, 1984, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 9, 1984:

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Victor M. Rivera, of Virginia, to be an Assistant Administrator of the Agency for International Development.

EXECUTIVE OFFICE OF THE PRESIDENT

Jorge L. Mas, of Florida, to be a member of the Advisory Board for Radio Broadcasting to Cuba for a term of 2 years.

DEPARTMENT OF STATE

Howard Bruner Schaffer, of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bangladesh.

Paul Fisher Gardner, of Texas, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Papua New Guinea, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Solomon Islands.

Robert J. Ryan, Jr., of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mali.

DEPARTMENT OF STATE

Paul H. Boeker, of Ohio, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

Richard Wood Boehm, of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus.

Maynard W. Glitman, of Vermont, a career member of the Senior Foreign Service, class of Minister-Counselor, for the rank of Ambassador during the tenure of his service as the Representative of the United States of America for Mutual and Balanced Force Reductions Negotiations.

Alan Wood Lukens, of Pennsylvania, a Career Member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of the Congo.

Leon Jerome Weil, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Nepal.

Larry C. Williamson, of California, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

Anthony Cecil Eden Quainton, of Washington, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

Brandon Hambright Grove, Jr., of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassasor Extraordinary and Plenipotentiary of the United States of America to the Republic of Zaire.

Edward J. Streator, of New York, a career member of the Senior Foreign Service, class of Career Minister, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

James Harvie Wilkinson III, of Virginia, to be U.S. cicuit judge for the fourth circuit.

DEPARTMENT OF ENERGY

William W. Hoover, of Maryland, to be an Assistant Secretary of Energy (defense programs).

DEPARTMENT OF COMMERCE

Katherine M. Bulow, of Maryland, to be an Assistant Secretary of Commerce.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Charles D. Baker, of Massachusetts, to be Under Secretary of Health and Human Services.

IN THE AIR FORCE

Air Force nominations beginning Robert W. Allen, and ending William M. Witt, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 27, 1984.

Air Force nominations beginning David W. Abati, and ending Dale A. Young, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 27, 1984.

IN THE ARMY

Army nominations beginning Rodger M. Bowman, and ending Michael S. White, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 27, 1984.

HOUSE OF REPRESENTATIVES—*Thursday, August 9, 1984*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Our hearts rise in grateful appreciation to You, O loving God, for all the gifts that You make available to Your people, especially for the gift of peace. In spite of the anxiety of our time, we pray for peace in our own hearts that we will know the assurance of Your love to us. We pray for peace among the peoples of the world that together all humankind may enjoy the opportunities of Your created world. May Your peace, O God, that passes all human understanding be with us and remain with us all our days. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6040. An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 6040) "An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATFIELD, Mr. STEVENS, Mr. WEICKER, Mr. MCCLURE, Mr. GARN, Mr. COCHRAN, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. D'AMATO, Mr. MATTINGLY, Mr. RUDMAN, Mr. SPECTER, Mr. STENNIS, Mr. INOUYE, Mr. HOLLINGS, Mr. EAGLETON, Mr. JOHNSTON, Mr. BURDICK, Mr. LEAHY, Mr. DECONCINI, and Mr. BUMPERS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2820. An act to name the Federal Building in McAlester, OK, the "Carl Albert Federal Building."

VLADIMIR VICTOROVICH YAKIMETZ

Mr. FRANK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1989) for the relief of Vladimir Victorovich Yakimetz, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1989

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding paragraphs (14) and (28) of section 212(a) of the Immigration and Nationality Act, for purposes of such Act, Vladimir Victorovich Yakimetz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 202(e) of such Act.

(b)(1) Vladimir Victorovich Yakimetz shall be held and considered to have satisfied the provisions of section 316 of the Immigration and Nationality Act which relate to required periods of residence and physical presence within the United States and shall not be held or considered to be within any of the classes of persons described in section 313 of such Act.

(2) Notwithstanding the provisions of section 310(d) of that Act, Vladimir Victorovich Yakimetz may be naturalized at any time after the date of enactment of this Act if otherwise eligible for naturalization under the Immigration and Nationality Act.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. FRANK

Mr. FRANK. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. FRANK: Strike all after the enacting clause and insert in lieu thereof the following:

"That in the naturalization of Vladimir Victorovich Yakimetz under chapter 2 of title III of the Immigration and Nationality Act, notwithstanding sections 310(d) of that Act, section 313 of that Act shall not apply and for purposes of section 316 of that Act periods of residence in the United States before the date of the enactment of this Act shall be considered periods of residence after being lawfully admitted for permanent residence".

Mr. FRANK (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The question is on the amendment in the nature of a substitute offered by the gentleman from Massachusetts [Mr. FRANK].

The amendment in the nature of a substitute was agreed to.

Mr. MAZZOLI. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Kentucky.

Mr. MAZZOLI. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from Kentucky did not object to the unanimous-consent request. This bill came out of our subcommittee, but I just wanted to mention that this is an exceptional case. There are very few of these exceptional cases before us, and I just want to make sure this does not establish a precedent.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRANK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE TRAGEDY OF THE MUNICH OLYMPICS MUST NOT BE FORGOTTEN

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, we are now in the midst of that wonderful time when we collectively witness and vicariously participate in the spectacle of another Olympiad. Like most Americans, my eyes fill with tears when I

hear our national anthem and watch another young man or woman mount the platform to be honored for unique human achievement.

My eyes also fill with tears, however, as these Olympic events bring to mind an earlier Olympiad which ended in tragedy. It is only 12 years ago that we witnessed the nightmare of the Munich Olympics. Eleven promising young men and women, members of the 1972 Israeli Olympic team, were killed in cold blood by ruthless terrorists.

I am appalled that the organizing committee for the Los Angeles Olympics did not hold a memorial observance in honor of these young heroes who died so needlessly 12 years ago. There was not even a moment of silence during the opening ceremonies in Los Angeles.

I now call on the Los Angeles Organizing Committee to hold, as part of the official closing ceremonies, an appropriate memorial for the slain athletes. We must and shall remember. The memory of the Munich massacre will forever cast a shadow across the Olympic games. May that memory inspire us to fight the spectre of terrorism and to rededicate ourselves to the spirit of harmony, understanding, and peace in the true Olympic spirit.

DISASTER STRIKES

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, the Commission on Paperwork Reduction apparently still has a great deal of work to do.

Recently I visited some civil-minded citizens in a rural West Virginia county. They had spent long hours volunteering their time to prepare an emergency readiness plan in the event of a disaster. Unfortunately, West Virginia has its share of them.

They called FEMA—the Federal Emergency Management Agency. "Fill out these 20 forms," they were directed. The unpaid citizens complied. FEMA responded by telling them to fill out another set of complicated forms, amounting to 77 more pages. A baffling 23-page instruction book was provided, but more mind-boggling forms would follow, they were told. By now they had filled out 2½ pounds of paper. Since a "new procedure" was being devised, however, they now hear that none of the forms they submitted could be acted upon.

Mr. Speaker, most rural counties do not have the time or personnel to spend countless hours filling out forms. These concerned citizens want nothing more than FEMA's help in saving lives and property should disaster strike. But so far, the greatest disaster to strike this county has been FEMA.

BUDGET PROCESS ON THE ROPES

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PANETTA. Mr. Speaker, 10 years ago this July the Congressional Budget Act was signed into law.

For 8 straight years, from 1976 to 1983, both Houses have worked out their differences and passed a budget resolution setting spending limits and revenue goals. Yes; it has been tough. Deadlines were not always met; votes were close; not everyone has always been happy with the results. And yet, every year, the Congress has been able to stick by this basic discipline and agree on an overall and binding budget.

Today, on this 10th anniversary, there is a good chance that for the first time in 8 years, the Congress will adjourn without agreeing to a binding budget resolution. But the other body has virtually walked away from the budget process. They refuse to negotiate a compromise on defense. The result is not only to jeopardize what the Congress does on defense, but what it will do on every other area of the budget. Without spending ceilings, without a revenue floor, we are legislating in a budget vacuum.

The budget process is on the ropes. To save it, we need the budget resolution. If we fail, it will confirm the worst suspicions of the American people that despite the rhetoric on deficits and balanced budgets, there simply is not the will or the courage in the Congress to make this or any other budget process work.

MIRAMAR, FL, OPTIMISTS CLUB TO HOST FIRST ANNUAL OLYMPICS FOR SOUTH FLORIDA'S PHYSICAL AND VISUALLY IMPAIRED YOUTHS

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, on August 11, 1984, the Optimist Club of Miramar, FL, will host the first annual "Physical and Visually Impaired Youth Olympics" for south Florida's physical and visually impaired youth between the ages of 8 and 17.

This event is unique because it is strictly for young people who are physically handicapped. I am uplifted by these athletes' inspiring display of courage by participating in this track and field meet. Their performance and achievements extend beyond the realm of the individual events. By participating in the day's activities, young people not only will show strong character and fortitude, but also their accomplishments will illustrate to us all that handicaps can be overcome.

Recently, I met one person who has overcome handicaps. Jeff Keith lost a leg to cancer, and now he is running across our country to heighten the awareness of Americans to cancer and being handicapped. His message is a strong one, "Disabled does not mean unable," and there are no "handicaps," just "physical challenges." All true challenges in life are within ourselves. The young people of south Florida have taken Jeff's challenge, and on Saturday, they will face their struggle. Although only a few will win individual races, all will win at life. I salute the athletes and the Optimist Club and its members.

LYNCHBURG HERITAGE TRAIL

(Mr. OLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLIN. Mr. Speaker, I rise to commend the work of Don Harris and Floyd Andrus, scoutmaster and assitant scoutmaster of Troop 19, in Lynchburg, VA, in creating Lynchburg Heritage Trail.

This project was conceived as a way to teach members of the troop about the history of their city. This year, their project has matured into a 10-mile walking tour which visits 43 historical sites.

The trail begins at the South River Quaker Meeting House, completed in 1798 on land donated by the John Lynch family, for whom the city is named. Most of the town's early settlers were Quakers, and the church was an important center of activity for the community.

Other notable stops on the tour include Point of Honor, built in 1806 by Patrick Henry's personal physician; the Western Hotel, built in 1815 and where Thomas Jefferson was a frequent guest; and the Miller-Claytor House, built in 1890 in what is now Riverside Park. The Miller-Claytor House is where Jefferson first took a bite out of a "poison apple," better known as a tomato. This brave action proved once and for all that the tomato was in fact an edible, delicious, and nonpoisonous vegetable.

Again I want to congratulate all those who worked so hard to make the Heritage Trail an important and significant historical attraction in central Virginia.

LOUISVILLE'S "MARY T." MEAGHER AND THE OLYMPIC GOLD

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, today I honor Miss Mary Terstegge Meagher of Louisville, KY, better known as Mary T., for her outstanding achievements at the 23d Olympiad in Los Angeles, CA.

Mary T., or "Madame Butterfly" as the world has come to know her, won three gold medals and broke an Olympic record in the 100-meter butterfly en route to establishing herself as one of the greatest swimmers of all time.

Although she is only 19 years old, Mary T. has had a long road to travel to strike gold in the Olympics.

Despite the disappointment and severe letdown of not being able to compete in the 1980 games, Mary T. snapped back and continued the grueling and exhausting workouts which characterize world-class swimmers. Few could have or would have put her personal life on ice for another 4 years in order to win the Olympic gold in her event. But, Mary T. did just that.

Mary T.'s family and religion have always come first. That is why it was tough to leave her loved ones—nine sisters and one brother—her parents, her hometown, Louisville, her Sacred Heart Academy classmates, for the spartan and almost ascetic existence of an Olympic athlete. But, Mary T. did just that so deep is her love for the United States and for competitive swimming.

I join all of the proud citizens of our community and the Nation in congratulating Mary T. Meagher on her outstanding achievements in the 23d Olympiad. I wish her a happy and successful future.

THE CHARMING OLYMPIC GYMNAST, MARY LOU RETTON

(Mr. MOLLOHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOLLOHAN. Mr. Speaker, Mary Lou Retton has charmed the entire world during the past 2 weeks. I am not surprised, for Mary Lou has been charming the people of my hometown, Fairmont, WV, for 16 years now.

As I am sure everyone knows, Mary Lou electrified the gymnastic world by winning the gold medal in the all-around competition and by leading her team to a silver medal. Both of these were firsts for American women gymnasts.

In what will be remembered as one of the closest competitions in Olympic history, Mary Lou needed, and received, nothing less than perfect scores of 10 on her last two routines to receive the gold medal in the all-around competition.

Mary Lou's grace under pressure was equally evident 6 weeks before the Olympics began. One morning in mid-June, Mary Lou woke up with a knee swollen and unbendable. One doctor said that the Olympic dream was over; however, after an operation to remove some cartilage chips from her knee, Mary Lou was walking and riding a bicycle within a week, and tumbling within 2 weeks.

The doctor described Mary Lou's Olympic performance as a "medical miracle." Not really, it was Mary Lou Retton who will be remembered for her spunk and determination as well as her unbeatable grace and skill.

Thank you.

POSTAL SERVICE CONTRACT NEGOTIATIONS

(Mr. McCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLOSKEY. Mr. Speaker, I rise today to express my grave concern over recent actions by the U.S. Postal Service. The Service, acting unilaterally and in a manner which appears to show no regard for the collective-bargaining process, has implemented a two-tiered wage and benefit structure for new employees, at the same time that this issue is being considered in arbitration.

Throughout these negotiations, members of the Post Office and Civil Service Committee have refrained from making public statements. Such restraint is proper, even though it is difficult, and follows from our basic faith in and respect for the collective-bargaining process—a faith and respect which is evidently not shared by the Postal Service.

I believe in the collective-bargaining process. Also, I believe in hard bargaining by all parties. But successful bargaining relies on the belief that each party will indeed abide by the process.

In taking this unilateral action, the Postal Service has undermined the delicate balance which collective bargaining assumes. In taking this unilateral action, the Postal Service calls into question its respect for collective bargaining and its commitment to a new contract, protected from the political winds of this election year

Title 39 of the United States Code prescribes an orderly, equitable, and peaceful process for resolving postal bargaining disputes. It is the firm understanding of the committee that under title 39, all parties were to respect the status quo during arbitration. Surely the Postmaster General understands that postal unions are barred from striking, and that his unilateral action has destroyed the parity of the entire process.

Arbitration deserves to play itself out, without jeopardy. This action was an affront to the role of the arbitrator, and to respectful labor management relations in general. Members of the committee foresee that this action will exacerbate tensions and harm morale, not only in the Postal Service, but in the Federal sector as a whole, where 1.5 million employees are viewing the administrations' renewed attack on wages, benefits, and retirement plans with great alarm.

I urge the Postal Service to reconsider its decision. The financial gain to the Service during arbitration is small, and probably short lived. The cost to the mail handlers, and urban and rural letter carriers, however, is a heritage of ill will. And the damage to the collective-bargaining process is a loss of faith in the system which neither the arbitrators nor the will of Congress can restore.

THE HRA DAY CARE SCANDAL

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, in recent days, New York City has been rocked by reports that as many as 77 cases of child abuse including sexual abuse have been reported at the 385 day care centers funded by the city in the first 7 months of 1984.

In the wake of this scandal, the head of the city's Human Resources Administration, which administers these funds, was forced to resign. His resignation points to one of the root causes of this scandal; namely, the glaring lack of accountability on the part of HRA on how and where funds it receives are spent.

The matter has special urgency to me since it is estimated that up to 60 percent of the $165 million spent on day care in New York City is Federal money. A good portion of it comes from a program which became a block grant in 1981 under the Gramm-Latta bill. The philosophy behind block grants was to lessen Federal bureaucracy by turning over responsibilities for how to spend social service funds over to State and local governments and their agencies.

The HRA day care scandal points to the abuse which can occur when the Federal Government not only turns over responsibility but abdicates it altogether. It was because of this fear that I voted against the establishment of this and all other block grants. It is time for us to rethink this approach to Government. Entities like HRA are too big and out of control. It is unsound public policy for the Federal Government to continue to walk away

from its responsibilities on how its funds are spent—especially when they are contributing to something as abhorrent as sexual abuse against children.

REMEMBERING KOREAN AIR LINES FLIGHT 007

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, during the forthcoming recess of this Congress, many of us will pause to remember the terrifying events of September 1, 1983, which revolted and horrified the entire civilized world.

Early that morning Korean Air Lines flight 007, on its way from the United States to Korea, was shot down in cold blood by the Soviet Union, and 269 innocent men, women, and children, including our late colleague, Larry McDonald, lost their lives.

For 8 days during last August, I was scheduled to fly on the same KAL 007 from New York City to Seoul. A speaking invitation from Murray State University in my district to me caused Lorraine Grant of my staff to change my flight to KAL 015 from Los Angeles to Seoul.

Shooting down a jumbo jet passenger plane over the Sea of Japan was yet one more episode in an endless tragedy of massacre, genocide, and mass murder conducted by the Kremlin. We can never forget the forcible annexation of the independent Baltic nations before the Second World War and the armed occupation and enslavement of the once free and sovereign countries of Eastern Europe at the end of the war. We cannot forget the brave people of Afghanistan who are continuing their fight against the Russians' tanks and helicopters at this very moment.

Could we have really been surprised at the senseless murder of 269 completely innocent civilians at the hands of the immoral men in Moscow whose regime has killed at least 20 million of its own citizens since 1917?

Mr. Speaker, now is the time to remember the families who lost their loved ones. Now is the time to recall once again the brutality and cruelty of communism and the callousness of its leaders who have never apologized for their crime.

Mr. Speaker, let us never forget flight 007.

UNFAIR EXCISE TAX ON DIESEL FUEL

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, today, I am introducing legislation which will correct a gross inequity in the recently passed Deficit Reduction Act. The provision increasing the excise tax on diesel fuel by 6 cents per gallon literally "shoves it" to the over 2 million owners of diesel-powered cars and light trucks. These owners, who purchased their vehicles out of an almost patriotic duty to use more fuel-efficient cars and trucks during the last fuel crisis, are being asked to shoulder the major burden to taxation to repair our roadways.

Those costs should rightfully be borne by the owner operators of heavy duty trucks which do the most damage to the roads. Instead, diesel car owners are being punished for trying to help alleviate the fuel shortage and propel this country toward independence from foreign energy cartels.

The present law provides diesel owners with a one-time tax rebate of $102 for cars and $198 for light trucks. Remember, these are the same owners who are further penalized because their vehicles have been devalued simply because they are diesel-powered. This is heaping insult upon injury and unfairly burdening one small segment of the American driving public.

My bill would fully eliminate any unfair tax burden on diesel owners by providing an annual tax credit for the actual added diesel fuel tax paid in that year. This is only fair when viewed from the perspective of the diesel owner who must bear the lopsided burden of taxation to subsidize the heavy truck owners.

I strongly urge my colleagues to give this bill their careful and prompt attention. We should right the wrong which has been done to the owners of diesel-powered cars and light trucks.

ANNAPOLIS OLYMPIANS WIN GOLD, SILVER

(Mrs. HOLT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HOLT. Mr. Speaker, the 1984 Olympics have touched Maryland's capital city, Annapolis, in many ways. It is truly the land of pleasant living. Three young Annapolis-area residents have won medals in Los Angeles. The city played host to Olympic soccer teams, and residents participated in the running of the torch and as volunteers for the soccer games.

I am especially proud of Theresa Andrews, two-time Olympic gold winner in swimming; Betsy Beard, coxswain of the women's eight team that won the gold medal in rowing, and Scott Steele, a windglider and sailboarder, who won a silver medal. These young people triumphed over many other accomplished athletes, and the city, county, and State from which they come are all proud and happy for them. It is time to celebrate Annapolis' part of Olympic glory.

□ 1030

URGENT NEED FOR LIVER DONOR FOR MRS. JUDY SHARKEY

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I rise today to bring a matter of extreme urgency to the attention of this body and the Nation. Quite literally, it could be a matter of life and death.

Judy Sharkey is a Vernon Township, NJ, mother of two. For over a decade, she has suffered from a liver disease which has no known treatment. Even though she has had the unfailing support of her family and friends and a community that raised over $70,000 for her care, Judy Sharkey needs more, much more.

Today, she lies in Pittsburgh's Presbyterian-University Hospital, critically ill, awaiting the liver transplant that could save her life. Tragically though, there are no liver donors to be found nationwide.

Mrs. Sharkey is 41 years old, weighs 125 pounds, and has "O" positive blood.

I implore my colleagues to contact hospitals in their home districts, and I urge anyone with any information about a possible liver donor for Mrs. Sharkey to contact my Washington office or Presbyterian-University Hospital in Pittsburgh.

TRIBUTE TO VICTORIA MAZZARELLI

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, I rise with pride to recognize the accomplishment of a beautiful young woman from Torrington, CT, Victoria Mazzarelli. Victoria recently won a gold medal at the New York International Ballet Competition, one of only four such competitions held in the world of ballet.

Victoria has been dancing since the age of 4 with the Nutmeg Ballet Company of Torrington, CT and her outstanding accomplishment is the fruit of 13 years of hard work, discipline, and dedication.

The significance of her accomplishment was well said by Sharon Dante, director of the Nutmeg Ballet Company: "Victoria's accomplishment only proves that the American way is the greatest. Any young American, no matter where they are from, given the time, the ability, and the proper training can do whatever they wish."

Mr. Speaker, excellence demands dedication, commitment, and vision, as well as talent and the loving support of family, friends, and inspiring teachers. I am proud of Victoria, proud of the fine, gifted people at the Nutmeg Ballet Company, and proud of the opportunity they have created in the vital community of Torrington, CT.

Let us cheer young Victoria Mazzarelli and toast her future and that of the arts in Torrington, CT, and in America.

JOHN J. RHODES NATIONAL PRESIDENT OF BETA THETA PI

(Mr. WINN asked and was given permission to address the House for 1 minute.)

Mr. WINN. Mr. Speaker, there is "life after service in the Congress." I would like to inform my colleagues today that our former colleague and former minority leader, John J. Rhodes of Arizona, will be sworn in as the national president of Beta Theta Pi Fraternity on August 16.

Many of us remember the many hours of work that John Rhodes put in helping to organize the Interfraternity Council here in Washington, DC. I would like to take this time to congratulate our former colleague for continuing his version now of a public service.

FREE ENTERPRISE THE ENGINE OF HUMAN RIGHTS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, Adolfo Perez Esquival won the Nobel Prize for Peace in 1980 for working for human rights in his native Argentina.

Recently, he was in Washington to talk to the congressional human rights caucus.

I thought he might talk about the horrors of disappearing persons or of Argentine prisons.

He talked instead about economic growth.

His thesis was simple: Without economic growth, free governments have little chance, and without free governments, human rights guarantees have no meaning.

And where do you get economic growth, Mr. Speaker? Not from statist, socialist policies run by inefficient and corrupt government bureaucracies. That's why Africa starves and the Soviet Union wallows along in intellectual and productive stagnation.

No, Mr. Speaker, free enterprise and capital formation is the engine of economic expansion which is necessary to free governments which alone guarantee the existence of human rights.

It is encouraging Mr. Speaker, that our foreign policy is finally recognizing what Mr. Perez Esquival understands so well.

LEGISLATIVE PROGRAM

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, I seek this time in order that I might make a statement with respect to the schedule for the remainder of this week.

We had hoped to be able to adjourn at the end of business today. Representatives of the other body had called and talked with the Speaker indicating a preference for Thursday evening adjournment. That is no longer certain, by any means.

Last evening, or early in the morning hours, the other body completed action on the urgent supplemental appropriation bill which earlier had passed the House. The other body added 216 amendments to that bill, some of them complicated, some of them controversial.

It is my understanding that very shortly, the chairman of the Appropriations Committee, the gentleman from Mississippi [Mr. WHITTEN], will ask for the appointment of conferees. Conferees will be appointed representing the House and an attempt will be made today to join with Members of the other body and see if it is possible to achieve some degree of compromise and resolution of those problems.

It seems unlikely to me that all the differences in the two bills could be satisfactorily concluded by a conference today. Therefore, a session tomorrow would seem to be a certainty.

The only caveat might be if the other body, concluding that it was not possible to achieve agreement on all of the outstanding issues in controversy in this weekend, might then agree to the adoption of the shorter version of the supplemental appropriation bill as offered by the gentleman from Mississippi, including food stamps only, or including food stamps and perhaps one or two other items that could be the subject of agreement.

Absent that kind of a resolution, I think it is inevitable that the House must be in session tomorrow and conceivably on Saturday.

Mr. MICHEL. Will the distinguished majority leader yield?

Mr. WRIGHT. I yield to the gentleman.

Mr. MICHEL. I appreciate the gentleman bringing us up to date. My inquiry has to do with the possibility of considering a shorter version of the supplemental that the gentleman alluded to. I am concerned that in the event, after having appointed conferees, that they will meet in good faith to try and resolve their differences—as we usually try to do—recognizing there is a good many add ons from the other body. And I would certainly hope Members from the other body would back down on some of those amendments, hopefully on a good measure of those.

□ 1040

But in the event that it is impossible to achieve in a reasonable period of time, would the gentleman be prepared to venture a guess on the short version, so-called, containing the food stamp moneys, whether at least some assistance for Central America could be added to that; which probably would seem to be the most important ingredient insofar as far as the administration is concerned prior to our leaving and not returning here until after Labor Day.

Mr. WRIGHT. The only thing I could say with regard to that, prior to the meeting of the conferees, would be that it would depend almost entirely upon the willingness of the conferees representing the other body to abandon many of these other projects, not all the other projects, obviously, but if they were willing to abandon the complicated or controversial matters or those matters that have never even been considered one way or another in the House, it surely would enhance the prospects of adopting a conference report that would include those items mentioned by the gentleman from Illinois.

Mr. MICHEL. It may be, in the interest of getting some agreement, that while a set figure might have been talked about for a considerable time, there may be some grounds for negotiating on the figure if we can get some agreement on a method for its consideration. I would hope that the gentleman and I could keep in close touch with one another during the balance of the day and hopefully the sooner we resolve it, the better.

I know Members have all planned to get out of town, obviously, this weekend and the sooner the better tomorrow because of reservation problems with the airlines.

Mr. WRIGHT. I certainly join with the gentleman from Illinois in that ardent desire to which, I am sure Members on both sides would add a lusty and hearty "amen."

NATIONAL PRODUCTIVITY AND INNOVATION ACT OF 1984

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1841) to promote research and development, encourage innovation, stimulate trade, and make necessary and appropriate amendments to the antitrust, patent, and copyright laws, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. HUBBARD). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1841

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE

SEC. 101. This Act may be cited as the "National Productivity and Innovation Act of 1984".

TITLE II—JOINT RESEARCH AND DEVELOPMENT VENTURES

SEC. 201. For purposes of this title—

(1) the term "joint research and development program" means—

(A) theoretical analysis, exploration, or experimentation; or

(B) the extension of investigative findings and theories of a scientific or technical nature into practical application, including the experimental production and testing of models, devices, equipment, materials, and processes;

to be carried out by two or more independent persons, including, but not limited to, the establishment of facilities for the conduct of research, the collecting and exchange of research information, the conduct of research on a protected and proprietary basis, the prosecution of applications for patents, and the granting of licenses: *Provided,* That the term "joint research and development program" shall be construed to exclude—

(i) joint production or marketing of any product or service, other than patents, know-how, or other proprietary information developed through such program;

(ii) the exchange of information among competitors relating to costs, sales, profitability, or prices that is not reasonably required to conduct the research and development that is the object of such program; or

(iii) any restriction on other research and development activities, or on the sale, licensing or sharing of inventions or developments not developed through such program, that is not reasonably required to prevent misappropriation of proprietary information contributed by any participant or of the results of such program;

(2) the term "antitrust laws" has the meaning given it in section 1 of the Clayton Act (15 U.S.C. 12), except that the term also includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that said section 5 applies to unfair methods of competition;

(3) the term "person" has the meaning given it in section 1 of the Clayton Act (15 U.S.C. 12);

(4) the term "State" has the meaning given it in section 4G(2) of the Clayton Act (15 U.S.C. 15g(2));

(5) the term "Attorney General" means the Attorney General of the United States; and

(6) the term "Commission" means the Federal Trade Commission.

SEC. 202. In any action under the antitrust laws, or under any State law similar to the antitrust laws, the conduct of any person in making or performing a contract to carry out a joint research and development program shall not be deemed illegal per se but shall be judged on the basis of its reasonableness, taking into account all relevant factors affecting competition, including, but not limited to, effects on competition in properly defined relevant research and development markets, and effects in promoting competition through innovation or enhancement of efficiency.

SEC. 203. (a) Notwithstanding section 4 of the Clayton Act (15 U.S.C. 15), any person who is entitled to recovery in an action under such section shall recover the actual damages sustained by him, interest calculated at the rate specified in section 1961 of title 28, United States Code, on such actual damages for the period beginning on the date of service of such person's pleading setting forth a claim under the antitrust laws, or beginning on the date the injury was sustained if such date can be established, and ending on the date of judgment (unless the court finds that the award of all or part of such interest is unjust in the circumstances), and the cost of suit, including a reasonable attorney's fee—

(1) if such action is based on conduct of a joint research and development program for which notification has been filed pursuant to section 204, and

(2) if such action is filed after notification has been filed pursuant to section 204:

Provided, That this subsection shall be applicable only if the challenged conduct of the defendant or defendants is not in violation of any decree or order entered or issued after the effective date of this Act, in any case or proceeding under the Federal antitrust laws or any State law similar to the Federal antitrust laws challenging such conduct as part of a joint research and development program.

(b) Notwithstanding section 4C of the Clayton Act (15 U.S.C. 15c), any State which is entitled to monetary relief in an action under such section shall recover the total damages sustained as described in subsection (a)(1) of such section, interest calculated at the rate specified in section 1961 of title 28, United States Code, on such total damages for the period beginning on the date of service of such State's pleading setting forth a claim under the antitrust laws, or beginning on the date the injury was sustained if such date can be established, and ending on the date of judgment (unless the court finds that the award of all or part of such interest is unjust in the circumstances) and the cost of suit, including a reasonable attorney's fee—

(1) if such action is based on conduct of a joint research and development program for which notification has been filed pursuant to section 204, and

(2) if such action is filed after notification has been filed pursuant to section 204:

Provided, That this subsection shall be applicable only if the challenged conduct of the defendant or defendants is not in violation of any decree or order entered or issued after the effective date of this Act, in any case or proceeding under the Federal antitrust laws or any State law similar to the Federal antitrust laws challenging such conduct as part of a joint research and development program.

(c) Notwithstanding any applicable provision of any State law providing a damage remedy for conduct similar to that forbidden by the antitrust laws, any person who is entitled to recovery in an action under such provision shall not recover in excess of the actual damages sustained by him, interest calculated at the rate specified in section 1961 of title 28, United States Code, on such actual damages for the period beginning on the date of service of such person's pleading setting forth a claim under such provision, or beginning on the date the injury was sustained if such date can be established, and ending on the date of judgment (unless the court finds that the award of all or part of such interest is unjust in the circumstances) and the cost of suit, including a reasonable attorney's fee—

(1) if such action is based on conduct of a joint research and development program for which notification has been filed pursuant to section 204, and

(2) if such action is filed after notification has been filed pursuant to section 204:

Provided, That this subsection shall be applicable only if the challenged conduct of the defendant or defendants is not in violation of any decree or order entered or issued after the effective date of this Act, in any case or proceeding under the Federal antitrust laws or any State law similar to the Federal antitrust laws challenging such conduct as part of a joint research and development program.

SEC. 204. (a) Any person who is a party to a joint research and development program may, within ninety days after the formation of such program, or within ninety days after the effective date of the National Productivity and Innovation Act, whichever is later, file simultaneously with the Attorney General and the Commission a written notification disclosing the identities of the parties to such program. Any person who is or becomes a party to a joint research and development program may file additional disclosure notifications pursuant to this section as are appropriate.

(b) Except as provided in subsection (d), not later than sixty days after receiving a notification filed under subsection (a), the Commission shall cause to be published in the Federal Register a notice of such joint research and development program which identifies the parties to such program. Prior to its publication, the contents of the notice shall be made available to the parties to such program.

(c) Except as to the information published in the Federal Register pursuant to subsection (b), all information and documentary material submitted as part of a notification filed pursuant to this section and all other information obtained by the Attorney General or the Commission in the course of any investigation or enforcement action shall be exempt from disclosure under section 552 of title 5, United States Code, and shall not be made available except in a judicial or administrative proceeding, subject to appropriate protective orders.

(d) Any person who has filed a notification pursuant to this section may withdraw such notification prior to the time at which notice of such research and development program is published in the Federal Register. Any notification so withdrawn shall not be subject to subsection (b) and shall have no force or effect; no information or documentary material submitted as part of such notification shall be made publicly available.

(e) Any action taken or not taken by the Attorney General or the Commission with respect to any notification filed pursuant to this section shall not be subject to judicial review.

MOTION OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. EDWARDS moves to strike out all after the enacting clause of the Senate bill, S. 1841, and to insert in lieu thereof the text of H.R. 5041 as passed by the House, as follows:

SHORT TITLE

SECTION 1. This Act may be cited as the "Joint Research and Development Act of 1984".

DEFINITIONS; LIMITATIONS

SEC. 2. (a) For purposes of this Act—

(1) the term "joint research and development venture" means any group of activities, including attempting to make, making, or performing a contract, by two or more persons for one or more of the following purposes:

(A) theoretical analysis, experimentation, or systematic study of phenomena or observable facts,

(B) extension of investigative findings or theory of a scientific or technical nature into practical application for experimental and demonstration purposes, including the experimental production and testing of models, prototypes, equipment, materials, and processes,

(C) engineering activities to achieve standards of performance and reliability or to meet economic requirements, and

(D) the collection, exchange, and analysis of research information.

and may include operation of facilities for the conduct of research, the conduct of such venture on a protected and proprietary basis, and the patenting and licensing of the results of such venture, but does not include any activity specified in subsection (b),

(2) the term "antitrust laws" has the meaning given it in section 1 of the Clayton Act (15 U.S.C. 15), except that such term includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that such section 5 applies to unfair methods of competition,

(3) the term "person" has the meaning given it in section 1(a) of the Clayton Act (15 U.S.C. 12(a)),

(4) the term "State" has the meaning given it in section 4G(2) of the Clayton Act (15 U.S.C. 15g(2)),

(5) the term "Attorney General" means the Attorney General of the United States, and

(6) the term "Commission" means the Federal Trade Commission.

(b) The term "joint research and development venture" excludes the following activities involving two or more persons:

(1) exchanging information regarding the sales, marketing, or distribution of any product, process, or service,

(2) entering into any agreement, or engaging in any other conduct, to restrict or require—

(A) the production or marketing by any person who is a party to such venture of any product, process, or service,

(B) participation by any person who is a party to such venture in another research and development venture, or

(C) the sale, licensing, or sharing by any person who is a party to such venture of inventions or developments neither developed by such venture nor integrally related to a product or process developed by such venture to any other joint research and development venture or other person.

PER SE VIOLATIONS

SEC. 3. No joint research and development venture shall be deemed illegal per se under the antitrust laws or under any State law similar to the antitrust laws.

LIMITATION ON RECOVERY

SEC. 4. (a) Notwithstanding section 4 of the Clayton Act (15 U.S.C. 15) and in lieu of the relief specified in such section, any person who is entitled to recovery on a claim under such section shall recover the actual damages sustained by him, interest calculated at the rate specified in section 1961 of title 28, United States Code, on such actual damages as specified in subsection (d) and the cost of suit attributable to such claim, including a reasonable attorney's fee pursuant to section 5 of this Act—

(1) if such claim results from conduct that is within the scope of a joint research and development venture for which notification has been filed under section 6(a) of this Act, and

(2) if such claim is filed after a notice of the research and development venture is published in the Federal Register as provided in section 6(b) of this Act.

(b) Notwithstanding section 4C of the Clayton Act (15 U.S.C. 15c), and in lieu of the relief specified in such section, any State which is entitled to monetary relief on a claim under such section shall recover the total damage sustained as described in subsection (a)(1) of such section, interest calculated at the rate specified in section 1961 of title 28, United States Code, on such total damage as specified in subsection (d), and the cost of suit attributable to such claim, including a reasonable attorney's fee pursuant to section 5 of this Act—

(1) if such claim results from conduct that is within the scope of a research and development venture for which notification has been filed under section 6(a) of this Act, and

(2) if such claim is filed after a notice of the research and development venture is published in the Federal Register as provided in section 6(b) of this Act.

(c) Notwithstanding any applicable provision of any State law providing a damage remedy for conduct similar to that forbidden by the antitrust laws, any person who is entitled to recovery on a claim under such provision shall not recover in excess of the actual damages sustained by him, interest calculated at the rate specified in section 1961 of title 28, United States Code, on such actual damages as specified in subsection (d), and the cost of suit attributable to such claim, including a reasonable attorney's fee pursuant to section 5 of this Act—

(1) if such claim results from conduct that is within the scope of a joint research and development venture for which notification has been filed under section 6(a) of this Act, and

(2) if such claim is filed after a notice of the research and development venture is published in the Federal Register as provided in section 6(b) of this Act.

(d) Interest shall be awarded on the damages involved for the period beginning on the date of filing of the claim and ending on the date of judgment, unless the court finds that the award of all or part of such interest is unjust in the circumstances. Interest shall be awarded on the damages involved for the period beginning on the date of injury and ending one day prior to the date of filing of the claim if the court finds that the award of all or part of such interest is just in the circumstances.

(e) The protections of this section shall not apply to any conduct that occurs during the effective period of any court order enjoining such conduct as a result of a claim under the antitrust laws or any State law similar to the antitrust laws.

ATTORNEY'S FEES

SEC. 5. Notwithstanding section 4, 4C, or 16 of the Clayton Act, in any claim under the antitrust laws, or any State law similar to the antitrust laws, based on conduct that results from a joint research and development venture, the court shall, at the conclusion of the action, award to the substantially prevailing party the cost of suit attributable to such claim, including a reasonable attorney's fee. In the interest of justice, the award may be reduced or withheld and may be reduced by an award in favor of any other party for any part of the cost of suit attributable to such claim, including a reasonable attorney's fee.

DISCLOSURE OF JOINT RESEARCH AND DEVELOPMENT VENTURE

SEC. 6. (a) In accordance with rules issued by the Attorney General in consultation with the Commission, any person who is a party to a joint research and development venture may file simultaneously with the Attorney General and the Federal Trade Commission a written notification disclosing—

(1) the identities of the parties to such venture, and

(2) the nature, objectives, and duration of such venture.

Any person who is a party to such venture may file such additional disclosure notifications pursuant to this section as are appropriate to extend the protections of section 4.

(b) In accordance with rules issued by the Attorney General in consultation with the Commission, and except as provided in subsection (d), not later than sixty days after receiving a notification filed under subsection (a), the Attorney General or the Commission shall cause to be published in the Federal Register a notice of such joint research and development venture which indentifies the parties to such venture and which describes in general terms the area of planned activity and duration of such venture. Prior to its publication, the contents of the notice shall be made available to the parties to such venture.

(c) Except as to the information published in the Federal Register pursuant to subsection (b), all information and documentary material submitted as part of a notification filed pursuant to this section and all other information obtained by the Attorney General or the Commission in the course of any investigation or enforcement action shall be exempt from disclosure under section 552 of title 5, United States Code, and shall not be made publicly available by any agency of the United States to which section 552 applies.

(d) Any person who has filed a notification pursuant to this section may withdraw such notification prior to the time at which notice of such research and development venture is published in the Federal Register. Any notification so withdrawn shall not be subject to subsection (b) and shall not confer the protections of section 4 on any person with respect to whom such notification was filed.

(e) Any action taken or not taken by the Attorney General or the Commission with respect to notifications filed pursuant to this section, shall not be subject to judicial review.

(f) For the sole purpose of establishing that a person is entitled to the protections of section 4, the fact of disclosure of conduct under section 6(a) and the fact of publication of a notice under section 6(b) shall be admissible into evidence. But no action

by the Attorney General or the Commission taken pursuant to this section shall be admissible into evidence in any administrative or judicial proceeding for the purpose of supporting or answering any claim under the antitrust laws, or under any State law similar to the antitrust laws.

(g) The rules promulgated under this section shall be subject to the public notice and comment requirements of section 553 of title 5, United States Code.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. EDWARDS].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed.

The title of the Senate bill was amended so as to read: "An Act to promote research and development, encourage innovation, and make necessary and appropriate amendments to the antitrust laws."

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 1841

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill, S. 1841, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

The Chair hears none and, without objection, appoints the following conferees: Messrs. RODINO, BROOKS, EDWARDS of California, SEIBERLING, HUGHES, SYNAR, CROCKETT, SCHUMER, FEIGHAN, FUQUA, FISH, MOORHEAD, HYDE, SAWYER, and LUNGREN.

There was no objection.

DEEPWATER PORT ACT AMENDMENTS OF 1984

Mr. BREAUX. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1546) to amend the Deepwater Port Act of 1974, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1546

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Deepwater Port Act Amendments of 1984".

AMENDMENT, TRANSFER, OR RENEWAL OF LICENSE

SEC. 2. (a) Section 3(4) of the Deepwater Port Act of 1974 (33 U.S.C. 1502(4)) is amended to read:

"(4) 'application' means an application submitted under this Act for a license for the ownership, construction, and operation of a deepwater port;".

(b) Section 4(b) of the Deepwater Port Act of 1974 (33 U.S.C. 1503(b)) is amended to read:

"(b) The Secretary may—

"(1) on application, issue a license for the ownership, construction, and operation of a deepwater port; and

"(2) on petition of the licensee, amend, transfer, or reinstate a license issued under this Act.".

(c) Section 4(f) of the Deepwater Port Act of 1974 (33 U.S.C. 1503(f)) is amended to read:

"(f) The Secretary may amend, transfer, or reinstate a license issued under this Act if the amendment, transfer, or reinstatement is consistent with the findings made at the time the license was issued.".

(d) Section 4(h) of the Deepwater Port Act of 1974 (33 U.S.C. 1503(h)) is amended to read:

"(h) A license issued under this Act remains in effect unless suspended or revoked by the Secretary or until surrendered by the licensee.".

(e) Section 4(e)(1) of the Deepwater Port Act of 1974 (33 U.S.C. 1503(e)(1)) is amended by inserting at the end thereof: "On petition of a licensee, the Secretary shall review any condition of a license issued under this Act to determine if that condition is uniform, insofar as practicable, with the conditions of other licenses issued under this Act, reasonable, and necessary to meet the objectives of this Act. The Secretary shall amend or rescind any condition that is no longer necessary or otherwise required by any Federal department or agency under this Act.".

(f) The first sentence of section 5(g) of the Deepwater Port Act of 1974 (33 U.S.C. 1504(g)) is amended by striking "issued, transferred, or renewed" and inserting "issued".

(g) The first sentence of section 7(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1506(a)) is amended by striking "issue, transfer, or renew" and inserting "issue".

(h) Section 7(b)(1) of the Deepwater Port Act of 1974 (33 U.S.C. 1506(b)(1)) is amended:

(1) by striking the first sentence and inserting: "The Secretary shall transmit promptly to the Attorney General and the Federal Trade Commission a complete copy of each application for issuance of a license or a petition for the amendment, transfer, or reinstatement of a license that is received."; and

(2) in the second sentence, by inserting immediately after the word "hearing" the phrase "on license application".

ECONOMIC DEREGULATION

SEC. 3. (a) Section 8 of the Deepwater Port Act of 1974 (33 U.S.C. 1507) is amended to read:

"SEC. 8. (a) A deepwater port and a storage facility serviced directly by that deepwater port shall operate as a common carrier under applicable provisions of part I of the Interstate Commerce Act and subtitle IV of title 49, United States Code, except as provided by subsection (b) of this section.

"(b) A licensee under this Act shall accept, transport, or convey without discrimination all oil delivered to the deepwater port with respect to which its license is issued. However, a licensee is not subject to common carrier regulations under subsection (a) of this section when that licensee—

"(1) is subject to effective competition for the transportation of oil from alternative transportation systems; and

"(2) sets its rates, fees, charges, and conditions of service on the basis of competition, giving consideration to other relevant business factors such as the market value of services provided, licensee's cost of operation, and the licensee's investment in the deepwater port and a storage facility, and components thereof, serviced directly by that deepwater port.

"(c) When the Secretary has reason to believe that a licensee is not in compliance with this section, the Secretary shall commence an appropriate proceeding before the Federal Energy Regulatory Commission or request the Attorney General to take appropriate steps to enforce compliance with this section and, when appropriate, to secure the imposition of appropriate sanctions. In addition, the Secretary may suspend or revoke the license of a licensee not complying with its obligations under this section.".

SUSPENSION OF FEE COLLECTION AND SUBROGATION

SEC. 4. (a) Section 18 of the Deepwater Port Act of 1974 (33 U.S.C. 1517) is amended as follows:

(1) In the first sentence of subsection (d), following the words "deepwater port" the first time they appear, insert "while located in the safety zone".

(2) In subsection (f)(3), strike the third and fourth sentences and insert: "These collections shall cease after the date of enactment of the Deepwater Port Act Amendments of 1983, unless there are adjudicated claims against the Fund to be satisfied. The Secretary may order the collection of the fee to be resumed when the unobligated balance of the Fund as reduced by the unliquidated debts to the United States Treasury is less than $4,000,000. Any collection of fees ordered by the Secretary under the preceding sentence shall cease whenever the unobligated balance of the Fund as reduced by the unliquidated debts to the United States Treasury exceeds $4,000,000. The Fund may borrow from the United States Treasury at an interest rate to be determined by the Secretary of the Treasury amounts sufficient to maintain the available balance in the Fund at $4,000,000, but only to such extent and in such amounts as are provided in advance in appropriation Acts. Such amounts shall remain available until expended.".

(3) In the seventh sentence of subsection (f)(3), after the word "than", insert "the amount the Secretary determines is needed to draw upon under subsection (c)(3) of this section or".

(4) In the ninth sentence of subsection (f)(3), after the word "needed", insert "to draw upon under subsection (c)(3) of this section or".

(5) In subsection (h)(2), insert at the end thereof: "In that event, the owner and operator of the vessel are jointly and severally liable for cleanup costs and damages resulting from that discharge in the same manner and to the same extent as under subsection (d) of this section.".

(6) In subsection (h)(3), insert at the end thereof: "When the Fund under this subsection is subrogated to the right of any person entitled to recovery against the owner or operator of a vessel, that owner and operator are jointly and severally liable for cleanup costs and damages resulting from that discharge in the same manner and to the same extent as under subsection (d) of this section.".

RELATIONSHIP TO OTHER LAWS

SEC. 5. (a) Section 19(a) of the Deepwater Port Act of 1974 (33 U.S.C. 1518(a)) is amended by adding at the end thereof:

"(3) The Secretary of State shall notify the government of each foreign state having vessels registered under its authority or flying its flag which may call at or otherwise utilize a deepwater port but which do not currently have an agreement in effect as provided in subsection (c)(2)(A)(i) of this section that the United States intends to exercise jurisdiction over vessels calling at or otherwise utilizing a deepwater port and the persons on board such vessels. The Secretary of State shall notify the government of each such state that, absent its objection, its vessels will be subject to the jurisdiction of the United States whenever they—

"(A) are calling at or otherwise utilizing a deepwater port; and

"(B) are within the safety zone of such a deepwater port and are engaged in activities connected, associated, or potentially interfering with the use and operation of the deepwater port.

The Secretary of State shall promptly inform licensees of deepwater ports of all objections received from governments of foreign states in response to notifications made under this paragraph.".

(b) Section 19(c) of the Deepwater Port Act of 1974 (33 U.S.C. 1518(c)) is amended to read:

"(c)(1) The jurisdiction of the United States shall apply to vessels of the United States and persons on board such vessels. The jurisdiction of the United States shall also apply to vessels, and persons on board such vessels, registered in or flying the flags of foreign states, whenever such vessels are—

"(A) calling at or otherwise utilizing a deepwater port; and

"(B) are within the safety zone of such a deepwater port, and are engaged in activities connected, associated, or potentially interfering with the use and operation of the deepwater port.

The jurisdiction of the United States under this paragraph shall not, however, apply to vessels registered in or flying the flag of any foreign state that has objected to the application of such jurisdiction.

"(2) Except in a situation involving force majeure, a licensee shall not permit a vessel registered in or flying the flag of a foreign state to call at or otherwise utilize a deepwater port licensed under this Act unless—

"(A)(i) the foreign state involved, by specific agreement with the United States, has agreed to recognize the jurisdiction of the United States over the vessels registered in or flying the flag of that state and persons on board such vessels in accordance with the provisions of paragraph (1) of this subsection, while the vessel is located within the safety zone, or

"(ii) the foreign state has not objected to the application of the jurisdiction of the United States to any vessel, or persons on board such vessel, while the vessel is located within the safety zone; and

"(B) the vessel owner or operator has designated an agent in the United States for receipt of service of process in the event of any claim or legal proceeding resulting from activities of the vessel or its personnel while located within such a safety zone.

"(3) For purposes of paragraph (2)(A)(ii) of this subsection, a licensee shall not be obliged to prohibit a call at or use of a deepwater port by a vessel registered in or flying the flag of an objecting state unless the licensee has been informed by the Secretary of State as required by subsection (a)(3) of this section.".

(c) The amendment made by subsection (b) of this section shall be effective on the ninetieth day following the date of enactment of this Act. The Secretary of State shall make the first series of notifications referred to in section 19(a)(3) of the Deepwater Port Act of 1974, as added by subsection (a) of this section, prior to the thirtieth day following the date of enactment of this Act.

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. BREAUX] is recognized for 1 hour.

Mr. BREAUX. Mr. Speaker, the bill now before the House is S. 1546, the Deepwater Port Act amendments. This bill was passed by the Senate on March 30, 1984, and is identical to the provisions of H.R. 2353, recently reported by the Public Works and Transportation Committee. It is also, with one exception, essentially identical to H.R. 2353 as earlier reported by the Merchant Marine and Fishiers Committee.

I think most Members are aware of the fact that the Deepwater Port Act of 1974 provided a process for streamlined Federal licensing and consolidated regulatory authority regarding the operation of deepwater port facilities located on the high seas. The intent of the legislation, under the presumption that the day of the super oil tanker was upon us, was to provide an economically efficient and environmentally preferable alternative to either channel dredging or offshore lightering activities.

Thus, the original statute granted authority to the Secretary of Transportation to approve an application, and issue a license for the cosntruction and operation of a deepwater port upon his determination that:

First, the applicant meets financial responsibility requirements;

Second, the applicant agrees to abide by all applicable laws, regulations and license conditions;

Third, the construction and operation of the facility is in the national interest;

Fourth, the facility will not unreasonably interfere with high seas freedoms;

Fifth, the project meets environmental criteria spelled out in the law and implementing regulations;

Sixth, the project receives EPA clearance regarding compliance with clean air, clean water and ocean dumping requirements; and

Seventh, the Attorney General and FTC approve the project after reviewing its effect on competition.

Existing law also requires the Secretary to conduct a cost-effectiveness comparison between a proposed deepwater port facility and a channel or port dredging operation if such is pending in the same State that would be connected to the deepwater facility. Additional restrictions such as bonding, finite license terms—20 years, prohibitions of free license transfers and application of common carrier status were also imposed by the statute.

Finally, the act established liability limits for vessels calling at any deepwater port, created a small oil pollution fund, and required the Secretary to negotiate bilateral agreements with other nations so that the United States could exercise authority over foreign vessels calling at any deepwater port facility.

The expectations of Congress when it debated and passed the original bill in 1972-74 did not bear out, however. The Arab oil embargoes that followed and the emergence of new sources of supply—principally from Mexico and Alaska which was carried on smaller ships than those that can best utilize a deepwater port facility-drastically altered projections regarding the reliance on the super-tanker and the profitability of these types of facilities. As a result, only one facility—the Louisiana Offshore Oil Port [LOOP]—has been licensed.

In short, the statute has proved to be misguided in its appoach and has constrained the ability of LOOP and other potential deepwater ports to meet competition. The bill before us has now been endorsed by the administration.

The essence of the amendments to existing law contained in the bill are provisions that would:

First, simplify exiting procedures for amendment, transfer, and reinstatement of a deepwater port license;

Second, extend the term of a license from 20 years to an indefinite period covering the life of the facility;

Third, provide for periodic review of the adequacy of conditions imposed on existing licenses;

Fourth, relieve deepwater ports from FERC regulation so long as it is determined that appropriate competitive conditions exist and the licensee is in compliance with new statutory requirements regarding nondiscriminatory carriage;

Fifth, maintain the pollution fund at $4 million and trigger the 2 cent/barrel fee if the fund goes below this figure;

Sixth, provide for joint and several liability of the tanker owner and operator for oil pollution at the facility; and

Seventh, create a new system that will hopefully facilitate the use of deepwater port facilities by foreign vessels.

Mr. Speaker, this is truly noncontroversial legislation and I urge its adoption by the House.

● Mr. ROE. Mr. Speaker, when the Deepwater Port Act of 1974 was enacted into law, it was anticipated that increased imports utilizing very large

cargo carriers would increase. This did not turn out to be the case. Because of reduced demand for crude oil imports and changing patterns of world crude oil movement, only one deepwater port facility, the Louisiana Offshore Oil Port [LOOP, Inc.], has been licensed by the Secretary of Transportation. This facility is operating at considerably less than its break-even volume of 700,000 barrels a day. The purpose of S. 1546 is to enable this facility to respond more quickly to changing market conditions and assist it and other such facilities which may be built in becoming more competitive.

Briefly, S. 1546 would:

Simplify existing procedures for amendment, transfer, and reinstatement of a deepwater port license;

Extend the term of a deepwater port license from 20 years to an indefinite period covering the life of the facility;

Provide for review of conditions of existing licenses;

Relieve deepwater ports of economic regulation by the Federal Energy Regulatory Commission if appropriate competitive conditions exist;

Suspend the current 2-cent-per-barrel fee imposed on oil delivered to a deepwater port;

Provide for the pollution fund financed by the fees to be maintained at a $4 million level for ready response to pollution incidents;

Provide for joint and several liability of a tanker's owner and operator if their negligence results in pollution at a deepwater port; and

Create a new system for facilitating use of deepwater ports by foreign vessels.●

● Mr. STANGELAND. Mr. Speaker, I rise in strong support of S. 1546, the Deepwater Port Act Amendments of 1984. The basic purpose and objective of this legislation is to modify or repeal certain sections of the 1974 Deepwater Port Act in order to permit an offshore deepwater port to operate in a less regulated, more competitive environment and to be more responsive to marketplace conditions.

While the 1974 Deepwater Port Act envisioned that a number of deepwater petroleum offloading and transshipment ports would be constructed, only LOOP [Louisiana Offshore Oil Port] has proceeded to construction and operation. For the first 3 years of its existence, LOOP has experienced significant economic difficulties caused by a number of factors including the recession, the recent decline in oil prices, and cumbersome rate-setting procedures currently mandated by law.

The bill before us today, S. 1546, proposes to make a number of changes in the original authorizing statute in order to better effectuate, in light of these changed circumstances, the act's original purpose. Key provisions in the Deepwater Port Act, however, will remain in effect to protect against unfair or discriminatory practices. Authority to suspend or revoke a license continues. Environmental safeguards are retained. Enforcement and oversight by the Secretary of Transportation, the Attorney General, and the Federal Energy Regulatory Commission will continue.

S. 1546 preserves most of the language and provisions of H.R. 2353 as reported by the Committee on Merchant Marine and Fisheries and is identical to H.R. 2353 as reported by the Public Works Committee. It makes a number of improvements that reflect comments received from the administration. Most noteworthy in this regard are the changes to section 5 replacing the law's current requirement for bilateral agreements before foreign flagships can use deepwater ports with a consent policy under which a foreign flagvessel calling at or using a deepwater port would voluntarily subject itself to the exercise of jurisdiction by the United States.

Mr. Speaker, these amendments to the Deepwater Port Act are necessary and appropriate to reflect changes that have occurred in the 10 years since the original act was passed. I strongly support these changes and I urge my colleagues to do likewise here this morning.●

● Mr. BIAGGI. Mr. Speaker, I rise in support of S. 1546, a bill to amend the Deepwater Port Act of 1974. This measure is substantially identical to H.R. 2353, reported unanimously by the Committee on Merchant Marine and Fisheries, and yesterday by the Committee on Public Works and Transportation.

I am pleased that once again the judgment and legislative craftsmanship of the Merchant Marine Committee in fashioning important maritime legislation has been considered favorably by other committees of the House and followed by the other body with administration support. I have said time and again this committee does the work, and we do it cooperatively with the other committees of the Congress. The results speak for themselves.

This bill is necessary to restore the international competitiveness of the only deepwater port in the United States licensed and operating under the Deepwater Port Act. It may well remain the only such facility for the foreseeable future in light of a continued decline in foreign crude oil imports transported to the United States in supertankers.

This bill responds to a number of competitive problems encountered by the Louisiana Offshore Oil Port [LOOP, Inc.] in the administration of the Deepwater Port Act.

First, it extends economic deregulation to that facility by permitting it to set its rates and fees for services in the marketplace based upon competition as a substitute for Government fee setting and regulation.

Second, it streamlines the regulatory process for amending, transfer, renewing, or reinstating a deepwater port license issued by the Secretary of Transportation under the act.

Third, it provides competitive relief to that facility in competition with oil transshipment operations by temporarily suspending collection of oil spill fees until the enactment of comprehensive oil spill liability and compensation legislation.

Fourth, it clarifies certain oil spill liability provisions applicable to vessels calling at a deepwater port facility.

Finally, it establishes an orderly regime for permitting the assertion of U.S. jurisdiction over vessels calling at a deepwater port licensed by the United States and located on the high seas in order to increase potential utilization of that facility by vessels of other nations.

Mr. Speaker, original enactment of this legislation was intended to result in the establishment of a series of deepwater facilities along our coastlines as a safe, economically efficient, and environmentally preferable means for unloading crude oil transported in supertankers. Since that time patterns of international crude oil movement have changed considerably.

At the same time a renewed focus upon our international trade posture has demonstrated the need for a comprehensive approach to national port development. We now realize that national port development policy must respond to the complex nature of international trade and the underlying fact that ports are by their very nature multicommodity enterprises. This body adopted such a comprehensive approach to national port development in passing omnibus water resources legislation by an overwhelming margin several weeks ago. This measure is consistent with the approach of that earlier legislation and is deserving of the same kind of support from this body.●

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

OFFICE OF ENVIRONMENTAL QUALITY AND COUNCIL ON ENVIRONMENTAL QUALITY AUTHORIZATIONS FOR FISCAL YEARS 1985, 1986, AND 1987

Mr. BREAUX. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4585) to authorize appropriations for the Office of Environmental Quality and the Council on Environmental Quality for fiscal years 1985, 1986, 1987, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the Senate bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That section 205 of the Environmental Quality Improvement Act of 1970 (42 U.S.C. 4374(c)) is amended by adding at the end thereof the following new paragraph:

"(d) $480,000 for the fiscal year ending September 30, 1985".

SEC. 2. The Environmental Quality Improvement Act of 1970 (42 U.S.C. 4371-4374) is further amended by adding at the end thereof the following new section:

"OFFICE MANAGEMENT FUND

"SEC. 206. (a) There is established an Office of Environmental Quality Management Fund (hereinafter referred to as the 'Fund') to receive advance payments from other agencies or accounts that may be used solely to finance—

"(1) study contracts that are jointly sponsored by the Office and one or more other Federal agencies; and

"(2) Federal interagency environmental projects (including task forces) in which the Office participates.

"(b) Any study contract or project that is to be financed under subsection (a) may be initiated only with the approval of the Director.

"(c) The Director shall promulgate regulations setting forth policies and procedures for operation of the Fund.".

Mr. BREAUX (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. YOUNG of Alaska. Mr. Speaker, reserving the right to object, I will not object; I would like an explanation of the amendments from the chairman.

Mr. BREAUX. If the gentleman would yield, I would say to the gentleman that this is the same bill that passed the House. We authorized the Council on Environmental Quality for a 3-year period.

The Senate authorized it for a 1-year period. We have agreed to compromise with this amendment to authorize it for 2 years, splitting the difference.

The only other addition being added by the amendment from the House is an authorization to allow for the purchase of additional lands in connection with the acquisition of the Tensas River National Wildlife Refuge. All of the land to be purchased in this refuge is from willing sellers and there is no additional funds that are authorized for the acquisition.

Mr. YOUNG of Alaska. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER pro tempore. The Senate amendment is considered as read, and the Clerk will report the House amendment to the Senate amendment.

The Clerk read the House amendment to the Senate amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

That section 205 of the Environmental Quality Improvement Act of 1970 (42 U.S.C. 4374(c)) is amended by adding at the end thereof the following new paragraph:

"(d) $480,000 for each of the fiscal years ending September 30, 1985 and September 30, 1986.".

SEC. 2. The Environmental Quality Improvement Act of 1970 (42 U.S.C. 4371-4374) is further amended by adding at the end thereof the following new section:

"OFFICE MANAGEMENT FUND

"SEC. 206. (a) There is established an Office of Environmental Quality Management Fund (hereinafter referred to as the 'Fund') to receive advance payments from other agencies or accounts that may be used solely to finance—

"(1) study contracts that are jointly sponsored by the office and one or more other Federal agencies; and

"(2) Federal interagency environmental projects (including task forces) in which the Office participates.

"(b) Any study contract or project that is to be financed under subsection (a) may be initiated only with the approval of the Director.

"(c) The Director shall promulgate regulations setting forth policies and procedures for operation of the Fund.".

SEC. 3. Section 2(1) of the Act entitled "An Act to establish the Tensas River National Wildlife Refuge", approved June 28, 1980 (19 U.S.C. 668dd note), is amended—

(1) by inserting "(A)" immediately after "includes"; and

(2) by inserting immediately before the period at the end thereof the following: "; and (B) any additional lands and waters, and interests therein, adjacent to the boundaries depicted on that map that are considered appropriate for inclusion in the refuge by the Secretary".

Amend the title of the bill so as to read: "An Act to authorize appropriations for the Office of Environmental Quality and the Council on Environmental Quality for fiscal year 1985 and 1986, and for other purposes."

Mr. BREAUX (during the reading). Mr. Speaker, I ask unanimous consent that the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BREAUX. Mr. Speaker, H.R. 4584, as it passed the House, authorized appropriations for the Office of Environmental Quality for Fiscal Years 1985, 1986, and 1987. The Council on Environmental Quality [CEQ] was created by the National Environmental Policy Act [NEPA] in 1969. The Council, which operates within the Executive Office of the President, consists of three members. The Council members are responsible for advising the President on environmental matters, monitoring the status of the environment, reviewing Federal programs and policies for consistency with NEPA, and providing information to the public on environmental matters. The Council has a continuing authorization of $1 million annually under NEPA.

In 1970, the Environmental Quality Improvement Act established the Office of Environmental Quality [OEQ]. The Office consists of staff personnel, currently numbering seven full-time employees, who provide support and advice to the Council. The existing authorization for the Office of Environmental Quality expires at the end of fiscal year 1984.

As passed by the House, H.R. 4585 would provide an additional level of $480,000 annually for fiscal years 1985, 1986, and 1987 for the operation of the Office of Environmental Quality. This authorization, together with the continuing $1 million annual authorization for the Council, would provide an authorized annual funding level for the Council and their staff of $1.48 million for fiscal years 1985, 1986, and 1987. In addition, H.R. 4585 would create a management fund to finance joint studies and projects involving the Council on Environmental Quality and other entities. This fund, which would replace the current Consolidated Working Fund, would provide greater accountability to the Congress and OMB. Creation of this fund is supported by both the administration and by the Appropriations Committee.

When the legislation was considered in the other body, they amended it to restrict the authorization to fiscal year 1985 only. Their reasoning for this was to require additional oversight in the next Congress. We propose to return it to the other body with a 2-year authorization, a compromise which we have reason to believe they will accept. I would point out that the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the Committee on Merchant Marine and Fisheries did hold a hearing on the legislation and the report of the legislation reflects the committee's views on the operation of

CEQ and the role it should play in the formulation of environmental policy.

We have also added an amendment to the legislation to allow the purchase of additional lands in connection with the acquisition of the Tensas River National Wildlife Refuge in Louisiana. All of the land is to be purchased from willing sellers and no additional funds are authorized for acquisition.

The Tensas River National Wildlife Refuge is one of our most important refuges. It protects one of the last large tracts of bottomland hardwood forest in the Mississippi River Delta. Of the more than 20 million acres of the bottomland hardwoods that once covered the Mississippi Delta from Cairo, IL, to New Orleans, LA, less than 3 million acres remain. Acquisition of the Tensas River Refuge is a major effort in our attempt to preserve an incredibly rich biological resource for future generations. The refuge itself provides habitat for migrating songbirds and waterfowl, numerous deer, muskrat, and other mammals, a small but viable population of black bears and countless other species of fish, wildlife, and plants. This legislation would allow an important addition to the refuge.

As the Members can see, this legislation is both worthwhile and noncontroversial and I ask for its adoption.

● Mr. JONES of North Carolina. Mr. Speaker, the bill before us today is H.R. 4585, a reauthorization of appropriations for the Office of Environmental Quality [OEQ] which is an adjunct of the Council of Environmental Quality [CEQ].

This legislation reauthorizes OEQ at the rate of $480,000, for fiscal years 1985–86, and also establishes an Office of Environmental Quality Management Fund. The increased authorization and management fund were requested by the administration. The $480,000 is in addition to the continuing appropriation for CEQ in the amount of $1 million annually contained in the National Environmental Policy Act of 1969 [NEPA].

In addition, the bill revises the area authorized for acquisition for the establishment of the Tensas River National Wildlife Refuge in Louisiana to include any additional lands and waters adjacent to the boundaries on the February 1980 map of such refuge which the Secretary of the Interior considers appropriate for inclusion.

The House passed H.R. 4585, as amended, on May 1, 1984 by yea-nay vote.

I urge my colleagues to accept this bill as amended by the Senate and House so that CEQ can continue its important role as overseer of the National Environmental Policy Act and counselor to the President on environmental issues.●

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Louisiana?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 5640, SUPERFUND EXPANSION AND PROTECTION ACT OF 1984

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 570 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H.R. 570

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5640) to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of clause 2(1)(6) of rule XI and section 303(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments recommended by the Committees on Energy and Commerce and Ways and Means now printed in the bill, it shall be in order to consider, as an original bill for the purpose of amendment under the five-minute rule, an amendment in the nature of a substitute contained in the Committee Print, Committee on Energy and Commerce, August 6, 1984, consisting of titles I through IV of the amendment in the nature of a substitute recommended by the Committee on Energy and Commerce now printed in the bill and title V recommended by the Committee on Ways and Means now printed in the bill. Said substitute shall be considered for amendment by titles instead of by sections and each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI and section 303(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. It shall be in order to consider an amendment printed in the Congressional Record of August 8, 1984, by, and if offered by, Represented Breaux of Louisiana and all points of order against said amendment for failure to comply with the provisions of clause 7, rule XVI and section 303(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived and said amendment shall be considered as having been read. Until title V of said substitute is considered for amendment, no amendment which changes, affects or deletes title V shall be in order. No amendment to title V of said substitute shall be in order except an amendment printed in the Congressional Record of August 8, 1984 by, and if offered by, Representative Conable of New York, and said amendment shall not be subject to amendment but shall be debatable for not to exceed thirty minutes to be equally divided and controlled by Representative Conable and an opponent thereto. At the conclusion of the consideration of title V for amendment, no further amendment shall be in order to the substitute, and the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 5640, it shall be in order to move, any rule of the House to the contrary notwithstanding, to take from the Speaker's table the bill (H.R. 2867) to amend the Solid Waste Disposal Act to authorize appropriations for the fiscal years 1984 through 1986, and for other purposes, with the Senate amendments thereto, to concur in the Senate amendment to the text of the bill with an amendment inserting in lieu thereof an amendment consisting of the texts of the bills H.R. 2867 and H.R. 5640 as passed by the House, and to concur in the amendment of the Senate to the title of the bill with an amendment, said motion shall be considered as having been read, and the previous question shall be considered as ordered on said motion to final adoption without intervening motion. It shall then be in order to move to insist on the House amendments to the Senate amendments to H.R. 2867 and to request a conference with the Senate thereon.

□ 1050

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes for the purposes of debate only to the gentleman from Mississippi [Mr. LOTT]. Pending that I yield myself such time as I may use and ask unanimous consent to revise and extend my remarks.

Mr. Speaker, House Resolution 570 is the rule providing for the consideration of H.R. 5640, the Superfund Expansion and Protection Act of 1984. The rule provides for 3 hours of gener-

al debate of which 1 hour is to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation and 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

Mr. Speaker, there are several waivers of points of order to permit consideration of the bill and the substitute. The rule waives clause 2(l)(6) of rule XI—requiring that a report of a committee be available on a bill at least 3 days prior to the bill's consideration in the House. This waiver is necessary because the report of the Committee on Ways and Means was not filed until Wednesday in order to guarantee the minority time to submit supplemental views.

Mr. Speaker, the rule also waives section 303(a) of the Congressional Budget Act against consideration of the bill. Section 303(a) prohibits the consideration of a bill changing revenue levels for a fiscal year prior to the adoption of a first budget resolution for that year. This waiver is necessary because the bill, as introduced and reported, would repeal the postclosure liability fund and refund those revenues paid into the fund. In addition, several provisions in title V of the substitute would amend the Internal Revenue Code to extend, increase and expand excise taxes paid into the hazardous substances Superfund.

Since these changes would reduce revenues by $18 million in fiscal year 1985 and otherwise change the level of revenues, and since final action on the budget resolution for such fiscal year has not occurred, the bill would violate section 303(a) of the Budget Act. These waivers simply protect the bill from points of order and do not preclude germane amendments to appropriate sections of the bill.

The rule makes in order consideration of the amendment in the nature of a substitute contained in the Energy and Commerce committee print—which consists of the text of titles I through IV of the bill as reported by the Committee on Energy and Commerce and title V as it was reported by the Committee on Ways and Means—as the original text for purposes of amendment under 5-minute rule. The text of the committee print was made in order as the primary vehicle for floor consideration because the printed bill as reported by the two committees was not available at the time of the Rules Committee meeting. This procedure was devised to ensure that Members who wish to offer amendments to the first four titles have ample opportunity to draft amendments with the appropriate page and line numbers, while not delaying floor consideration of this important legislation. Mr. Speaker, the first four titles of the substitute are completely open to any germane amendments which do not otherwise violate House rules. The rule provides that the substitute is to be read for amendment by titles rather than by sections.

Clause 5(a) of rule XXI which prohibits the inclusion of appropriations in any bill or amendment when the measure under consideration is not reported from the Appropriations Committee, is waived against the amendment in the nature of a substitute as is clause 303(a) of the Congressional Budget Act. The waiver of clause 5(a) of rule XI is needed because certain provisions of title V provide for transfers of appropriations into the hazardous substance Superfund. However, in this instance, the waiver is noncontroversial and indeed it would be virtually impossible to made changes in any trust fund or multiyear funding bill without violations of this rule.

The rule also waives clause 7 of House rule 16, the germaneness rule, and section 303(a)(4) of the Budget Act to permit consideration of an amendment that may be offered by the gentleman from Louisiana [Mr. BREAUX] to create an oil Superfund Program. When the original Superfund was created, Congress decided to exclude petroleum releases from that program and to develop a separate liability and funding scheme to cover such pollution. Since 1980 the Merchant Marine Committee has reported numerous proposals for an oil Superfund and both Houses have passed versions of such program but a program has yet to be enacted. The amendment is printed in the CONGRESSIONAL RECORD of August 8, 1984.

Mr. Speaker, this bill and the rule we are now considering are the result of a delicately balanced compromise. While there is some difference of opinion over how to finance the Superfund, there is little controversy about the need to facilitate improved toxic waste cleanup and containment of hazardous waste sites.

Title V of the bill deals with the taxes which finance the Superfund, and the rule provides that during consideration of the first four titles of the bill, no amendment that would change, affect, or delete title V would be in order. Further, the only amendment which may be considered to title V of the bill is an amendment printed in the CONGRESSIONAL RECORD of August 8 which may be offered by the gentleman from New York [Mr. CONABLE] the ranking minority Member of the Committee on Ways and Means. That amendment would sunset the tax provisions of the bill on September 30, 1986. The Conable amendment is not amendable but is debatable for 30 minutes which is to be divided equally and controlled by the gentleman from New York [Mr. CONABLE] and a Member who is opposed to the amendment. After the Conable amendment has been dispensed with, no further amendments may be considered to the substitute and the Committee of the Whole is to rise and report to the House with any amendments and any Member may demand that a separate vote be taken on any amendment adopted in the Committee of the Whole to the bill or the amendment in the nature of a substitute. One motion to recommit with or without instructions is made in order.

Mr. Speaker, finally the rule provides that after passage of H.R. 5640, all points of order are waived against a motion to take H.R. 2867, the Resource Recovery and Conservation Act, from the Speaker's table with the Senate amendments thereto, to concur in the Senate amendment to the text of the bill with an amendment consisting of the texts of the bills, H.R. 2867 and H.R. 5640, as passed by the House and to concur in the Senate amendment to the title of the bill with an amendment. Once that motion is passed by the House, it would be in order to move to insist on the House amendments to the Senate amendments to H.R. 2867 and to request a conference with the Senate thereon.

Mr. Speaker, the Committee on Rules reached a decision regarding this measure after hearing the views of many interested Members and after careful and deliberate consideration. This is not the usual parliamentary procedure but it is considered appropriate in this instance because the Senate version of the Resource Conservation and Recovery Act makes several policy changes which could appropriately be resolved in the context of a conference on the two interdependent programs. This procedure simply facilitates a conference on the Comprehensive Toxic Waste Program.

Mr. Speaker, H.R. 5640 amends the Comprehensive Environmental Response, Compensation and Liability Act [CERCLA] or more commonly known as Superfund. Congress enacted this Federal program in 1980 to facilitate the indentification of the presence of hazardous substances in the environment in amounts posing a risk to human health, to provide for the swift cleanup of the hazards and the identification of parties responsible for the pollution.

Mr. Speaker, H.R. 5640 would provide $9.5 billion in funding beginning in fiscal year 1986 through fiscal year 1990. The funds would go toward cleaning up the worst abandoned hazardous waste sites that number up to nearly 600. Although the program is authorized to continue through fiscal

year 1985 under existing law, problems which have arisen in the administration of the program as well as a recognition that the cleanup task will require greater than was previously anticipated has led to the current effort to reauthorize and expand the Superfund Program through fiscal year 1990.

The sequential referral of H.R. 5640 represents a compromise effort to improve the Superfund Program. This bill would enlarge the fund itself by raising the annual authorization of appropriations from the General Treasury, add a number of taxed feedstock chemicals to the current list and increase the level of taxation of chemicals on the existing list.

Mr. Speaker, by revitalizing the Superfund Program substantial progress can be made in addressing one of our most pressing environmental problems—cleanup of the Nation's worst abandoned hazardous waste sites and toxic waste pollution. I urge my colleagues to adopt House Resolution 570 so that we may proceed to the consideration of this important legislation.

Mr. Speaker, I yield to the gentleman from Mississippi for debate only.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me first run quickly over what we did in the rule. The gentleman from Massachusetts has just explained it, but I would like to do it in sort of outline form.

It is a modified closed rule. It provides for 3 hours of general debate, divided between the Committees on Energy and Commerce, Public Works, and Ways and Means. It waives points of order against consideration of the bill for failure to comply with the 3-day layover requirement. And, interestingly enough, the report on the Ways and Means title of this legislation is not available. We had Xerox copies in the Rules Committee yesterday, but we do not have it here on the floor.

The truth of the matter is Members are not going to be able to see probably what they are voting on in the title from Ways and Means, but we waived the 3-day layover rule.

We also waived section 303(a) of the Budget Act, adoption of new taxes before adoption of the first budget resolution.

It makes in order the committee print of August 6, 1984, as an original bill for the purpose of amendment. It waives points of order against the substitute for failure to comply with the appropriations on legislative bill, clause 5(a), rule XXI, and also section 303(a) of the Budget Act.

It will be read by title, rather than by section. It makes in order consideration of the Breaux amendment printed in the RECORD of August 8, dealing with oil spill liability. It waives clause 7, rule XVI germaneness and section 303(a) of the Budget Act, against the Breaux amendment.

Titles I through IV of the Energy and Commerce portion of the bill is open to any and all germane amendments without conditions.

No amendments to title V—that is the Ways and Means tax provisions—shall be in order, except one amendment by the gentleman from New York [Mr. CONABLE], which has a sunset of the tax provisions on September 30, 1986.

One motion to recommit is provided. Then it couples this bill with RCRA legislation, the Resource Conservation and Recovery Act, which I will discuss in detail more in a minute.

□ 1100

There is only one good thing about this rule, Mr. Speaker. It could be worse. Not much, but it could have been a little worse, because there were a couple of other things, unbelievably, that were requested by the committee chairmen that the Rules Committee considered that we did not go along with. It was requested by the chairman of the Energy and Commerce Committee that we require all amendments to be printed in yesterday's RECORD. Now, mind you, that is when the Rules Committee was considering the bill. We did not actually report the rule until about 8 o'clock last night. Members who did not come back into town because of a variety of things, including the funeral of the gentleman from Kentucky whom we all respected and loved so much, Members were not even going to be on notice that they had to have amendments in the RECORD. Well, wisely, at least, the Rules Committee did not do that.

Second, on recapitulation, we by a one-vote margin did agree to make in order Mr. CONABLE's amendment.

So except for those two little changes, it could have been probably one of the worst rules in history. But you have always got to look at the positive side, so there is this little glimmer of light on this rule, but not much.

The Rules Committee members were very troubled with this rule. In fact, I do not think I have ever seen the Rules Committee labor more over a rule. They were concerned about the fairness of it. They were concerned about the coupling of the Superfund and the RCRA legislation. We had something like 25 witnesses. It took us all day. We met and discussed it at length. In fact, we had five close bipartisan votes on amendments when we were taking up the rule. One was the so-called Wyden-Snyder, a bipartisan amendment to impose a $600 million per year waste and tax that would automatically take effect in 1987. That failed on a 5-to-5 bipartisan tie vote.

Then there was the Udall-Richardson, and others, bipartisan amendment to exempt copper from the tax. That was defeated. My amendment also included not only copper, but zinc, and nickel. A lot of Members on both sides of the aisle are concerned about copper, zinc, and nickel being included. They do not cause toxic waste. And yet they do not even have a chance on this rule to debate that and knock it out. That was defeated on a 6-to-7 vote.

Then there was the Tauzin amendment offered to impose a 5-percent import landing fee on petrochemical feedstocks and chemical stocks immediately derived from them. In other words, to say that foreign petrochemical industries would contribute to this fund. I mean they contribute to the toxic waste, and yet they do not have to pay the fee under this bill. We are letting the foreign petrochemical industries get off scot-free and we are putting the monkey right on the back of our own petrochemical industry. I could not believe it. It was defeated 5 to 8.

Then, of course, there was the Quillen amendment to the rule to strike the provision linking the Superfund bill to RCRA. There was bipartisan concern about this, and the vote was only 6 to 7 to defeat that.

First the Rules Committee on a 5-to 5-tie vote refused to go along with the Conable amendment which would just say; "Look, everybody acknowledges we may not have the best answer on how we raise these funds." I mean we have got companies, small companies, not the big ones, but small companies in America that are going to have to pay this fee on feedstocks, and they do not create any toxic wastes. But they are in the loop. Some of these companies, the small ones, are going to be put out of business. We ought to be taxing those that create the toxic waste. But that is not the way it is done. It is a fee on the feedstocks. So Mr. CONABLE said at least let's sunset this thing so we could see how it works for 18 months and maybe we will get the study we were supposed to get anyway and reconsider our thoughts. So we did come back in the Rules Committee and have a second vote on reconsideration on that particular amendment. It was made in order by the Rules Committee on a 7-to-6 vote.

So you see what we went through on this rule. It was a very laborious process, but most of the requests—all but one, really—were rejected.

I really think maybe the Rules Committee designed this so it could be defeated. I think maybe that was a subconscious thinking there. Whether or not you are for or against Superfund, you cannot be happy with this whole process. And I see Members on both sides of the aisle who feel that very strongly. Some people say, well, we cannot hold it back, we have got to

move it forward on both sides of the aisle. And I said: "What is the rush? It is not about to expire. They have got money in the fund. We are waiting for a study to come back." The people who support this thing admitted in the Rules Committee that, yes, we have got some people in the loop here that should not be there; and yet we are going to do it, and we are going to do it now.

Why? We know why. It is all politics. And we are playing politics with two very sound environmental bills. Why are we doing this? Why are we coupling these things together? I mean RCRA has not been authorized since 1982. Finally, the Houses of both bodies of the Congress have acted. We are ready to move on this legislation, and now we are going to lock in the Superfund which has not been properly drafted and studied to this point, we are going to tie them together and run the risk of taking down two environmental bills. Nobody wants to do that. We do not want to do to either bill. But under this rule that is what we have set up.

So I ask you to ask yourself two basic questions: Is this the best possible bill? No. Nobody really believes that. Do we have a chance to improve it? Do we even give our Members a chance to offer their amendments, to debate them, and have them voted on? No; it is no in both instances.

I urge the Members to vote against this rule. It would not be the end of the world. We could come back with a fairer rule. We could see what that study says on how the funds are going to be raised. We can do it in September. Nobody is trying to stop either of these bills. We want to move RCRA quickly because we are ready to go to conference on it and we want to do Superfund properly. But we are not going to be able to do it under this rule. We shut off committees. Energy and Commerce requested some amendments to be in order from the chairman. We did not make them in order. We had amendments with bipartisan support, we did not make them in order. Public Works worked on this bill a whole day and finally threw up their hands and took no action. After voting on a substitute on a close vote and having a multitude of amendments adopted, they said: "Hey, we give up." They threw it aside and they did not actually get involved in the process here.

But last and worst is that we are tying these two bills together. We are endangering both. The Environmental Defense Fund, a respected organization on both sides of the aisle, has written a letter—and I have a copy of it here—that says:

It would be a mistake for the House to combine the provisions of the two reauthorization bills into a single bill. It is our understanding that Representative FLORIO may offer an amendment to attach provisions of the RCRA bill to H.R. 5640. We urge you to oppose such an amendment.

Surely that will have an impact on some of my colleagues on the other side of the aisle.

In conclusion, Mr. Speaker, I guess the die is cast. But there are very few Members on this floor today who will be voting in a few minutes who believe that we are doing the right thing on the rule and on the way we are considering this legislation. I plead with my colleagues to strike a blow for procedural and environmental sanity by voting down this rule. Let us send a message to the Rules Committee that we want greater fairness accorded to our colleagues who have constructive and legitimate amendments and yet have been denied the opportunity to even offer them under this rule. Let us send a message that we do not want to risk losing two important environmental bills in this Congress by linking them all for some ill-conceived and I feel shortsighted, political reasons. Vote down this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I thank my dear friend from Massachusetts for making this time available to me, and I commend the Rules Committee for a good rule. It is a good rule, it is a fair rule, and it permits the House to work its will on two pieces of legislation, RCRA and Superfund. It permits the House then to go to conference with the Senate on the same two, Superfund and RCRA pieces of legislation which the House will have considered carefully and on which the House will have voted. It also permits the House to confer with the Senate on a Senate-passed bill extending RCRA which contains major elements of both pieces of House legislation.

It this rule is not adopted, you should know two things: First, if the House rejects this rule, the House will risk killing Superfund and possibly killing major parts of RCRA during the session of Congress. Equally importantly, if the rule is rejected, the House will be denying its conferees an opportunity to deal with the Senate in the same fashion that the Senate deals with the House time after time on similar pieces of legislation.

The Senate has no less than eight amendments to Superfund in the RCRA bill that they have reported and have sent over here. All we are asking is that the House have a similar opportunity to enable its managers to discuss with our colleagues in the Senate measures to extend RCRA and Superfund. These proposals will both have been, debated in extenso and the House will have had opportunity to vote on and consider both matters in extenso.

□ 1110

The two bills authorize interrelated programs. The Senate bill ties both together, we in the House, by adoption of the rule, will do nothing different, except that our conferees will be addressing more and different parts of Superfund. The two programs and the two bills are essentially two sides of the same coin, and all the rule does is to permit us to deal with the two issues together.

Now I reiterate that every Member of the House will have voted on the entirety of both bills when we go to conference under this rule. The House will not be performing any mischief on our colleagues in the Senate because they will have full opportunity to discuss with the managers on the part of the House, all of the provisions of both bills and the eight provisions of Superfund which are in the Senate RCRA bill at this particular time. If the Senate proposes to do that, I see no reason why Members of the House ought not have the same opportunity afforded their conferees.

Joining the two bills in conference is the best way to assure coordinated consideration of all of the provisions of both the bills and to consider in an integrated fashion the way that this Nation handles its hazardous and toxic-waste substances during the remainder of the decade. These two bills are intimately interrelated, and literally cannot be separated in a good and a sensible waste management program. The two statutes are administered by the same agency, and ofttimes the same parts of the agency deals with both statutes on the same dump site.

Communities, and industries, and citizens are affected on the same problem by matters which fall into the purview of both pieces of legislation. I urge my colleagues to support the rule. I commend the Rules Committee for having come forward with an innovative and sensible rule; one which permits us to address all of the questions on two bills which will be passed by the House, and with one bill which has been passed on the part of the Senate, but which contains elements of both of the House bills.

If you fail to adopt this rule, and you deny the House the opportunity to proceed under this carefully crafted proposal, you will be denying yourself and your constituents an opportunity to have the House consider all of the parts of Superfund, all the parts of RCRA and you will be permitting only those parts of RCRA which the Senate really wants to have considered.

I would urge that that is a bad way and that the response which has been crafted carefully the Rules Committee is a careful, a good, and a sure way of seeing to it that both Houses have an

opportunity to discuss in full all parts of both bills.

Mr. Speaker, I rise in support of House Resolution 570, the rule for the consideration of H.R. 5640, the Superfund Expansion and Protection Act of 1984.

The rule, I believe, is a fair one. It is intended to afford a fair opportunity for debate and amendment of H.R. 5640 while insuring an expeditious and orderly procedure. It protects all those Members which have serious amendments to offer to the Superfund reauthorization.

I realize there is some controversy over one provision in this rule—the request to combine the legislation under consideration, the Superfund reauthorization, along with the House-passed version of the reauthorization for the Resources Conservation and Recovery Act, and send the two bills back to the Senate with the request for a conference.

The rule would represent a sensible course of action by the House. The Resource Conservation and Recovery Act, which H.R. 2867 reauthorizes, and the Superfund program, which H.R. 5640 reauthorizes, are interrelated programs which address the prospective and retrospective aspects of the toxic-waste problem. The programs are like the two sides of the same coin. Since we have the opportunity to address both programs at once, it only makes sense to look at the whole coin rather than set it on a table and pretend that one side does not exist.

The rule would be particularly appropriate at the present time because the Senate version of the Resource Conservation and Recovery Act reauthorization, S. 757, proposes no less than eight amendments to the Superfund Program. These amendments represent major policy changes, potentially very expensive ones, and ought to be considered in the context of the entire Superfund Program. The changes include provisions for relocating communities, extending certain taxes under Superfund, extending the deadlines for filing State claims for damages to natural resources, and allowing States to receive various credits for State moneys which are expended.

In addition to the specific amendments to Superfund contained in S. 757, the Senate includes a regulatory program for underground-storage tanks. The similar House provision, which addresses both regulations and cleanups, is contained in H.R. 5640, the Superfund reauthorization.

Joining the Superfund and RCRA conferences is the best way to assure coordinated consideration of all the provisions which will affect the way this Nation handles its hazardous, toxic substances during the remainder of the decade.

These two bills on toxic, hazardous substances enjoy overwhelming support in the House. A vote for this rule will assure that both of these critically important bills will be considered by the Senate and, in my opinion, will assure they will both be enacted into law prior to the adjournment of the 98th Congress.

A vote for this rule will be a vote to see the Superfund reauthorization passed into law this year.

A vote against this rule is a vote against Superfund. So if you want to kill Superfund, vote against this rule.

I urge my colleagues to vote in favor of the rule and pass the Superfund bill.

Mr. LOTT. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. LENT].

Mr. LENT. I thank the gentleman for yielding to me this time.

Mr. Speaker, my position on Superfund reauthorization has been crystal clear from the start; I have strongly supported reauthorizing the program this year. Cleaning up the thousands of toxic waste dumps which mar the landscape of this country and endanger the health of millions of Americans should be the Nation's No. 1 environmental priority. I am pleased that we are taking this measure to the House floor in time to place it on the President's desk during this session of Congress.

However, I am convinced that the rule before us may well lead to a situation which prevents the enactment of any hazardous waste legislation this year. I am specifically referring to the provision of the rule which would permit the binding of Superfund and RCRA into one package to be sent to the Senate on a "take it or leave it basis."

As many of you are aware, on July 25, the Senate completed action on amendments to the Resource Conservation and Recovery Act. These amendments were sent to the House, requesting a conference and naming the other body's conferees. Since the House finished work on its RCRA reauthorization amendments last November, we are now in a position to appoint conferees and begin a conference. It should be an easy conference.

The reauthorization for RCRA expired in 1982, and that program is desperately in need of revitalization. Since RCRA controls the generation, transportation, and disposal of hazardous waste in this country, its reauthorization is extremely important if we are to avoid the creation of future Superfund sites. It took the Senate 2 years to pass its RCRA reauthorization bill. But after much work, delay, and frustration, the two Houses are ready to begin to iron out the many differences between the two bills.

But instead of proceeding with the RCRA conference, a strategy has emerged which would fuse the Superfund bill with the RCRA bill and send the package to the Senate. In my opinion, this is a politically motivated crap shoot which will result in no hazardous waste legislation being signed into law this year. For whatever marginal political benefit which can be extracted from this manueuver, the proponents of this motion are putting at risk the virtually assured enactment of RCRA this year.

My staff and I have spent many long hours over the past 2 years developing a responsible RCRA reauthorization bill and I do not intend to sit quietly by and watch all my work, and the efforts of many other Members, go down the drain. All of you know that I am fully and unequivocally committed to securing enactment of a Superfund reauthorization bill this year. After we reported out our Superfund bill this week, my plan was to urge my colleagues in the Senate to pass a similar measure as quickly as possible. But all the reports I have heard from the Senate from both sides of the aisle strongly indicate that Senate action on any RCRA/Superfund package which the House tries to force the Senate to accept is virtually impossible.

By sending RCRA and Superfund over as one, we would be trying to force the Senate to act on a legislative package, including a $10-billion tax package, the major portion of which has not been reviewed by the approprate Senate committees, shortcutting the normal committee and other legislative processes of the Senate. The membership of the other body will be understandably offended by this ploy and, I believe, will move to report the entire package back to all the relevant committees. These will include Environment and Public Works, Finance, and Judiciary. Given the limited time remaining, the normal legislative process would be hopelessly ensnarled. Thus, the RCRA bill, which took 2 years to be reported from committee, will be right back where it started from! The Environmental Defense Fund shares this concern, and has opposed this ploy because it shares my concern.

This procedure simply is not right, and I believe the American people deserve better treatment from their elected representatives. I am convinced that this ill-advised strategy will only result in the further degradation of our environment and poisoning of our drinking water.

I have tried very hard to work with my Democratic colleagues here in the House to write and pass responsible, bipartisan legislation. I see now that my efforts at bipartisanship have been for naught, since it would appear that some of my colleagues are intent on making the environment a partisan issue. This may sound naive, but I am truly disappointed about the way this

is turning out. I think the only ones who won't be disappointed are the polluters.

Mr. Speaker, I strongly urge my colleagues to vote "no" on the unusual motion to be offered following the passage of the Superfund legislation to allow the attachment of the RCRA bill to Superfund.

Mr. MOAKLEY. Mr. Speaker, I yield 4 minutes to the gentleman from Arizona [Mr. McNULTY].

Mr. McNULTY. Mr. Speaker, this rule should be defeated, and for major and minor premises. The major premise is that here in my left hand is a piece of copper which is one of the most benign substances on the face of this Earth. Throw it into the reservoir today, and 100 years from now the quality of your drinking water will not be changed. Bury it in the earth, and 2,000 years from now, like a Roman coin, it can be dug up and it will look just the way it looks now, or expose it to the atmosphere, make the roofs of the Longworth and Cannon House Office Buildings out of copper, and other than that it will be a little green after 100 years, it will be there after the building has fallen down underneath it.

This is the substance that was, at almost the last minute, added by the Ways and Means Committee to be taxed at a rate of $30 a ton. Curiously enough, aluminum was also included in that measure, but the aluminum interests were fortunate to have someone with the courage to strike aluminum, the principal metal competitor of copper, from that bill. It was stricken. Copper was not so fortunate, and is still there.

What is the minor premise? The minor premise is that last year, the copper industries of America lost $313 million and the year before lost more, three-quarters of a billion dollars in 2 years. Am I passionate about this? Yes, indeed. My 500,000 employees in Arizona include 25,000 men and women who worked in the American industry 30 months ago—13,000 of them have not drawn a check for 24 months, and they are puzzled at a strategy of a Government that continues to loan money to Chile to bring copper in here at a subsidized price and thus exports their jobs to South America.

They are puzzled when the International Trade Commission voted 5 to 0 that Chile was dumping copper on the United States and that the President should impose quotas. They are puzzled, given those statistics, that we would want to add a $60 million a year charge to their industry.

□ 1120

So I would ask you in the name of the total lack of toxicity of this substance and the inappropriateness of its being included, in the name of what is decent and fair to 13,000 Americans who are out of work through no fault of their own, to defeat this rule.

Mr. LOTT. Mr. Speaker, I yield 5 minutes to the distinguished member of the Committee on Rules, the gentleman from Missouri [Mr. TAYLOR].

Mr. TAYLOR. I thank the gentleman for yielding this time to me.

Mr. Speaker, this rule sets the parliamentary stage for one of the most unrealistic legislative overactions that I have seen since I have been in the Congress. It should be defeated.

As crafted by the Committee on Energy and Commerce and the Committee on Ways and Means, the extension of the Superfund legislation would severely damage several of our already depressed domestic industries, because of the unfair tax burden that is contained in this bill.

The bill strays so far from the original purpose of the Superfund, contains so many new and unrealistic provisions, that it stands little chance of enactment into law.

Mr. Speaker, this rule places the House at the precipice of making hasty and ill-considered decisions on the last day before we go out for a 3-week recess.

This rule, and the bill it makes in order, brings us to the brink of what I think would be a legislative disaster, not only for our program of cleaning up hazardous waste sites, not also for the American taxpayer's ability to finance the Superfund.

Mr. Speaker, the rule does not permit any amendments to title V of the bill, the Ways and Means taxing provisions, except one to be offered by the gentleman from New York [Mr. CONABLE].

I certainly would like to associate myself with the remarks of the gentleman from Arizona who preceded me. I think all of us have been watching the documentaries on television addressing the copper industry in this country, covering the demise of the copper industry, the increase of imports of copper, and the shutting down of the copper mines and the plants dealing with copper in Arizona, Utah, and New Mexico.

Mr. Speaker, the rule prevents several Members from offering amendments to the tax provisions to exempt certain metals, such as copper, zinc, and nickel.

This closing of the legislative process, this denial of other amendments, leaves the House in the position of being force-fed a whole new series of taxes on metals that do not have anything to do with toxic substances, merely because they exist—and merely because the Superfund needs the revenue, they will be heavily taxed.

I think what we are doing here today if we adopt this rule—a rule which gives no opportunity whatsoever to amend the taxing portion of this rule dealing with copper, with zinc, with nickel, and with other products that are produced in this country that are vital to the defense of this country and to the national economy of this country—would be ill-advised.

What we are simply saying to the people in the copper States is that you are already shut down and we now are going to pour salt on it, so they will never spring up again. I think if we had an opportunity to address ourselves to this, this bill would be much improved, but the Committee on Rules did not see fit to make an amendment in order to deal with the unfair taxing policies against nontoxic products such as copper and nickel and zinc.

The rule prevents the House from doing what the Ways and Means Committee did not do, and that is considering how to craft a set of taxes that is fair.

In addition, the rule provides for an absolutely unheard-of procedure of coupling the Superfund legislation to a bill that has already passed both the House and the Senate. The Resource Conservation and Recovery Act extension, in order to confuse the two issues involved.

The rule allows for a motion at the end of the process, if we ever get there, to take H.R. 2867 from the Speaker's table and insert the provisions of Superfund, and then request a conference with the other body.

Mr. Speaker, we all know that the sponsors and supporters of the Resource Conservation and Recovery Act legislation, could have requested a conference with the other body on that bill long ago.

We all know that the issues involved in that legislation deserve the attention of a conference committee, and action by this Congress. In the same fashion, the issues involved in the Superfund extension and expansion do deserve the attention of this House, but not in this manner.

Mr. Speaker, there are other provisions of the bill that I think the Members should direct their attention to. There is a provision in the bill explained on page 59 of the committee report. It is section 202, which is a general rule called strict, joint and several, dealing with liability. What this means is: If you have a manufacturing plant that produces toxic waste but you are licensed, and you have been cleared; another party has a transportation facility that is also cleared and licensed to transport that toxic product; and another party, a third party, has a dump site which is licensed to receive the toxic product; the joint, strict, and several liability provisions mean that if that dump springs a leak and someone's land is devaluated because of that, as it would be, that everyone who had a part in this process

would be held liable, joint, strict, and several.

The insurance companies of this Nation have said that the hazards are so high and unknown, the liabilities are so great, and under the provisions of this law are so indefensible that liability insurance could not even be procured by those who would be exposed to this liability.

Mr. Speaker, we can do better than this. I think we also should recognize that the provisions of this bill do not give exemptions for agriculture except in the case of fertilizer. It means that those who use insecticides and pesticides to grow the crops and to provide the food and fiber to feed this Nation will be subjected to the penalties and the liabilities of this bill, because if the insecticide flows down a ditch, and a ditch is defined in here as a facility, then all those downstream would have an opportunity to bring legal liability suits against those who use it as well as those who produce the insecticides and pesticides that are used.

There is no provision in here, Mr. Speaker, for Federal preemption, which simply means that any State that wants to provide a taxing law to tax transportation for the same purposes as this bill can levy such a tax. It means that a railroad, a truck or a boat going interstate throughout this Nation can be taxed in every State that they go across, as well as being taxed by the Federal Government.

We know that if there is one thing in this country that consumers do not need it is more taxes to raise the cost of every product that they buy.

Yes, Mr. Speaker; I think there are a lot of reasons that this rule needs to be rejected. I stand in support of the Superfund bill. I think we all recongize the importance of cleaning up toxic dumpsites, but this is not a fair bill. This bill is beset with serpents that will rise up and bite us down the road if we enact this legislation.

Mr. Speaker, I urge defeat of the rule.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I listened attentively to the gentleman from Missouri [Mr. TAYLOR] an able member of the committee. I think some of his concerns have merit. But I would point out that this is an open rule, insofar as it relates to the concerns of the gentleman. All the points he raises can be addressed by amendment, under the rule.

Mr. Speaker, I hope my able friend from Missouri would consider supporting the rule and would offer appropriate amendments to meet each of his concerns.

Mr. Speaker, at this time I yield 4 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. I thank the gentleman for yielding this time to me.

Mr. Speaker, last night, the House Committee on Rules voted to keep a closed rule on the tax provisions of H.R. 5640. I have the deepest respect for the experience and wisdom of my colleagues, but as a Representative of a district which will be deeply affected by their action. I feel that it is my responsibility to rise and object to the closed rule.

The problem with the closed rule came about when the Committee on Ways and Means included copper as a base metal with those substances that are taxed to provide funding for the Superfund cleanup. On the surface this seems logical enough. But when you look a little deeper, you find that copper as a base metal does not leave anything to clean up. Copper is a low volume and low toxicity substance. The other committees to which this bill was referred recognized this and did not include the base metal copper with those substances to be taxed. This was recognized in 1980, when Superfund was created, and copper was not taxed.

Now, 4 years later, at a time when the American copper industry seems to almost be facing extinction, Congress is attempting to tax copper. At the same time that we are creating a new tax for the copper industry, other nations continue to subsidize their copper mining and refining efforts.

I ask my colleauges to consider some rather frightening statistics before they agree to let this closed rule stand:

Since 1979, 18,000 copper workers have lost their jobs.

By the end of 1982, 14 of the 25 largest copper mines had closed.

From 1979 to 1983, U.S.-mined copper and refined copper production decreased by approximately 28 percent and 20 percent respectively.

In my district in New Mexico, only two of the four mines are currently in operation, and almost 40 percent of the work force has been laid off.

We all agree that the basic concept of Superfund is sound and just—those who create pollution should bear the burden of cleanup. I am not arguing with this point. My point is that an industry that is not a major contributor to pollution should not bear a major burden for the cost of cleanup. I think that this is especially true of an industry as crippled as copper. With the institution of this $30 per ton tax, we will cut even deeper into the production of copper. And we will defeat the purpose of including copper in this legislation in the first place: We will decrease the production of copper in the United States to the point that it will not be making a significant financial contribution to Superfund.

We may be sounding the death knell of an important industry because of this rule, because of this rule, at 60 cents a pound, 1½ cents per pound, $60 million a year, we may be killing an industry.

I think this is a very unfair rule. As a member of the Committee on Energy and Commerce, I was deeply involved in this bill and worked for its passage of the bill within the subcommittee. The gentleman from New Jersey [Mr. FLORIO] who helped me get through a number of provisions in the bill important to my region which did not discriminate against the mining industry, principally copper and other mining waste. I was the deciding vote, after my concerns were taken care of, in reporting the bill out of subcommittee.

The Committee on Ways and Means has now included mining and other wastes that have low toxicity, that have low volume. This is of great economic impact to a region of the country, the West, which has considerable cooper production. It is a copper industry that is near death, and what we are doing today is sounding the death knell for the copper industry simply to get $60 million a year in taxes by this copper tax.

This bill taxes copper compounds, and I think that is proper, and now it is taxing the base metal of copper at 1½ cents per pound, which means that this is a significant chunk when you take about 60 cents per pound on taxing of copper. We are ready to subsidize and give substantial foreign aid to the Chiles and Zambias. We are ready to proceed and loan them money to buy our copper, but when it comes to taking care of copper in the United States, in an industry that is nearly crippled, we reject ever giving copper a fair hearing and debate on this issue when this closed rule was proposed.

□ 1130

If we are going to be consistent and say that we are going after base metals, there is an exclusion in this bill for aluminum, a major competitor of copper. Aluminum does not get the same treatment as copper.

Mr. Speaker, I think the correct and sensible thing to do is to defeat this rule.

Mr. RITTER. Mr. speaker, will the gentleman yield?

Mr. RICHARDSON. I yield to my friend, the gentleman from Pennsylvania.

Mr. RITTER. Mr. Speaker, I thank the gentleman for yielding.

Having served on the same subcommittee as the gentleman and cooperating with its chairman and the majority in getting out a bill which we felt was a compromise, we did try to look at some of the problems that dealt with taxing primary metals. The gentleman points out copper as an excellent ex-

ample, but I would also add the metal zinc.

The zinc industry in this country is also hanging by its fingernails on the edge of a cliff. Zinc is a very important metal in its own right in the automobile industry, with zinc die castings, and it is also a very important metal in the galvanizing of steel sheet for a variety of uses throughout American industry, particularly the automobile industry.

These metals in their primary form are really not toxic. That is the crux of the situation. So why are they taxed?

I would add another primary metal, and that other metal is nickel. Nickel is a critical component in stainless steel. Our own primary nickel production industry is near death, so why kill it further?

The primary metals industries in the United States of America have been systematically exported to foreign nations, largely through overregulation. Let's not use this legislation to kill them further.

The SPEAKER pro tempore. The time of the gentleman from New Mexico [Mr. RICHARDSON] has expired.

Mr. RITTER. Mr. Speaker, I would ask that the gentleman be given 3 additional minutes.

The SPEAKER pro tempore. The time is controlled by the gentleman from Massachusetts [Mr. MOAKLEY] and the time of the gentleman from New Mexico has expired.

Mr. LOTT. Mr. Speaker, since our colleague, the gentleman from Pennsylvania [Mr. RITTER] used a good bit of his time, I yield 2 additional minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, I would inquire, had my colleague, the gentleman from Pennsylvania, concluded his remarks?

Mr. RITTER. Yes; I had, Mr. Speaker.

Mr. RICHARDSON. Mr. Speaker, I wish to ensorse the statement the gentleman made. The amendment he had prepared, along with myself, the gentleman from Arizona [Mr. MCNULTY], the gentleman from Arizona [Mr. UDALL], the gentleman from Arizona [Mr. RUDD], and the gentleman from Utah [Mr. NIELSON], would have excluded copper as well as nickel and zinc, these low-toxicity, low-volume metals. Once again the Committee on Energy and Commerce very wisely excluded many of these base metals and made that recommendation to the Ways and Means Committee.

The Ways and Means Committee, on which many Members that I deeply respect serve, unwisely, I believe, has added a number of metals, which basically means that in one region of the country an industry, the copper industry, may die if we pass this rule and if it means all of a sudden $60 million per year. It is that bad, it is that nip and tuck. Every day I see men and women in the copper industry losing their jobs. This is not hysteria; these are facts.

Mr. Speaker, I ask for the defeat of this rule.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I would commend the gentleman from New Mexico [Mr. RICHARDSON] and also the gentleman from Arizona [Mr. MCNULTY]. Both Members attended the Rules Committee hearings and testified eloquently on behalf of their concerns about feedstock taxation, as it applies to copper. The gentlemen have worked tirelessly and ably for their constituents, and they really did an outstanding job before the committee.

Largely due to their efforts, this was the most closely fought matter in the committee.

But after saying that, I have to point out to the House the bill does attempt to fairly balance taxation of competitive metals. The bill does tax aluminum sulfate and aluminum phosphate, so I don't think that aluminum will have an unfair advantage over copper.

It also must be pointed out that copper has been found at 68 hazardous waste sites, while aluminum products were found at 14 sites, so it appears that copper may impact to a higher degree than aluminum, in environmental terms.

Mr. LOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. FIELDS].

Mr. FIELDS. Mr. Speaker, I rise in opposition to this rule and urge its defeat by my colleagues. Superfund is one of the most environmentally sensitive issues which we in this body will be considering this year. I fully support the reauthorization of Superfund, a program which has provided direct benefit to my congressional district. Unfortunately, the rule before us will not allow full consideration of some of the meritorious issues surrounding the reauthorization of Superfund. This gag rule prohibits some of the most crucial issues involving Superfund from being debated and considered by this body. One example, which has a direct impact on my own congressional district, is the import fee amendment which my colleague Mr. TAUZIN wanted to offer but was denied. His amendment strikes at the very heart of the national debate involving the protection of the petrochemical industry from unfair imports. This legislation which we will be considering today places a significant financial burden on the domestic petrochemical industry through the continued imposition of feedstock taxes. However, this action will give importers of these same feedstocks a significant advantage over our domestic petrochemical industry. To add insult to injury the domestic petrochemical industry is only recently recovering from a severe recession which will surely return if we do not add some semblance of equity and fairness to the structure of this feedstock tax. The rule prohibits this action.

Primary petrochemical manufacturers in Texas have been struggling for the past 3 years to become profitable. Now that a profitable operation is in sight, excessive feedstock taxes and a poorly designed waste-end tax of H.R. 5640 threaten to wipe out all primary petrochemical profit potential and jeopardize continued operation and expansion. There are an estimated 15,000 direct primary petrochemical jobs in Texas with as many as 27,000 dependent downstream jobs in the State and an additional 120,000 elsewhere in the United States.

But my concern goes even deeper then the fact that some very legitimate amendments are being denied fair consideration, I am most concerned about the motion in this rule to link the Superfund legislation to the resource conservation and recovery reauthorization legislation. Not only is this move nongermane and not only does it deny the Senate their fair consideration of this important legislative issue but this move will guarantee an early legislative death to two of the most important Federal environmental programs. Both of these programs, which I support and want reauthorized will be destined for political death if we allow this rule to pass. If any of us in this body truly want either Superfund or RCRA signed into law this year, then I urge you to defeat this rule. How can we in good conscience go back to our constituents and justify to them why neither of these environmental programs were reauthorized because we bowed to this political parliamentary maneuver? We cannot justify such an action and the only way to avoid it is to defeat this rule. Let's send a message to the American public and to the Rules Committee that we want to consider each of these issues in their own light and not confuse the matter through parliamentary maneuvering. I urge defeat of this rule.

Mr. LOTT. Mr. Speaker, I had intended to yield 3 minutes at this time to the gentlewoman from Rhode Island [Mrs. SCHNEIDER], but let me change that.

Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. BROYHILL].

Mr. BROYHILL. Mr. Speaker, I thank the gentleman for yielding this time to me.

I want to be sure that I am not taking time away from the gentlewoman from Rhode Island [Mrs. SCHNEIDER], but she had asked me to go ahead of her.

I want to associate myself, Mr. Speaker, with the remarks that were made by the distinguished minority whip, the gentleman from Mississippi [Mr. LOTT]. I think he presented the case very well.

This is a bad rule. It is not a fair rule. Let me give an example of an amendment that is not permitted under this rule.

I offered an amendment in the Committee on Energy and Commerce that would continue an important provision of present law. What that amendment does is simply assure that if moneys are paid into the Superfund, those moneys would not build up to levels that they could not be effectively spent. My amendment would permit termination of the taxes if there was an unobligated balance in the fund that exceeded $3.2 billion as of September 30, 1988, or that exceeded $1.9 billion as of September 30, 1989. In other words, it would have assured that if taxes are being collected at a rate which exceeds the rate that could be spent, then the taxes would be temporarily suspended. It does not seem fair to say that we are going to be taxing people and building up moneys in the fund.

That amendment passed the Energy and Commerce Committee, and for reasons I cannot understand the Rules Committee is not going to permit a reasonable amendment like this that passed the committee by voice vote to be offered here on the floor of the House.

My other concern that I would like to mention at this time about the rule, Mr. Speaker, is the fact that the rule permits the joining together in a very unwieldy package of two programs, two complex reauthorization bills, RCRA and Superfund. I cannot think of any genuine policy justification for binding these bills together. I have in my hand a letter that I have received from the Environmental Defense Fund, Mr. Robert Percival, who is the senior attorney for that organization, urging us not to attach these two programs together.

So I would urge that we vote against this rule.

□ 1140

It does not make any sense to put two complex, complicated bills together. If we are going to have any hope of passing either or both of them, they should be considered in conference separately. It is difficult enough as it is to get these bills out of conference, much less putting them together and making the job even harder.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I will be glad to yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, the gentleman is aware the rule only allows for linking together, that there is a separate vote, so that a person does not have to vote against the rule to defeat the linkup.

Mr. BROYHILL. I would point out to the gentleman that this is not the usual procedure in consideration of a bill.

Mr. LOTT. Mr. Speaker, I yield 3 minutes to the gentlewoman from Rhode Island [Mrs. SCHNEIDER].

Mrs. SCHNEIDER. Mr. Speaker, I rise today in strong opposition to this rule. I do so with some reluctance, however, because I am a staunch environmentalist and I also feel very strongly and have worked tirelessly helping to support and expand the Superfund program. Unfortunately, however, by adopting this rule, we are denying the Members of this Congress a chance to adopt a supplemental funding mechanism for Superfund which would for the first time help us take action to prevent the problems of hazardous waste sites from occurring.

We need to stop playing games with patchwork approaches, with band-aid approaches. We must begin to stop the hazardous waste problem in a very progressive fashion by designing legislation that would provide an economic incentive to recycle and reuse from the outset.

My colleague, the gentleman from Oregon [Mr. WYDEN] and I have been working on this proposal, popularly known as the waste end tax for more than a year.

After months of deliberation, the Energy and Commerce Committee gave the waste end tax strong bipartisan approval as a supplement to the feedstock tax. Unfortunately, the Ways and Means Committee chose to hold off approval of the waste end until completion of the Treasury Department study; however, there is sufficient data right now that we can use to create a workable efficient waste end tax and put it immediately into operation.

A large number of my colleagues agree that this is possible. It is not simply enough to clean up the hazardous waste sites that we have now, but it is important that we devise a mechanism to discourage future waste sites from occurring.

What we are doing at this point is cleaning up one hazardous waste site and creating another. It is like a merry-go-round. There is no point in rearranging the desk chairs on the *Titanic* when in fact we can be taking a measure that will prevent future hazardous waste sites from occurring.

I oppose this rule wholeheartedly because it does not allow for the oonsideration of the Waste End fee and some of the other improving amendments to the revenue portion of the bill.

I second the remarks of the minority whip, the gentleman from Mississippi [Mr. LOTT] and also the gentleman from New York [Mr. LENT] in the efforts to oppose this rule which also ties together the Superfund and RCRA legislation.

Quite frankly, Mr. Speaker, this is a farce. This is no time to be playing partisan politics when the environment and the public health is at stake. If we proceed in trying the Superfund and RCRA together, we are sending the American people a message that this body is not above partisan politics at a time when their best concerns and their best interests are at stake.

The RCRA bill which expires this year is way too important to risk.

I would like to enter into the RECORD a letter from the Environmental Defense Fund expressing this same sentiment and the importance for us to separate RCRA and Superfund legislation. Both bodies need to put aside politics and give strong bipartisan approval to the RCRA bills passed earlier this year.

But insofar as this rule is concerned, I urge my colleagues if they have one ounce of preventive-medicine philosophy in their bodies to oppose this rule, because it is not comprehensive. It will not allow us to consider a very important element to the Superfund legislation and it reflects the worst of partisan politics.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, I was tempted to remain silent on this issue. I rarely take this floor, but I cannot remain silent. I was tempted to remain silent because on almost everything we have tried to do in improving this bill has been misinterpreted by someone. When it first started in the Subcommittee on Energy and Commerce, we voted to allow a bill out that was terribly defective in the tax structure, only because we thought we would have a chance to clean it up in the full committee markup. When we got to the full committee markup on Energy and Commerce, we were met with an objection procedurally to any amendments on the tax issue on title V. We were told by the chairman, "Well, don't worry, I'll go to the Rules Committee and get permission from the Rules Committee that you can offer amendments on the floor on the tax side of this bill. This is a major tax increase for America."

I support expansion and extension of the Superfund bill, but I want to do it in a responsible manner. The Rules Committee has not given us a chance to do that. The Rules Committee denied the request of the Energy and Commerce Committee to let this House consider amendments that the Energy and Commerce Committee recommended unanimously, amendments,

for example, to remove from the taxing portion of the bill all those elements of metals that indeed are nontoxic and to submit in place of them the toxic compounds.

Now, somewhere along the line aluminum got out. It is a nontoxic metal. Copper got back in. It is a nontoxic metal.

Somewhere along the line zinc, which is nontoxic, is back in the bill, and nickel, we have one manufacturing plant in the whole country in nickel, a vital element in America's future, is in the bill and taxed, although it is a nontoxic metal.

No attempt has been made by the Rules Committee to give this House a chance to lend order to this bill when it comes to taxing metals.

Worst of all, this Member offered in the Energy and Commerce Committee an amendment that would provide a similar tax on imported petrochemicals, a tax on chemicals coming into this country that falls just as surely into the waste stream and does just as much damage to our environment as domestically produced chemicals, a similar tax, to make sure that petrochemical refiners and petrochemical companies do not relocate outside this country and we lose the jobs that that relocation would cause, to make sure the tax fell evenly on imports and domestically produced products, to make sure American jobs were protected, to make sure that companies would not avoid the Superfund tax by going offshore and to stop the horrible influx of imported chemicals into this country.

In the first quarter of this year imported petrochemicals tripled, imports, a threefold increase in the first quarter, indicating a worldwide attempt to take over our markets.

A simple amendment to equalize the tax and the Rules Committee turned it down. The Rules Committee could have given this House a chance that the Energy and Commerce Committee did not have to clean up the taxing provisions of this bill. Instead, the Rules Committee locked up that portion and refuses to give us a chance to offer those amendments.

Mr. Speaker, we need to defeat this rule because this rule strikes at the heart of the democratic process.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Ohio [Mr. ECKART].

Mr. ECKART. Mr. Speaker, I listened with interest to the recitations of objections to this particular rule. Well, there probably are some things wrong with a lot of the rules that we bring here to the floor, but I certainly did not hear those same objections a few months ago when we brought a $9 billion bailout of the International Monetary Fund under the seldom used "hereby rule." Members were not even given a vote on the bill under that gag rule, or the tax bill that our friends brought up after they defeated our rule and allowed amendments and very little debate.

I think we have to be very careful when we deal with some of the provisions of this bill and the rule. I am not sure that the link up proposal for Superfund and RCRA is a good idea. I intend to participate in that debate, but what I do know is that when the other body can find the time to put 216 amendments into the supplemental appropriations, I'm amazed that they found the time for everything in the supplemental except the Superfund. I wonder what they are afraid of.

□ 1150

So why can the House not have a chance to work its will on that question?

I say to my friends who object to the tax provisions, let me tell you simply that the Joint Tax Committee just a year or so ago found that the effective rate of tax for chemical companies here in the United States is a negative 17 percent. The claim that the havoc that this bill proposes to wreak upon them is a little bit incongruous.

I think that the Tauzin amendment should have been made in order, and I think that the Wyden and the Schneider amendment should have been made in order. But the fact of the matter is, ladies and gentlemen of the House, that you cannot call yourself an environmentalist and vote against this rule because it is not enough to simply vote against Anne Gorsuch Burford or Rita Lavelle and then go home and explain why when you had a chance you did nothing, and that is what happens when you reject this rule.

We have a number of provisions in this bill that are good, and we give the opportunity for this House to work its will. Forty-two sections of this bill are basically left open. The tax provisions are not. But that is nothing new on a closed rule on taxes, as our friends from the Republican side showed us in 1981. No, that is not unusual for a tax bill at all.

But it is unusual if we turn our backs on the only opportunity for the American people to be heard on the two most responsible pieces of environmental legislation to come before this House this year. Do not call yourself an environmentalist and vote against this rule. Ladies and gentlemen, this isn't Burger King and you cannot have it both ways.

What we need to do is to pass the rule. We need to bring these bills before us, to finish the debate before we go home so that we can show the people of this country that our legislative practice is as important as your public relations practices as well.

I urge the adoption of the rule and I hope that my colleagues will join with me in supporting it.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, this rule is as bad as the bill. The closing of title V makes a rational Superfund tax policy impossible.

The allocations of 1 hour per committee to debate a bill of great importance is a dead giveaway that our leadership really would prefer that our membership not know what is in the bill.

Points of order are waived against the Budget Act. Such waivers are dangerous and antiethical to good order and fiscal sobriety. But, alas, they have become more the exception than the rule.

Points of order are waived on our rule prohibiting appropriating in a legislative bill. In this needful case, that waiver is not necessarily bad, but in combination with all other waivers, it is strong testimony of sloppy legislating.

Probably the worst feature of the rule is that it allows this bill to be married to the RCRA bill, H.R. 2867. This most unusual procedure imperils the passage of both Superfund and RCRA. For this reason, the enivonmental defense fund opposes this rule, too.

This House would be well advised to defeat this strange, untypical rule, and then to consider the Superfund bill under a more normal rule which would allow freer debate and amendment. The result would be a better Superfund bill.

Mr. RITTER. Mr. Speaker, let us not kid ourselves and let us not kid the American people when we talk about this combination of Superfund and RCRA. This combination of these two bills, one, endangers the passage of the Resource Conservation and Recovery Act which has been approved by both Houses; two, it endangers the passage of Superfund as the appropriate Senate committees have not yet worked their will on the Superfund bill.

Let us not kid the American people about what is going on here. This disastrous combination made in order by this rule is designed to embarrass the Republican administration. It is designed to embarrass Republican Members of Congress by saying that we are not for treating and dealing with the hazardous waste problems while Democrats are. Nothing could be further from the truth.

Why else would this endangering procedure be put into place? The envi-

ronmental defense fund says in a recent letter that "Such action may needlessly jeopadize the RCRA legislation which has already passed both Houses.

There will be no prompt action. There will be no action. Key players, Democrat as well as Republican, oppose this combination and will send this legislation back to the appropriate committees. The American people and the cleanup of the hazardous wastes sites will suffer.

I urge my colleagues to vote against the rule and to vote against the motion that will come out of this rule combining in this new Superfund bill with the already passed RCRA bill.

Mr. McCAIN. Mr. Speaker, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from Arizona.

Mr. McCAIN. Mr. Speaker, I rise in opposition to this rule. I do so because of its overly restrictive nature. It prevents us from fully considering the effects of major changes being made in the tax provisions of superfund and from correcting changes which some of us believe to be inappropriate.

My specific concern with our action in reauthorizing Superfund is the new tax on copper. This bill classifies copper as a hazardous substance and includes it in the feedstock category. If copper is a hazardous substance, then I would suggest that those of us with copper plumbing in our homes are in serious trouble. I would suggest that we empty our pockets of pennies. I would suggest that we revamp our electrical systems, since most wire in this Nation is made from copper. I do not think anyone believes that such things should be done. Currently, compounds containing copper which have been shown to be hazardous are taxed, as they should be. However, a tax on pure copper is unsupportable by the facts.

I am concerned with the effect that such a tax would have on our copper industry. Mines in Chile, Peru, and Zambia are aided by their respective governments and international banks in the production of copper. Such aid has enabled foreign producers to sell their copper at prices 40 percent below those of American producers. As a result, imports of refined copper have captured one-third of the domestic market.

The effects have been disastrous. Because of such competition, American copper production has dropped to 1 million tons, the lowest level in decades. By the end of 1983, over half of the total copper industry work force was unemployed—a total of some 20,000 workers. Over 12,000 Arizonans have lost their jobs. Just a few weeks ago, another 500 miners in Ajo, AZ, were laid off. Imports of copper have caused the closing of 15 of the Nation's top 25 mines. Environmental regulations have already added 15 cents a pound to the price of copper, making our industry even less competitive.

In addition, Mr. Speaker, the original Superfund law required reports to be submitted to the Environmental Protection Agency concerning the appropriateness of including pure copper in the tax base. This report should be submitted to EPA this fall, long before the Superfund expires at the end of next year. EPA will submit this information to Congress with plenty of time to spare. Given the state of this Nation's copper industry and the utter lack of evidence on the hazardous nature of copper, a new tax on copper is, at this time, totally inappropriate. I urge my colleagues to defeat this rule.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from New Jersey [Mr. FLORIO].

Mr. FLORIO. Mr. Speaker, I appreciate the opportunity to rise in full support and enthusiastic support of the rule and to congratulate the Rules Committee on the work they have done in dealing with this extremely complicated issue.

If there are some who would lament the fact that this is complicated, the problem is complicated. As was indicated, it spreads across a number of committee jurisdictions and the Rules Committee has done the very best that it could possibly do.

I would like to point out how this bill has reached the floor. My committee began hearings over a year ago on this issue. We have heard from over 60 witnesses, something like 52 hours of committee time.

As everyone knows, these hearings began with all of the information that was gathered from the relevant oversight committees that have been looking into this question of the Superfund for the last 4 years, and we have looked at this question. These committees have provided us with the information that has resulted in the bill that is before us.

The issue has had more oversight directed to it than perhaps any other issue that the Congress has been called upon to deal with in the last 2 or 3 years. We had hearings on a bill that was introduced earlier this year. We have had markups in our committee in the spring. Other committees of jurisdiction have had extensive hearings and debate on the bill as well.

The issue is before us now because it is urgent that we deal with this matter. Through the work done by the Environmental Protection Agency, the General Accounting Office, the Office of Technology Assessment, and a number of other groups, we now know that the magnitude of the problem that this bill is designed to address—that is, the cleanup of toxic waste dump sites around the Nation—is much larger than we ever anticipated, even as recently as 4 years ago. It is going to take at least $10 billion over the next 5 years to begin the effort of cleaning up these sites that are literally strewn across the Nation.

The question has been raised about reliance upon feedstocks. I would suggest to you that this Congress made that decision 4 years ago and legitimately decided that feedstocks should be the major basis of support for raising money. Each and every one of the wastes that is found in this Nation are derivatives of the feedstocks which are taxed under this proposal and have been taxed over the last 4 years.

It is a source of money that is secure and that is financially able to be administered in a reasonable way.

The question was raised about import feedstocks. There is no question about the fact that feedstocks that are imported into this Nation are taxed at exactly the same rate as domestic feedstocks. So there is no competitive disadvantage that our chemical industry has vis-a-vis any foreign feedstock manufacturers.

If we wait, as some would advocate, until next year, incidentially, after the election, if we were to wait until next year to authorize a massive new program, as everyone agrees is going to be required, we will lose more than just another year while EPA hires the staff, the engineers, and the contractors to get this new, admittedly expanded program underway.

We simply cannot afford to let that happen. This program must be authorized now and EPA must get about its effort to make the plans to put this new expanded program into effect so that it can be done in a cost-effective way.

The rule is a fair one.

But let me just say one last point about the crocodile tears that I see being shed here about the proposal to allow our conferees from this body to have the same authority and capability to go to conference that the conferees from the other body have. They have appointed their conferees. Their conferees are going to the conference with the authority to deal with RCRA and the Superfund provisions as put into the Senate bill.

□ 1200

What we would do if we do not pass this rule is to tie our conferees' hands so as to be limited by the scope of conference to the extent of what the other body decided to deal with on Superfund in their bill.

But if we pass this bill, as I hope we will, by a large margin, our conferees, without the benefit of this rule and the motion to follow this rule, will then have no opportunity if the other body decides not to act on Superfund

to deal with this matter of vital importance.

So let there be no mistake about it: A vote against this rule is effectively saying that you do not want us to deal with this matter and that in fact we are going to defer our institutional responsibilities to the other body.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. FLORIO. I would be happy to yield to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman for yielding.

Mr. Speaker, I wish to state I associate myself with the gentleman's remarks, to congratulate him for the tremendous job he has done on this Superfund legislation.

Mr. Speaker, I urge the passage of the rule and passage of the bill.

Mr. FLORIO. Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TAYLOR. Mr. Speaker, I object to a vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 218, nays 199, not voting 15, as follows:

[Roll No. 361]

YEAS—218

Ackerman	Carper	Evans (IL)
Addabbo	Carr	Fascell
Akaka	Chappell	Fazio
Albosta	Clarke	Feighan
Alexander	Clay	Ferraro
Andrews (NC)	Coelho	Flippo
Andrews (TX)	Collins	Florio
Annunzio	Conyers	Foglietta
Anthony	Cooper	Foley
Applegate	Courter	Ford (MI)
Aspin	Coyne	Ford (TN)
AuCoin	Crockett	Frank
Barnard	D'Amours	Frost
Barnes	Darden	Fuqua
Bates	Daschle	Garcia
Beilenson	Davis	Gaydos
Bennett	de la Garza	Gejdenson
Berman	Dellums	Gephardt
Bevill	Derrick	Gibbons
Biaggi	Dicks	Glickman
Boggs	Dingell	Gore
Boland	Dixon	Gray
Boner	Donnelly	Guarini
Bonior	Dorgan	Hall (IN)
Bonker	Downey	Hall (OH)
Borski	Durbin	Hamilton
Bosco	Dwyer	Hance
Boucher	Dymally	Hatcher
Boxer	Early	Hawkins
Breaux	Eckart	Hayes
Britt	Edgar	Hefner
Brooks	Edwards (CA)	Heftel
Bryant	English	Hertel
Burton (CA)	Erdreich	Howard
Hoyer	Minish	Sharp
Hubbard	Mitchell	Sikorski
Hughes	Moakley	Simon
Jenkins	Moody	Sisisky
Jones (NC)	Morrison (CT)	Skelton
Jones (OK)	Mrazek	Slattery
Jones (TN)	Murtha	Smith (FL)
Kaptur	Natcher	Smith (NJ)
Kastenmeier	Nelson	Solarz
Kennelly	Nowak	Spratt
Kildee	Oakar	St Germain
Kleczka	Oberstar	Staggers
Kostmayer	Obey	Stark
LaFalce	Ortiz	Stokes
Lantos	Ottinger	Studds
Lehman (CA)	Owens	Swift
Lehman (FL)	Panetta	Synar
Leland	Patterson	Tallon
Levin	Pease	Thomas (GA)
Levine	Penny	Torres
Levitas	Pepper	Torricelli
Lipinski	Pickle	Traxler
Long (LA)	Price	Vento
Long (MD)	Rangel	Volkmer
Lowry (WA)	Ratchford	Walgren
Lundine	Ray	Watkins
MacKay	Rinaldo	Waxman
Markey	Rodino	Weaver
Martinez	Roe	Weiss
Matsui	Rose	Wheat
Mavroules	Rostenkowski	Whitley
Mazzoli	Rowland	Whitten
McCloskey	Roybal	Wirth
McCurdy	Russo	Wolpe
McHugh	Sabo	Wright
Mica	Savage	Yates
Mikulski	Scheuer	Yatron
Miller (CA)	Schumer	Young (MO)
Mineta	Seiberling	

NAYS—199

Anderson	Gonzalez	McCain
Archer	Goodling	McCandless
Badham	Gradison	McCollum
Bartlett	Gramm	McDade
Bateman	Green	McGrath
Bedell	Gregg	McKernan
Bereuter	Gunderson	McKinney
Bilirakis	Hall, Ralph	McNulty
Bliley	Hall, Sam	Michel
Boehlert	Hammerschmidt	Miller (OH)
Broomfield	Hansen (ID)	Molinari
Brown (CA)	Hansen (UT)	Mollohan
Brown (CO)	Harkin	Montgomery
Broyhill	Hartnett	Moore
Burton (IN)	Hightower	Moorhead
Byron	Hiler	Morrison (WA)
Campbell	Holt	Murphy
Carney	Hopkins	Myers
Chandler	Horton	Nichols
Chappie	Huckaby	Nielson
Cheney	Hunter	O'Brien
Clinger	Hutto	Olin
Coats	Hyde	Oxley
Coleman (MO)	Ireland	Packard
Coleman (TX)	Jacobs	Parris
Conable	Jeffords	Pashayan
Conte	Johnson	Patman
Corcoran	Kasich	Petri
Coughlin	Kazen	Porter
Craig	Kemp	Pursell
Crane, Daniel	Kindness	Quillen
Crane, Philip	Kogovsek	Rahall
Daniel	Kolter	Regula
Dannemeyer	Kramer	Reid
Daub	Lagomarsino	Richardson
DeWine	Latta	Ridge
Dickinson	Leach	Ritter
Dowdy	Leath	Roberts
Dreier	Lent	Robinson
Duncan	Lewis (CA)	Roemer
Dyson	Lewis (FL)	Rogers
Edwards (AL)	Livingston	Roth
Edwards (OK)	Lloyd	Roukema
Emerson	Loeffler	Rudd
Erlenborn	Lott	Sawyer
Evans (IA)	Lowery (CA)	Schaefer
Fiedler	Lujan	Schneider
Fields	Luken	Schroeder
Fish	Lungren	Schulze
Franklin	Mack	Sensenbrenner
Frenzel	Madigan	Shaw
Gekas	Marlenee	Shelby
Gilman	Martin (IL)	Shumway
Gingrich	Martin (NY)	Shuster
Skeen	Sundquist	Williams (MT)
Smith (IA)	Tauke	Williams (OH)
Smith (NE)	Tauzin	Winn
Smith, Denny	Taylor	Wise
Smith, Robert	Udall	Wolf
Snowe	Valentine	Wortley
Snyder	Vander Jagt	Wyden
Solomon	Vandergriff	Wylie
Spence	Vucanovich	Young (AK)
Stangeland	Walker	Young (FL)
Stenholm	Weber	Zschau
Stratton	Whitehurst	
Stump	Whittaker	

NOT VOTING—15

Bethune	Martin (NC)	Shannon
Fowler	McEwen	Siljander
Harrison	Neal	Thomas (CA)
Hillis	Paul	Towns
Marriott	Pritchard	Wilson

□ 1220

Messrs. HIGHTOWER, DAVIS of Michigan, KOGOVSEK, COLEMAN of Texas, KOLTER, LENT, RALPH M. HALL, and GONZALEZ changed their votes from "yea" to "nay."

Ms. MIKULSKI and Mr. DAVIS changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY TO HAVE UNTIL 5 P.M., WEDNESDAY, AUGUST 15, 1984, TO FILE REPORTS ON H.R. 3750 AND H.R. 5003

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that the Committee on Science and Technology have until 5 p.m., on Wednesday, August 15, 1984, to file late reports on two bills reported by the committee on August 8: H.R. 3750, the Computer Literacy Act of 1983, and H.R. 5003, the Uniform Science and Technology Research and Development Utilization Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

RETIREMENT EQUITY ACT OF 1984

Mrs. KENNELLY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4280) to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substanial contribution to that partnership of spouses who work both in and outside the home, and for other purposes, with a Senate amendment

thereto, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendment.

The Clerk read the title of the bill.

Mrs. KENNELLY. Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Connecticut?

PARLIAMENTARY INQUIRY

Mr. ERLENBORN. Mr. Speaker, I have a parliamentary inquiry first.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. ERLENBORN. Mr. Speaker, because of the noise in the Chamber at the time the original unanimous-consent request of the gentlewoman was made, I am not certain what that request was. Could that request be repeated, please?

The SPEAKER. The request was to bring up this legislation, the House bill H.R. 4280, and concur in the Senate amendment.

The Chair ordered that the title be read and that the Senate amendment be read. The gentlewoman asked unanimous consent that the Senate amendment be considered as having been read and printed in the RECORD. We are at the point now where the Chair is inquiring as to whether there is an objection to that request of the gentlewoman from Connecticut.

Mr. ERLENBORN. Mr. Speaker, I do not object to considering the Senate amendment as having been read, but I reserve the right to object to the original unanimous-consent request.

The SPEAKER. Without objection, the reading is dispensed with.

The text of the Senate amendment is as follows:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Retirement Equity Act of 1984".

TITLE I—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

SEC. 101. AMENDMENT OF ERISA.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Employee Retirement Income Security Act of 1974.

SEC. 102. MODIFICATIONS OF MINIMUM PARTICIPATION AND VESTING STANDARDS.

(a) AGE LIMITATION FOR MINIMUM PARTICIPATION STANDARDS LOWERED FROM AGE 25 TO AGE 21.—

(1) IN GENERAL.—Clause (i) of section 202(a)(1)(A) (29 U.S.C. 1052(a)(1)(A)(i)) is amended by striking out "25" and inserting in lieu thereof "21".

(2) SPECIAL RULE FOR CERTAIN PLANS.—Clause (ii) of section 202(a)(1)(B) (29 U.S.C. 1052(a)(1)(B)(ii)) is amended by striking out "'30' for '25'" and inserting in lieu thereof "'26' for '21'".

(b) YEARS OF SERVICE AFTER AGE 18 (INSTEAD OF AGE 22) TAKEN INTO ACCOUNT FOR DETERMINING NONFORFEITABLE PERCENTAGE.—Subparagraph (A) of section 203(b)(1) (29 U.S.C. 1053(b)(1)(A)) is amended by striking out "22" and inserting in lieu thereof "18".

(c) BREAK IN SERVICE FOR VESTING UNDER INDIVIDUAL ACCOUNT PLANS.—Subparagraph (C) of section 203(b)(3) (29 U.S.C. 1053(b)(3)(C)) is amended—

(1) by striking out "any 1-year break in service" and inserting in lieu thereof "5 consecutive 1-year breaks in service", and

(2) by striking out "such break" each place it appears and inserting in lieu thereof "such 5-year period".

(d) RULE OF PARITY FOR NONVESTED PARTICIPANTS TO BE APPLIED ONLY IF BREAK IN SERVICE EXCEEDS 5 YEARS.—

(1) MINIMUM PARTICIPATION STANDARDS.—Paragraph (4) of section 202(b) (29 U.S.C. 1052(b)(4)) is amended to read as follows:

"(4)(A) For purposes of paragraph (1), in the case of a nonvested participant, years of service with the employer or employers maintaining the plan before any period of consecutive 1-year breaks in service shall not be required to be taken into account in computing the period of service if the number of consecutive 1-year breaks in service within such period equals or exceeds the greater of—

"(i) 5, or

"(ii) the aggregate number of years of service before such period.

"(B) If any years of service are not required to be taken into account by reason of a period of breaks in service to which subparagraph (A) applies, such years of service shall not be taken into account in applying subparagraph (A) to a subsequent period of breaks in service.

"(C) For purposes of subparagraph (A), the term 'nonvested participant' means a participant who does not have any nonforfeitable right under the plan to an accrued benefit derived from employer contributions.".

(2) MINIMUM VESTING STANDARDS.—Subparagraph (D) of section 203(b)(3) (29 U.S.C. 1053(b)(3)(D)) is amended to read as follows:

"(D)(i) For purposes of paragraph (1), in the case of a nonvested participant, years of service with the employer or employers maintaining the plan before any period of consecutive 1-year breaks in service shall not be required to be taken into account if the number of consecutive 1-year breaks in service within such period equals or exceeds the greater of—

"(I) 5, or

"(II) the aggregate number of years of service before such period.

"(ii) If any years of service are not required to be taken into account by reason of a period of breaks in service to which clause (i) applies, such years of service shall not be taken into account in applying clause (i) to a subsequent period of breaks in service.

"(iii) For purposes of clause (i), the term 'nonvested participant' means a participant who does not have any nonforfeitable right under the plan to an accrued benefit derived from employer contributions.".

(e) CERTAIN MATERNITY OR PATERNITY ABSENCES NOT TREATED AS BREAKS IN SERVICE.—

(1) MINIMUM PARTICIPATION STANDARDS.—Subsection (b) of section 202 (29 U.S.C. 1052(b)) is amended by adding at the end thereof the following new paragraph:

"(5)(A) In the case of each individual who is absent from work for any period—

"(i) by reason of the pregnancy of the individual,

"(ii) by reason of the birth of a child of the individual,

"(iii) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or

"(iv) for purposes of caring for such child for a period beginning immediately following such birth or placement,

the plan shall treat as hours of service, solely for purposes of determining under this subsection whether a 1-year break in service (as defined in section 203(b)(3)(A)) has occurred, the hours described in subparagraph (B).

"(B) The hours described in this subparagraph are—

"(i) the hours of service which otherwise would normally have been credited to such individual but for such absence, or

"(ii) in any case in which the plan is unable to determine the hours described in clause (i), 8 hours of service per day of such absence,

except that the total number of hours treated as hours of service under this subparagraph by reason of any such pregnancy or placement shall not exceed 501 hours.

"(C) The hours described in subparagraph (B) shall be treated as hours of service as provided in this paragraph—

"(i) only in the year in which the absence from work begins, if a participant would be prevented from incurring a 1-year break in service in such year solely because the period of absence is treated as hours of service as provided in subparagraph (A); or

"(ii) in any other case, in the immediately following year.

"(D) For purposes of this paragraph, the term 'year' means the period used in computations pursuant to section 202(a)(3)(A).

"(E) A plan may provide that no credit will be given pursuant to this paragraph unless the individual furnishes to the plan administrator such timely information as the plan may reasonably require to establish—

"(i) that the absence from work is for reasons referred to in subparagraph (A), and

"(ii) the number of days for which there was such an absence."

(2) MINIMUM VESTING STANDARDS.—Section 203(b)(3) (29 U.S.C. 1053(b)(3)) is amended by adding at the end thereof the following new subparagraph:

"(E)(i) In the case of each individual who is absent from work for any period—

"(I) by reason of the pregnancy of the individual,

"(II) by reason of the birth of a child of the individual,

"(III) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or

"(IV) for purposes of caring for such child for a period beginning immediately following such birth or placement,

the plan shall treat as hours of service, solely for purposes of determining under this paragraph whether a 1-year break in service has occurred, the hours described in clause (ii).

"(ii) The hours described in this clause are—

"(I) the hours of service which otherwise would normally have been credited to such individual but for such absence, or

"(II) in any case in which the plan is unable to determine the hours described in subclause (I), 8 hours of service per day of absence,

except that the total number of hours treated as hours of service under this clause by reason of such pregnancy or placement shall not exceed 501 hours.

"(iii) The hours described in clause (ii) shall be treated as hours of service as provided in this subparagraph—

"(I) only in the year in which the absence from work begins, if a participant would be prevented from incurring a 1-year break in service in such year solely because the period of absence is treated as hours of service as provided in clause (i); or

"(II) in any other case, in the immediately following year.

"(iv) For purposes of this subparagraph, the term 'year' means the period used in computations pursuant to paragraph (2).

"(v) A plan may provide that no credit will be given pursuant to this subparagraph unless the individual furnishes to the plan administrator such timely information as the plan may reasonably require to establish—

"(I) that the absence from work is for reasons referred to in clause (i), and

"(II) the number of days for which there was such an absence.".

(3) ABSENCES DISREGARDED FOR PURPOSES OF ACCRUED BENEFIT REQUIREMENTS.—Subparagraph (A) of section 204(b)(3) (29 U.S.C. 1054(b)(3)(A)) is amended by inserting ", determined without regard to section 202(b)(5)" after "section 202(b)".

(f) APPLICATION OF BREAK IN SERVICE RULES TO ACCRUED BENEFITS.—Subsection (e) of section 204 (29 U.S.C. 1054 (e)) is amended by striking out "any 1-year break in service" and inserting in lieu thereof "5 consecutive 1-year breaks in service".

SEC. 103. REQUIREMENT OF JOINT AND SURVIVOR ANNUITIES AND PRERETIREMENT SURVIVOR ANNUITIES.

(a) GENERAL RULE.—Section 205 (29 U.S.C. 1055) is amended to read as follows:

"REQUIREMENT OF JOINT AND SURVIVOR ANNUITY AND PRERETIREMENT SURVIVOR ANNUITY

"SEC. 205. (a) Each pension plan to which this section applies shall provide that—

"(1) in the case of a vested participant who retires under the plan, the accrued benefit payable to such participant shall be provided in the form of a qualified joint and survivor annuity, and

"(2) in the case of a vested participant who dies before the annuity starting date and who has a surviving spouse, a qualified preretirement survivor annuity shall be provided to the surviving spouse of such participant.

"(b)(1) This section shall apply to—

"(A) any defined benefit plan,

"(B) any individual account plan which is subject to the funding standards of section 302, and

"(C) any participant under any other individual account plan unless—

"(i) such plan provides that the participant's nonforfeitable accrued benefit is payable in full, on the death of the participant, to the participant's surviving spouse (or, if there is no surviving spouse or the surviving spouse consents in the manner required under subsection (c)(2)(A), to a designated beneficiary),

"(ii) such participant does not elect the payment of benefits in the form of a life annuity, and

"(iii) with respect to such participant, such plan is not a transferee of a plan which is described in subparagraph (A) or (B) or to which this clause applied with respect to the participant.

"(2)(A) In the case of—

"(i) a tax credit employee stock ownership plan (as defined in section 409(a) of the Internal Revenue Code of 1954), or

"(ii) an employee stock ownership plan (as defined in section 4975(e)(7) of such Code),

subsection (a) shall not apply to that portion of the employee's accrued benefit to which the requirements of section 409(h) of such Code apply.

"(B) Subparagraph (A) shall not apply with respect to any participant unless the requirements of clause (i), (ii), and (iii) of paragraph (1)(C) are met with respect to such participant.

"(c)(1) A plan meets the requirements of this section only if—

"(A) under the plan, each participant—

"(i) may elect at any time during the applicable election period to waive the qualified joint and survivor annuity form of benefit or the qualified preretirement survivor annuity form of benefit (or both), and

"(ii) may revoke any such election at any time during the applicable election period, and

"(B) the plan meets the requirements of paragraphs (2) and (3).

"(2) Each plan shall provide that an election under paragraph (1)(A)(i) shall not take effect unless—

"(A) the spouse of the participant consents in writing to such election, and the spouse's consent acknowledges the effect of such election and is witnessed by a plan representative or a notary public, or

"(B) it is established to the satisfaction of a plan representative that the consent required under subparagraph (A) may not be obtained because there is no spouse, because the spouse cannot be located, or because of such other circumstances as the Secretary of the Treasury may by regulations prescribe.

Any consent by a spouse (or establishment that the consent of a spouse may not be obtained) under the preceding sentence shall be effective only with respect to such spouse.

"(3)(A) Each plan shall provide to each participant, within a reasonable period of time before the annuity starting date (and consistent with such regulations as the Secretary of the Treasury may prescribe) a written explanation of—

"(i) the terms and conditions of the qualified joint and survivor annuity,

"(ii) the participant's right to make, and the effect of, an election under paragraph (1) to waive the joint and survivor annuity form of benefit,

"(iii) the rights of the participant's spouse under paragraph (2), and

"(iv) the right to make, and the effect of, a revocation of an election under paragraph (1).

"(B) Each plan shall provide to each participant, within the period beginning with the first day of the plan year in which the participant attains age 32 and ending with the close of the plan year preceding the plan year in which the participant attains age 35 (and consistent with such regulations as the Secretary of the Treasury may prescribe), a written explanation with respect to the qualified preretirement survivor annuity comparable to that required under subparagraph (A).

"(4)(A) The requirements of this subsection shall not apply with respect to the qualified joint and survivor annuity form of benefit or the qualified preretirement survivor annuity form of benefit, as the case may be, if the plan fully subsidizes the costs of such benefit.

"(B) For purposes of subparagraph (A), a plan fully subsidizes the costs of a benefit if under the plan the failure to waive such benefit by a participant would not result in a decrease in any plan benefits with respect to such participant and would not result in increased contributions from such participant.

"(5) If a plan fiduciary acts in accordance with part 4 of this subtitle in—

"(A) relying on a consent or revocation referred to in paragraph (1)(A), or

"(B) making a determination under paragraph (2),

then such consent, revocation, or determination shall be treated as valid for purposes of discharging the plan from liability to the extent of payments made pursuant to such act.

"(6) For purposes of this subsection, the term 'applicable election period' means—

"(A) in the case of an election to waive the qualified joint and survivor annuity form of benefit, the 90-day period ending on the annuity starting date, or

"(B) in the case of an election to waive the qualified preretirement survivor annuity, the period which begins on the first day of the plan year in which the participant attains age 35 and ends on the date of the participant's death.

In the case of a participant who is separated from service, the applicable election period under subparagraph (B) with respect to benefits accrued before the date of such separation from service shall not begin later than such date.

"(d) For purposes of this section, the term 'qualified joint and survivor annuity' means an annuity—

"(1) for the life of the participant with a survivor annuity for the life of the spouse which is not less than 50 percent of (and is not greater than 100 percent of) the amount of the annuity which is payable during the joint lives of the participant and the spouse, and

"(2) which is the actuarial equivalent of a single annuity for the life of the participant.

Such term also includes any annuity in a form having the effect of an annuity described in the preceding sentence.

"(e) For purposes of this section—

"(1) Except as provided in paragraph (2), the term 'qualified preretirement survivor annuity' means a survivor annuity for the life of the surviving spouse of the participant if—

"(A) the payments to the surviving spouse under such annuity are not less than the amounts which would be payable as a survivor annuity under the qualified joint and survivor annuity under the plan (or the actuarial equivalent thereof) if—

"(i) in the case of a participant who dies after the date on which the participant attained the earliest retirement age, such participant had retired with an immediate qualified joint and survivor annuity on the day before the participant's date of death, or

"(ii) in the case of a participant who dies on or before the date on which the participant would have attained the earliest retirement age, such participant had—

"(I) separated from service on the date of death,

"(II) survived to the earliest retirement age,

"(III) retired with an immediate qualified joint and survivor annuity at the earliest retirement age, and

"(IV) died on the day after the day on which such participant would have attained the earliest retirement age, and

"(B) under the plan, the earliest period for which the surviving spouse may receive a payment under such annuity is not later than the month in which the participant would have attained the earliest retirement age under the plan.

"(2) In the case of any individual account plan or participant described in subparagraph (B) or (C) of subsection (b)(1), the term 'qualified preretirement survivor annuity' means an annuity for the life of the surviving spouse the actuarial equivalent of which is not less than 50 percent of the account balance of the participant as of the date of death.

"(f)(1) Except as provided in paragraph (2), a plan may provide that a qualified joint and survivor annuity (or a qualified preretirement survivor annuity) will not be provided unless the participant and spouse had been married throughout the 1-year period ending on the earlier of—

"(A) the participant's annuity starting date, or

"(B) the date of the participant's death,

"(2) For purposes of paragraph (1), if—

"(A) a participant marries within 1 year before the annuity starting date, and

"(B) the participant and the participant's spouse in such marriage have been married for at least a 1-year period ending on or before the date of the participant's death,

such participant and such spouse shall be treated as having been married throughout the 1-year period ending on the participant's annuity starting date.

"(g)(1) A plan may provide that the present value of a qualified joint and survivor annuity or a qualified preretirement survivor annuity will be immediately distributed if such value does not exceed $3,500. No distribution may be made under the preceding sentence after the annuity starting date unless the participant and the spouse of the participant (or where the participant has died, the surviving spouse) consent in writing to such distribution.

"(2) If—

"(A) the present value of the qualified joint and survivor annuity or the qualified preretirement survivor annuity exceeds $3,500, and

"(B) the participant and the spouse of the participant (or where the participant has died, the surviving spouse) consent in writing to the distribution,

the plan may immediately distribute the present value of such annuity.

"(3) For purposes of paragraphs (1) and (2), the present value of a qualified joint and survivor annuity or a qualified preretirement survivor annuity shall be determined as of the date of the distribution and by using an interest rate not greater than the interest rate which would be used (as of the date of the distribution) by the Pension Benefit Guaranty Corporation for purposes of determining the present value of a lump sum distribution on plan termination.

"(h) For purposes of this section—

"(1) the term 'vested participant' means any participant who has a nonforfeitable right (within the meaning of section 3(19)) to any portion of the accrued benefit derived from employer contributions,

"(2) the term 'annuity starting date' means the first day of the first period for which an amount is received as an annuity (whether by reason of retirement or disability), and

"(3) the term 'earliest retirement age' means the earliest date on which, under the plan, the participant could elect to receive retirement benefits.

"(i) A plan may take into account in any equitable manner (as determined by the Secretary of the Treasury) any increased costs resulting from providing a qualified joint or survivor annuity or a qualified preretirement survivor annuity.

"(j) In prescribing regulations under this section, the Secretary of the Treasury shall consult with the Secretary of Labor.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended by striking out the item relating to section 205 and inserting in lieu thereof the following new item:

"Sec. 205. Requirement of joint and survivor annuity and preretirement survivor annuity.".

SEC. 104. SPECIAL RULES FOR ASSIGNMENTS IN DIVORCE, ETC., PROCEEDINGS.

(a) IN GENERAL.—Section 206(d) (29 U.S.C. 1056(d)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) Paragraph (1) shall apply to the creation, assignment, or recognition of a right to any benefit payable with respect to a participant pursuant to a domestic relations order, except that paragraph (1) shall not apply if the order is determined to be a qualified domestic relations order. Each pension plan shall provide for the payment of benefits in accordance with the applicable requirements of any qualified domestic relations order.

"(B) For purposes of this paragraph—

"(i) the term 'qualified domestic relations order' means a domestic relations order—

"(I) which creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable with respect to a participant under a plan, and

"(II) with respect to which the requirements of subparagraphs (C) and (D) are met, and

"(ii) the term 'domestic relations order' means any judgment, decree, or order (including approval of a property settlement agreement) which—

"(I) relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent of a participant, and

"(II) is made pursuant to a State domestic relations law (including a community property law).

"(C) A domestic relations order meets the requirements of this subparagraph only if such order clearly specifies—

"(i) the name and the last known mailing address (if any) of the participant and the name and mailing address of each alternate payee covered by the order,

"(ii) the amount or percentage of the participant's benefits to be paid by the plan to each such alternate payee, or the manner in which such amount or percentage is to be determined,

"(iii) the number of payments or period to which such order applies, and

"(iv) each plan to which such order applies.

"(D) A domestic relations order meets the requirements of this subparagraph only if such order—

"(i) does not require a plan to provide any type or form of benefit, or any option, not otherwise provided under the plan,

"(ii) does not require the plan to provide increased benefits (determined on the basis of actuarial value), and

"(iii) does not require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order previously determined to be a qualified domestic relations order.

"(E)(i) In the case of any payment before a participant has separated from service, a domestic relations order shall not be treated as failing to meet the requirements of clause (i) of subparagraph (D) solely because such order requires that payment of benefits be made to an alternate payee—

"(I) on or after the date on which the participant attains (or would have attained) the earliest retirement age,

"(II) as if the participant had retired on the date on which such payment is to begin under such order (but taking into account only the present value of benefits actually accrued and not taking into account the present value of any employer subsidy for early retirement), and

"(III) in any form in which such benefits may be paid under the plan to the participant (other than in the form of a joint and survivor annuity with respect to the alternate payee and his or her subsequent spouse).

For purposes of subclause (II), the interest rate assumption used in determining the present value shall be the interest rate specified in the plan or, if no rate is specified, 5 percent.

"(ii) For purposes of this subparagraph, the term 'earliest retirement age' has the meaning given such term by section 205(h)(3), except that in the case of any individual account plan, the earliest retirement age shall be the date which is 10 years before the normal retirement age.

"(F) To the extent provided in any qualified domestic relations order—

"(i) the former spouse of a participant shall be treated as a surviving spouse of such participant for purposes of section 205, and

"(ii) if married for at least 1 year, the former spouse shall be treated as meeting the requirements of section 205(f).

"(G)(i) In the case of any domestic relations order received by a plan—

"(I) the plan administrator shall promptly notify the participant and any other alternate payee of the receipt of such order and the plan's procedures for determining the qualified status of domestic relations orders, and

"(II) within a reasonable period after receipt of such order, the plan administrator shall determine whether such order is a qualified domestic relations order and notify the participant and each alternate payee of such determination.

"(ii) Each plan shall establish reasonable procedures to determine the qualified status of domestic relations orders and to administer distributions under such qualified orders. Such procedures—

"(I) shall be in writing,

"(II) shall provide for the notification of each person specified in a domestic relations order as entitled to payment of benefits under the plan (at the address included in the domestic relations order) of such procedures promptly upon receipt by the plan of the domestic relations order, and

"(III) shall permit an alternate payee to designate a representative for receipt of copies of notices that are sent to the alternate payee with respect to a domestic relations order.

"(H)(i) During any period in which the issue of whether a domestic relations order is a qualified domestic relations order is being determined (by the plan administrator, by a court of competent jurisdiction, or

otherwise), the plan administrator shall segregate in a separate account in the plan or in an escrow account the amounts which would have been payable to the alternate payee during such period if the order had been determined to be a qualified domestic relations order.

"(ii) If within 18 months the order (or modification thereof) is determined to be a qualified domestic relations order, the plan administrator shall pay the segregated amounts (plus any interest thereon) to the person or persons entitled thereto.

"(iii) If within 18 months—

"(I) it is determined that the order is not a qualified domestic relations order, or

"(II) the issue as to whether such order is a qualified domestic relations order is not resolved,

then the plan administrator shall pay the segregated amounts (plus any interest thereon) to the person or persons who would have been entitled to such amounts if there had been no order.

"(iv) Any determination that an order is a qualified domestic relations order which is made after the close of the 18-month period shall be applied prospectively only.

"(I) If a plan fiduciary acts in accordance with part 4 of this subtitle in—

"(i) treating a domestic relations order as being (or not being) a qualified domestic relations order, or

"(ii) taking action under subparagraph (H),

then the plan's obligation to the participant and each alternate payee shall be discharged to the extent of any payment made pursuant to such act.

"(J) A person who is an alternate payee under a qualified domestic relations order shall be considered for purposes of any provision of this Act a beneficiary under the plan. Nothing in the preceding sentence shall permit a requirement under section 4001 of the payment of more than 1 premium with respect to a participant for any period.

"(K) The term 'alternate payee' means any spouse, former spouse, child, or other dependent of a participant who is recognized by a domestic relations order as having a right to receive all, or a portion of, the benefits payable under a plan with respect to such participant.

"(L) In prescribing regulations under this paragraph, the Secretary shall consult with the Secretary of the Treasury.".

(b) CLARIFICATION OF PREEMPTION PROVISION.—Subsection (b) of section 514 (29 U.S.C. 1144(b)) is amended by adding at the end thereof the following new paragraph:

"(7) Subsection (a) shall not apply to qualified domestic relations orders (within the meaning of section 206(d)(3)(B)(i)).".

SEC. 105. RESTRICTIONS ON MANDATORY DISTRIBUTIONS.

(a) GENERAL RULE.—Section 203 (29 U.S.C. 1053) is amended by adding at the end thereof the following new subsection:

"(e)(1) If the present value of any accrued benefit exceeds $3,500, such benefit shall not be treated as nonforfeitable if the plan provides that the present value of such benefit could be immediately distributed without the consent of the participant.

"(2) For purposes of paragraph (1), the present value shall be calculated by using an interest rate not greater than the interest rate which would be used (as of the date of the distribution) by the Pension Benefit Guaranty Corporation for purposes of determining the present value of a lump sum distribution on plan termination.".

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 204(d) (29 U.S.C. 1054(d)(1)) is amended by striking out "$1,750" and inserting in lieu thereof "$3,500".

SEC. 106. PARTICIPANT TO BE NOTIFIED THAT BENEFITS MAY BE FORFEITABLE.

Subsection (c) of section 105 (29 U.S.C. 1025(c)) is amended by inserting at the end thereof the following new sentence: "Such statement shall also include a notice to the participant of any benefits which are forfeitable if the participant dies before a certain date.".

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

SEC. 201. AMENDMENT OF 1954 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 202. MODIFICATIONS OF MINIMUM PARTICIPATION AND VESTING STANDARDS.

(a) AGE LIMITATION FOR MINIMUM PARTICIPATION STANDARDS LOWERED FROM AGE 25 TO AGE 21.—

(1) IN GENERAL.—Subparagraph (A)(i) of section 410(a)(1) (relating to minimum age requirement for participation) is amended by striking out "25" and inserting in lieu thereof "21".

(2) SPECIAL RULE FOR CERTAIN PLANS.—Subparagraph (B)(ii) of section 410(a)(1) (relating to special rules for certain plans) is amended by striking out "'30' for '25'" and inserting in lieu thereof "'26' for '21'".

(b) YEARS OF SERVICE AFTER AGE 18 (INSTEAD OF AGE 22.) TAKEN INTO ACCOUNT FOR DETERMINING NONFORFEITABLE PERCENTAGE.—Subparagraph (A) of section 411(a)(4) (relating to service included in determination of nonforfeitable percentage) is amended by striking out "22" and inserting in lieu thereof "18".

(c) BREAK IN SERVICE FOR VESTING UNDER DEFINED CONTRIBUTION PLANS, ETC.—Subparagraph (C) of section 411(a)(6) (relating to 1-year break in service under defined contribution plan) is amended—

(1) by striking out "1-YEAR BREAK IN SERVICE" in the subparagraph heading and inserting in lieu thereof "5 CONSECUTIVE 1-YEAR BREAKS IN SERVICE",

(2) by striking out "any 1-year break in service" and inserting in lieu thereof "5 consecutive 1-year breaks in service", and

(3) by striking out "such break" each place it appears and inserting in lieu thereof "such 5-year period".

(d) RULE OF PARITY FOR NONVESTED PARTICIPANTS TO BE APPLIED ONLY IF BREAK IN SERVICE EXCEEDS 5 YEARS.—

(1) MINIMUM PARTICIPATION STANDARDS.—Subparagraph (D) of section 410(a)(5) (relating to breaks in service) is amended to read as follows:

"(D) NONVESTED PARTICIPANTS.—

"(i) IN GENERAL.—For purposes of paragraph (1), in the case of a nonvested participant, years of service with the employer or employers maintaining the plan before any period of consecutive 1-year breaks in service shall not be required to be taken into account in computing the period of service if the number of consecutive 1-year breaks in service within such period equals or exceeds the greater of—

"(I) 5, or

"(II) the aggregate number of years of service before such period.

"(ii) YEARS OF SERVICE NOT TAKEN INTO ACCOUNT.—If any years of service are not required to be taken into account by reason of a period of breaks in service to which clause (i) applies, such years of service shall not be taken into account in applying clause (i) to a subsequent period of breaks in service.

"(iii) NONVESTED PARTICIPANT DEFINED.—For purposes of clause (i), the term 'nonvested participant' means a participant who does not have any nonforfeitable right under the plan to an accrued benefit derived from employer contributions."

(2) MINIMUM VESTING STANDARDS.—Subparagraph (D) of section 411(a)(6) (relating to breaks in service) is amended to read as follows:

"(D) NONVESTED PARTICIPANTS.—

"(i) IN GENERAL.—For purposes of paragraph (4), in the case of a nonvested participant, years of service with the employer or employers maintaining the plan before any period of consecutive 1-year breaks in service shall not be required to be taken into account if the number of consecutive 1-year breaks in service within such period equals or exceeds the greater of—

"(I) 5, or

"(II) the aggregate number of years of service before such period.

"(ii) YEARS OF SERVICE NOT TAKEN INTO ACCOUNT.—If any years of service are not required to be taken into account by reason of a period of breaks in service to which clause (i) applies, such years of service shall not be taken into account in applying clause (i) to a subsequent period of breaks in service.

"(iii) NONVESTED PARTICIPANT DEFINED.—For purposes of clause (i), the term 'nonvested participant' means a participant who does not have any nonforfeitable right under the plan to an accrued benefit derived from employer contributions."

(e) CERTAIN MATERNITY OR PATERNITY ABSENCES NOT TREATED AS BREAKS IN SERVICE.—

(1) MINIMUM PARTICIPATION STANDARDS.—Paragraph (5) of section 410(a) (relating to breaks in service) is amended by adding at the end thereof the following new subparagraph:

"(E) SPECIAL RULE FOR MATERNITY OR PATERNITY ABSENCES.—

"(i) GENERAL RULE.—In the case of each individual who is absent from work for any period—

"(I) by reason of the pregnancy of the individual,

"(II) by reason of the birth of a child of the individual,

"(III) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or

"(IV) for purposes of caring for such child for a period beginning immediately following such birth or placement,

the plan shall treat as hours of service, solely for purposes of determining under this paragraph whether a 1-year break in service (as defined in section 411(a)(6)(A)) has occurred, the hours described in clause (ii).

"(ii) HOURS TREATED AS HOURS OF SERVICE.—The hours described in this clause are—

"(I) the hours of service which otherwise would normally have been credited to such individual but for such absence, or

"(II) in any case in which the plan is unable to determine the hours described in subclause (I), 8 hours of service per day of such absence,

except that the total number of hours treated as hours of service under this clause by reason of any such pregnancy or placement shall not exceed 501 hours.

"(iii) YEAR TO WHICH HOURS ARE CREDITED.—The hours described in clause (ii) shall be treated as hours of service as provided in this subparagraph—

"(I) only in the year in which the absence from work begins, if a participant would be prevented from incurring a 1-year break in service in such year solely because the period of absence is treated as hours of service as provided in clause (i); or

"(II) in any other case, in the immediately following year.

"(iv) YEAR DEFINED.—For purposes of this subparagraph, the term 'year' means the period used in computations pursuant to paragraph (3).

"(v) INFORMATION REQUIRED TO BE FILED.—A plan shall not fail to satisfy the requirements of this subparagraph solely because it provides that no credit will be given pursuant to this subparagraph unless the individual furnishes to the plan administrator such timely information as the plan may reasonably require to establish—

"(I) that the absence from work is for reasons referred to in clause (i), and

"(II) the number of days for which there was such an absence."

(2) MINIMUM VESTING STANDARDS.—Paragraph (6) of section 411(a) (relating to breaks in service) is amended by adding at the end thereof the following new subparagraph:

"(E) SPECIAL RULE FOR MATERNITY OR PATERNITY ABSENCES.—

"(i) GENERAL RULE.—In the case of each individual who is absent from work for any period—

"(I) by reason of the pregnancy of the individual,

"(II) by reason of the birth of a child of the individual,

"(III) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or

"(IV) for purposes of caring for such child for a period beginning immediately following such birth or placement,

the plan shall treat as hours of service, solely for purposes of determining under this paragraph whether a 1-year break in service has occurred, the hours described in clause (ii).

"(ii) HOURS TREATED AS HOURS OF SERVICE.—The hours described in this clause are—

"(I) the hours of service which otherwise would normally have been credited to such individual but for such absence, or

"(II) in any case in which the plan is unable to determine the hours described in subclause (I), 8 hours of service per day of absence,

except that the total number of hours treated as hours of service under this clause by reason of any such pregnancy or placement shall not exceed 501 hours.

"(iii) YEAR TO WHICH HOURS ARE CREDITED.—The hours described in clause (ii) shall be treated as hours of service as provided in this subparagraph—

"(I) only in the year in which the absence from work begins, if a participant would be prevented from incurring a 1-year break in service in such year solely because the period of absence is treated as hours of service as provided in clause (i); or

"(II) in any other case, in the immediately following year.

"(iv) YEAR DEFINED.—For purposes of this subparagraph, the term 'year' means the period used in computations pursuant to paragraph (5).

"(v) INFORMATION REQUIRED TO BE FILED.—A plan shall not fail to satisfy the requirements of this subparagraph solely because it provides that no credit will be given pursuant to this subparagraph unless the individual furnishes to the plan administrator such timely information as the plan may reasonably require to establish—

"(I) that the absence from work is for reasons referred to in clause (i), and

"(II) the number of days for which there was such an absence."

(3) ABSENCES DISREGARDED FOR PURPOSES OF ACCRUED BENEFIT REQUIREMENTS.—Subparagraph (A) of section 411(b)(3) (relating to year of participation) is amended by inserting ", determined without regard to section 410(a)(5)(E)" after "section 410(a)(5)".

(f) APPLICATION OF BREAK IN SERVICE RULES TO ACCRUED BENEFITS.—Subparagraph (C) of section 411(a)(7) (defining accrued benefit) is amended by striking out "any one-year break in service" and inserting in lieu thereof "5 consecutive 1-year breaks in service".

SEC. 203. REQUIREMENT OF JOINT AND SURVIVOR ANNUITIES AND PRERETIREMENT SURVIVOR ANNUITIES.

(a) GENERAL RULE.—Paragraph (11) of section 401(a) (relating to requirement of joint and survivor annuities) is amended to read as follows:

"(11) REQUIREMENT OF JOINT AND SURVIVOR ANNUITY AND PRERETIREMENT SURVIVOR ANNUITY.—

"(A) IN GENERAL.—In the case of any plan to which this paragraph applies, except as provided in section 417, a trust forming part of such plan shall not constitute a qualified trust under this section unless—

"(i) in the case of a vested participant who retires under the plan, the accrued benefit payable to such participant is provided in the form of a qualified joint and survivor annuity, and

"(ii) in the case of a vested participant who dies before the annuity starting date and who has a surviving spouse, a qualified preretirement survivor annuity is provided to the surviving spouse of such participant.

"(B) PLANS TO WHICH PARAGRAPH APPLIES.—This paragraph shall apply to—

"(i) any defined benefit plan,

"(ii) any defined contribution plan which is subject to the funding standards of section 412, and

"(iii) any participant under any other defined contribution plan unless—

"(I) such plan provides that the participant's nonforfeitable accrued benefit is payable in full, on the death of the participant, to the participant's surviving spouse (or, if there is no surviving spouse or the surviving spouse consents in the manner required under section 417(a)(2)(A), to a designated beneficiary),

"(II) such participant does not elect a payment of benefits in the form of a life annuity, and

"(III) with respect to such participant, such plan is not a direct or indirect transferee of a plan which is described in clause (i) or (ii) or to which this clause applied with respect to the participant.

"(C) EXCEPTION FOR CERTAIN ESOP BENEFITS.—

"(i) IN GENERAL.—In the case of—

"(I) a tax credit employee stock ownership plan (as defined in section 409(a)), or

"(II) an employee stock ownership plan (as defined in section 4975(e)(7)),

subparagraph (A) shall not apply to that portion of the employee's accrued benefit to which the requirements of section 409(h) apply.

"(ii) NONFORFEITABLE BENEFIT MUST BE PAID IN FULL, ETC.—In the case of any participant, clause (i) shall apply only if the requirements of subclauses (I), (II), and (III) of subparagraph (B)(iii) are met with respect to such participant.

"(D) CROSS REFERENCE.—For—

"(i) provisions under which participants may elect to waive the requirements of this paragraph, and

"(ii) other definitions and special rules for purposes of this paragraph,

see section 417."

(b) DEFINITIONS AND SPECIAL RULES.—Subpart B of part I of subchapter D of chapter 1 is amended by adding at the end thereof the following new section:

"SEC. 417. DEFINITIONS AND SPECIAL RULES FOR PURPOSES OF MINIMUM SURVIVOR ANNUITY REQUIREMENTS.

"(a) ELECTION TO WAIVE QUALIFIED JOINT AND SURVIVOR ANNUITY OR QUALIFIED PRERETIREMENT SURVIVOR ANNUITY.—

"(1) IN GENERAL.—A plan meets the requirements of section 401(a)(11) only if—

"(A) under the plan, each participant—

"(i) may elect at any time during the applicable election period to waive the qualified joint and survivor annuity form of benefit or the qualified preretirement survivor annuity form of benefit (or both), and

"(ii) may revoke any such election at any time during the applicable election period, and

"(B) the plan meets the requirements of paragraphs (2) and (3) of this subsection.

"(2) SPOUSE MUST CONSENT TO ELECTION.—Each plan shall provide that an election under paragraph (1)(A)(i) shall not take effect unless—

"(A) the spouse of the participant consents in writing to such election, and the spouse's consent acknowledges the effect of such election and is witnessed by a plan representative or a notary public, or

"(B) it is established to the satisfaction of a plan representative that the consent required under subparagraph (A) may not be obtained because there is no spouse, because the spouse cannot be located, or because of such other circumstances as the Secretary may by regulations prescribe.

Any consent by a spouse (or establishment that the consent of a spouse may not be obtained) under the preceding sentence shall be effective only with respect to such spouse.

"(3) PLAN TO PROVIDE WRITTEN EXPLANATIONS.—

"(A) EXPLANATION OF JOINT AND SURVIVOR ANNUITY.—Each plan shall provide to each participant, within a reasonable period of time before the annuity starting date (and consistent with such regulations as the Secretary may prescribe), a written explanation of—

"(i) the terms and conditions of the qualified joint and survivor annuity,

"(ii) the participant's right to make, and the effect of, an election under paragraph (1) to waive the joint and survivor annuity form of benefit,

"(iii) the rights of the participant's spouse under paragraph (2), and

"(iv) the right to make, and the effect of, a revocation of an election under paragraph (1).

"(B) EXPLANATION OF QUALIFIED PRERETIREMENT SURVIVOR ANNUITY.—Each plan shall provide to each participant, within the period beginning with the first day of the plan year in which the participant attains age 32 and ending with the close of the plan year preceding the plan year in which the participant attains age 35 (and consistent with such regulations as the Secretary may

prescribe), a written explanation with respect to the qualified preretirement survivor annuity comparable to that required under subparagraph (A).

"(4) SPECIAL RULES WHERE PLAN FULLY SUBSIDIZES COSTS.—

"(A) IN GENERAL.—The requirements of this subsection shall not apply with respect to the qualified joint and survivor annuity form of benefit or the qualified preretirement survivor annuity form of benefit, as the case may be, if the plan fully subsidizes the costs of such benefit.

"(B) DEFINITION.—For purposes of subparagraph (A), a plan fully subsidizes the costs of a benefit if under the plan the failure to waive such benefit by a participant would not result in a decrease in any plan benefits with respect to such participant and would not result in increased contributions from such participant.

"(5) APPLICABLE ELECTION PERIOD DEFINED.—For purposes of this subsection, the term 'applicable election period' means—

"(A) in the case of an election to waive the qualified joint and survivor annuity form of benefit, the 90-day period ending on the annuity starting date, or

"(B) in the case of an election to waive the qualified preretirement survivor annuity, the period which begins on the first day of the plan year in which the participant attains age 35 and ends on the date of the participant's death.

In the case of a participant who is separated from service, the applicable election period under subparagraph (B) with respect to benefits accrued before the date of such separation from service shall not begin later than such date.

"(b) DEFINITION OF QUALIFIED JOINT AND SURVIVOR ANNUITY.—For purposes of this section and section 401(a)(11), the term 'qualified joint and survivor annuity' means an annuity—

"(1) for the life of the participant with a survivor annuity for the life of the spouse which is not less than 50 percent of (and is not greater than 100 percent of) the amount of the annuity which is payable during the joint lives of the participant and the spouse, and

"(2) which is the actuarial equivalent of a single annuity for the life of the participant.

Such term also includes any annuity in a form having the effect of an annuity described in the preceding sentence.

"(c) DEFINITION OF QUALIFIED PRERETIREMENT SURVIVOR ANNUITY.—For purposes of this section and section 401(a)(11)—

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'qualified preretirement survivor annuity' means a survivor annuity or the life of the surviving spouse of the participant if—

"(A) the payments to the surviving spouse under such annuity are not less than the amounts which would be payable as a survivor annuity under the qualified joint and survivor annuity under the plan (or the actuarial equivalent thereof) if—

"(i) in the case of a participant who dies after the date on which the participant attained the earliest retirement age, such participant had retired with an immediate qualified joint and survivor annuity on the day before the participant's date of death, or

"(ii) in the case of a participant who dies on or before the date on which the participant would have attained the earliest retirement age, such participant had—

"(I) separated from service on the date of death,

"(II) survived to the earliest retirement age,

"(III) retired with an immediate qualified joint and survivor annuity at the earliest retirement age, and

"(IV) died on the day after the day on which such participant would have attained the earliest retirement age, and

"(B) under the plan, the earliest period for which the surviving spouse may receive a payment under such annuity is not later than the month in which the participant would have attained the earliest retirement age under the plan.

"(2) SPECIAL RULE FOR DEFINED CONTRIBUTION PLANS.—In the case of any defined contribution plan or participant described in clause (ii) or (iii) of section 401(a)(11)(B), the term 'qualified preretirement survivor annuity' means an annuity for the life of the surviving spouse the actuarial equivalent of which is not less than 50 percent of the account balance of the participant as of the date of death.

"(d) SURVIVOR ANNUITIES NEED NOT BE PROVIDED IF PARTICIPANT AND SPOUSE MARRIED LESS THAN 1 YEAR.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a plan shall not be treated as failing to meet the requirements of section 401(a)(11) merely because the plan provides that a qualified joint and survivor annuity (or a qualified preretirement survivor annuity) will not be provided unless the participant and spouse had been married throughout the 1-year period ending on the earlier of—

"(A) the participant's annuity starting date, or

"(B) the date of the participant's death.

"(2) TREATMENT OF CERTAIN MARRIAGES WITHIN 1 YEAR OF ANNUITY STARTING DATE FOR PURPOSES OF QUALIFIED JOINT AND SURVIVOR ANNUITIES.—For purposes of paragraph (1), if—

"(A) a participant marries within 1 year before the annuity starting date, and

"(B) the participant and the participant's spouse in such marriage have been married for at least a 1-year period ending on or before the date of the participant's death,

such participant and such spouse shall be treated as having been married throughout the 1-year period ending on the participant's annuity starting date.

"(e) RESTRICTIONS ON CASH-OUTS.—

"(1) PLAN MAY REQUIRE DISTRIBUTION IF PRESENT VALUE NOT IN EXCESS OF $3,500.—A plan may provide that the present value of a qualified joint and survivor annuity or a qualified preretirement survivor annuity will be immediately distributed if such value does not exceed $3,500. No distribution may be made under the preceding sentence after the annuity starting date unless the participant and the spouse of the participant (or where the participant has died, the surviving spouse) consents in writing to such distribution.

"(2) PLAN MAY DISTRIBUTE BENEFIT IN EXCESS OF $3,500 ONLY WITH CONSENT.—If—

"(A) the present value of the qualified joint and survivor annuity or the qualified preretirement survivor annuity exceeds $3,500, and

"(B) the participant and the spouse of the participant (or where the participant has died, the surviving spouse) consent in writing to the distribution,

the plan may immediately distribute the present value of such annuity.

"(3) DETERMINATION OF PRESENT VALUE.—For purposes of paragraphs (1) and (2), the present value of a qualified joint and survivor annuity or a qualified preretirement survivor annuity shall be determined as of the date of the distribution and by using an interest rate not greater than the interest rate which would be used (as of the date of the distribution) by the Pension Benefit Guaranty Corporation for purposes of determining the present value of a lump sum distribution on plan termination.

"(f) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section and section 401(a)(11)—

"(1) VESTED PARTICIPANT.—The term 'vested participant' means any participant who has a nonforfeitable right (within the meaning of section 411(a)) to any portion of the accrued benefit derived from employer contributions.

"(2) ANNUITY STARTING DATE.—The term 'annuity starting date' means the first day of the first period for which an amount is received as an annuity (whether by reason of retirement or disability).

"(3) EARLIEST RETIREMENT AGE.—The term 'earliest retirement age' means the earliest date on which, under the plan, the participant could elect to receive retirement benefits.

"(4) PLAN MAY TAKE INTO ACCOUNT INCREASED COSTS.—A plan may take into account in any equitable manner (as determined by the Secretary) any increased costs resulting from providing a qualified joint or survivor annuity or a qualified preretirement survivor annuity.

"(5) CONSULTATION WITH THE SECRETARY OF LABOR.—In prescribing regulations under this section and section 401(a)(11), the Secretary shall consult with the Secretary of Labor."

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part I of subchapter D of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 417. Definitions and special rules for purposes of minimum survivor annuity requirements."

SEC. 204. SPECIAL RULES FOR ASSIGNMENTS IN DIVORCE, ETC., PROCEEDINGS.

(a) PROHIBITION AGAINST ASSIGNMENT NOT TO APPLY IN DIVORCE, ETC., PROCEEDINGS.—Paragraph (13) of section 401(a) (relating to assignment of benefits) is amended—

(1) by striking out "(13) A trust" and inserting in lieu thereof the following:

"(13) ASSIGNMENT AND ALIENATION.—

"(A) IN GENERAL.—A trust", and

(2) by correcting the margin for such subparagraph (A), and

(3) by adding at the end thereof the following new subparagraph:

"(B) SPECIAL RULES FOR DOMESTIC RELATIONS ORDERS.—Subparagraph (A) shall apply to the creation, assignment, or recognition of a right to any benefit payable with respect to a participant pursuant to a domestic relations order, except that subparagraph (A) shall not apply if the order is determined to be a qualified domestic relations order."

(b) QUALIFIED DOMESTIC RELATIONS ORDER DEFINED.—Section 414 is amended by adding at the end thereof the following new subsection:

"(p) QUALIFIED DOMESTIC RELATIONS ORDER DEFINED.—For purposes of this subsection and section 401(a)(13)—

"(1) IN GENERAL.—

"(A) QUALIFIED DOMESTIC RELATIONS ORDER.—The term 'qualified domestic relations order' means a domestic relations order—

"(i) which creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable

with respect to a participant under a plan, and

"(ii) with respect to which the requirements of paragraphs (2) and (3) are met.

"(B) DOMESTIC RELATIONS ORDER.—The term 'domestic relations order' means any judgment, decree, or order (including approval of a property settlement agreement) which—

"(i) relates to the provision of child support, alimony payments, or marital property rights to a spouse, child, or other dependent of a participant, and

"(ii) is made pursuant to a State domestic relations law (including a community property law).

"(2) ORDER MUST CLEARLY SPECIFY CERTAIN FACTS.—A domestic relations order meets the requirements of this paragraph only if such order clearly specifies—

"(A) the name and the last known mailing address (if any) of the participant and the name and mailing address of each alternate payee covered by the order,

"(B) the amount or percentage of the participant's benefits to be paid by the plan to each such alternate payee, or the manner in which such amount or percentage is to be determined,

"(C) the number of payments or period to which such order applies, and

"(D) each plan to which such order applies.

"(3) ORDER MAY NOT ALTER AMOUNT, FORM, ETC., OF BENEFITS.—A domestic relations order meets the requirements of this paragraph only if such order—

"(A) does not require a plan to provide any type or form of benefit, or any option, not otherwise provided under the plan,

"(B) does not require the plan to provide increased benefits, (determined on the basis of actuarial value), and

"(C) does not require the payment of benefits to an alternate payee which are required to be paid to another alternate payee under another order previously determined to be a qualified domestic relations order.

"(4) EXCEPTION FOR CERTAIN PAYMENTS MADE AFTER EARLIEST RETIREMENT AGE.—

"(A) IN GENERAL.—In the case of any payment before a participant has separated from service, a domestic relations order shall not be treated as failing to meet the requirements of subparagraph (A) of paragraph (3) solely because such order requires that payment of benefits be made to an alternate payee—

"(i) on or after the date on which the participant attains (or would have attained) the earliest retirement age,

"(ii) as if the participant had retired on the date on which such payment is to begin under such order (but taking into account only the present value of the benefits actually accrued and not taking into account the present value of any employer subsidy for early retirement), and

"(iii) in any form in which such benefits may be paid under the plan to the participant (other than in the form of a joint and survivor annuity with respect to the alternate payee and his or her subsequent spouse).

For purposes of clause (ii), the interest rate assumption used in determining the present value shall be the interest rate specified in the plan or, if no rate is specified, 5 percent.

"(B) EARLIEST RETIREMENT AGE.—For purposes of this paragraph, the term 'earliest retirement age' has the meaning given such term by section 417(f)(3), except that in the case of any defined contribution plan, the earliest retirement age shall be the date which is 10 years before the normal retirement age (within the meaning of section 411(a)(8)).

"(5) TREATMENT OF FORMER SPOUSE AS SURVIVING SPOUSE FOR PURPOSES OF DETERMINING SURVIVOR BENEFITS.—To the extent provided in any qualified domestic relations order—

"(A) the former spouse of a participant shall be treated as a surviving spouse of such participant for purposes of sections 401(a)(11) and 417, and

"(B) if married for at least 1 year, the surviving spouse shall be treated as meeting the requirements of section 417(d).

A plan shall not be treated as failing to meet the requirements of subsection (a) or (k) of section 401 which prohibit payment of benefits before termination of employment solely by reason of payments to an alternate payee pursuant to a qualified domestic relations order.

"(6) PLAN PROCEDURES WITH RESPECT TO ORDERS.—

"(A) NOTICE AND DETERMINATION BY ADMINISTRATOR.—In the case of any domestic relations order received by a plan—

"(i) the plan administrator shall promptly notify the participant and any other alternate payee of the receipt of such order and the plan's procedures for determining the qualified status of domestic relations orders, and

"(ii) within a reasonable period after receipt of such order, the plan administrator shall determine whether such order is a qualified domestic relations order and notify the participant and each alternate payee of such determination.

"(B) PLAN TO ESTABLISH REASONABLE PROCEDURES.—Each plan shall establish reasonable procedures to determine the qualified status of domestic relations orders and to administer distributions under such qualified orders.

"(7) PROCEDURES FOR PERIOD DURING WHICH DETERMINATION IS BEING MADE.—

"(A) IN GENERAL.—During any period in which the issue of whether a domestic relations order is a qualified domestic relations order is being determined (by the plan administrator, by a court of competent jurisdiction, or otherwise), the plan administrator shall segregate in a separate account in the plan or in an escrow account the amounts which would have been payable to the alternate payee during such period if the order had been determined to be a qualified domestic relations order.

"(B) PAYMENT TO ALTERNATE PAYEE IF ORDER DETERMINED TO BE QUALIFIED DOMESTIC RELATIONS ORDER.—If within 18 months the order (or modification thereof) is determined to be a qualified domestic relations order, the plan administrator shall pay the segregated amounts (plus any interest thereon) to the person or persons entitled thereto.

"(C) PAYMENT TO PLAN PARTICIPANT IN CERTAIN CASES.—If within 18 months—

"(i) it is determined that the order is not a qualified domestic relations order, or

"(ii) the issue as to whether such order is a qualified domestic relations order is not resolved,

then the plan administrator shall pay the segregated amounts (plus any interest thereon) to the person or persons who would have been entitled to such amounts if there had been no order.

"(D) SUBSEQUENT DETERMINATION OR ORDER TO BE APPLIED PROSPECTIVELY ONLY.—Any determination that an order is a qualified domestic relations order which is made after the close of the 18-month period shall be applied prospectively only.

"(8) ALTERNATE PAYEE DEFINED.—The term 'alternate payee' means any spouse, former spouse, child or other dependent of a participant who is recognized by a domestic relations order as having a right to receive all, or a portion of, the benefits payable under a plan with respect to such participant.

"(9) CONSULTATION WITH THE SECRETARY.—In prescribing regulations under this subsection and section 401(a)(13), the Secretary of Labor shall consult with the Secretary."

(c) TAX TREATMENT OF DIVORCE DISTRIBUTIONS.—

(1) ALTERNATE PAYEE MUST INCLUDE BENEFITS IN GROSS INCOME.—Section 402(a) (relating to taxability of beneficiary of trust) is amended by adding at the end thereof the following new paragraph:

"(9) ALTERNATE PAYEE UNDER QUALIFIED DOMESTIC RELATIONS ORDER TREATED AS DISTRIBUTEE.—For purposes of subsection (a)(1) and section 72, the alternate payee shall be treated as the distributee of any distribution or payment made to the alternate payee under a qualified domestic relations order (as defined in section 414(p))."

(2) ALLOCATION OF INVESTMENT IN THE CONTRACT.—Subsection (m) of section 72 (relating to special rules applicable to employee annuities and distributions under employee plans) is amended by adding at the end thereof the following new paragraph:

"(10) DETERMINATION OF INVESTMENT IN THE CONTRACT IN THE CASE OF QUALIFIED DOMESTIC RELATIONS ORDERS.—Under regulations prescribed by the Secretary, in the case of a distribution or payment made to an alternate payee pursuant to a qualified domestic relations order (as defined in section 414(p)), the investment in the contract as of the date prescribed in such regulations shall be allocated on a pro rata basis between the present value of such distribution or payment and the present value of all other benefits payable with respect to the participant to which such order relates.".

(3) ROLLOVER OF DISTRIBUTIONS UNDER QUALIFIED DOMESTIC RELATIONS ORDERS.—Paragraph (6) of section 402(a) (relating to special rules for rollovers) is amended by adding at the end thereof the following new subparagraph:

"(F) QUALIFIED DOMESTIC RELATIONS ORDERS.—If—

"(i) within 1 taxable year of the recipient, the balance to the credit of the recipient by reason of any qualified domestic relations order (within the meaning of section 414(p)) is distributed or paid to the recipient,

"(ii) the recipient transfers any portion of the property the recipient receives in such distributions to an eligible retirement plan described in subclause (I) or (II) of paragraph (5)(E)(iv), and

"(iii) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed,

then the portion of the distribution so transferred shall be treated as a distribution described in paragraph (5)(A).".

(4) CLARIFICATION OF ELIGIBILITY OF PARTICIPANT FOR LUMP SUM TREATMENT.—Paragraph (4) of section 402(e) (relating to tax on lump sum distributions) is amended by adding at the end thereof the following new subparagraph:

"(M) BALANCE TO CREDIT OF EMPLOYEE NOT TO INCLUDE AMOUNTS PAYABLE UNDER QUALIFIED DOMESTIC RELATIONS ORDER.—For purposes of this subsection, subsection (a)(2) of this section, and section 403(a)(2), the balance to the credit of an employee shall not include any amount payable to an alternate payee under a qualified domestic relations order (within the meaning of section 414(p))."

SEC. 205. RESTRICTION ON MANDATORY DISTRIBUTIONS.

(a) GENERAL RULE.—Subsection (a) of section 411 (relating to minimum vesting standards) is amended by adding at the end thereof the following new paragraph:

"(11) RESTRICTIONS ON CERTAIN MANDATORY DISTRIBUTIONS.—

"(A) IN GENERAL.—If the present value of any accrued benefit exceeds $3,500, such benefit shall not be treated as nonforfeitable if the plan provides that the present value of such benefit could be immediately distributed without the consent of the participant.

"(B) DETERMINATION OF PRESENT VALUE.—For purposes of subparagraph (A), the present value shall be calculated by using an interest rate not greater than the interest rate which would be used (as of the date of the distribution) by the Pension Benefit Guaranty Corporation for purposes of determining the present value of a lump sum distribution on plan termination."

(b) CONFORMING AMENDMENT.—Subparagraph (B) of section 411(a)(7) (relating to effect of certain distributions) is amended by striking out "$1,750" and inserting in lieu thereof "$3,500".

SEC. 206. PARTICIPANT TO BE NOTIFIED THAT BENEFITS MAY BE FORFEITABLE.

Subsection (e) of section 6057 (relating to individual statement to participants) is amended by adding at the end thereof the following new sentence: "Such statement shall also include a notice to the participant of any benefits which are forfeitable if the participant dies before a certain date."

SEC. 207. WRITTEN EXPLANATION OF ROLLOVER TREATMENT REQUIRED TO BE GIVEN TO RECIPIENT OF DISTRIBUTIONS ELIGIBLE FOR ROLLOVER TREATMENT.

(a) GENERAL RULE.—Section 402 (relating to taxability of beneficiary of employees trusts) is amended by adding at the end thereof the following new subsection:

"(f) WRITTEN EXPLANATION TO RECIPIENTS OF DISTRIBUTIONS ELIGIBLE FOR ROLLOVER TREATMENT.—

"(1) IN GENERAL.—The plan administrator of any plan shall, when making a qualifying rollover distribution, provide a written explanation to the recipient—

"(A) of the provisions under which such distribution will not be subject to tax if transferred to an eligible retirement plan within 60 days after the date on which the recipient received the distribution, and

"(B) if applicable, the provisions of subsections (a)(2) and (e) of this section.

"(2) DEFINITIONS.—For purposes of this subsection, the terms 'qualifying rollover distribution' and 'eligible retirement plan' have the respective meanings given such terms by subsection (a)(5)(E)."

(b) PENALTY FOR FAILURE TO PROVIDE WRITTEN EXPLANATION.—Section 6652 (relating to penalty for failure to file certain information returns, registration statements, etc.) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) FAILURE TO GIVE WRITTEN EXPLANATION TO RECIPIENTS OF CERTAIN QUALIFYING ROLLOVER DISTRIBUTIONS.—In the case of each failure to provide a written explanation as required by section 402(f), at the time prescribed therefor, unless it is shown that such failure is due to reasonable cause and not to willful neglect, there shall be paid, on notice and demand of the Secretary and in the same manner as tax, by the person failing to provide such written explanation, an amount equal to the $10 for each such failure, but the total amount imposed on such person for all such failures during any calendar year shall not exceed $5,000.".

TITLE III—GENERAL PROVISIONS

SEC. 301. TREATMENT OF CERTAIN PLAN AMENDMENTS AND ACTUARIAL ASSUMPTIONS.

(a) CERTAIN PLAN AMENDMENTS TREATED AS REDUCING BENEFITS.—

(1) AMENDMENT OF INTERNAL REVENUE CODE OF 1954.—Paragraph (6) of section 411(d) of the Internal Revenue Code of 1954 (relating to accrued benefit not to be decreased by amendment) is amended to read as follows:

"(6) ACCRUED BENEFIT NOT TO BE DECREASED BY AMENDMENT.—

"(A) IN GENERAL.—A plan shall be treated as not satisfying the requirements of this section if the accrued benefit of a participant is decreased by an amendment of the plan, other than an amendment described in section 412(c)(8), or section 4281 of the Employee Retirement Income Security Act of 1974.

"(B) TREATMENT OF CERTAIN PLAN AMENDMENTS.—For purposes of subparagraph (A), a plan amendment which has the effect of—

"(i) eliminating or reducing an early retirement benefit or a retirement-type subsidy (as defined in regulations), or

"(ii) eliminating an optional form of benefit,

with respect to benefits attributable to service before the amendment shall be treated as reducing accured benefits. In the case of a retirement-type subsidy, the preceding sentence shall apply only with respect to a participant who satisfies (either before or after the amendment) the preamendment conditions for the subsidy. The Secretary may by regulations provide that this subparagraph shall not apply to a plan amendment described in clause (ii) (other than a plan amendment having an effect described in clause (i)).".

(2) AMENDMENT OF EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Subsection (g) of section 204 of the Employee Retirement Income Security Act of 1974 is amended to read as follows:

"(g)(1) The accrued benefit of a participant under a plan may not be decreased by an amendment of the plan, other than an amendment described in section 302(c)(8).

"(2) For purposes of paragraph (1), a plan amendment which has the effect of—

"(A) eliminating or reducing an early retirement benefit or a retirement-type subsidy (as defined in regulations), or

"(B) eliminating an optional form of benefit,

with respect to benefits attributable to service before the amendment shall be treated as reducing accrued benefits. In the case of a retirement-type subsidy, the preceding sentence shall apply only with respect to a participant who satisfies (either before or after the amendment) the preamendment conditions for the subsidy. The Secretary of the Treasury may by regulations provide that this subparagraph shall not apply to a plan amendment described in subparagraph (B) (other than a plan amendment having an effect described in subparagraph (A)).".

(b) REQUIREMENT THAT ACTUARIAL ASSUMPTIONS BE SPECIFIED.—Subsection (a) of section 401 of the Internal Revenue Code of 1954 (relating to qualified pension, profit-sharing, and stock bonus plans) is amended by inserting after paragraph (24) the following new paragraph:

"(25) REQUIREMENT THAT ACTUARIAL ASSUMPTIONS BE SPECIFIED.—A defined benefit plan shall not be treated as providing definitely determinable benefits unless, whenever the amount of any benefit is to be determined on the basis of actuarial assumptions, such assumptions are specified in the plan in a way which precludes employer discretion.".

SEC. 302. GENERAL EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in this section or section 303, the amendments made by this Act shall apply to plan years beginning after December 31, 1984.

(b) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before the date of the enactment of this Act, except as provided in subsection (d) or section 303, the amendments made by this Act shall not apply to plan years beginning before the earlier of—

(1) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(2) January 1, 1987.

For purposes of paragraph (1), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by title I or II shall not be treated as a termination of such collective bargaining agreement.

(c) NOTICE REQUIREMENT.—The amendments made by section 207 shall apply to distributions after December 31, 1984.

(d) SPECIAL RULES FOR TREATMENT OF PLAN AMENDMENTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by section 301 shall apply to plan amendments made after July 30, 1984.

(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements entered into before January 1, 1985, which are—

(A) between employee representatives and 1 or more employers, and

(B) successor agreements to 1 or more collective bargaining agreements which terminate after July 30, 1984, and before January 1, 1985,

the amendments made by section 301 shall not apply to plan amendments adopted before April 1, 1985, pursuant to such successor agreements (without regard to any modification or reopening after December 31, 1984).

SEC. 303. TRANSITIONAL RULES.

(a) AMENDMENTS RELATING TO VESTING RULES; BREAKS IN SERVICE; MATERNITY OR PATERNITY LEAVE.—

(1) MINIMUM AGE FOR VESTING.—The amendments made by sections 102(b) and 202(b) shall apply in the case of participants who have at least 1 hour of service under the plan on or after the first day of the first plan year to which the amendments made by this Act apply.

(2) BREAK IN SERVICE RULES.—If, as of the day before the first day of the first plan year to which the amendments made by this Act apply, section 202 (a) or (b) or 203(b) of the Employee Retirement Income Security Act of 1974 or section 410(a) or 411(a) of the Internal Revenue Code of 1954 (as in effect on the day before the date of the enactment of this Act) would not require any service to be taken into account, nothing in the amendments made by subsections (c) and (d) of section 102 of this Act and subsections (c) and (d) of section 202 of this Act shall be construed as requiring such service to be

taken into account under such section 202 (a) or (b), 203(b), 410(a), or 411(a); as the case may be.

(3) MATERNITY OR PATERNITY LEAVE.—The amendments made by sections 102(e) and 202(e) shall apply in the case of absences from work which begin on or after the first day of the first plan year to which the amendments made by this Act apply.

(b) SPECIAL RULE FOR AMENDMENTS RELATING TO MATERNITY OR PATERNITY ABSENCES.—If a plan is administered in a manner which would meet the amendments made by sections 102(e) and 202(e) (relating to certain maternity or paternity absences not treated as breaks in service), such plan need not be amended to meet such requirements until the earlier of—

(1) the date on which such plan is first otherwise amended after the date of the enactment of this Act, or

(2) the beginning of the first plan year beginning after December 31, 1986.

(c) REQUIREMENT OF JOINT AND SURVIVOR ANNUITY AND PRERETIREMENT SURVIVOR ANNUITY.—

(1) REQUIREMENT THAT PARTICIPANT HAVE AT LEAST 1 HOUR OF SERVICE OR PAID LEAVE ON OR AFTER DATE OF ENACTMENT.—The amendments made by sections 103 and 203 shall apply only in the case of participants who have at least 1 hour of service under the plan on or after the date of the enactment of this Act or have at least 1 hour of paid leave on or after such date of enactment.

(2) REQUIREMENT THAT PRERETIREMENT SURVIVOR ANNUITY BE PROVIDED IN CASE OF CERTAIN PARTICIPANTS DYING ON OR AFTER DATE OF ENACTMENT.—In the case of any participant—

(A) who has at least 1 hour of service under the plan on or after the date of the enactment of this Act or has at least 1 hour of paid leave on or after such date of enactment,

(B) who dies before the annuity starting date, and

(C) who dies on or after the date of the enactment of this Act and before the first day of the first plan year to which the amendments made by this Act apply,

the amendments made by sections 103 and 203 shall be treated as in effect as of the time of such participant's death.

(3) SPOUSAL CONSENT REQUIRED FOR CERTAIN ELECTIONS AFTER DECEMBER 31, 1984.—Any election after December 31, 1984, and before the first day of the first plan year to which the amendments made by this Act apply not to take a joint and survivor annuity shall not be effective unless the requirements of section 205(c)(2) of the Employee Retirement Income Security Act of 1974 (as amended by section 103 of this Act) and section 417(a)(2) of the Internal Revenue Code of 1954 (as added by section 203 of this Act) are met with respect to such election.

(d) AMENDMENTS RELATING TO ASSIGNMENTS IN DIVORCE, ETC., PROCEEDINGS.—The amendments made by sections 104 and 204 shall take effect on January 1, 1985, except that in the case of a domestic relations order entered before such date, the plan administrator—

(1) shall treat such order as a qualified domestic relations order if such administrator is paying benefits pursuant to such order on such date, and

(2) may treat any other such order entered before such date as a qualified domestic relations order even if such order does not meet the requirements of such amendments.

(e) TREATMENT OF CERTAIN PARTICIPANTS WHO SEPARATE FROM SERVICE BEFORE DATE OF ENACTMENT.—

(1) JOINT AND SURVIVOR ANNUITY PROVISIONS OF EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 APPLY TO CERTAIN PARTICIPANTS.—If—

(A) a participant had at least 1 hour of service under the plan on or after September 2, 1974,

(B) section 205 of the Employee Retirement Income Security Act of 1974 and section 401(a)(11) of the Internal Revenue Code of 1954 (as in effect on the day before the date of the enactment of this Act) would not (but for this paragraph) apply to such participant,

(C) the amendments made by sections 103 and 203 of this Act do not apply to such participant, and

(D) as of the date of the enactment of this Act, the participant's annuity starting date has not occurred and the participant is alive,

then such participant may elect to have section 205 of the Employee Retirement Income Security Act of 1974 and section 401(a)(11) of the Internal Revenue Code of 1954 (as in effect on the day before the date of the enactment of this Act) apply.

(2) TREATMENT OF CERTAIN PARTICIPANTS WHO PERFORM SERVICE ON OR AFTER JANUARY 1, 1976.—If—

(A) a participant had at least 1 hour of service in the first plan year beginning on or after January 1, 1976,

(B) the amendments made by sections 103 and 203 would not (but for this paragraph) apply to such participant,

(C) when such participant separated from service, such participant had at least 10 years of service under the plan and had a nonforfeitable right to all (or any portion) of such participant's accrued benefit derived from employer contributions, and

(D) as of the date of the enactment of this Act, such participant's annuity starting date has not occurred and such participant is alive,

then such participant may elect to have the qualified preretirement survivor annuity requirements of the amendments made by sections 103 and 203 apply.

(3) PERIOD DURING WHICH ELECTION MAY BE MADE.—An election under paragraph (1) or (2) may be made by any participant during the period—

(A) beginning on the date of the enactment of this Act, and

(B) ending on the earlier of the participant's annuity starting date or the date of the participant's death.

(4) REQUIREMENT OF NOTICE.—

(A) IN GENERAL.—

(i) TIME AND MANNER.—Every plan shall give notice of the provisions of this subsection at such time or times and in such manner or manners as the Secretary of the Treasury may prescribe.

(ii) PENALTY.—If any plan fails to meet the requirements of clause (i), such plan shall pay a civil penalty to the Secretary of the Treasury equal to $1 per participant for each day during the period beginning with the first day on which such failure occurs and ending on the day before notice is given by the plan; except that the amount of such penalty imposed on any plan shall not exceed $2,500.

(B) RESPONSIBILITIES OF SECRETARY OF LABOR.—The Secretary of Labor shall take such steps (by public announcements and otherwise) as may be necessary or appropriate to bring to public attention the provisions of this subsection.

SEC. 304. STUDY BY COMPTROLLER GENERAL OF THE UNITED STATES.

(a) GENERAL RULE.—The Comptroller General of the United States shall conduct a detailed study (based on a reliable scientific sample of typical pension plans of various designs and sizes) of the effect on women of participation, vesting, funding, integration, survivorship features, and other relevant plan and Federal pension rules.

(b) GENERAL ACCOUNTING OFFICE ACCESS TO RECORDS.—For the purpose of conducting the study under subsection (a), the Comptroller General, or any of his duly authorized representatives, shall have access to and the right to examine and copy—

(1) any pension plan books, documents, papers, records, or other recorded information within the possession or control of the plan administrator or sponsor, or any person providing services to the plan, and

(2) any payroll, employment, or other related records within the possession or control of any employer contributing to or sponsoring a pension plan,

that is pertinent to such study. The Comptroller General shall not disclose the identity of any individual or employer in making any information obtained under this subsection available to the public.

(c) DEFINITIONS.—For purposes of this section, the terms "pension plan", "administrator", "plan sponsor", and "employer" are defined in section 3 of the Employee Retirement Income Security Act of 1974, as amended.

(d) COOPERATION WITH OTHER FEDERAL AGENCIES.—In conducting the study under subsection (a), the Comptroller General shall consult with the Internal Revenue Service, the Department of Labor, and other interested Federal agencies so as to prevent any duplication of data compilation or analyses.

(e) REPORT.—Not later than January 1, 1990, the Comptroller General shall submit a report on the study conducted under this section to the Committee on Ways and Means of the House of Representatives, the Committee on Education and Labor of the House of Representatives, the Committee on Finance of the Senate, the Committee on Labor and Human Resources of the Senate, and the Joint Committee on Taxation.

The SPEAKER. Is there objection to the initial request of the gentlewoman from Connecticut?

Mr. ERLENBORN. Mr. Speaker, reserving the right to object, I take this time, under my reservation of objection, to engage in a colloquy with the chairman of the Subcommittee on Education and Labor that has jurisdiction of this legislation, the gentleman from Missouri [Mr. CLAY].

The technical explanation of H.R. 4280 as inserted in the CONGRESSIONAL RECORD of August 2, 1984 (pages S9679, S9680) contains an explanation of the effect that section 301(a) of the bill, relating to "Certain Plan Amendments Treated As Reducing Benefits," has on plans and the Pension Benefit Guaranty Corporation [PBGC] in connection with the termination of pension plans. I ask the gentleman if the following is a correct statement of what is intended under subsection 301(a).

First, the technical explanation states that the bill does not contain an exception to the prohibition against reduction of benefits or elimination of benefit options in the case of a terminated plan. The explanation further states that a plan is not to be considered to have satisfied all of its liabilities to participants and beneficiaries until it has provided for the payment of contingent liabilities with respect to a participant who, after the date of the termination of a plan, meets the requirements for a subsidized benefit. The explanation also states that it is not intended that the absence of such an exception is to affect the liability of the Pension Benefit Guaranty Corporation [PBGC] with respect to benefits under terminated plans.

Is it the understanding of the gentleman that the liability of the PBGC for guaranteed benefits will not be affected because, to the extent that participants meet the requirements for early retirement, retirement-type subsidy, and other benefits after the date of plan termination, even though these benefits are subject to the section 301(a) anticutback provisions by reason of being treated as accrued benefits, the benefits will not, as under current law and PBGC regulations, be included in the allocation of asset priority categories described under ERISA section 4044(a)(1) through 4044(a)(4) upon the termination of the pension plan?

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Missouri [Mr. CLAY] for an answer to that inquiry.

Mr. CLAY. I thank the gentleman from Illinois for yielding.

Yes, the gentleman's understanding is correct that section 301(a) does not affect the liability of the PBGC and the determination of plan sufficiency under title IV of ERISA. To the extent that participants meet the plan requirements for eligibility for benefits after the date of plan termination, even though these benefits are treated as accrued benefits under section 301, the benefits are not to be allocated to the four asset priority categories set forth in ERISA section 4044(a)(1) through 4044(a)(4). Such benefits may be allocated to subsequent asset priority categories, however. Accordingly, for sufficient plans, it is expected that regulations will prescribe the means by which the value of such benefits may be determined in order to facilitate the orderly wind up of the affairs of a terminated plan and the distribution of plan assets.

Mr. ERLENBORN. Mr. Speaker, I thank the gentleman.

Mr. Speaker, further reserving the right to object, today's consideration of H.R. 4280, the Retirement Equity Act of 1984, represents another milestone in the evolution shaping this Nation's pension policy that began with the passage of ERISA in 1974.

The private pension system even after its struggles to cope with the regulatory effects of ERISA, MEPPA, and more recently TEFRA, remains a strong and dynamic economic force important to the maintenance of our social fabric and free enterprise system. As our economic and social pattern change, we can expect that those changes will be reflected in the structure of our varied systems of providing retirement income security. Since the passage of ERISA, there has been a growing demand that the private pension system improve the delivery of retirement benefits and provide for greater equity by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home.

The Retirement Equity Act reflects these concerns by extending the ERISA participation and vesting standards to the younger and more highly mobile segment of the labor force in industries having private pension plans. While these changes will probably increase overall pension coverage by less than 10 percent, their effects and costs will be felt most heavily among those industries with younger than average work forces. It is for this reason I regret that the final legislation does not contain the participation provision in the bill reported by our Education and Labor Committee which would have allowed defined benefit plans an optional "look-back" to age 21, thus preserving all accrued benefits but reducing unnecessary administrative costs while hurting no one. It would indeed be unfortunate if such administrative costs deter the establishment of defined benefit plans in the future. We should continue to monitor these changes and other provisions of ERISA to identify and modify any features which might unnecessarily add administrative or other obstacles hindering the establishment of defined benefit plans—the type of plan which provides the greatest retirement income security to participants.

The earlier participation and vesting provisions in the bill coupled with the early availability of a preretirement spousal death benefit will undoubtedly result in an increase in the number of involuntary cashouts of benefits made by pension plans. Under the bill the involuntary cashout limit is doubled from $1,750 to $3,500. To encourage recipients to preserve these smaller lump-sum distributions for retirement purposes, the distributing plan would have to provide information to the recipient of the tax consequences and procedures connected with a tax-free rollover of the distribution into an IRA.

The bill also includes important protections for spouses and dependents in the revised ERISA joint and survivor and domestic relation order provisions. Generally the spouse of a plan participant with vested benefits would be eligible to receive a 50 percent joint and survivor annuity in the event of the participant's death either before or after retirement. The participant would be given the option to elect out of the preretirement and the postretirement survivor coverage, but only with the written consent of the spouse. These changes will remedy the tragic situations which occur under present law in which a spouse is denied a survivor annuity because a worker dies just a few weeks or years short of reaching early retirement or in which misunderstandings, inadvertent mistakes, and administrative problems lead to the forfeiture of survivor coverage.

Spouses and other dependents, and pension plans as well, are afforded certainty of treatment under the bill in connection with benefit rights extended by means of domestic relations orders relating to alimony, child support, or marital property rights.

Another provision in the bill, a modification of one originally included in my ERISA Simplification Act (H.R. 3071), preserves and clarifies the original broad preemption of State law under ERISA section 514 while carving out an appropriate and well-defined exception for domestic relations orders meeting specific standards (that is, qualified domestic relations orders). Domestic relations orders not meeting the qualification requirements would continue to be preempted under ERISA and considered a prohibited assignment and alienation under both ERISA and the Internal Revenue Code until they are modified to meet such requirements. To protect plans and participants, the bill makes specific provision for when benefits can commence, the form in which they can be paid, the present value of the amount on which they are based, and nonduplication in the event of multiple court orders.

In connection with this important provision of the bill, that relating to qualified domestic relations orders [QDRO], my colleague BILL CLAY has in his statement clarified by example the application of those provisions. The examples: Illustrate that a QDRO cannot provide for "increased benefits, determined on the basis of actuarial value"; illustrate that QRDO which provides for payments to commence before a participant's retirement may only take into account the present value of the unsubsidized benefit that has actually accrued; make it clear that the bill generally does not define

or restrict the marital property interest in retirement benefits as determined under State law; explain what the law means when it says that a QRDO may treat the former spouse as a surviving spouse for J&S purposes; illustrate how the J&S rules interrelate with the domestic relations rules when there is a former spouse with a QRDO and a surviving spouse at the time of a participant's death; and make it clear that a plan may charge a former spouse with the cost of survivor protection to the same extent as the plan would charge the participant and the current spouse for such protection.

I concur that the examples as explained by my colleague represent the true intent of the qualified domestic relations order provisions in the bill as added to both ERISA and the Internal Revenue Code.

Deserving of comment are the far-reaching changes to present law made under section 301 of the bill. As originally explained in the report of the Committee on Ways and Means giving rise to section 301 (Rept. 98-655, part 2), this section was merely to codify two revenue rulings (Rev. Rul. 81-12 and 79-90). As amended by the Senate, the final provisions of section 301 go considerably beyond the mere codification of the two rulings. While subsection 301(b) codifies Revenue Ruling 79-90, subsection 301(a) goes far beyond the mere codification of Revenue Ruling 81-12. The technical explanation of this section appearing in the CONGRESSIONAL RECORD of August 2, 1984 (at pages S9679-S9680) states that subsection 301(a) "generally protects the accrual of benefits with respect to participants who have met the requirements for a benefit as of the time a plan is amended and participants who subsequently meet the preamendment requirements." However, the definition of an "accrued benefit" under section 301 is not changed from current law in certain circumstances—for example, the technical explanation goes on to state that:

> The bill does not, however, prevent the reduction of a subsidy in the case of a participant who, at the time of separation from service (whether before or after the plan amendment), has not met the preamendment requirements. The provision does not change any rules under which accrued benefits become vested.

With respect to this latter case the definition of accrued benefit and the application of Revise Rule 79-90 and Revise Rule 81-12 remain unchanged from current law which I explain, based on my understanding of ERISA as an original author and conferee, in the following "Summary of Present Law Regarding Accrued Benefits and Plan Amendments."

The technical explanation of H.R. 4280 as appearing in the CONGRESSIONAL RECORD of August 2, 1984 (at pages S9679-S9680) also describes the treatment under section 301(a) of certain benefits payable under plans solely as a result of a plant shutdown. In the case in which a shutdown occurs after the date of plan termination as determined in accordance with the provisions under section 4048 of ERISA, it is my understanding, and I have been assured that it is the administration's understanding also, that section 301(a) is not intended to change current law or PBGC regulations with respect to the treatment of shutdown benefits after such a plan termination.

In conclusion, the Retirement Equity Act of 1984 adds a significant milestone in retirement income security and comes at a propitious time on the 10th anniversary of ERISA. As has always been the case in the pension area, our chairman of the Subcommittee on Labor-Management Relations, BILL CLAY, has acted in a responsive and bipartisan manner to bring about legislation for which we can be proud. I also want to commend my colleague MARGE ROUKEMA, the ranking Republican on the Subcommittee on Labor-Management Relations, for her interest and leadership in expediting the passage of this legislation. This legislation is a demonstration of the kind of product which can result when our committees here in the House, the President, the Senate, and many diverse outside groups work together in harmony toward a common goal—in this case pension equity.

SUMMARY OF PRESENT LAW REGARDING ACCRUED BENEFITS AND PLAN AMENDMENTS

DEFINITION OF "ACCRUED BENEFIT"

For defined benefit plans, a participant's "accrued benefit" is defined as the annual benefit commencing at normal retirement age. IRC §411(a)(7); Reg. §1.411(a)-7(a)(1). The term "accrued benefit" does not refer to ancillary benefits not directly related to retirement, and does not take into account subsidized early retirement benefits or any subsidized value in a J&S annuity. Reg. §1.411(a)-7(a)(1); ERISA Conf. Rep. p. 273.[1]

In determining the amount of the benefit payable at normal retirement age, an early retirement benefit is taken into account only in extremely rare cases where the participant could receive a greater dollar amount of benefits by retiring early; that is, only if the amount (and not the present value) of the early retirement benefit is greater than the amount of the benefit commencing at normal retirement age. Reg. §1.411(a)-7(c)(2)(ii). This is illustrated by the following examples from Reg. §1.411(a)-7(c)(6):

Example (1). Plan B provides the following benefits: (1) at normal retirement age 65, $300/mo. for life and (2) at early retirement age 60, $400/mo. for life. The normal retirement benefit is $400/mo., the greater of the benefit payable at normal retirement age ($300) or early retirement ($400).

Example (2). Assume the same facts as example (1) except that the early retirement benefit of $400 is reduced to $300 upon attainment of age 65. If each employee's social security benefit at age 65 is not less than $100, the $100 would be considered to be a social security supplement and would therefore be ignored. Consequently, the normal retirement benefit would be $300.

PROHIBITION AGAINST CUTBACKS

With rare and limited exceptions for certain financially troubled plans, a participant's accrued benefit may not be decreased by a plan amendment. IRC §411(d)(6). All provisions of a plan affecting directly or indirectly the computation of the accrued benefit, including actuarial factors, are already taken into account under present law for this purpose. Reg. §1.411(d)-3(b).

REVENUE RULING 79-90

This ruling provides that, solely for purposes of satisfying the requirement that benefits be definitely determinable, any actuarial factors used to compute benefits must be specified in the plan. Rev. Rul. 79-90 sets forth a rule which is separate and independent of how "accrued benefit" is defined for vesting purposes.

REVENUE RULING 81-12

This ruling addresses the issue not considered in Rev. Rul. 79-90; the extent to which changes in actuarial factors may involve a prohibited decrease of accrued benefits. Rev. Rul. 81-12 states that a plan amendment that changes actuarial factors may not decrease a participant's accrued benefit, and provides standards for plan amendments in this area. This ruling relates only to actuarial factors for the "accrued benefit" which, as explained above, does not include subsidized early retirement benefits or Social Security supplements.

CONCLUSIONS

(1) Under present law, the elimination of an early retirement subsidy is not a decrease in accrued benefits, because by definition the value of any such subsidy is not part of the accrued benefit.

(2) There is nothing in present law that prohibits a plan from eliminating an optional form of benefit, except to the extent that the optional form of benefit is taken into account in determining the normal retirement benefit (see Example 1 above), and the elimination of the optional form, therefore, would decrease the accrued benefit.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the initial request of the gentlewoman from Connecticut?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I do so in order to yield to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY] so that she may explain the bill.

Mrs. KENNELLY. I thank the gentleman.

Mr. Speaker, I rise in strong support of H.R. 4280, the Retirement Equity Act of 1984, as amended by the Senate, and urge the House to concur in the Senate amendment.

Mr. Speaker, the bill at the desk is a slightly amended version of the legis-

[1] The House Ways and Means Committee report on ERISA explicitly stated that "the accrued benefit to which the vesting rules apply is not to include such items as the value of the right to receive benefits commencing at an age before normal retirement age, or so-called social security supplements which are commonly paid in the case of early retirement." H.R. Rep. 807, 93d Cong., 2d Sess. 60 (1974).

lation as it passed the House earlier this year. The bill is the culmination of several years of legislative effort by Congresswoman FERRARO, members of the congressional caucus on women's issues, and members of the Committees on Ways and Means and Education and Labor of the House and the Committee on Finance of the Senate.

As my respected and diligent colleague subcommittee chairman, BILL CLAY noted when this bill first passed the House in late May, it is Congresswoman FERRARO's bill, which she has been developing and advocating for over 4 years, that is the core of the legislation before the House today. The Senate advanced a version of this legislation last November. My colleagues will recall that the Committee on Ways and Means and the Committee on Education and Labor separately worked on major improvements to this legislation, and after exercising their joint jurisdiction, brought to the floor on May 22 a coordinated version of the bill that the House passed overwhelmingly, without amendment, 413 to 0.

The Senate amendment to H.R. 4280, which was reported by the Committee on Finance on August 2 and passed the Senate on Monday, August 6, is essentially the House-passed bill with very minor modifications.

The fact that the Senate moved quickly in approving the House bill virtually unchanged is not surprising. The House bill provided substantially greater survivor protection for spouses of pension plan participants and that, more than anything else in this legislation, is an achievement that will be expressed in human terms. It will mean that pension accruals, which have been forfeited by the misfortune of untimely worker deaths, will become actual benefits for widows, widowers, and dependent children. It will mean that the pension rights workers think they are earning are not illusory. No one should underestimate the significance of the House bill in this regard. I am delighted that the Senate saw the wisdom of the House measure.

Mr. Speaker, as I mentioned before, it is fair to characterize the Senate amendment as technical in nature. The Senate amendment clarifies or further refines certain technical provisions of the House bill or compromises very narrow differences in a handful of provisions where the two versions of the bill differed. The two major clarifications in the Senate amendment relate to the scope of the accrued benefit anticutback rules in section 301 of the bill, and the operation of the early retirement rules with respect to pension payments to divorced spouses. While both of these clarifications are important, it should be stressed that they are only amplifications of and fully consistent with the intent of the original House language. In other words, there is no major policy departure in the Senate amendment from the provisions of H.R. 4280 as it passed the House 11 weeks ago.

At this point, Mr. Speaker, I would like to ask unanimous consent to include in the RECORD a summary description of the provisions of H.R. 4280, H.R. 2769 as amended—the original Senate version of the bill, and the Senate amendment to H.R. 4280. The RECORD of August 2, 1984, provides a detailed description of the House bill as amended and should serve as the principal source of legislative history for the bill.

I urge the House to concur in the Senate amendment so that this essential legislation can proceed to the White House for prompt enactment.

COMPARISON OF H.R. 4280 AND H.R. 2769, AND SENATE AMENDMENT TO H.R. 4280 (RETIREMENT EQUITY ACT OF 1984)

INTRODUCTION

This document provides a summary description of the provisions of H.R.4280 and H.R. 2769, the Retirement Equity Act of 1984. H.R. 4280 was unanimously approved by the House of Representatives on May 22, 1984.

The Senate passed provisions similar in nature to H.R. 4280, in H.R. 2769, as amended by the Senate on November 18, 1983. H.R. 2769, as passed by the House, contained the Caribbean Basin Recovery Act; this Act was subsequently enacted in title II of H.R. 2973 (P.L. 98-67). The Senate Committee on Finance amended H.R. 2769 with the provisions of S. 1978, and reported H.R. 2769, as amended, on October 29, 1983 (S. Rep. No. 98-285).

The first part of this document lists the provisions that are the same in the House and Senate bills. The second part is a summary comparison of the differences in the provisions of the House and Senate bills, and of the Senate Amendment to H.R. 4280.

I. PROVISIONS THAT ARE THE SAME IN BOTH BILLS

1. Years of service counted for vesting purposes after age 18.

2. Rule of parity changed from 1 year to 5 years for break-in-service computations.

3. Spousal consent required to decline survivor annuity for spouse.

4. Amount of payments under qualified joint and survivor annuity.

5. Special rule for divorced spouse under joint and survivor annuity provisions.

6. Exception to assignment and alienation provisions for qualified domestic relations orders.

7. Definition of qualified domestic relations order.

8. Provision that qualified domestic relations order may not alter amount, form, timing, etc., of benefits payable by the plan.

9. General exception to definition of qualified domestic relations order for payments to former spouse made after earliest retirement age.

10. Tax treatment of divorce distributions.

11. Notice that benefits may be forfeitable.

12. General effective dates.

II. SUMMARY COMPARISON OF DIFFERENCES BETWEEN HOUSE BILL (H.R. 4280) AND SENATE BILL (H.R. 2769) AND SENATE AMENDMENT TO H.R. 4280

A. MODIFICATIONS OF MINIMUM PARTICIPATION AND VESTING STANDARDS

1. Maximum participation age

Present law.—Maximum age that a plan generally can require an employee to attain before becoming a participant is 25.

House bill.—Lowers the general age limit from 25 to 21; lowers the age limit for educational institutions from 30 to 26.

Senate bill.—Lowers the general age limit from 25 to 21; provides no change in the age limit for educational institutions.

Senate Amendment to H.R. 4280

Adopts House provision.

2. Break in service for vesting under defined contribution plans

Present law.—Under defined contribution plans, years of service after a 1-year break in service need not be counted for determining the vested percentage of a pre-break account balance.

House bill.—Except as provided by the rule of parity, years of service after any 5 consecutive 1-year breaks in service are not taken into account in determining the nonforfeitable percentage of employer-derived benefits accrued before the break.

Senate bill.—No provision.

Senate Amendment to H.R. 4280

Adopts House provision.

3. Maternity or paternity leave

Present law.—There is no special break-in-service rule for maternity or paternity leave. Participants on paid maternity or paternity leave may be entitled to credit for up to 501 hours under the normal break-in-service rules. Credit of more than 500 hours of service in a period prevents a break in service.

a. Availability of credit

House bill.—Requires credit for absences on account of pregnancy, birth of a child, placement of a child in connection with adoption, or for purposes of caring for the child immediately following the birth or placement.

Senate bill.—requires credit for absences on account of the birth of a child, adoption of a child, or for purposes of caring for a child immediately following the birth or adoption.

b. Number of hours credited

House bill.—Credits the hours that normally would have been credited under the plan but for the absence or, if the plan is unable to determine the hours, 8 hours per day of absence.

Senate bill.—Credits 8 hours of service for each day of absence.

c. Period for which hours are credited

House bill.—Hours are to be credited only in the year in which the absence begins if needed to prevent a break in service or, in any other case, in the immediately following year.

Senate bill.—No provision.

d. Information required by participant

House bill.—Plan administrator may require that the participant furnish timely information to establish that the absence is for the permitted reasons and the number of days for which there is an absence.

Senate bill.—No provision with respect to plan administrator requesting information.

Senate Amendment to H.R. 4280

Adopts House provision.

B. JOINT AND SURVIVOR ANNUITY PROVISIONS

1. Availability of survivor benefits

Present law.—Certain plans must provide a joint and survivor annuity at normal retirement age unless the employee elects benefits in another form. If a plan permits early retirement, then survivor benefit coverage is elective for participants at the later of (a) the plan's early retirement age or (b) 10 years before normal retirement age.

A plan may provide that vested benefits are forfeited if a participant dies before normal retirement age (and has not elected early retirement survivor coverage).

House bill.—In the the case of a participant who retires under the plan and who does not elect (with spousal consent) to take benefits in another form, the accrued benefit must be payable in the form of a qualified joint and survivor annuity; in the case of a vested participant who dies before the annuity starting date and who has a surviving spouse, a qualified preretirement survivor annuity must be provided to the surviving spouse.

Senate bill.—A plan must provide for a qualified joint and survivor annuity to a participant who has not elected (with spousal consent) to take benefits in another form, and who (1) while employed, reaches the earliest retirement age and is within 10 years of the normal retirement age or (2) while employed, attains age 45 and has completed at least 10 years of service.

Senate Amendment to H.R. 4280

Adopts House provision.

2. Plans required to provide survivor benefits

Present Law.—Only plans that provide a life annuity as the normal form of benefits must provide a joint and survivor annuity (unless the participant declines it). *BBS Associates, Inc.* v. *Comm'r.*

House bill.—Any defined benefit plan, any defined contribution plan subject to the minimum funding standards (i.e., a money purchase plan), and any participant under any other defined contribution plan must provide a survivor benefit unless (1) the plan pays the vested account balance upon the participant's death, (2) the participant does not elect benefits in the form of a life annuity, and (3) the plan is not an indirect or direct transferee of a plan required to provide a survivor benefit. Overrides *BBS Associates.*

Senate bill.—Any plan that provides for the payment of benefits in the form of a life annuity must provide a survivor benefit. The bill also requires defined benefit plans to provide a life annuity option under the plan. Overrides *BBS Associates.*

Senate Amendment to H.R. 4280

Adopts House provision, but clarifies that a money purchase pension plan that is adopted as part of an ESOP is not treated as a plan subject to the minimum funding standards for purposes of the House rule.

3. Written explanation of survivor benefits

Present law.—Participant must be notified of the right to decline a joint and survivor annuity. Notice must be given within a reasonable period before the annuity starting date.

Notice of elective survivor benefit must be given within a reasonable period before early retirement age.

House bill.—Notice is required within a reasonable period before the annuity starting date (no separate written explanation is required for the preretirement survivor benefit); the explanation must specify the rights of the participant's spouse.

Senate bill.—Notice is required during the period beginning on the first day of the election period and ending on the 90th day before the participant becomes a qualified participant.

Senate Amendment to H.R. 4280

Adopts Senate provision, but requires a separate written explanation of the preretirement survivor benefit.

4. Election period

Present law.—A participant can decline a qualified joint and survivor annuity within a reasonable period (90 days under Treasury regulations) before the annuity starting date.

House bill.—In the case of an election to waive the qualifed joint and survivor annuity, the election period is the 90-day period ending on the annuity starting date; in the case of an election to waive a qualified preretirement survivor annuity, the election period is the period that begins on the first day of the plan year in which the participant attains age 35 and ends on the date of the participant's death. In the case of a separated participant, the election period is the period that begins on the date of separation with respect to benefits accrued before that date.

Senate bill.—The election period is the period beginning on the earlier of the date on which the participant attains age 42 or the earliest retirement age and ending on the annuity starting date.

Senate Amendment to H.R. 4280

Adopts Senate provision, but provides that the joint and survivor annuity election can be made only within the 90-day period ending on the annuity starting date and changes the beginning of the notice period for the preretirement survivor annuity from age 42 to 32.

5. 2-year nonaccidental death rule

Present law.—A plan may provide that the survivor annuity is forfeited if the participant dies (due to nonaccidental causes) within 2 years after an election is made with respect to a joint and survivor annuity.

House bill.—Drops the 2-year rule.

Senate bill.—Retains the 2-year rule.

Senate Amendment to H.R. 4280

Adopts House provision.

6. 1-year marriage rule

Present law.—The plan may provide that the survivor annuity is payable only if the participant is married to the same spouse for at least 1 year before (a) the annuity starting date, and (b) death.

House bill.—A joint and survivor and preretirement survivor annuity need not be provided unless the participant and spouse had been married during the 1-year period ending on the earlier of the participant's annuity starting date or the participant's death. If the participant marries within 1 year before the annuity starting date and the participant and spouse have been married for at least 1 year at the date of death, they are treated as satisfying the 1-year marriage rule.

Senate bill.—No special rule for marriages within 1 year of the annuity starting date.

Senate Amendment to H.R. 4280

Adopts House provision.

7. Restrictions on cash-outs

Present law.—Payments to a surviving spouse or to the former spouse of a participant may be made without the consent of the surviving spouse or former spouse.

House bill.—

(a) No cash-out is permitted without the consent of the surviving spouse if the present value of benefits exceeds $3,500;

(b) No cash-out is permitted after annuity starting date unless the participant or surviving spouse consents;

(c) Consent is required for cash-outs in excess of $3,500; and

(d) Present value is determined using an interest rate no greater than the PBGC rate for valuing lump sum distributions upon plan termination.

Senate bill.—No cash-out may be made without the consent of the surviving spouse if the present value of the benefit exceeds $3,500.

Senate Amendment to H.R. 4280

Adopts House provision.

C. SPECIAL RULES FOR ASSIGNMENTS IN DIVORCE, ETC., PROCEEDINGS

1. ERISA preemption

Present law.—ERISA preempts all State laws that are inconsistent with its provisions. Some courts have created an implied exception for State domestic relations law.

House bill.—Qualified domestic relations orders are excepted from the ERISA preemption provisions.

Senate bill.—No ERISA preemption exception is provided.

Senate Amendment to H.R. 4280

Adopts House provision.

2. Facts that order must specify

Present law.—No applicable provision.

House bill.—Requires the mailing address of the participant if it is available.

Senate bill.—Requires the mailing address of the participant in all events.

Senate Amendment to H.R. 4280

Adopts Senate provision, but requires that the order contain the participant's last known address, if any.

3. Plan procedures with respect to order

Present law.—No applicable provision.

House bill.—A plan administrator is to determine whether an order is qualified within a reasonable period after receipt of the order; the ERISA provisions of the House bill provide procedures with respect to (1) the maximum amount of benefits that a qualified domestic relations order may allocate to an alternate payee, and (2) the procedures that the plan administrator must follow in advising alternate payees of their rights.

Senate bill.—A plan administrator is to determine whether an order is qualified within a reasonable period before benefit payments commence; the Senate bill provides procedures that are similar to the House bill, but do not contain all of the provisions specifying the maximum amount of benefits that a qualified domestic relations order may allocate to an alternate payee.

Senate Amendment to H.R. 4280

Adopts House provision on the time for determining whether an order is qualified; adopts the Senate provision on other plan procedures. In addition, provides that benefits in excess of the actuarial equivalent of the normal retirement benefit are to be paid to an alternate payee only if the participant has actually retired.

4. Procedures for period during which a determination is being made

Present law.—No applicable provision.

House bill.—

(a) During any period for which a determination is being made, the plan administrator is to segregate the amounts in dispute in a separate account in the plan or in a separate account in the plan or in an escrow account; and

(b) If, within 2 years, the order is determined to be qualified, the plan administrator is to pay the segregated amounts plus interest to the divorced spouse or other alternate payee. If the issues are not resolved or the order is found not to be qualified within 2 years, the plan administrator is to pay the benefits to the participant, and any subsequent determination that the order is qualified is to be applied prospectively.

Senate bill.—

(a) No segregation of assets is required; and

(b) If the order is determined not to be qualified, the plan administrator may postpone the payment of benefits, pay the benefits to the participant, or pay the benefits to the alternate payee.

Senate Amendment to H.R. 4280

Adopts House provision, but changes the period of suspension to 18 months.

5. Missing alternate payee

Present law.—State escheat laws are permitted to operate to forfeit the benefit of a lost beneficiary after a period of time (usually 7 years), but a plan may include provisions to prevent escheat.

House bill.—

(a) No express provision;

(b) Plan administrator may not forfeit the amounts payable or pay them to the participant; and

(c) State escheat laws are permitted to operate to forfeit the benefit after a period of time (usually 7 years), as under present law.

Senate bill.—If the plan administrator cannot locate an alternate payee, payments may be postponed for 1 year and then paid to the person who would be eligible to receive them if the order did not exist.

Senate Amendment to H.R. 4280

Adopts House provision.

D. INVOLUNTARY CASH-OUTS—CALCULATION OF PRESENT VALUE

Present law.—If the present value of benefits of a participant who separates from employment does not exceed $1,750, the plan can cash out the benefits without the participant's consent. No credit for prior service is required if the participant later returns and does not repay the amount previously cashed out.

House bill.—Requires the use of an interest rate assumption no greater than PBGC rate for valuing lump-sum distributions on plan termination.

Senate bill.—No provision.

Senate Amendment to H.R. 4280

Adopts House provision.

E. NOTICE OF ROLLOVER TREATMENT TO RECIPIENTS OF LUMP-SUM DISTRIBUTION

Present law.—A plan administrator is not required to notify participants of the conditions upon which distributions are eligible for 10-year income averaging or rollover to an IRA or another qualified plan.

House bill.—Requires a plan administrator to notify the participant that distributions may be eligible for rollover to an IRA or another qualified plan and that the transfer must be made within 60 days of receipt. The penalty for each failure is $10 up to $5,000 each calendar year.

Senate bill.—No provision.

Senate Amendment to H.R. 4280

Adopts House provision, but requires the issuance of officially approved notices by the Treasury that also describes a participant's rights to 10-year income averaging.

F. REV. RULS. 79–90 AND 81–12

Present law.—Prohibits plan amendments that reduce previously accrued benefits. Rev. Rul. 79-90 requires plan to specify interest rate assumptions used to value benefits. Rev. Rul. 81-12 prohibits plan amendments that operate to eliminate benefits options or operate to eliminate previously accrued benefits.

House bill.—The bill prohibits the elimination or reduction of a benefit through a plan amendment that changes the basis for determining actuarial equivalency with respect to previously accrued benefits, and prohibits the elimination or reduction of a subsidy, and accrued early retirement benefit, or an options form of benefit under a defined benefit plan. It does not prevent prospective changes in benefits.

Senate bill.—No statutory provision; committee report contains language, similar to House bill provision, describing present law with respect to optional benefit forms.

Senate Amendment to H.R. 4280

Adopts House provision for all plans, with the following modifications:

(1) provides no special rule for terminated plans (PBGC would continue to guarantee only those benefits it guarantees under present law);

(2) clarifies the scope of the provisions with respect to nonretirement-type benefits (such as social security supplements, death benefits, or medical benefits);

(3) clarifies that the provisions only protect participants who subsequently satisfy the conditions for receipt of the benefits.

(4) permits elimination of optional benefit forms under Treasury regulations in limited circumstances (e.g., when the law changes, or if the optional form does not provide a valuable right); and

(5) the provision applies to amendments made on or after July 31, 1984; there is no inference with respect to present law, and a special effective date is provided for collectively bargained plans currently in negotiations.

G. EFFECTIVE DATES

1. Notice of rollover treatment to recipients of lump-sum distributions

House bill.—Effective for distributions after December 31, 1984.

Senate bill.—No provision.

Senate Amendment to H.R. 4280

Adopts House provision.

2. Age at which service must be credited for vesting purposes

House bill.—Applies to participants who have at least 1 hour of service on or after the date of enactment.

Senate bill.—Applies to participants who have at least 1 hour of service on or after the effective date.

Senate Amendment to H.R. 4280

Adopts Senate provision.

3. Break in service rules

House bill.—No retroactive credit is required under the break in service rules.

Senate bill.—No express provision.

Senate Amendment to H.R. 4280

Adopts House provision.

4. Eligibility for survivor benefits

House bill.—Generally applies to participants who have at least 1 hour of service on or after the date of enactment (including 1 hour of paid leave).

Senate bill.—Generally applies to participants who have at least 1 hour of service on or after the effective date.

Senate Amendment to H.R. 4280

Adopts House provision.

5. Spousal consent required to waive the qualified joint and survivor annuity

House bill.—Spousal consent is required for elections after the date of enactment.

Senate bill.—Spousal consent is required for elections after the effective date.

Senate Amendment to H.R. 4280

Adopts Senate provision with effective date of January 1, 1985.

6. Availability of preretirement survivor benefits in the case of participants dying after the date of enactment

House bill.—The preretirement survivor benefit rules are effective on the date of enactment for any participant who (1) has 1 hour of service after that date; (2) dies before the annuity starting date; and (3) dies on or after the date of enactment and before the effective date. A plan can provide elections to qualified participants on or after the date of enactment.

Senate bill.—No provision.

Senate Amendment to H.R. 4280

Adopts House provision.

7. Treatment of participants who separate from service before the date of enactment under the joint and survivor annuity provisions

House bill.—If a participant had at least 1 hour of service on or after September 2, 1974, separated from service before January 1, 1976, and the annuity starting date has not occurred before the date of enactment, then the joint and survivor annuity rules of ERISA apply to the participant.

Senate bill.—No provision.

Senate Amendment to H.R. 4280

Adopts House provision, but requires appropriate notice to participants and requires that the benefit is to be provided as a joint and survivor benefit only if the participant elects it.

8. Treatment of participants who perform service on or after January 1, 1976, under the joint and survivor annuity provisions

House bill.—

(a) If a participant had at least 1 hour of service on or after January 1, 1976, had at least 10 years of service and was at least partially vested upon separation from service, and whose annuity starting date has not occurred, then the participant may elect to be covered under the preretirement survivor annuity provisions;

(b) The plan must give notice in the first summary annual report made after December 31, 1984;

(c) The penalty for failure to give notice is $1 per participant per day of failure up to $2,500 for any plan. The Secretary of Labor is required to publish notices to inform participants of this right; and

(d) If the plan notice is given, the plan is not liable for the benefit unless an election is received.

Senate bill.—No provision.

Senate Amendment to H.R. 4280

Adopts House provision.

9. Divorce, etc., proceedings

House bill.—

(a) Effective on the date of enactment (whether an order is received before, on, or after the date of enactment); and

(b) An order issued before the date of enactment is treated as qualified (1) with respect to benefits in pay status on the date of enactment and (2) with respect to other benefits, to the extent consistent with the provisions of the bill.

Senate bill.—Effective on January 1, 1985, except that in the case of orders entered before that date, the plan administrator must treat as qualified orders in pay status and may treat as qualified any other order.

Senate Amendment to H.R. 4280

Adopts Senate provision.

10. Requirement that defined benefit plans provide life annuities

House bill.—No special grandfather provision.

Senate bill.—Provisions do not apply to a defined benefit plan in existence on October 19, 1983, that did not provide for the payment of life annuities at that time.

Senate Amendment to H.R. 4280

Adopts House provision.

H. STUDY BY GAO

House bill.—Directs the Comptroller General to conduct a detailed study of the effect of participation, vesting, funding, integration, survivorship features, and other relevant plan rules on women; gives GAO access to plan and employer documents and records.

Senate bill.—No provision.

Senate Amendment to H.R. 4280

Adopts House provision.

I. ADDITIONAL ISSUE—INVOLUNTARY CASH-OUT OF MANDATORY IRA ROLLOVER

House bill.—Prevents a plan from involuntarily cashing out a benefit to a surviving spouse unless the plan gives the surviving spouse the opportunity to designate an IRA or another qualified plan as the recipient of a direct rollover. A plan may involuntarily cash out a benefit if no designation is received within 60 days of the notice of intent to cash out.

Senate bill.—No provision.

Senate Amendment to H.R. 4280

Adopts Senate provision.

□ 1230

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I yield to the distinguished chairman of the subcommittee, the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. I thank the gentleman for yielding to me.

Mr. Speaker, by its action today, the House will write the final chapter on this important pension bill. It is particularly fitting that the process should end here in this body where the process began several years ago.

Most of the major provisions of the Retirement Equity Act were originally contained in a bill first introduced by our colleague, Congresswoman GERALDINE FERRARO of New York, on February 6, 1981. That bill, H.R. 1641, was also a part of the Economic Equity Act of 1981. During the 97th Congress, the Subcommittee on Labor-Management Relations held two hearings on H.R. 1641.

In this Congress, Congresswoman FERRARO reintroduced her bill as H.R. 2100. My subcommittee held two additional days of hearings on her proposals at which Congresswoman FERRARO testified eloquently and forcefully in favor of her bill. For the first time, the Ways and Means Committee also held hearings on the bill. The administration's proposals were introduced last fall by my colleague from Illinois, Congressman JOHN ERLENBORN, as H.R. 4032.

After my subcommittee ordered H.R. 2100 reported as amended, I introduced a clean bill, H.R. 4280, which reflected the changes adopted unanimously by the subcommittee. H.R. 4280 was cosponsored by my distinguished colleagues, MARGE ROUKEMA, GERALDINE FERRARO, JOHN ERLENBORN, and many other House Members.

Shortly thereafter, H.R. 4280 as amended was unanimously reported by the full Education and Labor Committee. H.R. 4280 was subsequently reported by the Ways and Means Committee with amendments worked out in cooperation with the Education and Labor Committee.

At the same time, two bills addressing these issues were before the other body. One, S. 918, introduced by Senators HATFIELD and KENNEDY, was identical to the Ferraro bill. The other, S. 19, was a bill somewhat different in thrust introduced by the chairman of the Finance Committee, Senator DOLE. A third bill, S. 1978, was subsequently introduced by Senators DOLE and LONG with broader-based bipartisan sponsorship.

No one could ever accuse the Congress of not having enough proposals on the table from which to choose.

Most of the bills were quite similar since they addressed the same general issues which were contained in the original Ferraro bill: Minimum eligibility requirements, survivor benefits, and the impact of divorce on plan benefits. Each took a slightly different approach, however. Two of the bills, S. 19 [Dole] and H.R. 4032 [Erlenborn for the administration], did not include any change in current law which permits plans to deny survivor benefits to widows of workers who die before the earliest retirement age under the plan. Testimony at our hearings dramatically demonstrated the tragic injustices and hardships which have occurred because a worker dies "too early" to qualify for survivor protection.

Ultimately the Senate bill, H.R. 2769, did include a provision addressing this issue which provided that if a worker was at least 45 years old and had 10 years of service under the plan at death, a survivor benefit was required. The House bill, H.R. 4280, contained a more generous provision and we are pleased that the bill before us today keeps the House approach: If a worker is vested at death, survivor benefits will be paid, regardless of how old the worker was when death occurred.

The bill before us today is a good bill. It is quite similar to the bill which passed this body unanimously at the end of May. The Senate Finance Committee made a number of refinements to the House-passed bill and the full Senate passed H.R. 4280 as amended on Monday, August 6. Make no mistake about it, however, even though we are being asked to concur in the Senate amendments, the bill before you today embraces the House provisions in every major respect.

I am not going to take the time of my colleagues to explain in excruciating detail the numerous provisions of the bill. However, there are a few issues which I believe need further clarification.

I wish to clarify the domestic relations provisions of the bill. Those provisions generally provide for the assignment of pension benefits to a former spouse, and for treating a former spouse as a surviving spouse in certain cases. Because these provisions will be interpreted by domestic relations lawyers and judges, who generally may not be familiar with the pension laws, it is very important that the rules in this area be clear.

The bill provides that a domestic relations order may assign benefits to a former spouse or other alternate payee only if the order does not require the plan to provide increased benefits, and that whether increased benefits are required is to be determined on the basis of the actuarial value. The following examples illustrate my understanding of how the general rules of the domestic relations provisions, including this prohibition against increased benefits, are intended to operate. Each example involves a defined benefit plan, plan X, under which normal retirement age is 65, earliest retirement age is 55 and the normal retirement benefit is a single annuity for the participant's life. The plan also offers a lump-sum settlement option, a qualified joint and survivor annuity with respect to a participant and the participant's spouse, and a 60-month certain and life annuity. P, a participant in plan X, is divorced from his spouse S1 at age 45. The State court, applying the domestic relations law of State A, enters a domestic relations order awarding S1 a one-half interest in P's accrued benefits to the extent they are attributable to the period of their marriage.

EXAMPLE 1

P retires at age 65 with a total accrued benefit of $1,000 per month. At that time S1 is age 62. Under the laws of State A, $400 per month of P's accrued benefit is considered attributable to P's marriage to S1. The order

provides that S1 is to receive her one-half interest in that portion of P's total benefit when P actually retires. P has since remarried S2. P and S2 choose not to waive the qualified joint and survivor annuity. Under the terms of the order, S1 may elect to receive her court-awarded interest in any form available to P—other than a qualified joint and survivor annuity. S1 elects an immediate single-life annuity. Under the bill, the plan is required to convert her one-half interest in that portion of P's accrued benefits attributable to their marriage from a $200 per month annuity for P's life—50 percent of $400—beginning at P's age 65 to an actuarially equivalent monthly annuity for 61's life beginning at her age 62. Only the $800 per month balance of P's accrued benefit remaining would be taken into account in determining P's qualified joint and survivor annuity.

EXAMPLE 2

Assume the domestic relations order permits S1 to begin receiving her court-awarded interest at any time after P attains age 55. When P attains age 55, S1 elects to begin receiving her interest in the form of a 60-month certain and life annuity. She designates her son as beneficiary of any benefits payable if she dies before receiving the 60 months of guaranteed payment. As of P's 55th birthday, P had accrued benefits under plan X of $500 per month. Under the laws of State A, $300 of that accrued benefit is considered attributable to P's marriage to S1.

Under the bill, plan X would be required to convert S1's one-half interest in that portion of P's accrued benefit attributable to their marriage from a $150 per month deferred annuity for P's life—50 percent of $300—beginning at P's age 65 to an actuarially equivalent immediate 60-months' certain and life annuity for S1's life beginning at her age 52—her age when P attains age 55. Because S1 chose to begin receiving payments before P actually retired, S1 would not be entitled to any subsequent increase in P's accrued benefits even though under the laws of State A part of the increase might be considered attributable to P's marriage to S1, which S1 could have shared in had she waited to receive her court-awarded interest until P actually retired.

As an incentive to early retirement, plan X offers participants who retire between ages 55 and 62 a Social Security supplement equal to 25 percent of their early retirement benefits. The supplement is payable until the participant attains age 62. If P does not retire until after attaining age 62, and thus does not ever receive this supplement, S1 is not entitled to any portion of the supplemental benefit plan X would have paid had P actually retired. On the other hand, if P actually retires prior to age 62 and the order so provides, S1 may share in the appropriate portion of the Social Security supplement.

EXAMPLE 3

P dies at age 53. The domestic relations order awarding S1 a one-half interest in P's accrued benefits attributable to their marriage also provides that S1 is to be treated as P's surviving spouse for purposes of the bill's minimum survivor annuity requirements to the extent of S1's interest in P's accrued benefits. P and S1 were married for at least 1 year at the time of their divorce. At the time of P's death, P had accrued benefits under plan X of $450 per month. Under the laws of State A, $250 of that accrued benefit is considered attributable to P's marriage to S1. P was married to S2 for at least 12 months when he died. P and S1 did not waive S1's survivor annuity protection. P and S2 did not waive S2's survivor annuity protection. Thus both S1 and S2 are entitled to a qualified preretirement survivor annuity.

S1's survivor annuity would be figured by converting a $125 per month annuity for P's life beginning at P's age 65—S1's court-awarded interest in P's accrued benefits—to an actuarially equivalent qualified 50-percent joint and survivor annuity with respect to P and S1 beginning at P's age 55. For example, a $125 per month accrued benefit at age 65 might convert to a $65 per month single-life annuity at age 55 and based on the 3-year difference in P's and S1's ages, a qualified 50-percent joint and survivor annuity of $60 per month for P's life and upon P's death $30 per month for S1's life. Therefore S1's qualified preretirement survivor annuity based on her court-awarded interest in P's accrued benefits would be $30 per month for life beginning the day after P would have turned age 55. S2's survivor annuity would be based on the remaining balance of P's accrued benefit—$450—$125, or $325 per month. For example if S2 were 5 years younger than P, a qualified 50 percent joint and survivor annuity beginning at P's age 55 based on a $325 per month accrued benefit might be $140 per month for P's life and upon P's death, $70 per month for S2's life. S2's qualified preretirement survivor annuity would be $70 per month for life beginning the day after P would have turned age 55.

If the facts are as above except that P did not remarry, S1 would receive the same amount of survivor benefits as computed above and no other survivor benefits would be paid.

EXAMPLE 4

The facts are the same as in example 3 except plan X does not fully subsidize the cost of providing qualified preretirement survivor annuity protection. Under the bill, plan X may charge S1's interest in P's accrued benefits with the cost of providing S1 with survivor annuity protection and the balance of P's accrued benefit with the cost of providing survivor annuity protection to S2. Thus, even though the domestic relations order requires that S1 be treated as P's surviving spouse to the extent of her interest in P's accrued benefits, P and S1 could decide to waive S1's preretirement survivor annuity protection and avoid the charge imposed by plan X for providing that protection. This waiver would not apply to S2's survivor annuity protection, which can only be waived by P and S2. However, a waiver by P and S1 of S1's survivor annuity protection would not increase the amount of P's accrued benefit used to figure S2's preretirement survivor annuity since the order had already assigned a portion of that accrued benefit to S1.

In addition, I wish to clarify the rule of parity provisions with respect to the payment of PBGC premiums. Under current law, PBGC insurance premiums are not owed for a former nonvested employee who has incurred a break in service the greater of 1 year of the break-in-service period specified in the plan. The parity break-in-service provisions of the bill, section 102(d), are not intended to alter the PBGC premium obligations imposed on plans by current law. And, in particular, it is not intended that premiums be payable on former nonvested employees who have incurred a 1-year break in service—or the break period specified in the plan—even though their prior service cannot be disregarded until they have incurred five consecutive 1-year breaks.

In addition, I wish to further clarify the anticutback provisions of section 301 of the bill. Those provisions are not intended to apply to benefit changes authorized by existing law; for example, they do not restrict the right of multiemployer pension plans under ERISA sections 203(a)(3)(E) and 4210(b)(3) and code section 411(a)(3)(E) to disregard past service credit when an employer ceases to be obligated to contribute. Nor do those provisions in any way apply to or affect the provisions of ERISA section 203(a)(3)(B) and code section 411(a)(3)(B) relating to the suspension of benefits for postretirement employment, including the authorization for multiemployer plans to adopt stricter rules for the suspension of subsidized early retirement benefits.

So, for example, the bill does not limit the right of a multiemployer pension plan, which provides for the disregard of past service credit on the effective date of the bill, to invoke those existing service disregard provisions in the event that an employer ceases to be obligated to contribute to the plan. Similarly, a multiemployer plan which contains postretirement benefit suspension rules providing for

the suspension of subsidized early retirement benefits on grounds other than those described in ERISA section 203(a)(3)(E) and code section 411(a)(3)(E) (as authorized by existing law) remains free to apply those rules.

In addition, I have a few comments to make about the principles embodied in the bill, the process by which we got to this point, and where we go from here.

H.R. 4280 is designed to improve the delivery of retirement benefits and provide greater equity for workers covered under private pension plans and their spouses. It does that by recognizing three very important principles:

First, work patterns today and in the future are dramatically different from the work patterns of the late 1960's and early 1970's which formed the basis of ERISA's original minimum eligibility requirements;

Second, marriage is an economic partnership to which spouses who work both inside and outside the home make substantial contributions which have economic value; and

Third, no one benefits when a participant's or beneficiary's rights or a plan's duties or obligations are so unclear that costly and protracted litigation is the inevitable result of lack of statutory clarity.

The bill evolved through a long and generally orderly process which drew upon the leadership and expertise found in the four committees of jurisdiction, private sector representatives of business, organized labor, women's groups and retiree organizations, and the administration. The process was bipartisan and its goal was consensus. The outcome is the bill before you today, a bill we can all be proud of and support.

H.R. 4280 is a necessary first step toward addressing a number of critical questions of pension equity. Inequities exist in our pension laws which affect not only women but all workers whose work patterns vary from the traditional one. Pensions were designed to reward workers who spend an entire work career, or at least a substantial portion of that career, with a single employer. Most workers today do not follow that pattern.

As policymakers, over the next few years, we will face a number of hard choices in the employee benefits area. Questions of coverage, vesting, portability, and integration of pension benefits with Social Security will be issues that future Congresses will consider. This bill points in the direction of the future, not only with respect to the substance of the changes but also with respect to the process which was followed.

While we applaud the leadership and insight of our colleague, GERALDINE FERRARO, who first put these issues forcefully before the Congress more than 3 years ago, we must also acknowledge that none among us, in either body, could have passed this bill alone. But working together, putting aside our partisan and institutional differences, we have produced a bill which will assure that greater numbers of workers will qualify for pensions in the future; a bill that assures that when a spouse suffers the dual loss of a marriage partner and an economic partner, that loss will not be compounded by the loss of pension benefits; and a bill that assures that the trauma of divorce is not followed by the refusal of a pension plan to honor a legitimate State court order awarding the ex-spouse a portion of the worker's benefit.

As the principal sponsor of H.R. 4280, I am proud that such a significant piece of legislation is the first bill from the Subcommittee on Labor-Management Relations to have been acted on by the House since I assumed the chairmanship of the subcommittee. I applaud the members of our subcommittee and the members of the Education and Labor Committee for the work they have done to make this legislation possible. I would particularly like to acknowledge the assistance and cooperation of Congresswoman MARGE ROUKEMA, the ranking minority member of the subcommittee and Congressman JOHN ERLENBORN, the ranking minority member of the full committee.

Special tribute must also be paid to our late beloved chairman, Carl Perkins. Without his leadership, guidance, and encouragement, neither ERISA itself nor many of the other significant pieces of worker protection legislation that the Congress has adopted over the past 20 years would have been possible. This body and our committee will miss him greatly.

I thank my colleagues for their support and cooperation. I urge concurrence with the Senate amendment.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I yield to the distinguished gentlewoman from New Jersey [Mrs. ROUKEMA] who is a cosponsor and a prime mover of this bill.

Mrs. ROUKEMA. I thank the gentleman for yielding to me.

Mr. Speaker, I would like to commend my subcommittee chairman, the gentleman from Missouri [Mr. CLAY], and the cooperation of all members of both the Education and Labor Committee as well as the Ways and Means Committee.

Mr. Speaker, I rise in strong support of H.R. 4280, the Retirement Equity Act of 1984, which eliminates existing inequities in the pension laws and brings those laws into conformity with the changing status of women in contemporary society.

When the Subcommittee on Labor-Management Relations, on which I serve as the ranking minority member, held hearings on this subject last year, one quotation from that hearing has stayed with me ever since and has convinced me of the need to enact this legislation. A woman who had been denied any share of her husband's pension after his death, and who had no pension of her own because of her years of work in the home observed: "The price of child rearing may be an old age of poverty."

That statement sums up much of what this bill is about. By no ill intention on their part, the drafters of ERISA 10 years ago simply failed to take into account the different work patterns of women and the changes that were taking place in those patterns.

Now, 10 years later, we have had a chance to observe the anomalies that occur under ERISA. The wife who supports the family at home for 30 years, raising the children, who finds herself widowed and without a pension at an age where she is too old to begin a career of her own. The working woman who has interspersed childbearing and child rearing throughout her career who finds that, as a result of these interruptions, she also has no pension. These kinds of anomalies have contributed to a most disturbing statistic: Four out of five women receive no pension and, of those who do, the average amount is only a little more than half the average for men.

I applaud my colleagues on the other side of the aisle for joining in this bipartisan effort to eliminate these anomalies and I applaud the Senate for moving expeditiously and avoiding the delays that a conference committee would have caused. We need these reforms today before more women enter a period of their lives where the security of a pension can make the difference between financial survival and poverty.

It should be noted that while this bill, as amended by the other body, retains the major features of the House passed legislation, as a result of the Finance Committee action the bill contains an important change in current law having a far-reaching effect in eliminating currently perceived abuses occurring when overfunded pension plans are terminated and the excess assets revert to the employer. As described in the technical explanation of H.R. 4280 reported by the Committee on Finance a plan is not to be considered, pursuant to section 301 of the bill, to have satisfied all of its liabilities to participants and beneficiaries until it has provided for the payment of contingent liabilities with respect to a participant who, after the date of the termination of a plan, meets the requirements for a subsidized benefit. This change from present law means that for sufficient plans, depending on the circumstances, some or all of the

plan assets that would otherwise revert to the employer will now have to be allocated to participant benefits. By sharing in additional plan assets which otherwise would revert to the employer, employees nearing early retirement at plan termination who later meet the plan's early retirement conditions receive an immediate benefit of the goals of H.R. 4280—that is increased retirement equity. This change in law together with a package of other regulatory changes by the administration—for example, revised PBGC lump sum guidelines; an exemption from the phasein of PBGC benefit guarantees for successor defined benefit plans; revised notice, annuity purchase, and funding guidelines in connection with so-called spin-off terminations; and additional disclosure requirements—provide substantial new protections for participants in overfunded plans by allocating to such persons all the benefits to which they reasonably could have developed an expectation up to the time of plan termination.

Mr. Speaker I appreciate this opportunity to apprise my colleagues of these important changes in the Retirement Equity Act which address a major pension issue brought before this Congress, the reversion of pension assets in connection with the termination of overfunded plans.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I yield to the distinguished gentlewoman from New York [Ms. FERRARO], another cosponsor and prime mover of this bill who has recently reflected great honor on this whole House.

Ms. FERRARO. I thank the gentleman for yielding to me.

Mr. Speaker, this a great day for American women and a great day for every American who is working to provide old age security for him or herself or their family. It has taken 4 years of hard work by Members of this Congress but I believe we now have legislation which provides true economic equity and genuine fariness for women who have worked inside or outside the home.

This year, we celebrate the 10th anniversary of this Nation's landmark pension law, ERISA, and I can think of no more fitting observance than passage of this legislation. Back in 1973, when ERISA was being put together, the junior Senator from Minnesota, Walter Mondale, insisted on provisions which would provide pension benefits to the surviving spouses of workers. I am proud that this bill fulfills Walter Mondale's commitment to joint and survivor benefits by assuring widows that they will receive a share of their husband's pension in almost all cases.

This legislation is built on the belief that marriage is a partnership, and that the work of both spouses should be rewarded with the retirement benefits they have earned together. It is said that you can judge a nation by the way it treats its elderly. This bill is an important first step toward improving the lot of elderly women living alone; women are 72 percent of our elderly poor, and our Nation's fastest growing poverty segment.

More needs to be done to assure all Americans a fair and adequate pension in our changing world of work. That is why I am working with Senator EDWARD KENNEDY to develop additional private pension legislation which recognizes the increased mobility of our workforce and the need for new ways of maximizing retirement income.

We hope to introduce this bill in time for the tenth anniversary celebration of ERISA next month. One does not work on a bill for 4 years without piling up a mountain of thank you's. I just want to note today the work of the Education and Labor Committee and the Ways and Means Committee, who made this bill a better one than the bill I introduced in 1981. I particularly want to thank the chairmen, DAN ROSTENKOWSKI and BILL CLAY, the chairman of the Subcommittee on Labor Management Relations.

I also want to pay tribute to the letters, phone calls and testimony by the countless women in my district and throughout this country, who stepped forward to tell me and this Congress how they have been denied pension rights. They are the unsung heroines who have made the future a brighter one for all American women. We will send the President an important piece of legislation today, and I hope that he speedily signs it into law.

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Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I yield to another sponsor of the legislation in the Congress, and one who has worked hard on this bill, the distinguished gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support and as a cosponsor of the legislation before us and commend my colleagues on their leadership over many years that has made this bill possible. This is landmark legislation. Its impact will be felt by all women and men in America. It imposes fairness and equity on our pension programs.

It is a fact that of those over 65 in America who live alone, 3 out of every 4 depend solely on Social Security income to support themselves. Of the 1 out of every 4 with some additional pension income, the men in that group have income that averages twice that of the women in that group. In other words, women in America who live alone and are over 65 rarely have pension income to enhance their Social Security benefits, and those that do, have minimal, truly minimal pension income.

This bill strikes at the heart of the problem of poverty among senior women. It provides the structure within which women will be able to work and develop their own individual skills and professional talents and then be vested at an age at which they can still have the option to choose to stay home with their children when their children are small, and yet not compromise their retirement income, their financial security, their well being in their senior years. It also assures women that if their husband dies before retirement they will benefit from the retirement plan he has participated in. Such simple provisions as the co-signature requirement that prevents the signing away of spouses benefits with the spouses signature, assures a new fairness and equity to spouses who as part of the family team indirectly earn the family pension.

This legislation is a landmark for all of us, for all working men and women in America, and I applaud it wholeheartedly and urge my colleagues to support it.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I yield to the distinguished gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. I thank the gentleman for yielding.

Mr. Speaker, I rise in wholehearted support of this landmark legislation, and I do commend the committees that are responsible for bringing this to the floor to fruition, especially Ms. FERRARO, Mrs. KENNELLY, and Mrs. ROUKEMA.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, for myself and the gentleman from New York [Mr. CONABLE], our ranking minority member, we believe that the House produced a splendid bill and that the Senate, while it made minor changes, actually improved that bill.

We think this bill is a great example of what the two bodies of the House and the major parties of this country can do when they work together for the common good to improve the lot of women under our ERISA system.

This splendid bill, which deserves the support of every Member, makes important remissions in our retirement laws. Called the Retirement Equalty Act, it will help all employees, but particularly women, to receive full pension credit for years of service in which they spent significant amounts of time away from the workplace in family duties.

It also allows all pension plan members to provide for spouses and exspouses. It presents waivers of survi-

vors' benefits without consent of the spouse. It reduces the age of participation in pension plans from 18 to 25. All of these, and other changes, are calculated to provide better equity for women, both participants and beneficiaries, in all pension plans.

It's a fine bill and should be passed unanimously.

● Mr. CONABLE. Mr. Speaker, I strongly urge my colleagues to support the Retirement Equity Act of 1984, H.R. 4280 as modified by the other body. As I indicated at the time the House approved the earlier version of the bill in May of this year, the bill is intended to insure that individuals will be able to provide retirement security for themselves and for their dependents and survivors despite changes in the work patterns and the status of marriage as an economic partnership.

The changes which have been made to the House passed version of the bill by the other body improve and strengthen the bill from its earlier version. Each of the changes have been carefully reviewed by the Committee on Ways and Means staff and the Education and Labor staff. Because the gentleman from Illinois has accurately described each of the modifications I will not describe them.

The bill will improve considerably the ability of pension plan participants to provide for their spouses and exspouses and for employees, particularly women, to receive full credit for years of service while accommodating family responsibilities. As a result, it represents a significant improvement in the statutory provisions governing our private pension system. At the same time, the burdens which the various changes place on the retirement pension administrators have been minimized to avoid unnecessary paperwork.

I urge the House to adopt this important piece of legislation immediately.●

● Mr. RINALDO. Mr. Speaker, I rise in strong support of H.R. 4280, the Retirement Equity Act of 1984, as amended and approved by the other body. While the pension changes included in the bill apply to both men and women, this legislation will result in greatly increased private pension coverage for women of all ages.

As ranking minority member of the Select Committee on Aging and an original cosponsor of H.R. 4280, I am pleased that the Aging Committee has given this issue a top priority in the 98th Congress. At the committee's hearing on women's pension equity on June 14, 1983, testimony revealed that, in part because of historic work patterns, and in part because of inequities built into the pension law itself, women are on the short end of the stick when it comes to retirement income.

Expanded employer pension and welfare plans over the past 30 years have dramatically improved the income security of current workers and the retired, and women have made major gains. Between 1979 and 1983 alone, 1.2 million more women became entitled to a future retirement benefit under an employer-sponsored plan, and 660,000 more female wage and salary earners became covered by a pension plan. Yet, there is alarming evidence that Federal pension laws and employer-sponsored plans have not kept pace with changing economic realities.

While women constitute nearly 45 percent of the Nation's work force, they make up only 40 percent of workers covered by pension plans and 35 percent of those actually entitled to future benefits, according to the Employee Benefit Research Institute. Older women are particularly disadvantaged: Whereas women account for 60 percent of the population over 65, they represent 72 percent of the elderly poor. Although three-quarters of older men are married and living with their spouses, only a little more than one-third of older women are in similar circumstances, adding further to economic difficulties.

H.R. 4280 amends the Employee Retirement Income Security Act [ERISA] and the Internal Revenue Code to improve the rights of homemakers, spouses, mothers, workers, and widows to receive pension benefits. Some of its key features are as follows:

First, the bill expands opportunities for working women to earn pension benefits by lowering from age 25 to 21 the age at which employees must be allowed to participate in a qualified plan. The permitted exclusion of younger women is particularly harmful to younger workers because female labor force participation is highest—over 70 percent—between the ages of 20 to 24. This change alone could result in the overall plan participation rate by women to increase up to 16 percent.

Second, a related change lowers the minimum age for counting years of service for obtaining a vested—that is, nonforfeitable—pension right from 22 to 18. Currently, only service from age 22 must be taken into account in determining the vested status of the employee, and all earlier years may be disregarded—another rule which hurts younger women in the work force.

Third, the legislation protects women who temporarily leave the work force for child rearing by providing that maternity—or paternity—leave for up to 1 year will not result in a "break in service." Thus, the bill ensures that individuals on maternity or paternity leave will not lose past pension credits for purposes of participation, vesting, or benefit accrual on account of absence from work for purposes of childbirth or care for a natural or adopted child. Employees taking such leave would pick up their accrued rights where they left off upon returning to work, rather than jeopardizing their prebreak pension credits.

Fourth, the bill greatly enhances the probability that a widow will receive pension benefits based on her late husband's account by requiring written spousal consent for a worker to waive survivor benefits. Now, the decision to have benefits paid in the form of a joint and survivor annuity is exclusively that of the participant. Not only does the nonparticipant spouse have no say in this decision, but the spouse may often be totally unaware of a participant's decision not to take a joint and survivor annuity, and thus may be unprepared financially for the death of the participant, and the cessation of the participant's annuity. Statistics indicate that nearly half of all workers elect out of survivor benefits in order to receive an actuarially higher lifetime benefit. This provision gives the nonparticipant spouse a veto over any decision of the participant to elect out of a joint and survivor annuity. A related amendment provides automatic survivor benefits to the spouses of vested participants even if the participant had not reached normal retirement age at death.

Fifth, the legislation resolves an ambiguity in existing law by clarifying that a judge may divide pension benefits between the spouses pursuant to alimony, child support, and property settlement orders and decrees. Some participants and employers have alleged that the Federal preemption and antiassignment provisions of ERISA prohibit such divisions. This provision recognizes that women are full and equal economic partners of a marriage, and is consistent with previously enacted Federal law which allows the apportionment of Foreign Service, civil service, and military pensions in similar circumstances. Moreover, the former spouse would be able to receive benefits whether or not they had begun to the participant, as long as the participant has reached the plan's early retirement age. Nor would benefits be contingent upon the survival of the participant.

Further changes may, of course, be needed. The bill also directs the General Accounting Office to conduct a detailed study of the effect on women of other rules relating to pension, profit-sharing and stock bonus plans.

Mr. Speaker, this legislation was carefully crafted over the past 2 years by congressional leaders of both parties and the White House. The President looks forward to signing it at the earliest possible opportunity.

The Retirement Equity Act is legislation to which employers may easily

adapt. It creates no new or increased budget authority, nor does it create new tax expenditures. What it will do is measurably improve the economic well-being at retirement of the 44.5 million women now in the American labor force and millions more who choose to work inside the home.

I urge adoption.●

● Ms. SNOWE. Mr. Speaker, I rise to offer my strong support to H.R. 4280 and the Senate amendment to this important legislation. The members of the House Education and Labor Committee, the House Ways and Means Committee, and the Senate Finance Committee deserve a tremendous amount of credit for their efforts to bring this bill to the House for final approval.

H.R. 4280, passed by the House unanimously on May 22, is the second major portion of the Economic Equity Act to be sent to the President during the 98th Congress. Yesterday, the House gave final approval to the child-support enforcement bill, and in so doing, offered the promise of a brighter future to the millions of children who live in single-parent families. Today, we have the opportunity to provide a greater measure of economic security for older women. In this regard, I am particularly pleased that the Senate has agreed to the stronger House provisions contained in H.R. 4280.

The urgent need for this legislation cannot be overstated. In fact, few topics are of more importance at a time when older women comprise one of the fastest growing poverty groups in the country. Tragically, 81 percent of women over age 65 who live alone, also live in poverty. Further, one out of every two women can be expected to be widowed by age 65. The implications of these statistics are tremendous.

Women suffer as workers, as widows, and as wives under current pension policies—both public and private. They suffer from policies that fail to recognize the significant contributions they have made to the wage earners ability to earn wages. They suffer from plans that do not take into account their unique work patterns, which often revolve around childbearing.

H.R. 4280 modifies private pension law to better reflect the average work cycles of women, and expands the opportunities for women to build retirement credits on their own. I strongly support its passage, and once again, offer my appreciation to the many Members on both sides of the aisle who have worked to secure final passage of this important legislation.●

● Mr. SHANNON. Mr. Speaker, as a member of the Congressional Caucus for Women's Issues, I am pleased to see the Congress act on the second of two provisions of the Economic Equity Act this week. I rise in strong support of H.R. 4280, the Women's Pension Equity Act. This bill will provide important pension protection for women both as workers and as widows and former spouses of male workers.

Passage of H.R. 4280 will move us another step closer to eliminating the distressing phenomenon known as the feminization of poverty. More than half of women over the age of 65 are living in poverty and we have seen proof that the receipt of a private pension can be the key to raising older Americans above the poverty level.

Yet women are grossly undercovered by private pensions and when they do receive a pension, the benefits are much lower than men's. One reason for this is that the current ERISA laws base pension benefits on traditional male working patterns.

The Women's Pension Equity Act adjusts ERISA to recognize the economic contributions of a homemaker to a family's income as well as recognizing the unique working patterns of women. By lowering the age for participation and vesting in pensions, by allowing breaks in service, by requiring joint and automatic survivor benefits and through its other provisions, H.R. 4280 provides the opportunity for women in the paid labor force and homemakers to receive private pension coverage.

Mr. Speaker, I would like to commend my colleagues, BARBARA KENNELLY and GERALDINE FERRARO for their leadership on this issue and I urge my colleagues to give this legislation their full support.●

● Mr. REGULA. Mr. Speaker, only 13 percent of women age 65 and older, in 1980, reported income from private pensions or annuities. This figure is appalling, especially considering that 59.1 percent of the U.S. population over the age of 65 were women in 1981.

Today, we begin the end of this situation with the passage of the Economic Equity Act. This act, which certainly has bipartisan support, will ameliorate a number of inequities in the pension system caused by the unique work histories and wages of women by allowing increased financial independence and security.

The most important provision of this act is to require the written consent, of both the insured worker and his/her spouse, to waive the survivor annuity option of the worker's pension plan and thereby take a higher benefit amount during the covered spouse's lifetime.

This provision is the most important because of the fact that, according to a Department of Labor survey, only 30 percent of all married pension plan participants who retired in 1978 chose joint and survivor annuity plans for their spouses.

Seventy percent of the retirees opted out of survivor benefits, leaving no benefits for their widow(er).

Only 50 percent of those individuals who opted out, consulted their spouse on this decision. A majority of these individuals did not find out that they were left with no financial income until after their spouse's death.

Other important pension provisions of this legislation include:

Requiring payment of survivor annuity to the spouse of a worker who is fully vested, even if that worker dies before the annuity starting date.

Clarifies that assignment of pension benefits by State divorce courts in cases related to alimony, child support, and marital property rights is permitted.

Lowers the minimum age for participation in a pension plan from age 25 to age 21.

Allows a 20 hour per week credit for up to 1 year for maternity/paternity leave if the employee returns to his/her job.

Abolishes the ERISA provision allowing plans to deny widow's benefits if an otherwise qualified spouse does within 2 years of choosing survivor benefits—if the death is from natural causes.

Permits a homemaker with no earnings, or lesser earnings of her own, to contribute to a spousal IRA as much as the earning husband may contribute. The maximum deduction permitted each spouse individually shall be $2,000 per year.

Allows alimony to be treated as compensation for the purpose of eligibility to open an IRA.

Allows the divorced spouse of a civil servant or retiree, married 10 years or more, to a pro rata share of the civil service retirement annuity and survivor's benefit, subject to court review, modification or rejection.

It must be stressed that this legislation is not just an issue for women. It is, to a large extent, an issue of family security. This legislation will assist women left alone with dependent children and will lessen the women's dependence on Federal/State income maintenance programs by allowing them their rightful pension benefits.

I would also like to remind everyone that this legislation is only one element of a comprehensive equity package. The Social Security Reform Act, passed in March 1983, included provisions which corrected the inadequacies and inequities in the treatment of women under Social Security. Divorced spouses, who apply for benefits based on a former spouse's earnings, may not be independently eligible at age 62 for benefits. Under previous law, a dependent divorced spouse could not apply for benefits until her former spouse applied, regardless of age.

Additionally, benefits which, under the old law, were continued only for surviving spouses who remarried after age 60 were also extended to younger disabled widow(er)s and disabled, surviving divorced spouses.

I commend all those individuals who took an active part in developing this legislation and in working out the compromise. I am also gratified with the active role I was able to take in gaining a bipartisan cosponsorship for this much-needed legislation.●

● Mr. DAUB. Mr. Speaker, I strongly support the conference agreement on the Women's Pension Equity Act. As a cosponsor of this bill, I am convinced that it is an important step toward ensuring women an adequate retirement income.

As a member of the Select Committee on Aging, I held a field hearing in my district in 1982 to examine the plight of older women. It was clear that one of the pressing needs adult women now have is income security. By the year 2000, the population of women over 65 is estimated to grow to 19 million and 1 in every 14 Americans will be a woman over the age of 65. Women outlive men, yet, in the past, women have been excluded from well-paid jobs or have had career patterns that resulted in little pension relief.

The pension equity bill responds to this demographic reality. This legislation will increase the number of working women who will earn pension credit by lowering the age for vesting and participation purposes. Women who enter the work force at an early age, leave it for a period of time and then return to work will be able to receive credit for their early years in the work force. For many women whose family care obligations interrupt their work away from home this legislation provides changes in the break-in-service rules, allowing them to leave the work force for up to 5 years without affecting earned pensions and providing more flexible rules applying to maternity (and paternity) leave.

Widows, too, will be assured protected pension credit because of the requirement that spousal permission be given before a worker may waive his or her spouses' rights to survivor benefits. The bill also protects benefits in the case of divorce by dividing the pension, thereby recognizing marriage as an economic partnership.

Although the changing career patterns of women are an important factor in providing them with greater pension benefits, the modifications made in this pension equity bill will accentuate the improvements that are taking place.●

● Mrs. LLOYD. Mr. Speaker, I rise in enthusiastic support for this measure and I want to express my thanks to the gentlelady from New York, Representative FERRARO, the gentlelady from Connecticut, Representative KENNELLY, and the gentlelady from New Jersey, Representative ROUKEMA, for their efforts in support of this legislation. This bipartisan group is evidence of the widespread support of this legislation in Congress.

This measure has been needed for a long time now. For many years, the women of this country have faced a most subtle form of discrimination that has forced many of them to live in poverty and depend totally on Social Security pensions in their advanced years. I am speaking of the discrimination that causes women to lose the pensions they have rightfully earned simply because they leave their jobs to raise a family or decide to remain at home as homemakers.

The legislation we have before us today remedies this problem by expanding pension coverage for workers who leave jobs to raise a family and then return to work and by guaranteeing pension rights of homemakers whose working spouses die before retirement. Even more importantly, it bars pension plans from counting a 1-year maternity or paternity leave as a break-in service and permits workers to leave jobs for 5 years without sacrificing pension credits. Until now, these breaks in service have often resulted in a loss of pension rights.

This is important legislation and I urge my colleagues to give it their full support.●

Mr. FRENZEL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the original request of the gentlewoman from Connecticut?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRENZEL. Mr. Speaker, I ask unanimous consent that all Members may have 7 calendar days in which to revise and extend their remarks on the legislation just adopted.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes.

APPOINTMENT OF CONFEREES ON H.R. 6040, SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1984

Mr. WHITTEN. Mr. Speaker, pursuant to clause 1 of rule XX of the House of Representatives, and by direction of the Committee on Appropriations, I move to take from the Speaker's table the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 1 hour.

Mr. WHITTEN. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. CONTE] and pending that I yield myself such time as I may require.

Mr. Speaker, we know that we are in the closing days before the recess takes place and may I say that in going to conference on this bill, I would like to call attention to some of the problems that we will face.

We will go into the conference in good faith and hope we may be able to work out the many differences that exist between the House and our friends on the other side of the Capitol.

My colleagues the Senate has added 216 amendments to the supplemental bill that we passed through the House. The amendments provide increases of over $2 billion. There are reductions of some $400 million, leaving a net increase in the Senate bill above the House of $1,600,000,000. This is $644 million above the requests of the President and the Office of Management and Budget. It is $589 million above the section 302 allocation contained in the budget resolution agreed to last year. It is over the revised fiscal year ceiling contained in the budget resolution passed by the House earlier this year.

Members will recall that the Senate passed a budget resolution this year, and I have not yet figured out how much the Senate bill compares with that figure but it is much higher. But I repeat again, the Senate amendments are some $1.1 billion above the House figure.

So we are going to conference with intentions to try to work this out. Hopefully we can.

Mr. Speaker, I reserve the balance of my time.

Mr. CONTE. Mr. Speaker, the question before the House is going to con-

ference with the Senate on the second supplemental appropriations bill for 1984:

That is the only issue. Shall we try to reach an agreement with the Senate on food stamps, veterans benefits, civil service retirement, or shall we leave these programs as unfinished business while we take a 3-week recess?

This vote has nothing to do with the position that individual Members may have on any items in the conference.

However Members may feel about the supplemental, or about certain Senate amendments, I hope we can all agree that we have a responsibility to go to conference, and do everything we can to reach agreement before the recess.

That, again, is the only issue, and I urge the Members of the House to support the motion.

Mr. WHITTEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CONTE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER. The Chair appoints the following conferees: Messrs. WHITTEN, BOLAND, NATCHER, SMITH of Iowa, ADDABBO, LONG of Maryland, YATES, ROYBAL, BEVILL, LEHMAN of Florida, DIXON, FAZIO, HEFNER, CONTE, MCDADE, EDWARDS of Alabama, MYERS, MILLER of Ohio, COUGHLIN, and KEMP.

□ 1250

REQUEST TO MAKE IN ORDER CONSIDERATION OF CONFERENCE REPORT ON H.R. 6040, SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1984

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it shall be in order, the provisions of section 303(a) of Public Law 93-344 and clause 2 of rule 28 to the contrary notwithstanding, to consider the conference report and amendments in disagreement on the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes, subject to the availability of said conference report and amendments in disagreement for at least 1 hour, and that said conference report and amendments in disagreement be considered as having been read when called up for consideration.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MILLER of California. Mr. Speaker, reserving the right to object, I do so to ask the chairman of the committee a question.

Is it my understanding that, as the gentleman has just outlined, with the problems that he will have in the conference committee and given the actions taken by the Senate, the impact of this request is to waive the layover period of time in which this will come back from the conference? Is that correct?

Mr. WHITTEN. Mr. Speaker, if the gentleman will yield, that is correct.

Mr. MILLER of California. Mr. Speaker, given the amendments that have been placed in this supplemental on the Senate side and since I have very serious reservations about some of those, I will object to this request at this time, and I do so object.

The SPEAKER. Objection is heard.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 5798, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1985

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 5798) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1985, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

GOLDEN-COLLUM MEMORIAL FEDERAL BUILDING

Mr. MINETA. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 4354) to designate the Federal building in Ocala, FL, as the "Golden-Collum Memorial Federal Building."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. SNYDER. Mr. Speaker, reserving the right to object, as I understand it, the gentleman from California is going to make a series of unanimous-consent requests for consideration of bills to make name changes of buildings and other appropriate monuments, all of which, I understand from his staff, have been reported by the committee, but it just got a little bit too late to get the bills on the Consent Calendar; is that correct?

Mr. MINETA. Mr. Speaker, if my esteemed colleague will yield, that is correct.

Mr. SNYDER. And the first one is what?

Mr. MINETA. The Golden-Collum Memorial Federal Building. It is the U.S. Courthouse in Ocala, FL.

Mr. MOLINARI. Mr. Speaker, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from New York.

Mr. MOLINARI. Mr. Speaker, would the gentleman advise us whether included in that package there might be the infamous Kennedy Center bailout bill?

Mr. SNYDER. Mr. Speaker, I would respond further and say that I would not agree to that one.

Mr. MINETA. Mr. Speaker, if the gentleman will yield at this time, let me say that that is not included.

Mr. MOLINARI. Mr. Speaker, I thank the gentleman.

Mr. SNYDER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. BARNARD). Is that objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4354

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal building located at 207 Northwest Second Street, Ocala, Florida, is designated as the "Golden-Collum Memorial Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be deemed to be a reference to the "Golden-Collum Memorial Federal Building".

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute: Strike out all after the enacting clause and insert in lieu thereof:

H.R. 4354

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Building and United States Courthouse located at 207 Northwest Second Street, Ocala, Florida, is designated as the "Golden-Collum Memorial Federal Building and United States Courthouse". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be deemed to be a reference to the "Golden-Collum Memorial Federal Building and United States Courthouse".

Mr. MINETA (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: A bill to designate the Federal Building and U.S. Courthouse in Ocala, FL, as the "Golden-Collum Memorial Federal Building and United States Courthouse."

A motion to reconsider was laid on the table.

FOLEY FEDERAL BUILDING

Mr. MINETA. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4717) to designate the U.S. Federal Building in Las Vegas, NV, as the "Foley Federal Building."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4717

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Federal Building located at 300 Las Vegas Boulevard South, Las Vegas, Nevada, is designated as the "Foley Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be deemed to be a reference to the "Foley Federal Building".

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

H.R. 4717

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Building and United States Courthouse located at 300 Las Vegas Boulevard South, Las Vegas, Nevada, is designated as the "Foley Federal Building and United States Courthouse". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be deemed to be a reference to the "Foley Federal Building and United States Courthouse".

Mr. MINETA (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

● Mr. HOWARD. Mr. Speaker, this legislation pays tribute to the truly remarkable accomplishments of the Foley family of Nevada. Twelve members of this family have been in the forefront of legal service to the State of Nevada for a combined total of nearly 300 years.

The positions held by family members include district attorney, Nevada attorney general, Federal district judge, Nevada State senator and president of the Nevada State Bar Association.

Mr. Speaker, I urge enactment of H.R. 4717.●

● Mr. YOUNG of Missouri. Mr. Speaker, the purpose of this legislation is to honor the Foley family of Nevada; this family has played an overwhelming role in the State's history for four generations. The combined service record of 12 members of the Foley family totals an unprecedented 299 years of legal experience in Nevada.

The distinguished tradition of legal service in the Foley family began in 1906, when Thomas L. Foley moved to Goldfield, NV, where he set up a law practice. His son, Roger T., joined his practice and soon became Esmeralda County district attorney.

In 1928, Roger T. Foley moved to Las Vegas, where his five sons, George, Joe, John, Roger, and Tom, would eventually pursue legal careers in the grand tradition originated by their grandfather. During the 1950's the Foley brothers were believed to hold a record as the Nation's largest firm of "all brothers."

The Honorable Roger D. Foley is a former Clark County district attorney, former Nevada attorney general, and former Federal district judge. He continues to serve as a senior Federal district judge. His daughter, Mary Louise, studies law at the University of Nevada in Las Vegas.

George W. Foley has also served as Clark County District Attorney. His son, George, Jr., graduated from the McGeorge School of Law in Sacramento, CA, as valedictorian and now practices law with his father in Las Vegas.

Joseph M. Foley is a candidate for the University of Nevada Board of Regents. His daughter, Helen, serves in the Nevada State Legislature as a State senator. His son, Daniel, recently graduated from the University of Utah School of Law. His daughter, Shannon, is studying law at the George Washington University in the District of Columbia.

John P. Foley has served two terms as a Nevada State senator and was nominee of the Democratic Party for the office of Governor of Nevada. His daughter, Elizabeth, serves on the Young Democrats National Committee and as the State chairman for the Hart for President Committee.

The Honorable Thomas A. Foley currently serves as a Nevada State district court judge. Previous positions held by Thomas A. Foley include Nevada State deputy attorney general and president of the Nevada State Bar Association.

In view of four generations of distinguished careers, it is fitting and proper that the Federal building and U.S. courthouse located at 300 Las Vegas Boulevard South, Las Vegas, NV, be named as the "Foley Federal Building and United States Courthouse."●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill to designate the Federal Building and United States Courthouse in Las Vegas, Nevada, as the 'Foley Federal Building and United States Courthouse'."

A motion to reconsider was laid on the table.

CLEMENTE RUIZ NAZARIO COURTHOUSE

Mr. MINETA. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 5323) to designate the U.S. Courthouse Building in Hato Rey, PR, as the "Clemente Ruiz Nazario Courthouse."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 5323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Courthouse Building located at Carlos Chardon Street, Hato Rey, Puerto Rico, shall hereafter be known and designated as the "Clemente Ruiz Nazario Courthouse". Any reference in a law, map, regulation, document, record, or other paper of the United States to that courthouse shall be deemed to be a reference to the "Clemente Ruiz Nazario Courthouse".

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute: Strike out all after the enacting clause and insert in lieu thereof the following:

H.R. 5323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Courthouse Building located at Carlos Chardon Street, Hato Rey, Puerto

Rico, shall hereafter be known and designated as the "Clemente Ruiz Nazario United States Courthouse". Any reference in a law, map, regulation, document, record, or other paper of the United States to that courthouse shall be deemed to be a reference to the "Clemente Ruiz Nazario United States Courthouse".

Mr. MINETA (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

● Mr. HOWARD. Mr. Speaker, it seems only proper that the new U.S. District Courthouse in the Hato Rey, PR, be named in honor of Hon. Clemente Ruiz-Nazario. Judge Nazario, the first Puerto Rican citizen ever to serve in the U.S. district court system is a true pioneer. His noteworthy accomplishments have paved the way for other Puerto Rican citizens, for there are now even other judges from Puerto Rico who serve with distinction as a Federal district court judge.

Mr. Speaker, I urge enactment of H.R. 5323.●

● Mr. YOUNG of Missouri. Mr. Speaker, the purpose of this legislation is to memorialize the Honorable Clemente Ruiz-Nazario, the first Puerto Rican ever to serve as a judge in the U.S. district court system, by naming the new U.S. District Courthouse in Hato Rey, PR, in honor of the late Judge Ruiz-Nazario.

Judge Ruiz-Nazario received his law degree with honors from the University of Puerto Rico School of Law in 1921. During the following 30 years, he practiced law in Puerto Rico, building the reputation of a fine lawyer and able servant of the court. As a result of his distinguished accomplishments in the field of law, President Truman appointed Ruiz-Nazario to the bench in 1952 to serve an 8-year term as judge in the U.S. District Court for the District of Puerto Rico, making him the first Puerto Rican to serve as a judge in the U.S. court system. His noteworthy performance as a judge secured his reappointment by President Eisenhower in 1960. Judge Ruiz-Nazario served as the sole Federal judge on the island until 1961 when Congress approved a second position for a judge in Puerto Rico, and at that time Judge Ruiz-Nazario became the chief judge, a position he held until he retired in 1966 at the age of 70. His accomplishments led the way to a new age in the U.S. district court in Puerto Rico where seven Puerto Rican judges currently serve with distinction.

Judge Ruiz-Nazario was not only a respected judge but also a great civic leader. He was a member of the board of trustees of the University of Puerto Rico, chairman of the Anti-Tuberculosis Campaign Fund and president of the Boy Scouts of America for the New York, New Jersey, and Puerto Rican region.

In view of his untiring dedication to judicial excellence and contributions to the better administration of justice in Puerto Rico, it is only fitting that the building located at Carlos Chardon Street, in Hato Rey, PR, be known as the Clemente Ruiz-Nazario U.S. Courthouse.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill to designate the United States Courthouse Building in Hato Rey, Puerto Rico, as the 'Clemente Ruiz Nazario United States Courthouse'."

A motion to reconsider was laid on the table.

CARL ALBERT FEDERAL BUILDING

Mr. MINETA. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 5945) to name the Federal Building in McAlester, OK, the "Carl Albert Federal Building."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. SNYDER. Mr. Speaker, reserving the right to object, and I do not intend to object, I just want to call the attention of the House to the fact that this is the former Speaker of the House, the Honorable Carl Albert, for whom we are naming this Federal building.

GENERAL LEAVE

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 calendar days in which to revise and extend their remarks on the legislation under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SNYDER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 5945

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Building in McAlester, Oklahoma, is hereby designated as the "Carl Albert Federal Building". Any reference to such Federal building in any law, regulation, map, document, record, or other paper of the United States shall be deemed to be a reference to the Carl Albert Federal Building.

● Mr. HOWARD. Mr. Speaker, as my colleagues are aware, Carl Albert is one of the greatest and most respected Congressmen ever to enter the Halls of Congress. His unwavering integrity, fairness, and dedication as a Congressman and a leader of Congressmen provided for all of us a model, one that many of us strive to duplicate.

The 30 years Albert spent in Congress were not easy years. Indeed, part of that period was perhaps one of the most turbulent and difficult periods in the history of American Government. Yet Carl Albert, as Speaker of the U.S. House of Representatives, led Congress out of those trying times and into an age of legislative reformation.

Not only is the Honorable Carl Albert known for his acumen with respect to legislative affairs, but he is also known on both sides of the aisle as a warm and steadfast friend.

As a Member, majority whip, majority leader, and Speaker of the House, his leadership, his firm courage, and his personal warmth have made Carl Albert more than deserving of having the Federal Building in McAlester, OK, named in his honor. This action would be a particularly appropriate accolade, for Albert both was born in and established a legal career in McAlester, OK.●

● Mr. YOUNG of Missouri. Mr. Speaker, the purpose of this legislation is to honor the former Speaker of the House, Carl Albert, by designating the Federal Building, located in McAlester, OK, as the "Carl Albert Federal Building."

Congressman Albert was born in McAlester, OK, May 10, 1908. He obtained an undergraduate degree at the University of Oklahoma in 1931. Having been awarded a Rhodes Scholarship, he completed graduate work at Oxford University in England in 1933. He returned to Oklahoma City University to study law, graduating with an LL.D. degree in 1934, and was admitted to the bar in 1935 at which time he commenced practice in McAlester, OK.

He began his service to the Nation in 1941 when he enlisted as a private in the U.S. Army during World War II. Five years later he was discharged as a lieutenant and awarded the Bronze Star.

His long and distinguished career in Congress began when he was first elected to represent the Third District of Oklahoma in 1946. His extreme dedication and hard work, for the good of his district as well as the entire country earned for him the respect of his constituents and colleagues, a respect he maintained throughout the 30 years he served in Congress.

Congressman Albert was a leader among leaders. He served as democrat-

ic whip of the U.S. House of Representatives from 1955–62 and majority leader from 1962–71. Finally, he served as the distinguished Speaker of the U.S. House of Representatives from 1971–76, the highest office to which any Member of the House can aspire.

Few Congressman have served the House with the extreme dedication and skill of Carl Albert. Through painstaking efforts and tireless work, Speaker Albert successfully led the House through a turbulent period and into an era of creative legislative reform. Guided by the effective leadership of Speaker Albert, the House passed landmark legislation such as the Budget and Impoundment Control Act of 1974 and the war powers resolution of 1973, both of which served to restore to Congress the proper balance between the executive and legislative branches.

His legislative accomplishments are matched only by his unfailing personal kindness. Those Members who had the privilege of working with him remember his graciousness, his warmth, and his loyal friendship.

In view of his long and distinguished career of public service, it is only fitting that the Federal Building in McAlester, OK, be named in his honor as the "Carl Albert Federal Building."●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOE L. EVINS FEDERAL BUILDING

Mr. MINETA. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 5747) to designate the Federal building in Oak Ridge, TN, as the "Joe L. Evins Federal Building."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. SNYDER. Mr. Speaker, reserving the right to object, I do not intend to object, but I would just call the attention of the Members of the House to the fact that this is a former colleague of ours, the Honorable Joe L. Evins of Tennessee, with whom many of us served, for whom we are naming this building.

GENERAL LEAVE

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 calender days in which to revise and extend their remarks on the legislation under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SNYDER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 5747

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in recognition of Joe L. Evins, who was a distinguished Member of Congress and served the State of Tennessee for more than 30 years, the Federal Building located on Administration Road in Oak Ridge, Tennessee, is hereby designated as the "Joe L. Evins Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be deemed to be a reference to the "Joe L. Evins Federal Building".

● Mr. HOWARD. Mr. Speaker, the distinguished career of one of the finest Members of Congress came to a close in April of 1984 when the Honorable Joe L. Evins passed away. His home State of Tennessee as well as the entire country lost a national resource when this dedicated man of integrity died.

As chairman of the Subcommittee on Public Works Appropriations, Chairman of Small Business Committee and a member of the Appropriations Subcommittee on Energy and Water Congressman Evins displayed an amazingly broad range of expertise on such diverse subjects as energy, health, technology, and water resources. The impact of his knowledge and leadership was felt by all.

Mr. Speaker, I urge enactment of H.R. 5747.●

● Mr. YOUNG of Missouri. Mr. Speaker, the purpose of this legislation is to memorialize Congressman Joe L. Evins, a Democrat who represented Tennessee's Fourth Congressional District for more than 30 years, by designating the Federal building located on Administration Road in Oak Ridge, TN, as the "Joe L. Evins Federal Building."

Congressman Joe L. Evins was born in DeKalb County, TN, October 24, 1910. He obtained an undergraduate degree at Vanderbilt University in 1933. He received his L.L.B. from Cumberland University, and he completed postgraduate work in law at the George Washington University from 1938–40.

He began his service to the Nation in 1935 when he served as assistant secretary of the Federal Trade Commission for 6 years. Congressman Evins spent the next 4 years in the U.S. Army until he was discharged as a major in 1946.

His long and distinguished career in Congress began when he was first elected to the 80th Congress on November 5, 1946. Evins believed in working for the good of not only his district but the Nation as well, and the projects he supported reflected his worthy convictions.

During his outstanding tenure as chairman of the Subcommittee on Public Works of the House Committee on Appropriations, he helped bring water projects to irrigate the West, energy to boost industry in the South, and construction of many health facilities throughout our country.

His exemplary leadership is characterized by the distinguished accomplishments he made as chairman of the Small Business Committee. Having the foresight to lead and to attempt to head off problems, Evins recognized in the late 1960's the impending energy crisis impact to be experienced in the 1970's and authorized the Subcommittee on Small Business Problems to commence a study on the energy situation. As a result of that study, it was accurately predicted that a cartel would be formed and that prices would rise sharply; establishment of a reserve and less dependence on Mideast oil was called for.

Congressman Evins will always be held in high esteem in his home State of Tennessee where he brought hospitals, schools, airports and highways to the area. Many of his accomplishments came through his work on the Appropriations Subcommittee on Energy and Water. Among his most notable works were his support of funding for the Tennessee Valley Authority and the U.S. Army Corps of Engineers.

The Honorable Joe L. Evins passed away in April 1984. In view of his long and faithful career of public service to the people of the Fourth Congressional District of Tennessee, and to the Nation, it is only fitting that the Federal building located on Administration Road, in Oak Ridge, TN, be named in his honor as the "Joe L. Evins Federal Building."●

● Mrs. LLOYD. Mr. Speaker, my fellow colleagues, I come before you today to urge your approval of H.R. 5747, which renames the Federal building in Oak Ridge, TN, as the Joe L. Evins Federal Building, in recognition of his service to the State of Tennessee and the Nation as a whole. Mr. Evins passed away in April of this year and with his death we lost not only a great leader but a great man.

Joe L. Evins served for 30 years in the House of Representatives and during that time his leadership was a model for all of us to follow. He believed in working for the good of all Americans and the projects he supported as an important committee leader benefited not only his district but the Nation as well. During his tenure as chairman of the Subcommittee on Public Works Appropriations, he helped bring water projects to irrigate the West, energy to bolster industry in the South, and was responsible for the building of a number of health facilities throughout our country. As

you can see, the impact of his leadership was felt by all.

Congressman Evins knew that the people of the United States were the backbone of this great Nation, and he encouraged everyone to work for progress. He was a strong force behind the Model Cities Program to upgrade our towns and to enhance the quality of life for urban residents. He was also a staunch supporter of science and technology because he knew that these areas were the keys to progress in the future. He pushed for medical research and experimentation for the development of new fabrics, and for the construction of new building materials. Additionally, he was an ardent supporter of the Space Program and, in acknowledgment of his unyielding support a plaque bearing his name rests on the Moon.

Joe L. Evins always had the foresight to lead and attempt to head off problems. In 1969, he recognized the impending impact of the energy situation and authorized the Subcommittee on Special Small Business Problems to commence a study and hearings on the energy situation. As a result of that hearing it was accurately predicted that a cartel would be formed and that prices would rise steeply; establishment of a reserve and less dependence on Mideast Oil was called for. Five or six years later when the oil embargo hit, his words of warning and caution were proven correct.

In his home State of Tennessee, we will always remember him fondly. He always had time to spare for people and was ready to listen to even the smallest problem that an individual might have. The work he did for his district and his State, bringing hospitals, schools, airports, and highways to the area, is outstanding and has helped Tennessee to progress to the point that it is today. In addition, his leadership in obtaining necessary funding for the Veterans' Administration Hospital in Nashville was vitally important.

In my own district and especially in the Oak Ridge area, Joe L. Evins was instrumental in providing scientific and technological work at Oak Ridge. A plaque now stands in the museum of science and energy in Oak Ridge paying tribute to his work and frequent success.

Many of Joe L. Evin's accomplishments came through his work on the House Appropriations Subcommittee on Energy and Water. There he sponsored programs that moved our Nation forward during the 1960's and that brought us out of the depression and the era immediately after World war II. Among his most notable works in the House of Representatives were his support of funding for the Tennessee Valley Authority, the U.S. Army Corps of Engineers, and the old Atomic Energy Commission.

I was a freshman Member during his final term in Congress. He helped nurture the development of an entire generation of political leadership in the State of Tennessee. He was a dynamic and forceful man and the wisdom that he passed on to me during that time has held me in good stead ever since. Joe L. Evins was a Democrat in the tradition of Franklin D. Roosevelt, a fierce fighter for fairness and tolerance. His life was of significance to this country and to his native Tennessee. He was a builder and this theme characterizes his public service.

Joe L. Evins represented his State with complete dedication and commitment. Few people have ever made such a permanent impact not only on the State of Tennessee but also on the Nation as a whole. It will be a long time, if ever, before we see again the likes of a man such as Joe L. Evins.

In light of his fine works, I think it is only fitting that his name and his accomplishments should be remembered by renaming the Federal building in Oak Ridge as the Joe L. Evins Federal Building. Please vote to approve H.R. 5747.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN F. KILKENNY U.S. POST OFFICE AND COURTHOUSE

Mr. MINETA. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 5997) to designate the U.S. Post Office and Courthouse in Pendleton, OR, as the "John F. Kilkenny U.S. Post Office and Courthouse".

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California.

There was no objection.

The Clerk read the bill, as follows:

H.R. 5997

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Post Office and Courthouse located at 104 Southwest Dorian Avenue, Pendleton, Oregon, shall hereafter be known and designated as the "John F. Kilkenny United States Post Office and Courthouse". Any reference in a law, map, regulation, document, record, or other paper of the United States to that building shall be deemed to be reference to the "John F. Kilkenny United States Post Office and Courthouse".

● Mr. HOWARD. Mr. Speaker, this legislation honors a great champion and defender of Justice, John F. Kilkenny of Oregon. Although the Honorable Judge Kilkenny is 83 years old, he continues to serve with senior status as a U.S. circuit judge for the ninth circuit. He has dedicated nearly his entire life to the administration of justice, first as a lawyer, then as U.S. district judge, and finally as a U.S. circuit judge.

It is particularly appropriate to honor this fine judge by naming the U.S. Post Office and Courthouse in Pendleton, OR, after him, for it was in Pendleton that he first began practicing law, embarking on a long and distinguished career.

Mr. Speaker, I urge enactment of H.R. 5997.●

● Mr. YOUNG of Missiouri. Mr. Speaker, The purpose of this legislation is to honor Judge John F. Kilkenny, a U.S. district judge, by naming the U.S. Post Office and Courthouse in Pendleton, OR, the "John F. Kilkenny United States Post Office and Courthouse."

Judge Kilkenny was born in Heppner, OR, October 26, 1901. He received his law degree from the University of Notre Dame in 1925 and was admitted to the Oregon bar in 1926. For the next 33 years he practiced law in Pendleton, OR, building the reputation of a hard working servant of the court. Because of his distinguished accomplishments as a lawyer, in 1959 President Eisenhower appointed Kilkenny to serve as a U.S. district judge for the district of Oregon. He remained a U.S. district judge for 10 years, until 1969 when President Nixon appointed him to serve as a U.S. Circuit Judge for the Ninth Circuit. Judge Kilkenny continues to serve the Ninth Circuit Court as a senior status judge.

The Honorable Judge Kilkenny became a member of the Judicial Conference Committee on Court Administration in 1971 and is a member and past president of the Oregon State Bar Association.

In view of his constant dedication and contributions to the better administration of justice in Oregon and the Nation as a whole, it is fitting that the building located at 104 Southwest Dorian Avenue, Pendleton, OR, be known as the "John F. Kilkenny U.S. Post Office and Courthouse."●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MINETA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. SNYDER. Mr. Speaker, reserving the right to object, on the unanimous-consent request for 5 legislative days, let me point out that we are going into recess. I would ask the gentleman to amend the request to "5 cal-

endar days" so that we can get those in now.

Mr. MINETA. Mr. Speaker, I have no objection to that, and I do amend my request.

Mr. SNYDER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CARL ALBERT FEDERAL BUILDING

Mr. MINETA. Mr. Speaker, I call up the Senate bill (S. 2820) to name the Federal building in McAlester, OK, the "Carl Albert Federal Building," and ask unanimous consent for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Building in McAlester, Oklahoma, is hereby designated as the "Carl Albert Federal Building". Any reference to such Federal building in any law, regulation, map, document, record, or other paper of the United States shall be deemed to be a reference to the Carl Albert Federal Building.

SEC. 2. The Federal building located at 550 Main Street, Cincinnati, Ohio, shall hereafter be named and designated as the "John Weld Peck Federal Building". Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the "John Weld Peck Federal Building".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 5945) was laid on the table.

SUPERFUND EXPANSION AND PROTECTION ACT OF 1984

The SPEAKER pro tempore. Pursuant to House Resolution 570 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5640.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5640) to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, with Mr. MINISH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New Jersey [Mr. FLORIO] will be recognized for 30 minutes; the gentleman from New York [Mr. LENT] will be recognized for 30 minutes; the gentleman from New Jersey [Mr. ROE] will be recognized for 30 minutes; the gentleman from Minnesota [Mr. STANGELAND] will be recognized for 30 minutes; the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes; and the gentleman from New York [Mr. CONABLE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. FLORIO].

□ 1300

Mr. FLORIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there is no environmental problem more important to the American people than the thousands of abandoned hazardous waste sites which continue to pollute our drinking water. When many of us worked so hard for the passage of Superfund 4 years ago, we had high hopes that this important initiative would arrest the growth of such toxic hazards and make substantial progress in cleaning up the sites.

Unfortunately, it has become increasingly clear not only that substantial additional funding will be needed to finish the cleanup job, but also that the basic program must be restructured to contain built-in guarantees against any repetition of the first few years of Superfund's brief but troubled history.

In recognition of the need to secure the future of the program and improve its present management, we have formulated the basic package of reforms contained in H.R. 5640, which the Energy and Commerce Committee approved by a vote of 38 to 3. The bill contains seven major concepts designed to revitalize the Superfund Program.

The Environmental Protection Agency [EPA] estimates that the current $1.6 billion fund will be enough to clean up only 170 of the 546 sites now on the National Priorities list. The agency also predicts that some 2,200 sites will end up on the list someday and that total cleanup costs could run as high as $8 to $16 billion. The General Accounting Office estimates that cleanup costs could run as high as $26 billion.

To date, EPA has only managed to clean up six sites. Clearly, significantly increased funding levels are needed as quickly as possible so that the Agency can get on with the pressing business of containing these imminent hazards. This bill provides the additional funding.

The bill would establish a mandatory schedule for EPA's cleanup activities, requiring the Agency to begin cleanup work at no fewer than 150 sites a year. The Agency's past performance underscores the need for congressional direction concerning the pace of the cleanup program.

The bill would establish uniform national standards for cleanup, requiring remedial action sufficient to protect human health and the environment. Currently, EPA makes cleanup decisions on an ad hoc, site-by-site basis and the bill would both standardize and ensure the adequacy of such remedial actions.

A very important part of the bill is the assistance it provides to the States. For example, the States are currently required to assume responsibility for 100 percent of the long-term operation and maintenance costs at sites cleaned up under the Superfund Program. These maintenance costs can run several millions of dollars higher than basic cleanup costs at a site. Since the States will also bear the full burden of cleaning up some 20,000 sites which pose a hazard but do not qualify for the Superfund Program, they badly need Federal assistance in meeting their obligations at Superfund facilities. The bill would require that the Federal Government pay 90 percent of long-term operation and maintenance costs at Superfund sites.

The bill also contains relief for individuals injured by exposure to hazardous wastes. It requires EPA to conduct health effects studies of populations exposed to unsafe levels of hazardous substances which have leached from abandoned waste sites. It also creates a federal cause of action. This cause of action establishes the same standard for liability for suits alleging personal injury as the standard which applies to the Government's efforts to recover cleanup costs from private parties responsible for creating the dump site in the first place.

The bill also establishes a regulatory program for the control of leaking underground storage tanks. Such tanks, which generally contain gasoline and other toxic substances, have become one of the most pressing new environmental threats of this decade. The bill would also permit use of the Superfund to clean up the worst of such leaks.

We cannot afford to wait until next year. Such a course of action would not only be irresponsible, but would have a most damaging effect on the program. All involved in the reauthorization process agree that the Superfund must be extended at significantly higher funding levels if we are to be successful in containing the imminent and substantial threat posed by the thousands of abandoned waste sites which mar our Nation's landscape. If we wait until the last possible moment to extend the life of the program, months if not years of an effective cleanup effort will be lost as EPA

scrambles desperately to gear up for the new funding levels and requirements establishments by the reauthorization.

Mr. LENT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 5640—the Superfund reauthorization bill.

I believe Superfund must be reauthorized this year in order to make sure that none of the momentum on the cleanup effort which has been gained under the leadership of Bill Ruckelshaus and Lee Thomas is lost. I believe EPA needs the assurance of an early Superfund reauthorization in order to plan for cleanup projects past the September 30, 1985, expiration date of Superfund.

If EPA and the Superfund contractors are unsure of what funding might be available next year, the pace of cleanups may slow and, in some cases, stop. This result would be devastating to the program. Reauthorizing Superfund this year is the way to avoid a slowdown of the program and to give EPA a clear mandate to get on with the job.

H.R. 5640 is similar in many respects to H.R. 4915—the Superfund reauthorization bill I introduced earlier this year. Many of the provisions of H.R. 4915 were retained in this compromise bill which we are considering today. Agreement on this measure, of which I am an original cosponsor, ended many months of long and sometimes painful debate on Superfund. It broke the impasse which had developed in subcommittee and which threatened House progress on Superfund this year. It is a carefully crafted compromise measure.

The controversial provisions which were holding up progress have been deleted, while the essential, strengthening provisions have been retained. For instance, the victims' compensation administrative system was dropped while a strict, mandatory site cleanup schedule was retained.

H.R. 5640 has broad bipartisan support. It has been cosponsored by over 100 Members of Congress on both sides of the aisle.

I would like to take a minute to describe some of the provisions of H.R. 5640 which I consider essential to a tough, but realistic Superfund reauthorization bill.

First, the fund has been greatly expanded. It will raise slightly over $9 billion over a 5-year period based primarily on an increased oil and chemical feedstock tax. A Federal appropriation is retained as well.

Second, the post closure fund is abolished. This fund was established to allow shifting of the long-term liability of permitted hazardous waste disposal facilities from the owners and operators of the facilities 5 years after closure. Curiously, while the owners and operators were let off the hook, generators were not. I have always advocated that the fund should be abolished since it is an unwarranted subsidy for land disposal and may well discourage utilization of state-of-the-art alternative technologies which should replace land disposal.

The post closure fund accurately has been called a welfare program for dumps.

Third, H.R. 5640 tackles the emerging environmental crisis of leaking underground storage tanks in two different ways. First, it provides for the cleanup of environmental damage caused by these tanks and for the liability of responsible parties for these cleanup costs. Second, H.R. 5640 will abate the threat posed by these tanks by requiring them to be properly constructed and monitored for leaks.

Since half the population in this country depends on ground water for their drinking water, I believe these are the two important steps which must be taken to help protect the health of the American people.

H.R. 5640 also addresses the problems of those who live near hazardous waste dumps by providing citizens the right to petition the EPA Administrator for health effects studies and emergency relief—such as drinking water supplies—in cases where they have been exposed to hazardous substances released from sites.

The bill would also establish a Federal cause of action for those injured by exposure to hazardous substances. This will enable injured parties to go into Federal court and sue for damages, including medical expenses, all lost income, economic and property loss and pain and suffering. The standard of liability for these actions would be the same as in section 107—that is, strict and joint and several.

Finally, H.R. 5640 attempts to speed up the slow pace of cleanup activity under Superfund. Since after 4 years only 6 sites have been cleaned up under this program, the bill establishes a strict timetable for cleanup which includes the goals of beginning onsite cleanup actions at 150 sites annually and completing clean up of all 546 sites now on the national priorities list within 5 years.

These are some of the key elements of H.R. 5640 which are designed to substantially strengthen the Superfund Program. Getting Superfund reauthorized this year will ensure that these changes are in place in a timely fashion and that the pace of site cleanups does not falter. This is critically important in view of the enormity of the task facing EPA and the States.

In addition, early reauthorization will demonstrate to the American people that its Government is serious about cleaning up these toxic dumps. Given the sorry legacy of the Superfund Program, I believe the American people deserve that reassurance.

□ 1310

Mr. FLORIO. Mr. Chairman, I yield 4 minutes to the gentlewoman from Maryland [Ms. MIKULSKI], a valuable member of the subcommittee.

Ms. MIKULSKI. Mr. Chairman, I rise in support of the Superfund Expansion and Protection Act.

Throughout this country there are thousands of abandoned hazardous waste sites. In my State of Maryland there are over 300 sites that are so bad they are hazardous sites. Three are already on the Superfund list.

Some are now leaking poisons into streams neighborhoods and playgrounds. They are time bombs waiting to explode.

This bill will provide the money and a specific timetable for cleaning up these sites while they can still be cleaned up and before it's too late for our children.

For too long we have treated the people of this country as if they were the hazardous waste problem. For too long we have not taken adequate steps to protect families and communities from the dangers of hazardous wastes. This bill guarantees that neighborhood residents will have the right to review all hazardous waste cleanup plans before they are implemented.

This bill assures that citizens are informed in clear, nontechnical language exactly what the health dangers are from the hazardous substances; how the substances will be removed; and what steps will be taken to safeguard residents during the cleanup process.

Further, under this bill, residents who have already been exposed to hazardous substances will now have the right to petition EPA to conduct studies to determine if the health of area families has been affected by exposure to these sites.

Residents can also petition EPA for emergency relief after such exposure. For instance, if their drinking water supply has been contaminated they can ask for and receive sources of safe drinking water.

This legislation also gives citizens the right to sue EPA and force the Agency to do everything it should be doing to cleanup hazardous waste sites.

And it allows private citizens to take legal action of their own against polluters if the Government fails to cleanup a hazardous site.

The importance of the Superfund Program was brought very close to home for me several months ago. At that time, hundreds of barrels of dangerous substances were found in a vacant field in my district. They were close to playgrounds, to homes, to a large public high school, and to a major hospital.

The Governor of Maryland and I requested emergency aid under the Superfund Program and cleanup of the site was promptly begun.

Events such as this are becoming commonplace in Maryland and the rest of the country. But of the more than 300 hazardous waste sites in my State, only 3 are on the national priority list for cleanup.

All of these sites must be examined. They must all be cleaned up. Our job is to make sure the money is there to do that job and that we have a well-managed Federal agency to get the job done. This bill does just that and I urge my colleagues to support it.

Mr. LENT. Mr. Chairman, I yield 30 seconds to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in support of H.R. 5640, the Superfund Expansion and Protection Act of 1984, a bill which would extend and expand the Superfund Program and of which I am an original cosponsor.

It has been less than a decade since the Federal Government recognized the full scope of the problems associated with the disposal of hazardous substances and their proper management. In 1980, Congress created the landmark Superfund to protect the health and safety of our people.

The problem of the thousands of hazardous waste sites which mar the landscape of America is well known. The dimensions of the problems are staggering. The Environmental Protection Agency maintains a list of over 17,000 abandoned and potentially dangerous hazardous waste sites.

My own State of New Jersey is first in the country on the Hazardous Waste Priority List with 85 identified hazardous waste sites. This important legislation is essential to the State of New Jersey. The New Jersey Department of Environmental Protection has worked together with the Environmental Protection Agency, more so than any other State, to identify sites within the State. The bill will provide the funding needed to proceed with the cleanup of the worst sites.

Although there is broad agreement that billions will be needed for cleanup of hazardous waste sites, there is much controversy over the taxing provisions of H.R. 5640 to raise the amount needed. The fivefold increase in taxes may have a severe impact on industry and therefore, it may be necessary to take a closer look at the economic impact of these provisions. I will therefore vote for Mr. CONABLE's amendment to sunset the tax provisions. Sunsetting will permit evaluation of the economic impact of the tax structure based upon the analysis already ordered.

While I do intend to vote for the bill, I must point out that it goes beyond the cleanup purposes for which it was originally designed. It does so, in my opinion, unnecessarily and unwisely by using this bill as a vehicle to resolve the myriad problems of victims compensation through inclusion of a "Federal cause of action," which includes a strict, joint and several liability standard. In voting for this bill, I sincerely hope that these provisions will be substantially modified, if not deleted, by the other body or when the bill goes to conference.

Recent editorials in the August 3, 1984, Washington Post and today's New York Times graphically illustrate the problems raised by these provisions. Those editorials follow:

[From the Washington Post, Aug. 3, 1984]

SUPERFUND FOR LAWYERS

Congress doesn't have to act on Superfund until the fall of next year. But it would like to assure voters before this falls elections that hazardous-dump cleanups will not only continue, but expand in the future. That's understandable. But Congress, eager to appear attentive to people who claim their plight results from exposure to chemical wastes, is also considering adding victim compensation provisions to the law. That raises difficult questions of legal policy and social equity.

People who believe they have suffered from toxic wastes can, of course, sue for damages in state courts. But because toxic exposure may be only one of many factors contributing to an illness, claimants have found it difficult to win these cases and are pressing for a more responsive federal compensation system. Earlier this year a House subcommittee rejected a proposal setting up an administrative compensation system so generous that it might have ended up compensating almost everyone in the United States who contracts cancer.

Now—despite unanimous disapproval of a committee of well-known lawyers appointed to review compensation approaches—a House committee has approved, and a Senate committee is considering, letting people sue for exposure damages in federal court. The terms are not only more lenient than those prevailing in state courts, but also depart from carefully developed rules governing other federal court actions.

A person claiming damages could, for example, choose to sue any company that had ever generated or transported waste dumped in a site, operated a site or owned land on which waste was dumped. Full damages—covering pain and suffering, legal fees and reduced property value because of a site's location—could be collected from any one defendant, even if that company had added only a small amount of waste to the site, had done so at the direction of local authorities or was in no way negligent. The losing company could then try to sue all other contributors to the dump if it could find them—and if it could afford it.

Provisions such as these fly in the face of what most people think is fair. They wouldn't even work well for victims. As in asbestos exposure cases, some victims would get bigger settlements than others with far more severe injuries. More than half of the benefits would go for legal costs. Promoting more lawsuits could also paralyze cleanup efforts, since companies would be even less willing to admit involvement and dumps might have to be left unchanged for evidence.

Superfund was designed to make all generators of hazardous wastes contribute to cleanup efforts. Civil and criminal actions are also being pursued against especially egregious violators. And state courts are, with proper caution, developing principles to deal with toxic exposure cases. Superfund's purpose is to clean up dumps that are, even now, leaking toxic wastes into water supplies. Progress on that front has been far from spectacular. The Superfund legislation ought not to be diverted into the very separate question of dealing with environmental health damages, a subject that leads very quickly into the broader issue of how far this country wants to go in guaranteeing full health coverage and disability benefits to everyone.

[From the New York Times, Aug. 9, 1984]

DON'T DIVERT THE SUPERFUND

A lawyer's dream of paradise is said to be that everyone is resurrected and sues to claim his property back from his descendants. The House risks creating a close terrestrial equivalent in its revision of the Superfund law regulating the cleanup of abandoned toxic dump sites.

The Superfund urgently needs to be expanded and streamlined. In the five years since its creation, only six dumps have been fully cleaned up. Meanwhile 133 new ones have been identified. Many, like the Stringfellow acid pits near Glen Avon, Calif., are leaking hazardous chemicals that threaten to poison drinking water.

The House bill, offered by Representative James Florio of New Jersey, would significantly strengthen the Superfund with more resources and firm deadlines. But it would also do something troublesome, allowing people who believe they've been harmed by a dump site to sue in Federal court. The rules of liability would be so strict that any company that ever sent an ounce of poison to the dump could be held liable for all damages, even if it had done nothing illegal or negligent.

There may be 2,000 toxic dump sites, with millions of people living around them, including many who suffer from diseases like cancer that are arguably caused by dump site wastes. Should such possible victims sue in large numbers, companies' cleanup resources could well be eaten up by legal costs. The site would then have to be cleaned up with Superfund money, depleting it seriously. Even voluntary cleanups might cease if companies feared opening themselves to damage suits.

No matter how valid the claims of some victims, the diversion of money from the Superfund would detract from its prime purpose of cleaning up as many dumps as quickly as possible. Each dump site holds different wastes, and it would take a major medical study to determine who had been harmed. Even more important than compensating victims of past, hard-to-prove negligence is avoiding the creation of new victims.

Victims' interests are in any case already provided for in most state tort laws. A commission appointed by Congress under the present Superfund law decided that state laws are working well, at least for the larger claims. It specifically recommended against creating a Federal cause of action, as the new bill does.

Compensation is an issue separable from cleanup, and until medical science gives a clearer picture of health around toxic dumps, or state laws are found clearly deficient, there is little need for change. If the House sets high priority on expunging toxic

dumps, it has to insure that the expanded Superfund is dedicated to that cause alone.

These problems would have been compounded under the original bill, which contained some ambiguity as to the coverage of injuries suffered as a result of exposure to hazardous wastes in the workplace. The Energy and Commerce Committee wisely adopted an amendment which specifically exempts such injuries where the worker is covered under State or Federal workers compensation law.

While there clearly are inadequacies in the response of the workers compensation system to occupational diseases—primarily in determining causation—those inadequacies must be addressed separately, if at all, because of the existence of that system. Over the past 3 years, the Education and Labor Committee, on which I serve has examined those problems and legislation has been introduced to address them, particularly in the tragic area of asbestos exposure. With 25,000 asbestos-related suits currently pending in the courts, it has been estimated that approximately 18 million Americans have been exposed to asbestos on the job over the past 40 years. While there is some indication that the workers compensation system is not being fully used by victims, there clearly are inadequacies in that system, stemming primarily from the fact that asbestos-related diseases take so long to manifest themselves.

Whether these inadequacies can best be addressed through reforms at the State level is one of the primary questions before the Education and Labor Committee. Thus far, the Subcommittee on Labor Standards has proceeded cautiously in this area, as well it should, in light of the potentially explosive costs, which I will get back to in a moment.

Supporters of the "Federal cause of action" provisions in this bill may ultimately learn that they are being unrealistic in presuming that, by simply creating a Federal cause of action, the problems will vanish. We have no concept at this point of the costs this cause of aciton will impose upon the affected companies and individuals and whether they will be able to bear those costs. We must recognize that we may be opening the door to a situation where the Federal Government will ultimately be required to step in either to spread the costs more evenly throughout industry or assume a portion of the costs itself or both.

This, of course, is not a new concept. This bill originaly set aside a portion of the Superfund Trust Fund itself for victim compensation. A similar concept has been proposed to respond to occupational diseases, such as asbestosis. Proponents of the trust fund approach to victims compensation argue that it is of limited or no cost to the Federal Government since the funds would be provided primarily by a special tax imposed upon the industry involved.

The futility of taking comfort in such assurances is illustrated by a recent OMB estimate regarding the costs that would be imposed upon industry by one of the asbestos bills under consideration in the Education and Labor Committee. That bill would require an immediate $1,000 per ton tax on asbestos, rising to $3,200 per ton by 1990. Asbestos is presently priced at about $350 per ton.

The obvious inference from these facts is that, unless we are prepared to destroy those industries upon whom we are imposing the tax, the creation of a fund to compensate any and all victims will inevitably result in substantial costs to the Federal Government. Moreover, as we have learned with the Black Lung Disability Trust Fund, these costs can easily become uncontrollable entitlements.

In conclusion, there is no doubt that the proper management of hazardous wastes, and the cleanup of those sites where public health and the environment are threatened by improper management, together represent the leading environmental issues of the 1980's. The scope of the hazardous waste management problem is enormous. I am pleased to join my colleagues in strengthening and expanding this landmark legislation.

Mr. FLORIO. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. OTTINGER].

Mr. OTTINGER. I thank the gentleman for yielding and would like to congratulate the gentleman from New Jersey [Mr. FLORIO] and my colleague from New York [Mr. LENT] for the yeoman-like job they have done on this legislation. It has not been easy.

Mr. Chairman, I rise in support of the legislation currently before the House: The reauthorization of Superfund. It is reasonable for the American people to expect that their Government is protecting them from toxic wastes, this reauthorization will help assure us that the cleanups that need to be done—will get done.

The toxic waste situation in this country is completely out of control and must be dealt with effectively, efficiently, and immediately. The Environmental Protection Agency was given $1.6 billion in 1980 to do the job and it has ignored its mandate. EPA revealed recently that it is handling only a fraction of the cleanups at the most toxic of the waste disposal sites in this country and that the amount of money in the existing Superfund isn't nearly enough. EPA has identified 17,000 hazardous waste dumps throughout the country and expects to find several thousand more. Yet, it has only cleaned up 6 in just 3 years. This is just more evidence of President Reagan's total hostility to environmental protection.

Furthermore, only a few thousand—at most—could ever be cleaned up with the current Superfund funding. We are here today to reauthorize Superfund at a level that will see to it that the job is done, and done correctly. This bill reauthorizes the program through 1990, and provides a total of $10.2 billion over that period. In all likelihood this amount of money will not be sufficient to deal with the toxic nightmare that we have created in this country.

I believe that Congress must act now to reauthorize this law, the administration, however, argues that we should wait until it expires next year. Why do they want to wait? It appears that President Reagan is concerned about the negative publicity he will encounter if he vetoes legislation to cleanup the toxic dumps that the entire Nation fears. Or is it simply that he has made a promise to big business that they will not have to pay for the threats to the public health that they created? I believe that we need to reauthorize now so that State and Federal officials can begin, at long last to plan the clean-up activities that must, of necessity, be planned years in advance.

It is unfortunate that the President continues to make a mockery of the serious environmental threats facing our Nation—that EPA, under the direction of this administration, has not fulfilled the mandate Congress established in 1980 to clean up the toxic mess in this country. This legislation will permit citizens to file suit against companies in Federal courts for compensation due to exposure to toxic wastes. It also requires that cleanups be affected within specific time limits and according to federally mandated standards. And it will allow citizens to sue EPA if these standards aren't met.

This legislation is necessary if we are to aid the innocent victims of exposure to hazardous chemicals. We must protect future generations, and send a clear signal to the generators of hazardous waste that it is in their financial interest to avoid creating toxic wastes and that the costs of doing business require the careful disposal of whatever waste they do generate.

H.R. 5640 has been carefully crafted after many hours of work and hearings, I urge my colleagues to pass this legislation without any weakening amendments.

Mr. LENT. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. SAM B. HALL, JR.].

□ 1320

Mr. SAM B. HALL, JR. Mr. Chairman, I yield to the gentlewoman from Illinois.

Mrs. MARTIN of Illinois. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 5640, the Superfund Expansion and Protection Act of 1984. I am acutely aware of the need to reauthorize and expand the Superfund program to expedite the cleanup of our Nation's worst hazardous waste sites. In my own congressional district, three sites are included on the U.S. EPA's national priority list, and another is proposed for inclusion.

Earlier this year, I expressed by strong support for Superfund rauthorization when I cosponsored H.R. 4915, which has provided the foundation for the development of the bill before us. H.R. 5640 is not a perfect bill by any means, but it does represent a broad, bipartisan compromise which contains many important provisions intended to ensure the health and safety of those citizens living in the immediate vicinity of toxic waste sites. This bill contains many safeguards, including the establishment of a new program to monitor and ensure the safety of underground storage tanks, a cleanup schedule for priority waste sites, elimination of the post-closure liability fund, and a provision to impose a waste-end tax upon generators of hazardous waste, thus encouraging the recycling of waste. In addition, H.R. 5640 is directed to address the most critical aspect of Superfund reauthorization legislation, that of increasing Superfund's revenues to expand and expedite the cleanup program.

Although I support final passage of H.R. 5640, I am somewhat troubled by the timing of this legislation's consideration, as well as with several of the bill's more controversial provisions. It will no doubt be necessary to proceed with Superfund reauthorization as quickly as possible given the program's scheduled expiration later next year. I do believe, however, that it may have been preferable to address this issue after the Congress had received forthcoming reports from the EPA later this year which examine Superfund's performance over the first 5 years and recommend possible changes to enhance its effectiveness.

The establishment of a new Federal cause of action as contained in title II of H.R. 5640 raises some very serious questions in my mind regarding the issues of liability and insurability. This particular section of the bill may make it extremely difficult for many businesses and municipalities to obtain adequate insurance coverage against liability for harm caused by their disposal of hazardous waste. In addition, the liability provisions embodied in title II will likely result in encouraging the practice of illegal dumping of waste, thus complicating insurers' efforts to accurately estimate the risk exposure associated with the disposal of hazardous waste.

Although I strongly support the concept of requiring those responsible for disposing of the waste to pay for its cleanup, I am particularly concerned with the "joint, several, and strict" liability language which may require that disposers who have contributed only a very small amount of waste to a site to be held responsible for a large portion of damages and cleanup expenses. I am hopeful, however, that these concerns can be more equitably improved upon later in the legislative process.

Significant attention has also been directed at title III of H.R. 5640, which involves the right of citizens to sue or petition EPA to meet mandatory schedules or to start cleanup efforts. By encouraging citizen lawsuits and excessive litigation, this provision may require EPA to redirect its legal resources from prosecuting enforcement actions to defending the Agency from suits, thus further hampering cleanup efforts.

The final concern which I wish to express deals with what is likely the most important part of this legislation, title V, which raises the revenues necessary to actually conduct cleanup work. Although I recognize that a substantial increase in revenues is needed to pay for expanded cleanup efforts, the EPA has testified that it can efficiently spend only approximately $7.5 billion over the 5-year authorization, far below the estimated $10.2 billion in revenues expected to be raised in H.R. 5640.

I also strongly disagree with the actions of the Ways and Means Committee to raise the Federal contribution to Superfund from 12.5 to 25 percent. Given the seriousness of our Nation's enormous Federal deficit, I believe it is highly inappropriate to increase the Federal share to $2.3 billion from the program's current $200 million, an 1,100-percent increase.

I am also quite disturbed with the actions of the Rules Committee, which effectively prevents an amendment from being offered to tax foreign chemicals imported into the United States. It seems a bit paradoxical that at a time when many of my colleagues expound upon the need to protect American jobs and lower our balance-of-trade deficit, we are placing American chemical manufacturers at a competitive disadvantage which threatens to put a large number of Americans out of work.

I supported efforts to tax imported foreign chemicals during the Public Works Committee's consideration of H.R. 5640, but unfortunately the committee did not see fit to recommend such a provision to the Ways and Means Committee. I am extremely disappointed that the Rules Committee will not allow such an amendment to be offered.

Despite the numerous concerns which I have raised here today, I do believe the bill contains numerous positive points which outweigh the aforementioned items. I remain hopeful that many of these deficiencies may be corrected as the legislation is further considered by the Congress.

In conclusion, I reiterate my strong support for H.R. 5640 and hope that my colleagues will join me in working to obtain a reasonable compromise which can be enacted into law.

Mr. SAM B. HALL, JR. Mr. Chairman, I support the reauthorization of Superfund but despite that fact, though, I cannot vote for H.R. 5640 as it currently stands.

My opposition to this bill as it comes before this House today arises from many provisions, of which I will highlight only three.

Let me say at this time I do not think that even though Superfund is necessary, it is vital, it is important, I do not believe that we should get away from the basic rights of people who might be affected by this Superfund legislation.

Beginning with the first of three provisions, two separate provisions of H.R. 5640 severely limit the right of those affected by EPA decisions to judicially challenge these decisions.

Section 114(b) provides that no court will have jurisdiction to review abatement orders except in a judicial action to enforce the order to recover a penalty or punitive damages for violation of the order.

Similarly, section 116(e) provides—and I am quoting:

> No potentially liable person may seek judicial review of the expenditure of Government use of the Fund except in an action to recover cost from that person under section 107.

Let us suppose, for instance, that EPA goes into a certain area and claims that that area needs to be cleaned up. EPA says it will cost a billion dollars to do it. And let us suppose that some little small corporation has put a portion into that dump that might be causing some of the problems, and that little company said, "I think it can be done a lot cheaper than $1 billion."

Yet, the EPA fund—the EPA will go ahead and spend that $1 billion or whatever the occasion might be in money, and that little company has no right under this bill to come in and say before the money is spent, "Wait, Mr. EPA, I think you are spending too much money; we believe it can be done for less money."

But under this act no potentially liable person—that is, this little company I am talking about—may seek judicial review of that tremendous expenditure of Government use except in an action to recover costs from that person, which means that they would

not have a right to come in and try to get their money or prove that it cost too much, until after that expenditure has been made.

Both of these provisions raise questions of whether this limited access to judicial review is timely or meaningful, particularly because punitive damages, in fact triple damages, can be imposed under section 107.

In addition, these provisions constitute an exemption from the Administrative Procedures Act, which provides that final agency decisions, such as the orders referred to in both provisions, are subject to judicial review.

Moreover, the second of these provisions, section 116(e), limits access to judicial review for potentially liable persons and thus raises equal protection concerns, because it appears that all persons other than those potentially liable would have the right to seek judicial review prior to enforcement actions.

Now this law should treat all persons in a fair and impartial manner. It should afford any aggrieved person access to the courts. He may not win but he should have access to the judicial system.

These provisions do neither.

Second, the new Federal cause of action established by title II of the bill provides that if a person releases a hazardous substance at a site, that person would be liable for harm resulting from any hazardous substances disposed of at that site—section 202(a).

This means that causation is not a necessary prerequisite to liability.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LENT. Mr. Chairman, I yield an additional 30 seconds to the gentleman from Texas.

Mr. SAM B. HALL, JR. I thank the gentleman.

Finally, section 310 provides for citizen suits to abate endangerments and to enforce other provisions of the act against the Administrator. They do not have to show a standing in court to file a suit.

It has always been my understanding that before a person can file a suit you have to have some standing. I think if you allow every Tom, Dick, and Harry to come in when he or she might think it is fit to do it and file a suit, you are going to clog these courts, and no person in the world can unclog them.

Mr. Chairman, I think we should have a Superfund authorization, but when doing it let us not destroy the rights of the American people to go to the courts and determine whether or not they have or have not been wronged.

Mr. FLORIO. Mr. Chairman, I yield 3 minutes to the gentleman from South Dakota [Mr. DASCHLE].

Mr. DASCHLE. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 5640, the Superfund Expansion and Protection Act. The combination of this legislation and the Resources Conservation and Recovery Act, which may be added to H.R. 5640 on the floor today, constitute monumental legislation. These two bills are easily as important to us, and to future generations, as are the Clean Air and Clean Water Acts.

The Resources Conservation and Recovery Act [RCRA], which passed the House last November, represents a long-overdue attempt to come to grips with the time bombs of unregulated wastes in unlicensed dumps all over our country. The level of cooperation and agreement among business and environmental groups on this legislation is one of the most encouraging developments I have seen since being in Congress.

The RCRA bill requires more stringent standards for the transport, storage, treatment, and disposal of hazardous wastes. And by requiring tracking of each movement of hazardous wastes, it will be possible to fix liability in the event of illegal disposal. Had we had strong RCRA-type legislation many years ago, we would not have had the need for the Superfund bill before us today.

The administration's cleanup of the most hazardous waste sites in the Nation has been, and is, dismal. Of the 256 Superfund-eligible sites, only 6 have been cleaned up. The Superfund law was enacted in 1980, and in 4 years all that the administration has managed to clean up is six sites. Significantly, State officials estimate that 7,000 wastesites need to be cleaned up under the Superfund law.

H.R. 5640 wisely establishes a schedule for cleanup of hazardous waste sites. Nationwide, there are around 20,000 abandoned waste dumps threatening our health. When one considers how little toxic substance it takes to cause harm, it makes the passage of this legislation imperative. EPA estimates, for instance, that 1 gallon of gas leaking each day from an underground storage tank could pollute the water supply for 50,000 people. Half the people in this Nation depend on underground water supplies for drinking water. Fortunately, both the RCRA and Superfund legislation deal with issues of pollution of our underground water supplies. Two of the provisions aimed at underground water supplies are the RCRA restriction of land disposal of hazardous wastes above or near underground drinking water sources and the Superfund provision for cleaning up the 100,000 leaking underground storage tanks in this country.

These are truly national pieces of legislation. There is not a person in the United States who is not now threatened by our casual approach to the handling of toxic substances. It is not only the people at Times Beach or Love Canal or Vietnam veterans who have been seriously affected.

The Resources Conservation and Recovery Act and the Superfund Expansion and Protection Act are serious efforts to address the critical problems of hazardous wastes. We could have brought to the House floor simple reauthorizations of the RCRA and Superfund laws, but we have instead chosen to tackle complex problems and make difficult decisions necessary for the future health of Americans. If these bills are signed into law, they should stand as the legacy of the 98th Congress.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, I rise in opposition to H.R. 5640 in its present form. I do not believe this measure is either fair or realistic. In fact, I am concerned that the measure we are considering today could actually slow the recent progress achieved by EPA.

EPA says that we should wait until next year to reauthorize superfund. The 1980 law required that certain studies be done before the program is reauthorized. These include analyses of the current tax system and any recommendations for changes in the system. The deadline for these studies is December and many of them have not been completed. In order to reauthorize a workable Superfund program, we cannot afford to exclude any essential information.

EPA has testified before the Ways and Means Committee that H.R. 5640 would saddle the Agency with billions of dollars worth of costly new responsibilities, many of them unrelated to the original purposes of Superfund. The result could be the paradox of actually slowing down cleanup operations which are the heart of the Superfund law.

Let me briefly describe some of H.R. 5640's provisons which I am concerned about. First, I am concerned about the size of the proposed fund. I am not sure that the tax has been assessed fairly on the affected industries. Further, I don't believe that EPA can spend such vastly increased levels of funding in an efficient manner. Throwing large amounts of money at this problem will not necessarily get these sites cleaned up faster. My fear is that Superfund could become a contractor's dream and an administrative nightmare.

Second, I am troubled by the deadlines required by the mandatory cleanup schedule. EPA has said repeatedly that they cannot be met. If EPA fails to meet them, the bill allows citizens to sue EPA for failing to carry out a nondiscretionary duty. My guess is

that these suits will slow down the pace of site-cleanup activity.

Third is the citizen-suit provision itself. Because there are so many mandatory provisions in H.R. 5640, the Administrator of EPA could be subject to many suits. Defending against citizen suits would represent a drain on Agency legal resources which could otherwise be used in enforcement actions against responsible parties.

Fourth, I am troubled by the Federal cause of action in this bill. Under the guise of addressing a legitimate problem relating to an individual's access to State courts, title II of H.R. 5640 exposes a company to liability for full damages even if the company was responsible for only a small portion of the waste and was operating in a lawful manner. This is clearly not fair.

There are other areas of the bill that I believe have not been adequately thought through—the mandatory cleanup standards provision, for example. EPA has stated, and I agree, that the cleanup requirements in H.R. 5640 are too rigid and will substantially slow the pace of cleanup at these sites. EPA should be given a greater degree of discretion in determining what the appropriate cleanup standards at any given site should be.

Mr. Chairman, the primary goal of Superfund is to clean up hazardous wastes endangering human health. Therefore, it is imperative that any legislation designed to reauthorize Superfund be crafted in a way as to build on the momentum already achieved. I do not believe this would be the case with H.R. 5640. Because of this, I think Congress should take more time to fashion a realistic reauthorization program. Rushing ahead this year with an unworkable bill will only set back the progress now being achieved. Therefore, I believe we should either take the time necessary to craft a realistic bill or wait until next year to reauthorize Superfund.

At this point in the RECORD, I ask that there be included a more detailed explanation of my concerns about this bill as contained in minority views included in the committee report:

DISSENTING VIEWS OF THE HONORABLES JAMES T. BROYHILL, TOM CORCORAN, AND MICHAEL G. OXLEY ON H.R. 5640—THE SUPERFUND EXPANSION AND PROTECTION ACT

If the Superfund program is to accomplish its monumental task, it must be carefully and realistically structured. In our view, the program established by H.R. 5640, the Superfund Expansion and Protection Act of 1984, is neither carefully nor realistically structured and, therefore, is a prescription for failure.

We want to state at the outset that we are fully aware of the early problems of the Superfund program. Clearly, these problems contributed to the poor performance of the program. But these early problems have been largely resolved through the competent and dedicated performances of William Ruckelshaus, EPA Administrator, and Lee Thomas, Assistant Administrator for Solid Waste and Emergency Response. These individuals have succeeded in dramatically reversing the direction of the Superfund program. Under their able leadership, remedial action is underway at many sites on the National Priority List. We applaud them for their progress to date.

We also want to underscore our understanding that, in order to complete the job of cleaning up the nation's worst hazardous waste sites, Superfund must be greatly expanded. Clearly, no one appreciated the full magnitude of the problem when Superfund was enacted in 1980. Now that the scope is better understood, Congress has the responsibility to provide EPA with the resources and tools necessary to get the job done.

While we concur on the need to improve the Superfund program, we have a strong disagreement with those who authored H.R. 5640 as to what tools are appropriate to the task. We believe that H.R. 5640 includes certain provisions which, when taken together, could seriously impede the Superfund program's future progress. Specifically, the provisions of concern to us are as follows:

CITIZEN SUIT PROVISION

We find to be the most troubling provision because of the impact citizen suits could have on cleanup efforts. H.R. 5640 allows citizen suits against EPA whenever the Agency has failed to meet a "nondiscretionary" duty. As a result of the provisions incorporated into H.R. 5640, these duties will now include adherence to mandatory cleanup schedules and mandatory cleanup standards.

The cleanup schedule deadlines set out in H.R. 5640 will guarantee a proliferation of citizen lawsuits since, for starters, EPA says it cannot meet some of the deadlines. In particular, EPA has said it will not be able to meet the schedule for remedial investigations and feasibility studies (RI/FS) required in 1989 and 1990. With 275 and 375 RI/FS required in FY 1989 and FY 1990, respectively, lawsuits could number in the hundreds on these two provisions alone.

In addition to that problem, there is reason to believe that compliance with the other mandatory cleanup deadlines is likely to be impossible in certain instances because of variables beyond EPA's control. For instance, the bill requires at least 150 on-site remedial actions be conducted each year, beginning annually in FY 1987. This schedule could easily be missed because of weather delays, contracting or technical difficulties at the site, the inability of a state to meet its cost share requirement or a lack of qualified personnel.

We believe this combination of unrealistic deadlines and the citizen suit provision will require EPA and the Justice Department to use their attorneys to defend themselves from suits for missing deadlines, rather than prosecuting enforcement actions.

Similarly, citizen suits could combine the "non-discretionary" provisions with the mandatory cleanup or "how clean is clean" standards to challenge Fund and enforcement remedies proposed by the Agency. Challenges of this nature could not only delay the implementation of a satisfactory and effective remedy, but in certain circumstances could seriously compromise any eventual cost recovery case.

Another problem arising under the citizen suit provision is that the indiscriminate use of citizen suits may seriously interrupt the orderly development of the Federal Government's Superfund enforcement cases. If citizens can routinely file "imminent hazard" cases, the government will be faced with literally dozens of decisions whether to intervene in those cases—regardless of their merit—in order to avoid unfavorable rulings which may create adverse precedents or render defendants immune from federal prosecution at a later date.

We believe that far too little thought has been given to these and other possible drawbacks of the citizen suit provisions. In our view, this provision should be subject to major reexamination by the other Committees with jurisdiction over H.R. 5640 and by the Full House.

FEDERAL CAUSE OF ACTION

We believe that the citizens of this nation ought to be able to bring suits in court for damages caused as a result of exposure to hazardous substances released from waste sites. Additionally, we believe that a statute of limitations should not run from the time of exposure to a hazardous substance, but rather from the time the individual knew or should have known of the injury alleged to have been caused by such exposure.

However, we are not convinced that it is necessary to enact a Federal cause of action to achieve this result. Eighty percent of the States (40) presently permit a cause of action for the type of compensation which Title II of this bill contemplates. These 40 States have statutes of limitations which run from the time an individual knew or reasonably should have known of his injury.

We feel it is desirable to ensure that the remaining States modify their laws so that those suffering from long latency diseases as a result of exposure to hazardous substances from toxic waste sites be accorded their day in court. However, we believe the Federal Government should refrain from imposing so-called tort law reform and should allow each State to develop its own remedies for compensating victims. Therefore, we must oppose the new Federal cause of action which allows the rigid and inflexible imposition of strict, joint and several liability and the award of damages in every case, including medical expenses, all lost income, economic and property loss, and pain and suffering.

HOW CLEAN IS CLEAN

Section 107 of H.R. 5640 requires that EPA follow the most stringent standard or criteria provided for a hazardous substance, pollutant or contaminant provided under other major environmental statutes when cleaning up Superfund sites. Our objections to this provision are fourfold: (1) the requirement that the most stringent standards be met is overly rigid; (2) the waivers provided in the bill are unworkable and remove any meaningful discretion in the selection of a site remedy; (3) the attainment of the required cleanup standards is a nondiscretionary duty, so that EPA may be subject to citizen suits at every site for the remedy selected; and (4) the cleanup standards may not be possible to obtain even with the most advanced technology.

We would like to briefly elaborate on each of these:

(1) H.R. 5640 requires EPA to met the most stringent standard or criteria provided for a hazardous substance, pollutant or contaminant provided under the Safe Drinking Water Act (SDWA), the Toxic Substances Control Act (TSCA), the Clean Water Act, or the Clean Air Act. It also requires that a remedy meet the Resource Conservation and Recovery Act (RCRA) requirements at any site where any hazardous substance, pollutant or contaminant remains after cleanup. Thus, even if the majority of con-

taminants are moved off-site, but some residue remains, full RCRA requirements, including groundwater monitoring requirements must be followed. We believe this provision fails to allow the Administrator the flexibility necessary to address the unique site circumstances present at each National Priority List site.

(2) The bill purports to give EPA waivers from these standards in some circumstances but the opportunity for such waivers would be extraordinarily rare. Moreover, the waivers are never applicable to the RCRA standard which is protection of human health and the environment. Requiring EPA to follow the RCRA standard in every case, regardless of the circumstances present, will unnecessarily tie the Agency's hands and could delay or stop site cleanup in some instances.

Also, the Fund balancing waiver provided in Section 104(c)(4)(iv)(II) as added by Section 107 of the bill allows the Agency to waive applicable standards only if compliance will consume such a disproportionate share of the Fund's resources so as to defer or prevent cleanup at other more hazardous sites on the National Priority List (NPL). It should be emphasized that sites are scored for NPL listing based on their hazards at one point in time. The scores do not represent the current threat posed at the time of remedy selection, which is oftentimes a few years later.

Therefore, to effectively apply this waiver, EPA would have to reevaluate the threats at all sites on the NPL at the time of the desired application of the waiver and then determine if there are sites posing current threats more serious than the one being addressed by the pending cleanup. If the answer is yes, the Administrator could waive the applicable standards. If the answer is no, full compliance with the most stringent standards would be required. It should be mentioned that even the exercise of determining whether a waiver would be available would be extraordinarily costly and time consuming.

The real tragedy of this waiver is that the mere ranking of a site on the NPL indicates it is a matter of top concern to EPA. A ranked site has been singled out for cleanup attention under Superfund. To tell citizens that they live near a priority site, a site that is one of the worst in the nation, but then tell them that the cleanup of that site may be deferred or prevented because they failed to finish high enough on the NPL is unfair. In order to rectify the inequity of this situation, we believe that the Fund-balancing waiver should be applicable at any time the cleanup of *any* site on the NPL would be deferred or prevented.

(3) As earlier discussed in these views this legislation would allow citizens to sue for Agency violations of non-discretionary duties. Application of the most stringent cleanup standards is a non-discretionary duty and failure to comply may trigger citizen suits at every site for the remedy selected. If this occurs, we believe the pace of site cleanups will be slowed considerably, and in some cases, brought to a halt. In our view, this unfortunate result could be avoided by giving EPA greater discretion in selection of site remedies. We are disappointed the Committee did not see fit to allow EPA more latitude in this area.

(4) We may be setting EPA up for unavoidable failure by requiring rigid adherence to the most stringent standards since those standards may not be possible to obtain even with the most advanced technology. And again here the citizen suit provision may be used to sue the Agency to perform an impossible task!

In short, we view the requirements of this mandatory cleanup standards provision as overly stringent and inflexible. It fails to afford EPA's program managers any room to take into account the peculiar differences and circumstances that each site presents. Nor does it allow the flexibility to take into account the timing of response actions or current technology. A close reading of the provisions also reveals that the waivers provided to EPA from these standards are largely illusory because they do not allow for a waiver of the RCRA standards at all.

MANDATORY CLEANUP SCHEDULE

We disagree with the mandatory cleanup schedule placed on EPA by section 111 of H.R. 5640. In our view, there are too many variables involved in the cleanup of each hazardous waste site to local EPA into a mandatory cleanup schedule.

We are particularly concerned with the fact that Section 111 requires a quantum (and entirely unrealistic) leap in the number of remedial investigations and feasibility studies (RI/FS) in the last two years of the program. Specifically, the bill requires EPA to perform 200 RI/FS by FY 1988 but that number soars to 275 in FY 1989 and 375 in FY 1990.

We doubt that EPA (or any other agency of the Federal Government, for that matter) has the capability to handle this magnitude of growth in that short period of time. And this is not just a Federal program—the States are partners in this program and would be required to increase their management capabilities at substantially the same rate as that required of EPA. Private industry is not unaffected, since the required laboratory capacity to serve the analytic requirements of such a vastly expanded program would also have to be weighed. We have serious reservations about the ability of this nation's laboratories to prepare for such a huge increase in the volume of samples required by such a program only to face the possibility that the required number of RI/FS would decline precipitiously thereafter.

Even if these obstacles could be overcome, this greatly expanded RI/FS schedule would have the effect of placing sites that have gone through the process "on hold" while we wait for the construction program to "catch up." What happens at these sites while the feasibility study sits on a shelf gathering dust? Does the contamination suddenly cease to migrate, just because EPA has a study that says it has only gone so far? When the EPA finally does get to that site two or three years later to begin remedial design, the Agency is probably going to have to go back and perform another RI/FS at the site because the data will be out of date. Certainly, no one would want to have the Agency proceed with cleanup at a site based on outdated data.

So, with this unattainable mandatory cleanup schedule, we are loading the Agency up with yet another non-discretionary duty. And, once again, we are giving citizens every opportunity to sue EPA for the failure to meet these deadlines—a failure which can be readily anticipated. There are simply too many uncertainties associated with each specific site cleanup (many of which are not within EPA's control, e.g., weather, cost share requirements, new technologies) to expect the Agency to meet the strict deadlines in the bill, and we believe that the inevitable citizen suits will only slow the process down more—a result none of us wants.

CONCLUSION

These are the major reasons why we believe the provisions of H.R. 5640 provide a prescription for failure. We hope that during the course Superfund follows to final passage in the House some of our concerns will be addressed.

If more realistic time frames and requirements are imposed on the Agency, we believe site cleanups can be accomplished more efficiently. Our fear is that the bill, as reported, raises false hopes.

Additionally, by taking a more realistic approach which includes reducing the opportunity for excessive litigation that presently exists under the bill as reported, we are likely to be in a position to avoid placing such a heavy burden on the industries that are required to fund this program pursuant to Title V of the bill.

Let us be clear on one point. We are not opposed to imposing those taxes which are necessary to clean up Superfund sites. What we do disagree with is using these taxes to pay for excessive litigation expenses that really do not advance our common purpose—the prompt and efficient cleanup of these sites.

We plan to work to make this bill a more realistic one before its enactment into law and would urge our colleagues to work toward this same goal.

□ 1330

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. MOLINARI].

Mr. RINALDO. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman from New Jersey.

Mr. RINALDO. Mr. Chairman, I rise in strong support of this legislation which reauthorizes Superfund for an additional 5 years at a funding level over five times higher than the current law.

The original legislation authorizing Superfund was enacted in 1980. It called for a $1.6 billion fund to pay for the cleanup of abandoned hazardous waste sites around the country. While this was a positive first step toward cleaning up this Nation's hazardous waste sites, it is quite clear that the fund is inadequate to clean up these sites which pose a tremendous threat to the health of our citizens.

To give you an example of the work that needs to be done, as of this date the Environmental Protection Agency has evaluated over 7,100 sites of which 2,200 were found to be in need of urgent attention. Yet, under the present legislation only 546 sites are eligible to receive Superfund dollars. To date, cleanup has begun on only 315 of them.

There are over 85 hazardous waste sites listed on the national priorities list in my home State of New Jersey. Both the State government and EPA lack the resources to clean up these sites at anywhere near the pace needed to protect the health of the citizens in surrounding areas. I have

personally met with citizens and with local officials who live near these sites and can report first hand the frustrations that they face by the failure of the Government to come to grips with this problem. We face a toxic time bomb which imperils not only the health of our children but future generations as well.

This bill received strong bipartisan support when it was considered by the House Energy and Commerce Committee. It contains a provision which I introduced which will allow a State to proceed with the cleanup of sites on the national priorities list and at a later time receive reimbursement from the fund. This would allow an acceleration of our cleanup effort as State governments will be prepared to take a more active role in the cleanup.

The legislation also calls for the beginning of onsite cleanup actions at 150 sites annually so that cleanup can be completed at all 546 sites now on the national priorities list within 5 years.

In addition, the legislation calls for the regulation of leaking underground storage tanks whose ground water seepage is endangering this Nation's drinking water supply.

I believe that this is the most critical environmental bill that we in Congress have faced in this session. It is imperative that we proceed with all deliberate speed in reducing this festering menace. I urge my colleagues to join me in support of this legislation.

Mr. MOLINARI. Mr. Chairman, I rise in strong support of H.R. 5640. While I was not a Member of Congress during the 1980 debate regarding the initial creation of the Superfund, I am aware of the arguments put forth at the time that that legislation was unworkable and that it would have too adverse an impact on our economy. However, look where we are now and how far we have come. Even industry recognizes the need for reauthorizing the Superfund.

Indeed, the Superfund Program has suffered a great deal of mismanagement and has been plagued with problems. I have directly witnessed this during extensive hearings on the Superfund Program in the Public Works Investigations and Oversight Subcommittee last year. But even with almost a year of EPA's restructuring, we have still progressed and have gained a better understanding of the serious challenge we face in cleaning up toxic waste sites.

Based upon that knowledge, our distinguished colleagues from the Energy and Commerce Committee have fashioned the bill before us. I agree with those who characterize this as a tough bill, but we are dealing with a tough problem and we need tough solutions. In just the past few years the national priority list has jumped from 412 to 546 and is expected to reach 2,200. These are sites considered to pose significant risk to human health. Most Members of Congress recognize the severity of the problem, the question we must address is what to do about it and how to do it.

Some would argue that the tax imposed on industry is too burdensome. Yet look at the number of sites across the country now. The cheap methods of land disposal available to industry have left a legacy of thousands, perhaps tens of thousands of abandoned, leaking waste dumps throughout our Nation. We cannot mandate a schedule for cleanup without providing the funds necessary to accomplish the job. Such increased taxes are necessary.

Throughout H.R. 5640, a great deal of extra work to be performed by EPA is mandated. Those additional responsibilities will require greater expenditures. The Superfund cannot afford to pay for all remedial actions within the timeframes and in accordance with the standards set forth in H.R. 5640 unless EPA can be ensured reimbursement from responsible parties. Many Members of Congress have argued that the strict, joint and several liability provisions contained within this bill are too severe. I strongly believe that this is the very feature which has enabled EPA to reach settlements and go ahead with immediate cleanup. I would additionally argue that the threat of strict, joint and several liability functions as an effective incentive in forcing industries to manage their hazardous wastes responsibly, and, therefore, prevent hazardous waste nightmares in the future.

In closing, I urge my colleagues to support this bill. Through passage of this legislation, we will provide for some major progress in the implementation of the Superfund program and the country at large will benefit.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania. [Mr. RITTER].

Mr. RITTER. Mr. Chairman, I rise in support of H.R. 5640, the Superfund reauthorization. I would like to commend the chairman of the subcommittee, the gentleman from New Jersey [Mr. FLORIO] long known as Mr. Superfund and the ranking member, the gentleman from New York [Mr. LENT] for their hard work in bringing this to the floor to the conclusion we witness today.

This bill is a tough bill. This is a good, solid bill. This bill has $9 billion in it as opposed to the previous $1.6 billion over a similar period of time. This bill has new procedures that tighten up on cleanup schedules, that provide a minimum of sites to be cleaned up, that provide victims with access to Federal courts. It is a good, solid, hard bill. I would like to advise my colleagues that when there are attempts to go beyond this bill and tighten it even further, for example, in the very controversial area of victims compensation, to resist the temptations. A major amount has been accomplished here that was not previously available for citizens seeking redress.

I am particularly proud of a section on gasoline contamination of ground water. This bill contains the essence of a bill that I proposed originally. I would like to mention a bit about this problem of gasoline in ground water because there may be some amendments offered to weaken this provision.

Let me quote from a press story: "When business started dwindling at Stella Bongiovanni's bar, she and her diehard patrons could always amuse themselves by setting a glass of drinking water on fire.

□ 1340

But the laughs didn't last long, and Mrs. Bongiovanni was forced to close the 200-year old Johnsonburg Inn, a landmark which had served as one of the first courthouses in northwestern New Jersey.

My colleagues, I have here a stack of press articles of gasoline pollution of ground water from all over the United States of America. Leaking underground storage tanks containing gasoline is a major American environmental problem, and to its credit this Superfund bill contains——

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RITTER] has expired.

Mr. RITTER. Could I ask the gentleman from New Jersey for an additional 2 minutes?

Mr. FLORIO. With the understanding that the gentleman is going to continue in the fine vein that he is going now, I will yield the gentleman 1 minute.

Mr. RITTER. I thank the gentleman for the added time.

This is a problem that we see in each and every one of our congressional districts. Last autumn, EPA released a report calling attention to the fact that there are as many as 100,000 tanks underground leaking gasoline. Formerly, this problem was recognized at the local levels. But the problem is now recognized as a national one. The Superfund bill would regulate underground storage tanks. The bill would also provide people who have had problems with groundwater contamination by gasoline with some redress. The petroleum exclusion to Superfund has in the past made action impossible on behalf of citizens impacted by gasoline in their water supply. If it was some other chemical listed under the hazardous and toxic chemicals list, they were covered. If it was gasoline which contains xylene, toluene, and benzene, they were not covered.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RITTER] has again expired.

Mr. RITTER. I would ask the gentleman from New Jersey for 30 seconds to complete my statement.

Mr. FLORIO. I yield the gentleman 30 seconds.

Mr. RITTER. So, if there are amendments to either reinstate the petroleum exclusion, if there are amendments to weaken the coverage of this emerging national environmental problem, I would urge my colleagues to reject them.

Mr. FLORIO. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. I thank my colleague for yielding, and I thank him for his tremendous leadership on this issue. We really would not be here today, we would not be at the point we are at in this country in facing this problem if it were not for the gentleman from New Jersey [Mr. FLORIO] and the hard work that he has put into this. The gentleman from New York [Mr. LENT] has been a leader in this area, as well, and it is a joy to work with them on the Commerce Committee.

Four years ago we were engaged in a debate very similar to the one we are having today. In fact, it is too similar. Because today, despite enactment of landmark legislation, the passage of 4 years, the diligent efforts of many of us in this Chamber, and the hard work of many around the Nation, we are still faced with a frustratingly slow response to the enormous problems associated with hazardous waste disposal.

The plain fact is that the health and safety of Americans is still in jeopardy, and our air, surface and ground waters and soil are still being contaminated at a truly alarming rate. We must get on with cleaning up the thousands of abandoned hazardous waste sites.

Administration of the Superfund program for the first 2 years was disgraceful. More recently management has improved. But, what the American people should be most troubled by is that many of the problems can be explained by this administration's dislike for the program, and its general lack of enthusiasm for environmental protection. Despite management changes at EPA, we still have the same people at OMB and elsewhere in the administration who caused many of the problems. We need to send a clear message to them that their dislike of the law will not be tolerated as an excuse for disregard of the law.

Five years ago I visited a hazardous waste site in Toone, TN, one of six sites in Tennessee on EPA's national priority list. In 1980, passage of Superfund offered the residents near this site the hope they had prayed for. But for the people of Toone, TN, 4 years of Superfund have only told them what they already knew, they have a problem. Unfortunately, as we all know, the same is true for the residents living near 540 of the 546 sites on EPA's list, for in 4 years the Superfund program has only completed cleanups at six sites.

If this disappointing record has one bright spot it has been the experience gained in dealing with these sites. We must take that experience and use it to perfect Superfund legislation that passed the Congress with strong bipartisan support in the fall 1980. We cannot afford further delay and must establish a successful program to cleanup abandoned hazardous waste sites.

The bill before us today, H.R. 5640, I believe takes the necessary steps to do just that. I strongly support the bill and urge my colleagues to join in that support. In seizing this opportunity to establish an effective Superfund program this year, I especially want to again compliment Mr. FLORIO for his hard work. We are all aware how great the problems are in Mr. FLORIO's home State, New Jersey, and I want him to know that I greatly appreciate the extra time he has taken to work out differences among the various groups affected by the problems of hazardous waste disposal. Although I wish we had more time to work on issues such as a waste-end tax and the setting of cleanup standards, I am convinced reauthorization of Superfund this year is essential if we are to solve the hazardous waste problem.

Let me speak just a minute about three provisions of the bill I find particularly important: First, citizens suits; second, the size of the fund; and third, the establishment of uniform standards for site cleanup.

In May of 1983 as a member of the Energy and Commerce Subcommittee on Oversight and Investigations, I listened to the tragic stories of the residents of a small 17-acre residential subdivison in Globe, AZ. I know many of my colleagues are familiar with this site so I will not explain all of the circumstances involved. But for those who are not let me just read a brief portion of the testimony of one mother living at the site; she has just finished describing the long frustrating period of EPA inaction that led to their filing a lawsuit against the Agency:

> We want you to know that EPA has clearly used more energy in defending against our lawsuit, claiming they don't have to do anything under Superfund, than it would have taken to bring legal action against the pollutors and to implement an emergency permanent relocation of us under Superfund.
>
> Mrs. Burford claimed we had no right to tell her what to do; no right to take her to court and no right to discover documents.
>
> Well, I am sick of it. My family and I have lived in limbo and in trauma and in danger for the last serveral years . . . final relocation would be disruptive, but it is what we have been hoping and praying for.
>
> We already feel such overwhelming grief because this has happened to our children. We didn't cause it . . . It is like an overwhelming ache in your chest.

The Globe case highlights the need for a citizen suit provision in Superfund, which would provide private individuals the right to sue EPA for failure to carry out statutory mandates and would permit citizens to seek injunctive relief from responsible parties. In the Globe case, EPA cited the absence of a citizen suit provision in the Superfund law to deny the Globe residents the rights to information that directly related to the public health and welfare. Failure to provide citizens with information about their health concerns and to allow affected citizens to participate in agency decisionmaking creates mistrust in Government.

Congress has authorized citizen suit provisions in other major environmental statutes dealing with hazardous waste and pollution, including RCRA, TSCA, the Clean Air Act, and the Federal Water Pollution Control Act. It is time to add Superfund to the list.

Courts have interpreted the absense of an express citizen suit provision to restrict the ability of citizens to obtain information or to contest EPA's failure to perform nondiscretionary acts or duties. Globe demonstrates a clear need for such a provision. Globe also demonstrated a need for Superfund in 1980. The program let Globe down, we must not make the same mistake again.

The second issue is the size of the fund. During the last year we have heard important testimony attempting to define the scope of the present problems. Estimates of the number of sites that pose a serious threat to the public health and the environment, and thus sites that will eventually need to be added to the priority list, range from 2,200 predicted by EPA to over 7,000 projected by State governments. The cost of cleaning up these sites is staggering. From an EPA estimate of $8 to $16 billion to estimates of as much as $40 billion.

In today's debate there will be those who will tell us that the size of the fund proposed by H.R. 5640 is too big. That EPA's ability to effectively spend is far less than the amounts authorized by this bill. And that funding beyond EPA's capabilities could have the paradoxical effect of retarding cleanup activities, not speeding them up.

These charges are simply not accurate. While we must continue to take every precaution to make certain funds are appropriately and effectively spent, I am convinced from conversations with those working with these sites that a large part of the current problem is inadequate funding. Under

the current program, far too often decisions on cleanup priorities and the scope of the actual cleanup are being driven by available funds rather than public health considerations. This has resulted in delays and band-aid responses. We must recognize that if we allow the existing situation to continue, in the long run the cost to society and the taxpayers will be greater than if we act now.

We have all learned the cost effectiveness of preventive services in health care. Prompt cleanup of abandoned dump sites is the only way to prevent health injuries due to hazardous waste exposure. A proposal such as one to limit funding to $850 million a year would be a decision to delay cleanup. It would extend for example the time it will take to clean just 1,800 sites to 14 years. If you start to factor in inflation, the increased likelihood of groundwater contamination, and the added health injuries that will result if we continue to allow our citizens to be exposed to these sites, there is no question but that the cost of a delay now, will in time prove to be far greater than the cost of the bill before us.

Finally, Mr. Chairman, I would also comment briefly on the provisions in H.R. 5640 to establish uniform, consistent standards on EPA remedial actions.

In my judgment, this provision is essential to any future success we are going to have with the Superfund Program. It is a step that is long overdue and one I think we must take now. Let me just mention two reasons why I feel this way.

First, we should have a consistent set of standards in regulating like environmental circumstances. The goals of programs such as Superfund and RCRA are basically the same. They are to protect the environment and to protect the public health. Therefore the cleanup standards for these programs should be consistent with each other. We must not get ourselves in the position where we have two people exposed to the exact same hazard and say to one it takes standard A to protect your health, but in the other it will take some lessor standard B. Such an approach would only undermine the public's confidence in the program.

Second, under the current system the lack of standards leaves enforcement efforts confused, often delaying remedial action. Let me give you just one example.

The current Superfund law requires that the most cost-effective means of hazardous substance disposal be chosen. If in each case where you propose a method of cleanup, the result of that cleanup is the same standard of clean, then there is clearly the basis for making a cost-effectiveness decision. But, when each method of cleanup proposed both costs different and results in a different level of clean, we are no longer debating cost effectiveness, but instead we have shifted to a cost-benefit analysis. To require those administering the program at EPA to set a different standard of clean at each site is a form of tunnel vision that is both undesirable and places a tremendous burden upon the Agency to make decisions weighing financial costs against people's lives.

As a Congress we have appropriately rejected that type of formula and we should do so again now.

Mr. Chairman, in closing I want to restate my strong support for H.R. 5640 and again urge my colleagues to join in bipartisan support for this important public health measure.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. SAWYER].

Mr. SAWYER. Mr. Chairman, I am a supporter of the Superfund bill. I voted for it in 1980. I intend to support the extension and expansion of it.

However, for some inexplicable reason it did not get sequentially referred to the Judiciary Committee, and title II of the bill is really a massive revision of our tort laws and jurisdictional aspects. It creates a Federal cause of action without either requiring a diversity of citizenship or limitation as to amount involved. In other words it has jurisdictional threshold.

It also imposes liability without fault. The defendant need not be shown to have been at fault at all and could have exercised all precautions. Someone who makes a contract with a hazardous waste dump, under the applicable law and it is represented to be totally safe and secure and dumps one truckload in it, on that basis is liable if there was a fault in the construction of the dump. It also awards reasonable attorneys' fees. Now, a person killed by a drunken driver and sues is not even entitled to reasonable attorneys' fees, and certainly drunken driving is a bigger actual hazard than the toxic waste dumps, no matter how bad they are.

Also, persons can be held not just for their own fault but for the fault of others absent their ability to establish one of the very limited defenses.

There is also a provision for a citizen's action which is unheard of in legal jurisprudence. That means that someone who is not even harmed or even in the vicinity of a waste dump can bring an action. If he notifies EPA of an alleged violation and they do not do something within 60 days, he can bring an action against the alleged offender. If he gets any relief, no matter what, or prevails in any way, he gets reasonable attorneys' fees. Look at the field day this is going to create for plaintiffs' attorneys. You remember, if you will, stockholders suits, where attorneys would get one share of stock in every listed corporation and scrutinize every annual report and start stockholders derivative suits all over the country to get rewarded with "reasonable attorney's fees."

I think not enough thought was given to the legal aspects of this bill and it has therefore threatened to expand and do real violence to our Federal jurisdiction and jurisprudence.

Every State in the United States right now has a legal cause of action, a tort action, available in its courts for all damages sustained by anybody through the fault of anybody operating an illegal dump or doing it in violation of the laws. Why create a new Federal cause of action on our already heavily overburdened Federal courts. Not only is there created liability without fault on the part of the defendant but the conduct of the plaintiff no matter how egregious is no defense. The plaintiff could be a burglar, break into a building, get injured by toxic substances, and sue the owner because he got injured by the toxic substances stored on the premises which he was burglarizing.

□ 1350

A plaintiff could go in and roll around and eat dirt in a toxic dump, and that is no defense at all. There is no defense because of the conduct of the plaintiff. I think these things create an impossible situation, and it should really be reconsidered and referred to the Judiciary Committee to take a look at it.

Mr. LENT. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. I thank the gentleman for yielding me this time.

Mr. Chairman, as a sponsor of the legislation before us today I rise in strong support of H.R. 5640, the Superfund Expansion and Protection Act of 1984. I would like to commend my friend and colleague from New Jersey, [Mr. FLORIO] and the ranking Republican from New York [Mr. LENT] for their leadership in bringing this legislation to the floor.

Mr. Chairman, the expeditious cleanup of America's toxic dumps is an issue that literally affects the life and health of all Americans. H.R. 5640 is a major step forward and deserves the support of my colleagues. New Jersey, Mr. Chairman, has the dubious distinction of having the highest number of hazardous wastesites on EPA's priority list. Of the 546 sites currently on the list, my State has 85. Some of those sites are in my district, and pose a very real and compelling threat to the people in my area.

Over the next few years, the EPA has estimated that they will identify at least 2,200 sites for cleanup—a four-

fold increase—thus underscoring the need for passage of this legislation.

Mr. Chairman, H.R. 5640 authorizes $10.2 billion over the next 5 years to continue the process of cleaning up America's hazardous waste sites. The bill establishes a mandated schedule for EPA cleanup, and establishes a uniform cleanup standard to mitigate unequal application of the law. The legislation also provides assistance to the States in the cleanup process, and enhances and broadens the authority of the EPA to more effectively do its job.

Ladies and gentlemen of the House we face today a national public health crisis of monumental proportions. If we fail to take bold and decisive action, toxic chemicals will further contaminate our air, our water, and our land. H.R. 5640, in my opinion, is a prudent response to the crisis we face. It is a necessary follow-on program to the Superfund program created in 1980. It is a carefully crafted bill, and I urge its passage.

Mr. LENT. Mr. Chairman, I yield 3 minutes to the gentleman from Utah [Mr. NIELSON].

Mr. NEILSON of Utah. I thank the gentleman for yielding me this time.

Mr. Chairman, I am in the unhappy position of having to oppose a bill that I originally voted for in the Energy and Commerce Committee. Being a strong believer in a clean and healthy environment for our citizens I supported the goals of this bill. I believed that we needed a mechanism by which we could clean up this Nation's hazardous waste sites and so I supported the reauthorization of Superfund.

Unfortunately, when the bill left the Energy and Commerce Committee an amendment was added which completely changed the picture. One so-called hazardous material, copper, was added to the list of taxable substances. This extremely dangerous substance is use to cook food, pipe culinary water supplies, and by the U.S. Treasury for minting pennies. It is so commonly found in the Earth's crust that you could pick almost any spot, dig a hole and find copper. Of course, there is no logic or justification for adding copper to the list of hazardous substances and none was given by the Ways and Means Committee.

Let's now look at what the medical experts have said about copper after reviewing all the available literature on copper toxicity (119 scientific studies):

First, copper in significant quantities is an essential element for metabolism in plants, animals, and humans.

Second, major copper toxicity is due to deficiency, not excess, for plants and animals and for humans.

Third, human disease from copper excess is found virtually only with genetic problems, suicide attempt, or disturbance in normal anatomy.

Fourth, from the toxicological point of view, metallic copper and zinc appear to be strinkingly inappropriate for inclusion for a Superfund feedstock tax.

Fifth, copper per se is essentially nontoxic.

Sixth, environmental water criterion for human consumption is not based on human risk, but on taste. There is no primary drinking water standard for copper to protect health, only a secondary standard for taste.

Seventh, critical evaluation of the literature does not identify copper as a major toxin in air, drinking water, or soil.

The sole purpose for taxing this harmless metal is to increase the revenues of Superfund and they don't care if they do it on a fair basis or not. At the same time they added copper they eliminated aluminum which is no more harmless than copper. Moreover, the copper industry is in an extremely depressed state right now with the world price being the lowest in 10 years.

When Congress enacted the 1980 Superfund, there was careful consideration given to whether copper metal should be taxed as a feedstock material. After careful evaluation of the medical, toxicological, and practical experience of copper metal—its use, production, and manufacture—it was found that copper was a nontoxic material and not appropriate for taxation under Superfund. In lieu of copper, however, three copper compounds which are more toxic were taxed: cupric sulfate, cuprous oxide, and cupric oxide.

When this body of Congress began its efforts to reauthorize Superfund, the question of copper toxicity was raised. Not only for copper base metal itself, but for the production of copper from the ground. Again, after careful consideration of the facts, the Energy and Commerce Committee decided not to tax copper but instead to retain the existing tax on the more toxic copper compounds. When H.R. 5640 was given sequential jurisdiction to the Public Works and Transportation Committee, again no change was made in the list of taxable copper compounds. When the bill went before the Ways and Means Committee, the list changed in order to raise an estimated $10.2 billion. At this time, copper metal was added to the feedstock tax list, along with the more toxic copper compounds, in order to raise an additional $300 million over 5 years. The inclusion of copper metal by the Ways and Means Committee was done without one word of discussion, debate, or analysis regarding its toxicity. At the same time, on the basis that aluminum was not toxic, aluminum metal was removed from feedstock taxation in the bill with the addition of aluminum compounds as appropriate replacements. The end result is that copper metal plus the three copper compounds are to be taxed, while copper's prime competitor—aluminum metal—has been deleted. In essence, the Ways and Means Committee determined outside of their jurisdiction and against all published medical and health studies that copper metal is a toxic material. As a consequence, for one of the most benign metals in existence today, we not only tax the more toxic compounds but also the benign base metal itself. The Ways and Means Committee was correct in removing aluminum from the list. It is a nontoxic base metal. However, copper metal is also nontoxic and should have been removed for the same reasons. The inclusion of one has established an unequal playing field with tremendous competitive inequities.

In order to correct this mistake by the Ways and Means Committee, and I use that term strongly, myself and four other colleagues of this House appeared before the Rules Committee asking for the opportunity to have this issue brought to the House floor. One of those members, Chairman UDALL, is very environmentally conscious and would not make a request to have copper base metal removed from Superfund unless the case is most compelling. Before the Rules Committee, there was no other issue which had this number of representatives requesting removal of copper. I was shocked and dismayed to learn that the Rules Committee, by a vote of 6 to 7, has denied the request to allow an amendment on the floor to remove copper metal from the list of taxable substances to restore equity and to right the wrong that was done by the Ways and Means Committee. So today, I cannot offer an amendment to remove copper from the Superfund which should rightfully occur.

The copper industry is fighting for its very survival. This industry has now lost over $1.2 billion in the last 3 years, over 50 percent of the work force of 2 years ago is now idle, facilities continue to close with two mines in Arizona having closed this week, the copper price is the lowest in real terms this century, and because of the international market of the copper industry this Superfund tax of $30/ton will not be able to be passed on but rather will lead to further erosion in this strategic industry. Look at the irony of the situation. We are declaring copper a hazardous substance although we have it in our pockets as coins, we wear it as ornamentation, it is used throughout the walls of this building bringing us electricity, it is used on the roof, it carriers drinking water in millions of our homes, and is used in our cookware.

The unfairness increases when you realize that only domestic copper

would be taxed and foreign copper would not be. Since domestic copper has to sell at the world price there is no way to pass this increased cost on. Domestic producers would be competing with foreign producers at an unfair disadvantage. Kennecott's Bingham Canyon Mine, which is one of the largest open-pit copper mines in the world, is in serious trouble and has recently laid off 2,000 workers. Since it is already costing them more to mine the copper than the world market price, an additional tax on copper could be the final straw for the copper industry in this country.

If this Superfund rate of $30/ton is to be applied to copper metal, the result will be that all foreign products brought into the country with copper will have a competitive advantage over domestic products because the foreign copper products that are used will not be subject to the tax. However, the domestic industry will have to pay the additional tax. This will place in domestic manufacturers and fabricators of copper products at a competitive disadvantage with foreign producers. Consequently, it is in the interest of every member who has fabricators or manufacturing plants in their districts to be opposed to the taxation under Superfund of the nontoxic copper metal.

In conclusion, the situation that we have before us is that in order to raise $10.2 billion under this Superfund bill, a long arm has been stretched to tax copper base metal in order to raise $300 million over 5 years. There is no basis in fact, practical experience, or otherwise to show that the copper industry should be a part of this Superfund bill beyond taxation for the production or use of copper compounds. We are perpetuating an injustice on this industry at a time that their very survival is at stake, at a time when this tax will not be able to be passed on, at a time when this industry needs an opportunity to recover. What is more important? To attempt to squeeze a few extra dollars out of an industry that cannot give those dollars and as a consequence, lead to greater unemployment, or to provide time to allow these companies to rejuvenate themselves and continue to be good environmental citizens. I urge my colleagues to express their disapproval of this situation. This Member will be doing that to his colleagues in this body as well as to his colleagues in the Senate. I also hope that the thousands of people who are dependent on the copper industry for their economic survival will provide their view on this issue to their leadership.

Let us reauthorize Superfund, but let us do it in a way that's fair to everyone I urge defeat of the bill as it now stands.

Mr. LENT. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. FLORIO. Mr. Chairman, I yield 3 minutes to the chairman of the Energy and Commerce Committee [Mr DINGELL.]

Mr. FLORIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just raise or respond to three or four points that were raised in the course of this debate. One of the gentlemen lamented that fact that he did not think there was sufficient opportunity for judicial review before cleanup was undertaken. I would like to emphasize that the whole purpose of the Superfund law 4 years ago and the purpose of the bill before us today is to provide to EPA the authority to go onto a site, when a determination has been made that site is a hazard, and start the process of cleanup.

We did not need Superfund to have people go to court, go through the lengthy litigation process to get an order to compel cleanup. So the purpose of this bill is to provide EPA with the authority to start the cleanup and then go and find who it is that is responsible and to seek reimbursement.

On the issue the funding, there is no question about the fact this is going to be expensive. It is going to be expensive, and we will hear through the course of the day why someone should be included and someone should not be included. I would suggest to you that the pattern that was established 4 years ago of relying in large measure upon feedstocks, is both logical and stable. You may hear that someone was left in and someone was left out; we have made the best decision as to how the equity should lie, and I would ask for support of that decision.

□ 1400

Concerning the question of the schedule for clean ups, you may hear someone say, "Well, they are putting a great burden on EPA in requiring them to do certain things in a certain timeframe." The burden we are putting on them is that starting in October 1986 they will be required to start the process of cleaning up 150 sites per year, which means that the only burden that we are putting on EPA over the next 5-year period is that they should start work on 600 sites on the national priority list.

I do not regard that as a great burden. If, in fact, it is a great burden to this EPA, we ought to clean out those people and put people in there who want to do the job.

As to the question of cleanup standards, "how clean is clean," we do spell out, with some degree of objectivity, standards against which we can measure whether the job is being done in an acceptable way. Nobody in this House, I suspect, wants to spend all of this money and then find out that what we have cleaned up has not been cleaned up to any standard that meets medical or scientific precision. So we are spelling out—by cross-referencing—standards in other environmental statute into this law. We are spelling out how clean we expect that these sites will be cleaned up.

For all of the reasons that you will hear through the course of the day, I would suggest that this is probably the most serious environmental problem that we have in this country. This will be the environmental issue of the decade, namely, how we go about cleaning up these toxic waste dump sites that have the potential for polluting the drinking water of the 55 percent of the American population which gets its drinking water from ground water.

So I would hope that we can go forward in an expeditious way, complete the process with the two Houses so that we can have this bill signed into law this year.

Mr. Chairman, I yield back the balance of my time.

Mr. ROE. Mr. Chairman, I yield such time as he may consume to our distinguished chairman, the gentleman from New Jersey [Mr. HOWARD].

Mr. HOWARD. I thank the gentleman for yielding to me.

Mr. Chairman, I rise in support of H.R. 5640 which amends the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, usually referred to as the Superfund Act.

The Superfund Act establishes a system of liability for and cleanup of the release of hazardous substances into the environment. It establishes a fund constituted from feedstock taxes and Federal appropriations to be used for emergency response actions and long-term cleanup actions of wastesites.

Hazardous waste sites pose an enormous threat to the health and well-being of our citizens. So far the Environmental Protection Agency has identified some 18,000 potentially hazardous waste sites and estimates that the number could go as high as 22,000. Over 400 sites have been placed on the national priority list of sites eligible for cleanup and possibly over 300 additional sites may be placed on this list by late summer, yet to date only 6 sites have been completely cleaned up under the Superfund law.

Although the existing law does not expire until the end of fiscal year 1985, I believe it is most important that we pass a bill as soon as possible in order to give the environmental Protection Agency adequate time to prepare for the higher funding levels and increased requirements contained in H.R. 5640.

The new funding level of some $10 billion is the minimum amount needed for the next 5 years of the program. EPA's own estimates range from $8 billion to $16 billion for cleanup of the 1,400 to 2,200 sites which are expected to require Federal money for cleanup. The General Accounting Office estimate ranges as high as $26 billion.

The increased funding levels contained in H.R. 5640, as well as the other measures relating to penalties, liability, cleanup standards, waste sites, and a Federal cause of action, represent substantial steps forward in our efforts to prevent serious damage to our environment posed by hazardous waste sites.

I support this legislation and urge its passage.

Mr. Chairman, I wish to congratulate the people on all of the committees involved who worked on this, the gentleman from New Jersey [Mr. ROE] and the gentleman from Minnesota [Mr. STANGELAND] on our Committee on Public Works and Transportation.

The CHAIRMAN. The gentleman has consumed 3 minutes.

Mr. STANGELAND. Mr. Chairman, I yield 7 minutes to the ranking member on the Committee on Public Works and Transportation, the gentleman from Kentucky [Mr. SNYDER].

Mr. SNYDER. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of reauthorizing and expanding the Comprehensive Environmental Response, Compensation, and Liability Act, otherwise known as Superfund or [CERCLA]. However, I also rise in strongest opposition to the circumstances under which we find ourselves being forced today to consider this most important environmental legislation.

It goes without saying that current revenues in Superfund are inadequate to deal with the Nation's need to clean up and prevent pollution from hazardous waste disposal sites. Conservative estimates speak in terms of between $8 and $16 billion ultimately being needed for up to 2,200 national priority list sites. Others have predicted that the real need and eventual numbers are far greater than that, and I am sure we will hear a number of our colleagues during consideration of this bill make refernce to these higher figures.

Whatever the real numbers—and I submit that there is not a person here today, or anywhere else for that matter, who really knows the answer to the question—there is widespread and general recognition that Superfund must be reauthorized and expanded to be able to better respond to this pressing national environmental problem.

The question, thus, is not whether to reauthorize Superfund, but when and how to reauthorize it. My objections today go to the manner in which this question is being dealt with by the Democtratic leadership of this body.

Lest there be the slightest doubt in anyone's mind, H.R. 5640, the bill before us today—in its timing, in its content, and in its intent—is a political document. What is occurring today is a blatant and, I believe, transparent attempt to dredge up the problems and controversy that existed more than a year ago at the Environmental Protection Agency and that, I might add, were corrected more than a year ago by Bill Ruckelshaus and his new leadership team. The desire of our friends on the other side of the aisle is to create out of whole cloth, not a solution to this problem of hazardous waste, but an issue of immediate political value in the upcoming presidential and other elections. The strategy that has been adopted is a strategy of Brinksmanship, one that seeks to produce a bill that will be difficult if not impossible for the President to sign. Considerations of what is in the best interests of this country and of truly addressing the hazardous pollution problem, considerations of implementability, and considerations of equity have all been relegated to positions of secondary importance.

What this effort today is all about is: How can we manipulate the legislative calendar and the small number of legislative days remaining in this 98th Congress for political advantage in this Presidential election year? H.R. 5640 is designed to create controversy not to eliminate it, to create issues not to resolve them, to lead to Senate inaction or a hoped-for veto not a Presidential signature. It will be denied, but the truth of the matter is that there is not a single Member of this body who doesn't know deep down inside that "political chicken" is what today is all about.

Mr. Chairman, I object to taking up such important legislation under these circumstances. The issues are far too important, the needs of the American people are too legitimate to be decided on the basis of hoped-for partisan political advantage rather than on the basis of what's really best for the Superfund Program.

Was it mere oversight, a slip of the pen in 1980 when the 96th Congress created a 5-year Superfund Program and asked EPA for a detailed report after 4 years designed to provide information and make recommendations necessary for Congress to reauthorize and amend Superfund? Of course not.

Is there any indication that the agency will not have its report completed by the end of this year as required in section 301(a) of the act? There is not.

Is it accidental that, notwithstanding this situation, we find ourselves today rushing H.R. 5640 through the House without the very information that we determined 4 years ago we would need to properly do what we are purporting to do today? Of course not.

Is it mere happenstance that, when H.R. 5640 was introduced, a special referral scheme was established to ensure that the bill would be on the House floor just after the Democratic Convention and just before the Republican Convention? Not on your life.

Is it just coincidental that, while the bill is really the product of a bipartisan drafting effort, H.R. 5640 is being touted as the "Florio bill" with the gentleman from New Jersey [Congressman FLORIO] having just been appointed as Walter Mondale's environmental coordinator? Of course not.

Is it just a matter of the vagaries of scheduling that resulted in only 1 day of hearings being held in the ways and means committee on a bill that calls for a fivefold increase in the amount of taxes to be collected under the legislation? Don't believe it.

I could go on, but I won't. The pattern is clear and the real objective of this exercise is unmistakable. We're dealing with something we've all seen before and I suppose will all see again, at least as long as we involve ourselves in the political arena. But that doesn't make it right and I, for one, want to go on record in opposition to doing the Nation's business this way.

Mr. Chairman, as those who have preceded me have indicated and as those who will follow will also discuss, the bill before us this afternoon has a number of serious deficiencies. I would like to highlight just a few of what I consider to be some of the most significant of these shortcomings.

In this time of alleged heightened sensitivity to Federal budget deficit problems, H.R. 5640 has the Federal Government assuming 90 percent of site long-term operation and maintenance costs which are now, under existing law, entirely the responsibility of the States. Not only is this unprecedented as far as I know with respect to any major Federal environmental program, but, for just the current national priority list sites, which constitute only one-fourth the number that some expect eventually to be designated, the estimated cost to the Federal Government of this provision alone would be more than $11 billion.

The bill establishes a new liability scheme for personal injury recoveries that representatives of the sector of the insurance industry which provides environmental impairment liability insurance believe will make it impossible for the business and municipalities we represent to obtain insurance against liability for harm caused by their disposal of hazardous substances.

Title II of the bill creates a new Federal cause of action which, as was pointed out last week in the Washington Post:

Fl(ies) in the face of what most people think is fair . . . (and) wouldn't even work well for victims. As in asbestos exposure areas, some victims would get bigger settlements than others with far more severe injuries. More than half of the benefits would go for legal costs.

The bill creates a number of mandatory deadlines and regulation promulgation requirements which EPA has already testified it will be unable to meet. Combined with citizen suit provisions contained in title III, there exists the strong possibility, if not the probability, that the Agency's ability to implement and carry out its Superfund responsibilities, focusing attention and resources on the highest priority sites will be totally frustrated and even undermined by the courts as a result of this bill.

Title II would hold parties strictly, jointly, and severally liable for damages caused by disposal practices. Under H.R. 5640, even though people who believe they have suffered from toxic wastes can already sue for damages in State court, a person claiming damages could also sue in Federal court. Any individual who had ever generated, transported, or disposed of a waste in a site, operated a site, or owned land on which hazardous substances were dumped could be held liable. It is no wonder that the Washington Post described these provisions as creating a "superfund for lawyers."

H.R. 5640 calls for a fivefold increase in the amount of Superfund taxes to be collected each year from industry. Not only is this tremendously inequitable, in light of the fact that roughly 70 percent of the tax burden currently falls on only 12 companies, but it also flies in the face both of what the Agency says it can reasonably be expected to spend in the next few years and of congressional refusal just a few weeks ago to appropriate all of the fiscal year 1985 Superfund moneys that had been requested by the President. I might remind my colleagues that, at that time, this body took the position that EPA was not able to spend properly the $640 million requested by the President. Now, however, we are being asked to require more than $2 billion a year to be spent by the Agency.

The bill before us requires cleanup standards for every site, which standards must meet the most stringent standard or criteria provided for a hazardous substance, pollutant, or contaminant under any other major Federal environmental law. Under the language of the bill, this requirement adheres regardless of whether the standard or criteria is relevant or appropriate under the circumstances.

H.R. 5640 removes Superfund's current preemption language which acts to preclude States from establishing duplicative Superfund taxes having the same purpose as those collected under CERCLA. With the bill's new language, 50 States could potentially tax the same companies being taxed by the Federal Government to accomplish in each and every State the identical purposes for which the Federal Superfund Program was established.

Mr. Chairman, the list could go on but, because of time constraints and because I know others will address additional problems with the legislation, I will close my remarks here. The message to my colleagues, I think should be clear. We find ourselves in a very difficult and, I believe, inappropriate position here today. I would venture to guess that there is not a single Member of this body who does not believe that Superfund needs to be reauthorized and expanded. But, as I said earlier, I also believe that there is not a Member of this body who does not recognize the partisan political motivation that underlies the rush to pass this bill today. All those who eventually vote in support of extending Superfund, as I believe most will, will do so with the knowledge, whether spoken or not, that the bill we consider and pass today will not be as good as a Superfund reauthorization and expansion bill developed outside the election-year timeframe in which we currently find ourselves. It is this aspect of our deliberations today that I find most troublesome and that, from the perspective of what is in the best interests of the people we represent and whose interests we are constitutionally obligated to serve, I find most objectionable.

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Mr. ROE. Mr. Chairman, I yield 5 minutes to the distinguished Representative, the gentlewoman from New York [Ms. FERRARO].

Ms. FERRARO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to congratulate the two gentlemen from New Jersey, my great chairman, BOB ROE, for his work and the distinguished chairman of the Subcommittee on Commerce, Transportation, and Tourism, JIM FLORIO, for this important, needed legislation.

Mr. Chairman, I rise in strong support of H.R. 5640, the reauthorization of the Comprehensive Environmental Response, Compensation, and Liability Act—better known as Superfund.

The need for an expanded Superfund program should be clear to all of us. According to the Environmental Protection Agency's own estimates, there are roughly 22,000 abandoned hazardous waste sites that may threaten human health and the environment. Millions of Americans live, uneasily, in close proximity to one of these sites.

To date, however, only 7,100 sites have been evaluated to determine which chemicals are present and what sort of threat they represent. We don't even know what dangers lurk in the other abandoned hazardous waste dumps that haven't yet been assessed.

What's more, of the sites that have been evaluated, 1,400 to 2,200 probably will require Federal assistance to clean them up, although only the 546 sites currently listed on the national priority list are eligible for Superfund money.

Mr. Chairman, the truth is we don't really know the full magnitude of the problem we face. But we do know that the present Superfund legislation is totally inadequate to clean up the sites whose dangers are fully understood.

The American people are demanding action. They clearly will not tolerate further delay, nor will they remain silent if the cleanup is dragged out over many years. Our fellow citizens are insisting upon—and deserve—protection from the dangers of toxic waste.

And what has been the Reagan administration's response to this broad national consensus? The sorry performance of the Environmental Protection Agency in administering the Superfund Program is well known to all of us. I do not wish to dwell upon their obstructionist tactics—the cutbacks in enforcement, the deliberate foot-dragging, the sweetheart deals.

But I would like to respond to President Reagan's recent assertion that (and I quote):

"There isn't anything that can be proven that we have not been meeting fully our responsibilities * * * in the protecting of the environment."

But the fact is, that in 3½ years, the administration has cleaned up only six sites on the national priority list as noted by Chairman HOWARD. That is approximately 1 percent of the 546 hazardous waste dumps that we know pose a health risk to the American people. Furthermore, the administration opposes the bill before us today, preferring to wait until next year to take any action.

I say it's time to get on with the job of cleaning up the Nation's hazardous waste dumps.

It's time to provide adequate resources to protect the health and welfare of our citizens.

It's time to establish a mandatory schedule of cleanups to ensure that future delays don't occur.

It's time to set national standards so the problem of hazardous waste will be addressed consistently and uniformly.

Mr. Chairman, it's time to fulfill the commitment we made 4 years ago when we enacted the original Superfund legislation. I urge my colleagues to support H.R. 5640, to reject this administration's call for more study, and to reject any weakening amendments.

Mr. STANGELAND. Mr. Chairman, I yield myself such time as I shall consume.

Mr. Chairman. I rise in support of H.R. 5640, which amends the Comprehensive Environmental Response, Compensation, and Liability Act, commonly known as Superfund. Authorized in December of 1980, this program has as its main purpose the cleanup of hazardous wastes, particularly at abandoned sites.

In the 3½ years since it became law, Superfund has developed toward a major environmental effort for the protection of the health and welfare of the American people. While there were difficulties earlier in the program, current efforts of EPA are widely praised and the program is progressing on an accelerating basis.

The program includes removals where emergency action is required and remedial action at sites identified on the national priority list. This priority list now includes over 550 sites. In the time since Superfund has become law, only six sites have been totally cleaned. However, more than 120 sites will be in construction by the end of September and EPA has now developed a schedule which will greatly increase the cleanup schedule. The costs of responding to such releases are covered by a fund derived from a tax on chemicals and petroleum and by general appropriations. Of the $1.6 billion being raised between 1981 and 1985, 87.5 percent comes from the taxes and 12.5 percent from appropriations. Amounts later reimbursed by responsible parties under the liability provisions go into the fund as do any punitive damages collected.

There is widespread support for expanding and extending this program. I am personally extremely supportive of this action. The administration also supports reauthorization, although it has urged waiting until reports required by the 1980 act are completed so that there is more information to make appropriate changes to improve management and functioning of the program.

Although the bill before us is improved over some earlier versions, I have some serious concerns with the legislation. I feel I must raise these concerns because I believe it is in the best interest of the American people that delays in cleanup activities be minimized and that the protection of public health should come before legal proceedings. I am afraid that as the bill currently exists, it could lead to extensive litigation and could delay the process of hazardous waste cleanup. I would draw members attention to two editorials in the Washington Post, the latest being from last Friday, August 3—that I have attached for the RECORD that clearly lay out some of the problems. It is possible that some of the problems with the legislation will be corrected here on the floor or later in conference with the Senate. I certainly hope so because the protection of the public from the potential harm of hazardous waste should be the guiding principle for this legislation.

Some of the liability and Federal cause of action provisions may very well have the unfortunate effect of discouraging cooperation of those who had even a small involvement in a site needing cleanup. Instead of going ahead and getting the work done, there are likely to be protracted legal manuevers that will benefit the lawyers on both sides of the issue but not the health of those endangered by the site.

There is a provision for regulation of underground storage tanks. This is a problem which is just now being identified and one which certainly deserves action. However, Superfund is not the appropriate legislation with which to manage the underground tank issue.

As I understand it, the plan is to add this Superfund legislation to already-passed Resource Conservation and Recovery Act legislation and send that back to the Senate. I think this is the wrong way to proceed on these pieces of legislation. They both deserve full consideration on their own merits separately.

Again, Mr. Chairman, despite my reservations about certain provisions, reservations that are based on my concern for the best implementation of this program, I do strongly support extension and expansion of the Superfund Program in the best interest of the American people. I therefore expect to vote for final passage of H.R. 5640.

[From the Washington Post, Aug. 3, 1984]

SUPERFUND FOR LAWYERS

Congress doesn't have to act on Superfund until the fall of next year. But it would like to assure voters before this fall's elections that hazardous-dump cleanups will not only continue, but expand in the future. That's understandable. But Congress, eager to appear attentive to people who claim their plight results from exposure to chemical wastes, is also considering adding victim compensation provisions to the law. That raises difficult questions of legal policy and social equity.

People who believe they have suffered from toxic wastes can, of course, sue for damages in state courts. But because toxic exposure may be only one of many factors contributing to an illness, claimants have found it difficult to win these cases and are pressing for a more responsive federal compensation system. Earlier this year a House subcommittee rejected a proposal setting up an administrative compensation system so generous that it might have ended up compensating almost everyone in the United States who contracts cancer.

Now—despite unanimous disapproval of a committee of well-known lawyers appointed to review compensation approaches—a House committee has approved, and a Senate committee is considering, letting people sue for exposure damages in federal court. The terms are not only more lenient than those prevailing in state courts, but also depart from carefully developed rules governing other federal court actions.

A person claiming damages could, for example, choose to sue any company that had ever generated or transported waste dumped in a site, operated a site or owned land on which water was dumped. Full damages—covering pain and suffering, legal fees and reduced property value because of a site's location—could be collected from any one defendant, even if that company had added only a small amount of waste to the site, had done so at the direction of local authorities or was in no way negligent. The losing company could then try to sue all other contributors to the dump if it could find them—and if it could afford it.

Provisions such as these fly in the face of what most people think is fair. They wouldn't even work well for victims. As in asbestos exposure cases, some victims would get bigger settlements than others with far more severe injuries. More than half of the benefits would go for legal costs. Promoting more lawsuits could also paralyze cleanup efforts, since companies would be even less willing to admit involvement and dumps might have to be left unchanged for evidence.

Superfund was designed to make all generators of hazardous wastes contribute to cleanup efforts. Civil and criminal actions are also being pursued against especially egregious violators. And state courts are, with proper caution, developing principles to deal with toxic exposure cases. Superfund's purpose is to clean up dumps that are, even now, leaking toxic wastes into water supplies. Progress on that front has been far from spectacular. The Superfund legislation ought not to be diverted into the very separate question of dealing with environmental health damages, a subject that leads very quickly into the broader issue of how far this country wants to go in guaranteeing full health coverage and disability benefits to everyone.

Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. FIELDS].

Mr. FIELDS. Mr. Chairman, Superfund is without a doubt one of the most significant environmental issues confronting us as public representatives. I support the Superfund Program and believe it is imperative that we reauthorize the Superfund Program so that we can demonstrate to our constituents our commitment to cleaning up our Nation's abandoned hazardous waste sites. When Congress initially enacted the Comprehensive Environmental Response, Compensation and Liability Act in 1980, Congress pledged to the American public to locate these abandoned waste sites and to clean them up in a timely manner.

As a Representative from a district containing three Superfund sites, all of which are on the national priority list, I am acutely aware of the need to reauthorize the Superfund Program in order to demonstrate to our constituents and the Nation our resolve to cleaning up the environment. Superfund is not only an environmentally

sensitive issue for my State, it is equally an important economic issue. The chemical industry in Texas pays close to 50 percent of the national cost of Superfund taxes. The petrochemical industry in my State employs 15,000 individuals directly with 27,000 downstream and indirect jobs dependent on this industry. My own district is home to one of the largest complexes in the Nation. As a result I believe we must fashion a Superfund bill which strikes the proper balance between cleaning up our Nation's hazardous waste sites and maintaining an economically healthy petrochemical industry in our country.

I support the Superfund Program and more importantly I support its reauthorization and continuation. It is imperative that we in Congress continue this program until all of the hazardous waste sites nationwide are cleaned up and certified as environmentally safe.

Unfortunately, the legislation before us today is, in my opinion, fundamentally flawed in a number of ways and will not increase the effectiveness of the Superfund Program. Further, this legislation with its drastic increase in feedstock taxes will place a greater financial burden on an industry already reeling from a severe recession. I have serious concerns about many provisions within H.R. 5460 and would like to see numerous changes before this legislation is signed into law.

Among the concerns I have with this specific proposal is the quadrupling of taxes on petrochemical feedstocks. I question whether the Environmental Protection Agency has the manpower resources to utilize all of the new funds in the most efficient manner. The EPA has concluded that it cannot effectively spend the $10 billion level contained in this bill and believes that $5 billion is a more realistic funding level for continuation of this program. Additionally, EPA has stated that the new requirements will burden them with new responsibilities costing billions of dollars, many of which are totally unrelated to the original purpose of Superfund and many of which will actually impede the cleanup operation under Superfund.

In closing, I will simply summarize by saying I feel our task before us today is to amend this legislation into the best, most effective Superfund reauthorization proposal by adopting some of the amendments which will be offered here. We have a responsibility to our constituents to give them the very best Superfund legislation and one which will demonstrate that we in Congress are serious in our resolve to cleaning up our Nation's abandoned hazardous waste sites.

Mr. ROE. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Chairman, at the outset, I want to congratulate Chairman BOB ROE of the Public Works and Transportation Subcommittee on Water Resources and the ranking minority member of the subcommittee, ARLAN STANGELAND, for the many hours they put into this legislation.

As you know, during consideration of this legislation in the Committee on Public Works and Transportation, I offered two amendments, en bloc, dealing with the petroleum exclusion provision and the underground storage tank provision. The latter amendment provided that the regulation of underground storage tanks should not be included in the Superfund bill. These amendment were unanimously agreed to by the committee. As you know, however, the bill itself, after 7 hours of deliberation, failed to be reported out of the committee. Thus, my amendments are not included in the bill currently before us.

Today, EPA estimates that there are approximately 22,000 hazardous waste sites in this country and of these, up to 2,200 will require Federal money to clean them up. Also, EPA has identified approximately 18,000 "potentially" hazardous waste sites and has singled out nearly 550 as top priority sites. Thus, few can disagree that the problem of hazardous waste sites is an enormous one.

As approved, the bill provides for $10.2 billion to be spent over the next 5 years to clean up these toxic wastes. Those in the environmental community have earlier pointed out that to clean up these sites would cost over $20 billion—double of that amount contained in this measure.

Today, we see a dramatic change in course of Superfund's intent. Title IV of this bill would require the EPA to promulgate a regulatory program for underground storage tanks containing "hazardous substances." The term "hazardous substances" is broadly defined in the bill. The term has the same meaning as it does under the current Superfund law, except it would include petroleum or petroleum products which are released from an underground storage tank or where petroleum may present a significant risk to human health. Title IV would exclude certain underground storage tanks from EPA's regulatory program. However, the definition of "underground storage tank" includes a tank "partially" beneath the surface of the ground. The word "partially" is not defined in the bill. Thus, it is possible that an above-ground tank whose structural support is beneath the surface of the ground would be an underground storage tank.

The underground storage tank regulations to be promulgated by EPA could cost billions of dollars to tank users. According to an article in the June 8, 1984 edition of Inside EPA, EPA, in a preliminary analysis, estimates that the cost of testing, monitoring, reporting and recordkeeping rule being contemplated by the Agency's Toxics Office could range from $363 million to $4.7 billion or up to 5 cents per gallon of gasoline sold, depending on how the rule is designed. The article notes that additional regulations to set standards for new tanks and to clean up contaminated ground water would cost considerably more. Moreover, estimates are based on regulations for retail gasoline outlets only. It must be remembered that the provisions in H.R. 5640 would apply to a tank universe which is substantially broader than retail gasoline outlets and which includes perhaps thousands of other small businesses and governmental entities. Thus, the cost of tank regulations to the regulated community would increase drastically.

The tank tightness test to be included in EPA's regulations could become a classic example of regulatory overkill. According to EPA, the cost of a tank tightness test is approximately $1,500 per tank. This test cost alone is a burden on many small businesses, particularly when such tests are not practicable and are of limited value. These tests are like having a smoke detector in your home 1 day a year. Tank tightness tests indicate the condition of a tank on a given day, but do not monitor the tank's condition between tests. Continuous inventory control is the best available method for assuring the integrity of an underground storage tank.

Mr. Chairman, with this in mind, I am not going to stand here today and suggest that leaking underground storage tanks do not pose a problem to the environment. There are many underground storage tanks which today are leaking. If I had my way, I would like to see the Congress pass separate legislation to address underground storage tank regulation. I say this because the information which we have on this issue is, at best, limited. Although no one really knows, estimates on the number of underground storage tanks range as high as 5 million.

I urge you to think for just a moment on how vast this provision is and how many hundreds of thousands of businesses will be affected. Some which come to mind include: Airports and airlines; auto dealers; auto and truck rentals; auto repair shops; car washes; colleges; commercial and industrial office buildings; county and local governments—including fire departments, police departments, prisons, sanitation departments, public bus systems, water treatment plants, municipal buildings and highway departments; convenience stores; delivery services; elementary and high schools; the Federal Government; hos-

pitals; hotels; manufacturing plants; marinas; mining companies; motels; service stations; State Governments—including prisons, highway departments and State office buildings; school bus garages; shopping centers; tire stores; transportation services—including taxi, limousine, and bus lines; truck stops; and, trucking firms. There are many other businesses which, I'm sure, you can think of within your districts who must utilize underground storage tanks within their operations.

Well, today, you can report back to each one of these businesses and let them know that they are now a hazardous wastesite. Probably, the most onerous burden created by H.R. 5640 is the extension of strict, joint, and several liability provisions to the commercial relationships involved in distributions and storage of products in underground storage tanks. For example, product suppliers would face potential liability for products leaked from a customer's underground storage tank, even if the supplier was misled as to the condition of the tank. Strict, joint, and several liability provisions were not intended to extend to such commercial relationships. Unlike a contract for the disposal of hazardous waste, it is essential to recognize commercial realities and the movement of valuable commodities in commerce. Moreover, strict, joint, and several liability provisions remove incentives from any tank owners and operators to prevent and minimize releases because they can transfer costs for such releases to others.

Should H.R. 5640 fail to be be signed into law, it's important to note that the EPA has already begun to define the extent of tank releases, is preparing to educate tank owners and operators on leak detection prevention measures, and is assessing Federal control options. And, as I've said earlier, the true magnitude of underground tank leakage is unknown. EPA is convinced that reliable leakage estimates can be obtained through a statistically-designed nationwide survey in which a randomized sample of underground tank systems is tested for leaks. EPA already has commenced the process of undertaking this survey.

Also, EPA has drafted a "chemical advisory" on underground storage tanks which is scheduled to be published soon. The advisory, which explains that EPA has begun investigating the problem and is considering the regulation of underground storage tanks, is intended to alert tank owners and operators to the leakage problem and their potential liability for such releases. The advisory and a detailed backup document will review how to detect a leak and what steps to take if a tank is leaking. EPA hopes that an increased awareness of the leaking problem by tank owners and operators will lead to meaningful precautions and a concomitant reduction in releases. And EPA is expected to issue an advance notice of proposed rulemaking the fall, outlining possible actions, such as tank monitoring and inspection, notification of public bodies, and remedial action for tank leaks, that the Agency could require in any final rules. Such an administrative rulemaking would permit the regulated community to suggest to EPA effective solutions to prevent minimize tank releases.

In closing, let me just say that I do not intend to reintroduce my amendments because I think it's vital that we get this bill into the President's desk. However, I want to caution those who might be misled into believing that passage of this legislation will clean up underground storage tank leaks. I say this because, since Superfund was enacted 4 years ago, only six toxic waste sites have been cleaned up. And with at least 22,000 of these dump sites scattered throughout the country, I find it hard to imagine that EPA will use precious Superfund dollars to clean up small leakage problems. We should concentrate our efforts in cleaning up those many thousand toxic dump sites. Should we now have EPA try and regulate underground storage tanks, you can be sure that this will surely dilute the effectiveness of Superfund.

I urge the floor manager of this bill, my good friend from New Jersey, JIM FLORIO, to consider my views on this matter so that we may have the strongest Superfund bill possible. Also, without objection, I would like to include with my statement an article on why Superfund is the inappropriate vehicle to regulate underground tanks and a letter from the Small Business Administration on the impact of this bill on small business.

[From the Environmental Forum, Aug. 1984]

SUPERFUND NOT THE WAY TO REGULATE UNDERGROUND TANKS

(By Jeffrey L. Leiter, of Collier, Shannon, Rill & Scott)

The relationship between groundwater protection and underground pertroleum storage tanks has emerged as an environmental issue. Increased public awarness of the tank leak problem has led to calls for regulation of underground storage tanks. However, the extension of "Superfund" to such tanks would overstep reasonable needs to protect groundwater, particularly when the magnitude of the leakage problem is not known. Moreover, the removal or limitation of the "petroleum exclusion" in the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) would impose significant burdens on petroleum markets and on EPA. Accordingly, Congress should have more facts and reliable information before it legislates a program of regulatory overkill.

PETROLEUM PRODUCTS ARE NOT SUPERFUND WASTES

CERCLA was not enacted to prevent, minimize, and cleanup petroleum—a valuable commodity in commerce—leaked from an underground storage tank. Rather, the purpose of Superfund is to provide for the cleanup of groundwater contaminated by hazardous industrial byproducts in abandoned or inactive waste sites. Congress determined that past, uncontrolled dumping practices threatened the drinking, industrial, and irrigation water supplies upon which a majority of Americans depend. Despite the widespread media attention that has been given to some underground leaks, gasoline, diesel fuel, home heating oil, and other petroleum products are not encapsulated in ticking time bombs. While some petroleum leaks have contaminated aquifers, have created safety problems, and have damaged underground utilities, such leaks should not be equated to the Love Canal, Valley of the Drums, or Chemical Control Corporation incidents—the catalyts for CERCLA.

No reliable data is available on underground storage tank failures and potential leaks. However, often-quoted estimates of the number of leaking tanks simply do not square the experiences of petroleum marketers. Even if the same amounts of gasoline were to leak in different areas, the consequences of such leaks would vary. The time to detect the leak, soil conditions, the proximity of groundwater, and the characteristics of the aquifer all must be considered. As a result, only a very small percentage of tank leaks affect groundwater. Instead, most leaks are contained within the soil in the immediate vicinity of the tank which leaked. Thus, before the vast Superfund machinery is brought to bear upon underground petroleum storage tanks, Congress should have more than anecdotal evidence that unconflined petroleum is a pandemic problem and a health risk.

BURDENS FACING PETROLEUM MARKETERS AND EPA

Enactment of legislative proposals (S. 2513, H.R. 5640) to regulate underground storage tanks by removing or limiting the petroleum exclusion in CERCLA would impose substantial burdens on petroleum marketers and EPA. Superfund's strict, joint, and several liability provisions expose petroleum marketers to enormous potential liability because the commercial relationships involved with the distribution of petroleum products were not contemplated when CERCLA was enacted. A gasoline wholesaler, for example, could be responsible for Superfund reponse costs from a leak from a customer's underground storage tank, even if the marketer was misled about the condition of the tank. Unlike a contract for the disposal of hazardous waste, it is necessary to recognize commercial realities in the movement of valuable commodities, such as gasoline, in commerce. Moreover, Superfund's liability provisions remove incentives for many tank owners and operators to prevent leaks because they can transfer the costs for such leaks to others. Beyond their concern for the adequate protection of groundwater, petroleum marketers have strong financial reasons to prevent and minimize leaks.

CERCLA's notification requirements would create an administrative nightmare for petroleum marketers and for EPA. Estimates of the underground storage tank population range from 2 million to 3 million. Leaks, dispensing spills, and even evaporative emissions greater than a designated "reportable quantity" (RQ) would trigger immediate notification of the "release" to EPA's National Response Center. Unless

changed, the RQ for petroleum products would be one pound. A gallon of gasoline weighs seven pounds, so it is likely that EPA would be flooded with paper.

"ORPHAN" LEAKS NOT ADEQUATELY ADDRESSED BY CERCLA

Proponents of regulating underground petroleum storage tanks under CERCLA believe it is the only statute which addresses the "orphan" leak by permitting EPA to clean up the leak and to recover costs later. However, there are limitations on "removal actions" which EPA can conduct at any site, regardless of whether it is on the National Priority List (NPL). Such removal actions cannot continue after $1 million has been spent or six months has elapsed, unless EPA finds that: 1) continuation is immediately required to prevent, limit, or mitigate an emergency; 2) there is an immediate risk to public health, welfare, or the environment; and 3) assistance will not otherwise be provided on a timely basis.

Further, there are two restrictions on EPA's ability to undertake "remedial actions." First, before EPA can undertake remedial actions, the state must enter into a contract or cooperative agreement with EPA for future maintenance and cost sharing. Second, under the National Contingency Plan, remedial actions, such as groundwater decontamination, can be undertaken only at sites included on the NPL. In order to be included on the NPL, a site must have received a Hazard Ranking System score of at least 28.5 and must be designated by EPA through a rulemaking.

AN ALTERNATIVE—A SEPARATE LEAKING TANK FUND

As noted earlier, petroleum marketers are concerned with groundwater protection. As an alternative to the Superfund regulation of underground storage tanks, particularly the orphan leak situation, petroleum marketers recommend the creation of a separate fund financed through a nominal tank registration fee. The fund could contain negligence liability standards and could provide for removal actions beyond those in Section 104 of CERCLA.

Petroleum marketers have not been idle, but rather have responded to the leakage problem with voluntary programs and have recommended engineering and operating practices. These marketers continue to develop the technology and practices necessary to protect the Nation's groundwater, and they could support means other than Superfund if federal regulation of underground storage tanks is warranted.

U.S. SMALL BUSINESS ADMINISTRATION,
Washington, DC, June 1, 1984.

Hon. JAMES FLORIO,
Chairman, Subcommittee on Commerce, Transportation and Tourism, Committee on Energy and Commerce, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing with regard to the provisions of H.R. 5640, "Superfund Expansion and Protection Act of 1984" which would require the Environmental Protection Agency (EPA) to promulgate regulations within specified time frames for underground storage tanks. As you know, the Office of the Chief Counsel for Advocacy was established by P.L. 94-305 (15 U.S.C. § 601, et seq.) to articulate the views of small businesses before Federal agencies and Congress. We are writing to inform you of the significant small business impact of your proposed legislation and to suggest an alternative that we believe addresses your valid concern with the tank leak problem.

We are concerned that Title IV of the proposed legislation will have a significant adverse economic impact on a wide variety of small businesses without a concomitant contribution to protection of groundwater supplies and the environment. Title IV requires EPA to promulgate, within a very short period, regulations affecting hundreds of thousands of small businesses. We understand that EPA is currently collecting and analyzing information on the scope of the leakage problem and is assessing the need for regulatory action. Moreover, at least 32 states have addressed or are considering the tank leak issue through legislation and regulation. Furthermore, existing national fire codes already prohibit the use of unprotected tanks in corrosive soils. Thus, it appears to be premature to impose a Federal legislative solution before it is clear that Federal action is warranted.

Title IV requires EPA to promulgate monitoring, leak detection, and tank integrity requirements that are potentially very expensive. For example, EPA informs us that periodic tank tightness tests currently cost at least $1,500 per tank per test. At a typical gasoline station, this expense exceeds $4,000, including the cost of shutting down the station during the tests. Moreover, such tests provide assurances only that a tank is not leaking at the time of the test. They give no information to owners and operators on the condition of the tank between tests. Title IV's requirement that all new tanks be equipped with leak detection devices could increase tank costs for small businesses of up to $10,000 per tank. Such costs are unreasonable when the reliability of tank leak detection devices has not been satisfactorily demonstrated. Our concern with the proposed legislation's effects is compounded because the bill appears to restrict EPA's discretion to consider costs in promulgating its leak detection, prevention, and clean-up regulations. Because the costs of Title IV would be imposed on businesses as diverse as retail gasoline outlets, grocery stores, hospitals, car washes, automobile dealers, nursing homes, and restaurants, EPA should have a more flexible standard so that its rules address the leakage problem on a cost-effective basis. Putting the EPA response in a regulatory strait-jacket places hundreds of thousands of small businesses at risk of great costs, possibly forcing many out of business, without any real expectation that the proposed legislation effectively would solve the leakage problem. Accordingly, we proposed that consideration of Title IV be deferred until EPA completes its study.

If legislation this session is deemed necessary, we propose that it provide a date certain for EPA to report its findings and recommendations to Congress. In addition, an inventory control and reconciliation requirement could be included in the bill. Daily inventory monitoring is a cost-effective and reliable method for small business tank owners and operators to detect and minimize tank leaks.

We are equally concerned with H.R. 5640's extension of "Superfund" responsibilities and liabilities to owners and operators of underground storage tanks. Your proposed legislation would create administrative burdens for small businesses which would become subject to Superfund's notification requirements for "releases." Superfund was enacted by Congress to clean-up hazardous wastes at abandoned waste sites rather than to oversee the storage and dispensing of valuable commercial products. Moreover, Superfund's joint and several liability provisions will have a severe negative impact on the insurability and operating costs of small businesses.

The above proposed approach provides a reasonable first step toward addressing the leakage problem in a manner that will not limit EPA's ability to develop the necessary information and control options. We are concerned that EPA will be constrained in devising a system that is adequately flexible to meet small business capabilities. Indeed, the failure to grant this flexibility to small business could well result simply in small businesses being unable to meet the bill's requirements, thus, harming rather than helping the situation. Accordingly, we suggest, to the extent that any legislation is deemed necessary at this time, that it be limited to directing EPA to complete its study and to report back to Congress within a reasonable time and to imposing an inventory control and reconciliation requirement.

Yours very truly,

FRANK S. SWAIN,
Chief Counsel for Advocacy.

□ 1420

Mr. STANGELAND. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee [Mr. SUNDQUIST].

Mr. SUNDQUIST. Mr. Chairman, I rise regretfully in opposition to H.R. 5640 in its present form. I consider myself to be an environmentalist as most Members of this body do. I also think that we need a Superfund bill. As the gentleman from Kentucky [Mr. SNYDER] said earlier, this is not a question of whether we have a Superfund bill, it is only the form of the Superfund.

I am concerned about this piece of legislation for a number of reasons. It appears to me that we are engaged in this process for political reasons and not environmental reasons.

The rule itself, for instance, does not allow us to change the tax numbers. To give you an example, I say people who vote for this knowingly ought to know that in their district they may very well be putting people out of jobs.

This bill is a subsidy, a subsidy for foreign manufacturers of chemicals in the United States in that we are going to force people to buy these chemicals out of the United States as opposed to mining and producing in the United States.

It is my understanding that the Breaux amendment that would address this inequity that would force jobs to go overseas cannot be brought up because of the rule that we passed earlier today. I do not think that makes any sense, Mr. Chairman.

I am concerned that we are playing a game of environmental roulette, that we are moving poison chemicals from one dump to another dump, that we are not really addressing the problem of what we are going to do about it. We are mortgaging our children's and our grandchildren's future because we

are playing political games with the environment.

We are going to spend more money in taxes than what we can use at EPA. We are going to do things for political purposes, for this election, when in fact what we ought to be worried about is how we can clean up the environment. But, more importantly, Mr. Chairman, what we can do about not putting these poisonous, hazardous chemicals in the land and the water and the air to begin with.

Almost 2 years ago I introduced a piece of legislation that I think addresses the need for incentives to encourage the development of environmentally sound methods of disposal. My bill would provide a 2-cent-per-pound tax credit to the private sector for recycling hazardous chemicals. And it is job related. We would create many jobs with my piece of legislation. It does not take many people to dig a hole in the ground and then dump hazardous wastes in there.

But if we recycle these chemicals we are going to create many new jobs. I think this legislation we are considering today ought to be slowed down and we ought to take a look at some alternative methods instead of taxing what goes in the ground and paying more to have it cleaned up; in the meantime poisoning the land and the water and the air.

Why not look at some positive measures that would unleash this opportunity we have in this country to create jobs and at the same time do something to address the problems of the environment.

So I regretfully have to oppose this piece of legislation in its present form for a number of reasons.

I think in the joint and several liability sections others have discussed we may very well be eliminating the possibility of insurance for cleanup. As we get into this piece of legislation in more detail in the next few hours I think we ought to take a look at it very carefully and not cast a vote based on politics. I think we ought to cast a vote on what is best for this country, short term and long term. I submit to you if we slow down this political train that is running over the process we have a year and a half to make a decision. We can put some things in there that will help those who have been injured through the poisoning by hazardous, toxic waste chemicals. We can put into the legislation some positive proposals for stimulating the private sector to recycle. Keep in mind if you vote for this present piece of legislation you may very well be destroying some jobs in this country as well as slowing down the cleanup.

Mr. ROE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Georgia [Mr. LEVITAS].

Mr. LEVITAS. Mr. Chairman, I want to express my appreciation to the chairman of our subcommittee and its ranking member for their outstanding work in perfecting and bringing this opportunity to the House to consider the Superfund legislation. I rise in strong support of this legislation not only in terms of its substance and its content but for the reason that we must deal with this legislation now.

The problem of cleaning abandoned hazardous waste sites is a major issue facing America. A recent opinion poll shows that 95 percent of the American public believes that hazardous waste is a serious problem for the country and also where they live. Where we once thought we would have to clean up several hundred abandoned hazardous waste sites, new discoveries occur almost weekly and we find that we must provide remedies for thousands of sites. Obviously, the $1.6 billion Superfund dealing with this matter that Congress enacted in 1980, while a step in the right direction, is not adequate to do the job.

The problem is great and the time to address that problem is at hand. If we wait until next year to begin to address this matter it will be physically impossible for the Environmental Protection Agency to put in place the necessary mechanisms that this legislation will call for and we will see a repetition of what happened at the beginning of this administration and a failure to get on with the job of cleaning up the abandoned, hazardous waste sites across American. These hazardous waste sites can threaten the health of millions of people as they leach their toxic wastes into the soil and land. If we don't act, we will see more Love Canals, Valleys of the Drums, Stringfellows, Times Beaches, and Seymour sites.

They indeed constitute a ticking time bomb. People who live near these sites have been affected. Communities have had their entire economy subject to jeopardy because their aquifers and water supplies were contaminated in some instances forever as a result of these leaking, hazardous waste sites that this Superfund program will address.

Now, there are some who have criticized this legislation as either not being tough enough or being too tough. It is a tough bill and I would not tell you it is a perfect bill. There are some improvements that can and should be made in it.

I, for one, have some objections to the tax portion. I would have liked to have seen a waste-end tax written into this legislation. The waste-end tax would be beneficial since it not only establishes an additional source of revenue from the people who produced the waste, but it would discourage the use of landfills and encourage recycling. I would have liked to have seen some other alternative tax measures considered.

But, basically, this bill before us today provides the effective framework for solving the problems which we have identified and which the American people are so concerned about.

I think there are some amendments which will be offered that have great merit in making this bill still even more effective in the fight against hazardous waste in this country. And I would hope that the members of this committee, as we go forward and consider these amendments today, will remember what we are talking about. We are talking about the public health of this country. People who today are suffering from exposure to hazardous wastes are looking to us and to this Congress and to this bill for the relief they are entitled to receive.

Mr. Chairman, it is in that spirit of bipartisan cooperation that I urge my colleagues to support this legislation and the amendments which will make it an even more effective means for fighting the problem of abandoned hazardous waste sites that are leaking their poisons into the waters of this land.

Mr. STANGELAND. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON. Mr. Chairman, I rise in strong support of H.R. 5640 and the Superfund reauthorization legislation.

There is certainly, as we all agree here today, no problem that poses a greater threat to our environment or to our lives or to those of our children than the improper disposal of hazardous wastes and nonhazardous wastes as well, or the abandonment of hazardous sites.

□ 1430

This has been described as, and I believe it certainly is, a tough bill. It is a tough bill for a tough problem.

It will in many ways strengthen our hand and promote cleanup actions, but it has in my estimation very serious problems that if not corrected will discourage the cooperation essential to prompt cleanup. The fact that there were excellent amendments proposed by Democrats who are well-known as committed environmentalists, and that those amendments were passed unanimously and yet are not in this legislation, attests to the seriousness of the problems still a part of this legislation and at times chaotic nature of the process that produced this important legislation.

As a cosponsor of the legislation proposing a waste-end tax, I was indeed disappointed with the abrupt elimination of that portion of the tax section of H.R. 5640 in the Committee on Ways and Means.

I believe the tax portions, the liability sections, the Federal cause title, all need clarification. We have that opportunity on the floor today. The Senate has that opportunity. The conference has that opportunity.

This is entirely too important an issue for us to neglect our responsibilities, to be hasty in our decisions, or to push through a reauthorization that is going to have a profound effect not only on our ability to motivate the private sector to work with Government, and after all it is that partnership that has got to provide both the resources and the energy and commitment to clean up, but also on our ability to preserve the tax base which alone can provide the dollars to fund Superfund.

Mr. ROE. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from New Jersey [Mr. MINISH].

Mr. MINISH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise to express my vigorous support for H.R. 5640, the Superfund Expansion and Protection Act of 1984. I am proud to be a cosponsor of this significant measure and I commend my colleagues from New Jersey, Mr. FLORIO and Mr. ROE for their distinguished and foresighted efforts in establishing and nurturing the Superfund Program.

By EPA's own estimates, the Agency tells us that the national priorities list of our Nation's worst abandoned hazardous waste sites will grow to 2,200 when the 17,000 sites now known to exist throughout the country are evaluated. Millions of Americans are exposed to highly dangerous toxic substances everyday—substances which are emitted from these numerous dump sites. These toxic wastes poison, or threaten to poison, our drinking water, soil, and even our air. I say to you that a grave calamity will ensue if these hazardous substances are allowed to continue to go unchecked and thereby find their way into our food chain.

I was an ardent supporter of the Superfund Program when we first passed it in 1980. I believe that Congress adopted a courageous position at that time; that it was right for us to make a commitment to the American people to clean up these devastating environmental menaces.

Unfortunately, we are all too familiar with the shameful record of the Environmental Protection Agency in administering this program in the past few years. A grave disservice has been done to the American people by EPA's refusal to vigorously wage our war on toxic waste. Due to a lack of leadership, gumption, and even scandal, the Environmental Protection Agency has not upheld its commitment to our citizens. To date, only 6 Superfund sites, of the 546 eligible ones on the national priorities list have been cleaned up and closed. These unconscionable delays are why we need to pass this strengthened reauthorization bill and why we need to pass it today.

H.R. 5640 will extend the Superfund program for 5 more years, from fiscal year 1986 through fiscal year 1990, and provides for a total of $10.1 billion over that period. Of course we are all familiar with the fact that this bill raises the funding levels through a combination of industry taxes and authorized appropriations from general tax revenues. This level of funding is vitally important if the work of cleaning up these dangerous sites is to be completed efficiently and thoroughly.

I would also call my colleagues' attention to another important provision of this legislation. The bill establishes a mandatory schedule and uniform national standards for EPA's cleanup activities. This is a significant safeguard to insure that EPA continues pressing forward for the cleanup of these sites, despite any political bickering to the contrary.

For all of these reasons, Mr. Speaker, I urge my colleagues to join me in voting for H.R. 5640, so the House of Representatives sends a clear message that we do support a safe and unspoiled environment for ourselves, and perhaps more importantly, for our grandchildren.

Mr. ROE. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Louisiana, a member of our committee, the Honorable JOHN BREAUX.

Mr. BREAUX. Mr. Chairman, at the appropriate time I will be offering an amendment which is made in order by the rule granted by the Rules Committee which adds a new title to the bill.

The new title is the basic provisions of legislation that is not new to any Member of this House or I would say to the other body, in the Senate. The provisions of the amendment that I will be offering will incorporate into the Superfund legislation the provisions of the Comprehensive Oil Spill Liability Fund.

If that title sounds familiar to any of the Members, I would say it should be because the comprehensive oil spill liability funding provision has passed the Committee on Merchant Marine and Fisheries in the House five times; has been adopted by the Committee on Public Works and Transportation on two occasions; has been adopted by the House Committee on Ways and Means on one occasion, it has been passed by the House of Representatives on two occasions; it has been adopted by the U.S. Senate on one occasion. It is not yet law.

This is an opportunity, I think, that comes once in each Congress where we have an opportunity to, in a comprehensive package, once and for all, address the question of oil spills. The Superfund legislation deals with the cleanup of toxic dump sites, chemicals dump sites and waste sites that need to be cleaned up.

In 1980 when the Superfund bill was adopted by the Congress, petroleum products were specifically excluded from any coverage by the Superfund. It was excluded for an appropriate reason; and that reason was because the Congress was working very hard on developing a comprehensive oilspill cleanup funding mechanism.

This amendment incorporates the provisions of those legislative features passed by the Committee on Ways and Means, by the Committee on Public Works and by the Committee on Merchant Marine and Fisheries on numerous occasions.

This Superfund bill deals with toxic chemicals. They have tried within the limits of their jurisdiction to address oil spills, but they do so in a way that is really not sufficient and I think all would agree with that.

The authors say that this Superfund bill may be used to clean up underground storage tanks which may present a significant risk to human health. Their report says that what that section is designed to do, and the intent of this provision is to allow the Administrator of EPA to address human health and environmental problems created by releases of stored gasoline or other stored petroleum products.

The provision does not apply to releases of petroleum into the environment which occurred during the production of crude oil.

So I would say to all of the Members who are interested in providing a mechanism to clean up pollution problems, the legislation in the Superfund does not address oil that is spilled from tankers like we had off the coast of Louisiana and Texas, where almost 500,000 barrels of oil, almost 2 million gallons of oil have been leaked out of a tanker that has run aground, that has found its way onto the beach.

What this amendment would do would be to adopt a comprehensive oil spill mechanism which would cover those types of spills, not only to clean up those spills but also would have funds in it which would allow for the compensation of victims of those oil spills to pay for losses that they receive as a direct result of that oil that is spilled.

This legislation without my amendment does not cover those types of spills. It does not cover compensating of victims; it does not provide an adequate funding mechanism for the cleanup of the oil that is spilled.

So my amendment is not new; it has passed the House twice; it has passed the Senate once; it has passed the appropriate committees of jurisdiction in the House more than once; five times out of the Committee on Merchant

Marine and Fisheries, two times out of the Committee on Public Works and once out of the Committee on Ways and Means.

This is a golden opportunity to establish a fund of 1.3-cents-per-barrel tax on oil goes into a fund for up to $300 million. It does not affect the funding mechanism for the toxic waste cleanup under Superfund at all. It makes this bill much stronger.

I would say the type of people supporting this, we have a "Dear Colleague" letter going around that clearly indicates my support, the chairman of the Committee on Merchant Marine and Fisheries, Mr. WALTER JONES, Congressman BOB EDGAR of Pennsylvania support, Congressman GERRY STUDDS support, from the State of Massachusetts, Congressman DENNIS ECKART support, from the Energy and Commerce Committee, and I know many others who have just not had the opportunity to sign the letter.

I would like to address one other thing very briefly because it is completely totally inaccurate to the point of being a complete deception.

There was a letter sent around supposedly representing the coalition of a number of environmental groups that said "Vote against the Breaux amendment because it would exempt hundreds of thousands of leaking underground storage tanks from liability under the Superfund."

That is completely, totally, and in any way you want to look at it, untrue. This amendment does not touch that section; it does not modify it, it does not refer to it, it keeps it intact.

The Superfund bill will be applicable to all leakages of oil that come from underground storage tanks that may somehow endanger underground drinking water. But all those other types of oil spills are not covered unless my amendment is adopted.

Since that time, organizations from the Sierra Club, Citizens Action, Congress Watch, Environmental Safety, National Wildlife Federation, the Isaac Walton League, the National Audubon Society, National Wildlife Federation and Oceanic Society all have sent out letters saying they wish to disassociate themselves from the first piece of material because it was inaccurate.

They now agree my amendment in no way touches that portion of the Florio bill which represents protection for a leaking underground storage tank.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman.

Mr. RITTER. I thank the gentleman.

Just a clarification on his point: He is correct; the Florio, et al., bill covers leaking underground storage tanks. We are going to extend that so that it is directed toward gasoline in groundwater, which is really the problem that we are addressing.

Mr. BREAUX. I totally agree with that. That would still be protected by my amendment.

□ 1440

We have the opportunity here not only to clean up the toxic chemical dump sites, but also to clean up any potential oil spills which we have been trying to do for about 6 years now.

This, I say, is the last train out of this city, this year, where we will have a chance to do it.

I would urge support for my amendment.

Mr. STANGELAND. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Chairman, there is no Member of this body who is more aware and concerned about the dangers of toxic waste or a stronger supporter of the reauthorization of Superfund than I am. However, I will not vote for H.R. 5640 as it presently reads.

My opposition to the bill in its present form arises from a number of provisions. Others have spoken to some of these provisions, but I wish to comment on a few of the most bothersome dealing with litigation.

This legislation is a trial lawyers relief bill. Not only does it reinforce the strict liability standards which the EPA can use to require those who dispose of hazardous substances to bear the cost and burden of cleaning up hazardous waste sites, it also adds a new Federal cause of action allowing individuals to recover personal injuries and property damages on a strict liability theory and provides for citizen suits to force the Administrator of the Environmental Protection Agency to take action in certain circumstances. There is no question that the passage of this legislation will result in an enormous number of new lawsuits in our Federal district courts which will clog the system and add to the already overburdened and untenable workload of our Federal judges. It is incredible that a bill with such a great potential impact on the caseload of our Federal judiciary has received so little attention.

One of the most abhorrent features of this bill is the door it opens to potentially holding the Federal Government strictly liable on the same basis as any individual for personal injuries or property damages arising out of the disposal of any hazardous substance in total disregard for the Federal Tort Claims Act. Under title II of the bill, the new Federal cause of action established provides that if a person—which could include the Federal Government or any of its agencies or instrumentalities—released a hazardous substance at a site, that person would be liable for harm resulting from any hazardous substance disposed at that site. This means that causation is not a necessary prerequisite to liability. Each responsible party including the Federal Government is potentially liable for all damages suffered by a plaintiff, regardless of whether his actions caused those damages. Not only that, but the legislation is retroactive so that an individual might bring any claim arising at any time for property damages, and a claim up to 10 years old for personal injuries, and hold Federal Government liable and recover from the taxpayers whatever his damages were. Since the liability of the Federal Government could be brought into play without the showing of any negligence or any causation, simply by having disposed of a hazardous substance at a site from which the damages were derived, and since the Federal Government could be held accountable for 100 percent of any individual's damages regardless of fault, the potential costs to the taxpayers in billions of dollars is staggering.

While there may be some variance in State laws, there is no compelling case for a uniform Federal cause of action for personal injury and property damages arising out of hazardous waste disposal. Even if uniformity were desirable title II of this bill goes too far. Title II should be stricken from the bill, and if it is not taken out of the bill at the very least amendments should be adopted that clearly establish that the only liability of the Federal Government will be under the provisions of the Federal Tort Claims Act and the retroactive provisions be stricken from the bill.

In title I, the enforcement part of the legislation, under section 115 it is contemplated that the EPA will be suing other Federal agencies and departments of the executive branch and the Attorney General is required to represent the EPA and is prohibited from representing in such action any other department, agency, or instrumentality of the United States. It is very questionable whether this provision is constitutional, and at the very least it is bad policy. For various parts of the executive branch of Government to be suing each other and the Attorney General being prohibited from representing any but one agency whose doing the suing is certain to lead to many problems that are unnecessary, likely to result in more litigation than otherwise, and will slow down the process of resolving the issues that face us in toxic waste cleanup.

Last, I join my good friend and colleague, the distinguished chairman of the Administrative Law Subcommittee of the Judiciary Committee, in expressing grave concern over the limit-

ed access to judicial review and the exemptions to the Administrative Procedures Act contained in title I. We need a fair and reasonable piece of legislation to get at the problems this bill attempts to address. To take away individual rights in the process is wrong and unnecessary. Because of the multitude of problems potentially facing us with respect to the litigation provisions of this legislation it is my judgment that the bill should have gone to the Judiciary Committee under sequential referral. It did not. Barring the adoption of significant amendments that would rectify the many problems contained in this legislation, I will have to vote against it despite my strong support of Superfund objectives and the reauthorization of the Superfund generally.

Mr. STANGELAND. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, we have heard it said that hazardous waste and hazardous waste sites—by the way, everybody gets up and talks and says that toxic substances are the same as hazardous. They are not. Toxic is one category of hazardous substances. Toxic implies a greater degree of hazard in terms of ingestion. Hazardous can be either toxic, flammable, reactive, or corrosive. We have heard it said that these hazardous substances and hazardous waste sites—on both sides of the aisle—constitute the greatest impact on public health and the health and well-being of our families and our children. While it is important to proceed as quickly as possible with cleanup, these statements are simply not borne out by the facts, by the medical facts, by the epidemiological facts, by the studies made by countless groups of experts who have taken the time to investigate the health impact of hazardous wastes. Smoking, diet, stress, exercise, smoke alarms in your homes, safety belt use, there is a litany, there is a whole series of hazards, in fact, that individuals have great control over that, from what we know now, supersede this hazard from hazardous waste. We are trying to learn more and more on the impact of wastes but to date the data are not overwhelming us.

It is not that this subject is not important. We need to take control and cleanup these sites, particularly as they impact on our water supply. But let us not get carried away. Let us keep this in some perspective. Lifespan is increasing sharply; cancer rates, age adjusted are decreasing. If we do not put these waste hazards in perspective here, it is going to be very expensive.

Let me just mention another idea here. Cleanup is the bottom line that we are all interested in. Cleanup is promoted by recycling materials. Cleanup is promoted by converting waste to energy. Cleanup is promoted by the use of alternative disposal technologies.

Indirectly these alternate disposal technologies are being promoted by this bill. But in reality, the permitting process across this country in terms of alternative waste disposal, technologies, conversion of waste to energy, and recycling of materials incineration, the permitting process is really at a standstill.

If the eighties represent the decade where we begin to get control of the waste, we as an industrial society produce, we must develop some new mechanisms to get these new technologies on line. Otherwise, we will do away with the landfills without allowing for alternative disposal. We will end up choking on our waste products.

Mr. ROE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. NELSON].

Mr. NELSON of Florida. Mr. Chairman, I rise today as an original cosponsor of H.R. 5640, the Superfund Expansion and Protection Act.

Protection of our environment is a necessary priority as we approach the 21st century. This bill represents one of the Nation's most important environmental projects—Superfund, the comprehensive hazardous waste cleanup program.

Superfund is especially significant to my own State of Florida. With 29 hazardous waste locations, Florida ranks fourth on the national priorities list of sites which pose an immediate hazard to the public's health through ground water contamination. The nature of the State's aquifer system—a giant waterfilled limestone sponge just below the land surface—makes Florida's water resources particularly vulnerable to contamination.

The lackluster record of the EPA implementation of the program obligates this Congress to provide specific direction for responsive cleanup of the country's worst sites. To date, only six sites on the national priorities list have been totally cleaned up and closed under the Superfund Program. I suggest that the urgency of the toxic waste problem demands more immediate attention. This legislation establishes timetables for cleaning sites and national cleanup standards.

Further, the bill provides for an equitable distribution of the financial costs for the cleanup of toxic sites by expanding the feedstock fee base to include additional hazardous or potentially hazardous substances. This funding mechanism requires those who manufacture the primary chemicals that end up as hazardous waste, to pay for the cleanup of toxic waste sites.

This country cannot afford to only study the problem of hazardous waste. We must take substantive action to correct the damage being realized by our natural resources.

We must meet the environmental challenges of today. The citizens of this country deserve protection from hazardous waste and pollutants that threaten our health, our ground water, and our environment.

Mr. ROE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MINETA].

□ 1450

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Chairman, since its enactment 4 years ago, the Superfund has been used to clean up a total of six toxic waste sites across the country. According to the Environmental Protection Agency's own estimates, that leaves about 21,994 hazardous sites awaiting some attention—including 404 on the national priority list.

The current administration's approach to toxic pollution appears no less lethargic when you examine its progress at individual sites. in the 10th District of Massachusetts, the city of New Bedford, and the surrounding towns of Fairhaven, Dartmouth, and Acushnet have attempted for many years to deal sensibly but aggressively with extremely serious problems resulting from the industrial emission of polychlorinated biphenyls [PCB's] into New Bedford's historic harbor. The impact of this PCB contamination on the area's economic development—and the potential public health considerations—are enormous and urgent. Over the years, residents of southeastern Massachusetts have exercised a great deal of patience while Federal and State agencies have taken stabs at planning a comprehensive cleanup program. We have appreciated the need to conduct deliberate technical studies before proceeding to cleanup. However, it is impossible not to make note of the impatience, distrust and fear among many local people—fear which has been exacerbated, if not caused, by Federal inaction.

The EPA's regional office in Boston has done its best, notwithstanding its uneven leadership in Washington, to press through a sea of acronymed studies. Yesterday, after these years of arduous study, the EPA announced it had settled on five possible cleanup strategies. The first four range in cost from $25 to $80 million, figures which likely exceed the entire municipal budgets of many communities represented in this Chamber. The fifth option is considerably less expensive; it is to do nothing at all.

It seems to me that is the very sort of choice which faces us today on this House floor with respect to H.R. 5640. We can give the EPA the tools it needs—whether it says so publicly or

not—to do the job that the overwhelming majority of Americans want it to do. We can extend Superfund's life, expand its resources, mandate cleanup timetables, hold polluters strictly liable, require health studies, and attack problems such as leakage from underground storage tanks.

We can do all this today, or we can take the other option offered us by EPA: We can do nothing. To anyone who has donned protective gear before even being permitted near a toxic site, or who has spoken with a roomful of mothers of leukemia victims, the choice is clear. I would like to take this opportunity to commend Mr. FLORIO and our other colleagues who have brought to the House floor this legislation to attack the haunting dangers of toxic contamination. I urge passage of this crucial legislation.

Mr. MINETA. Mr. Chairman, I rise in strong and enthusiastic support for H.R. 5640. This is a much needed, well crafted, and timely bill and we should act with dispatch to approve this legislation.

Obviously, this is a complex bill with many parts. I am delighted, for example, to see a new right for citizens to go into Federal court and seek an order to force the Environmental Protection Agency to act on toxic spill sites.

I am especially pleased to see the provisions of title IV as they relate to underground storage tanks. I have learned first hand from the experience in my area of California how difficult and pervasive this problem can be.

In Santa Clara County, there are more than 100 underground tanks that are leaking highly toxic and cancer causing solvent chemicals such as TCE. More than 50 drinking water wells have been shut, and some people have been warned not to take showers because of the gasses being given off by the water.

Local, State, and Federal officials have been slow to respond to our growing problem. Their resources are limited, and it has taken awhile to understand the magnitude of the hazards we face.

Now we do understand what we are up against. And it is a frightening prospect. Our entire underground water supply is threatened, and only firm and speedy action will bring us back from the brink of disaster.

This bill will help us fight that battle. This bill is a tool that we must have if we are to win against the toxic chemicals spreading underneath our homes, our businesses, and our schools.

I will have two amendments to strengthen the already strong language in this bill. I urge my colleagues to support these needed amendments, and the underlying legislation as well.

Thank you very much.

Mr. DOWNEY of New York. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to my colleague, the gentleman from New York.

Mr. DOWNEY of New York. I thank the gentleman for yielding. I will be supporting his amendment. I also rise in strong support of this provision. We have a terrible problem on Long Island, and the Public Works Committee has done a fine job in addressing it.

Mr. Chairman, for over a year and a half 12 families in my district have awakened not to the smells of frying eggs and sizzling bacon, but to the noxious odor of gasoline rising from their basements.

These 12 families, like countless other families across the country, have the misfortune of living near 1 of the estimated 75,000 underground storage tanks that experts say are leaking their toxic contents into the ground and ground water supplies. With no Federal recourse for legal action, relocation, or emergency cleanup help, these 12 families are stranded in a toxic oasis, breathing the air and ground water tainted with benzene, a known carcinogen.

It is a sad but true reality that this scenario is being played out in hundreds of communities across the country. The reauthorization of Superfund that we are discussing today calls for a strong program to clean up the galaxy of leaking tanks and regulations to ensure that that new tanks are soundly constructed and properly maintained. And at the Ways and Means Committee, we earmarked $850 million for this program, guaranteeing that there would be enough money to get the clean up off to a solid start.

As we all know, however, the list of taxic waste sites is extensive and is growing every day. Those areas like North Babylon and the rest of Long Island which rely on a sole source aquifer stand in grave danger of losing their only supply of pure drinking water if these leaking tanks aren't cleaned up now. That is why I am asking you to support my colleague NORM MINETA's amendment which will direct the EPA to give high priority in listing national priority cleanup status to those areas where the tank spills or leaks have occured in sole source aquifer areas like Long Island or have caused the closing of drinking water wells.

It is estimated that 75,000 to 100,000 underground storage tanks are currently leaking and that up to 350,000 tanks may be leaking within the next 5 years. Mr. Chairman, perhaps our colleagues should ask themselves, how many of those corroded tanks ready to disgorge their toxic contents will be in their hometowns.

Mr. ROE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Chairman, I rise in strong support of H.R. 5640, the Superfund Expansion and Protection Act. As one of the supporters of the original Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or Superfund, I share with my colleagues the tremendous impatient, frustration and anger with the cleanup progress made since enactment nearly 4 years ago.

In the late 1970's the Nation was just beginning to realize the monstrous extent of the hazardous waste problem. Our colleague, the gentleman from New York [Mr. LAFALCE] and his constituents at Love Canal were virtually crying in the wilderness for help. As the Carter administration began to respond to their desperation, other sites and spills reached national attention: ground water contamination and well condemnation in Toone, TN; a mixture of waste oil and organic chemicals illegally dumped down an abandoned mineshaft near Pittston, PA, flowing unchecked from a drainage tunnel into the Susquehanna River, endangering drinking water downstream; the LiPari landfill in New Jersey, oozing toxic organics into ground and surface waters and causing fish kills; Triana, AL, where DDT had contaminated the drinking water and the fish, and whose citizens had the highest levels of DDT in their bodies ever documented.

By early 1980, EPA had compiled, just from data readily available to the Agency, a list of some 350 hazardous waste dumpsites causing ground water contamination, drinking water well closures, fish kills, property damage from fires and explosions, and kidney disorders, cancer and death. The list has been growing ever since. Between October 1977, and September 1979, the Agency cataloged over 1,700 hazardous material spills, from all modes of transportation, storage and disposal facilities, and manufacturing and industrial plants.

It seemed that every day, and everywhere anyone looked, new sites, new evidence of the profligate and dangerous way the most hazardous wastes were being disposed of, was discovered.

Frustratingly, there was no clearcut authority to respond to many of these health and environmental disasters. Section 311 of the Clean Water Act could respond to release into surface waters. But there was no authority to respond to land or ground water contamination from dumpsites where surface water was not also contaminated, as our colleague from New Jersey [Mr. FLORIO] originator of very early dumpsite legislation learned; or, as our colleague from Pennsylvania [Mr. CLINGER] learned, to a threat of contamination, even if that threat was deadly PCB's stored in drums in an abandoned warehouse.

Each Member of Congress, his or her constituents, and the Federal, State and local governments involved labored on an ad hoc basis, searching for, and sometimes stretching considerably, the authority to respond. In many of the worst cases, there was no authority. And there was very little money in the section 311 fund, the only source of money available.

The Carter administration, the Congress, individual citizens living near dumpsites, and a determined coalition of environmental and other public interest groups, working together, brought the concept of Superfund from perception of need to an act in a single Congress. The bill moved through Merchant Marine and Fisheries, Public Works and Transportation, Energy and Commerce and Ways and Means on the House side; and through Environment and Public Works, Commerce, Science and Transportation, and Finance on the Senate side, in less than 2 years. The bill was signed into law on December 11, 1980.

Immediately following enactment, the Carter administration, through the Council on Environmental Quality, brought together all agencies with a role in the new law, the Environmental Protection Agency, the Coast Guard, the National Oceanic and Atmospheric Administration, the Departments of Justice, Health and Human Services, Defense, Interior, Labor, the Forest Service, and other agencies. These committed agency employees worked through the Christmas and New Years holidays to finish the Executive order which formally assigned responsibilities to the various agencies and departments. This was the first, but crucial, step in implementing Superfund.

The Executive order was signed by then President Jimmy Carter on January 19, 1981.

Congress, the executive branch, public interest groups and the American people had recognized the need to act, to protect our citizens, our drinking water, and our natural resources, from a devastating and irreversible menace which threatened Americans in every State across the land. We all hoped, and believed, that the urgency which had impelled the writing and enactment of Superfund would equally impell the new administration, for whom all the preparations had been made, to grasp the baton and continue the race at full stride.

Sadly, that was not the case.

Within the very first days of the new administration, President Reagan rescinded the Executive order, and his administration spent months redrafting it. This was the harbinger of the way that administration would implement the entire act. I don't think I need to discuss further the delays, games, shenanigans and deals that characterized the first few years of Superfund implementation. I know our frustration; I can only guess at the frustration experienced by the dedicated professionals at EPA and other agencies who had worked with us in formulation of the bill, and who now found themselves shackled, unable to bring their work to fruition.

H.R. 5640, with its mandatory cleanup schedule, and its establishment of a level of cleanup, are the most eloquent, logical and necessary response to the Reagan administration's implementation of Superfund.

Back in 1979 and 1980 we were concentrating on cleanup and, while we considered the issue of victim compensation and Federal cause of action, Congress ultimately approved only cleanup. Today, we are ready to take that next step, and provide a means whereby the citizen who has suffered health damages, economic damages, whose well has been poisoned, or whose land and home have lost their value, can seek redress in Federal courts. The bill also brings under Superfund leaking underground storage tanks, which are a serious threat to water supplies across the country. It will enable our citizens to get better answers to their one question: "What will happen to me, and to my children, now that we have been exposed to toxic chemicals?" And it will provide the emergency relief they need, from water supplies to relocation.

Today we are ready to complete the task we started in 1979, with a greatly expanded Superfund. We are ready to assure adequate cleanup, and to protect and compensate our citizens. I regret that 4 years have passed with so little result. It is shocking to realize how many "time bombs" are still ticking silently, leaching their poisons into drinking water supplies, and just as silently threatening the health of our citizens.

When, after an unprecedented 60 minutes of debate under suspension of the rules, the House passed Superfund in 1980 and sent it to the President, we thought we had put the mechanism for cleanup in place. Our intentions were right, our hopes dashed.

Today, I am equally hopeful and confident that, with H.R. 5640, our work will not have been in vain, and that we will send forward to the Senate, and ultimately to the President, a bill that will fulfill our intentions and our hopes.

Thank you.

Mr. STANGELAND. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Chairman, I would like to address a point that was touched on earlier and which is gaining increased importance as the Superfund Program matures. Specifically, I am concerned with the quality of treatment, storage and disposal facilities [TSD] used for on-site and off-site Superfund response actions. Such TSD's should be required to have final RCRA permits; interim status facilities are not adequate.

It makes no sense at all to simply move wastes around in a game of musical dumps. Requiring full RCRA permits for Superfund response actions not only makes good environmental sense, it also would promote cooperation on the part of responsible parties since they would have the greatest possible assurance that they would pay once for a response action and not be subject to subsequent cost recovery liability because wastes were not treated, stored or disposed of in the manner required by RCRA—which represents the state of the art in TSD methodology.

Such an assurance will also promote public acceptability of Superfund response actions. People need to know that a problem has been solved and not simply held in abeyance or moved around.

Mr. Chairman. I would like to have printed in the RECORD an amendment that would accomplish this objective. However, I am not seeking a vote on this amendment because I recognize that its effect and operation would raise different considerations for on-site versus off-site Superfund operations and for removal versus remedial responses, and I believe these considerations may need to be explored.

More fundamental, perhaps, is the sad fact the EPA has not progressed far in implementing RCRA even though Congress gave it the responsibility to do so 8 long years ago. In short, EPA has to date approved only one or two facilities under RCRA, I am told. Thus, we in Congress are effectively hamstrung from requiring Superfund responses to be handled at RCRA facilities because EPA has just not done its part in bringing them into existence.

I want to put EPA on notice that it must do better. The problem of Superfund response is just one more good reason why.

AMENDMENT

H.R. 5640 is amended by adding the following section:

Not later than six months after enactment of this Act all treatment, storage and disposal of hazardous waste pursuant to a response action taken under authority of this Act shall only be done at a treatment, storage and disposal facility which has received a permit pursuant to section 3005(c) of the Resource Conservation and Recovery Act.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. LENT. I yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, I would like to be publicly recognized as associating myself with the remarks of the gentleman from New York, and I

commend the gentleman for his statement.

Mr. ROE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, I rise in strong support of H.R. 5640, the Superfund Expansion and Protection Act.

Virtually all experts agree that the Superfund's currently authorized $1.6 billion will not pay for cleaning up the most dangerous toxic dumps. The EPA has estimated that only about 170 of the 546 sites on the Agency's list for priority action will be cleaned under current funding levels. EPA expects that the number of most-dangerous sites that must be cleaned with Superfund money to grow to 2,200 over the next few years. Even more shocking, this is but a fraction of the over 22,000 toxic waste sites that EPA says exist in our country today. By the Agency's own estimates, cleanup of these most dangerous toxic dump sites will cost between $8 and $16 billion. These sites represent a clear and present danger to the public health and welfare. Clearly, action is needed now.

The administration's miserable environmental record is underscored by past turmoil at EPA and political abuse of the Superfund Program—4 years after Congress created Superfund, only six Superfund sites have been cleaned up and closed. There are those who question the wisdom of reauthorization of the Superfund Program at this time; I question any delay. Not only will this reaffirm our Nation's commitment to a clean environment, timely reauthorization of the Superfund Program will afford those State and Federal officials involved in Superfund activities the time to better plan and implement sound courses of action.

While I am concerned with the inclusion of certain base metals such as copper in the existing bill that do not pose a significant threat to our environment. I heartily endorse both the philosophy behind Superfund and the course of action outlined in this important legislation. The liability and citizen suit provisions are exemplary and ensure that citizens, for the first time, will be entitled to legal redress for injuries, pain and suffering, and dislocation brought about by the reckless dumping of toxic wastes. I also strongly support the mandatory cleanup schedule as described in this bill—the foot dragging of the EPA in the past cannot be allowed to continue in the the future.

It is our responsibility to ensure the protection of our environment and to provide a clean and healthy environment for our children. I urge my colleagues to join with me in support of this legislation.

Mr. STANGELAND. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, there have been numerous allegations made about how poorly the Environmental Protection Agency has implemented and is implementing its responsibilities under Superfund. There is no question that, during the first 2 years following passage of CERCLA, there were serious problems that were recognized, exposed, and corrected with respect to EPA's performance under the law. But the point which is most important and which should be controlling for purposes of what we do today is the recognition that those problems have been solved. The Agency is currently under excellent leadership and, I believe, anyone who is honest and who has examined the tremendous progress that has been made by Administrator Ruckelshaus and his assistant Lee Thomas since their appointments to the Agency will admit that the corner has been turned and that the Superfund Program is currently in good hands.

Unfortunatley, Mr. Chairman, some of the posturing and rhetoric and grandstanding that I spoke to earlier might lead one to a different conclusion. For instance, how many times have we heard in the past few weeks from some of our friends on the other side of the aisle that only six Superfund sites have been cleaned up thus far under the program? The statement is offered repeatedly to stand for the proposition that this is all EPA has done so far under Superfund. Here are the additional facts that need to be understood in order to appreciate what has really been accomplished thus far by the Agency; 18,000 potentially hazardous sites have been identified around the country. The Agency has completed preliminary assessments at more than 9,000 of these sites; 552 have been evaluated and ranked on the national priority list. More than 314 removal actions have been approved, including 100 at sites on the national priority list. By the end of next month the Agency will have commitments for remedial measure construction at 120 sites, and within a year will have comprehensive cleanup plans underway at approximately 400 sites. Therefore, to say or infer that all EPA has done thus far under Superfund is to clean up six sites is incorrect at best and intentionally misleading at worse.

I want to reiterate that I believe this program needs to be both expanded and improved. Many of the provisions of H.R. 5640 will result, unfortunately, in impediments to carrying out the hazardous waste cleanup that is needed to protect the health of the American people. I would like to discuss just a few of the specific problems which are of great concern to me.

It disturbs me greatly that H.R. 5640 focuses so much on punitive and onerous liability rather than concentrating on getting on with the job of cleaning hazardous waste sites. The provisions in H.R. 5640 provide great disincentives to cooperation of those involved in sites. By making liability so strict that even someone distantly involved could be required to foot the entire bill, no one will be willing to come forward to voluntarily participate and do their share. This is unfair, impractical, and counterproductive. This program should be for the protection of the health and welfare of those threatened by hazardous waste problems, not for the welfare of lawyers who stand to be the ones really gaining by the protracted litigation that H.R. 5640 invites.

Another problem is that the bill eliminates the preemption language of the existing Superfund law. Under the current law, States cannot impose taxes for the same purpose as the Federal Superfund. This does not prevent the States from properly imposing taxes for other hazardous waste control purposes and a number have. What it does is prevent duplication of taxation for the same reasons. The burden of over 50 separate taxes for the identical reasons is unwarranted and unnecessary. The preemption provision should be retained in the best interest of the Superfund Program and the economic and physical health of the American people.

The problem of underground storage tanks and their pipe systems that may leak and contaminate groundwater is now being recognized. However, the extent of the problem and how best to regulate it is yet to be discovered. I believe we do need to explore the scope of the problem and impose monitoring, regulation, and control as is appropriate. The connection of this issue to the Superfund legislation is, however, inappropriate and potentially counterproductive. These tanks are not like abandoned dumps. They are discrete sources without nearly the complexity of hazardous wastesites that involve numerous parties. Proposals have been made that would address the underground tank issue under other laws, and I believe that is the best way to proceed. The Environmental Protection Agency has already begun to survey the problem. To enmesh this with Superfund will not deal with the tank problem as it should be and will divert the focus of Superfund from its real purpose of hazardous waste cleanup.

I am very concerned that H.R. 5640 will have serious negative impacts on the farmers of our country. Already saddled with many other burdens and being in a precarious economic condition, the family farm will be further jeopardized by this legislation. It is

true that there is an exemption for fertilizers in the legislation, a most needed improvement from earlier versions of legislation on Superfund this year. However, other chemicals vital to agricultural production are not treated similarly. Because of the liability, citizen suits, and other provisions of H.R. 5640, farmers will be placed in a difficult situation that could, even if they use best accepted farming practices, result in extreme liability that could threaten their very business. The purpose of Superfund was and should remain the clean up of hazardous waste sites, not the harassment of the working men and women of the United States.

Mr. Chairman, I must again state how disappointed I am in the manner that we are dealing with this critically important environmental issue. My support for an effective, expanded Superfund is total. Those who would play politics with an issue that affects the health and welfare of the American people do so at great risk. Many provisions contained in H.R. 5640 are clearly aimed not at the purposes for which Superfund exists, to clean up the hazardous wastesites throughout our Nation, but at adding unnecessary complexity that could seriously impede the cleanup efforts. Nonetheless, I will continue my support for the efforts to clean up hazardous waste sites under Superfund.

Mr. Chairman, I am pleased at this time to yield 3½ minutes to my distinguished chairman of the Water Resources Subcommittee and dear friend, the gentleman from New Jersey [Mr. ROE].

□ 1500

Mr. ROE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. EDGAR].

Mr. EDGAR. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support of the Superfund legislation and I have asked to revise and extend my remarks so that I could put in the RECORD an extensive statement on the quality of this particular piece of legislation.

I would just like to speak for a moment about the process of this bill and the urgency to place this bill on the President's desk this year. Those of us who have been following the progress over the last 10 years the finding and the discovery of the thousands of toxic waste disposal sites throughout the Nation have been eager to clean those sites up. A number of pieces of legislation have been passed.

The early pieces of legislation dealing with the Clean Water Act and the Clean Air Act began the process but then with the Resource Recovery Act and finally, with the placing in law of the Superfund, we thought at last we were about the process of cleaning it up. It is important that we reauthorize Superfund this year, because we have now discovered the need, now we have to be about the implementation of that process and actually cleaning up the sites.

How many of you have been frustrated with putting together a Rubik's Cube that has colors and levels going in all different directions. That is a little bit like what it has taken the Public Works Committee and the Energy and Commerce Committee and the Ways and Means Committee to put together this legislation. It is not only a delicate balance, it is an intricate balance of trying to raise the adequate funds and respond to those particular needs across the country of cleaning up those hazardous sites. A Rubik's Cube like bill is about to be fashioned. Let's support it.

I would urge my colleagues, Democrats, Republicans, to join with us in passing this legislation and resisting the temptation that will be placed before us in a number of amendments that will be very negative and will force us to drag even further the time that it takes to place this legislation on the President's desk for his signature so that EPA and this Government can be about this process of cleaning up hazardous waste.

Mr. Chairman, I rise in support of H.R. 5640, the Superfund Expansion and Protection Act. Enactment of this legislation this year is a needed and logical followup to the landmark Superfund Act of 1980. Scandal and mismanagement of the toxic waste cleanup program at the EPA has disturbed and outraged public opinion. The law itself has long been in need of greater clarity and force in order to allow us to get on with the urgent task of removing the threat of toxic waste to our public health and environment.

Simply stated, the general purpose of H.R. 5640 is to plug holes, clarify ambiguities, and devise both uniform cleanup standards and workable schedules and timetables for the hundreds of priority wastesites across the country. A second basic purpose of the legislation is to establish uniform and reasonable liability standards for injuries caused by toxic waste. Perhaps the most important item contained in the bill is an increase in the funding for site cleanup which will give us a fund adequate to the task of cleaning up 546 national priority sites as well as hundreds more which will be added to the priority list as site evaluation continues in future years.

EPA itself estimates that site cleanup costs will reach $8 to $16 billion, while estimates for total cleanup costs by the GAO and Office of Technology Assessment range much higher. Funding of approximately $10 billion over the next 5 years is thus a safe and conservative estimate of the resources needed for this job. In addition it is vitally necessary to enact a program increase of this magnitude this year so that EPA will be adequately prepared to implement a greatly upgraded Superfund Program. Under the existing program, EPA has managed to clean up just six sites in the nearly 4 years that the Superfund Program has been in effect.

The Superfund Expansion Act provides for mandatory cleanup schedules which set minimum requirements for EPA action over the next 5 years. The bill will require EPA action on at least 150 sites a year starting in 1986, thus ensuring that at least 600 sites will be cleaned up by 1991. Funding will allow a much faster pace of cleanup, but minimum timetables will ensure the disgraceful idleness of the Superfund Program witnessed in the past will not be repeated in the future.

The bill also sets minimum cleanup standards for these dangerous toxic wastesites. Cleanup must be adequate to protect human health and the environment and adequate to conform with all requirements of applicable Federal environmental laws. This critical provision, absent from the initial Superfund Act, would set concrete goals for the cleanup program, thus reassuring the public of the adequacy of the massive effort being undertaken for elimination of the toxic threat to health and the environment.

The bill also addresses key questions of liability of those who have dumped waste at toxic sites. These questions will provide guidance to the courts in settling the length and difficult litigation process surrounding so many cases of toxic waste disposal. Strong liability standards provide the Government with the ability to track parties responsible for the actual disposal of wastes which have posed harm to health and the environment, thus giving us the ability to replenish the fund through cost recovery against those directly responsible for creating the sites. All Federal courts which have heard Superfund cases, plus the Justice Department, have upheld the strict liability standards contained in HR 5640. The bill also contains provisions which will allow injured parties to sue responsible companies under Federal law as well as existing State law and would help establish uniform liability standards in toxic cases for the residents of all States.

Finally, this bill allows the Superfund to be used to clean up leaking underground storage tanks and directs the EPA to develop a regulatory program to prevent future releases within 27 months of the date of enactment of H.R. 5640. Petroleum industry experts fear that as many as 75,000 to 100,000 underground tanks are currently leaking and that 350,000 may develop leaks over the next 5 years. Leaking gasoline

tanks have poisoned water supplies in several localities already, while potential leaks from chemical storage tanks pose an equally dangerous threat. EPA and others have long recognized the threat to public health and the environment posed by leaking storage tanks, yet there has been no action taken on this matter. The bill before us takes a major step in allowing us to deal with one of the most common and most dangerous threats to the water supply of our people.

Let me say that it has been nearly 10 years since the Nation first woke up to the dangers of toxic waste contamination, the ticking time bombs buried across the country which could threaten public health for decades to come. All of us who have these sites in our districts know the fear and anguish of constituents who don't know whether their drinking water could cause cancer, birth defects, or other illness. Yet, we have done far too little to address this issue. We must act now and pass this bill so that we can finally begin to solve the greatest environmental problem we will face in the future.

Mr. ROE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I rise in support of the Superfund Expansion and Protection Act of 1984. Abandoned hazard waste sites are a threat of the highest order to human health and environmental quality. Each year more than 60 million tons of hazardous waste is generated in the United States. Not surprisingly, two-thirds of that toxic waste is dumped at sites located in the Northeast-Midwest region where industry and commerce is concentrated.

We in the region are not proud of the fact that of the 546 sites on the Superfund national priority list, 361 are located in the Northeast-Midwest area. Nor are we proud of the fact that 8 of the 10 States with the highest number of sites on the national priority list are located in the region. More importantly, 44 percent of the Nation's women and children are exposed to 66 percent of the hazardous waste that should be removed under the Superfund Program. Our experience makes us realize the need for strong Federal support of cleanup efforts.

In my State of Ohio, there are more than 700 hazardous waste facilities that need cleanup as expeditiously as possible but so far the Federal Government has not focused enough attention on the dangerous and deadly risk posed by the storage of these toxic substances to effect cleanup. Of the 700 waste sites in Ohio, 22 sites are registered on the national priority list for Superfund cleanup, but only 11 sites have received some kind of Superfund action. The risks to our citizens are too great to allow this inaction to continue.

The legislation before us today will correct the problems which have prevented full implementation of the Superfund Program as it was envisioned in 1980 when the Superfund law was passed. A mandatory schedule is set forth for the Environmental Protection Agency to begin onsite work at no fewer than 150 sites annually. Only by adoption of this legislation can we take a positive step toward protecting our citizens from the illness, birth defects, and deaths that result from exposure to dangerous toxic chemicals in abandoned storage facilities.

I urge my colleagues to join me in supporting this important legislation.

Mr. ROE. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. Mr. Chairman, I urge support of the legislation.

Mr. Chairman, two newspaper reports from my home community dramatize better than I can, the need for this Congress to accelerate this Nation's cleanup of the more than 17,000 possibly hazardous waste sites:

The Pittsburgh Press on May 31 reported:

> The Federal Environmental Protection Agency knew at least two years ago that soil at a salvage yard in Swissvale was contaminated with a toxic substance and that the tainted soil was washing away.
>
> But the EPA did not issue a public warning of what it regarded as a serious health and environmental hazard until this week. It also waited until now to tap a four-year-old program designed to provide cleanup money for such sites.
>
> EPA officials admitted the delays before about 50 Swissvale residents at a public meeting last night at the Swissvale Municipal Building.

On July 12, the Pittsburgh Post-Gazette reported on what it is like to live next door to a hazardous waste site:

> Betty Moser recalls getting what's of something that smelled like rotten eggs for 10 to 15 years. The smell came from Bruin Lagoon, a toxic dump next door.
>
> Although they saw no cause for alarm. Moser, her family and neighbors who live down the street from the lagoon in Bruin Borough never considered the lagoon safe.
>
> Children were cautioned against playing there and Moser's daughter Cheryl Dube recalls seeing a dog go into the lagoon and come out frothing at the mouth. It died a short while later, she said.
>
> Now the lagoon has been certified unsafe by the U.S. Environmental Protection Agency. In May, the rotten egg smell was identified as vapor from potentially lethal hydrogen sulfide gas.
>
> "It's frightening," said Moser. "I don't think [Federal officials] really know the extent of it yet."

No one should have to live next door to rotten egg smells for 15 years or wait 2 years for EPA to warn the public of danger of a hazardous site. Why, we have to ask, has it taken the Environmental Protection Agency so long? Why in 4 years have they only cleaned up 6 of 546 national priority hazardous waste sites?

The several committees of the House which have pursued the Superfund issue so persistently over the last 3 years deserve real credit for developing this issue. H.R. 5640, the Superfund bill before us today, will give EPA a big push to do the job they should have been doing for a long time.

H.R. 5640 expands the taxes on waste generators to include 20 new potentially hazardous substances and sets in motion consideration of a new "waste-end" tax which would put the cost of cleanup more directly on those products which cause the problem.

For the first time, the bill would establish protections from leaking underground storage tanks, including gas station tanks. According to EPA, "1 gallon of gasoline per day is enough to pollute the water of a 500,000-person community." Eighty-five percent of the Nation's 1.4 million underground gas tanks are over 20 years old and some industry experts estimate that 75,000 to 100,000 of these tanks may be leaking into ground water supplies. Current law has leaks that you can drive an underground tank through. This bill would be a good start.

The bill also would give citizens several new ways to protect themselves and the communities. It would insure the rights of communities to comment on cleanup plans before they are implemented and too far gone to take their concerns into consideration. It would also provide for individuals to use EPA health studies in seeking remedies for personal damages.

The bill also mandates a strict timetable for cleaning up waste sites, with the goal of finishing these on the national priorities list in 5 years. While the agency may balk at a mandated schedule, we are clearly left with no other choice. The Superfund Program has been completely bogged down in bureaucracy, politicized and neglected since 1980. The administration's abandonment of Superfund was at the center of the scandal leading to the departure of Anne Gorsuch and Rita Lavelle from EPA.

Current law does not have sufficient standards for cleanliness, once work has begun. Each site is treated individually. This bill would mandate a minimum level of cleanliness that a waste site must meet to be clean.

Pennsylvania is one the five producers of hazardous waste. We have the third highest number of disposal sites in the Nation. In my home area of Pittsburgh, there are three sites on the national priority list: Bruin Lagoon, a resin disposal sit in Jefferson Borough, and a lindane dump in Harrison Township. Recently, a scrap metal dump in Swissvale has been

found to have traces of dioxin, the chemical that destroyed the town of Time Beach.

Even the President recognized the necessity of continuing the cleanup of hazardous waste under the Superfund law. The 98th Congress should send the President a strong bill with the teeth to give the public the protection they deserve.

Mr. ROE. Mr. Chairman, I yield 30 seconds to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND. I thank the distinguished chairman for yielding me this time.

Mr. Chairman, it is my intent to introduce an amendment which was accepted unanimously by the Public Works Committee to section 112, which will initiate a hazardous substance exposure evaluation, and also, I believe, improve the health effects section.

Mr. ROE. Mr. Chairman, I yield 30 seconds to the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. I thank the gentleman for yielding to me.

Mr. Chairman, while I strongly support reauthorization and expansion of the Superfund Program, I have grave reservations about many of the bill's provisions.

I am compelled, at this time, to voice my deep concern and reservation about the measure before us today. In our zeal to address the important issue of expanding the effectiveness of the Superfund, I am deeply concerned that we have not given careful and calculated consideration to the impact this legislation will have, in its present form.

While I strongly support reauthorization and expansion of the Superfund Program, I have grave reservations about many of the bill's provisions.

In the Public Works and Transportation Committee, on which I serve, we spent many hours debating the provisions of H.R. 5640, and it became clear to me, and other members of the committee, that this measure leaves great room for improvement. Yet the time constraints with which confronted us in the bill's consideration presented us with little opportunity to thoroughly review the implications this measure brings with it.

I cannot, in good conscience, support this bill in its present form—not only would I be jeopardizing my district economically, but as an attorney, I truly question the legal implications inherrent in the legislation.

I therefore may be offering an amendment later to address the joint, several and strict liability provisions in the bill, and I will, at that time, seek my colleagues' support and assistance in increasing this body's chances for passing realistic, yet workable, legislation.

Mr. ROE. Mr. Chairman, I want to thank you and particularly our distinguished colleague from Minnesota for yielding the time. By the time I got done thanking everybody, there would not be any time left.

I have listened intently and I have been on the floor, and I certainly want to give my highest regard and respect to my distinguished colleague from New Jersey [Mr. FLORIO] for the work he has done on this bill. He has been a real leader in this House. But I think that we have talked about a lot of mechanical things today. We have talked about our concerns and I have had these concerns too. I want to say to everybody in the House and our colleagues, I too, have some concerns with some of the configurations of this bill, but I do want to do one thing in the little time that I have and that is to try to bring back into focus what the issue is.

I remember there was a motion picture not too long ago, and it shows one of these scary pictures, and it showed this alluvial ooze starting to flow over the country. It was a "Star Wars"-type of thing, and this ooze was eating up the people and destroying the farmland. We talk here about the issue of solid waste; we are not talking about garbage in this bill, we are talking about toxic poison.

I hope the Members understand that it is not garbage dumps, it is toxic poisons. You cannot see them in many instances, you cannot feel them, you cannot touch them, but they are doing one insidious thing that God did not do. They are flowing into our underground water supplies of which 50 percent of our water supply of the Nation is dependent upon. It is irretrievable. So those people who come back and say let us wait, let us study more; we cannot study any more, we do not have any time.

I want to conclude on this note: My great State of New Jersey is No. 1 in the Nation with more toxic sites than have been identified in any other State in the Nation and it is an honor we do not want. I would want to urge my fellow colleagues and the people on the different committees that have labored so hard, that although we do not agree on every point, we should not let this opportunity get away from us. I think we owe it to the American people. I think it is the most important environmental issue we have in the country, and no further delay should be tolerated. We should get this bill passed and passed unanimously.

The CHAIRMAN. The gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 30 minutes and the gentleman from New York [Mr. CONABLE] is recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the Ways and Means Committee amendment for title V, the revenue title of H.R. 5640.

In 1980, Congress created a major Federal program to clean up the worst abandoned waste sites in the country by enacting the Comprehensive Environmental Response, Compensation, and Liability Act. The act provided a 5-year, $1.6 billion program of which 87.5 percent was financed by excise taxes on petroleum and specified chemicals, and 12.5 percent was authorized to be appropriated from general revenues.

The goal of the 1980 legislation was to provide startup funding for the cleanup of hazardous wastesites. That act terminates the crude oil and chemical feedstock taxes on September 30, 1985. The 1980 act also established a postclosure liability trust fund used to monitor, care for, and maintain certain waste disposal facilities for which liability has been transferred to the Federal Government. Funding for postclosure activities is provided by an excise tax on the receipt of certain hazardous waste at a qualified hazardous waste disposal facility.

It is now clear, with only 1 year remaining in the current Superfund Program, that the present funding level will not be adequate to achieve the goals of the 1980 act.

We now know the 1980 legislation represented only a downpayment on the funding needed to clean up hazardous waste sites. The legislation before you recognizes the reality that the exposure of our population to hazardous substances is a national disgrace and that the clean up of these sites has to be a top national priority. All of the moneys provided in the Ways and Means Committee amendment to H.R. 5640 will be necessary and, in fact, even more funding will be necessary in the future.

H.R. 5640, as reported by the Committee on Energy and Commerce, expands the Superfund Program and requires a significant increase in the present rate of hazardous site cleanups by the Superfund. The Ways and Means Committee reported an amendment to the revenue title of H.R. 5640 providing $10.1 billion in revenue which, in the committee's judgment, will be necessary to finance the cost of carrying out the expanded Superfund Program approved by the Committee on Energy and Commerce. In constructing the revenue title, the Ways and Means Committee adopted many recommendations of the Committee on Energy and Commerce.

Under the Ways and Means Committee amendment, the Superfund will continue to be funded principally

through excise taxes on petroleum and chemical substances. In those Superfund sites where cleanup costs cannot be recovered from responsible parties, the cleanup costs will be paid through excise taxes on petroleum and chemical feedstocks which have generated the hazardous wastes found at the sites. This policy continues the rationale for funding established in the 1980 legislation.

The Committee on Ways and Means, however, was concerned with the effect of these increased taxes on the petroleum and chemical industries. As a result, the committee broadened the Superfund tax base by adding 15 substances which have been found at Superfund sites and which contribute to cleanup costs at those sites. Taxable substances are the same as those listed in H.R. 5640 by the Energy and Commerce Committee, with the addition of copper and certain zinc and aluminum compounds. Aluminum and boron trioxide would be removed from the list. Phosphorus would be taxed at the lower rate contained in H.R. 5640. In addition, the committee phases in the tax on chemical feedstocks so that the industry will have time to adjust.

Petrochemical and inorganic feedstocks generally would be taxed at the lower of $30 per ton or a specified percentage of estimated 1985 selling prices. This percentage would be 1.5 percent in 1985, 2 percent in 1986, 2.25 percent in 1987, and 3 percent in 1988 through 1990. However, no rate for any year would be lower than the present law rate. All tax rates on feedstocks would be indexed by suitable components of the Producer Price Index.

Generally, mixed streams of xylene rather than separated xylene isomers would be subject to the tax. Because of confusion on this issue, the present tax on xylene would be repealed for periods before January 1, 1985. A future temporary higher rate of tax on xylene would make this amendment revenue neutral.

The committee amendment continues the present law exemptions for one, petrochemical feedstocks mixed in fuel, two, substances used in the production of fertilizer—including phosphoric acid—and three, certain metallic substances existing only in transitory form. The latter two exemptions were recommended by the Committee on Energy and Commerce. The Ways and Means Committee also adopted the Energy and Commerce Committee proposals to provide an exemption for exported chemicals and to delete the present law exemption for coal-derived substances.

The committee considered imposing a tax on the disposal of hazardous waste—the so-called waste end tax—and a tariff on substances entered into the United States which are derived from taxable substances. However, the Committee did not feel that it could, in the limited time available, Devise provisions which would resolve the substantial administrative and technical problems which must be addressed before workable taxes of this type can be imposed.

Consequently, the committee has instructed the Department of the Treasury and the International Trade Commission to report to the Congress by April 1, 1985, on both an import tax and a Federal waste end tax. In addition, the Treasury Department must submit specific legislative proposals for a waste end tax at that time.

If the Congress, on the basis of the reports and recommendations, enacts a waste end tax, it is the intention of the committee to use the revenue so derived to avoid scheduled increases in the taxes imposed on petroleum and chemical feedstocks. If over $1.2 billion is raised through 1990 by a waste end tax, the committee intends that any excess will be split equally between decreasing the excise taxes and increasing the size of the Superfund.

Finally, the Ways and Means Committee agreed to the Energy and Commerce Committee recommendation to repeal the postclosure liability trust fund and supporting taxes.

I believe the Committee on Ways and Means has produced a product which accommodates a number of divergent interests. The Ways and Means Committee's amendment to title V will provide an adequate and stable Superfund revenue base while minimizing the effect of the taxes on the industries which have been associated historically with the production of hazardous wastes.

I wish to emphasize that the Ways and Means Committee amendment incorporates most of the recommendations of the Committee on Energy and Commerce, and provides for serious review of other suggestions not administratively feasible at this time.

Mr. Chairman, I urge support for the Ways and Means Committee amendment to title V of H.R. 5640, I believe it is an essential step toward solving a major environmental problem in our country.

□ 1510

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman has consumed 6 minutes.

Mr. CONABLE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have listened to a good deal of the discussion today and have heard many of us congratulate each other on our good intentions. I believe it was John F. Kennedy who said that the obligations of government are not acquitted by the expression of lofty intent.

This is not an occasion for congratulation. I think we particularly as legislators are to be condemned if we legislate sloppily, in ways that are heedless of concerns other than those to which the legislation is allegedly addressed.

The main concern here, of course, is quite properly the environment, and it is absolutely essential that we take such steps as are necessary to keep our environment habitable. But that is not enough, because there are other values involved in legislation of this sort. I do not prefer economic values, competitiveness, the avoidance of distortions in an economy that is already under a good deal of strain to the values of the environment, but we have an obligation in this room as legislators to look at the whole picture and to try to fit together the necessary remedies without causing serious damage and without reflecting carelessness, the kind of carelessness that hurts people ultimately more than it helps them.

The environmental movement, nor we as advocates in their behalf, serve this Nation well if we ignore all other values in trying to achieve environmental improvement. That king of excess inevitably carries with it a backlash which I am afraid may follow close on enactment of as poorly put together a piece of legislation as we have here.

Like everyone else in this room, and many people have said it, I support the Superfund's reauthorization, but I do not support changes in the program that will inhibit the EPA in pursuing its primary goal, a prompt and efficient cleanup of the toxic waste sites that threaten public health and the environment.

H.R. 5640 rocketed through three committees of the House without any of them taking the time necessary for sound and thoughtful deliberation which an issue of this magnitude deserves. I do not know the genesis of this measure, but I suspect it was the San Francisco Democratic Convention.

Although I favor whatever level of funding will lead to the quickest and best resolution of the Nation's toxic waste problems, it is clear that H.R. 5640 is not designed to meet that objective; its design borders on the grotesque. It would burden the Superfund Program with additional costly responsibilities, many of which are not even related to cleaning up toxic waste sites.

For example, it is highly probable that neither the EPA, the appropriate State environmental organizations, nor the necessary industry laboratories will be able to gear up to the schedule mandated in the bill. A mandatory schedule has a first-glance appeal, but even if all the required organizations were able to gear up as quickly as the bill would require, the

schedule easily could be undermined for reasons beyond anyone's control, such as weather delays, broken contracts, technical difficulties at particular sites, or the inability of a State to meet its cost-share requirement.

There is no question that toxic waste sites should be cleaned to the point at which they no longer pose a threat to human health or the environment. However, the mandated standard under this bill, especially in light of the citizen suit provision, would deprive EPA of the discretion to exercise sound judgment and could force the agency to redirect its cleanup activities to fewer sites, making those sites pristine at the expense of citizens living near other toxic sites.

The original enacting legislation, the Comprehensive Environment Response, Compensation and Liability Act of 1980 [CERCLA] was written in anticipation of further congressional action in 1985. It put in place a mechanism for an informed congressional response to whatever further program changes are needed. CERCLA requires nine studies to be completed for the Congress by the end of 1984. All those studies will be available shortly, probably even by October. Since the Superfund budget is fixed through September 1985 and the revenue-raising provisions do not expire until that time, I do not understand why it is necessary to deliberate in such haste.

The much-needed information required by CERCLA includes studies on the effectiveness of the current Superfund Program, projected further funding needs, the feasibility and desirability of alternative funding systems. The studies are expected to address the effects of the current feedstock tax on the balance of trade, to contain an analysis of the relationship between the present feedstock tax system, and toxic waste found in sites studied by the EPA.

Making changes in the Superfund Program without the benefit of those studies is the legislative equivalent of flying blind. The budget already approved by the Congress for the Superfund Program is increased from $210 million in 1983 to $620 million in 1985, an amount actually less than that requested by the budget. Nothing in H.R. 5640 would affect the budget for 1985. It is clear the annual funding level should be increased. It is equally clear that the EPA should have something to say about the way this funding is provided.

□ 1520

We need Agency input in order to assure that the program is expanded in such a way as to be administratively feasible and economically efficient. It is additionally clear that the EPA was not allowed to make that kind of contribution. Its advice simply was not taken. The EPA told us it cannot efficiently administer this bill, yet here it is before us.

I acknowledge fault on the part of EPA in the past, but I think most fairminded people will acknowledge that the current leadership of EPA is doing its best to try to meet the purposes of that Agency and to meet a responsible schedule in the cleanup of toxic waste dumps.

The cooperation and assistance of the Agency staff, during the Committee on Ways and Means' consideration of H.R. 5640, was exemplary. Although there were implementation difficulties in the early stages of the program, those difficulties have been resolved under the guidance of the current Administrator and the Assistant Administrator for Solid Waste and Emergency Response, Mr. Lee Thomas. From Mr. Thomas' testimony, it is obvious that the EPA has accelerated and expanded its Superfund activity and that additional advancement is inevitable. Our committee should have listened more intently to his good advice.

Mr. Chairman, I have serious concerns about other programmatic changes which H.R. 5640 would make in the Superfund Program, but I will confine the remainder of my remarks to the tax provisions in title V produced by the Committee on Ways and Means. Specifically, the current-law tax on crude oil of 0.79 cents per barrel would be increased to $7.86 per barrel. The chemical feedstock tax, currently imposed at rates varying from 22 cents per ton to $4.87 per ton, would be increased to rates of up to $30 per ton, with a possibility of further increases up to $35 per ton. Many of the chemicals would in fact be at the $30 per ton rate beginning on January 1, 1985.

The current feedstock tax may be the most arbitrary tax in the Internal Revenue Code. The dramatic increase in H.R. 5640 would exaggerate its inequities. The tax burden it would impose has little or no direct relationship to the accountability burden. Some entities which would bear the tax burden were not in existence when the wastes were dumped. Many of those which were in existence did not do any dumping. The tax, therefore, is not predicated on accountability or responsibility. It is predicated on the ability of taxpayers to pass the burden through to their customers, the users of the feedstocks—an erroneous assumption in many cases.

The companies that have benefited by the dumping are the same companies which have avoided the cost of properly disposing of the wastes. In all cases in which specific companies can be identified as accountable, the EPA either forces them to clean up or does the cleaning up itself and collects up to three times the cost from the parties responsible. The companies which sold feedstocks at the time the dumping occurred have received no more than market price for their products, just as companies which sell feedstocks today get market price for their products. Small portions of their products may have been used down the line by unrelated parties to manufacture products that are toxic, and may have been improperly discarded by someone else. But these factors, I submit, form a "shaky" basis for determining who should be taxed, and to what extent.

Because the feedstock tax is imposed primarily on companies that are not responsible for the sites for which the tax is imposed, the tax base should be as broad as possible, so that the burden on any particular industry and on any company within each industry is not unreasonable. That is not the case under H.R. 5640 as reported by the Committee on Ways and Means. Seventy percent of all the chemical feedstock taxes will continue to be paid by 12 to 15 companies. In most cases the tax on feedstocks would dramatically increase on January 1, 1985. In one case the tax increase would be more than a twelvefold increase, with the possibility that it could become an eighteenfold increase by 1990.

There is a strong possibility that the taxes this bill would impose on some businesses would exceed their profits. Thus H.R. 5640 may result not only in curtailing business reinvestment but in destroying certain struggling industries, and this, of course, would have an unhappy impact on employment. H.R. 5640 is potentially a jobs-lost bill.

At many sites, large quantities of waste were contributed by manufacturing industries which make no contribution to the Superfund. Therefore, I believe that spreading the tax burden to those industries, through a waste-end tax, would be a great improvement. A properly designated waste-end tax is desirable, not only on fairness grounds, but because it would encourage better environmental behavior.

As incongruous as it sounds, Mr. Chairman, the feedstock taxes are levied on elements which have been found at toxic waste sites, even if those elements show no signs of toxicity. As a result, some of these taxes fall on companies which are not responsible for toxic waste problems. It seems to me that as a matter of fairness, the burden should be shared, based on each entity's contribution to toxic waste problems.

The funding mechanism of H.R. 5640 has many other unhappy aspects that were brushed aside in committee, including the possibility that it will encourage much of the chemical industry to move operations offshore, thus further eroding the Federal and State tax bases and further increasing unemployment.

Because exported feedstock derivatives are taxed and imported feedstock derivatives are not, the bill's tax system gives an advantage to imported feedstock derivatives, further damaging beleaguered domestic industry and worsening our trade imbalances.

The clean up of toxic waste in our country is a complex and an emotional issue. More importantly, it is a very serious issue in human and economic terms, one of the most serious that Congress will address. I regret that partisan politics is playing such an oversized role in the reauthorization process. This is not the way to legislate. It is a shame that because of political expediency, it is being done so badly, with emphasis entirely on timing.

For all of these reasons, Mr. Chairman, I intend to offer at the appropriate time an amendment which would stop the taxes to finance this legislation as of September 30, 1986. That would mean that there would be 18 months of experience with these taxes to know whether or not they are causing the very serious distortions many of us fear at this point. I believe that is preferable to not levying the taxes at this point, simply because I think we must proceed with the work. But I do believe that a little careful review by the next Congress, with adequate time spent by the committees responsible for this area, would be far preferable to the way in which we are legislating here today, and we ought to insist on a review in timely fashion.

H.R. 5640 was put together in a veritable cloud bank of uncertainty. I think it fitting that the next Congress should be forced to review it in what is certain to be a better light and certain to be a more informed light, since by that time we will have adequate studies back so we know what we are doing or at least have a strong suspicion of what we are doing, rather than moving in the haste that is being demonstrated here today.

Mr. Chairman, may I inquire, how much time have I consumed?

The CHAIRMAN. The gentleman from New York [Mr. CONABLE] has consumed 14 minutes.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Chairman, does this sound familiar? I rise in strong support of H.R. 5640. I recognize the problem of toxic wastes, burgeoning health problems, and environmental problems, but I cannot support the bill on final passage because the taxes are too high, they tax the wrong people, we are going too fast, and on and on. The legislation has not been properly considered.

I say to the Members of the Congress, let us take a look at this. This legislation that we are examining in so-called haste has been around for the last 4 years. The Commerce Committee over the last 3 years has looked at this exhaustively. They have had over 50 hours of hearings, and they have heard 64 witnesses.

We remember the names Burford and Lavelle, the people who were in charge of the EPA and in charge of handling toxic waste cleanup. They were examined because there were some severe concerns here in Congress that they were not doing their jobs, and all during that time we closely examined the situation. The investigative committee and the Commerce Committee examined all of the aspects of the Superfund.

This has been studied to death. Indeed over the last 3½ years it seems that study is the only thing the Environmental Protection Agency has done about this problem. We all know the number of national priority sites: 546. It has been mentioned ad nauseam on the floor. How many of them have been cleaned up? That is also easy to remember: six. That is six in 3½ years.

So we are saying—and we are not trying to be partisan—that we recognize an enormous environmental and health problem in this country. We are saying to the Environmental Protection Agency, "You have moved too slowly. We want you to move more quickly. We understand that there is a problem."

We also, as members of the Ways and Means Committee, had to wrestle with the question of how we are going to pay for the cost of cleaning up these toxic time bombs that dot the countryside.

□ 1530

That was not an easy decision for us to make. Some people suggest that the whole tax is an arbitrary tax. Well, part of the tax is based on the 1980 law which the chemical industry supported. We have taken the chemicals that have been found at the waste sites, whether toxic or not, the basic feedstocks are the chemicals that are taxed. They bear a direct relationship to the problem that currently causes us to spend this money.

The tax and the problem are inextricable. We raise 75 percent of our money from the industry, whether wittingly or not, that has created the problem. That seems to be eminently sensible and eminently fair. We raise another 25 percent to pay for this out of the general revenue which also seems to make enormous sense.

We were very cognizant in our committee of the problem of copper, the problem of lead, the problem of zinc, and the problem of other elements that may be placed at competitive disadvantages and we looked at the problem and said "Yes, while this may be a problem, it would be unfair to all the other chemicals and all the other elements that are taxed if we decided to exempt one or the other." That we found to be unreasonable. We want a broadbased feedstock tax and that is what we have.

Now, as for this question which has been raised and hopefully will be discussed at some length later on about whether or not we should be doing a waste end tax or not and whether or not we have properly emphasized who to tax, let me say that I am a strong supporter of the waste-end tax and so are the vast majority of the members of the Ways and Means Committee.

We do not believe, however, that it can be done this year, so what we have decided to do is give ourselves a year to look at this problem and build into the law a requirement not only to do it next year, but to tax other people if we do not do it; so the petroleum industry and the chemical industry are built-in constituents to make sure that the waste-end tax is levied and levied effectively.

We have also recognized that when you delve into the law and pick out the microproblems of whether we move too fast or tax the wrong people, we lose sight of another broader problem; that is, that the Governors suggest to us, having examined their State programs, that $10.2 billion is not enough money to do the job. They think that $12 or $16 billion is what we need. The GAO has suggested as high a figure as $26 billion may be needed. The Office of Technology Assessment indicates that a higher figure is necessary.

I called the Commissioner of Health in New York State, Mr. David Axelrod, and I asked him. I said,

> You know, the EPA has been telling us that they don't have the people to take care of the problem.

And he told me something very interesting. He said,

> They have administered a wound to themselves in region 2 in New York. They do not have the people.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DOWNEY of New York. Mr. Chairman, I ask for 3 additional minutes.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. DOWNEY of New York. I thank the chairman for his generosity.

In the State of New York, given the fact that the EPA region 2 has been emasculated should not be an excuse for the State of New York and the State of New Jersey and the State of Connecticut and the tristate metropolitan area who are prepared to go ahead with cleanup to be deprived of the resources to do so.

Today, my office received a draft letter from New York State which said

that the total cost of remediation of all the toxic waste sites in New York is expected to be $2 billion. We need the money. There are States and regions of this country that desperately need to be cleaned up. We have addressed those issues and I hope my colleagues will not get lost in the forest when they examine this issue. This is a health problem. It deserves to be dealt with now. It deserves to be dealt with quickly.

Mrs. SCHNEIDER. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. If I have any remaining time, I yield to the gentlewoman from Rhode Island.

Mrs. SCHNEIDER. Mr. Chairman, I am very concerned about the gentleman mentioning the problems that the gentleman's committee had with the waste end fee. The gentleman had mentioned at the outset that this issue of Superfund and the waste end had been discussed for hours and hours of hearings, debate, et cetera.

I think it is important to note that the Energy and Commerce Committee did include in its proposals to the Committee on Ways and Means, and if the gentleman has no objection, I would like to include in the RECORD a response to the Joint Tax Committee report on the waste-end tax.

Mr. DOWNEY of New York. I have no objection.

Mrs. SCHNEIDER. Mr. Chairman, I include the response, as follows:

RESPONSE TO THE JOINT TAX COMMITTEE REPORT ON THE WASTE-END TAX

STATE REVENUE SHORTFALLS

"The revenue shortfalls in these states were 39 percent in California (disposal tax), 73 percent in New York, and 93 percent in New Hampshire."

This statement is incorrect with respect to California's experience.

It also fails to distinguish between the success of California's disposer tax, and the revenue shortfalls experienced by the generator taxes in New York and New Hampshire (H.R. 5640 establishes a disposer tax).

In fact the California disposer tax has never experienced more than an 8 percent shortfall in revenue, according to a report prepared by the General Accounting Office:

"According to the Toxic Substances Control Division Director and the Associate Health Program Advisor in that division, the disposer tax has not raised the revenue anticipated in only one year—fiscal 1983. The shortage from an anticipated $6.4 million in revenue amounted to about $400,000. These officials attributed the shortage to the poor economy in the state that year."

By contrast, the generator taxes imposed by New York and New Hampshire suffered significant shortfalls in revenue—in part, because data for generation is much more uncertain than data for disposal.

According to an OTA review, approximately 70 percent of the wastes that were land disposed in that state were exempt from the tax. The state tax fell most heavily on off-site disposal. H.R. 5640 has no exemptions for any form of land disposal, and falls equally on on-site and off-site facilities.

TAXABLE PARTIES

"On the other hand, the disposal tax proposed in H.R. 5640 would be . . . collected from approximately 10,000 on-site and off-site hazardous waste facilities."

This is incorrect. The latest data from the Environmental Protection Agency indicates that there are 4,800 on-site and off-site disposal facilities.

The hazardous waste management industry is highly concentrated, which should make the tax relatively easy to collect.

According to EPA, 95 percent of all treatment, storage, and disposal takes place at 240 facilities.

ECONOMIC IMPACT

". . . it is estimated that H.R. 5640 would raise the cost of landfilling hazardous waste on the order of 10-30 percent—far greater than the maximum 3 percent tax on feedstocks."

This statement compares apples and oranges, since land disposal represents only a fraction of the total cost of production for chemicals and chemical feedstocks.

EPA data provides the basis for estimates that an average $10/ton disposal tax rate would represent less than 2 percent of the production costs for virtually all major industries affected by the tax.

This is a worst case assumption, since: the mean tax rate in the bill is $8 per ton; those industries that generate the most hazardous wastes are most likely to use deep well injection (taxed at a $5 rate) or to have the technological capacity to avoid the tax entirely through incineration or recycling.

MIDNIGHT DUMPING

"At the state level, it appears that some of the hazardous waste reduction is due to 'midnight dumping', waste blending, questionable recycling, and treatment operations, and under-reporting of wastes."

No data is offered to support this assertion.

In fact, the available data from the Environmental Protection Agency appears to contradict this statement. The EPA's Office of Policy Analysis compared states with those without waste-end taxes to determine whether the reported incidence of midnight dumping increased with the tax. The study found no such correlation, a fact that was reported by EPA Administrator William Ruckelshaus in a letter to Representative James Florio:

"The Special Analysis was done to shed some light on whether any of the modest waste-end taxes now in place could lead to illegal disposal . . . I look at this as a preliminary estimate that is suggestive that modest taxes are not causing illegal disposal, but not definitive."

This finding is supported by the GAO report on state waste-end taxes. For example, with respect to New York,

"Regarding the underreporting or nonreporting of waste, the Chief said that while some taxpayers may be trying to avoid the tax using those means, he does not believe it is a major reason for the shortage. The Chief's belief stems from the fact that only $7,000 in outstanding payments remain to be collected from the tax."

ECONOMIC DISINCENTIVES FOR LAND DISPOSAL

"Further, it is argued that the system of permits and legal liability for damages under CERCLA, RCRA, and State tort law already provide substantial incentives for proper disposal."

This directly contradicts a major finding of the Office of Technology Assessment, which was included in a comprehensive review of the federal hazardous waste management system the OTA prepared for Congress:

"While these factors (regulations) may have beneficial effects, they are often rendered less effective than they could be by uncertainties, ambiguities, and contradictions in the regulatory system as perceived by the regulated community or because they limit choices in too general a fashion. The use of direct economic incentives can be viewed as a complement to regulatory incentives and to the use of the legal system."

The OTA's conclusion was substantiated in recent articles in the Wall Street Journal and the Washington Post. Both stories reported that wastes from abandoned Superfund sites were being shuffled to so-called "safe" land disposal facilities—which were then discovered to be leaking:

Taxpayers may have to pay to have tons of waste dug up at hundreds of waste sites nationwide, only to end up with some of the same contamination leaking out of landfills in other areas; there they could pose equally serious health and environmental hazards, including threats to underground water supplies . . . In fact, at least one site where hazardous wastes were taken is itself a possible target for a major cleanup under the Superfund law because of leaking chemicals. And perhaps more than 20 sites that receive toxic wastes now are suspected of leaking or using poor monitoring systems.

DRY VERSUS WET WEIGHT

Liquid wastes are not necessarily "good". Liquid wastes are more mobile, more liable to move into groundwater, and less susceptible to containment through land disposal.

An Environmental Protection Agency study found that a dry-weight tax would be more expensive and complex to administer. EPA's study estimates that the charge for performing a solids analysis ranges from $35 to $70 per drum of waste (about 500 pounds to a drum).

The study anticipated that the complexity of a dry-weight tax would result in a longer list of enforcement problems that would require additional personnel, and that the tax would take longer to implement.

The dry-weight tax would have a dramatic impact on specific industries that generate more solid wastes than others. An EPA study found that the effect of a dry-weight tax would be to shift liability away from the chemical industry, and toward the steel, primary and secondary metals, and electricity industries.

TAX RATES FOR DEEP WELLS

"Also, some have argued that despite the lower tax rate provided in the bill, underground injection is too heavily taxed relative to other disposal methods on the grounds that the wastes disposed of are very dilute (H.R. 5640 taxes disposal on a wet rather than a dry weight basis), and the disposal method is claimed to be environmentally safe."

A deep well is not a treatment facility; it is a "high-tech" form of land disposal that injects toxic and hazardous wastes underground.

The trade magazine, "Chemical Week" has warned that a system failure could be catastrophic:

"There are no rules to limit what can be pumped down such a well. There is nothing to prevent a well-owner from pumping down highly concentrated organic fluids—of whatever toxicity—or for that matter, cyanide or chromium solutions . . . there are a lot of unknowns when an uncontrolled mix-

ture of synthetic chemicals is exposed to subterranean heat that can reach a couple hundred degrees . . . Gases can form, backpressures can develop, fluids can find fissures, and an aquifer can become poisoned. In a good system, that's unlikely. But the consequences of an error could be horrendous."

Chemical Waste Management, Inc. recently sustained a near-record $10 million fine by the state of Ohio after wastes were discovered leaking from one of its Class I wells in Vickery.

"Toxic wastes were illegally stored at the site and there were leaks in high-pressure injection wells used for disposal. In March of 1983, nearly one million gallons of waste oil laced with polychlorinated biphenyls or PCB's, was found stored at the site."

Deep wells have already received a break under the Florio-Lent bill. All other land disposed wastes are taxed at $10 (reportable quantities of less than one pound) and $30 (r.q. or greater than one pound), while all deep-well wastes are taxed at $5 per ton.

Deep wells account for nearly 60 percent of all land disposal, according to EPA data. Yet under the lower tax rates in the Florio bill, deep wells would contribute about 30 percent of total waste-end tax revenues.

Mr. ALBOSTA. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from Michigan.

Mr. ALBOSTA. Has the Ways and Means Committee looked at any bonding authority by EPA to take care of some of the costs that will be added to this, but spread it over a long period of time?

Mr. DOWNEY of New York. I cannot answer that. Maybe the chairman can.

Mr. CONABLE. Mr. Chairman, I yield such time as he may consume to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. Chairman, I stand in opposition to this legislation.

I regret that Superfund and RCRA was bound together in one package on a take-it-or-leave-it basis. I hope that will not damage our environmental legislation for this year.

Mr. CONABLE. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I rise today to support and commend this Chamber's efforts to address the issue of hazardous waste in our Nation in debating legislation extending the Superfund Program.

Despite concerns on the past effectiveness of the program, its success has already been proven by the wide support its reauthorization has received. There are few who do not support continuing the program. Its reauthorization is supported by the administration, environmental groups, the States, even those who are responsible for maintaining the fund, the corporations which pay the taxes. In a letter addressing the issue, the Chemical Manufacturers Association, whose member companies pay 87½ percent of the total fund, stated that they strongly support the Superfund Program, as well as its extension. We have overcome a major obstacle by realizing the seriousness of the problem, and I am pleased that we agree on the direction our efforts must take in addressing this issue.

I represent that State which has the dubious distinction of having more sites on the EPA's national priority list than any other State in the Nation. Some States have 1 site, others have 10, others as many as 20. New Jersey, one of the smallest States in the Nation, has 85. Furthermore, we have more uncontrolled hazardous sites than any other State in the Nation except for Texas and New York, 1,041 at last count. Living with that kind of danger, extending and strengthening Superfund is of paramount importance to me.

I have already had the opportunity to see progress being made in my district on sites which have threatened my constituents' health and well-being for years. Excavation should begin by this fall on the Krysowaty farm, and EPA has already committed funds to provide citizens living near the site with an alternative water supply. From examples such as these I can assure you that funding allocated to this program is money well spent.

This legislation will make a positive contribution to each Member's State, as it has been estimated that there is not a district in the United States that does not have a toxic waste site. And the problem continues to grow. There are already 17,000 sites which have been identified by the EPA, and the list continues to grow by 1,000 sites every 6 months.

Now that we have defined the problem, and set up a basic administrative structure, there is no doubt that expanding the program is in the best interests of each Member present. I therefore urge my colleagues to share my support of this important legislation.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. ALBOSTA].

Mr. ALBOSTA. Mr. Chairman, I thank the gentleman for yielding. I would like to engage the gentleman in a colloquy if I may. I would like to commend the chairman of the Ways and Means Committee for his excellent work on this bill. I realize that the gentleman and his fellow committee members worked very hard on this bill and I applaud the gentleman and the other committee members for their efforts in this regard.

Mr. Chairman, perhaps one of the most controversial areas of the Superfund reauthorization dealt with the issue of a waste-end tax as a basis for partial funding. Although I am somewhat disappointed that your committee did not recommend the inclusion of a fair and reasonable waste-end tax in H.R. 5640, I am pleased that it did include a recommendation for a study to be done which would direct the Treasury Department to submit proposals for such a tax by 1985.

Mr. Chairman, my concern is that although I am firmly committed to the reauthorization of Superfund, the funding mechanism which is the foundation of the current law is rather unfair. We are requiring that the same dozen or so companies bear most of the burden for the funding of Superfund rather than place it on those who produce the waste. I was a cosponsor of a Superfund bill offered by Mr. LENT which contained what I thought was a fair provision regarding the imposition of a waste-end tax. I firmly believe that in order to place the incentive where it properly belongs, we should shift part of the burden from petrochemical feedstocks to the waste end. We must tax those who are directly responsible for producing these wastes.

My question at last, Mr. Chairman, is whether or not the House of Representatives can be given a commitment that the Ways and Means Committee will move quickly when this study is completed so that the waste-end tax will be levied as soon as possible?

Mr. ROSTENKOWSKI. Mr. Chairman, let me assure the gentleman that the Committee on Ways and Means will give serious review to the Federal waste-end tax study required by the Treasury Department and the International Trade Commission as expeditiously as possible. There will be a substantial interest in considering any waste-end tax proposals quickly after the April 1, 1985, study deadlines since higher petroleum and feedstock taxes would otherwise go into effect by January 1, 1987.

Mr. ALBOSTA. Mr. Chairman, I thank the chairman for his remarks. I think it is imperative that we begin to consider new, more responsible ways to implement Superfund so that it is financially supported by those who commit the waste.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 4 minutes to the gentleman from Oklahoma [Mr. JONES].

Mr. JONES of Oklahoma. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, today the House is considering H.R. 5640, the Superfund Expansion and Protection Act of 1984. Quite simply, this legislation provides additional funding over the next 5 years to clean up the Nation's worst neglected toxic waste sites. No one questions the need for or purpose of the legislation.

In fact, there is no environmental problem more threatening to our country than the thousands of abandoned toxic waste sites which years of

neglect in our waste management practices has created. I cannot emphasize adequately the urgency or importance of this problem.

And, like most of my colleagues in the House, I recognize the need for Superfund to be reauthorized at greatly expanded levels. If the past 4 years of Superfund operation has taught us anything, it is the fact that EPA should be guided by stricter rules and tighter deadlines so that we may eventually finish the job we began in 1980. This legislation moves us a step closer to this goal.

My support of reauthorization, however, should not be taken to mean that I find this legislation to be flawless. Careful study of the committee reports and statutory language has led me to believe that there are several sections of the bill which are deserving of further evaluation. For purposes of my comments today, I will limit my statement to the two issues which I feel must be corrected during conference. Indeed, I may be unable to support the conference report unless some of these concerns are addressed by the conferees.

Mr. Chairman, let me first address a matter which was before the Ways and Means Committee; namely, title V of the legislation. Before I discuss my concern, let me say that I feel the amendments my committee made to the Energy and Commerce recommendations greatly improved the revenue title. For example, I was quite pleased we chose to drop the proposed tax on BTX mixed into gasoline. Moreover, rather than adopting a 9.5-cent-per-barrel tax on crude oil, we lowered that tax to 7.86 cents per barrel—a rate which is still excessively high, but much more acceptable than a 9.5-cent tax. Another improvement made in the Ways and Means title is the designation of a separate account in the hazardous waste trust fund for funding (through general appropriations) of the leaky Underground Storage Tank Program.

While improvements were made in the Energy and Commerce recommendations, Mr. Chairman, I am nevertheless concerned there has not been adequate consideration of both the total amount of funding needs as well as the effect of the method of funding on the industries hit by the Superfund tax. Specifically, I am speaking of the manyfold increase made in the refiners' crude oil tax. The higher crude oil tax comes at a time when our country's refining industry, particularly our independent refiners, are witnessing razor thin profit margins and shutdowns in operating capacity. Although the "oil patch" is publicly perceived as a highly profitable, easily taxed target the petroleum refining and marketing sector is facing an environment of intense marketplace competition and greatly expanding capacity overseas.

The Department of Energy reports that, in the 3 years between January 1, 1981, and January 1, 1984, the number of U.S. operating refineries has declined 32 percent, with 82 refineries shutting down before 1983. Since the beginning of 1984, numerous other refiners have filed for bankruptcy, with many others on the brink of similar disaster. For the vast majority of independent refiners, who by definition do not own or operate upstream reserves, the outlook is even grimmer. Unlike the larger oil refiners, independent refiners cannot finance downstream losses with development of crude oil reserves.

Refiners of all sizes face a double setback if this legislation is enacted as presently written. Our Nation's refiners are facing increases of taxes on the domestic front and increased foreign competition from abroad. I must point out to my colleagues that the 7.86-cent-per-barrel tax which is imposed as the crude enters the refiners' gates is the second tax to be imposed on this resource. At the production level, our oil producers have already paid stiff windfall profits taxes. Furthermore, if the crude is used to produce petrochemical feedstocks, a third feedstock tax is imposed on these products.

U.S. refiners are also facing grave conditions and intensified competition from foreign sources. By 1985, sources throughout the industry predict a flood of refining capacity will be brought on board in the Middle East, including three Saudi Arabian refineries capable of handling 800,000 barrels per day. We may be witnessing a 100-percent increase or more in Persian Gulf petroleum product exports. It is not difficult to imagine what impact this will have on our domestic refining industry, an industry vital to our national security. Quite simply, we are mistaken in believing this industry is an inexhaustible source of revenue.

The second issue I want to bring before the House concerns the State assistance provisions. The new Superfund law contains several State assistance provisions which dramatically change the cooperative partnership between the Federal Government and the States in conducting the cleanup program. First, the States' share of remedial action costs at facilities that they own, but do not operate, would fall from the current 50-percent cost share to a 10-percent share. Credits, however, would be given to States for certain expenditures, including amounts in excess of 10 percent expended for actions at State-owned facilities prior to enactment of this bill. Second, the legislation would effectively repeal the provision of current law which preempts State taxing authority. This provision would enable States to impose any type of tax necessary for purposes of meeting the State share of cleanup costs. Given the extensive amount of State assistance H.R. 5640 contains, I cannot imagine any State will find it necessary to seek additional revenue sources. Last, and most important, is the State assistance provision which alters the reponsibility for long-term operation and maintenance costs—a major change in the State-Federal Superfund role.

The current Superfund law requires the States to pay 100 percent of all operating and maintenance costs at disposal facilities. This bill would require the Federal Government to pay 90 percent and the States to pay 10 percent of O&M costs.

Mr. Chairman, as a member of the Ways and Means Committee which has responsibility for determining the extent to which our citizens can be fairly taxed, and as chairman of the House Budget Committee, which must also look at the future in terms of controlling our Government's deficits, I am absolutely appalled at the potential costs that will be borne by the Federal Government if this provision is enacted. EPA estimates it will cost $360,000 per site for O&M and that the national priority list will grow later this year to between 1,400 and 2,200 sites which require cleanup. Over the next 30 years, EPA has testified, the Federal share of O&M costs will amount to over $11 billion. This cost could double since EPA is basing its figures on their preliminary assessment of only 9,000 of 18,000 potentially hazardous sites.

Transferring the responsibility for most operations and maintenance costs at these sites to the Federal Government would create a perpetual drain on the Federal Government's budget. Furthermore, Federal payment of O&M expenses would set a bad precedent for other major Federal construction programs. For example, the Federal Government pays for a major portion of the construction costs but none of the O&M costs for highways and sewage treatment plants, and only a small portion of the mass transit operating assistance.

Mr. Chairman, this provision essentially ties the Federal Government to permanent stewardship of hazardous waste sites. Instead of increasing the Federal Government's share to 90 percent, I believe, at the most, O&M should be equally divided between the Federal Government and the States resulting in a 50-50 split of the O&M costs. The splitting of the O&M cost will not deny any sites cleanup that required cleanup. In fact, this change would free up more Federal money to do actual cleanup work. Such a change, coupled with the two previously mentioned State assistance changes, is a much more prudent course for the House to follow.

In summary, Mr. Chairman, my colleagues on the Energy and Commerce

and Public Works Committees are to be commended for their fine work on this important legislation. But we should not rush our action without carefully considering the impact this legislation will have on a vital domestic industry. Nor should we ignore the ramification of altering the traditional Federal-State relationship with regard to O&M expenditures.

If these and other corrections are made to the legislation, we should move ahead on its reauthorization. The cornerposts of the bill put us on a path toward completing the job we began in 1980. For too long, we have allowed our regulators to deviate from the goals of the Superfund Program. Indeed, during its first 4 years of existence, it has been a program mired in scandal, abuse, and partisan politics. Only six sites have been cleaned up during these 4 years. Yet, after 4 years, people are still exposed to harmful contaminants and drinking dirty water.

□ 1540

Mr. ROSTENKOWSKI. I yield 1 minute to the gentleman from Texas [Mr. HANCE].

Mr. HANCE. Mr. Chairman, the committee bill contains a study of a waste-end tax, with a report back from Treasury along with specific legislative suggestions. The committee discussed the need to provide tax disincentives for locating a landfill facility above a sole source aquifer or in a flood plain.

Mr. Chairman, the need for protection of floodprone areas is obvious. Continued disposal of toxic substances in these areas creates the probability of eventual cleanup problems larger than the original waste dump. Landfilling hazardous wastes in floodprone areas raises the danger of flood water saturating a dump, thereby allowing the waste to surface, spread, and contaminate an area much larger than the original site.

Mr. Chairman, one alternative that the committee wanted the Treasury to look at in detail as a disincentive was higher tax rates on hazardous wastes disposed in landfills in these floodprone and single source aquifer areas. I just wanted to make sure that our intent was made clear.

Mr. ROSTENKOWSKI. Will the gentleman yield?

Mr. HANCE. I yield to the gentleman.

Mr. ROSTENKOWSKI. The gentleman has stated the committee's intent. It is the committee's intent to do exactly what the gentleman from Texas has stated.

Mr. HANCE. I thank the gentleman.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Chairman, we have already talked at some length about the waste-end tax on the floor today. I do not want to go into it in any great depth right now, but I just want to make sure, Mr. Chairman, about one point. Mr. Chairman, it is my understanding that the Department of the Treasury would have to present to the Congress and the Ways and Means Committee a legislative proposal for a waste-end tax by April 1 1985; is that correct?

Mr. ROSTENKOWSKI. Will the gentleman yield?

Mr. WYDEN. I yield to the chairman.

Mr. ROSTENKOWSKI. The gentleman is correct.

Mr. WYDEN. I thank you very much, Mr. Chairman, because my concern all along has been that what the Department of the Treasury would do is essentially exercise the option of saying that a waste-end tax cannot be done and they cannot develop it, and the waste-end tax would then be set aside for another year.

But it is your understanding that they actually have to have a proposal on April 1?

Mr. ROSTENKOWSKI. The Treasury Department is mandated by the statute to submit to the Congress a Federal waste-end tax proposal in legislative form.

Mr. WYDEN. I thank the chairman.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. SHARP].

Mr. SHARP. Mr. Chairman, I rise in strong support of the effort to reauthorize the Superfund and to expand it. We have a desperate need in this Nation to take action. That has been well documented here today.

In my own State of Indiana we have 17 sites on the national priority list, some 465 sites that require cleanup. In the survey done by the Northeast-Midwest Institute they have documented the views of the State officials in my State that we clearly need more money to do the job. In my own district we have had a recent incident where in the community of Shelbyville we have discovered that we have a toxic waste problem with our water supply. Even though that particular instance is not covered by this legislation it is an indication of the fact that we are going to continue to discover that the problem exists out there. It is growing in the Midwest and it is particularly severe because of the broad base of industry that we have and the fact that we depend upon most of our water from underground supplies that can be contaminated by these sites.

So I applaud the committee for their action in moving this legislation.

Mr. CONABLE. Mr. Chairman, I yield 14 minutes to the gentleman from Minnesota [Mr. FRENZEL], a distinguished member of our committee.

Mr. FRENZEL. Mr. Chairman, nobody likes hazardous wastes. Nobody likes dumps of any kind, whether they are managed well or poorly or legally or illegally.

Everybody likes to clean them up. Everybody likes the purposes of the Superfund. Everybody understands that there has to be more money brought to bear against the problem that the Superfund hopes to bring resolution to.

That said, I think it is unnecessary for this body to be in an enormous hurry to rush through to judgment until it has developed what it believes is the best possible plan for doing the necessary cleanup job.

We are told by people who believe this very deeply that it is important to extend the Superfund law right now, even though it does not expire for another 13 months. And the reason for extending it now is so that you can have a program ready to go forward as soon as the current law expires.

That is reasonable, and I would hope that we could write good Superfund legislation this year so that we would have that program ready to move forward.

On the other hand, we do not need to be badgered into passing bad law because we do have the backup of an existing law which takes care of us through next September. So, while there is good reason to move forward speedily, there is no reason to rush to judgment and make a bad decision in the name of expediency.

In my judgment the bill which the Committee on Energy and Commerce, Committee on Ways and Means, and the Committee on Public Works and Transportation have brought to us today is a rush to judgment; is a sacrifice to expediency and/or politics; and it is one which the House should probably reject unless it is substantially improved.

Our committee, the Ways and Means Committee, has jurisdiction over tax matters. We do not have a lot of competence to talk about the other areas of the bill and yet I cannot discuss this bill without some kind of comment on the testimony that EPA presented before our committee. It was, as I best understood it, that if the mandatory requirements of this bill are to be carried out, the likely result would be that the cleanup of some of these sites might in fact be delayed rather than escalated. Those mandatory requirements laid on the EPA by this resolution are deemed by EPA to be counterproductive.

Now, it might be necessary to demand step-by-step completion of all sorts of duties if this EPA were still subject to the administration of Mrs. Burford. However, most people agree that the current administration of the EPA is doing its best to carry out its mandate under the existing law, and will continue to do its best to perform. Therefore my reaction to the testimo-

ny was that it is unnecessary and counterproductive, and if I may say so, mean spirited, to impose a special mandatory obligation on an agency which is giving good evidence of a willingness to do the best job that it can.

There is also the problem that will confront us later on of the coupling of RCRA and the Superfund. It has been stated previously that at least one of the environmental groups has suggested that that is a bad scene because it will imperil the passage both of them.

I understand the Senate people who have already worked on RCRA and who are already working on Superfund feel the same way about the matter. It would make their job more difficult, and perhaps imperil even RCRA which is almost ready to go, and certainly slow down Superfund legislation. Therefore I think it should be an easy decision for us simply to vote down that coupling as being a motion of no wisdom whatsoever.

Again, I am not terribly competent to speak about who is qualified to sue for what in court. I think you will hear plenty of discussion about that coming along later by people who believe they are competent in that field.

Suffice it to say there have been serious questions raised about that particular feature of this bill; whether that is going to slow down also the efforts of the Government; whether they are going to spend all of their time responding to lawsuits or whether they are going to spend some time cleaning up the dumps.

□ 1550

My preference is, of course, the latter, and I think that most people believe that suits in State courts are adequate, satisfactory and legally sufficient ways to conduct our business.

Finally, Mr. Chairman, we come to our committee's part of the bill. Whatever the other considerations are about this bill, I think it is fair to say that our committee's portion is, to speak most generously, very untidy.

We have heard plenty already about the waste-end tax. Everyone stands up and proclaims that it is next to cleanliness and godliness. It is the greatest thing since indoor plumbing, but the sponsors of Superfund say we are not quite ready for it.

Well, my judgment is there is a way to get ready for it. That is to vote for the Conable amendment to the tax section. That, of course, will mean that the present tax features which would be continued in the Conable amendment, will be sunsetted. Therefore the Ways and Means Committee will be forced to take a look at the waste-end tax in 1 year. There is no other way to force that decision on the committee other than voting for the Conable amendment. It seems to me that that amendment makes very good sense.

However, overall, the Ways and Means Committee has, in my judgment, no rationale or basis to back up the tax system. A few people got together and decided if we put together a certain combination it would raise the amount of money necessary to satisfy someones idea of the cost to clean up dumps.

For instance, the waste-end tax is a good one to begin with. Somehow we should have found a way to include it. The second one is the import tax. Its very hard to work out because we have to satisfy our international and our own national obligations. It is tricky to work out.

Nevertheless, the result of this tax bill means that American producers will be at a disadvantage. There will be an enormous incentive for American petrochemical producers to take their functions offshore.

That, I would suggest, is probably not the smartest thing for our country in terms of its energy self-sufficiency, nor in terms of its national security requirements, nor in terms of American jobs.

Again, with the import tax, this bill calls for a study. I think a study is wonderful. However, again, if you vote for the Conable amendment, it will sunset the tax portion and force the Tax Committee to look at the import tax and the waste-end tax.

And the only way you can force the review, I will say to the gentleman from Michigan who wondered how, is to vote for the Conable amendment.

Also one of the things that bothered me about the tax section and about the whole bill is nobody bothered to wait for the studies mandated in the last Superfund bill. Nobody knows with any great precision all of the elements we are to clean up. Therefore we don't know what we should tax more than something else. As a result we are taxing some metals; we are not taxing other metals; and there is great dispute as to which ones are actually causing hazards and which ones ought to be taxed. Without more studies nobody has a clean fix on how to tax the real troublemakers, the pollutes.

Certainly, the committee bill has no rationale that I can follow, other than that if we tax certain producers, we will raise enough money to cover the needs of the bill.

The same is true of scrap. There are many certain scrap and a recycling operations which we have been trying to encourage for years. Recycling of scrap metals represents a conservation of resources and saves despoiling of the land. This bill taxes very heavily those recycling operations, even though they may cause no pollution at all.

Again the committee did it not because it was fair or made sense, but simply because it was a convenient tax raiser. The Ways and Means Committee, in fact, turned down an amendment which would have cut that tax in half.

So as we recycle aluminum cans, or whatever else we recycle, copper, brass, zinc, and other metals under this bill, we will tax the metal in each cycle so that eventually the can that holds your Coca-Cola, or your milk, or whatever, will have more tax in it than it will have aluminum in it. This is another very bad policy in my judgment. We ought to stand up for energy conservation and resource conservation.

Mr. Chairman, everybody would like to be for the environment and to vote for the Superfund. This bill is a little bit like the grain embargo. We all wanted to show how mad we were at the U.S.S.R., so we shot ourselves in the foot. It is also a little bit like export restrictions. There we show how mad we are at the Russians stealing our technology by not allowing our companies to sell electronic games to them.

Now if you want to punish yourself by passing a bad law in the name of a symbolic vote for the environment, I encourage you to vote for this bill. Or you might, as one speaker wanted to do, send it on hoping the Senate will take care of it.

But I think you owe your constituents a little more. I think you owe your constituents your best judgment, not just a symbolic vote.

I hope you will look at this bill, I hope you will listen to the debate. When you do, you may turn out, as I have turned out, to be inclined to vote against it unless it is substantially improved.

In short, the bill is disorganized. It has no tax rationale. It may slow down the cleaning of dump sites.

In short, it is not in good legislation form. We can do much better.

Mr. ROSTENKOWSKI. I yield such time as he may consume to the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. Mr. Chairman, it is with very great reluctance that I rise today to oppose H.R. 5640, the Superfund Expansion and Protection Act.

Congress created Superfund in 1980 in an effort to establish a federally directed program to clean up the thousands of toxic waste sites in the country. An excellent piece of legislation, the original Superfund Program has, unfortunately, encountered more than its share of problems, culminating with the resignations last year of Rita Lavelle and Anne Burford. After 4 years, consequently, only six sites have been entirely cleaned of toxic wastes.

Mr. Chairman, an expansion of Superfund is needed—urgently needed—but the bill we are considering today is such a collection of dubious assump-

tions and even more dubious conclusions, it threatens to dissolve the rational basis of the original Superfund Program.

H.R. 5640 greatly increases the tax on chemical feedstocks. While there is, of course, a connection between chemical companies and the final toxic wastes distributed by users of the chemicals, it would be much fairer to apportion the costs of the cleanup to the actual producers of the waste on a dry-weight basis. Several of my colleagues have made the argument that technical problems exist with an end-waste tax, but we do not know that those difficulties are insurmountable. As Superfund's current authorization lasts for another year, there is no reason to hastily pass a crippling tax on an already suffering chemical industry.

What is especially galling about this tax is the free ride it gives foreign chemical companies. H.R. 5640 would tax chemical feedstocks used by our chemical companies, but it cannot tax feedstocks used by foreign countries and it does not tax chemical products—made with these foreign, tax-free feedstocks—that are imported into this country. In this bill, then, the Federal Government has proposed, yet again, that we hamper our domestic industry to the benefit of foreign competitors.

Mr. Chairman, other aspects of this legislation concern me, notably the citizen suits provisions, and the joint and several liability provision. Although arguments can be made in support of these provisions, they are not compelling enough to warrant reauthorization a year ahead of schedule. Let us reject this legislation before us today and allow our committees adequate time to examine the issues more closely and report out a strong, solid, and rational expansion of Superfund next year.

I thank the chairman.

Mr. ROSTENKOWSKI. I yield such time as he may consume to the gentleman from New Jersey [Mr. FLORIO].

Mr. FLORIO. Mr. Chairman, I would like to engage the chairman, Mr. ROSTENKOWSKI, in a colloquy.

It is my understanding that the amendment offered by the Ways and Means Committee contains provisions regarding the purposes for which expenditures from the Superfund are authorized. Under these provisions, the fund may be used for certain general purposes, but may not be used to pay natural resources damage claims. Apart from the exclusion of such claims, the provisions contemplate continued use of the fund for the purposes contained in current law, as amended by the legislation we are now considering and by any consistent future authorization legislation.

It is also my understanding that the Ways and Means Committee included these provisions because it wished to preclude use of the fund to pay natural resource damage claims.

Mr. ROSTENKOWSKI. That is correct. It is the view of the Ways and Means Committee that any fundamental change in the structure or goals of the Superfund Program which would or could require a major new commitment of funds for the program is jointly within the jurisdiction of the Ways and Means Committee and other committees. However, the provisions are not intended to affect the Energy and Commerce Committee's, or any other committee's, jurisdiction over the specific purposes for which the fund may be used. These specific purposes in turn affect the basic manner in which the general purposes of Superfund are carried out and these matters properly belong within the jurisdiction of the Commerce and other committees.

Mr. FLORIO. Mr. Chairman, I yield back the balance of my time.

● Mr. MARKEY. Mr. Chairman, I rise to strongly support this bill and to applaud the efforts of my colleague, JIM FLORIO, for his fine leadership in bringing this bill to the floor.

Today this House begins consideration of a bill that many people thought was dead for this year: Superfund reauthorization. I want to thank the chairman and my friend from New Jersey, JIM FLORIO—the father of Superfund, for providing the leadership necessary to bring this issue before the House.

Let's make one thing clear: We are bringing this bill up today not because the Reagan administration wants it—because they don't.

Not because Bill Ruckelshaus wants it—because he does not, and he sat before the Energy and Commerce Committee and told us that just 5 months ago. And not because industry wants this bill—because they could not be happier if we adjourned right now and left for the year.

No, Mr. Chairman; this House is considering this bill today because we are responding to social interests—not special interests. We are responding to social interests which have made it clear that Congress must face the growing specter of hazardous wastes.

In communities across this country, the fear of hazardous waste is very real. In many instances, it is fear of the unknown, which may be the greatest fear of all. In all cases, it is fear of something that the citizens had no role in creating and unfortunately have no hope in correcting.

One area of great concern to me is the provisions affecting the victims of hazardous waste exposure. There are many people out there, people in your district and people in my district, who have suffered real physical and personal damage from exposure to hazardous waste. What this bill does for victims is critical to the judgment that H.R. 5640 is fair and deserves our support.

This bill would enable potential victims to file suit in Federal court for damages resulting from exposure. While I believe that a Federal cause of action should be a companion measure to an administrative fund, I support the provisions of H.R. 5640. This compromise represents a workable compromise and a good start toward providing meaningful relief to victims of hazardous wastes.

Before we begin consideration of this bill, I just want to remind my colleagues that the original Superfund bill passed during the lameduck session in 1980. At that time, industry cried foul at the size of the fund and said that Congress was calling for a strategic air strike when a battalion of Boy Scouts would do.

Four years later, this body is again faced with industry calling for a scalpel when a sledgehammer is needed. The compromise before us today sits somewhere between those two, and that may be its greatest virtue. I ask my colleagues, those holding scapels and those favoring sledgehammers, to put down your arms and vote for a compromise that moves us closer to removing the problem of hazardous wastes.●

● Mr. SHUMWAY. Mr. Chairman, I rise today to question the wisdom of considering a bill, such as H.R. 5640 to extend the Superfund program, which provides for dramatic tax increases at a time when our Nation is experiencing a strong and sustained economic recovery.

Mr. Chairman, the recent surge in the stock market, I believe, has been a welcome and long-awaited sign that the businesses and investors of this Nation are gaining confidence in the economic climate at hand. Real gross national product went up an amazing 10.1 percent in this year's first quarter, 7.5 percent in the second, and is expected to go up at a very sustainable level of 4.5 percent in the second half. At the same time, inflation has been held in check and it has become apparent that as our economy downshifts into a slower but much more steady pace of growth, the markets have begun to shed their fear that inflation will go back up in the near future.

Economically, this country is presently experiencing the strongest recovery since World War II. As a result, I am deeply concerned that H.R. 5640, which calls for $8 billion in new or raised taxes and over $10 billion in funding for the next 5 years, is the wrong signal for Congress to send to our Nation's financial markets. Although there is clearly a need to cleanup the abandoned hazardous waste sites around the Nation, it is premature to reauthorize the Superfund at this time. The original act

does not expire until September of next year and all of the studies regarding the Superfund's effectiveness have not been completed. How then, can we, as legislators, make efficient use of the tax moneys to be spent on Superfund if its effectiveness has not been completely evaluated?

Even the normally ultra-environmental Washington Post, Mr. Chairman, has editorialized that Superfund should not be reauthorized until next year. In this editorial, the Post also raised the valid point that this measure before us today contains provisions for victim compensation which are badly flawed and need further scrutiny before being enacted. These provisions, Mr. Chairman, "fly in the face of what most people think is fair. They wouldn't even work well for victims."

In short, Mr. Chairman, we are prematurely considering a measure which raises $8 billion in taxes and spends over $10 billion. This illustrates Congress' penchant for spending beyond its means and indicates, once again, that not only can our deficit problem not be adequately addressed through tax increases but in fact that the deficit is actually exacerbated if tax increases are not tied securely to spending cuts. At a time when our economy is finally taking hold in our financial markets, this is precisely the signal we should not be sending them.●

● Mr. FAUNTROY. Mr. Chairman, I rise in enthusiastic support of H.R. 5640, the Superfund Expansion and Protection Act. I am proud to be a cosponsor of this legislation which would put us on the road to addressing in a significant way the public interest in a clean and safe environment by reauthorizing the Superfund program for five more years, fiscal year 1986 through fiscal year 1990 at a total of $10.2 billion.

The funding for this valued program will come from the following sources: $7.9 billion from increased taxes on feedstock chemicals and crude oil; $2.3 billion from general appropriations.

I am particularly pleased by a provision of this legislation which would make it possible for citizens to sue companies in Federal court for purposes of receiving compensation for injuries caused by hazardous wastes. Under this provision, citizens would also be authorized to sue companies to take actions to clean up a site if the Environmental Protection Agency or the State have not done so. Additionally, citizens would also be authorized to sue the Environmental Protection Agency for neglecting to carry out the Superfund law and the requirements of this legislation. Additionally, the bill holds parties responsible for contamination due to hazardous wastes strictly liable for damages. This means that the courts do not have to find that the parties were negligent, but only that they actually placed wastes at the site. Responsible parties will also be liable for all damages resulting from the site, even if other responsible parties cannot be found. These provisions are very much needed. Recently, I received a letter from Rev. Charles E. Cobb, the executive director of the United Church of Christ's Commission for Racial Justice, which demonstrates the problem that many communities face and which might be addressed by this legislation. I submit this letter for the benefit of my colleagues:

UNITED CHURCH OF CHRIST,
New York, NY, July 23, 1984.

Hon. WALTER E. FAUNTROY,
Rayburn Building,
Washington, DC.

DEAR REPRESENTATIVE FAUNTROY: The United Church of Christ Commission for Racial Justice recently announced a national protest against the nation's largest toxic waste facility, sited in the poor and predominantly Black community of Emelle, Alabama. It is a moral outrage that such a facility was sited in one of the nation's poorest Black counties without the people's knowledge and consent.

Since 1978, Waste Management, Inc. has been operating a 2,400 acre landfill at Emelle, Alabama. This is located in Sumter County, which has a population that is 69% Black, of which 93% have incomes beneath the poverty level.

This concern about the Emelle landfill is reflective of the United Church of Christ Commission for Racial Justice's overall concerns about the adverse effects of toxic pollution that Black, minority and poor communities already suffer. Since our efforts to spearhead the struggle by the predominantly Black population of Warren County, North Carolina to stop the siting of a PCB landfill, the UCC Commission for Racial Justice has become increasingly active in addressing this issue. This is presently being carried out through our Special Project on Action Against Toxic Pollution in Poor Communities.

Our research has found that the Emelle site's operator, Waste Management, Inc., has been a subject of intense criticism across the United States. It is the world's largest toxic waste disposal company with 18 facilities, doing a reported business volume of approximately a billion dollars last year. Authorities in at least seven states have charged Waste Management with violating environmental regulations or have levied fines and taken other actions to force compliance. Most recently, Waste Management was levied a $10 million fine around its facility in Vickery, Ohio.

Our concerns about the environmental and health risks posed by the Emelle facility have been magnified by the storage of 2.8 million gallons of liquid PCBs on site. Recently, Waste Management was alleged to have improperly disposed of DDTs from the Department of Defense. In another instance, a former technical manager of the Emelle landfill stated that "thousands of drums" containing toxic chemicals were buried without space or packing earth around them, as is required by the company's permit.

These are but a few of the concerns that residents of Sumter County have raised about the Emelle facility. Foremost among their present concerns is the plan by Waste Management to build an on-site incinerator. Community residents and Black workers are willing to testify to the fact that trucks loaded with unlabeled barrels have been deposited. The Environmental Protection Agency has been unable to ascertain what these barrels contained, nor has it been able to keep track of the placement of waste in the site's trenches. Residents and workers have also reported numerous instances of spills and leaks. The company is also presently under investigation by a special grand jury empanelled by District Attorney Jimmy Evans in Montgomery County.

We also wish to point out the possible violation of the civil rights of the Black population of Sumter County. The Emelle facility was set up under local legislation which a former State Representative introduced. Historically, laws affecting only one county go unchallenged in the state of Alabama. However, prior to Blacks being elected to positions of authority in Sumter County in 1983, legislation was passed taking away local authority around the Emelle site. This led to the blockage of legislation introduced by State Representative Lucious Black and State Senator Hank Sanders that would have given control to the presently all Black Sumter County Board of Commissioners. This legislation also called for a local monitoring authority which would serve a coordinative function for insuring that the facility is safely managed.

Waste Management, Inc. has carried out numerous improper and potentially criminal activities throughout the country. We want to point out that the EPA has been involved in permitting such activities, and only when public pressure has been applied has these practices been abated. We strongly question why the EPA and other government agencies are not prosecuting this company to the fullest extent of the law.

The United Church of Christ Commission for Racial Justice is requesting the Congressional Black Caucus initiate a full scale Congressional investigation concerning possible violations of federal law by the operators of the Emelle facility, and to ascertain the extent to which the constitutional and human rights of the citizens of Sumter County, Alabama are being protected from racial and class exploitation.

Sincerely,

CHARLES E. COBB, D.D.,
Executive Director.

The cleanup provision of the bill also merits strong support. H.R. 5640 sets mandatory timetables to clean up the many hazardous waste sites that threaten the health and welfare of the people of our Nation. Under these provisions the Environmental Protection Agency would be required to begin cleanup work on 150 hazardous waste sites a year with the goal of cleaning up within 5 year all of the 546 sites on the national priority list.

I also urge my colleagues to support a strengthening amendment which will be offered by our distinguished colleague, Congressman JIM MOODY. This amendment would strengthen the protections offered by Superfund by requiring the Environmental Protection Agency to treat the 517 Federal hazardous waste sites located throughout this country commensurate with privately owned sites, and establish a system to ensure effective

compliance with Superfund requirements. This amendment would accomplish the legislative goals of H.R. 4760 also introduced by Congressman JIM MOODY last February.

Passage of this amendment is important if the American public is to receive adequate protection for toxic waste sites whatever the ownership of those sites. It should be noted that federally owned hazardous waste sites have been found in every State, and almost every congressional district, including the District of Columbia. Many of these federally owned sites are extremely dangerous. I was pleased to be an original cosponsor of H.R. 4760 when it was introduced and I urge its passage in the form of an amendment to H.R. 5640.

Mr. Chairman, I urge passage of H.R. 5640, the Superfund Expansion and Protection Act and the defeat of all weakening amendments.●

● Mr. BROWN of California. Mr. Chairman, I rise in support of H.R. 5640, the Superfund Expansion and Protection Act of 1984.

Mr. Chairman, I congratulate my colleagues, Mr. DINGELL, the chairman of the Committee on Energy and Commerce, and Mr. FLORIO, the chairman of the Subcommittee on Commerce, Transportation, and Tourism, and the ranking member, Mr. LENT, for their excellent work in bringing this legislation before the House for consideration. Mr. DINGELL and Mr. FLORIO are extremely effective Members of Congress, and I commend them for their efforts.

Earlier this week, I joined with Mr. DINGELL and Mr. FLORIO in releasing an Office of Technology Assessment contractor report on the Stringfellow Acid Pits, the priority Superfund site in California which is located in my congressional district. The report was prepared as a case study for an ongoing assessment entitled "Cleanup of Uncontrolled Hazardous Waste Sites Under Superfund." My longstanding concern about the cleanup of the Stringfellow site was increased by this disturbing report.

Mr. Chairman, we are 12 to 18 months away from a disaster in my congressional district, and in surrounding areas, including the communities of Chino, Pomona, Rancho Cucamonga, and others. It is therefore with added urgency that I rise in support of this important legislation. The OTA contractor report revealed that the Chino Basin aquifer, which serves 500,000 California residents in those communities, is threatened by the contaminated plume emanating from Stringfellow. The situation has reached emergency proportions, according to the report, because the contaminated plume is traveling more rapidly than previously known, and could reach the Chino Basin within the next 12 to 18 months.

Mr. Chairman, we find ourselves in this situation because the EPA lacks sufficient funds to clean up the thousands of wastesites dotting the country. This has forced the EPA to opt for the cheapest cleanup solution, although it may not be the most effective or least expensive in the long run, and to drag out cleanup schedules so long that the hazards of the waste sites are multiplied. This bill is critical because it would increase the size of the fund from $1.6 billion to $10.1 billion This would allow the EPA more flexibility to hire qualified people and do quality cleanup work. The bill would also make important changes to current law that would have a positive impact on the cleanup of the Stringfellow Acid Pits and thousands of similar sites across the country.

One important change to current law contained in this bill is the requirement that cleanup standards comply with other major Federal environmental laws and that the cleanup must be sufficient to protect human health and the environment. One of the major problems with regard to the cleanup of Stringfellow is that there has been no clear policy for determining "how clean is clean." This has led to confusion and uncertainty in determining the best cleanup option. In fact, I believe that this has provided an impetus for the agency to choose the cheapest possible cleanup alternative.

The requirement that cleanup standards comply with other major Federal environmental laws only makes common sense. Why, for example, should my constituents in Glen Avon tolerate levels of contamination of their ground water that are higher than allowed under the Safe Drinking Water Act? Had this provision been included in the 1980 law, much uncertainty could have been avoided.

The second important change to current law is the establishment in the bill of a mandatory schedule for cleanup of Superfund sites. As has already been pointed out, this schedule is a minimum requirement for the Environmental Protection Agency's cleanup activities over the next 5 years. There are currently 546 sites on the national priorities list eligible for Superfund cleanup, and, according to the EPA, this list will grow to 2,200. After 10 years of studies on the Stringfellow Acid Pits, long-term cleanup options are still being debated. EPA must move expeditiously to commit adequate staff and resources to make real progress toward cleanup of the Nation's hazardous waste sites.

Finally, the bill would allow individuals injured by exposure to hazardous wastes the right to sue the EPA when it fails to fulfill its statutory mandate, and would provide citizens with the right to sue private companies to recover damages resulting from hazardous wastes. Allowing citizens to sue in Federal courts establishes equity in what is now a patchwork of State laws that work against some citizens.

Mr. Chairman, I will be supporting the amendment of my colleague, Mr. LEVITAS, which sets aside 12 percent of Superfund moneys for compensation of victims of hazardous waste exposure. This would allow victims of hazardous waste exposure who cannot seek compensation through the courts to turn to the Superfund Program for assistance. This is important in cases where responsible parties cannot be identified and brought to court.

Mr. Chairman, I am disappointed that we do not have the opportunity to vote on the waste-end tax as recommended by the Energy and Commerce Committee. This tax on the disposal of hazardous wastes would encourage waste reduction, and cut down on waste disposal. A study completed by OTA in March of 1983 found that a waste-end tax would stimulate the development of technologies needed to treat waste and thus would alleviate the proliferation of land disposal which has resulted in disasters like the Stringfellow Acid Pits. I certainly hope we will have the opportunity to consider the waste-end tax in the near future.

Mr. Chairman, I urge adoption of the bill.●

● Mr. RODINO. Mr. Chairman, I rise in strong support of H.R. 5640, the Superfund Expansion and Protection Act.

First enacted in late 1980, the Superfund Program does not expire until September 1985. However, I believe it is imperative that we act now to extend the program, thus giving a firm congressional mandate to the administration for the environmental protection to move steadily and expeditiously to clean up hazardous waste sites throughout the country.

When this administration took office in 1981, the Superfund Program was ready to move ahead. EPA had targeted 546 toxic waste dumps for priority action; these were the most dangerous of an estimated 22,000 abandoned toxic waste dumps requiring action. Yet in nearly 4 years, only 6 of the original 546 priority targets have actually been cleaned up and closed.

This is an appalling record, and one we cannot permit to continue. The dismal history of the administration's operation of the Superfund Program, under the direction of former EPA Administrator Anne Gorsuch Burford, is unhappily well known to all of us who are committed to achieving a clean and safe environment. So I believe we must reauthorize this program now, and in H.R. 5640 we have a strong and effective measure to deal with our toxic waste problem.

The bill would extend the program for 5 more years, fiscal year 1986 through fiscal year 1990, and provide a total of $10.2 billion over that period. Of this, $7.9 billion would come from increased taxes on crude oil and chemical feedstocks and $2.3 billion from Federal appropriations. This is an essential increase over the currently authorized $1.6 billion which will not pay for cleaning up the most dangerous toxic dumps.

Of great importance are the bill's strict timetables for EPA to clean up abandoned hazardous waste sites. EPA is directed to begin cleanup studies on all sites on the national priority list within 2 years after enactment. It is required to begin actual cleanup work on 150 sites per year beginning October 1, 1986 and, to the maximum extent practicable, finish cleaning up within 5 years, all sites on the priority list as of the date of enactment. The bill establishes a continuing schedule for additions to the priority site list and cleanup of them, and sets uniform national standards for cleanup at Superfund sites, whether the work is undertaken by EPA, the States, or private companies acting under agreements with the EPA.

As a Member of Congress from New Jersey, I am particularly concerned, since my State has the dubious honor of having the most hazardous waste sites on the national priority list—85. Last year, in my home city of Newark, dioxin traces were discovered at an old, now closed, plant. This was determined to be at levels that do not endanger health in the area, but I am pleased that we approved, in this year's omnibus water resources and development bill, provisions for monitoring the Passaic River and the Newark navigational system to make sure there is no contamination of our water supply.

Mr. Chairman, under this administration's mismanagement; budget cuts; lack of enforcement; sweetheart deals with industry; and most basic, its total lack of commitment to assuring the safety of our environment, we have lost almost 4 years in the effort to clean up toxic wastes. We must act now to provide the funding, the cleanup schedule and standards that will force this administration to let EPA move ahead as the American people want, and as Congress intends, to rid our land of the poisons and lethal chemicals that endanger our health and contaminate our environment.●

● Mrs. COLLINS. Mr. Chairman, I rise in support of H.R. 5640, legislation to reauthorize and strengthen the Superfund Program. I believe passage of this measure, as reported by the Energy and Commerce Committee, would help arrest ground-water contamination and insure the cleanup of toxic waste sites.

It has been estimated that one-half of the population of the United States depends on ground-water supplies for drinking water. If action is not taken to halt the contamination of our Nation's drinking water supplies, we run the risk of directly placing the public's health in jeopardy, of causing families who live on or near toxic dump sites to suffer the debilitating effects from long-term exposure.

To the extent we allow additional delays in the cleanup effort of 17,000 existing sites, we can virtually guarantee a further erosion of our environment, and a heftier price tag for future cleanups.

I support this measure because it provides significantly expanded levels, a more equitable funding mechanism (which includes a new end-waste tax), provides a mandatory cleanup schedule, establishes national cleanup standards and most importantly, affords relief to persons injured from long-term exposure to hazardous substances.

Another major reason why we must support this reauthorization bill is that it has been fine tuned to assure compliance of a mandatory cleanup schedule. Given the Reagan administration's dismal environmental record, it is crucial we no longer leave it up to the EPA to take corrective action. As I understand it, EPA has only managed to clean up 6 sites—there are 16,994 yet to go. Surely it is time to place EPA on a stringent, mandatory timetable.

The $9 billion reauthorized by this bill is a credible effort to protect the public's health and expedite the evaluation and cleanup of waste sites. Its passage is a necessity.●

● Mr. CRAIG. Mr. Chairman, I rise in strong support of reauthorizing the Federal Superfund law (Public Law 95-510) and expanding it to ensure cleanup of inactive hazardous wastes sites is done properly. What I object to and rise in strong disagreement is the circumstances which we find ourselves being forced to consider one of the most important environmental legislation we may have in the 98th Congress.

The bill before us today is purely a political document. Instead of judging H.R. 5640 on its merits, we have the democratic leadership gumming up the process.

The Rules Committee voted to allow the merger of the Superfund bill with the hazardous waste cradle-to-grave management reauthorization (H.R. 2867) already passed by the House. The rule was requested in order to send both bills to the Senate for a conference. The Senate has already passed a separate version of the waste tracking bill by a 93-to-0 vote.

What this is trying to do in essence, is sidestep both the Senate environment committee, which is currently working on a Superfund proposal (S. 2892), and the Senate floor. While the Democratic leadership exclaims that their intent is only to speed action on the two bills affecting the "interrelated hazardous waste problems," their action also places the Senate on the spot in an election year to accept the House versions. We all know that hazardous waste management and cleanup legislation is extremely attractive to many voters concerned about protection of their environment and health. The Senate is then placed in an untenable position, no matter how bad the House package turns about to be, because it has passed the amendments to RCRA 2 weeks ago with universal acclaim.

As my colleague from Kentucky so aptly stated, "there is not a single Member of this body who doesn't know deep down inside that political chicken is what today is all about."

Mr. Chairman, the issues are far too important to the American people to be playing political chicken, just before Congress adjourns for the Labor Day work period.

Where is the need or sense of urgency to have this legislation passed today? Isn't it true, that the Superfund does not expire until the fall of 1985? Didn't the 96th Congress, when it created the Superfund Program also ask the EPA for a detailed report designed to provide information and recommendations necessary for Congress to reauthorize and amend Superfund?

Can anyone state that the EPA has no intention of filing its report by the end of this year as required in section 301(a) of the act? I think not. The newspapers have labeled this bill the "Superfund for Lawyers" and why not?

Title II of the bill creates a new Federal cause of action which, as was brought out last week in the Wall Street Journal, "is creating a boondoggle for liability lawyers." The Federal cause of action provisions are not only more lenient that those prevailing in State courts, but also depart from carefully developed rules governing other Federal court actions.

H.R. 5640 calls for a dramatic escalation in industry taxes each year. This completely ignores the economic plight and depressed state of the petrochemical segment and the mining industry is currently in. The petrochemical's 1983 sales were only 85 percent of the 1980 level. It lost approximately $400 million in 1982 and was at about the break-even level in 1983. The massive new taxes of H.R. 5640 will have a harsh economic impact on these primary industries and on the Nation's favorable trade balance in chemicals—a balance which has shrunk from $15 billion in 1980 to $10.6 billion in 1983.

Mr. Chairman, I could continue to list the onerous provisions within this bill, but I will conclude here with this thought.

The Superfund was designed to make all generators of hazardous wastes contribute to cleanup efforts. Civil and criminal actions are also being pursued against profligate violators. And State courts are, with proper caution, developing principles to deal with toxic exposure cases. The direction that this bill is taking is not advantageous to these goals. We are very quickly moving into the broader issue of how far this country wants to go in guaranteeing full health coverage and disability benefits to everyone.

As the Wall Street Journal stated on Tuesday, "Congress had a defensible idea in the Superfund. The legislators are now turning it into something grotesque. Even the things we wish government would do, end up, by virtue of our political culture, being done badly."●

● Mr. CONYERS. Mr. Chairman, I rise in support of H.R. 5640, the reauthorization of the Superfund. In listening to the discussion here today, I am reminded as to how often we have debated the issue of hazardous waste and how limited our perspective has been.

Hazardous waste is this country's No. 1 environmental problem. More than 230 billion pounds of hazardous waste are generated each year more than 90 percent of which is disposed of improperly or unsafely according to the estimates of the Environmental Protection Agency. Very few of the 50,000 hazardous waste dumps sites and of the 170,000 industrial impoundments—pits, ponds, and lagoons—are monitored to any degree.

Our sluggish and resistant approach to this problem indicates that our civilization is losing its sense of the future. We are so busily engaged in making miracle products for our present enjoyment from substances deposited in the Earth over millions of years, that we don't stop to consider the environmental burdens we are placing on future generations. We have pillaged the past and pawned the future, telescoping time for the benefit of the fleeting present. Only when the consequences begin to manifest themselves in our own generation do we demand changes be made.

It is now apparent that our technological progress has run away from us faster than our social means to control the threats it poses to our very existence. Rarely a day goes by, when I don't read in the papers of a town or community that has fallen victim to the dangers of hazardous waste—cancers, birth defects, chronic diseases. The threats heed no boundaries. The 50,000 hazardous waste sites are toxic ticking time bombs apart from financial boondoggles. We will never escape this problem until we are willing to commit the necessary resources.

There are 20,000 hazardous waste sites which have been designated as potentially dangerous to human health. The minimal cost of remedial action is estimated at $16 billion. The total national bill is estimated to be at least $40 billion. Michigan estimates that it will need $70 million just to determine the extent of its ground water contamination. By authorizing $10.2 billion over the next 5 years, the Superfund bill, if anything, does not go far enough.

Every single public opinion poll indicates that the American people are demanding that the toxic waste problem be solved, even if the cleanup turns out to be expensive. In growing numbers, they understand that the costs of ignoring the problem will exceed by a thousandfold the cost of facing it. Seldom have the American people been so united in their determination to see an environmental problem be solved. Their commitment crosses partisan and ideological lines and knows no geographical boundaries. However, in spite of this unprecedented public mandate for action, solutions have proven elusive and expensive. The economic interest of industries inconvenienced by remedial efforts have often outweighed the public interest when critical decisions are made.

Reauthorization of the Superfund is the very minimal Congress can do to respond to the groundswell of support for action on this issue. If we don't face this issue now, we will face it later through higher cleanup costs as well as an epidemic of fatal diseases.●

● Mr. SHANNON. Mr. Speaker, most of you have probably heard of Woburn, MA. Around Boston we know it as a town of about 37,000 people located at the junction of Routes 93 and 128. Those of you who come from other parts of the country are more likely to know it as 1 of the 10 worst hazardous waste sites in the country.

For over a century a variety of companies have been dumping their waste in Woburn. The result is acres of landfills and pits containing just about every chemical and other form of waste you can think of. Toxic chemicals have leached into the town's drinking water. And now children in Woburn are dying from leukemia at a much higher rate than the rest of the country—in fact, Woburn has the highest cancer rate in the State of any community of its size. The incidence of birth defects, fetal deaths, and newborn deaths is abnormally high. Families face an agonizing choice—should they move to protect their health, or stay and fight for the cleanup of their town?

Woburn is not an isolated example, only the most prominent one. Near the Silresim site in Lowell, residents prepared to evacuate when contamination from carelessly dumped chemicals threatened their health. The PCB contamination in New Bedford Harbor will cost anywhere from $20 to $80 million to clean up.

These sites are just the tip of an enormous iceberg. There are 17,000 known hazardous waste sites in the country, and who knows how many still undiscovered. Depending on whose estimate you listen to, anywhere between 1,400 and 7,000 of these sites will wind up on the national priority list, the list of the very worst sites. As of this date, 4 years after Superfund was first enacted, the EPA has cleaned up only six of these sites. And the money currently in the Superfund, $1.6 billion, is enough to clean up only 170 more.

This is an absolutely disgraceful situation. The health of thousands, maybe millions of Americans is in jeopardy, and practically nothing has been done about it. That is why we need the bill that is before us today. This bill will force the EPA to stop dragging its feet and do something about this problem, and it will provide the money to do it. Yes, things over at EPA have improved greatly since Mr. Ruckelshaus took over. But I want to see them do even better. And I want to make sure that they don't return to the policies of the past.

I'm sure you've been hearing any number of arguments against this bill. As far as I'm concerned, none of them holds an ounce of water. The chemical companies are telling you that the increased feedstock taxes will hurt their industry and destroy their balance of trade. What they don't bother to tell you is that they are a very profitable industry and that their effective tax rate in 1982 was negative 17 percent. I don't think that a tax of at most 3 percent of sales—or a bit more if no waste-end tax is enacted—is going to kill these companies. We are never going to be able to get these hazardous waste sites cleaned up unless we have the extra money that is provided in this bill, and the feedstock tax is the most stable and reliable means of raising it.

You have also, no doubt, heard the EPA say that the new standards imposed by the bill—the mandatory schedules for action, the increased State assistance, the underground storage tank regulation, the health studies and toxicological profiles—will be impossible to meet without spending far more money than is provided in the bill. This is another argument that doesn't wash. In the first place, Congressman FLORIO, one of the House's foremost experts on Superfund, has estimated that the costs are far less than the EPA claims and lower than the revenue we provide in the bill. More to the point, we need those requirements to make Superfund

work, to make sure that people's health is protected and they are fully compensated for any harm that is done to them by hazardous wastes. If implementing them takes more money than we have provided, the answer is not to drop the requirements but to increase the revenue.

You are going to hear a lot more arguments of this sort, and you are going to be asked to consider all sorts of amendments that would dilute this bill. As you consider them, remember one thing: The most important responsibility of a government is to protect the health and safety of its citizens. We must place this responsibility before any other consideration. If we fail to pass this bill, or if we allow it to be amended into a shadow of its former self, we will have grossly abdicated that responsibility. And I suggest that we will need to consider how to explain to the residents of Woburn—or Love Canal, or Times Beach—why Congress felt we could not spend the money to carry that responsibility out.●

Mr. CONABLE. Mr. Chairman, I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to House Resolution 570, the amendment in the nature of a substitute printed in the committee print, Committee on Energy and Commerce, August 6, 1984, shall be considered by titles as an original bill for the purpose of amendment under the 5-minute rule in lieu of the amendments recommended by the Committees on Energy and Commerce and Ways and Means printed in the reported bill and each title shall be considered as having been read. It shall be in order to consider an amendment printed in the CONGRESSIONAL RECORD of August 8, 1984, by, and if offered by, Representative BREAUX which shall be considered as having been read. Until title V of said substitute is considered for amendment, no amendment which changes, affects, or deletes title V shall be in order. No amendments to title V of said substitute shall be in order except an amendment printed in the CONGRESSIONAL RECORD of August 8, 1984, by and if offered by, Representative CONABLE which shall not be subject to amendment but shall be debatable for not to exceed 30 minutes equally divided and controlled by Representative CONABLE and a Member opposed thereto. At the conclusion of title V for amendment, no further amendments are in order to said substitute.

The Clerk will designate section 1.

The text of section 1 is as follows:

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. This Act, together with the following table of contents, may be cited as the "Superfund Expansion and Protection Act of 1984".

TABLE OF CONTENTS

Sec. 1. Short title and table of contents.
Sec. 2. Amendment of CERCLA.
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Sec. 101. Petroleum exclusion.
Sec. 102. Coverage of pollutants and contaminants; definition of release.
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TITLE II—FEDERAL CAUSE OF ACTION
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Subtitle A—Federal Cause of Action
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Sec. 203. Compensable damages.
Sec. 204. Jurisdiction; costs of litigation.
Sec. 205. State law.
Subtitle B—General Provisions
Sec. 211. Limitations.
Sec. 212. Worker's compensation.
Sec. 213. Collateral recovery.
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TITLE III—MISCELLANEOUS PROVISIONS
Sec. 301. Citizen suits.
Sec. 302. Commencement of drilling fluids, etc. study.
TITLE IV—REGULATION OF UNDERGROUND STORAGE TANKS
Sec. 401. Definitions.
Sec. 402. Notification.
Sec. 403. Release detection, prevention, and correction regulations.
Sec. 404. Approval of State programs.
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Sec. 406. Federal enforcement.
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Sec. 409. Study of exempted underground storage tanks.
TITLE V—AMENDMENTS OF INTERNAL REVENUE CODE OF 1954
Sec. 501. Tax on petroleum.
Sec. 502. Repeal of post-closure tax and fund.
Sec. 503. Waste end tax.
Sec. 504. Amendments relating to environmental tax on certain chemicals.
Sec. 505. Amendments relating to hazardous substance reponse trust fund.

The CHAIRMAN. Are there any amendments to section 1?

□ 1600

The CHAIRMAN. The Clerk will designate section 2.

The text of section 2 is as follows:

AMENDMENT OF CERCLA

SEC. 2. Except as otherwise expressly provided in this Act, whenever in title I or III of this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be a reference to a section or other provision of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.SC. 9601).

The CHAIRMAN. Are there any amendments to section 2? If not, the Clerk will designate section 3.

The text of section 3 is as follows:

FINDINGS AND OBJECTIVES

SEC. 3. The Congress finds that in order to adequately protect human health and the environment from hazardous substances, pollutants, and contaminants it is necessary to—

(1) continue a comprehensive Federal program to clean up hazardous waste sites and releases or threatened releases of hazardous substances, pollutants, and contaminants into the environment;

(2) establish uniform national cleanup standards ensuring attainment of levels of protection required by the Solid Waste Disposal Act (as amended by the Resource Conservation and Recovery Act) and all other applicable Federal environmental laws;

(3) establish a stringent, mandatory schedule for cleanup of the Nation's worst hazardous waste sites;

(4) strengthen existing enforcement authority so that responsible parties will assume financial responsibility for either conducting cleanup or reimbursing the government for its cleanup costs;

(5) establish new Federal liability standards for injuries suffered by exposed individuals;

(6) create a viable and effective Federal-State partnership for the cleanup effort; and

(7) provide emergency assistance and an opportunity to participate in the cleanup process for citizens affected by hazardous substances.

The CHAIRMAN. Are there any amendments to section 3?

AMENDMENT OFFERED BY MR. WYDEN

Mr. WYDEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WYDEN:
Page 3, line 25, strike out "and".
Page 4, after line 3, insert:
"(8) create a waste end tax on the land disposal of hazardous substances which will discourage the environmentally unsound disposal of hazardous substances and provide additional revenues for the Hazardous Substance Superfund."

Mr. WYDEN. Mr. Chairman, this amendment is offered on behalf of Congresswoman SCHNEIDER, myself, and the many other supporters of establishing a waste-end tax on the land disposal of hazardous waste.

As reported by the Energy and Commerce Committee, H.R. 5640 contained a strong and effective waste-end tax to discourage the land disposal of hazardous waste.

At present we finance the Superfund with a tax on crude oil and on chemical feedstocks. The Ways and Means

substitute basically perpetuates the status quo as far as raising funds to finance the Superfund. The feedstock tax alone only perpetuates, what we call a toxic waste merry-go-round where taxpayer money is spent moving hazardous waste from one Superfund site to another landfill. As recent articles in the newpapers have highlighted, these new landfills soon leak or otherwise fail, thus becoming the Superfund sites of the future—for which, of course, Congress will be expected to raise even more cleanup money.

There is no such thing as a safe landfill or underground injection well. Without a waste-end tax, land disposal will remain the cheapest disposal option—certainly cheaper than recycling, reuse, or process changes that the waste-end tax promotes.

It is the belief of the Energy and Commerce Committee, Congresswoman SCHNEIDER, and myself, that this Nation needs to create direct economic incentives to bring about positive changes in the way we—as a society—manage our hazardous waste.

Regulation on top of regulation alone will not rid America of hazardous waste. All too often it simply pushes it out of sight.

Unfortunately, due to a tie vote in the Rules Committee yesterday, we are unable to offer on the floor the Energy and Commerce Committee's waste-end tax provisions as an amendment to title V.

This amendment, however, gives the many supporters of the waste-end tax an opportunity to state that it is the clear intent of Congress to establish a waste-end tax.

It will also establish the strong support in the House for any efforts of House and Senate conferees on H.R. 2867 to produce a strong and effective waste-end tax in the conference on H.R. 2867.

Mr. Chairman, RCRA provides us with a strong regulatory system for the "cradle-to-grave" management of hazardous waste. But we believe a strong regulatory program which is complemented by a bottom-line economic incentive to produce less waste will produce even better results.

What more powerful incentive is there than one which says: Those who produce less waste pay less taxes?

I urge adoption of this amendment.

Mrs. SCHNEIDER. Mr. Chairman, will the gentleman yield?

Mr. WYDEN. I yield to the gentlewoman from Rhode Island.

Mrs. SCHNEIDER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, very simply, our amendment would amend this section of Superfund by inserting specifically in the findings and objectives section that Congress finds that we should take steps to reduce the land disposal of hazardous waste in this country by creating in the future a waste-end tax on land disposal.

During the course of the last year, Congressman WYDEN and I have worked to obtain support for the waste-end tax. The proposed is now publicly endorsed by many Members on both sides of the aisle. Congressman DINGELL, the chairman of the Energy and Commerce Committee, and Congressman FLORIO, the sponsor and major leader behind the Superfund reauthorization, have both been helpful with their support. On this side of the aisle, Congressman LENT, Congressman CONABLE, and Congressman QUILLEN, have been particularly enthusiastic about the potential of adding an economic incentive against land disposal to the Superfund bill.

Even those members of the Ways and Means Committee who would rather wait the results of a Treasury study on waste-end support the concept and goals behind the waste-end tax concept.

Only last night, the Rules Committee tied—on a 5-to-5 vote—on a decision to allow the waste-end amendment to be offered on the floor today.

Given the atmosphere which exists in favor of the waste-end concept, Congressman WYDEN and I believe it is entirely appropriate to specifically indicate that support within the bill itself.

Mr. Chairman, I will enter some material in the RECORD which well documents the case for the waste-end tax. In particular, I have two recent articles from the national press which describe "toxic waste merry-go-rounds," situations where Superfund money is being used to remove toxic waste from dangerous sites, only to have that waste deposited in other sites which will eventually need Superfund cleanups on their own. These "toxic waste-merry-go-rounds" show clearly why we must end our heavy reliance on land disposal of toxic waste.

According to a landmark study by the Office of Technology Assessment, 75 percent of the waste which is disposed in the land today could be safely recycled or treated. Unfortunately, these technologies remain more expensive than land disposal. The waste-end tax allows us to even the cost between land disposal and safer disposal technologies. It transfers the long-term cost of land disposal to the present time. In doing so, we can encourage private managers to switch to safe disposal methods and move toward a toxic-free future. It is for this reason that the waste-end concept has been endorsed by both environmental organizations and chemical producers.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. WYDEN] has expired.

(At the request of Mr. FLORIO and by unanimous consent, Mr. WYDEN was allowed to proceed for 1 additional minute.)

Mr. WYDEN. Mr. Chairman, I thank my colleague for her excellent statement and cosponsorship of the amendment.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. WYDEN. I yield to the gentleman from New Jersey.

Mr. FLORIO. I thank the gentleman for yielding.

Mr. Chairman, I would express to the body that this amendment is a very helpful amendment. The waste-end tax is something that is deserving of very close scrutinty. I am pleased to support it and I think that the amendment is a good amendment.

Mr. WYDEN. I appreciate the gentleman's comments.

Mrs. SCHNEIDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment and would like to further add in pushing this proposal through the legislative process, we have been commended by several colleagues for the tenacity we have shown in pressing this proposal. Why are we so tenacious? Very simply, because we believe the waste-end tax is a good idea whose time has come. The tax allows us to take steps to reduce the quantity of waste which is land disposed. Only by doing this, can we reduce the demand in the decades ahead for Superfunds of greater and greater magnitude, using more and more taxpayer's dollars.

In short, the waste-end tax allows us to get at the root of the toxic waste problem.

Mr. Chairman, despite the assertions of some critics to the contrary, I firmly believe that good ideas rise to the surface in this body. The waste-end tax is one such good idea. I would like to thank the many colleagues who have supported us as we took this bill through the legislative process, and I hope the entire House will now go on record in support of this progressive concept.

Mr. LENT. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHNEIDER. I yield to the gentleman from New York.

Mr. LENT. I thank the gentlewoman for yielding.

Mr. Chairman, I would just like to acknowledge the fact that the gentlewoman from Rhode Island, as well as the gentleman from Oregon, have really done an outstanding job with this concept of a waste-end tax.

I think it is unfortunate that the Rules Committee did not permit them to offer their waste-end-tax concept at this time.

But the waste-end tax should not die. This is an opportunity to keep the concept alive in conference and I want

to applaud the gentlewoman and the gentleman from Oregon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. WYDEN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mrs. SCHNEIDER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

□ 1620

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand of the gentlewoman from Rhode Island [Mrs. SCHNEIDER] for a recorded vote.

A recorded vote was refused.

So the amendment was agreed to.

Mr. LUNDINE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in reluctant support of the Superfund Expansion and Protection Act of 1984 (H.R. 5640). Superfund was and is clearly needed to address one of our most critical national problems: hazardous wastes. While the Superfund legislation as passed was well intentioned, there has been a wide gulf between the intention and the actuality of the program. With four hazardous waste sites on the National Priority List, including one of the worst four in the country, my district has a wealth of practical experience with the implementation of Superfund. Unfortunately, our experience has been that program emphasis and implementation has been less than desirable. For instance, the worst site in the State of New York is an abandoned oil refinery site, leachate from which has contaminated the water supply of the town of Wellsville, NY. In spite of the cooperation of the EPA Regional Administrator, the actions of the EPA have not been practical given the high risk involved. EPA's emphasis on establishing liability before correcting the problem does nothing to protect the health and well-being of my constituents.

The experience with Superfund in another of my district's sites does not speak well of the implemention of this legislation either. Olean has also experienced problems involving excessive study and inexcusable inaction, but the local process which was followed has yielded some valuable insights into the usefulness of citizen participation. The citizens of the town formed an advisory committee to deal with the area's contaminated aquifer problem caused by trichloroethylene [TCP]. In addition to providing invaluable feedback on various proposals, this advisory group has monitored the entire implementation process. I ask the consent of the House to introduce the following statement by the advisory group which outlines their perspective. In introducing this statement, I hope that Members will be able to see the value of the practical assistance which citizen participation can offer. I further believe that this demonstrates the need to observe the general principle of requesting the views of those persons affected by our policies.

The committee makes a variety of good observations on how the program has been run in Olean. Many of their recommendations are worth noting. In particular, I find myself in agreement with the recommendation that we take action first to remove the threat to people first and establish liability after the danger to the population has been removed. This studiousness on the question of who is responsible for what portion of the damage must take less precedence than ensuring that we are not endangering our citizens' lives one extra day.

We absolutely must have a viable Superfund. But, in H.R. 5640, I find myself in a position of having to support a less than perfect bill. One of my major reservations about this bill is the inflexible nature of the mandatory use of joint and several liability in assigning responsibility for the environmental cleanups. This provision has the potential of placing such a burden on many local businesses that severe economic dislocation could occur in certain areas. I also believe that, although polluters should pay for the damage that they cause, joint and several liability may operate in an unjust manner by forcing inequitable settlements on some readily identifiable businesses connected to a particular site while excusing others who cannot be easily identified. Many small businesses, in particular, could end up being penalized far in excess of their violation.

CLEAN CITIZENS ADVISORY COMMITTEE
STATEMENT OF AUGUST 7, 1984

Since at least three industries who had used TCE and one inactive municipal landfill are located in the affected area, no single responsible party has been identified and studies to determine the source, extent, and behavior of the contaminant are still continuing. The requirement of Superfund for EPA to recoup all costs through legal means if necessary, has resulted in one industry being requested to financially contribute by EPA even though best current indications are that it is not a major source of the contamination. It appears that amendments to Superfund are in order to provide for deferment of cost recovery until a responsible party has definitely been determined in case of possible multiple sources. Consideration should be given to eliminate or temper cost recovery where past contaminant disposasl did not contravene existing standards or regulations, was in conformance with accepted practice at that time and/or where the local economy will be adversely affected.

Eventually all of the three industries were sent consent orders which involved their expenditures for EPA requested investigations that would overlap with the ongoing Superfund investigation. These additional studies are deemed by many of the concerned parties to be ill coordinated and superfluous. Before these requests, EPA funded an initial investigation and another supplemental investigation. In total, six studies have been provided or requested, three of which have been completed with one ongoing, all at a cost of over a million dollars, and which have taken over 2½ years thus far. Revisions of the law should clearly outline and direct EPA's responsibilities and actions to assure that the entire effort is timely, well coordinated, cost effective and unwasteful.

Experience indicates that the effort could have been better managed and more cost effective if maximum use of local knowledge, input and resources was made. In some instances, important information had not been brought, and local wishes had not been taken into account. In others, communications and remote decision making caused problems. In the Olean study, a citizens' Advisory Committee was eventually established which has been of great value at least locally and to the State. It is recommended that Superfund legislation be revised to require the establishment and operation in a meaningful fashion of local advisory committees and that EPA be directed to become accountable to them.

At this point in time, it is clear that the monies thus far spent or encumbered for studies could have provided for a permanent solution that could have been implemented some time ago; i.e., treating the affected municipal wells and extending a water line to replace affected private wells. It is believed that a relatively short engineering feasibility study should have been commissioned at the outset which in all likelihood would have resulted in the cost effective delivery of potable water and saved local expenses in carrying out expensive alternatives. While the need to protect the environment is clear, and while studies must be made to determine the source, extent and behavior of the contaminants in the environment, Superfund should be revised to direct the maximum emphasis be placed on expeditious permanent remedial action so that the health and safety of the public is protected as early as possible.

The above carries over into the area of emergency response which has resulted in relatively expeditious installation of two sets of charcoal filters to treat individual well water in the affected Town of Olean area. This is the most praiseworthy EPA effort thus far, but is encumbered by reducable costs and the fact that the emergency response effort cannot be permanent. For example, a temporary charcoal filter installation for a private well costing five times more took precedence over connection of a

particular property to an adjoining potable water supply line. Superfund should be revised to encourage cost effective permanent solutions if they can be accomplished as well as interim responses, provided that public exposure to the contaminants is not prolonged.

In addition, emergency response should not be limited to places that are only directly affected. It should be extended to those areas where professional judgment and experience indicate the need will be. In the Olean situation, one set of charcoal filters was installed on the basis of the need present at that time, although expert opinion dictated that the contaminant would migrate and fluctuate in concentration thus requiring additional filters at a later date. Subsequent sampling proved this to be true, and the installation of a second set of filters was necessary, prior to which the public was unnecessarily exposed.

Substantial delays and unnecessary costs have occurred as a result of EPA's direct involvement. Even with recent delegation of the current study to the State of New York, nine months was taken to negotiate the study by the EPA, State and consultant. Superfund amendments should provide for more delegation of authority to not only States but local municipalities where adequate resources exists.

The opportunity to provide this statement is appreciated.

Olean Area Citizens' Advisory Council: Paul Shafer, County Legislator, Robert Lowe, Citizen, Robert Winicki, Olean City Alderman, David Torrey, Olean Town Supervisor, Chester Halgas, Cattaraugus County, Director of Environmental Health.

The CHAIRMAN. Are there any other amendments to section 3?

If not, the Clerk will designate title I.

The text of title I, is as follows:

TITLE I—PROVISIONS RELATING PRIMARILY TO RESPONSE AND LIABILITY

PETROLEUM EXCLUSION

SEC. 101. (a) Section 101(14) is amended by striking out ", and the term does not include natural gas, natural gas liquids," and substituting "; except that the term 'hazardous substance' shall include (in addition to the substances specifically listed or designated under subparagraphs (A) through (F)) any petroleum (including crude oil or any fraction thereof)—

"(i) which is released from an underground storage tank (as defined in title IV of the Superfund Expansion and Protection Act of 1984); or

"(ii) which may present a significant risk to human health;

and the term does not include natural gas, natural gas liquids, propane,".

COVERAGE OF POLLUTANTS AND CONTAMINANTS; DEFINITION OF RELEASE

SEC. 102. (a)(1) Section 101 is amended by inserting striking out "and" at the end of paragraph (31), by striking out the period at the end of paragraph (32) and substituting "; and" and by adding the following new paragraph at the end thereof:

"(33) 'pollutant or contaminant' shall include, but not be limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions (including malfunctions in reproduction) or physical deformations, in such organisms or their offspring; except in the case of a release from an underground storage tank as defined in title IV of the Superfund Expansion and Protection Act of 1984, the term 'pollutant or contaminant' shall not include petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of paragraph (14); and the term 'pollutant or contaminant' shall not include natural gas, natural gas liquids, propane, liquefied natural gas, or synthetic gas of pipeline quality (or mixtures of natural gas and such synthetic gas).".

(2) Section 104(a) is amended by striking out paragraph (2).

(b)(1) The following provisions are each amended by inserting "or pollutant or contaminant" after "hazardous substance" in each place it appears: paragraphs (9), (20), (24), and (26) of section 101, subsection (a) of section 106, paragraph (4) of section 107(a), subsections (b), (c), (d), (f), and (j) of section 107, section 111(b), paragraphs (1), (2), and (6) of section 111(c), paragraph (1) of section 111(d), paragraph (1) of section 111(h), subsection (a) of section 112, and subsection (d) of section 113.

(2) The following provisions are each amended by inserting "or pollutants or contaminants" after "hazardous substances" in each place it appears: paragraphs (10), (23), and (24) of section 101, subsection (c)(1) of section 104, paragraphs (1), (8), and (9) of section 105, so much of section 105 as follows paragraph (9) thereof, paragraphs (2), (3), and (4) of section 107(a), subsection (c)(1)(C) of section 107, and paragraphs (3) and (6) of section 111(c).

(c) Section 101(22) is amended by inserting the following after the word "environment": "(including the abandonment or discarding of barrels, containers, and other closed receptacles containing hazardous substances or pollutants or contaminants)".

(d) Section 101(24)(A) is amended to read as follows: "(A) are at least as cost-effective as other remedial actions, taking into account (i) the long-term uncertainties associated with land disposal, (ii) the goals, objectives, and requirements of the Solid Waste Disposal Act, (iii) the persistence, toxicity, mobility, and propensity to bioaccumulate of such hazardous substances, and (iv) the long-term maintenance costs of alternative remedial actions,".

REPORTABLE QUANTITIES

SEC. 103. Section 102(a) is amended by adding the following new sentence at the end thereof: "The Administrator shall promulgate regulations establishing such reportable quantities for all hazardous substances other than carcinogens within 6 months after the date of the enactment of the Superfund Expansion and Protection Act of 1984 and shall promulgate regulations for the remaining hazardous substances by October 1, 1986.".

PENALTIES

SEC. 104. (a)(1) Section 103(b)(3) is amended by striking out "$10,000 or imprisoned for not more than one year" and substituting "$50,000 or imprisoned for not more than 3 years".

(2) Section 103(b)(3) is amended by adding the following before the last sentence thereof: "Any such person shall also be subject to a civil penalty of not more than $25,000 for each day during which such failure continues.".

(3) Section 103(d)(2) is amended by striking out "$20,000, or imprisoned for not more than one year or both." and substituting "$50,000 or imprisoned for not more than three years or both. Any such person shall also be subject to a civil penalty of not more than $25,000 for each day during which such violation continues.".

(b) Section 104(e)(2) is amended by adding the following at the end thereof:

"(E) Any person who fails or refuses to comply with a request or order under this subsection shall be subject to a civil penalty of not more than $25,000 for each day during which such failure or refusal continues.".

(c) Section 106(b) is amended by striking out "$5,000" and substituting "$25,000".

(d) Section 109 is amended by striking out "$10,000" and substituting "$25,000".

(e) Section 112(b)(1) is amended by striking out "$5,000 or imprisoned for not more than one year" and substituting "$50,000 or imprisoned for not more than 3 years".

RESPONSE AUTHORITIES

SEC. 105. (a)(1) Section 104(a)(1) is amended by striking out ", unless the President determines" and all that follows down through the period and substituting a period and the following: "Any removal action undertaken by the Administrator under this subsection (or by any other person referred to in paragraph (2)) with respect to any release or threat of release shall contribute to the efficient performance of any long term remedial action with respect to such release or threatened release.".

(2) Section 104(a) is amended by inserting the following new paragraph at the end thereof:

"(2) The Administrator is authorized to undertake any response action under this subsection unless the Administrator determines that such action will be done properly by the owner or operator of the facility from which the release or threatened release emanates, or by any other responsible party.".

(b) Section 104(b) is amended by adding the following at the end thereof: "Whenever the Administrator undertakes any information gathering or planning under this subsection, he shall, to the maximum extent possible, assess the potential effects on human health associated with the release or threatened release.".

STATE AGREEMENTS

SEC. 106. (a) Section 104(c) is amended by striking out paragraph (3) and substituting the following:

"(3) The Administrator shall not provide any remedial actions pursuant to this section unless the State in which the release or threatened release occurs first enters into a contract or cooperative agreement with the Administrator providing assurances deemed adequate by the Administrator that—

"(A) the State will assure the availability of a hazardous waste disposal facility which is acceptable to the Administrator and which complies with the requirements of subtitle C of the Solid Waste Disposal Act for any necessary offsite storage, destruction, treatment, or secure disposition of hazardous substances, pollutants, or contaminants; and

"(B) the State will pay or assure payment of—

"(i) 10 per centum of the costs of the remedial action and 10 per centum of all future

operation and maintenance costs of any onsite remedial action, or

"(ii) at least 50 per centum (or such greater amount as the Administrator may determine appropriate, taking into account the degree of responsibility of the State or political subdivision) of—

"(I) any sums expended in response to a release or threatened release at a facility that was owned and operated at the time of any disposal of hazardous substances, pollutants, or contaminants therein by the State or a political subdivision thereof, and

"(II) all future operation and maintenance costs of any onsite remedial action,

The Administrator shall grant the State a credit against the share of the costs for which it is responsible under this paragraph for any documented direct out-of-pocket non-Federal funds expended or obligated by the State or a political subdivision thereof after January 1, 1978, and before December 11, 1980, for cost-eligible response actions and claims for damages compensable under section 111. In the case of any State which has paid, pursuant to a contract or cooperative agreement under this section at any time after December 11, 1980 but before the date of the enactment of the Superfund Expansion and Protection Act of 1984, in excess of 10 percent of the costs of remedial action at a facility owned, but not operated, by such State or by a political subdivision thereof, the Administrator shall use money in the Fund to provide a credit to such State for the amount of such excess. The Administrator shall grant to the State a credit against the share of the costs for which the State is responsible under this paragraph for reasonable documented direct out-of-pocket non-Federal funds expended or obligated by the State or political subdivision for administration of provisions under this Act. In the case of any facility listed on the National Priorities List under the National Contingency Plan which is not owned or operated by the State or by a political subdivision thereof, if a State expends any amount for remedial action at such facility and if such amounts are expended by the State pursuant to a contract or cooperative agreement with the Administrator, the State shall be granted a credit for so much of such State expenditures as the Administrator determines to be reasonable documented direct out-of-pocket non-Federal expenditures. The Administrator may require prior item-by-item approval by the Administrator of each item of expenditure as a condition of granting such credit. Such credit may be used by the State to cover all or part of the share of remedial action costs required to be paid by the State under subparagraph (B)(i) in connection with remedial action in that State.".

(b) Section 104(d)(1) is amended by inserting after "authorized in this section" the following ", including long term operation and maintenance necessary in connection with removal and remedial actions".

MANDATORY CLEANUP STANDARDS

SEC. 107. Section 104(c)(4) is amended to read as follows:

"(4)(A) The Administrator shall select appropriate cost-effective remedial actions determined to be necessary to carry out this section. Such actions shall be in accordance with the National Contingency Plan, to the extent practicable, and shall be in accordance with the requirements of subparagraph (B). In evaluating the cost-effectiveness of a remedial action, the Administrator shall select, to the maximum extent practicable and consistent with the protection of the public health and welfare and the environment, permanent solutions and alternative treatment technologies or resource recovery technologies that, in whole or in part, will result in a permanent and significant decrease in the toxicity, mobility or volume of the hazardous substance, pollutant or contaminant, taking into account (i) the long-term uncertainties associated with land disposal, (ii) the goals, objectives, and requirements of the Solid Waste Disposal Act, (iii) the persistence, toxicity, and propensity to bioaccumulate of such hazardous substance, pollutant, or contaminant, and (iv) long-term maintenance costs.

"(B)(i) The remedial action selected under this paragraph or secured under section 106(a) for a facility in any State at which a release or threatened release occurs shall require that level or standard of control of each hazardous substance, pollutant, and contaminant at that facility which is necessary to protect human health and the environment. The level or standard of control required under this clause and under clauses (ii) and (iii) shall be required only with respect to remedial actions taken in response to the release or threatened release of a hazardous substance, pollutant, or contaminant from the facility concerned and shall not be applicable to contamination from other sources.

"(ii) If any—

"(I) standard under one or more provisions of the Toxic Substances Control Act, the Safe Drinking Water Act, the Clean Air Act, the Clean Water Act, or

"(II) water quality criteria under any provision of the Clean Water Act,

is applicable to the hazardous substance, pollutant, or contaminant concerned, the remedial action selected under this paragraph or secured under section 106(a) shall require a level or standard of control for such hazardous substance, pollutant, or contaminant which is equivalent to whichever of such standards or criteria the Administrator determines to be most stringent.

"(iii) Where the remedial action selected under this paragraph or secured under section 106(a) at any facility does not include the removal of all hazardous substances, pollutants, and contaminants from such facility, any remedial action providing for the containment of any such substance, pollutant, or contaminant at such facility shall comply with the standards applicable to facilities required to obtain permits under section 3005 of the Solid Waste Disposal Act.

"(iv) The Administrator may waive the application of the requirements of clauses (ii) and (iii) with respect to any facility and select alternative remedial action which does not comply with such requirements if the Administrator finds that such alternative remedial action—

"(I) will provide protection of human health and the environment substantially equivalent to the remedial action which would be necessary to comply with such requirements; or

"(II) compliance with the requirements of clauses (ii) and (iii) at that facility will consume such a disproportionate share of the Fund resources as to have the effect of deferring or preventing remedial action at other facilities on the National Priorities List which pose a significantly greater threat to human health and the environment.

"(v) No permit shall be required under Federal, State, or local law for any removal or remedial action undertaken by any person pursuant to this Act at the location of the release or threatened release.

"(vi) Notwithstanding any other provision of law or rule of law, the Administrator may establish the exclusive administrative procedures for making any determination under this subsection.".

INFORMATION GATHERING AND ACCESS AUTHORITIES

SEC. 108. Section 104(e)(1) is amended to read as follows:

"(e)(1)(A) For purposes of assisting in determining the need for response to a release or threatened release under this Act or enforcing the provisions of this Act—

"(i) any person who generates, stores, treats, recycles, or disposes of, or

"(ii) where necessary to ascertain facts not available at the facility where hazardous substances or pollutants or contaminants are located, any person who generates, stores, treats, recycles, transports, disposes of, or otherwise handles or has handled,

hazardous substances or pollutants or contaminants or substances which may have been hazardous shall, upon request of any officer, employee, or representative of the Administrator, duly designated by the Administrator, or upon request of any duly designated officer, employee, or representative of a State, where appropriate, furnish information relating to such substances or pollutants or contaminants, including samples of such substances or pollutants or contaminants, and samples of any containers or labels for such substances or pollutants or contaminants, and permit such person to have access to, and to copy all records relating to such substances or pollutants or contaminants. Each such inspection shall be commenced and completed with reasonable promptness and at reasonable times. If the officer, employee, or representative obtains any samples, prior to leaving the premises, he shall give to the owner, operator, or person in charge a receipt describing the sample obtained and, if requested, a portion of each such sample equal in volume or weight to the portion retained. If any analysis is made of such samples, a copy of the results of such analysis shall be furnished promptly to the owner, operator, or person in charge. The Administrator may also take such other action under this subsection, including but not limited to issuing orders requiring submission of information or samples, as may be necessary to implement this subsection otherwise directing compliance with any provision of this subsection.

"(B) Whenever necessary for purposes of carrying out any provision of this Act, the owner or operator of any facility at which any hazardous substance or pollutant or contaminant is located (and the owner or occupant of any adjacent property or other property which is necessary for access to such facility) shall, upon request of any officer, employee, or representative of the Administrator, duly designated by the Administrator, or upon request of any duly designated officer, employee, or representative of a State, permit such officer, employee, or representative to have access to such facility (or other property) at reasonable times, and for a reasonable duration. No person shall impede or interfere with such entry.".

TOXICOLOGICAL PROFILES

SEC. 109. Section 104(i) is amended by inserting "(1)" after "(i)", redesignating paragraphs (1) through (5) as subparagraphs (A) through (E) respectively, and adding the following new paragraph at the end thereof:

"(2)(A) The Administrator of the Agency for Toxic Substances and Disease Registry shall prepare toxicological profiles. Development of such profiles shall include, but not be limited to—

"(i) the examination, summary, and interpretation of available toxicologic information on a hazardous substance in order to ascertain the impact of the substance on human health;

"(ii) a determination of the nature, scope, and necessity for toxicologic testing of a hazardous substance where information is insufficient or not available; and

"(iii) where appropriate, the conduct of toxicological testing.

The toxicological profiles shall be sufficient to establish the likely effect on human health of a minimum of one hundred hazardous substances which the Administrator of the Environmental Protection Agency determines, in his sole discretion, are most frequently found or pose the most significant threat to human health at facilities listed on the National Priorities List prepared under the National Contingency Plan.

"(B) The profiles required to be conducted under this paragraph shall be completed according to the following schedule:

"Number of Substances:	Date for Profile Completion:
25 substances	12 months after enactment of this paragraph
25 substances	24 months after enactment of this paragraph
25 substances	36 months after enactment of this paragraph
25 substances	48 months after enactment of this paragraph".

PUBLIC PARTICIPATION

SEC. 110. Section 104 is amended by adding the following new subsection at the end thereof:

"(j)(1) Before adoption of any plan for remedial action to be undertaken by the Administrator or by a State or by any other person at any site, the Administrator, or State, as appropriate, shall—

"(A) publish a notice and brief analysis of the proposed plan and make such plan available to the public,

"(B) provide a reasonable opportunity for submission of written and oral comments regarding the proposed plan.

The notice and analysis published under paragraph (1) shall include sufficient information as may be necessary to provide a reasonable explanation of the proposed plan.

"(2) Notice of the final remedial action plan adopted shall be published and the plan shall be made available to the public before commencement of any remedial action. Such final plan shall be accompanied by a discussion of any significant changes (and the reasons for such changes) in the proposed plan and a response to each of the significant comments, criticisms, and new data submitted in written or oral presentations under paragraph (1).

"(3) If any remedial action is taken, if any enforcement action under section 106 is taken, or if any settlement or consent decree under section 106 is entered into, after adoption of a final remedial action plan, and if such action, settlement, or decree differs in any significant respects from the final plan, the Administrator shall provide an explanation of the significant differences and the reasons such changes were made.

"(4) For the purposes of this subsection, publication shall include, at a minimum, publication in a major local newspaper of general circulation.

"(5) In accordance with rules promulgated by the Administrator, the Administrator may make grants available to any group of individuals which may be affected by a release or threatened release at any facility which is listed on the National Priorities List under the National Contingency Plan. Such grants shall be for the purpose of enabling the group to obtain expert advice and technical assistance to review and assess data and information which has been prepared by the Administrator with respect to such facility and which is required to be published under this subsection. The amount of any grant under this paragraph may not exceed four-fifths of the total costs of the expert advice and technical assistance for which such grant is made and each grant recipient shall be required, as a condition of the grant, to contribute at least one-fifth of the total of such costs. Not more than one grant may be made under this paragraph with respect to a single facility. For purposes of sections 111 and 221(c) of this Act, the cost of any grant made under this paragraph shall be treated as a cost described in section 111(c).".

MANDATORY SCHEDULE

SEC. 111. Section 104 is amended by adding the following at the end thereof:

"(k)(1) The Administrator shall insure commencement of remedial investigations and feasibility studies for all facilities which are listed, as of the date of the enactment of this subsection, on the National Priorities List in accordance with the following schedule:

"(A) One-third of such facilities within 8 months after such date of enactment.

"(B) Two-thirds of such facilities within 16 months after such date of enactment.

"(C) All of such facilities within 24 months after such date of enactment.

"(2) The Administrator shall list not fewer than 1,600 facilities on the National Priorities List by January 1, 1988. Beginning 24 months after the date of the enactment of the Superfund Improvements and Expansion Act of 1984, the Administrator shall insure commencement of remedial investigations and feasibility studies for each facility which is added to the National Priorities List after the date of the enactment of such Act. Such remedial investigations and feasibility studies shall be commenced in accordance with a schedule which provides for such commencement at 200 facilities during the first 12 months after such 24-month period, at 225 facilities during the next 12 months, at 250 facilities during the third 12 months, and 275.

"(3) The Administrator shall take such steps as may be necessary to ensure that substantial and continuous physical on-site remedial action commences at facilities on the National Priorities List at a rate of not fewer than 150 facilities per year beginning on October 1, 1986.

"(4) Not later than January 1, 1987, the Administrator shall complete preliminary assessments of all facilities which are listed, as of the date of the enactment of this subsection, on the ERRIS (Emergency and Remedial Response Information System) list.

"(5) The Administrator shall take such steps as may be necessary to ensure that remedial action is completed, to the maximum extent practicable, for all facilities listed, as of the date of enactment of this subsection, on the National Priorities List within five years after the date of the enactment of this subsection. If remedial action is not completed at such facilities within such 5-year period, the Administrator shall publish an explanation of why such remedial action could not be completed within such period.".

PETITION FOR HEALTH EFFECTS STUDIES; EMERGENCY RELIEF

SEC. 112. Section 104 is amended by adding the following new subsection at the end thereof:

"(l)(1)(A) Any individual or group of individuals may submit a petition to the Administrator providing evidence which—

"(i) demonstrates that such individual or individuals are being exposed to any hazardous substance; and

"(ii) provides an empirical analysis of the level of exposure.

"(B) The Administrator shall take action under paragraph (2)(A) if the Administrator determines that there is a reasonable likelihood that such substance is from a facility—

"(i) where such substance is (or was in the past) treated, stored, recycled, or disposed of, on a regular basis; or

"(ii) at which removal action is being taken (or was taken in the past) under any provision of this Act, and

if the Administrator determines that the exposure may present a significant risk to human health.

"(2) Within 45 days after receipt of a petition under paragraph (1), the Administrator of the Environmental Protection Agency (or the Administrator of the Agency for Toxic Substances and Disease Registry if designated by the Administrator of the Environmental Protection Agency) shall—

"(A) initiate a health effects study under paragraph (3); or

"(B) publish a written explanation of a determination that there is not a reasonable likelihood that the substance is from a facility referred to in paragraph (1)(B) or a determination that the exposure does not present a significant risk to human health.

"(3) Each health effects study carried out under this subsection shall—

"(A) ascertain the nature, magnitude, scope, and duration of the exposure of individuals to the hazardous substance concerned;

"(B) identify, where possible, other individuals within the community who may be exposed to the same release; and

"(C) include (but not be limited to)—

"(i) a determination, where possible, of the source of any groundwater contamination involved;

"(ii) a toxicological and epidemiological evaluation of each hazardous substance involved; and

"(iii) any necessary medical testing of individuals.

Each study under this paragraph shall be completed within 6 months after the date on which the petition is filed.

"(4) If a health effects study carried out under paragraph (3) contains a finding that the exposure concerned presents a significant risk to human health, the Administrator shall take such steps as may be necessary to eliminate the significant risk to human health. Such steps may include (but shall not be limited to)—

"(A) provision of alternative drinking water supplies, and

"(B) relocation of individuals.

"(5) In the case of any substance which is the subject to a petition under this subsection, nothing in this subsection shall be construed to delay or otherwise affect or impair the authority of the Administrator to exercise any authority vested in the Administrator under any other provision of law, including, but not limited to, the imminent hazard authority of section 7003 of the Solid

Waste Disposal Act or the response and abatement authorities of this Act.".

NATIONAL CONTINGENCY PLAN

SEC. 113. (a) Not later than 18 months after the date of the enactment of this Act, the Administrator shall revise the National Contingency Plan referred to in section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 in order to reflect the amendments made by this Act. The portion of such Plan known as "the National Hazardous Substance Response Plan" shall be revised to provide procedures and standards for remedial actions undertaken pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 which are consistent with amendments made by section 107 of this Act relating to the level of protection required. Any provision of such plan adopted pursuant to any other provision of law which is inconsistent with the requirements of such amendments shall not apply to remedial actions undertaken, after the date of the enactment of this Act, under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Nothing in this Act shall be construed to require the reevaluation under the hazard ranking system, after the date of the enactment of this Act, of any facility which was evaluated in accordance with the criteria under section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 before such date of enactment and which was assigned a national priority under the National Contingency Plan. Nothing in the preceding sentence shall be construed to preclude the Administrator of the Environmental Protection Agency from taking new information into account in undertaking response actions under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

(b) Section 105 is amended by inserting "(a)" after "105." and by adding the following new subsection at the end thereof:

"(b) Any person may petition the Administrator to conduct a preliminary assessment of the hazards to public health and the environment which are associated with any release or threatened release of a hazardous substance or pollutant or contaminant. If the Administrator has not previously conducted a preliminary assessment of such release, the Administrator shall, within twelve months after the receipt of any such petition, complete such assessment or provide an explanation of why the assessment is not appropriate. If the preliminary assessment indicates that the release or threatened release concerned may pose a threat to human health or the environment, the Administrator shall promptly evaluate such release or threatened release in accordance with the hazard ranking system referred to in paragraph (8)(A) of subsection (a) to determine the national priority of such release or threatened release.".

(c) Section 105(a)(8)(A) is amended by inserting the following after "ecosystems,": "the damage to natural resources which may affect the human food chain and which is associated with any release or threatened release, the contamination or potential contamination of the ambient air which is associated with the release or threatened releases,".

ABATEMENT ACTIONS

SEC. 114. (a) Section 106(c) is amended by adding the following at the end thereof: "Within eighteen months after enactment of the Superfund Expansion and Protection Act of 1984, the Administrator shall, after consultation with the Attorney General, revise and republish the guidelines published under this subsection to effectuate the responsibilities and powers created by such Act.".

(b) Section 106 is amended by adding the following new subsection at the end thereof:

"(d)(1) Notwithstanding any other provision of law or rule of law, the Administrator may establish such administrative procedures as the Administrator, in his sole discretion, deems advisable regarding the opportunity for any person to object to an order issued under subsection (a).

"(2) No court shall have jurisdiction to review any order issued under subsection (a) in any action other than an action to enforce such order or for recovery of a penalty for violation of such order or an action under section 107(c)(3) to recover punitive damages in connection with such order.".

LIABILITY

SEC. 115. (a) Section 107(a)(4) is amended—

(1) in subparagraph (A) by striking out "not inconsistent with the national contingency plan" and substituting "with respect to a release or threatened release of any hazardous substance or pollutant or contaminant and all costs incurred by the United States Government or a State under section 104(b)";

(2) by striking out "and" at the end of subparagraph (B), by striking out the period at the end of subparagraph (C) and substituting "; and" and by adding the following at the end thereof:

"(D) the costs of any action taken by the Administrator under section 112 of the Superfund Expansion and Protection Act of 1984 to eliminate a significant risk to human health presented by exposure to a hazardous substance, pollutant, or contaminant and the costs of any health effects study carried out under such section 112 with respect to such exposure.

Liability under this subsection shall be strict, joint and several as construed and applied under section 311 of the Federal Water Pollution Control Act and under this subsection. The amounts recoverable in an action under this section shall include interest on the amounts recoverable under subparagraphs (A) through (D). Such interest shall accrue from the date on which the United States files an action for recovery of such amounts. The rate of interest on the outstanding unpaid balance of the amounts recoverable under paragraph (2) shall be the same rate as is applicable to investments of the Fund under section 223(b) of this Act. For purposes of applying section 223(b) in the case of interest on amounts recoverable under paragraph (2), the term 'comparable maturity' shall be determined with reference to the date of filing of the action for recovery under this section.".

(b) Section 107(d) is amended by striking out "damages" in each place it appears and inserting in lieu thereof "costs and damages".

(c) Section 107(g) is amended by inserting "(1)" after "(g)" and by adding the following at the end thereof: "Nothing in this Act or in any other provision of law shall be construed to prevent the Administrator, represented by the Attorney General, from bringing any action under this Act against any other department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government.

"(2) Notwithstanding any other provision of law, the Attorney General shall not represent any department, agency, or instrumentality of the United States (other than the Environmental Protection Agency) in any civil action under this subtitle to which the Administrator is a party. The head of such department, agency, or instrumentality may appoint attorneys employed by such department, agency, or instrumentality, or enter into contracts with attorneys who are not officers or employees of the United States, to represent the department, agency, or instrumentality in any such action.".

(d) Section 107 is amended by adding the following new subsections at the end thereof:

"(l)(1) In any action under this section, the results of laboratory tests conducted regarding any facility where a release or threatened release occurs by an officer, employee, representative, or contractor of the Administrator, duly designated by the Administrator, or any officer, employee, representative, or contractor of a State duly designated by the State may be introduced into evidence and shall be presumed to be accurate.

"(2) The presumption under paragraph (1) shall be overcome with respect to any laboratory test if the defendant establishes by a preponderance of the evidence that such test results are inaccurate or lack a reasonable basis.

"(m)(1) Nothing in this section shall be construed to affect the equitable powers of apportionment of any court following adjudication of liability.

"(2) If any defendant in an action under this section establishes by a preponderance of the evidence that the harm referred to in subsection (a) is divisible, he shall be liable only for his portion.".

(e) Section 106, as amended by section 114 of this Act, is further amended by adding the following new subsections at the end thereof:

"(e)(1) Liability under this section shall be strict, joint and several as construed and applied under section 311 of the Federal Water Pollution Control Act and subsection (a) of section 107. Nothing in this section shall be construed to affect the equitable powers of apportionment of any court following adjudication of liability.

"(2) If any defendant in an action under this section establishes by a preponderance of the evidence that the harm referred to in subsection (a) is divisible, he shall be liable only for his portion.

"(3) Any defendant required to pay any amount in such action may bring a separate action in the appropriate United States district court to require any other person against whom such action was, or could have been, brought to contribute to the payment of such amount.".

(f) Section 107 is further amended by adding the following new subsection at the end thereof:

"(m) After adjudication of liability and recovery of costs or damages in any action under subsection (a), any defendant held liable for costs or damages in such an action may bring a separate action in the appropriate United States district court to require any other person referred to in paragraph (1), (2), (3), or (4) of subsection (a) to contribute to payment of such costs or damages.".

USES OF FUND

SEC. 116. (a) Section 111(c) is amended by striking out "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and substituting "; and" and by adding the following new paragraphs at the end thereof:

"(7) payment of any expenses or costs incurred under section 112 of the Superfund Expansion and Protection Act of 1984, relating to emergency relief and health effects studies;

"(8) costs incurred by or on behalf of the Agency for Toxic Substances and Disease Registry in preparing toxicological profiles under section 104(i)(2); and

"(9) costs incurred by the Administrator in evaluating facilities pursuant to petitions under section 105.".

(b) Section 111(e)(2) is amended to read as follows:

"(2) In any fiscal year, not more than 6 percent of the money credited to the fund shall be available for the purposes specified in paragraph (3) of subsection (a).".

(c) Section 111(k) is amended to read as follows:

"(k) In each fiscal year, the Inspector General of each department, agency, or instrumentality of the United States which is carrying out any authority of this Act shall—

"(1) conduct an annual audit of all payments, obligations, reimbursements, or other uses of the Fund in the prior fiscal year, to assure that the Fund is being properly administered and that claims are being appropriately and expeditiously considered;

"(2) prepare a report on the status of all remedial and enforcement actions undertaken during the prior fiscal year; and

"(3) estimate the amount of resources, including the number of work years or personnel, which would be necessary for the department, agency, or instrumentality to complete the implementation of all duties vested in the department, agency, or instrumentality under this Act.

Such audit shall include an examination of a random sample of agreements with States carrying out response actions under this subtitle and an examination of remedial investigations and feasibility studies prepared for remedial actions. The status report referred to in paragraph (2) shall include a comparison to remedial and enforcement actions undertaken in prior fiscal years. The Inspector General shall submit to the Congress an annual report regarding the audit and status report required under this subsection. The report shall contain such recommendations as the Inspector General deems appropriate. Each Federal agency shall cooperate with the Inspector General in carrying out this subsection.".

(e) Section 111 is amended by adding the following new subsection at the end thereof:

"(m) No potentially liable person may seek judicial review of any determination to incur any governmental response costs pursuant to section 104 or to utilize the Fund for payment of any such costs except in an action to recover such costs under section 107.".

STATUTE OF LIMITATIONS

SEC. 117. (a) Section 112(d) is amended to read as follows:

"(d)(1) Except as provided in paragraph (3), no claim may be presented, nor may an action be commenced for damages, as defined in section 101(6), under this Act, unless that claim is presented or action commenced within three years after the later of: (A) the date of the discovery of the loss, (B) the date on which regulations are promulgated under section 301(c), or (C) the date on which regulations are promulgated establishing procedures for the filing of such claims.

"(2) No claim may be presented nor may an action be commenced under this subsection for recovery of the costs referred to in section 107(a) after the date six years after the date of completion of the response action.

"(3) The time limitations contained herein shall not begin to run—

"(A) against a minor until the earlier of the date when he reaches eighteen years of age or the date on which a legal representative is duly appointed for him, or

"(B) against an incompetent person until the earlier of the date on which his incompetency ends or the date on which a legal representative is duly appointed for him.".

(b) Section 301(c)(1) is amended by striking out "two years after the enactment of this Act" and substituting "6 months after the enactment of the Superfund Expansion and Protection Act of 1984".

RELATIONSHIP TO OTHER LAW

SEC. 118. Section 114(c) is amended to read as follows:

"(c) Notwithstanding any provision of this or any other law, a State may require any person to contribute to any fund the purpose of which is to pay compensation for claims for any costs of response or damages which may be compensated under this Act.".

AMENDMENT OFFERED BY MR. MOODY

Mr. MOODY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOODY: Page 36, after line 25, insert:

FEDERAL FACILITIES

SEC. 119. The following section is inserted immediately after section 117:

"FEDERAL FACILITIES

"SEC. 116. (a)(1) Not later than 6 months after the date of the enactment of this section, each department, agency, and instrumentality of the United States shall transmit to the Administrator a notice regarding each facility at which any hazardous substance has been treated, stored pending disposal, or disposed of and which, as of the date of the enactment of this section, is owned or operated by the department, agency or instrumentality.

"(2) In each year after the date of the enactment of this section, each such department, agency, or instrumentality shall submit such a notice regarding each such facility which is owned or operated by the department, agency, or instrumentality at any time after the date of the enactment of this section and which was not the subject of a notice transmitted under paragraph (1).

"(b) The notice under subsection (a) shall contain the following information, to the extent available—

"(1) The location of each facility, and where any hazardous substance has been disposed of, a description of hydrogeology of the facility and the location of withdrawal wells and surface water within one mile of the facility.

"(2) Such information relating to the amount, nature, and toxicity of the hazardous substance in each facility as may be necessary to determine the extent of any health hazard which may be associated with any facility.

"(3) Information on the known nature and extent of environmental contamination at each facility, including a description of the monitoring data obtained.

"(4) A list of facilities at which any hazardous substance has been disposed of and environmental monitoring data has not been obtained, and the reasons for the lack of monitoring data at each facility.

"(5) A description of response actions undertaken or contemplated at contaminated facilities.

"(6) An identification of the types of techniques of treatment or disposal which have been used at each facility.

"(c) The Administrator shall establish a special Federal Agency Hazardous Waste Compliance Docket which shall contain each notice transmitted under subsection (a) regarding any facility and notice of each subsequent action taken under this Act with respect to the facility. Such docket shall be available for public inspection at reasonable times. Three months after establishment of the Docket and every three months thereafter, the Administrator shall publish in the Federal Register a list of the Federal facilities which have been included in the Docket during the immediately preceding 3-month period and a list of each facility included in the Docket at which subsequent action has been taken under this Act during the immediately preceding 3-month period. Such publication shall also indicate where in the appropriate regional office of the Environmental Protection Agency additional information may be obtained with respect to any facility on the Docket. The Administrator shall establish a program to provide information to the public with respect to facilities which are included in the Docket under this subsection.

"(d) Not later than 1 year after the date of the enactment of this subsection, the Administrator shall take steps to assure that a preliminary assessment is conducted for each facility for which a notice is required to be transmitted under subsection (a). Following such preliminary assessment, the Administrator shall where appropriate—

"(1) evaluate such facilities in accordance with the criteria established in accordance with section 105 under the National Contingency Plan for determining priorities among releases; and

"(2) include such facilities on the National Priorities List maintained under such Plan.

Such evaluation and listing shall be completed not later than 14 months after the date of the enactment of this section.

"(e)(1) Within 6 months after the inclusion of any facility on the National Priorities List, the department, agency, or instrumentality which owns or operates such facility shall, in consultation with the Administrator, commence a remedial investigation and feasibility study for such facility.

"(2) Within 90 days after completion of each such remedial investigation and feasibility study, the Administrator shall review the results of such investigation and study and shall enter into an interagency agreement with the head of the department, agency or instrumentality concerned for the expeditious completion by such department, agency, or instrumentality of all necessary remedial action at such facility. All such interagency agreements shall comply with the requirements of section 104(j). Such agreement shall require that substantial continuous physical on-site remedial action is commenced at each facility which is the subject of such an agreement within 6 months after the agreement is entered into.

"(B) Each interagency agreement under this paragraph shall include, but shall not be limited to: (i) a review of alternative remedial actions and selection of construction design by the Administrator; (ii) a schedule for the completion of each such remedial action; and (iii) arrangements for long-term operation and maintenance of the facility.

"(3) To the maximum extent practicable, remedial actions at facilities subject to interagency agreements under this section shall be completed within two years from the date the interagency agreement was entered into. If not completed within such period, the department, agency, or instrumentality shall transmit to the Administrator an explanation of why such action was not completed. Such explanations shall be included in the Federal Hazardous Facility Compliance Docket and in the annual report made by the department, agency, or instrumentality under paragraph (4) to the Congress.

"(4) Each department, agency, or instrumentality responsible for compliance with this section shall furnish an annual report to the Congress concerning its progress in implementing the requirements of this section. Such reports shall include, but shall not be limited to—

"(A) a report on the progress in reaching interagency agreements under this section,

"(B) the specific cost estimates and budgetary proposals involved in each interagency agreement,

"(C) a brief summary of the public comments regarding each proposed interagency agreement, and

"(D) a description of the instances in which no agreement was reached.

With respect to instances in which no agreement was reached within the required time period, the department, agency, or instrumentality filing the report under this paragraph shall include in such report an explanation of the reasons why no agreement was reached.

"(f) Except as provided in section 111(e)(3), money in the Hazardous Substances Response Trust Fund shall not be available for actions implementing any interagency agreement under this section.

"(g) The Administrator (represented by the Attorney General as provided in section 107(g)) shall bring an action under section 106 against the head of any department, agency, or instrumentality which fails or refuses to comply with any requirement of this section.

"(h) Except for authorities which are delegated by the Administrator to an officer or employee of the Environmental Protection Agency, no authority vested in the Administrator under this section may be transferred, by executive order of the President or otherwise, to any other officer of employee of the United States or to any other person.

"(i) All guidelines, rules, regulations, procedures, and criteria which are applicable to preliminary assessments carried out under this Act for facilities at which hazardous substances are located, applicable to evaluations of such facilities under the National Contingency Plan, applicable to inclusion on the National Priorities List, or applicable to remedial actions at such facilities shall also be applicable to facilities which are owned and operated by a department, agency, or instrumentality of the United States in the same manner and to the same extent as such guidelines, rules, regulations, and criteria are applicable to other facilities, except for any requirements relating to bonding, insurance, or financial responsibility. No department, agency, or instrumentality of the United States may adopt or utilize any such guidelines, rules, regulations, procedures, or criteria which are inconsistent with the guidelines, rules, regulations, and criteria established by the Administrator under this Act.

"(j) The facilities required to be listed on the National Priorities List under this section shall be in addition to the facilities required to be listed under section 111(k). The schedules and timetables provided under under section 111(k) applicable to commencement of remedial investigations and feasibility studies, preliminary assessments, and remedial action shall not apply to facilities which are owned or operated by a department, agency, or instrumentality of the United States.".

Mr. MOODY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MOODY. Mr. Chairman, I want to thank the chairman, Mr. FLORIO, for his excellent work in bringing this bill to the floor, and to his whole staff and the staff of the Energy and Commerce Committee for working with us to develop this amendment.

Mr. Chairman, this amendment is identical to a bill introduced earlier by me, H.R. 470, which was introduced along with 66 other bipartisan cosponsors. This bill, this amendment is designed to handle what is now a glaring omission in the present practice of Superfund implementation by the EPA.

Through present administrative processes and Executive orders, a number of Federal facilities are escaping compliance with the Superfund standards. For example, the EPA and the Justice Department have a memorandum of understanding which releases the EPA from cleanup responsibility from Federal facilities, although we know, Mr. Chairman, that many Federal facilites are in fact emitting or releasing hazardous waste.

Many Members in this body have been notified that there are Federal facilities in their districts which are creating serious health problems. There are now 519 Federal facilities around the United States which are causing this problem. Every State is represented and there are 275 congressional districts where these Federal facilities are located. I have a list, for any Member who has not been able to find out if his district has one of these, which I will be glad to share with the Members.

Closing this omission is extremely important. First of all, these emissions are very, very dangerous. We are talking about extreme threats to public health. A 1982 study commissioned by the Chamber of Commerce, done by the Risk Science International Organization, RSI, sampled a number of Air Force sites. It showed that the top 100 Air Force sites all would be included on the National Priorities List for the Superfund.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. MOODY. I yield to the gentleman.

Mr. FLORIO. Mr. Chairman, I would just commend the gentleman for playing a lead role in the development of this whole bill. Particularly, this very important issue. There is no reason why the Federal Government should not be held to the same standards as private citizens are. This amendment ensures that result and I am pleased to support it.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. MOODY. I yield to the gentleman.

Mr. LENT. I would also like to indicate my support for the amendment offered by the gentleman from Wisconsin. It is appropriate that the Federal Government act responsibly in cleaning up its own hazardous waste and also set an example for others.

Even though I support this amendment, there is one portion of it that I am extremely troubled by. That is the provision which would allow Federal agencies to sue one another. I believe that since we will now be putting these Federal facility sites into the legislation on a strict cleanup schedule, and giving citizens the right to sue if the schedule is not followed, that it ought to be sufficient.

Does the gentleman have any response to that?

□ 1630

Mr. MOODY. Yes. I thank the gentleman for his comments and for his support of the amendment.

Mr. Chairman, I would point out to the gentleman that the amendment permits, does not force, but permits the Administrator of EPA, as a very last resort, after a number of other steps have been taken, and they are enumerated in the amendment, as a last resort to bring a legal action.

If the Federal Government, in fact, pursues the job it should be pursuing, if this amendment is adopted, and it has that clear responsibility, there should be no need for suits. I cannot conceive that unless there was some kind of very gross refusal to comply with the terms of the amendment that this would ever, in fact, arise.

Mr. LENT. If the gentleman will yield further, I would just like to point out to the gentleman, I hope we will not have these problems, but there may be constitutional problems with respect to one branch of the executive department suing another branch of the executive department.

Mr. MOODY. I thank the gentleman for his comments.

Mr. Chairman, the goal of the amendment, as indicated by the speakers we have heard, is to treat the Federal hazardous sites in the same way that we treat privately owned sites, and to make the Federal Government

meet the same standards that industry is now being forced to meet.

Mr. SIMON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wisconsin.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I would be pleased to yield to my colleague, the gentleman from Tennessee.

Mr. COOPER. I thank the gentleman for yielding.

Mr. Chairman, I would like to rise in strong support of the amendment offered by the gentleman from Wisconsin.

Mr. SIMON. Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from Wisconsin, and want to commend the gentleman from New Jersey and the gentleman from New York who have, in a bipartisan way, put together this Superfund legislation.

We cannot poison the environment without ultimately poisoning ourselves. We have been moving at a snail's pace on this problem.

The reason the amendment offered by the gentleman from Wisconsin is so important has been brought home to me in my district. We have a fish and wildlife project, the Crab Orchard Lake area, where we have a substantial toxic problem. There are no mechanisms to force action by the Federal Government to clean up its own backyard.

I think the amendment offered by the gentleman from Wisconsin is an excellent one. Let me at the same time mention that I think there have been some suggestions on the Superfund legislation, particularly by the gentleman from Michigan [Mr. SAWYER], and a suggestion by the gentleman from Tennessee [Mr. SUNDQUIST], that I think ought to be taken into consideration as the bill moves to conference. But I do think we have to move ahead, and move ahead in a constructive way, and move ahead aggressively on this problem.

Mr. LEHMAN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in support of the amendment offered by my respected colleague, Mr. MOODY, which would require that Federal waste facilities be in strict compliance with Superfund law. It is imperative that Congress address the serious problem of dangerous hazardous waste sites. We should not discriminate between waste sites that are owned and operated by the private sector and those that are owned and operated by a Federal agency.

Both have the potential to contaminate our precious supply of ground water.

Both emit hazardous vapors.

Both pose a threat to the public's health.

Both threaten our environment.

Hazardous waste—whether deposited on Federal sites or private sites—should be treated equally under the law.

There are 47 unmonitored Federal waste facilities in my home State of California; 4 of these are in my district. This, however, is not an isolated problem. There are over 1,100 Federal sites scattered throughout every State. The potential danger of these sites has greatly escalated public concern. Cleanup efforts on the part of the Defense Department have been slow to nonexistent. It is therefore incumbent upon Congress—today—to see that these Federal facilities are brought into compliance.

If the Federal Government is going to insist that the private sector comply with strict guidelines in their cleanup efforts, the least we can do is insist that Government facilities attain those same standards.

I urge my colleagues to support this amendment and bring our country one step closer to a safe environment.

Mr. SIKORSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to add my strong support for this amendment which brings federally owned hazardous wastesites under Superfund compliance standards which now cover only privately owned sites. This is a classic case of what is good for the goose is good for the gander.

In Minnestoa we've experienced this "government loophole" in the present Superfund law. Despite confirmed ground water contamination in an 18-square-mile area, resulting from chemicals used by the U.S. Army at the Twin City Arsenal, the Army continues to delay, to obfuscate and refuse to get the site cleaned up. They've risked the water wells serving over 38,000 residents in four metro suburbs.

The financial strain on these local communities has been staggering. The city of St. Anthony, a community of just over 8,000, has had to close one of its three municipal water wells and trace contaminants have been found in the other two.

Similarly, the city of New Brighton, a suburb of 24,000, expects their costs for cleanup to total over $7 million. They have already spent $3 million on the remedial measures—a sum equal to the city's total annual budget. Their water rates have increased 73 percent.

Yet, because of the present law, this waste site is not eligible for Superfund money—because the owner is Uncle Sam. The Federal Government caused the problem, but it's local Minesotans who have to bear the burden and that is not fair.

The Government ought to play by the same rules that apply to everyone else.

I urge my colleagues to join me in supporting this important amendment to close this major gap in existing law.

I commend the gentleman for his amendment and urge my colleagues to support it.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. SIKORSKI. I yield to the gentleman from Minnesota.

Mr. VENTO. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman in the well, Mr. SIKORSKI, and especially the gentleman from Wisconsin [Mr. MOODY].

Mr. Chairman, I am pleased to rise in support of this amendment representing the city of New Brighton and the long odyssey of problems that we have had trying to deal with the Federal reservation, the Army property.

One problem which has not been included in legislation is the relationship of Federal facilities to this act. At present, Federal facilities harboring hazardous wastes have no incentive to comply with, and, are virtually exempt from, any standards or requirements under the Superfund law. These sites are unmonitored, uncontrolled and, for the most part, unknown.

Under the Moody amendment Federal facilities will be treated in the same manner as private facilities. This amendment will force Federal hazardous waste sites to comply with the requirements in the Superfund law. These sites exist throughout the United States and continue to endanger the public health and environment. Had Federal facilities acted responsibly in the past, perhaps some areas, including those in my district, would not now be suffering the undue burden of contaminated water. Although the Superfund Program has been helpful in Minnesota it could do more.

In the city of New Brighton in my district, Superfund has helped in remedical-action efforts to control a water contamination problem that involves a Federal facility. New Brighton's problem has been going on for 3 years now and has not been solved. The source of the water contamination is believed to be the Twin Cities Army Ammunition Plant. Trichlorethylene [TCE] and other extremely carcinogenic substances, have contaminated municipal and private water wells in the area. These wells supply water to 30,000 residents or more. Although the Army arsenal is the likely source of the problem, it refuses to accept sole responsibility for the contamination at this time. Thus, New Brighton is burdened with the costly process of cleaning up its water systems and, in the interim, finding alternative water resources for its residents. The cost for the cleanup program has been estimated at $8 to $9

million. These incredibly high costs have forced New Brighton to sue the Army, and ironically have added more expense. Had this hazardous waste facility been monitored and controlled, perhaps the pollutants would have been discovered before they contaminated the water. Prior to the chemical seepage at this site, it was not known what was stored and used on the arsenal grounds. Once discovered, the Army took a long time to respond to the problem as a whole. Initially, the Army was concerned only with problems on site. After much prodding, they recognized the problem in the communities surrounding the arsenal but continued to deny responsibility for offsite actions. Because a Federal facility was unmonitored, the city of New Brighton is left with a problem involving millions of dollars. This situation in New Brighton is a clearcut example as to why the Moody amendment is needed. The problem is not only cleaning up those hazardous waste sites already known, but finding the problems that remain undetected.

Although the city of New Brighton has been experiencing significant financial difficulties because of the water contamination, it is lucky. New Brighton is lucky because the problem was discovered. How many timebombs are there on Federal facilities throughout the United States yet to be discovered?

Hazardous contaminants are running rampant throughout the United States taking over our environment and endangering the health of the American people. Congress must act responsibly to control these hazards by reauthorizing a strong Superfund.

I can assure my colleagues of the necessity of placing the Federal properties under some of the same liability and conditions that we do the private sector. Indeed, just recently, they have been forced to go into court to try to attain the type of equity and assurance of equity that otherwise may well be denied them. Even though I realize that there was good will on the part of this local government, both the Federal Government and, of course, the city, the local government, the people are left with the problem and the responsibility is left for the local government, the city of New Brighton. This is not adequate.

The Moody amendment, I think, offers some hope, a shaft of light, that perhaps in the future the Federal Government and actions will be similarly treated to the private sector and eliminate the type of confusion that occurs.

It is enough of a trauma and a problem when we faced, for instance, the problem of a contaminant of trichlorethylene to be dealt with, much less to have the serious legal problems that are occurring with regard to the National Government responsibility and the Federal Government property.

Mr. Chairman, I rise in strong support of H.R. 5640, the Superfund reauthorization.

I commend the members of the committee and Chairman FLORIO for his leadership and oversight on the Superfund Act and for the cooperation of the subcommittee staff in considering specific issues. The Superfund Program is an important one. However, the poor administration of Superfund moneys in the past few years, evidenced by the clean up of only six sites, must be rectified. Scores of hazardous waste sites both private and Federal are continuing to contaminate at the expense of our environment and the health of the American people. This abuse must be stopped. This bill addresses many of the problems and deficiencies in the current Superfund law and its enforcement.

So I commend my colleague Mr. SIKORSKI in the well for rising to support this amendment. He has been a strong leader in terms of trying to solve the problems with Superfund. Whether it has been reform or the law or basic oversight, he has done an outstanding job.

I especially want to praise the gentleman from Wisconsin for his good work in terms of promoting and writing an acceptable amendment to both sides.

Mr. Chairman, I conclude by urging my colleagues to support the Moody amendment.

Mr. SIKORSKI. I want to thank my colleague, the gentleman from Minnesota, who has been the leader to make the Federal Government live up to the responsibility, the U.S. Army live up to its responsibility in this area which he represents.

Ms. MIKULSKI. Mr. Chairman, I rise in support of this amendment which brings federally owned hazardous waste sites under Superfund law.

The Federal Government should be held to the same standards as everyone else. In fact, the Federal Government ought to set an example for the country. What's good for General Motors should also apply to generals in the U.S. Army.

Superfund was established 4 years ago with a simple mandate: To clean up abandoned hazardous waste sites which threaten the public health. We will be unfaithful to this objective if we permit hundreds of dangerous sites to go unattended just because they are owned by the Federal Government.

Every one of these abandoned site is a potential Love Canal, a timebomb waiting to explode. In Maryland alone, we have identified 177 such sites owned by the Federal Government apart from the 15 sites which are privately owned.

In the end, however, your community will not care whether the site is owned by the Federal Government or a private company when they suddenly discover their water supply is contaminated: They will want that danger erased.

Yet unless we adopt this amendment, there will be no systematic way to record, investigate, and clean up the vast number of federally owned sites. They will go unnoticed until a new crisis occurs.

Mr. Chairman, lets be true to the goal of Superfund. Let's find all these dangerous sites and let's clean them up. I urge my colleagues to adopt this amendment.

Mr. HEFTEL of Hawaii. Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague, Mr. MOODY, to provide for the cleanup of Federal hazardous waste disposal sites.

Of the 517 hazardous waste sites that are owned or operated by the Federal Government, 12 of them are in Hawaii, all located on the Island of Oahu. It is disturbing to know that because of tacit agreements between the offending agencies and the Department of Justice and the Environmental Protection Agency, cleanup of these sites has not been forthcoming.

In Hawaii, all of the sites are operated by the Department of Defense. One of these sites, located at Pearl City, HI, was recently identified as posing such a serious hazard that if it was a private site it would have been placed on EPA's National Priority List. However, because of its Federal status, cleanup efforts have been extremely slow and virtually meaningless. This is inexcusable.

We have seen the long-term damage that results from toxic wastesites. In response, we in Congress have gone to great lengths to institute the cleanup of these sites. We must continue in our efforts to assure that our efforts are not undermined by ignoring the cleanup of hazardous wastes simply because they are on Federal rather than private sites.

The Moody amendment will provide a much-needed mandate to carry out the cleanup of Federal sites. It is a fair and responsible proposal that deserves the support of all our colleagues. I commend Mr. MOODY for his efforts and urge adoption of his amendment.

● Mr. FAZIO. Mr. Chairman. I rise in strong support of the amendment offered by the gentleman from Wisconsin [Mr. MOODY.]

The passage of this amendment is essential if we are to force the EPA to begin to address the serious hazardous waste problems that exist on our Federal lands.

Mr. Chairman, the GAO recently provided me with a draft copy of the results of a 6-month investigation into how the Federal Government is handling its toxic waste problem. In one

sentence, Mr. Chairman, the GAO found that the EPA has utterly failed to define or act upon the significant toxic waste problems at Federal civilian installations. The Department of Defense has done a better job than some of the civilian agencies. But by and large, little has been accomplished thus far.

Mr. Chairman, in order to get the EPA off the dime and begin to make some significant progress at the hundreds of toxic wastes sites located on Federal lands, we must adopt this amendment.

Without it, the EPA will continue to shirk its responsibility to insure the proper cleanup of these sites.

Mr. Chairman, the Federal Government cannot attempt to regulate the private sector yet conspicuously fail to regulate itself. The Moody amendment will insure that the EPA devotes just as much attention to cleaning up Federal sites as it does to cleaning up the thousands of dangerous private sites around the country.

This is a good and necessary amendment, Mr. Chairman, and I urge its adoption.

OTHER NOTES ON GAO INVESTIGATION

The EPA promulgated has never followed up on cleanup efforts of Federal agencies to determine their adequacy.

The EPA has never told the agencies what types of toxic waste sites should be reported or how they should be reported.

Of the 340 toxic waste sites identified by the GAO on non-DOD Federal lands, the EPA did not even know that 120 of them existed.

Even though the EPA announced in June that it was embarking on a new "strategy" to make the cleanup of Federal sites a new "priority," the Agency failed to let its regional directors know of that decision. The GAO investigators were the ones that let the EPA officials know of the decision.●

● Mrs. SCHROEDER. Mr. Chairman, I am in full support of an amendment introduced by my colleagues JIM MOODY that requires that Federal waste sites meet the same standards as private sites under Superfund authority and gives EPA explicit authority over the cleanup activities at Federal facilities.

There are 517 uncontrolled and unmonitored hazardous waste sites across the Nation in every State and in nearly every congressional district. There are 31 federally owned sites in Colorado alone. Rocky Flats, 10 miles outside of Denver produces nuclear weapon components. The Rocky Mountain Arsenal also just outside of the city, has been used for the manufacture and storage of chemical warfare items. Certain portions of the arsenal have also been leased for the manufacture of pesticide and herbicides. In 1974, chemicals directly associated with the arsenal activities were found in ground water north of the arsenal. My major concern has not only been the contamination but the fact that these sites are so close to a major metropolitan area.

It must be known to everyone in the private as well as the Federal sector that we will not tolerate those who contaminate our soil, water, and air. Those who pollute will pay.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. MOODY].

The amendment was agreed to.

□ 1640

AMENDMENT OFFERED BY MR. FLORIO

Mr. FLORIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLORIO: Page 36, after line 25, insert:

IMPORTATION OF SOLID WASTE

SEC. 119. With respect to solid waste generated outside the boundaries of a State, any State may require owners and operators of facilities which receive solid waste for the purposes of storage or disposal to charge for such storage or disposal an amount that is different from, or in excess of the amount charged for the storage or disposal of solid waste that is generated within the receiving State. As used in this section, the term "solid waste" shall have the same meaning as when such term is used in the Solid Waste Disposal Act, except that such term shall not include any hazardous waste listed or identified under section 3001.

Mr. FLORIO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FLORIO. Mr. Chairman, I am offering an amendment which would allow States to have much greater control over the increasingly serious problems presented by solid waste disposal. My proposal (which was introduced as a bill more than 4 months ago) would confer on States the authority to establish disposal fees (also known as tipping fees) which are different for out-of-State solid wastes than for wastes generated within the State.

I believe this is necessary for two basic reasons. First, because of a 1978 Supreme Court ruling which held that solid waste is an article of commerce and cannot be regulated by the States, it is necessary that Congress act affirmatively to allow States to exercise a greater measure of control in this area. This is particularly appropriate since current Federal law essentially places all solid waste management problems on the doorstep of the States.

The second reason this amendment is necessary is that many States, including New Jersey, are facing a solid waste disposal crisis of immense proportions. Hearings conducted by my subcommittee have revealed that most solid waste landfills in my State have either exceeded their capacity or have contributed to serious environmental problems, such as ground water contamination, and must be closed down. Because of the "not in my backyard" syndrome, as well as genuinely valid environmental hazards, the task of siting new landfills or resource recovery facilities is extremely difficult.

Since States must confront the reality of significantly diminished disposal capacity, it is imperative that Congress give States authority to address this problem rationally. Successful solid waste management plans, including recycling efforts, are virtually impossible if neighboring States can, without restrictions, transport their garbage into your State.

This is not a trivial or isolated problem, particularly for those communities which must bear the brunt of having to cope with hundreds of thousands of tons of imported garbage. It should be emphasized that unless States have the necessary authority over solid waste, we will see more and more solid waste landfills becoming Superfund sites. Already 20 percent of the sites on the National Priority List were originally solid waste landfills.

The intent of my amendment is simply to allow States to control their own destinies in this area. It would create important incentives for each State to exercise more responsibility for its own solid wastes and therefore prevent more landfills from becoming Superfund sites.

I urge my colleagues to support this amendment.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, we have had an opportunity to review this amendment. It appears to be in good form and it is not objectionable. We have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FLORIO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FLORIO

Mr. FLORIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLORIO: Page 15, strike out lines 18 through 21 and insert closing quotation marks on page 15 in line 17 after the period.

Page 28, strike out line 21 and all that follows down through "(2)" in line 1 on page 29 and substitute "(d)".

Page 30, line 23, strike out ", legislative, or judicial".

Page 31, line 13, strike out "subsections" and substitute "subsection".

Page 31, strike out lines 14 through line 25.

Page 32, line 1, strike out "(m)" and substitute "(l)".

Mr. FLORIO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. KINDNESS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will conclude the reading of the amendment.

The Clerk concluded the reading of the amendment.

Mr. FLORIO. Mr. Chairman, the legislation contains several provisions affecting the Federal court system and the relationship between administrative procedures and judicial review. Over recent weeks, we have consulted extensively with our colleagues on the Judiciary Committee about some of their concerns regarding the legislation and they have made several helpful suggestions for improving and clarifying the provisions of the legislation which affect the court and administrative system.

Their recommendations and concerns are reflected in the amendment I am offering to title I. This amendment clarifies that the executive branch cannot sue the judicial or legislative branches; deletes certain provisions of the legislation granting the Administrator sole discretion to formulate administrative procedures for review of Agency orders; and deletes the presumptions concerning certain laboratory tests performed by the Agency.

I would also like to take this opportunity to clarify one point about the legislation which was raised by our colleagues on the Judiciary Committee.

Sections 115(f) and 202(c) of H.R. 5640 make it clear that defendants who are found liable either for cleanup costs under CERCLA or for damages under the new Federal cause of action will have a statutory right to seek contribution from other liable parties. These provisions are intended to remove any ambiguity as to whether a right of contribution exists. Of course, both types of actions will continue to be subject to all existing Federal Rules of Civil Procedure, for example, those provisions set forth in rule 14 (Federal Rules of Civil Procedure) regarding the joinder of related claims in a single proceeding.

Mr. Chairman, this amendment deletes those portions of the bill which allowed the Administrator of the Environmental Protection Agency to develop special administrative procedures for the implementation of certain portions of CERCLA. With this amendment, the Administrator will be required to follow the procedures set forth in the Administrative Procedure Act in implementing CERCLA, thus assuring that the public will have an opportunity to participate in matters that directly affect the quality of their lives.

Mr. Chairman, I ask for the support of the body.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I have not had an opportunity to look at these amendments. I would like to ask the gentleman, are these the amendments that have come through the Judiciary Committee?

Mr. FLORIO. Mr. Chairman, if the gentleman will yield, the answer is yes.

Mr. LENT. Mr. Chairman, would the gentleman yield to the gentleman from Ohio [Mr. KINDNESS], a member of the Judiciary Committee?

Mr. FLORIO. I am happy to yield to the gentleman from Ohio.

Mr. KINDNESS. Mr. Chairman, I do not understand the process involved here, since the Committee on the Judiciary has not acted on these matters. The staff of the majority side, is that where these came from?

Mr. FLORIO. Yes; this is in consultation with the staff of the Judiciary Committee and my own staff to resolve any questions that were raised on the bill by the Judiciary Committee and their staff reviewing it.

Mr. KINDNESS. Are there any members of the Judiciary Committee here who are able to address themselves to any of these amendments?

Mr. FLORIO. I do not know if there are members of the Judiciary Committee present. I am responding to the gentleman that these are questions that were raised in consultation with that staff and we made these amendments to clear any ambiguities that someone might have misinterpreted.

Mr. KINDNESS. Mr. Chairman, I thank the gentleman for yielding for that clarification.

I just want to make it clear that there is no Judiciary Committee involvement in this that I know of and perhaps some suggestions from the staff of the majority side. Beyond that, I would not want anyone to think that the Judiciary Committee has had a real look at this bill.

Mr. FLORIO. Mr. Chairman, I thank the gentleman.

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I will he happy to yield to the gentleman from Michigan.

Mr. SAWYER. I would like to just second that. I never saw this bill before we saw the committee report.

I am a little horrified by some of the things that were done with respect to the litigation parts of it. I have been unable to figure out why we did not get a sequential referral.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I am happy to yield.

Mr. KASTENMEIER. Mr. Chairman, I do not know if a sequential referral would have been necessary, but I can report that I worked and my staff of the Subcommittee on Courts worked with the gentleman's staff on the amendments which have been incorporated in his substitute.

I can say that they have been rationalized with the Federal system as we understand it in terms of venue and cause of action in an effort to limit it.

I want to compliment the gentleman from New Jersey on his amendment and say that we have indeed worked with him and his staff on this and support what he is presently offering.

Mr. FLORIO. Mr. Chairman, I thank the gentleman, and yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FLORIO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MOLINARI

Mr. MOLINARI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOLINARI: Page 18, line 2, insert "(a)" after "SEC. 109.".

Page 19, immediately before line 6, insert the following:

(b) Section 104(i) is further amended by adding at the end thereof the following new paragraphs:

"(3) For each fiscal year beginning after September 30, 1985, not less than $30,000,000 of the amounts appropriated from the Fund for such fiscal year for carrying out this Act shall be made available to the Administrator of the Agency for Toxic Substances and Disease Registry for the purpose of carrying out this subsection. For each such fiscal year, such additional sums as may be necessary to enable such agency to carry out other responsibilities under this Act are authorized to be made available to such agency from amounts so appropriated.

"(4) The president shall provide for the employment of an adequate number of officers and employees in the Agency for Toxic Substances and Disease Registry, based upon the amount made available to such agency under paragraph (3) for each fiscal year and taking into account the recommendations of such agency.".

Mr. MOLINARI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MOLINARI. Mr. Chairman, the sole objective of the Superfund program is to protect public health and the environment from exposure to toxic wastes. In our cleanup and prevention efforts, it is obvious that it is

absolutely critical that we have at least a working knowledge of the health effects which result from such exposure. We can prevent future illness and death due to exposure to hazardous substances with better scientific understanding of the dangers resulting from this exposure. The original Superfund legislation recognized this and established the Agency for Toxic Substances and Disease Registry, commonly referred to as ATSDR. Yet, this Agency has not come close to fulfilling its mandate or its potential. My amendment is aimed at correcting this failure.

When Superfund was enacted in 1980, section 104(i) of the act mandated the ATSDR to carry out the act's health-related activities. Required activities specified by the legislation included the provision of health advice at toxic site inspections; health effect studies/assessments; research on the toxicological effects of human exposure to chemicals; guidelines for dumpsite, cleanup workers; registries of exposed individuals for followup purposes; and inventories of toxic research literature. Thus, the Agency's mandate was twofold: To provide immediate health-effect assessments and advice and, to develop a comprehensive body of analyzed data on the extent of the health threat posed by Superfund sites.

To date, the ATSDR has failed miserably to fulfill these directives. Indeed, the Agency was not even established until an out-of-court settlement forced the Department of Health and Human Services to create a separate agency in April 1983.

The ATSDR has been repeatedly obstructed from meeting its goals. Since its inception, each fiscal year the Agency has been denied, primarily by OMB, the resources necessary to do its job. For example, for fiscal year 1984, the Agency requested from HHS a budget of $6.4 million. By the time the request reached the Congress it has been slashed to $1.9 million.

Of even greater consequence is the lack of adequate staffing levels. OMB has used the rationale that ATSDR would be unable to absorb the requested amounts of funding based on the Agency's staff levels. However, the Agency has not been provided the staff levels requested to carry out its Superfund responsibilities. In fiscal year 1984 ATSDR requested 53 full-time employees and only 21 were allocated.

As a result of these budget and staffing denials, ATSDR has fallen far short of its proposed goals:

The Agency has not yet issued guidelines for establishing registries of persons exposed to toxic substances. Exposure registries are essential for detecting changes in health, particularly over the long term.

The collection of information on serious disease and death due to hazardous substance exposure has not started. Of the $2.9 million ATSDR requested from EPA for this area, EPA agreed to provide $2.0 million, but OMB cut the amount to just $250,000.

Only three site-specific epidemiologic studies have been completed since the inception of ATSDR and basically all of these had begun long before the Superfund was enacted.

ATSDR has yet to list areas closed to the public or otherwise restricted due to toxic contamination.

This certainly was not the intent of Congress in establishing a separate agency to carry out the vital role of studying the health effects of toxic exposure. Especially in light of the citizen petition provisions contained within H.R. 5640, improved data on the correlation between illness and toxic exposure is imperative.

My amendment is designed to ensure that the ATSDR has adequate resources to fulfill its critical legislative mandate. It would earmark no less than $30 million each fiscal year following fiscal year 1985 for purposes of carrying out section 104(i) responsibilities. Additionally, my amendment would require that adequate staff levels are provided to ATSDR based upon the ATSDR Administrator's staffing request.

My amendment would instill greater accountability on the part of the ATSDR as it would be not be able to excuse its lack of progress on resource shortfalls.

The Senate has held a number of hearings on this particular issue and has also addressed the shortcomings and needs of the ATSDR in section 25 of its own Superfund reauthorization bill, S. 2892.

I believe that his amendment is the only viable way to ensure the proper functioning of the agency and I urge my colleagues to support it.

□ 1650

Mr. FLORIO. Mr. Chairman, will the gentleman from New York yield?

Mr. MOLINARI. I yield to the gentleman from New Jersey.

Mr. FLORIO. I am very supportive of this amendment and would ask the gentleman if he could respond to a question.

On what basis have you determined $30 million to be an appropriate amount to obligate to the Agency for toxic substance and disease registry?

Mr. MOLINARI. Based upon numerous discussions with officials both within and outside of the Agency, $30 million is considered to provide adequate resources—$20 million for in-house administrative and overhead costs to cover basic operations and costs associated with responding to day-to-day requests and emergency situations; and $10 million for separate and additional health studies at specific sites. These are the funding levels necessary just to get started, the Agency certainly can request increased levels in subsequent budget justifications.

Mr. FLORIO. How many full-time employees would be necessary for the ATSDR to effectively carry out its responsibilities?

Mr. MOLINARI. The Agency has determined that 101 full-time equivalents would be necessary for effective operation.

Mr. FLORIO. Will the funds earmarked for ATSDR 104(i) activities set a limit on the moneys expended on other ATSDR responsibilities, for example, those health studies conducted by ATSDR under section 112 of H.R. 5640?

Mr. MOLINARI. No; my amendment is designed to ensure the effective operation of ATSDR's own day-to-day responsibilities and those separate health studies which ATSDR initiates itself. I recognize that the health-effects studies carried out in response to the citizen petitions under section 112 may require expenditures above the funding levels provided in the ATSDR budget. Section 112 studies, therefore, could be reimbursed through the CERCLA trust fund, in addition to the earmarked moneys. My amendment is in no way intended to preclude the 112 studies or set a funding cap on 112 activities as provided under section 116 of H.R. 5640 which outlines uses of the fund. In fact, my amendment should augment the 112 studies by enhancing the overall efficiency of the ATSDR.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I will be happy to yield.

Mr. LENT. Can the gentleman tell us how many full-time employees would be necessary for the ATSDR to effectively carry out its responsibilities under the gentleman's amendment?

Mr. MOLINARI. Yes; we have been advised that the Agency determined that it would require 101 full-time equivalents in order to effectively fulfill the mandate of section 104.

Mr. LENT. I thank the gentleman.

Mr. ECKART. Mr. Chairman, will the gentleman yield to me?

Mr. MOLINARI. I am happy to yield.

Mr. ECKART. Does the gentleman's amendment in any way change the current legislative, the statutory mandate of the Agency in any way?

Mr. MOLINARI. No; it does not.

Ms. MIKULSKI. Will the gentleman yield?

Mr. MOLINARI. I am happy to yield to the gentlewoman from Maryland.

Ms. MIKULSKI. I just would like to congratulate the gentleman on his amendment. I want him to know that

he has my support as a member of the Florio committee.

The CHAIRMAN. The time of the gentleman from New York [Mr. MOLINARI] has expired.

(By unanimous consent, Mr. MOLINARI was allowed to proceed for 3 additional minutes.)

Mr. LEVITAS. Will the gentleman yield?

Mr. MOLINARI. I am happy to yield to the gentleman.

Mr. LEVITAS. I rise in support of the gentleman's amendment, and I commend him on offering the amendment and urge my colleagues to vote in favor of it.

Mr. MOLINARI. I thank the gentleman, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MOLINARI].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. EDGAR

Mr. EDGAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDGAR: Page 9, after line 10, insert:

(c) Section 104 is amended by adding the following new subsection at the end thereof:

"(j)(1) There shall be no liability under section 107 or 106 of this Act or section 202 of the Superfund Expansion and Protection Act of 1984 for any costs or damages referred to in paragraph (2) on the part of any person (hereinafter in this subsection referred to as the 'response action contractor') who enters into a contract or agreement with—

"(A) the Administrator;

"(B) a State; or

"(C) any responsible party

to provide any evaluation, planning, engineering, design, construction, equipment, or any ancillary services thereto pursuant to a response action approved plan approved by the Administrator or by the State under this section. Nothing in this subsection shall affect the plaintiff's burden of establishing liability under section 107 or 106 of this Act or section 202 of the Superfund Expansion and Protection Act of 1984.

"(2) The exemption under paragraph (1) shall apply to all costs and damages resulting from a release of a hazardous substance or pollutant or contaminant from the facility concerned to the extent that such release—

"(A) occurred before the date on which the response action contractor commenced physical onsite response activity at such facility pursuant; or

"(B) occurred after such date but was caused by—

"(i) response action undertaken by the response action contractor in accordance with the specific requirements of a plan for response action (or any amendment thereto) which has been approved for such facility by the Administrator or by the State; or

"(ii) any person other than the response action contractor.

"(3)(A) Nothing in this subsection shall provide any exemption from liability under this Act or under the Superfund Expansion and Protection Act of 1984 for any person other than a response action contractor referred to in paragraphs (1) and (2).

"(B) Nothing in this subsection shall exempt any response action contractor from any such liability if the response action contractor would be a responsible party referred to in paragraph (1), (2), (3), or (4) of section 107(a) of this Act or in paragraph (1), (2), (3), or (4) of section 202(a) of the Superfund Expansion and Protection Act of 1984 even if the response action contractor had not entered into contract or agreement referred to in paragraph (1) of this subsection and had not engaged in any response action at the facility concerned.".

Mr. EDGAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EDGAR. Mr. Chairman, I rise to offer an amendment clarifying the liability of contractors hired by the Environmental Protection Agency or the States to do cleanup work at Superfund sites. In general, as my colleagues know, the liability for all private responsible parties connected to a Superfund site is strict, joint, and several. This standard of liability is an appropriately strong standard which allows the Government to recover cleanup costs from those directly responsible for creating the site in the first place.

As cleanup work proceeds, however, a whole new category of private companies will become involved with Superfund sites. These companies are the engineers and construction firms which will be hired to develop the response action plans and do the physical construction work necessary to accomplish cleanup.

It has been brought to our attention that if such response action contractors are held fully liable for all past, present and future releases of hazardous substances, pollutants or contaminants from a site, few of the more reputable firms in this field will be willing to bid for Superfund cleanup work. The risks entailed by such full liability will be too great for them to afford to undertake such efforts. Further, it simply is not fair to compel a company whose only association with the site is as a contractor for response action work to assume responsiblity for the legacy of hazardous waste contamination caused by the careless disposal practices of other private firms.

The amendment I am offering therefore takes such response action contractors out of the chain of liability which ordinarily applies to past or present owners, operators, generators or transporters at Superfund sites. Under the amendemnt, response action contractors whose sole relationship to the site is the contract to do cleanup will be liable only for damages or costs caused by their own activities.

Further, if such activities were carried out in accordance with specific requirements of a plan response action which has been approved by EPA or the States, no liability would attach.

The exemptions from liability established under the amendment apply both to the recovery of cleanup costs under section 107 of the current Superfund law and to the Federal cause of action created under title II of the legislation we are considering today. The exemptions from liability established under the amendment would not, however, apply to any person engaged in cleanup work who was otherwise connected to the sites as a past or present owner, operator, generator, or transporter.

Although the amendment shields response action contractors from liability if they comply with the specific requirements of a plan for response action and the damages or costs at issue are caused by activities carried out in accordance with such requirements, the amendment is not intended to affect the contractor's liability under any other provision of law if the contractor carries out a response action plan in disregard of the possibility that compliance with the plan will cause the damages or costs complained of.

I urge my colleagues to support this important amendment to ensure that reputable companies are encouraged to participate fully in the Superfund cleanup program.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from New Jersey.

Mr. FLORIO. The gentleman's amendment is extremely important if we are to get about the effort of actually cleaning up. We have not seen too terribly much of that. But we will be going into that cleanup stage before too long and the gentleman's amendment is one that administratively has to be adopted if we are going to have real cleanup by reputable firms.

Mr. EDGAR. I thank the gentleman.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from New York.

Mr. LENT. I also rise in support of this amendment which, as I understand it, limits the liability of contractors for Superfund cleanup activities if the contractor closely followed the specifications of the response action plan. This limitation would not apply if the contractor was a responsible party at the site as well; is that correct?

Mr. EDGAR. That is correct. There is the protection if the contractor was involved in the original site he still has sole liability.

Mr. LENT. I support this concept because I believe contractors who have considered becoming involved in cleaning up hazardous waste sites are reluc-

tant to because of the uncertain and potentially unlimited liabilities they may face. And this legislation—this amendment seems to clean up that.

Mr. EDGAR. I thank the gentleman for his support and I would urge my colleagues to support this amendment. It is an amendment I believe the administration will support. It is one that clarifies the issue that has been brought to the attention of many of us dealing with trying to get reputable contractors to seek out and clean up these sites without bearing the liability.

I think it is a protective amendment.

Mr. KINDNESS. Will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding. I believe he was interrupted before explaining what his amendment does by way of modifying that liability. Could the gentleman explain what his amendment does?

Mr. EDGAR. The amendment that I am offering takes such responsive action contractors out of the chain of liability which ordinarily applies to past or present owners, operators, generators, or transporters of Superfund sites. Under the amendment, response-action contractors whose sole relationship to the site is the contract to do the cleanup work will be liable only for damages or costs caused by their own activities, not by the previous activities of the previous owners.

Mr. KINDNESS. That would be negligence or something worse than negligence in the performance of their work?

Mr. EDGAR. That is correct.

Mr. KINDNESS. And there would not be the strict liability attaching to them, nor would there be joint and several liability associated with others that had to do with the use of that site?

Mr. EDGAR. It will be the usual standards under the Superfund.

Mr. KINDNESS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. EDGAR].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PACKARD

Mr. PACKARD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PACKARD: Page 14, line 8, after "concerned" insert the following: "and is relevant and appropriate under the circumstances presented by the release or threatened release of such substance, pollutant, or contaminant".

Mr. PACKARD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PACKARD. Mr. Chairman, this amendment deals with the term "how clean is clean" or in other words, how clean should a site be before it can be considered safe. Determining that level goes a long way toward determining the cost of the program and the ability of EPA to meet deadlines.

The current provisions in H.R. 5640 would strip EPA of the flexibility needed to make site-specific decisions and would result in fewer sites cleaned up or less protection at a dramatically higher cost.

This language amends the Florio language to apply most stringent standards or criteria only as relevant and appropriate under the circumstances presented by the release or threatened release of the substance, pollutant, or contaminant.

This same language was proposed by Chairman ROE and agreed to in the Public Works and Transportation Committee markup. The amendment is also supported by Chairman FLORIO and the National Governors Association and I believe it will go a long way toward making the enactment of this legislation more reasonable.

□ 1700

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. PACKARD. I yield to the gentleman.

Mr. FLORIO. The gentleman's amendment is tremendously valuable in clarifying what we think is the intent of this legislation, to say that the appropriate relevant statute that we will be using to measure the degree of cleanup is appropriate for the medium we are talking about.

So it is a helpful amendment. I accept it.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. PACKARD. I yield to the gentleman.

Mr. LENT. I would like to also join in supporting this amendment. I think it gives a little bit more leeway in the how-clean-is-clean standard and makes eminent good sense.

Mr. PACKARD. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. PACKARD].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MOODY

Mr. MOODY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOODY: Page 12, line 11, before the quotation marks insert the following new sentence: "If the release or threatened release occurs on lands which are held by an Indian, a federally recognized Indian tribe, or the United States for the benefit of any Indian or federally recognized Indian tribe and which are located in the boundaries of an Indian reservation, the Indian tribe or the Secretary of the Interior may make or agree to make the payment required under subparagraph (B)(i) in connection with the remedial action.".

Mr. MOODY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MOODY. Mr. Chairman, this amendment is needed to clarify the status of Indian tribes in response to releases of hazardous substances and in particular for remedial actions at inactive hazardous sites on Indian lands. CERCLA is silent about Indian lands and tribal governments and their special relationship with the United States. Nor does CERCLA recognize the limited authority of States on Indian lands. Under the present cost-sharing requirements, States are understandably reluctant to nominate, let alone pay, a portion of the cleanup costs of sites on Indian lands where they traditionally have no or only limited jurisdiction.

I urge its adoption.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. MOODY. I yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, the amendment is a good amendment. I am prepared to accept it.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. MOODY. I yield to the gentleman from New York.

Mr. LENT. Mr Chairman, the amendment addresses a neglected problem of cleanup of hazardous waste sites on Indian land, which has been much lower than waste sites located elsewhere. EPA has not taken the lead.

I think the gentleman's amendment serves a very useful purpose and I support it.

Mr. MOODY. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. MOODY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SWIFT

Mr. SWIFT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SWIFT: Page 12, line 11, after "State." insert: "If a State has made reasonable, documented, direct, out-of-pocket non-Federal expenditures for remedial action at any facility prior to the listing of the facility on the National Prior-

ities List or prior to the date on which a contract or cooperative agreement is entered into under this paragraph with respect to such facility, all such prior expenditures shall be included in the amount credited to the State for purposes of subparagraph (B)(i) if the Administrator determines that such expenditures would have been credited to the State under subparagraph (B)(i) had the expenditures been made after listing of the facility and after the date on which such contract or cooperative agreement was entered into.".

Mr. SWIFT (during the reading). Mr. Chairman, I ask unanimous consent that the admendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SWIFT. Mr. Chairman, the amendment I am offering is a simple one. It is intended to eliminate the disincentive that presently exists for a State to begin cleanup of potential Superfund sites prior to the listing of sites by EPA on the National Priority List [NPL]. This problem arises because under current law EPA will not credit any money spent by a State prior to the listing of a site on the NPL and the signing of a cooperative agreement between EPA and the State toward the 10-percent share required of States for cleaning up Superfund sites.

As a result, under current law, States that discover a potential Superfund site are often faced with two options. They may begin to spend money to clean up the site, with the knowledge that EPA will not credit any moneys spent toward the required 10-percent match should the site eventually get on the NPL; or they can do nothing, and wait to see whether the site is eventually listed on the NPL. In the former situation, States are forced to expend scarce resources with no hope of any Federal credit. In the latter situation, potentially important remedial actions which could reduce the danger to the public—as well as the ultimate cost of cleanup—are postponed while the bureaucracy runs its course.

My amendment would remedy this situation by allowing States to receive credit for their required 10-percent match for expenditures made prior to the listing of the site on the NPL or to the signing of a cooperative agreement. This credit would only be granted if the site were subsequently listed by EPA on the NPL.

I want to emphasize that my amendment does not change the priorities that EPA has set for cleaning up Superfund sites—that decision is to be made solely by EPA, in accordance with the requirements of the Superfund statute. Moreover, it does not diminish the authority of EPA over the type of remedial actions undertaken by the State. A credit would only be allowed for reasonable, documented, and direct out-of-pocket expenditures, and would be granted only if EPA determines the expenditure would have been proper had the site been listed on the NPL and the cooperative agreement signed. If expenditures are made by a State at a site which is not subsequently listed on the NPL, no reimbursement or credit will be available. Finally, if a State ends up spending more than its 10-percent share on a site prior to the listing of the site on the NPL or the signing of a cooperative agreement, it will not receive any credit for this excess amount which might be applied to any other site.

This provision recognizes the fact that in other than emergency situations, when the States have money available they can act faster than the Federal Government to begin cleaning up a site. By allowing a State to receive credit for expenditures on sites that subsequently make the NPL, it reduces the reluctance of States to spend money on these sites, and should have the result of more cleanups being done faster. In addition to the State of Washington, the concept of this amendment has been endorsed by the National Governors Association, as well as by all 17 States that responded to a survey by the New England-Midwest Congressional Coalition.

Mr. Chairman, I urge my colleagues to support this amendment.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. I yield to the gentleman from New Jersey.

Mr. FLORIO. The gentleman's amendment is very important. It is part of the whole concept of Federal-State partnership, and I am pleased to accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. SWIFT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. NOWAK

Mr. NOWAK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NOWAK: Page 33, line 22, strike out "and".

Page 33, line 25, strike out "105."." and substitute "105; and".

Page 33, after line 25, insert:

"(10) the costs of appropriate Federal and State oversight of remedial activities at National Priority List sites resulting from consent orders or settlement agreements, where the responsible party or parties have been determined, but where inadequate oversight assistance has been provided by that responsible party or parties."

Mr. NOWAK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. NOWAK. Mr. Chairman, this amendment deals with Government oversight costs related to cleanup of sites on the National Priority List by identifiable, responsible parties.

Currently, the costs of the remedial work and the oversight under existing law are supposed to be provided by the party responsible for the hazardous waste site.

However, these costs are arrived at under negotiations involving EPA, State agencies and the responsible party or parties.

Under current law, if the money provided for EPA's oversight is inadequate, the Federal Government can use Superfund to cover its oversight costs at a specific site. States currently however may not use Superfund to recoup inadequate oversight costs.

This amendment simply will allow States to be able to use Superfund money for oversight activities, in the event that insufficient funds have been provided by the responsible party.

This amendment is necessitated by recent experience where because of the pressure to begin remedial work—the actual cleanup—EPA has dealt with oversight costs as a secondary issue. Knowing it can tap Superfund for its oversight costs, EPA has not been pressing that issue in negotiations.

This clearly puts the States at a disadvantage in these negotiations, especially when being pressured simultaneously by EPA to accelerate an agreement so we can get on with the cleanup work.

The pending legislation would increase this kind of pressure because of its provisions establishing a mandatory schedule for investigations, site listing and cleanup.

As a matter of fairness, therefore, States should have the same access to Superfund moneys as does EPA, only in those cases involving identifiable responsible parties where inadequate funds have been provided for oversight.

If EPA aggressively pursued its oversight costs in these negotiations, my amendment would not be necessary. However, absent such an aggressive EPA policy, this amendment is a safeguard to protect the financial interests of the States.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. NOWAK. I yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, we are prepared to accept the gentleman's amendment. It is discretionary, it provides for the authority to be used for the purpose for which the gentleman is concerned and I think it is a good amendment.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. NOWAK. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I am also prepared to accept the gentleman's amendment which appears to be appropriate and useful and improves the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. NOWAK].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MINETA

Mr. MINETA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MINETA: Page 9, after line 17, insert the following:

(c) Section 104 is amended by adding at the end thereof the following new subsection:

"(n) For purposes of taking action under this section of section 106 and listing facilities on the National Priorities List, the Administrator shall give high priority to facilities where the release of hazardous substances or pollutants or contaminants has resulted in the closing of drinking water wells or has contaminated a sole or principal drinking water source designated under section 1424(e) of title XIV of the Public Health Service Act (the Safe Drinking Water Act).".

Mr. MINETA (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MINETA. Mr. Chairman, this amendment grows out of our experiences in Santa Clara County, CA. We have more than 50 drinking water wells shut down because of toxic chemicals spreading through the underground water supply. Yet local, State, and Federal officials have been painfully slow to respond to this growing problem.

I realize that this problem has developed incrementally over time. I realize that resources are limited. But surely we can agree that when an actual working source of drinking water has been shut due to pollution or contamination we have a serious problem on our hands worthy of deliberate consideration.

My amendment provides that when making judgments on which sites to provide emergency relief to; and which sites to list on the Superfund National Priority List; that the Administrator of EPA give high priority to those releases of toxic material which have forced drinking water wells to be closed.

The amendment would also apply to the contamination of sole source aquifers—underground water supplies that are the only source of water for a particular area.

This amendment does not actually force EPA to take any action. It will not bypass other equally serious sites, nor will it overload the system with new sites that would not otherwise be considered. All we are saying with this amendment to EPA is "among the many sites you have to consider, pay particular attention to those that have closed wells."

Frankly, I think it is odd and even sad that we need such an amendment. I would like to think the priority of a safe drinking water supply would be clear without congressional direction.

But my experience with this problem over the last 2 years has taught me that such an amendment is needed. I strongly believe it is appropriate and necessary for the Congress to make clear how strongly we view this issue.

This is a moderate step, carefully designed to express our concerns and priorities without upsetting the existing system of emergency response and listing.

This amendment has the support of the environmental community as well as members of both committees of jurisdiction. I urge my colleagues to support this amendment and move its adoption.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I am pleased to yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, the gentleman's amendment is infinitely sensible, that there should be priority at the drinking water sites, and I am prepared to accept it.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I am pleased to yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, we have also examined the gentlman's amendment, and we have no objections to it.

Mr. ECKART. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I am pleased to yield to our colleague, the gentleman from Ohio.

Mr. ECKART. I thank the gentleman for yielding.

Mr. Chairman, the amendment offered by my friend from California may be one of the most important ones to this section. Of the 526 Superfund sites currently pending almost 80 percent of them are there because they threaten water.

□ 1710

Ground water protection, of course, is not only an environmental issue, it is an economic issue, particularly to those of us from the Great Lakes.

This is not an amendment limited in interest peculiar to the geography of the gentleman from California, but makes sense to all of us who have serious groundwater protection problems. It is an important amendment and ought to be adopted.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I support the gentleman's amendment and I think it is incumbent upon us to establish the kind of priorities that this amendment does.

There are thousands upon thousands of sites, some of which are going to be more important than others. The gentleman's amendment focuses in on that kind of priority setting.

Mr. MINETA. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MINETA].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RITTER

Mr. RITTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RITTER: Page 4, line 18, after "health" insert: "through contamination of groundwater which supplies or may reasonably be expected to supply any drinking water source".

Mr. RITTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RITTER. Mr. Chairman, I am offering this amendment to section 101 of the bill, which deals with the petroleum exclusion, in an effort to further clarify the intent of that section. Superfund establishes a liability and compensation system for damages resulting from releases of hazardous substances. Under current law, the term "hazardous substances" excludes petroleum that is not otherwise listed as hazardous under RCRA, the Clean Water Act, the Clean Air Act, or other authorities.

Under H.R. 5640, the petroleum exclusion is narrowed to include as hazardous petroleum that (I) is released from underground storage tanks or (II) may present a significant risk to human health. While the report of the Energy and Commerce Committee indicates that paragraph (II) is intended to cover drinking water contamination where the source of the contaminant is unknown or difficult to prove, some concern has been raised that paragraph (II) is overly broad and indeed applies to surface water discharges regulated under section 311 of the Clean Water Act—oil and hazardous substance liability—and oil pollution from vessels and offshore facilities regulated under title III of the Outer

Continental Shelf Lands Act amendments.

Because this was not the intent of the Energy and Commerce Committee as stated in its report, I am offering this amendment, Mr. Chairman, to clarify that if a significant risk to human health is caused "through petroleum contamination of groundwater which supplies or may reasonably be expected to supply any drinking water source," that case is covered under Superfund.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from New Jersey.

Mr. FLORIO. I thank the gentleman for yielding.

Mr. Chairman, the gentleman's appropriate limiting amendment is desirable and helpful to the intent of the bill. I am prepared to accept it.

Mr. RITTER. I thank the gentleman for his cooperation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RITTER].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. RALPH M. HALL

Mr. RALPH M. HALL. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendments offered by Mr. RALPH M. HALL: Page 32, line 3, and page 32, line 16, after "liability" insert.

In exercising its equitable powers of apportionment of damages among parties held liable under this section, the court may consider, among other factors:

(a) the amount of the hazardous substance or pollutant or contaminant involved;

(b) the degree of toxicity of the hazardous substance or pollutant or contaminant involved;

(c) the degree of involvement by the parties in the generation, transportation, treatment, storage, or disposal of the hazardous substance or pollutant or contaminant, taking into account the characteristics of such hazardous substance or pollutant or contaminant; and

(d) the degree of cooperation by the parties with Federal, State, or local officials to prevent any harm to the public health or the environment.

Page 39, line 8, after "ability" insert:

In exercising its equitable powers of apportionment of damages among parties held liable under this section, the court may consider, among other factors:

(a) the amount of hazardous substance involved;

(b) the degree of toxicity of the hazardous subsance involved;

(c) the degree of involvement by the parties in the generation, transportation, treatment, storage, or disposal of the hazardous substance, taking into account the characteristics of such hazardous substance; and

(d) the degree of cooperation by the parties with Federal, State, or local officials to prevent any harm to the public health or the environment.

Mr. RALPH M. HALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RALPH M. HALL. Mr. Chairman, I ask unanimous consent because the amendments cover title I and title II, and that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RALPH M. HALL. Mr. Chairman, the purpose of this amendment is to provide a guidance to the courts in construing the amendment I offered in the Committee on Energy and Commerce, one which was agreed to, that preserved the equitable powers of the courts to apportion liability. The language adopted in the committee and in this amendment appears twice in section 115 on page 32 and once in section 202(b)(1) on page 39. My present amendment should further clarify some of the considerations simply that the court could use.

This amendment is modeled after an amendment offered by the gentleman from Tennessee [Mr. GORE] to H.R. 7020. In 1980, the bill that ultimately became the Superfund law on the books. The amendment of the gentleman from Tennessee [Mr. GORE] was adopted by the House, but was dropped from the final legislation when the House later agreed to drop any reference to the joint and several liability in a compromise with the other body.

The great danger in enacting an inflexible joint and several liability rule is that it could produce extremely inequitable and unfair results. Even though the harm caused at a particular site may not be divisible, a defendant still may have been responsible for only a small fraction of the total waste disposed of at the site or may have been responsible for less toxic wastes found at the site. I believe it would be a gross injustice to saddle a defendant and particularly a small business person in such a situation with potential exposure for the entire cost of cleanup or compensation. To avoid these and other injustices, my amendments encourages the courts to consider, among other things, several things: One, the defendants' degree of involvement at the site; two, the amount of the hazardous substance or pollutants or contaminant; three, the amount of the toxicity of the hazardous substance or pollutants or contaminant; fourth, the degree of care exercised by the parties in handling the wastes, and finally the defendants' cooperation with public authorities to prevent harm to the public health or the environment. I think it ought to be noted that the specification of these factors is not intended to preclude the courts from considering such other factors as they may deem appropriate to justify the exercise of their equitable powers.

These amendments will assure that those defendants primarily responsible for the effects of pollution will be held accountable without subjecting to disproportionate liability those who have acted responsibly or those whose responsibility for harm caused by a release or threatened release is relatively minor.

Mr. Chairman, I want to thank the gentleman from New Jersey [Mr. FLORIO], the chairman, for his courtesy and his good staff for the courtesy, not only here, but in the Committee on Energy and Commerce.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. RALPH M. HALL. I yield to the gentleman from New Jersey.

Mr. FLORIO. I thank the gentleman for yielding.

Mr. Chairman, I want to publicly acknowledge the role the gentleman has played in perfecting this area of this bill at the subcommittee level and here, of course, in clarifying it further.

I would like to commend my colleague from Texas for his active and constructive participation in the formulation of this legislation. I am prepared to support the amendment he has offered concerning the apportionment of damages among defendants held jointly and severally liable under the provisions of the legislation, but I would like to clarify a few points.

As I understand the plain meaning of the legislation and of this amendment, the courts only undertake an apportionment of damages following their separate determination of whether the defendants are in fact jointly and severally liable for the damages at issue in the case. This principle means that when the court turns to the issue of apportioning damages, it is faced with a group of defendants, any one of whom has already been held jointly and severally liable for the total damages determined by the court.

I ask for the gentleman's confirmation on that point.

Mr. RALPH M. HALL. That is correct. When the court reaches the issue of apportioning damages among jointly and severally liable defendants, it must determine how to divide the damages among the defendants on some equitable basis. The purpose of my amendment is to suggest what factors the courts may wish to consider in apportioning total damages. These factors reflect the equitable consideration which may be the basis for such a decision. However, such factors will come into play only after the courts have made an independent determination of liability.

Mr. FLORIO. I thank the gentleman for his helpful comments and I urge

my colleagues to support his amendment.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. RALPH M. HALL. I yield to the gentleman from New York.

Mr. LENT. I thank the gentleman for yielding.

Mr. Chairman, I would just like to ask the gentleman one or two questions about this.

The bill as it is before us, before the gentleman's amendment was offered, does provide that the court would have equitable powers of apportionment following an adjudication of liability. As I understand the gentleman's amendment, he sets up certain guidelines for the court to utilize in establishing the apportionment measure.

Mr. RALPH M. HALL. That is correct.

Mr. LENT. I thank the gentleman.

I have no objection to the amendment.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. RALPH M. HALL. I yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding.

Mr. Chairman, the question I have—I might preface by saying I am delighted to hear the voice of reason coming through on this matter—do I understand correctly, however, that there would be no possibility in this apportionment proceeding for a person to be found not responsible for any part of the damage to the plaintiff because there would first have been a determination that there was some fault; is that the intention of the amendment?

□ 1720

Mr. RALPH M. HALL. Yes; And it does not limit the court in its equitable jurisdiction.

The CHAIRMAN. The time of the gentleman form Texas [Mr. RALPH M. HALL] has expired.

(On request of Mr. KINDNESS and by unanimous consent, Mr. RALPH M. HALL, was allowed to proceed for 1 additional minute.)

Mr. RALPH M. HALL. It merely reflects the equitable consideration that would be the basis for such a decision. It does not limit. It sets forth the congressional intent that we at least—in all parts of the country and all segments of industry—want them to consider these that are set out in the bill.

Mr. KINDNESS. I thank the gentleman, and I compliment him on his amendment. I would urge its support.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. RALPH M. HALL].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. DAUB

Mr. DAUB. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAUB: Page 32, line 5, strike out "the harm" and all that follows through line 7 and insert in lieu thereof the following: "such defendant is only responsible for a portion of the costs of response, such defendant shall be liable only for such portion.

"(3) If any defendant in an action under this section establishes by a preponderance of the evidence that any portion of the costs of response is not the responsibility of such defendant, such defendant shall not be liable for such portion.".

Page 32, line 18, strike out "the harm" and all that follows through line 20 and insert in lieu thereof the following: "such defendant is only responsible for a portion of the costs of abatement, such defendant shall be liable only for such portion.

"(3) If any defendant in an action under this section establishes by a preponderance of the evidence that any portion of the costs of abatement is not the responsibility of such defendant, such defendant shall not be liable for such portion.

Page 32, line 21, strike out "(3)" and insert in lieu thereof "(4)".

Mr. DAUB (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

Mr. FLORIO. Mr. Chairman, reserving the right to object, I will not object if I can see a copy of the amendment.

Mr. Chairman, I will not object to the amendment being considered as read and printed in the RECORD, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. DAUB. I appreciate the gentlemen's remarks, and I will make an effort to explain the amendment.

Mr. Chairman, my amendment is identical to one offered in the Public Works Committee by Water Resources Subcommittee Chairman ROE and which was accepted in committee by a recorded vote of 35 to 13. The amendment is designed to clarify the liability requirements being established by section 115 of the bill before us today. The legislation as currently drafted would permit a defendant to limit the application of the bill's mandatory strict joint and several liability provisions where the defendant could establish by a preponderance of the evidence that the harm which necessitated cleanup costs was divisible.

My amendment would instead of focusing upon divisibility of harm permit the defendant to limit his liability where the defendant could establish by a preponderance of the evidence that he was responsible only for a portion of the costs of response or cost of abatement as appropriate. Where the defendant could make such a showing, his liability would be limited under the amendment only to that portion for which he was responsible.

Second, my amendment would allow the defendant to avoid strict joint and several liability where he could establish by a preponderance of the evidence that a portion of the response costs or abatement costs were the responsibility of someone else but not the specifically named defendant.

My amendment is designed to assure the equitable result that the bill's sponsors and supporters purport to want with respect to the legislation. It reflects the fact that in most instances divisibility of harm is a test that is impossible to meet.

My amendment does not delete nor does it undercut the bill's current mandatory strict joint and several liability provisions. It merely provides that where a defendant can demonstrate to the satisfaction of the court that his responsibility can be defined or where he can demonstrate that someone else's liability can be defined, he should not be penalized and unfairly subjected to strict joint and several liability for all of the response or abatement costs incurred under the act.

The amendment is fair. Indeed, I submit to my colleagues that it is equitable, it is workable and consistent with the state of the law as I understand it, and I urge its massage.

Let me point out, particularly with respect to the adoption and acceptance by the committtee of the amendment of the gentleman from Texas [Mr. RALPH M. HALL], where he was setting up some of the guidelines that could be considered, I think we made some progress, and the logic might very well be similar, whether it is after judgment or during trial or before judgment, because we are looking at whether or not insurability of some of these determined and reasonably anticipated risks, particularly the nonsudden kinds of risks, might ultimately end up with particularly small business people not being able to buy insurance or to have the kind of capability to be involved, for example, in hauling toxic materials to appropriately approved disposal sites. Those guidelines can be, of course, the amount, the toxicity of the party's waste, the degree of involvement with the site, the degree of care exercised by the party, the degree of the party's cooperation with Government officials in attemping to prevent harm, all of these things if included once liability is determined ought to be the same kind of standard. And indeed the seven cases that have talked about this prospective utilizing harm indicate that the question ought to be discretionary, that indeed it sould not be mandatory. It is the word "shall" in

the current drafting that I think has prompted this amendment.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. DAUB. I yield to the gentleman from Georgia.

Mr. EDGAR. Mr. Chairman, will the gentleman yield for a unanimous-consent request before he gets into the debate on this issue?

Mr. DAUB. I yield to the gentleman from Pennsylvania.

MODIFICATION OF AMENDMENT OFFERED BY MR. EDGAR

Mr. EDGAR. Mr. Chairman, I ask unanimous consent to modify my amendment which was previously adopted to leave the inserted new text after line 17, page 9, of the committee print, rather than after line 10.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DAUB. Mr. Chairman, I yield to my friend, the gentleman from Georgia [Mr. LEVITAS].

Mr. LEVITAS. I thank the gentleman for yielding.

As the gentleman knows from the markup in our committee, I am opposed to this amendment. I voted against it in the committee. But I want to make sure that this is the amendment that relates to the site cleanup joint and several liability, not the individual, not the toxic tort individual liability.

Mr. DAUB. Yes. We are attempting to take a look at the—the gentleman will remember the argument the soup that might be out there in this terribly difficult location, and we want to clean it up.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. DAUB] has expired.

(On request of Mr. LEVITAS and by unanimous consent, Mr. DAUB was allowed to proceed for 2 additional minutes.)

Mr. DAUB. I thank the gentleman for the time, and, very briefly, when we are looking at, say, 40 percent, 30 percent, 20 percent, 10 percent, we are not looking at that hauler who clearly can define himself as being responsible for perhaps 10 percent, in the process of the litigation, in the ongoing commencement of the litigation, might very well be able to make a good showing and avoid the difficulty of being jointly and strictly and severally liable for a result over which he had no control.

Mr. LEVITAS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would say to my colleagues that this particular amendment more than any other single thing would probably do more to undermine not only the effectiveness of the Superfund program but even more importantly the effectiveness of the Environmental Protection Agency to bring about settlements of the disputes that arise over cleanup.

Now, I am well aware of the fact that there are concerns which have been addressed by the Hall amendment that a court should take into account differentials between those who contribute to the contamination of a hazardous waste site. But it is not just what goes into the site that matters. It is that contaminated hazardous toxic waste soup at the bottom to which this person has made a contribution. And the whole concept of joint and several liability lies at the heart of it.

Now, under the present law, as I understand it, a court has within its power an opportunity to make this apportionment if it finds it applicable. I think one of the problems with this amendment is that it would require the court to make such a separation or apportionment if it found that by a preponderance of the evidence there was only a——

Mr. DAUB. Will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Nebraska.

Mr. DAUB. Only if there is a finding by the court and based on a demonstration by the court that this is indeed what must occur.

Mr. LEVITAS. But that is to the liability issue, not as to the damage that is involved. And what I am concerned about at this point is that if you make it mandatory upon the court to apportion the liability, as the gentleman would have, you are going beyond what the law presently requires the court to do.

If I man, let me point out one other thing, that the issue here of breaking open joint and several liability is one that obviously concerns many of us. As the gentleman knows, I will be offering an amendment in just a moment which I think strikes a middle ground and lets a company avoid joint and several liability if its enters into a settlement. The gentleman is familiar with that.

The administration, the Justice Department, the Environmental Protection Agency support the concept of joint and several liability.

Let me read, just for a moment, from a speech made by the Deputy Administrator of EPA, Alvin A. Alm, on July 12, 1984. In that speech he said:

> Despite all the attention that is paid to Federal cleanup actions at American's most famous dumps, this is only part of the solution. The real progress to be made in cleaning up hazardous wastes in the years ahead will occur at the hundreds, if not thousands, of sites where private parties will undertake the work themselves. The true promise of Superfund is where private-party cleanup occurs on a voluntary basis.
>
> Unfortunately, it is a fact of life that not all responsible parties are willing to voluntarily clean up dumpsites. That is why—
>
> This is the point—
>
> our success in applying the far-reaching concepts of strict, joint and several liability is paying important dividends.

□ 1730

It is for that reason that I think we should support what the administration says is important and what has proved to be successful.

Mr. DAUB. If the gentleman will yield further, I appreciate the basic argument the gentleman has made, and I want to point out to all of my colleagues that this amendment in no way changes the basic premise.

In fact, much of what the gentleman said goes to the issue of the way in which we dispose of it ultimately on settlement. So all I am trying to do by my amendment is to say that if we really want to encourage cleanup, which is one of the premises of applying the standard "joint, several and strict" in tort law, and I think we have made progress because of it, that is why I do not try to change the standard at all, I do think we ought to start to look at the fairness issue of not having the prospect out there of the little guys feeling that in the end they could well be stuck for it all.

That is the problem that I am really trying to overcome, at least that is this gentleman's intent, when I look at the court cases that say, "We do not want a statutory, strict standard; we want a reasonable basis for division and we need to have flexibility."

Mr. LEVITAS. I think the gentleman. I understand the point he is making. I am simply saying that both EPA and the administration on this point know that joint and several and strict liability is what is making the program work. It is what is bringing about the settlements.

The amendment that I will offer will take care of that little guy the gentleman is talking about, the small business person. He will not get stuck for the whole cost because he will have an opportunity to settle the case on a proportionate basis.

Mr. MOLINARI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I think the gentleman from Georgia [Mr. LEVITAS] has raised a very important point. This was a point that was discussed at great length at the Public Works Committee markup on this particular bill.

I, myself, have discussed at great length with the Environmental Protection Agency their ability to go in and negotiate settlements. The present law as it stands has permitted them, because of the strict, joint, and several liability interpretations, to negotiate numerous settlements. As a matter of fact, if we look at the numbers of settlements, there were 5 in

1980, 10 in 1981, 29 in 1982, 35 in 1983, 50 in 1984 so far, a total of 129 settlements negotiated because of the liability feature as it is today, and we are talking about $300 million that was expended in that cleanup.

If we adopt this language, we are effectively taking away the only tool that the Environmental Protection Agency has to go after those who have caused the problem that we are here today to discuss. I think it goes right to the heart of the Superfund bill, and I hope that we are able to defeat the amendment.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I would be glad to yield to the gentleman from New Jersey.

Mr. FLORIO. I thank the gentleman for yielding.

Mr. Chairman, the gentleman very appropriately indicated the impact of the other gentleman's amendment on settlement capability. There is another part of this amendment's implications that we should be sensitive to as well, and that is the diminishing of the capability of the agency to go to recover moneys that have already been spent, because as we know, the law requires that for very dollar that is spent, the agency has the responsibility of recapturing, under the strict, joint, and several standard, the full amount of the dollars from those who may have caused the problem.

As has been mentioned by the gentleman from Georgia and the gentleman from New York, the effect of the gentleman's amendment is to effectively eliminate the total thrust of joint and several liability. What the gentleman is doing is positioning an impossible situation. He is saying that where the harm is divisible that it should not apply but if it is divisible it is not strict, joint and several. Joint and several liability is only applicable for indivisible harm.

So the major impact of the gentleman's amendment will be to fuzz up, to cloud the legislative history. In other words, the court cases which have come down unequivocally since this statute went into effect will be somehow muddled; and it will diminish the capability of the agency to go forward with the strong legal tools that we have provided to the agency.

Mr. MOLINARI. Mr. Chairman, I would like to go one step further, because if this amendment were to be enacted as part of the Superfund law, we are going to lose not only negotiated prices but we are going to have litigation, 10 times the amount of litigation we have today in toxic tort cases, because everybody would be a damn fool if they did not get out and start to raise the defenses initially, before EPA came in and said, "You are all jointly and severally liable."

We have numerous cases, the Seymour case is a classic example of what happened in Indiana when the 24 companies that settled the phase 1 settlement because of the joint and several liability feature.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I would be glad to yield to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding.

Then the gentleman suggests, in opposition to the amendment, that we ought to have that person strictly by the word "shall" mandated to the full 100-percent exposure of the court's decision in the event that there are no other pockets around to pay for the deal.

Mr. MOLINARI. Yes. I suggest that he has the right of contribution under the law if there are other joint tortfeasors that he can collect from. If he cannot, then he is jointly and severally liable. He is responsible for the total sum, yes.

Mr. DAUB. I thank the gentleman.

Mr. MOLINARI. I know that you can spell out an argument in certain situations where it would be unfair on its face, but we are dealing with a deadly subject matter here. It may be unfair in a certain few cases, but if we are going to deal with this deadly, serious problem then we are going to have to deal with it as we have dealt with it. I think this is one of the trickiest areas and I do not think we ought to toy with it one bit.

Mr. DAUB. If the gentleman will yield to me one more time, all the amendment says, upon a careful reading, is that where it can be demonstrated, in those cases that it could be unfair, that defendant has the opportunity during the trial and before judgment to come forward and exculpate himself on strict proof.

The CHAIRMAN. The time of the gentleman from New York [Mr. MOLINARI] has expired.

(By unanimous consent, Mr. MOLINARI was allowed to proceed for 1 additional minute.)

Mr. MOLINARI. I would suggest to the gentleman, in answer to that, that of the 129 cases that have been settled, you will find that there is not one where they could not raise that very question and you would not have had any of those settlements today.

Mr. LaFALCE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I have the pleasure of representing the Love Canal section of Niagara Falls, NY, and I have lived with the problem of Superfund before it was created and since it has been created. Indeed, I think I authored the first Superfund bill in this House of Representatives in 1978.

The essence of a Superfund bill must be joint and several liability. This amendment, in my judgment, would undermine the effectiveness of the Superfund legislation. It would go, as the gentleman from New York said, to the heart of Superfund.

I honestly believe that virtually every situation presents indivisible damages, and that is why we must have joint and several liability. If, however, it can be proven that there is divisibility, either in liability or in damages, then I do think that under existing law, and certainly under the Hall amendment, that the defendants can prove that divisibility and can seek from the court an equitable apportionment of damages.

The amendment of the gentleman, to the extent that I have read it and understand it fully, would go way beyond that and it would put a burden of proof on the plaintiff of proving a lack of indivisibility. There would almost be a presumption of divisibility, and that would undermine Superfund almost totally.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. LaFALCE. I yield to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding.

Of course, on a very clear reading of this amendment, it does no harm, as has been suggested by the gentleman or by the previous speaker. In fact, the standard remains the same, both in terms of filing of the action, suing everybody in sight—pardon the pun—or in terms of the judicial activity that goes forward.

But I ask the gentleman then to answer this question: Does, when all the things are done, under the standard not changed by my amendment in the slightest, a determination of joint, several and strict liability, under the statute, without my amendment, mandate the court without choice to hold that party who perhaps can be found when perhaps one or two others can no longer be found or are bankrupt or have no insurance, fully 100 percent liable for the toxic site that resulted in the action being brought?

Mr. LaFALCE. It is my understanding that under present law, and certainly under the Hall amendment, that the court would have the jurisdiction and the right to apportion damages if it were deemed equitable by the court, and if the defendant could make a showing that there was clearly divisibility and would be equitable.

□ 1740

Mr. DAUB. Mr. Chairman, will the gentleman yield for one further moment?

Mr. LaFALCE. Mr. Chairman, the gentleman's amendment, as I understand it, would reverse that; it would

turn it around, and the burden would than be on the plaintiff.

Mr. DAUB. All the amendment says, if the gentleman will yield one more time, is that during the initial processes of the case, after filing and as it proceeds through litigation, a named defendant can come forward and offer clear, convincing preponderance of the evidence that they contributed x amount and/or can show, on the other hand, that the others contributed x amount, and, therefore, they could not be strictly liable for the whole, and they would be relieved of that mandatory standard.

Mr. LAFALCE. That can be done now. That can be done now, I say to the gentleman, because that means the defendant would be able to show that the harm is in fact divisible. It is only when you cannot show that harm is divisible, that is, when there is indivisible harm, that there is now and always ought to be joint and several liability.

Mr. DAUB. Mr. Chairman, will the gentleman yield one more time?

Mr. LAFALCE. I yield to the gentleman from Nebraska.

Mr, DAUB. Mr. Chairman, I ask the gentleman to please read the language of the committee print and the language of my amendment carefully and put them together. I submit to the gentleman that in fact my statement a moment ago is correct, and the gentleman misreads the intention of the language of my very modest and very harmless amendment.

Mr. LAFALCE. The gentleman just said, though, that when the defendant can show that the defendant was only responsible for a certain portion of the harm——

Mr. DAUB. It is not true under the bill. That is my point.

Mr. LAFALCE. But my point is that the gentleman is saying, when the defendant can show divisibility. Under the present law, if the defendant can show divisibility as opposed to indivisibility, you would then have joint and several. It is only when there is indivisibility that the application of joint and several obtains.

Mr. DAUB. Mr. Chairman, I may have misunderstood the gentleman, if he would yield once more.

Mr. LAFALCE. Yes; I yield to the gentleman from Nebraska.

Mr. DAUB. There is the issue of divisibility of responsibility versus the issue of divisibility relative to harm, and it is then in the argument of the litigation that we would like to see the standard.

Mr. LAFALCE. The real words are "liability" and "damages," and I do not think the gentleman used either of them in his explanation.

The CHAIRMAN. The time of the gentleman from New York [Mr. LAFALCE] has expired.

Mrs. JOHNSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

I would like to ask the gentleman from Nebraska a question. It is my understanding that his amendment is necessary if the judge is to have the discretion to not hold a small contributor liable for 100 percent if that contributor is the only one who can be located in a case where harm is not divisible?

Mr. DAUB. Mr. Chairman, if the gentlewoman will yield, the gentlewoman is absolutely correct, but I want to add to her statement: if by preponderance of evidence the contributor establishes his portion of harm.

Mrs. JOHNSON. Correct. So in those cases where the harm cannot be proven to be divisible, where the harm is indivisible——

Mr. DAUB. Joint and several liability attaches without doubt.

Mrs. JOHNSON. That is right. But if the small contributor can demonstrate that he is responsible for only a small portion of the harm, then he cannot be held responsible for 100 percent?

Mr. DAUB. That is absolutely correct. And I want to point out to the gentlewoman, if she will yield further, that it is the defendant's burden of proof, so nothing really is being changed except to get down to the issue of whether or not the standard shall be mandatory during the trial or the court will have the capability of taking a good look at a clear case and saying that this person should not be put through the next 7 years and the next several millions of dollars of litigation expense because clearly they are only responsible for x amount of the harm.

Mrs. JOHNSON. Mr. Chairman, I thank the gentleman. I think it is the language in the bill before us that addresses the issue of divisibility or indivisibility of harm that requires this amendment and makes it different from the situation in the current law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. DAUB].

The question was taken, and on a division (demanded by Mr. DAUB) there were—ayes 6, nays 14.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. LA FALCE

Mr. LAFALCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAFALCE: Page 23, line 9, strike out the closing quotation marks.

Page 23, after line 9, insert:

"(6) In determining priorities among releases and threatened releases under the National Contingency Plan and in carrying out remedial action under this section, the Administrator shall establish a high priority for the acquisition of all properties (including non-owner occupied residential, commercial, public, religious, and vacant properties) in the area in which, before May 22, 1980, the President determined an emergency to exist because of the release of hazardous substances and in which owner occupied residences have been acquired pursuant to such determination.".

Mr. LAFALCE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LAFALCE. Mr. Chairman, in December 1980, the Superfund law was passed to address the toxic waste crisis—a situation precipitated by the dumping of the 71 billion gallons of hazardous waste generated annually by American chemical industries. The passage occurred 7 months after former President Carter had declared the Love Canal area in Niagara Falls, NY, an emergency area and 2 months after former President Carter and former New York State Governor Carey had signed a permanent location agreement to acquire certain properties in the emergency declaration area.

Today, we consider legislation to extend this important law. By increasing the fund we can be assured that sufficient money will be raised to meet the needs of future "Love Canals." In addition, we must consider whether the law as implemented has followed the intent of Congress.

There is no question that it is essential to increase the size of the fund from its current level of $1.6 billion to more than $9 billion over the next 5 years; the growing needs of affected sites and communities must be met. There is also no question that the intent of Congress to assure fair implementation of the law has not always been met.

I am only too familiar with the excuse of "insufficient funds" and only to familiar with the inequities that result from previously inadequate funding of the Superfund law.

Therefore, I am offering an amendment to H.R. 5640, to ensure that justice is meted out to all Love Canal property owners. I urge my colleagues to vote for the legislation which will replenish the fund and ensure Congress intent for equity under the law.

My amendment calls upon the Administrator of the National Contingency Plan to establish as a high priority the acquisition of all properties in the Love Canal emergency declaration area. Unfortunately, because of limited State and Federal resources, only owner occupied properties have been covered by the pre-Superfund relocation agreement signed by former President Carter and former Governor

Carey. The Federal Government assumed that the Environmental Protection Agency would make a definitive statement on the habitability of the Love Canal declaration area within a reasonably short period of time and those property owners not covered by the Carter/Carey agreement would be provided a fair remedy at that time.

Unfortunately, those persons not covered have waited 4 years for a definitive habitability statement, watching helplessly as the value of their holdings has steadily declined. The Agency has simply failed to meet the implicit obligation to issue a timely, definitive habitability statement. One $8 million environmental study, was all but officially retracted. Presently a panel of representatives from the EPA, the Centers for Disease Control, and the New York State Departments of Health and Environmental Conservation has been established to make habitability "recommendations" beginning in 1985, but not concluding until 1989. Ultimate authority for habitability "decisions" now rests with the State health department.

If history is our judge, recommendations and decisions may drag on well into the next decade. As the process lingers, Love Canal commercial property owners, the two area churches, owners of rental and investment properties, the Frontier Volunteer Fire Department, and owners of vacant lots will continue to suffer and will unjustly remain the loser in the Love Canal tragedy. My amendment would make all these properties eligible for purchase, and give them the highest priority.

In December, 1983, Senators D'AMATO and MOYNIHAN and I wrote to Lee Thomas, Assistant Administrator for Solid Waste and Emergency Response. We requested $4 million to purchase these remaining properties in the Love Canal declaration area. In January 1984, I wrote to William D. Ruckelshaus, Administrator of the EPA reiterating that request. Then, on May 10, 1984, I met with Mr. Ruckelshaus in my office to review the issues. Mr. Ruckelshaus told me directly that the equities were on the side of the people of Love Canal. I also argued that the law provided ample authority for the administrator to deal with the inequities of this case. He expressed uncertainty about that.

On August 2, 1984, Mr. Ruckelshaus denied the request. He maintained that limited Superfund dollars should be used for remedial action rather than for the purchase of property from owners who have suffered severe, indeed devastating, economic hardship. His letter did not and could not deny either EPA's legal authority or moral imperative to fulfill the government's obligation to purchase the Love Canal properties.

H.R. 5640, including my amendment, will provide the resources so that congressional intent to ensure equity is met. I strongly urge my colleagues to approve H.R. 5640 with my amendment.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. LAFALCE. I yield to the gentleman from New Jersey.

Mr. FLORIO. Mr Chairman, the gentleman's amendment is acceptable, and I would support it.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. LAFALCE. I am glad to yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, we also agree that the gentleman's amendment helps the bill, and we have no objection to it.

Mr. LAFALCE. Mr. Chairman, I thank the gentleman very much.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAFALCE].

The amendment was agreed to.

Mr. MOAKLEY. Mr. Speaker, I move to strike the last word.

Mr. Chairman, I would like to pose a question to the gentleman from New Jersey [Mr. FLORIO].

Superfund defines a "release" to exclude "any release which results in exposure to persons solely within a workplace with respect to a claim which such person may assert against the employer of such person * * *." It is my understanding that this language was a holdover from the original Senate version in 1980 and was intended to prevent double recovery from the fund for claims which could be compensible under workmen's compensation laws. I have a situation in my district where EPA has said that Superfund cannot be considered because the release of a hazardous substance occurred within a factory building and therefore is not a "release" under the "workplace exclusion." I want to clarify this point and engage in a colloquy on the floor to assure my constituents and everyone else concerned that this provision does not broadly exempt releases which occur solely within a workplace and that EPA is authorized to provide response and removal action and anything else authorized under this bill subject to the limitation against double recovery under workmen's compensation as provided in the definition of "release" and in section 212 of H.R. 5640.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. MOAKLEY. I yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, the gentleman is correct. The provision in the definition of "release" does not exclude releases which occur solely within a workplace.

The workplace exposure exclusion, as a matter of public policy and a simple reading of the statute, should not exempt a release of a hazardous substance simply because it occurs within a workplace. Rather, the exclusion is limited by the clear language of the statute to a release for which a claim may be filed against the employer. This is a carryover from the original Senate environment and public works bill, S. 1480, which included claims to the Superfund for personal injury. Sen. BURDICK added the language "with respect to . . ." to assure that the bill would preclude a double recovery by employees applying for both Superfund and workmen's compensation relief, while ensuring that the hazards presented by such releases could be responded to promptly. This view is clearly supported by the legislative history of the Superfund law. The committee report to S. 1480 states that:

Under an exception . . . to the definition of release, an injury caused by a hazardous substance exposure in the workplace is not a "release" under the bill if the employer of the injured party is liable under workers compensation law.

The intent . . . is to exclude from compensation through the Fund, from liability . . ., and from the notice provisions . . ., an injury which is compensated through worker's compensation law.

The provision does not broadly exempt releases which occur solely within a workplace from the bill. For example, if a release occuring solely within a workplace created a hazard of damage to human life or to the environment, it is contemplated that the Fund would have authority to respond with all of its authorities except for compensating workers whose employers are liable for their injuries under worker's compensation law. In addition, the liability provisions . . . would apply to these response costs and to third-party damages (other than those for which the employer of the injured party is liable under worker's compensation). Sen. Rep. No. 848, 96th Cong., 2nd Sess. 94 (Emphasis added.)

I thank the gentleman for giving me this opportunity to clarify this point.

AMENDMENT OFFERED BY MR. LENT

Mr. LENT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LENT: Page 30, line 14, after "(b)" insert: "(1)".

Page 30, after line 16, insert;

(2) Such section 107(d) is further amended by inserting "(1)" after "(d)" and adding the following new paragraph at the end thereof:

"(2) No State or local government shall be liable under this title for costs or damages resulting from actions taken by the State or local government in response to an emergency created by the release or threatened release of a hazardous substance, pollutant, or contaminant from a facility or site owned by another person. This paragraph shall not affect the liability of any State or local government for negligence.".

Mr. LENT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LENT. Mr. Chairman, I am offering an amendment which would amend section 107(d) of the Superfund law in order to clarify the liability of State and local governments in responding to emergency situations.

There are many occasions, such as a spill of a hazardous substance or other emergency situations, in which the State or local government is compelled to deal with an immediate threat to public health. The government in these situations did not generate the hazardous substance, did not create the emergency, and yet is expected to take all appropriate action. Sometimes this involves taking possession of an abandoned warehouse filled with leaking, corroded drums containing hazardous waste. When this happens and the Government takes action to abate the danger in a nonnegligent way, the Government should not be subject to the liability provisions applicable to those parties who created the hazard.

Mr. Chairman, the amendment I am offering is essentially a clarification of present law in order to eliminate any ambiguity or misunderstanding. Obviously we do not want local government officials to refuse to take action in emergencies because they fear that any involvement on their part may lead to costly, long-term liability.

It should be emphasized that under my amendment negligent actions would remain subject to liability—as they should.

I believe this amendment is necessary and warrants the support of my colleagues.

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Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. LENT. I am glad to yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, I am pleased to support this amendment.

Let me at this point say something I should have said earlier. The gentleman from New York has been particularly cooperative as we have gone forward. This bill would not be here but for the efforts of the gentleman from New York, and I am very pleased to accept this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LENT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TORRES

Mr. TORRES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TORRES: Page 28, line 20, strike out "subsection" and substitute "subsections".

Page 29, line 5, strike out the closing quotation marks.

Page 29, after line 5, insert:

"(e) If any abatement action is taken under this section against a facility used for the treatment, storage, or disposal of hazardous waste listed or identified under section 3001 of the Solid Waste Disposal Act, the Administrator shall take such action as necessary to insure that no such listed or identified hazardous waste may be treated, stored, or disposed of at such facility after the date of the enactment of the Superfund Expansion and Protection Act of 1984 if—

"(1) such facility is operating pursuant to interim status under section 3005(e) of the Solid Waste Disposal Act;

"(2) the owner or operator of the facility has not completed a full hydrogeologic characterization of the facility before the date of the enactment of the Superfund Expansion and Protection Act of 1984 which has been determined to be acceptable to the Administrator;

"(3) a State or local government authority has required the temporary or permanent relocation of individuals residing in the vicinity of the facility because of the release or threatened release of a hazardous substance, or an asphyxiant gas; and

"(4) 75,000 or more individuals reside within a 2.5 mile radius of the facility.

Mr. TORRES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TORRES. Mr. Chairman, the health of my constituents is seriously endangered by the existence of an operating hazardous waste landfill in my district.

Families have been evacuated, dangerous gases are in the air, and water has been contaminated.

Congress must act to protect the health and environment of southern California's residents.

My amendment would close the BKK landfill in West Covina, CA, until the site no longer endangers the people living and working nearby.

The danger resulting from the continued operation of the BKK landfill is of tragic proportions.

On July 17, city police ordered 19 families out of their homes, some left with clothes on their backs and little more. They were ordered away to escape dangerously high levels of methane and vinyl chloride gases detected in their neighborhood. The gases have been escaping from the BKK landfill and into their homes. Most of the families still have not been allowed to return 27 days later.

This landfill is surrounded by homes and businesses. Trucks carrying hazardous waste pass by children walking to schools, families traveling to church and small businesses struggling to earn profits. And even after the trucks reach their destination, State officials have found that the hazardous waste leaches through the soil and into the ground water.

On a hillside above the city, the BKK landfill accepts hazardous waste and buries it in the ground. The residents nearby are helpless as the liquid waste travels downward toward their backyards and the cancer-causing gases are carried by the wind inside their homes.

Everyday the BKK landfill operates is another day that increases the danger to the health of my constituents.

For the past 4 months, I have asked that the Environmental Protection Agency enforce the law and close the BKK landfill. On July 26, I was joined by 21 Members of this House, both Republicans and Democrats from southern California, asking that the Administrator of the EPA immediately close the BKK landfill. No action has been taken.

Congress must act to close the landfill. My amendment would require the Administrator of EPA to close any hazardous waste facility that meets five strict conditions.

First, a facility must be operating under an interim status permit, that means that they haven't been fully licensed by EPA.

Second, my amendment only affects hazardous waste facilities that have been issued an abatement order by EPA, that means that EPA has found that the facility may present an imminent danger to health and the environment.

Third, the owner or operator of the facility must not have completed a hydrogeological study of the site that is acceptable to the EPA Administrator, such an analysis is of the ground water, soil, and other characteristics of the area.

Fourth, a State or local government authority must have relocated residents because the hazardous waste facility has released a hazardous substance or asphyxiant gas.

Fifth, finally, this provision only is relevant to facilities operating in communities where 75,000 or more residents live within a 2.5-mile radius.

Mr. Chairman, I believe that a facility should be closed immediately if it meets these five conditions. This is a very tough criteria.

A facility should be closed if it has been cited as dangerous by EPA, if it is located near thousands of homes and businesses, if it has failed to study its own soils and ground water systems, and if it has already caused families to flee because of cancer-causing gases in their homes.

I urge my colleagues to support this amendment and to take immediate action against any hazardous waste facility that threatens the health of our constituents and the environment of our communities.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. TORRES. I am happy to yield to the subcommittee chairman, the gentleman from New Jersey [Mr. FLORIO].

Mr. FLORIO. Mr. Chairman, I thank the gentleman for yielding.

This amendment is virtually identical to an amendment that was accepted by myself and the gentleman from New York [Mr. LENT] on the RCRA bill and is something that is highly desirable. I am pleased to support the amendment.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. TORRES. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, we have examined the gentleman's amendment. It has a lot of merit, and we are going to support it.

Mr. TORRES. I thank the gentleman.

Mr. DREIER of California. Mr. Chairman, will the gentleman yield?

Mr. TORRES. I yield to my colleague, the gentleman from California.

Mr. DREIER of California. Mr. Chairman. I join Congressman TORRES, my colleague from California, in offering this amendment.

Simply put, the four points of our amendment apply only to the BKK landfill in West Covina, CA. What we hope to do is protect the health and safety of thousands of southern California residents by directing the EPA to take steps to close BKK.

For over two decades, the people of West Covina and other communities in the San Gabriel Valley have in the shadow of BKK. As the gentleman from California has pointed out, this 586-acre dump lies in the heart of a densely populated area. Well over 75,000 people live within a 2.5-mile radius of BKK, with new housing developments and residents being added to the valley each year.

Beginning in the fall of 1983, BKK became much more than a shadowy presence in the communities of the San Gabriel Valley—it became a permanent part of their lives.

Let me briefly reiterate the mounting threat BKK poses to the health and safety of valley residents:

In September 1983, the EPA released a report showing 18 violations of Federal environmental rules:

Two months later, EPA ordered a phaseout of liquid waste dumping at BKK after a discovery that contaminated water had migrated beyond barriers designed to halt its flow;

In April of this year, 70 percent of BKK's hazardous waste area was ordered shut down because of the migration of contaminants to its southern side;

A few weeks later, direct dumping of liquids was banned at BKK, but dumpers instead mixed liquids with soils before disposing of them;

Finally, on July 17, 19 homes near BKK's southern slope were evacuated because of methane gas leaks. Days later, cancer-causing vinyl chloride gas was found in two homes within the evacuated area. On July 25, two more familes living over a half mile from the 19 evacuated homes were also forced to evacuate because of methane gas.

Following these alarming developments, 20 southern California Members of Congress joined Congressman TORRES and me in petitioning the EPA to close BKK.

EPA responded by calling for further studies and additional patchwork repairs beyond those attempted over the years.

Meanwhile, ever-increasing amounts of toxic waste arrive at BKK. Perhaps most outrageous is the fact that waste from the infamous Stringfellow dump in Riverside is being shipped to BKK, driven inland, through a heavily traveled and densely populated corridor.

Four years ago I called for the closure of BKK. At the time we had indications that the dump posed serious potential health hazards which I felt were serious enough to warrant a complete shutdown.

Today we have irrefutable proof that the public's health and safety is at risk. This is not a potential threat. It is a clear and present danger, and one that promises to get worse before it gets better.

BKK must be closed and cleaned up. This will take years, and all parties concerned agree that the problems now manifesting themselves will not end when the dump is closed. But the worst thing we can do is allow additional dumping to take place. How can we add to a dump that already threatens the public?

I must add that the operators of BKK have made an effort to improve their ability to process and dispose hazardous wastes. My point is that no toxic waste should be dumped in a populated area. Regardless of the efforts of management, the logistics of BBK and other dumps like it pose a threat to the public and cannot be maintained. Now, if we are successful in closing BKK, we must have an alternative site, and I'd like to take this opportunity to reiterate my request to GAO and the Department of the Interior for assistance in locating isolated Federal land that can be used as a safe replacement for BKK.

In conclusion, BKK must be closed, and this legislation is an appropriate time to do it. The point of superfund is to help communities clean up toxic sites and protect the public. By closing BKK now, we can prevent a tragedy from ever taking place in the communities of the San Gabriel Valley so that an emergency superfund cleanup of BKK won't be necessary.

I urge my colleagues to join us in supporting this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. TORRES].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. VOLKMER

Mr. VOLKMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by VOLKMER: Following Section 101 of the bill insert the following new section and redesignate succeeding sections accordingly.

"Community Relocation and Business and Employment Protection Section 102. Section 101(23) is amended by inserting after "not otherwise provided for," the phrase "costs of permanent relocation of residents where it is determined that such permanent relocation is cost effective or may be necessary to protect health or welfare," and by striking out the semicolon at the end thereof and inserting in lieu thereof a period and the following: "In the case of a business located in an area of evacuation or relocation, the term may also include the payment of those installments or principal and interest on business debt which accrue between the date of evacuation or temporary relocation and thirty days following the date that permanent relocation is actually accomplished or, if permanent relocation is formally rejected as the appropriate response, the date on which evacuation or temporary relocation ceases. In the case of an individual unemployed as a result of such evacuation or relocation, it may also include the provisions of the assistance authorized by sections 407, 408, and 409 of the Disaster Relief Act of 1974;".

Mr. VOLKMER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VOLKMER. Mr. Chairman, the dioxin catastrophe in my State of Missouri brought to light some gaps in the remedies authorized by the Superfund law. My amendment attempts to address these gaps. Specifically, it clarifies the Administrator's discretionary powers in three fundamental areas.

First, it permits the Administrator to permanently relocate residents of a contaminated area to protect human health and welfare or where it is cost effective to do so. For example, in some cases it may make more sense—economically and socially—to buy up and seal off a highly contaminated residential area immediately, rather than locate the residents indefinitely in temporary housing during a lengthy, possibly impractical cleanup.

Second, it allows the Administrator to provide for payment of business debts during the time of temporary relocation or until permanent relocation is accomplished. It makes no sense to rescue a community, but endanger its

economy. Temporary relocation is intended to protect the residents of a contaminated area, but when a community is evacuated, businesses are cut off from their customers. Their income stops, while their business expenses continue. This amendment is not intended to compensate an owner for lost income but rather provides for business debt only.

To cite but one example of the need of this authority, the Quail Run Mobile Home Park in Franklin County, MO, was found to be contaminated with dioxin at levels up to 1,000 times the amount deemed acceptable in a residential area. The families living at the trailer park were offered temporary relocation. But the owners of the park, who were in no way responsible for the contamination of the soil, then found themselves with no way to meet their financial obligation. This amendment provides the Agency with a way to hold such people harmless with respect to business debt, and business debt alone, until the situation is resolved.

Finally, my amendment spells out that unemployment assistance which is available under the Disaster Relief Act of 1974 can be applied to those who are thrown out of work by a hazardous waste disaster.

In order to minimize the disruption of the lives of relocated citizens and businesses, modifications in the authority of the EPA Administrator are needed. This language has already been adopted by the other body in their version of the Resource Conservation and Recovery Act reauthorization. I urge adoption of my amendment.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I am glad to yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, I am supportive of this amendment. I happen to believe that the discretionary authority to do the things contained in the amendment are there already, but it is certainly valuable to have it in the statute that this is discretionary authority; and it exists, and I am pleased to accept the amendment.

Mr. VOLKMER. The amendment is to clarify that it is discretionary authority.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I join with my colleague from New Jersey in accepting the amendment. As I understand the amendment of the gentleman, it expands the discretionary authority that the EPA has in those relocation situations.

● Mr. SKELTON. Mr. Chairman, during the past few years Missouri has had the unfortunate experience of providing a laboratory for the operation of the Superfund law. The amendment offered by my Missouri colleague [Mr. VOLKMER] today is an effort to learn from our experience of the past. It is also similiar to a bill I have introduced on this issue.

In Missouri, through the activities of one waste hauler, Mr. Chairman, over 200 potential sites were created and to this date over 30 have been confirmed.

The problems which this amendment addresses are not huge ones; instead this amendment simply clarifies what the Administrator of the Environmental Protection Agency can do in certain hopefully rare cases where Superfund must be applied to a contaminated community.

I would like to especially emphasize that the discretion is left with the Administrator as to whether to use these tools in a given case. The amendment does not seek to create an entitlement in any way, but it should be made clear what tools the Administrator has if he needs them.

The first part provides that the Administrator can, if he deems it appropriate or cost effective or necessary to protect health and welfare, permanently relocate a community that is contaminated beyond repair by hazardous wastes. This is simple common sense and I believe is similar to protections the Superfund amendments provide for.

This is exactly the situation we had in Missouri at Times Beach and at Quail Run. The ground was so contaminated that nothing short of permanent relocation made any sense; and yet, the EPA went through the motions of a temporary relocation until a loophole could be found to move the residents permanently. After the flood at Times Beach, the disaster laws were used to effect a permanent relocation; in other words, doing indirectly what this amendment permits directly.

The second provision provides that the administration can, where appropriate, pay the principal and interest on business debts so that the economy of an area can be kept alive during a temporary relocation or until a permanent relocation can be put into effect.

It makes no sense to rescue a community, while ruining its economy. Why bother to repopulate a town if every business has been either run off or put into bankruptcy?

In Times Beach, MO, the residents were asked to relocate by the Government and were provided assistance to mitigate their financial mishap; but the businesses, left without customers, received no help. Their income was zero, but their obligations continued on.

The second portion of this amendment would not replace businesses lost profits, but it would maintain the status quo so that all the residents had something to return to.

Finally, this amendment provides that some of the aid provided to individuals under the Disaster Relief Act of 1974 would be permitted for those persons thrown out of work by relocation. This could include, at the Administrator's discretion, unemployment and reemployment assistance, food stamps, and certain grants where other programs were not available to meet the serious needs of these relocated residents.

By this provision, the Administrator can provide manmade disaster victims with the same kind of assistance that is available to natural disaster victims. This language is, I believe, in the other bodies RCRA bill, and has been recommended by the National Governors' Conference.

I urge my colleagues to benefit from the experience that we had in Missouri and to make these tools that are contained in this amendment clearly available so that they can be used, if necessary, in other parts of the country in the future.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. VOLKMER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LEVITAS

Mr. LEVITAS. Mr. Chairman, I offer an amendment.

The clerk read as follows:

amendment offered by Mr. LEVITAS: Page 9, after line 17, insert the following:

(C) Section 104 is amended by adding at the end thereof the following:

"(m)(1) The Administrator may enter into agreements with one or more responsible persons for the purpose of providing for remedial action under this section with respect to a release or threatened release of a hazardous substance.

"(2)(A) Whenever the Administrator determines that a sufficient number of persons responsible for a release or threatened release have been identified to effectuate an agreement under this subsection, the Administrator shall notify all such parties. The Adminsitrator may only enter into an agreement under this subsection with respect to such release or threatened release within 120 days after providing such notice.

"(3) An agreement under this subsection shall require the parties to the agreement to carry out a plan for remedial action at the facility concerned with respect to (A) surface contamination, (B) subsurface contamination, or (C) long term operation and maintenance, or any combination of the foregoing.

"(4) Whenever any agreement under this subsection has been entered into for remedial action with respect to any item referred to in subparagraph (A), (B), or (C) of paragraph (3), the liability under this Act of each party to such an agreement for the costs or damages attributable to such item shall be limited to the share of such costs determined for such party under paragraph (5). Nothing in this subsection shall be construed to affect the liability of any person with respect to any costs or damages which are not subject to the agreement. Any

person who is a party to the agreement shall not be liable to any other person who is not a party to the agreement on the basis of such other party's liability with respect to which the agreement was centered into.

"(5)(A) An agreement under this subsection shall provide that each party to the agreement (other than the Administrator) shall pay a share of the costs of the remedial action covered by the agreement. Such share shall be a share determined under the agreement on the basis of appropriate factors, including but not limited to the quantity and toxicity of hazardous substances, pollutants, and contaminants involved, the ability of the party to pay, and the difficulty of the remedial actions required. The total of the shares of all parties to the agreement shall equal or exceed 80 percent of the total costs of remedial action covered by the agreement, as determined by the Administrator. If any amount is paid to the Administrator under such agreement, notwithstanding any other provision of law, the Administrator shall retain such amount. Amounts retained by the Administrator under such agreement may be used by the Administrator only for purposes of carrying out the agreement.

"(B) Whenever an agreement has been entered into under this subsection, the Administrator shall pay from the Fund so much of the costs of remedial action covered by the agreement as is not paid by the parties to such agreement.

"(C) In any case in which an additional responsible party with respect to a release or threatened release is identified after an agreement has been entered into under this subsection concerning such release, the Administrator may enter into a separate agreement with such additional responsible party. On the basis of the amounts required to be paid by the additional responsible party, the Administrator shall redetermine the shares of each party to the original agreement, including the share of the Administrator.

"(6) If a person is notified under this subsection with respect to a release or threatened release of a hazardous substance, pollutant, or contaminant, and

"(A) an agreement is or has been entered into under this subsection with respect to such release or threatened release,

"(B) such person does not become a party to an agreement under this subsection, and

"(C) such person is determined to be liable in an action under section 107 with respect to such release or threatened release,

such person shall be liable to the United States for punitive damages in an amount at least equal to four times the amount of the judgment rendered against such person in the action brought by the United States under section 107. The Administrator may commence a civil action against any such person to recover such punitive damages. If any amount recovered under this paragraph exceeds the total costs of remedial action required with respect to the release or threatened release concerned, the Administrator may redetermine the shares of the parties to the agreement, including the Administrator and make corresponding refunds to such parties.

"(7) Whenever the Administrator enters into an agreement with any person or persons under this section, he shall bring an action in the appropriate United States district court against such person under section 107 and enter into a consent decree containing the agreement. If any party to an agreement under this subsection fails to comply with any requirements of the agreement, the Administrator may assess a civil penalty of not to exceed $25,000 for each day during which such failure continues against such party.

"(8) In any case in which no agreement has been reached under this subsection with respect to a release of threatened release within 120 days after notice has been issued under this subsection, the Administrator shall immediately publish a schedule under which the Administrator (or the State) shall carry out remedial action under section 104 with respect to such release or threatened release.".

Mr. LEVITAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEVITAS. Mr. Chairman, this is the expedited voluntary cleanup amendment to the Superfund bill. We all know that there are about 20,000 hazardous waste sites in the country. More are being found each week. There are over 2,000 sites that are very serious and are leaching out their poisons into the soil and water and there are over 500 of these sites on the priority list. Yet we know that only six have been cleaned up so far.

In testimony before Congress the Environmental Protection Agency has stated that by the end of this century, under present procedures, only about 150 sites will be cleaned up by the Superfund and 150 others will be cleaned up voluntarily.

Those are frightening facts. We must do something. My amendment will assure those sites are cleaned up, quickly and voluntarily, through a settlement arrangement.

Leachates from these toxic dumps have contaminated drinking water supplies all across the Nation. And, all too frequently, in the face of inadequate information about the dangers and risks these sites, and their deadly components, pose to the public's health, and the Nation's environment, local officials are being forced to shut down water supply wells, and individuals are having to search for alternative sources of potable water. How true is the old adage of "Water, water everywhere, but not a drop to drink."

Mr. Chairman, the amendment I have here today is, I believe, an amendment that will augment that which we are seeking to do under the Superfund: to clean up these waste sites as expeditiously as possible, and to protect the public's health.

This amendment will offer an alternative to those companies who would like to move forward, but are so intimidated by the law's joint and several liability provisions, they would prefer to litigate, rather than contribute to a clean up.

This amendment is an option. It is an alternative. Its beauty is that it leaves the statute in tact. It does not alter the law's fundamental components of joint and several liability, or the ability of the EPA Administrator to respond to an emergency at a waste site.

This amendment builds on these provisions. Indeed, it takes advantage of them. And those who will become subject to the provisions of this amendment—the public, the Federal Government, and others will all benefit.

More importantly, I believe this provision will provide the incentive for many companies to move forward, primarily, if not totally, with their own funds to clean up these waste sites.

Mr. Chairman, this amendment provides that the EPA Administrator will continue to determine just what must be done to clean up a site. It will also continue to give the EPA Administrator control over determining when a cleanup has been executed satisfactorily.

But it also allows for decisions to be made more quickly. It provides a mechanism to get more of the information held by both sides, the Government and the responsible parties, up on the table sooner so that responsible decisions can be made. And it ensures when a decision is made for a privately financed cleanup, that the ground-water problems at a site will be cleaned up.

It is expected that the EPA Administrator at the outset will provide the best information on cost and cleanup remedies to the identified responsible parties at the start of the negotiation process. Also, it should be understood that while the EPA will not be bound to these costs and remedies, it is expected that this information will be provided under good faith using the best available information at the EPA's disposal.

Specifically, Mr. Chairman, this provision provides that the Administrator may at his option enter into an agreement with one or more responsible parties in order to clean up a waste site.

It provides, however, that at a minimum, enough parties must be willing to pay at least 80 percent of the costs of the cleanup. If there are not enough parties whose collective shares equal or exceed 80 percent of the total costs, an agreement can still be entered into if the responsible parties involved will agree to pay 80 percent of the costs.

A key feature of the amendment is that it is optional. If the Administrator determines that there are enough identified responsible parties, he may notify them that he is going to pursue the procedures of this subsection. When this occurs, the responsible par-

ties have 120 days to reach an agreement with the Administrator. If no agreement is reached, the Administrator is required, under the terms of this amendment, to then go forward and clean up the site and pursue recovery of the expenditures from Superfund under the regular joint and several liability provisions of the law.

The amendment does not change the regular liability and other provisions of the law. Rather, those provisions, particularly the joint and several liability requirements, provide much of the incentive for responsible parties to enter into an agreement under this section. Under this amendment, their liability can become limited, and they cannot be forced to pay more than their respective, or apportioned share.

The amendment also has a number of provisions that ensure that the plan will be completed; that all of the contamination will be cleaned up, including ground-water contamination.

First, all of the parties to the agreement must commit themselves to pay their share of all of the cleanup costs, including any additional costs that occur due to unexpected conditions.

Frequently, when a site is discovered, no one really knows the full nature, or seriousness, or costs for cleaning up ground-water contamination. Because of this, the amendment requires that all of those who are a party to an agreement pay their share of any additional costs necessary to completely clean up any ground-water problems, as well as any other additional costs.

It also includes that if the groundwater is not fully cleaned up, costs for any long-term O&M will be included in the agreement of the responsible parties. This is to discourage these cap-and-seal solutions, where we simply leave the contaminated soil in place, and try to isolate the contaminated ground water, hoping that it will never leak out.

The amendment also provides that, if any party, during the cleanup, refuses to pay their respective share of any additional costs, the EPA Administrator can sue to enforce the agreement, and may assess a civil penalty of not to exceed $25,000 for each day during which such failure continues against such party. Any funds recovered under such an action are to be put into the account for cleaning up the site.

In effect, if someone balks, the others can come out ahead, and have their respective costs reduced. This includes the EPA Administrator, if the EPA has to put up any funds.

This amendment also requires that the EPA Administrator approve any remedial cleanup plan before work is initiated on it.

And finally, the sole responsibility of determining whether or not a cleanup plan has been adequately and fully carried out is in the hands of the EPA Administrator.

There need be no State or local share, unless, of course a State or local government is responsible, and is therefore a liable or responsible party. Consequently, in those instances where a State is unwilling to provide its share of the cleanup costs, the EPA will not be prevented from moving forward with a cleanup. Rather, it will be able to use some fund moneys, along with those of some of the responsible parties, to move forward.

Now, in every instance, it can be expected that some companies will not want to participate. To address this, the amendment provides that, should there be enough companies willing to pay enough to enter into an agreement, the Administrator can go ahead and initiate the agreement, and he sue those who refuse to contribute an amount equal to their respective, or apportioned share, or for the Administrator's share, whichever is greater. The settling parties can claim contribution from nonsettling parties but nonsettling parties cannot claim contribution from settling parties.

The Administrator can also sue those who hold out for up to four times the larger amount as punitive damages. And, for those who hold out, for those who refuse to go along, the amendment provides that they will be liable for these amounts under the legal standard of joint and several liability.

Finally, the amendment also provides that any amounts recovered from companies that hold out be deposited into the account set up under the agreement. This will help pay the costs of cleanup. In effect, holdouts will end up paying to clean up the site and to reduce the respective shares of those who do contribute, including the Administrator.

Conceivable, under a worst case scenario, all of the parties to agreement, including the Administrator (or the Superfund, in the person of the Administrator) could be fully reimbursed. Any excess amounts over that actually paid by any party are put back into the Superfund. (Of course, if the whole cleanup is less than the estimate, each party to the agreement gets reimbursed proportionately.)

In short, there is a lot of incentive to go in on any agreement, and a lot of disincentive to hold out.

In summary, responsible parties get limited, apportioned liability. They get the right to recover any portion of any extra costs that they voluntarily agree to pay in order to meet the 80 percent threshold, through contribution suits against those who hold out, they cannot be subject to contribution suits, and they have the potential of further reducing their share from funds recovered from those who hold out.

In return, the Government gets a site cleaned up, and assurances that all of the problems at a site, including groundwater contamination will be addressed. And if recoveries are obtained from recalcitrant companies, the fund gets reimbursed too.

Finally, to ensure that no company goes without an opportunity to become a party to an agreement under this provision, the amendment provides that any company that is identified as a responsible party during the 120-day period, or after an agreement is entered into, or even after the cleanup is complete, may avoid the sanctions of this provision by agreeing to be a party to the agreement.

Recently in conversations with EPA I have been advised that the elements of this amendment are generally consistent with the settlement policy which EPA is pursuing.

In a statement made July 12, 1984, by Alvin Alm, Deputy Administrator to EPA before the American Corporate Counsel Association, Alm stated that "when Congress enacted the Superfund statute in 1980, we were not fully aware of the extent of contamination resulting from decades of inadequate hazardous waste management practice." He continues in his statement that the real focus should be with private cleanup by those who have contaminated our environment. Let me quote a rather lengthy section which I feel should be made part of the RECORD:

> The real progress to be made in cleaning up hazardous wastes in the years ahead will occur at the hundreds, if not thousands, of sites where private parties will undertake the work themselves. The true promise of Superfund is where private party cleanup occurs on a voluntary basis.
>
> Unfortunately, it is a fact of life that not all responsible parties are willing to voluntarily clean up dumpsites. That is why our success in applying the far-reaching concepts of strict, joint and several liability is paying important dividends.
>
> Federal judges in a number of judicial districts across the Nation have accepted our interpretation of private party liability under CERCLA. This is a good thing for the overall clean-up effort.
>
> It can be said that EPA has, with the help of the Federal courts, put together a carrot-and-stick approach to Superfund cleanups with private parties—albeit one with a rather modest carrot but a powerful stick. We are firm in our belief that CERCLA grants EPA broad authorities to protect public health and the environment from dangers posed by uncontrolled hazardous wastes. Be assured that we will carry out those authorities. To the extent possible, we will impose the costs of cleaning up the environment on those who contaminated it.

Let me close here that the testimony which we have had before my subcommittee has indicated that we need to get these hazardous waste dumpsites cleaned up and cleaned up now. We must pursue every avenue which there is in getting those who contaminated

our environment to clean it up. But we as the representatives of the people of this Nation also have the responsibility to not only encourage but to ensure that occurs since it has not be happening on its own. The time to act is now before one of our greatest resources is destroyed forever.

Mr. FLORIO. Will the gentleman yield?

Mr. LEVITAS. I am happy to yield.

Mr. FLORIO. I am pleased to support this amendment which effectively codifies the existing policy over at EPA, and I think it is a good amendment.

Mr. LENT. Will the gentleman yield?

Mr. LEVITAS. I am happy to yield.

Mr. LENT. Of course we do not want to do anything here today that might preclude the EPA type of settlement by accepting an amendment that might be negative to that. I am concerned that your amendment would preclude EPA and the Justice Department from entering into settlement agreements for less than 80 percent of the cleanup costs. Is that its intent?

Mr. LEVITAS. That is not its intent, and my amendment would not preclude that. The Justice Department could enter into settlements on any basis they want to.

This is an optional procedure which can be used at the discretion of the Administrator.

Mr. LENT. And with respect to the exercise of prosecutorial discretion, what is the intent of the gentleman's amendment? Would it interfere with or preclude the exercise of that discretion?

Mr. LEVITAS. It—under no circumstances—would deprive the Justice Department or the EPA of any prosecutorial discretion. It simply gives them another tool with which to work and to provide voluntary cleanup which will be the only way we will ever get enough of these sites cleaned up in the short term. It is optional. It is voluntary. It is cumulative with other remedies and therefore it would not interfere with prosecutorial authority.

Mr. LENT. I thank the gentleman for his explanation of the amendment and I intend to give the gentleman my support for his amendment. It seems like a good amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. LEVITAS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROWLAND

Mr. ROWLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROWLAND: Page 23, strike out line 10 and all that follows through page 26, line 5, and insert in lieu thereof the following:

EMERGENCY RELIEF AND HEALTH SURVEILLANCE

SEC. 112. Section 104 is amended by adding the following new subsection at the end thereof:

"(1)(A) Any individual or group of individuals may submit a petition to the Administrator providing evidence which—

"(i) demonstrates that such individual or individuals are being exposed to any hazardous substances; and

"(ii) provides an empirical analysis of the level of exposure.

"(B) The Administrator shall take action under paragraph (2)(A) if the Administrator determines that there is a reasonable likelihood that such substance is from a facility—

"(i) where such substance is (or was in the past) treated, stored, recycled, or disposed of, on a regular basis; or

"(ii) at which removal action is being taken (or was taken in the past) under any provision of this Act; and

if the Administrator determines that the exposure may present a significant risk to human health.

"(2) Within 45 days after receipt of a petition under paragraph (1), the Administrator of the Environmental Protection Agency (or his Administrator of the Agency for Toxic Substances and Disease Registry if designated by the Administrator of the Environmental Protection Agency) shall—

"(A) initiate a hazardous substance exposure evaluation in which the Administrator—

"(i) conducts a toxicological and epidemiological evaluation of each hazardous substance involved, taking into consideration any relevant toxicological profiles prepared pursuant to section 104(i),

"(ii) ascertains the nature, magnitude, scope, and duration of the exposure of individuals to the hazardous substance concerned at or above such action level; and

"(iii) identifies, where possible, other individuals within the community who are exposed to the same hazardous substances and ascertains the nature, magnitude, scope, and duration of such exposure; or

"(B) publish a written explanation of a determination that there is not a reasonable likelihood that the substance is from a facility referred to in paragraph (1)(B) or a determination that the exposure does not present a significant risk to human health. Each evaluation under this paragraph shall be completed within 6 months after the date on which the petition for such evaluation is filed.

"(3)(A) If a hazardous substance exposure evaluation carried out under this subsection identifies and individual or individuals exposed to a hazardous substance at or above the action level or at any other level which presents a significant risk to human health, the Administrator shall take such steps as may be necessary to reduce this exposure to levels below the action level. Such steps may include (but shall not be limited to)—

"(i) provision of alternative drinking water supplies, and

"(ii) relocation of individuals.

"(B) In any case in which information is insufficient, in the judgment of the Administrator, to readily determine an appropriate action level with respect to a hazardous substance and there is no toxicological profile established for such substance, the Administrator may take such steps as may be necessary to reduce the exposure of any person to such hazardous substance to such level as the Administrator deems necessary to protect the public health and the environment.

"(4) Within 6 months following completion of the hazardous substance exposure evaluation, the Administrator where possible shall publish a report describing any linkage between the exposure of individuals to the hazardous substance concerned and the facility identified under paragraph (1)(B) of this subsection. Such report shall include a determination, where possible, of any groundwater contamination connecting such facility with the exposure.

"(5) Where a hazardous substance exposure evaluation identifies a population of individuals exposed to a hazardous substance at or above the action level and the Administrator has reported the presence of a linkage between such exposure and a facility meeting the conditions specified under paragraph (1)(B) of this subsection, the Administrator shall initiate a health surveillance program for such population. This program shall include the following steps:

"(A) an epidemiological health effects study of the exposed population (with an appropriate control group) to identify any diseases for which the population is at significant risk;

"(B) periodic medical testing to screen for such diseases among those population subgroups at highest risk; and

"(C) a mechanism to refer for treatment those individuals within such population who are screened positive for such diseases.

"(6) In the case of any substance which is subject to a petition under this subsection, nothing in this subsection shall be construed to delay or otherwise impair the authority of the Administrator to exercise any authority vested in the Administrator under any other provision of the law, including, but not limited to, the imminent hazard authority of section 7003 of the Solid Waste Disposal Act or the response and abatement authorities of this Act.

"(7) The Administrator shall establish action levels for hazardous substances. Such action levels shall be established as levels of exposure which present a significant risk to human health on the environment. The action levels shall be based upon toxicological and epidemiological evaluations of the hazardous substance involved, medical testing of individuals, and such other information as may be appropriate.".

Mr. ROWLAND (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. It there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. ROWLAND. Mr. Chairman, I have a concern in this legislation that there may be those people who are exposed to hazardous substances that do not have their problems addressed immediately. This amendment that I am offering, and I wish to express my appreciation at this time to the members of the committee who helped to perfect this amendment, will have those people who are exposed to a substance that is toxic immediately to get some relief from this exposure by proceeding with whatever is necessary, perhaps supplying some water that is not contaminated if that is what is needed; by also initiating a health survey

study which will bring about a procedure whereby these people can get screening done in order to determine whether or not they are in a situation that a disease process has developed and also to give some long-range planning to.

Mr. Chariman, I believe that this amendment is going to help give the people more immediate relief from the problems they have, and also on the long-term basis to provide them with some medical care for the problems that they will be incurring.

□ 1800

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. ROWLAND. I yield to the gentleman from New Jersey.

Mr. FLORIO. I am pleased to support this amendment in the modified way that the gentleman has offered it. It is clear the gentleman's intention is to expand the capability of providing for these health-effect studies. The report language that we have in our report is compatible with the gentleman's amendment and I am going to support it.

Mr. ROWLAND. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. ROWLAND].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—FEDERAL CAUSE OF ACTION

DEFINITIONS

SEC. 201. For purposes of this title—

(1) The term "medical costs" means the costs of all appropriate medical, surgical, hospital, nursing care, ambulance, and other related services, drugs, medicines, as appropriate for both diagnosis and treatment, and any rehabilitative programs within the scope of section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723).

(2) The term "dependent" means with respect to any deceased person the individual or individuals referred to in section 8110 of title 5 of the United States Code as in effect on May 10, 1984.

(3) The terms "Administrator", "act of God", and "hazardous substance", and "facility" shall have the same meaning when used in this title as when used in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

(4) The term "disposal" means the discharge, deposit, injection, dumping, spilling, leaking, storing, treating, or placing of any hazardous substance into or on land or water, except that such term shall not include activities referred to in subparagraphs (B) through (D) of section 101(22) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

Subtitle A—Federal Cause of Action

LIABILITY

SEC. 202. (a) Notwithstanding any other provision or rule of law, and subject only to the defenses set forth in subsection (b)(3) and the limitations of section 212—

(1) the owner and operator of a vessel (otherwise subject to the jurisdiction of the United States) or a facility,

(2) any person who at the time of disposal of any hazardous substance owned or operated any facility at which such hazardous substance was disposed of,

(3) any person who by contract, agreement, or otherwise arranged for disposal or treatment, or arranged with a transporter for transport for disposal or treatment, of hazardous substances owned or possessed by such person, by any other party or entity, at any facility owned or operated by another party or entity and containing such hazardous substances, and

(4) any person who accepts or accepted any hazardous substances for transport to disposal or treatment facilities or sites selected by such person,

shall be liable to any individual (or his dependents) for damages to such individual which are compensable under this title and which result from harm caused by the disposal of a hazardous substance.

(b)(1) The liability of any person under this title shall be strict. Except as provided in paragraph (2) of this subsection, such liability shall be joint and several. Nothing in this section shall be construed to affect the equitable powers of apportionment of any court following an adjudication of liability.

(2) If any defendant in an action under this section establishes by a preponderance of the evidence that the harm for which damages are compensable under this title is divisible, he shall be liable only for his portion of such harm.

(3) There shall be no liability under subsection (a) for any defendant who can establish by a preponderance of the evidence that the exposure to a hazardous substance or the damage resulting from such exposure, was caused solely by—

(A) an act of God;

(B) an act of war;

(C) an act or omission of a third party other than an employee or agent of the defendant, or than one whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant (except where the sole contractual arrangement arises from a published tariff and acceptance for carriage by a common carrier by rail), if the defendant establishes by a preponderance of the evidence that (i) he exercised due care with respect to the hazardous substance concerned, taking into consideration the characteristics of such hazardous substance, in light of all relevant facts and circumstances, and (ii) he took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such acts or omissions; or

(D) any combination of the foregoing subparagraphs.

(c) After adjudication of liability and recovery of damages in any action under this section, any defendant held liable for damages in such action may bring a separate action in the appropriate United States district court to require any other person referred to in paragraph (1), (2), (3), or (4) of subsection (a) to contribute to payment of such damages.

COMPENSABLE DAMAGES

SEC. 203. The following damages shall be compensable under this title:

(1) Any medical expenses, rehabilitation costs, or burial expenses due to personal injury, illness, or death.

(2) Any loss of income or profits or any impairment or loss of earning capacity due to personal injury, illness, or death.

(3) Any pain and suffering which results from personal injury, illness, or death.

(4) Any economic loss and any damages to property, including real and significant diminution in value.

Pain and suffering shall not be compensable under this title for an individual to the extent that such pain and suffering results from such individual's fear of experiencing his own physical injury, illness, or death where such individual has not experienced any such physical injury, illness, or death or from such individual's fear of another person's personal injury, illness, or death where such other person has not experienced any such physical injury, illness, or death.

JURISDICTION; COSTS OF LITIGATION

SEC. 204. (a) Any action under this title may be maintained in a district court of the United States in a district in which either the plaintiff or defendant resides or in which the defendant's principal place of business is located, without regard to the amount in controversy. Jurisdiction of the United States district courts over an action under this title shall be concurrent with the jurisdiction of the courts of any State over such an action and nothing in this section shall be construed to affect the jurisdiction of any State court with respect to any action under this title.

(b) In issuing any final order in any action under this part, the court may award costs of litigation (including reasonable attorney and expert witness fees) to the prevailing or the substantially prevailing party whenever the court determines such award is appropriate.

STATE LAW

SEC. 205. Nothing in this title shall be construed to preempt, or otherwise affect, any Federal or State law, or rule or principle of Federal or State law, regarding liability for damages in connection with any hazardous substance.

Subtitle B—General Provisions

LIMITATIONS

SEC. 211. (a) No action may be brought by any individual under this title after the end of a three-year period beginning on the later of the following—

(1) the date the individual knew (or reasonably should have known) that the injury, illness, or death or other expense was caused by the hazardous substance concerned; or

(2) the date of the enactment of this Act.

(b) The time limitation described in subsection (a) shall not begin to run—

(1) against a minor, until that minor reaches eighteen years of age or has had a legal representative appointed; or

(2) against an incompetent individual, until that individual becomes competent or has had a legal representative appointed.

(c) No action may be brought by any person under this title for any damages due to the illness, injury, or death of any individual if such damages were incurred more than 10 years before the date of the enactment of this Act.

(d) No action may be brought by an individual under this title for any damages if, prior to the date of the enactment of this Act, the statute of limitations has expired for any cause of action which (but for such expiration) would have been available to such individual under any other authority of law for recovery of the same damages and if the rights of such individual under such

other authority of law (including the applicable statute of limitations) are equivalent to such individual's rights under this title.

WORKER'S COMPENSATION

SEC. 212. No employee, or employee's spouse, dependent, relative, or legal representative, who may assert a claim against the employee's employer under a State or Federal workers' compensation law based on the employee's workplace exposure to a hazardous substance shall be entitled to recover any amount under this title from the employee's employer, such employer's insurance carrier, or a fellow employee based on that exposure.

COLLATERAL RECOVERY

SEC. 213. No person may bring separate actions in both the courts of any State and the courts of the United States for damages compensable under this title which result from harm caused by the disposal of a hazardous substance.

ADDITIONAL RECOVERY

SEC. 214. (a) No individual who has recovered any amount in an action under this title with respect to harm caused by disposal of any hazardous substance shall be prohibited from recovering from the same defendant or defendants an additional amount under this title if—

(1) such individual establishes (in a subsequent action under this title) that—

(A) personal injury, illness, or death which becomes manifest after the prior action was caused by such disposal, and

(B) such personal injury, illness, or death was not known, and reasonably could not have been known (on the basis of the facts and circumstances regarding the disposal) at the time the prior action was brought under this title, and

(2) such individual did not receive compensable damages in anticipation that such personal injury, illness, or death would be discovered.

(b) An individual who previously brought suit in State or Federal court under any other authority of law for damages compensable under this title which were caused by the disposal of any hazardous substance may not bring an action under this title for the same damages caused by the same disposal if judgment on the merits was entered or amicable settlement was completed in the prior suit in State or Federal court.

AMENDMENT OFFERED BY MR. SAWYER

Mr. SAWYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAWYER: On page 37 strike out line 1 and all that follows through page 45 line 6.

Mr. SAWYER. The purpose of this amendment is to strike title II in its entirety. Title II, as opposed to title I, is the private civil action which likewise creates absolute liability, liability without fault, joint and several.

Now, there may be some reason to fix liability so heavy that the Government can always get settlements because people are afraid to take a chance with the horrendous risks posed and the defenses that they are deprived of, but I do not see that that same logic applies to civil action for damages which is what we are talking about here.

Now, back in 1980 when the originial act was adopted, in the act we provided for the appointment of a committee to study the need for whether or not we need a Federal civil remedy. The people who were appointed pursuant to that act were the American Bar Association, the American Trial Lawyers Association, which is an association primarily of plaintiffs' lawyers, the American Law Institute that writes the legal revisions of the law, and the National Association of States Attorneys General.

So you had a very prestigious, well-informed group.

When they completed their study, they unanimously reported that there was no need for a Federal Civil Liability Act. They state that all of the State courts recognize either under common law or by statute, liability for this sort of thing and the normal laws of liability applied and that there was adequate remedy with the States.

Now the committee has apparently chosen to ignore that. There has been no new information developed or any new advice that I am aware of.

You have to look at what is being done here. In Michigan, for example, and I do not think we are unlike other States, we have a Department of Natural Resources which has to license any kind of a toxic waste dump. They check things like whether there is an adequate clay pan below the dump, whether the drainage goes toward any kind of waterway, where the water table is and so forth.

After due hearing and public notice, they license the dump or deny it a license.

Now, then we have a licensed dump and I am a small plating plant and I have one truckload of toxic plating material or plating solution to take out there. I put it in the dump, and it is a licensed dump, inspected and everything else by the State of Michigan, and I only dumped one load in there.

It is a huge dump. Then the dump goes bankrupt at some point. The other people who have used the dump extensively cannot be found. It develops that the dump leaked into the ground water. I am crucified. I have no defense. There is nobody else I can look to for sharing the cost of injuries, property damages, pain and suffering, and attorney fees. I am stuck for the entire amount.

This is not because I was guilty of any kind of fault but because I relied on State licensing of the dump. Now bear in mind I am not in a criminal business. I am performing some kind of very useful, necessary function like plating. So there is nothing criminal about what I am doing. I am doing my best to locate a licensed site.

I go and put my toxic wastes there, just one small little part of it. Then all of a sudden, I end up subject to hundreds of millions of dollars of damages and I am obviously broke.

Now, while there may be some argument for putting that kind of a blackjack over people's heads to help the taxpayer recover money on expenses, is there to impose a civil liability at the hands of someone else? And they are not always knights in shining armor, either.

People are very quick to claim that they have developed various kinds of ailments once they find out there is some kind of a toxic waste dump, or the value of their property has diminished or there is some kind of problem with the ground water that maybe they cannot prove what it is, but they are sure that it is that toxic dump.

So these are litigable issues. And I am not saying they are meritorious or not, but why treat them any diffently than someone who was killed or injured by a drunken driver? Why award them their attorney's fees, which is the English system but certainly not the American system; why take away all their defenses and put them so that they are virtually forced to settle even though they only had a miniscule contribution to the thing and were not at fault at all, and exercised full care in relying on a State facility for something they had to get rid of.

So instead of getting rid of it by dumping it in their backyard, they paid the price to go an truck it to the dump, maybe 100 miles or 200 miles, at great expense, to dispose of it in a licensed dump?

So I say it just does not make any sense to me. The committees which examined it found that all States of the Union had adequate remedies in their State courts. This is an unreasonable intrusion of the Federal court system into what has been the State court system.

The plaintiffs' conduct under the current bill cannot even be a defense. The plaintiff can be a burglar who broke into your premises, came in contact with some toxic substance and sues under absolute liability for the damages and you cannot even offer the fact that he was a burglar; there is no defense at all.

Meanwhile if a person went out in a toxic dump and rolled in it, made mudpies in it, climbed over a fence to do it, with all kinds of warning signs that, "We are a dump," that is no defense.

(By unanimous consent, Mr. SAWYER was allowed to proceed for 5 additional minutes.)

Mr. SAWYER. So here we are giving absolute access to the Federal court system with no threshold amount involved, there is no minimum amount of damages which in any other case takes the diversity of citizenship and a minimum of $10,000 exclusive of interest and cost.

Here you are giving very minimal sized lawsuits to a very clogged, busy Federal system. We have just added 85

judges to the appellate and district court system, only 40 of which are going to go in this year. The backlog is running up to 5 years in some jurisdictions.

State courts are handling these matters. It does absolute violence to the whole system of tort liability.

Now, it is one of those rare situations that two such diverse and disparate authorities as the Wall Street Journal and the Washington Post have both run editorials against this creation of a brandnew Federal court cause of action which all of the bar groups that investigated it, including the plaintiffs' group, found to be unnecessary.

It strikes me, and again going to the very elements in the bill, it does not even outlaw punitive damages. There is liability without fault. Now punitive damages, normally, is associated with fault, somewhat grievous fault and many of the States have laws allowing punitive damages but not absolute liability which they can incorporate the punitive damages in a pendant litigation thing with absolute liability and indivisible and joint and several.

This section was never referred to the Judiciary Committee; it is creating a brandnew Federal cause of action. There may have been some consultation by somebody with a staff member, but it never came to either the subcommittee or the committee. It would have been my subcommittee.

While you may have some excuse for it in the Government's recovering its expenses, or the taxpayers getting back their expenses, I see absolutely no justification and neither did the four different bar groups which, at our request, examined it and unanimously agreed that the creation of a new Federal cause of action was unnecessary. Causes of action were available under either common law or State statutes, all over, with adequate damages and with adequate State court provisions.

And if we do not like some of those State court provisions or their State statutes, who are we to tell the State? They are fixing their own public policy for their own citizens in their own State.

Why do we just usurp their jurisdiction in a very unusual way?

I would urge support of the amendment. I think this is a noncorrectable title II when you look at it, and I think the act functions perfectly without it. The States are handling the problem very well.

Mr. Chairman, I yield back the balance of my time.

□ 1810

Mr. FLORIO. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I commend the author of the amendment for being very straightforward. He just deletes the whole title that creates the Federal cause of action.

I think for those of us who were parties to the debate 4 years ago we can recall that this body passed a victims compensation package and it was struck out on the other side. And that, in fact, a study was commissioned, the so-called 301(e) study, to look at the state of toxic tort law in this Nation.

The clear conclusion that came back from that panel was that the toxic law in the States was unfair, inequitable, and that no individual across this country was assured of a predetermined outcome in terms of process or substance on a nationwide basis. The study concluded that the law in different States was totally irrational, that effectively there was no fairness in the courts for toxic tort victims.

As a result of that study we have framed a package of victims compensation proposals in the original bill that was introduced. We have had to retreat from the more expansive proposal and what we have provided is the provison that is in title II of this bill.

The provision in the bill is extremely modest and deals with two important problems. It reforms various unfair procedural rules such as statutes of limitations which cuts off the right to sue years before a long latency disease is even discovered out in the State courts.

The fact of the matter is this is not academic, this is real. We had people in New York who were thrown out of court by virtue of the local statute of limitation before they even discovered the existence of the disease, that they were suffering from.

Second, the bill applies the same liability standards as apply under the current Superfund law dealing with cleanup. That is to say, we have not got any new different set of standards. We have the exact same standard that is in the law, that has been in the law for the past 4 years with regard to recouping moneys that have been spent out of this system.

The bill, it seems to me, is the minimum response that we, this Congress, can make if we are going to convince people that we are concerned about people, that we should not be spending this money for cleaning up toxic waste if this was just an esthetic consideration. We are cleaning up these wastes because they are potentially harmful to individuals. To walk away and not provide individuals with some remedy, some opportunity to seek redress for damages that they have incurred because of the inappropriate disposal of toxic wastes is not a position that I am prepared to accept.

The State court rulings on these matters across the Nation are quite varied. They are uncertain. The same arguments that I know some would make for product liability standardization I would make for this provision in the law.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

I sympathize with the gentleman's argument that there is a very wide variety of responses in each and every one of our States across this Nation, but I would submit that one of the reasons that there is this variety is that the whole area of compensating victims because of exposure to hazardous substances is not well established. Those causal relations are not well established medically. They are not well established scientifically.

So there is another side to that coin as to why the States vary all over the map. They do because there is not a kind of standard cause and effect relationship that each court can then judge and essentially come up with the same decision.

Mr. FLORIO. If I may reclaim my time, the gentleman, of course, knows that this does not predetermine the outcome. We are using the same standards that are already in this law, we are simply providing people with their day in court to give them a chance to make their case or not make their case. We are trying to improve the integrity of the process. We are not requiring a predetermined outcome.

Mr. RITTER. I sympathize with—what I am saying is there is a really good reason why there have been such divergences across the country in the State courts.

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from Michigan.

Mr. SAWYER. I thank the gentleman for yielding.

It is no different than in almost every other tort field. There is a great divergence among all of the States. Many States had a lid on wrongful death, $20,000 or $25,000 no matter how caused. Other States have comparative negligence doctrines. Other people have contributory negligence. You have different damages in Tuskaloosa, OK, than you are going to get in Chicago, IL.

These States each have the right, they are sovereign States and they have the right to fix their own public policy.

I do not know who are to come in and say in this really an arguable matter of both cause and effect.

The CHAIRMAN pro tempore (Mr. BROWN of California). The time of the gentleman from New Jersey [Mr. FLORIO] has expired.

(At the request of Mr. SAWYER and by unanimous consent, Mr. FLORIO was

allowed to proceed for 2 additional minutes.)

Mr. SAWYER. But I sat in on the agent orange arguments on the Veterans' Administration. You could get any result you wanted to listen to. I was not any more convinced that agent orange caused these difficulties than I was convinced that it did not.

These are debatable areas. When you impose liability without fault and joint and several liability without regard to how much you did of it and without regard to how you relied on State licensing of a dump when you put toxic waste in it which you had to dispose of and you did the best you could, how you could get stuck for $100 million because the outfit went broke and they did not do it right, and the State missed it, I do not think you can just willy-nilly take those defenses away from people. That is not American jurisprudence as I am familiar with it and I have worked with it for 35 years.

Mr. FLORIO. I thank the gentleman for his observations.

I think the gentleman has made some interesting points. On balance, however, I would support the existence of the cause of action and oppose the gentleman's amendment.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from Florida.

Mr. McCOLLUM. I thank the gentleman for yielding.

Mr. Chairman, I have two questions. One is—and it has been a great concern of mine that there is Federal tort liability in here for the Federal Government. It is my understanding the gentleman is going to offer an amendment that would remove the Federal liability from this.

Mr. FLORIO. It is my opinion that it does not exist. But we will offer an amendment that makes it clear and unequivocal.

Mr. McCOLLUM. I have another question. Section 205 of the bill as it now reads specifically says this new cause of action does not preempt States and the rights under the State laws. It seems to me somewhat self-defeating for this to be introduced as a uniformity type of legislation to try to gain uniformity and still not preempt the States.

What does the gentleman say to this and why is the 205 still there?

The CHAIRMAN pro tempore The time of the gentleman from New Jersey [Mr. FLORIO] has again expired.

(By unanimous consent, Mr. FLORIO was allowed to proceed for 1 additional minute.)

Mr. FLORIO. What we are attempting to do is preserve the best of both worlds. This cause of action could be brought in the State courts or in the Federal courts.

So what we are trying to do is pay appropriate concern to the gentleman's concerns about diversity, but also provide for uniform procedures if someone desires to go the Federal court route.

Mr. McCOLLUM. If the gentleman will yield further, I am concerned, if that is the case, that we are going to have a tremendous number of differences of opinion in these various court decisions, even interpreting the Federal law, which you could get in a State court decision and you are going to have an enormous hodgepodge and mess that results from all of this.

It seems to me instead of adding simplicity and uniformity, we are adding chaos and confusion to what needs to be a speedup process to get at the problem, which is our toxic wastes that are injuring people. And that is in itself a great concern to this Member.

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this certainly has been entertaining. Now we have heard it all. We are going to reform the world starting with this phase. We are going to federalize at the behest of a small, hardcore group of social reformers the whole legal system of the United States.

We are going to start with this portion of it and we are going to start imposing Federal law in every aspect of our lives. What about that? Oh, boy, we are starting down the road to something good, are we not? I do not think so. We are starting down the road, well, it has been started before.

□ 1820

There was a time when people injured by automobiles were becoming more and more numerous, and from State to State they were finding that when they went to court to seek recompense for their injuries they were getting different results. But we never passed a law in the Congress federalizing the process or federalizing the approach to damages or to what shall be the measure of liability. We did not assert that the States would be out of the business of determining tort liability, did we? And we survived. Think of that. We survived without the Congress passing such a wonderful law. We survived. We are still here today. We still have court systems in our States.

Now, at the same time, we have passed a lot of laws that federalized matters. We have passed a lot of laws, our predecessors have, that say Uncle Sam knows best how to adjust these matters between people.

I do not doubt the sincerity of those who spent so much time writing this bill and working on it and its predecessor legislation several years ago; but they were wrong then and they are wrong now to seek to federalize this portion of the tort law of our country.

There are other ways that people are damaged and injured that are very important, too; and when someone is damaged, that is, physically injured as a result of an automobile accident that is not his fault or her fault, it is just as damaging.

Now, is it because of some popularity of a particular area of subject matter that we are proposing to do this? Yes. That is what it is all about. That is what we are doing here. We are responding to the demands of a group that says we have got to treat this particular area of the law in some different way because it is so entirely different from everything else we have previously experienced in the courts. Nonsense. We do have one very good thing that we can say about our court system both in the States and in the Federal system: There is a good amount of flexibility, a great ability to meet new problems and deal with them equitably and reasonably and with justice among people.

No; it is when we seek to be absolute in the legislative branch of Government that things become arbitrary, sometimes capricious, and we take, for example, in this bill, combinations of circumstances that have not been, thankfully, put into the law before and we combine strict liability with joint and several liability with retroactivity and all of the other things that are in this bill, and you think, "My goodness, that ought to solve anything that might happen in the future." But it will not. There will still be problems. And they will not be solved as a result of federalizing the court system approach.

But we have it out on the table now; it is clear that the authors of this bill want to federalize this cause of action. That is what it is all about. Is that going to be any better? No, I do not think so. Past experience indicates it is not a good way to go. We have diversity in our State court systems and we have maintained it for a very good reason. Some States have done a better job than others in approaching certain problems, but that does not mean that it is wrong for us to have that diversity.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. KINDNESS] has expired.

(On request of Mr. SAWYER and by unanimous consent, Mr. KINDNESS was allowed to proceed for 2 additional minutes.)

Mr. KINDNESS. I yield to the gentleman from Michigan.

Mr. SAWYER. I just want to add an observation that the gentleman from New Jersey indicated that he was going to offer an amendment making sure you could also choose to go to the State court system.

Bear in mind, the plaintiff chooses where he is going. And no plaintiff in his right mind is going to choose anything but the federal system when he has got liability without fault, no contributory negligence, no defense no matter how egregious his own conduct was. Usually Federal courts in general are a little better, from a damage point of view anyway, and he has got reasonable attorneys' fees, expert witness fees, all of those things you do not get in a State court in regular tort actions.

So you can go through the rigmarole of putting in that you could also go to State courts, but bear in mind that the plaintiff chooses the forum. If it is just a window piece and it has absolutely no effect, you are ousting the State courts entirely from their tort jurisdiction in this area.

Mr. KINDNESS. The point the gentleman makes is a very valid one and one that should be considered long before this point, but it has not been considered before this point. We seek to bring it to the attention of the Members of the House. It is a seriously needed amendment. I am ashamed of our producing a product like this. I truly am. We should never have gotten to this point without serious consideration of this stupendous change in the approach k to a matter of justice.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from New York.

Mr. LENT. I want to say that I was very interested in what the gentleman had to say and some of the points that he has made here, and I think other members of the Judiciary Committee who have shed some light on this particular section of the bill have done the House a great service.

But my question is: Why, if the gentleman knows, was this matter not called for referral by the Judiciary Committee?

Mr. KINDNESS. I think the gentleman's question is a very good one. I joined together with the gentleman from Texas [Mr. HALL] in a letter urging the chairman of the Judiciary Committee a long time ago to seek that referral.

The CHAIRMAN pro tempore (Mr. BROWN of California). The time of the gentleman from Ohio [Mr. KINDNESS] has again expired.

(On request of Mr. LENT and by unanimous consent, Mr. KINDNESS was allowed to proceed for 2 additional minutes.)

Mr. KINDNESS. And I would say to the gentleman that the jurisdictional area of the Committee on the Judiciary is becoming a disaster area, not just because of this, but a number of other areas. Frankly, I am ashamed that the committee did not exercise its jurisdiction.

Mr. LENT. I thank the gentleman.

Mr. ECKART. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I suppose the fundamental debate on this question is: Why have a Federal cause of action?

I do not think we have to look too much past those poor 50 defendants in the State of New York seeking to use the judicial remedies of that State, spoken so highly of by my colleague from Ohio, to assert what the Constitution guarantees in the Bill of Rights, the ability to petition government for a redress of their grievances. And the well-intentioned chemical companies, using the laws of the State of New York, proceeded to interpose the statute of limitations and dismiss in their entirety the plantiffs' petitions.

Now, the continued reference of the example of car accidents misses the point entirely, for the damage and injury of those 50 plaintiffs in New York did not happen in a brief, sudden collision at a street corner. No, it happened 40 years ago when these chemical companies indiscriminately poured into the ground a veritable witch's cauldron, a carcinogenic stew, that came out in their 9-year-old children who died from leukemia.

Yes, the laws of the State of New York worked. They worked to protect those very people who brought death and injury to dozens of citizens in that State.

This is a shotgun behind the door, if in effect the Federal cause of action will help the marketplace work.

We do not allow collateral recoveries. We do not interpose other questions beyond that of which gives to a person egregiously harmed by another in our society the right to have their day in court. What could be more basic, more American than that opportunity?

We have had companies that have merged, we have had companies that have changed names, changed locations, changed their towns but, believe me, when they moved they did not take their hazardous waste with them. No. They left it behind, buried deep below, to percolate up once again and revisit us in a much more ominous way.

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I will at the conclusion of my remarks.

We would allow those individuals not to guarantee success but to have a right to have their case heard. That is all that this is supposed to be about. We do not even know that we have been injured sometimes for generations. And that is why this modest attempt to give to people a real meaning to an opportunity to effect a recovery from a company that may have moved or relocated or changed their name against mismatched plaintiffs and defendants, defendants who will hide behind those very State statutes that my friend so vigorously defended just a few minutes ago, does not speak well for the spirit of America.

□ 1830

I believe we have no place else to go when those who cause injury use the law to avoid their responsibility for living up to the consequences of that injury. That is why we have the Federal cause of action.

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I yield to the gentleman.

Mr. SAWYER. I thank the gentleman for yielding.

This bill that you have does not do anything to help the people you so tearfully described. Any action that is barred by a State statute of limitations is barred by this action, and it says so expressly. It goes back 10 years, but not for any action that has already been barred by a State statute. This imposes its own statute of limitations of 3 years, and I do not know of any State that has a shorter tort action than 3 years except for libel and slander. Those are the only.

So this does not do a thing different, and I am sure the State of New York's laws and the laws of Michigan, where we happen to have a 3-year tort and 6-year general statute, are no less fair.

Mr. ECKART. Let me reclaim my time to deal with the gentleman's first objection. In fact, I disagree with the gentleman. I think the provision of this section deals with the allowance of suit, not from the point of the time of the dumping, which of course is found in more of the less progressive States, but from the time of the discovery of the injury, or the time when the person was reasonably expected to have knowledge of the act.

Mr. SAWYER. That is true under almost every State tort law, if the gentleman would yield.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. ECKART] has expired.

(On request of Mr. SAWYER and by unanimous consent, Mr. ECKART was allowed to proceed for 2 additional minutes.)

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I yield to the gentleman.

Mr. SAWYER. I know of no State law that starts their statute running anything short of the time of knowledge that you are hurt. There may be some States, and I am sure there are, that I am not familiar with the details.

Mr. ECKART. The State of New York, if I may reclaim my time, begins from the point of exposure.

Mr. SAWYER. Also the statute here imposes the State statute of limitations for anything occurring up to this

point. Even if it were from the time of the act, as opposed to time of knowledge. I know Ohio and Michigan, and I know most of the surrounding States no tort action starts to run or any action until you had knowledge of it or should have had knowledge of it, and that is exactly what this act says.

Mr. ECKART. Well, I am proud that some States are ahead of the time, and I am dismayed that some States are behind times. I do not think there ought to be a Federal standard that takes into account the worst of these brethren and I would much rather hope that our Federal statute would take into account the best of our brethren.

Mr. SAWYER. Well, I just was going to say that we in our wisdom can look at these States and decide that they do not know what they are doing.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I yield to the gentleman.

Mr. KINDNESS. I thank the gentleman for yielding.

I wonder if he has checked on whether the law of the State of New York continues as it was at the time that the case referred to occured. I understand that it had changed, but I do not know that that is the case.

I would certainly point out that there have been changes in the laws of a number of States resulting from the experiences that have occurred in recent years. We do have that kind of evolution in State law, as the gentleman notes from his experience in the Ohio General Assembly, where, I am sure, he participated in the modernization of law from time to time.

Mr. ECKART. If I may reclaim my time, the cases which are referred to in New York are about a year old now, and there are efforts underway to make those changes. I would submit to my friend that it is a high price to pay.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. ECKART] has expired.

(By unanimous consent, Mr. ECKART was allowed to proceed for 1 additional minute.)

Mr. ECKART. I would submit to my friend from Ohio that it is a very expensive price to pay for those 50 families in New York to make the law progress. I am not prepared as a public policymaker to have those families and others similarly situated like them around the United States pay that high price for legal progress.

I would say we now have an opportunity to even out to the best of the legal opportunities that people have. This bill does not guarantee recovery; all it does is guarantee people an opportunity to plead their case in court, to present the facts to their peers under an opportunity that is currently denied to them in some States. I think that is the American way, and I think it makes a great deal of sense.

I yield to my friend from Ohio again [Mr. KINDNESS].

Mr. KINDNESS. I thank the gentleman for yielding.

The gentleman must realize that all that is happening in this bill is reaction to that same kind of case too. That is, good reactions can occur and modernization of the law can occur at the State level as well as at the Federal level, and that is my point. We do not know it all. We do not necessarily do it right every time. We have seen enough of that around here.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. ECKART] has again expired.

(On request of Mr. RITTER and by unanimous consent, Mr. ECKART was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I yield to the gentleman.

Mr. RITTER. I thank the gentleman for yielding.

I appreciate the gentleman's desire to see the process extended to the aggrieved parties, and not be denied at the State level. But the gentleman, in talking about the 50 families, has in a sense, before this body and before the people who are watching the proceedings here, has almost come to a judgment on these 50 families himself.

Now, what I have now uncovered is that these are the Love Canal families.

Mr. ECKART. That is correct.

Mr. RITTER. The gentleman is aware, I think, that the epidemiological studies that have transpired that related the Love Canal victims with control groups have not shown health effects out of line with the control groups.

Now, I know that making statements like that burst the bubble of emotionalism that surrounds some of this debate, but I think it is absolutely essential that maybe we should be aware that cancer rates are decreasing in the United States and not everything is surrounded by a soup of carcinogenic chemicals.

Mr. ECKART. Very simply put, I would like to give individuals who find themselves located in close proximity, through no fault of their own, to a hazardous waste site to be able to adjudicate those questions and get some finality, some answer about their future. If in fact, as I said, this bill does not guarantee successful conclusion of those lawsuits, but it gives folks who have some doubt about their livelihood, some doubt about their lives, an opportunity to adjudicate that. That is all I want.

I do not think I seek to claim more for this section than that which it offers, and that is an opportunity to settle facts in dispute.

Mr. McCOLLUM. Mr. Chairman, I move to strike the requisite number of words.

I think the gentleman from New Jersey early on made a critical point that needs to be discussed and thought about for a minute. In commenting on his opposition to this amendment, which I support, that the gentleman from Michigan offered, he made the point that:

"All we have done" is to take the legislative efforts at liability from title I of this bill dealing with enforcement on waste disposal sites, and move these same standards of strict liability over to the tort side setting up the right for individuals to recover for personal injury and property damages. I think that is too much. That is all that has been done, and all that has been done is too much.

When the bill did not come to the Judiciary Committee, we did not scrutinize those provisions, and as a consequence, what is good for the goose in this case is not good for the gander. The fact of the matter is that the strict liability and the various features that might be appropriate for making people pay up for their causing these dumps and sites to exist and keep the Federal Government from having to bear the burden of the cleanup, that type of enforcement liability and so on just is not suitable for tort law, at least not on the national level.

I would like to make a couple of quotes from people today who spoke earlier and one from an illustrious newspaper about this whole title. Title II, the tort liability, the new Federal cause of action for personal injury and property damage simply should be stricken from this bill. The chairman of my Administrative Law Subcommittee, the distinguished gentleman from Texas, made a statement earlier today on the floor in general debate, and I quote:

> The new Federal cause of action established by Title II of the bill provides that if a person released a hazardous substance at site, that person would be liable for harm resulting from any hazardous substance disposed of at that site. This means that causation is not a necessary prerequisite to liability. Each responsible party is potentially liable for all damages suffered by a plaintiff, regardless of whether his actions caused those damages. This contravenes one of the basic elements of fairness embedded in our system of justice that a person is only liable for the harm he has caused.

I would only add that that is so appropriately true in an area of personal injury, property damage, tort liability, and this section of the bill, this title of the bill, is simply missing the mark and doing irreparable harm to the system of justice in this regard.

□ 1840

And it is imposing a new Federal cause of action that we say is going to

clog up our Federal courts. If that source is not a reputable enough one for the analysis of this bill and the title for striking it and supporting the Sawyer amendment, one of the papers that is most critical in this area and most concerned about beefing up the Superfund, the Washington Post, had an editorial earlier this week from which I would like to quote very briefly. The Post said this:

Congress doesn't have to act on Superfund until the fall of next year. But it would like to assure voters before this fall's elections that hazardous-dump cleanups will not only continue, but expand in the future. That's understandable. But Congress, eager to appear attentive to people who claim their plight results from exposure to chemical wastes, is also considering adding victim compensation provisions to the law. That raises difficult questions of legal policy and social equity.

Well, that is exactly what we are doing here, not a victims' compensation fund but a Federal cause of action for personal injury and property damage that previously has not existed.

The editorial continues:

People who believe they have suffered from toxic wastes can, of course, sue for damages in state courts. But because toxic exposure may be only one of many factors contributing to an illness, claimants have found it difficult to win these cases and are pressing for a more responsive federal compensation system. Earlier this year a House subcommittee rejected a proposal setting up an administrative compensation system so generous that it might have ended up compensating almost everyone in the United States who contracts cancer.

Now—despite unanimous disapproval of a committee of well-known lawyers appointed to review compensation approaches—a House committee has approved, and a Senate committee is considering, letting people sue for exposure damages in federal court.

That is what is in this bill. That is title II.

The terms are not only more lenient than those prevailing in state courts, but also depart from carefully developed rules governing other federal court actions

And, I might add, also from carefully developed rules in the tort field that normally would apply.

The Washington Post goes on to say this:

A person claiming damages could, for example, choose to sue any company that had ever generated or transported waste dumped in a site, operated a site or owned land on which waste was dumped. Full damages—covering pain and suffering, legal fees and reduced property value because of a site's location—could be collected from any one defendant, even if that company had added only a small amount of waste to the site, had done so at the direction of local authorities or was in no way negligent. The losing company could then try to sue all other contributors to the dump if it could find them—and if it could afford it.

The CHAIRMAN pro tempore (Mr. BROWN of California). The time of the gentleman from Florida [Mr. MCCOLLUM] has expired.

(By unanimous consent, Mr. MCCOLLUM was allowed to proceed for 3 additional minutes.)

Mr. MCCOLLUM. Mr. Chairman, I ask the Members, what do you think that does to the small companies in America that might be caught on the limb of this? And there are a lot of small companies out there.

The Post editorial goes on to say this:

Provisions such as these fly in the face of what most people think is fair. They wouldn't even work well for victims. As in asbestos exposure cases, some victims would get bigger settlements than others with far more severe injuries. More than half of the benefits would go for legal costs. Promoting more lawsuits could also paralyze cleanup efforts, since companies would be even less willing to admit involvement and dumps might have to be left unchanged for evidence.

The Washington Post in this editorial concludes with these words:

Superfund was designed to make all generators of hazardous wastes contribute to cleanup efforts. Civil and criminal actions are also being pursued against especially egregious violators. And state courts are, with proper caution, developing principles to deal with toxic exposure cases. Superfund's purpose is to clean up dumps that are, even now, leaking toxic wastes into water supplies. Progress on that front has been far from spectacular. The Superfund legislation ought not to be diverted into the very separate question of dealing with environmental health damages, a subject that leads very quickly into the broader issue of how far this country wants to go in guaranteeing full health coverage and disability benefits to everyone.

Mr. Chairman, this was not some conservative newspaper down in my home district writing this editorial. This was the Washington Post, which has demonstrated time and time again that it is interested in the fate of humanity and the concerns of the individual and the downtrodden and the oppressed. And I agree with this editorial. The purpose of the Superfund is to clean up these waste sites. The purpose of this legislation is to get on with making sure that we do it quickly instead of the way we have been doing it.

But the purpose is not to provide an additional overlayer of relief for supposed personal injury losses by individuals who may have a claim for their damages from the toxic waste sites.

What the editorial headline's writer said is all too true in reference to title II of this bill that the amendment offered by the gentleman from Michigan would strike. It says it all too well. It says: "Superfund For Lawyers."

And it is this portion of the bill, title II, that we are debating now that would do that.

Mr. Chairman, I urge the Members to vote in favor of the amendment offered by the gentleman from Michigan [Mr. SAWYER] and strike title II and end it all. We have State laws to deal with this. We ought to get on with what this bill is really about or should be about, and that is cleaning up toxic waste sites so we do not have the problems for the future. That is the Federal role, it is a Federal responsibility, and title II of the bill is not.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan [Mr. SAWYER].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. FLORIO. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Evidently a quorum is not present.

Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 362]

ANSWERED "PRESENT"—405

Ackerman	Carper	Dwyer
Addabbo	Carr	Dymally
Akaka	Chandler	Dyson
Albosta	Chappell	Early
Alexander	Chappie	Eckart
Anderson	Cheney	Edgar
Andrews (TX)	Clay	Edwards (AL)
Annunzio	Clinger	Edwards (CA)
Applegate	Coats	Edwards (OK)
Aspin	Coelho	Emerson
AuCoin	Coleman (MO)	English
Badham	Coleman (TX)	Erdreich
Barnard	Collins	Erlenborn
Barnes	Conable	Evans (IA)
Bartlett	Conte	Evans (IL)
Bates	Conyers	Fascell
Bedell	Cooper	Fazio
Beilenson	Corcoran	Feighan
Bennett	Coughlin	Ferraro
Bereuter	Courter	Fiedler
Berman	Coyne	Fields
Bevill	Craig	Fish
Biaggi	Crane, Daniel	Flippo
Bilirakis	Crane, Philip	Florio
Bliley	Crockett	Foglietta
Boehlert	D'Amours	Foley
Boggs	Daniel	Ford (MI)
Boland	Dannemeyer	Ford (TN)
Boner	Darden	Fowler
Bonker	Daschle	Frank
Borski	Daub	Franklin
Bosco	Davis	Frenzel
Boucher	de la Garza	Fuqua
Boxer	Dellums	Garcia
Breaux	Derrick	Gaydos
Britt	DeWine	Gejdenson
Brooks	Dickinson	Gekas
Broomfield	Dicks	Gephardt
Brown (CA)	Dingell	Gibbons
Brown (CO)	Dixon	Gilman
Broyhill	Donnelly	Gingrich
Bryant	Dorgan	Glickman
Burton (CA)	Dowdy	Gonzalez
Burton (IN)	Downey	Goodling
Byron	Dreier	Gore
Campbell	Duncan	Gradison
Carney	Durbin	Gramm

Gray	Martinez	Russo
Green	Matsui	Sabo
Gregg	Mavroules	Savage
Guarini	Mazzoli	Sawyer
Gunderson	McCain	Schaefer
Hall (IN)	McCandless	Schneider
Hall (OH)	McCloskey	Schroeder
Hall, Ralph	McCollum	Schulze
Hamilton	McCurdy	Seiberling
Hammerschmidt	McDade	Sensenbrenner
Hance	McGrath	Shannon
Hansen (ID)	McHugh	Sharp
Hansen (UT)	McKernan	Shaw
Harkin	McKinney	Shumway
Hartnett	McNulty	Shuster
Hawkins	Mica	Sikorski
Hayes	Michel	Siljander
Hefner	Mikulski	Sisisky
Heftel	Miller (CA)	Skeen
Hertel	Miller (OH)	Skelton
Hightower	Mineta	Slattery
Hiler	Minish	Smith (FL)
Hillis	Mitchell	Smith (IA)
Holt	Moakley	Smith (NE)
Hopkins	Molinari	Smith (NJ)
Horton	Mollohan	Smith, Denny
Howard	Montgomery	Smith, Robert
Hubbard	Moody	Snowe
Huckaby	Moore	Snyder
Hughes	Moorhead	Solarz
Hunter	Morrison (CT)	Solomon
Hutto	Morrison (WA)	Spence
Hyde	Mrazek	Spratt
Ireland	Murphy	St Germain
Jacobs	Murtha	Staggers
Jeffords	Myers	Stark
Jenkins	Natcher	Stenholm
Johnson	Neal	Stokes
Jones (NC)	Nelson	Stratton
Jones (OK)	Nichols	Studds
Jones (TN)	Nielson	Stump
Kaptur	Nowak	Sundquist
Kasich	O'Brien	Swift
Kastenmeier	Oakar	Synar
Kazen	Oberstar	Tallon
Kemp	Obey	Tauke
Kennelly	Ortiz	Tauzin
Kildee	Ottinger	Taylor
Kindness	Owens	Thomas (GA)
Kleczka	Oxley	Torres
Kogovsek	Packard	Torricelli
Kolter	Panetta	Towns
Kostmayer	Parris	Traxler
Kramer	Pashayan	Udall
LaFalce	Patman	Valentine
Lagomarsino	Patterson	Vander Jagt
Lantos	Paul	Vandergriff
Latta	Pease	Vento
Leach	Penny	Volkmer
Leath	Pepper	Vucanovich
Lehman (CA)	Petri	Walgren
Lehman (FL)	Pickle	Walker
Leland	Porter	Watkins
Lent	Price	Waxman
Levin	Quillen	Weaver
Levine	Rahall	Weber
Levitas	Rangel	Weiss
Lewis (CA)	Ratchford	Wheat
Lewis (FL)	Ray	Whitehurst
Lipinski	Regula	Whitley
Livingston	Reid	Whittaker
Lloyd	Richardson	Whitten
Loeffler	Ridge	Williams (MT)
Long (LA)	Rinaldo	Wilson
Lott	Ritter	Winn
Lowery (CA)	Roberts	Wirth
Lowry (WA)	Robinson	Wise
Lujan	Rodino	Wolf
Luken	Roe	Wolpe
Lundine	Roemer	Wortley
Lungren	Rogers	Wright
Mack	Rose	Wyden
MacKay	Rostenkowski	Wylie
Madigan	Roth	Yates
Markey	Roukema	Yatron
Marlenee	Rowland	Young (AK)
Martin (IL)	Roybal	Young (FL)
Martin (NY)	Rudd	Zschau

□ 1900

The CHAIRMAN pro tempore. Four hundred and five Members have answered to their names, a quorum is present, and the Committee will resume its business.

The CHAIRMAN pro tempore. The gentleman from Michigan [Mr. SAWYER] has requested a recorded vote, and the Chair will protect the gentleman's interests.

LEGISLATIVE PROGRAM

(By unanimous consent, Mr. WRIGHT was allowed to speak out of order.)

Mr. WRIGHT. Mr. Chairman, I ask unanimous consent to speak out of order in order that I may announce the program.

The CHAIRMAN. Without objection.

Mr. WRIGHT. Immediately following the pending vote on the amendment now pending, a motion will be made that the Committee do then rise.

□ 1910

We will adjourn until tomorrow at 10 o'clock.

Tomorrow, pending business will be the bill we have been voting on today. We will try to conclude that bill. If necessary, we will go to the drug bill, pending receipt of a report from the conference committee on the supplemental appropriation.

Members should be advised that it is possible that we will have a late session tomorrow.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Michigan [Mr. SAWYER] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. The Chair will remind the Members that this is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 208, noes 200, not voting 24, as follows:

[Roll No. 363]

AYES—208

Andrews (NC)	Craig	Gramm
Andrews (TX)	Crane, Daniel	Gunderson
Applegate	Crane, Philip	Hammerschmidt
Archer	Daniel	Hansen (UT)
Badham	Dannemeyer	Hartnett
Bartlett	Daschle	Hefner
Beilenson	Daub	Heftel
Bennett	Derrick	Hightower
Bereuter	DeWine	Hiler
Bevill	Dickinson	Hillis
Bilirakis	Dreier	Holt
Bliley	Duncan	Hopkins
Bosco	Dyson	Hubbard
Breaux	Edwards (AL)	Huckaby
Britt	Edwards (OK)	Hughes
Brooks	Emerson	Hunter
Broomfield	English	Hutto
Brown (CO)	Erdreich	Hyde
Broyhill	Erlenborn	Ireland
Burton (IN)	Evans (IA)	Jenkins
Byron	Fiedler	Johnson
Campbell	Fields	Jones (NC)
Carney	Fish	Jones (OK)
Chandler	Flippo	Kasich
Chappell	Foley	Kazen
Chappie	Franklin	Kemp
Cheney	Frenzel	Kennelly
Clinger	Fuqua	Kindness
Coats	Gekas	Kleczka
Coleman (MO)	Gingrich	Kramer
Conable	Glickman	Lagomarsino
Corcoran	Goodling	Latta
Courter	Gradison	Leach
Leath	Nielson	Smith (NE)
Lewis (CA)	O'Brien	Smith, Denny
Lewis (FL)	Oxley	Smith, Robert
Livingston	Packard	Snyder
Lloyd	Panetta	Solomon
Loeffler	Parris	Spence
Long (LA)	Pashayan	Spratt
Lott	Patman	Stangeland
Lowery (CA)	Paul	Stenholm
Lujan	Pease	Stratton
Luken	Petri	Stump
Lungren	Pickle	Sundquist
Mack	Porter	Synar
Marlenee	Quillen	Tallon
Martin (IL)	Ray	Tauke
Martin (NY)	Regula	Tauzin
Mazzoli	Ridge	Taylor
McCain	Roberts	Valentine
McCandless	Robinson	Vander Jagt
McCollum	Roe	Vandergriff
McCurdy	Roemer	Vucanovich
McNulty	Rogers	Walker
Mica	Rose	Watkins
Michel	Roth	Whitehurst
Miller (OH)	Roukema	Whitley
Mollohan	Rudd	Whittaker
Montgomery	Sawyer	Whitten
Moore	Schaefer	Wilson
Moorhead	Schulze	Winn
Morrison (CT)	Sensenbrenner	Wolf
Morrison (WA)	Shaw	Wortley
Murphy	Shumway	Wylie
Murtha	Shuster	Young (AK)
Myers	Siljander	Young (FL)
Natcher	Sisisky	Zschau
Nelson	Skeen	
Nichols	Slattery	

NOES—200

Ackerman	Evans (IL)	Lundine
Addabbo	Fascell	MacKay
Akaka	Fazio	Madigan
Albosta	Feighan	Markey
Alexander	Ferraro	Martinez
Anderson	Florio	Matsui
Annunzio	Foglietta	Mavroules
Aspin	Ford (MI)	McCloskey
AuCoin	Ford (TN)	McDade
Barnard	Fowler	McGrath
Barnes	Frank	McHugh
Bates	Frost	McKernan
Bedell	Garcia	McKinney
Berman	Gaydos	Mikulski
Biaggi	Gejdenson	Miller (CA)
Boehlert	Gephardt	Mineta
Boggs	Gibbons	Minish
Boland	Gilman	Mitchell
Boner	Gonzalez	Moakley
Bonker	Gore	Molinari
Borski	Gray	Moody
Boucher	Green	Mrazek
Boxer	Gregg	Neal
Brown (CA)	Guarini	Nowak
Bryant	Hall (IN)	Oakar
Carper	Hall (OH)	Oberstar
Carr	Hall, Ralph	Obey
Clay	Hamilton	Ortiz
Coelho	Hance	Ottinger
Coleman (TX)	Harkin	Owens
Collins	Hawkins	Patterson
Conte	Hayes	Penny
Conyers	Hertel	Pepper
Cooper	Horton	Price
Coughlin	Howard	Rangel
Coyne	Jacobs	Ratchford
Crockett	Jeffords	Reid
D'Amours	Jones (TN)	Richardson
Darden	Kaptur	Rinaldo
Davis	Kastenmeier	Ritter
de la Garza	Kildee	Rodino
Dellums	Kogovsek	Rostenkowski
Dicks	Kolter	Rowland
Dingell	Kostmayer	Roybal
Dixon	LaFalce	Russo
Donnelly	Lantos	Sabo
Dorgan	Lehman (CA)	Savage
Dowdy	Lehman (FL)	Scheuer
Downey	Leland	Schneider
Durbin	Lent	Schroeder
Dwyer	Levin	Seiberling
Dymally	Levine	Shannon
Early	Levitas	Sharp
Eckart	Lipinski	Sikorski
Edgar	Long (MD)	Skelton
Edwards (CA)	Lowry (WA)	Smith (FL)

Smith (IA)	Torres	Weiss
Smith (NJ)	Torricelli	Wheat
Snowe	Towns	Williams (MT)
Solarz	Traxler	Wirth
St Germain	Udall	Wise
Staggers	Vento	Wolpe
Stark	Volkmer	Wright
Stokes	Walgren	Wyden
Studds	Waxman	Yates
Swift	Weaver	Yatron
Thomas (GA)	Weber	

NOT VOTING—24

Anthony	Harrison	Pursell
Bateman	Hatcher	Rahall
Bethune	Hoyer	Schumer
Bonior	Marriott	Shelby
Burton (CA)	Martin (NC)	Simon
Clarke	McEwen	Thomas (CA)
Hall, Sam	Olin	Williams (OH)
Hansen (ID)	Pritchard	Young (MO)

The Clerk announced the following pair:

On this vote:

Mr. McEwen for, with Mr. Young of Missouri against.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. FLORIO. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr MINISH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5640) to amend the Comprehensive Environmental Response, Compensation, and Liability Act 1980, had come to no resolution there.

DEWEY J. SHORT TABLE ROCK LAKE VISITORS CENTER

Mr. EDGAR. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 6000) to designate the Table Rock Lake Visitors Center building in the vicinity of Branson, MO, as the "Dewey J. Short Table Rock Lake Visitors Center",

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

H.R. 6000

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Table Rock Lake Vistors Center building located in the vicinity of Branson, Missouri, shall hereafter be known and designated as the "Dewey J. Short Table Rock Lake Visitors Center". Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the "Dewey J. Short Table Rock Lake Visitors Center".

SEC. 2. The Secretary of the Army, acting through the Chief of Engineers, shall erect a plaque in a suitable location designating the building referred to in the first section of this Act as the "Dewey J. Short Table Rock Lake Visitors Center".

● Mr. ROE. Mr. Speaker, H.R. 6000 names the Table Rock Lake Visitors Center building in the vicinity of Branson, MO, after our friend and former colleague Dewey J. Short. Prior to his election to the 71st Congress in 1928, Congressman Short served as a church pastor and as a professor of ethics, psychology, and political philosophy. During his 12 terms here he continued his abiding interest in the advance of humanity, serving as a delegate to the inter-parliamentary union at Olso, Norway, in 1939 and at Cairo, Egypt, in 1947; as a congressional delegate to inspect atrocity camps in Germany in 1945; and as an alternate delegate to the signing of the United States-Japanese Security Pact in 1951. Following his congressional service he served as Assistant Secretary of the Army from 1957 to 1961.

During his years in Congress, Congressman Short was extremely influential in promoting the authorization of the Table Rock Lake project and in securing the appropriation of the funds necessary for its construction. Today Table Rock Lake is the eighth most visited of the 465 such impoundments administered by the Corps of Engineers. It provides recreational benefits to more than 6.5 million visitors annually from all over the Nation and provide regional economic benefits to southwestern Missouri and northwestern Arkansas.

Dewey Short died on November 19, 1979. In view of his efforts to make the Table Rock Lake project a reality, and in view of his long-time service to his district and to his Nation, it is fitting that this visitors center be named in his memory.●

Mr. TAYLOR. Mr. Speaker, today, we have the opportunity to recognize a former Member of this body—my mentor and friend, the Honorable Dewey J. Short of Missouri.

This small recognition of Dewey's more than 20 years of service to his district, State, and Nation, to name the visitors' center at Table Rock Dam and Reservoir, is much deserved for it was the late Congressman who was the prime moving force behind the legislation to create Table Rock Lake which has meant so much to the people and the economy of southwest Missouri and northern Arkansas.

Dewey Short, often referred to in this body as the "Ozarks Orator" is responsible for the more than 6.5 million people who visit Table Rock Lake each year. It recently celebrated its 25th anniversary and is within a few million dollars of repaying the Government's original investment.

I urge your favorable vote on this bill. It will be a most fitting tribute to one of this body's most distinguished Members.

● Mr. HOWARD. Mr. Speaker, the purpose of H.R. 6000 is to designate the Table Rock Lake Visitors Center building in the vicinity of Branson, MO, as the "Dewey J. Short Table Rock Lake Visitors Center."

The Table Rock Dam is located on the White River in southwestern Missouri about 8 miles upstream and southwest of Branson, MO. Table Rock Lake extends about 79 miles upstream along the White River and inundated areas in both Missouri and Arkansas. The project was authorized by the Flood Control Act of 1941 for flood control, generation of hydroelectric power, and other beneficial water uses. Construction of the project began in October 1952 and was essentially complete in May 1959. The visitors center building is located at the south end of the dam.

Dewey Jackson Short was born in Galena, MO, and grew up there. He was graduated from Baker University and Boston University, he studied at Harvard University, Heidelberg University, the University of Berlin, and Oxford University, and he served as professor of ethics, psychology, and political philosophy at Southwestern College. After brief service as pastor of the Grace Methodist Episcopal Church in Springfield, MO, he was elected to the 71st Congress in 1928, but was defeated for reelection in 1930 and returned to his private professional pursuits. In 1934 he was reelected to Congress; he was reelected to the 10 succeeding Congresses; and he received 108 votes for the Vice Presidential nomination at the Republican National Convention in 1940. Congressman Short served as a delegate to the Inter-Parliamentary Union at Oslo, Norway, in 1939 and at Cairo, Egypt, in 1947, was a congressional delegate to inspect atrocity camps in Germany in 1945, and was an alternate delegate to the signing of the United States-Japanese Security Pact in 1951. Following his congressional service he served as Assistant Secretary of the Army from 1957 to 1961.

During his years in Congress, Congressman Short was extremely influential in promoting the authorization of the Table Rock Lake project and in securing the appropriation of the $65.5 million necessary for its construction.

Dewey Short died on November 19, 1979. In view of his efforts to make the Table Rock Lake project a reality, and in view of his distinguished service to the Nation, it is both fitting and appropriate that this visitors center be named in his memory.●

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDGAR. Mr Speaker, I ask unanimous consent that all Members

may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AUTHORIZING CHANGES IN ENROLLMENT OF HOUSE JOINT RESOLUTION 600

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 349) authorizing changes in the enrollment of House Joint Resolution 600.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 349

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the joint resolution (H.J. Res. 600) to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies programs, and practices of the United States, the Clerk of the House of Representatives shall make a correction in section 1220(7) by inserting "and food" after "foreign economic development".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO HAVE UNTIL 5 P.M., TUESDAY, SEPTEMBER 4, 1984, TO FILE REPORT ON H.R. 3194, HISTORIC SHIPWRECK PRESERVATION ACT

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until 5 p.m., Tuesday, September 4, 1984, to file a report on the bill, H.R. 3194, the Historic Shipwreck Preservation Act.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. PARRIS. Mr. Speaker, reserving the right to object, I wonder if the gentleman can tell us whether this has been cleared on the minority side.

Mr. SEIBERLING. If the gentleman will yield, Mr. Speaker, the bill has already passed both the Merchant Marine Committee and the Interior Committee, with no dissenting votes; so I am pretty sure that it is acceptable.

Mr. PARRIS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

REQUEST FOR PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL 5 P.M., AUGUST 31, 1984, TO FILE SUNDRY REPORTS

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until 5 p.m., on August 31, 1984, to file committee reports on the following bills: H.R. 5938, Record Rental Amendment of 1984: H.R. 5644, Supreme Court Mandatory Appellate Jurisdiction Reform Act of 1984; H.R. 5479, a bill to amend the Equal Access to Justice Act relating to attorneys' fees awards against the United States; and H.R. 5645, Federal Court Civil Priorities Act.

The purpose of the request, Mr. Speaker, is to allow for the filing and printing of these reports during the convention recess period. The minority has been consulted and has no objection.

The SPEAKER pro tempore (Mr. ROWLAND). Is there objection to the request of the gentleman from Wisconsin?

Mr. LOTT. Mr. Speaker, at this point I must object.

The SPEAKER pro tempore. Objection is heard.

□ 1920

THE EPA MUST EXERCISE CARE WHEN DUMPING INTO AMERICA'S WATERWAYS

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. KLECZKA. Mr. Speaker, Tuesday's Washington Post contained an article regarding the EPA approval of emergency dumping of toxic pesticides into the Gulf of Mexico. According to the article, the pesticide was not properly treated by its Brazilian manufacturer. As a result, there was an explosion which killed one dockworker and injured eight others in Texas.

I am shocked that such potentially harmful imported chemicals were not thoroughly inspected before they entered the United States. Further, I am deeply disturbed that highly toxic chemicals are being dumped into U.S. coastal waters.

It is the job of the Environmental Protection Agency to protect our environment, and the EPA does not appear to be doing its job right in the Gulf of Mexico. Now that the damage has been done, I strongly urge EPA Administrator Ruckelshaus to closely monitor the effects of this dumping and work with the Congress to help minimize the harm. There already is enough illegal dumping in our Nation's waterways without the EPA sanctioning dumping in the Gulf of Mexico.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, August 9, 1984.

Hon. WILLIAM D. RUCKELSHAUS,
Administrator, Environmental Protection Agency, Washington, DC.

DEAR MR. RUCKELSHAUS: I read with great concern the enclosed August 7, 1984, Washington Post article regarding the approval of an emergency dumping permit by the EPA to release roughly ten tons of toxic pesticide into the Gulf of Mexico. According to the article, the pesticide, aluminum phosphide, was not properly treated by its Brazilian manufacturer resulting in an explosion which killed one dockworker and injured eight others in Galveston, Texas.

First, I am shocked that such potentially hazardous imported chemicals are not subject to thorough inspection before they enter the United States and are handled by American workers. Second, I am deeply disturbed that this highly toxic substance was dumped into U.S. coastal waters. If the pesticide was defective, it should have been returned to the manufacturer in Brazil. Apparently, we have yet to learn that we should not use our precious water resource as a dumping ground. Indeed, the dumping of ten tons of aluminum phosphide could cause serious environmental harm as opposed to the "minimal" damage expected by the EPA.

While the noxious gas that will form when the aluminum phosphide is dumped into the Gulf should dissipate harmlessly, the solid by-product, aluminum hydroxide, could pose a serious threat to marine life. Furthermore, it is highly likely that many of the aluminum phosphide pellets will not dissolve when dumped into the Gulf and will remain a threat to large marine animals for years to come.

Now that the pesticide has been released into the Gulf, I would urge you to closely monitor the effects of the dumping and to take any appropriate action to minimize the damage. In addition, I would greatly appreciate knowing the procedures that were followed in granting the emergency dumping permit. Specifically, was Congress properly notified and was every available alternative to the dumping carefully considered.

I would greatly appreciate being kept informed regarding your monitoring efforts. I look forward to your response.

Sincerely,

GERALD D. KLECZKA,
Member of Congress.

[From the Washington Post, Aug. 7, 1984]

U.S. ORDERS TOXIC PESTICIDE DUMPED IN GULF OF MEXICO

(By Cass Peterson)

More than 10 tons of a toxic pesticide are being dumped into the Gulf of Mexico on orders of the federal officials who fear that the chemical was manufactured improperly and could explode.

The Environmental Protection Agency granted an emergency ocean-dumping permit Friday, authorizing the Coast Guard to dispose of more than 7,000 canisters of volatile aluminum phosphide about 110 miles south of Galveston.

Part of the shipment exploded July 27, apparently when a shipping container was punctured by a frontloader. One dockworker was killed with eight others injured.

The rest of the load was moved to an isolated area at the Port of Houston, but federal officials became alarmed last week when it appeard that some of the metal canisters were heating up.

Aluminum phosphide is a grain fumigant that has become more widely used since the EPA earlier this year banned ethylene dibromide (EDB) for use on stored grains. Aluminum phosphide is used in pellet form, which reacts with oxygen to form deadly phosphine gas.

EPA officials said yesterday that they expect only "minimal" environmental damage from the dumping because the chemical breaks down rapidly into phosphoric acid.

Roger Meachum, an EPA spokesman in Dallas, said the agency suspected that some of the pellets were not sufficiently coated with paraffin to prevent premature contact with the air.

The aluminum phosphide was manufactured in Brazil and destined for a U.S. distributor. While imported pesticides must adhere to the same safety requirements as U.S.-manufactured chemicals, EPA officials said yesterday that the shipments are subject to few inspections. "We'll do some kind of followup to see what went awry," Meachum said. "We don't have enough information now to know what happened."

Coast Guard officials said they sought the dumping permit after a major hazardous-waste incinerator declined to accept the material and Texas officials vetoed the idea of transporting it across the state to a landfill.

"The ocean was the safest and only option we had," Coast Guard Lt. Kathleen Donohue said. "We couldn't find anyone else to take this stuff off our hands."

SKELTON SPEAKS ON FARM ECONOMY

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, there has been much debate in recent days about the surge of activity in the stock market and what this means, or doesn't mean, about the state of the U.S. economy. I don't want to offer any new theories on that subject. What I do want to point out is that, no matter what happens on Wall Street, American agriculture remains in serious economic trouble.

To put it bluntly, Mr. Speaker, economic recovery has bypassed rural America. Low farm prices, burdensome surpluses, high interest rates, the decline in agricultural exports, and a credit crunch fueled by the decline in farmland values have all combined to bring about the worst farm economy in nearly 50 years. Unless this situation is reversed, it may well mean the end of the owner-operated family farm which has been the foundation of American agriculture since the beginning of our Nation. Moreover, if these farms fail, so too will our rural small businesses, our small town banks, even the towns themselves.

On Monday, this House approved legislation establishing a commission to study export and trade problems facing agriculture and to recommend further steps which might be taken to improve export programs. This legislation could be a significant and helpful step in increasing our exports. Certainly, we would welcome any recommendations the commission might have to improve existing programs. As many in this House know, I have long advocated increased U.S. agricultural exports. But let's not kid ourselves, Mr. Speaker, this legislation is not a cure all. The problems in our agricultural economy cannot be solved by this commission, or by focusing only on exports and trade policy.

Mr. Speaker, we must have a comprehensive, sound farm program when we enact the 1985 farm bill next year. We must take steps to bring down the enormous budget deficits that are forcing interest rates up. Now is not too early to start debating these issues and to start developing a consensus on farm programs and on other issues that impact the farm economy. All those in farming, in agribusiness, and those whose livelihood depends on agriculture must put aside their differences and work together toward this goal.

Most of all, however, Mr. Speaker, I want to urge our colleagues from urban and suburban districts to encourage their constituents to get involved in this debate and to join us in solving these problems. Those who live in our cities and suburbs must understand the vital stake that they have in a healthy agricultural economy. Although the number of people directly involved in farming is small, agriculture is nevertheless our Nation's biggest industry and employer. One out of every five jobs in the private sector is related to the production, processing, or transportation of agricultural products. A revitalized agricultural economy, with increased farm exports, would create even more jobs. By one estimate, every $1 billion in additional agricultural exports supports an estimated 30,000 jobs in the domestic economy.

Our whole economy is dependent upon a financially sound agriculture. It is the base—the foundation—for all else. To write off the agricultural economy would be a serious mistake. Without a healthy agricultural economy, our Nation cannot have a substantial, long-term economic recovery.

BUDGET LEGISLATION

(Mr. RAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAY. Mr. Speaker, a headline in the August 1 Washingtoln Post, was entitled, "Congress, an Eye on Election, Offers Goodies," reminded me that not much progress is being made in reducing wasteful spending practices which are mortgaging the futures of our children and grandchildren.

Most of what I say on the floor today will be critical of the way in which we administer the congressional budget process. But I want to be clear on the point that there is more than enough blame to go around.

President Reagan ran on a promise to balance the budget, and he has yet to submit even one balanced budget to the Congress. We are facing the largest budget deficits in our history, and we need more of the kind of leadership that we have been promised.

But today, Mr. Speaker, I want to address my remarks to the Congress.

We all took considerable pride in the passage of the Deficit Reduction Act, which was designed to cut deficit spending by $63 billion over the next 3 years—1985, 1986, and 1987.

Although this move was too shallow, it did send good faith signals that the Government was getting the message that the people were fed up with fiscal irresponsibility.

Now, even this modest move is threatened by election year antics from both parties.

The monetary system of our Government is the best in the world, but it was designed on the principle that each individual, family, business, city, county, and the Nation as a whole would periodically pay up their debts and obligations.

Failure to do so results in severe penalties.

Individuals and businesses are foreclosed or forced into bankruptcy, lose their credit, their property, and their good name.

But the Federal Government, operating as if it has a giant VISA card with no limit, Has violated the basic principle that we are supposed to enforce. For 50 out of the last 60 years we have paid up our annual debts only 10 times.

This has driven our national debt up to the almost incomprehensible figure of $1,600,000,000,000 and it is growing. This debt creates an interest bill which consumes 13 cents out every tax dollar that is collected in 1984. This Computes to more than $103 billion annually, and amounts to an unwavering entitlement program.

We are now faced with rising interest costs which could drive this entitlement up as much as an additional $25 billion by fiscal year 1985 and $35 billion by fiscal year 1986.

The increase in interest costs alone could equal the total combined cost of Federal payments to the elderly, including aid to families with dependent

children, along with all housing assistance programs.

Mr. Speaker, when I ran for Congress in 1982, I was elected on a pledge to work and vote, in a bipartisan way, if necessary, against this type of fiscal irresponsibility.

I ran against the idea that our Government has a philosophy which in effect sends a message around the world that the American Government believes that it's all right to live beyond its income, which it has done for 50 years.

This same philosophy has carried such other countries as Mexico, Brazil, Argentina, Italy, and others into a condition of severe monetary crisis.

It is a philosophy which will almost certainly destroy America, if we—right here in this body—do not come to our senses and exert a little creative and courageous leadership.

Mr. Speaker, my pledge as one individual among 435 of my colleagues, is to do my best, to make a dent in this problem.

Step by step and day by day, we have the ability to reserve this trend, and I urge each of us to focus on this problem, and actively begin working on a realistic solution.

Let me now explain what I believe to be a major problem which is contributing to our country's dilemma, and a step which I believe we should take to correct this problem.

Our budgetary process is supposed to work in the following manner.

The Budget Committees in both the House and Senate recommend a total spending ceiling to those bodies.

When the conference committee finally agrees on the total ceiling, that figure is referred to as the section 302(a) ceiling.

This total figure is then referred to the Appropriations Committee. The chairman of that committee, after consultation with the 13 subcommittees, divides the section 302(a) spending ceiling to each of the subcommittees. These ceilings are referred to as section 302(b) ceilings.

If everything fell in place at this point, there would be no problem.

The Congress could proceed with spending the peoples money under a clearly understood set of guidelines and proceedings.

What we need, here in the Congress, is a procedure which makes it hard to breach the budget, rather than the one we have now which makes it easy.

As I mentioned earlier, there are two kinds of budget ceilings—the section 302(a) ceiling which deals with the total amount that Congress can spend during a fiscal year; and the section 302(b) ceilings which apply to each of the 13 subcommittees of the Appropriations Committee.

Under present procedure, we can not protest or we can't even raise a point of order against a bill which breaches the ceiling set for the subcommittee that reported it. I think we should be able to force a vote on whether to allow that breach.

I am going to introduce legislation which will amend our procedures to give us the right to raise a point of order against any spending bill which breaches the subcommittee ceiling which has been set for it. For instance if the total appropriations budget was $1 trillion, and several of the appropriations subcommittees such as Defense, Public Works, and so forth. Exceeded their designated budgets, no one in Congress could raise a point of order against them.

The Appropriations Committee can simply ignore the fact that the breach has occured and bring the bill to the floor for passage.

Also, I think the Appropriations Committee should be required to publish the guidelines they have set for each of their subcommittees, before they bring any spending bills to the floor. If the Budget Committee has not given them an overall spending ceiling for the current fiscal year, then the Appropriations Committee should be required to publish guidelines based on the most recently adopted congressional legislation.

I plan shortly to introduce a measure which would accomplish these goals. I think this measure will put a lot more accountability in the congressional budget process, and will allow the American people to make some informed judgments as to how we are managing to spend ourselves into this horrible hole. I hope that my colleagues will support me.

□ 1020

RESTORING INTEGRITY TO SOCIAL SECURITY COST OF LIVING ADJUSTMENT

(Mr. TRAXLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAXLER. Mr. Speaker, today I am introducing a bill which would restore integrity to the Social Security cost-of-living adjustment.

Mr. Speaker, in his press conference of July 24, President Reagan spoke of an emergency cost-of-living adjustment for Social Security beneficiaries if the Consumer Price Index falls below the 3-percent trigger set by law.

The President's 1983 delay in the cost-of-living adjustment, which I voted against, is responsible for a possible loss of a COLA in January. This is truly an emergency for the Social Security recipients in my district, who have told me how hard it is to make ends meet as a result of the delay. For these people, it was not a delay, but a cut.

The 1983 Social Security amendments contained a delay of the COLA until January 1985. If the COLA had been computed on the same basis as it was prior to 1983, the COLA would have been closer to the 4-percent range.

My bill would:

First, provide for a 4.3-pecent cost-of-living adjustment;

Second, pay the cost-of-living adjustment in October 1984 instead of January 1985 and eliminate the 3-percent trigger; and

Third, set the cost-of-living adjustment using a Consumer Price Index that truly reflects prices paid for essential services like food and heat.

The Senate's action of July 26 attempted to respond to the problem, but it failed to recognize the hardship that has already been caused by the delay of the COLA as contained in the 1983 Social Security amendments. The Senate measure would have meant a COLA of 3 percent in January. My bill would move the COLA up to October, thus allowing beneficiaries to recapture some of the loss that took place by delaying the COLA from July until January.

When the 3-percent COLA became law 12 years ago, there was only one way to measure the Consumer Price Index—the Consumer Price Index for wage earners. In 1978, recognizing that this figure did not accurately represent the cost of living paid by the public at large, the Bureau of Labor Statistics began using a different figure, the Consumer Price Index for all urban consumers.

The shift, however, was limited to statistical reporting and was not extended to cover the Social Security COLA.

Social Security recipients are not wage earners; they are consumers living on a fixed income. I believe that it is only fair that this be reflected in their cost-of-living adjustment.

The use of the Consumer Price Index for all wage earners, as cited by President Reagan could yield a 2.9-percentage-point change. The Consumer Price Index, as used by my bill, would certainly yield over 4 percent.

My bill would calculate the October COLA payment on the basis of change in the Consumer Price Index for all urban consumers between the second quarters of 1983 and 1984 and yield a 4.3-percent COLA in October.

Besides returning Social Security funds to those who have paid into the system, my bill would provide the average married couple on Social Security with an additional $30 per month and $18 per month more for a single individual.

By contrast, the Senate measure, with a 3-percent COLA would mean only $21 more per month for a couple and $12 for the average single individual.

My bill would yield a COLA that will be between 33 and 50 percent greater

than that provided by the legislative action of recent weeks.

Social Security has been under assault for the past 3 years:

First it was the assault on the minimum benefit;

Then the 1983 amendments delayed the COLA, raised the retirement age, lowered the benefit for early retirees and make Social Security taxable for some income groups.

Now President Reagan wants the public to believe that he is saving the COLA—after he led the assault. It is now time to act on behalf of beneficiaries, and not the teleprompter.

The million of Americans who rely on Social Security for their livelihood know that this was not a delay, but a cut. Fairness must be restored and my bill will be a first step.

ABC COVERAGE OF THE OLYMPICS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RICHARDSON. Mr. Speaker, I am here to commend ABC for their excellent coverage of the Olympic games. The Olympic games this 2 weeks has been characterized by some of the most memorable and outstanding television reporting in our history. ABC announcers have been substantive in their comments and observations. ABC production and visuals of the events have been spectacular. In short, ABC's overall performance has been excellent. The American public and billions around the world who watched the Olympics should be grateful and recognize a job well done.

Some of ABC commentators have been criticized for being a bit jingoistic and visibly proud of the performance of American athletes. I would say that because of American and the city of Los Angeles contribution to the Olympics, I think it is great for all Americans to be a little jingoistic and proud of what our athletes have accomplished. And to our ABC announcers who may be a bit biased—I say right on.

Mr. Speaker, I attach this letter from Max Sklower, general manager of New Mexico's ABC affiliate regarding the coverage of the games. I share his sentiments, and I commend his letter to my colleagues:

KOAT-TV,
Albuquerque, NM, August 2, 1984.

Mr. JAMES DUFFY,
Senior Vice President, ABC Broadcast Group, American Broadcasting Co., New York, NY.

DEAR JIM: I was going to write this letter or send a telegram earlier this week. However, my thoughts, late or early, will suffice, and I am sure, are echoed by most of the other affiliates and reecho what I wrote you about your Winter Olympic coverage.

I have watched the Olympics every night since Saturday and much of the weekend daytime, and some of the weekday daytime.

Regardless of the ratings, I had intended to say that ABC has produced some of the most memorable television, in my opinion, that has ever been laid before the viewing public.

It is too bad the newpaper writers and general public do not understand the immensity of the task you have undertaken out there. It all looks so easy on the screen, and it goes so smoothly, that, unfortunately, most people don't know or don't care how monstrous a feat you are accomplishing. However, the public is obviously enjoying and viewing the final product for a wide variety of reasons.

From a station's point of view, there have been annoyances and indecisions which I won't go into at this time, but the results far override any negatives I or anyone else can ever generate.

All I can say is that you deserve far more praise than can be given for producing this miracle, let along even undertaking it. What it could and should do is lay to rest, once and for all, the petty criticism of commercial or network television.

Thank you very much.

Gratefully,

MAX A. SKLOWER,
Vice President/General Manager.

SPARE PARTS FOR THE MILITARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. BEDELL] is recognized for 60 minutes.

Mr. BEDELL. Mr. Speaker, the purpose of this special order is that on June 15 there was a discussion under special orders in regard to the Government purchasing of spare parts for the military. In that discussion, it appeared to some of us that there was some information which was inaccurate that was brought forth to the floor, and the purpose, therefore, of this special order is to try to correct that information and enlighten everyone in regard to some of what is happening in regard to the spare parts issue.

We would normally not go to this trouble excepting in the opinion of the gentleman from Iowa the military continues to tell everyone that there is no problem today and that everything has been corrected. They tend to oppose those efforts in the Congress where we try to legislate some corrections in what has already been done, and I think it is critical for us to set the record straight so that everybody knows exactly what happened, at least in the one contract with which I have been involved, which is the contract with the Gould Corp. with regard to some specific spare parts for the military. So that the purpose, therefore, is to go over this so that people understand exactly what happened so they know when it happened.

I will be glad to yield to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. I thank the gentleman for yielding.

Mr. Speaker, I will be very, very brief. I think the gentleman has some incredible things to share with everybody. I just want to pay my respects to the gentleman. He has taken the lead in this whole issue of spare parts ripoffs. We have seen case after case, despite the fact that the Secretary of Defense has said he has solved the problem. We continue to see case after case of hammers that should cost $7 that cost $400. We now see the Pentagon bragging that they are giving us all refunds. And we look at it, and we have been getting 10 cents on the dollar. I think that it is a very sad day that we in the Congress have to play this role, but we have to play this role, and I want to tell the gentleman how much I appreciate the leadership he is showing and how much I enjoy working with him on this issue, that I intend to stay by his side working on this issue until we have solved it and, by God, we pay $7 for a $7 hammer.

Mr. BEDELL. I thank the gentlewoman very, very much. I hope everybody realizes all of the work that she has put into this effort. Not only has she put in effort, but indeed her bill has been passed by the House, it has been passed by the Senate, we are going to get something done in regard to that effort. But she has not stopped there; she is continuing to work for further improvement, and I certainly commend her very, very much for the work she has done and I want to say it is a pleasure to work with her, as well.

Mr. Speaker, I yield to the gentleman from North Dakota.

Mr. DORGAN. I appreciate the gentleman yielding to me.

Mr. Speaker, let me set the stage of what we are trying to clear up here. I do not participate in special orders very often. We had a special order on the floor of the House on June 15 and I came over and heard the discussion, said a few words, and we got involved in a colloquy with another Member of the House, the gentleman from Pennsylvania, who I understand the gentleman from Iowa notified we were going to be visiting about that issue tonight.

We got involved in a discussion about spare parts and deficits and sort of a wide ranging discussion. In the middle of that discussion, some information was provided that I thought was incorrect at the time. The information was asserted to come from the House Appropriations Committee, and it turns out upon further research that the information was incorrect. My only interest, and I am sure the interest of the gentleman from Iowa, is to set the record straight.

First of all, we are talking about spare parts and the fact that our Government pays $400 for a hammer that costs $7 to buy at the hardware store. Our Government pays outrageous sums of money to buy an Allen wrench

that should cost no more than a half-dollar at a hardware store. In fact, I have been to the gentleman from Iowa's office and taken a look at the box of tools that Mr. BEDELL has purchased from a drugstore, that I believe you paid something like $92 for, and those identical tools were purchased by the U.S. Government, by the Defense Department, and they paid something like $10,000 for the same tools you paid $92 for.

Mr. BEDELL. That was from a hardware store, yes.

Mr. DORGAN. That is what the taxpayer is getting from the Defense Department. The gentleman from Iowa, quite properly has gotten into the middle of this issue and said, we ought to do some shaking here and change some things, and some folks that are doing this ought to be booted out. We ought to get some new procedures, and we ought to get a $7 hammer purchased for $7; not $400.

Well, the point of it all is when we were discussing this on June 15 on the floor of the House, I was talking about something that had appeared in the New York Times that talked about what the gentleman from Iowa was doing, and Mr. WALKER from Pennsylvania challenged one of the assertions, and let me read, at least for purposes of this discussion, what was said at that point.

Mr. WALKER said: "The reason that" he was talking about when the purchase was made. We were talking about a flight simulator repair kit, as I recall. He said,

> The reason we do not have that data is because the purchases were made under the Carter administration. The Carter administration was the one all of these horror stories that we have heard around uncovered by the Pentagon recently, under Cap Weinberger's tenure there. They started a rather extensive look at what had happened at the Pentagon, this was not material that was uncovered here on Capitol Hill, it was material that was uncovered within the Defense Department, and it was done during the Carter administration. all of these horror stories are from the Carter administration.

The only interest I have here is to clear the record. I do not care whether is it under the Carter administration or the Reagan administration. The fact is, if we have waste in the Pentagon, and we are spending three times as much now as we were then, my guess is that there is three times as much waste now as there was then.

With respect to what we were talking about that day, the flight simulator repair kit, as I understand it on further research, the gentleman from Pennsylvania was not correct, that contract was not let under the Carter administration, it was let under the Reagan administration in 1982. I would like the gentleman from Iowa, if he could, to give us the benefit of the research he has done on that so we can clear the record.

Before he does that, let me point out again, that I think it is largely irrelevant under which administration it occurred. The fact is, if we are spending more dollars now, and we are, we are stuffing those Defense Department pockets so full they cannot possibly spend the money wisely, more and more waste is going to occur.

We got involved in this back in the first June 15 discussion, I was not real crazy about trying to figure out which administration it was, but as long as the issue was raised, and as long as after the special order someone said, well, I guess they sure showed you. I guess this was during the Carter administration, huh? Let us clear that up and let the gentleman from Iowa tell us exactly where these contracts were let.

Mr. BEDELL. I thank the gentleman and I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman, and I appreciate the gentleman taking this special order to talk about spare parts.

Just for clarification in my mind, your amendment was adopted on competitive bidding for spare parts in the authorization bill of the military procurement that passed. Is that correct?

Mr. BEDELL. That is correct.

Mr. MONTGOMERY. I bring this up as a problem, maybe you can help us out. We are completely bogged down in conference, we are not even meeting now between the Senate and the House pertaining to the military authorization bill, which contains your spare parts amendment. I think it would be almost shameful if we did not get some type of authorization bill that includes items of spare parts, GI Education bill, equipment funding for the military and for other education programs.

If the gentleman could help us, I guess that is my point in getting up here tonight. We are not going to get anything.

Mr. BEDELL. I appreciate the gentleman's contribution and I can assure the gentleman from Iowa will do everything he can to see that at least what parts can be addressed in that military authorization conference, will be addressed one way or another.

I think the House voted very clearly that they wanted something done about many things, one of which was the procurement of spare parts and they wanted to see an end to this expenditure of several hundreds for items you can buy for just a few dollars at the local store. I promise the gentleman I will do everything I can to see that that is done.

Mr. MONTGOMERY. I appreciate it. If we do not get pushing from all sides, we are not going to get anything.

Mr. BEDELL. The gentleman will work as hard as he can.

I yield to the gentleman from California.

Mr. HUNTER. I appreciate my friend from Iowa yielding and I respect the gentleman from Iowa and the gentleman from North Dakota. You know, I was here the date that the debate was raised over when this contract initiated and I heard the gentleman from North Dakota say the gentleman from Pennsylvania, Mr. WALKER, was wrong, and at that point, I started doing a little investigation and I huddled with the gentleman from Iowa and the gentleman from Pennsylvania because we all want to get the thing straightened out and we want to get the problem solved. That is the main thing, and not pinning the tail on any particular administration.

I have to say in looking at the thing, it looks to me like the gentleman from Iowa and the gentleman from Pennsylvania were both right to a certain degree, and the reason I say that is simply this: The original contract for the systems was March 31, 1978.

Mr. BEDELL. That is for the systems. That was not for the spare parts for the systems. That contract had nothing to do with any of the tools that we were talking about. I hope we understand that clearly.

Mr. HUNTER. I understand that. If the gentleman will just let me follow through. I even went so far as to talking to some of the industrial people who were involved here to go over this thing. That was simply for the systems.

In April 1979, it was decided that NavAir would obtain contractor maintenance and material support for the training devices, including that device 2B37, rather than going through the regular supply system. At that point, and this is in 1979, NavAir began discussions with Beech Aircraft and with Gould because apparently at that time Beech Aircraft, which was the original contractor, had decided—they had already been competitive and they had come up with this one particular subcontractor.

The point that I am making is that when the Navy decided to get involved and to get involved for purposes of purchasing the support systems, at that point essentially they went with the proposition that they would sole source it. In other words, they did not go out at that point, like the original contractor had, and compete it with a bunch of other companies.

So what I would say is simply this: If one of the——

Mr. BEDELL. If I may reclaim my time, the date is wrong.

Mr. HUNTER. OK.

Mr. BEDELL. It was in April 1981 that the Navy decided to deal directly with Gould rather than with Beech.

Mr. HUNTER. If the gentleman will let me continue, it was 1981 when the Navy decided to deal directly and not even to include Beech in their proposal. But they entered discussions with Beech and with the other subcontractor in April of 1979. What I am saying is simply this:

In April 1979, if the gentleman will let me finish, it was determined at that time that they were going to deal only with those two contractors, Beech and the subcontractor, and they did not go out and compete it. If the defect in our procurement system which really leads to the overcharging of spare parts is lack of competition, that is, sole sourcing, and we brought this up many times in the debate on the defense authorization, the gentleman from Pennsylvania was absolutely right when he said that this process of essentially sole sourcing, the decision that was made in 1979, that was where the problem started.

If they had gone out and said, "We are going to take 30 companies and compete it," they would not have had that problem that culminated in the 1982 contract.

Mr. BEDELL. If I may reclaim my time for a minute, however——

Mr. HUNTER. I simply would say in finishing that I think the gentleman from Pennsylvania was right when he said that the problem started at that point, because they should have gone out and competed that thing just like the original contractor did.

Mr. BEDELL. Yes; but let me read the statement. Let me tell you why the gentleman from Iowa is concerned.

The reason the gentleman from Iowa is concerned, he is not trying to pin anything on anybody, and I think that the gentleman from Pennsylvania was absolutely sincere in what he said, and I think that was the information he got. I hope he understands that.

But the problem we face is exactly what the gentleman from Pennsylvania said is what the Department of Defense is trying to tell us. They are trying to tell us all of these horror stories are Carter horror stories; that everything is fine now; there are no problems now. I will read it again if you want to read his statement. And we still have a problem.

We clearly, in this situation here, the contract was let in this administration. There had been no purchase of hammers or any other items previous to that. This was a contract entered into under this administration where Mr. Weinberger was the head of the Department.

If you want to look at the Beech contract, I have it here. They bought items for 49 cents, a dollar, similar items, which were much, much more expensive as they were contracted under Cap Weinberger under this administration.

It is not a question of administration. It does not matter who it is. The problem is that you have a problem now. A lot of people would try to tell us that it is not a problem any more; that it was all a problem back in Carter's time and that now it does not matter. Well, let me read. This is what was said on the floor. "All of these horror stories are from the Carter administration."

I want to make it clear that they are not all from the Carter administration. There were mistakes under the Carter administration.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. Let me finish my statement, if I might.

Mr. HUNTER. The gentleman is making a good point.

Mr. BEDELL. Sure. Nobody questions that there were mistakes under the Carter administration. Certainly I do not. I think there were mistakes then. I think they were wrong. But that is not the problem we face today. The problem we face today is that there are some people who would like to try to tell us that now everything is fine, and one of the arguments used to prove that—

Mr. WALKER. Will the gentleman yield?

Mr. BEDELL. Not yet, until I finish.

One of the arguments used to provide that is to say that this contract was entered into under the Carter administration. Let me read again the statement.

> The reason why we do not have that date is because the purchases were made under the Carter administration.

Those purchases were not made under the Carter administration. I have the contract here. It is very clear that the contract for the purchase of that hammer and those pliers and those screwdrivers and those items was made under this administration when Cap Weinberger was Secretary of Defense.

I hope that is very clear to everybody, and I do not know how anybody on God's Earth can possibly question it because I will be glad to put the contract, which I have right here, into the RECORD. That is what we are talking about. This is not to try to hit anybody individually. This is a problem we have. I think we need to face it.

Mr. WALKER. Will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, because I did contend on the floor that day that the examples that had been raised thus far in that discussion were in fact horror stories that went back to the Carter administration.

I think I have evidence just as irrefutable as the gentleman's evidence that I indeed was correct with regard to the hammer. The gentleman does not want to look at some of the evidence, and so on, that goes before. We can discuss that.

Mr. BEDELL. Let me reclaim my time. It is my time.

We have to be honest with the American people. Does the gentleman from Pennsylvania claim that there was a contract for a hammer at $400-some instituted under the Carter administration, and I will give you the number of the contract.

Mr. WALKER. If the gentleman will continue to yield to me to allow me to make my point, since he has referred to me directly and quoted me——

Mr. BEDELL. That is what I am doing.

Mr. WALKER. I would say to the gentleman that I never contended at any point during that discussion that day that I did not believe there were problems in this administration, too. I do. I have said that often. I believe that the problem is in the Pentagon.

My problem with the discussion that day was that we have tended to take the military spending problem and transfer it and say all of the problems are Reagan administration problems.

Mr. BEDELL. If I may reclaim my time, that is not what the gentleman said. The gentleman said, and let me read:

> All of these horror stories are from the Carter Administration.

That is saying none of them are from this administration.

Mr. WALKER. If the gentleman would yield, the gentleman is quoting selectively. The gentleman from Pennsylvania said "these." Remember the word "these" in there?

Mr. BEDELL. Sure.

Mr. WALKER. OK. The word "these" refers to the fact that we had heard a series of horror stories. I was referring specifically to the horror stories that we heard, and said it was my understanding that those had occurred during the Carter administration.

I then came back and said that it was my understanding, based upon information I had gotten from the Appropriations Committee, that indeed I was correct on that, after the gentleman had come to the floor with his contract.

I have the Beech contract here, the original contract. It calls for the purchase of spare and repair parts. The gentleman knows well, because we have discussed it, that the key decision, according to the people that the gentleman relied on for information, that the key decision on this took place in April 1979 when it was decided to sole source.

The gentleman has a copy of the memo before him that the decision to go to total contractor maintenance material support for certain training

devices locked in the process that led to the 1982 contract.

I am not debating the gentleman at all on the 1982 contract. What I am saying, though, is that the 1982 contract was signed as a part of a process that led from the original contract in 1978 that went though the decision in 1979 to sole source, and finally culminated in a 1982 contract. The people who did the contracting in 1982 were locked into their decision in large part because of the decisions that had been made previous to that.

Mr. BEDELL. If I may again reclaim my time, just because somebody does some sole sourcing in 1978 does not require them to do sole sourcing in 1982. Surely the gentleman would agree that the Defense Department under Cap Weinberger in 1982 was free to buy those items in whatever way they wished to, regardless of what had been done previously. Surely the gentleman would agree to that, would he not?

Mr. WALKER. If the gentleman would yield, instead of shouting it might be well to just have a discussion here.

If the gentleman would look at the memo upon which I assume that his information is based, too, because it went to his Small Business Committee——

Mr. BEDELL. The gentleman from Iowa is the one who got the memo.

Mr. WALKER. Yes. That is fine. And that memo makes it quite clear that the first—it states back here in about the middle of it—it says:

> The order which included the $436 hammer differed from the standard practice in several ways.

The very first thing listed was the April 1979 decision. That is the very first thing. That is what this gentleman contends, and that is the only reason why I contend that you cannot hang this all in the Reagan administration; that there is certainly involvement in the Carter administration.

Mr. BEDELL. We better get something straight. The effort is not to hang things on one administration or another. This issue is whether or not there were problems under this administration that still exist that are causing us problems. If the gentleman would agree to that and say that when he said all of these horror stories are from the Carter administration which were talking about my exposure of the $400 hammer, if the gentleman would agree that that is indeed wrong, that some of those horror stories do have to do with this administration, and that certainly the $400 hammer is completely due to this administration——

Mr. WALKER. If the gentleman would yield, the gentleman from Pennsylvania will be glad to agree that there are indeed horror stories in purchasing that have taken place in this administration as well as past administrations.

All the gentleman from Pennsylvania was attempting to do on the floor, was to make certain that that was kept in perspective and that, in fact, there had been problems in the Carter administration as well as problems in this administration.

I do not concede to the gentleman that his $436 hammer is a purely Reagan administration problem. I have cited to the gentleman the evidence that comes from the memo that he received on which he bases his information that indicates that the April 1979 decision is what led to the problem.

Mr. BEDELL. Mr. Speaker, if I may reclaim my time for a minute, here is the contract. I think we had better enter it into the record. Here is the contract that had to do with the $400 hammer. Here is the very first part of the contract. I have had arguments with the gentleman before as to where it started. The contract is dated March 1982, stamped "Original."

This is the original contract that had to do with the purchase of the hammer and the other parts. That is absolutely clear.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. No; I yield to the gentleman from North Dakota.

Mr. WALKER. No; of course not.

Mr. BEDELL. It is crazy that we would argue about it when we have got it right here.

Mr. DORGAN. Mr. Speaker, I appreciate the gentleman's yielding.

Let us get back to the reason we are here. The only reason we are here is that a discussion earlier on June 15 was meant to suggest that the citation that I raised from the articles and from the information given by the gentleman form Iowa was that the purchase of these hammers and the flight simulator repair kit was wasting a great deal of the taxpayers' money, and the gentleman from Pennsylvania jumped up, and here is what he said. I want to reiterate it again. That is the only reason we are here. I do not care what administration it is under. I just do not want the American people to get bad information, and I think they got bad information. Let me point out what he said.

The gentleman from Pennsylvania asked the question. He said, "I would ask, when was that contract signed that bought those kits?"

Well, the gentleman from Iowa was going to enter into the record the contract that bought those kits. It was in 1981.

The gentleman from Pennsylvania went on further after that and said, "The Carter administration was the one, all these horror stories that we have heard about around here uncovered by the Pentagon under Cap Weinberger's tenure there."

The only reason I was concerned about that was, first of all, that I thought the information was wrong. I thought that the purchase was made in 1981, and it really is irrelevant which administration. But there is such a tendency around here to suggest that every piece of bad news ought to be hung around the yoke of some Democrat's neck and every piece of good news ought to be attributed to this administration.

Now, by God, both administrations, the last one and this one, are guilty, I think, of spending the taxpayers' money in an absolutely outrageous way, and Jimmy Carter is sitting back in Plains, GA, right now partly because of that.

I am just saying that that happens under Republican administrations and Democratic administrations, and when the gentleman from Pennsylvania says, "All these horror stories happened under Carter," quote, unquote, I am saying that is wrong. I am saying that when somebody purchases a $700 hammer and spent over 400 bucks of the taxpayers' money, they ought to use it to hit themselves on the head. They did it in 1981, and whoever did it ought to have been dismissed. The procedure that existed under that kind of situation, the procedures that existed that allowed contracts to be signed were wrong, and whatever person had the judgment to sign it, in my judgment, was mentally deficient.

Now, the gentleman from Iowa is moving ahead on another front here in Congress to correct some of those things, and I applaud him for it. Listen, I think the taxpayers are getting taken for a ride.

Mr. HUNTER. Mr. Speaker, will my friend, the gentleman from Iowa, yield briefly?

Mr. DORGAN. What we do in this body to correct that is critically important, and the gentleman from Iowa is taking the lead on it.

Again let me reiterate one point. The gentlemen on that side of the aisle are saying, well, there was some master contract signed in the 1970's and that was the genesis of the activities that led up to the purchase of the hammers. That is another subject. It is irrelevant.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. DORGAN. George Washington started our defense effort. Why do we not attribute this problem to George Washington?

The fact is that someone made a decision to purchase these hammers as the result of a contract in 1981.

Mr. BEDELL. 1982.

Mr. DORGAN. 1982. The information the gentleman from Pennsylvania put in the RECORD on June 15 was in

my judgment wrong. All we wanted to do was close the loop on that and say, "Look, this happens under both administrations." To assert that that hammer was purchased under some sort of Carter administration commitment is inaccurate, and we ought to correct the RECORD.

Mr. HUNTER. Mr. Speaker, will the gentleman yield just for a minute?

Mr. BEDELL. Before I do, let me say this.

Mr. WALKER. Mr. Speaker, the gentleman is challenging my veracity. Will he yield to me?

Mr. BEDELL. Yes; I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

I would tell the gentleman that if he is at all familiar with the situation and would get hold of the memo—and I would ask unanimous consent that the memo be entered into the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The material referred to is as follows:

[From the Department of the Navy, Headquarters Naval Materiel Command, Washington, DC., June 29, 1984]

MEMORANDUM FOR THE COMPTROLLER OF THE NAVY [NCBL]

Subject: Congressional request for information.

Ref: (a) Verbal request of 29 June from NCBL.

Encl: (1) Information on procurement of a $436 hammer from Gould Simulation Systems Division in support of the T-34 Training Device, 2B37.

1. Reference (a) forwarded a request from Mr. George Allen of the House Appropriations Committee Minority Staff for information on the procurement of a $436 hammer from Gould Simulation Systems Division in support of the T-34 Training Device, 2B37.

2. Enclosure (1) is forwarded in response to reference (a).

3. This document was provided earlier to the House Small Business Subcommittee on General Oversight and the Economy as an insert to a congressional hearing held on 6 October 1983.

4. The information has been cleared by Mr. J. H. Flaherty, Assistant Deputy Chief of Naval Material for Contracts and Business Management, SES.

By direction of N. Hanson.

PROCUREMENT OF A $436 HAMMER FROM GOULD SIMULATION SYSTEMS DIVISION IN SUPPORT OF THE T-34 TRAINING DEVICE, 2B37

As part of spare parts and ground support equipment required to maintain the 2B37 devices, the Navy purchased a hammer which was billed to the government at the price of $436. To properly explain the composition of the price, the following is provided.

Contract N00019-78-C-0295 was awarded to Beech Aircraft on 31 March 1978 by the Naval Air Systems Command (NAVAIR). The contract required the design, development, production, delivery and support of 14 training devices. The training device effort was subcontracted on a competitive basis by Beech Aircraft to Gould Simulation System Division. Delivery of the first device was required in March 1982.

In April 1979, it was decided that NAVAIR would obtain total contractor maintenance and material support for certain training devices, including device 2B37 rather than provisioning such support through the supply system. NAVAIR began discussions with Beech Aircraft and Gould to determine maintenance support requirement for the training device.

In April 1981 the Navy decided it was more cost effective to deal directly with Gould rather than through the prime, Beech Aircraft. The Naval Training Equipment Center (NTEC) was tasked by NAVAIR in August 1981 with developing a maintenance and support plan for the training devices. The plan was approved in December 81 and a contract was awarded by NTEC to Gould in May 1982 for the operation and maintenance support of the T-34 devices. At the time of contract award for the operation and maintenance support, eight devices were already installed at various locations and the remaining six devices were to be delivered between June and November 82.

Line items 0003 and 0004 of the operation and maintenance contract were established for the identification and ordering of spare parts and ground support equipment necessary for maintaining the 2B37 devices in operational condition. The established procedure for obtaining spares in contracts such as this one is outlined below:

(1) The contractor which develops and builds the training device, will also provide data to be used by the supply system to order and stock required spares. This process termed "provisioning" takes between 1-3 years.

(2) During the 1-3 year period required for the supply system to assume the support of a training device, temporary support is provided by the contractor supplying the device. This period is termed the "interim support period (ISP)."

(3) The contractor identifies projected spare parts requirements to the government on interim support items lists (ISILs).

(4) The ISIL contains part numbers, nomenclature, manufacturer's code, quantities, contractor estimated prices, and national stock numbers (NSNs) if applicable. The ISIL is reviewed by the government to determine need, availability of funds and availability of the item in the federal supply system. The requirement that parts with NSNs be identified, facilitates the process of determining part availability from the supply system, since every stocked item has a separate NSN.

(5) Once an ISIL is reviewed and annotated by the government to identify those items which are to be purchased from the contractor, an order is issued by the procurement contracting officer (PCO), on a not-to-exceed basis, authorizing the contractor to begin acquisition of the items. In addition, the order requires the contractor to prepare and submit a fully priced proposal covering the items ordered, to the cognizant administrative contracting officer (ACO), who is delegated the responsibility, under Defense Acquisition Regulation (DAR) 1-406, to negotiate a firm price for the ordered items.

(6) The ACO obtains the necessary audits and approvals and subsequent to negotiations, issues a contract modification which definitizes the order on a fixed price basis.

The order, which included the $436 hammer, differed from standard practice in several ways.

First, the contract with Gould did not require provisioning technical data (PTD); hence the process of stocking required spare parts in the supply system was not initiated. This decision not to obtain PTD was based on the April 1979 decision to obtain total contractor maintenance and material support for certain training devices.

Second, the contract did not require Gould to provide NSNs for items listed on the material requirements list. This was based on NTEC's understanding that the supply system was not going to assume support, and therefore, few parts would likely be available in the supply system. Furthermore, the urgency of the requirement did not allow for the time and effort required for screening the list and determining what parts, if any, were available from other sources. Finally, NTEC had a resource problem which reduced the level of screening conducted on any material requirements lists. As a result of the decision not to require NSNs, and not to screen for availability of parts through the supply system, many common use items were included on the list of items ordered from Gould in June 1982.

The June 1982 order for spare parts was placed against contract line items 0003 and 0004 on a priority basis, as the installed training devices were in the field with insufficient spares and support equipment to ensure meeting the training availability date required to support T-34 pilot training program requirements.

The order, priced on a not-to-exceed basis, was provided to the ACO in Garden City. A proposal was submitted by Gould in October 1982. This proposal was evaluated by the Defense Contract Audit Agency (DCAA) and a Defense Logistics Agency (DLA) technical representative and negotiations were concluded in November 1982. A contract modification definitizing the order on a fixed price basis was issued in December 1982. The order covered aproximately 420 separate line items. These items were priced on a total lot basis which consisted of determining the material cost of each item, and any direct hands on labor charges for each item, and then adding to each item the estimated non-hands-on support labor, overhead and profit. In Gould's proposal, each item received an equal share of the non-hands-on support labor requirements, regardless of the value of the line item, which when fully loaded with overhead and profit amounted to approximately an additional $385.00 per line item. The sub-total for each line item was then totaled forming the total lot price proposed to the government.

Materials costs proposed by the contractor, direct labor charges and overhead charges are generally easily subject to audit. However, in the case of Gould the non-hands-on support costs are not easy to audit as Gould does not normally handle a large volume of spare part orders as part of their business and does not have a standardized estimating system based on historical data for determining these costs. Consequently, these proposed costs are essentially estimates based on the "best judgment" of the company's estimators. Negotiations on areas such as non-hands-on support labor are difficult as the government can only base its position on its own "best judgment".

Gould has government approved purchasing and estimating systems. These approvals were based on the results of reviews con-

ducted by DCASMA Garden City, assisted by DCAA which ensured that the contractor maximized competition and complied with cost accounting standards and generally accepted business practices. Consistent with Gould's estimating and proposing systems, spare parts price negotiations with Gould focus on the total or bottom-line amounts proposed for the entire lot of spares. Once a bottom-line has been negotiated, the contractor then allocates these costs to the material list to provide a billing price for each line item. The billing price allows the contractor to recoup not only direct charges as items are incrementally delivered and accepted by the government, but also to recoup the indirect costs associated with the management and processing of required spare parts, plus a factor for profit.

In response to the question why negotiations focus on the bottom-line amount rather than on individual line item costs; for orders, where as many as 400 or more line items are being ordered at one time, line item negotiations are neither practical nor achievable in a responsive manner without a significant increase in resources.

Exhibit A shows in detail how a hammer with an original purchase cost of $7 can be billed to the government at a total cost of $436. The increase from $7 to $436 occurs when non-hands-on support costs are allocated to each line item on a direct and equal share basis. Exhibit B, also attached, shows the impact on line item cost when support costs are allocated based on an indirect basis proportional to the cost of the line item. Using the second approach, the cost of the hammer is $45. The difference between $436 and $45 reflects the difference in allocation methods employed and does not conclude that either price is reasonable. The difference is merely a shifting of indirect management and support costs from low dollar value line items to higher dollar value line items using an allocation system based on the cost of the item. The price paid for the total spares ordered remained $827,000 irrespective of which allocation method was used.

To preclude similar situations from occurring in the future the Navy has taken several actions.

NTEC has reallocated additional resources to the Logistics Department to accomplish a 100 percent screen on all spares requirements. This is to, among other things, ensure identification of those parts identified in the supply system and breakout of those parts identifiable to an OEM or other sources vice using the prime contractor. Additionally, all Interim Support Item Listings (ISILs) are being sent to Navy Inventory Control Points (IPCs) for verification. Common items such as the hammer will not be bought from the prime contractor but rather from the supply system or open market.

Administrative actions has been taken against the military and civilian personnel involved in decisions leading to NTEC's failure to purchase from the most economical sources. In addition, a separate and complete Procurement Management Review (PMR) was conducted by the Naval Material Command. The recommendations resulting from this review will be implemented and closely monitored to ensure that NTEC complies with existing policy and any new requirements approved as a result of the reviews. NTEC, as of 1 October, is under direct management of the Chief of Naval Material (CNM) vice the Chief of Naval Education and Training (CNET), its former "manager". This change of management should facilitate implementation of corrective actions and ensure the effectiveness and responsiveness of future NTEC acquisitions.

Of particular note is that the Secretary of the Navy requested and received repayment of excessive charges for items available from the supply system but purchased from Gould. Gould Simulation Systems Division repayment was $84,000.

Finally, the Navy has initiated an intensive program, consistent with the Secretary of Defense's ten point program, which will result in comprehensive policy to improve the acquisition of spare parts and ensure fair and reasonable prices.

PRICING EXAMPLE—GOULD, SIMULATION SYSTEMS DIVISION

Purchased item: Item—Switch—Qty. 1 each—
Direct material—$7.00.
Material packaging—$1.00.
Material handling overhead at 19.8%—$2.00.
Spares/Repair Department [1]—1. hr.
Programs Support/Admin. [1]—0.4 hr.
Programs Management [1]—1. hr.
Secretarial [1]—0.2 hr.
Total—2.6 hrs Eng. Support equals $37.00.
Engr. O/H at 110%—$41.00.
Mechanical Sub-assembly [1]—0.4 hr.
Quality Control [1]—0.9 hr.
Operations Program Mgt. [1]—1.5 hr.
Program Planning [1]—4.0 hr.
Mfg. Project Engr. [1]—1.0 hr.
Q.A. [1]—0.1 hr.
Total—7.8 hrs Mfg, Support equals $93.00.
Mfg O/H at 110%—$102.00.
Total—$283.00.
G&A at 31.8%—$90.00.
Total—$373.00.
Fee—$56.00.
Facilities Capital Cost of Money—$7.00.
Total price—$436.00.

[1] Total support hours for lot purchase are divided by number of items in each indicated category to determine "Share" applicable to the line item.

Exhibit B

Pricing summary for Navy contractors using $7 purchased part for standard comparison

Gould—$7: Small backlog of spares orders—annual volume only $1-$3 million and may be covered by only 1 to 2 orders.

Pricing summary:	
Material	$7.00
Packaging	1.00
Material at 19.8%	2.00
Total material	10.00
0.3 hr mechanical subassembly + 1 hr quality control/QA = 1.3 hrs of mfg at $5.38	7.00
Manufacturing at 110%	8.00
Total labor	15.00
Subtotal	25.00
At 31.8%	8.00
COM	.60
Profit	4.40
Unit Cost ($38)	38.00
Total cost ($748,794 . × support cost $147,217 =	7.00
Total	$45.00

The system of pricing shown above was initiated in April 83 in response to customer criticism of prices caused by allocating support costs on an equal basis. Allocating support costs using a formula based on item costs results in lower prices for low dollar value items.

Mr. WALKER. Mr. Speaker, I would say that the memo states quite clearly how this situation came about, and that the April 1979 decision is a key decision that was made relative to the 1978 contract. That is all this gentleman contends.

This gentleman thinks that the $436 hammer is just as wrong as the gentleman from North Dakota and the gentleman from Iowa. It is a horrid example of Government misuse of spending. I do not doubt that for a minute. It does not matter whether it happened in this administration or in the other administration, I agree that we have a problem in Pentagon procurement that needs to be solved. I do not doubt that, I do not contend otherwise, and I never have contended otherwise.

But it seems to me very clear that in this particular instance—and that is the only thing that this gentleman was referring to—that in this particular instance we have a trail of paper leading back into the Carter administration that you two have evidently decided to ignore. It is that trail of paper that I was alluding to.

Mr. BEDELL. Mr. Speaker, reclaiming my time, I would ask, why are you naming me? The fact of the matter is that this contract, the original contract which I have here, is dated March 1982. The fact of the matter is that the Defense Department had complete freedom to do as it pleased in that contract.

Now, the problem that we have that I have tried to explain to the gentleman—because he does a great disservice by not saying that his statement, which was that all of these horror stories are from the Carter administration, was because of inaccurate information that he was given.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. All of those horror stories are not from the Carter administration. Does the gentleman agree that all of those horror stories are not from the Carter administration?

Mr. WALKER. Mr. Speaker, if the gentleman will yield, I tried to make it clear to the gentleman that the word, "these," is somewhat important here.

Mr. BEDELL. No. If I may reclaim my time, I would also ask one other question. When was that contract signed that bought these kits? That was the discussion on this contract that I have right here in my hand which we were talking about.

Mr. WALKER. Mr. Speaker, if the gentleman will yield, the gentleman usually does not give me a chance to finish my statements before he takes his time back. If the gentleman would yield, the only point I am making is that the word, "these," in there re-

ferred to discussions we had had on the floor that day.

The gentleman from Pennsylvania was not contending that there were not all kinds of horror stories in this administration either. I was simply referring to the discussion I had sat on the floor and listened to that day where it had been made into almost a political diatribe, and I had contended that those horror stories, these horror stories——

Mr. BEDELL. All the stories.

Mr. WALKER. These horror stories, meaning the horror stories we had heard on the floor that day.

Mr. BEDELL. Which was the $400 hammer.

Mr. WALKER. That is right. Went back to the Carter administration.

Mr. BEDELL. No; you did not. You said, "All these horror stories are from the Carter administration," saying the $400 hammer was the Carter administration's, not the Reagan administration's.

Mr. HUNTER. The gentleman does not say that.

Mr. BEDELL. I have the contract right here.

Mr. HUNTER. Mr. Speaker, if the gentleman will yield, those are not the gentleman's words that I am reading from the CONGRESSIONAL RECORD.

Mr. BEDELL. What are you reading?

Mr. HUNTER. I am reading:

The Carter administration was the one, all these horror stories that we have heard around here were uncoverd by the Pentagon just recently under Cap Weinberger's tenure.

Mr. BEDELL. Read the last sentence.

Mr. HUNTER. "All these horror stories are from the Carter administration."

Mr. BEDELL. That is just exactly what the gentleman said.

Mr. HUNTER. Mr. Speaker, if the gentleman will yield just briefly, let me simply make my point as to why I say the gentleman from Pennsylvania is correct. Just let me make a brief point. It will just take a minute. I will not take much time at all.

As far as the decision—and I am making this as a member of the Armed Services Committee who is as appreciative as the gentleman from Iowa or anybody who has seen it of his bill and thinks it is a good thing—in April 1979, it was decided that NAVAIR would obtain total contract or maintenance and material support for certain training devices, meaning they were not going to go out and get it themselves; they were going to get it through the contractor. And the one thing that we have seen that led to high prices and price-gouging here is sole-sourcing.

That is why the last line of this memo is so important. It says, "NAVAIR began discussions"—this is 1979—"with Beech Aircraft"—and it mentions the other subscontractors—"to determine the requirements."

The point I am making is, if there is ever a crucial mistake made in the procurement process, it is when the Pentagon decides to go sole source, because at that point they eliminate that competitiveness that drives prices down.

In that decision, maybe the contract was inked 2 years later, but the decision not to go out to the marketplace and compete it was made in 1979.

So I agree with the gentleman from Pennsylvania. I think he has explained it in his discussion with the gentleman from Iowa that this is a continuing problem, one that we need to address, and we need the help of the gentleman from Iowa. We also need the help of the gentleman from Pennsylvania. And I just have to say this to both gentlemen: Looking at their words and looking at that decision, the key decision made in 1979 to go sole source, I have to agree that that was part of the problem.

Mr. BEDELL. Mr. Speaker, I say to the gentleman that that decision to go sole source was not made at that time.

Mr. HUNTER. Then why did you say that in that memo?

Mr. BEDELL. Just a minute. Many of these items they actually had in stock. It was a mistake that they did not check and pull those items out of stock so they would not have to buy them at the exorbitant price.

Mr. HUNTER. I agree, but they made the decision to go sole source. I agree that under the next administration they could have said, "Wait a minute. We were wrong."

Mr. BEDELL. All right.

Mr. HUNTER. But the point I am making is we made a wrong decision in 1979 and we never reversed it. We went sole source from there on out.

Does the gentleman agree with that basic fact, that the decision for sole source was made in 1979? Does he agree with that?

Mr. BEDELL. No.

Mr. HUNTER. According to the memo the gentleman received, that is what he was told.

Mr. BEDELL. No; because that decision was up to them to make in 1982 when they let the contract. They had complete freedom at that time to let that contract in whatever manner they wished.

Mr. HUNTER. But they would have to complete the contract. If you would meet with me in 1979 and you say, "Gentleman from California, we are going to sole source this contract and we will go out and start negotiating," at that point we have made the mistake. The mistake is not made at the time when we ink the contract; it is made when we decide not to compete.

Mr. BEDELL. Let me explain what happened while we have the time.

Mr. HUNTER. OK.

Mr. BEDELL. The situation was they were buying these parts from Beech Aircraft. Beech was subcontracting with Gould. They made the decision that they should not continue to buy from Beech and have them subcontract from Gould.

I think that was a legitimate decision. I think it was a wise decision, but wait just a minute if I might. The prices that we had when they were buying them from Gould included such items as nut retaining, 2 cents; receptacle, 28 cents; stud, 19 cents; washer retaining, 1 cent; stud assembly, 44 cents. These were the prices they were paying when they were buying from Beech, rather than doing what was done later.

I think we can argue forever whether or not in 1982 they had to go sole source because of what was done in 1979.

Mr. HUNTER. I think the gentleman makes an excellent point.

Mr. BEDELL. It would be this gentleman's opinion that in 1982 they had the freedom to do whatever they did do.

Mr. HUNTER. I think the gentleman makes an excellent point and I will accept that point, if the gentleman will answer just one question.

Does the gentleman not agree that it was a mistake for the Navy to go sole source in 1979, even though they had not signed a contract? That was a mistake for them to do that. They should have competed at that point. Does the gentleman not agree? I answered the gentleman's question. Would he answer mine?

Mr. BEDELL. Sure; I think I should. The fact of the matter is I do not think it is clear that the Navy did decide to go sole source at that time.

Mr. HUNTER. That is what the gentleman's memorandum says.

Mr. BEDELL. No; I do not think so. I think the Navy decided that they should not go and continue to buy from Beech and have them buy from Gould.

Mr. HUNTER. It says at that point they began discussions with Gould to continue maintenance support requirements. They wanted negotiations and they did not put it out for contract.

I mean, I think I have to be honest with the gentleman, but he has got to look at that decision in 1979 and admit that the Navy did not make a good decision not to compete there.

Mr. BEDELL. I think that is a good possibility, but if the gentleman was the Navy, he would have to enter discussions in regard to what was needed for those flight simulators, would he not; we would have to find out what was needed.

Mr. HUNTER. But they could find out from Beechcraft. They do not

need Gould to tell them what they need.

Mr. BEDELL. But it was Gould that was supplying them to Beechcraft.

I think we are off the subject. I appreciate the gentleman's fairness, by the way, in this discussion.

The situation it seems to me is that, first of all, I would say very clearly if such a decision were made at that time, then it absolutely was wrong to sole source. I absolutely agree with that.

If the decision was made at that time that they were not to check their parts to find out what they already had in stock, then I think that was also a bad decision. I have no indication that that was made, but if it was, that was wrong.

So I have no argument with that. The problem I have, I have repeated over and over and over again, I have a terrible problem trying to convince people that everything is not corrected.

The statement by the gentleman from Pennsylvania said all of these problems occurred under the Carter administration. That is clearly what was said. That says that these problems are not occurring today and, indeed, his statement also said that this was uncovered by Mr. Weinberger and his people.

The fact of the matter is that in order to uncover it, a person in the Navy down there was refused the information on the prices from the buying agency in Orlando. He had to go about asking through strange circumstances to get the information which he finally obtained by mistake from Gould in order to get the information.

I think we should give credit. Once he did that and once it came to his officers, they proceeded to check further on it; however, if we are going to follow the story all the way, the auditors indicated that they thought there was an overcharge of up to 700 and some thousand plus dollars. It was settled by the Navy for $84,000.

I think we have to ask why that occurred in that manner as well.

I think the purpose here is quite clear. The whole purpose is that indications were made previously, in this gentleman's opinion, and I know in the eyes of some of the listeners, because I have heard from them that, "Look, Mr. BEDELL was wrong. That all occurred under the Carter administration."

I think it needs to be corrected in that there were problems under the Carter administration. We are the first to agree with that.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. Let me yield first to the gentleman from California.

Mr. HUNTER. I thank the gentleman.

I think we have narrowed this down. Essentially the gentleman from Pennsylvania said he was referring to these things, which meant in his context the hammer, what we were talking about, and he had the particular documentation on that that we have gone through.

Mr. BEDELL. But there is no documentation on the purchase of a hammer from Beech or anybody else. The first time a hammer was purchased was in 1982.

Mr. HUNTER. I agree. The contract was inked in 1982, but the decision to go sole source essentially was made in April 1979; so looking at that I agree with the gentleman.

Mr. BEDELL. There would be nothing wrong with that if the price on the hammer had been $17.

Mr. HUNTER. I agree with that. I think the gentleman from Iowa and the gentleman from Pennsylvania are both right when they say we still have problems and we still have to solve them and we all need to work out the problem, but I think if the gentleman will accept the representation of the gentleman from Pennsylvania when he said these problems, he did not mean every single one of the thousands and thousands of spare parts problems that have been uncovered, but the one he was particularly looking at that we have now examined and the paper trail has been followed, if that is the context that that is taken in, then he was correct when he said the problem was made earlier, because I think we have all agreed that the Navy did make a problem in going sole source instead of going out and competing with this thing in 1979.

So I think we can resolve this thing is what I am saying. I think we all have the problem. We all feel our administration is picked on and I agree the other side feels that you are trying to lay everything on the Carter administration. That is not right, either. We have got to work together and resolve the problem.

Mr. BEDELL. There is no concern with this gentleman about blaming the Carter administration. I think they have plenty of blame coming on a lot of these sorts of things.

The gentleman has a great concern, though, if there is some indication that the present administration, not particularly Mr. Weinberger and his department, did not have responsibility for paying 400 and some dollars for a hammer, even if they sole sourced it.

Mr. HUNTER. I agree. I will tell the gentleman this. I think the gentleman from Iowa will have no stronger partner in uprooting abusive spending than the gentleman from Pennsylvania, who we have seen stand on the floor time and time again, whether it is an administration bill or another bill and work to cut the budget and work to stop abuses in spending; so I think that the gentlemen are both right in this case. I think it has been a very enlightening discussion.

Mr. DORGAN. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from North Dakota.

Mr. DORGAN. I do not know how much longer we can go on talking about the flight simulator repair kit. The intention is not to put upon the gentleman from Pennsylvania. It is to clear up a point that was made on June 15.

There are a lot of special orders on this floor. There is a lot of cannon fire in every direction by both sides. I happened to be here in that special order and heard some things and we got involved in a dispute and we wanted to clear it up.

I want to say that if the gentleman from California is suggesting that any sort of contract signed in 1979, sole source contract for anything, is relevant to someone making a judgment that we ought to purchase a $7 hammer for $400 in 1982. When $7 hammers are purchased for $400, somebody is crazy or crooked or something is going on that is radically wrong.

At any point we ought to intercede when contracts are signed and if that happens we ought to say, "Stop it." The taxpayers do not deserve this. They cannot afford it and under any administration this sort of nonsense ought to be cut off.

Let me make one final point. Again, the gentleman from Iowa has done yeoman work on this issue. I appreciate the gentleman from California saying that all of us on this floor, I suspect, have been working toward the same end. We want to give the taxpayers a dollar's worth of defense when we spend a dollar on defense; but sometimes you just get a little tired of people saying everything is the Carter administration's fault. God knows they had enough faults and I will tell you what, if you look at the public record, I said that publicly plenty of times. I do not need to reiterate it tonight, but not everything is the Carter administration's fault. We have some serious problems in this country's defense system today, right now, and those are serious management problems right now today and we are stuffing money in their pockets so quickly they cannot spend it wisely and that is what results in thousand dollar Allen wrenches that ought to cost a quarter and $700 hammers that ought to cost $7 and all that sort of thing.

I am just saying that as a result of that previous discussion, look, it is wrong to say this happened under that Democratic President. Therefore, the suggestion at least is that is a Democratic problem. That is nonsense. It is a serious problem to the American

people and the gentleman from Iowa is doing some awfully good work on this.

Mr. Speaker, let me ask unanimous consent to have the contract that the gentleman from Iowa alluded to earlier included in the record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

The contract above referred to is as follows:

Issued by: Contracting Officer, Naval Training Equipment Center, Orlando, Florida 32813, Buyer/Symbol: Jacqueline J. Powers/N-611, Phone: (305) 646-4772.

Administered by: DCASMA, Garden City, 605 Stewart Ave., Garden City, L.I., New York 11530.

Contractor: Gould, Inc., Simulation Systems Division, 50 Marcus Drive, Melville, New York 11747.

Payment will be made by: DCASR, New York, P.O. Box 500, New York, New York 10013.

* * * * *

Name of Contractor: Joseph S. Roberto.

United States of America: Thomas V. Bordonaro.

13 May 82.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from California.

Mr. HUNTER. Mr. Speaker, I ask unanimous consent that the other contract alluded to by the gentleman from Pennsylvania be placed in the record also.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The contract above referred to is as follows:

AMENDMENT MODIFICATION No. PZ0002

Beech Aircraft Corporation, 9709 E. Central Avenue, Wichita, Kansas 67201.

Modification of contract/order No. N00019-78-C-0295.

Dated 78MAR31.

Definitive Contract Superseding Letter Contract N00019-78-C-0295. This procurement was negotiated pursuant to: 10 U.S.C. 2304(a)(10). Priority Rating: Certified for National Defense Under DMS Reg. 1, DO-A1. Payment will be made by: See Section K (Code S2603A). Total Amount of Contract: $8,700,000.00.

GLENN E. SLEPPY.

PART II—THE SCHEDULE

INDEX OF SCHEDULE

The Schedule consists of the Index of Schedule on page 4-1 and the following Sections:

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SCHEDULE: SECTION E—SUPPLIES OR SERVICES AND PRICES

Item and supplies or services	Quantity	Unit price	Total price
0001—T-34C Flight instrument trainer; ACR: BA	1	$3,330,363	$3,330,363
0002—T-34C Flight instrument trainer; ACR: BA	13	413,049	5,369,637
0003—Data for items 0001, 0002, 0004 and 0005; (NSP)			(1)
0004—Mockup presentation and inspection for item 0001			(2)
0005—Contract progress review conferences			(2)
0006—Training parts for formal schools (exhibit identifiers "AA" through "AH" are assigned for use with item 0006)			(3)
0007—Data for item 0006			(4)
0008—Spare and repair parts for items 0001 and 0002 (exhibit identifiers "AJ" through "AN" are assigned for use with item 0008)			(3)
0009—Data for item 0008			(5)
0010—Data for items 0001 and 0002			(6)
Total (excluding items 0006 through 0010)			—$8,700,000

[1] See exhibit A.
[2] NSP.
[3] See section F.
[4] See section F and exhibit B.
[5] See section F and exhibit C.
[6] See section F and exhibit D.

Mr. KASICH. Mr. Speaker, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Speaker, on the way over here I happended to catch part of this on the TV in my office. As the gentleman from Iowa [Mr. BEDELL] will tell you, I have had a very keen interest in this. I was one of the first people to introduce legislation in this body to try to solve this problem.

On the way over here I ran into the gentleman from Texas, JIM WRIGHT, who was getting in his car out here.

He said, "How are you doing?"

I said, "I'm going up here because spare parts are starting to become political."

And I said, "You know, the spare parts problem and overpricing and cost overruns and everything else has been not just going on in the Reagan administration and the Carter administration, but at least four, five, six administrations before that."

And do you know what Mr. WRIGHT said? "It was going on in the Washington administration."

So I think that the politics that are involved in this issue have honestly got to be set aside. The gentleman from Iowa [Mr. BEDELL], and I did not agree because of what I thought was some impact in his language on my proposal, but I compliment the gentleman from Iowa on what has been a lot of work. I know what kind of time he has put in because I have put the same kind of time in, and you have to dig.

The bottom line is now we have now solved this problem. We have not solved the problem with that bill the Senate passed the other day. It just scratches the surface. And I think the gentleman from Iowa [Mr. BEDELL] and I would agree with this, that the guts, the guts of that bill, the guts of that proposal, there are not the kind of guts in that proposal that we want and that we need. But I think we are making some progress, and we have to keep making it.

I want to say something about Mr. Weinberger. My bill is a controversial bill on a controversial item which most defense contractors oppose in this country. I think Mr. BEDELL would agree with that.

Caspar Weinberger had the courage to go forward and actually write a statement saying that he wanted to make reform.

I will tell you what I am concerned about, and I think everybody in this Chamber has the same concern. That is that that bureaucracy over there in the Pentagon, they fight and they drag their feet every step of the way when it comes to true, legitimate reform. And somehow we have got to stay on them. And many times when superiors ask for true reforms over there, the underlings are the ones that are dragging their feet and trying to put out, or trying to stop any progress that is really being made over there.

So we have to continue to be aggressive. I say we have got to be bipartisan. And I hope that I am not going to see any more of these commercials that I have seen on the TV in this political season with people holding up wrenches and saying this occurred during the Reagan administration, because that was the first time I saw that. They were being shown here in Washington, DC. And I do not know who put them out. I know it was part of the Democrat commercial. But they have been pulled. And I hope they do not go on. And I hope we do not see anybody trying to make politics out of this issue, because what it does is it subtracts and detracts from what I think has to be a bipartisan effort to rein in these people who do not want to change and to keep pushing legitimate reforms, because we are just not going to stand for this. This is outrageous and the people back home, and I think you will agree with this, I have

people that fought in World War II who have come up to me and said, "John, hey, I saw it when I was in, I saw it in World War II."

I will tell you that I have talked to some World War I veterans who told me the same thing, that it has been going on forever.

The time has come to put a stop to it. I hope that the momentum does not stop and I hope we can be bipartisan with it.

Let me tell you that when I see we are not being bipartisan, I am going to stand up and scream about it, because most of the action—I will say that BILL NICHOLS from Alabama, one of the greatest Members of this body, he treats everybody fairly on that investigation subcommittee. He considered everybody's proposal fully and that is how we are going to get the good reform, Democrats and Republicans working together to try to stomp this thing out.

Again I want to commend the gentleman for his hard work. Maybe we can fashion some language down the road that he and I can agree with within his reform proposal. But let us get the politics out of it and let us make good progress.

Mr. BEDELL. The gentleman from Iowa certainly would agree.

But I think it is important that we be sure that everything is clear. Let me read further from the statement that was made on that date.

This is Mr. WALKER:

> I have just been informed by the House Appropriations Committee that the contract we have been talking about here with regard to the kit was indeed originally signed in 1979, and that this is a supplemental agreement.

Now, the fact of the matter is that that contract for that kit was signed clearly in 1982. And the concern again, if the gentleman from Iowa could express it, is that we are having a very difficult time getting a lot of these things accomplished.

I was recently involved in a discussion with Mr. Birch from the Defense Department, and he said, in effect, that really this was a lot of baloney because people should be aware that they got a refund from Gould on this $400 hammer. They did. They got a 10-percent refund.

I paid $92.44 for these tools that they paid more than $10,000 for. Now, if instead of $10,000 they give back $1,000, that means they only paid $9,000 for what I paid $92.44 for.

I think most of us would agree that if the Defense Department is trying to tell us that this is fine because we got a 10-percent refund or if the people on the floor are trying to say look, this is not a problem anymore, this was all signed under the Carter administration, and this contract was signed in 1979, which it was not, I think the gentleman from Iowa has a responsibility to see that it is corrected, not because of partisan reasons, for heaven's sake.

We have as many Republicans that supported my amendment as Democrats, I assume. I did not even check. But the reality is that that problem still exists and we have a lot of people trying to tell us that it is no problem.

Mr. HUNTER. Will the gentleman yield?

Mr. BEDELL. I will be glad to yield.

Mr. HUNTER. I appreciate the gentleman's statement. I am still drawn in looking at the position by the gentleman from Pennsylvania that when he cited the contract, this 1978 contract that was made and cited, the 1979 contract, and working from the memorandum that the gentleman from Iowa has, in my estimation again the real, the serious mistake that was made, and that was not based on good reason, that was made by the Navy, was made, and I quote from the memo that was sent to the gentleman from Iowa: "This decision not to obtain PDT" which is provisioning technical data, "was based on the April 1979 decision to obtain total contractor maintenance and material support for certain training devices."

So that clearly states that they did not go out and compete that. They went sole source, and I say you are asking for trouble when you do that.

The way we are going to break down these abusive prices is to compete things. And the gentleman from Pennsylvania, doggone it, when he said that started back in 1979, I would say that that was the bad decision that initiated it.

Now, I am not saying that a smart guy could not have come along and in 1981, before this thing was inked, but I would say that that was the policy decision.

Mr. BEDELL. Would the gentleman say this statement is correct, we are talking about the contract to buy the hammers, are we not? Let me read:

"I have just been informed by the House Appropriations Committee," he was properly informed. I do not question his integrity. This is what he was told. ". . . that the contract we have been talking about here with regard to the kit was indeed originally signed in 1979, and that this is a supplemental agreement."

Mr. HUNTER. You asked me if I would agree that that is correct. I think it depends if the guy who is giving that statement—let me just finish—is referring to, and I have a 1978 contract in front of me, and at line number 0008 it says spares and repair parts for items 0001 and 0002.

Now, if in the mother contract, if he considers that to be the mother contract, and the follow-on contract is for support, then I would say if he is referring to it in that context I guess you would call another contract a supplemental. Essentially the big buy was made when they made the buy for the support units.

You have a lot of—and if the gentleman from Iowa will listen to me——

Mr. BEDELL. I am listening.

Mr. HUNTER. In defense procurement in a lot of things you have an initial key contract and you may have 15, 20, 30 follow-on contracts as a result of that picking up spare parts, and so forth. So if the gentleman will allow me to finish, the gentleman says, well, he called this a supplemental. I think that that, in my estimation, that is nit picking.

I think the real heart of the thing goes back to the policy decision not to compete this thing. That is where the Navy made their error and that is where you get high prices, and in that context the gentleman from Pennsylvania was right. That was a bad policy decision made in 1979, and a smart guy could have picked it up. I will concur with that.

A smart procurement officer could have picked it up, changed it.

But the point is that was the decision, to sole source, not to compete. And the gentleman from Iowa does not like sole sourcing.

Mr. BEDELL. Most of us would feel that when I contract to buy something I make a contract to buy that and that is the date of the contract.

Mr. HUNTER. But the date you made the mistake is when you decided to sole source it and went out and negotiate for 6 months with one contractor.

Mr. BEDELL. Oh, no; the time that I decide to buy something and say I am going to pay these prices for that is the date of the contract.

Mr. DORGAN. Will the gentleman yield?

Mr. BEDELL. I yield to the gentleman.

Mr. HUNTER. I think that is academic.

Mr. DORGAN. When I received my MBA out of graduate school I first went to work for a defense contractor in my first job out of graduate school. I went through the whole plant and I was a special executive development program trainee. I was in finance, I was in manufacturing, and so on. I got a chance to spend time with people in the contracting department.

Now, let me say to you this: The gentleman from California knows that in any company where they have a contracting department where somebody is responsible for signing and making contracts with the Federal Government, if in 1982 someone made a contract with the Federal Government and someone represented the DOD on the other side of the table, incidentally, the Department of Defense, and they both signed it, and they said, "We are going to make you some ham-

mers here, we are going to get you some hammers, and these hammers are going to do a great deal for you, we are going to charge you $400 for them"—$7 hammers—"we are going to charge you $400 for them," I am saying this: That in 1982, when they sat at that table—and having worked for a defense contractor I have watched some of those contract negotiations—when those two people sat on each side of that table——

Mr. HUNTER. If the gentleman will yield, there is no evidence anybody sat at a table on this.

Mr. DORGAN. If the gentleman will allow me to continue, when they made that agreement and signed the contract, by God, somebody made a horrible mistake. That was when the contract was made, that was when somebody made a decision to pay $400 for a $7 hammer.

Now, let us put it in perspective again. You did a very artful job of describing some 1979 contractual process that ostensibly would have obligated somebody sitting at a table in 1982 purchasing a hammer to pay $400 for it without even scratching their head, apparently stone sober. Well, you know, the fact is, that is a different subject. The contract we are talking about very specifically, the gentleman from Iowa indicated, was a contract for a hammer that was made in 1982, between two sides, one representing the Government and one representing the contractor who would furnish the hammer.

And all we want to do is clear that up. I am just saying that in special orders there are lots of things said that are said in haste, not always with good information. In this case, what was said was wrong. And I will tell you what, the gentleman ought to be in the Olympics for sidestepping on this issue, because I think quite clearly the gentleman from Iowa——

Mr. HUNTER. Will the gentleman yield?

Mr. BEDELL. Let the gentleman finish.

Mr. HUNTER. I thought we were having an objective discussion and we were not going to start talking personally and start saying that we are side stepping. I have not accused you of sidestepping in this discussion.

If my friend from Iowa will yield for just a very brief response——

Mr. BEDELL. First, let the gentleman finish.

Mr. DORGAN. First of all, let me say I do not mean anything personal about it. I am just saying that his discussion has been interesting. We are talking about something very specific. The gentleman from California, who is a very able Member of this body, who works closely with the gentleman from Iowa, has talked about a different subject, a larger contract, the mother contract signed in 1979. And all I am saying is that it is very artful not to get caught in the description of the specific contract that Mr. BEDELL is talking about. I do not mean anything personal to the gentleman from California.

Mr. HUNTER. If the gentleman from Iowa will yield for 30 seconds, I will finish up.

Mr. BEDELL. OK.

Mr. HUNTER. Let me simply say to the gentleman that this is the way I look at this thing, and this is why I agree with the gentleman from Pennsylvania. If you decide you are going to buy a car and you make a decision today that the only person you are going to buy that car from is me, you are going to go to one source, you are not going to go out and compete on the marketplace, and so we sit down and start negotiating, and 6 months later you buy this car from me for $20,000 because I say that is my price or because you run the deal through faster, whatever, when did you make the basic mistake? The basic mistake was made not when you inked the contract. It was made when you decided you were going to sole source it and you were not going to go out for competitive bid.

If you analogize that to this contract, the Navy made their fatal mistake in not going competitive on this contract. They made that decision in 1979. The gentleman from Pennsylvania was absolutely right, if that is the time he is referring to, as being the time when the Navy made the fatal mistake in this contract.

Mr. BEDELL. Does the gentleman feel that any decisions made in 1979 were binding on the Navy in 1982, that they had to do whatever——

Mr. HUNTER. No; I would agree that if a smart officer had seen that and said, "Wait a minute, I do not want to go along with this decision made in 1979, I want to open it up." then that intervening event would have taken care of it. But the point I am making is, the train was started in 1979 when they entered negotiations. The Navy has so many contracts, usually when they make a decision to start negotiating with one company, it is very rare that somebody comes along and says, "Wait a minute, take the train off the track, forget the 3 months of negotiations, I want to open up for competition."

Mr. BEDELL. But the gentleman would agree they could have made that decision?

Mr. HUNTER. Absolutely.

Mr. BEDELL. Would the gentleman further agree that when they found out that the price of a hammer was going to be $430-some that they could have questioned it and said, "We don't think we ought to pay $430-some for it, we ought to go buy it somewhere else"?

Mr. HUNTER. Absolutely. I agree with the gentleman completely. Somebody could have caught this thing all the way through from start to finish. But the first basic mistake the Navy made, as the gentleman will agree, was April 1979, when they said, "We are not going to bid it competitive." Competition is the name of the game.

Mr. BEDELL. Would the gentleman agree further that, therefore, there were mistakes made in 1982 in regard to what was done?

Mr. HUNTER. Absolutely.

And will the gentleman agree with me that a mistake was made in 1979 when they decided not to compete?

Mr. BEDELL. The gentleman is not trying to avoid it. The gentleman does not know if that decision was made.

Mr. HUNTER. If they made that decision, would the gentleman agree that was a bad decision?

Mr. BEDELL. I would agree. If that decision was made, that was a bad decision, and it should have been changed in 1982.

Mr. HUNTER. I thank the gentleman.

And I thank the gentleman from North Dakota.

Mr. BEDELL. Well, I appreciate this discussion. I hope we realize the important thing, so far as this gentleman is concerned, is that there are still problems, that we need to address those problems, and when the Defense Department tells us that there are not any problems any more, or when they tell us that a 10-percent refund on a $400 hammer means that they have done everything proper, I hope we will properly address that issue.

Mr. HUNTER. I agree.

Mr. BEDELL. And I hope we can work together, frankly, in a nonpartisan effort in order to try to correct the problems that exist.

THE ISSUE OF CRIME AND THE DEMOCRATIC PLATFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 60 minutes.

Mr. LUNGREN. Mr. Speaker, after listening to the previous special order on a controversial subject, I thought I would pick a noncontroversial subject, that of crime, and try to go through some of the statements that are contained in the Democratic platform adopted in San Francisco and contrast it with what I think the facts show, because I think a platform ought to stand for something. I suspect that it is supposed to stand for an articulation of principles of one of the great major parties of this country, and that the assertions made therein are intended to be a guide for voters as they look upon the election in November.

So, Mr. Speaker, let me first begin with the first paragraph that was contained in the Democratic platform text on crime, and I quote:

No problem has worried Americans more persistently over the last 20 years than the problem of crime. Crime and the fear of crime affect us all. The impact is greatest on poor Americans who live in our cities. Neither a permissive liberalism nor a static conservatism is the answer to reducing crime. While we must eliminate those elements like unemployment and poverty that foster the criminal atmosphere, we must never let them be used as an excuse.

Well, Mr. Speaker, I think most Americans could agree with the statements contained there. It is certainly true that there are few problems that give rise to greater public concern than the issue of crime. For example, according to the December 27, 1983, edition of USA Today, the following question was posed to its readers: "What worries you most about 1984?"

On the subject of crime, 62 percent of the respondents described themselves as very worried.

It should be noted that this contrasted with the response concerning the threat of nuclear war, where 52 percent described themselves as very worried.

And yet despite the obvious level of public concern and despite the statements contained in the Democratic platform, and with probably the single exception of Congressman HUGHES of New Jersey, the House Democratic leadership has thwarted efforts at comprehensive criminal justice reform. And while the Senate acted in a bipartisan fashion to enact provisions contained in the President's comprehensive crime control bill, the House Democratic leadership did not even follow through with the normal, routine procedure of referring this important legislation to its respective subcommittees for a period of 51 weeks.

Now, one might suggest that you could overlook legislation that the President has announced, legislation that the President has invited you to the White House Oval Office to discuss, for a week or two, but 51 weeks is rather difficult to explain.

In other words, for almost a year the bill was held in abeyance and not able to be acted on. Thus, contrary to the platform statement, the Democratic leadership's actions would seem to indicate that crime is not an issue that is a major priority on our legislative agenda in this House.

Mr. Speaker, you will recall that we spent a total of 37 hours and 12 minutes debating the nuclear freeze issue, and certainly if the concerns of the American people have any correlation to what we do in this Chamber, it would seem appropriate that, at a minimum, the President's crime bill should at least be given equal billing.

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The seond paragraph dealing with crime in the Democratic platform goes as follows:

Although the primary responsibility for law enforcement rests at the local level, Democrats believe that the Federal Government can play an important role by encouraging local innovation in the implementation of new crime control methods as their effectiveness is shown. And when crime spills across State borders, the Federal Government must take the lead and assume responsibility for enforcing the law. This Administration has done neither. It has talked law and order while cutting law enforcement budgets. It has decried the influence of drugs while cutting back on Customs enforcement. As a result, drug trafficking and abuse have risen to crisis proportions in the United States. In 1983 an estimated 60 tons of cocaine, 15,000 tons of marijuana and 10 tons of heroin entered the United States, clear evidence that we are losing the effort overseas to control the production and transshipment of these and other dangerous drugs.

Domestically, the illicit trafficking in drugs is $100 billion a year business. The economic and social costs to our society are far higher. Today in our country there are 25 million regular abusers of marijuana; close to 12 million abusers of cocaine, and half a million heroin addicts.

Since 1979, hospital emergency room incidents, including deaths related to cocaine have soared 300 percent. Incidents relating to heroin have climbed 80 percent. According to the 1983 National High School Survey on Drug Abuse, 63 percent of high school seniors have tried an illicit, and 40 percent have tried a drug other than marijuana.

Alcohol abuse is also a serious problem which must be faced. For this reason, the Democratic Party believes it is essential to make narcotics control a high priority on the national agenda, and a major consideration in our dealings with producer and transshipment countries, particularly if they are the recipients of U.S. aid. At the national level the effort must begin by introducing a comprehensive management plan to eliminate overlap and friction between the 113 Federal agencies with responsibilities for fighting crime, particularly with respect to the control of drug traffic. We must provide the necessary resources to Federal agencies and Departments with the responsibility for the fight against drugs.

To spur a local law enforcement effort, establishment of an independent criminal justice corporation should be considered. This corporation could serve as a means of encouraging community-based efforts such as neighborhood citizen watches, alternative deployment patterns for police, and community service sentencing programs which have proven effectiveness.

Mr. Speaker, I must mention again that all of this was contained in the context of the assertion that the Federal Government must take the lead and assume responsibility for enforcing the law and that this administration has done neither.

Mr. Speaker, this is an interesting criticism, since during the period of the Carter-Mondale years or Mondale-Carter years, from 1977 to 1980, the budget of the Justice Department, and particularly the enforcement arm of the Department and the number of FBI agents and DEA agents available to deal with this terrible problem were cut substantially. The Reagan administration took office following the largest increase in the crime rate in this Nation since we have been keeping crime statistics.

In 1978, 1979, and 1980, the FBI indicators on the rate of all serious crime increased to unprecedented levels. By contrast, Mr. Speaker, over the last 3 years, the Federal law enforcement budget has been increased by nearly 57 percent bringing more than 1,600 new investigators and prosecutors to the Federal fight against crime. The Reagan administration has launched significantly greater Federal efforts where it is most appropriate such as in the area of drug trafficking. For the first time, this is extremely important, for the very first time in our Nation's history, the FBI has been brought into the enforcement of our Nation's drug laws. This has had the effect of bringing over 1,000 new agents into the war against drug trafficking.

Under the leadership of Vice President Bush, the South Florida Task Force was established and has been able to achieve at least some relief in the drug trafficking that has plagued that part of our country. The President created and Congress approved 12 new drug task forces that have been deployed throughout the United States. This has involved the deployment of over 1,200 additional agents and 200 prosecutors and support personnel. As of May 16, 1984, the new task forces have initiated 596 investigations. Four hundred and seventy-one indictments have been brought against 2,390 individuals, and more than 600 defendants have been convicted. Tons of narcotics and dangerous drugs have been removed from our Nation's streets.

Mr. Speaker, no one suggests that our drug problems are behind us, but to assert, as the Democratic Platform does, that this administration has done neither, that this administration has cut law enforcement budgets while talking about law and order, and has decried the influence of drugs while cutting back on Customs enforcement, is a fantasy. It is inaccurate; it is against what the record shows, and it seems to me that the people who put this platform together ought to be embrassed by the fact that they did not even check the facts, evidently.

The drug task forces represent a multiagency, multidistrict approach to drug enforcement. They enable law enforcement officials to better target the most significant drug trafficking organizers and take better advantage of the complete range of legal sanctions and penalties available for prosecution.

Mr. Speaker, the administration has established the National Narcotics Border Interdiction System [NNBIS] as a direct response to state requests for increased military interdiction efforts. Under the direction of the Vice President, NNBIS will play a major role in curbing the flow of illegal drugs across our Nation's borders. NNBIS is basically a colloquium of Federal law enforcement agencies working in conjunction with the Department of Defense and the intelligence community, that is, the FBI and the CIA. The idea is to bring together all the resources of the Federal Government to combat drug trafficking with the Drug Enforcement Agency playing the leading enforcement role. The Justice Department playing the leading prosecutorial role, and the State Department with the responsibility of negotiating with source countries.

Mr. Speaker, again, this flies in the face of the assertion contained in the platform that somehow the various agencies of the Federal Government that have anything to do with crime and certainly with the idea of taking care of illicit drugs, are running rampant without any common direction. In fact, there is more common direction, there is more working together in this administration than any time in our Nation's history.

As I mentioned before, the FBI, before this time, never ever got involved in drugs. This went back to the time of the founding of the FBI and their director's concern that FBI agents could remain clean if they were not in some ways tempted by certain things such as drugs, which had the tendency, because of the value of street drugs, to cause under temptation, if you will, to certain law enforcement officials.

We have passed that old contention, and how the FBI is working in conjuction with the DEA and no one that I know of in law enforcement in the United States would suggest that we are not better off today than we were 4 years ago in the area of the Federal assault on illicit drugs in this country.

In this regard, Mr. Speaker, I would also mention that the Reagan administration has made unprecedented efforts to establish working relations with the Government of drug source and transit countries in Asia, Europe, and Latin America. For example, Columbia has recently engaged in a major crackdown following the tragic assassination of their Justice Minister. President Betancur declared a state of emergency and in cooperation with the U.S. Government began spraying herbicide, and conducted a major search and seizure operation with the help or our Customs Service.

In fact, this evening I believe it is, Vice President BUSH will go to Equador to hold discussions with four Latin American presidents. A major topic on his agenda will be to discuss efforts to expand cooperation to reduce the flow of cocaine. He will be meeting with the President of Columbia and the President of Bolivia specifically for this purpose.

The President's Commission, I might mention before I go on, Mr. Speaker, that the Attorney General has made trips to various parts of this globe specifically to talk with leaders of these countries about our common interests in trying to stop the tremendous shipment of illegal drugs to this country. In some cases the Attorney General was criticized for traveling outside the confines of the United States.

Some wondered why the Attorney General needed to do so. In fact, it is part and parcel of the administration's overall effort to try and root out the drug problem wherever it is found, overseas where much of it is grown, and in other countries where it is transshipped, and then finally, when it reaches the United States. It has been a full court press that the administration has placed on this issue. No one suggests that the game is over. No one suggests that we are close to where we want to be, but we have, Mr. Speaker, made tremendous strides.

The President's Commission on Organized Crime has been completely staffed and held hearings in both New York and Washington, DC. This Commission will study region-by-region the influence of organized crime and recommend ways of dealing with it. It is made up of 20 distinguished individuals who have expertise with respect to the problem of organized crime, Judge Irvin Koffman, a distinguished Federal judge for the Second Circuit Court of Appeals serves as the Chairman. Mr. Speaker, I would say it is thus apparent that the Reagan administration has shown unprededent leadership in conducting the war against drug trafficking.

However, while the administration has made administrative reforms I have outlined, the Democratic House of Representatives has failed to fulfill its responsibility with respect to a complementary legislative agenda. If we are to be successful in attacking the primary purveyors of the poison that infects our schools and neighborhoods, we must be able to strike at the economic base of these illicit operations.

A number of us in the House sponsored legislation that would provide for the forfeiture of the profits as well as the substitute assets accumulated by these merchants of chemical doom. Those with such insatiable greed will better appreciate our determination to enforce the law when we hit them where it hurts the most, in the pocketbook. While we can be pleased that the House Judiciary Committee finally reported a drug forfeiture bill this year, I am somewhat disappointed that unlike the Senate bill, and the provisions supported by the President, it does not include a provision that would allow Federal prosecutors to reach substitute assets if those in drug trafficking enterprises hide those assets with a nexus to the crime from the reach of the court.

□ 2040

Mr Speaker, let us just be frank about it. We are dealing with drug traffickers who are highly sophisticated people. That is one of the reasons we need legislation. They know our criminal laws. They know how to avoid them. Without this additional tool of going at substitute assets, where after they get some ill-gotten gains, the product of the criminal enterprise, they then exchange them or substitute other assets for them, we ought to be able to go after those substitute assets.

It seems to me unbelievable that we could not get the support of the majority of the Democrats on the Judiciary Committee for that simple process. It is my hope that if we ever get that bill to the floor of the House, it will not be brought out under a Suspension Calendar or a closed rule that will not allow us to have the amendment that I have just mentioned. Without this additional tool, I fear the traffickers and their high-priced legal counsel will realize that they can avoid the thrust of the well-intended legislation by simply moving their assets outside of this country.

It is imperative that we enact criminal forfeiture legislation with provisions which allow Federal enforcement officers to reach subsititute assets. These assets would be limited, of course, to the same value as the ill-gotten goods, but they would be things that would be within the reach to the Federal court.

Mr. Speaker, further quoting from the Democratic platform that was written in San Francisco:

> Violent acts of bigotry, hatred and extremism aimed at women, racial, ethnic and religious minorities and gay men and lesbians have become an alarmingly common phenomenon. A Democratic administration will work vigorously to address, document, and end all such violence.

Mr. Speaker, while I applaud the Democratic platform for condemning these acts of violence and note that they include acts of violence against women, minorities, and gay men and lesbians, I find it to be incomprehensible that they fail to even mention the fear and violence experienced by our society's most vulnerable members, and that is the elderly.

In 1980, the last year for which we have statistics, there were 165,000 crimes of violence committed against those over 65 years of age; 594,000 thefts; 785,100 burglaries; and 942,200

household larcenies. I do not know what percentage of senior citizens happen to be gay men and lesbians but I wish that we would at least have had in the Democratic platform an acknowledgement that the elderly of this Nation certainly need our concern with respect to acts of bigotry, hatred, and extremism aimed at them.

Mr. Speaker, further quoting from the Democratic platform:

We believe that victims of crime deserve a workable program of compensation and we call for sentencing reforms that routinely include monetary or other forms of restitution to victims. The Federal Government should insure that victims of violent Federal crime receive compensation. We need to establish a Federal Victim Compensation Fund to be financed in part by fines and the proceeds from the sale of goods forfeited to the Government.

They then go on to talk about tough gun control and a strong Federal-State partnership, and further progress in the national expansion of comprehensive, community-based antidrunk driving programs.

Well, Mr. Speaker, following the important work of the President's Task Force on Victims of Crime, the Reagan administration has sent to Congress the Victims of Crime Assistance Act of 1984. This bill would provide Federal funds for State victim compensation programs, as well as to public and private programs offering direct services to victims of crime. However, the criminal, rather than the taxpayer, in my estimation also is in the status of a victim, will pay for the program. Criminal fines collected by the Federal Government will be used to finance the program.

As we know, we have passed in this Congress, both the House and the Senate, language which will require States or encourage States, upon loss of certain Federal funds, to have tougher antidrunk driving programs on their books and that legislation certainly is supported by the President and will be signed into law by the President.

Mr. Speaker, quoting further from the Democratic platform text:

We support fundamental reform of the sentencing process so that offenders who commit similar crimes receive similar penalties. Reform should begin with the establishment of appropriately drafted sentencing guidelines, and judges deviating from such guidelines should be required to provide written reasons for doing so.

Mr. Speaker, drawing from the President's omnibus crime control bill, the Senate acted in a bipartisan fashion to adopt sentencing reform legislation. The core package, which passed by a margin of 91 to 1, as well as Senator KENNEDY's S. 668, which basically was that element of the core package involved with sentencing, which passed by a margin of 85 to 3, does adopt sentencing guidelines to ensure certainty of punishment.

While we acted on this subject finally, belatedly, in the Judiciary Committee this week, by contrast the sentencing legislation we did adopt contains a number of serious flaws, and let me go through them at this time. They retain those flaws because we were unsuccussful on virtually party-line votes from getting some changes that would affect these problems that I am going to mention.

Although the amendment at least provides for guidelines, it confers broad authority on the judge to circumvent them. A sentence outside the guidelines is permissible under the legislation we passed at the insistence of the Democratic leadership in the Judiciary Committee if "the court finds that departure from the guidelines is warranted on the basis of the circumstances of the offense or on the basis of information about the defendant."

If the offense and offender characteristics in a particular case were adequately considered in the promulgation of the guidelines, there is no reason whatsoever to permit a judge to set his or her own policy simply because they do not agree with the guidelines. We are giving them far too much discretion in the language of the bill that was presented. The guidelines can be easily circumvented as long as they mention why.

In contrast, in the administration bill and the Kennedy-Biden bill in the Senate, which is supported by the administration, one must articulate mitigating or aggravating circumstances that takes that particular case outside the guidelines. It is a far stricter standard. It would require the judges to be much more inflexible in terms of staying within the guidelines than is permitted under the bill that we passed out.

Mr. Speaker, I would suggest that sentencing outside the guidelines should be limited to situations in which the judge finds there is a factor that should affect the sentence but is not adequately reflected in the guidelines, something extraordinary, something not anticipated by the writers of the guidelines.

The amendment would place the possibility of good time credit of 20 percent or more toward service of the sentence. Let me explain what we mean here.

Right now we have a fundamentally flawed sentencing procedure in the Federal courts. When one is convicted, one then has a presentencing report that is given to the judge, and a sentencing hearing is established. At that time, at the conclusion of that hearing, the judge will set sentence.

A lot of people, particularly the public, particularly the victim or the victim's family, believe that sentence is what that person is going to serve. That is not true. Within 120 days in most cases, that person's case, the convicted person's case, is revised by the parole commission that sets their own standards, decides almost apriori what they are going to do, and they then set a presumptive release date.

After the person has serviced between one-third and one-half of the time from the time they are sentenced by the judge to the presumptive release date established by the parole commission, the full commission reviews the case once again and sets a new release date.

In addition to that, the person gets good time. What we are saying is, essentially there ought to be truth in sentencing. When that person is sentenced, he ought to know or she ought to know that is what they are going to serve, the community ought to know, the victim, the victim's family ought to know, with only a small amount of good time allowed, and we allow good time under our bill of 10 percent because the Bureau of Prisons has told us that is a means by which they can keep some discipline, keep some control within the prison population.

If you add this 20 percent onto the retention of the parole commission that is allowed in the bill that passed out of committee, you essentially are getting away from the idea of truth in sentencing. You are again going to confusion in sentencing. You are again going to be fooling the public and fooling that poor individual who has been victimized by the perpetrator of the crime and that victim's family.

□ 2050

Also I would say, as our amendment would anticipate and as allowed in the Kennedy-Biden bill and the President's bill, that good time should be implemented by the prison authorities, as under current law, rather than by the parole commission.

The bill that we passed out of our committee, unfortunately, would create a "lock step" sentencing procedure in which the court is required—now, listen to this—the court is required to impose the "least severe" sentence in a rigid hierarchy of sentences.

In other words, what happens is that we are now going to have the ability for the—no longer the defendant; he has already been convicted—the convicted felon to appeal his sentence based on the fact that the judge did not give him the least severe penalty. So the question or the quest—not for justice, not for the appropriate penalty—the quest will now be for the least severe penalty.

Is that what we want to talk about in terms of victims' rights, that the real question is going to be, what is the absolute least severe remedy?

Mr. Speaker, the sentencing bill as passed out of our committee would make ideal prison capacity a primary

goal of the sentencing guidelines. It seems to be that the guidelines should be designed to achieve just punishment, which is what we had in our amendment, what is in the Kennedy-Biden bill, and what is in the President's bill, but it was strangely not a part of the bill passed out and supported by the Democratic leadership. We have removed the concept of "just punishment." We could not bring ourselves to use those words. I do not know why. Maybe it is a catch phrase that the ACLU does not like to have in sentencing, but it seems to me that it is a very, very severe mistake we make.

The guidelines should be designed to achieve, as I suggested, just punishment, deterrence, and incapacitation in cases of imprisonment. The guidelines should not be developed with the purpose of matching available prison space with a compatible number of bodies. To make the sentencing guidelines dependent on existing prison capacity would mean that if there were a substantial increase in serious crime, there would have to be a substantial decrease in prison terms.

That is the tail wagging the dog if I have ever heard of it.

The bill passed out of our committee and sponsored by the Democratic leadership would greatly increase defendants' rights in connection with sentencing and parole release determinations that would transform these hearings into full-blown adversary proceedings and could potentially permit harassment of victims.

Let us be clear on what we are talking about. We are not talking about guilt or innocence. This is where the individual has already been found guilty either because he or she pleaded guilty or a jury unanimously found that person guilty of the crime charged. At that point, as under current law, he is entitled to a presentencing hearing, but he is not entitled to an adversary relationship because you are no longer determining guilt or innocence. It is a determination to be made by the judge, and it is for the information purposes of the judge.

Current law, as embodied in rule 32(c) of the Federal rules of criminal procedure, sensibly permits the court in its discretion to give the defendant the opportunity to introduce testimony or other information relating to any alleged factual inaccuracy in the presentencing report. The substitute adopted by our committee, the so-called Rodino substitute, on the other hand, would confer on the defendant for the very first time the right to subpoena and cross-examine witnesses, including the probation officer who prepared the report and any persons, such as the victim, who supplied information contained in it.

Let me tell the Members, Mr. Speaker, why this is such a devastating element of the bill passed out of our committee. We have just in the last couple of years embarked on a consideration of victims' rights. We now have in guidelines, promulgated in legislation last year and now put forth throughout the courts of the United States, an obligation that in the presentencing report the officer involved with presenting that report to the court must go out and get the comments of the victim and the victim's family so we will know what the impact of that crime was on the victim.

Under this sentencing bill we passed out, it is an antivictims' rights provision because now that victim has to be worried about ever talking to that officer because if he or she does, he or she can be subpoenaed to testify again. Anybody who has ever been involved in the criminal justice system knows that many victims fear getting on that stand, have a fear of being cross-examined, not because they have anything to hide, but because oftentimes they are made the subject of the inquiry, not the person who is being charged with the crime.

We know, particularly in cases of rape, for instance, how traumatic it is for the women to have to go up there and testify. So now what we are saying in this bill, Mr. Speaker, is, if you testify and you want to let them know at all what your feelings are about the sentence to be served, you had better darned will be sure that you are willing to go on that stand a second time and be subjected to cross-examination by the attorney or maybe even the person who perpetrated the crime upon you beause in that case that individual can act as his own counsel.

I think that is probably the most devastating criticism of the bill that passed out of our committee, and I would just hope and pray that we will be allowed the opportuity to debate and certainly amend that provision in the sentencing bill, because what it does is it grants a whole new panoply of rights, not to the defendant but to the person who has already been convicted, and in my judgment it produces a tremendous opportunity for harassment of the victim, at a time when we have been in an era of exploding concern for victims' rights.

And that is part of the Democratic platform, concern about victims' rights, and then the Democratic leadership allows—not only allows but puts that in the substitute which they voted up almost on a partisan line vote.

The amendment would impose significant and overly broad restrictions on the imposition of civil and employment disabilities arising from criminal covictions. For example, according to the Department of Justice, in its review of the bill passed out of our committee, it would permit the court to order that the Government not reveal a defendant's prior conviction for child molestation in connection with his application as a schoolbus driver.

I mean, are we really serious about some of the things we have in this bill that we passed out and that we talked about as being sentencing reform and the best that we could do? I mean if all it is is concern that the President will get some credit for putting forth a good proposal, let us call it the Kennedy-Biden proposal and bring it here on the floor in the bipartisan spirit with which it was treated in the U.S. Senate. Unfortunately, Mr. Speaker, once again the rhetoric of the Democratic platform is a far cry from the actions registered in the Judiciary Committee this last week.

Mr. Speaker, let me go further in quoting from the Democratic platform:

> We support fundamental reform of the sentencing process so that offenders who commit similar crimes receive similar penalties. Reform should begin with the establishment of appropriately drafted sentencing guidelines, and judges deviating from such guidelines should be required to provide written reasons for doing so.

I mentioned that before, and the only reason I wanted to point that out again was that the essence of it is not to require the judge to provide written reasons for doing so. That is part of the process. But the essence of it is, what are the parameters which surround the judge in making his determinations, and how easily can he get out of those guidelines?

The fact that he has to provide a written reason is really only a process. It does not limit him under the language of the bill we have before us.

Finally, we have this statement of the Democratic platform:

> Finally, we believe that the credibility of our criminal courts must be restored. Our courts should not be attached for failing to eliminate the major social problem of crime—courts of justice were not designed, and were never intended, to do that. A Democratic Administration will encourage experimentation with alternative dispute-resolution mechanisms, diversion programs for first and nonviolent offenders, and other devices to eliminate the congestion in our courts and restore to them an atmosphere in which they can perform their intended job: doing real individualized justice, in an orderly way.

The statement, Mr. Speaker, that our courts should not be attacked for failing to eliminate the major social problem of crime is incredible in that it completely disregards the fact that those who sit on the bench play a critical role in the criminal justice process. It is in the judiciary that the rights of the defendant have been expanded vis-a-vis those of the public to be protected from violence. Although we on this side of the aisle feel the expansion of the judiciary at the expense of the other two branches of Government is undesirable, the fact of

the matter is that judges all too often make public policy.

As former Chief Justice Harlan Fiske Stone stated: ". . . Where courts do deal, as ours do, with great public questions, the only protection against unwise decisions, and even judicial usurpation, is careful scrutiny of their actions, and fearless comment on it."

□ 2100

Judicial philosophy is of particular importance with respect to the question of sentencing. The idea that judges should not be attacked for imposing lenient sentences is as ludicrous as the idea that they should be required to impose the least severe sentence, as contained in the Democratic sentencing bill.

The platform statement on the role of the courts with respect to criminal justice is all the more remarkable in light of the fact that the House Democratic leadership is denying us the opportunity to enact important legislative vehicles necessary for judicial reform. Reform of our bail laws that would insure that dangerous criminals will not be released into the community and habeas corpus legislation that would insure greater certainty in criminal judgments have been stifled.

They pose the American people with the classic catch-22 situation. The Democratic Platform contends that the judiciary should be beyond criticism, and yet when sincere legislative attempts at judicial reform are made, the Democratic leadership of this body thwarts any such action.

Mr. Speaker, I have no doubt whatsoever that if we had the administration's proposal for bail reform on this floor, if we had the habeas corpus reform, if we had the administration's sentencing reform on this floor, if we had the capital punishment provisions the administration supports, that those things would pass with bipartisan support. I have no doubt about it. We would not have it as a partisan issue, but the fact of the matter is that the leadership of this House, the Democratic leadership of this House, refuses to give us all, Democrat and Republican, the opportunity to vote on those very, very important pieces of legislation dealing with the judicial branch. On the one hand they criticize any of us who would raise any criticism against what we consider to be poor decisions by the judiciary and on the other hand they refuse to allow us an opportunity to make some of the fundamental changes that were allowed under our constitutional processes to change the system so that those decisions might not continue to be made. So they leave us out there twisting slowly in the wind, only being able to criticize and to complain because they deny us the opportunity for legislative action on this floor.

Finally, Mr. Speaker, it goes without saying, as the Democrats continually stresses at their love-in in San Francisco, that the kind of judges that will be appointed by Ronald Reagan certainly will be a far cry from those that a President Mondale would make and perhaps that is the strongest statement that I could make in terms of the area of law enforcement.

This administration, contrary to the assertions contained in the Democratic platform, has taken the lead and has assumed responsibility for enforcing the law. They have a record that is in stark contrast to that of the previous administration, both in terms of their administrative changes, their legislative proposals here and, yes, the appointments to the Federal judiciary that have been made.

Mr. Speaker, I yield back the balance of my time.

STEEL INDUSTRY NEEDS QUOTAS ON IMPORTS FOR BREATHING SPACE, MODERNIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 30 minutes.

● Mr. GAYDOS. Mr. Speaker, we are at war. Whether we realize it or not—whether we accept it or not—we are in the midst of an international trade war.

And, for the first time since the earliest days of this Nation, we are fighting this war on our own turf.

And, believe me, this trade war can and will be no less devastating than any of the shooting wars we have fought.

We are already seeing the results: Cities under pressure because their economies were tied to a single industry that has been unable to survive; high unemployment in industries that are facing tremendous pressure on their markets at home and abroad.

And the pressure is mounting. Just the other day, the new figures on our balance of payments came out and, while they indicate a slowing in the rate of deficit, they still show continuing penetration of American markets by foreign goods.

In 1982, The yearend merchandise trade deficit was $36.5 billion. Last year, we set another record deficit—$60.1 billion. And this year, who knows?

The first two quarters show a merchandise trade deficit of $51.9 billion, almost equal to last year's total deficit. There is little doubt in anyone's mind that the 1984 merchandise trade deficit will set a new record. Estimates of the 1984 deficit range from $110 billion to $130 billion.

And our current account—which includes both goods and services—hit a record deficit of $41.6 billion last year.

If that is not a sign that we are in the midst of a trade war, then I don't know what else is.

We used to base our trade on the concept of comparative advantage, that is, if an industry in your country could build a better product and sell it cheaper, then the market was yours. If we could do it better, then the market was ours.

Things worked that way for quite a while, Mr. Speaker, but somewhere along the line, the attitude changed. The attitude changed when foreign governments said it was important to compete in a certain industry or product line because of the prestige—because of the credibility it gave the nation.

So things changed. Governments either nationalized an industry or financially supported it so that it could compete better in the world without having to worry about satisfying stockholders, without having to earn a profit, without having to worry about meeting payrolls or laying off workers.

There is no industry that typifies this attitude change more than steel. Yes, it is true that many American plants have become outdated, that there is a lack of modern technology being employed, and, that when the dollars were available in the 1950's and 1960's, the companies didn't reinvest in modernization plans.

But, it is important to understand that at that time there was little competition for the American market. It is important to recognize that we were assisting the nations emerging at the end of World War II to rebuild their industrial capacity so they could provide for their own needs.

We didn't expect the other industrial nations or the newly industrializing nations to create an oversupply of steel—to produce more steel than they could consume in their own home markets.

But that is what has happened. Those nations are today producing more steel than they can use for their own needs and, rather than scrap it or reduce production any more or find a new use at home for the excess, those nations export their steel.

And where do they export it? Right here, Mr. Speaker. We have the most open-door policy of any trading nation in the world and our trading competitors know it and use it to take away our markets, to make our own industry incapable of finding the financial resources so they can modernize and compete, to keep their employees working while ours are idle.

The most recent figures available from the international iron and steel institute on crude steel production and consumption clearly shows that most nations, while cutting steel production, are also using less at home and

exporting more—and most of that excess comes to the United States.

Let me just cite a few examples. In 1981, Taiwan produced 3.2 million tons of steel and consumed 4.6 million tons, meaning they had to import 1.4 million tons to meet their home needs. In 1982, however, Taiwan produced 4.2 million tons, but only used 4 million tons at home. The rest was exportable. And a recent report from Taiwan indicates that the Government-owned China steel company has plans to increase steel production even though domestic consumption is expected to stabilize.

In 1981, Brazil consumed 91 percent of the raw steel it produced. In 1982, home consumption of Brazilian steel was down to 82 percent. What happened to that other 9 percent? Much of it came to the United States.

In fact, according to the IISI figures for 1981 and 1982, only the European Economic Community showed a drop in steel production and an increase in home consumption of steel. Others were—and are—producing more steel than they need.

Recently, a Japanese businessman was talking about a problem the Japanese steel industry was facing. It seems that in order to relieve itself of its excess steel production, the South Koreans were dumping steel in Japan at below-cost prices, something the Japanese are concerned about.

Of course, Japan's problem isn't very serious. Imported steel only has about a 4-percent share of the Japanese steel market.

Here, however, the problem can't be dismissed so simply, not when the import share of the American market for steel is about 26 percent.

Other nations around the world seem to have fewer qualms about protecting their industries, whether developed or developing. South Korea requires licenses for all imports and restricts imports of steel products that are made by the South Korean steel industry. Brazil enforces what it calls the law of similars, which states that products that would compete with Brazilian-made products cannot be imported without Government permission.

The EEC negotiates bilateral agreements on steel imports that specify the amount and the price level allowed. Steel imports outside the agreements are subject to dumping regulations and must be sold at prices higher than those in the bilateral agreements.

We have rules and regulations also. But, by and large, they are either unenforceable or unenforced.

In his treaties on war, Carl von Clausenwitz talks about the importance of planning and strategy and the value of concentrating one's forces and using all of the forces available.

Clausenwitz knew what he was talking about and we can use his rules in this war in which we are involved.

If we are to be successful in competing with imports in our own market, we will have to develop strategies that will give our industries breathing room—time to restructure and modernize—time to install the technology needed to bring our products up to the imports in quality—if there is a quality problem—and down to the imports in cost.

If we are to be successful, we will have to design a workable strategy for dealing with unfair and illegal trade practices. We already have some of the elements in place. We have the International Trade Commission which in June found that imports of certain steel products were having a injurious effect on American steel sales.

Just recently, this body passed the 1984 amendments to the Trade Reform Act of 1974 by a sizable margin of 259 to 95. This measure strengthens the administrative capabilities for dealing with unfair trade practices such as dumping and subsidization.

But, in reality, it only goes so far. The trade bill we passed, H.R. 4784, will not give the steel industry the breathing space it needs. This bill will not be in place soon enough nor will it address itself to the key concerns of the steel industry.

Now is the time to concentrate our forces, to employ all of the forces available, as Clausenwitz would recommend, in the war to preserve the American steel industry.

Now is the time to pass the Fair Trade in Steel Act of 1984, H.R. 5081.

I urge you, Mr. Speaker, and the chairman of our Ways and Means Committee, and the chairman of the Ways and Means Subcommittee on Trade to listen to the majority of the House and to bring H.R. 5081, the Fair Trade in Steel Act, to the floor so that we may have our chance to tell the steel industry and the thousands of steelworkers—both the 248,000 who are working and the 250,000 or more who are not—that we recognize the problem and that we care.

The Fair Trade in Steel Act is vital to the future of our steel industry. As of last week, 219 Members of this body had joined as cosponsors of the measure because they recognize the importance of a strong, competitive steel industry as well as they understand that the present system of dealing with unfair steel imports isn't working.

There are those who say this bill isn't necessary because the International Trade Commission is aware of the crisis and has recommended actions that will resolve the problems of our steel industry.

Just what did the ITC recommend? First, it is important to note that the ITC determined by a 3-to-2 vote that only certain steel products were being affected by imports, not all steel products.

Second, while it did support a 5-year control period on the product categories in which it found substantial injury due to imports, the ITC recommended a combination of quotas and tariffs that fall far short of the remedy truly needed to allow the steel industry to regroup and update its operations.

In fact, Congressional Research Service Economist David Cantor, in comparing the ITC recommendations with the provisions of H.R. 5081, concludes:

> The ITC allows more imports than the legislation, owing to minimum quotas or higher import penetration levels. Applied hypothetically to 1983, ITC quotas permit 42 percent more imports than the legislation; indeed, 1983 import volumes would barely be affected by the ITC proposal.

In fairness to Mr. Cantor, let me say that he, at no time, speaks to the need for H.R. 5081, he merely compares the impact of the ITC recommended remedies with that of the Fair Trade in Steel Act.

But, let me also add, that if the impact of the ITC recommendations, as assessed by Mr. Cantor, will have little or no impact on steel imports, then even more surely we need the Fair Trade in Steel Act.

According to Cantor, the remedies suggested by the ITC, if in force for 1983, would have resulted in a reduction of about 15,000 tons of imports of the covered product lines from their actual level—a reduction that amounts to only 0.14 percent of the total imports of the products included in their recommendations.

The Fair Trade in Steel Act would provide more protection in the categories cited by the ITC for two reasons. First, the ITC recommended quotas are based on domestic consumption during the 1979-81 period, a period during which consumption was considerably higher on average than present or projected demand here.

Second, even if U.S. consumption were to rise sufficiently, to a point where the minimum quota levels suggested by the ITC were close to equal to the maximum import shares of consumption, the import share still would be greater than those provided for in the steel bill.

For the eight product areas covered—semifinished steel, cold-rolled sheet and strip, hot-rolled sheet and strip, galvanized sheet, other sheet and strip, plates, structurals, and wire, the ITC recommends two alternative quotas.

The one that would apply is that which would provide for the larger amount of imports.

First, the ITC proposes minimum quotas; that is, regardless of the share

of consumption, a minimum amount of the product would be allowed to enter the country. Second, the ITC proposes quota limits based on market share of imports; that is, the quota limit of the product would be based on the share of domestic consumption, but would not be less than certain minimum quantities.

The steel bill, on the other hand, would set quota limits based solely on domestic consumption. The share of domestic consumption of steel imports is based on the annual average consumption during the 1979-81 period and would remain constant for the 5-year period of the bill, at roughly 15 percent overall—some product lines would have higher levels and others would be lower.

While there has been a halt to the decline in demand for steel, neither of two recent estimates projects demand to reach the average level of 105 million tons which prevailed during the base period for 3 or 4 years. Data Resources, Inc., has projected that demand will not reach the base level until 1988 and a CRS report on the outlook for the steel industry indicates that steel demand could reach the 105 million ton level, but no sooner than 1987.

Even more, Mr. Speaker, if the impact of the ITC recommendations will have little effect on imports as compared to 1983 levels, think how much less impact it would have on 1984 levels, based on imports of steel for the first 6 months of this year.

For the first 6 months of 1984, 12.4 million tons of steel in all product categories have been imported by the United States. Compare this figure to the 7.2 million tons imported for the first 6 months of 1983 and you will find that steel imports have risen by 73.2 percent.

There are those who will say that we should wait until we see exactly how the ITC recommendation works, assuming the President goes along with the quota and tariff recommendations as they have been drafted.

Well, we can't wait. If the opponents want to know how well the ITC recommendations have planned, just take a look at the stainless steel industry.

Last year, the President accepted an ITC recommendation for a combination of quotas and tariffs on stainless steel as a result of a complaint of injury.

The expectations for success were high, but, so far, the results have been considerably less than hoped for.

Allegheny Ludlum Steel, in anticipation of record sales based on the action by the President and the ITC, called back some 1,500 employees laid off during the recession and hired an additional 100 workers. That was in March of this year.

Less than a month ago, about 200 workers were laid off—again—and the company has lowered its optimistic sales estimate by 4 percent.

According to Richard Simmons, chairman of Allegheny Ludlum, there has been an increase in imports for the first 5 months of this year as compared to the same period last year.

In fact, the first 5 months of 1984 showed imports of 51,852 tons of stainless steel sheet and strip compared to 31,986 tons for the January through May period of 1983—an increase of 62 percent, during a time when quotas and tariffs were in place.

All of this proves, as Mr. Simmons says:

Foreign producers simply absorb the higher tariffs because so many of them are subsidized or owned by their governments and they drive down the price of the few importers who are not subsidized.

Mr. Speaker, as I said at the very beginning, we are in a war. We need every weapon in our arsenal to ensure that we can compete in this international trade war.

The Fair Trade in Steel Act of 1984, H.R. 5081, is a vital element in our weaponry. It would give our steel industry the breathing space it needs to regroup, to modernize, to review its operations.

The ITC remedies, despite the moaning and groaning by our trading partners, have not worked in the past and, as Mr. Cantor has so cogently shown, will not work now.

As Mr. Cantor says, the ITC remedies would have virtually no effect on the output and employment of the steel industry and those supplying it, while the steel bill, which would have reduced imports of the covered products by about 3 million tons in 1983, would have resulted in an increase of about $660 million—in constant 1972 dollars—in the output of the steel industry alone and an additional $560 million in those industries supplying the steel industry.

Also, steel industry employment would have risen by more than 8,000 workers and employment in supplemental industries would have risen by more than 20,000 workers.

Clearly, the Fair Trade in Steel Act is an answer for an industry under fire, an industry that is and has been the cornerstone of our economy.

We must pass H.R. 5081, the Fair Trade in Steel Act, if we are going to have a chance to compete in the international markets.

TABLE 1.—SUMMARY OF ITC STEEL IMPORT QUOTA RECOMMENDATIONS AND QUOTA LIMITS OF "THE FAIR TRADE IN STEEL ACT OF 1984"

[Percentage share of domestic consumption or minimum tonnage]

Product category	ITC recommendations	Fair Trade in Steel Act of 1984 [1]
Semifinished steel.	For all imports above 1.5 million tons, an additional tariff of 15 percent for 3 years, falling to 10 percent for 2 years.	15.8 percent.

TABLE 1.—SUMMARY OF ITC STEEL IMPORT QUOTA RECOMMENDATIONS AND QUOTA LIMITS OF "THE FAIR TRADE IN STEEL ACT OF 1984"—Continued

[Percentage share of domestic consumption or minimum tonnage]

Product category	ITC recommendations	Fair Trade in Steel Act of 1984 [1]
Cold-rolled sheet and strip [2].	10.6 percent for 3 years, rising to 11.6 percent for 2 years; or 1.9 million tons, whichever is greater.	9.8 percent for sheet, 5.1 percent for strip, 15.7 percent for black plate, and 4.3 percent for electrical sheet and strip.
Hot-rolled sheet and strip.	11.0 percent for 3 years, rising to 12.1 percent for 2 years; or 1.8 million tons, whichever is greater.	12.1 percent.
Galvanized sheet...	21.4 percent for 3 years, rising to 23.5 percent for 2 years; or 1.6 million tons, whichever is greater.	17.5 percent.
Other sheet and strip [3].	6.4 percent for 3 years, rising to 7 percent for 2 years; or 400,000 tons, whichever is greater.	6.6 percent for tinplate and 5.1 percent for tin free steel.
Plates.....	21.2 percent for 3 years, rising to 23.2 percent for 2 years; or 2.1 million tons, whichever is greater.	15 percent.
Structurals.....	28.9 percent for 3 years, falling to 21.8 percent for 2 years; or 2.1 million tons, whichever is greater.	24.6 percent.
Wire [4].....	24.5 percent for 3 years, rising to 26.9 percent for 2 years; or 400,000 tons, whichever is greater.	17.8 percent.

[1] The quota limits of "The Fair Trade in Steel Act of 1984" would apply for a period of 5 years.

[2] Under "The Fair Trade in Steel Act of 1984," the average quota limit of the products delineated would be 9.8 percent of domestic consumption. This average limit is a weighted average of the import penetration of these products in the period from 1979 to 1981.

[3] Other sheet and strip include the products enumerated in the column, Fair Trade in Steel Act of 1984. These are the products considered under the heading of other sheet and strip throughout this report, after consulting by telephone with both the U.S. International Trade Commission and the American Iron and Steel Institute. Under "The Fair Trade in Steel Act of 1984," the average quota limit for all of the enumerated products taken together is 6.3 percent, a weighted annual average of import penetration of these products in the period from 1979 to 1981.

[4] This category includes flat or round drawn wire and baling wire and ties. It does not include wire products, such as nails, for which the ITC recommended as a remedy additional tariffs of 12 percent for 3 years and 10 percent for an additional 2 years.

Sources: U.S. International Trade Commission. "USITC To Recommend 5-Year Tariffs and Quotas on Imports of Carbon and Alloy Steel Products." News release, July 13, 1984. Washington, 1984. H.R. 5081, introduced March 8, 1984, 98th Congress, 2d session. S. 2380, introduced March 1, 1984, 98th Congress, 2d session.●

A POSSIBLE METHOD FOR PREVENTING PREMATURE OR UNNECESSARY INSTITUTIONALIZATION: EMERGENCY RESPONSE SYSTEMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized from 60 minutes.

● Mr. PEPPER. Mr. Speaker, an important goal of a good health program is to maintain senior citizens in the community and out of long-term care institutions as long as possible.

A very high percentage of our oldest citizens are women who live alone. Approximately half of the noninstitutionalized women in the United States live alone. Approximately 25 percent of women over 85 are currently in nursing homes and this number is likely to increase as the number of individuals over 85 is projected to double by the year 2000.

Many of these older individuals have to be institutionalized when they de-

velop functional limitations that may threaten their health and safety if they do not have immediate contact with neighbors and health and emergency services.

I believe that personal emergency response systems should make it possible to reduce institutionalization and provide seniors with better health as well as reduced health care costs.

In 1982, I was joined by Congresswoman Margaret Heckler, and in 1983, I was joined by Congressman JAMES QUILLEN in introducing legislation designed to expand medicare and medicaid coverage for emergency response services. What are emergency response services? An emergency response system has three basic components: First, electronic communication equipment in the home which automatically signals for help over existing telephone lines; second, a community-based 24-hour response center to receive the incoming alarms and send help when required; and third, local emergency response organizations such as visiting nurses, policy emergency services or individuals chosen by the user who agree to respond the specific calls for help. The emergency response system works as follows. If a person were to fall down at home, he or she could press their personal monitor which would then activate the emergency base system at a hospital, health center, et cetera. The system base station will call the patient to determine the problem. If no response, a neighbor with a key to the apartment will be called as well as the appropriate emergency response services. The emergency response will occur within minutes.

Each day the patient checks in with the base station. If there is no "check in" within a definite time, usually 12 or 24 hours, the system is automatically activated in order to make sure the patient is still able to respond. Thus, the patient is always within contact with the base station in their apartment even if unable to physically reach a telephone. The personal monitor is worn by the patient.

In 1975, the National Center for Health Services Research supported a study in Boston of an emergency response system among functionally impaired elderly public housing tenants living alone in the Boston-Cambridge area.

Three target groups were studied: First, functioning impaired and socially isolated; second, functioning impaired and not socially isolated; and third, socially isolated and moderately functionally impaired or medically vulnerable.

The population has a mean age of 75 and 30 percent were over 80 years of age. During a 13-month period, 139 pairs, experimental and control, were evaluated.

The results of the study showed that the group given the emergency response system had a substantial decrease in subsequent number of skilled nursing home days—71 versus 714 days—or in intermediate care facility days—71 versus 708 days—but no difference in acute hospital care or chronic rehabilitation hospital days. Overall, there were 1,250 more institutional care days for those not using emergency response systems.

The estimated health care costs were $1,201,933 in experimental cases using the emergency response system and $1,227,239 in control cases. The cost of delivery of the emergency response service was $33,384,89. The difference in total health service cost—institutional care $25,305.39, formal community service support $24,662.73, and informal community support services $12,516.06—was $62,484.18. The difference was therefore, $29,099.29 in favor of the experimental group using ther emergency response services.

Practically all of the benefit was in the target group 2, functionally impaired and not socially isolated.

Several new studies have been reported. One study evaluated the emergency response system in California. It was primarily interested in behavioral responses. The leading reasons for using the emergency response system were falls and chest pain. Families felt less burdened and recipients who were not socially isolated had an improvement in their feelings of security and control of their environment and reduced helplessness. No experimental trail of efficiency was done.

Emergency response systems are mushrooming in the community. One system, the "Lifeline" Program has been estimated to now include 45 communities with 400 programs involving the monitoring of around 15,000 people. The Lifeline Program has shipped 21,193 units through 1983 and 528 base systems. The total sale price of a unit is $17,500-$20,000, including the base unit and 20-25 home units. Approximately 70 percent of the hospitals using Lifeline have added additional units.

A recent survey noted that most of the systems are centered at hospitals in communities of about 50,000 people, have been operational for 10 months and have 30 home units. The charge is about $10/month. About three fourth of programs have no installation charges. Eighty percent of the clients are women and 80 percent live alone. There is an average of eight emergencies per person per year.

State and Federal funding has been obtained in nine States through medicaid waivers, section 2176. The average cost is $25-30/month. In four States local funding has been used. The Older Americans Act Title II has also spent about $1 million.

Most of the State and community reports are very favorable. There has been no good scientific evaluation since the original Boston study. Other types of emergency response systems are being marketed. There is a perceived need for an emergency response system especially for the frail elderly living alone. The systems will continue to expand and will cost money either to the medicaid program, State agencies, Older Americans Act, voluntary organizations or individuals and their families.

There is a critical need for scientific evaluation of these systems. There is a very real probability that the system will be of substantial health and social benefit to frail elderly and possibly reduce institutionalization. A very limited evaluation is being proposed as part of the social medical HMO demonstration. This will not evaluate the efficiency in the community.

The present bill will provide for a good scientific evaluation of both the costs and health benefits of emergency response systems. The results of the study will provide a sound basis for the selection of individuals who will benefit from the use of personal emergency response systems, the costs per patient and the rational for future implementation of the program.

I urge my colleagues to join me in support of their worthwhile measure.

Thank you.●

CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BATES] is recognized for 60 minutes.

● Mr. BATES. Mr. Speaker, today I want to speak about an issue which has received much attention in recent weeks. The topic is crime legislation, and I see my task today as one of undoing some of the false statements which have been made by the President and other members of his praty with regard to the actions of this body on crime bills.

President Reagan has engaged in partisan and inflammatory attacks on the House as a whole and on the Democaratic party, accusing us of coddling criminals and sitting on our hands, refusing to pass legislation to protect our citizens from the criminal element. The truth, Mr. Speaker, is that the House has taken a great deal of action in the direction of beefing up our criminal justice system and anti-crime laws while facing a notable lack of cooperation from the other body and from the President himself. There they go again, Mr. Speaker, and it is time to put an end to the myths which have been presented as fact by those who would undermine the substantive work in which we have been engaged.

What more fitting date could there be to discuss the issue of crime than on the 10th anniversary of the day on which a U.S. President resigned in disgrace because he had dared to believe that he could hold himself above the law and commit crimes against this country without suffering the consequences?

The President and his cohorts in the attacks on this Chamber and on our party have presented a cumbersome, impractical Senate measure, S. 1762, as a panacea for addressing the crucial crime-related issues of the day. This 40-point package, cosisting to some 400 pages of text, took over a year to make it through the Senate, and yet those who would portray this body as being soft on crime expect us to rush the bill through and put our stamp on it in less than one-third that amount of time. The reality is, Mr. Speaker, that may of the provisions of S. 1762 have already been passed by the House in legislation which is much more concise and direct than the massive to me which is S. 1762. Adding another not of realism is the fact that the President chose to veto a crime package which contained seven points. Among the legislation contained in H.R. 3696, which was pocket vetoed by the President in 1983, were needed funds for carrying out law enforcement assistance programs. This bipartisan package included the Federal Anti-Teampering Act, the Comprehensive Drug Penalty Act, the Federal Intelligence Personnel Protection Act, the Justice Assistance Act, and bills providing for strengthed actions against drug offenders. If even this relatively brief package was vetoed are we really to believe that the mammoth S. 1762 would be signed?

Fortunately, Mr. Speaker, the House has overcome the setback engineered by a President whose actions seldom bear any resemblance to his well-rehearsed and scripted words. I will summarize the several bills which have been passed by this body, many of which have long been languishing in the Republican-controlled Senate, and I am confident that it will quickly become evident that the scurrilous charges lodged against us are unfounded.

You will note that many of the bills I will mention, which have already been passed or have been favorably reported out of committee, or have been signed into law, correspond with sections of S. 1762.

THE CHILD PROTECTION ACT OF 1984

Signed into law May 21, 1984; it protects children under 18 and raises penalties for child pornography by more than 1,000 percent.

CONTROLLED SUBSTANCES REGISTRANTS PROTECTION ACT OF 1984

Already signed into law—strengthens the sanctions relating to pharmacy robberies.

FEDERAL ANTITAMPERING ACT—NOW PUBLIC LAW 98-127

Prohibits tampering with certain consumer products. This bill was mandated by the infamous "Tylenol" murders in Chicago.

PUBLIC LAW 98-368

Authorizes the President's Commission on Organized Crime to exert greater powers in making witnesses show up to testify in criminal cases.

Legislation which has been passed by this body and is awaiting Senate action, in some cases for over a year:

JUSTICE ASSISTANCE ACT

Perhaps the single most crucial piece of legislation which has been passed in relation to crime, the Justice Assistance Act would come closer to addressing street crime than any other measures considered in Congress. This bill would establish an Office of Justice Assistance to replace the Law Enforcement Assistance Agency. Because more street crime falls under State and local jurisdiction, the Justice Assistance Act is especially attractive in calling for the provision of Federal funds in the form of block grants to these levels of government. The funds included in such block grants would be used for activities in the following categories: Community and police anticrime programs, such as Neighborhood Watch and similar operations; sting operations to address burglary and fencing crimes; programs to combat arson; white collar, organized crime, and public corruption; programs to protect witnesses and victims of crime; career criminal identification and prosecution; alternatives to jail and prisons for nondangerous persons; treatment for drug dependent offenders; programs alleviating prison and jail overcrowding; criminal justice personnel training and management assistance; prison industry projects; operational information systems for criminal justice agencies; programs to respond to serious crime by juvenile offenders; and innovative programs to be determined by the local or State law enforcement personnel.

As is evident by this summary of the Justice Assistance Act, the bill would make significant and positive strides in alleviating so-called street crime. And yet, Mr. Speaker, this premier piece of legislation has been stalled in the Senate for some 14 months, with no sign of being passed anytime soon. Let me describe even more bills which the House has passed and which await action in other quarters:

Missing Children's Act—to reauthorize such vital programs as the Juvenile Justice Program, Runaway Youth Program, and establish a Missing Children's Program.

H.R. 5616, which would make it a crime to obtain unauthorized access to computers. The bill assigns various levels of fines and/or jail terms for misdemeanors and felonies associated with this timely issue.

Criminal Fine Enforcement Act of 1984—to improve the collection and administration of criminal fines.

H.R. 5477—to provide criminal penalties for possession of contraband in prisons and to revise prison and mutiny offenses now in the law.

Two bills, H.R. 5526 and H.R. 5406, which would amend the United States Code and strengthen laws dealing with escape from custody which resulted from civil commitment.

H.R. 5872, a bill to tighten Federal laws punishing bribery and fraud in the banking and financial industry.

When one surveys this list of important legislation addressing a number of crimes, how can anyone dare to accuse the Members of the House of Representatives and of the Democratic Party of being soft on crime? Mr. Speaker, I submit that this is an insult to the intelligence of the Members of this body and to the ability of our citizens to separate myth from reality. I believe that the people of this country are not going to be fooled by such cheap rhetoric as that which has been forthcoming from the President and those who would champion his inaccuracies of statement.

Let us work together to redress this grievous situation. If the other Chamber does only one thing to alleviate crime in these waning days of the 98th Congress, let it be to pass the Justice Assistance Act. Let there be a realistic and honest effort on their part to do something about crime, and let them stop playing out the charade which is S. 1762.

I thank you, Mr. Speaker, and all others who may be listening to these remarks, and I urge those who are interested in this all-encompassing issue to make their opinions known to their elected officials. Let the Members of Congress become aware of the reactions of the thoughtful, intelligent persons who live in this country and who are not fooled by empty phrases and the false fronts of cumbersome leviathans such as the Senate package. I have faith that the people of this country will makes themselves heard on this issue, and, in my view, this cannot be done too soon.●

● Mr. BIAGGI. Mr. Speaker, I am pleased to join my distinguished colleague from California, Mr. BATES, in focusing attention on the need for strong and effective anticrime legislation.

As a 23-year police veteran, I consider our Nation's crime problem to be one of our top legislative priorities. In fact, I have authored or cosponsored 47 measures this Congress alone, which deal with the issue of crime. They deal with a wide range of crime-related issues, including crime victims' assistance, juvenile delinquency, do-

mestic violence, crime against the elderly, mandatory penalties for crimes committed with firearms, prescribing the death penalty for certain Federal crimes that result in death, tougher mandatory penalties for criminals who wear bulletproof vests in the commission of a crime, banning armor-piercing "cop killer" bullets, stiff new Federal penalties for those who engage in acts of religious violence, and mandatory penalties for terriorists.

The need for tough anticrime measures is easily documented. Consider, for example, that the Justice Department reports that 27 percent of all U.S. households were touched by crime in 1983. This means that approximately 70 million Americans were affected by crime during the past year. Incredible.

In my home city of New York, there were 516,832 crimes committed in 1983, despite a significant 9.8 percent crime drop from the year before. In terms of a crime clock, this means there were 1,665 crimes committed each day in the city, including 4 murders per day, 10 rapes per day, and more than 230 robberies per day.

However, I want to emphasize that with adequate resources major gains can be made in the fight against crime. For example, in 1983 there were 384 more police personnel on New York City streets than in 1981 and 323 fewer crimes each day. Violent crimes in the city plunged from 430 per day in 1981 to 183 per day in 1983.

In an effort to allow this favorable trend to continue, I have developed a "crime superfund" plan to be established in the city of New York—a plan that could be replicated in other major urban areas across the country. This plan involves establishing a $1-a-week tax to be paid by city residents and employers for the specific purpose of fighting crime, with a special emphasis on hiring more police officers.

While the numbers are not firm, it is estimated that this plan would raise about $600 million a year, and could be used to hire over 13,000 new city police officers, 130 district attorneys, and create more than 40 new criminal courtrooms. To prevent the superfund from being used for purposes other than crimefighting, a special commission would be appointed to monitor expenditures.

Interestingly, a New York Post poll revealed that New Yorkers favor the crime superfund plan by a 3-to-1 margin. Bills are currently pending in the New York State Legislature to implement this plan.

Clearly, though, the States and localities are not in a position to shoulder the costly crimefighting burden alone. They need help from the Federal Government. That is why I joined the distinguished chairman of the Subcommittee on Crime, Mr. HUGHES, in recently expressing concern about the other body's failure to act favorably on a major anticrime assistance package—H.R. 2175, the Justice Assistance Act.

This important measure passed the House with my support in May 1983 by an overwhelming margin of 399 to 16, but has not been acted on by the other body. Specifically, this measure would establish a block grant program providing law enforcement assistance to the States. It authorizes $170 million in each of the fiscal years through 1986 for a newly created Office of Justice Assistance; $25 million in each of those same fiscal years for the National Institute of Justice; $25 million each year through fiscal year 1986 for the Bureau of Justice Statistics; and $20 million annually for States facing emergency crime situations.

Considering that approximately 95 percent of all violent crime falls under the jurisdiction of State and local law enforcement agencies, this anticrime assistance would be well spent. It should be noted, too, that the programs this money would support are those which have proven successful over the years, and would deal with such areas as career criminal identification and prosecution; victim, witness, and juror assistance; prison overcrowding; and criminal justice personnel training and management assistance.

I am pleased to observe that another important anticrime measure is also expected to be acted on soon by the House. I am referring to my own bill, H.R. 6067, which was developed after careful deliberation by the Crime Subcommittee and its chairman, Mr. HUGHES. This bill would ban the manufacture, importation and sale of armor-piercing "cop killer" bullets, which can penetrate the bulletproof vests worn by police officers. While not used for porting or other legitimate purposes, these awesome projectiles allow criminals to negate the important protection soft body armor offers to police. Clearly, we must preserve what few advantages our police officers have in their dangerous battle against crime.

This bill was approved yesterday by the House Judiciary Committee after similar legislation had been stalled for more than 2 years, largely because of administration concerns. Those concerns could have easily been resolved much sooner if the administration officials responsible for this issue had a deep and genuine commitment to protecting police from "cop killer" bullets.

Instead, the administration determined that the problem was not as serious as the police community thought, even though existing Federal laws allow armor-piercing "cop killer" bullets to be sold over the counter at local gunshops across the country to whomever wants to purchase them. Interestingly, no sportsmen, including hunters or target shooters use them, and they are far too dangerous for self-defense purposes. In fact, police do not even use them because their awesome penetration capabilities pose too great a danger to innocent citizens. The obvious question, then, is who needs them, and the only obvious answer is the criminal element.

In fact, when James Huberty walked into the San Ysidro McDonald's to commit one of the greatest atrocities in American history, he not only carried some of the most sophisticated firearms available, but also a special type of Czechoslovakian armor-piercing ammunition—one of approximately eight different types of armor-piercing ammunition that my bill would outlaw. Significantly, these bullets are banned in California, where the shooting occurred, but not in Ohio, where Huberty apparently stocked his arsenal of destruction.

I have stressed the fact that armor-piercing ammunition poses a special threat to police because it can easily penetrate their bulletproof vests. Fortunately, while many of the police officers in San Ysidro were wearing bulletproof vests, none were shot by Huberty. However, that's not to say Huberty's armor-piercing ammunition did not serve its intended purpose.

You see, armor-piercing bullets not only go through bulletproof vests, but also doors, walls and tables, or other structures people might hide behind. They also tend to ricochet more often than conventional ammunition. We may never know how many of the 21 people killed by Huberty might have survived if he had not been using armor-piercing ammunition, but the San Ysidro massacre clearly gives us another reason—as if we needed one—to get rid of these awesome projectiles. More than anything else, though, this case clearly illustrates that the only losers if we banned "cop killer" bullets would be crazed killers like James Huberty.

Mr. Speaker, this body has a long history of leadership in the fight against crime, and based on the significant number of major crime initiatives that have been acted on favorably, or are expected to be in the near future, I fully expect that trend to continue.●

THE RECORD FOR 1984

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. LATTA] is recognized for 60 minutes.

Mr. LATTA. Mr. Speaker, as this election campaign gets underway, I'm somewhat amused to hear our Democratic Members—and yes, even our Democratic candidate for President—saying President Reagan and the Republicans are responsbile for the defi-

cits we have been experiencing and that they are without fault. Trying to sell this type of political garbage to the American people insults their intelligence and makes a mockery of their memories. The people know that a President doesn't spend money until it is first appropriated by the Congress and they also know there is a record kept in Congress which clearly indicates how Members vote on rollcall votes. Now all one needs to do to determine which party votes for higher and higher expenditures day after day is to look at the CONGRESSIONAL RECORD. I've been doing that and have reported on this record to the House from time to time. It's time to do this again.

So let's look at the record for 1984.

On June 28 a Republican amendment for a 2-percent across-the-board cut in the District of Columbia appropriations was adopted, a $23 million reduction in spending. This had the support of 84 percent of the Republicans, but only 39 percent of the Democratic Party. That same day the legislative branch conference report was adopted by the House, providing $1.6 billion in spending, which was $77 million over fiscal year 1984 funding. Eighty-four percent of the Democrats voted for this increase, but only 27 percent of the Republicans supported it.

An amendment to the Treasury and Postal appropriation bill removed $20 million for a Federal building in Long Beach from the same appropriations bill. It was supported by 87 percent of the Republicans, but only 14 percent of the Democrats.

On January 24 of this year, there was a Republican effort to allow the President to reduce the increase for funding for the Weatherization and Unemployment Act, by up to $500 million in fiscal 1985 if necessary to lower the deficit. Ninety-four percent of the House Democrats voted against permitting such a saving. Later there was an attempt to reduce 1985 funding for the same programs to $200 million. This carried, with the help of 87 percent of the House Republicans, but with the support of only 47 percent of the Democrats.

On April 5, the House shortsightedly rejected the GOP substitute first budget resolution which would have saved $205 billion over 3 years. Only 1 percent of the House Democrats mustered the willpower and courage to rise above party loyalty to vote with two-thirds of the House Republicans to strike a blow at the deficit.

House Democrats then obediently fell into line with 89 percent of them voting for this feeble budget resolution. Only 13 percent of the minority party voted for the Jones budget resolution promising $182 billion in budget reductions but with increased taxes and greater reductions in defense making up the lion's share of the total.

The one hundred and eight billion of the Jones deficit reductions were attributable to defense. Total domestic spending cuts for fiscal year 1985–87 were a puny $19 billion out of a 3-year domestic spending base of $2.1 trillion. When every poll taken clearly indicates that the American people want spending reductions one must have to wonder if the Democrat House Members really represent the thinking of their constituents.

On April 12 Republicans proposed recommitting the omnibus reconciliation bill with instructions to remove the mandatory assignment feature and extend the medicare physicians fee freeze to cover both inpatient and outpatient cases. This would have saved $7.4 billion rather than the $4 billion Democrats proposed.

On the Republican side, 99 percent voted for recommittal, joined by a mere 6 percent of the Democrats. Enough Democrats were willing to join the Republicans to cut $4 billion from a $200 billion deficit, but not $7.4 billion.

There was a Republican effort to reduce the National Science Foundation authorization by $58.5 million on April 25. To no one's surprise it failed because only 17 percent of the Democrats rallied to the side of 93 percent of the Republicans voting for the savings. A second Republican attempt to reduce the fiscal 1985 funding by 3.9 percent as requested by President Reagan went down by an almost identical vote; 91 percent of the Republicans but only 18 percent of the Democrats supported the savings.

Success did mark a Republican proposal the next day to reduce the National Bureau of Standards authorization by $6 million for fiscal year 1985, thanks to the backing of 99 percent of the House Republicans and 29 percent of the Democrats. Invariably it is the Republican side of the aisle that takes the initiative in proposing savings—not the Democrat side.

On May 30, the HUD appropriation came up for House consideration being $3.8 billion over President Reagan's request. Republicans proposed authorizing the President to cut any item in the bill by 10 percent, a move backed with the votes of 75 percent of the House Republicans but by a mere 8 percent of the Democrats. On May 31 the House did accept a Republican proposal to cut discretionary funds in the Commerce-State-Justice appropriations by 4 percent across the board. This saving of $438 million was accomplished by the votes of 92 percent of the Republicans and 27 percent of the Democrats.

It was the Republicans again who, on June 6, urged reducing agricultural research appropriations by $24 million, in response to sound recommendations by the Grace Commission. That endeavor fell short as 67 percent of the House Republicans voted for the savings and only 22 percent of the Democrats would follow suit. Subsequently a Rebublican amendment to trim agriculture's appropriations by 1 percent across the board passed. The resulting savings of $340 million came with the votes of 85 percent of the House Republicans and only 42 percent of the Democrats.

On that same day it was suggested during a debate on the legislative branch appropriations bill that Congress could show some fiscal responsibility by cutting funding for House operations by $13 million. This would have reduced the increase over last year's spending from 10.7 percent to 7.3 percent. A negligible 21 percent of the Democrat majority voted with 93 percent of the House Republicans for this amendment. A little later only 22 percent of the Democrats sided with 97 percent of the House Republicans in helping pass a 2 percent across-the-board reduction in the legislative branch appropriations to save $13 million. On the question of passage of the bill, still $62 million over the 1984 level—88 percent of the Democrats voted aye, and only 25 percent of the Republicans. The majority of the Republicans wanted a 1-year freeze on these appropriations.

The echoes on the debt limitation debate were still resounding in this chamber on the day the House passed the conference report on the legislative branch appropriations. The rollcall disclosed 84 percent of the Democrats supporting it, and 72 percent of the Republicans opposed.

On the eighth day of this saga of deficit spending, June 7, the vote was taken on amendments to the Human Services appropriations. Amendments put it $3.5 billion over President Reagan's request for 1985–89. The measure groaned under the weight of new programs and increased authorizations. It went down to defeat only because in calling for a suspension of rules it required a two-thirds concurring vote. 91 percent of the Democrats voted for this big-spending ticket, abetted by only 16 percent of Republican members.

Democrats did support a Democrat amendment which on June 27, chopped $147,000 from the pensions, salary, and staff of former Presidents, 88 percent of the Democrats voted to slice this modest sliver from the deficit. And, 6 days earlier, 76 percent of the Democrats did vote with 97 percent of the House Republicans for another amendment to reduce funding for Treasury and Postal appropriations by 1 percent—except for OMB and the Office of the President and White House.

There is nothing different in the Democrats' voting record in 1984. I've been observing their voting pattern for 26 years. What is different in 1984 is that the Democrats are trying to obscure their voting record by blaming the ever-increasing spending caused by their own votes.

Let's examine their record more deeply. Last fall I highlighted 20 key votes from 1981–83 which showed the Democrats voting for higher spending at the same time they were decrying higher deficits. I am adding 74 bills to this list.

There were five shining examples in late 1981—even after a clear-cut mandate for reduced spending emerged from Gramm-Latta in the spring of that year.

In November 1981, the House passed House Joint Resolution 357 providing for continuing appropriations, after refusing to make $8 billion in spending reductions requested by President Reagan. The scoreboard on that rollcall: a whopping 79 percent of the Democrats in favor, but only 18 percent of the Republicans.

Later that November we voted on the continuing appropriations conference report, which offered only about $2 billion of the $8.5 billion in reductions sought by the President. On that occasion 87 percent of the House Democrats voted for spending $6.5 billion more than the President requested, but only 6 percent of the Republicans voted to spend more.

In December 1981, House Joint Resolution 370, a resolution on continuing appropriations, was up. A Republican amendment to recommit with instructions to make a 4-percent across-the-board reduction was adopted. It had the support of 98 percent of the Republicans, and 16 percent of the House Democrats. Later that same day the appropriation, with the $3.7 billion savings, was passed by the House, with the votes of 87 percent of the Republicans and 24 percent of the Democrats. That was the spirit of the Gramm-Latta coalition.

On December 15, 1981, the conference report on a farm bill which provided a savings of $5.6 billion was passed with the votes of 68 percent of the Republicans and 64 percent of the Democrats. This was rare indeed to a majority of Democrats to join our majority for fiscal prudence.

The year 1982 supplied extensive examples of Democrats failing to grasp the simple truth that there is a limit on the Federal funds available, as the majority party began a 3-year drive to undo the spending restraints imposed by Gramm-Latta.

This was the year you'll remember that budgeting became a sport in the U.S. House of Representatives. Everybody had his own budget and the Democrats were the disciplined attempting to erode the spirit of Gramm-Latta. We passed a $98 billion tax hike instead—in the middle of a recession to boot.

The first round of budget votes began April 24 during consideration of the first budget resolution. A Democrat suggestion that all spending be frozen at current levels, and that all increased spending be financed by increased taxes failed, when 80 percent of the House majority party voted for it. It should be noted that only 2 percent of the Republicans voted for this. We knew that the Democratic tactic of balancing up with taxes would be followed by more spending later.

The next Democrat substitute resolution proposed increasing taxes by $233 billion over fiscal years 1983–85. That failed, as only 4 percent of the House Republicans voted with 62 percent of the Democrats for it. A third Democrat substitute budget which also failed, received no Republican votes and those of 37 percent of the Democrats.

Republicans offered a substitute resolution which would have resulted in a balanced budget, by reducing domestic outlays by $452 billion from fiscal years 1983 through 1985. Seventy-two percent of the Republicans supported that, but only 20 percent of the House Democrats. Then, Chairman JONES offered an amendment to the Latta-Michel substitute in which he sought to increase fiscal year 1983 taxes by $7.5 billion for use on domestic programs. It lost despite the backing of 75 percent of the Democrats, because only 2 percent of the Republicans went along.

Another Democrat amendment would have amended the Latta, Jones, and Aspin budget resolutions by increasing outlays by $1.5 billion to provide a 7-percent pay raise for Federal workers in fiscal year 1983. When only 14 percent of the Republicans joined 50 percent of the Democrats in backing the proposal, it was rejected.

Another amendment, offered by a Democrat, which would have deleted the requirement that the Education and Labor Committee save $73 million through the reconciliation process, went down to defeat, although 73 percent of the Democrats voted for it, compared to only 13 percent from our side.

Democrats next proposed to amend our substitute to remove reconciliation instructions to cut entitlements by $29.1 billion in fiscal years 1983–85. Only one-half of 1 percent of the House Republican membership went along with this proposal and 26 percent of the Democrats. Still another Democrat amendment would have increased outlays in the Latta, Jones, and Aspin budget resolutions by $405 million for the Export-Import Bank. Fifty-nine percent of the Democrats backed this proposal, whereas 74 percent of the Republicans opposed it.

Eighty-three percent of the Democrats and 12 percent of the Republicans voted to weaken the budget process and budget control. This Democrat amendment deleted from the Latta substitute budget resolution a section that deferred enrollment of bills which were over allocation until a second budget resolution was in place.

Two other Democrat amendments were proposed to the Latta, Jones, and Aspin substitute budget resolutions. One, which would have increased by 1983 law enforcement spending by $503 million garnered the votes of 52 percent of the Democrats and 17 percent of those on our side of the aisle. The other sought to increase fiscal year 1983 outlays for drug law enforcement by $100 million, and it was backed by 21 percent of the Republicans and 62 percent of the Democrats.

Concluding the first round of unsuccessful budget votes was the rollcall on the Aspin substitute budget resolution, which over a 3-year period offered cuts of $23.3 billion in entitlements, $29.8 billion in discretionary spending, and $54.6 billion in defense. That was coupled with a proposal for $234.8 billion in new revenues. It drew the support of 46 percent of the Democrats, but only 15 percent of the Republicans. Republicans correctly sensed that $2 in tax increases for every dollar of spending cuts in the Aspin substitute was not their approach to reducing the flow of red ink.

On May 13, 1982, Republicans submitted an amendment to reduce NASA's authorization by cutting the portion for aeronautics by $34.4 million, but it failed when only 17 percent of the Democrats voted with 80 percent of the Republicans for this savings. Later that month Republicans were successful when we proposed cutting $30 million from the National Science Foundation—although a scant 21 percent of the Democrats voted with 90 percent of the Republicans for this economy.

Last fall I stood in the well of the House and recited the dismal Democrat record on fiscal responsibility in the second round of votes on the first budget resolution. There is no need to plow that ground again. So, I'll skip that part of the record because, thanks to Democrat consistency in voting against spending reductions, there's so much more to tell.

It will be remembered that President Reagan vetoed the so-called urgent supplemental appropriations because it was $1.3 billion more than he requested, and was $2 billion less in rescissions than he sought. On July 13, 1982, 90 percent of the House Democrats voted to override the veto, while only 21 percent of the Republicans did likewise.

Later in 1982, on August 10, there were two Republican efforts to amend

the agriculture reconciliation bill. One proposal was to revise its food stamp section. That was rejected by the House. While 82 percent of the Republican members voted for it, only 17 percent of the Democrats did. The other motion, which I offered, was to recommit the bill for the purpose of enforcing the integrity of the budget process by making the bill conform to the budget resolution. This failed, too, when only 6 percent of the Democrats joined 76 percent of the Republicans in supporting the move to recommit.

September of 1982 was a very active month for Democrat budget-busting, as they prepared for reelection.

That month Democrats offered an amendment to add $25 million to the R&D budget, and another $25 million to the EPA budget in the HUD appropriation. Fortunately this was defeated, although 38 percent of the House Democrats found a reason for voting for it, compared to only 16 percent of our Republicans. The following day, September 16, Republicans offered an amendment that proposed eliminating $1.5 billion in new funding for a public service jobs program, substituting instead $1 billion to be transferred from the Synfuel Corporation. While 81 percent of the House Republicans voted for this way to save tax dollars, only 5 percent of the Democrats felt free to do so.

On that same day, House Journal Resolution 562 was taken up. It was an urgent supplement appropriation of $1 billion for a jobs program. When the roll was called, 87 percent of the House Democrats voted for this latest unwise approach to our unemployment problem, but only 18 percent of our members did. On September 21, Republicans submitted an amendment to pare $320 million from the transportation appropriation; 76 percent of the Democrats voted against this savings while only 14 percent of the Republicans chose to do so. The amendment failed. Why? Not enough Republicans and too many free-spending Democrats serving in the House.

Republicans on September 30, sought to reduce health research extension funding by $1.6 billion over fiscal year 1983-85. That savings was rejected because only 4 percent of the House Democrats—that's right, 4 percent—backed 67 percent of the House Republicans supporting this proposed major savings.

Democrats were unsuccessful when, on October 1, they tried to increase the salaries of all our well-paid air controllers by 6.6 percent annually, although 56 percent of the majority party voted for the increase in contrast to 4 percent of the Republicans. On November 30, Republicans suggested reducing Treasury's appropriations, and when this was adopted with the votes of 92 percent of the Republicans and only 21 percent of the Democrats it saved $117 million.

A Republican amendment which saved $41.9 million by reducing authorized FTC levels for fiscal year 1983-85 was adopted on December 1, with the help of 94 percent of the Republicans and 33 percent of the Democrats. The Commerce-State-Justice appropriation was $300 million over the President's request when on December 9, the House passed it. Ninety percent of the Democrats voted for this budget buster, and it passed with the help of 34 percent of the Republicans.

On December 14, a Republican motion to recommit the continuing appropriation bill to save $5.4 billion in the jobs programs and $44 million for Radio Liberty failed—because only 9 percent of the Democrats would join the 96 percent of the Republicans to recommit. The bill then passed, with the $5.84 billion intact, in a rollcall that saw 84 percent of the Democrats recorded in favor, with only 7 percent of the Republicans voting for it.

In 1983, the first of that year's budget busters was the emergency housing assistance bill, calling for expenditure of $800 million over the President's request. It received the support of 84 percent of the House Democrat and only 4 percent of the Republicans.

Last fall I discussed a newly invented Democrat technique used in the budget reduction for 1983. It was a process that created a new high in elastic budgeting—the reserve fund—made to order to satisfy even more Democratic spending constituencies. The end result—a budget so political it backfired without a single dollar of deficit reduction.

When it came to spending in 1983, we have more of the same.

The HUD appropriation was $10 billion over the President's budget—$10 billion. Despite the enormity of this increase, 85 percent of the Democrats voted true to form and voted to spend the money. And when again that year an effort was made to cut Interior's appropriation 4 percent, thus saving $300 million, 84 percent of the Democrats voted against the savings while 100 percent of the Republicans voted to save the money.

Sorry to say this record of excess spending by a majority of the Democrats in this House goes on and on.

In 1983, a $6 billion spending increase for programs under the Housing and Urban-Rural Recovery Act came to the floor. This $6 billion dollars in increased Federal spending was supported by the votes of 91 percent of the House Democrats.

A $4 billion increase in deficit spending for health insurance for the unemployed was contained in another 1983 bill, backed by the votes of 83 percent of the House Democrats. A move to trim $100 million from trade adjustment assistance was rejected that same year with 80 percent of the Democrats voting against the saving. A proposal for adding $3.5 billion over budget for community renewal employment programs was enthusiastically supported by 87 percent of the Democrats in the House.

Still, in 1983, the continuing resolution for fiscal year 1984, which would have reduced spending by $1 billion was opposed by 75 percent of the House Democrats. After it was amended to add $1 billion in deficit spending it was backed by 81 percent of the House Democrats. When the reconciliation section of the Tax Reform Act—which would have added $600 million in deficit spending—came to a vote in 1983 it was supported by the votes of 75 percent of the House Democrats.

All the preceding evidence, which Democrats in this election year would like to sweep under the rug, is the visible record, available for all to see in the CONGRESSIONAL RECORD. It is regrettable that too many or our friends in the media don't look at the spending record of the Democrats before automatically mouthing the statements being put out during this election year that the President is reponsible for the deficits we have been incurring. Presidents do not spend money not first appropriated by the Congress.

Let's take a look at the invisible record compiled in the 2-to-1 Democrat-controlled House Budget Committee for a second as unveiled by a study we made of the committee's minutes. Not suprisingly, we found the Democrats' committee performance bears a remarkable likeness to their actions on the floor.

First let's take 1981. That year we Republican members of the Budget Committee proposed, in committee, 17 amendments to decrease spending; the Democrats managed to come up with 5. We offered one single amendment to increase spending, while Democrats demonstrating their expertise in this field offered 20 amendments to increase spending.

The next year, 1982, in committee we Republicans offered one amendment to increase spending and the Democrats offered nine to increase spending.

In 1983 Republican members of the Budget Committee during committee sessions submitted eight amendments to reduce spending, and none to increase spending, while Democrats failed to offer a single amendment. Why? Because their budget was put together by their liberal Democratic Caucus. This year we did not even mark up the budget in committee in a way which allowed us to offer spending reductions. Unbelievable.

I should explain that all amendments in the invisible record denote

changes from the chairman's Democratic "mark."

We've also found an erosion of the spirit of Gramm-Latta, that of controlling deficit spending across the board. Bills are emerging from the House with increasing frequency which roll back part of the Gramm-Latta reductions. One such was H.R. 5394, the House Budget Reconciliation Act of 1984. New initiatives were added. Overall, this bill contained $1.4 billion in increased spending for domestic programs.

In 1981, eligibility for AFDC was limited to those whose gross incomes did not exceed 150 percent of the State standard of need. H.R. 5394 increases the income limit by using the higher Federal poverty level instead of the State standard. The increased cost will amount to $90 million in the period fiscal year 1984-87. Prior to 1981, AFDC recipients could deduct $30 a month plus one-third of their earned income for an unlimited time in qualifying for AFDC. To encourage workers to get off AFDC, Gramm-Latta established a 4-month "disregard." H.R. 5394 extends the 30 per month "disregard" beyond 4 months. The cost for the period fiscal year 1984-87 is put at $95 million. Gramm-Latta required percentage reductions in Federal matching payments to States for medicaid for fiscal years 1982 through 1984. The Republican-led Senate extended the reduction at the rate of 3 percent a year for another 3 years—for a savings of $1.3 billion. The Democratic-led House has refused to go along with the continuation of the 1981 reform.

Ninety-nine percent of the House Republicans voted against that bill, and indeed offered an amendment to recommit the bill with instructions to remove those spending add-ons. Only 6 percent of the House Democrats supported our effort to prevent an erosion of Gramm-Latta and retain the $1.4 billion in savings.

High economic growth in 1983 and 1984 has cut more from the deficit to date than all deficit reduction actions taken by Congress this year or last year. The fiscal year 1983 budget deficit came in at about $12 billion below the administration's January 1984, estimate, due largely to a stronger than expected economy. Congress essentially took no action to reduce the deficit in 1983.

Congressional action in the current calendar year will reduce the fiscal year 1984 deficit by some $3 billion, while more robust economic growth than earlier forecast will reduce the deficit by $10 to $14 billion below what the administration projected in January, and by $15 billion to $20 billion below CBO's January estimate.

Eleven votes in 1981 reveal that Democrats voted 80 percent of the time to increase deficits while Republicans in the House voted only 10 percent of the time to increase deficits. Thirty-six votes in 1982 reveal that House Democrats voted 74 percent of the time to increase deficits while we Republicans voted 85 percent of the time to reduce those deficits. Twenty-six votes in 1983 reveal the House Democrats in their true colors, following their election victory in November 1982. Eighty-five percent of them voted for increased deficits, while only 12 percent of the Republicans did. It's another election year, so the Democrats' support for deficit spending has slipped to 73 percent this year, as revealed by 21 key spending votes thus far in 1984. As in past years House Republicans stood for less spending while our Democrat colleagues consistently voted for more spending without regard to the deficit.

Finally, the record shows the only time a majority of the House Democrats consistently vote for less spending than the Republicans is on national security issues. Invariably, year after year, an analysis of the authorization and appropriation votes for our country's defense shows Democrats voting for less national security than Republicans. Even so, when it comes to votes on the entire budget including defense, Republicans have consistently voted for lower total spending than have the Democrats.

In closing, I am including a list of the key votes during the 1981-84 period. It follows:

RED INK ROLL CALLS—1981-84 VOTING RECORD IN U.S. HOUSE OF REPRESENTATIVES

[Dollars in millions]

Key vote description	Voting for reduced deficit spending (in percent)		Additional spending/saving
	House Republicans	House Democrats	
KEY 1981 VOTES			
First budget resolution, House concurrent	100	26	−$50,000
Reconciliation, H.R. 3982	99	12	−37,300
Labor HHS appropriation, H.R. 4560	78	12	−700
Interior appropriation, H.R. 4035	96	13	−1,100
Continuing appropriation, House Joint Resolution 357	90	14	−4,000
Continuing appropriation, House Joint Resolution 357	100	4	−2,300
Continuing appropriation, House Joint Resolution 357	82	21	+8,500
Continuing appropriation, House Joint Resolution 357, conference report	94	13	+6,500
Continuing appropriations, House Joint Resolution 370	87	24	−3,700
Continuing appropriations, House Joint Resolution 370	98	16	−3,700
Agriculture and Food Act of 1981, S. 884	68	64	−5,600
KEY 1982 VOTES			
Latta Michel I, First budget resolution	90	9	−52,000
Latta Michel II, First budget resolution	92	19	−52,000
Urgent supplemental, Veto override	71	9	−1,300
Reconciliation, Post Office Committee	78	9	−3,100
Reconciliation, Conference report	82	39	−3,300
Balanced budget, Amendment	89	29	NA
Miller substitute, First budget resolution, House Concurrent Resolution 345	98	20	NA

RED INK ROLL CALLS—1981-84 VOTING RECORD IN U.S. HOUSE OF REPRESENTATIVES—Continued

[Dollars in millions]

Key vote description	Voting for reduced deficit spending (in percent)		Additional spending/saving
	House Republicans	House Democrats	
Obey substitute, First budget resolution, House Concurrent Resolution 345	96	39	NA
Fauntroy substitute, First budget resolution, House Concurrent Resolution 345	100	63	NA
Rousselot substitute, First budget resolution, House Concurrent Resolution 345	72	20	−452,000
Jones amendment, First budget resolution, House Concurrent Resolution 345	98	25	+7,500
Hoyer amendment, First budget resolution, House Concurrent Resolution 345	86	50	+1,150
Perkins amendment, First budget resolution, House Concurrent Resolution 345	87	27	+70
Weiss amendment, First budget resolution, House Concurrent Resolution 345	99	74	+29,100
Simon amendment, First budget resolution, House Concurrent Resolution 345	74	41	+41
Whitten amendment, First budget resolution, House Concurrent Resolution 345	88	17	NA
Aspin substitute, First budget resolution, House Concurrent Resolution 345	85	54	NA
Martin amendment, First budget resolution, House Concurrent Resolution 345	88	6	−10,800
Hughes amendment, First budget resolution, House Concurrent Resolution 345	83	48	+500
Zefferetti amendment, First budget resolution, House Concurrent Resolution 345	79	38	+100
NASA authorization, H.R. 5890	80	17	−34
National Science Foundation authorization, H.R. 5842	90	21	+30
Urgent supplemental appropriations, H.R. 6682	79	10	+3300,
Agriculture reconciliation, H.R. 6892	82	17	−200
Agriculture reconciliation, H.R. 6892	76	6	−4,120
HUD appropriations, H.R. 6956	84	52	+30
Urgent supplemental appropriations, House Joint Resolution 562	81	5	+1,000
Urgent supplemental appropriations, House Joint Resolution 562	82	13	+1,000
Transportation appropriation, H.R. 7019	76	14	−320
Health Research Extension Act, H.R. 6457	67	4	−1,600
Continuing appropriations, House Joint Resolution 599	96	44	NA
Treasury, Postal appropriations, H.R. 7158	92	21	−117
FIC authorization, H.R. 6995	94	33	−42
Commerce, State, Justice appropriation, H.R. 6957	66	10	+300
Continuing appropriations, House Joint Resolution 631	96	9	−5,840
Continuing appropriations, House Joint Resolution 631	93	16	+5,840
KEY 1983 VOTES			
First budget resolution, House Concurrent Resolution 91	98	14	NA
First budget resolution, conference report	94	13	NA
Emergency housing, H.R. 1983	96	16	+800
HUD appropriation, H.R. 3133	76	18	+10,000
Interior appropriation, H.R. 3363	100	16	−300
Housing urban-rural appropriation, H.R. 1	83	9	+6,000
Health insurance unemployment, H.R. 3021	78	17	+4,000
Trade adjustment, H.R. 3391	90	20	−100
Community Renewal Employment Act, H.R. 1036	88	13	+3,500
Continuing appropriations, House Joint Resolution 403	90	10	+1,000
Continuing appropriations, House Joint Resolution 413	91	19	+1,000
Tax Reform Act, H.R. 4170	92	25	+600
Emergency supplemental appropriations, H.R. 1718	87	7	−31
Emergency housing assistance H.R. 1983	97	15	+660
National Science Foundation authorization, H.R. 2066	87	4	−50
Transportation appropriation, H.R. 3329	73	8	−127

RED INK ROLL CALLS—1981–84 VOTING RECORD IN U.S. HOUSE OF REPRESENTATIVES—Continued

[Dollars in millions]

Key vote description	Voting for reduced deficit spending (in percent)		Additional spending/ saving
	House Republicans	House Democrats	
Transportation appropriation, H.R. 3329	96	14	−551
Tax Rate Equity Act, H.R. 1183	100	7	−12,000
Consumer Product Safety Commission, H.R. 2668	94	34	−12
General revenue sharing, H.R. 2780	75	20	−450
Health insurance for the unemployed, H.R. 3021	93	7	−4,000
Rehabilitation Act, H.R. 3520	75	3	−1,300
Federal supplemental unemployment compensation, H.R. 3929	78	6	−2,500
Domestic Volunteer Service amendments, H.R. 2655	87	6	−83
Reconciliation, H.R. 4169	81	44	−1,800
Continuing resolution, House Joint Resolution 403	90	11	−954
KEY 1984 VOTES			
Latta substitute, First budget resolution	66	1	−205,000
First Budget Resolution, House Concurrent Resolution 280	87	11	−182,000
Reconciliation, H.R. 5394	99	6	−7,400
Reconciliation, H.R. 5394	84	8	−4,000
National Science Foundation, H.R. 4974	93	17	−59
National Science Foundation, H.R. 4974	91	18	−59
National Bureau of Standards, H.R. 5172	99	29	−6
HUD appropriation, H.R. 5713	75	8	NA
Commerce, State, Justice appropriation, H.R. 5712	92	27	−440
Agriculture appropriation, H.R. 5743	67	22	−24
Agriculture appropriation, H.R. 5743	85	42	−340
Legislative branch appropriation, H.R. 5753	93	21	−13
Legislative branch appropriation, H.R. 5753	97	22	−25
Legislative branch appropriation, H.R. 5753	75	12	+62
Human Service amendments, H.R. 5145	84	9	+3,500
Treasury, Postal appropriation, H.R. 5798	66	85	−1,500
Treasury, Postal appropriation, H.R. 5798	87	14	−20
Treasury, Postal appropriation, H.R. 5798	97	76	−120
Treasury Postal appropriation, H.R. 5798	82	88	−.1
Legislative Branch Appropriation, conference report, H.R. 5753	73	16	+77
District of Columbia appropriation, H.R. 5899	84	39	+13

Source: Congressional Quarterly, key rollcall votes.

□ 2130

FRANKING COMMISSION; FERRARO DEADLOCK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. FRENZEL] is recognized for 15 minutes.

● Mr. FRENZEL. Mr. Speaker, Today the Franking Commission took up a tough subject. It was a request from the gentlewoman from New York [Ms. FERRARO] for a ruling that she be allowed to make an immediate postcard response to the many letters she has received since becoming the Democrat nominee, and a later followup mailing to each letter, as well.

The Commission deadlocked on a motion to give a favorable opinion to her request, and on a motion to give an unfavorable opinion.

My personal opinion on this matter is that our law and regulations quite clearly prohibit mass mailings by candidates for other offices than the House except in direct response to inquiries. Therefore, Ms. FERRARO could use a postcard reply or a letter, but she can not use both.

She has other legal alternatives, too. She could use the postcard reply now, and a letter reply after the election.

Many Members get mail from outside their districts. There is no prohibition against responding. If a candidate responds by a "mass mailing"—500 or more similar letters—he or she gets only one reply under the frank.

Use of the congressional frank is expensive. It is using the taxpayers money for communications. All Members should be above reproach in its use.

Some members of the Commission believe the request should have received Commission blessing. They are entitled to their opinions. Some have also suggested that because Mrs. FERRARO'S request was not turned down, she should now do what she wanted to do, notwithstanding the fact that her request was not approved either.

In my judgment, that course of action would be unwise. Those letters were generated because she is a unique national candidate. Certainly all the obviously political letters will be sent to her campaign committee. Even so, to respond twice to the rest, when half of the Commission believes such conduct to be illegal, would cause questions which would surely detract from the main messages of her campaign.

I hope she will be above reproach. Her unique position as the first woman candidate for Vice President would be enhanced if she were perceived as unwilling to stretch the law in any respect.

There are other ways available to her to respond. She is not limited to double mailings. The taxpayers may take a dim view of the use of their money for her national response.●

SKYROCKETING HEALTH CARE COSTS MUST BE CURTAILED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, the rising cost of health care, and in particular, the urgent need to enact comprehensive legislation to ensure the solvency of the medicare trust fund, is of deep concern to all of us.

Many of my constituents, who are senior citizens on fixed incomes, write to me time and time again to describe their rising medical costs and skyrocketing insurance premiums, expressing their outrage and sending me their unbelievably high doctor and hospital bills.

Between 1967 and 1982, the daily rate of a hospital room has escalated over 450 percent, and an unexpected hospital stay can completely wipe out one's life savings. The United States is spending about 10 percent of its gross national product on health care costs, and by the year 2000 this figure could conceivably double. Medicare and medicaid alone cost the Government $80 billion a year and account for about one-tenth of the Federal budget.

According to the Congressional Budget Office, medicare is on the brink of bankruptcy. Experts predict that the medicare trust fund could run out of money to pay its bills as early as 1990, and by 1995, a $250 billion deficit will accumulate. By the year 2005, the deficit for the medicare trust fund will exceed $1 trillion. Medicare hospital outlays will go up at an average annual rate of 12 percent through 1989.

For the almost 30 million Americans who depend on medicare, each day is filled with financial uncertainty. The promise of adequate, affordable health care must not be forsaken, and the purpose of medicare must not be forgotten. As one of the early supporters of medicare, when Congress passed this much-needed legislation in 1965, I remain pledged to the original purpose and intent of this program—to provide the highest quality health care for our senior citizens—and I shall continue to do all in my power to see that Congress honors the promise it made to our older Americans.

Therefore, the financial solvency of the medicare program must be preserved, and this must be achieved without raising already burdensome taxes and without cutting benefits to recipients, which already are barely adequate to cover present health care costs.

Instead we must address this problem squarely, and take decisive action. Health care costs are climbing in our country, and our elderly are enduring the heaviest burden. Rising costs can be attributed to increased access to health care, to new technologies, and to medical malpractice insurance. Most importantly, it is due to the structure of the health care delivery system itself.

At present, the health care system in our country lacks any incentives for efficiency. Doctors are frequently indifferent to the cost of prescribed treatment, and many hospitals inflate their charges and prolong hospital stays, certain that insurance carriers or the Government will foot the bill. Although a doctor prescribes tests for a patient, neither physician nor patient is responsible for the cost. It is the employer or the Government that ends up paying the bill. Under such a system, with a third party responsible for payments, no incentives exist to hold down cost.

Legislation is needed to place strict limits on the rising cost of hospital bills, and to prohibit doctors from charging patients more than medicare permits. States must be encouraged under broad Federal regulations to create health care systems which address problems regarding the control of costs. In order to provide affordable and up-to-date health care for not only our older Americans, but indeed for all our citizens, competitive medical plans must be restructured to reward providers and consumers for using the system efficiently.

Hard choices are ahead, and Congress went half way toward a solution in the first session of this Congress by adopting a prospective payment system for medicare. But this approach for medicare alone is not enough. For as long as hospitals and physicians remain free to charge other patients whatever they can, the cost of medicare and medical care will continue to go up. An "all-payer" system, with the same fees for medicare patients and all other hospital patients is essential.

If action is not taken soon, I fear that there will be a two-class health care system in our country, with the elderly citizens on medicare receiving only minimal care, while private payers will continue to receive the best care that is available. Our senior citizens certainly deserve better.

Mr. Speaker, a national strategy is needed, combining regulation, competition, and voluntary efforts to control the ever-rising cost of health care. As a cosponsor of H.R. 4870, the Medicare Solvency and Health Care Financing Act, I believe this legislation to be a first important step in effecting a solution to control health care costs. The 30 millon Americans who depend on medicare deserve to know that medicare is truly dependable. Adequate, affordable health care must be made available to all our citizens, and I urge my colleagues in the House of Representatives to support this urgently needed legislation.●

LEGISLATION TO REFORM PROCEDURES AFFECTING UNAGREED TAX CASES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

● Mr. STARK. Mr. Speaker, we have just concluded a lengthy, complex, and significant joint tax conference, that resulted in the Deficit Reduction Act of 1984. But tax reform is an ongoing process. It can range from implementing an idea to improve a tax procedure to closing an undesirable loophole. We all benefit if our tax system is made simple, fair, and economical to administer.

It is important that Congress enact progressive and reasonable tax laws, and that these laws be carried out under administrative guidelines which have similar qualities. Tax procedures are like the rules covering the care of an automobile. Unless you maintain your car according to the manufacturer's instructions, it will not be able to perform effectively—no matter how well made it was when new.

For some time, I have been concerned about the rising tide of litigation in the U.S. Tax Court. At the end of fiscal year 1981, the Tax Court's inventory consisted of 45,449 cases; as of June 30, 1984, this number had risen to 60,502. These docketed cases require the filing of a petition on behalf of the taxpayer and an answer by the Government. They are more costly to process than other disputed cases that stay on the administrative appeal track within the Internal Revenue Service. They also take longer to resolve when under the Tax Court's jurisdiction.

Interestingly, while this inventory grew so rapidly, the actual number of the Tax Court's decisions only increased slightly. In fiscal year 1981, the Tax Court issued 1,818 opinions. At the end of 1983, it had issued 2,125 opinions—or an increase of only 307 cases. What happened to all these thousands of other docketed cases? They were closed under administrative procedures now in effect that permit such cases to be settled while they are pending for trial.

As you know, the Appeals Division is the function of the IRS which explores the settlement potential of unagreed tax cases. This is done in an informal hearing that does not require previous Tax Court involvement. Since so many of these docketed cases were settled without trial, why weren't they first considered by Appeals in a nondocketed status? The simple answer is that under the current law, there is no requirement for a taxpayer to exhaust his or her administrative remedies within the IRS before being allowed to seek Tax Court review.

To address this procedural anomaly, I am today introducing legislation to amend the Internal Revenue Code. This bill will require that a taxpayer involved in an unagreed tax examination must exhaust his or her administrative remedies to the Appeals Division within the IRS prior to being allowed to obtain Tax Court jurisdiction over the case. In addition, this bill will permit the IRS to terminate statutory notices of deficiency which they may have issued through administrative inadvertence.

The Appeals Division has achieved a remarkable settlement record over the past few years. It has been able to increase the Division's agreement rate for regular—non-Tax Court—cases from 82.7 percent at the end of fiscal year 1981 to 86.4 percent as of June 30, 1984. Therefore, it is appropriate for us to support this legislative initiative—that will ensure the Appeals Division's involvement in the administrative settlement process to the greatest extent possible.

This is a tax reform measure that will benefit every taxpayer who has a disagreement with the IRS resulting from an examination. At the same time, it will reduce the cost of handling these cases for the taxpayer and the Government. I welcome the support of my colleagues for this important legislation.●

TRIBUTE TO DAVID (D.B.) BOSTICK, SR.

(Mr. HUBBARD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HUBBARD. Mr. Speaker, I speak today in tribute to and in memory of a longtime friend and constituent of mine, David Beverly "D.B." Bostick, Sr., of Hopkinsville, KY, who died on August 2 at the age of 85 at Jennie Stuart Medical Center in Hopkinsville, KY.

A native of Christian County, KY, D.B. Bostick was a self-made, self-educated mechanical genius. With only an eighth grade education, he was chief engineer for the Kentucky Light & Power Plant at age 19. In later years, D.B. was chief engineer at Watts Bar and Muscle Shoals Plant of the Tennessee Valley Authority. After leaving TVA, he opened "Dick's Place" in Hopkinsville, a favorite eating place for people from many miles around especially area farmers.

D.B. Bostick was a member of the Grace Episcopal Church in Hopkinsville and supported the Elks Club, Odd Fellows, and Sons of the American Revolution. In 1946 he founded D.B. Bostick & Son, Inc., which has been in business since that time serving Kentucky and local communities' needs for a quality mechanical contracting firm.

I believe D.B.'s greatest contributions to his fellowmen were the love he gave to his family, his unquestioned honesty in dealing with the public, and his success at showing how far a person could go in life; also by his hard work, honesty, and fairness to all people.

Just before his death, one of D.B. Bostick's greatest dreams came true. He had worked long and hard to obtain a patent on his beautiful Bostick bank lamp. He received word that his patent was granted, and his smile upon hearing this good news lit up his hospital room. My wife Carol and I will treasure the two bank lamps he gave us as a wedding gift.

I am proud to have represented D.B. Bostick as his Congressman in the U.S.

House of Representatives. I am also proud that D.B. Bostick, Sr., and I were friends.

Survivors include his lovely wife, Kathryn Black Bostick, of Hopkinsville; a son, D.B. Bostick, Jr., and a daughter, Mrs. Jack (Margaret) Gilkey, both of Hopkinsville; a half-brother, Lon Bostick, and a half-sister, Mrs. Cecil (Alline) Cornelius, also of Hopkinsville; four grandchildren, and two great-grandchildren.

My wife Carol and I extend our sympathy to the survivors and friends of this outstanding Kentuckian who was an inspiration to those of us who knew and loved him.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PURSELL (at the request of Mr. MICHEL), after 6 p.m. today, on account of official business.

Mr. BATEMAN (at the request of Mr. MICHEL), for today and the balance of the week, on account of a death in the family.

Mr. PRITCHARD (at the request of Mr. MICHEL), for Wednesday and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special order heretofore entered, was granted to:

Mr. PEPPER, 60 minutes, Friday, August 10.

(The following Members (at the request of Mr. PARRIS) to revise and extend their remarks and include extraneous material:)

Mr. LATTA, for 60 minutes, today.

Mr. KEMP, for 30 minutes, today.

Mr. BROYHILL, for 10 minutes, today.

Mr. FRENZEL, for 15 minutes, today.

(The following Members (at the request of Mr. KLECZKA) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. HUBBARD, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. BROWN of California, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. EDGAR, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,333.75.

Ms. MIKULSKI, to revise and extend prior to the vote on the Moody amendment.

Mr. HEFTEL of Hawaii, to revise and extend prior to the Moody amendment.

(The following Members (at the request of Mr. PARRIS) and to include extraneous matter:)

Mr. GREGG.

Mr. BROOMFIELD in three instances.

Mr. DANIEL B. CRANE.

Mr. WOLF.

Mr. HYDE in three instances.

Mr. PURSELL.

Mr. GEKAS.

Mr. IRELAND in two instances.

Mr. CAMPBELL in two instances.

Mr. TAUKE.

Mr. LIVINGSTON.

Mr. OXLEY.

Mr. KEMP.

Mr. MCKERNAN in two instances.

Mr. CONABLE.

Mr. COUGHLIN.

Mr. PORTER.

Mr. PHILIP M. CRANE.

Mr. RIDGE in two instances.

Mr. SMITH of New Jersey.

Mrs. VUCANOVICH.

Mr. FIELDS.

Mr. CONTE.

Mr. BEREUTER.

Mr. REGULA in two instances.

Mr. PACKARD.

(The following Members (at the request of Mr. KLECZKA) and to include extraneous matter:)

Mr. LEVINE of California in two instances.

Mr. VOLKMER in two instances.

Mr. WEISS in two instances.

Mr. BORSKI.

Mr. DOWNEY of New York.

Mr. KOSTMAYER.

Mr. LIPINSKI.

Mr. ROSTENKOWSKI.

Mr. EDWARDS of California.

Mr. FRANK in three instances.

Mr. FAZIO.

Mr. OTTINGER.

Mrs. COLLINS.

Mr. RANGEL in two instances.

Mr. FOGLIETTA.

Mr. HUBBARD.

Mr. DYMALLY.

Mr. MORRISON of Connecticut.

Mr. EDGAR.

Mr. SHELBY.

Mr. LELAND.

Mr. DORGAN.

Mr. FEIGHAN in two instances.

Mr. HAWKINS.

Mrs. SCHROEDER.

Mr. GORE.

Mr. MOAKLEY.

Mr. WIRTH.

Mr. DELLUMS.

Mr. TORRES.

Mr. BROWN of California.

Mr. PATTERSON.

Mr. BONKER.

Mr. OBERSTAR.

ENROLLED BILL SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4325. An act to amend part D of title IV of the Social Security Act to assure, through mandatory income withholding, incentive payments to States, and other improvements in the child support enforcement program, that all children in the United States who are in need of assistance in securing financial support from their parents will receive such assistance regardless of their circumstances, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1145. An act to recognize the organization know as the Catholic War Veterans of the United States of America, Inc.; and

S. 1429. An act to amend the Small Business Act to extend and strengthen the Small Business Development Center Program, and for other purposes.

ADJOURNMENT

Mr. LATTA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 37 minutes p.m.) the House adjourned until tomorrow, Friday, August 10, 1984, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3865. A letter from the Secretaries of Agriculture and Health and Human Services, transmitting a progress report on the human nutrition research information management system; to the Committee on Agriculture.

3866. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a report on the results of the pilot study undertaken in the Cabin Creek Basin, WV; to the Committee on Appropriations.

3867. A letter from the Secretary of Health and Human Services, transmitting a report on a violation of the Antideficiency Act, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

3868. A letter from the Acting Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notification of the proposed decision to convert to contractor performance the routine pickup and delivery function at McClellan Air Force Base, CA, pursuant to 10 U.S.C. 2304 (Public Law 96-342, section 502(b) (96 Stat. 747)); to the Committee on Armed Services.

3869. A letter from the Chief, Program Liaison Division, Office of Legislative Liaison, Department of the Air Force, transmitting a report on research and development contracts over $50,000 for the period January 1, 1984 through July 1, 1984, pursuant to 10 U.S.C. 2357; to the Committee on Armed Services.

3870. A letter from the Secretary, Department of the Treasury, transmitting the annual report on the operations of the exchange stabilization fund (ESF) for fiscal year 1983, pursuant to 31 U.S.C. 5302(c)(2); to the Committee on Banking, Finance and Urban Affairs.

3871. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Bi-Annual Audits of the Advisory Neighborhood Commissions for the Period January 1, 1982 Through December 31, 1983," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3872. A letter from the Administrator, Energy Information Administration, Department of Energy, transmitting a report entitled, "Performance Profiles of Major Energy Producers, 1982," pursuant of Public Law 95-91, section 205(h)(5) and 657; to the Committee on Energy and Commerce.

3873. A letter from the Assistant Attorney General (Antitrust Division), Department of Justice, transmitting a report on the voluntary agreement and plan of action to implement the International Energy Program; to the Committee on Energy and Commerce.

3874. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more (Transmittal No. MC-31-84), pursuant to AECA, section 36(c) (90 Stat. 743; 94 Stat. 3136; 95 Stat. 1520); to the Committee on Foreign Affairs.

3875. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a proposed license for the export of defense articles and defense services sold commercially under a contract in the amount of $50,000,000 or more (Transmittal No. MC-30-84), pursuant to AECA, section 36(c) (90 Stat. 743; 94 Stat. 3136; 95 Stat. 1520); to the Committee on Foreign Affairs.

3876. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

3877. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in Outer Continental Shelf areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

3878. A letter from the U.S. Trade Representative, Executive Office of the President, transmitting a report on the reviews and hearings on complaints of unfair trade practices by foreign governments, pursuant to Public Law 93-618, section 306 (93 Stat. 299); to the Committee on Ways and Means.

3879. A letter from the Secretary of Agriculture and Secretary of the Air Force, transmitting notice by the Secretary of Agriculture and the Secretary of the Air Force of the intention to interchange jurisdiction of lands in Colorado, pursuant to the act of July 26, 1956, chapter 736, section 1; jointly, to the Committees on Agriculture and Armed Services.

3880. A letter from the Administrator, Environmental Protection Agency, transmitting a report entitled, "The Cost of Clean Air and Water Report to the Congress—1984," pursuant to CAA, section 312(a) (81 Stat. 505; 84 Stat. 1705); jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

3881. A letter from the Comptroller General of the United States, transmitting a report on the progress States are making in implementing the social services block grant program (GAO/HRD-84-68; August 9, 1984); jointly, to the Committees on Government Operations and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 2353. A bill to amend the Deepwater Port Act of 1974, and for other purposes; with an amendment (Rept. No. 98-519, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 4901. A bill to amend the Controlled Substances Act, the Controlled Substances Import and Export Act, and the Tariff Act of 1930 to improve forfeiture provisions and strengthen penalties for controlled substances offenses, and for other purposes; with an amendment (Rept. No. 98-845, Pt. II). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McCOLLUM: Committee on the Judiciary. H.R. 2051. A bill for the relief of Susan Waldo; with an amendment (Rept. No. 98-976). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI:

H.R. 6112. A bill to amend the Tax Equity and Fiscal Responsibility Act of 1982 with respect to the effect of the 1985 increase in the Federal unemployment tax rate on certain small business provisions contained in State unemployment compensation laws; to the Committee on Ways and Means.

By Mr. SCHULZE (for himself and Mr. BLILEY):

H.R. 6113. A bill to amend the Internal Revenue Code of 1954 to provide for the repayment of the increased tax imposed on fuel used in diesel-powered automobiles or light trucks; to the Committee on Ways and Means.

By Mr. BETHUNE:

H.R. 6114. A bill to amend the Federal Election Campaign Act of 1971 with respect to reporting of certain amounts by labor organizations; to the Committee on House Administration.

By Mr. CLARKE:

H.R. 6115. A bill to require the Tennessee Valley Authority to maintain the levels of Fontana Lake and Santeetlah Lake in North Carolina at certain levels from May through October; to the Committee on Public Works and Transportation.

By Mr. CONABLE:

H.R. 6116. A bill to amend title 5, United States Code, to provide that military service which is creditable for certain military retired pay benefits shall not also be creditable for purposes of civil service retirement benefits; to the Committee on Post Office and Civil Service.

By Mr. HALL of Ohio (for himself, Mr. WOLF, Mr. LELAND, Mr. CONTE, Mr. DIXON, Mr. LEWIS of California, Mr. HIGHTOWER, Mr. GILMAN, Mr. EVANS of Iowa, Mr. FAZIO, Mr. SMITH of New Jersey, and Mr. COATS):

H.R. 6117. A bill to amend the Foreign Assistance and Related Programs Appropriations Act, 1985, to provide increased funding for basic health care services in developing countries; to the Committee on Foreign Affairs.

Mr. HERTEL (for himself, Mr. DAVIS, Mr. HUGHES, Mrs. SCHNEIDER, and Mr. SAWYER):

H.R. 6118. A bill to require that a comprehensive study be prepared regarding the present status of lower animal cancer research at the State and Federal levels, and means for improving and coordinating that research; jointly, to the Committees on Energy and Commerce and Agriculture.

By Mr. McCLOSKEY:

H.R. 6119. A bill to recognize the organization known as the 82d Airborne Division Association, Inc.; to the Committee on the Judiciary.

By Mr. McNULTY:

H.R. 6120. A bill entitled: the "Copper and Extractive Industries Fair Competition Act of 1984"; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. MICA (for himself and Mr. GILMAN):

H.R. 6121. A bill to adapt principles of the Administrative Procedures Act to assure public participation in the development of certain positions to be taken by the United States in international organizations; to the Committee on Foreign Affairs.

By Mr. SWIFT (for himself, Mr. WIRTH, Mr. DINGELL, Mr. LELAND, and Mr. BRYANT):

H.R. 6122. A bill to amend the Communications Act of 1934 to reform the requirements applicable to commercial broadcasting station licensees; to the Committee on Energy and Commerce.

By Mr. MORRISON of Connecticut:

H.R. 6123. A bill to amend the Consumer Credit Protection Act with respect to consumer leases and rental purchase agreements; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PEPPER:

H.R. 6124. A bill to authorize the Secretary of Health and Human Services to conduct a clinical trial to determine the efficiency and economic feasibility of providing medicare coverage for personal emergency response systems; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. STARK:

H.R. 6125. A bill to require the Secretary of the Treasury to exhaust administrative procedures established within the Internal Revenue Service for resolving disputes with a taxpayer before sending such taxpayer a

notice of deficiency and to allow such Secretary to withdraw a notice of deficiency erroneously issued to a taxpayer; to the Committee on Ways and Means.

By Mr. TRAXLER:

H.R. 6126. A bill to amend title II of the Social Security Act to provide that cost-of-living increases in benefits under the old-age survivors, and disability insurance program shall take effect 3 months earlier each year, to provide that such increases shall be based solely on increases in the Consumer Price Index for all urban consumers, and to eliminate the 3-percent trigger for such increases; to the Committee on Ways and Means.

By Mr. WHITTEN:

H.R. 6127. A bill to restore the right to a jury trial in certain cases involving exercise by the Government of the power of eminent domain; to the Committee on the Judiciary.

By Mr. YOUNG of Alaska:

H.R. 6128. A bill to amend the Internal Revenue Code of 1954 to exclude from a taxpayer's modified adjusted gross income the amount of interest received or accrued by the taxpayer in determining whether the taxpayer's social security benefits or railroad retirement benefits are to be included in gross income subject to income tax; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 6129. A bill to amend title V of the Social Security Act to require States to provide women during and after pregnancy with access to their medical records and current information on obstetrical procedures and to amend the Federal Food, Drug, and Cosmetic Act to require the dissemination of information on the effects and risks of drugs and devices on the health of pregnant and parturient women and of prospective and developing children; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. CAMPBELL:

H.R. 6130. A bill to amend part E of title IV of the Social Security Act to extend for 1 year the provision imposing a conditional ceiling on Federal matching for foster care, the provision authorizing States to use foster care funds for child welfare services in certain cases, and the provision authorizing Federal matching for foster care maintenance payments in the case of certain children voluntarily placed in foster care; to the Committee on Ways and Means.

By Mr. GORE:

H.R. 6131. A bill to require that not more than one-fourth of the budget authority of any department or agency of the executive branch may be obligated during the last quarter of a fiscal year; to the Committee on Government Operations.

By Mr. JENKINS:

H.R. 6132. A bill to amend the Social Security Act to modify the terminology relating to handicapped children; to the Committee on Ways and Means.

By Mr. LEACH of Iowa:

H.R. 6133. A bill to modify the project for flood protection on the Chariton River, IA and MO, to direct the Secretary of the Army to sell storage space in Rathbun Lake, IA, to the Rathbun Regional Water Association, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. LELAND (for himself, Mr. DINGELL, and Mr. WIRTH):

H.R. 6134. A bill to amend the Communications Act of 1934 to assure diversity of ownership of broadcasting stations; to the Committee on Energy and Commerce.

By Mr. LEVIN of Michigan:

H.R. 6135. A bill to improve long-term employment opportunities in the United States; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. MOAKLEY:

H.R. 6136. A bill to require an autopsy of any member of the Armed Forces who dies while on active duty, to establish a board of medical examination in the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. OBEY (for himself, Mr. PETRI, Mr. CONYERS, Mr. ROWLAND, Mr. JACOBS, Mr. PAUL, Mr. SABO, Mr. MITCHELL, Mr. FRANK, Mrs. SCHROEDER, Mr. LOWRY of Washington, and Mr. CLAY:)

H.R. 6137. A bill to amend the Military Selective Service Act to prohibit any person under the age of 21 to be required to register with the Selective Service System so long as the provisions of Public Law 98-363 remain in effect insofar as they relate to a reduction in Federal highway aids to States who have not established a minimum drinking age of 21; to the Committee on Armed Services.

By Mr. PASHAYAN (for himself and Mr. MATSUI):

H.R. 6138. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit to taxpayers who recycle certain agricultural chemical containers in accordance with the applicable laws and regulations; to the Committee on Ways and Means.

By Mrs. VUCANOVICH:

H.R. 6139. A bill to authorize the President of the United States to award a congressional gold medal to Jan C. Scruggs in recognition of his work on behalf of Vietnam veterans, and to authorize the Secretary of the Treasury to sell bronze duplicates of such medal; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WALGREN:

H.R. 6140. A bill to promote the resolution of problems affecting the domestic steel industry by establishing an advisory council to advise the President on modernization in the steel industry, propose technological solutions to problems in such industry, and perform other functions; jointly to the Committees on Energy and Commerce and Science and Technology.

By Mr. DICKS (for himself and Mr. CONTE):

H.J. Res. 638. Joint resolution designating October 1984 as "National Head Injury Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. MORRISON of Connecticut:

H.J. Res. 639. Joint resolution to require the U.S. Postal Service to provide and sell a postage stamp issue to commemorate the 350th anniversary of the founding of New Haven, CT; to the Committee on Post Office and Civil Service.

By Mr. DE LA GARZA:

H. Con. Res. 349. Concurrent resolution authorizing changes in the enrollment of House Joint Resolution 600; considered and agreed to.

By Mr. REGULA (for himself, Mr. BARNES, Mr. BROOMFIELD, Mr. EDWARDS of Oklahoma, Mr. HIGHTOWER, Mr. LAGOMARSINO, Mr. LIVINGSTON, and Mr. ALEXANDER):

H. Con. Res. 350. Concurrent resolution expressing the sense of the Congress that the United States should commend the Government of Guatemala for holding free and fair elections; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 6141. A bill for the relief of Wilana Lerner; to the Committee on the Judiciary.

By Mr. RALPH M. HALL:

H.R. 6142. A bill for the relief of Samuel O. Johnson; to the Committee on the Judiciary.

By Mr. LOWRY of Washington:

H.R. 6143. A bill for the relief of Frederick Paul; to the Committee on the Judiciary.

By Mr. PATTERSON:

H.R. 6144. A bill for the relief of Virgilio Cabeza and Marissa Cabeza; to the Committee on the Judiciary.

PRIVATE RESOLUTIONS

By Mr. LOWRY of Washington:

H. Res. 571. Resolution referring the bill H.R. 6143 for the relief of Frederick Paul to the Chief Judge of the U.S. Claims Court; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 284: Mr. SUNDQUIST.

H.R. 1315: Mr. DIXON, Mr. LEWIS of California, Mr. MICA, Mr. SAVAGE, Mr. CORRADA, Mr. DAVIS, Mr. LUJAN, Mr. WEAVER, Mr. CROCKETT, Mr. HAMMERSCHMIDT, Mr. ROBINSON, Mr. LEHMAN of Florida, Mr. YOUNG of Florida, and Mr. WIRTH.

H.R. 1617: Mr. HOPKINS, Mr. ROBERT F. SMITH, Mr. HERTEL of Michigan, Mr. DE LUGO, Mr. YOUNG of Missouri, Mr. BONKER, Mr. GINGRICH, Mr. ALBOSTA, Mr. COUGHLIN, and Mr. WORTLEY.

H.R. 1676: Mr. CLAY.

H.R. 1959: Mr. LUNDINE.

H.R. 1991: Mr. BATES and Mr. MCNULTY.

H.R. 2236: Mr. HUBBARD and Mr. HARKIN.

H.R. 3271: Mr. EDGAR.

H.R. 3296: Mr. ENGLISH and Mr. KASTENMEIER.

H.R. 3487: Mr. DOWDY of Mississippi, Mr. FORD of Michigan, Mr. FUQUA, Mr. GINGRICH, Mr. LAGOMARSINO, Mr. MCCLOSKEY, Mr. MYERS, Mr. RICHARDSON, Mr. SHUMWAY, Mr. SKELTON, Mr. VANDERGRIFF, Mr. WALKER, and Mr. WILSON.

H.R. 3797: Mr. ROYBAL.

H.R. 4459: Mr. D'AMOURS, Mr. SHELBY, and Mr. GORE.

H.R. 4494: Mr. CAMPBELL and Mr. SLATTERY.

H.R. 4559: Mr. BRYANT and Mr. SAM B. HALL, JR.

H.R. 4870: Mr. ASPIN, Mr. ANNUNZIO, Mr. CLAY, Mr. HOWARD, Mr. MAVROULES, Mr. MARTINEZ, and Mr. HOYER.

H.R. 4923: Mr. BROWN of California.

H.R. 4966: Mr. HUTTO and Mr. CLARKE.

H.R. 5083: Mr. RAHALL and Mr. WIRTH.

H.R. 5090: Mr. MCNULTY and Mr. CLARKE.

H.R. 5176: Mr. ACKERMAN, Mr. FUQUA, Mr. MCEWEN, Mr. SKEEN, Mr. SIMON, and Mr. WEBER.

H.R. 5196: Mr. WORTLEY and Mr. MRAZEK.

H.R. 5232: Mr. DE LUGO and Mr. WON PAT.

H.R. 5341: Mr. SHANNON.

H.R. 5411: Mr. MARTINEZ and Mr. ROYBAL.

H.R. 5416: Mr. WEBER.

H.R. 5465: Mr. VENTO, Mr. CONTE, and Mrs. JOHNSON.

H.R. 5486: Mr. MARRIOTT.

H.R. 5571: Mr. BIAGGI, Mr. GUARINI, Mr. HOWARD, and Mr. LONG of Maryland.

H.R. 5595: Mr. LEVIN of Michigan, Mr. VENTO, Mr. STUDDS, and Mr. MORRISON of Washington.

H.R. 5611: Mr. THOMAS of California, Mr. MCCURDY, Mr. BIAGGI, Mr. WOLF, and Mr. GINGRICH.

H.R. 5632: Mr. CROCKETT, Mr. WEAVER, Mr. SEIBERLING, Mr. TOWNS, Mr. BATES, Mr. KASTENMEIER, Mr. MARTINEZ, Mr. EDGAR, Mr. MINETA, Mrs. BOXER, Mr. BERMAN, Ms. FERRARO, Mr. DELLUMS, Mr. OTTINGER, Mr. WIRTH, Mr. OWENS, Mr. WHEAT, Mr. LUNDINE, Mr. MITCHELL, Mr. FAUNTROY, Mr. EDWARDS of California, Mr. STUDDS, Mr. STARK, Mr. ACKERMAN, Mr. WALGREN, Ms. KAPTUR, Mr. KOLTER, and Mrs. HALL of Indiana.

H.R. 5664: Mr. MORRISON of Connecticut.

H.R. 5704: Mr. WEISS, Mr. VENTO, and Mr. FAZIO.

H.R. 5772: Mr. RINALDO, Mr. NEAL, Mr. ENGLISH, and Mr. GEJDENSON.

H.R. 5791: Mr. ROSE and Mr. DONNELLY.

H.R. 5821: Mr. BROWN of Colorado.

H.R. 5845: Mr. BEREUTER, Mr. GOODLING, Mr. HALL of Ohio, Mr. MCCANDLESS, and Mr. MCCOLLUM.

H.R. 5906: Mr. JEFFORDS, Mr. LEVIN of Michigan, Mr. MORRISON of Connecticut, and Mr. HAWKINS.

H.R. 5918: Mr. DAUB, Mr. LUNDINE, Mr. THOMAS of Georgia, and Mr. CRAIG.

H.R. 5924: Mr. ANDREWS of Texas, Mr. BRITT, Mr. FROST, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. RANGEL, Mr. RICHARDSON, Mr. ROE, Mr. SMITH of Florida, Mr. VENTO, and Mr. WON PAT.

H.R. 5943: Mr. BILIRAKIS, Mr. SHUMWAY, Mr. CHAPPIE, Mr. BADHAM, Mr. SENSENBRENNER, Mr. DENNY SMITH, and Mr. LEWIS of Florida.

H.R. 5944: Mr. BEILENSON, Mr. WON PAT, Mr. BIAGGI, Mr. FRANK, Mr. HORTON, Mr. RATCHFORD, Mr. RANGEL, Mr. WHEAT, Mr. GARCIA, Mrs. HALL of Indiana, Mr. BARNES, Ms. OAKAR, Mr. MINETA, Mr. MITCHELL, Mr. APPLEGATE, Mr. STOKES, Mr. VENTO, Mrs. BOXER, Mr. CONYERS, and Mr. CROCKETT.

H.R. 5948: Mr. RAHALL, Mr. TOWNS, Mrs. BOXER, Mr. LEVINE of California, Mr. CORRADA, Mr. RICHARDSON, and Mr. ROSE.

H.R. 5952: Mr. JENKINS.

H.R. 5959: Mr. FLORIO and Mr. OXLEY.

H.R. 5975: Mr. FUQUA, Mr. WINN, Mr. VOLKMER, Mr. ANDREWS of Texas, Mr. BEVILL, Mr. BLILEY, Mr. BOEHLERT, Mr. BROWN of California, Mr. BURTON of Indiana, Mr. CROCKETT, Mr. DYMALLY, Mr. EVANS of Iowa, Mr. FIELDS, Mr. FISH, Mr. GRAMM, Mr. KOGOVSEK, Mr. LEWIS of California, Mr. LEWIS of Florida, Mr. LOWERY of California, Mr. MCGRATH, Mr. OXLEY, Mr. PRICE, Mr. RICHARDSON, Mr. SILJANDER, Mr. STENHOLM, Mr. STOKES, Mr. UDALL, Mr. WHITEHURST, Mr. WORTLEY, Mr. YOUNG of Florida, Mr. ZSCHAU, and Mr. BADHAM.

H.R. 5977: Mr. SOLARZ, Mr. SIMON, Mr. MRAZEK, and Mr. CROCKETT.

H.R. 5990: Mr. HAWKINS, Mr. WHITEHURST, Mr. ADDABBO, Mr. ROE, and Mr. MCNULTY.

H.R. 5995: Mr. MRAZEK.

H.R. 5999: Mr. MARTINEZ and Mr. MORRISON of Connecticut.

H.R. 6019: Mr. FIELDS, Mrs. MARTIN of Illinois, Mr. YOUNG of Missouri, and Mr. PATTERSON.

H.R. 6021: Mr. BORSKI, Mr. MURPHY, Mr. PATMAN, Mr. FAZIO, Mr. BADHAM, Mr. KOLTER, Mr. MORRISON of Washington, and Mr. EDWARDS of Alabama. Mr. RUDD, Mr. BLILEY, Mr. FISH, Mr. LAGOMARSINO, Mr. SIMON, and Mr. PARRIS.

H.R. 6032: Mr. FRANK, Mr. WOLF, Mr. ECKART, Mr. LUNDINE, Mr. BEVILL, Mr. ROGERS, Mr. SHUMWAY, Mr. LENT, Mr. SOLOMON, Mr. MARTINEZ, Mr. MITCHELL, Mr. EMERSON, and Mrs. JOHNSON.

H.R. 6035: Ms. KAPTUR, Mr. LELAND, and Mr. FAUNTROY.

H.R. 6045: Mr. WILSON and Mr. KOLTER.

H.R. 6053: Mr. RAHALL, Mr. OWENS, Mr. YOUNG of Missouri, Mr. MRAZEK, and Mr. VENTO.

H.R. 6066: Mr. RATCHFORD and Mr. WISE.

H.R. 6067: Ms. KAPTUR, Mr. BARNES, Mr. WHITEHURST, and Mr. MYERS.

H.R. 6069: Mr. KINDNESS, Mr. LEWIS of Florida, Mr. WILSON, Mr. REGULA, Mr. CORCORAN, Mr. WHITEHURST, Mr. LAGOMARSINO, and Mr. BADHAM.

H.R. 6072: Mr. FAUNTROY and Mr. FRANK.

H.R. 6080: Mr. CORRADA and Mr. GARCIA.

H.J. Res. 465: Mr. LOEFFLER.

H.J. Res. 482: Mr. STUMP, Mr. FORD of Michigan, Mr. MARLENEE, Mr. WISE, and Mr. FORD of Tennessee.

H.J. Res. 499: Mr. BURTON of Indiana, Mr. LAFALCE, Mr. UDALL, Mr. CRAIG, Mr. LONG of Maryland, Mr. SAWYER, Mr. MCHUGH, Mr. NATCHER, Mr. RAHALL, Mr. SKEEN, Mr. ROSE, Mrs. JOHNSON, Mr. STARK, Mr. WHEAT, Mr. ALBOSTA, Mr. ALEXANDER, Mr. ANDREWS of Texas, Mr. APPLEGATE, Mr. ASPIN, Mr. GEPHARDT, Mr. WISE, Mr. HAYES, Mr. DYSON, Mr. SHARP, Mrs. MARTIN of Illinois, Mr. SAVAGE, Mr. PENNY, Mr. BREAUX, Mr. RUSSO, Mr. COOPER, Mr. COLEMAN of Texas, Mr. FEIGHAN, Mr. STAGGERS, Mr. KILDEE, Mr. COELHO, and Mrs. BURTON of California.

H.J. Res. 512: Ms. FIEDLER, Mr. FASCELL, Mr. APPLEGATE, Mrs. KENNELLY, Mr. SAVAGE, Mr. KASTENMEIER, Mr. KEMP, Mr. LEACH of Iowa, Mr. KOGOVSEK, Mr. DREIER of California, and Mr. CARPER.

H.J. Res 547: Mr. MCCANDLESS, Mr. GORE, Mr. BROOKS, Mr. GREEN, Mr. HALL of Ohio, Mr. CHENEY, and Mr. GINGRICH.

H.J. Res. 580: Mr. GORE and Mr. BADHAM.

H.J. Res. 608: Mr. BARNARD, Mr. BATEMAN, Mr. BEILENSON, Mrs. BOXER, Mr. COATS, Mr. COOPER, Mr. D'AMOURS, Mr. DANNEMEYER, Mr. DARDEN, Mr. DAUB, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. FRENZEL, Mr. GILMAN, Mr. GRADISON, Mr. HAMMERSCHMIDT, Mr. HOYER, Mr. HUBBARD, Mr. LAGOMARSINO, Mrs. LLOYD, Mr. MACKAY, Mr. MAZZOLI, Mr. MOAKLEY, Mr. RINALDO, Mr. ST GERMAIN, Mr. SPRATT, Mr. STARK, Mr. TAUKE, and Mr. VENTO.

H.J. Res. 609: Mr. KEMP, Mr. COYNE, Mr. CARPER, Mr. BROWN of California, Mr. SMITH of Florida, Mr. CHAPPELL, Mr. STUMP, Mr. SUNIA, Mr. GUNDERSON, and Mr. VENTO.

H.J. Res. 616: Mr. FRANKLIN.

H.J. Res. 621: Mr. COLEMAN of Texas, Mr. MCEWEN, Mr. REGULA, Mr. CRAIG, Mr. MATSUI, Mrs. BYRON, Mr. DERRICK, Mr. MORRISON of Washington, Mr. LEWIS of Florida, Mr. LEVINE of California, Mr. PASHAYAN, Mr. WILSON, Mr. WORTLEY, Mr. MOAKLEY, Mr. DORGAN, Mr. PURSELL, Mr. WEAVER, Mr. CHAPPIE, Mr. OWENS, Mr. COLEMAN of Missouri, Mr. MOORE, Mr. COATS, Ms. MIKULSKI, Mr. SHUMWAY, Mr. CHAPPELL, Mr. YOUNG of Alaska, Mr. SUNIA, Mr. CONABLE, Mr. WHITTAKER, Mr. MINISH, Mr. MOORHEAD, Mr. MAVROULES, Mr. DE LA GARZA, Mr. VENTO, Mr. CORRADA, Mr. ARCHER, Mr. GRAY, Mr. HERTEL of Michigan, Mr. ANDERSON, Mr. APPLEGATE, Mr. ASPIN, Mr. AUCOIN, Mr. BADHAM, Mr. BEREUTER, Mr. BLILEY, Mr. BROOMFIELD, Mr. BROYHILL, Mr. CAMPBELL, Mr. CARR, Mr. CHENEY, Mr. COELHO, Mr. COURTER, Mr. DOWNEY of New York, Mr. EARLY, Mr. EDWARDS of California, Mr. EDWARDS of Alabama, Ms. FERRARO, Mr. FRENZEL, Mr. GIBBONS, Mr. GILMAN, Mr. GREEN, Mr. HAMMERSCHMIDT, Mr. HANSEN of Idaho, Mr. HARTNETT, Mr. HILLIS, Mr. HUBBARD, Mr. HYDE, Mr. KASTENMEIER, Mr. LATTA, Mr. LEHMAN of Florida, Mr. LEVITAS, Mr. LEWIS of California, Mr. LIVINGSTON, Mr. LOTT, Mr. LUKEN, Mr. LUNDINE, Mr. MCCOLLUM, Mr. MCKINNEY, Mr. MARTIN of North Carolina, Mr. MARTIN of Illinois, Mr. MILLER of Ohio, Mr. MILLER of California, Mr. MINETA, Mr. MURTHA, Mr. MYERS, Mr. NIELSON of Utah, Mr. NOWAK, Mr. PETRI, Mr. PICKLE, Mrs. ROUKEMA, Mr. ROYBAL, Mr. RUSSO, Mr. SCHEUER, Mr. SCHULZE, Mr. SMITH of Iowa, Mrs. SMITH of Nebraska, Ms. SNOWE, Mr. SPENCE, Mr. STARK, Mr. TAYLOR, Mr. TRAXLER, Mr. WALKER, Mr. WHITEHURST, and Mr. WISE.

H.J. Res. 625: Mr. BEREUTER, Mr. FROST, Mr. PORTER, Mr. GRADISON, Mr. DENNY SMITH, Mr. WALKER, Mr. NOWAK, Mr. SPRATT, Mr. DWYER of New Jersey, Mr. VANDERGRIFF, Mr. WYLIE, Mr. FRANK, Mr. BOEHLERT, Mr. ORTIZ, Mr. ARCHER, Mr. FISH, Mr. HORTON, Mr. KINDNESS, Mr. ROE, Mr. LAGOMARSINO, Mr. BONER of Tennessee, Mr. DAUB, Mr. MCEWEN, Mr. RICHARDSON, Mr. LEVITAS, Mr. GUARINI, Mr. WYDEN, Mr. PASHAYAN, and Mr. SNYDER.

H.J. Res. 631: Mr. BARNES, Mr. BIAGGI, Mr. DWYER of New Jersey, Mr. RALPH M. HALL, Mr. OBEY, Mr. FUQUA, Mrs. BOXER, Mr. DANIEL, Mr. FAZIO, Mr. FRENZEL, Mr. GONZALEZ, Mr. HUGHES, Ms. KAPTUR, Mr. MAZZOLI, Mr. RATCHFORD, Mr. ST GERMAIN, Mr. SMITH of Florida, Mr. WEBER, and Mr. WILSON.

H.J. Res. 632: Mr. BOLAND, Mr. COATS, Mr. FRANK, Mr. HEFTEL of Hawaii, Mr. HILLIS, Mr. MCCLOSKEY, Mr. NOWAK, Mr. OBERSTAR, Mr. OWENS, Mr. REID, Mr. WON PAT, and Mr. WORTLEY.

H. Con. Res. 245: Mr. COURTER.

H. Con. Res. 277: Mr. BURTON of Indiana.

H. Con. Res. 322: Mr. FORD of Michigan, Mr. SMITH of Florida, Mr. MCNULTY, and Mr. BADHAM.

H. Con. Res. 324: Mr. SEIBERLING and Mr. KLECZKA.

H. Con. Res. 341: Mr. DELLUMS, Mr. FOGLIETTA, Mr. FRANK, Mr. BOLAND, Mr. BIAGGI, Mr. HUGHES, Mr. MOODY, Mr. BARNES, Ms. MIKULSKI, Mr. HOWARD, Mr. ECKART, Mr. MAVROULES, Mr. ROE, Mr. FAUNTROY, Mr. ERDREICH, Mr. DYSON, Mr. OBERSTAR, Mr. PORTER, Mrs. BOXER, Mr. MCHUGH, Mr. FROST, Mr. TORRICELLI, Mr. WOLPE, and Mr. SAWYER.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

402. By the SPEAKER: Petition of the General Synod of the Reformed Church in America, New York, NY, relative to the recommendations of the Congressional Commission on Wartime Relocation and Internment of Civilians; to the Committee on the Judiciary.

403. Also, petition of the City Council, New York, NY, relative to legislation to broaden the scope of Federal laws prohibiting discrimination on the basis of sex, race, national origin, age, and handicap; jointly, to the Committees on Education and Labor and the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5640

By Mr. LEVITAS:

(Substitute for the Amendment offered by Mr. MARKEY to committee print.)

—Immediately after Title I of the bill add the following:

TITLE II—ADMINISTRATIVE RECOVERY OF MEDICAL AND RELOCATION EXPENSES

RECOVERY OF MEDICAL AND RELOCATION EXPENSES

SEC. 201. The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new title:

"TITLE IV—MEDICAL AND RELOCATION EXPENSES

"DEFINITIONS

"SEC. 401. (a) For purposes of this title:

"(1) The term 'applicant' means any person who applies for compensation under this title.

"(2) The term 'medical costs' means the costs of all appropriate medical, surgical, hospital, nursing care, ambulance, and other related services, drugs, medicines, as appropriate for both diagnosis and treatment, and any rehabilitative programs within the scope of section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723);

"(3) The term 'physical injury or illness' includes, but is not limited to, any physical injury or illness which is caused by exposure to a hazardous substance, pollutant, or contaminant prior to birth. Such term does not include mental distress, fright, or emotional disturbance.

"(4) The term 'dependent' means with respect to any deceased person the individual or individuals referred to in section 8110 of title 5 of the United States Code.

"(5) The terms 'treatment', 'storage', and 'disposal' have the same meaning as provided by section 1004 of the Solid Waste Disposal Act.

"(b) For purposes of this title, the terms 'hazardous substance', 'pollutant or containment', 'transport', and 'transportation' shall have the meanings provided in title I of this Act.

"APPLICATION FOR RELIEF

"SEC. 402. Any individual who alleges that he has sustained injury for which relief is payable under this title may file an application for such relief with the Administrator. Such application shall be in such form, and shall be filed in such manner, as the Administrator shall, by rule, provide. Such rule shall be issued within 180 days after the date of the enactment of this title.

"AWARD OF RELIEF

"SEC. 403. (a) If an individual establishes by a preponderance of the evidence that he has suffered a physical injury or illness which was caused by exposure to a hazardous substance, pollutant, or contaminant—

"(1) from a facility or site at or from which such substance was stored, treated, recycled, disposed of, or migrated, or

"(2) during transportation to such a facility or site,

the Administrator shall pay relief under this title to such individual.

"(b) If a dependent of any deceased individual establishes to the satisfaction of the Administrator that the death of such deceased individual was caused by any exposure referred to in subsection (a), the Administrator shall pay relief under this title to such dependent.

"AMOUNT OF RELIEF

"SEC. 404. (a)(1) Relief under this title to any individual who has suffered a physical injury or illness shall consist of—

"(A) a payment or reimbursement for all medical costs incurred in connection with the physical injury, illness, or death concerned;

"(B) a monthly payment in an amount equal to the injured, ill, or deceased individual's monthly earnings which are lost (as estimated by the Administrator) by reason of the physical injury, illness, or death during the one-year period following such injury, illness, or death; and

"(C) reimbursement for—

"(i) expenses incurred by an individual in obtaining alternative water supplies, or

"(ii) reasonable costs of transportation, lodging, and meals for not more than three trips to locate a new residence, and reasonable moving costs, where such individual's exposure (or potential exposure) to a hazardous substance, pollutant, or contaminant caused or significantly contributed to such costs.

Payment under subparagraph (B) shall not exceed $1,000 per month.

"(2) Relief under this title to the dependents of any individual shall be equal to the amounts specified in paragraph (1), except that such relief shall include the reasonable expenses of burial. The Administrator shall promulgate rules regarding the equitable allocation of relief payable under this title to dependents where there are two or more dependents.

"(b) The Administrator shall compute the amount of relief to be awarded to any applicant under this title and determine the method, terms, and time of payment.

"(c)(1) Any payment made pursuant to this title shall, for purposes of section 111(a) of this Act, be considered a payment of governmental response costs incurred pursuant to section 104 of this Act and shall be charged against the Hazardous Substance Response Trust Fund established under subtitle B of title II of this Act. Claims against such fund which are in excess of the total amount provided under paragraph (2) for purposes of this title shall become valid and shall be paid in the same manner as provided in section 111(e)(1) of this Act.

"(2) Not more than 12 per centum of the amount appropriated or credited to the Hazardous Substance Response Trust Fund for any fiscal year may be used for purposes of this title.

"(3) No payment shall be made pursuant to this title except to the extent and in such amounts as are provided in advance in appropriations Acts.

"PROCEDURE FOR DETERMINATION

"SEC. 405. (a)(1) Except as otherwise provided in this title, for purposes of making any determination respecting payment of a claim filed under this title, the Administrator shall utilize the procedures used by the Secretary of Health and Human Services in determining entitlement to disability insurance benefit payments under section 223 of the Social Security Act (42 U.S.C. 423).

"(2) The Administrator and the Secretary of Health and Human Services shall enter into such contracts and other arrangements as may be necessary to use the personnel and office of the Social Security Administration for administration and determination of claims filed under this title. The Administrator may, pursuant to such contracts or other arrangements, delegate to the Secretary, or to any employee of the Secretary, any function vested in the Administrator under this title.

"(b)(1) In determining any claim under this title, if an individual (or his dependent) who is an applicant provides information sufficient to enable the Administrator to find that—

"(A) the individual suffered any physical injury, illness, or death;

"(B) the individual was exposed to a hazardous substance, pollutant, or contaminant—

"(i) from a facility or site at or from which such substance was treated, recycled, stored, disposed, or migrated; or

"(ii) during transportation to such facility or site; and

"(C) exposure to such hazardous substance, pollutant, or contaminant was at such levels and for such duration as to be reasonably likely to cause or significantly contribute to death or to a physical injury or illness of the type suffered by the applicant,

such injury, illness, or death shall be presumed to have been caused by such exposure.

"(2) A presumption established as provided in paragraph (1) shall be overcome if the Administrator determines, on the basis of any information available to him, that it is reasonably certain that the exposure referred to in paragraph (1) did not cause, or significantly contribute to, the individual's physical injury, illness, or death.

"(c) For purposes of making a determination respecting payment of any claim filed under this title, any information which tends to establish the exposure to the hazardous substance, pollutant, or contaminant in question causes or contributes to death, or to physical injury or illness of the type or class allegedly suffered by an individual, shall be considered relevant to the issues of causation, including but not limited to the following:

"(1) An increase in the incidence of such injury or illness, or an increase in the incidence of death, in the exposed population above that which is otherwise probable.

"(2) Epidemiological studies.

"(3) Animal studies.

"(4) Tissue culture studies.

"(5) Micro-organism culture studies.

"(6) Laboratory and toxicologic studies.

"(7) Immunological studies.

"(8) Toxicology profiles prepared under section 104(i)(2) of this Act.

"(9) Health effects studies prepared under section 104(l) of this Act.

"(d) In making a determination under this title, the Administrator shall require such medical tests or examinations of the applicant as may be necessary to confirm the diagnosis or determination of physical injury or illness. The Administrator may also undertake such other investigations and require the production of such other information as he deems appropriate for purposes of making such determination.

"(e)(1) If requested by the claimant, the Administrator shall conduct a hearing with respect to any claim which has been denied, in whole or in part. Such hearing shall be conducted in the same manner as hearings conducted with respect to disability insurance benefits under section 223 of the Social Security Act.

"(2) In any proceeding under this title, the owner or operator of any facility or site which is alleged to have been the source of the exposure on which a claim under this title is based, or the person transporting any hazardous substance, pollutant, or contaminant to such facility or it (in the case of a claim based on exposure during transportation), shall be notified of the proceeding, but shall have no right to participate in the proceeding.

"(3) The Administrator shall award to each claimant who prevails in a proceeding under this subsection the costs of any representation by attorney or otherwise which is necessary for such claimant's participation in the proceeding and the cost of any expert witness fees incurred by such claimant.

"SUBROGATION

"SEC. 406. (a)(1) Except as provided in paragraph (2), whenever a payment is made under this title to any applicant the United States shall be subrogated to the rights of such applicant under any other provision of law (including title II of the Superfund Expansion and Protection Act of 1980) for the full amount of such payment and shall be entitled to recover all administrative and adjudicative costs and attorneys fees incurred by the United States by reason of the applicant's claim.

"(2) The United States shall not have any right of subrogation under paragraph (1) with respect to any payment under this title for any physical injury or illness which was caused by exposure to a hazardous substance or pollutant or contaminant, if no part of such exposure occurred after the date which is 20 years before the date of enactment of this title or if the defendant would not have been liable under applicable State law at the time of exposure.

"(b) The Attorney General shall take such steps as may be necessary to protect or enforce any rights of subrogation under this section.

"(c) Any amount recovered by the United States under this section shall be deposited in the Hazardous Substance Response Trust Fund.

"JUDICIAL REVIEW

"SEC. 407. (a) Any claimant adversely affected or aggrieved by any final determination of the Administrator under this title may obtain a review of such determination in accordance with the provisions of chapter 7 of title 5, United Stated Code, by filing a written petition within sixty days following the issuance of such final determination in a district court of the United States for the district within which—

"(1) such person resides or conducts business; or

"(2) the physical injury, illness, or death, or other expenses which formed the basis for a claim relating to such final determination is alleged to have been caused.

"(b) A determination made by the Administrator with respect to entitlement to benefits for injuries, illness, or death or other expense shall constitute a final administrative determination for the purpose of judicial review under this section.

"ADDITIONAL RECOVERY

"SEC. 408. (a) No individual who has recovered any amount under this title with respect to exposure to any hazardous substance, pollutant, or contaminant shall be prohibited from recovering an additional amount under this title at a subsequent time if such individual establishes (in accordance with the procedures under this title) that an additional physical injury or illness was caused by such exposure and that such additional physical injury or illness was not known to the individual at the time the prior application was made under this title.

"(b) Nothing in this title shall preclude an individual or dependent who has recovered any amount under this title with respect to exposure to any hazardous substance, pollutant, or contaminant from recovering in an action in court for amounts in excess of any amount paid under this title for a physical injury, illness, or death or for any damage not compensable under this title.

"COLLATERAL RECOVERY

"SEC. 409. The amount payable under this title to any applicant shall be reduced by the total of the compensation for costs for which relief may be paid under section 404(a) which is paid to the applicant by reason of the same physical injury or illness or death from any other source, including compensation (as described in section 404) paid—

"(1) pursuant to any administrative or judicial proceeding under State law,

"(2) pursuant to any consent decree under State law or any other binding settlement,

"(3) under any governmental program (including medicaid or medicare) which the injured, ill, or deceased individual was required to participate in, or

"(4) pursuant to any other insurance policy or program.

"LIMITATIONS

"SEC. 410. No application may be filed by an individual under this title after the end of the six-year period beginning on the later of (1) the date the claimant knew of the injury's causal association with the hazardous substance for which relief is payable under this title, or (2) the date of enactment of this title. No application may be filed under this title by a dependent of a deceased individual if such deceased individual would have been barred by the preceding sentence.".

EXTENSIONS OF REMARKS

LET'S STOP KIDDING OURSELVES ABOUT NICARAGUA

HON. WM. S. BROOMFIELD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BROOMFIELD. Mr. Speaker, it is time to wake up and face the facts about Commandante Ortega's plans for Nicaragua. That country's unprecedented military buildup continues unabated. While many of my colleagues still insist that the Sandinistas are peace-loving nationalists, facts prove otherwise. Recent information reveals that a newly constructed airport near Managua is capable of handling the largest Soviet bombers. Modified versions of these aircraft can collect vital intelligence as they fly up the west coast of the United States. The following article points out that the Nicaraguan buildup to support Soviet intelligence flights could be a real threat to America's security.

Already, the Sandinistas have a formidable air force by Central American standards. They have about 10 MI-8 helicopters and 6 AN-2 light-transport aircraft that they received from the Soviet bloc. Despite initial Soviet and Sandinista claims that the helicopters were for civilian use, they have been armed, and camouflaged, and are flying military missions against the anti-Sandinistas and Indian insurgents.

Nicaragua also received four Italian-made trainer/tactical support aircraft from Libya. These airplanes are armed with machineguns and have been used in combat operations against the anti-Sandinistas. The Nicaraguan Air Force has also received helicopters from Libya, along with 20 Libyan pilots and mechanics. Two Soviet-made AN-26 transport planes arrived in 1983 to support their newly created airborne special troop battalion.

Preparations for using Soviet fighter aircraft in Nicaragua have been underway for sometime. In 1980, Nicaraguan military personnel were sent to Eastern Europe for flight training in Mig's. Palestine Liberation Organization pilots and mechanics have been in Nicaragua to provide assistance to the Nicaraguan Air Force.

Aircraft revetments to handle high-performance military aircraft have been completed at Sandino Airfield near Managua, and runway extensions and improvements continue at Puerto Cabezas Field. The new field at Punta Huete will have the longest runway in Central America and will be able to receive any aircraft in the Soviet inventory.

It is obvious that a basis has been laid for the receipt of modern jet fighters and large military aircraft, such as the heavy-transport planes and Soviet Backfire bombers. If Nicaragua were to receive Mig fighters, the Sandinistas could rapidly develop a formidable air force.

In June of this year, Commandante Ortega stated that Nicaraguan pilots were being trained to fly both Mig's and Mirage fighter aircraft. A high-level defector from Nicaragua said that there were already Mig's waiting in Cuba for the Nicaraguan pilots who will graduate from schools in Bulgaria.

A less obvious, but extremely threatening prospect, is that Nicaragua will allow Soviet intelligence-gathering aircraft to use Punta Huete Air Base to perform communications collecting operations along the west coast of the United States. Intelligence intercepts of this nature provide highly valuable information regarding U.S. military communications and military capabilities. This data could be used by the Soviet Union in the event of a limited conflict in the area. Already, daily intelligence flights are being made over the east coast by Cuban-based Tu-142 reconnaissance bombers. They, too, monitor U.S. military and civilian communications and extract valuable information from their flights.

In the late 1950's, our country essentially sat back and believed Castro's claims that he would build a democratic society for the Cuban people. The Sandinistas did the same in 1979 and took U.S. aid while promising to build a free and open country. Even before anyone heard of the Contras, the Sandinistas had drawn up detailed plans to have the biggest and best military in the region. To me, their intentions are obvious.

They will become a client state of the Soviets and the Cubans and will follow the Cuban model in every way to include the positioning of Soviet spy aircraft at Punta Huete Field.

The evidence of Commandante Ortega's intentions abound. I fear that America will not wake up until it is too late. We will not be concerned until the Sandinistas have exported their revolution to the Rio Grande, and their sleek bombers, bristling with antennas, patrol our western skies. Let's open our eyes now to the reality of Central America and do something before it is too late.

I strongly recommend the following Washington Times article to all of my colleagues in the House who share my concern about military developments in Nicaragua.

[From the Washington Times, Aug. 7, 1984]

Tucked away in the Reagan administration's recently released green book on Nicaragua's military buildup-cum-aggression against its neighbors, is a little mystery that should leave us worried and wondering.

It deals with the much-neglected topic of the Sandinista's emerging air arm. Admittedly, compared to much sexier subjects like subversion of El Salvador or Nicaragua's amassing of huge armored ground forces—discussion of a banana republic-sized luftwaffe tends to invite yawns if not ridicule.

Further, the raw facts are already well-known, even outside the arcane world of the intelligence community. Everybody knows that since 1980 the Sandinistas have laid down the foundation for the best air force between the Rio Grande and the Darien, at the least.

Managua has in hand already a formidable anti-aircraft capability: 120 ack-ack guns of Soviet manufacture and a minimum of 700 SA-7's—shoulder-mounted surface-to-air missiles—some of which are rumored to be in the hands of the Salvadoran guerrillas.

The Sandinistas have 10 armed MI-8 helicopters, six AN-2 light transport planes, and two troop-carrying AN-26s, courtesy of Moscow, with more to come. Tripoli has recently supplied four Italian-made trainer and tactical support aircraft which are far more deadly than the handful of push-pull Cessnas left over from Somoza days that once formed the core of the Sandinista air wing, and were last seen harassing Miskito Indian civilians in December.

More than 100 Nicaraguans have been receiving pilot training in the Soviet bloc over the last three years and, according to one defector, Mig aircraft meant for Nicaragua are waiting in Cuba. Waiting for what? It all depends. They may go when the pilots finish their training or, more likely, when and if the U.S. government makes the big move against Managua.

In any case, Mig-19s or 21s could arrive from Cuba within an hour. It is a near straight line south from a Cuban airbase like San Antonio de los Banos over water (no flyover permission required) to Nicaragua's recently extended airstrip at Puerto Cabezas. They could also land at Managua's Sandino airport, which recently has been fitted out with revetments designed to shelter jet fighters. Or they could end up at Punta Huete.

And it is this built-from-scratch aerodrome that has excited the most curiosity, concern and controversy. Like its famous brother in Grenada, Punta has become a prize exhibit in the Reagan administration's case against Soviet bloc military buildup in the Caribbean basin.

With reason.

Consider the open-source facts alone. The nearly completed strip is 10,500 feet long

and more than 140 feet wide, the biggest in Central America, nearly double the length of Washington's National airport, and only a shade shorter than Mexico City's busy commercial airport located at 7,500 feet above sea level—an altitude which requires greater runway length for safe take offs.

Moreover, unlike Grenada's white elephant, Punta Huete cannot even begin to pass itself off as a tourist facility. That already exists at underutilized Sandino airport, which in contrast to Pearls in Grenada is a modern airport fully capable of handling jetliners.

Less than 20 miles northeast of Managua on the shores of Lago Managua, Punta can be easily observed by anyone in a commercial airliner making an approach from the north to Sandino. In fact, the next time the reader goes to Managua, I suggest moving to the left side of the plane as the pilot announces the final approach to Managua Punta Huete stands out, clear as a bell. The last time I saw it, in October, the weather was murky, but it was still quite visible. In fact, with a so-so camera, the traveler should get a better shot of it than the muddy photos the U.S. government chooses to release.

Why is it being built with no apparent effort at concealment? That is only a minor mystery. Sometimes, as detective mystery fans know the best way to hide something is to leave it out in the open.

Its mere physical presence does obscure one startling fact that the green book let slip for the first time Punta Huete's concrete runway is a full meter thick—which is to say 3 feet plus 3 inches. What is intriguing and disturbing about this—especially with our Mig fixation—is that it is double the thickness necessary for even the largest of the Mikoyan family of fighters the Mig 25, and that Mig, code-named Foxbat, is four times heavier than the Mig-21, the best and biggest fighting craft the Nicaraguans are likely to get.

What is going on? Answer, Punta Huete is being built to serve far more than Mig aircraft. It is, in fact, designed to accommodate anything in the Soviet bloc inventory.

Alarmists point to the nuclear-bomb-carrying Tu-22M, better known as the Backfire bomber. But that seems an unlikely answer. The Backfire carries only enough fuel for a one-way trip to the United States, and there are already bases in Cuba on which Backfires can land. But the whole thesis depends on a doomsday scenario which requires the belief there will be a Cuba or a Nicaragua left after a Soviet first strike—dubious propositions at best.

More conventional analysis suggests MiGs, and indeed that is quite likely, since there are no less than 16 revetted areas designed for aircraft shelter.

But there is another use for Punta that in no way rules out the Mig option. In any case, airbases of this quality rarely serve a single purpose. The second possibility, moreover, fits right into the Soviet pattern of adding undramatic, but very real and advantageous increments to their overall military and intelligence capabilities.

Punta Huete, I would argue, is tailor-made for Soviet Tu-95 Bears, or rather the Soviet naval reconnaissance version of that craft, the Tu-142. With a flying radius of 5,150 miles, this huge four turbo-prop engine reconnaissance and antisubmarine plane could without intruding in anyone's airspace cruise up the U.S. West Coast and return with fuel to spare. For years, Bears based in Cuba have monitored the East Coast, but have not been able to reach California—until now.●

THE TRUTH ABOUT CENTRAL AMERICA IS UNPLEASANT

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. OXLEY. Mr. Speaker, it is a rare occurrence that such a striking and accurate letter to the editor appears in the Washington Post. Therefore, I submit the following letter from Faith Ryan Whittlesey which appeared in the Post on Saturday, July 28, to set the record straight on our Central American policy.

I have rarely read such a truthful description of the Marxist/Sandinista regime in Nicaragua and I recommend this letter to my colleagues who are interested in the truth about Central America.

[From the Washington Post, July 28, 1984]

SANDINISTA: UNFORTUNATELY, THE TRUTH IS UNPLEASANT

Assuming that Colman McCarthy's column "The Other Side of Sandinistas" [Style, July 8] is an accurate portrayal of the testimony of Oregon state senator Jennette Hamby, I must take exception to the accusation that the administration is feeding anyone "outright lies." The basis of the administration's policies to secure the well-being of the people of Central America, including Nicaragua, is so well documented, by eyewitnesses who have spent more than 10 days in the area, that fabrication would not only be immoral, it would be a waste of time.

To cite a few examples, let us recall the experiences of Prudencio Baltodano, a Pentecostal preacher without any political ambition or involvements, who only wanted to farm his land, care for his family and preach the Gospel of Jesus Christ, in February of this year, Baltodano learned firsthand of the Sandinista Communists' policy toward religious freedom. Captured by Sandinista soldiers, he had his ears cut off and his throat cut. Miraculously, he survived and is now in the United States witnessing to the sad truth of religious persecution and torture.

Teofilo Archibald, a leader of the Afro-American Creole population, was also in Washington two weeks ago bearing witness to human rights violations. During a press conference, he held up his hands, showing scars from where his fingernails had been torn out, and challenged anyone in the room to tell him that there was no torture in Sandinista Nicaragua. There were no takers.

Both these victims emphasize that they were the lucky ones. Baltodano tells of other preachers who did not survive the mutilation of their bodies, Dr. Othniel Seiden, a Denver-based physician who spent three weeks in the refugee camps in Honduras, also tells of torn-out fingernails, eyelids scarred from sand and pepper, and scars from whippings on the bottoms of feet. He also saw Achilles tendons cut and tendons in the hands cut to make the thumbs useless. So much for Sandinista social reforms.

It is a pity that Hamby and her companions did not use their "full access to speak to whomever she choose" to speak to some of the Miskito Indians who have been forced into "relocation camps." In fact, the plight of the Miskito Indians seems to have escaped their attention altogether. (Perhaps this is due to their admitted lack of knowledge about the politics, culture and people of the country.)

As for whether the Sandinistas are waging war on their neighbors, no serious observer questions this. In spite of almost $120 million in U.S. aid in the first three years of the revolution, the Sandinistas embarked almost immediately after coming to power on a monumental arms buildup and rapid move into the arms of the Soviets and Cubans.

Anastasio Somoza, whom the people of Nicaragua overthrew in 1979, had an army of about 8,000. By contrast, the Sandinista army numbers over 100,000 (active and reserve) with a stated goal of putting 250,000 men in uniform—in a country of 2.8 million. This buildup of forces, and the installations to go along with it, began *two months* after Somoza's departure. We have the aerial photographs to prove this. The Sandinista defense minister, Humberto Ortega, admitted in 1983 before the Council of State that this arms buildup is not in response to an "external threat" but is a fulfillment of the historical mission of the FSLN.

I also cannot help wondering if Hamby spoke to anyone from the Roman Catholic hierarchy. Just this week Archbishop Obando y Bravo led a march to protest the treatment of Father Luis Armando Pena, who has been accused of "spying." Last week also saw 10 foreign priests expelled by the Sandinista government. Archbishop Arietta of San Jose concelebrated a Mass with nine of the 10 expelled priests, and in his homily he said: "There were still in the world men and women of good will who did not believe a totalitarian regime had enthroned itself in Nicaragua. Now those people know the truth."

Finally, the question must be asked: "What is a 'Marxist-democratic' model?" This is every bit as likely as Satan and the Lord agreeing to jointly rule Purgatory. The two systems are fundamentally incompatible, and no hyphen will disguise that fact. Both Thomas Jefferson and Karl Marx would be offended by it, and rightly so.

We in the administration wish that the "outright truths" of Central America were not so unpleasant. They are. But this administration deals with facts, based on a continuous flow of firsthand information drawn from Central Americans who daily are risking their lives, fortunes and sacred honor in the cause of a free Central America.—Faith Ryan Whittlesey. (The writer is Assistant to the President for Public Liaison.)●

UNDER THE GUN IN OAK PARK

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. HYDE. Mr. Speaker, before the 1980 redistricting, I had the pleasure of representing the community of Oak Park, IL, as part of my congressional district for 8 years. Though I no

longer represent Oak Park, I continue to have an abiding interest in that community's activities.

Recently, the Chicago Sun-Times ran an interesting profile piece on Oak Park's very energetic and effective president, Sara Bode. Oak Park has long been a model community for the Nation, and under the leadership of individuals like Ms. Bode, will continue to be so. I commend the following article to the attention of my colleagues:

[From the Chicago Sun-Times, July 2, 1984]

UNDER THE GUN IN OAK PARK: A 1984 FRONTIERSWOMAN LEADS HER VILLAGE THROUGH TROUBLED TIMES

(By Hedy Weiss)

Sara Bode, a tall, elegant and high-spirited woman of 48, revels in her role as leader and policymaker of Oak Park.

"It is terribly exciting because you realize that while you're in power, you can play a significant role in the shaping of your community," said Sara Bode, the president of Oak Park's village board. And she knows what it takes to be successful.

"Governing is just common sense—and the day-to-day process of working with people," she said. "There's nothing magic about it at all."

Bode's small, comfortable office is in Oak Park's Village Hall, a light-filled modern brick structure. With its exposed wood beams, hanging plants and glass walls that open onto an interior courtyard, the building has the feel of a sprawling suburban home.

Bode, who spends her full energy on a job officially designated as part-time, has capitalized on this quality by inviting her constituency to visit.

"When I was elected president in 1981, I instituted a policy of open hours," she said. "Every Wednesday afternoon I'm here in my office to talk to whoever wants to come in.

"My goal is to have people come into the building, look around, see what's being done and who's working here. I want them to realize that government is accessible."

Bode sees this thriving "older" suburb—which has embarked on a major program of rehabilitation and economic development—as a positive model for similar communities throughout the country.

Bode became involved in local government in the early 1950s, when she still was in high school. "My parents were active in the move to bring the village-manager form of government to Oak Park, and I remember licking envelopes for that campaign."

That campaign helped shape the government of which Bode now is a part.

In Oak Park, the president handles policy while the professional village manager, who is appointed, is responsible for day-to-day operations.

After graduating from Swarthmore College in Pennsylvania, where she minored in political science, Bode married and had three sons, who now are in their 20s.

"During the 15 years of my marriage," she said, "we lived in seven different states because my husband's job required that he move every two years. It surprises many people when I say that I loved that life, but I did. I think I'm a pioneer at heart—a frontierswoman.

"I was challenged by the idea of going to new places and having to deal with new people and circumstances: helping the kids get acclimated and finding schools, doctors, a church and other services. And of course, I had to find shopping and parking facilities.

"It was my observations of how and why such basic services were convenient or inconvenient that really led to my present job," she said.

"When we finally moved back to Oak Park in 1972, one of the things beginning to happen here was the downtown development project—village park mall. After attending a public meeting about it, I wrote a letter to the trustees saying I was terribly concerned that they weren't doing it right.

"Three weeks later I was appointed to the Mall Commission," Bode said.

Bode long has been an indefatigable volunteer. While living in Mobile, Ala., she joined the League of Women Voters, eventually becoming president of the local chapter.

In western Massachusetts, she worked with the Welfare Department and was involved in arrangng housing and medical services for minority groups. She also worked as a liaison between Puerto Rican workers and tobacco farmers.

After serving as the marketing director of the Oak Park Mall (1976-77) and as a trustee of the village board (1977-81), Bode was asked to run for village president by the Village Management Association, the local caucus. She accepted, and won.

As president, Bode has continued to work for economic development of the mall and the whole village, Park Square, a $13 million project that includes a galleria-type complex of restaurants and shopping and a nearby parking garage, is to open in time for Christmas shopping.

"My approach to the job of president is much broader than initially envisioned by the people who set up this form of government," Bode said. "I work at it full time, although it's only supposed to be 20 hours a week.

"I'm paid $4,800—a token—but I think it would change the nature of the people attracted to the job if the salary were increased.

"I'm surprised at how, even now, people often think my decisions are made with an eye on the political ramifications. The real value of the job is in its power—that is its interest and appeal."

Another of Bode's major concerns as president is "racial diversity." From the bulletin board she removes a printed statement and reads: "'Oak Park has committed itself to equality, not because it is legal, but because it is right; not because equality is ethical, but because it is desirable for us and for our children.'

"That is at the heart of everything we do here, and it is very important to me. I believe that people have a right to live in an integrated community—and in many ways that's a new concept—because most often people think of such a neighborhood only as one 'in transition' from one color to another.

"We are out to prove that that's not what it's about. It's a very difficult effort, but we have slowly begun to have some impact."

Earlier this year, Bode suddenly became the center of media attention as the village board adopted a ban on handgun possession.

"I didn't raise the issue, but I cast the deciding vote in favor of the legislation," she said. "The passion and controversy surrounding that issue was intense, especially since James Piszczor, an attorney and Oak Park resident, had just been murdered by such a gun in a Chicago courtroom.

"Although I received some threatening phone calls, I was never scared. I suppose I was vulnerable: I'm divorced now and live alone in an apartment on a main street in Oak Park. But I simply refused to speak to anyone who wouldn't give me their name.

"With everyone else, I found that if you just explain your position, and correct inaccuracies and exaggerations that tend to grow up around an issue, you may not get agreement, but you can have a rational conversation."●

THE LATIN AMERICAN DEBT: A PERSPECTIVE FROM THE REGION

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BARNES. Mr. Speaker, I would like to submit for the RECORD a speech delivered by the Foreign Minister of Argentina, His Excellency Dante Caputo, at the American Foreign Policy Association in Washington, DC, on July 23, 1984.

In his presentation, Foreign Minister Caputo makes the case that the Latin American nations are trying to act in a responsible manner but that they continue to be at the mercy of restrictions imposed in international markets, protectionist policies in the developed world, and increasing interest rates. He presents the frustration of many democratic nations when he says:

While it is suggested that we should apply specific economic measures, basically designed to increase our ability to pay our external debt—None takes into account that our governments have the duty of assuring domestic peace, civil behavior and the well-being of our peoples.

Yet is is admitted, implicitly, that the governments of the more developed countries will concern themselves, above all things, with fulfilling such obligations to their citizens, and they do so by applying in their countries economic policies far different from the ones they recommend to us—specially with respect to the fiscal deficit and to negative commercial balances—despite the fact that these are precisely the policies which seriously affect both the magnitude and the condition of our indebteness.

It is imperative for the United States and other developed countries to pay attention to this kind of message coming from nations that are trying to repay their foreign debts while promoting stability and the well-being of their citizens.

The speech follows:

I thank the Foreign Policy Association and the World Affairs Council for the opportunity that they have given me to speak in this prestigious forum. I specially thank Leonard Marks, chairman of the World Affairs Council, and Phillip Odeen, chairman of the Foreign Policy Association, for their kind words.

Latin America is going through a crisis which is comparable to, if not greater than, the crisis of 1930. We are witnessing a profound transformation of the commercial

and financial relations that hold between our countries and the developed world. The kind of transformation that took place 50 years ago.

These changes produce great upheavels by obstructing the efforts that are made in the region to modernize our productive systems, to promote the development of our economies, and to encourage social progress in our countries. But while the crisis of 1930 also affected the most developed countries of that time, today's crisis is much more asymmetrical, and its weight has been falling almost entirely on the developing nations.

In Latin America the effects of the crisis are even more pronounced than half a century ago when our societies were primarily rural in nature, a fact which softened in a way the harsh consequences of economic problems. Today most of us live in an urban environment which sharpens the suffering of our peoples.

Even though today's crisis has complex causes there can be no doubt that, over and above the influence of other factors, the extraordinary increase of interest rates in international financial markets in 1979 and 1980 produced a sudden and unforeseen modification of the foreign debt of our countries for reasons that were beyond our control.

In a brief span of time the burden that weighed on our economies became disproportionate; the austere adjustment programs adopted as a response to the crisis, as well as the available refinancing of the debt, were not enough in most cases to solve the problem, they only managed to postpone it.

As a matter of fact between 1980 and 1983 the global foreign debt of Latin America increased 50 percent, even though between 1981 and 1983 the per capita income of the region fell 12,5 percent. To this must be added the very grave fact that the direction of net capital inflow to the region has been inverted and began to show large negative figures: More than $20 billion in net capital was extracted from Latin America in 1982; in 1983 this sum reached more than $28 billion; the perspective for 1984 is even worse.

So this is how things stand: While the foreign debt grows and the Latin American standard of living falls, the net outflow of capital from the region augurs a very difficult future for our countries; as resources that could be used to increase our productive capacity are taken away.

Meanwhile what has happened in our trade balances with the rest of the world, specially with respect to the industrialized world, worsens the situation: While our imposts are abruptly reduced, as a consequence of the adjustment programs that have been implemented, the import restrictions imposed by the developed countries do not allow our exports to grow, and they too have diminished. The positive commercial balance that has been achieved, despite all these difficulties, is smaller than it could have been because of the reduced value of the cost of our exports as compared to the cost of our imports: Between 1981 and 1983 the price relation between exports and imports fell 20 percent.

Thus in the middle of a crisis we did not create, once again we have had to pay more for what we buy then we are paid for what we sell

This is to say that much of the effort and many of the sacrifices of our peoples have been neutralized by the restrictions imposed on the international market for goods, by protectionist policies adopted in the wealthiest countries and, above all, by persistent high interest rates.

This process has been going on for 5 years and it has aggravated those problems produced by extreme changes in the price of goods in international markets that came about at the beginning of the seventies. On the other hand, we do not yet perceive any of the benefits of the reactivation in the economies of the developed countries. It is even possible that those eventual benefits of a reactivation, whose magnitude and duration is uncertain, will be quickly neutralized by new increases in interest rates similar to the ones we have witnessed in the last few months.

Given this situation we cannot proceed as if we were confronted by momentary difficulties. The succession of frustrations we have experienced, as well as the future that we can foresee, leads us to examine our predicament and not to dismiss it as a momentary difficulty.

Nor can we keep on relying on the mere implementation of traditional technical procedures to solve problems that are obviously no longer ordinary problems. At the international level we must, as quickly as possible, consider the debt issue as a political issue and not an economic one. Surely the effects of the debt are political, but the most important reason why we should consider debt a matter of politics and not just economics is that only a political decision can modify the conditions that prevent us from obtaining adequate and durable solutions to the problem.

We speak of political causes because the workings of the international systems of finance and commerce are highly sensitive to the political/economic decisions made in the developed countries, especially to those made in the United States. While even the most drastic adjustment programs of our economies fail to affect significantly neither international interest rates nor the flow of goods in international markets, some decision of fiscal and monetary policy of the more developed countries profoundly modify the levels of interest rates and lead to acute restrictions in the international market.

If today's world is an interdependent world, as it was claimed by President Kennedy more then 20 years ago, if the political/economic decisions of the great powers seriously affect our livelihood as nations, while our political/economic decisions do not have a similar effect in the developed world, it is a dangerous fiction to believe that the problems we are experiencing can and must be resolved in a solitary fashion by each of our countries.

It is not right that the decisions of the developed nations, which so deeply affect our economies, are adopted without taking into account such consequences.

It is not realistic to pretend that each of our countries, by its own actions, will be capable of neutralizing the effects of enormous changes in the world's trading and financial systems brought about by the decisions of others.

It is not just to assume that Latin American governments must continue to ask of their citizens sacrifices whose magnitude and duration they cannot predict because both the principal causes of the situation and the basic conditions to resolve it are out of their control.

Neither interest rates, nor international liquidity, nor the possibility of placing our goods in foreign markets are in our hands. No one consults us nor asks our permission when they take steps that modify these essential facts of our economic life.

Yet we are asked to commit both the present and the future of our nations without measuring the consequences that these steps, taken by the developed countries, may have on our Economies.

Ladies and Gentlemen, it goes without saying that Latin American governments would risk political retribution if we would not take into account the political effects in our countries of the crisis we are experiencing. To delay the modernization of our productive systems, to paralyze the development of our economies, to go from social progress to social underdevelopment of our peoples—who are still far from having obtained adequate living standards—sooner or later will endanger domestic peace, civil behavior, and the consolidation of democratic forms of government that we would like to see throughout the continent.

A bitter experience teaches us that the governments of the developed nations react to these risks only when open and generalized conflicts errupt in our countries. But when this happens remedies and solutions are obtained at an enormous cost and, what is more tragic: The kingdom of violence will have been installed on our soil, causing death and the destruction of goods and institutions.

We know these misfortunes. We have lived through them. We have seen them and we see them in other continents even in parts of our hemisphere. We are determined to avoid a deterioration of the economic and social situation of our peoples that might revive this misery. But it would be desirable, and prudent, for the governments of the developed nations to help us anticipate these problems and not wait until they explode in order to act.

We cannot wait. We must start preventing the evils that are closing in on us.

Today we receive emphatic recommendations to adopt measures similar to the ones adopted by the developed countries and whose putative successes are singled out to us. But those who make these recommendations assume that the structure and the functioning of our economies is similar to that of the economies of the developed world. They also assume that our economies have a similar influence on international economic conditions. They presume that there exists an equality in these matters between the North and the South when in fact none exists, as we repeatedly point out.

At the same time, while it is suggested what we should apply specific economic measures, basically designed to increase our ability to pay our external debt, and whose implimentation is linked to the refinancing of that debt and to the maintance of our external commercial credit, no one takes into account that our governments have the duty of assuring domestic peace, civil behavior and the well-being of our peoples.

Yet it is admitted, implicity, that the governments of the more developed countries will concern themselves, above all things, with fulfilling such obligations to their citizens, and they do so by applying in their countries economic policies far different from the ones they recommend to us—specially with respect to the fiscal deficit and to negative commercial balances—despite the fact that these are precisely the policies with seriously affect both the magnitude and the condition of our indebteness.

This assumes that some governments have the right to fulfill their obligations to their peoples and others do not, an assumption

which is based on the idea that rights are unequally distributed among nations. Yet the very existence of a nation, and of a independent government, is based on the priority that every nation and every govenment must give to the defense of the rights and interests of its population.

To assume a factual equality among nations when the inequalities are notorious, and to propose an inequality of rights, when such an equality must be recognized in order to assure that countries can live together, is the starting point of an estrangement from political reality around which other economic and financial fictions can cluster.

In our judgement it is urgent to return to a more realistic appraisal of the situation.

Remember ladies and gentleman that it was Henry Kissinger who said not too long ago: "The developing nations are crushed under the twin burden of debt and collapsing hopes of progress . . ."

". . . if the peoples of the West lose faith that democratic governments have control over their economic destinies, the economic crisis could become a crisis of Western democracy. Each country will turn inward to protect its immediate patrimony, eroding cooperation and paradoxically deepening the world recession. In a world of many perils, continuing economic weakness is likely to undermine the ability of the democracies to conduct an effective foreign policy or to maintain their collective defense."

Ladies and gentlemen, for us it is indispensable, in the first place, that the governments of the developed countries take into account the consequences incurred by the indebted countries of Latin America by adopting certain domestic economic policies.

It is urgent that the developed countries understand that we can neither solve a problem whose origin and evolution largely escapes our control, nor can there be, on the other hand, a continued insistence on a conditionality whose social and political costs will end up generating problems that will be much more severe and costly than the ones that it is supposed to solve.

We understand that it is possible and necessary to find constructive solutions to the present situation; solutions that will benefit all while anticipating tensions. We are convinced that these constructive solutions will first be reached by political agreements between the governments of the developed countries and the governments of the Latin American countries. It is only through such agreements, and the steps that they will enjoin, that the conditions that apply today in the technical treatment of the external debts of our countries can be modified.

We must make reality count before it erupts unexpectedly among the fictions that are stubbornly adhered to. We must be quick to create new conditions that will add economic and political certitude and viability to the handling of the external debt.

In this sense there exists an ample field to explore where reasonable proposals for our countries and the developed nations can be found with regard to a wide range of issues.

Thank you.●

DEMOCRATIC PLATFORM AND UNIVERSAL TELEPHONE SERVICE

HON. THOMAS A. DASCHLE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. DASCHLE. Mr. Speaker, it is important to note that the Democratic party went on record in San Francisco in support of the concept of universal and affordable telephone service for all Americans. The platform specifically states our party's resolve to "prevent regulatory decisions which substantially increase basic telephone rates and which threaten to throw large numbers of low-income, elderly, or rural people off the telecommunications networks." This platform position refutes the ill-conceived and unfair Federal Communications Commission residential access fee proposal, which would have cost American consumers millions of dollars and ultimately created a tiered system of telephone service, available primarily to the wealthy.

The platform language endorses the provisions of H.R. 4102, which this body overwhelmingly approved last November. H.R. 4102 rejects the FCC access charge proposal and establishes a fund for the support of telephone systems in high cost areas. Unfortunately, the Senate does not plan further action on this legislation.

The platform position properly acknowledges the significant role telecommunications will continue to play in our society with its ability to link cities to rural areas, customers to businesses, and computers to computers. It is imperative that all Americans have continued access to this system without exhorbitant cost and I applaud the delegates for approving this far-sighted and worthy position.

Following is the text of the party's platform on telecommunications.

TELECOMMUNICATIONS

Telecommunications is the infrastructure of the information age. The last decade has seen an explosion in new technologies, expanded competition, and growing dependence on high quality telecommunications.

Nationwide access to those networks is becoming crucial to full participation in a society and economy that are increasingly dependent upon the rapid exchange of information. Electronically-delivered messages, and not the written word, are becoming the dominant form of communication. A citizen without access to telecommunications is in danger of fading into isolation. Therefore, the proper regulation of telecommunications is critical. We must encourage competition while preventing regulatory decisions which substantially increase basic telephone rates and which threaten to throw large numbers of low-income, elderly, or rural people off the telecommunications networks. We must also insure that workers in the telecommunications industry do not find their retirement or other earned benefits jeopardized by the consequences of divestiture.

This electronic marketplace is so fundamental to our future as a democracy (as well as to our economy) that social and cultural principles must be as much a part of communications policy as a commitment to efficiency, innovation, and competition. Those principles are diversity, the availability of a wide choice of information services and sources; access, the ability of all Americans, not just a privileged few, to take advantage of this growing array of information services and sources; and opportunity, a commitment to education and diverse ownership, particularly by minorities and women, that will give every American the ability to take advantage of the computer and the telecommunications revolution. We support the Fairness Doctrine and Equal Time requirements, along with other laws and regulations to the electronic media which encourage or require responsiveness to community needs and a diversity of viewpoints.●

INTRODUCTION OF THE BROADCASTING PUBLIC RESPONSIBILITY AND DEREGULATION ACT OF 1984

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. SWIFT. Mr. Speaker, today, four of my colleagues on the Committee on Energy and Commerce are joining me in introducing the Broadcasting Public Responsibility and Deregulation Act of 1984. In addition to myself, the Members are the gentleman from Michigan [Mr. DINGELL], the gentleman from Colorado [Mr. WIRTH], and the gentlemen from Texas [Mr. LELAND and Mr. BRYANT].

I would like to share with my colleagues our joint statement and ask that it be inserted in the CONGRESSIONAL RECORD at this point.

JOINT STATEMENT ON THE INTRODUCTION OF THE BROADCASTING PUBLIC RESPONSIBILITY AND DEREGULATION ACT OF 1984

Today, we are introducing legislation entitled the "Broadcasting Public Responsibility and Deregulation Act of 1984". This bill is the product of 15 months of negotiations aimed at developing compromise broadcast reform legislation.

The legislation provides a basis for removing much of the regulation about which the broadcast industry has long complained, while at the same time assuring that broadcasters will be accountable to the public for their use of the public airwaves. Most significantly, this legislation repeals the comparative renewal process, thus removing the threat of a competing challenge to the incumbent broadcaster's license at renewal time and providing the broadcast industry the degree of renewal certainty it has long sought. The legislation also codifies substantial portions of the FCC's administrative deregulation of radio and television licensees. This will reduce or eliminate future FCC regulation of commercial announcements, ascertainment, and program logs. These reforms will significantly reduce the burden placed on radio and television sta-

tions at the time of license renewal and throughout the license period.

At the same time, this broadcast reform legislation seeks to assure that television stations will continue to be accountable for their programming performance and responsiveness to the communities they serve. The legislation establishes a system of quantification, by which television broadcasters will have delineated for them in clear and unambiguous terms the programming obligations which they must meet, and provides in statute the licensing standards which will apply at renewal. In addition, the bill makes modest reform to the petition to deny process and enacts a small increase in the EEO standards applicable to the broadcast industry. In sum, the scheme set out by the legislation imposes the minimum burden on the broadcaster necessary to protect the public, while still assuring the necessary accountability.

It should be pointed out that on each issue, the bill by no means provides the approach we would prefer to take. Instead, it represents our efforts to compromise and provide relief for the industry, yet still maintain the necessary amount of licensee accountability.

Also, the bill essentially addresses only the so-called "core" issues that were under discussion in the negotiations—quantification, reform of the petition to deny process, and EEO requirements. We believe that consideration of broadcast legislation also should properly include such issues as the personal attack and political editorial rules, the lack of programming available to address the needs and interests of our nation's children, and other broadcast policy issues as well. These issues are important and should be considered as part of any comprehensive measure which provides regulatory relief to the broadcast industry.

We do not expect this bill to receive the support from the broadcast community which it deserves. Over the course of 15 months of effort to reach a consensus on broadcast legislation, it became apparent that the industry will press for substantial deregulation, but is unwilling to accept meaningful assurances that the public's interest in the use of its airwaves be protected. In addition, throughout this period, industry support for statutory reform has eroded as the FCC has continued its systematic dismantling of the regulatory mechanisms which assure public accountability. These irresponsible administrative actions, which remain subject to repeal or revision by subsequent Commissions when the current fever of deregulatory mania subsides, provide far less long-term stability and certainty for the broadcast industry than the statutory reforms contained in this bill. Moreover, the actions by the Commission demonstrate an insensitivity to the public interest which cannot be tolerated. As the introduction of this legislation indicates, our close attention to this issue will not subside.

This legislation is intended to inform our colleagues of the progress made in our negotiations, and the substantial compromises we made which still were not sufficient to gain the support of the industry. We hope this bill will provide a focus for future debate of these issues. We welcome the reactions of our colleagues in the House, representatives of the broadcast industry, and the members of the public as well.●

THE SOVIETS LAUGH AT INTERNATIONAL AGREEMENTS AND UNDERSTANDINGS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BROOMFIELD. Mr. Speaker, I am deeply concerned about yet another Soviet violation of international accords and understandings. While the Kremlin postures about being a peace-loving nation which respects international accords, Soviet actions undermine Soviet claims. The following article on this subject clearly shows how the Soviets have recently violated signed agreements with impunity.

The Department of State is to be commended for calling the attention of all Americans to the fact that there have been serious incidents involving tourists and others in Leningrad. Just a few days ago, the Department issued a travelers' advisory alerting U.S. citizens to possible danger in traveling to Leningrad. The advisory said that U.S. citizens face danger of arrest and denial of access to U.S. officials if they visit that city. After issuing the notice, the Department learned of other serious incidents involving American tourists.

The action was taken as the result of numerous assaults on Americans and the beating of a marine guard assigned to the U.S. consulate in that Soviet city. Without explanation, a group of Soviets beat Sgt. Ronald Campbell as he was walking near the American consulate. He was jailed and held for 2 hours before being released to U.S. consular officials.

As a member of the Embassy staff. Sargent Campbell had certain rights under the Vienna Convention. In that agreement, it clearly states that diplomats have immunity against certain actions. Roughing up or accosting foreign diplomats is a clear violation of their immunity. In the spring, a Foreign Service consular officer was assaulted by a group of Russians.

Additionally, a U.S.-U.S.S.R. Consular Convention stipulates that American citizens, to include tourists and diplomats, who are detained have the right to call a consular officer without delay in order to notify the nearest diplomatic facility that they are being held. On some occasions, Soviet police officials tell detained tourists and diplomats that the provisions of the Consular Convention do not apply because of new Soviet laws concerning the detention of a foreigner. Using this clever ploy, Soviet officials then attempt to harass and intimidate detained tourists and diplomats and offer to wave all charges if they will cooperate with or work for the Soviets.

The Soviets are also violating the spirit of the Helsinki accords. Although not an official treaty, the accords are an international understanding and all signatories are pledged to abide by the letter and the spirit of the accords. The Helsinki accords clearly call for increased tourism among the signatory countries as well as improvements in the conditions of tourists in those countries. The accords also call for efforts to promote understanding among the citizens of signatory nations to include increased contacts among travelers from different countries. The recent harassment of U.S. tourists in Leningrad is certainly a bold violation of the spirit of the Helsinki effort. Many incidents involving innocent American tourists have occurred in the past few years. Soviet security officials routinely block any contacts between Russian citizens and visiting American tourists. In recent months, an American professor lost his belongings after his room was entered, and an American exchange student was beaten unconscious by a group of Soviets in Leningrad. On July 28, another American professor was picked up by a plainclothesman as he was going to a meeting with a Soviet scholar who specializes in 18th century literature. He was detained for 2 hours. This flagrant harassment must stop.

Someday in the near future, our negotiators will again sit down at the negotiating table to discuss important arms agreements with Soviet representatives. I harbor grave doubts that the Kremlin is sincerely interested in fulfilling the promises it makes in solemn international accords.

Trust is a key element in international understanding. It is a sine qua non for future progress in improving relations. Trust is a basic element. If the Soviets are unwilling to treat our tourists and diplomats with the respect and courtesy which they deserve, can we trust the Kremlin to abide by the commitments made in high-level talks? This question is food for serious thought.

With these concerns in mind, I recommend the following article to my colleagues in the House:

[From the Washington Post, Aug. 4, 1984]

MARINE BEATEN, JAILED IN LENINGRAD

(By Celestine Bohlen)

The State Department may issue an advisory alerting U.S. citizens to possible danger in traveling to Leningrad, after an incident Thursday in which a marine guard assigned to the U.S. Consulate there was beaten by uniformed and plainclothes Soviet police, officials said.

The assault on the marine, who was off duty and in civilian clothes, was the latest in what officials said has been a series of similar incidents in the Soviet Union, including an attack on a U.S. consular official in Leningrad in April.

In protesting the attack on the marine, which was first reported yesterday, State Department spokesman Alan Romberg described a "disturbing pattern of official involvement in a campaign to harass and isolate Americans in the Soviet Union."

The United States lodged immediate protests both in Moscow and at the Soviet Embassy in Washington against "this inexplicable action on the part of the Soviet police."

The U.S. Embassy in Moscow said the marine—identified by the Marine Corps in Washington as Sgt. Ronald Campbell, 22, of North Island, Calif.—was beaten early Thursday morning as he was walking two blocks from the consulate building. Seven men, traveling in two vehicles, took part in the attack, officials said. After the beating on the street, the marine was driven to a local jail and held for two hours before being released to the custody of a U.S. consular official. Embassy spokesman Jaroslov Verner said the marine was not badly hurt, Washington Post correspondent Dusko Doder reported from Moscow.

In the Soviet account of the incident, a Foreign Ministry spokesman in Moscow said that the marine was "engaged in acts of hooliganism, was completely drunk and was throwing stones at passers-by." He refused to elaborate.

Verner said Campbell "may have had something to drink but was not drunk" when he was assaulted, and denied that the marine was throwing rocks, Doder reported. The statement issued by the U.S. Embassy in Moscow said it failed to "understand why the Soviets allow this and similar incidents which interfere with normal working conditions for U.S. officials in the Soviet Union."

Officials here said the administration had been distributed by the number of incidents in Leningrad before Thursday's assault and had decided it would take retaliatory steps if another case was reported.

According to some U.S. officials, the decision to issue a travelers' advisory for Leningrad—a major Soviet tourist center—was made yesterday but its announcement was withheld until next week for reasons of timing, as the administration yesterday announced the formal lifting of some U.S. sanctions against Poland. Other sources, however, said the action was still under consideration.

The State Department routinely issues travelers' advisories, alerting U.S. citizens to conditions in foreign countries. More than 200 advisories are in effect throughout the world, although none has recently been issued for the Soviet Union.

Officials here said concern about conditions in Leningrad began to grow in April, when U.S. vice consul Ronald Harms was assaulted by a group of Russians as he was leaving a restaurant after lunching with a dissident contact. U.S. officials said Harms was hit several times and knocked down. Soviet officials have vigorously denied the charge.

In June, Hofstra University biology professor Carlton Phillips, who was in the Soviet Union on a one-month scientific exchange, reported that his hotel room in Leningrad had been broken into and his belongings stolen, according to the National Academy of Sciences.

[In another Leningrad incident reported yesterday by the Associated Press, fellow students said Andrew Espinosa of Highwood, Ill., was seized by a number of men as he was strolling June 10. Espinosa was found unconscious in the basement of a building containing the offices of the Leningrad procurator, and was hospitalized for three days with a concussion, the students said. Verner confirmed that an American had been "very badly beaten up" in Leningrad in June.]

In a separate indident in Moscow on July 4, two U.S. diplomats were detained by Soviet security agents for two hours after meeting a Soviet contact on a playground.

A State Department official yesterday provided the following account of Thursday's incident:

Campbell, who is assigned to security guard duty at the consulate, had stopped by the Marines' lounge to record music and watch television after finishing his shift at midnight Wednesday. At about 2:30 a.m., he went for a walk for about 20 minutes and then returned and began talking to an on-duty fellow guard, who told Campbell he had seen a beige vehicle circling the U.S. compound at least three times.

Shortly thereafter, the vehicle appeared again, carrying three or four men in suits and ties. Campbell approached the vehicle and asked if he could assist them. The men appeared not to understand, and drove down the street about 100 yards before stopping. Campbell again approached the vehicle to inquire about their actions but before he reached it, the men drove another 400 to 500 yards and then drove around a corner and stopped.

Curious, Campbell ran down the street after the car and saw its passengers motioning for him to follow. At this time, Campbell noticed a militia vehicle, which slowed when the occupants saw him. The beige car backed up, and the militia vehicle made a U-turn and pulled up behind him. Three men got out of the first vehicle and ran toward him, yelling, while the four militiamen got out of their car.

Two of the militiamen grabbed Campbell and the others began to beat him and force him into the militia vehicle. The marine recalled that a photographer was taking flash pictures during the beating.

Forced into the militia vehicle, Campbell was taken to the local jail—where the photographer reappeared—and put into a cell with six sleeping Soviet citizens.

A Soviet diplomatic representative appeared two hours late, addressing the marine by name although he had never provided it. The U.S. consulate was contacted at 5:30 a.m., when it was told that the marine had been picked up because he was seen throwing rocks at a passing car. Campbell then was released and returned to the consulate with an American diplomat.●

WHY THE ACLU IS GAMBLING WITH ROE

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. HYDE. Mr. Speaker, Steven R. Valentine has written a thought-provoking article which concerns the ongoing abortion controversy which appeared in the Washington Times on August 8. I am pleased to share it with my colleagues:

[From the Washington Times, Aug. 8, 1984]

WHY THE ACLU IS GAMBLING WITH ROE

(By Steven R. Valentine)

The American Civil Liberties Union has filed a lawsuit in Chicago that demonstrates dramatically the extremes to which the pro-abortion movement seeks to push the U.S. Supreme Court's 1973 *Roe vs. Wade* decision. But the ACLU case, *Keith vs. Daley*, may also turn out to be the means by which *Roe vs. Wade* is significantly restricted, or even reversed, by the court.

Overriding the veto of Gov. James Thompson, the Illinois General Assembly recently enacted three significant changes in its abortion law.

First, under the new statute, physicians who abort unborn children who may be viable must use the procedure that is safest for both the mother *and* the child.

Second, doctors must tell expectant mothers who seek abortions about the availability of medication to relieve the pain that the viable unborn child may feel during the operation. And third, the new law prohibits abortionists from performing sex-selection abortions.

None of the three amendments to the Illinois abortion law violates the Supreme Court's *Roe* vs. *Wade* ruling. After all, *Roe* says that women have a right to abort (empty from their wombs) unborn children, not to ensure that they will die in the process. And the humane act of at least relieving the pain of the unborn as they are aborted does not prevent women from having abortions. Finally, *Roe* gave women the right to decide whether to give birth to a child, not *what kind* of child.

Yet the ACLU believed so strongly that these Illinois amendments threaten *Roe* vs. *Wade* that it found five local abortionist physicians to bring a lawsuit in federal court seeking to have the offending provisions declared unconstitutional. Why?

The "viability" issue is a gravely serious problem for the abortion industry. Not only is the point in pregnancy at which the unborn child would be "viable" outside the mother's womb getting earlier as technology advances, but by definition a "viable" unborn child who is only aborted (emptied from the womb) might live. Until recently, most late-term pregnancies have been ended by fetal expulsion procedures that sometimes result in live births. To avoid this "unwanted" outcome, abortionists lately have been turning to a relatively new method of abortion by which the unborn child is dismembered by a knife while inside the womb, then removed part by part.

The new post-viability provision of the Illinois law, then, is designed effectively to prohibit this grotesque, feticidal method of abortion. Taken in conjunction with earlier viability, the prospect of losing this abortion method scares pro-abortion doctors, and hence their compatriots at the ACLU. They want the federal courts to say that *Roe* vs. *Wade* really means not only a right to an abortion, but a right to a dead child, too.

Fetal pain is an aspect of the abortion issue that President Reagan has done much to bring before the public. Almost any objective observer who looked at the medical facts would agree that, at least at some point in gestation, the unborn child is capable of feeling pain. And any of the methods of abortion now in prevalent use, therefore, may cause incalculable pain to the unborn children who are the targets. Recognizing these facts, and the reality that abortion is legal by direction of the Supreme Court, the

Illinois General Assembly took a humane step. It provided that doctors must show the same humane consideration toward doomed unborn children that is asked for dogs and cats who are "put to sleep."

The fetal pain issue, too, scares the abortion industry and its friends at the ACLU. It tends to humanize the unborn child. Perhaps worse yet, from their perspective, requiring doctors to tell expectant mothers that their babies might feel excruciating pain when they are aborted might lead to a sharp drop in the number of abortions. Thus, by its lawsuit, the ACLU seeks to have the federal courts say that Roe vs. Wade forbids Illinois to invade the "privacy" of the "physician-patient relationship" by trying to alleviate fetal pain.

Information released recently by the National Academy of Sciences indicates that as many as 60,000 newborn Chinese girls are killed each year because their parents prefer boys. The shocking NAS report describes in gory detail the methods by which baby girls are killed. For example, some expectant Chinese parents keep a water bucket by the maternity bed in which to drown the little girls as soon as they are born.

Sex-selective abortion in America is the moral equivalent of sex-selective infanticide in China. Amniocentesis, and other prenatal genetic screening procedures, are becoming more widely used each year as parents seek to avoid the births of "defective" children. Virtually all these tests have to be undertaken quite late in pregnancy, and the wait for the results is usually several weeks. A by-product of amniocentesis, as well as most of these other tests, is revelation of the sex of the unborn child. Thus, even if the child is genetically "normal," the mother can choose a late-term, extremely painful (for the child) abortion if she finds that the child is not of the desired sex. Every known barometer of the practice indicates that, by an overwhelming margin, it is the female unborn babies who get aborted.

No known studies indicate how widespread the practice of sex-selection abortion is in America. But it is significant enough to be discussed and debated in the legal and medical journals. Obviously the Illinois General Assembly is convinced that it is a problem. And the abortion industry, with the ACLU by its side, is worried about the implications of the Illinois ban on sex-selective abotion.

But it is not sex-selective abortion per se that is the problem for the pro-abortion side. It is two other considerations.

First, if *Roe vs. Wasde* is to be the pure, unencumbered right to abortion (and feticide) that they seek, then no state legislature is to be permitted to presume to tell any woman which are legitimate reasons for having an abortion.

Second, and perhaps more important, if the sex-selection statute in Illinois is upheld in the federal courts, then it will be established that *Roe vs. Wade* does not mean that women have the right to choose which kinds of unborn children should be permitted to live until their natural birth.

In short, might the next step for states like Illinois be to ban genetic abortions where tests show that the unborn child was Down's syndrome, spina bifida, or some other malady? That is what may really scare the abortion industry and the ACLU.

Thus, in *Kieth vs. Daley*, the abortionists and the ACLU seek to preserve and expand the *Roe vs. Wade* "right to an abortion." But the new Illinois law is a state statute. And if the U.S. District Court strikes it down (it already has issued a temporary restraining order), then Illinois has a right to appeal to the U.S. Court of Appeals for the Seventh Circuit, and, ultimately, to the U.S. Supreme Court.

By the time the case reaches the Supreme Court, is argued, briefed, and considered, President Reagan's re-election, coupled with vacancies on the high bench, might provide the margin by which it could be used to reverse *Roe vs. Wade* altogether. Five of the six pro-Roe Justices are now older than 75. And two of the three anti-*Roe* are under 60.

Even if the composition of the court when *Keith vs. Daley* reaches it is not such that *Roe vs. Wade* can be reversed, it will provide a means by which to win significant restrictions on the abortion "right." Do a majority of the Justices really mean to say that *Roe vs. Wade* means a right to feticide? An effective right to cause the unborn child pain as it is aborted? A right to sex-selection abortion?

Thanks to the new ACLU lawsuit, we may find out.●

NORTH CAROLINA MIA CEREMONY

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BROYHILL. Mr. Speaker, North Carolina was one of the first States to accept your invitation to host a ceremony to present Bronze Medals to the families of the men missing-in-action [MIA] from Southeast Asia. You asked the North Carolina congressional delegation to host this ceremony and it was held on Monday, July 23, 1984, at Seymour-Johnson Air Force Base, Goldsboro, NC. Over 350 family members were in attendance. This ceremony was as a result of Senator ROBERT BYRD'S amendment to the Department of Defense Authorization Act of 1983.

As the senior member of the North Carolina congressional delegation, I was delegated to make arrangements for the ceremony. I was most fortunate to have as my coordinator for the North Carolina ceremony Kenneth E. McDonald, Director of the Veterans' Administration regional office in Winston-Salem. Ken, with the help of several members of his staff, Charles W. Williams, Jr., Assistant Director, Carolyn Gordon, and Majorie Shields, put together a most memorable and appropriate ceremony to honor the families of our MIA's.

The 2d Marine Aircraft Wing Band gave the prelude and the color guard from Seymour-Johnson Air Force Base presented the colors. Then, after Ken's opening remarks, Comdr. John Maiorana, USN, from Camp Geiger, gave a most inspiring invocation. Col. Gerald A. Daniel, the commander of the 4th Tactical Fighter Wing, Seymour-Johnson, and the mayor of Goldsboro, Hal K. Plonk, welcomed the MIA families. A beautiful presentation of appropriate songs were presented by the All-American Chorus of the 82d Airborne Division from Fort Bragg. This outstanding group also presented a medley of tunes featuring the anthems of all branches of the Armed Services.

I want to thank Ken and his staff for their help and assistance and also Colonel Daniel and his most able staff, in particular, Col. James E. Rousey, Lt Comdr. Dick Steele, and Lt. Comdr. Terry Fowler, for all their work in making this, one of the first such ceremonies in the Nation, one that our MIA families from the Tar Heel State can be proud of.

Several members of the State veterans' organizations also attending the ceremony as well as several members of the military. There was not an eye without a tear as the ceremony concluded with a "Missing Man" flyover by four F-4 Phantom jets from the 4th Tactical Fighter Wing. A beautiful red, white, and blue program was provided through the courtesy of the V.F.W. Department of North Carolina. Ronald Green is their commander and William Cleve Cox, the adjutant. I invite you to review our most memorable program:

Prelude—2nd Marine Aircraft Wing Band.

Presentation of Colors—Color Guard—Seymour-Johnson Air Force Base.

Opening Remarks—Kenneth E. McDonald, Director, Veterans Administration, Regional Office; Winston-Salem, NC.

Invocation—Commander John Maiorana, U.S. Navy.

Welcome—Colonel Gerald A. Daniel, Commander 4th TAC FTR WG, Seymour-Johnson Air Force Base; Mayor Hal K. Plonk, Goldsboro, NC.

Introduction of Distinguished Guests—Kenneth E. McDonald.

Musical Presentation—82nd Airborne Division, All American Chorus, Ft. Bragg.

Special Remarks—James T. Broyhill, U.S. Representatives, District 10, Dean, N.C. Congressional Delegation.

Presentation of Medals—Congressional Delegation.

Special Address—Eugene (Red) McDaniel, Capt. USN Ret.

Benediction—Commander John Maiorana, U.S. Navy.

"Missing Man" Flyover.

The North Carolina congressional delegation presented the impressive Bronze Medals to the next of kin of the following:

NORTH CAROLINIANS MISSING IN ACTION IN SOUTHEAST ASIA

MAJ Murray L. Borden, U.S. Air Force.
LTJG Edward D. Brown, Jr., U.S. Navy.
CW3 James E. Butler, U.S. Army.
EM2 Franklin H. Canup, Jr. U.S. Navy.
CMSGT Fred L. Clarke, U.S. Air Force.
LTCOL Lawrence Y. Conaway, U.S. Air Force.
PFC Andrew J. Craven, U.S. Army.
CAPT John H. Crews, III, U.S. Air Force.
WO Frederick L. Cristman, U.S. Army.
COL Edgar F. Davis, U.S. Air Force.
LTJG Carl L. Doughtie, U.S. Navy.
CAPT Charles G. Dudley, U.S. Air Force.
SGM Raymond L. Echevarria, U.S. Army.

LTC Marvin L. Foster, U.S. Army.
MAJ William O. Fuller, U.S. Air Force.
CAPT Robin F. Gatwood, Jr., U.S. Air Force.
COL William W. Hall, U.S. Air Force.
CAPT Frederick M. Hall, U.S. Air Force.
CPL Joseph N. Hargrove, U.S. Marine Corps.
SP4 Joel C. Hatley, U.S. Army.
MAJ Charles J. Huneycutt, Jr., U.S. Air Force.
SFC William D. Johnson, U.S. Army.
ADJ1 Melvin T. Krech, U.S. Navy.
SFC Kenneth R. Lancaster, U.S. Army.
LT Larry G. Lewis, U.S. Navy.
MSG James M. Luttrell, U.S. Army.
LT Michael T. McCormick, U.S. Navy.
LTCOL James M. McGarvey, U.S. Marine Corps.
MAJ Richard M. Milikin, III, U.S. Air Force.
SSG Jerry L. Moore, U.S. Army.
SGT Larry K. Morrow, U.S. Army.
MAJ Peter P. Pitman, U.S. Air Force.
MSG John H. Robertson, U.S. Army.
MSG Mike J. Scott, U.S. Army.
SFC Lee D. Scurlock, Jr., U.S. Army.
Mr. James E. Simpson, State Dept.
MSGT William C. Sutton, U.S. Air Force.
COL Paul G. Underwood, U.S. Air Force.
CW3 Jimmy L. Watson, U.S. Army.
CMSGT Donald L. Wright, U.S. Air Force.
CW3 Dennis W. O'Melia, U.S. Army.
COL Robert A. Govan, U.S. Air Force.

It was indeed a privilege and honor for the North Carolina congressional delegation to host this ceremony and I wanted to share with you also the most inspiring and fitting special address that was given to the audience by my good friend, Capt. Eugene "Red" McDaniel, USN, retired. Captain McDaniel, as you know, was a POW himself for over 6 years, and was the former Chief of the Navy Liaison Office here in the House of Representatives. His remarks were as follows:

REMARKS OF CAPT. EUGENE "RED" MCDANIEL, USN, NORTH CAROLINA POW/MIA COMMEMORATIVE CEREMONY, SEYMOUR JOHNSON AFB, NC, JULY 23, 1984

It gives me a sense of high honor to have a part in the bestowing of this long overdue commemoration of the sacrifices made for America by our servicemen who are still missing in action in Vietnam. I also feel a deep humility. I feel a deep humility because I was one of the fortunate ones. I came home.

Yesterday I returned from the Washington convention of the National League of Families of Prisoners and Missing in Southeast Asia. It has been my privilege to serve on the National League's Board of Directors for the past year. It has been a frustrating experience for me. It has also been an inspiring experience. To see the determination of the families of those of my compatriots still missing in action in Southeast Asia, to be a part of the effort to determine the status of those brave men, to be witness to the love and loyalty of their families—that experience has deepened my own devotion to my country and has increased my determination that your sons and your husband and your fathers will never be forgotten. I am also determined that every effort will be made by the government that sent them to war to determine their fate.

As I looked out into the faces of the wives, mothers, fathers, sons and daughters at the National League Convention, I thought of my wife Dorothy. And, I thought, "There, but for the grace of God, is my own family." And, as I thought about what I would say to you today, I thought about what I would want someone to say to them if I were still missing.

If I were still among the missing, I would want someone to say to my family, "America appreciates your sacrifice. America appreciates your years of waiting—of wondering if your man is dead or alive. America appreciates the stand your family made in the on-going battle between freedom and Communist enslavement. America will not forget the price you paid and continue to pay in that battle."

Vietnam was an unpopular war. The tragedy was not so much that we lost South Vietnam to Communism, although that was a great tragedy. But the greatest tragedy of Vietnam was that we committed our finest young men, but we never committed the heart of our nation. But I believe we learned some valuable lessons in Vietnam. We learned about the true nature of Communism. We saw that the intent of our enemies is to divide and conquer—divide America and conquer the world. Today's young Americans understand that—Vietnam is a popular course on college campuses today and I believe our young people will correct the mistakes we made in under-estimating our enemy. I believe with every fiber of my being that, if we don't correct our mistake of under-estimating the intent of the enemies of freedom, we will lose that freedom.

If I were still among the missing, I would want someone to say to my children, "Stand for freedom!" Soon after I returned from Vietnam, I saw an ad in a college newspaper protesting draft registration. The ad said, "Nothing is worth dying for." And I thought, What have we done to our children that would cause them to refuse military service by saying, "Nothing is worth dying for." Let me say that I love my two sons and I pray every day that they will never be called on to lay down their lives for their country. But, if they are, I hope I never hear one of them say, "Nothing is worth dying for." Many men died that we might know freedom. America would never have been born if our forefathers had said, "Nothing is worth dying for." And America will not survive if we in our time say, "Nothing is worth dying for."

Let us pray for that young man who said, "Nothing is worth dying for", that he might know and that we might know also, if there is nothing worth dying for, then there is nothing worth living for.

And, if I were still among the missing I would want someone to say to my family, "Keep the faith!" Those are the words we tapped on the walls of our cells in that Communist prison in Hanoi for 2,110 long days and nights. "God bless you", we said. "Keep the faith." That was the key to our survival—faith, Faith in our God—and faith in our nation.

Your sons and your husbands and your fathers are not forgotten. God bless you—Keep the faith.●

THE SEAMIER SIDE OF THE SANDINISTAS

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BROOMFIELD. Mr. Speaker, the evidence is out. The Sandinistas are involved in drug trafficking. They have been caught redhanded and cannot deny the facts. The following Department of Justice release provides an excellent look at Nicaragua's involvement in helping to bring illegal drugs into the United States.

According to available information, Mr. Frederico Vaughan, an aide to the Minister of the Interior of Nicaragua, Mr. Thomas Borge, provided secure storage facilities in Nicaragua and had cocaine loaded into an airplane to be taken to Florida. Although the cocaine originated in Colombia, plans are being made to shift the cocaine-processing laboratories from Colombia to Nicaragua in the near future.

Attorney General William French Smith said that the indictment against Senor Vaughan and 10 codefendants was returned in Federal District Court in Miami.

Appearing in a recent article in the Washington Times was a photograph taken clandestinely by the Drug Enforcement Administration. It clearly shows the cocaine-loading operation at a Nicaraguan military airfield. Visible in the photograph are a Nicaraguan soldier, Mr. Vaughan, and a Colombian congressman, Pablo Escobar. All of the above are obviously involved in loading large bags aboard a C-123 aircraft in which the DEA-provided camera was hidden.

The use of military personnel and facilities has led U.S. authorities to conclude that the operation had the approval, and may have been controled, by Nicaraguan Defense Minister Humberto Ortega, brother of junta leader and Sandinista Presidential candidate Daniel Ortega. Mr. Vaughan's presence implicated Mr. Borge.

Of particular concern is why the Nicaraguans are involved in international drug trafficking. In addition to the obvious need to obtain hard currency to purchase arms for the Salvadoran guerrillas, the Sandinistas are also trying to weaken the fabric of American society by the introduction of more narcotics into our country. Recent hearings regarding Cuban involvement in bringing drugs into the United States revealed similar patterns of operation and interest in obtaining hard currency, as well as a desire to corrupt another generation of young Americans. There is also information available regarding a high-level Cuban-Nicaraguan meeting in

1981 to discuss strategy regarding large-scale illegal drug trafficking to the United States.

Although some of my colleagues in this Chamber still paint the Sandinistas as well-meaning nationalists who just want to be left alone, I offer a more critical assessment of that failed revolution. My view is based on facts, and intelligence, and not on romantic emotionalism. Let the truth be our guide. Thoreau once said that: "it takes two to speak the truth—one to speak and another to hear." Let us all rededicate ourselves to do a little more hearing.

With these thoughts in mind, I recommend the following Department of Justice release about Nicaraguan involvement in drug trafficking to my colleagues in the House.

A Federal grand jury today indicted 11 persons on drug trafficking and conspiracy charges involving a major cocaine shipment smuggled into the United States via Nicaragua.

One of the defendants is Frederico Vaughan, who has been identified in court documents previously filed in this case as an aide to the Minister of the Interior of Nicaragua.

The indictment said that Vaughan was a key figure in the drug trafficking ring, which also includes three top-level producers and traffickers in cocaine in Colombia.

Vaughan showed a drug-flight pilot a landing strip in Managua, Nicaragua, to be used by airplanes carrying cocaine from Nicaragua to the United States, the indictment said.

In addition, the indictment said, Vaughan provided secure storage facilities for cocaine and had cocaine loaded onto an airplane to be taken to Florida.

Attorney General William French Smith said that the indictment against Vaughan and 10 co-defendant was returned in Federal district court in Miami.

The Attorney General said that development of the case was supervised by United States Attorney Stanley Marcus of Miami and Peter Gruden, who is in charge of the Miami office of the Drug Enforcement Administration.

In addition to Vaughan, the defendants include three persons identified as top-level traffickers in Colombian cocaine—Carlos Lehder, Pablo Escobar Gaviria, and Jorge Ochoa.

Other defendants include Gonzalo Rodriguez Gacha, identified as a major trafficking figure in Central America; Carlos A. Bustamante, identified in court papers as an owner of Auto World Corporation in Miami; Paul Elzel, an interpreter for traffickers; Luce Bustamante, who delivered money for the ring; Juan A. Puentes, involved in transporting cocaine; Felix Dixon Bates, a drug-flight pilot; and a John Doe known as "Jota," an accountant for the traffickers.

The indictment said the conspiracy to smuggle cocaine into the United States from Nicaragua began last February. As part of the plot, the indictment said, Lehder, Escobar Gaviria, and Ochoa would move their cocaine-processing laboratories from Colombia to Nicaragua.

"It was further part of this conspiracy that Frederico Vaughan * * * would protect cocaine distribution personnel and equipment and would supervise the shipment of cocaine into and out of Nicaragua as well as the refueling and maintenance of aircraft used to transport cocaine from Colombia and Bolivia to Nicaragua, and from Nicaragua to Mexico, and the United States," the indictment said.

Cocaine deliveries were set into motion last April when Bates flew to Medellin, Colombia, and discussed with Ochoa and Escobar Gaviria the transportation of some 3,300 pounds of cocaine from Colombia to South Florida, the indictment said.

In May, the indictment added, Lehder provided that amount of cocaine in Colombia to be smuggled into Florida.

Ochoa then made available a twin-engine aircraft to fly some 1,500 pounds of cocaine from Colombia to Nicaragua, where it would later be taken to the United States.

On June 3, the indictment said, Vaughan supervised in Managua, Nicaragua the refueling of the Titan twin engine aircraft transporting 700 kilograms of cocaine.

After takeoff, the aircraft was forced to land in Nicaragua and the pilots were arrested by Nicaragua authorities. On the following day, Vaughan secured the release of the pilots from custody and provided secure facilities for the aircraft and the cocaine.

Near the end of June, Vaughan talked on the telephone to a person in Miami about picking up a load of cocaine that would be delivered from Nicaragua to South Florida, the indictment said.

On June 25, Vaughan and two other defendants—Escobar Gaviria and Gacha—loaded some 1,452 pounts of cocaine on an airplane in Managua, Nicaragua, to be delivered to Florida.

After 1,452 pounds of cocaine were flown into the U.S. from Nicaragua, a total of $1.5 million in U.S. currency was delivered in early July to Vaughan and Escobar Gaviria, and they requested that the pilot who brought the money then deliver some 2,200 pounds of cocaine from Nicaragua to the United States.

Three defendants were charged with violating the continuing criminal enterprise law, 21 U.S. Code 848, the Drug Kingpin statute: Escobar Gaviria, Ochoa, and Carlos Bustamante. It is the most serious Federal drug law and carries a maximum penalty, upon conviction, of life in prison without possibility of parole.

All 11 defendants were charged with two counts of conspiracy—conspiracy to import and distribute cocaine, 21 U.S. Code 963; conspiracy to possess with intent to distribute cocaine, 21 U.S. Code 846. Each count carries a maximum penalty, upon conviction, of 15 years in prison.

Other counts in the indictment charged substantive cocaine trafficking violations and illegal use of travel or facilities in carrying out drug and conspiracy crimes.●

A COMPREHENSIVE STEEL INDUSTRY POLICY NEEDED

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. WALGREN. Mr. Speaker, the American steel industry is operating at an alltime low, having been beaten about by an unprecendented surge in subsidized imports and the aftershock of the recession in many parts of the country.

There will be little long-term economic health for the steel industry until we have coordinated action at the Federal level. Many factors affect the future of the steel industry: International trade, environmental controls, safety regulations, antitrust, and merger policies, worker retraining. The list goes on. The Federal Government has treated each of these problems separately. Each committee in Congress and each executive agency approaches problems from the limited perspective of their own particular mission.

The most promising step in this direction was the Steel Tripartitie Committee created by the Carter administration in 1978. Sadly, one of the first actions of the Reagan administration was to abandon this committee in view of their philosophy of limited government.

After over 3 years of prodding the administration grudgingly announced it would create a committee. Almost a year later, we are still waiting for action.

I believe we need to create a broad based steel advisory committee by law so we can rely on the existence of a specific structure and a clear mandate at the top levels of government. The steel industry's problems are serious. The industry is basic to our national interest. We need an across-the-board, coordinated approach involving all the interests concerned.

Under my bill, the committee would consist of 27 members—seven from the Federal Government, seven from industry management, seven from labor, three from local governments, and three outside experts. This bill suggests making the composition of the committee more broad compared to that of the Carter administration and that of the Reagan proposal in several ways. I think it particularly important to include the several Federal agencies whose programs affect the industry. Similarly, I think it important to include local public officials from communities which are severely affected by the industry's condition. I have also included outside experts who may have particular expertise and objectivity about the industry's problems. A broader council, in my view, can bring broader perspectives—and hopefully more creative solutions.

The bill charges the council with four tasks: First, to advise the President on the condition of the steel industry and the effects the industry has on local communities; second, to monitor modernization and technological changes affecting the steel industry; third, to focus research efforts of significance to the industry; and fourth, to assess the impact of Government policies affecting the industry.

The bill would provide special emphasis on modernization. Only by modernizing our industry will we be able to survive. Although the U.S. industry has gradually installed and invested in more efficient technology, it faces growing competition from foreign producers who, for several reasons—including Government subsidies—have been able to use new technologies earlier and more broadly. For example, although continuous casting has increased by nearly two-thirds in this country since 1977, continuous casting represents only 20 percent of our production compared with 70 percent in Japan. This explains, in part, the higher productivity in foreign steel companies, according to some experts. Since 1977 Japanese productivity has increased by 14 percent, German productivity by 22 percent, compared with only a 4-percent increase in the United States.

The need for a high-level council, reporting to the President, has been underscored recently by the International Trade Commission, which recommended to the President a program of tariffs and quotas to remedy the injury caused by steel imports, be conditioned on a commitment to modernization of the industry.

The Office of Technology Assessment has observed that a well-defined and implemented government policy has nurtured the Japanese steel industry's expansion and adoption of new technology. We do not want to or need to mimic the Japanese. But clearly the U.S. steel industry has been unnecessarily hurt by a long series of disjointed, contradictory Government policies. Disinvestment and failure to modernize can be substantially traced to Government pressure on prices along with environmental development and import policies.

We can do better. I urge support for the kind of approach represented by this legislation.●

PAID HOMEMAKING

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. MOAKLEY. Mr. Speaker, I would like to bring to the attention of my colleagues an article published several weeks ago in USA Today. Rev. William Byron, S.J., president of the Catholic University of America, has effectively written the following article on paid homemaking. It is a concept that is increasingly looked at as one worthy of discussion by economists and sociologists alike. I think Father Byron's remarks are especially appropriate for this body to consider in the near future.

The article follows:

[From USA Today, July 1984]

PAID HOMEMAKING: AN IDEA IN SEARCH OF A POLICY

(By William J. Byron, S.J.)

Parents in the U.S. have no economic incentive to care for their children at home. If that strikes no one as strange, it is only because our nation takes it for granted that economic incentives belong in the marketplace and other motives explain behavior at home. So, full-time care for a "priceless" child by that child's natural parent in a supportive home environment is unrewarded economically.

Those who know the price of everything and the value of nothing are, as Oscar Wilde said so well, cynics. What can be said of a nation that regards its children as priceless, but attaches no economic value to child-care by the person best qualified to provide it? Shortsighted will do for the moment. Further reflection might prompt us to label as both unwise and dangerous the absence of national support for parents who want to be full-time homemakers.

The issue is complicated. Children are our nation's greatest treasure, our most precious resource. In the vast majority of cases, children develop best in a stable family unit, in an environment of love—of parents for each other and of both for the child. Moreover, children need to experience parental love expressed in the form of presence. An attentive, affirming presence seems to work best.

Yet, we know that parents are often left without partners. We also know that economic necessity frequently drives both parents into the labor market. Sometimes, a desire to give full stretch to one's talents encourages mothers for whom employment is not an economic necessity to step into the job market. (Our cultural presumption that fathers can enjoy that same full stretch only in employment other than homemaking remains unchallenged, even unexamined.) Then there are those mothers who go to work only for the sake of their offspring, to supplement the family income so that the youngsters can have more—more material things, more and better education, more developmental opportunities, but less parental presence. Presence (or absence, depending on your point of view) is the coin in which the parent-child relationship pays the price for two-paycheck marriages, or for one-parent households where the parent is employed outside the home.

Should homemakers be paid for their services? Not housekeepers, babysitters, or day-care providers, but homemakers—parents who choose to devote full time to the task of rearing children.

On Nov. 24, 1983, the Vatican published a "Charter on the Rights of the Family." It is the product of worldwide consultation and a formal process of reflection and research that began in 1980. The charter speaks principally to governments. Article 10 declares:

"Families have a right to social and economic order in which the organization of work permits the members to live together and does not hinder the unity, well-being, health and the stability of the family, while offering also the possibility of wholesome recreation.

"(a) Remuneration for work must be sufficient for establishing and maintaining a family with dignity, either through a suitable salary, called a "family wage," or through other social measures such as family allowances or the remuneration of the work in the home of one of the parents; it should be such that mothers will not be obliged to work outside the home to the detriment of family life and especially of the education of the children.

"(b) The work of the mother in the home must be recognized and respected because of its value for the family and for society."

Those "other social measures" lie, for the most part, undesigned and hidden in the imaginations of academics and social theorists. Government should be encouraging their development. Although the Vatican statement targets no specific purse from which homemakers' pay could be drawn, the only likely source is government.

SOCIAL CREDIT

Neil Gilbert, in Capitalism and the Welfare State (Yale University Press, 1983), proposes that the full-time homemaker receive a "social credit" for each year spent at home with children who are under 17 years of age. According to this plan, accumulated credits would either pay for higher education or entitle the homemaker to preferred hiring status in the Civil Service once the youngsters are raised and the parent is ready to enter or reenter the labor market. Gilbert specifies the Federal government as the provider of this benefit which, like a veteran's benefit would compensate the homemaker for time spent out of the workforce, but in service to the nation.

In Gilbert's scheme, each unit of social credit (one child per year of full-time care) could be exchanged for either "(a) tuition for four units of undergraduate academic training, (b) tuition for three units of technical school training, (c) tuition for two units of graduate education, or (d) an award of one-fourth of a preference point on federal civil service examinations." The parent is the implied beneficiary of the tuition grant in this G.I. Bill-type scenario. The policy would surely be more attractive and effective if an option to designate the homemaker's child as the educational beneficiary were made explicit.

The social credit idea bars no parent, male or female, from opting for paid employment or professional activity outside the home. It doesn't even discourage outside work. It simply provides an incentive to parents who might prefer homemaking to labor market activity. It also answers the need of those parents who bring home the second paycheck just "to put the kids through college." Under this plan, they would stay home, accumulate the social credits, and eventually redeem them in tuition payments.

When the legislative imagination takes up this idea, as I hope will be the case before long, some constraints will have to be set. The first would be an appropriate family income limit above which neither parent would be eligible. Those who do qualify could, if the policy so directs, be required to treat as taxable income the cash value of the credits exchanged for tuition. By keeping the benefit tax-free, however, legislators would preserve for the beneficiary freedom of choice between independent and state-supported higher education. Spending the credits for tuition at the higher priced independent colleges would mean a higher cash value and thus more taxable income. It is better to keep the benefit tax-free.

It is conceivable that the eligible person who decides to be a full-time homemaking parent would soon become economically active at home. "Worksteading" is the new word for this. With the arrival of the "information economy" and the installation of computers and word processors in the home, the probability of more at-home paid em-

ployment rises sharply. Protection for the integrity of the social credit program could come from the Internal Revenue Service and would have to be written into the law. It would be easy to come up with an IRS device that would decertify from social credit eligibility the homemaker who reports earnings above a relatively low limit specified in the law. Again, the economic incentive. In this case, the threatened loss of the credit would serve as encouragement to hold firm on the homemaking commitment in the face of attractive remunerative at-home business opportunities.

The credits would, of course, be nontransferable from family to family. Some might argue for a limit on the number of credits one homemaker could earn (Gilbert suggests a three-child maximum), but sensitivity to parental freedom with respect to family size would be an important consideration in any public policy relating to the family.

The program would be more flexible, and thus more practical and attractive, if parents could alternate on the full-time homemaker responsibility. In effect, the parents would commit themselves, as a couple, to the provision of one full-time homemaker's services each year from the birth of a child until that child reaches his or her 17th birthday. This would open up the possibility for a mother (more often than not, the mother will be the parent with full-time homemaking responsibilities) to work outside the home. There would be no loss of credit so long as the father personally provides the child care. It is worth noting that a shared responsibility for earning social credits through homemaking could promote cooperation over career competition between spouses in the modern marriage.

The value of the credit would best be expressed as a percentage of the cost of higher education—100% of the cost of tuition, fees, and books, regardless of the college chosen. The inclusion of other expenses that complete the so-called "cost of attending" (room and board, transportation, spending money) would be a matter of legislative choice. The point of specifying the percentage, rather than an absolute sum, is to relieve the parent of anxiety concerning the erosion of the credit by inflation and the consequent inability—17 years later—to convert the credits into payments for tuition, fees, and books. It seems to me that one year's credit should be worth one-17th of the price, at the point of consumption, of tuition, fees, and books. The total cost of tuition, fees, and books ("costs of education," as distinguished from "cost of attendance") would be completely covered in those cases where a child received fulltime parental home care for the first 17 years of life.

The proposal is clearly intended to reinforce the nuclear family unit by rewarding a parent for remaining at home. As a policy idea, it will go nowhere unless there is widespread conviction that society needs the services of full-time homemakers.

Such persons need not be confined to quarters all day long. They would be free to be with their youngsters in a variety of at-home and out-of-home ways and at times not possible for the busy parent burdened with a work schedule. The homemaker's schedule would focus on the child. It would promote parental presence—to the child. When one considers how such time might be spent, expressions like "creative leisure" and "shared learning" come to mind, as do thoughts of joint participation in arts, crafts, games, museum visits, sightseeing "voyages of discovery," and similar engagements. School plays and athletic contests would attract more spectators. The schools themselves would be able to draw on a larger supply of volunteer service. As the nation deplores the condition of its schools, it should notice the promise this policy holds for the promotion of life of the mind *at home*, a development which would be nothing but good for the schools.

PRO AND CON VIEWS

This policy proposal is open to the criticism that it envisions a middle-class program that would be unavailable to the working poor who, credits or not, could not afford not to work. The criticism is quite fair. This proposal would not meet the needs of those who absolutely have to work. They demonstrate the power of economic incentives; many—by no means all—would prefer to be homemakers. To meet their needs (and to assist others who are less pressed for funds, but most anxious to combine careers and parental responsibilities), it is important to consider for inclusion in a national family policy measures that would encourage flexible work schedules, make day-care facilities more widely available, and make child-care expenses more readily deductible.

In addition, Gilbert deals with an issue that will certainly be raised by many voices in this policy debate:

"For women who want a balanced family life and a full-time career, a family credit scheme would open a successive route along which both are possible. Because this route encompasses a 25-to-30-year period of employment, it may close off a few career options which require early training and many years of preparation. There must be some price for enjoying the choice of two callings in life. This is a different path from the continuous paid career line that men typically follow. It may be better."

I have tested the social credit idea in the op-ed forum and in conversations with friends. The strongest negative reaction chided me for trying to "bribe" people into child-care, "to shoehorn women back into the kitchen and/or the nursery."

On the other hand, the mother of two disabled sons applauded the idea: "The need for social reform to strengthen the family is so great that one would imagine that America as a nation and as a culture depends on the policy you advocate. It is indeed puzzling how an issue that is so fundamental—and so simply obvious—could have been overlooked for so long." The policy, by the way, might well allow for extra credits for homemakers serving handicapped children.

Endorsement of the idea also came from a middle-aged male who described himself as a "well traveled parent who longs for more time in the home."

A public affairs director in a Federal agency offered a reflective comment which touches upon the crucial question of who will guide the formation of values in one's children:

"As a career woman who has been on both sides of the fence (I stayed home until the children were 10 and 14 and then joined the work force 10 years ago), I think your plan has merit. It seems to me that I have been extremely lucky—I was able to start a career later in life because of extremely hard work and fortunate circumstances. Not everyone is so positioned. I would not have wanted someone else "raising" my children and giving them different views on morality and philosophy from my own. Each parent wants to pass on his basic beliefs to his children, and it is impossible for young women today to do that if they see their child for one or two hectic hours a day."

R. Sargent Shriver, Democratic candidate for Vice President in 1972, called my attention to a speech he gave on "The Family" during that campaign. He repeated the maxim: What is good for families is good for nations; what hurts families, hurts nations. He further remarked that "the institution that has served human beings best and disappointed them least is the family."

A retired obstetrician, himself a father of eight, found the proposal to be "on target." In his medical practice, he said, he "was always well aware of the importance of a mother or parent in a home at all times with growing children; there can be no substitute."

Recently, I talked with a 36-year-old man whose educational credentials include a doctorate and a law degree. He has worked as a college professor, as well as a lawyer. His curriculum vitae notes his full-time service as a "homemaker" for the past three years. His wife, also a lawyer, has been in the labor market while he cares for two young children at home. Another child was expected soon. With the birth of their child, the lawyer-mother planned to remain at home as the professor-lawyer-father returned to paid employment in the market economy. This is easy enough for well-educated professionals, but it only happens when parents regard it as important that their children have the full-time attention of one or the other throughout childhood.

Less well-educated parents are no less concerned about child development, just less able, for economic reasons, to consider full-time homemaking as a real option. If the option were available, it would be just that—an option, not an enforced condition. People would be free to take it or leave it, as their values and preferences direct.

We have no such option in the U.S. today because of the presence of economic pressure and the absence of a national family policy. The social credit idea addresses a policy vacuum. It surely deserves some discussion and debate.●

SENATE—*Friday, August 10, 1984*

(Legislative day of Monday, August 6, 1984)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Father in Heaven, thank You for Your gracious blessing during the past 2 stressful weeks. As Senators disperse for recess, they face heavy duties in their home States with constituents and election campaign responsibilities. Help them, dear Lord, to remember their responsibility to themselves and their families. May they take time for rest and relaxation. May they take time for leisure with their families that relationships will be nurtured and strengthened. Protect them as they travel and return them safely to Washington refreshed and restored, physically and emotionally, prepared for the final weeks of the 98th Congress. In His name Who invited, "Come unto me, all you who labor and are heavy laden, and I will give you rest." Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

SENATE SCHEDULE

Mr. BAKER. Mr. President, after the two leaders are recognized and the three special orders are executed, there will be a period for the transaction of routine morning business until 11 a.m., in which Senators may speak for not to exceed 3 minutes each.

At 11 a.m., the Senate will resume consideration of the agriculture appropriations bill. The Kennedy amendment, amendment No. 3680, is pending. Based upon the information we received from the distinguished Senator from Massachusetts last evening, I do anticipate a rollcall vote on that amendment.

There will be other rollcall votes, I anticipate, throughout the day. Almost surely there will be a rollcall vote on final passage, as and when we reach that point.

Assuming that we finish the agriculture appropriations bill today, and I believe we will, Mr. President, we will await the action of the House on the conference report, which was completed last night, on the supplemental appropriations bill. I have not yet received a response on when the House will complete action on that, but I assume it will be in the afternoon before it reaches us.

Mr. President, while we are waiting, if we finish the agriculture appropriations bill, there may be other matters that we can go to. I will consult with the minority leader on that to see if that will be possible.

I will say now to the minority leader that there is one appropriations bill that we would very much like to do if we can, and that is the DC appropriations bill. If it is possible to get past the budget hurdle on that and consider the DC appropriations bill, I think we can do it pretty fast. There are reasons, I am told, why that should be done, if possible.

There are other matters, Mr. President. The distinguished Senator from Kansas [Mr. DOLE] wants to try to reach the enterprise zone bill. There are no doubt other items that might fill our time while we are awaiting action by the House on the supplemental appropriations bill conference report.

Mr. President, sometime today it is anticipated that the Senate will initiate the adjournment resolution which will take us out until Wednesday, September 5. May I repeat, Mr. President, what I said yesterday: Senators should not assume that since we are coming back on Wednesday, September 5, that that week will be an easy week. That is, I hope, our last session before adjournment sine die. That means we need every day in there to try to complete our work. So I repeat, I do anticipate votes and significant legislative action on the floor of the Senate Wednesday, Thursday, Friday, and perhaps even Saturday of that week.

Mr. President, I hope Senators will take account of that prospect in making their plans and return on Wednesday, September 5, prepared to go forward with the legislative agenda.

Mr. President, by way of a continuing update on the action by our colleagues in the House of Representatives on the supplemental appropriations bill conference report, I have just been handed a note that indicates that objection was heard to a unanimous-consent request to taking up the supplemental conference report and that it will be necessary to go to the Rules Committee and obtain a rule in order to reach that matter. That contributes further to the uncertainty of our progress during the day.

Mr. President, I believe that is all I have.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. COHEN). Under the standing order, the minority leader is recognized.

Mr. BYRD. I thank the Chair.

EXCELLENCE: SENATOR LAWTON CHILES

Mr. BYRD. Mr. President, the New York Times of August 9 published an article calling attention to the abilities and excellent performance of our colleague, the senior Senator from Florida [Mr. CHILES].

The article refers to the outstanding work that Mr. CHILES has been doing as the ranking member of the Senate Budget Committee. It also calls attention again to his effectiveness in debate, which was demonstrated during the Senate action on the agriculture appropriations bill. Mr. CHILES stood for a principle, and that principle is one that all Senators should appreciate; namely, upholding the integrity of the budget process.

The budget process has been to a considerable extent circumvented. Mr. CHILES took the position that if Congress is ever to get control of the budget process and reduce the deficit and ultimately balance the budget, the only instrumentality for that goal to be achieved is in maintaining respect for and conforming with the Budget Reform Act.

Mr. President, I was proud of Senator CHILES' performance.

Mr. Steven V. Roberts, who wrote the New York Times article, is to be commended for calling our attention again to the effectiveness of Senator CHILES as a key player in the legislative process.

Mr. President, I ask unanimous consent that the article from the New York Times be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOVING FOR VISIBILITY ON KEY ISSUES

(By Steven V. Roberts)

WASHINGTON, Aug. 9.—Everything about Senator Lawton Chiles suggests moderation, from his affable Southern manner to his artfully balanced voting record. When he

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

talks politics, his favorite word seems to be "middle."

Thus it was a considerable surprise to see the Florida Democrat hold up the Senate's business for six days recently while he conducted a gentlemanly filibuster against the agriculture appropriation bill. Mr. Chiles has nothing against agriculture, but he has a lot against the way Congress has not passed a budget for the fiscal year that begins in two months.

His filibuster was a cry of protest, a call for attention. If Congress continues to flout its own rules and ignore the budget, Mr. Chiles warned the Senate, "We will see restraint go out the window."

But there was also a personal motive behind his unusual stubborness. Mr. Chiles is ranking Democrat on the Budget Committee. He frankly hopes to become chairman should his party reclaim control of the Senate, and as he put it, he got an "emptiness" in his stomach when he saw the Senate waiving the budget act.

"There would be no reason to be chairman of the committee," he said, "if the budget were waived every week."

The Senate finally ended Mr. Chiles' filibuster on Wednesday, but colleagues hailed his "valiant stand" for fiscal rectitude.

HIS MOTIVES QUESTIONED

According to several sources who attended a luncheon meeting of Republican Senators Tuesday, there was much muttering that Mr. Chiles "had gone too far" by delaying an appropriation bill vital to the nation's farmers. Some Senators suggested that the Florida Democrat was trying to embarrass the Republicans on the eve of an election campaign.

Today, Mr. Chiles' stomach felt a little emptier. House and Senate negotiators met briefly and again failed to make any progress on the key issue, the size of the Pentagon's share of the budget. The legislator is not sure where his protest goes from here, but the incident has clearly added to Mr. Chiles' reputation as a legislator who can make things happen.

In the Senate debate earlier this year on the military programs bill, the Floridian offered an amendment that would have stopped production of the MX missile after the current year. The proposal was deftly drawn as a "middle ground," a plan that would keep the missile alive, but only barely. Its appeal was so broad that it lost only when Vice President Bush broke a 48-to-48 tie.

SHOW PUT OFF TILL FALL

Mr. Chiles is prepared to offer the amendment again when the Appropriations Committee takes up legislation allocating funds for the Pentagon. Because Mr. Chiles might have the votes to win in the committee, Republican leaders have put the showdown off until the fall.

Senator Chiles has also injected himself into the debate over Central America. A strong supporter of José Napolean Duarte, the new President of El Salvador, Mr. Chiles has backed Administration proposals for increased aid to that country. But he is preparing some amendments that would give Congress more control over how the aid is spent.

All this leads some Capitol Hill handicappers to speculate that Mr. Chiles harbors ambitions to move into his party's leadership. "He's chosen some key, high visibility issues, where he can play the compromiser," said one Democratic aide.

"WE MOVED TO FILL" THE VACUUM

Mr. Chiles denies such ambitions, but his new visibility is clearly no accident. As one of his aides put it, "We saw one hell of a vacuum out there,"and moved to fill it.

Once before in his career, Mr. Chiles saw a vacuum. He was a 40-year-old state legislator in 1970 when the incumbent Senator, Spessard Holland, retired. In a daring campaign, Mr. Chiles walked across the state meeting voters and scored a startling upset to win the seat.

He was quietly pursuing a career as a junior backbencher, when retirement and defeat started cutting the ranks of senior Democrats. Other influential Democrats turned their attention to Presidential politics. And in the view of many legislators, Senator Byrd failed to become a strong party spokesman as minority leader.

STAFF MEMBERS MADE DIFFERENCE

With 14 years of seniority, Mr. Chiles became the ranking Democrat on the Budget Committee at the start of this Congress. As he freely admits, that new stature gave him enough new staff members to provide "an offensive capability," the chance to lead events and not just react. Moreover, Mr. Chiles adds, "Until you get something around here that gives you some clout, you have a hard time getting people to notice you."

The Floridian also feels that he is well-suited to move into the power "vacuum" because he is not aligned with either the conservative or liberal wings of the Senate.

In 1982, for instance, he received a rating of 50 percent from the Americans for Democratic Action, a leading liberal group; the same year, the Committee for the Survival of a Free Congress, a conservative group, said he voted wth them 56 percent of the time.

"NOT HANDICAPPED WITH RACE"

As a Southerner, Mr. Chiles noted, he is not so beholden to powerful constituencies within the Democratic Party, such as organized labor. At the same time, his generation of Southerners is "not handicapped with race anymore."

That generation of Southerners, Mr. Chiles noted, includes such legislators as J. Bennett Johnston of Louisiana, Sam Nunn of Georgia, and David Boren of Oklahoma. Most of them are nonideological moderates who are often "free to move" and provide swing votes.

When they work together, Mr. Chiles said, they can become the "fulcrum" of the Senate. "We're the ones who can tip things," he said.

But Mr. Chiles says he has no master plan, and is just taking issues as they come along. "You build a brick on a brick," he says "and you never know when you'll finish the wall."

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, if I may ask the majority leader a question it would be, what will the program be on Wednesday, Thursday, and Friday, when the Senate returns?

Mr. BAKER. Mr. President, I thank the distinguished minority leader.

Mr. BYRD. Mr. President, if the majority leader would like to respond later, that would be satisfactory.

Mr. BAKER. I was about to say I have an idea, but before I can lock that down and make an offical announcement, I wonder if the minority leader would let me recheck a few things and confer with him.

Mr. BYRD. That will be satisfactory, Mr. President.

Mr. President, I ask unanimous consent that whatever time I have remaining I might retrieve immediately following or during Mr. NUNN's special order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I yield back my time under the standing order.

Mr. President, there is a special order for the distinguished Senator from Wisconsin, who is not presently on the floor. I ask unanimous consent to suggest the absence of a quorum without it being charged to his time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

WHAT ARE THE LIKELY EFFECTS OF NUCLEAR WINTER ON WEAPONS POLICIES?

Mr. PROXMIRE. Mr. President, scientists now tell us that a nuclear war would probably precipitate a worldwide nuclear winter, with darkness and cold gripping the Earth for many months, killing plants and animals, and very possibly exterminating mankind. If these scientists are right, would it be possible to fight a nuclear war without provoking a nuclear winter?

If not, does not the catastrophe of a nuclear winter provide still another inhibition against fighting a nuclear war? Does it follow that nuclear winter might provide a useful deterrent preventing a nuclear war? For example, a would-be nuclear aggressor without suffering any retaliation from the nation it attacks, would suffer a darkness and cold that would bring starvation for the population of that aggressor country itself. Initiation of nuclear war could become an act of suicide, plain and simple.

On the other hand, the nuclear winter prospect might simply change the nature of nuclear war instead of preventing it. Here's how: To avoid the effects of nuclear winter a nuclear power, through technological progress and arms control agreements, could concentrate on two principles which would make it possible to maintain effective deterrence while greatly reducing the Nation's megatonnage even below the nuclear winter threshold. If the Nation, for example, increased the accuracy of its nuclear weapons by a factor of 10, it could reduce its nuclear megatonnage by a factor of 20 while maintaining the same kill capacity with respect to the adversary targets. This tenfold improvement in accuracy alone would permit a nation with 10,000 megatons of nuclear armed power to reduce its arsenal megatonnage to 500—only to 5 percent of what it was—and maintain the same capability of delivering the equivalent destructive payload on target.

But this is not all that technological advance can do in reducing the necessary megatonnage. What is the principal reason why both the United States and the Soviet Union have stockpiled such a colossal and redundant megatonnage? The most common complaint about nuclear arms spending that this Senator has encountered is that each superpower already has sufficient nuclear armed capacity to blow the other back to the stone age many times over. So why hit the taxpayer for billions of dollars for more and more nuclear weapons. Why? Partly because until recently neither power had the accuracy required to assure the destruction of the adversary's hard target weapons.

But there was another reason. Each super nuclear power feared that the other might hit with a preemptive nuclear strike and take out much of the defender's deterrent on the ground, at the sub base, or at the bomber base. So both superpowers prepared to be able to retaliate with a devastating second strike even if the other superpower hit first and with all the success the other superpower could reasonably expect to have. Deterrence assumes the other side launches a preemptive strike. The side that suffered the attack would then have to have sufficient nuclear armed power left that it could, in turn, devastate the attacker. The aggressor would recognize this. He would, therefore, abstain from it.

So, possessing far more nuclear weapons than necessary to wipe out the opponent, combined with the knowledge that some of those weapons would survive a first strike by the other side, has been an essential element of deterrence. Why, then, is not this still an essential element of deterrence? Because, instead of relying on a massive excess of nuclear weapons, a nation could, instead, rely on the survivability of its nuclear weapons. The trick is to provide an invulnerability for nuclear weapons.

Can we do that? We not only can, we do, and in a number of ways. First, we deploy our nuclear weapons in mobile instead of stationary mode. Obviously, if weapons are moving, the adversary can never be sure where the weapon will be when that adversary tries to take it out. Second, the weapon can move under water, in the depth of the oceans and under the poles, or it can move at great and varying speeds in the air in a bomber.

About a year ago, the Secretary of the Navy appeared before the Defense Appropriations Subcommittee. He responsed to a question I asked him in hearings before the Committee, of which I have been a member for more than 20 years, about the vulnerability of our submarines based nuclear deterrent. His response was reassuring. The Secretary said that our submarine nuclear deterrent is not only invulnerable today, in his judgment, but the invulnerability will become greater as the years move on at least until the end of this century. It is a fortunate fact that more than half of our nuclear deterrent is in submarines, compared to less than 20 percent of the Soviet deterrent.

Furthermore, more than a third of our nuclear armed submarines are at sea, out of port, at all times and that is twice and perhaps three times as high a proportion of our submarine fleet that is at sea compared to the U.S.S.R. In addition, 25 percent of our nuclear deterrent is deployed in bombers. More than half of this fleet is constantly in the air or on a few minutes alert at all times. This compares to only 4 percent of the Soviet deterrent deployed in bombers and a far lower proportion of those bombers either in the air or on rapid alert. So this greatly superior survivability factor for our nuclear deterrent makes the massive surplus of our nuclear arms arsenal not only redundant, but obviously unnecessary. And just as accuracy can permit us to maintain adequate deterrence with a much smaller nuclear megatonnage, so invulnerability can permit us to reduce our arsenal a great deal more while maintaining completely credible nuclear deterrence.

So, Mr. President, relying on these two principles of accuracy and invulnerability, this country can maintain its fully credible deterrent. It can at the same time negotiate a very substantial reduction in megatonnage approaching and perhaps falling below the nuclear winter threshold. By doing so, we do deter and probably prevent a superpower nuclear war and, if such a war came, we could reduce the terrible prospect that a nuclear war would, through precipitating a nuclear winter, destroy mankind as a species.

AMNESTY INTERNATIONAL'S REPORT TO CONGRESS

Mr. PROXMIRE. Mr. President, over two centuries ago, our forefathers fought for independence under the guiding principle of human dignity and freedom.

In a recent paper, Amnesty International asks Congress to reaffirm this dedication to human dignity and freedom by taking action to stop the violations against human rights taking place all over the world.

The Amnesty International position paper, "U.S. Human Rights Policy," outlines the policies that should be adopted to achieve greater human rights protection. Each of the four positions leads to the conclusion that the Genocide Treaty must be ratified.

The Genocide Treaty protects the most basic human right of all—the right to live. It makes genocide, the destruction or attempted destruction of a religious, ethnic, national, or racial group, a crime under international law.

Amnesty International's first point is that "Human rights must be given priority in United States' domestic and foreign policy." The paper explains:

> Human rights interests cannot be separated from national security interests. Nor should human rights be viewed as an ideological weapon to be used in some cases and ignored in others. To do so weakens the protection of human rights everywhere and thereby acts directly against the U.S. national interest for a secure, stable and just world order.

Certainly, by ignoring the Genocide Treaty, the United States is weakening its position in support of human rights.

Amnesty International's second point is that "United States' strategies and programs to promote human rights at home and abroad must be governed by universality." A treaty ratified by the U.S. Congress would go far in ensuring a consistent, universally applied policy concerning genocide.

"The United States Government must have a sustained commitment to strengthen domestic and international legislation, institutions, and mechanisms concerned with human rights." This is the third of Amnesty International's positions. Strengthening international legislation concerned with human rights means ratification of the Genocide Convention. When the United States ratifies the Genocide Convention, it will be able to press for more effective enforcement mechanisms and a wider application of the treaty.

Finally, Amnesty International asserts that "The United States must use its influence and resources to combat specific human rights violations such as torture, political imprisonment and executions." Recognized as a supporter of human rights protec-

tion, the United States should fight against all of these violations, and how better than by ratifying the Genocide Convention.

The Amnesty International paper concluded:

> The United States was founded with the declaration that "all men are created equal, that they are endowed by their creator with certain inalienable rights, that among these are life, liberty and the pursuit of happiness." The battle for human rights is nothing less than the ability to make this declaration a reality for all human beings.

Mr. President, U.S. Senate knows and understands the words and ideas of the Declaration of Independence. The Senate knows of its country's commitment to human dignity and freedom, and that is why it should ratify the Genocide Treaty without delay.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR NUNN

The PRESIDING OFFICER. Under the previous order, the Senator from Georgia [Mr. NUNN] is recognized for not to exceed 15 minutes.

WHY CONGRESS NEEDS TO PASS THE FISCAL YEAR 1985 DEFENSE AUTHORIZATION BILL

Mr. NUNN. Mr. President, the Senate has heard a great deal this last week or week and a half from the senior Senator from Florida [Mr. CHILES], who has been pointing out in recent days that Congress—and by that I am sure he intends this to apply to both the Senate and the House—has failed to fulfill our responsibilities to set overall spending targets and to enact a budget resolution. I join Senator CHILES in that frustration, and I think he is to be commended for taking a few hours of the Senate's time to point out what is happening to the budget process.

One of the paradoxes, as I see it, is that apparently the Reagan administration holds the budget process in disdain—for their own good reasons, I am sure. To me, that is paradoxical, because, with all its faults, and there are many, and all the frustrations we have with the budget process, and there are many, the President of the United States, Mr. Reagan, could not possibly have achieved his economic legislative program in 1981 without the budget process. It just could not have been done. We would have been dealing with fragmented committees. He could not have gotten his tax proposals and his spending cuts through this body or the other body within the first year, while he still enjoyed somewhat of a consensus, without the budget process.

So I think Senator CHILES has played a very meaningful role in pointing out what is happening to the budget and to the whole process because of the impasse we have reached in the budget conference on primarily the level of military spending.

I think another paradox we face in the budget procedures this year and which continues to be disregarded because of the impact is that, as I see it, the only hope we have, at least the main hope we have, of achieving any kind of budget package next year, after an election—whoever is elected, whether it is Mr. Mondale or Mr. Reagan—would be to tie a tax policy and a spending policy together in one package; and the only procedural way we can do that is through the budget process.

So I see us at a crucial juncture in terms of what happens in the next 2 weeks in the budget process, particularly in September, as to whether we really are going to have a procedural mechanism to get the fiscal house of this country in order after the next election, in January of 1985.

Senator CHILES has pointed out that the roadblock is the defense spending level and an unwillingness on either side to accept reasonable and responsible compromises on the respective defense budget figures.

I know there is an apprehension among those on the Republican side and those on the Democratic side who favor a higher level of defense expenditure. There is an apprehension about what is going to happen down the road once the budget impasse is broken, if it is, and whether we are going to have such a low level coming out of the House Appropriations Committee that any compromise will be very low. So I understand that apprehension. I think Senator CHILES understands that apprehension, and he has proposed that we have some kind of leadership meeting in early September involving the key committee players and involving our ranking members and the chairman of the various committees, and certainly the leadership—Senator BYRD, Senator BAKER, and their counterparts on the House side.

I share his assessment of the situation, and I should like to go on record as saying that his idea about a so-called legislative summit in early September may be the only way we can break that impasse. If we do not, the victim will be fiscal responsibility and the credibility of Congress and the budget process. The victims may also be any hope we have next year of bringing about the kind of fiscal package that may be necessary to preserve any semblance of economic stability in this country and in the international arena.

This morning, I want to focus on another victim of unwillingness to reach the compromises that are at the heart of our constitutional, bicameral legislative approach, and that is the fiscal year 1985 Defense authorization bill.

Not only is the budget process hung up; we are also hung up in the authorization process. The hangup is the MX missile, and the victims are the national security of this country and the taxpaying citizens who support it.

Congress is clearly running out of time. We still have a lot to do, with less and less time in which to do it.

One of the measures which Congress has not yet taken final action on is the fiscal year 1985 defense authorization bill. This bill is technically in conference. I want to share with my colleagues a little about the conference. They have read about it in the papers, and I think it is time all of us understand what is transpiring there; and I will try to outline that without breaching any matters that should be treated as confidential.

Our conference committee met six times before the July 4 recess, and we met three times since Congress reconvened on July 23.

There are a great many complex issues before the conference as there have been ever since I have been going to these conferences during my tenure in the Senate. The overall funding level and the program differences; limitations on troops in Central America; limitations on deployment of submarine-launched cruise missiles [SLCM's] and testing of ASAT systems; a new GI bill; and, of course, last but not least the MX.

On many of these complex issues, the overall shape of a conference compromise agreement was beginning to emerge. In my view, significant progress had been made on many of the procurement and R&D issues. Unfortunately, the spirit of compromise needed to conclude an agreement was lacking. At the last meeting on July 30, the conference reached a major impasse over the MX. Senator TOWER, who serves as chairman of the conference committee, and I think has done a very commendable job, recessed the conference pending the call of the chair. As of today, the chair has not called.

The conference is essentially deadlocked over the MX. Realistically, the prospects for any final action on an fiscal year 1985 Defense authorization bill before passage of a defense appropriation measure or continuing resolution before adjournment of the 98th Congress are at this stage bleak. It will eventually meant that almost a year of hard work by our committee and 3 weeks of Senate floor debate in exer-

cising our responsibility to the Senate and the Nation will be "down the drain" if this impasse continues.

In my view, this is an extremely unfortunate situation. If we fail to reach a conference agreement on the fiscal year 1985 Defense authorization bill, it will be a serious blow to the integrity of the annual defense authorization process in Congress. But more importantly, a significant amount of necessary legislation to improve our defenses, much of which was requested or endorsed by the Department of Defense and the Reagan administration and much of which would improve management of our defense resources, will not be enacted into law.

Mr. President, the annual Defense authorization bill is the principal mechanism through which the Armed Services Committees bring our oversight responsibilities of Defense Department programs to the rest of Congress. It is the primary vehicle upon which Congress exercises its constitutional responsibility "to raise and support Armies" and "to provide and maintain a Navy."

Since the first Defense authorization bill was passed in fiscal year 1962, there has not been a single year in which the Armed Services Committees failed to carry out their legislative oversight responsibility to pass a final Defense authorization bill.

I hope that history will not record that 1984 will be the first year where that authorization bill was never completed, but I must say to all of our colleagues, unless we have a significant attitude change in the recess period that would reflect itself when we get back in early September, it appears that that will be the case; that is, we will not have an authorization bill at all.

IMPORTANT INITIATIVES INCLUDED IN THE FISCAL YEAR 1985 DEFENSE AUTHORIZATION BILL

I want to take just a moment to mention some of these initiatives included in the fiscal year 1985 Defense authorization bill that will "go down the drain" if the current impasse continues:

The bill sets the funding levels for Defense programs in fiscal year 1985, by program and account. It permits new starts and it restricts programs based on cost and/or technical difficulties. It also sets manpower ceilings for all categories—Active, Reserve, and civilian—of Defense manpower.

The Senate bill contains a number of very significant improvements in the Defense procurement system. These improvements include a provision dealing with weapons system warranties—the Senator from North Dakota, Senator ANDREWS, has worked on that at length; several measures designed to control spare parts costs and increase small business opportunities for defense contracts; establishment of Competition Advocate Generals in each of the services; and a requirement that key Defense procurement managers serve a minimum tour of duty of 4 years.

The Senate bill provides for a new source of revenue for the National Defense Stockpile Transaction Fund in fiscal year 1985 without which little or no significant purchases of strategic and critical materials for the national defense stockpile could take place in fiscal year 1985.

Both the Senate and the House bills contain a number of important provisions that will improve the management of Defense manpower resources. The extension of expiring enlistment and reenlistment bonus authorities, for example, is very important to continued success in recruiting and retention.

The Senate and the House bills contain a number of important initiatives to improve our Reserve Components, particularly the procurement of new equipment earmarked specifically for Guard and Reserve units.

The House bill takes a first step toward reorganization and reform of the basic institutions of the Department of Defense with its provisions on reform of the Joint Chiefs of Staff, an enormously important subject.

The Senate bill includes the authorization of the Peace Academy, which many Senators have worked long and hard to bring before the Senate.

The Senate bill extends for 1 year the authorization of one additional four-star general in the Air Force, three additional three-star admirals in the Navy, and two additional three-star generals in the Marine Corps, and authorizes official transportation for the senior military and civilians in the Defense Department.

I can understand that many of our colleagues might not view these provisions as critical to our national security, and I must confess I do not, but they are matters of the highest concern to the military services.

Failing to get and pass a final conference agreement in this bill would represent a significant missed opportunity as well as an unfortunate waste of a great deal of time and hard work. But, more importantly, it would represent a failure to the citizens of this Nation to ensure that we are exercising our oversight on the hundreds of billions that the Defense Department will spend next fiscal year under whatever makeshift funding measure is passed.

NEEDLESS DEADLOCK OVER MX

Mr. President, I wish to say just a few words over the actual deadlock, the subject of the MX.

It is no secret that the MX is the issue over which the defense authorization conference committee is deadlocked.

To give us a little history, the Senate bill authorized funds for not more than 21 missiles, a reduction of 19 from the administration request. The House authorized 15 missiles only, and said that no funds could be obligated for the purchase of the missiles unless Congress passed a joint resolution of approval after April 1, 1985. The House also tied production of the MX to the Soviet Union's willingness to negotiate in good faith, a provision that I think the Senate conferees virtually unanimously opposed and continue to oppose.

There was a general framework for a compromise on the MX developing in the conference when we broke up. A key element of this compromise would have permitted production of long lead items for 21 MX missiles in fiscal year 1985 and continued basing preparation for deployment of the MX missiles procured in fiscal year 1984.

In other words, the House of Representatives was willing to move very significantly towards keeping the MX alive and keeping the option of pursuing the MX alive next year so that if Congress at that time and the new administration, whether Democratic or Republican, decided to pursue the MX, we would not have lost a great deal of time nor would we have lost a great deal of money in the interim. The House language relating MX to Soviet behavior would have to be dropped and although there was no formal agreement, and I do not want to imply that there was, there were strong indications that the House conferees understood the Senate's position on that and that they were prepared to make this concession.

I believe that item could have been eliminated as a major difference. The compromise would have leaned to the House position in that it would have postponed a decision on procurement of new MX missiles in fiscal year 1985 until a vote by the new Congress in the spring of 1985.

In other words, both sides, if this compromise had come into fruition, were making, I think, realistic concessions which is always necessary in any conference. A conference where there are no concessions will be a conference where there is no report.

The sticking point, and the point over which the conference deadlocked, was what form this vote in 1984 should take. The House took the position that no MX production should take place until Congress passed a resolution of approval. A slim majority of the Senate conferees insisted that MX production should start after a specified date next spring, unless Congress passed a resolution of disapproval.

I do not want to appear critical of my fellow conferees, because we have agreed on most items, and I am simply trying to lay out the RECORD here so

that our colleagues will understand what the deadlock was, and I must say that that Senate position adopted by a majority, by the slim majority of the Senate conferees, reflected, as I understand it, the Reagan administration position.

I proposed in the conference in an informal way rather, within the Senate delegation in a formal way because we actually voted on it, I proposed that our Senate conferees accept the House-approved affirmative vote requirement in exchange—and this is a very important exchange, as the House would have had to make significant concessions here, in exchange for long-lead funding on the MX which would have avoided wasting time and money if the MX production is approved next year. Under this proposal, the House of Representatives would have been required, had the Senate proposal been adopted, the House of Representatives would have been required to agree to drop any reference to a connection between the Soviet Union negotiating stance and U.S. support of the MX.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NUNN. Mr. President, I ask unanimous consent that I may have 4 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. In my judgment, if we had made this proposal from the Senate side, we would now have a conference agreement on the MX and on the entire fiscal year 1985 defense authorization bill if the Senate had been willing to propose and accept the compromise as I have outlined here.

In my view, the compromise makes a great deal of sense. Practically speaking, it would help lay the MX issue to rest for this year, and would mean that the Congress would not be taking decisive action on this major weapons systems immediately prior to the 1984 election on the defense appropriation bill on continuing resolution.

I hasten to add that this would not have prevented another vote on the MX but I think that the argument could have well been made, and I believe the argument would have prevailed both in the House and the Senate:

Let's don't decide this issue right now before the election. Let's give it a little time. Let's wait until early next year. Let's see what plans are being made on the Midgetman. Let's see what the basing mode on the Midgetman will be. Let's determine if we are going to have as big a problem on the Midgetman basing mode as on the MX basing mode. Let's see what happens after the election in arms control.

I think from every point of view it makes sense to make this decision outside the heated atmosphere of a political year election.

Mr. President, I am aware that the Reagan administration is vehemently——

Mr. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER [Mr. COCHRAN]. The Senate will be in order.

Mr. BYRD. I thank the Chair and I apologize to the Senator from Georgia.

Mr. NUNN. I thank my colleague from West Virginia and I appreciate very much his being here and listening to these remarks. We have talked at length about it. I know he has a tremendous interest in the authorization process and in the defense bill as well as in the details of that bill.

Mr. President, I am aware that the Reagan administration is vehemently opposed to this compromise because of the required affirmative vote next year, but I happen to believe that they are making a mistake. In effect, I think they are cutting off their nose to spite their face in this regard.

If the administration view prevails and a negative vote of both bodies is required next year, let us listen from the House point of view as to what will be required. This vote would be subject to Presidential veto—that is a negative vote which was the Senate conferees' position—and that would mean, in effect, that one-third of either House could sustain the veto and the MX could be produced even if a majority of both the House and the Senate disapproved. Even, in other words, if the Senate position was adopted, basically we will have to have a negative vote. In other words, both bodies would have to say no on the MX production next year; otherwise, the MX would be produced.

Now that would have been subject to veto. That means that theoretically 60 percent of the Senate and 60 percent of the House could have said no to the MX, the President could have vetoed that resolution of disapproval, it could have come back and if a third of either body sustained the veto, then the MX production would proceed. A rather absurd position when you see the 1986 bill would be coming right after that which would have required a majority approval of both the Senate and the House. I do not think that kind of position, really, in the final analysis, would have made a great deal of sense.

This procedure, if it has passed in the conference, would arouse the Members of I think the House and probably also the Senate—I think even some Members who have supported the MX—and in my view it would have assured, just as an impasse assures, that the decisive MX battle will be fought in September of this year; again, in my view, the worst possible time from the point of view of those who favor the MX. So if there is logic to the administration position, it escapes me.

The potential results of this impasse are not pleasant to contemplate. Neither the House nor the Senate Appropriations Committee has reported out a fiscal year 1985 defense appropriations bill at this point. With less than 20 days left before adjournment, it is almost certain that the Defense Department will have to operate under a continuing resolution for the fiscal year 1985. That, Mr. President, is not in the Congress' best interest, it is not in the Defense Department's best interests; and it certainly is not in the best interests of our national security.

Any continuing resolution passed in late September will, in my view, be a barebones resolution. I know there are those in the Senate and the Defense Department who plan to attach many of the substantive amendments in the defense authorization bill to the continuing resolution. Maybe there are those who think they can take the best of the defense authorization bill—new starts, high funding levels—and avoid the controversial issues like warranties, MX and ASAT testing. In my view, these people, in that particular aspect, are living in a dream world.

Congress will be anxious to adjourn in late September for the elections, and a stripped down continuing resolution is the only way we are going to get out of town.

The overall level of funding for the Defense Department in fiscal year 1985 is likely to be much lower in a continuing resolution than it would be in an appropriation bill, even if that bill is compromised as it inevitably will be. In the past, continuing resolutions have often held spending to the previous year's level, or to the lower of the House- or Senate-passed level. The result is likely to produce substantially less real growth in defense spending in fiscal 1985 than the 6.9 percent which the President is holding out for or the 5 percent which the assistant majority leader, Senator STEVENS, was recently quoted as saying appears likely.

One of the fundamental differences this year, if we are going to a continuing resolution, and people had better realize it, is we will not have an authorization bill passed to tie it to. We will not have an authorization bill passed to tie it to and neither will we have an appropriation bill, in all likelihood, which passes either body. That means a continuing resolution will have to be tied to a committee-type bill in the House or Senate or some blending of that, which has never been approved by either the Senate or the House. This would be unprecedented, in my view, in the major defense process.

Finally, Mr. President, a continuing resolution for the Defense Department, I believe, would be extremely disruptive to orderly program management. It could very well prevent in-

creasing the development or production rate of ongoing programs like the President's only strategic defense initiative, the Trident II and even the B-1B.

A continuing resolution could also—I do not say would, I say could—prevent initiation of new program starts like the DDG-51 guided missile destroyer; the new nuclear attack submarine; full-scale engineering development of the C-17; and the Army's light helicopter family programs.

Mr. President, I have heard suggestions that could complete the defense authorization conference in a lame-duck session in November or even in February after the 99th Congress convenes. Both of these possibilities have very grave downside risks and I think are rather unrealistic.

The only way to ensure an orderly execution of the fiscal year 1985 Defense program is for the defense authorization conference to complete its work in early September, and for the Congress to pass the fiscal year 1985 Defense authorization bill before adjourning. I urge the chairman of the conference committee, Senator TOWER, and his House counterpart, Congressman PRICE, to reconvene the defense authorization conference committee, go back to work in the spirit of compromise, and reach a swift agreement that can be ratified by both Houses.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR BYRD

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is recognized for not to exceed 15 minutes.

WIDENING AMERICA'S ICBM OPTIONS

Mr. BYRD. Mr. President, I commend the distinguished Senator from Georgia for his remarks. He has said what needs to be said. As far as I am concerned he is the foremost authority in this Senate on national defense. I concur with the distinguished Senator from Georgia in the compliments that he has paid with reference to the work of Senator CHILES. Senator CHILES, as the ranking member on the Budget Committee of the Senate, has taken a very strong and admirable stand with reference to the budget process, and what is holding up that process. The distinguished Senator from Georgia has likewise done so. I have listened to his speech with great interest. I feel strongly about the proposal to relate the MX to Soviet behavior. The Senator from Georgia opposes that proposal, and so do I, strongly, because I do not think we should let the Soviets determine what we should do or what we should not do in this matter. I am glad that the distinguished Senator from Georgia has indicated that that proposal certainly will not fly very high.

The White House does not seem to understand that reasonable accommodation on contentious issues is the only way that the budget process, or the constitutional process, or the congressional process can work. That is the only way a Republic can be served by its representatives, and the only way the President can successfully prosecute the business of the Nation.

The President has seen fit to sacrifice this process apparently of accommodation by his intransigent attitude on the budget process, and on the defense program. The entire way the Congress does its work has been stalled apparently to a very considerable extent because of White House politics. We have no budget resolution—which would be the fulcrum of our decisionmaking process. We have no agreement on the defense authorization bill after nearly a month of debate and votes on the Senate floor to fashion the Senate defense bill.

This does not serve the Nation well—we must be able to do the Nation's business.

On the MX issue, for instance, there are certainly differences between the Senate and House positions. The administration refuses to entertain any compromise with the House. This appears to me to be at the insistence of the President. Yet, the House position on the MX is in most ways, I think, a reasonable one, and there is certainly room for reasonable compromise within the overall framework of a responsible stance on our national security. The administration has shown itself thus far to be apparently ready to discard the entire defense program which has been worked out laboriously in both Chambers, rather than reach responsible compromises. The distinguished Senator from Georgia has pointed out the weaknesses and the dangers of going the continuing resolution route. So it seems to me that this is an irresponsible attitude on the part of the administration, which damages the Nation's security.

This same attitude on the part of the administration is now dominating the work of the Senate Appropriations Committee. The committee has indefinitely postponed its markup of the defense appropriations bill for fiscal year 1985 because apparently the administration is afraid that another proposal on our land-based ICBM program fashioned by the distinguished Senator for Florida [Mr. CHILES] might prevail—possibly even will prevail if it is put to a vote.

I have always been a supporter of the MX. The Chiles amendment does not kill the MX. The Nunn proposal does not kill the MX. However, I have been troubled by the current basing mode plan. I said this to the President the other day when he called me to lobby for his plan. It is hardly a plan at all—simply putting the MX into the silos which currently house the Minuteman missile. Yet, I have felt it necessary to continue to support even this vulnerable basing plan up to now because I think it would be better than nothing at all. The MX does deliver more firepower with greater accuracy than Minuteman, and, as such, it adds to the Nation's arsenal. It does provide a measurable strengthening of the land-based prong of the triad. But it is a weak program, weaker than the program that had been developed by the previous administration.

The President jettisoned the plan of the previous administration, the racetrack formula in which 200 missiles were to be located in a deceptive, mobile, and, therefore, survivable basing mode. The racetrack plan was rejected by the administration perhaps to serve the perceived concerns of the States in which the missiles were to be placed, and also to be consistent with the position which Mr. Reagan took against the plan during the 1980 Presidential election. Now the administration is compounding its error by sticking to a very weak proposal for political reasons, and not for reasons of national security. At least this is my perception as to what is happening. This political intransigence ill-serves the Nation's security.

Fortunately there may be an alternative to the MX program of the administration; that is, the Midgetman to which the distinguished Senator from Georgia has referred. That approach promises to restore the standards of deception, mobility, and survivability to our land-based ICBM's. Enhancing the survivability of the system would thereby retain the posture of deterrence which has been the guiding formula for assuring that the Soviet Union is not tempted into attacking us. I am not yet persuaded that the Midgetman is a proven answer, because the program is still in the early stages of the concept development, and research and development. But this option must be pursued with aggressive funding. And so while it is premature to abandon the MX, it would be irresponsible not to move aggressively with the Midgetman. I have high confidence that the Nation's creative skills and experience in designing and producing the Midgetman will bear early fruit if we do support the program to its full extent.

We work with limited resources under a groaning and growing national deficit. We do not have the luxury of fully funding every weapons system possible. Selecting second-rate weapons systems for political reasons drains the resources of the best systems for our national security. Such is

the case in the competition for the funds between the Stealth bomber and the B-1 bomber. I have made every effort to do what I can to ensure the full funding of the Stealth bomber because it promises to be a far superior aircraft well into the next century. Such competition for funding between the MX and the Midgetman may also be the case, the net effect being the stretching out of what promises to be the superior program.

So while I desire to keep the MX program alive, we must clearly direct the Pentagon to make every effort to investigate and pursue what may be a more responsible and effective strategic program.

Mr. President, Mr. NUNN and Mr. CHILES are both highly regarded in this body, they both are thoughtful and hard working, they have always acted in the most responsible way and in the best interests of our national security. They do not offer proposals which are ill considered, nor is the House proposal on the MX ill considered or irresponsible. Holding up the Nation's defense program as a hostage to extreme inflexibility on proposals with regard to particular weapons systems will end up damaging our national security—not enhancing it.

I yield to the able Senator from Georgia.

Mr NUNN. Mr. President, I thank the distinguished Senator from West Virginia for his excellent statement. I also want to say that the Senator from West Virginia has been of immense help in our conferences. The Senator's resolution, which has been strongly endorsed by the Senate on that subject in the last 3 years, has been a key element in the conference in keeping that program on track, which I think is of tremendous importance for the future of our national security. So the Senator's comments are welcome.

Mr. President, the Senator's great knowledge in this national security area is unique, I believe, having a Senator with the awesome responsibility of being the leader on the Democratic side also keeping up with the details of this very complex area. I do not know how the Senator from West Virginia has the time to really absorb these issues, but I know that he does so.

Mr. President, I commend the Senator from West Virginia for that interest, for that knowledge, and for that leadership in the national security area.

Mr. BYRD. Mr. President, I am very flattered by the remarks of the distinguished Senator from Georgia. I think he has overstated the case, however, as far as my knowledge and expertise would be concerned. But I do have someone whom I can follow. I listen to Senator NUNN when he speaks on this floor, and I listen to him in our private conversations, which we often, have with respect to national defense.

I appreciate his good work. Even though, as I say, his praise has been an overstatement, I appreciate it and welcome it. I hope I can justify at some future time his kind words in that respect.

Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER [Mr. KASTEN]. Under the previous order, there will now be a period for the transaction of routine morning business, with statements therein limited to 3 minutes.

U.S. FOOTWEAR INDUSTRY

Mr. COHEN. Mr. President, it has been almost 2 months to the day since the International Trade Commission ruled that the American footwear industry was not being injured by the flood of imported shoes entering the United States. In the past 2 months since that profound and outrageous misreading of the trade law, nine U.S. shoe manufacturers have shut their doors forever, throwing hundreds more Americans into unemployment. Since January, 46 shoe factories have closed. More than one domestic shoe manufacturer per week has folded in the face of this tidal wave of imports.

Last week another manufacturer in Maine shut down its operation in the northern part of the State—at a loss of 50 jobs. Just this week, I was advised that a major manufacturer in south central Maine will indefinitely lay off 100 workers—one third of its work force.

According to the ITC, the domestic footwear industry presents a perfect picture of health. I submit that with imports holding more than 70 percent of the U.S. retail market, unemployment increasing to 18 percent, and the plant closure rate running to one per week nationwide, that this industry is gravely ill. It is clear to me that the ITC decision was without logic, without fairness and without fact. Unless this Congress moves swiftly, we may wake up one morning to find no domestic shoe industry left. That, Mr. President, would be a tragedy.

To bring about immediate relief, I, along with a number of my colleagues, have introduced the American Footwear Act of 1984. This bill would restrict imports of nonrubber footwear into the United States to 400 million pairs per year—roughly 50 percent of the domestic retail market. To call this legislation protectionist is ridiculous. Import levels in the copper and steel industries are less than one half that of the shoe industry, yet, the ITC granted them relief only 1 week after denying the shoe petition. This legislation is not protectionist; rather, it represents a crucial lifeline for a vital domestic industry which is drowning in the flood of imports. This legislation presents a moderate, yet crucial response to the immediate crisis.

In addition to my quota legislation, I firmly believe that section 201 of the Trade Act of 1974 needs to be strengthened and clarified so that meritorious cases such as this one are granted the import relief they rightly deserve. To avoid the possibility of the ITC again turning the Trade Act on its head, I have cosponsored with Senator DANFORTH legislation to clarify the escape clause language of section 201.

Simply put, this legislation directs the ITC to consider loss of domestic market share and increases in imports by domestic producers as positive evidence of injury. In addition, this bill would make clear that aggregate industry profitability does not preclude a finding of injury or serious injury when the production and employment criteria are met. I believe that these long-term trade reforms are necessary to ensure that the travesty of justice we have witnessed in the footwear case will not be repeated.

Mr. President, I recall the true story of a tombstone in rural England which read, "I told you I was sick." We in this Congress have the obligation to ensure that this epitaph is not repeated for the U.S. footwear industry. It is only fair and just that the Congress amend our trade laws so that relief can be granted to industries that are being sorely injured by imports.

Mr. BYRD. I thank the distinguished Senator from Maine for his statement because we in West Virginia are suffering also in the footwear industry from imports. His speech in this regard, I think, is very timely, and I commend him again and I wish to associate myself with his remarks.

CONFIRMATION OF NOMINATION OF AMBASSADOR MAYNARD GLITMAN

Mr. LEAHY. Mr. President, I am very pleased to support the nomination of Ambassador Maynard Glitman as representative of the United States for the mutual and balanced force reduction talks in Vienna.

A resident of Fletcher, VT, Ambassador Glitman has served our country outstandingly in many varied and vital capacities over the last three decades as a career Foreign Service officer. Among other positions he has held, Ambassador Glitman has served in the U.S. Army, as Advisor of European Affairs for the U.S. Mission at the United Nations, as a member of the National Security Council, and as Deputy Assistant Secretary of Defense for International Security Affairs.

Between 1977-81, Ambassador Glitman was Deputy Chief of Mission of the U.S. Mission to the North Atlantic

Treaty Organization. He helped shape U.S. policy on theater nuclear force modernization and arms control leading to the far-reaching decisions of December 12, 1979 by NATO. This was followed by his appointment as Deputy Head of the State Department Delegation to the Intermediate Range Nuclear Force Negotiations in Geneva, under the leadership of Ambassador Paul Nitze.

I visited Geneva to meet the U.S. and Soviet delegations and to review the INF talks in February 1983. During my stay, I had several discussions with Ambassador Glitman about the problems and prospects of those critically important talks. I was impressed by his unusually perceptive understanding of the complex and sometimes frustrating dimensions of the U.S.-European security relationship, and the significance of the INF problem, or what is often and incorrectly called the "Euromissile issue" for NATO. At the same time, his analysis of the stumbling blocks to an agreement on limiting intermediate range nuclear forces in Europe was frank and gave me a greater understanding of the immense political, technical, and verification difficulties which would have to be surmounted.

With the unfortunate collapse of the INF talks, the President has wisely decided to apply Ambassador Glitman's diplomatic and negotiating skills in another arena. He has been named to represent the United States at an equally difficult and sensitive set of arms control negotiations: The MBRF talks in Vienna. The political importance of these talks for East-West relations and security in Europe is great. Since the inception of the MBFR negotiations over 10 years ago, progress has been made, but agreement on a treaty to reduce the level of military confrontation has continued to elude us. Though the obstacles to an agreement are severe, these talks are an invaluable forum for contact and communication between NATO and the Warsaw Pact and between the United States and the Soviet Union in an area of the world in which the vital interests of most of the nuclear powers intersect. Ambassador Glitman is assuming a great responsibility and I wish to assure him now of my strong support.

The people of Vermont, and all Americans can be proud to be represented by such an able servant as Mike Glitman, a friend, valued constituent, and fellow searcher for a reduction in the crushing burden of the arms race.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

Mr. COCHRAN. Mr. President, on August 6, Senator THURMOND introduced Senate Joint Resolution 340, a resolution to designate the week of September 23, 1984, as "National Historically Black Colleges Week." I am pleased to be a cosponsor of this resolution.

There are 106 historically black colleges in our country, and Mississippi is proud to be home to 10 of these important institutions.

For decades, nearly every black professional and professor passed through these schools. Ranging in size from colleges with fewer than 500 students to university complexes with graduate schools and enrollments of more than 10,000, these 64 private and 41 public black institutions are located in 19 States, most of them south of the Mason-Dixon line.

These traditionally black institutions boast a wide variety of liberal arts, professional and vocational degree programs; five law schools; three medical schools; and dozens of nursing, engineering and business administration schools. Nine of them offer doctoral degree programs; three have Phi Betta Kappa chapters, and one, Howard University right here in our Nation's Capital, maintains a library that ranks among the top 100 research libraries in the country. These institutions have granted baccalaureate degrees to 85 percent of the Nation's black lawyers and doctors, and graduates include the Nobel Laureate and civil rights leader Martin Luther King, Jr., Associate Justice of the Supreme Court Thurgood Marshall, and the first black Presidential candidate and civil-rights activist, Jesse Jackson.

That these schools have played a leadership role in higher education in the United States is indisputable. But, as importantly, these schools have an additional mission. On their shoulders falls the responsibility, due to their historical mandate, to educate students who in many cases, have no other opportunity for higher education.

In early 1982, the average income of families with college-age students was $21,500. At the same time, the average income for black families was $9,700. The burden this differential places on our historically black schools to stay afloat, in addition to the well-publicized burdens carried by all higher education institutions at a time of necessary fiscal restraint by the Federal Government, is enormous.

This resolution is important to me as a cosponsor not only as a means of providing well-deserved recognition for these heroic educational institutions, but also as a means of bringing attention to the role that the Federal Government must play if they are to survive.

And survive they must. In 1980, the Senate adopted my amendment to the education appropriations bill to increase the funding level for the Higher Education Act's title III program—strengthening developing institutions. Many of the institutions that benefit from title III are our historically black colleges. The importance of programs like title III and financial aid to needy students must never be underestimated, and in my view, there is no better illustration than the success story that our historically black colleges represent.

It is for these reasons that I have joined with my distinguished colleagues in cosponsoring Senate Joint Resolution 340. I can think of no other institutions more worthy of this kind of honor. I hope that Congress will not limit its support of these institutions to the recognition of a week in their honor. Financial support is essential too, if they are to continue to make the important contributions which our Nation appreciates.

Mr. President, I would like to take this opportunity to compliment especially Mississippi's 10 historically black institutions, each of which contributes greatly to education in my State: Alcorn State University, Coahoma Junior College, Jackson State University, Mary Holmes College, Mississippi Valley State University, Natchez Junior College, Prentiss Normal and Industrial Institute, Rust College, Tougaloo College, and Utica Junior College.

I urge the Senate to consider and approve this important resolution.

MISSISSIPPI PRO-BONO PROJECT

Mr. COCHRAN. Mr. President, I wish to call to the attention of my colleagues and the American public an extraordinary, award-winning program underway in my State to provide free legal services to the poor. This special program is called the Mississippi Pro-Bono Project, and it is the first of its kind in the Nation.

In 1982, the Mississippi State Bar and Mississippi Legal Services joined forces in a venture to provide free legal services to poor people in need of legal aid. Under the arrangement, the State bar provides office space and secretarial help, and coordinates the voluntary activities by bar members from around the State who do free legal work for overflow of clients of the State's six legal service offices. Mississippi Legal Services, in turn, contributes a major portion of the budget for the Pro-Bono Project.

Clients in the program are screened by legal services to ensure that they meet eligibility requirements. Attorneys who volunteer to represent eligible individuals are asked to take three cases a year or give 20 hours of their time.

The key to the success of the program is the development of a statewide panel of attorneys who are will-

ing to volunteer their services. Typical cases deal with domestic relations, problems of the elderly, medicare, bankruptcy, property rights, consumer credit problems, and probate matters. With a total membership of about 3,500 in the Mississippi State Bar, over 800 lawyers have already signed up to participate in this very worthwhile endeavor in the first 2 years of its existence.

The establishment of this program has won praise for the organized bar in my State. Last year, the Mississippi State Bar received the Harrison Tweed Award for outstanding work in providing legal services to the poor. This award is sponsored by the National Legal Aid and Defender Association and the American Bar Association's Standing Committee on Legal Aid and Indigent Defendants.

Mr. President, this exemplary project reflects credit on the legal profession. As a member of the legal profession myself, I am particularly proud of my State bar association's leadership and its special efforts to ensure that all citizens, regardless of ability to pay, have the benefit of legal counsel when they need it.

The Mississippi Pro-Bono Project is an example of what is good about America and our volunteer spirit. I commend the Mississippi State Bar and Mississippi Legal Services for their outstanding efforts.

TRADE AGREEMENTS WITH ISRAEL AND CANADA

Mr. COCHRAN. Mr. President, I want to lend my support to S. 2746, a bill now pending on the Senate Calendar, which will amend the Trade Act of 1974 to authorize the negotiation of trade agreements with Israel and Canada. It is my hope that the Senate will be able to consider this measure in the very near future.

This legislation specifically authorizes the President to negotiate bilateral trade agreements which will reduce or eliminate tariff and nontariff barriers that operate to restrict foreign trade between our countries. Additionally, the bill provides for expedited consideration by the Congress once these agreements are proposed. These expedited procedures require early notification to and extensive consultation with the Senate Finance Committee and the House Ways and Means Committee.

The bill also includes a clarification of our countervailing duty and antidumping laws to ensure their application to products that have been sold or are likely to be sold for importation, but have not yet been imported.

Finally, the bill authorizes the President to pursue with the Canadian Government the establishment of a joint economic commission to review trade issues between our two countries.

Mr. President, this is a very important piece of legislation that I hope the Senate will consider favorably as soon as possible. The nations of Israel and Canada are two of our most important allies, and bilateral trade agreements will operate to enhance our friendly relations. At the same time, such agreements would offer new opportunities for U.S. exporters to expand their markets with two of our leading trade partners.

The authorization of negotiations will be another positive expression of our commitment to opening and expanding trade opportunities, promoting economic growth, and strengthening our international trading system.

When Congress approved the Trade Act of 1974, the objectives set forth as a guide for trade agreement negotiations were "to obtain more open and equitable market access," the "elimination of devices that distort U.S. trade," to "promote the economic growth of, and full employment in, the United States," and to "provide for mutually advantageous economic benefits." These specific objectives would also serve as the guiding principles for the negotiations authorized in this bill.

I believe that the benefits to be achieved if negotiations are successful will be significant. The United States already has a merchandise trade surplus with Israel even though approximately 40 percent of U.S. exports are dutiable at fairly high rates, many exceeding an ad valorem rate of 10 percent. Principal U.S. exports to Israel include grains, soybeans, engines and engine parts, computers, and transportation equipment, among others. A free trade area agreement would reduce Israel's tariff duties and increase the opportunities for U.S. exporters to expand their markets there, while further opening the United States, Israel's single largest trading partner, to more Israeli products.

While a reciprocal agreement with Canada would apparently be product limited, the United States and Canada are each other's largest trading partner now, and such an agreement would serve to enhance our existing trade relationships.

Mr. President, this legislation simply authorizes the administration to explore with officials of Israel and Canada ways in which we can strengthen our trade relationships and obtain mutual economic benefits for our countries. These sister nations, to which the United States is already strongly tied, share our economic and political values. This legislation makes good sense and will benefit all three countries.

I urge the Senate to act quickly to demonstrate its support for this bill and the important objectives that can be achieved by its approval.

A TRIBUTE TO BISHOP COUSIN

Mr. HEFLIN. Mr. President, it is with some regret that I announce the departure of Phillip Robert Cousin from the office of Alabama bishop of the African Methodist Episcopal Church, as he moves on to a new role of civic-minded ministry in Florida. Having been an enormous asset to the State of Alabama, we will miss his allegiance to religious causes and his sincere concern for humanity.

As Alabama bishop of the AME Church, Bishop Cousin has had major accomplishments credited to his name. His main interest lies in the well-being of those unable to help themselves, and his most notable accomplishments are along this line. Always interested in stewardship, he instituted such a program in Alabama. It has aided most churches on their way to self-sufficiency. In addition, he began the Theological Scholarship Fund which pays ministers from the Ninth District, Alabama, who are attending seminary. Recognizing that religion and personal well-being are closely linked, Cousin began the AME Mission Center. The center is an organization that serves as a soup kitchen, providing for those in need of food and clothing.

Bishop Cousin has devoted his career to those who are unable to discern the rewards of religion because of a life of poverty or discrimination. He has dedicated his ministry to "bringing alive religion for those for whom it has gotten cold and allowed to get wet in the rain of despair." In pursuing this goal, he not only served fulfilling ministries in Florida, Virginia, and North Carolina, but he also served as chairman of the Commission of Church Extension and Evangelism of the General Board of the AME Church.

Bishop Cousin's leadership extends into other areas as well. Currently, he is the 13th president of the National Council of the Churches of Christ. The council is the Nation's largest ecumenical organization. Bishop Cousin has the added distinction of being the only president from a predominantly black denomination.

Phillip Robert Cousin is a dedicated minister who works diligently to reveal the benefits of religion to those who would be otherwise blind. I express my deepest thanks to him for the fine job he has done serving the citizens of Alabama, and I extend my most sincere congratulations to the State of Florida for gaining such a religiously devoted man.

A WELCOME TO BISHOP REID

Mr. HEFLIN. Mr. President, I am pleased to announce that on July 15, Alabama gained a notable addition to its distinguished religious community. Bishop Frank Madison Reid, Jr., is now serving as the Alabama bishop of the African Methodist Episcopal Church. I would personally like to welcome him and look forward to his guidance of people of Alabama.

Bishop Reid has served the AME Church since he was only a teenager. He pastored churches in South Carolina as a student, and, since graduation, he has pastored churches in Illinois, Missouri, Maryland, and Washington, DC.

After years of dedication, Reid was elected 94th bishop of the AME Church in 1972. Following the footsteps of his father, Reid, is the only bishop's son who himself was chosen for the same distinction.

Bishop Reid's leadership extends across the globe. His first assignment was in West Africa, where he served from 1972 to 1976. For his devotion and concern, Reid was recognized as a knight in the Order of Humane Redemption by the late President Tolbert of Liberia. In 1976, Bishop Reid returned to the United States, specifically South Carolina, where he has been until now.

Bishop Reid's list of honors is a long one. He is the immediate past president of both Partners in Ecumenism and the Council of Bishops of the AME Church. He is a recipient of the Kidder Award from Garrett Seminary College and has also received the Garrett's "Outstanding Distinguished Alumni Award."

I have had several conversations with friends who also know Bishop Reid, and have heard only outstanding things about him. Former Gov. Robert McNair and Senator FRITZ HOLLINGS have spoken most highly of his outstanding work in South Carolina. It is with great pleasure that I welcome Bishop Reid to my State and look forward to an experience that will be rewarding both to him and to the citizens of Alabama.

Thank you, Mr. President.

NATURAL GAS POLICY

Mr. JOHNSTON. Mr. President, since the lame duck session in December 1982, considerable attention of both Houses of the Congress has been directed toward the issue of natural gas policy.

The impetus for that attention derived from anomalies created in natural gas markets as a result of the enactment of the Natural Gas Policy Act in late 1978, or, more importantly, the failure of the major assumptions underlying the rationale for the basic design of the act. These anomalies have been discussed ad nauseam, both in the Energy Committee and on the floor of the Senate, therefore, I will not take time here to review that history.

Interestingly, early after the convening of this Congress, the administration sent its offering for the reform of existing natural gas policy to the Congress, which was introduced in the Senate as Senate bill 615. The Senate Energy Committee spent the next 4 to 5 months struggling with the issue, rejected the administration's bill and came up with its own grand design for natural gas policy reform, S. 1715. However, in spite of such intense interest and effort on the part of the committee, the best it could do was to report its final product to the floor without recommendation. The ambivalence and lack of consensus evident in the Energy Committee vote was not unique to the committee. When S. 1715 was brought to the floor in 1983 it could only garner the support of 26 Members. The offering of the opposition fared no better.

Immediately subsequent to this impasse, a small group of the more interested Members of the Senate, some of whom were members of the Energy Committee and some of whom were not, began meeting in an attempt to reach a consensus on the issue. This group also represented a broad spectrum of views. In spite of the efforts of Energy Committee chairman, Senator MCCLURE, to bring and keep this group together and to forge a consensus, one could not be reached. Since the last meeting of this group interest in the Senate has all but disappeared.

During the latter portion of 1983 and for much of this year the House Energy and Commerce Committee struggled with the issue, only to produce a highly controversial, and in my judgment seriously flawed, proposal H.R. 4277. The House offering can hardly be characterized as a comprehensive reform of the Nation's natural gas policy. It is little more than a "quick-fix" designed to deal with two perceived problems which are the product of the failed assumptions of the Natural Gas Policy Act and fears on the part of some as to what might happen to natural gas prices upon the advent of partial decontrol on January 1, 1985, should the Natural Gas Policy Act be permitted to run its course. These perceptions are in large part the product of the passion and paranoia that seems to beset the Congress every time the question of natural gas policy comes up. Nonetheless, as the deliberative time of this Congress approaches an end, there would appear to be no likelihood that we will present to the President natural gas legislation of any kind. Possibly one could consider that a blessing to American consumers, given the track record of both the Congress and the regulator on this issue.

One of the two issues which has preoccupied both Houses of the Congress over the past 2 years is the consequence of the so-called "take-or-pay" provisions of contracts between producers and pipelines, as impacted by the significant reduction in the demand for natural gas experienced over the past 2 or more years. The other relates to the potential for a price "fly-up," predicted by some to occur upon the partial decontrol of wellhead prices on January 1, 1985. While we in the Congress have debated those issues, what has happened in the marketplace?

During the course of the last 2 or more years, natural gas prices have reached a level of price parity with competing fuels, then stabilized, and in many markets have even decreased. During the latter part of 1983, the disparity between natural gas prices in industrial markets and the cost of competing residual fuel oil disappeared. This same interfuel competition continues to moderate natural gas prices and has most assuredly contributed to the increase in coal consumption, the latter development being one wherein the market has had considerably more success than can be fairly attributed to any action of the Congress in its attempts to induce greater utilization of domestically produced coal.

Following is a series of average wellhead prices, taken from the Department of Energy's Monthly Energy Review, which clearly reflect a stabilized and moderating price trend at the wellhead.

	Wellhead price ($/Mcf)	Purchased from producers by major interstate pipeline companies
1983:		
January	2.63	3.27
February	2.64	3.15
March	2.61	3.06
April	2.57	2.90
May	2.56	3.03
June	2.62	2.93
July	2.56	2.96
August	2.61	2.90
September	2.70	2.87
October	2.61	2.86
November	2.62	2.84
December	2.67	2.73
1984:		
January	2.71	2.94

By mid-1982 the average price for decontrolled, "high cost" natural gas from deeper reservoirs reached $7.43/Mcf. Following is a price series taken from the Energy Users Report, which reflects the current average price for this gas as approximately $5.00/Mcf, a drop of approximately one-third. It should be noted that the average prices in this series do not reflect prices being paid under currently negotiated or new contracts for the sale

of "deep" deregulated gas. The prices reflected here relate to those paid under contracts for such supplies that were negotiated after the enactment of the NGPA and before the current oversupply, which manifested itself in early 1982. The price reductions for this gas are the product of contract renegotiations and/or the exercise of so-called "market-out" clauses by pipelines. Under current market conditions new contracts for "deep" deregulated gas command no higher price than does conventional regulated gas.

PRICE OF SECTION 107 DEREGULATED GAS

	1983	1984
January	$7.04	$5.46
February	6.73	5.54
March	6.75	5.38
April	6.56	5.22
May	6.53	5.00
June	6.53	
July	6.24	
August	6.08	
September	5.70	
October	5.49	
November	5.51	
December	5.51	

In addition to the experience of price moderation in the deep deregulated category, a recent survey by the trade journal, Natural Gas Intelligence, indicates that newly marketed supplies of regulated gas are being priced below the maximum lawful price permitted under the Natural Gas Policy Act. As of June of this year the ceiling price for new regulated natural gas was approximately $3.70/MBtu. As the following data reflects, such supplies are being marketed at the wellhead at prices significantly below the $3.70/MBtu ceiling price.

NATURAL GAS WELLHEAD PRICES

[Dollars per Mcf]

Rocky Mountain	Texas and Gulf	Oklahoma	Louisiana	Appalachian
Spot market [1]				
$2.40–2.75	$2.90–3.25	$2.75–2.80	$2.75–3.08	$3.42–3.55
Long-term contracts [2]				
3.00	3.00–3.40	2.80–3.25	2.70–3.20	

[1] Recent contracts for up to two years as reported from the field.
[2] Current price on contracts recently signed for more than two years.

In spite of the hue and cry of the doomsayers, the evidence is compelling that the current trend for gas prices will continue through 1985 as the pressures of the marketplace continue to inhibit price increases and compel price moderation in many markets. Many of those who opposed S. 1715 or who support H.R. 4277 argue that legislation likened to the design of H.R. 4277 is necessary to avoid a "fly-up" in gas prices after January 1, 1985, due to the partial decontrol which will take place on that date. The record is replete with refutations of this assertion by virtually all analysts and experts, both within and outside the industry.

A survey of energy experts conducted by the Energy Users News produced the observation that "natural gas users will not see a large price increase once many of the fuels Federal price ceilings expire in January 1985 * * *." "Panelists said that competitive price pressures from residual and distillate oil, special marketing programs, and current large supplies will limit to 5 percent over the coming 12 months." Many of the experts surveyed thought that the special marketing programs conducted by various pipelines would assist in holding down gas prices.

The results of special marketing programs conducted by three pipelines in particular reflect that gas is being delivered to the participants in such programs at significant discounts. Gas is being delivered to east coast distributors and/or industrial users at prices approximating $4/MBtu, which price nets back to the wellhead in the range of $3 to $3.15/MBtu.

Just last month the Energy Information Administration in its annual "Energy Outlook" rejected the likelihood of a fly-up in gas prices.

Significant revisions have been made in the natural gas price structure to meet the competition from lower fuel oil prices. In particular, it appears that the natural gas tariff structure is being modified to retain large industrial and utility customers that are readily able to switch fuels. Thus, this year wellhead price forecasts shows only very slight increases until the price of fuel oil increases in the late 1980's. The rapid increase in gas prices upon partial decontrol in 1985 is no longer expected.

Of late, various pipeline executives have been making public statements that they do not expect a price fly-up after partial decontrol on January 1, 1985. According to a recent report in the trade journal Natural Gas Intelligence, one pipeline executive admitted that while he is publicly predicting indefinite price escalators will likely cause a price fly-up after partial decontrol on January 1, 1985, it was more likely that prices would drop. This same executive expressed the opinion that the current 2 to 3/Tcf surplus of deliverability, together with the availability of large quantities of currently uncontracted for supplies will render it difficult to impossible for producers to realize contract entitlements for higher prices after partial decontrol. Most such contracts contain provisions for the buyer to "market out" of the contract should the producers demand the price entitlements under such contracts, which would release that gas to the marketplace, thus, "there could be a lot of gas come on the market and prices would go down."

In the Energy Daily of April 5, 1984, James Cordes, president of American Natural Resources, which operates an interstate pipeline, announced the renegotiation of pricing clauses with producers reflected that the talks and discussions leading to those renegotiations were, "further evidence that have put the era of rapidly rising gas rates behind us and can look with confidence toward more stable prices in the future."

In an article contained in the April 23, 1984, edition of Natural Gas Intelligence, the president of United Gas Pipeline, John F. Brown, was quoted as telling the Southern Gas Association that—

We wouldn't see a significant fly-up in prices and we wouldn't see much price decrease either after January 1, 1985. If the NGPA is allowed to run its course, we will all be better off as far as price is concerned. Price problems will be difficult to live with the rest of the year but after that it will be resolved.

In short, and in spite of the anomalies caused by current and past policy, the natural gas industry has made significant progress in responding to current market conditions, there being absolutely no reason to believe that the market will not discipline buyers and sellers of natural gas after the partial decontrol which is to occur after January 1, 1985. Following are summaries of recent projections of the price consequences of partial decontrol on January 1985:

Congressional Research Service (CRS) (May 1984).—The base case can be considered as a business as usual case in that it assumes the Natural Gas Policy Act (NGPA) remains in effect, but reflects current market conditions.

* * * The case assumes that market forces will dominate and that natural gas will remain competitive with alternative fuels in line with the price flexibility currently seen in the market. As a consequence, contracts are renegotiated as necessary to stay within the market clearing price range for new gas * * *.

* * * In 1985, gas contracts with escalator clauses are renegotiated to the market clearing level (a national composite price being $3.31 in 1982 $'s) * * *.

Wellhead prices over the 1982–1990 period rise at an average price of 3.7 percent (interstate) annually and 1.5 percent (intrastate) in real dollar terms. In real terms, nationwide residential prices rise at only 4.8 percent per year, industrial at 2.4 percent, and commercial at 4.5 percent. These are very low rates of increase, and are reflective of a fairly optimistic portrayal * * * of the ability of the natural gas industry to work out its problems on its own, without Congressional involvement.

Energy Information Administration (EIA) (May 1984).—Because of the market conditions of the last few years, it is believed that most of the price effects that would be expected to result from the deregulation of gas have already been seen. Therefore, in contrast with earlier forecasts, no significant gas price "fly-up" is projected in these forecasts.

Department of Energy, Report to Congress (July 1984).—DOE estimates a 2 to 3 percent increase in real average wellhead prices in 1985, but only as a result of higher gas demand and lower gas surplus volumes * * *

* * * While indefinite price escalator clauses in existing contracts will allow some wellhead prices to increase * * * the in-

crease will be limited because the volume of gas subject to contract-induced price fly-up is small, and greater market flexibility will encourage producers and pipeline companies to adjust prices in response to competitive forces.

I also think it is significant to note that the Canadian Government, due to compelling market forces, has finally found it necessary to relent in its insistence on commanding border prices for Canadian imports at levels considerably above market. This is certainly a welcomed development; however, I am informed by those knowledgeable in this area that Canadian imports may find it necessary to agree to yet another adjustment in that price, if in fact Canadian producers can expect to be competitive with domestic producers, whose supply excess is far greater than the entire Canadian increment. Therefore, we have yet another assurance of protection against any possible fly-up of price after January 1, 1985.

On the issue of the impact of take-or-pay clauses in gas sales contracts between producers and pipelines, again the problem has been grossly overstated.

First, it should be noted that so-called take-or-pay clauses contained in gas purchase agreements is not an institution of recent vintage or peculiar to the higher cost contracts entered into after the enactment of the Natural Gas Policy Act. To the contrary, long before the enactment of the Natural Gas Policy Act, such provisions had become accepted conditions of the typical contract and were blessed and institutionalized by the regulatory practices of the Federal Power Commission and its successor, the Federal Energy Regulatory Commission.

Pipelines accepted such provisions in contracts as partial consideration for the willingness of producers to make long-term commitments of supply. They were desired by producers before undertaking the costly and risky investments of developing reserves underlying the contracted for acreage and as a corollary device for facilitating the financing of high-cost transportation facilities by pipelines with the indentures associated with such financing often requiring the transportation of minimum volumes through those facilities, in the absence of which such indentures would mature prematurely.

For those who would argue that it was folly and/or imprudent of industry participants to commit or obligate pipelines to take minimum volumes under various contracts in the face of the higher prices and market reactions subsequent to the enactment of the NGPA, I refer them to the conference report upon which both Houses voted in the enactment of the NGPA in late 1978. It must be remembered that one of the paramount premises upon which the rationale for the NGPA was based was that the potential natural gas resource base was all but depleted and that, therefore, the demand for natural gas would exceed supply at least through this century. In fairness, however, it is my personal recollection that precious few prognosticators in either the public or private sector quarreled with this underlying premise, at least at that point in time, save and except producers. Nonetheless, producers, in response to higher prices and the reaction of consumers to those higher prices proved "50 million Frenchmen" to have been wrong, all in the short span of 2 years after the enactment of the Natural Gas Policy Act.

The point I am trying to make here is that the contractual dilemma confronting the industry under current market conditions, which were anticipated by precious few and certainly not by the Congress of the United States, is not the product of imbecilic businessmen lacking in an understanding of the simple dynamics of the free market. The name of the game for pipeline buyers, particularly after the enactment of the NGPA, was to tie up all of the reserves and deliverability available to it for the day of reckoning was at hand. The assumptions leading to that mind set were wrong, as were a majority of the Members of the House and the Senate of the 95th Congress.

As the pressures of the marketplace force an accommodation of contract disputes between buyers and sellers relative to price, so is the case with problems presented by obligations upon pipelines to take minimum contract quantities in excess of current demand.

According to a study performed by Foster Associates, Inc., published earlier this year, only four interstate pipelines account for two-thirds of the deficiency in producer billings for gas not taken, although they sell only one-fourth of the gas, with eight pipelines accounting for the remainder of the deficiency obligations.

More importantly, the report indicated that the impact on gas costs from take-or-pay deficiency obligations is minimal: $0.14/Mcf for the four highest pipelines and an average of less than $0.03/Mcf for all other pipelines.

Following is some current information relative to take-or-pay renegotiations of five of the more distressed pipelines.

PANHANDLE EASTERN PIPELINE CO. AND TRUNKLINE GAS CO.

"Panhandle made payments totaling $30 million to gas suppliers, but did not disclose any other settlement terms or the names of the companies involved. A company spokesman said that the settlement agreement included confidentiality provisions that prevent Panhandle's identifying any of the producers. He said that a number of different producers were involved including about 100 on the Panhandle system and several of nine large suppliers on the Trunkline system. The bulk of the reduced financial exposure, however, was on the Trunkline system, which buys large volumes offshore.

"Settlements thus far concluded have reserved virtually all of the gas reserves involved for future use and are providing the basis for settling the take or pay exposure occurring during 1984. Previously Panhandle has estimated potential liabilities of up to $1 billion for 1984 if terms were not renegotiated. But now the company believes the figure will be lower. A spokesman said that since Panhandle has reduced its takes of LNG, it has increased takes from domestic producers. On the Trunkline system alone takes are up 30%." (Natural Gas Intelligence—07/02/84.)

UNITED GAS PIPELINE CO.

"United Gas has paid $60 million in cash to discharge $500 million worth of producers' take-or-pay claims. The pipeline has settled claims with five or six of its top 10 suppliers, including Shell (regarded by one pipeline executive as 'the statesman of the industry' for its willingness to waive take-or-pay obligations for free), Phillips and Superior as well as Pennzoil. 'In some cases, we have been able to alleviate some take-or-pay exposure by marketing (interstate) gas under contract' through intrastate marketing subsidiaries in Louisiana, Texas and Mississippi, a United spokesman said. United is awaiting Federal Energy Regulatory Commission approval to create an interstate marketing program, too, for moving producer's gas to end-users." (The Energy Daily—05/08/84.)

TRANSCONTINENTAL GAS PIPELINE CO.

"Transco also is helping itself by direct negotiations with its suppliers. The pipeline reached a settlement last month with Atlantic Richfield disposing of $140 million in potential take-or-pay claims. That reduced Transco's total potential liability from $380 million to $240 million. The pipeline is 'actively talking' with another 10 or 11 producers whose claims amount to $100 million, a Transco executive said. 'What we're trying to do is work with producers to reduce or take-or-pay exposure by means other than paying out large sums of money,' he said." (The Energy Daily—05/08/84.)

INTERNORTH, INC., (NORTHERN NATURAL GAS CO.)

"At Northern Natural Gas of Omaha, a projected $1.8 billion in take-or-pay exposure for the years 1982-85 has been reduced to $500 million, an official said on Thursday. The cost to Northern: less than $100 million, and a promise to treat producers 'equitably' in future. The official could not say how much Northern owes currently." (The Energy Daily—05/08/84.)

SOUTHERN NATURAL GAS CO.

"President and CEO Ronald L. Kuehn, Jr., said that the worst of the pipeline's problems have been resolved. The company was able to solve most of its take or pay problems through direct negotiations with producers.

"We went out hat in hand to ask for relief," Kuehn said. Major oil and gas companies provide about 60% of Southern's gas supplies and the company was able to get relief from all of them.

"Kuehn said that Southern is not buying any gas for immediate delivery but is looking for supplies to come on late in 1986 when it believes demand on the system will turn up again. The only exception is the purchase agreement with Arkla signed last

year that calls for delivery in late 1985 at the rate of 100 MMcf/d." (Natural Gas Intelligence—06/04/84.)

Also attached to this statement are excerpts taken from the 1983 annual reports of 27 interstate pipelines relative to the so-called take-or-pay problem, which could hardly be said to reflect a concern on the pipeline's part that the deficits in billings incurred over the last few years will be ruinous to their markets or ability to do business. It should also be remembered that the subject take-or-pay contracts provisions provide for a makeup of the volumes not taken over the next several years.

Currently, H.R. 4277 has not been granted a rule by the House Rules Committee facilitating its consideration on the floor of the House. It is my understanding that there is still serious question as to whether such a rule will ever be granted, and if it is, whether the bill will actually receive floor consideration before the adjournment of the Congress in early October. Realizing that there is not time for both Houses to consider the issue, conference the differences, vote on a conference report and send legislation to the President, one can only assume that should H.R. 4277 make it to the floor of the House the only rationale for putting that body through such a catharsis could only be for the purposes of political posturing.

It is my assessment that the time available to consider pending Senate business will render it impossible for this body to consider and vote upon natural gas legislation prior to adjournment. Nonetheless, it is not hard to imagine that some Members of the Senate might seize upon the pressures of the impending national elections and attempt to move through the Senate a "quick fix" bill similar to H.R. 4277. In my judgment such efforts will fail. I for one intend to vigorously oppose any such attempts and feel comfortable in asserting that there are several of my colleagues who will collaborate with me in that effort.

The economic future of this country demands a rational reform of existing natural gas policy. The Congress of the United States and the administration, whomever prevails in the coming national election, will need to work very closely together in the 99th Congress to approach the legitimate problems existing in natural gas markets, independent of election year politics.

I have personally been involved in every energy policy debate as well as the resulting actions of the Congress for the decade of the so-called energy crisis and have unfortunately witnessed a number of very costly mistakes that we, the policymakers, have made, when so many of the driving elements of energy price and supply are beyond the pale of our control. It is my judgment that the fragile economies of this Nation and the free world can hardly afford the adoption of ill conceived and counter-productive U.S. energy policy initiatives. I therefore implore my colleagues here in the Senate to resist the considerable pressures of reelection politics and to join me and those who share my views in resisting any such attempts.

Most certainly there is not one among us who would not like to see all of the problems currently confronting this industry worked out by the participants in that industry. Throughout this difficult 2-year period such efforts have been ongoing; however none of those efforts have ever been free from the threat of congressional intervention. Therefore, it is not difficult to imagine trepidation on the part of producers in renegotiating troublesome contracts while threatened with the prospect of further congressional reformation of those contracts.

By the same token, is it difficult to imagine what effect the prospect of the Congress taking buyers out of their troublesome contracts might have upon their enthusiasm to make the necessary accommodations to induce buyers to relieve them of their otherwise onerous obligations? Please gentlemen let us not so interfere in one of the more rational adjustments in our distorted energy markets.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENTS ON TAKE-OR-PAY OBLIGATIONS REPORTED IN THE 1983 ANNUAL REPORTS OF INTERSTATE PIPELINES

ANR Pipeline Company (formerly Michigan-Wisconsin Pipeline Company): ANR has made substantial progress in renegotiating obligations regarding take-or-pay provisions. Aggressive countermeasures curtailed a possible $500 million obligation to $190 million by year's end. Amounts to be paid will be reduced in 1984 as markets absorb the previously undelivered gas.

An innovative rate settlement agreement allows Pipeline to recover costs associated with take-or-pay obligations and provides an incentive mechanism allowing up to $27 million in rewards or penalties based on the cost of purchased gas. Take-or-Pay obligations: $190.2 million in 1983; $128.3 million in 1982.

Management expects these amounts will be recoverable by application against amounts due for future gas purchases, or refunded in cash.

Arkansas-Louisiana Gas Company: No mention of take-or-pay issue is made in 1983 Annual Report to stockholders.

Colorado Interstate Gas Company: "Colorado Interstate Gas Company has succeeded in renegotiating some of its major gas purchase contracts to reduce the potential impact of pre-payments to producers under take-or-pay provisions . . ." Take-or-Pay obligations: $29.6 million in 1983; $33.5 million in 1982.

"It is anticipated that pre-payments will be recovered through future takes of gas or other provisions of the contracts."

"The potential exists that future take-or-pay obligations may be in excess of those incurred to date. Management is actively pursuing the alternatives to eliminate or mitigate the adverse impacts, if any, of these obligations."

Columbia Gas Transmission Corporation: "Should transmission be required to pay in full for gas not taken, or to pay increased prices for gas, such payments, including carrying charges, would be substantial and, if not recoverable, could be so substantial as to have a material adverse effect on Transmission's financial condition and the System's consolidated financial condition. However, since December 31, 1983, Transmission has reached a favorable settlement with one of the 12 producers and is continuing negotiations with other producers. Management believes that any such additional payments would also be recoverable in rates (assuming, as management believes, that market conditions at the time permit resulting higher tariff levels), future deliveries from producers and/or cash refunds from producers. Transmission increased its takes from affected producers to minimum contract volumes on December 1, 1983."

Consolidated Gas Transmission Corporation. No mention of take-or-pay issue is made in 1983 Annual Report to stockholders.

El-Paso Natural Gas Company: Based on projected sales levels, gas pre-payments would be recouped through make-up volumes within the allowed five year period.

Florida Gas Transmission Company: Florida Gas was not adversely affected by the problems facing the pipeline industry in 1982, such as take-or-pay commitments, indefinite price escalators and fuel switching.

Great Lakes Transmission Company: Nearly all of TransCanada's take-or-pay obligations have been assumed by a consortium of banks through Topgas Holdings Ltd. Producers, under the Topgas program, have agreed to forego further take-or-pay advances, except at a substantially reduced level of contract obligation.

Internorth, Incorporated (Northern Natural Gas Company, Northern Plains Natural Gas Company & Peoples Natural Gas Company): "The Corporation has, by strict adherence to state proration rules and communications and/or renegotiation with U.S. producers and Canadian suppliers, been able to reduce the 1983 take-or-pay deficiency exposure to about $125 millon. The estimated additional exposure for 1984 has been reduced to less than $200 million. Negotiations continue and it is anticipated that these outstanding exposures will be further reduced and will not have a material impact on the Corporation's financial statements."

Kansas-Nebraska Natural Gas Company: No mention of take-or-pay issue is made in 1983 Annual Report to stockholders.

Midwestern Gas Transmission Company: "In February 1984, the Company reached an agreement with ANR and TransCanada whereby ANR would assume direct responsibility to TransCanada for the take-or-pay obligation incurred for the years 1982 and 1983. Upon receipt of all necessary regulatory approvals, the Company intends to remove the take-or-pay obligations and other related assets and liabilities from the financial statements in future periods."

The Company has no reason to believe that the ultimate resolution of such matters will have an adverse effect on its financial position or results of operation."

Mississippi River Transmission Corporation: "Pursuant to the terms of advance payment agreements with various producers, Registrant (MRT) has made payments during the period 1973 to 1982 to cover the

cost of exploration and development of various gas prospects in return for a call on gas discovered. On September 30, 1983, the total outstanding under such agreements was $12,952,000, of which $5,100,000 was included in Registrant's rate base."

Montana-Dakota Utilities Company: The Company believes that it is not probable that it will be required to make payments for gas not purchased under take-or-pay provisions. "The Company estimates the value of the gas not purchased to be approximately $50 million at December 31, 1983. The Company believes that it would be entitled to recover from ratepayers any payments and related costs that would be incurred under its existing gas purchase contracts."

Mountain Fuel Supply Company: Mountain Fuel has fared better than most companies with regard to take-or-pay contract difficulties because of three factors—growth, flexibility and competitiveness.

"The Company historically has not purchased expensive deep, unregulated gas and has been able to negotiate more favorable take-or-pay contracts. While the company remains committed to honoring its purchase contracts, it intends to renegotiate purchase contracts with suppliers to reflect supply and demand."

National Fuel Gas Company: "The Company is responding to market imbalance in a variety of ways, which include reducing prices by exercising market-out clauses and renegotiating take-or-pay obligations in their producer contracts." The Company is confident that the results of these efforts will benefit both our customers and stockholders.

Natural Gas Pipeline Company: "Through September 30, 1983, Natural has paid $73 million for gas volumes not taken, including payments in settlement of some force majeure claims. Of this total, $21 million has been recovered. Payments are being made only in those situations where Natural has a reasonable expectation of receiving gas paid for within the make-up period or assurance of recovering the take-or-pay payments if such gas is not taken."

Potential take-or-pay exposure: $150 million in 1984, $70 million of which relates to take-or-pay exposure with Great Lakes Transmission Company for Canadian gas.

"The extent of future payments depends on many factors and payments may be significantly less than the potential listed above."

"Natural believes the ultimate resolution of take-or-pay matters will not have a material adverse effect on its financial position."

Northwest Central Pipeline Corporation: "Northwest Central has aggressively sought to mitigate take-or-pay and minimum bill deficiencies by renegotiating contracts with producers and pipeline suppliers and by selling or releasing excess gas on a short-term basis. Northwest Central is continuing to pursue all possible remedies to this contractual problem and is making significant progress."

Northwest Pipeline Corporation: Northwest Pipeline incurred substantial pre-payment deficiencies with its Canadian supplier for the contract year ended October 31, 1983. Because Northwest Pipeline is reducing its imports of Canadian gas to control gas purchase costs, deficiencies are expected to be significantly greater in 1984. "Northwest Pipeline and its Canadian supplier are currently negotiating to arrive at a mutually satisfactory resolution for future years."

Pacific Gas Transmission Company: In early 1984 the Company achieved contract amendments through negotiations with producers that reduce PGT's minimum purchase obligations and provide much greater flexibility in the Company's ability to respond to changing market conditions.

Panhandle Eastern Pipeline Company: If estimates of take-or-pay exposure materialize as liabilities, they would be of such magnitude as to be beyond the capacity of the pipelines to perform. However, it is by no means certain at this time that this exposure will be converted on a dollar-for-dollar basis into firm and final payment obligations. the producer's, for the most part, recognize the impact of weak gas markets and have not vigorously pressed claims for payment.

"It is the opinion of management that, if accepted, proposals under discussion with producers would reduce the take-or-pay problem to a manageable status although substantial payments would be involved in completing agreements."

Southern Natural Gas Company: Southern believes that if it were to pay for all gas tendered to it under gas purchase contracts, it would not be able to make-up a substantial amount of such volumes.

Southern believes that the take-or-pay provisions which provide for payments where the volumes cannot be made up may be unenforceable for various reasons . . . . Southern's current policy is that it will not make take-or-pay payments for volumes of gas that it believes cannot be made up."

Producers may make claims against Southern for amounts which are not now determinable. Such claims in the aggregate could be significant and material to Southern and Sonat.

The balance of gas pre-payments could be as small as $200 million or as large as $350 million by the end of 1984 depending on negotiations with producers, economic conditions, prices of competing fuels, and the availability of alternative operational arrangements to manage the take-or-pay volumes and the volumes actually tendered to Southern under its gas purchase contracts.

"The cash requirements to fund amounts related to take-or-pay payments, together with the cash requirements of the Company's anticipated capital expenditures and other operations, could impose significant financing requirements on the Company. The impact of such take-or-pay obligations is not material to the Company's financial position at December 31, 1983."

Tennessee Gas Pipeline Company: "Tennessee Gas Pipeline Company is attempting to minimize take-or-pay obligations."

Specific terms of future contracts will be designed to lower minimum contract quantities, minimize take-or-pay exposure and provide more flexible pricing agreements.

Tenneco announced on April 29, 1983, an emergency gas purchase program designed to enable the Company to reduce the weighted average cost of its purchased gas. One of the major provisions of the program pertains to the take-or-pay issue and its aim is to reduce the minimum volume which Tenneco will recognize as the measure of its obligation either to take-or-pay for gas if not taken under those contracts containing take-or-pay provisions.

"Tenneco, Inc., believes that any increased gas costs, including the cost of funds necessary for take-or-pay payments, will ultimately be recovered through rates charged to customers and that it will ultimately be able to take delivery of gas paid for but not taken during the period provided for in the contracts."

Texas Eastern Corporation—(Texas Eastern Transmission Company & Transwestern Pipeline Company): "In 1983 Texas Eastern kept its prices competitive and avoided incurring take-or-pay obligations." . . . Texas Eastern offered interruptible customers competitive prices under a FERC approved Eastern System tariff plan. "This allowed Texas Eastern to continue a high level of gas takes under existing contracts with producers thereby helping to avoid" take-or-pay obligations and continue an active gas supply acquisition program.

Texas Gas Transmission Corporation: "With the loss of gas sales volume in 1983 and the resulting reduced natural gas purchases, a major 1983 accomplishment was the company's ability to avoid take-or-pay obligations."

Transcontinental Gas Pipeline Company: "Transco made significant progress in reducing its potential take-or-pay obligations during 1983 by negotiating settlements with certain producers. Although the Company made payments early in the year for some gas not taken in settlement of certain potential take-or-pay obligations on the High Island Offshore System, most claims were settled by means other than paying for gas not taken. These settlements included exercising market-out clauses, some with associated reduction of minimum take and take-or-pay obligations and special marketing programs . . . ."

"While it is not possible to predict with precision the take-or-pay obligations that TGPL and Gasco would incur if take-or-pay provisions were found to be enforceable against them and other issues were to develop adversely to them, TGPL and Gasco estimate that they had approximately $380 million of potential take-or-pay obligations as of November 30, 1983, and that by the end of 1984 such amounts could possibly approximate several hundred million dollars more."

"TGPL and Gasco believe that the ultimate resolution of these take-or-pay considerations will not have a materially adverse effect on their financial position."

Trunkline Gas Company: ". . . Trunkline, with the high cost of LNG in its rate as of March 1, saw their sales decline dramatically, further aggravating the take-or-pay exposure and posing serious portents for the future.

Economic and operating conditions made it imperative for Trunkline in December to suspend temporarily its purchases of LNG.

"In addition to making lower rates possible, the LNG suspension has enhanced Trunkline's flexibility in managing its purchase obligations under domestic contracts. In this regard, new proposals were submitted in January 1984 to several of Trunkline's large producers as the basis of settling that subsidiary's take-or-pay exposure, which at $1.1 billion at the end of 1983, was 73 percent of the total pipeline exposure of $1.5 billion." Proposals under discussion with producers, if accepted, would render Trunkline's exposure manageable although substantial settlement payments would be involved.

"The Domestic take-or-pay problem remains a matter of gave concern and, together with the events and circumstances affecting the LNG project . . . has created substantial uncertainty concerning the continued viability of PEPL and Trunkline. Management believes that the difficult and complex issues involved in these matters will be resolved satisfactorily, However, there can be no assurance that this will be the case."

United Gas Pipeline Company: "Most of United Gas supply contracts contain take-or-pay clauses, which state that the pipeline company is required to purchase on an annual basis (or to pay for, if not taken) certain volumes of gas in stated amounts as described in those contracts. Some producers have agreed to waive claims for take deficiencies, and United Gas has successfully negotiated the settlement of claims asserted by some producers under these contract provisions. These waivers, along with settlement payments that have totaled approximately $60 million, have resulted in a reduction in potential claims, under certain producers' interpretations of the provisions, by approximately $500 million. Reduction of 1983 take-or-pay exposure is expected to continue in 1984 through further settlements and waivers and efforts to increase natural gas sales."

WAUKESHA, WI, CELEBRATES 150 YEARS

Mr. KASTEN. Mr. President, I rise today to give recognition to the great city of Waukesha, WI, as they celebrate their 150th birthday.

Once known as the "Saratoga of the West," Waukesha was a prosperous resort community famous for its healing springs and spas. At the turn of the century, bottled mineral water from the city could be found throughout the United States and Europe.

While none of the bottling companies or spas exists today, Waukesha has retained the flavor and excitement felt during those springhouse days.

This week, as the celebration begins, I would like to send my greetings to Waukesha, WI, for a happy 150th birthday.

ECONOMICS AMONG NATIONS AND U.S. POLICY

Mr. GORTON. Mr. President, it is clear that we live in a world of increasing economic interdependence. Some may view this condition with alarm. I believe it to have a positive impact. But neither attitude matters greatly, because at bottom it is simply a fact which we must accept. To a greater extent than ever before, both our domestic economic prosperity and our foreign policy goals are intertwined with the international economy. Our future prosperity will depend greatly on how we choose to meet the special challenges this condition raises.

This is not an abstract issue. The vitality of our banks, factories, and farms, indeed our economy as a whole, is at stake. In the State of Washington, for example, exports of manufactured goods directly or indirectly provide more than 80,000 jobs, more than one-fourth of all manufacturing employment. Overseas markets support nearly 25,000, or one-third, of Washington's farmers.

Today I want to survey briefly two of the problems before us, and emphasize the realities of the world political and economic context in which the United States must operate. I will also suggest the direction I believe Congress and American policy should turn in order to ensure our future welfare and security.

THE TRADE DEFICIT

One of the great American concerns of our day is the international competitiveness of American producers at a time of major structural change in our economy and an enormous trade deficit. This deficit, which will reach at least $100 billion and perhaps as much as $130 billion this year, is the consequence of our own and others' actions. It stems in part from the extraordinary value of the dollar. Our lack of budgetary discipline at home has driven up interest rates, which in turn have attracted foreign investors and boosted the dollar's value as against other currencies. In the last 3½ years, according to Arthur Burns, the value of the dollar has "appreciated about 30 percent against the Swiss franc, 40 percent against the British pound, 50 percent against the German mark, 100 percent against the French franc." As a consequence, American exports have been priced out of one overseas market after another.

There are other causes for the immense trade imbalance. Because we have lead the recovery from a global recession, American demand for foreign products has increased far more rapidly than overseas demand for ours. One should expect, if U.S. producers can withstand this penetration, that net imports into the United States will drop off somewhat as other economies join in the recovery and expand. I doubt the effects will be dramatic, however, if the dollar remains as strong as it is today.

Another cause for the trade deficit, which has been chronic since the early 1970's, has been the general rise of international economic competition. Centers of efficient production have emerged in east Asia, especially Japan, South Korea, and Taiwan. In the process of industrializing, these countries pursued aggressive export promotion policies while protecting their domestic markets. At the same time, in Japan at least, defense costs which would otherwise have inhibited their growth have been borne significantly by the United States. We must admire these countries on their success, a success which we have supported. We value them as close friends and partners, and wish to see their continued progress. But it is time that their domestic achievements are matched by their accepting international responsibilities. These responsibilities include further opening of their domestic markets. In the case of Japan, undue protectionism exists, for example, in the wood products, citrus, beef, fish, and high technology markets. Also in the case of Japan, the process of reducing import barriers should be accompanied by the assumption of a greater share of the defense burden.

The recession caused many of our other trading partners to increase protection of their domestic markets. The European community is a major example of this trend, particularly in agriculture.

Other causes of our trade woes are important, but are less significant. Our competitiveness has improved with the difficult and beneficial adjustments made by management and labor during the recession. But there are still Government licensing controls which inhibit our exports needlessly in some commodities, controls which should be partially corrected if a compromise on the Export Administration Act is reached by the Congress. Nevertheless, the big challenges with respect to the trade deficit are solving the Federal budget deficit and negotiating with our friends and competitors overseas for greater freedom and fairness in the terms of trade.

THE INTERNATIONAL DEBT CRISIS

The second great problem in international economic relations for American policy is the debt crisis. Again, the U.S. economy plays a key role. With insufficient recovery from the global recession by developing countries, and with persistent high interest rates on development loans, debtor and creditor countries, banks, and the IMF have been scrambling for a solution. Currently the strength of the American economy is buying everyone time by serving as an eager market for debtor countries. These countries are thus earning foreign exchange which helps them avoid large-scale defaults. The situation is ironic. We find ourselves opening our market with special trade preferences for these countries so that they may pay the high interest rates which are in turn propelled by our exorbitant budget deficits.

Trade preferences, together with the country-by-country approach taken by the IMF and banks to control the crisis, seem to be holding the line on the debt problem for the time being. Yet it is imperative that more be done soon, for these are temporary measures which treat symptoms, not the disease. We must lower interest rates to ease debtors' payments, and that means, again, fiscal responsibility at home.

Eliminating the Federal budget deficit, while critical, will be no immediate panacea. Many loans were made on the basis of bad projections of the economic progress that borrowers could realistically achieve, especially potential Third World oil exporters. Political difficulties in less developed countries and the unpopularity of the debt burden among these nations' citizenries further cloud the prospect for repayment. More loan rollovers will necessarily be granted, and general trade

preferences by the industrial powers must be expanded. Already underway, these delicate and complex efforts constitute our best hope to avoid massive defaults.

THE GLOBAL CONTEXT

The global context in which the problems of the trade deficit and Third World debt have developed has been one of increasing economic competition and political complexity. Since World War II the American share of world trade, production, and military capacity has declined. Relative to our economic and political competitors, we have fewer advantages than we used to. Other nations are less reliant on American products and are in many cases less reliant on our security unbrella, though we remain the world's major political and economic force.

In addition, international economic and political institutions and arrangements have weakened. Bretton Woods is a system of the past; international financial arrangements are strained; GATT has failed to cope with nontariff barriers; and the United Nations more often than not plays a peripheral or even a negative role in serious international disputes. The United States faces a more competitive, intractable nation-state system with weak international institutions.

At the same time, the level of economic interdependence has risen. For the United States, this has meant more than a doubling of the portion of the GNP involved in trade, which stands today at approximately 12 percent. This situation should not be viewed with alarm, for it indicates a high level of global economic competition, integration, and efficiency, nor should we attempt to reverse it for the costs of protectionism are high. It simply means that we must accord great importance to our foreign economic relations.

Because our society now has a greater stake in trade, we need all the more to fashion consistent and fair foreign policies which promote free trade. Nevertheless, we must remember that, in the world economy, nations as well as corporations play major roles. Although free trade may always be our purpose and ideal, it is seldom reality. Government subsidies or protection are the rule, not the exception.

DIRECTIONS FOR POLICY

What can America do? As in any political and economic system, including that of the global level, leadership is essential. To avoid a return to the protectionism of the 1930's, with possible international anarchy and economic collapse, the United States must act, and act responsibly. It's in our own interest to do so.

First, our own house must be put in order. Our governmental expenditures must balance better with our revenues so that interest rates may be lower, the dollar valued realistically, American goods competitively priced again, and charges on Third World debts reduced. Putting our house in order also means ensuring that our economy supports healthy industrial, agriculture, and service sectors. Overreliance on any sector will make us vulnerable to the vagaries of the international economy or to political challenges.

Second, we must avoid protectionism and encourage trade. The former means resisting domestic content legislation, tariffs, quotas, and other obstructions. The latter, encouragement of trade, must be pursued through firm bilateral and regional negotiations, with Japan, with the European Community and with other major trading partners. Regional discussions are likely to play an expanded role in the future, particularly in east Asia, and we should take positive steps to join in them, always insisting on fair trade opportunities while seeking our free trade goals.

These efforts, rather than substituting for, should complement our support of GATT. Indeed, we should take further initiatives in this world forum to broaden its scope in order to better incorporate nontariff barriers.

Third, we must deal with the debt crisis in a realistic and flexible way, understanding that it is in our vital interest to do so. The health of our financial institutions is bound inextricably with that of our trade and economy. We must have patience with the system of trade preferences and with the delicate policies of the IMF and banks.

Fourth, we need to review our own laws which provide protection against unfair foreign practices, not with the goal of impeding trade, but with the goal of responding adequately to a more complex world. Our producers face a different mix of foreign protectionist measures and more subtle trade practices compared with the past, and our laws must respond to this in order to ensure that domestic support for open trade is not eroded by a perception that we are being taken advantage of.

Fifth, we must ensure that our domestic economic and social programs, job training, trade adjustment assistance, encouragement of research and development such as through my bill (S. 1286, manufacturing sciences and technology research and development), and so forth, facilitate the redirection of resources, spur technical development, and deal fairly with the hardships that economic change invariably causes.

The world is at once more interdependent and unstable. Our responsibility is to address these new realities, understanding that our welfare depends on it. These realities call for U.S. leadership, a leadership that stresses bilateral and regional relations and that is more sensitive to the role of the American economy itself.

THE BIG QUARTERLY

Mr. BIDEN. Mr. President, it has often been observed that the social and political history of black Americans is indistinguishable from the history of their religious faith and of the churches that have ministered to their spiritual and temporal needs.

That was true back in 1813, when the Reverend Peter Spencer founded the first fully independent black American religious denomination in Wilmington, DE. It remains true today, when more than 26 predominantly black religious denominations serve nearly 14 million people in more than 60,000 churches throughout the Nation.

In terms of its impact on the lives of black Americans, it is no exaggeration to rank black religious independence with the Emancipation Proclamation, the 1954 Supreme Court decision outlawing segregated public schools, and the Civil Rights Act of 1964.

For the first time in our history, black Americans took on the responsibility for their own spiritual leadership and, in doing so, began to take command over their own history as a people within the greater American community.

It has been 171 years since Peter Spencer and the heads of 31 Wilmington families established their own church. On the last weekend of this month, as they have every year since then, Delawareans of every description will gather at the "Big Quarterly" in Wilmington to celebrate that historic act and to renew the communion that has been the enduring strength of generations of black Americans.

To understand the uniqueness of that celebration and the spirit that has infused the progress of independent black denominations, since 1813, it is important to remember what Peter Spencer said about the decision of these black families who founded their own church.

When these families discovered that they were not to share in the spiritual guidance in a church building they had constructed with their own hands, they decided they must set off on their own. But it was not an act of defiance, not a break with the religious tradition that had joined these families together in the first place.

It was, rather, to seek the best their faith had to offer them, to demonstrate that the religious spirit resides in all who dedicate themselves to good faith and good works, to build up and not to tear down.

"For the sake of peace and love, nothing but that," Peter Spencer said, "we soberly came away."

Such has remained the spirit of the independent black American church and the increasingly independent black American community that historically has focused its aspirations and its energies around that church. It is a remarkable testimony to the strength of that community that, despite the burdens it has had to bear and the obstacles it still must overcome, it has remained faithful to that spirit and steadfastly loyal to a Nation that placed such a high price upon the opportunities it offered to them.

The fact is that, long before all black Americans were made free and even longer before the gates of opportunity began to open to them, their own religious heritage and the leadership of their own church had integrated them into the traditional values upon which this country was founded.

No people among us has displayed a more enduring faith against the blows of long adversity. None has better preserved its sense of community in spite of rewards so long denied or deferred. And none has served this Nation more patriotically in war and peace.

During their long journey toward equal justice, equal opportunity, and equal sacrifice, none has held more tenaciously to the characteristic American belief in the possibility of a better world.

In that sense, Mr. President, the big Quarterly is a fundamentally American celebration. It embraces the continuing struggle of the black community to achieve its rightful place within a society "dedicated to the proposition that all men are created equal." But it also encompasses what must remain the continuing thrust of American society to realize increasingly the democratic ideals to which this Nation has been committed from the moment it was born.

The Big Quarterly is therefore not only an occasion for celebration but also a challenge to further labors. We are still a Nation in the process of becoming what we set out to be. We have accomplished much, but much remains before us and it will require the work of all our hands, in equal measure and with equal recognition, to achieve it.

The Reverend Peter Spencer and the first congregation of that first independent black religious denomination understood that when they opened their own church doors to the future 171 years years ago. It is for that reason that we, in Delaware, invite all Americans to join us in celebrating the Big Quarterly of 1984.

INDUSTRY WILL RESPOND TO RESEARCH JOINT VENTURE LEGISLATION

Mr. BIDEN. Mr. President, on July 31, the Senate unanimously passed S. 1841, the National Productivity and Innovation Act, by a vote of 97 to 0. The provisions of this bill were developed by members of the Judiciary Committee from several existing proposals as a way of sending an appropriate signal to private industry that joint research and development ventures by firms, aimed at high risk research at the leading edge of technology, would not automatically draw fire under the antitrust laws.

Mr. President, as I told the Senate last week, the bill reported by the Judiciary Committee represents a balanced and sensible clarification of our antitrust laws in an effort to foster research and development programs critical to the health and well-being of both our basic industrial economy and our capacity in emerging industries. It contains provisions which preserve the fundamental integrity of antitrust enforcement but that also establish more flexible rules of application to joint research and development programs.

Perhaps the most important feature of S. 1841, Mr. President, is the clear, appropriate and positive signal it sends to businesses that are prepared to invest in joint research. It tells those businesses that are prepared to take on the heavy expense and risk of long-term joint research and development activities that it is worth the undertaking. It also should remove any reservations on the part of business decisionmakers, real or perceived, that the antitrust laws stand as an impediment to joint research and development programs.

I think American businesses are ready, able, and willing to reponsibly use the provisions we have written to improve our competitive position in the world. As one indication of their willingness, I would draw the attention of Senators to an advertisement sponsored by the Mobil Oil Corp. that appeared in last Tuesday's Wall Street Journal. Their ad reiterates a key point that many of us on the Judiciary Committee have been trying to make. They correctly point out that the antitrust laws work reasonably well in protecting consumers from monopolistic practices—but at a time when foreign competitors have made the tactical decision to pool research resources, if those same laws discourage American firms from following suit, less competition and higher prices for American consumers may, in fact, result.

Mr. President, I am proud of my participation in the Judiciary Committee's work on this bill and I am very pleased that it was so overwhelmingly embraced by the Senate. I am hopeful that we will be able to quickly resolve the few differences with the House on this matter and pass a bill this session.

Mr. President, I ask unanimous consent that a copy of the advertisement that appeared in the Wall Street Journal be printed in the RECORD.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal]

CAUTION: TOO MUCH ANTITRUST COULD HARM THE ECONOMY'S HEALTH

American automakers are besieged by imports. The Japanese computer potential is seen as a threat to American dominance of the field. One of the reasons behind this stiff foreign competition is the state of research and development overseas—where foreign manufacturers can pool their resources to update their technologies.

In this country, government casts a suspicious eye whenever two or more companies within an industry collaborate in any fashion. Accordingly, the companies themselves are nervous about working together. They know they might be accused of violating antitrust laws, either by zealous enforcers or litigious competitors.

Most of the time, antitrust laws do what they're supposed to—they foster competition and protect consumers from monopolistic practices. But they can also hurt the consumer—by limiting the search for new, competitive technologies.

Research and development have become very expensive, requiring sophisticated plant and equipment and the best scientific talent. Many companies, even larger ones, simply can't afford to pursue every idea or lead which holds the promise of a better product or process. This is why, in such countries as Japan, corporations pool their R&D resources even though they continue to compete with each other in the marketplace.

By contrast, American concerns generally have been going it alone until the recent formation of the Microelectronics and Computer Technology Corporation, a research consortium which several large manufacturers have joined. But while such corporations as Control Data, Honeywell, Lockheed, NCR, Rockwell, and Sperry teamed up within the consortium, some equally well known companies hung back lest they encounter antitrust suits.

A bill now before the Senate may change all that. Known as the "National Productivity and Innovation Act," it seeks to restrain antitrust action against joint research ventures by applying a "rule of reason" test. In brief, it would force the government and the courts to examine each antitrust complaint to see whether the pooled research could lead to a restraint of trade that damages the competitive process. This bill, and a similar one already passed by the House of Representatives, would lighten penalties in damage suits when pooled research is at issue.

A law such as this is needed. Under current statutes, companies planning to pool their research efforts without incurring lawsuits must rely on the rulings of the Justice Department that the government will not attack their efforts in court. But this doesn't protect them against suits which may be brought by private interests.

Too much is at stake—employment, economic growth, and America's ability to compete in world markets—to keep technological progress dangling under a Damoclean sword of antitrust litigation. The National Productivity and Innovation Act should become law as quickly as possible.

IN SUPPORT OF THE ZABLOCKI RESOLUTION

Mr. PROXMIRE. Mr. President, I commend the Senate for accepting the amendment to the veterans health care bill which recognizes the outstanding service of our late colleague, Clem Zablocki. This legislation designates the Veterans' Administration Medical Center in Milwaukee, WI, as the Clement J. Zablocki Veterans' Administration Medical Center.

Clem Zablocki faithfully and energetically served his district for 35 years. He started in the Wisconsin Senate from 1942 to 1948 and then was elected to represent the Fourth District in the House of Representatives where his admirable performance won him his district's respect and support through 18 consecutive terms in office.

Clem Zablocki's many years in Washington did not affect the strong bond he had with his people in South Milwaukee, for almost without fail, he returned each weekend to listen to what they had to say. He was constantly conscious of his Wisconsin roots, his Polish heritage, and his duty to the working people of his district.

Perhaps the crowning accomplishment of a long and illustrious career was Clem's sponsorship of the War Powers Act Resolution. He recognized the importance of reasserting the rights of the Congress in the foreign affairs arena, and as chairman of the House Foreign Affairs Committee, he was in a position to see that these views were considered by the State Department and the President.

Clem Zablocki was a patriot, a supporter of a strong national defense, and a realist about Soviet intentions abroad. That is why his support for the nuclear freeze legislation and his leadership of the issue of chemical weapons production was so effective.

Mr. President, it is a small but fitting tribute that this resolution renames the veterans hospital after this great leader and champion of veterans' programs. It would have pleased Clem, though his modesty may have precluded him for admitting it.

SOVIET WEAPONS PRODUCTION AND MILITARY SPENDING

Mr. PROXMIRE. Mr. President, at my request the Defense Intelligence Agency has updated the unclassified weapon production data for the 1972-83 time period for the Soviet Union.

The information is contained in a series of tables which include the total production of ground force equipment, naval ships aircraft, guided missiles, and military ground based radar. The tables also show the number of weapons made by the Soviets in each year for export, and the totals produced for their own use. This differentiation permits one to see how much of annual defense production goes for Soviet military procurement and how much goes for export to other countries.

Last year we learned that the level of Soviet weapon production had remained level or declined for a substantial number of types of weapons. Of 32 categories of weapons produced in the U.S.S.R. for Soviet forces, the annual production level for 19 categories declined or failed to grow, while the level for 13 categories increased.

The new data show that this trend continued in 1982 and 1983. That is, of the 32 types of weapons for which we have annual production information, 19 declined or stayed the same; 13 increased.

This information when combined with other evidence and fully analyzed can contribute to our understanding of Soviet weapons priorities and procurement costs. But it is important that the defense production facts not be taken out of context or used to jump to premature conclusions about Soviet defense production or Soviet defense spending.

The fact is that as of now there is no official U.S. intelligence estimate of Soviet military spending in 1983. At least, none has been made available for unclassified use. Until the official estimate has been made available it could be misleading to draw conclusions based on partial evidence that has not been fully analyzed.

Mr. President, I ask unanimous consent that the tables be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—U.S.S.R. GROUND FORCES EQUIPMENT PRODUCTION, 1972–83

General equipment type	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
Heavy and medium tanks:												
Total production	3,300	3,100	2,800	2,900	3,100	3,000	3,000	3,500	3,100	2,000	2,500	2,700
Made for export	700	1,850	1,000	400	200	200	400	600	300	800	400	300
Domestic use	2,600	1,250	1,800	2,500	2,900	2,800	2,600	2,900	2,800	1,200	2,100	2,400
Infantry combat vehicles:												
Total production	2,000	2,100	2,300	2,400	2,500	2,500	2,800	2,600	3,200	3,200	3,300	3,400
Made for export	50	200	100	0	0	0	0	350	100	500	600	400
Domestic use [1]	1,950	1,900	2,200	2,650	2,950	2,700	3,000	2,250	3,100	2,700	2,700	3,000
Armored personnel carriers:												
Total production	2,600	3,000	2,400	1,000	1,000	1,300	1,700	1,900	1,900	1,000	500	200
Made for export	250	350	1,400	450	500	500	500	200	150	50	100	0
Domestic use [1]	2,350	2,650	1,000	550	500	800	1,200	1,700	1,750	950	400	300
Armed RECCE vehicles:												
Total production	1,200	1,000	1,000	1,000	1,000	1,100	1,100	1,200	1,200	1,000	800	800
Made for export	50	170	100	150	250	250	400	250	325	200	125	100
Domestic use	1,150	830	900	850	750	850	700	950	875	800	675	700
SP field artillery (100 mm and up):												
Total production	150	250	500	800	800	800	800	900	900	1,100	1,100	1,100
Made for export	0	0	0	100	100	50	100	50	75	200	50	50
Domestic use	100	250	500	700	700	750	700	750	725	900	1,050	1,050
Towed field artillery (100 mm and up):												
Total production	1,200	1,000	900	800	800	1,200	1,300	1,400	1,300	1,300	1,200	1,100
Made for export	150	150	150	550	400	150	200	200	400	200	50	75
Domestic use	1,050	850	750	250	400	1,050	1,100	1,200	900	1,100	1,150	1,025
Towed field artillery (under 100 mm):												
Total production	50	50	50	50	0	0	0	100	100	300	500	600
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	50	50	50	50	0	0	0	100	100	300	500	600

TABLE 1.—U.S.S.R. GROUND FORCES EQUIPMENT PRODUCTION, 1972–83—Continued

General equipment type	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
Artillery-type rocket launchers:												
Total production	450	500	500	500	500	500	550	600	700	700	700	700
Made for export	100	150	50	100	150	150	250	250	300	50	250	50
Domestic use	350	350	450	400	350	350	300	350	400	650	450	650
Artillery-type mortars:												
Total production	0	0	0	0	0	50	50	500	500	1,000	1,100	1,100
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	0	0	0	0	0	50	50	500	500	1,000	1,100	1,100
SP AA artillery:												
Total production	350	350	350	350	350	300	300	300	300	300	200	100
Made for export	25	100	150	75	200	150	150	200	200	150	200	50
Domestic use	325	250	200	275	150	150	150	100	100	150	0	50
Towed AA artillery:												
Total production	500	500	500	500	300	200	100	0	0	0	0	0
Made for export	125	225	500	500	300	200	100	0	0	0	0	0
Domestic use	375	275	0	0	0	0	0	0	0	0	0	0

[1] Includes imports.

TABLE 2.—U.S.S.R. NAVAL SHIP PRODUCTION, 1972–83

General equipment type	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
Ballistic missile submarines:												
Total production	6	6	7	6	6	5	2	2	2	2	1	1
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	6	6	7	6	6	5	2	2	2	2	1	1
Attack submarines:												
Total production	6	6	7	4	4	7	11	10	11	9	7	9
Made for export	1	3	2	0	0	3	1	1	2	0	0	2
Domestic use	5	3	5	4	4	4	10	9	9	9	7	7
Major surface combatants:												
Total production	8	12	9	13	13	12	11	11	11	9	8	10
Made for export	2	1	2	1	1	2	1	3	1	2	2	1
Domestic use	6	11	7	12	12	10	10	8	10	7	6	9
Minor surface combatants:												
Total production	70	50	55	60	55	50	50	55	65	45	55	45
Made for export	10	10	5	20	5	20	20	20	30	10	20	10
Domestic use	60	40	50	40	50	30	30	35	35	35	35	35
Naval support ships:												
Total production	15	12	5	9	6	5	7	7	9	6	5	6
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use [1]	25	20	15	15	15	15	25	25	20	20	10	20

[1] Includes imports.

TABLE 3.—U.S.S.R. AIRCRAFT PRODUCTION, 1972–83

General equipment type	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
Long-range bombers:												
Total production	10	10	15	20	25	30	30	30	30	30	35	35
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	10	10	15	20	25	30	30	30	30	30	35	35
Medium-range bombers:												
Total production	25	5	0	0	0	0	0	0	0	0	0	0
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	25	5	0	0	0	0	0	0	0	0	0	0
Fighters/fighter bombers:												
Total production	1,000	1,100	1,200	1,300	1,150	1,200	1,250	1,300	1,300	1,350	1,100	950
Made for export	450	450	400	250	275	400	450	500	475	550	400	250
Domestic use	600	650	800	1,050	875	800	800	800	825	800	700	700
Combat-capable trainers:												
Total production	50	50	50	50	50	50	50	25	25	25	25	10
Made for export	30	35	40	40	45	45	45	25	25	25	25	10
Domestic use	20	15	10	10	5	5	5	0	0	0	0	0
Noncombat-capable trainers:												
Total production	0	10	50	100	100	50	50	50	50	25	25	25
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	0	10	50	100	100	50	50	50	50	25	25	25
Antisubmarine warfare aircraft:												
Total production	25	20	5	5	5	10	10	10	10	10	10	5
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	15	20	5	5	5	10	10	10	10	10	10	5

TABLE 3.—U.S.S.R. AIRCRAFT PRODUCTION, 1972–83—Continued

General equipment type	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
Military and civil helicopters:												
Total production	1,100	1,200	1,350	1,500	1,575	1,000	700	700	700	800	800	800
Made for export	75	150	125	100	150	100	200	300	200	200	200	175
Domestic use	1,025	1,050	1,225	1,400	1,425	900	500	400	500	600	600	625
Military and civil transports:												
Total production	350	400	400	400	450	450	400	400	350	350	300	300
Made for export	25	50	50	0	75	75	50	50	25	75	50	50
Domestic use	325	350	350	400	375	375	350	350	325	275	250	250
Communications/utility aircraft:												
Total production	0	0	10	50	50	50	25	25	10	0	0	0
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	0	0	10	50	50	50	25	25	10	0	0	0

TABLE 4.—U.S.S.R. GUIDED MISSILE PRODUCTION, 1972–83

General equipment type	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
ICBM's:												
Total production	150	150	200	250	300	300	225	225	250	200	175	150
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	150	150	200	250	300	300	225	225	250	200	175	150
IRBM's:												
Total production	0	0	0	25	50	100	100	100	100	100	100	100
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	0	0	0	25	50	100	100	100	100	100	100	100
SRBM's:												
Total production	100	100	100	100	100	200	250	300	300	300	300	350
Made for export	0	0	0	0	0	0	0	0	0	0	0	?
Domestic use	100	100	100	100	100	200	250	300	300	300	300	350
SLBM's:												
Total production	300	100	150	150	150	150	250	200	200	175	175	200
Made for export	0	0	0	0	0	0	0	0	0	0	0	0
Domestic use	300	100	150	150	150	150	250	200	200	175	175	200
Antiship cruise missiles:												
Total production	800	800	800	800	800	900	900	900	1,000	1,000	1,000	1,000
Made for export	0	0	5	45	5	100	75	375	125	175	150	125
Domestic use	800	800	795	755	795	800	825	525	875	825	850	875
SAM's:[1] Total production	25,000	29,000	38,000	42,000	43,000	50,000	53,000	53,000	53,000	53,000	53,000	55,000
Tactical air-to-surface missiles:												
Total production	1,200	1,300	1,300	1,300	1,300	1,300	1,400	1,300	1,300	1,300	1,300	1,300
Made for export	0	0	0	0	0	0	0	100	20	25	0	10
Domestic use	1,200	1,300	1,300	1,300	1,300	1,300	1,400	1,200	1,280	1,275	1,300	1,290
Antitank guided missiles:[1] Total production	25,000	25,000	28,000	28,000	30,000	30,000	35,000	40,000	45,000	60,000	63,000	70,000

[1] The distribution and numbers of Soviet SAM's and ATGM's are unknown.

TABLE 5.—U.S.S.R. MILITARY GROUND-BASED RADAR PRODUCTION, 1972–83

General equipment type	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
Military ground-based radar:												
Total production	1,600	1,700	1,700	1,600	1,400	1,300	1,200	1,200	1,100	1,200	900	800
Made for export	100	100	300	100	200	200	100	100	50	150	0	0
Domestic use	1,500	1,600	1,400	1,500	1,200	1,100	1,100	1,100	1,050	1,050	900	800

THE RETIREMENT OF JOHN C. HOFFMAN, PRINCIPAL OF THE CAPITOL PAGE SCHOOL

Mr. BAKER. Mr. President, Senator BYRD and I would like to bring to the attention of the Senate that Mr. John C. Hoffman is retiring after serving for 16 years as principal of the Capitol Page School. He has served as a dedicated educator in the District of Columbia for 36 years.

Among his recognitions was a testimonial given by over 300 of his former athletes, the Prince Georges County Junior Chamber of Commerce Physical Fitness Leadership Award, the Governor of Maryland's Distinguished Citizenship Award for outstanding contribution and devotion to the instruction, guidance and training of the youth of Maryland and the District of Columbia demonstrating integrity and ability, life membership as a member of the Prince Georges County Boys and Girls Clubs Board of Directors for 25 years of counseling and coaching youth, the Washington Amateur Baseball Association Award, the Home Plate Club Award for service to youth and he was inducted into the Home Plate Club Sandlot Hall of Fame.

Mr. Hoffman was five-time president of the Metropolitan Baseball Umpires Association and editor of its monthly newspaper, the "Indicator." In addition to umpiring Atlantic Coast and Mason-Dixon Conference, he umpired college high school and semi-pro leagues and for several years the annual Democrat-Republican games.

As a coach of baseball, football and basketball, his teams traveled to 12 States and garnished 33 titles. In 1973 his 15-year-old Prince Georges County Baseball team won the World Series of Babe Ruth Baseball at Manchester, NH.

As well as having been an outstanding player, coach, and manager, Mr. Hoffman has been a dedicated educator in the D.C. Public School System. After being discharged for wounds incurred in WWII he matriculated at George Washington University to receive a bachelor of science degree, then Maryland University for a master degree in guidance and personnel and joined the D.C. public schools in 1948. He has chaired numerous committees on the exceptionally gifted and the mentally retarded and emotionally disturbed. He was honored with life membership in the National Congress of Parents and Teachers and honored by the D.C. Bar Association for his booklet and unit titled, "But Your Honor I Didn't Know." The unit, based on the book which explained laws apropos to juveniles, was used by the school system. He lectured extensively in the field of juvenile deliquency and special programs. He has received numerous recognitions for professional dedication in educational leadership.

Highlights of his career were commendations by three Speakers of the House, the late Honorable John W. McCormack, Hon. Carl B. Albert, and Hon. THOMAS P. O'NEILL and with his graduates was received by Presidents Richard M. Nixon, Gerald R. Ford, James E. (Jimmy) Carter, Jr., and Ronald W. Reagan.

Mr. John C. Hoffman has had a great deal of influence on the young lives of the pages he has instructed over the years. The pages have often expressed their great respect and admiration for his efforts on their behalf. He served this institution well over the course of his 16 years as principal of the Page School. We wish him every success in his future endeavors.

SENATOR KASTEN RECEIVES GOLDEN GAVEL AWARD

Mr. BAKER. Mr. President, today, at approximately 1 p.m., Senator KASTEN becomes the fourth Senator to receive the Golden Gavel Award during the 98th Congress.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AGRICULTURE APPROPRIATIONS, 1985

The PRESIDING OFFICER. The Senate will now resume consideration of the pending business, H.R. 5743, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 5743) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1985, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Kennedy Amendment No. 3680, to increase funds to carry out the special supplement food program.

(The names of Mr. KASTEN, Mr. DECONCINI, and Mr. RIEGLE were added as cosponsors.)

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, may I say to the minority leader that there are two items which appear to be cleared for action by unanimous consent on this side. I refer to Calendar Order No. 1035, which is Senate Concurrent Resolution 109, and then Calendar No. 688, which is H.R. 2175. May I inquire of the minority leader if he is prepared to consider either one or both of those measures? If so, it would be my intention to ask that the Senate temporarily set aside consideration of the agriculture appropriations bill and turn to these two matters.

Mr. BYRD. Mr. President, both items have been cleared on this side and we are ready to proceed.

Mr. BAKER. I thank the minority leader.

Mr. President, I ask unanimous consent the Senate now temporarily set aside consideration of the pending business and turn to the consideration first of Calendar Order No. 1035 and then to the consideration of Calendar No. 688, and that the Senate then resume consideration of the pending business, the agriculture appropriation bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

SUPPORT OF A NATIONAL STORM PROGRAM

Mr. BAKER. Mr. President, I ask first that the Chair lay before the Senate Calendar Order No. 1035.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 109) expressing the sense of the Congress that the Federal Government take immediate steps to support a national STORM program.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. HOLLINGS. Mr. President, today I urge the Senate to give speedy approval to Senate Concurrent Resolution 109, the STORM resolution. This bill expresses a sense of the Congress that the Federal Government take immediate steps to support a National STORM Program. It was unanimously reported from the Commerce Committee in June and is cosponsored by a bipartisan group of 24 Senators representing every region of the country.

STORM, an acronym for Stormscale Operational Research Meteorology, is a program to increase our knowledge of stormscale weather and our ability to respond to it. Stormscale weather, to put it simply, is damaging weather—tornadoes, downbursts, severe squall lines, thunderstorms, flash floods, and localized heavy snows. It consists of weather systems ranging in size from 400 miles to a mile square. This weather frequently disrupts transportation, agriculture, industry, and national security—accounting for $20 billion in annual economic losses to our Nation. More importantly, however, stormscale weather claims up to 1,000 lives each year. And these, I believe, are conservative estimates.

The shame of it all is that we now have the technological capability to radically increase our ability to predict stormscale weather and provide life-saving and damage-reducing warnings. Further technological improvements are now being developed. What we lack is the resolve at the Federal level to implement state-of-the-art equipment at weather stations throughout the country. The National STORM Program provides us with a comprehensive strategy to achieve this aim. Through it, the Federal Government would act as a catalyst in a nationwide system of coordinated research, prediction, and reporting of stormscale weather.

We need not look very far back into our history to find numerous examples of the human misery and serious financial losses that have resulted from stormscale weather. Just this Spring, prior to the introduction of the STORM resolution, a severe weather system spawning dozens of tornadoes left a swath of death and destruction from northern Georgia, through my own State of South Carolina, and north to the Virginia border. The final death toll was 63 with property damage into the hundreds of millions of dollars. This disaster involved only a few of the more than 1,000 tornadoes that have been recorded in the

United States this year—tornadoes which have claimed a total of 123 lives. It's a bad year, but we've seen worse. In 1974, over one 2-day period in April, a series of twisters struck a broad belt from the Mississippi River eastward to the Appalachians and northward to New York; 315 people died, more than 5,000 were injured, and property damage estimates began in the neighborhood of $600 million.

Tornadoes are only one aspect of stormscale weather. About 100,000 thunderstorms occur each year in the United States, accounting annually for an average of 400 deaths and $2 billion damage. Lightning alone kills approximately 100 people each year and is responsible for some 10,000 fires. More than 200 people die each year in flash floods. Property damages from floods now averages $4 billion annually, with more than 90 percent of all Presidential disaster declarations being flood related.

Finally, there are downbursts—masses of cold air drop creating ground-level winds of up to 200 miles per hour. Until recently, we have often mistaken these phenomena for tornadoes. Downbursts are of particular concern to the aviation community. On July 9, 1982, a Pan American World Airways jetliner crashed during takeoff from New Orleans Airport, killing all 145 people on board and eight people on the ground. The National Transportation Safety Board determined that the probable cause of the accident was wind shear due to the plane's encounter with a small downburst. A series of larger downbursts were responsible in July 1980, for $500 million in property damage in an area between Chicago and Detroit.

Ironically, we do have the capability to track and predict large scale weather patterns. In 1961, when the science of weather prediction was in its infancy, Congress passed a concurrent resolution expressing support for the newly-established World Weather Program. This was a cooperative international program under the auspices of the World Meteorological Organization. With subsequent congressional funding, the World Weather Program laid the foundation for understanding global weather patterns. The international scientific community, with the help of our National Academy of Sciences, has since refined its comprehension of large-scale weather patterns into a near-exact science.

So, too, have we laid the foundation for the prediction of small, stormscale weather systems. The first step was the introduction of weather radar after World War II. The second step was the launching of a satellite-based weather monitoring system in the mid-1960's. But the one-time revolutionary radar equipment is now outdated and obsolete. The National Weather Radar System, an antiquated vacuum-tube system installed 26 years ago, must now be replaced. Parts are no longer available and maintenance must be carried out by cannibalizing other old radar units, which we are running short of.

In addition, the old radar was technically superseded several years ago by new types of radar that can far more accurately measure atmospheric motion and pinpoint the small severe weather systems that have eluded us so far. With this new equipment, meteorologists will be able to more accurately find and track severe thunderstorms, tornadoes, and even small downbursts around airports. In addition, scientists strongly believe that this new technology will enable them to make radical progress in stormscale weather analysis and prediction.

The Federal Government has recognized the technological superiority and capability of these new systems. In fact, the Federal Aviation Administration, the National Oceanic and Atmospheric Administration, and the Department of Defense have already committed themselves to replacing our aging weather system with this long overdue new technology. But the full installation of the system has been pushed back to at least the midnineties because they can't get the funding to do it any earlier.

With so many lives and so much property at stake, it would be foolish to wait that long—especially when we could be taking advantage of this technology now. To bring our Nation into the era of high-tech meteorology requires two essential elements. The first is a comprehensive plan of action for a national system of coordinated research and operations. The second is a funded procurement program. Both of these needs will be met by the National STORM Program.

The STORM Program has two major components. The operational aspect is designed to use existing knowledge of stormscale weather in conjunction with the deployment of available technology to observe, analyze, predict, and disseminate stormscale weather information. The research component will improve our abilities to understand stormscale weather through the development of better conceptual and mathematical models. The research and operations efforts will entail the final development or deployment of numerous technologies, including:

NEXRAD (NEXT GENERATION RADAR)

The new Doppler radar system will measure the intensity of rain and other forms of precipitation necessary for the forecasting and warning of flash floods; find the precise location of tornado-spawning clouds so warnings to citizens can be issued up to an hour before a tornado strikes an area—presently warnings are provided with only minutes to spare; and identify specific wind gusts associated with squall lines or downbursts—information essential to aviation safety.

NEW REMOTE SENSORS

With existing and new remote sensors on our weather satellites, we will be able to measure atmospheric and surface temperatures—information particularly important to agriculture for predicting killer frosts—and with finalization of sensors using microwaves and lasers, we can anticipate more detailed information from inside severe storm systems. The National Aeronautics and Space Administration had been pursuing this research with the aim of installing these sensors on NOAA's weather satellites, but has since abandoned the effort due to lack of funds. Ground-based remote sensors, based on the new radar technologies, can be used in clear air to find turbulence and wind motion.

AUTOMATED WEATHER STATIONS

These will range from simple inexpensive stations that gather a limited number of measurements to those equipped to measure the full range of meteorological phenomena.

ADVANCED COMMUNICATIONS SYSTEMS

The system now employed by the National Weather Service cannot transmit or display either radar or satellite pictures to show the development and motion of weather systems. However, existing technology can be utilized, in conjunction with additional software development, to accomplish this task.

ADVANCED COMPUTER SYSTEMS

With stormscale weather often short-lived, it is essential that the digital computer systems respond rapidly to enable forecasters to make quick and accurate predictions. This is extremely important for the timely dissemination of warnings about upcoming dangerous weather. The development and operability of the modeling capability on state-of-the-art computers is central to the STORM Program.

Senate Concurrent Resolution 109 also calls for the maintenance of a two-polar satellite system. This is especially important in light of the administration's proposal to cut back to a one-polar orbiter. The two-polar system provides a more complete picture of developing global weather patterns and it improves our long-term weather forecasting ability. It also is our contribution to a multinational agreement [COSPAS/SARSAT] that has as its goal the detection and location of aircraft and ships in distress.

The need to maintain a two-satellite system has been dramatically highlighted in recent days with the disablement of a U.S. polar satellite in mid-July and the crippling of our east coast weather satellite just this past weekend. These unfortunate occurences will severely impair our ability

to provide accurate and up-to-the-minute weather information. This is critical, especially during the hurricane season, and to our efforts to provide for the safety of the world's mariners. Reducing the number of polar satellites cannot be justified on the basis of economy.

The National STORM Program will coordinate the weather-related activities of seven Federal departments and agencies, with the National Oceanic and Atmospheric Administration in the lead. The other agencies are the Federal Aviation Administration, the Environmental Protection Agency, the National Aeronautics and Space Administration, the National Science Foundation, and the Department of Defense and Interior. Research and implementation of updated weather forecasting techniques through these agencies will provide direct benefits to the health and safety of our citizens, as well as our national defense.

It would be inaccurate to claim that the cost of implementing the National STORM Program over the next 10 years is insignificant—though we now believe it will be substantially below the original estimate of $60 to $100 million a year. But let us remember that the annual economic loss to this country from stormscale weather is on the order of $20 billion. If we were able to reduce property damage by just 5 percent, the total amount saved would be $1 billion a year. And in all likelihood, the savings would be much greater than that figure.

But there is a more important consideration. The rapid dissemination of approaching stormscale weather is going to save a substantial portion of the more than 1,000 lives that are lost each year in weather-related tragedies. I ask you, what price do we put on that achievement?

We are at a crossroads. We can go on coldly ignoring these losses. We can stand idly by while people continue to be injured and killed, and billions of dollars are lost to our economy. Or we can recognize that these catastrophic circumstances can be mitigated through the deployment of technology that is available to us now. We can voice our strong support for a national program which will further our capabilities to understand and predict stormscale weather.

The National STORM Program represents the type of program that is a paramount function of Government—the protection of the lives and property of its citizens. It is a national effort, a bipartisan effort, and it will bring great benefits to every corner of our Nation. I urge my colleagues in the Senate to join me in expressing our enthusiastic support for this program by passing Senate Concurrent Resolution 109.

Mr. BUMPERS. Mr. President, as a cosponsor of the STORM concurrent resolution, I am pleased that the Senate is acting today on this important piece of legislation. It is absolutely imperative that this country take immediate steps to improve its capabilities to predict stormscale weather. This resolution calls on the Federal Government to replace our obsolete weather radar with the following new technologies: a modern radar network [NEXRAD]; additional remote sensors for our existing weather satellites; ground-based remote sensors to measure wind motion; automated surface weather stations; refined communications systems that yield rapid forecasts and warnings; and refined digital computer systems necessary for rapid analysis and prediction.

Just last month, the satellite primarily responsible for tracking weather systems in Eastern North America and the Atlantic Ocean failed. The failure of this satellite at the beginning of the hurricane season leaves our Nation particularly vulnerable and has forced the U.S. Weather Service to move our Western satellite to the middle of the continent. Our capability to track storms in the Eastern Atlantic and the Western Pacific is now seriously diminished. The failure of our primary eastern satellite is just one dramatic example of the need for greater, more sophisticated weather forecasting technologies.

In my State of Arkansas, on an average annual basis, there are 57 deaths, 103 serious injuries, and $374,000,000 in property damage caused by severe weather. In many States, the figures for human and property loss are even higher. A modernized storm-scale weather prediction capability will give our citizens the time they need to evacuate danger areas, to take cover, and to secure or evacuate their property. I urge my colleagues to support this resolution.

The concurrent resolution (S. Con. Res. 109) was considered and agreed to.

The preamble was amended and agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 109

Whereas the most severe weather problem in the United States is the unanticipated, destructive, and hazardous occurrence of small-scale weather disturbances, which disrupt the economy through serious impacts on transportation, agriculture, and industry, and which result in a staggering average annual economic loss of $20,000,000,000 and an average annual loss of life approaching, one thousand;

Whereas the Congress finds that recent advances in atmospheric science and related technology make it possible to improve the protection of the public and increase the productivity of the Nation's economy through modernization of the Nation's weather services over the next decade by improved observation and prediction of storm-scale weather phenomena such as squall lines, thunderstorms, flash floods, freezing rain, and dense fog;

Whereas an increased capability in storm-scale weather prediction and services for the people of the United States will require implementation of observation, data collection, processing, and dissemination technology and an associated research effort aimed at the development of improved forecasting procedures and field programs to acquire the necessary data to test procedures and technology;

Whereas there is a widespread consensus in the scientific community that recent developments in technology and scientific understanding of storm-scale weather phenomena make it timely to undertake a national storm-scale operational and research meteorology program (STORM) which can yield the desired improvements over the next decade in the Nation's weather services;

Whereas the Federal Government is currently pursuing plans to modernize the Nation's operational weather capability by implementing new technology such as next generation radar (NEXRAD), the next generation of geostationary operational environment satellite (GOES) and continuing the two polar satellite system;

Whereas significant improvements in storm-scale weather prediction can be achieved by a modest but sustained annual increase over the next decade in the Nation's present investment in weather services and research; and

Whereas a national STORM program should be implemented by the Federal agencies involved, including the Departments of Commerce, Defense, Interior, and Transportation; the Environmental Protection Agency; the National Aeronautics and Space Administration; and the National Science Foundation: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That (1) it is the sense of the Congress that the Federal Government take immediate steps to support funding for such a program under the leadership of the National Oceanic and Atmospheric Administration of the Department of Commerce, with the cooperation of other interested and appropriate departments and agencies; (2) on or before January 1, 1985, and each fifth year thereafter the President should transmit to the Congress a plan setting forth the proposed activities of the national STORM program and the budgetary requirements needed to meet the program's goals and objectives; (3) such plan should contain a statement of the activities to be conducted and specify the department or agency of the Government which will conduct the activities; and (4) on or before January 1, 1986, the President shall transmit to the Congress a report on progress made in implementing the national STORM program.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JUSTICE ASSISTANCE ACT

Mr. BAKER. Mr. President, now I ask the Chair lay before the Senate Calendar Order No. 688.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 2175) to amend the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3690

(Purpose: To amend the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes)

Mr. THURMOND. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. THURMOND] proposes an amendment numbered 3690.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof:

TITLE I—AMENDMENTS TO OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

SHORT TITLE

SEC. 101. This Act may be cited as the "Justice Assistance, Missing Children and Juvenile Justice Act of 1984".

SEC. 102. (a) Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701-2799) is Amended to read as follows:

"PART A—OFFICE OF JUSTICE ASSISTANCE

"ESTABLISHMENT OF OFFICE OF JUSTICE ASSISTANCE

"SEC. 101. There is hereby established an Office of Justice Assistance within the Department of Justice under the general authority of the Attorney General. The Office of Justice Assistance (hereinafter referred to in this title as the 'Office') shall be headed by an Assistant Attorney General appointed by the President, by and with the consent of the Senate. The Assistant Attorney General shall have authority to award all grants, cooperative agreements, and contracts authorized under this title.

"DUTIES AND FUNCTIONS OF ASSISTANT ATTORNEY GENERAL

"SEC. 102.(a) The Assistant Attorney General shall—

"(1) publish and disseminate information on the conditions and progress of the criminal justice systems;

"(2) maintain liaison with the executive and judicial branches of the Federal and State Governments in matters relating to justice research and statistics, and cooperate in assuring as much uniformity as feasible in statistical systems of the executive and judicial branches;

"(3) provide information to the President, the Congress, the judiciary, State and local governments, and the general public on justice research and statistics;

"(4) maintain liaison with public and private educational and research institutions, State and local governments, and governments of other nations concerning justice research and statistics;

"(5) cooperate in and participate with national and international organizations in the development of uniform justice statistics;

"(6) insure conformance with security and privacy regulations issued pursuant to section 710 and, identify, analyze and participate in the development and implementation of privacy, security and information policies which impact on Federal and state criminal justice operations and related statistical activities;

"(7) directly provide staff support to and coordinate the activities of the Office (including the Bureau of Justice Programs, the National Institute of Justice, and the Bureau of Justice Statistics) and the Office of Juvenile Justice and Delinquency Prevention;

"(8) directly provide staff support to, supervise and coordinate the activities of the Bureau of Justice Statistics, the National Institute of Justice and the Bureau of Justice Programs;

"(9) exercise the powers and functions set out in Part G; and

"(10) exercise such other powers and functions as may be vested in the Assistant Attorney General pursuant to this title or by delegation of the Attorney General.

"(b) The Attorney General shall submit an annual report to the President and to the Congress not later than March 31 of each year. Each annual report shall describe the activities carried out under the provisions of this title and shall contain such findings and recommendations as the Attorney General considers necessary or appropriate after consultation with the Assistant Attorney General and the Advisory Board.

"ADVISORY BOARD

"SEC. 103. (a) There is hereby established a Justice Assistance Board (hereinafter referred to as the 'Board'). The Board shall consist of not more than twenty-one members who shall be appointed by the President. The members shall include representatives of the public, various components of the criminal justice system at all levels of government, persons experienced in the criminal justice system, including the design, operation and management of programs at the State and local level, and persons who have knowledge and experience concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice, including such matters as the problems of the family, youth unemployment, school violence and vandalism, and learning disabilities. The President shall designate from among its members a Chairman and Vice Chairman. The Vice Chairman is authorized to sit and act in the place of the Chairman in the absence of the Chairman. The Assistant Attorney General shall be a non-voting member of the Board and shall not serve as Chairman or Vice Chairman. Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of an original appointment.

"(b) The Board may make such rules respecting organization and procedures as it deems necessary, except that no recommendation shall be reported from the Board unless a majority of the full Board assents.

"(c) The members of the Board shall serve at the pleasure of the President and shall have no fixed term. The members of the Board shall receive compensation for each day engaged in the actual performance of duties vested in the Board at rates of pay not in excess of the daily equivalent of the highest rate of basic pay then payable in the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence, and other necessary expenses.

"(d) The Board shall—

"(1) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Bureau of Justice Programs, the National Institute of Justice, the Bureau of Justice Statistics, and the Office of Juvenile Justice and Delinquency Prevention in research, statistics and program priorities;

"(2) review demonstration programs funded under part B, and evaluations thereof, and advise the Assistant Attorney General of the results of such review and evaluations; and

"(3) undertake such additional related tasks as the Board may deem necessary.

"(e) In addition to the powers and duties set forth elsewhere in this title, the Assistant Attorney General shall exercise such powers and duties of the Board as may be delegated to the Assistant Attorney General by the Board.

"(f) The Assistant Attorney General shall provide staff support to assist the Board in carrying out its activities.

"PART B—BUREAU OF JUSTICE PROGRAMS

"ESTABLISHMENT OF BUREAU OF JUSTICE PROGRAMS

"SECTION 201. (a) There is established within the Office of Justice Assistance a Bureau of Justice Programs (hereinafter referred to in this part as the 'Bureau').

"(b) The Bureau shall be headed by a Director who shall be appointed by the Attorney General. The director shall not engage in any employment other than that of serving as the Director, nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this title.

"DUTIES AND FUNCTIONS OF DIRECTOR

"SEC. 202. The Director shall—

"(1) provide funds to eligible States, units of, local government and private nonprofit organizations pursuant to part E and part F;

"(2) establish priorities for programs in accordance with part E and, following public announcement of such priorities, award and allocate funds and technical assistance in accordance with the criteria of part F and on terms and conditions determined by the Director to be consistent with part F;

"(3) cooperate with and provide technical assistance to states, units of local government, and other public and private organizations or international agencies involved in criminal justice activities;

"(4) provide for the development of technical assistance and training programs for state and local criminal justice agencies and foster local participation in such activities;

"(5) encourage the targeting of State and local resources on efforts to reduce the incidence of violent crime and on programs relating to the apprehension and prosecution of repeat offenders;

"(6) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Office relating to the Bureau; and

"(7) exercise such other powers and functions as may be vested in the Director pursuant to this title.

"PART C—NATIONAL INSTITUTE OF JUSTICE

"NATIONAL INSTITUTE OF JUSTICE

"SEC. 301. (a) It is the purpose of this part to establish a National Institute of Justice, which shall provide for and encourage research and demonstration efforts for the purpose of—

"(1) improving Federal, State and local criminal justice systems and related aspects of the civil justice system;

"(2) preventing and reducing crimes;

"(3) insuring citizen access to appropriate dispute-resolution forums;

"(4) improving efforts to detect, investigate, prosecute, and otherwise combat and prevent white-collar crime and public corruption;

"(5) addressing the unique problem of crime committed against the elderly;

"(6) identifying programs of proven and demonstrated success or programs which are likely to be successful; and

"(7) developing improved strategies for rural areas to better utilize their dispersed resources in combating crime, with particular emphasis on violent crime, juvenile delinquency, and crime prevention.

"(b) The Institute shall have authority to engage in and encourage research and development to improve and strengthen the criminal justice system and related aspects of the civil justice system and to disseminate the results of such efforts to units of Federal, State, and local governments, to develop alternatives to judicial resolution of disputes, to evaluate the effectiveness of programs funded under this title, to develop and demonstrate new or improved approaches and techniques, to improve and strengthen the administration of justice, and to identify programs or projects carried out under this title which have demonstrated success in improving the quality of justice systems and which offer the likelihood of success if continued or repeated. In carrying out the provisions of this part the Institute shall give primary emphasis to the problems of State and local justice systems.

"ESTABLISHMENT, DUTIES, AND FUNCTIONS

"SEC. 302. (a) There is established within the Office of Justice Assistance a National Institute of Justice (hereinafter referred to in this title as the "Institute").

"(b) The Institute shall be headed by a Director appointed by the Attorney General. The Director shall have had experience in justice research. The Director shall have such authority as delegated by the Assistant Attorney General to make grants, cooperative agreements, and contracts awarded by the Institute. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Institute makes any contract or other arrangements under the title.

"(c) The Institute is authorized to—

"(1) make grants to, or enter into cooperative agreements or contracts with, States, units of local government or combinations thereof, public agencies, institutions of higher education, private organizations, or individuals to conduct research, demonstration or special projects pertaining to the purposes described in this part, and provide technical assistance and training in support of tests, demonstrations, and special projects;

"(2) conduct or authorize multiyear and short-term research and development concerning the criminal and civil justice systems in an effort—

"(A) to identify alternative programs for achieving system goals;

"(B) to provide more accurate information on the causes and correlates of crime;

"(C) to analyze the correlates of crime and juvenile delinquency and provide more accurate information on the causes and correlates of crime and juvenile delinquency;

"(D) to improve the functioning of the criminal justice system;

"(E) to develop new methods for the prevention and reduction of crime, including but not limited to the development of programs to facilitate cooperation among the States and units of local government, the detection and apprehension of criminals, the expeditious, efficient, and fair disposition of criminal and juvenile delinquency cases, the improvement of police and minority relations, the conduct of research into the problems of victims and witnesses of crime, the feasibility and consequences of allowing victims to participate in criminal justice decisionmaking, the feasibility and desirability of adopting procedures and programs which increase the victim's participation in the criminal justice process, the reduction in the need to seek court resolution of civil disputes, and the development of adequate corrections facilities and effective programs of correction; and

"(F) to develop programs and projects to improve and expand the capacity of States and units of local government and combinations of such units, to detect, investigate, prosecute, and otherwise combat and prevent white-collar crime and public corruption, to improve and expand cooperation among the Federal Government, States, and units of local government in order to enhance the overall criminal justice system response to white-collar crime and public corruption, and to foster the creation and implementation of a comprehensive national strategy to prevent and combat white-collar crime and public corruption.

In carrying out the provisions of this subsection, the Institute may request the assistance of both public and private research agencies;

"(3) evaluate the effectiveness of projects or programs carried out under this title;

"(4) make recommendations to the Assistant Attorney General for action which can be taken by units of Federal, State, and local governments and by private persons and organizations to improve and strengthen criminal and civil justice systems;

"(5) provide research fellowships and clinical internships and carry out programs of training and special workshops for the presentation and dissemination of information resulting from research, demonstration, and special projects including those authorized by this part;

"(6) collect and disseminate information obtained by the Institute or other Federal agencies, public agencies, institutions of higher education, and private organizations relating to the purposes of this part;

"(7) serve as a national and international clearinghouse for the exchange of information with respect to the purposes of this part;

"(8) encourage, assist, and serve in a consulting capacity to Federal, State, and local justice system agencies in the development, maintenance, and coordination of criminal and civil justice programs and services;

"(9) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Office relating to the Institute; and

"(10) exercise such administrative functions under Part G as may be delegated by the Assistant Attorney General.

"(d) To insure that all criminal and civil justice research is carried out in a coordinated manner, the Institute is authorized to—

"(1) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefore;

"(2) confer with and avail itself of the cooperation, services, records, and facilities of State or of municipal or other local agencies;

"(3) request such information, data, and reports from any Federal agency as may be required to carry out the purposes of this section, and the agencies shall provide such information to the Institute as required to carry out the purposes of this part;

"(4) seek the cooperation of the judicial branches of Federal and State Government in coordinating civil and criminal justice research and development.

"AUTHORITY FOR 100 PER CENTUM GRANTS

"SEC. 303. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Institute shall require, whenever feasible, as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"PART D—BUREAU OF JUSTICE STATISTICS

"BUREAU OF JUSTICE STATISTICS

"SEC. 401. It is the purpose of this part to provide for and encourage the collection and analysis of statistical information concerning crime, juvenile delinquency, and the operation of the criminal justice system and related aspects of the civil justice system and to encourage the development of information and statistical systems at the Federal, State, and local levels to improve the efforts of these levels of government to measure and understand the levels of crime, juvenile delinquency, and the operation of the criminal justice system and related aspects of the civil justice system. The Bureau shall give primary emphasis to the needs of State and local justice systems, both individually and as a whole.

"ESTABLISHMENT, DUTIES, AND FUNCTIONS

"SEC. 402. (a) There is established within the Office of Justice Assistance a Bureau of Justice Statistics (hereinafter referred to in this part as the "Bureau").

"(b) The Bureau shall be headed by a Director appointed by the Attorney General. The Director shall have had experience in statistical programs. The Director shall have such authority as delegated by the Assistant Attorney General to make grants, cooperative agreements, and contracts awarded by the Bureau. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this Act.

"(c) The Bureau is authorized to—

"(1) make grants to, or enter into cooperative agreements or contracts with public agencies, institutions of higher education, private organizations, or private individuals for purposes related to this part; grants shall be made subject to continuing compli-

ance with standards for gathering justice statistics set forth in rules and regulations promulgated by the Director;

"(2) collect and analyze information concerning criminal victimization, including crimes against the elderly, and civil disputes;

"(3) collect and analyze data that will serve as a continuous and comparable national social indication of the prevalence, incidence, rates, extent, distribution, and attributes of crime, juvenile delinquency, civil disputes, and other statistical factors related to crime, civil disputes, and juvenile delinquency, in support of National, State, and local justice policy and decisionmaking;

"(4) collect and analyze statistical information concerning the operations of the criminal justice system at the Federal, State, and local levels;

"(5) collect and analyze statistical information concerning the prevalence, incidence, rates, extent, distribution, and attributes of crime, and juvenile delinquency, at the Federal, State, and local levels.

"(6) analyze the correlates of crime, civil disputes and juvenile delinquency, by the use of statistical information, about criminal and civil justice systems at the Federal, State, and local levels, and about the extent, distribution and attributes of crime, and juvenile delinquency, in the Nation and at the Federal, State, and local levels;

"(7) compile, collate, analyze, publish, and disseminate uniform national statistics concerning all aspects of criminal justice and related aspects of civil justice, crime, including crimes against the elderly, juvenile delinquency, criminal offenders, juvenile delinquents, and civil disputes in the various States;

"(8) recommend to the Assistant Attorney General national standards for justice statistics and for insuring the reliability and validity of justice statistics supplied pursuant to this title;

"(9) establish or assist in the establishment of a system to provide State and local governments with access to Federal informational resources useful in the planning, implementation, and evaluation of programs under this Act;

"(10) conduct or support research relating to methods of gathering or analyzing justice statistics;

"(11) provide for the development of justice information systems programs and assistance to the States and units of local government relating to collection, analysis, or dissemination of justice statistics;

"(12) develop and maintain a data processing capability to support the collection, aggregation, analysis and dissemination of information on the incidence of crime and the operation of the criminal justice system;

"(13) collect, analyze and disseminate comprehensive Federal justice transaction statistics (including statistics on issues of Federal justice interest such as public fraud and high technology crime) and to provide assistance to and work jointly with other Federal agencies to improve the availability and quality of Federal justice data;

"(14) insure conformance with security and privacy requirement of section 810 and regulations issued pursuant thereto;

"(15) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Office relating to the Bureau; and

"(16) exercise such administrative functions under Part G as may be delegated by the Assistant Attorney General.

"(d) To insure that all justice statistical collection, analysis, and dissemination is carried out in a coordinated manner, the Bureau is authorized to—

"(1) utilize, with their consent, the services, equipment, records, personnel, information and facilities of other Federal, State, local and private agencies and instrumentalities with or without reimbursement therefore, and to enter into agreements with the aforementioned agencies and instrumentalities for purposes of data collection and analysis;

"(2) confer and cooperate with State, municipal, and other local agencies;

"(3) request such information, data, and reports from any Federal agency as may be required to carry out the purposes of this title;

"(4) seek the cooperation of the judicial branch of the Federal Government in gathering data from criminal justice records; and

"(5) encourage replication, coordination and sharing among justice agencies regarding information systems, information policy, and data

"(e) Federal agencies requested to furnish information, data, or reports pursuant to subsection (d)(3) shall provide such information to the Bureau as is required to carry out the purposes of this section.

"(f) In recommending standards for gathering justice statistics under this section, the Bureau shall consult with representatives of State and local government, including, where appropriate, representatives of the judiciary.

"AUTHORITY FOR 100 PER CENTUM GRANTS

"SEC. 403. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Bureau shall require, whenever feasible as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"USE OF DATA

"SEC. 404. Data collected by the Bureau shall be used only for statistical or research purposes, and shall be gathered in a manner that precludes their use for law enforcement or any purpose relating to a particular individual other than statistical or research purposes.

"PART E—STATE/LOCAL ALLOCATIONS

"DESCRIPTION OF PROGRAM

"SEC. 501. (a) It is the purpose of this part to assist States and units of local government in carrying out specific programs of proven effectiveness or which offer a high probability of improving the functions of the criminal justice systems and which focus primarily on violent crime and serious offenders. The Bureau of Justice Programs (hereinafter referred to in this part as the 'Bureau') is authorized, to make grants under this part to States for the purpose of—

"(1) providing community and neighborhood programs that enable citizens and police to undertake initiatives to prevent and control neighborhood crime;

"(2) disrupting illicit commerce in stolen goods and property;

"(3) combating arson;

"(4) effectively investigating and bringing to trial white-collar crime, organized crime, public corruption crimes, and fraud against the Government;

"(5) identifying and processing within the criminal justice system persons (including juvenile offenders) with a history of serious criminal conduct;

"(6) developing and implementing programs which provide assistance to jurors and witnesses, and assistance (other than compensation) to victims of crimes;

"(7) providing alternatives to pretrial detention, jail, and prison for persons who pose no danger to the community;

"(8) providing programs which identify and meet the needs of drug-dependent offenders;

"(9) providing programs which alleviate prison and jail overcrowding and programs which identify existing State and Federal buildings suitable for prison use;

"(10) improve workload management systems for prosecutors and expedite felony case processing by the courts;

"(11) providing prison industry projects designed to place inmates in a realistic working and training environment in which they will be enabled to acquire marketable skills and to make financial payments for restitution to their victims, for support of their own families, and for support of themselves in the institution;

"(12) with respect to cases involving career criminals and violent crime, expedite the disposition of criminal cases, reform sentencing practices and procedures, and improve court system management;

"(13) provide training, technical assistance, and programs to assist State and local law enforcement authorities in rural areas in combating crime, with particular emphasis on violent crime, juvenile delinquency, and crime prevention;

"(14) address the unique problem of crime committed against the elderly;

"(15) providing for operational information systems which improve the effectiveness of criminal justice agencies;

"(16) implement programs that address critical problems of crime, such as drug trafficking, which have been certified by the Director, after consultation with the Directors of the National Institute of Justice, Bureau of Justice Statistics and the Office of Juvenile Justice and Delinquency Prevention, as having proved successful or which are innovative and have been deemed by the Director as likely to prove successful;

"(17) providing programs which address the problem of serious offenses committed by juveniles; and

"(18) improve the operational effectiveness of law enforcement by integrating and maximizing the effectiveness of police field operations and the use of crime analysis techniques.

"(b)(1) For any fiscal year ending after September 30, 1984, the Federal portion of any grant made under this part shall be 50 per centum of the cost of programs and projects specified in the application for such grant, except that in the case of funds distributed to an Indian tribe which performs law enforcement functions (as determined by the Secretary of the Interior) for any program or project described in subsection (a), the Federal portion may be up to 100 per centum of such cost.

"(2) The non-Federal portion of the cost of such program or project shall be in cash.

"(c) No funds may be given under this title to a grant recipient for a program or project for which funds have been given under this title for 4 years (in the aggregate), including any period occurring before the effective date of this subsection.

"ELIGIBILITY

"SEC. 502. The Bureau is authorized to make financial assistance under this part available to a State to enable it to carry out

all or a substantial part of a program or project submitted and approved in accordance with the provisions of this part.

"APPLICATIONS

"SEC. 503. (a) No grant may be made by the Bureau to a State, or by a State to an eligible recipient pursuant to part E, unless the application sets forth criminal justice programs covering a two-year period which meet the objectives of section 501, designates which objective specified in section 501(a) each such program is intended to achieve, and identifies the State agency or unit of local government which will implement each such program. This application must be amended annually if new programs are to be added to the application or if the programs contained in the original application are not implemented. The application must include—

"(1) an assurance that following the first fiscal year covered by an application and each fiscal year thereafter, the applicant shall submit to the Bureau, where the applicant is a State;

"(A) a performance report concerning the activities carried out pursuant to this title; and

"(B) an assessment by the applicant of the impact of those activities on the objectives of this title and the needs and objectives identified in the applicant's statement;

"(2) a certification that Federal funds made available under this title will not be used to supplant State or local funds, but will be used to increase the amounts of such funds that would, in the absence of Federal funds, be made available for criminal justice activities;

"(3) fund accounting, auditing, monitoring, and such evaluation procedures as may be necessary to keep such records as the Bureau shall prescribe will be provided to assure fiscal control, proper management, and efficient disbursement of funds received under this title;

"(4) an assurance that the State will maintain such data and information and submit such reports in such form, at such times and containing such data and information as the Bureau may reasonably require to administer other provisions of this title;

"(5) a certification that its programs meet all the requirements of this section, that all the information contained in the application is correct, that there has been appropriate coordination with affected agencies, and that the applicant will comply with all provisions of this title and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Bureau and shall be executed by the chief executive or other officer of the applicant qualified under regulations promulgated by the Bureau;

"(6) satisfactory assurances that equipment, whose purchase was previously made in connection with a program or project in such State assisted under this title and whose cost in the aggregate was $100,000 or more, has been put into use not later than one year after the date set at the time of purchase for the commencement of such use and has continued in use during its useful life;

"(7) an assurance that the State will take into account the needs and requests of units of general local government in the State and encourage local initiative in the development of programs which meet the objective of section 501.

"REVIEW OF APPLICATIONS

"SEC. 504. (a) The Bureau shall provide financial assistance to each State applicant under this part to carry out the programs or projects submitted by such applicant upon determining that the application or amendment thereof is consistent with requirements of this title and with the priorities and criteria established by the Bureau under section 501. Each application or amendment made and submitted for approval to the Bureau pursuant to section 503 of this title shall be deemed approved, in whole or in part, by the Bureau within sixty days after first received unless the Bureau informs the applicant of specific reasons for disapproval.

"(b) The Bureau shall suspend funding for an approved application in whole or in part if such application contains a program or project which has failed to conform to the requirements or statutory objectives of this Act. The Bureau may make appropriate adjustments in the amounts of grants in accordance with its findings pursuant to this subsection.

"(c) Grant funds awarded under this part and part F shall not be used for—

"(1) the purchase of equipment or hardware, or the payment of personnel costs, unless the cost of such purchases and payments is incurred as an incidental and necessary part of a program under section 501(a);

"(2) programs which have as their primary purpose general salary payments for employees or classes of employees within an eligible jurisdiction, except for the compensation of personnel for time engaged in conducting or undergoing training programs or the compensation of personnel engaged in research, development, demonstration, or short-term programs;

"(3) land acquisition, construction projects; or

"(4) programs or projects which, based upon evaluations by the Bureau, the National Institute of Justice, Bureau of Justice Statistics, State or local agencies, and other public or private organizations, have been demonstrated to offer a low probability of improving the functioning of the criminal justice system. Such programs must be formally identified by a notice in the Federal Register after opportunity for comment.

"(d) The Bureau shall not finally disapprove any application submitted to the Director under this part, or any amendments thereof, without first affording the applicant reasonable notice and opportunity for reconsideration.

"ALLOCATION AND DISTRIBUTION OF FUNDS

"SEC. 505. (a) Of the total amount appropriated for this part and part F in any fiscal year, 80 per centum shall be set aside for this part and 20 per centum shall be set aside for part F. Funds set aside for this part shall be allocated to States as follows:

"(1) $250,000 shall be allocated to each of the participating States.

"(2) Of the total funds remaining for this part after the allocation under paragraph (1) there shall be allocated to each State an amount which bears the same ratio to the amount of remaining funds described in this subparagraph as the population of such State bears to the population of all the States.

"(b) Notwithstanding the requirements of section 505(a), if the total amount appropriated for this part and part F is less than $80,000,000 in any fiscal year, then the entire amount shall be set aside and reserved for allocation to the States according to the criteria established by the Director to provide for equitable distribution among the States.

"(c)(1) Each State which receives funds under this part in a fiscal year shall distribute among units of local government, or combinations of units of local government, in such State for the purposes specified in section 501(a) not less than that portion of such funds which bears the same ratio to the aggregate amount of such funds as the amount of funds expended by all units of local government for criminal justice in the preceding fiscal year bears to the aggregate amount of funds expended by the State and all units of local government in such State for criminal justice in such preceding fiscal year.

"(2) In distributing funds received under this part among urban, rural and suburban units of local government and combinations thereof, the State shall give priority to those jurisdictions with the greatest need.

"(3) Any funds not distributed to units of local government under paragraph (1) shall be available for expenditure by the State involved.

"(4) For purposes of determining the distribution of funds under paragraph (1), the most accurate and complete data available for the fiscal year involved shall be used. If data for such fiscal year are not available, then the most accurate and complete data available for the most recent fiscal year preceding such fiscal year shall be used.

"(d) No funds allocated to a State under subsections (a) or (b) or received by a State for distribution under subsection (c) may be distributed by the Director or by the State involved for any program other than a program contained in an approved application.

"(5) In distributing funds received under this part the State shall make every effort to distribute to units of local government and combinations thereof, the maximum amount of such available funds.

"(e) If the Bureau determines, on the basis of information available to it during any fiscal year, that a portion of the funds allocated to a State for that fiscal year will not be required or that a State will be unable to qualify or receive funds under this part, or that a State chooses not to participate in the program established by this part, then such portion shall be awarded by the Director to urban, rural and suburban units of local government or combinations thereof with such State giving priority to those jurisdictions with greatest need.

"(f) Any funds not distributed under subsections (d) and (e) shall be available for obligation under part F.

"STATE OFFICE

"SEC. 506. (a) The chief executive of each participating State shall designate a State office for purposes of—

"(1) preparing an application to obtain funds under this part; and

"(2) administering funds received from the Bureau of Justice Programs, including receipt, review, processing, monitoring, progress and financial report review, technical assistance, grant adjustments, accounting, auditing, and fund disbursements.

"(b) An office or agency performing other functions within the executive branch of a State may be designated to carry out the functions specified in subsection (a).

"PART F—DISCRETIONARY GRANTS

"PURPOSE

"SEC. 601. (a) The purpose of this part is to provide additional Federal financial assistance to States, units of local government, combinations of such units, and pri-

vate nonprofit organizations for purposes of—

"(1) educational and training programs for criminal justice personnel;

"(2) providing technical assistance to States and local units of government;

"(3) projects which are national or multi-State in scope and which address the purposes specified in section 501; and

"(4) providing financial assistance to States, units of local government and private nonprofit organizations for demonstration programs which, in view of previous research or experience, are likely to be a success in more than one jurisdiction and are not likely to be funded with moneys from other sources.

"(b) In carrying out this part, the Bureau is authorized to make grants, enter into cooperative agreements, and contracts with, states, units of local governments or combinations thereof, public agencies, institutions of higher education or private organizations.

"PERCENTAGE OF APPROPRIATION FOR DISCRETIONARY GRANT PROGRAM

"SEC. 602. Of the total amount appropriated for part E and this part in any fiscal year, 20 per centum shall be reserved and set aside for this part in a special discretionary fund for use by the Office in carrying out the purposes specified in section 501. Grants under this part may be made for amounts up to 100 per centum of the costs of the programs or projects contained in the approved application.

"PROCEDURE FOR ESTABLISHING DISCRETIONARY PROGRAMS

"SEC. 603. (a) The Director of the Bureau of Justice Programs shall periodically establish discretionary programs and projects for financial assistance under this part. Such programs and projects shall be considered priorities for a period of time not to exceed three years from the time of such determination.

"(b) Such Director shall annually request the National Institute of Justice, the Bureau of Justice Statistics, the Office of Juvenile Justice and Delinquency Prevention, the Office of Justice Assistance, State and local governments, and other appropriate public and private agencies to suggest discretionary programs and projects. Such Director shall then, pursuant to regulations, annually publish the proposed priorities pursuant to this part and invite and encourage public comment concerning such priorities. Priorities shall not be established or modified until such Director has provided at least sixty-days advance notice for such public comment and such Director shall encourage and invite recommendations and opinion concerning such priorities from appropriate agencies and officials of State and units of local government. After considering any comments submitted during such period of time and after consultation with appropriate agencies and officials of State and units of local government, such Director shall determine whether existing established priorities should be modified. Such Director shall publish in the Federal Register the priorities established pursuant to this part, as amended by the Justice Assistance Act of 1984, for fiscal year 1984 and each fiscal year thereafter for which appropriations will be available to carry out the program.

"CRITERIA FOR AWARD

"SEC. 604. (a) No grant may be made pursuant to this part unless an application has been submitted to the Bureau in which the applicant—

"(1) sets forth a program or project which is eligible for funding pursuant to this part;

"(2) describes the services to be provided, performance goals and the manner in which the program is to be carried out;

"(3) describes the method to be used to evaluate the program or project in order to determine its impact and effectiveness in achieving the stated goals and agrees to conduct such evaluation according to the procedures and terms established by the Bureau;

"(4) indicates, if it is a private nonprofit organization, that it has consulted with appropriate agencies and officials of the State and units of local government to be affected by the program or project.

"(b) Each applicant for funds under this part shall certify that its program or project meets all the requirements of this section, that all the information contained in the application is correct, and that the applicant will comply with all the provisions of this title and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Bureau.

"PERIOD FOR AWARD

"SEC. 605. The Bureau may provide financial aid and assistance to programs or projects under this part for a period not to exceed three years. Grants made pursuant to this part may be extended or renewed by the Bureau for an additional period of up to two years if—

"(1) an evaluation of the program or project indicates that it has been effective in achieving the stated goals or offers the potential for improving the functioning of the criminal justice system; and

"(2) the State, unit of local government, or combination thereof and private nonprofit organizations within which the program or project has been conducted agrees to provide at least one-half of the total cost of such program or project from part E funds or from any other source of funds, including other Federal grants, available to the eligible jurisdiction. Funding for the management and the administration of national nonprofit organizations under section 601(c) of this part is not subject to the funding limitations of this section.

"PART G—ADMINISTRATIVE PROVISIONS

"ESTABLISHMENT OF RULES AND DELEGATION OF FUNCTIONS

"SEC. 701. (a) The Office of Justice Assistance is authorized, after appropriate consultation with representatives of States and units of local government, to establish such rules, regulations, and procedures as are necessary to the exercise of the functions of the Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics, and as are consistent with the stated purpose of this title.

"(b) The Office of Justice Assistance shall, after consultation with the Bureau of Justice Programs, the National Institute of Justice, the Bureau of Justice Statistics, the Office of Juvenile Justice and Delinquency Prevention, State and local governments, and the appropriate public and private agencies, establish such rules and regulations as are necessary to assure the continuing evaluation or monitoring of selected programs or projects conducted pursuant to parts E and F, in order to determine—

"(1) whether such programs or projects have achieved the performance goals stated in the original application, are of proven effectiveness, have a record of proven success, or offer a high probability of improving the criminal justice system;

"(2) whether such programs or projects have contributed or are likely to contribute to the improvement of the criminal justice system and the reduction and prevention of crime;

"(3) their cost in relation to their effectiveness in achieving stated goals;

"(4) their impact on communities and participants; and

"(5) their implication for related programs.

In conducting evaluations described in this subsection, the Office of Justice Assistance shall, when practical, compare the effectiveness of programs conducted by similar applicants and different applicants. The Office of Justice Assistance shall also require applicants under part E to submit an annual performance report concerning activities carried out pursuant to part E together with an assessment by the applicant of the effectiveness of those activities in achieving the objectives of section 501 of this title and the relationships of those activities to the needs and objectives specified by the applicant in the application submitted pursuant to section 503 of this title. The Office shall suspend funding for an approved application under part E if an applicant fails to submit such an annual performance report.

"(c) The procedures established to implement the provisions of this title shall minimize paperwork and prevent needless duplication and unnecessary delays in award and expenditure of funds at all levels of government.

"NOTICE AND HEARING ON DENIAL OR TERMINATION OF GRANT

"SEC. 702. (a) Whenever, after reasonable notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, the Office finds that a recipient of assistance under this title has failed to comply substantially with—

"(1) any provisions of this title;

"(2) any regulations or guidelines promulgated under this title; or

"(3) any application submitted in accordance with the provisions of this title, or the provisions of any other applicable Federal Act;

the Assistant Attorney General, until satisfied that there is no longer any such failure to comply, shall terminate payments to the recipient under this title, reduce payments to the recipient under this title by an amount equal to the amount of such payments which were not expended in accordance with this title, or limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply.

"(b) If any grant under this title has been terminated, the Bureau of Justice Programs, the National Institute of Justice or the Bureau of Justice Statistics, as appropriate, shall notify the grantee of its action and set forth the reason for the action taken. Whenever such a grantee requests a hearing, the Office, or any authorized officer thereof, is authorized and directed to hold such hearings or investigations, including hearings on the record in accordance with section 554 of title 5, United States Code, at such times and places as necessary, following appropriate and adequate notice to such grantee; and the findings of fact and determinations made with respect thereto shall be final and conclusive, except as otherwise provided herein. The Office is authorized to take final action without a hear-

ing if after an administrative review of the termination it is determined that the basis for the appeal, if substantiated, would not establish a basis for continuation of the grant. Under such circumstances, a more detailed statement of reasons for the agency action should be made available, upon request, to the grantee.

"(c) If such recipient is dissatisfied with the findings and determinations of the Office, following notice and hearing provided for in subsection (a) of this section, a request may be made for rehearing, under such regulations and procedure as the Office may establish, and such recipient shall be afforded an opportunity to present such additional information as may be deemed appropriate and pertinent to the matter involved.

"FINALITY OF DETERMINATIONS

"SEC. 703. In carrying out the functions vested by this title in the Office, its determinations, findings, and conclusions shall, after reasonable notice and opportunity for a hearing, be final and conclusive upon all grants.

"SUBPOENA POWER; AUTHORITY TO HOLD HEARINGS

"SEC. 704. The Office may appoint such hearing examiners or administrative law judges or request the use of such administrative law judges selected by the Office of Personnel Management pursuant to section 3344 of title 5, United States Code, as shall be necessary to carry out the powers and duties under this title. The Office, or upon authorization, any member thereof or any hearing examiner or administrative law judge assigned to or employed thereby shall have the power to hold hearings and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate.

"PERSONNEL AND ADMINISTRATIVE AUTHORITY

"SEC. 705. (a) The Office is authorized to select, appoint, employ and fix compensation of such officers and employees as shall be necessary to carry out the powers and duties of the Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics under this title.

"(b) The Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics are authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of Federal, State, and local agencies to the extent deemed appropriate after giving due consideration to the effectiveness of such existing services, equipment, personnel, and facilities.

"(c) The Office may arrange with and reimburse the heads of other Federal departments and agencies for the performance of any of the functions under this title.

"(d) The Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics in carrying out their respective functions may use grants, contracts, or cooperative agreements in accordance with the standards established in the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501 et seq.).

"(e) The Office may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, relating to appointments in the Federal service, at rates of compensation for individuals not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5, United States Code.

"(f) The Office is authorized to appoint pursuant to the Advisory Committee Management Act, but without regard to the remaining provisions of title 5, United States Code, technical or other advisory committees to advise it with respect to the administration of this title as it deems necessary. Members of those committees not otherwise in the employ of the United States, while engaged in advising or attending meetings of the committees, shall be compensated at rates to be fixed by the Office but not exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5 of the United States Code, and while away from home or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

"(g) Payments under this title may be made in installments, and in advance or by way of reimbursement, as may be determined by the Office, and may be used to pay the transportation and subsistence expenses of persons attending conferences or other assemblages notwithstanding the provisions of the joint resolution entitled 'Joint resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings', approved February 2, 1935 (31 U.S.C. 551).

"(h) The Office is authorized to accept and employ, in carrying out the provisions of this title, voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b). Such individuals shall not be considered Federal employees except for purposes of chapter 81 of title 5, United States Code, with respect to job-incurred disability and title 28, United States Code, with respect to tort claims.

"TITLE TO PERSONAL PROPERTY

"SEC. 706. Notwithstanding any other provision of law, title to all expendable and nonexpendable personal property purchased with funds made available under this title, including such property purchased with funds made available under this title as in effect before the date of the enactment of this Act, shall vest in the criminal justice agency or nonprofit organization that purchased the property if it certifies to the State office described in Section 506 that it will use the property for criminal justice purposes. If such certification is not made, title to the property shall vest in the State office, which shall seek to have the property used for criminal justice purposes elsewhere in the State prior to using it or disposing of it in any other manner.

"PROHIBITION OF FEDERAL CONTROL OVER STATE AND LOCAL CRIMINAL JUSTICE AGENCIES

"SEC. 707. Nothing in this title or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over any police force or any other criminal justice agency of any state or any political subdivision thereof.

"NONDISCRIMINATION

"SEC. 708. (a) No person in any State shall on the ground of race, color, religion, national origin, or sex be excluded from participation in, be denied the benefits of or be subjected to discrimination under or denied employment in connection with any programs or activity funded in whole or in part with funds made available under this title.

"(b) Notwithstanding any other provision of law, nothing contained in this title shall be construed to authorize the Office of Justice Assistance—

"(1) to require, or condition the availability or amount of a grant upon the adoption by an applicant or grantee under this title of a percentage ratio, quota system, or other program to achieve racial balance in any criminal justice agency; or

"(2) to deny or discontinue a grant because of the refusal of an applicant or grantee under this title to adopt such a ratio, system or other program.

"(c) Whenever the Attorney General has reason to believe that a State government or unit of local government has engaged in or is engaging in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in an appropriate United States district court. Such a court may grant as relief any temporary restraining order, preliminary or permanent injunction, or other order, as necessary or appropriate to insure the full enjoyment of the rights described in this section, including the suspension, termination, or repayment of such funds made available under this title as the court may deem appropriate, or placing any further such funds in escrow pending the outcome of the litigation.

"(d) Whenever the Attorney General files a civil action alleging a pattern or practice of discriminatory conduct on the basis of race, color, religion, national origin, or sex in any program or activity of State government or unit of local government which State government or unit of local government receives funds made available under this title, and the conduct allegedly violates the provisions of this section and neither party within forty-five days after such filing has been granted such preliminary relief with regard to the suspension or repayment of funds as may be otherwise available by law, the Office of Justice Assistance shall cause to have suspended further payment of any funds under this title to that specific program or activity alleged by the Attorney General to be in violation of the provisions of this subsection until such time as the court orders resumption of payment.

"RECORDKEEPING REQUIREMENT

"SEC. 709. (a) Each recipient of funds under this title shall keep such records as the Office shall prescribe, including records which fully disclose the amount and disposition by such recipient of the funds, the total cost of the project or undertaking for which such funds are used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Office or any of its duly authorized representatives, shall have access for purpose of audit and examination of any books, documents, papers, and records of the recipients of funds under this title which in the opinion of the Office may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title.

"(c) The Comptroller General of the United States or any of his duly authorized representatives, shall, until the expiration of three years after the completion of the program or project with which the assistance is used, have access for the purpose of audit and examination to any books, documents, papers, and records of recipients of Federal funds under this title which in the opinion of the Comptroller General may be related or pertinent to the grants, contracts,

subcontracts, subgrants, or other arrangements referred to under this title.

"(d) The provisions of this section shall apply to all recipients of assistance under this title, whether by direct grant, cooperative agreement, or contract under this title or by subgrant or subcontract from primary grantees or contractors under this title.

"CONFIDENTIALITY OF INFORMATION

"SEC. 710. (a) Except as provided by Federal law other than this title, no officer or employee of the Federal Government, and no recipient of assistance under the provisions of this title shall use or reveal any research or statistical information furnished under this title by any person and identifiable to any specific private person for any purpose other than the purpose for which it was obtained in accordance with this title. Such information and copies thereof shall be immune from legal process, and shall not, without the consent of the person furnishing such information, be admitted as evidence or used for any purpose in any action, suit, or other judicial, legislative, or administrative proceedings.

"(b) All criminal history information collected, stored, or disseminated through support under this title shall contain, to the maximum extent feasible, disposition as well as arrest data where arrest data is included therein. The collection, storage, and dissemination of such information shall take place under procedures reasonably designed to insure that all such information is kept current therein; the Office shall assure that the security and privacy of all information is adequately provided for and that information shall only be used for law enforcement and criminal justice and other lawful purposes. In addition, an individual who believes that criminal history information concerning him contained in an automated system is inaccurate, incomplete, or maintained in violation of this title, shall, upon satisfactory verification of his identity, be entitled to review such information and to obtain a copy of it for the purpose of challenge or correction.

"(c) All criminal intelligence systems operating through support under this title shall collect, maintain, and disseminate criminal intelligence information in conformance with policy standards which are prescribed by the Office and which are written to assure that the funding and operation of these systems furthers the purpose of this title and to assure that such systems are not utilized in violation of the privacy and constitutional rights of individuals.

"(d) Any person violating the provisions of this section, or of any rule, regulation, or order issued thereunder, shall be fined not to exceed $10,000, in addition to any other penalty imposed by law.

"PART H—DEFINITIONS

"SEC. 801. As used in this Title—

"(1) 'criminal justice' means activities pertaining to crime prevention, control, or reduction, or the enforcement of the criminal law, including, but not limited to, police efforts to prevent, control, or reduce crime or to apprehend criminals, including juveniles, activities of courts having criminal jurisdiction, and related agencies (including but not limited to prosecutorial and defender services, juvenile delinquency agencies and pretrial service or release agencies), activities of corrections, probation, or parole authorities and related agencies assisting in the rehabilitation, supervision, and care of criminal offenders, and programs relating to the prevention, control, or reduction of narcotic addiction and juvenile delinquency;

"(2) 'State' means any State of the United States, the District of Columbia, the United States, Virgin Islands, and the Commonwealth of Puerto Rico;

"(3) 'unit of local government' means any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State, an Indian tribe which performs law enforcement functions as determined by the Secretary of the Interior, or any agency of the District of Columbia government or the United States performing law enforcement functions in and for the District of Columbia, and Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands:

"(4) 'public agency' means any State, unit of local government, combination of such states or units, or any department, agency, or instrumentality of any of the foregoing;

"(5) 'criminal history information' includes records and related data, contained in an automated or manual criminal justice information system, compiled by law enforcement agencies for the purpose of identifying criminal offenders and alleged offenders and maintaining as to such persons records of arrests, the nature and disposition of criminal charges, sentencing, confinement, rehabilitation, and release;

"(6) 'evaluation' means the administration and conduct of studies or analyses of data to determine the impact and value of a project or program in accomplishing the statutory objectives of this title;

"(7) 'Attorney General' means the Attorney General of the United States or his designee;

"(8) 'Assistant Attorney General' means the Assistant Attorney General for Justice Assistance.

"PART I—FUNDING

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 901. (a) There is authorized to be appropriated to carry out the functions of the Bureau of Justice Statistics such sums as are necessary for the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987 and September 30, 1988. There is authorized to be appropriated to carry out the functions of the National Institute of Justice such sums as are necessary for the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987 and September 30, 1988. There is authorized to be appropriated for parts A, B, E, F and G, and for the purposes of carrying out the remaining function of the Office of Justice Assistance other than parts J and L, such sums as are necessary for the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987 and September 30, 1988. Funds appropriated for any fiscal year may remain available for obligation until expended. There is authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part J and part L.

"(b) Notwithstanding any other provision of law, no funds appropriated under this section for parts D and E of this title may be transferred or reprogrammed for carrying out any activity which is not authorized under such parts.

"PART J—PUBLIC SAFETY OFFICERS' DEATH BENEFITS

"PAYMENTS

"SEC. 1001. (a) In any case in which the Office determines, under regulations issued pursuant to this part, that a public safety officer has died as the direct and proximate result of a personal injury sustained in the line of duty, the Office shall pay a benefit of $50,000 as follows:

"(1) if there is no surviving child of such officer, to the surviving spouse of such officer;

"(2) if there is a surviving child or children and a surviving spouse, one-half to the surviving child or children of such officer in equal shares and one-half to the surviving spouse;

"(3) if there is no surviving spouse, to the child or children of such officer in equal shares; or

"(4) if none of the above, to the dependent parent or parents of such officer in equal shares.

"(b) Whenever the Office determines upon showing of need and prior to final action that the death of a public safety officer is one with respect to which a benefit will probably be paid, the Office may make an interim benefit payment not exceeding $3,000 to the person entitled to receive a benefit under subsection (a) of this section.

"(c) The amount of an interim payment under subsection (b) shall be deducted from the amount of any final benefit paid to such person.

"(d) Where there is no final benefit paid, the recipient of any interim payment under subsection (b) shall be liable for repayment of such amount. The Office may waive all or part of such repayment, considering for this purpose the hardship which would result from such repayment.

"(e) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, except—

"(1) payments authorized by section 12(k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4-531(1)); or

"(2) benefits authorized by section 8191 of title 5, United States Code; such beneficiaries shall only receive benefits under that section that are in excess of the benefits received under this part.

"(f) No benefit paid under this part shall be subject to execution or attachment.

"LIMITATIONS

"SEC. 1002. No benefit shall be paid under this part—

"(1) if the death was caused by the international misconduct of the public safety officer or by such officer's intention to bring about his death;

"(2) if the public safety officer was voluntarily intoxicated at the time of his death;

"(3) if the public safety officer was performing his duties in a grossly negligent manner at the time of his death; or

"(4) to any person who would otherwise be entitled to a benefit under this person's actions were a substantial contributing factor to the death of the public safety officer.

"DEFINITIONS

"SEC. 1003. As used in this part—

"(1) 'child' means any natural, illegitimate, adopted, or posthumous child or stepchild of a deceased public safety officer who, at the time of the public safety officer's death, is—

"(i) eighteen years of age or under;

"(ii) over eighteen years of age and a student as defined in section 8101 of title 5, United States Code; or

"(iii) over eighteen years of age and incapable of self-support because of physical or mental disability;

"(2) 'dependent' means a person who was substantially reliant for support upon the income of the deceased public safety officer;

"(3) 'fireman' includes a person serving as an officially recognized or designated member of a legally organized volunteer fire department and an officially recognized or designated public employee member of a rescue squad or ambulance crew who was responding to a fire or police emergency;

"(4) 'intoxication' means a disturbance of mental or physical faculties resulting from the introduction of alcohol into the body as evidenced by—

"(i) a post-mortem blood alcohol level of .20% or greater;

"(ii) a post-mortem blood alcohol level of at least .10% but less than .20%, unless the Office receives convincing evidence that the public safety officer was not acting in an intoxicated manner immediately prior to his death;

or resulting from drugs or other substances in the body;

"(5) 'law enforcement officer' means a person involved in crime and juvenile delinquency control or reduction, or enforcement of the laws, including, but not limited to, police, corrections, probation, parole, and judicial officers;

"(6) 'public agency' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, and any territory or possession of the United States, or any unit of local government, department, agency, or instrumentality of any of the foregoing; and

"(7) 'public safety officer' means a person serving a public agency in an official capacity, with or without compensation, as a law enforcement officer or a fireman.

"ADMINISTRATIVE PROVISIONS

"SEC. 1004. (a) The Office is authorized to establish such rules, regulations, and procedures as may be necessary to carry out the purposes of this part. Such rules, regulations, and procedures will be determinative of conflict of laws issues arising under this part. Rules, regulations, and procedures issued under this part may include regulations governing the recognition of agents or other persons representing claimants under this part before the Office. The Office may prescribe the maximum fees which may be charged for services performed in connection with any claim under this part before the Office, and any agreement in violation of such rules and regulation shall be void.

"(b) In making determination under section 1001, the Office may utilize such administrative and investigative assistance as may be available from State and local agencies. Responsibility for making final determinations shall rest with the Office.

"JUDICIAL REVIEW

"SEC. 1005. The United States Claims Court shall have exclusive jurisdiction over all actions seeking review of the final decisions of the Office under this part.

"PART K—FBI TRAINING OF STATE AND LOCAL CRIMINAL JUSTICE PERSONNEL

"SEC. 1101. (a) The Director of the Federal Bureau of Investigation is authorized to—

"(1) establish and conduct training programs at the Federal Bureau of Investigation National Academy at Quantico, Virginia, to provide, at the request of a State or unit of local government, training for State and local criminal justice personnel;

"(2) develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen criminal justice; and

"(3) assist in conducting, at the request of a State or unit of local government, local and regional training programs for the training of State and local criminal justice personnel engaged in the investigation of crime and the apprehension of criminals. Training for rural criminal justice personnel shall include, where appropriate, effective use of regional resources and methods to improve coordination among criminal justice personnel in different areas and in different levels of government. Such training shall be provided only for persons actually employed as State police or highway patrol, police of a unit of local government, sheriffs, and their deputies, and other persons as the State or unit may nominate for police training while such persons are actually employed as officers of such State or unit.

"(b) In the exercise of the functions, powers, and duties established under this section the Director of the Federal Bureau of Investigation shall be under the general authority of the Attorney General.

"(c) Notwithstanding the provisions of subsection (a), the Secretary of the Treasury is authorized to fund and continue to develop, establish and conduct training programs at the Fedeal Law Enforcement Training Center at Glynco, Georgia, to provide, at the request of a State or unit of local government, training for State and local criminal justice personnel so long as that training does not interfere with the Center's mission to train Federal law enforcement personnel.

"PART L—EMERGENCY FEDERAL LAW ENFORCEMENT ASSISTANCE

"APPLICATION REQUIREMENTS

"SEC. 1201. (a) The Attorney General is authorized to receive from the chief executive of any state a request for designation of a state or local jurisdiction as a law enforcement emergency jurisdiction. Such application shall be submitted in such manner and containing or accompanied by such information as the Attorney General may prescribe. Such application for designation as a law enforcement emergency jurisdiction shall be evaluated by the Attorney General according to such criteria, and on such terms and conditions as he shall establish and shall publish in the Federal Register prior to the begining of fiscal year 1984 and each fiscal year thereafter for which appropriations will be available to carry out the program.

"(b) The Attorney General shall, in accordance with the criteria established, approve or disapprove such application not later than ten days after receiving such application.

"ASSISTANCE PROVIDED

"SEC. 1202. (a) Upon a finding by the Attorney Genereal that a law enforcement emergency exists in accordance with the provisions of section 1201 of this title, the federal law enforcement community is authorized to provide emergency assistance for the duration of the emergency. The cost of such assistance may be paid by the Office of Justice Assistance from funds appropriated under this part, in accordance with procedures established by the Office and the heads of the participating Federal law enforcement agencies and with the approval of the Attorney General.

"(b) Upon such finding by the Attorney General, the Office of Justice Assistance may provide technical assistance, funds for the lease or rental of specialized equipment and other forms of emergency assistance to the jurisdiction, except that no funds may be used to pay the salaries of local criminal justice personnel or otherwise supplant State or local funds that would in the absence of such Federal funds be made available for law enforcement. The cost of assistance provided under this section shall be paid by the Office of Justice Assistance from funds appropriated under this part. The Federal share of such assistance may be up to 100 per centum of project costs.

"DEFINITIONS

"SEC. 1203. For the purposes of this part—

"(1) the term "Federal law enforcement assistance" means equipment, training, intelligence information, and technical expertise;

"(2) the term "Federal law enforcement community" means the heads of the following departments or agencies:

(A) the Department of Justice,

(B) the Internal Revenue Service,

(C) the Customs Service,

(D) The National Park Service,

(E) The Secret Service,

(F) the Coast Guard,

(G) the Bureau of Alcohol, Tobacco and Firearms,

(H) other Federal agencies with specific statutory authority to investigate violations of Federal criminal laws;

"(3) the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(4) the term "law enforcement emergency" means an uncommon situation in which state and local resources are inadequate to protect the lives and property of citizens or enforce the criminal law.

"ADMINISTRATIVE REQUIREMENT

"SEC. 1204. The recordkeeping and administrative requirements of section 708, 709 and 710 shall apply to funds provided under this part.

"LIMITATION OF AUTHORITY

"SEC. 1205. (a) Nothing in this part authorizes the use of Federal law enforcement personnel to investigate violations of criminal law other than violations with respect to which investigation is authorized by other provisions of law.

"(b) Nothing in this part shall be construed to authorize the Attorney General or the Federal law enforcement community to exercise any direction, supervision, or control over any police force or other criminal justice agency of an applicant for Federal law enforcement assistance.

"(c) Nothing in this part shall be construed to authorize the Attorney General or the Federal law enforcement community—

(1) to condition the availability or amount of Federal law enforcement assistance upon the adoption by an applicant for such assistance of, or

(2) to deny or discontinue such assistance upon the failure of such applicant to adopt, a percentage ratio, quota system, or other program to achieve racial balance in any criminal justice agency of such applicant.

"(d) No funds provided under this part may be used to supplant State or local funds that would otherwise be made available for such purposes.

"(e) Nothing in this part shall be construed to limit any authority to provide emergency assistance otherwise provided by law.

"REPAYMENT

"SEC. 1206. (a) If Federal law enforcement assistance provided under this part is used by the recipient of such assistance for any purpose other than the purpose for which it is provided, then such recipient shall promptly repay to the Attorney General an amount equal to the value of such assistance.

"(b) The Attorney General may bring a civil action in an appropriate United States district court to recover any amount required to be repaid under subsection (a).

"PART M—TRANSITION

"CONTINUATION OF RULES, AUTHORITIES, AND PROCEEDINGS

"SEC. 1301. (a) All orders, determinations, rules, regulations, and instructions of the Office of Justice Assistance, Research, and Statistics which are in effect on the date of the enactment of this Act shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President or the Attorney General, or his designee, or by operation of law.

"(b) The amendments made to this title by the Justice Assistance, Missing Children and Juvenile Justice Act of 1984 shall not affect any suit, action, or other proceeding commenced by or against the Government before the date of the enactment of such Act.

"(c) Nothing in this title prevents the utilization of funds appropriated for purposes of this title for all activities necessary or appropriate for the review, audit, investigation, and judicial or administrative resolution of audit matters for those grants or contracts that were awarded under this title. The final disposition and dissemination of program and project accomplishments with respect to programs and projects approved in accordance with this title, as in effect before the date of the enactment of Act, may be carried out with funds appropriated for purposes of this title.

"(d) The Assistant Attorney General may award new grants, enter into new contracts or cooperative agreements and otherwise obligate unused or reversionary funds previously appropriated for the purposes of Parts D, E and F of this title as in effect on the day before the date of enactment of the Justice Assistance Act of 1984, or for purposes consistent with this title.

"(e) Notwithstanding any other provisions of law, the Assistant Attorney General shall have all the authority previously vested in the Director of the Office of Justice Assistance, Research, and Statistics and the Administrator of the Law Enforcement Assistance Administration necessary to terminate the activities of the Law Enforcement Assistance Administration and the Office of Justice Assistance, Research, and Statistics, and all provisions of this title, as in effect on the day before the enactment of this Act, which are necessary for this purpose remain in effect for the sole purpose of carrying out the termination of these activities."

REFERENCES IN OTHER LAWS

SEC. 103. Any reference to the Office of Justice Assistance, Research, and Statistics or the Law Enforcement Assistance Administration in any law other than this Act and the Omnibus Crime Control and Safe Streets Act of 1968, applicable to activities, functions, powers, and duties that after the date of the enactment of this Act are carried out by the Office of Justice Assistance shall be deemed to be a reference to the Office of Justice Assistance or to the Assistant Attorney General, Office of Justice Assistance, as the case may be.

COMPENSATION OF FEDERAL OFFICERS

SEC. 104. (a) Section 5314 of title 5, United States Code is amended by striking out "Director, Office of Justice Assistance, Research, and Statistics."

(b) Section 5315 of title 5, United States Code is amended by striking out "Administrator of Law Enforcement Assistance." "Director of the National Institute of Justice", and "Director of the Bureau of Justice Statistics."

(c) Section 5316 of title 5, United States Code is amended by adding "Director of the National Institute of Justice, Director of the Bureau of Justice Statistics, Administrator of the Office of Juvenile Justice and Delinquency Prevention."

PRISON INDUSTRY ENHANCEMENT

SEC. 105. (a) Section 1761, subsection (c), of title 18, United States Code, is amended to read as follows:

"(c) In addition to the exceptions set forth in subsection (b) of this section, this chapter shall also not apply to goods, wares, services or merchandise manufactured, produced, provided or mined by convicts or prisoners participating in a program of not more than 20 projects designated by the Assistant Attorney General, Office of Justice Assistance, who—

"(1) have, in connection with such work, received wages at a rate which is not less than that paid for work of a similar nature in the locality in which the work was performed, except that such wages may be subject to deductions which shall not, in the aggregate, exceed 80 per centum of gross wages, and shall be limited as follows:

"(A) taxes (Federal, State, local);

"(B) reasonable charges for room and board as determined by regulations which shall be issued by the Chief correctional officer of the jurisdiction;

"(C) allocations for support of family pursuant to State statute, court order, or agreement by the offender;

"(D) contributions to any fund established by law to compensate the victims of crime of not more than 20 per centum but not less than 5 per centum of gross wages:

"(2) are entitled to compensation for injury sustained in the course of participation in these projects;

"(3) have participated in such employment voluntarily and have agreed in advance to the specific deductions made from gross wages pursuant to this section, and all other financial arrangements as a result of participation in such employment.

"(b)(1) Section 1761 of title 18, United States Code, is amended by adding thereto a new subsection (d) as follows:

"(d) The provisions of subsection (c) shall not apply unless—

"(1) representatives of local union central bodies or similar labor union organizations have been consulted prior to the initiation of any project otherwise qualifying for any exception created by subsection (c); and

"(2) such paid inmate employment will not result in the displacement of employed workers, or be applied in skills, crafts, or trades in which there is a surplus of available gainful labor in the locality, or impair existing contracts for services."

"(2) The second sentence of Section 11507 of title 49, United States Code, is amended by adding after the "use" the following: ", or to commodities produced by a project designated by the Assistant Attorney General, Office of Justice Assistance under Section 1761(c) of title 18, United States Code'.

(c) The first section of the Act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; 41 U.S.C. 35), commonly known as the Walsh-Healey Act, is amended by adding to the end of subsection (d) thereof, before"; and", the following: "except that this section, or any other law or Executive order containing similar prohibitions against purchase of goods by the Federal Government, shall not apply to convict labor which satisfies the conditions of section 1761(c) and 1761(d) of title 18, United States Code".

SEC. 106. (a) Section 1028 of title 18, United States Code, is amended by adding at the end thereof the following:

"(f) To the maximum extent feasible, personal descriptors or identifiers utilized in identification documents, as defined in this section, shall utilize common descriptive terms and formats designed to—

"(1) reduce the redundancy and duplication of identification systems by providing information which can be utilized by the maximum number of authorities; and

"(2) facilitate positive identification of bona fide holders of identification documents."

"(b) The President shall, no later than three years after the date of enactment of this Act, and after consultation with Federal, State, local, and international issuing authorities, and concerned groups, make recommendations to the Congress for the enactment of comprehensive legislation on Federal identification systems. Such legislation shall—

(1) give due consideration to protecting the privacy of persons who are the subject of any identification system;

(2) recommend appropriate civil and criminal sanctions for the misuse or unauthorized disclosure of personal identification information; and

(3) make recommendations providing for the exchange of personal identification information as authorized by Federal or State law or Executive order of the President or the chief executive officer of any of the several States.".

SEC. 107. Title II of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5601), is amended as follows—

(a) Sec. 201 is amended to read—

"SEC. 201. (a) There is established an Office of Juvenile Justice and Delinquency Prevention (hereinafter referred to in this title as the "Office") within the Department of Justice under the general authority of the Attorney General.

"(b) The Office shall be headed by an Administrator nominated by the President by and with the advice and consent of the Senate. The Administrator of the Office of Juvenile Justice and Delinquncy Prevention (hereinafter referred to in this title as the "Administrator") shall have had experience in juvenile justice programs. The Administrator shall have authority to make grants, cooperative agreements, and contracts awarded by the Office. The Administrator shall report to the Attorney General through the Assistant Attorney General who heads the Office of Justice Assistance under Part A of Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by the Justice Assistance, Missing Children and Juvenile Justice Act of 1984.

"(c) There shall be in the Office such Deputy Administrators as the Attorney General may designate including an Assistant Administrator whose function shall be to supervise and direct the National Istitute for Juvenile Justice and Delinquency Prevention established under section 241 of this title.",

(b) by striking out section 207,

(c) by striking out "Advisory Committee" each place it appears and inserting in lieu thereof "Justice Assistance Board",

(d) Sec. 261 is amended to read—

"SEC. 261. (a) To carry out the purposes of this title there is authorized to be appropriated $70,000,000 for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988. Funds appropriated for any fiscal year may remain available for obligation until expended.

"(b) The Administrator is authorized to—

(1) approve any appropriate State agency designated by the Governor of the State involved as the sole agency responsible for supervising the preparation and administration of the State plan submitted under section 223; and

(2) establish appropriate administrative and supervisory board membership requirements for any agency designated in accordance with paragraph (1), and permit the State advisory group appointed under section 223(a)(3) to operate as the supervisory board for such agency, at the discretion of the Governor.", and

(e) Sec. 262 is amended to read—

"SEC. 262. The Office shall be administered by the Administrator under the general authority of the Attorney General in accordance with the administrative provisions of Part G of Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by the Justice Assistance, Missing Children and Juvenile Justice Act of 1984.".

SEC. 108. Title II of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5601) is amended by adding at the end thereof the following new part:

"PART E—MISSING CHILDREN

"FINDINGS

"SEC. 271. The Congress finds that—

"(1) over one million children are missing from their homes each year;

"(2) thousands of these children are abducted under circumstances which immediately place them in grave danger;

"(3) many of these children are never reunited with their families;

"(4) often, there are no clues as to the whereabouts of these children;

"(5) many missing children are at great risk of both physical harm and sexual exploitation;

"(6) of the over three thousand unidentifiable bodies that are discovered annually, hundreds are children;

"(7) in many cases, parents and local law enforcement officials have neither the resources nor the expertise to mount expanded search efforts;

"(8) abducted children are frequently moved from one locality to another, requiring the cooperation and coordination of local, State, and Federal law enforcement efforts;

"(9) on frequent occasions, law enforcement authorities quickly exhaust all leads in missing children cases, and require assistance from distant communities where the child may be located; and

"(10) Federal assistance is urgently needed to coordinate and assist in this interstate problem.

"DEFINITION

"SEC. 272. For purposes of this part the term 'missing child' means

"(1) any individual thirteen years of age or younger whose whereabouts are unknown to his legal custodian; or

"(2) any individual less than eighteen years of age whose whereabouts are unknown to his legal custodian if—

"(A) the circumstances surrounding such individual's disappearance indicate that such individual may have been removed by another from the control of his legal custodian without the custodian's consent, or

"(B) credible evidence indicates that the individual is likely to be abused or sexually exploited.

"DUTIES AND FUNCTIONS OF ADMINISTRATOR

"SEC. 273. (a) The Administrator of the Office of Juvenile Justice and Delinquency Prevention—

"(1) may prescribe such rules as he considers necessary or appropriate to carry out the purposes of this part;

"(2) shall make such arrangements as may be necessary or appropriate to ensure that there is effective coordination among all federally funded programs related to missing children; and

"(3) shall provide adequate staff and agency resources which are necessary to properly carry out the responsibilities pursuant to this part.

"(b) The Administrator shall, by making grants to, or entering into contracts with, public agencies or nonprofit organizations (or combination thereof), provide for programs—

"(1) to establish and maintain a national toll-free telephone line where individuals may report information regarding the location of missing children;

"(2) to establish and maintain a national resource center and clearinghouse to—

"(A) provide technical assistance to local and State governments, public and private nonprofit agencies and individuals in locating and recovering missing children;

"(B) coordinate public and private programs to locate and recover missing children; and

"(C) nationally disseminate information on innovative missing childrens' programs, services, and legislation; and

"(D) provide technical assistance to law enforcement agencies, State and local governments, elements of the criminal justice system, public and private non-profit agencies, and individuals in the prevention, investigation, prosecution and treatment of the missing and exploited child case; and

"(3) to periodically conduct national incidence studies to determine the actual number of children reported missing each year, the number of children who are victims of stranger abductions, the number of children who are the victims of parental kidnappings, and the number of missing children who are recovered each year.

"(c) The Administrator shall compile, analyze, publish, and disseminate an annual summary of recently conducted research, and research currently being conducted on missing children, as well as prepare, in conjunction with the Advisory Board on Missing Children, an annual comprehensive plan for assuring cooperation and coordination among all agencies and organizations with responsibilities related to missing children.

"(d) Nothing contained in this section shall be construed to grant to the Administrator any law enforcement responsibility or supervisory authority over any other Federal agency.

"GRANTS

"SEC. 274. (a) The Administrator is authorized to make grants to and enter into contracts with public agencies or nonprofit private organizations, or combinations thereof, for research, or demonstration or service programs designed—

"(1) to educate parents, children, and community agencies in ways to prevent the abduction and exploitation of children;

"(2) to assist in the recovery or tracking of missing children;

"(3) to aid communities in the collection of materials which would be useful to parents in the identification of their children;

"(4) to increase knowledge of the psychological consequences on both parents and children, of—

"(A) the abduction of a child, both during the period of disappearance and after the child is recovered; and

"(B) the sexual exploitation of a child;

"(5) to collect detailed data from selected States or localities on the actual investigative practices utilized by law enforcement agencies in missing children's cases; and

"(6) to minimize the negative impact of judicial and law enforcement proceedings on children who are victims of abuse or sexual exploitation and to promote the active participation of children and their families in cases involving abuse or sexual exploitation.

"(b) In considering grant applications under this part, priority shall be given to applicants who—

"(1) have demonstrated ability in—

"(A) locating missing children and reuniting them with their families or

"(B) providing other services to missing children or their families; and

"(2) substantially utilize volunteer assistance.

"ADVISORY BOARD

"SEC. 275. (a) The Administrator shall, within ninety days after the date of enactment of this part, appoint an Advisory Board on Missing Children (hereinafter referred to as the 'Advisory Board'), which shall meet periodically. Such Advisory Board shall be comprised of five members of the general public with experience or expertise related to missing children. The Advisory Board shall assist the Administrator in coordinating programs and activities related to missing children which are planned, administered, or assisted by any Federal agency.

"(b) The Advisory Board shall assist in the preparation of the annual comprehensive plan on missing children developed pursuant to section 273(c) and shall submit the first annual plan to the President and Congress not later than eighteen months after the date of enactment of this section.

"(c) Members of the Advisory Board shall be entitled, for each day such member is engaged in the actual performance of his or her duties as a member of the Board, to be paid at a rate not in excess of the daily equivalent rate of pay payable to a GS-18 employee under section 5332 of title 5, United States Code, including travel time. All members of the Board shall be reimbursed for travel (including per diem in lieu of subsistence) as authorized by section 5703 of such title, subsistence, and other necessary expenses incurred by them in the performance of their duties.

"CRITERIA FOR GRANTS

"SEC. 276. The Administrator, in consultation with the Advisory Board on Missing Children, shall establish annual research,

demonstration, and service program priorities for making grants or contracts pursuant to section 274 and, not less than sixty days before establishing such priorities, shall publish in the Federal Register for public comment a statement of such proposed priorities.

"AUTHORIZATION

"SEC. 277. To carry out the provisions of Part E, there are authorized to be appropriated $10,000,000 for each of the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988."

SEC. 109. Section 223(a) of the Juvenile Justice and Deliquency Prevention Act of 1974 (42 U.S.C. 5633(a)) is amended as follows:

(1) Paragraph (10) is amended as follows:

(A) in subparagraph (F) by inserting "and their families" before the semicolon at the end thereof and

(B) in subparagraph (H)—

(i) in clause (iii) by striking out "or" at the end thereof, and

(ii) in clause (iv) by inserting "or" at the end thereof, and

(iii) by adding at the end thereof the following new clause:

"(v) involve parents and other family members in addressing the delinquency-related problems of juveniles;",

(2) by redesignating paragraphs (17), (18), (19), (20), (21) and (22) as paragraphs (18), (19), (20), (21), (22), and (23), respectively, and

(3) by inserting after paragraph (16) the following new paragraph:

"(17) provide assurance that consideration will be given to and that assistance will be available for approaches designed to strengthen and maintain the family units of delinquent and other youth to prevent juvenile delinquency. Such approaches should include the involvement of grandparents or other extended family members when possible and appropriate;".

(4) by striking out "and" at the end of subparagraph (I) and inserting "and" at the end of subparagraph (J);

(5) by adding after subparagraph (J) the following new subparagraph:

"(K) law-related education programs and projects designed to prevent juvenile delinquency."

SEC. 110. (a)(1) The first sentence of section 223(a)(10) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(10)) is amended by—

(A) striking out "programs for juveniles" and inserting in lieu thereof "programs for juveniles, including those processed in the criminal justice system,"; and

(B) striking out the period at the end thereof and inserting in lieu thereof ", and to facilitate the coordination of services between the juvenile justice and criminal justice systems.".

(2) Section 223(a)(10) of the Juvenile Justice and Delinquency Act of 1974 (42 U.S.C. 5633(a)(10)(J)) is amended by striking out "juvenile gangs and their members" and inserting in lieu thereof "gangs whose membership is substantially composed of juveniles".

(b)(1) Section 224(a)(12) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5634(a)(12) is amended by—

(A) inserting ", including those processed in the criminal justice system," after "prevention and treatment programs relating to juveniles"; and

(B) inserting "and facilitate the coordination of services between the juvenile and criminal justice systems" after "who commit serious crimes".

(2) Section 224(a) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5634(a)) is amended by—

(A) striking out "and" after the semicolon in clause (11);

(B) striking out the period at the end of clause (12) and;

(C) inserting at the end thereof the following:

"(13) develop and implement programs designed to deter involvement in illegal activities or to promote involvement in lawful activities on the part of gangs whose membership is substantially composed of juveniles; and

"(14) develop and implement law-related education delinquency prevention programs, including training programs for persons responsible for the implementation of law-related education programs in elementary and secondary schools, focussing primarily on youths at greatest risk of becoming delinquent."

(c) Section 243(5) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5653(5)) is amended by—

(1) inserting a dash after "including";

(2) designating the matter that follows the dash as clause (A);

(3) adding at the end thereof the following:

"(B) an examination of the treatment of juveniles processed in the criminal justice system; and

(C) recommendations as to effective means for deterring involvement in illegal activities or promoting involvement in lawful activities on the part of gangs whose membership is substantially composed of juveniles.".

SEC. 111. Section 223. (a)(12)(A)) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(12)(A) is amended to read as follows:

"(12)(A) provide within three years after submission of the initial plan that—

(i) juvenile nonoffenders such as dependent or neglected children shall not be placed in secure detention facilities or secure correctional facilities; and

(ii) juveniles who are charged with or who have committed offenses that would not be criminal if committed by an adult or offenses which do not constitute violations of valid court orders shall not be placed in secure detention facilities or secure correctional facilities except that the short-term emergency placement in a public or private secure juvenile residential facility of certain of these juveniles may be ordered by the court if the court finds based on clear and convincing evidence that: (a) the physical safety of the juvenile is in serious danger; and (b) there is no less restrictive alternative placement available which would adequately safeguard the welfare of the juvenile, provided that a judicial determination is held within 24 hours and that the juvenile is either released or diverted to a nonsecure community-based alternative within 5 calendar days;

(B) provide that pursant to subparagraph (A)(ii) the State advisory group must evaluate the secure juvenile residential facilities in the State which are available to carry out the purposes of this subparagraph every six months to determine whether they provide acceptable shelter care and services to safeguard the welfare of these juveniles; juveniles shall not be held pursuant to subparagraph (A)(ii) in a facility which is not deemed appropriate for such a purpose.".

SEC. 112. Section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633) is amended—

(a) in subsection (a)(3)(C) to read as follows:

"(C) which shall include (i) representatives of private organizations, including those with a special focus on maintaining and strengthening the family unit, those representing parents or parent groups, those concerned with delinquency prevention and treatment and with neglected or dependent children, and those concerned with the quality of juvenile justice, education, or social services for children; (ii) representatives of organizations which utilize volunteers to work with delinquents or potential delinquents; (iii) representatives of community based delinquency prevention or treatment programs; (iv) representatives of business employing youth; (v) youth workers involved with alternative youth programs; and (vi) persons with special experience and competence in addressing the problems of the family, school violence and vandalism, and learning disabilities,";

(b) in subsection (a)(12)(B) by substituting "C" for "B", by substituting "," for "and" after "* * * subparagraph (A)", and by inserting after "* * * section 103(1)" the following, ", and a report on the number of jueviles held under subparagraph (A)(ii), including the length of confinement and final case disposition".

SEC. 113. The last sentence of section 223(c) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(c)) is amended by striking out "not to exceed 2 additional years" and inserting in lieu thereof "not to excveed 3 additional years.".

SEC. 114. Section 241(d) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5651(d)) is amended to read as follows:

"(d) It shall be the purpose of the Institute to provide—

"(1) a coordinating center for the collection, preparation, and dissemination of useful data regarding the prevention and treatment of juvenile delinquency; and

"(2) appropriate training (including training designed to strengthen and maintain the family unit for representatives of Federal, State, local law enforcement officers, teachers and special education personnel, family counselors, child welfare workers, juvenile judges and judicial personnel, probation personnel, correctional personnel (including volunteer lay personnel), persons associated with law-related education, youth workers, and representatives of private agencies and organizations with specific experience in the prevention and treatment of juvenile delinquency.".

SEC. 115. Section 243 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5653) is amended in paragraph (5) by striking out "recreation and" and inserting in lieu thereof "familial relationships, recreation, and".

SEC. 116. Section 244 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5654) is amended in paragraph (1) by striking out "and juvenile offenders" and inserting in lieu thereof ", juvenile offenders, and their families".

SEC. 117. Section 103(14) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5603) is amended by inserting "or other sex offenses punishable as a felony" after "rape" and before ", mayhem,".

SEC. 118. Section 341(a) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5751(a)) is amended by striking out all after "ending" through ", and" and inserting after "1984" the following: ", September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988.".

SEC. 119. (a) Section 311(a) of the Runaway and Homeless Youth Act (42 U.S.C. 5711(a)) is amended by inserting "and their families" before the period at the end thereof.

(b) Section 311(b) of the Runaway and Homeless Youth Act (42 U.S.C. 5711(b)) is amended by inserting "and to the families of such juveniles" before the period at the end thereof.

SEC. 120. Section 312(b) of the Runaway and Homeless Youth Act (42 U.S.C. 5712) is amended as follows:

(1) in paragraph (4) by inserting "school systems," after "social service personnel,";

(2) in paragraph (5) by striking out "parents" and inserting in lieu thereof "families", and

(3) in paragraph (6) by striking out "parents" and inserting in lieu thereof "family members".

SEC. 121. (a) Section 311(a) of the Runaway and Homeless Youth Act (42 U.S.C. 5711(a)) is amended in the first sentence by striking out "nonprofit private agencies and coordinated networks of such agencies" and inserting in lieu thereof "private entities and coordinated networks of such entities".

(b) Section 313 of such Act (42 U.S.C. 5713) is amended in the first sentence by striking out "nonprofit private agency" and inserting in lieu thereof "private entity".

(c) Section 314 of such Act (42 U.S.C. 5714) is amended in the first sentence and in the caption by striking out "nonprofit private agencies" and inserting in lieu thereof "private entities".

AMENDMENT NO. 3691

(Purpose: To establish a pilot program of Federal assistance for construction of State and local correctional facilities to relieve emergency overcrowding conditions)

Mr. BAKER. Mr. President, on behalf of the distinguished Senator from Pennsylvania [Mr. SPECTER], I send an amendment to the substitute just offered by the distinguished chairman of the Judiciary Committee and ask that it be stated by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Tennessee [Mr. BAKER], for Mr. SPECTER, Mr. D'AMATO, and Mr. DOLE, proposes an amendment numbered 3691.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

After Part F, add the following new part:

"PART G—CRIMINAL JUSTICE FACILITY CONSTRUCTION: PILOT PROGRAM

"AUTHORITY FOR PAYMENTS

"SEC. 701. In order to relieve emergency overcrowding conditions at State and local correctional facilities, the Secretary of the Treasury is authorized to pay, subject to the requirement for a certification under section 705(c) by the Director of the Bureau of Justice Programs (hereinafter referred to in this part as the "Director"), to a State or political subdivision thereof, the Federal share of the cost of construction of a correctional facility project approved under this part.

"DEFINITIONS

"SEC. 702. For the purposes of this part—

"(1) a correctional facility project is a project for the construction, replacement, alteration or expansion of a prison or jail for the purpose of significantly expanding the rated inmate capacity of the State in which such facility is or will be located; and

"(2) the cost of construction shall include all expenses found necessary by the Director for the construction of the project, including architect and engineerng fees, but excluding land acquisition costs.

"FEDERAL SHARE

"SEC. 703. (a) Except as provided in subsection (b), the Federal share of the cost of construction of a correctional facility project shall be 10 percent of such cost.

"(b) In the case of correctional facility projects determined by the Director, according to standards which the Director shall prescribe and publish in the Federal Register, to be prototypes of new methods and designs that will stand as examples of technology for avoiding delay and excessive costs in correctional facility design and improvement, the Federal share of the cost of construction of a correctional facility project shall be 12 percent of such cost.

"ELIGIBILITY; RATED CAPACITY

"SEC. 704. (a) A State or political subdivision thereof shall be eligible for assistance under this part in connection with a correctional facility project only—

"(1) to the extent that such project, together with other projects planned for or under construction, would cause the total rated capacity of State and local correctional facilities in such State to increase during the fiscal year in which an application is submitted under section 705 in connection with such project (such project to be deemed to be projected for completion and activation in such fiscal year) by an amount greater than the average annual such increase during the 5 fiscal years preceding such fiscal year;

"(2) where such project, together with other projects planned for or under construction and other correctional facilities, would not cause the rated capacity for such State to exceed the estimated necessary rated capacity prescribed by the Director pursuant to subsection (b)(1); and

"(3) where such project would meet the standards regarding advanced practices prescribed by the Director pursuant to subsection (b)(2).

"(b) Within 6 months after the date of enactment of this part, the Director shall prescribe by regulation—

"(1) the estimated rated capacity necessary to accommodate the total prison and jail inmate population of each State for the then present fiscal year and for each of the 3 succeeding fiscal years, and shall from time to time revise such estimates as appropriate; and

"(2) minimum standards regarding the current state of advanced practices in correctional facility construction methods and design technology.

"APPLICATION; APPROVAL; PAYMENT

"SEC. 705. (a) A State or political subdivision thereof desiring to receive assistance for a correctional facility project shall submit to the Director an application. Such application shall be in such form and contain such information as the Director considers necessary and appropriate, and shall set forth—

"(1) a detailed description of the correctional facility to be constructed, altered or expanded, including a description of the site of such facility;

"(2) an estimate of the total cost of the construction of such project, including the amount of assistance requested for such project;

"(3) reasonable assurance that title to such site is or will be vested solely in the applicant, or another agency or instrumentality of the applicant;

"(4) reasonable assurance that adequate financial support will be available for the construction of the project and for its maintenance and operation when complete;

"(5) the amount of increased rated capacity in each of the 6 fiscal years preceeding the fiscal year in which such application is submitted resulting from correctional facility projects in such State; and

"(6) reasonable assurance that the applicant will make such reports in such form and containing such information as the Director may from time to time reasonably require, and will afford the Director, upon demand, access to the records upon which such information is based.

"(b)(1) The Director may approve any such application if the Director finds that—

"(A) there are sufficient funds available to provide the assistence requested;

"(B) such assistance does not exceed the Federal share of the estimated total cost of construction;

"(C) the application contains such reasonable assurances as may be required under paragraph (1); and

"(D) the eligibility criteria of section 704 are met.

"(2) In approving applications under this subsection, the Director shall—

"(A) give primary consideration to the needs of States which have made satisfactory assurances that they have implemented, or are in the process of implementing, significant measures to reduce overcrowding and improve conditions of confinement in State and local correctional facilities, through legislative, executive, or judicial initiatives;

"(B) consider the extent of the applicant's compliance, or likelihood of future compliance based upon receipt of satisfactory assurances from the applicant, which the standards and recommendations of the clearinghouse on the construction and modernization of correctional facilities established under section 707;

"(C) consider the extent to which population levels or conditions of confinement in State or local correctional facilities have been determined, by adjudication, consent decree, or any other determination made on the record after opportunity for an agency hearing, to be in violation of the Federal Constitution, or State statutes, codes, or standards;

"(D) consider the numbers and general characteristics of the inmate population (to include factors such as offender ages, offenses, average term of incarceration, and custody status); and

"(E) endeavor to achieve equitable distribution of funds available for purposes of carrying out this part among the several States based upon consideration of the relative needs of each State.

"(c) Upon approving an application under this section, the Director shall certify to the Secretary of the Treasury the amount of assistance so approved, but in no event an amount greater than the Federal share, and shall designate the appropriation from which it shall be paid. Such certification shall provide for payment to the applicant or, if designated by the applicant, any agency or instrumentality of the applicant. Such amount shall be paid, in advance or by way of reimbursement, and in such installments consistent with the progress of construction as the Director may determine and certify for payment to the Secretary of Treasury. Funds paid under this subsection for the construction of an approved project shall be used solely for carrying out such project as so approved.

"(d) Any amendment of any application, whether or not approved, shall be subject to approval in the same manner as an original application.

"RECAPTURE PROVISIONS

"SEC. 706. If, within twenty years after completion of any correctional facility project with respect to which assistance has been provided under this section, such facilities cease to be operated as a correctional facility, the United States may recover from the State, or from the then owner of such facility, any amount up to 10 percent of the then value of such project (but in no event an amount greater than the amount of assistance provided under this part for such project), as determined by agreement of the parties or by action brought in the district court of the United States for the district in which such facility is situated.

"CLEARINGHOUSE ON THE CONSTRUCTION AND MODERNIZATION OF CRIMINAL JUSTICE FACILITIES

"SEC. 707. The Director shall establish and operate a clearinghouse on the construction and modernization of correctional facilities, which shall collect and disseminate to the public and to interested State and local entities information pertaining to the construction and modernization of correctional facilities, including—

"(1) information concerning ways in which a constuction program may be used to improve the administration of the criminal justice system within each State;

"(2) recommended minimum standards concerning construction materials and methods, to be updated from time to time to reflect technological advances;

"(3) the cost-effectiveness of available construction materials, methods and design technologies;

"(4) the training of correctional facility personnel; and

"(5) health and safety considerations in construction planning.

The Director is authorized to enter into contracts with public agencies or private organizations to operate the clearinghouse established or designated under this section.".

After the third sentence of section 901(a), insert the following sentence: "There are authorized to be appropriated amounts not to exceed in total $25 million for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988, for the purposes of carrying out the functions and activities of the Bureau of Justice Programs as set forth in Part ." Redesignate all part numbers, section numbers and cross references accordingly.

Mr. SPECTER. Mr. President, this amendment would establish a modest and extremely cost-effective pilot program of Federal assistance for State and local prison constructioh. It is derived from provisions which have already been approved by the Judiciary Committee, in reporting out S. 53, the Justice Assistance Act of 1983, on September 12, 1983, and by the full Senate, in passing S. 1762, the Comprehensive Crime Control Act of 1984, by a vote of 91-1 on February 2, 1984. These provisions have come to be known simply as "Part G."

Mr. President, the Senate is by now well aware that State and local prison overcrowding has reached crisis proportions. It was a topic of extensive Senate debate on May 17 of this year, when I offered an amendment to the pending reconciliation vehicle, the Omnibus Deficit Reduction Act of 1984, H.R. 4170, to earmark $200 million for prison construction, assuming the subsequent enactment of a program of Federal matching funds at the rate of $1 for every $3 put up by a State or locality. After concerns were expressed, particularly by the distinguished chairman of the Appropriations Committee, about the sanctity of the appropriations process and the role of the authorizing committees, the amendment was defeated by a vote of 60-36.

However, the substantive problems set forth in that debate persist and will continue inexorably to deteriorate if nothing is done. The General Accounting Office, in a recent study conducted at my request, has determined that prison population nationwide exceeds cell space by 60,000. Even though the States are doing all they can, committing a total of $1.6 billion to prison construction in 1983 alone, GAO projects that this cell space deficit will rise to 108,000 by the end of this decade—an overcrowding rate in excess of 25 percent.

Many States are responding with early-release programs as a means of dealing with prison overcrowding. However, any such program inevitably works at cross purposes with legislative efforts to establish tougher mandatory sentencing laws, and thrusts upon prison and parole officials the difficult task of selecting for release the least dangerous criminals of those that society has determined to be dangerous enough to warrant incarceration. Last year, as a result of court orders or consent decrees in 39 States requiring reductions in prison populations, 21,240 prisoners whose sentences had not yet expired were simply "dumped" onto the streets. As a result, the public safety is threatened: in Manhattan, for example, 40 percent of those released either failed to show up for scheduled court appearances or were rearrested on new charges, and about half of those rearrested were charged with serious felonies. For a more detailed discussion of the problem and an indication of the extremely broad, bipartisan support at the State and local level for an improved Federal role in this area, I would refer my colleagues to the CONGRESSIONAL RECORD of May 17, 1984, at page 12663

This amendment is designed to recognize both the enormity of the need for additional State and local prison construction—an effective program of Federal assistance could require some $24 billion over a 10-year period, according to the National Criminal Justice Association—and the present scarcity of Federal funds for such an endeavor. It would accomplish this by limiting annual appropriations to $25 million—the same amount specified in the original Judiciary Committee-approved version—and by relying upon various mechanisms to squeeze the greatest benefit possible out of this limited sum. It is also designed to minimize administrative burdens at both the Federal and non-Federal levels.

The program which would be established by this amendment focuses on individual construction projects to significantly expand the inmate capacity of a State or locality. A State or locality would be eligible for assistance only to the extent that the proposed construction would contribute to an annual increase in prison capacity greater than the average annual increase over the 5 preceeding years. This provision would reduce the likelihood that Federal assistance would be furnished for construction which might have occurred even without the Federal money. All projects would be required to incorporate state-of-the-art advanced practices prescribed by the Director of the Bureau of Justice Programs for prison construction. The amount of assistance payable would be 10 percent of the construction project's cost, or 12 percent where the construction project incorporates innovative prototype technology to minimize construction delays and costs. Assistance would be targeted to States and localities where population levels or conditions of confinement have been adjudicated to be violations of law, either constitutional or otherwise, and where good faith efforts are under way to reduce overcrowding and improve conditions.

This would be a pilot program only, through the end of fiscal year 1988, so as to require a timely second look at the program's effectiveness. This amendment would retain and expand original part G's concept of a nationwide clearinghouse for correctional facility construction to develop and disseminate a broad range of information which may be useful to States and localities in planning for prison construction.

Mr. President, the potential cost-effectiveness of this program is extraordinary. The way the program is struc-

tured, each Federal dollar would be greatly leveraged to stimulate the maximum possible commitment of State and local dollars. The Federal assistance payable under this program would not kick in until the States and localities had already, on their own, committed to some $1.2 billion of prison construction in a given fiscal year. This figure represents the average annual increase nationwide in State and local prison construction over the last 5 years, based on data supplied by the American Correctional association at a July 27, 1983 hearing before the Juvenile Justice Subcommittee. Once this amount had been reached, an expenditure of $25 million under this program would result in additional construction expenditures totaling $350 million. Thus, the $25 million of Federal funding would correspond to total State and local prison construction expenditures in the amount of some $1.55 billion—that is, more than 60 non-Federal dollars for every Federal dollar spent.

Similarly, in terms of prison capacity, the number of new beds resulting from a commitment of $25 million under this program would be approximately 39,000, or an increase of some 8,000 beds over the base level from preceding years. By comparison, if the same $25 million were applied on a straight grant basis, it would produce only 625 additional beds, based on an average per-bed cost of $40,000. In this regard, I would note that this program contains a number of features designed to help keep construction costs down—including the requirement for the use of advanced practices, the clearinghouse concept, and the increased Federal payment for new and innovative construction practices.

Mr. President, this amendment is a result of continuing efforts to improve the original part G, and to accommodate comments and technical suggestions from representatives of the Justice Department, full Judiciary Committee staff, and the staff of various interested Senators. Changes made include the following: The program would be administered through the Bureau of Justice Programs which would be established by part B of Chairman THURMOND's substitute bill, instead of through a new, separate Bureau of Criminal Justice Facilities. Applicants would not be required to submit detailed and cumbersome State plans, although primary consideration would be given to the needs of States which have made specific satisfactory assurances that improvements in conditions and overcrowding rates will be made. The application and approval process would be geared to individual projects rather than to entire State plans. The Federal share would be reduced from 25 percent to 10 percent. The kick-in requirement is new. The functions of the clearinghouse would be expanded and made more specific.

Two central features of the original part G which have not been changed are the funding cap of $25 million per year, and the limited 4-year duration of the program.

Mr. President, let me emphasize that legislation containing the original part G has already passed the Senate. I would refer my colleagues to part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as proposed to be amended by title VI, section 601 of S. 1762. As Chairman THURMOND stated in debate on May 17: "We have passed through the Senate the finest crime package that has ever been passed in the history of this country." And as he noted with regard to the justice assistance provisions of that package, the Judiciary Committee addressed the prison construction issue and "concluded, in its deliberations over the creation of a Bureau of Criminal Justice Facilities, that highly targeted, but limited, Federal funding would provide the most productive use of available sources."

Mr. President, this amendment addresses a serious problem in a responsible and extremely cost-effective way. I strongly urge my colleagues to join me in seeking its adoption.

Mr. THURMOND. Mr. President, we are willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3691) was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BRADLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3692

(Purpose: To preserve the independence of the Bureau of Justice Statistics and the National Institute of Justice)

Mr. BYRD. Mr. President, on behalf of Mr. BIDEN, I send an amendment to the desk and ask that it be stated by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. BIDEN and Mr. DOLE, proposes an amendment numbered 3692.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, strike out the third sentence in section 101 of part A of title I and insert in lieu thereof "The Assistant Attorney General shall have authority to award grants, cooperative agreements, and contracts authorized under parts B, E, and F of this title.".

On page 2, strike out all of page 2 through the end of section 102 and insert in lieu thereof the following:

"DUTIES AND FUNCTIONS OF ASSISTANT ATTORNEY GENERAL

"SEC. 102. (a) The Assistant Attorney General shall—

"(1) publish and disseminate information on the conditions and progress of the criminal justice systems;

"(2) maintain liaison with the executive and judicial branches of the Federal and State Governments in matters relating to criminal justice;

"(3) provide information to the President, the Congress, the judiciary, State and local governments, and the general public relating to criminal justice;

"(4) maintain liaison with public and private educational and research institutions, State and local governments, and governments of other nations relating to criminal justice;

"(5) provide staff support to coordinate the activities of the Office and the Bureau of Justice Programs, the National Institute of Justice, the Bureau of Justice Statistics, and the Office of Juvenile Justice and Delinquency Prevention;

"(6) exercise the powers and functions set out in Part G; and

"(7) exercise such other powers and functions as may be vested in the Assistant Attorney General pursuant to this title or by delegation of the Attorney General.

"(b) The Attorney General shall submit an annual report to the President and to the Congress not later than March 31 of each year. Each annual report shall describe the activities carried out under the provisions of this title and shall contain such findings and recommendations as the Attorney General considers necessary or appropriate after consultation with the Assistant Attorney General and the Directors of the National Institute of Justice and the Bureau of Justice Statistics, and the Advisory Board.

On page 8, beginning with the heading for section 302 strike out through subsection (b) and insert in lieu thereof the following:

"ESTABLISHMENT, DUTIES, AND FUNCTIONS

"SEC. 302. (a) There is established within the Department of Justice under the general authority of the Attorney General, a National Institute of Justice (hereinafter referred to in this title as the 'Institute').

"(b) The Institute shall be headed by a Director appointed by the President, by and with the advice and consent of the Senate. The Director shall have experience in justice research. The Director shall have authority to make grants, cooperative agreements, and contracts awarded by the Institute. The Director shall report to the Attorney General through the Assistant Attorney General who heads the Office. The Institute shall be administered by the Director under the general authority of the Attorney General in accordance with the administrative provisions of part C of this title. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Institute makes any contract or other arrangements under this title.

On page 11, in clause (4), strike out "to the Assistant Attorney General".

On page 11, strike out clause (9).

On page 12, strike out clause (10) and insert in lieu thereof the following:

"(9) exercise the powers and functions set out in part G.".

On pages 13 and 14, beginning with the heading for section 402 strike out through subsection (b) of such section and insert in lieu thereof the following:

"ESTABLISHMENT, DUTIES, AND FUNCTIONS

"SEC. 402. (a) There is established within the Department of Justice, under the general authority of the Attorney General a Bureau of Justice Statistics (hereinafter referred to in this part as the "Bureau").

"(b) The Bureau shall be headed by a Director appointed by the President by and with the advice and consent of the Senate. The Director shall have had experience in statistical programs. The Director shall have authority to make grants, cooperative agreements, and contracts awarded by the Bureau. The Director shall report to the Attorney General through the Assistant Attorney General who heads the Office. The Bureau shall be administered by the Director under the general authority of the Attorney General in accordance with the administrative provisions of part G of this title. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this Act.

On page 15, clause (8), strike out "to the Asssitant Attorney General".

On page 16, strike out clauses (14 through (16) and insert in lieu thereof the following:

"(14) Insure conformance with security and privacy requirement of section 710 and identify, analyze, and participate in the development and implementation of privacy, security, and information policies which impact on Federal and State criminal justice operations and related statistical activities;

"(15) provide information to the President, Congress, Judiciary, State and local governments and the general public on justice statistics;

"(16) maintain liaison with State and local governments and with judicial branches of Federal and State governments in matters relating to justice statistics;

"(17) exercise the powers and functions set out in part G; and

"(18) cooperate in and participate with national and international organizations in the development of uniform justice statistics.

On page 30, at the end of clause (3) of subsection (a) of section 604 before the semicolon insert the following: of Justice Statist, or the National Institute of Justice.".

On page 32, subsection (a) of section 701, strike out "is" and insert in lieu thereof ", the National Institute of Justice and the Bureau of Justice Statistics are".

On page 33, in the first sentence of the matter following clause (5), strike out "Office of Justice Assistance" and insert in lieu thereof "Institute".

On page 34, in subsection (a) before clause (1) strike out "Office finds" and insert "Office, the Institute, and the Bureau of Justice Statistics find".

On page 34, in subsection (a) in the matter following clause (3) strike out "the Assistant Attorney General" and insert in lieu thereof "they".

On pages 34 and 35, wherever the "Office" appears alone insert after such term the following: "the Institute, or the Bureau of Justice Statistics".

Mr. BIDEN. Mr. President, this is an amendment to preserve the independence of the Bureau of Justice Statistics and the National Institute of Justice—the crime statistics and research arms of the Federal Government. It is an amendment to the Justice Assistance, Missing Children and Juvenile Justice Act introduced today on behalf of the Department of Justice by my colleague and chairman, the distinguished Senator from South Carolina. My amendment would preserve existing law by retaining the director of the Bureau and the Institute as Presidential appointees, and by preserving their authority to set policy for their agencies through the award of grants and contracts.

The effort to preserve the independence of these entities, like the effort to establish these entities, which the Congress undertook only 5 years ago, is decidedly bipartisan. The distinguished Senators from Maryland, Senator MATHIAS, from Kansas, Senator DOLE, and from Utah, Senator HATCH, join with me in offering this amendment.

Frankly, I am at a loss to understand why we are having any debate whatsoever on this issue. It seems to me self-evident that the entities responsible for providing the Nation with crime statistics and crime research are far more apt to produce objective and accurate products if they have a measure of independence from the entity—the Department of Justice—responsible for administering crime fighting programs. It seems to me self-evident that the entities responsible for the Nation's crime statistics and crime research are more apt to produce a credible and believable product if it is perceived that they have a measure of independence from the entity responsible for administering crime fighting programs. And it seems to me self-evident that the entities responsible for the Nation's crime statistics and crime research are more apt to give priority to these efforts if they have a measure of independence, as opposed to being buried in a far larger entity whose guiding mission is the administration of crime fighting programs.

In 1979, we adopted the Justice System Improvement Act, which established the Bureau and the Institute as independent entities within the Department of Justice. In 1982, the Judiciary Committee reaffirmed this approach and we reported our legislation that would have reauthorized the Bureau and the Institute, leaving their independent structure intact. However, in December 1982, on the Senate floor, at the request of the Department of Justice, an amendment was introduced to strip the Bureau and the Institute of their independence and to downgrade their status. And thus began a debate, which has now lasted 2½ years.

In December 1982, I expressed my opposition to the Justice Department's then newly emerging effort to lobotomize the crime statistics and research agencies. The Department offered at that time two arguments to support their restructure proposal—arguments which they have repeated over the 2½ years, and as recently as 2 days ago—August 7—in a letter to the majority leader. First, the Department argues that the coordination of the Bureau and the Institute would be improved if these entities are integrated into the Department. Second, the Department argues that integration and downgrading of these entities would result in significant efficiencies assuring that more of each program dollar reaches State and local criminal justice agencies, rather than being spent for administrative overhead.

Experience teaches that it is rarely the case that the merits of an issue are all on one side of that issue. However, quite frankly, we have such a case here. The Department's arguments are simply and utterly without merit. First, in the 2½ years that the Department has been attempting to persuade us to eliminate the independence of the crime statistics and research agencies, the Department has yet to provide a single example—one single instance—of a lack of coordination or of inefficiencies.

Moreover, the Justice Assistance Act now before us, as it would be changed by the amendment which we are offering, would change existing law to improve coordination by creating an Assistant Attorney General for Justice Assistance with explicit authority to coordinate the new justice assistance agency, the Bureau of Justice programs, the Bureau of Justice Statistics, the National Institute of Justice, and the Office of Juvenile Justice and Delinquency Prevention. If an Assistant Attorney General with express statutory authority to coordinate these agencies cannot, in fact, coordinate these agencies, then the problem will not be lack of statutory authority.

Moreover, the directors of those agencies, under the act now before us, as it would be amended, would report through the Assistant Attorney General to the Attorney General, thereby giving the Assistant Attorney General a perfect mechanism for coordinating their activities. Finally, the act now before us, as it would be amended, would eliminate separate advisory boards for the Bureau of Justice programs, the Bureau of Justice Statistics, and the National Institute of Justice, and replace them with one advisory board, thus providing another mechanism for coordination.

There is also one additional, extremely important, point to be made about the Department's coordination argument. The Department of Justice, in recent months, has sought to strip the Office of Juvenile Justice and De-

linquency Prevention of its independence by making its Administrator an Attorney General appointee, and by transferring its grantmaking and policymaking functions to the Assistant Attorney General for Justice Assistance. Here too, the Department's proposal was advanced in the name of coordination and efficiency. However, after negotiations with several of the Members of this Chamber, including my distinguished colleagues from Florida, Senator HAWKINS, and Alabama, Senator DENTON, the Department agreed to preserve the Office of Juvenile Justice and Delinquency Prevention as an independent agency headed by a Presidential appointee, with grant-making and policy-making authority. If that structure does not damage the Department's version of coordination, then preserving the independence of the Bureau of Justice Statistics and the National Institute of Justice will similarly not damage the Department's version of coordination. In fact, as a matter of both logic and fairness, the structure for all three of these agencies ought to be identical.

We should make no mistake about the Department's intentions concerning the restructuring of the Bureau and the Institute. Their proposal is not a proposal for coordination—it is a proposal for control.

As to the Department of Justice's second argument—efficiency—I must say that I am at a complete loss to understand their point. The personnel functions within the Bureau and the Institute are already controlled by the Department of Justice and they would continue to be so controlled. What's more, the administrative functions within those agencies, including fiscal review, would, under the act now before us, as changed by our amendment, be performed by the new Assistant Attorney General for Justice Assistance. Under either the Department's proposal, or our amendment, we are talking about the same number of personnel; the same administrative and personnel structure; and the same budget.

In fact, it is worth nothing that the Comptroller's Office, in what would become the Office of the Assistant Attorney General, already has more employees than all of the employees in the Bureau of Justice Statistics, and about as many employees as are in the National Institute of Justice. As a matter of fact, the number of employees to be inherited by the Office of the Assistant Attorney General will exceed the total number of employees in both BJS and NIJ combined.

I can't help but note that I am not the only one who has been unimpressed by the Department's argument. The House has rejected these arguments when made to it by the Department, and instead has passed legislation, H.R. 2175, by the overwhelming vote of 399 to 166, that would reauthorize an independent Bureau of Justice Statistics and National Institute of Justice exactly as they exist under present law. Furthermore, virtually every witness who has testified in both the House and the Senate hearings on this issue over the last 2 years—other than departmental witnesses—has testified in favor of maintaining the independence of the Bureau and the Institute. These witnesses include several professional associations, such as the Council of Professional Associations on Federal Statistics and the Consortium of Social Science Organizations, and numerous eminent social scientists. One of these social scientists, Don M. Gottfredson, dean of the School of Criminal Justice, at Rutgers University, stressed that downgrading the Bureau and the Institute would be a step backward in the fight against crime.

The Justice System Improvement Act of 1979, which created the Bureau of Justice Statistics and the National Institute of Justice, provided a needed, significant advance by improving the structures of those agencies to ensure the necessary independence for statistical and research functions. This progress would be lost if, as under Senate bill 53, the directors are appointed by the Attorney General, report to the Assistant Attorney General, do not have authority to approve grants and contracts, and have one combined advisory board. This is not efficiency, as argued in favor of the Bill, but a significant decrease in the autonomy needed to ensure the integrity and quality of the statistics and research functions.

It is also important to note that in the past, when we have established statistical or research centers, we have customarily given those centers a significant degree of autonomy from the related operational entity. We did this, for example, in the case of the Bureau of Labor Statistics, which is headed by a Presidential appointee and operates as an independent agency within the Department of Labor; we did this in the case of the Census Bureau, which is headed by a Presidential appointee and operates as an independent agency within the Department of Commerce; we did this in the case of the Energy Information Administration, which is headed by a Presidential appointee and operates as an independent agency within the Department of Energy; and we did this in the case of the Bureau of Justice Statistics and the National Institute of Justice, only 5 years ago.

Therefore, for all of the reasons that I have set forth here, I would urge all of my colleagues to join with me and with the many distinguished Senators from the other side of the aisle, in voting for this amendment to preserve the independence and integrity of the Nation's criminal statistics and research functions.

Mr. THURMOND. Mr. President, we are willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3692) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I know of no other amendments to the substitute.

AMENDMENT NO. 3690

The PRESIDING OFFICER. The question is on agreeing to the substitute.

The amendment (No. 3690) was agreed to.

Mr. THURMOND. Mr. President, I want to express my strong support for H.R. 2175, as amended by an amendment in the nature of a substitute which I am offering at the request of the Reagan administration.

The amendment which I am offering is entitled the "Justice Assistance, Missing Children and Juvenile Justice Act of 1984." It thus combines the proposals of the administration in three important areas.

The justice assistance provisions in the amendment will reestablish Federal financial assistance to the States and localities for criminal justice programs of proven effectiveness, some innovative programs, and emergency law enforcement assistance. Under the amendment, important programs relating to career criminals, prison and jail overcrowding, and modern caseload management systems for prosecutors will be funded. This targeted program of financial and technical assistance would be administered by a new Bureau of Justice Programs. In addition, an Office of Justice Assistance, headed by an Assistant Attorney General would be established to coordinate the activities of the Bureau, and the reauthorized Bureau of Justice Statistics, National Institute of Justice, and Office of Juvenile Justice and Delinquency Prevention, and for other purposes.

The amendment which I am offering will also reauthorize the Office of Juvenile Justice and Delinquency Pevention. The Senate Judiciary Committee unanimously reported similar legislation, S. 2014, in May. The Administrator of that Office would continue to enjoy any needed independence, but would report to the Attorney General through the Assistant Attorney General. This will ensure needed coordination within the entire assistance program.

A new facet of the Juvenile Justice Program will be support for activities to locate and recover missing children and assist in the development and dis-

semination of information designed to prevent the abduction of children. Specifically, the amendment will establish a national toll-free telephone line for reporting information about missing children and a national resource center and clearinghouse to provide technical assistance to the States, private organizations and individuals involved in recovering missing children. These provisions build upon the Missing Children Act which we passed in the last Congress and recent initiatives by the Reagan administration. It is absolutely imperative that we increase our efforts to assist missing children in this country without further delay.

Mr. President, in order to expedite Senate passage of this important measure, I am reluctantly not objecting to two amendments. The first relates to the Bureau of Justice Statistics and the National Institute of Justice, and would undermine the administrative structure proposed by the administration with respect to those two agencies. The second would provide Federal assistance for the construction of prison facilities by the States. I ask unanimous consent that a letter from the Justice Department describing its objections to these amendments be included in the RECORD following my remarks.

Mr. President, I want to commend the many Senators and staff members who have worked diligently to pass this important legislation, including Senators SPECTER, BIDEN, GRASSLEY, DENTON, and LAXALT. In particular, Senator PAULA HAWKINS has been an effective advocate for the missing children of America.

The staff has been most helpful in crafting this delicate compromise. I would like to thank Scott Green of Senator BIDEN's office for his cooperation and hard work on this and many other matters. Bill Winsemann and Bill Pickens (for Senator HAWKINS), Mary Louise Westmoreland and Scott Wallace (for Senator SPECTER), Lynda Nersesian (for Senator GRASSLEY), Rick Holcomb (for Senator DENTON), and Beverly McKittrick (for Senator LAXALT) also assisted. Finally, I would like to mention the diligent efforts of Michael Wooten on my behalf and those of my general counsel, Deborah Owen. She demonstrated considerable leadership in coordinating staff efforts. No staff member worked more intensively to bring various interests together to accomplish passage of this important measure.

I am hopeful that we will be able to resolve our differences with the other body expeditiously, so that this bill can be enacted well before the September 30, 1984 deadline.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
JUDICIARY COMMITTEE,
Washington, DC, August 7, 1984.

Hon. HOWARD H. BAKER, Jr.,
Majority Leader, U.S. Senate, Washington, DC.

DEAR MR. MAJORITY LEADER: This letter is written with reference to S. 2014, the bill to extend the juvenile justice program and to create a new missing children program. As you know, the Administration and several interested Senators have been working for some time to put together a comprehensive justice assistance package that would encompass the juvenile justice and missing children concepts in S. 2014, as well as the justice assistance provisions of Title VI of S. 1762, approved by the Senate in February.

We are now able to report that, a consensus package has been developed which we understand to be agreeable to Senators Thurmond and Hawkins, as well as to the Administration. Therefore, subject to your floor agenda, we should be in a position to go to the Senate Floor before the recess. As you may recall, the plan is to process the consensus justice assistance/missing children/juvenile justice package as an amendment in the nature of a substitute for the House-passed bill, H.R. 2175.

Although we have reached agreement among the principal parties, we have been advised that Senator Biden and Senator Specter plan to offer Floor amendments to the consensus package. We vigorously oppose these amendments.

In summary, the Biden amendments would seek to create an "independent" Bureau of Justice Statistics (BJS) and an "independent" National Institute of Justice (NIJ) within the Department of Justice. The basic purpose of our efforts for the past two years or more has been to pull together BJS and NIJ, which are now satellites circling the Department of Justice in their own orbits, and to place them, along with a new Bureau of Justice Programs, in a consolidated Office of Justice Assistance headed by an Assistant Attorney General. The Biden amendment is exactly the opposite of the Administration position and the relevant provisions of the Senate-passed S. 1762. Our organizational structure would result in significant efficiency ensuring that more of each federal program dollar for justice assistance goes to State and local agencies and less to administrative overhead. The consolidated organizational structure also will provide for closer coordination of justice assistance activities so that research, statistical studies and grant programs will be conducted in an integrated fashion. The existing organizational structure, which would be worsened by the Biden amendments, makes it extremely difficult to coordinate research, statistical, and grant activities even though it is undeniable, for example, that research findings may indicate a need for a change in ongoing statistical or grant programs. At bottom, we believe we are proposing a system which makes eminent sense from a management and "good government" standpoint. We would thus appreciate your support in resisting the anticipated Biden amendments.

Senator Specter reportedly plans to offer an amendment to authorize the expediture of $25 million per year for four years to help finance State prison construction. Although we are highly sensitive to the national problem of prison overcrowding, we cannot support the Specter proposal. This would constitute the first step toward federal financial assistance for a national "bricks and mortar" program that could ultimately require the expenditure of billions of federal dollars at a time when we are in a serious deficit situation. Prison construction is simply not a burden that can be taken on by the Federal Government. Moreover, for the Federal government to establish such an ill-conceived program would penalize those States which have made the commitment to expand prison space. If we are to embark upon a massive program of federal support for prison constuction, this should at least be the subject of thorough hearings. We would, of course, appreciate your support for our very strongly held position on this Specter prison construction amendment.

Sincerely,

ROBERT A. MCCONNELL,
Assistant Attorney General.

Mr. BIDEN. Mr. President, I am delighted we are finally on the floor to act on three major elements of our crime legislative agenda. The Justice Assistance, Missing Children and Juvenile Justice Act of 1984 will provide assistance to State and local agencies which really carry out the bulk of the fight against crime.

There are three elements to this bill which address assistance funds to State and local law enforcement, continuation of the Juvenile Justice Program and the establishment of a program to address the national tragedy of missing children.

At this time I would briefly like to address each of these parts of the bill.

JUSTICE ASSISTANCE

This provision is a good step at the Federal level to again provide Federal assistance to State and local agencies for programs that have proven to be successful.

The Justice assistance provision has been developed with the fullest intention that law enforcement and the operation of criminal justice systems are primarily a State and local responsibility; 94 percent of all violent crime occurs within the local or State criminal law jurisdiction and the Federal Government should avoid possible infringement on the State and local law enforcement responsibilities. Sheer economic limitations preclude the Federal Government from offering assistance funds that would be used to subsidize local or State criminal justice programs.

Too often in the past, under the old LEAA Program, assistance money was used to purchase equipment or pay salaries without requiring the States to pay their fair share in matching funds. Also, the former program resembled a scattershot approach with dollars being spread so thin that achievement of success was difficult to measure.

Instead this bill would take into account the lessons learned from the old LEAA Program. Using a modest annual investment, this program would enable State and local governments to make criminal justice improvements by implementing effective

program approaches in criminal justice operations.

Additionally, my amendment to the Justice assistance provision will ensure that objective research, evaluation, and statistics collection will be carried out so that we all will be advised as to what really does work in fighting crime.

It seems very important that the agencies responsible for conducting research into new crime fighting techniques be separate in terms of funding and grantmaking authority so that objective research and evaluation is carried out on those projects and programs funded by the Federal Government.

It is also very important that accurate and objectively collected crime statistics be made available separate and apart from the potential influence and/or direct control of those responsible for administering programs funded to reduce crime.

If we are to know the actual extent of the national crime problem or what really works in fighting crime, we must insure the independence of the National Institute of Justice and Bureau of Justice Statistics.

JUVENILE JUSTICE

Over the last 4 years I have worked in both the Budget and Judiciary Committees to see that this program is continued and am glad to see the administration is prepared to now change their position of opposition and support the program. It is my feeling that dollars spent in working to prevent juvenile delinquency will pay the best dividends in trying to reduce crime. This program has been in a constant fight for its survival under the Reagan administration and I will be glad when this bill passes, to insure its reauthorization through 1988.

MISSING CHILDREN

Any mother or father who has known the anxiety of a child who is a few minutes late in coming home from school, who has stayed for lunch at a friend's house without permission or who has lingered after dark on the playground, can imagine the feelings of the parents of the nearly 2 million American youngsters who disappear from their homes each year.

The magnitude of that National tragedy is mindboggling. For example, more children 5 years old and younger are kidnaped and murdered each year than are killed in automobile accidents. Yet until now no single U.S. agency has concerned itself exclusively with this widespread problem.

The missing children assistance provision will be a step toward solving this problem on a national scale. Under the Office of Juvenile Justice and Delinquency Prevention—it establishes a National Center for Missing and Exploited Children as a clearing house for information on children who have disappeared anywhere in the country. It sets up a national toll-free telephone service for the reporting of missing children, and it authorizes the funding of programs to prevent the disappearance of young children and to recover those who are missing.

Mr. President, I want to again thank Chairman THURMOND, Senators SPECTER, KENNEDY, HEFLIN, and HAWKINS for working with me in moving another very important piece of crime legislation through the Senate. I am hopeful we can move quickly through conference with the House and get this bill to the President when we return in September.

Mr. SPECTER. Mr. President, passage of the Justice Assistance, Missing Children and Juvenile Justice Act of 1984 is a vital step in our national battle against violent crime. It continues Federal leadership to assist in the prevention of delinquency among this Nation's youth and provides new hope and help for thousands of missing and exploited children. This legislation combines two bills—S. 53, the Justice Assistance Act and S. 2014, the Missing Children's Assistance Act. As the principal Senate sponsor of the Justice Assistance Act in both the 97th Congress and the 98th Congress, and as author of S. 2014, I am especially gratified that the administration and the leadership have endorsed this legislation.

Mr. President, as I noted when I introduced S. 53, crime is a national problem that gravely threatens this country's welfare. The justice assistance provisions of the present legislation would redesign and reauthorize Federal criminal justice assistance to aid State and local law enforcement efforts and programs of proven effectiveness in combating crime.

Specifically, this legislation would reestablish the present Office of Justice Assistance Research and Statistics as the Office of Justice Assistance, which would provide coordination, staff support and consolidated administrative functions for its three new component parts: first, the Bureau of Justice Programs [BJP], to administer the new financial and technical assistance program for State and local criminal justice, and to carry out the prison construction assistance program added by my amendment on that subject; second, the Bureau of Justice Statistics [BJS], to collect, analyze, and disseminate statistical information concerning all aspects of criminal justice; and third, the National Institute of Justice, to foster research in criminal justice and to disseminate information concerning the results of that research.

The general grant program administered by BJP would be divided into formula grant and discretionary grant components. The formula grant funds would be allocated to States generally on the basis of their population for purposes including the following: Providing community and neighborhood programs that enable citizens and police to undertake initiatives to prevent and control neighborhood crime; disrupting illicit commerce in stolen goods and property; combating arson; effectively investigating and bringing to trial white-collar crime, organized crime, public corruption crimes, and fraud against the Government; identifying and processing within the criminal justice system persons, including juvenile offenders, with a history of serious criminal conduct; developing and implementing programs which provide assistance to jurors and witnesses, and assistance to victims of crimes; providing alternatives to pretrial detention, jail, and prison for persons who pose no danger to the community; providing programs which identify and meet the needs of drug-dependent offenders; providing programs which alleviate prison and jail overcrowding and programs which identify existing State and Federal buildings suitable for prison use; providing prison industry projects designed to place inmates in a realistic working and training environment in which they will be enabled to acquire marketable skills and to make financial payments for restitution to their victims, for support of their own families, and for support of themselves in the institution; with respect to cases involving career criminals and violent crime, expediting the disposition of criminal cases, reforming sentencing practices and procedures, and improving court system management; providing training, technical assistance, and programs to assist State and local law enforcement authorities in rural areas in combating crime, with particular emphasis on violent crime, juvenile delinquency, and crime prevention; addressing the unique problem of crime committed against the elderly; implementing programs that address critical problems of crime, such as drug trafficking, which have proved successful or which are innovative and are likely to prove successful; and providing programs which address the problem of serious offenses committed by juveniles.

The discretionary grant program, which would consist of at least 20 percent of total grant funds, would be available essentially for projects which are national or multistate in scope, or for promising demonstration projects, technical assistance, or educational and training programs for criminal justice personnel.

Other provisions derived from S. 53 would provide for a program of public safety officers death benefits, FBI training of State and local criminal justice personnel, funding for law enforcement emergencies such as the Atlanta child murders or public safety

planning for national political conventions and international events such as the present Olympic games.

As far as I am aware, there are no substantive objections to these provisions in the Senate. Indeed, as I have noted, the Senate has already passed them, and the President is fully behind them. The only problem seems to be the House's reluctance to deal with these issues in the omnibus format utilized by the Senate. Indeed, Mr. President, the enactment of these justice assistance provisions has been made the highest legislative priority item, of the many priority items identified, by the congressional crime caucus, which I am privileged to cochair together with my good friend from New Jersey, Mr. HUGHES. I would refer my colleagues to the legislative agenda of the crime caucus as presented at our June 19, 1984 meeting, as it appears in the CONGRESSIONAL RECORD for July 25, 1984, at page 20891.

This legislation will also reauthorize the Juvenile Justice and Delinquency Prevention Act and the Runaway and Homeless Youth Act through 1988. As chairman of the Subcommittee on Juvenile Justice, I have heard first hand the necessity for continuing Federal leadership to ensure that juveniles are not jailed with adults; that so called status offenders, youth who have committed no criminal act, are not held in secure detention facilities and that emergency shelter care is available for our runaway and homeless youth.

In addition to continuing these vitally needed programs, this bill will establish a missing children's assistance program to aid parents, communities, and law enforcement.

This year, thousands of children reported missing will never be found by their families. Responsibility for finding these children falls first on local law enforcement, but their recovery frequently cannot be solved on a local basis alone.

Abducted children are often moved long distances. Parents and local law enforcement have neither the resources nor the expertise to mount widespread searches or to collect critical information on missing children.

Last year, the Senate responded to this problem by passing the Missing Children Act, providing for the inclusion of data on missing children into the FBI's computerized criminal information network. That was an important first step.

This legislation provides the second step. In recognition of the need for national coordination in this area, it extends the authorization of the Juvenile Justice and Delinquency Prevention Act through 1988, and requires that the Administrator of the Office of Juvenile Justice and Delinquency Prevention develop programs:

First, to establish and maintain a national toll-free telephone line where individuals may report information regarding the location of missing children; and

Second, to establish a national resource center and clearinghouse to provide technical assistance to State and local governments, agencies, and individuals in locating and recovering missing children; and to disseminate national information on innovative missing children's programs, services, and legislation. In addition, the legislation would authorize the Administrator to fund other programs designed to prevent child abductions, the sexual exploitation of children, or to assist in the recovery of abducted children.

In response to recommendations made in testimony provided to the Subcommittee on Juvenile Justice by the Children's Hospital National Medical Center, this legislation would authorize the Administrator to fund research demonstration projects to minimize the negative impact of judicial and law enforcement proceedings on children who are victims of abuse or sexual exploitation and to promote the active participation of children and their families in cases involving abuse or sexual exploitation.

Finally, I note that as currently drafted this legislation would, for the first time, allow States which participate in the Federal Juvenile Justice Program to detain juvenile status offenders in secure detention facilities for up to 5 days if the court found that the juvenile's physical safety was in serious danger and that there was no less restrictive alternative placement available. This was intended to provide an opportunity for intensive intervention with those juveniles; First, who have never before been the subject of a court order; and second, whose way of life actively endangers their safety.

I am concerned that this amendment in its present form may harm rather than help the juveniles whom it is designed to protect. Placing a status offender—that is a youth who has committed no offense which would be unlawful if committed by an adult—in a secure detention facility will invariably cause that status offender to be mixed with delinquent youth because secure facilities for only status offenders are not available. Moreover, because many jurisdictions seek to hold even delinquent youth in alternative placements wherever possible, those delinquent youth in the institutions are likely to be the toughest juveniles in the system.

Moreover, juveniles who are placed in secure detention facilities are frequently stripped of their possessions, dressed in uniform, taken to and from the institution in handcuffs, and are generally treated in ways regarded as punitive. The juveniles we are trying to reach by this amendment are troubled youth who are likely to have run away from homes where they were physically or sexually abused, and likely to respond to institutional treatment by becoming increasingly angry and alienated, making any ultimate nonsecure placement more problematic.

I have discussed by concern with the distinguished chairman of the Judiciary Committee, Senator THURMOND. However, in order to expedite action on this legislation, and on the chairman's assurance that these concerns will be addressed in conference, I am not now seeking to amend this provision.

I wish to express my appreciation to the chairman for his considerable support and assistance in crafting this comprehensive legislation, and commend my colleague from Florida, Mrs. HAWKINS, for her leadership and advocacy on behalf of missing and exploited children.

Mr. MATHIAS. Mr. President, I am pleased to support the substitute amendment offered by the chairman of the Judiciary Committee, Senator THURMOND, and others to H.R. 2175. The passage of this important measure will mark a crucial step in the process of strengthening our Nation's criminal justice and juvenile justice systems. It may do more to help make our country safer than any other bill passed in this Congress. It is being offered today with strong bipartisan support, and it deserves prompt passage.

The amendment before us will help to accomplish three important goals.

First, it will create a modest Justice Assistance Program through which the Federal Government can support crimefighting initiatives that have been launched at the local level. Such a program has long had my enthusiastic support. It recognizes that the violent crime that plagues our people is, to a remarkable degree, a problem that must be fought and overcome by Government at the State and local level, and by a mobilized citizenry. The Judiciary Committee recognized the importance of a justice assistance effort more than a year ago, when it unanimously reported S. 53, the Justice Assistance Act. That measure has languished on the Senate Calendar far too long; but the amendment before us incorporates its essential provisions. I believe that a fair, efficient, and appropriately structured program of Federal aid to State and local crimefighting efforts will do much more to make our streets safer than the blockbuster Criminal Code revisions that have consumed so much of the Congress' time and energy in recent years.

The second major accomplishment that final passage of this bill will represent is the reauthorization of the import programs under the Juvenile

Justice and Delinquency Prevention Act. I have been an active supporter of the JJDPA since before it was passed in 1974. The delinquency prevention programs that it authorizes and funds have made an essential contribution to the efforts of State and local governments to keep young people from going wrong, and to treat them compassionately but constructively if they do.

The amendment before us would reauthorize these needed programs at an adequate funding level of $70 million. At the same time, it would build upon our experience of a decade of Federal juvenile delinquency prevention programs by making necessary improvements in the standards that States must meet in order to qualify for grants under the JJDPA. Finally, the amendment would maintain the Office of Juvenile Justice and Delinquency Prevention [OJJDP] as an independent entity within the Justice Department, headed by a Presidential appointee with grantmaking authority.

The third major provision of this measure is the creation of a special program within the OJJDP that specifically targets the nationwide tragedy of missing children. We cannot know the grief felt by a parent whose child is the victim of a vicious random act, but we can respond to that grief by committing resources to prevent child abductions and to assist in locating missing children. The amendment earmarks funding of $10 million per year for missing children's programs. It also authorizes grants for programs to make the judicial system more hospitable to victims of child abuse or sexual exploitation. This provision responds to problems that have been documented in disheartening detail in recent hearings before the Subcommittee on Juvenile Justice.

Mr. President, the amendment before us is the product of extensive negotiation and compromise among many Senators who have taken a lively interest in its provisions. As with any compromise, it is not fully satisfactory to any party; but I believe that we can all agree that it is constructive and necessary legislation whose enactment will make a big contribution to the fight against crime and juvenile delinquency. I commend the sponsors of the amendment for their hard work, and urge my colleagues to pass this measure without delay.

Mr. President, the amendment offered by the Senator from Delaware [Mr. BIDEN], is a constructive one, and I am pleased to cosponsor it. It would correct one of the major defects in the substitute amendment before us: the downgrading of the Bureau of Justice Statistics [BJS] and the National Institute of Justice [NIJ] from autonomous agencies to subordinate organizations within the Office of Justice Assistance.

When Congress passed the Justice System Improvement Act [JSIA] in 1979, it created NIJ and BJS as independent offices to conduct research and to compile statistics on criminal justice issues. The administrative structure created by the JSIA was designed to avoid problems that had been encountered under previous organizational arrangements. These problems were fully documented by the Judiciary Committee in its report on the JSIA enabling legislation.

Preserving the automomy of BJS and NIJ will promote public and professional confidence in the work product of these agencies. It will underscore our concern for the neutrality and authoritativeness of justice research and statistics supported or compiled by the Federal Government. It will also respond to the unanimous views of professional organizations in the fields most directly affected.

Justice research and statistics are vital components of the overall effort to commit Federal resources where they will do the most good in the fight against crime. Federal programs in these fields must, in reality, be independent, objective, scientific, and insulated from political pressure. Of equal importance, the public and the professions involved must perceive that research and statistical projects have been impartially designed, conducted, and reported. Adoption of the amendment offered by the Senator from Delaware will bolster that perception and further that reality. I urge my colleagues to support it.

Mr. KASTEN. Mr. President, I rise in support of the Justice Assistance, Missing Children and Juvenile Justice Assistance Act of 1984. This carefully crafted package has been a long time in the works and I am pleased that we now have the opportunity to act on this bill for the children and parents of this Nation.

This legislation reauthorizes the Juvenile Justice and Delinquency Prevention Act and the Runaway Youth Act for 5 years. Both programs have been instrumental in helping the troubled youth of our Nation. But perhaps the most significant feature of this package is the addition of a Missing Children's Assistance Act, to address the needs of missing children and their families. As cosponsor of S. 2014, the original Missing Children's Assistance Act, I wholeheartedly support this addition.

Approximately 1.5 million children are reported missing each year. This figures suggest that missing children cases are not isolated ones and that they are a national problem.

It is clear that missing children cases know no State or local boundaries. We must provide Federal coordination and leadership to locate our missing children, and the bill before us provides the necessary resources.

First, this bill sets up a national toll free hotline for the reporting of information on missing children. It is inexcusable that we have long had a computer system for tracing stolen cars, but we have never had one for tracing the whereabouts of missing children.

Second, this legislation establishes a National Center for Missing and Exploited Children. Communities and States, to their credit, have made an effort to protect children from abduction, exploitation and abuse. But they are too often limited in their abilities, resources and by their jurisdictions from resolving cases beyond their boundaries. The national center will serve as a clearinghouse and technical assistance bureau, filling in the gaps between Federal, State, and local efforts to locate missing children.

Finally, this measure grants funds to local nonprofit agencies and organizations to set up educational activities for parents, children, and community groups, and to assist in the recovery of missing children.

Mr. President, the States and localities have done their part to ease the frustration, fear, and feeling of helplessness experienced by parents of missing children. Now it is up to us to address this problem of national magnitude. This legislation is a step in the right direction and I urge all of my colleagues, including the 64 cosponsors of the original missing children's assistance bill, to support passage of the legislation before us.

Mr. LAXALT. Mr. President, this is the second time this Congress that the Senate has passed justice assistance legislation. Last February, similar provisions passed as part of the Comprehensive Crime Control Act of 1984.

While I still maintain that the entire crime package is essential, I recognize the special importance of justice assistance to State and local governments. Therefore, I am pleased that the Senate will now pass the legislation separately.

The merger of the justice assistance and missing children—juvenile justice bills brings together three programs of aid to State and local governments. The Justice Assistance Program provides Federal money to fund programs of proven effectiveness in fighting crime. The Missing Children Program represents a Federal response to the tragedy of children who are abducted and often taken across State lines. Finally, the juvenile justice portion of this legislation reauthorizes a program which has benefited many States in their efforts to combat juvenile crime and to prevent delinquency.

Again, I urge the House of Representatives to act on the entire comprehensive package of criminal law reform which the Senate passed overwhelmingly. In the meantime, I look forward to the enactment of the Jus-

tice Assistance, Missing Children, and Juvenile Justice Act.

Mr. GRASSLEY. Mr. President, I am pleased that the substitute amendment includes explicit language providing for the continuation and nationwide development of a successful and promising delinquency prevention program known as law-related education. I know from Dean Calkins of Drake Law School in Des Moines how successful such a law-related education program has been in Iowa. This amendment takes a positive step toward recognizing the contribution of the national, coordinated law-related education program that has been developed and evaluated by the National Institute of Juvenile Justice and Delinquency Prevention over the past several years.

My own sense is that it is most important as part of our Federal assistance efforts that we not lose the momentum gained in this delinquency prevention program; that we not dissipate the strength of the program and that we not put ourselves in a position where we would have to relearn the lesson that law-related education can be effective in reducing serious delinquent behavior when properly implemented.

Over the past several years the Office of Juvenile Justice and Delinquency Prevention has provided funding to the Constitutional Rights Foundation, Law in a Free Society, the National Institute for Citizen Education in the Law, the ABA and Phi Alpha Delta law fraternity that has allowed them to obtain vast experience and expertise in the development of curriculum materials and successful implementation of projects in several States. This year's program includes intensive efforts in 11 States and the providing of resources, services and assistance across the country.

The substitute amendment will make possible the continuation of this national, coordinated law-related education program next year and will allow it to expand more intensively throughout the Nation.

In an area fraught with difficulty and failure, law-related education has emerged as a leading example of a delinquency prevention strategy that can and does work.

Mr. DENTON. Mr. President, I join in the remarks of the Senator from Iowa [Mr. GRASSLEY]. I have similarly heard from Alabamians extolling the virtues of law-related education as a delinquency prevention program. This program fosters civic competence and responsibility among elementary and secondary school students and provides an opportunity for young people to gain an understanding of and commitment to the fundamental principles, processes and values essential to the preservation and improvement of our free society.

A national effort building upon the success of past demonstration projects, coordinated by those with the experience to ensure proper training and implementation, is provided for in the substitute amendment. This is a most promising part of our efforts against juvenile delinquency and crime.

Mr. MATHIAS. Mr. President, I have long been a supporter of law-related education as a delinquency prevention strategy. This is a most auspicious time to add express authorization for this program on a coordinated, nationwide basis. With the upcoming bicentennial of the Constitutional Convention, the next several years present a unique opportunity to focus the attention on young people on democratic processes.

The law-related education program can improve citizenship skills. It helps students learn to avoid legal problems and to deal more responsibly and effectively with legal problems they do encounter. A national, coordinated law-related education program can build upon the experience developed by the nonprofit organizations that have pioneered this strategy. I am pleased to support the measure before us, which authorizes such a program.

Mr. THURMOND. Mr. President, I commend the Senators from Iowa, Alabama and Maryland for the leadership they have shown in augmenting the delinquency prevention capabilities of the Office of Juvenile Justice and Delinquency Prevention in this reauthorization legislation. I join in their remarks and share their desire to see the delinquency prevention potential of law-related education realized all across the country.

Mr. DOLE. Mr. President, I rise in support of the Senate substitute for H.R. 2175. With some changes, this substitute contains the provisions of the justice assistance title of the omnibus crime bill—S. 1762—which overwhelmingly passed the Senate earlier this year. This Senator was a willing cosponsor of that legislation and is pleased to support and cosponsor the pending substitute. As you know, Mr. President, Congress has already appropriated funds to implement this program during the current fiscal year. Obviously, the amounts will now have to be carried over to fiscal year 1985.

In addition to the justice assistance program the bill also contains reauthorizations for several important programs of the Office of Justice Assistance Research and Statistics. Included in this package are reauthorizations for the Office of Juvenile Justice, the National Institute of Justice, and the Bureau of Justice Statistics.

Shortly two amendments will be offered to the substitute. The first, to be offered by the distinguished Senator from Delaware [Mr. BIDEN] intends to preserve the current organizational setting of the Bureau of Justice Statistics and the National Institute of Justice. The second amendment, to be offered by the distinguished Senator from Pennsylvania [Mr. SPECTER] reinstates into the administration's proposal a program of Federal assistance for State and local corrections which this Senator has long advocated. The Specter amendment is not as comprehensive or, I might add, expensive as the original Dole bill, S. 186, of the 97th Congress.

Mr. President, I ask unanimous consent that my name be added as a cosponsor of these two amendments.

Mr. President, there are certain provisions of these amendments that I would now like to briefly comment on.

NATIONAL CLEARINGHOUSE

An important provision of the Specter amendment is the creation of a clearinghouse on the construction and upgrading of criminal justice facilities. This activity, built on the national clearinghouse concept funded by the Law Enforcement Assistance Administration [LEAA], will collect and distribute information to the public concerning construction and renovation of prisons, jails, police facilities, courthouses, and other similar projects.

LEAA's national clearinghouse for criminal justice planning and architecture, under the direction of Frederick Moyer, professor of architecture at the University of Illinois, proved to be a successful aggregation of professional talent that provided practical and technical assistance to criminal justice planners, builders, architects, and practitioners throughout the country.

The clearinghouse provided techincal assistance to more than 2,500 criminal justice projects, ranging from remodeling of halfway houses to State correctional master plans. While many of the clearinghouse perspectives were controversial—such as single-cell occupancy—the clearinghouse was the most influential focus in correctional design and planning in the past decade and perhaps in the entire history of corrections. There is a crying need to reestablish this function.

The clearinghouse's materials and publications, although in need of updating, are still widely read as authoritative. Efforts such as these are vital to the corrections professional or manager and must be continued in order to provide current information to assist States in their efforts to effectively combat crime.

This Senator chaired hearings of the Senate Judiciary Subcommittee on Criminal Law in the last Congress on the viability of a clearinghouse. It was apparent then, and remains so today, that a national clearinghouse would provide a much needed resource base.

PRISON INDUSTRY ENHANCEMENT

Mr. President, the Senator from Kansas wishes to take this opportunity to congratulate the administration

on including in its proposal a program long supported by this Senator. The beneficial effects of productive, well-managed prison industry operations on prison stability have been well documented. In order to encourage the States to improve their prison industry operations, the administration proposal follows the lead of the distinguished Senator from Illinois, Senator PERCY and his amendment to the Justice Assistance Act of 1979, by authorizing the Assistant Attorney General in charge of the Office of Justice Assistance to designate 20 qualifying prison industry projects as eligible for a waiver of Federal restrictions on the interstate transportation and sale of prison industry goods. Many States have expressed a strong interest in such an exemption.

Roughly 10 percent of the prison population in America are working in prison industries today. The other 90 percent are generally idle, breeding unrest and violence. When these unskilled ex-cons end up back on the streets, they are even more likely to take up crime again.

The proposal, similar to one introduced by this Senator earlier in this Congress, would not only remove restrictions on the transportation and sale of prison-made goods for approved projects but also make such projects eligible for grants from the Bureau of Justice programs. These grants would pay up to 50 percent of the cost of a prison industry project.

In addition to providing those in our prisons with a marketable skill, these projects will enable prisoners to provide at least partial support for their families and make some degree of restitution to their victims. Again, I congratulate the administration for its continued support of enhancing prison industries.

BIDEN AMENDMENT

Mr. President, I wish to express my agreement with Senators HATCH and BIDEN on the matter of independence for the Bureau of Justice Statistics and the National Institute of Justice. In January of this year, the Senate passed S. 1762, which included as title VI a justice assistance program that would have restructured BJS and NIJ to downgrade and integrate these agencies into the Justice Department. Because the justice assistance legislation was but one title in a comprehensive and much needed crime reform package, I did not contest restructure of BJS and NIJ except to state publicly my opposition to the restructuring and to express my hope that in conference BJS' and NIJ's independence would be preserved.

However, the restructure issue is now back before us in the Justice Assistance, Missing Children and Juvenile Justice Act. This act would preserve the independence of a sister agency, the Office of Juvenile Justive and Delinquency Prevention [OJJDP], but, inexplicably, would downgrade BJS and NIJ and integrate these agencies into the Department.

I continue to believe that such a restructuring would be a grave mistake. In 1979, after years of effort by the criminal justice research and statistics community and by the Congress, the Congress adopted the Justice System Improvement Act, creating independent crime statistics and research agencies within the Justice Department. We did so for three reasons: First, to assure the objectivity and validity of crime statistics and research; second, to assure the credibility of crime statistics and research; and third, to prioritize the Nation's crime statistics and research effect. The Senate position in 1979 is summed up in the following statement from the Committee on the Judiciary.

In order to protect the Bureau of Justice Statistics from the pressures which could affect the credibility and validity of its statistics, the bill gives the BJS signoff authority for grants and contracts, [and] makes the director of BJS a Presidential appointee by and with the consent of the Senate.

The Department is seeking to downgrade and integrate the statistics and research functions to improve coordination and efficiency. This Senator is certainly sensitive to these concerns. However, there is no evidence before us of inefficiencies or coordination problems and, in any event, the act, as amended, includes provisions to assure coordination and efficiency.

Moreover, it appears that during the period since the JSIA was fully implemented BJS and NIJ have functioned extremely effectively. BJS, for example, has vastly increased its production of bulletins and special reports; it has published a "Report to the Nation on Crime and Justice" which has been widely acclaimed and distributed, and recently won a first place citation from the National Association of Government Communicators; BJS has initiated major redesign work on the Nation's two principal crime surveys, the National Crime Survey and the Uniform Crime Report; BJS has moved to produce new data in areas such as police management and administration and pretrial crime; BJS has published new crime reports based on data obtained from State criminal statistics units, such as reports concerning time served in prison and recidivism.

Much of this success must be attributed to BJS' independence. Dr. Charles P. Wellford, director of the Institute of Criminal Justice and Criminology at the University of Maryland, also attributes this performance to the independence provided in current law:

• • • important structural changes [implemented by JSIA] have led to significant improvements in the operation of criminal justice research and statistical programs at the federal level. . . . [S]tatistical information and research, in order to have the kind of credibility that is desired for them, must exist in an agency that is and is perceived to be independent.

Since 1965 successive administrations—both Democratic and Republican—have asked Congress to place Federal assistance programs for State and local criminal justice under the direct control of the Attorney General. Until now, Congress has refused to go along with these proposals. Grave reservations have been repeatedly expressed over the admisability of giving the chief Federal law enforcement officer, the Attorney General, the potential power to dictate to or control State and local law enforcement. Further, it was felt that the Attorney General should be insulated from the dynamics of the grant making process. Now this legislation places the new State assistance program under the control of an Assistant Attorney General who reports directly to the Attorney General. It remains to be seen whether this is a wise move. It is a calculated risk for the Congress to accede to the administration's request. Only time will tell if this new organizational arrangement is workable and consistent with the constitutional relationship between Federal enforcement authorities.

This Senator will have no part in authorizing a Federal police state or in establishing Federal domination or control of State and local law enforcement. Whatever managerial advantages may accrue to this new structure will pale into insignificance if there is a meaningful disruption of the balance which now obtains in our system.

For all of these reasons, I urge my colleagues to support the amendment which this Senator, and Senators BIDEN and HATCH, are offering.

Mr. DENTON. Mr. President, I rise in support of the Senate substitute to H.R. 2175, the Justice Assistance, Missing Children and Juvenile Justice Act of 1984. Specifically, I voice my strong support for the provisions of the bill which deal with missing children and juvenile justice.

In regards to the missing children provision, I have always believed that we, as legislators, must do more to deal with the plight of the thousands of children who disappear from their homes each year.

Mr. President, missing children represent a growing national tragedy. The U.S. Department of Health and Human Services has estimated that each year approximately 1.8 million children are missing from their homes for varying periods of time. Approximately 90 percent run away for a few days and return home, but at least 100,000 children are abducted by one of their parents, and as many as 50,000 young Americans are reported as having been abducted by strangers.

Mr. President, thousands of children and thousands of parents are victimized every year. The children disappear into the unknown. The parents live in an agony of searching for their children with little hope of success. There is no possible way that we, as outsiders, can even begin to understand the devastating grief that is so present and real in families who must deal with the trauma of a missing child. We may not be able to understand the grief, but we can certainly act to help deal with it. I firmly believe that the Federal Government must play a more active role in the process of finding missing children and returning them to their homes.

In 1982, Congress passed the Missing Children Act. The act extended the FBI's authority to collect and record data about missing children. It requires the FBI to list missing children in a national computer accessible to most police departments across the country.

The Missing Children's Act of 1982 was only the first phase in the protection of our youth. The next phase, complementing the first, is the missing children provision of the bill before us today. The purpose of that provision is to obtain greater national commitment and a nationwide effort in solving the disappearance of so many of our children every year.

The provision guarantees coordinated and comprehensive programs at the Federal level to assist local and State authorities in the search for missing children. It provides for the establishment and maintenance of a toll-free telephone line for the reporting of information about the location of missing children, as well as the establishment of a national resource center and clearinghouse to provide technical assistance to law enforcement officials. I consider that provision to be an effective weapon in the battle against criminals whose targets are our young Americans.

I strongly believe that the missing children's provision of this bill will do much to aid parents and relatives of children by creating a nationwide source of data for investigations of missing children cases.

In regards to the juvenile justice provision, I applaud the reauthorization of the Office of Juvenile Justice and Delinquency prevention through 1988. I also applaud maintaining the current independent structure of the office. I have always believed that OJJDP must be maintained at its current funding level and under its existing structure. To do otherwise would indicate a weakening in the Federal Government's commitment to juvenile justice.

With a strong Federal commitment, significant progress has been achieved in meeting the principal mandates of the Juvenile Justice and Delinquency Prevention Act of 1974, of one, deinstitutionalization of status offenders and nonoffenders, and two, removal of juveniles from adult jails and lockups.

However, despite this progress, thousands of children are inappropriately incarcerated each year. According to the OJJDP funded study based on 1978 figures, entitled, "Juvenile Suicides in Adult Secure Detention Facilities," an estimated 479,000 juveniles continue to be held in adult jails and lockups each year. Of these approximately 20 percent are accused of status offenses. Statistics supplied at a Subcommittee on Juvenile Justice by Alfred S. Regnery, administrator of the Office of Juvenile Justice and Delinquency Prevention indicate that the number of youth held "in regular contact with adults" has been reduced to 27,552. This total does not include data from the four nonparticipating States. The number held in adult jails and lockups generally is much higher.

Other estimates of the number of status offenders held in secure facilities annually range from 35,000 to 50,000. Recent statistics supplied by Mr. Regnery, indicate that in the 53 participating jurisdictions, 22,833 status offenders are annually held in secure detention.

With the reauthorization of OJJDP and a recommitment by the Federal Government, the progress in meeting the mandates of the act will become more and more significant.

The Senate substitute for H.R. 2175 also reauthorizes the Runaway and Homeless Youth Act. Such act provides funds for community-based programs that primarily serve the immediate needs of runaway and homeless youth and their families. The act authorizes grants for such services as temporary shelter, counseling, and aftercare in settings outside the law enforcement and juvenile justice systems. The program is handled by the Administration for Children, Youth, and Families, within the Office of Human Development Services of the U.S. Department of Health and Human Services.

In fiscal year 1983, federally funded runaway and homeless youth centers provided ongoing crisis intervention and shelter care services to approximately 50,000 youth. Another 150,000 youth received one-time counseling or referral services on a "drop-in" basis.

Approximately 50 percent of the youth who received ongoing services were reunited with their families; 25 percent were placed in other positive living arrangements such as with friends, relatives or in group or foster homes; and 17 percent were placed in other stable living situations such as boarding schools. Only an estimated 8 percent returned to the streets.

I am pleased that this bill provides for the reauthorization of the Runaway and Homeless Youth Act through 1988. I am also pleased that this bill incorporates amendments which I offered which incorporates throughout the Juvenile Justice and Delinquency Act and the Runaway and Homeless Youth Act certain language emphasizing a strong family involvement in delinquency and runaway problems. The incorporation of this language was a direct result of the testimony of Mr. Edward E. Earnest, executive director of the Community Intensive Treatment for Youth [CITY] program in Etowah County, AL, who noted that he observed a direct correlation between an enhanced family involvement and a decrease in juvenile delinquency.

Finally, Mr. President, I commend the Members of this body, particularly Senators THURMOND, SPECTER, and HAWKINS, who worked unyieldingly to formulate a bill which rightfully reflects a strong Federal commitment to the problems of our Nation's youth. I applaud their successful effort and I urge my colleagues vote in favor of the Senate substitute to H.R. 2175.

Thank you, Mr. President.

Mrs. HAWKINS. Mr. President, I rise in support of the substitute amendment to H.R. 2175 entitled the Justice Assistance, Missing Children, and Juvenile Justice Amendments of 1984. Today we have come to another milestone on the road to finally meeting the needs of America's abducted, abused, and neglected children. The substitute is the result of months of intense negotiation. Contained within it is a comprehensive response to a tragedy that plagues our Nation. The substitute has three sections which address the needs of America's children. First, the act creates a new Federal response to the problem of missing and exploited children. Second, the bill authorizes the Juvenile Justice and Delinquency Prevention Act. Third, the bill extends the Runaway Youth Act. Each of these three sections is necessary to insure a safer and more hopeful future for our children.

The substitute permanently establishes a new National Center for Missing and Exploited Children. This center will provide technical assistance and support to those local law enforcement agencies and citizen action groups with experience and expertise in locating missing children. The national center will coordinate public and private efforts to locate and recover missing children, and it will serve as a conduit for information on innovative missing children programs, services, and legislation. More importantly, the national center will operate a national toll-free telephone hotline. This line will be a vital communications link for parents who are searching for their children and for individuals who have information on their whereabouts.

Mr. President, following the initial broadcast of "Adam," the television docu-drama about a 6-year-old Florida boy who was kidnapped and murdered, a rollcall of missing children was flashed over 40 million TV screens. This rollcall showed the picture, name age, and date of disappearance for each of 55 children. Following the rollcall, a toll-free telephone number was displayed. That number was on America's TV screens for only 10 seconds, yet the results were phenomenal. For 3 solid days over 100 calls an hour were made to that number. According to Linda Otto, the producer of "Adam," and a participant in the phone bank, over 1,000 identifications were made on the 55 children of the rollcall. The most heartening part of this story is that 13 of those 55 children were located and reunited with their families.

Mr. President, America is looking for its missing children, whether they are the thousands of children abducted by strangers, the hundreds of thousands who are the victims of noncustodial parental abduction, or the 1.5 million who leave home each year. The national toll-free hotline authorized by the Missing Children Assistance Act is the very least we can do to assist the anguished parents in this country that are trying to find their children.

The substitute does more than establish the national center and the toll-free hotline. The measure contains a 4-year authorization of $10 million to fund the national center and provide grants to local citizen action groups and law enforcement agencies. To be eligible for this Federal support, grant applicants must have proven ability in locating missing children. They must have a past history in conducting community education programs in counseling parents on how to prevent abductions.

What we seek to accomplish with the provisions of the Missing Children Assistance Act is a national network of local law enforcement and citizen activists, to foster cooperation between these forces and to place the national center in a position to coordinate search efforts and promote community awareness of the tragic problem of missing children. Finally, the national center is authorized to conduct research into the real size and scope of this problem. We need to answer many questions about what is happening to children that are being kidnapped or who are out on the streets.

How many runaways are the victims of prostitution rings? What is the extent of sexual exploitation and abuse of children? Is there an underground economy of misery that preys on innocent children? Exactly how many children are the victims of stranger abductions? Is it 10,000 or 50,000? How many times do unhappy parents ignore the law and steal their own children after a bitter divorce? How can we improve the situation? How do we strengthen the role of the family, uphold respect for the law, and crack down on the dark criminals that exploit innocent children for profit? These are important questions that need to be answered through cooperation between law enforcement, local public agencies, the existing network of runaway programs and juvenile justice officials. The missing children provisions of the substitute are intended to foster that cooperation and find those answers.

Mr. President, the missing children program will be administered under the auspices of the Office of Juvenile Justice and Delinquency Prevention within the Department of Justice. The national center as proposed in this bill will be operated under contract by OJJDP. The Federal grant program will be administered directly by the Administrator of that Office. To insure that this missing children program remains accessible and effective—and that OJJDP remains responsive—the act creates a five-member advisory board. The board will be comprised of parents and local law enforcement officials who know and understand the problem of how to locate and protect our children.

The second section of the Missing Children Assistance Act extends the life of the Office of Juvenile Justice and Delinquency Prevention, and reauthorizes the Juvenile Justice and Delinquency Prevention Act for an additional 4 years. This measure, overwhelmingly passed by Congress in 1974, was the first significant Federal effort intended to address juvenile delinquency and delinquency prevention. The underlying premise of the act is that juvenile offenders should be treated differently from adult criminals. In fact, the key to reducing adult crime is to prevent juvenile offenders from becoming adult criminals. The act mandates the separation of juvenile status offenders and adult criminals and prohibits the detention of juveniles in adult jails and lockups. Of course, there are times when some form of detention is necessary and the substitute attempts to address those needs. But the basic purpose of the act is sound.

Through the Federal Formula Grant Program, the Juvenile Justice Act supports community-based programs and services designed to prevent delinquency. The grant program supports, among other programs, court diagnostic teams, training for prosecutors, programs for children with drug and alcohol problems, alternative treatment centers, shelter programs, training for police, social workers, and school personnel and court officials to detect abuse and neglect of children, and an extensive education program for juvenile court judges. At present, the Office of Juvenile Justice and Delinquency Prevention has provided funds to operate the forerunner of the National Center on Missing and Exploited Children that was originally envisioned by this bill.

Mr. President, the reauthorization of the Juvenile Justice Act as it is contained in this substitute is designed to provide coordination between a new Office of Justice Assistance and the current Office of Juvenile Justice and Delinquency Prevention.

The provisions of this substitute reflect my understanding of the agreement that this Senator reached with the Justice Department, the White House, and the distinguished chairman of the Senate Judiciary Committee. It provides for a Presidentially appointed Administrator of the Office of Juvenile Justice and Delinquency Prevention and an independent Office of Juvenile Justice and Delinquency Prevention that reports directly to the Attorney General through the new Assistant Attorney General for Justice Assistance. The Juvenile Justice Act will be authorized for 4 years at $70 million each year. The new program for missing children will be authorized for 4 years at $10 million each year. The Runaway Youth Act will be reauthorized for 4 years at the current authorization level. This substitute protects the independence and authority of the Office of Juvenile Justice.

This independence is crucial to effectvely meeting the needs of American's troubled and delinquent youth. Under this substitute amendment, the Administrator of the Office of Juvenile Justice and Delinquency Prevention will exercise all the necessary powers to carry out the mandates of the Juvenile Justice Act. The Administrator will write his own rules and regulations. We will have final authority on grants, contracts or cooperative agreements made by the OJJDP.

In addition, he will have full authority to conduct the administration of the OJJDP. He will continue to report to the Attorney General, through the new Assistant Attorney General for Justice Assistance, and should be able to fully carry out the duties authorized by the Juvenile Justice Act. This administrative arrangement reflects the results of serious negotiations between the Department of Justice, the distinguished chairman of the Judiciary Committee, the distinguished chairman of that committee's Subcommittee on Juvenile Justice, and this Senator. Throughout this process, there has been no better friend of our Nation's youth than the chairman of the Judiciary Committee and I thank him for all his assistance and cooperation. I believe this compromise brings with it the possibility of increased cooperation between the juvenile justice system and the criminal justice

system. I urge my colleagues to support this portion of the substitute amendment.

Mr. President, the third section of ths missing children provisions in the substitute extends the Runaway Youth Act for an additional 4 years. Each year, over 1.3 million children run away from home. Out on the streets, these youngsters are at risk of becoming either the victims or perpetrators of crime. The Runaway Youth Program provides shelters to these children, an escape route from the gutters of America. Because these shelters advocate counseling and outreach programs, the probability of reuniting families is increased. Over 133,000 children were served by runaway shelters in 1983, the last year for which statistics are available. This portion of the act is an important part in our efforts to protect our children from the danger in the streets of America.

Mr. President, our attempts to locate missing children have become symbolic of our national commitment to the protection and nurturance of this country's most precious resource. When any child is missing from home, he is at risk. When a child is kidnapped, he is at risk of exploitation, molestation, or murder. If a runaway, the child teeters on the edge of a dark and sordid world. According to the Kentucky Task Force on Missing and Exploited Children, fully 85 percent of the children on the streets more than 3 weeks become involved in pornography or prostitution—exploitation at first, but the first and most difficult step toward a life of crime. When a delinquent child is faced with detention and punishment among hardened adults, the hope of redemption is slim.

Support of this bill is really a vote for America's children. Most of America's children enjoy a good life. They live in homes filled with love and look forward to a life of opportunity in the world's best society. But too many of our children are not so fortunate. Mr. President, my purpose is sponsoring the Missing Children Assistance Act and in fighting for the independence of the Office of Juvenile Justice and Delinquency Prevention is simple. The protection, education, nurturing, treatment, and care of our children must be a No. 1 priority.

Mr. President, I do not stand alone in this conviction. Many fine organizations support the missing children and juvenile justice provisions that are being offered as one part of this measure: The National Governor's Association, the American Bar Association, the National PTA, the American Legion, the Adam Walsh Resource Center, the National Association of Counties, Campfire, Inc., the Association for Children with Learning Disabilities, Boys Clubs of America, the National Network of Runaway & Youth Services, the National Youth Work Alliance, the National Criminal Justice Association, the Illinois Juvenile Justice Commission, the YMCA, the National Council of Juvenile & Family Court Judges, the State Bar of California, the National Steering Committee on State Juvenile Justice Advisory Groups, Find the Children, and the National Fraternal Order of Police.

In sum, a vote for the missing children provisions of the substitute is an affirmation that our purpose in living and working today is to improve our country for our children's tomorrow. It effectively provides assistance to State and local communities in the search for missing children, encourages public and private sector initiatives to deal with the problem of runaways, juvenile crime, and child abductions. It establishes and maintains important national coordination of these local efforts. Without this act, our children face a precarious and fearful future. For the sake of our children, I urge your support of this important measure.

Mr. President, I cannot let the justice assistance, missing children, and juvenile justice amendments pass without making some comments about the intense negotiations that have been held on this legislation for many months with the Justice Department, with the distinguished chairman of the Judiciary Committee, with the distinguished chairman of the Subcommittee on Juivenile Justice and the administration; all of which have been most active.

I must say that today is a milestone. We have taken another giant step forward in looking after the neglected, abused, and exploited children. This never could come about in this year of our Lord, 1984, without the tremendous assistance of the chairman of the Judiciary Committee. He has been a most patient, knowledgeable, determined, and loyal leader. The bill is very simple. It involves a very few things which need to be done that are long past due. This has happened because of the ability of the entire Senate to work together. This was a bipartisan effort. But when times did get sticky, and rough, with people feeling it would never come about, the chairman of the Judiciary Committee would tell me, "Don't lose faith. We will stay in there and we will make one more trip and talk to those fellows." Indeed, we talked to them and as a result this is the victory that we have today. This victory is for those children who are on our streets, a national tragedy, a national epidemic which we hope this assistance act will stop.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HAWKINS. I am happy to yield to the Senator.

Mr. THURMOND. Mr. President, I wish to thank the able Senator from Florida for her complimentary remarks about this legislation. This legislation has been pending a long time. It was a very complicated piece of legislation, with differences with various individuals and the Justice Department.

But, Mr. President, no one worked harder on this missing children's program, no one stayed in closer touch with me, and no one gave more helpful suggestions than the able and distinguished Senator from Florida. This really is a piece of legislation that ought to be called the Hawkins legislation. She did magnificent work, and we thank her. We are proud of what she has accomplished.

Mr. BRADLEY. Mr. President as an original cosponsor of the Missing Children's Assistance Act with Senator HAWKINS, I, too, salute her for her leadership on this issue. I thank the chairman of the committee for his support of our effort.

Mr. President, we have spent many weeks deliberating about the Federal deficit recently. We have debated many national concerns, defense appropriations, foreign aid, and funding for environmental protection programs and medicare. Today we have the chance to address one of the most basic fears any parent can have—the fear of losing a child—and the fear that that child may be raped, tortured, or murdered. This is not a remote issue; unlike foreign aid, we cannot get an emotional distance from it. Today is an opportunity for us to divert some of our attention from deficit control and defense appropriations, and give special heed to the protection of our Nation's children. An annual allotment of $10 million for the coordination of national efforts to find and locate our country's missing children is paltry in comparison to the billions of dollars we allocate for some of our Nation's domestic and foreign policies.

The legislation that I am referring to is the Missing Children's Assistance Act, S. 2014, which is presently before us. I am sorry that we even need such a law. I am sorry that there are people who threaten our children. But the mounting statistics of missing children tell a story we can hardly ignore; 1 to 2 million children leave home annually, and many become victims of rape, drugs, and child pornography. Another 100,000 to 600,000 are victims of parental kidnapping. As many as 50,000 children are criminally abducted each year and more than 3,000 of these are reported murdered. Many experts still believe that this number is greatly underreported. There can be no doubt that the need for legislation to curb these numbers is of utmost importance.

There are simply too many children in America who are being mistreated. Kathleen Mancil drove her daughter, Marian Baston, to school in Florida one morning. No one remembers seeing Marian after she left her mother's car. The day after her disappearance, her purse was found in a trash can about 25 miles from school. She had joined the swelling ranks of children labeled "missing."

Shelia and Katherine Lyon, ages 13 and 11, went to a suburban shopping center on March 25, 1975, and were never seen again. In 1980, 2-year-old Branby Barlow vanished from his front yard. The list goes on. One of the most highly publicized cases has been that of 6-year-old Etan Patz. On May 25, 1979, Etan walked alone for the very first time to his Manhattan schoolbus stop and has not been seen since.

Mr. President, there have been several cases in my home State of New Jersey. In 1982, in Blairstown, NJ, a police lieutenant found the body of an unidentified young woman. She became known throughout the United States as Princess Doe. The police have searched through 12,000 leads and have been unable to identify the dead young woman. Since that time, New Jersey has been in the vanguard of finding solutions to the horrifying problem of missing children. Sgt. Dick Ruffino of New Jersey was the first law enforcement officer to use a computer to track missing children outside his jurisdiction. His expertise helped write the original Missing Children Act and his testimony before Congress helped pass it. The members of the New Jersey Parent-Teachers Association and the New Jersey State School Nurses Association have launched education drives in our schools to expose students and their parents to the seriousness of the problem. We also passed a resolution in New Jersey declaring May 25 as Missing Children's Day. Most recently, in New Jersey, citizen-based groups such as the Foundation to Find and Protect New Jersey's Children, of which I'm honorary cochairman, work on a grassroots level to help eradicate this serious national problem.

Millions of Americans now know about the difficulty parents face in trying to locate their missing children. The horrifying case of Adam Walsh, which was portrayed on national television, has given us the opportunity to press forward for a more comprehensive solution to the problem. On July 27, 1981, Adam Walsh was abducted from a shopping mall in Hollywood, FL. After 2 weeks of what has been described as the largest manhunt in Florida's history, Adam's remains were found 150 miles north of his home.

Adam's father, John Walsh, refused to let Adam's death become just another statistic. After contacting local and State police authorities, John learned the difficulties in mounting a large scale search for a missing child. When he contacted the FBI, he discovered to his dismay that the FBI would not become officially involved in a case unless they have proof of a kidnapping in the form of a ransom demand or evidence that the child has been taken out of the State.

After appearance on national television and meeting with representatives from Child Fund, an agency which coordinates efforts to locate missing children, John Walsh testified before the Subcommittee on Juvenile Justice. He said:

> We must speak for the children, they have no voice because they're afraid or because they have tried to speak and are dead.

In the meantime, Mr. Walsh urged the establishment of a national centralized reporting and search system. This testimony and his subsequent appearance on the "Phil Donahue" television show generated over 40,000 letters and calls to Congress.

As a result of his efforts and many others, the law was changed and a national priority given to finding our missing children. On October 12, 1982, President Reagan signed the Missing Children Act into law, authorizing the FBI to enter descriptions of missing children in the National Crime Information Computer, to set up an unidentified bodies file, and to allow parents access to the system.

John Walsh's fight still continues today through the Adam Walsh Resource Center; it is a fight to change laws and policies and to teach children and parents of the need to protect themselves.

Given the magnitude of the problem, the Missing Children Act was a good first step, but the legislation simply does not go far enough. This is a national problem that will only be solved through a broader national commitment. And that is why I have joined as a cosponsor of the Missing Children's Assistance Act of 1983, which recognizes the need for a coordinated national effort. The bill sets up a national toll-free telephone line to link parents with any possible information about their missing children. The legislation also establishes a national resource center and clearinghouse to provide technical assistance to State and local government agencies and individuals in helping to locate and recover missing children. The resource center would also disseminate national information on innovative missing children's programs, services, and legislation to help communities improve their efforts.

Finally, the bill reauthorizes the Juvenile Justice and Delinquency Prevention Act for another 4 years. This act has played an important role in separating youthful offenders from adults in jails. It has also funded research and demonstration projects for treating juvenile delinquency and controlling juvenile delinquents. For 10 years now, the Juvenile Justice Act has provided leadership and assistance to States, local governments, and private agencies in developing and implementing effective programs for the prevention and treatment of juvenile delinquency. This is an important component of the Missing Children's Assistance Act.

In closing, I believe that laws can be passed that will help save other children's lives in the future. The efforts of the Walshes and hundreds of other concerned families have served to burn this issue into our national consciousness. The country cannot and will not forget these victims. I certainly cannot. Because of the tragedy of one child, Adam Walsh, we have already taken a significant step to aid missing children. Now, we have before us another step, equally as important. The House has already recognized this importance and recently passed H.R. 4971, the Juvenile Justice, Runaway Youth, and Missing Children's Act Amendments of 1984. Now it is our chance.

The horror of young death and violent abduction will not go away. Neither will the smiling faces of Marion Baston, Shelia and Katherine Lyon, Branby Barlow, Etan Patz, and thousands of others who poignantly beg for our help and attention. It is my deep hope that we will listen to their voices so that the tragedies from the past will remain in the past and will move this Congress to help save the lives of future children. The Missing Children's Amendment Act is a long overdue step in that direction. I urge my colleagues to support this bill.

Mr. BAKER. Mr. President, I will not detain the Senate much longer, but I want to congratulate all three Senators who participated here—Senator HAWKINS, who is a leading advocate of this initiative and has been persistent and successful; the chairman of the committee, for his special effort to shepherd this through; and the Senator from New Jersey, who has been instrumental in seeing that the matter was a bipartisan effort and succeeded as it has.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 2175) was passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, I ask unanimous consent that Calendar No. 366, the Senate companion bill, and Calendar No. 420, the budget waiver for the Senate bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, that concludes the two items that were identified in my colloquy with the minority leader, and I ask that the Senate return to the consideration of the agriculture bill.

AGRICULTURE APPROPRIATIONS, 1985

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 5743) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1985, and for other purposes.

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3680

The PRESIDING OFFICER. The pending question is the Kennedy amendment, No. 3680.

Mr. COCHRAN. Mr. President, when the Senate recessed last night, the distinguished Senator from Massachusetts [Mr. KENNEDY] laid down an amendment to add funds to the Women, Infants, and Children Feeding Program. I hope we can dispose of this amendment without a great deal of debate. I had indicated to the Senator yesterday that I was prepared to recommend that the amendment be accepted.

As we are waiting for the Senator from Massachusetts to come to the floor, let me just say that I was very happy to see the committee agree to the funding of not only this program, but also the Food Stamp Program and the other nutrition program at levels that represent the projected needs of those programs for the entire fiscal year.

In its consideration of this bill, the House of Representatives elected to fund these nutrition programs at levels which would inevitably have required the submission of a supplemental budget request to Congress by the administration in advance of the expiration of the next fiscal year. This would, in effect, force substantial supplemental appropriations to be approved by Congress in all these programs.

I am not criticizing the House for that. I am just pointing out that that is a fact, and I am stating that I am very pleased that the committee on this side decided to recommend an appropriation that would take care of the needs of these programs for the entire year. This provides a better understanding, therefore, of the exact costs involved, what the needs are in these programs, and what Congress needs to do to make sure that these needs are fully met.

Mr. EAGLETON. Mr. President, I rise in support of the amendment of the Senator from Massachusetts. I think my colleagues well know the value of the WIC Program, but if they are not quite sure, I would like to quote the results of one recent study which should convince them.

The Missouri State Center for Health Statistics conducted an evaluation of my State's WIC Program, and their findings were quite revealing. The evaluation found that WIC participants had significantly longer lengths of pregnancy, that means birth weights increased with increased length of participation in the program, and that the incidence of low-birth weights is reduced by WIC participation. In addition to the significant health benefits found in the Missouri study, the investigators found significant reduction in medicaid newborn costs. The Missouri WIC study found that for every dollar spent in support of the program for the more than 6,000 participants involved in the study, $1.42 was saved in reduced medical costs during just the first 30 days of the newborn's life. Obviously, the actual Medicaid savings resulting from the WIC Program are even greater if we take into consideration savings derived from the avoidance of the health care costs associated with remedial or chronic care which result from catastrophic health problems.

The amendment before the Senate will maintain current participation levels in the WIC Program. In taking action on the fiscal year 1985 bill, the committee provided the level estimated by the Congressional Budget Office to be necessary to maintain current caseloads. Unfortunately, we now find that CBO's estimate did not reflect recent changes in participation, nor did it accurately take into consideration changes in the cost of the WIC food package. As a result of these inaccuracies in CBO's estimates, the funding level provided by the committee would result in about 85,000 participants being dropped from the program.

Mr. President, recent census data has provided us a glimpse of the economic condition of children in our Nation. Between 1982 and 1983, the number of children under the age of 6 who live below the poverty line increased by 325,000. At present, 1 out of every 4 children under the age of 6 lives below the poverty line. Think of that. One out of every four children under the age of 6 lives below the poverty line. Almost 50 percent of the black children and over 40 percent of the Hispanic children under the age of 6 in our Nation live below the poverty line.

I will repeat that: 50 percent of the black children and over 40 percent of the Hispanic children under the age of 6 live below the poverty line.

In 1980, USDA estimated that 8.4 million Americans were potentially eligible for the program. Even if we can assume that this number has not increased since 1980—although looking at the census data it is clear that the number of Americans living in poverty has increased significantly since then—even if that number has not changed, we would today be serving only 37 percent of those eligible.

Mr. President, this amendment will not force this bill to exceed its allocation. It is not a budget buster. In fact, as I have described, I think it will produce savings over the long run. I see no reason to step away from the current caseload in the WIC Program. Even the President's Task Force on Food Assistance recommended that caseloads in the WIC Program be maintained.

Therefore, I urge adoption of the Kennedy amendment.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I welcome the opportunity to speak very briefly on this particular amendment which has bipartisan support. There are a couple facts I wish to mention.

First, this program has been evaluated by about every different type of group in our society and found to be effective in terms of serving the very important human needs of women, infants, and children.

I think that that is important for the understanding of the Members of this body. It is effective. It is efficient. It can be made more so. All of us who support it would want it to be made more so. But it is an effective program.

Second, it addresses the human needs of the most vulnerable people in our society, pregnant women and infants, and they deserve a special consideration by a humane society and particularly by the Senate.

Third, only about half of the individuals in our society who are eligible for this program are actually benefiting from the program, and I wish it were more, Mr. President, but that happens to be the fact, and we are with this particular amendment trying to insure that those who are being served are going to be continued to be served.

The most recent USDA estimate of the number of individuals currently participating in the WIC Program is

3,080,000 individuals. This represents the enrollment of 17,000 new women, infants, and children in the program this year.

As a matter of fact, Mr. President, CBO's projection for serving the current number of participants in 1985, is higher than the $29 million increase I am calling for today. However, I believe that this modest increase over the Senate appropriation figure will continue benefits to all who are currently participating in WIC.

I would like to take a moment to remind my colleagues of the effects of poor nutrition on mothers and children. Pregnant women who are nutritionally at risk are more likely to have a miscarriage, and are more likely to have low birth weight infants. Low birth weight infants are half as likely to survive, 3 times more likely to have birth defects, and 10 times more likely to suffer from mental retardation. Children who are nutritionally at risk show poor physical growth, anemia, and problems with behavioral development. This results in slow learning and other problems in school.

I don't think I have to continue with these facts. I think that everyone in this Chamber is aware of the devastating effects of hunger and poor nutrition. But, I do want to talk about the documented effectiveness of WIC in alleviating these nutrition and health hazards for our mothers and children.

The Center for Disease Control reported in a 1976 study that the children who participated in WIC showed increases in hemoglobin levels: And that the percentage of low birth weight infants was less among the WIC population than among non-WIC population. A Yale School of Medicine study on infant mortality in 1978 reported a statistically significant difference in infant mortality rates between WIC and non-WIC mothers; 8 infant deaths occurred in every 1,000 live births for WIC mothers, while 22 infant deaths in every 1,000 live births occurred among those eligible mothers who were not receiving WIC benefits.

In 1981, the Department of Agriculture released an evaluation of the WIC Program. The Department reported that women and children's participation in WIC is associated with a positive and significant impact on their health and nutritional status. Data gathered under this study showed that participation in WIC resulted in significant increases in infant birth weights: Accelerated rates of growth in infants and children: And decreased rates of anemia. In their summary, the Agriculture Department stated:

> The WIC Program appears to be making a substantial contribution to dealing with problems of inadequate nutritional status among "at-risk" women and children.

Mr. President, these studies do not lie. Last fall I conducted hearings across the country on the problem of hunger in the United States. I saw first hand, the food lines, the soup kitchens, and the suffering of our citizens. I visited a health clinic in Oakland, CA, where a mother with her young children told me how the WIC Program was helping her to provide her children with good nutrition, something she would not be able to do without WIC. In Minnesota, a pediatrician stated:

> My patients tell me over and over again that they need the WIC Program, that with WIC they know their babies and infants will get some of the nutritious food they need.

The President's Task Force on Food Assistance told the country that the effectiveness of WIC has not been definitively established. I don't believe the task force has read the studies I have mentioned. I don't believe the task force listened to the doctors and public health professionals across the country who are providing WIC services, nor did they talk to the women and children who need these benefits. President Reagan has consistently proposed reductions in funding for this program. In his 1983 budget proposal he called for zero dollar funding and a block grant of this program. I wonder if the President knows that infants have escaped death and children have avoided illness because Congress rejected his proposals.

Finally, Mr. President, I would like to call your attention to the most recent Census Bureau report regarding the poverty rate in this country. Because the WIC Program serves those individuals who are poor, this information is pertinent and particularly compelling. The Census Bureau recently reported that the poverty rate went up in 1983. The number of persons in poverty climbed 900,000 to a total of 35.3 million, the largest number of persons in poverty since 1964. This is 6 million higher than the 29.3 million persons in poverty in 1980.

This poverty increase was the greatest among the poorest of the poor—those with incomes below half—50 percent—of the poverty line. This clearly indicates that the poor are getting poorer. But, Mr. President, the most distressing of all these statistics is the one that tells us that nearly 37.4 percent of this increase in poverty occurred among children under the age of 6.

I don't believe that this country can turn its back on our children. The need for this program is overwhelming. This amendment is only a small step toward securing a basic human right for millions of mothers, babies, and small children in our country—the right to be free from the threat of poor nutrition, malnutrition, and hunger. The nutrition and health we provide them today will manifest itself in a better future for us all.

I would like a more effective kind of a service to those who are eligible but with this particular amendment we are trying to insure that the current program which is in place at the present time will continue to affect people in a positive way in our society.

Lastly, the most recent figures by the Congressional Budget Office show quite clearly numbers of pregnant women and also infants who should get these kind of services.

I believe that the amount which is included in this particular amendment is a bare program to try and ensure current services. Quite frankly, I think we probably are going to have to address this issue perhaps even in September of this year again.

I welcome the positive comments that have been made by the manager of this bill, the Senator from Mississippi, Senator COCHRAN, and I would hope that we could get acceptance of this particular provision and that we would have an opportunity to continue to review it to insure its effectiveness and most importantly its humaneness to the most vulnerable people in our society.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank the distinguished manager of the bill, the Senator from Mississippi, and our colleague the Senator from Massachusetts.

Mr. President, I wish to join the distinguished senior Senator from Massachusetts in cosponsoring an amendment to raise the fiscal year 1985 appropriation for the special supplemental food program for women, infants, and children. In the opinion of this Senator, Mr. President, the WIC Program, as it's popularly known, is one of the most beneficial programs that the Federal Government provides and I urge my colleagues to join with me in passing the amendment we propose today.

Our amendment seeks to add $29 million to the $1.471 billion provided in the Agriculture appropriations bill for a total funding for fiscal year 1985 of $1.5 billion. We seek this additional funding because the amount contained in the bill—$1.471 billion—is based on an old and much outdated Congressional Budget Office estimate. Last January, CBO estimated that $1.471 billion would be needed in fiscal year 1985 to maintain current services. The WIC caseload stood at 2.96 million women, infants and children. Today, however, 3.08 million women, infants, and children are in the program. This is 120,000 more than were in the program when CBO did its estimate earlier in the year, and now CBO estimates that $1.52 billion would be needed to

maintain the current caseload in fiscal year 1985.

By providing $29 million, our amendment reduces by more than half the number of program participants who will have to be removed from the program next year. The $1.5 billion our amendment provides, is the same funding rate approved by the House Appropriations Committee. And, Mr. President, our amendment is consistent to an amendment recently introduced by the distinguished Senator from Minnesota [Mr. BOSCHWITZ] that would set the WIC authorization ceiling at $1.5 billion for next year. What we offer, therefore, is designed to meet a critical need in one of the most valuable nutrition programs in a manner that is consistent with the actions of the other body and effort in this body to authorize the program for next year.

Mr. President, My colleagues have heard me speak on numerous occasions about the WIC Program. I am no stranger to its advocacy. I admit bias toward this program. I have taken this floor many times to point up the cost-effective benefits of the WIC Program.

A major study at the Harvard School of Public Health emphasizes the cost-effectiveness of this nutrition assistance program. And, Mr. President, this is just one of many studies that has reached this conclusion. The Harvard study found that each $1 spent in the prenatal component of WIC averts $3 in hospitalization cost due to the reduced number of low-birth weight infants requiring hospitalization. A more recent study conducted by the Missouri Department of Public Health examined medicaid costs during the first month of life—and found that for every dollar spent on the prenatal component of WIC, there was a savings of $1.42 in actual medicaid costs just during the first month of life. Additionally, Mr. President, the Missouri study also found that the incidence of low-birth weight was reduced more than 50 percent among babies born to mothers who participate in WIC for more than 6 months prior to delivery. Low-birth weight is one of the leading causes of infant mortality in the United States. In South Carolina we are fighting hard to reduce the infant mortality rate and we recognize that the WIC program is one of our most valuable tools in getting the job done. I know first hand, Mr. President, of the tremendous value of this program and the assistance it has provided to countless South Carolinians. This is one of the most effective programs we have to curb infant mortality.

I could go on and on citing the benefits of this nutritional assistance program. Earlier this year, on January 15, 1984, I made a lengthy statement to mark the 10th anniversary of the creation of the WIC Program. My pride comes not just in being an active partner in the creation of WIC 10 years ago, but in assisting this program to expand and to cover more and more eligible women, infants, and children. As great as the benefits have been, our work is not complete. Our amendment is partial evidence of this, Mr. President, as we strive to ensure that at least the same number of women, infants, and children who participated in the program in 1984 can be served in 1985. We can tolerate no back sliding. Still, the truth remains, the sad truth, that currently only one-third of all the women, infants and children eligible for WIC are being served. Twice as many eligible women, infants and children are not served for each who is served. The challenge we face is to see to it that WIC is available to all eligible.

And, Mr. President, this challenge is upon us. Consider the latest facts. New figures released recently by the Census Bureau point up the significance of the challenge we face not only in dealing with the amendment we present today, but in meeting the great need among the youngest Americans. The Census Bureau's figures cite alarming statistics regarding poverty among young children. It's growing at a very rapid rate. It's a shameful commentary about our Nation.

The Census Bureau reports that the number of Americans in poverty grew by 900,000 in 1983. Nearly 40 percent of this increase in poverty occurred among children below the age of 6. Poverty among children under age 6 rose by 325,000 in 1983. Since 1980, poverty among children under age 6 has risen by 1.2 million persons. It's a sad commentary, Mr. President, when any of us have to stand before this body and report that those Americans most unable to care for themselves, those Americans most vulnerable to the challenges of life, are those who are being added to the poverty rolls in the greatest numbers. So pervasive is the poverty rate among children below age 6 we find it has now reached 25 percent—1 of every 4 American children below the age of 6 was poor in 1983. Among black and Hispanic children the poverty rate is even higher. Of all black children under age 6 in the United States in 1983, 49.5 percent were in poverty. Of all the Hispanic children under age 6 in the United States in 1983, 41.8 percent were in poverty.

This Senator will not stand here today and tell you that the amendment my colleagues and I present will solve the massive poverty our children face. It's but a start and a maintenance of the commitment we feel to the WIC Program, the program that offers this very vulnerable segment of our population so much assistance. The WIC Program is a massive success story and is one we should extend to as many of the eligible women, infants and children in this Nation as possible.

I support the $29 million add-on for the Women, Infants and Children Feeding Program, but, Mr. President, it is sad that we are not putting in an amount sufficient to serve all who are eligible for the program. Instead we are putting in the amount that is contained under the authorization and limiting ourselves to that. In so doing, while we will maintain the current program caseload, we are still only reaching one-third of the eligible women, infants, and children.

What we really should do in consideration of this amendment, Mr. President, is bring into focus exactly what has been occurring in this Congress and the preceding Congresses. We are trying to alleviate one particular ailment and concern we have, namely, the poverty of the old and, the conflict of, supplanting that with the burdening of the young.

Specifically, 28 percent of the Federal budget goes for the group 65 years of age and over and they do not even have to petition anyone up here for those moneys. We all support them.

If you were on the Senate floor the other night, you saw this body vote—before 1985 could arrive—before the justification which was the inflationary increase within the economy could occur, which would have perhaps warranted an increase in Social Security benefits. We jumped to spend some $5 billion for Social Security cost-of-living increases.

Yet here when we come to the Women, Infants, and Children Feeding Program, we have to beg for $29 million.

Ed Yoder, a distinguished columnist, was covering the passing of George Gallop in the morning Post prior recently. George Gallop is perhaps the most distinguished pollster and prognosticator and journalist. And I should say there is no more distinguished journalist in my opinion than Ed Yoder, so my comments are not to reflect on George Gallop but to reflect on the subject of polling.

We had an administration here that fairly well cleaned the Democratic side of this particular Chamber between 1977 and 1981. It institutionalized polling. They had a senior pollster ensconced in the White House. Invariably the President would waken every morning and find out what the people were thinking and what the issues were and then he would be Johnny-on-the-spot for the 7 o'clock news.

We had no particular program of Government. We had no vision. We had the morning news and the morning pollster.

And what we find in essence in studying these polls is that since posterity can do nothing for us, the

unborn can do nothing for us, we see no reason to do anything for posterity, But, on the other hand, we find the senior citizens show up very clearly in these polls; therefore we are outdoing ourselves trying to embellish programs for them. In some instances beyond even what we had agreed to do for them. The emphasis is on how we will look in the polls. We are laying it on. We do not care about deficits when it comes to polls. Everyone out there now is talking about deficits, but we struggle around here for 4 months to get a downpayment, a deficit reduction package, of some $50 billion over the 3 years, and we then spend about $17 billion of it in 5 minutes. Why? Because, as I stated, we are reacting to the polls, not under the philosophy of a responsible government.

This is the first society that has refused to look out for the next generation. The whole function and reason of government is to open the doors of opportunity and provide for the next generation coming along.

In that sense, here we have women, infants, and children that we are not able to feed. Why? Not because we do not have the money. We do not worry. We are running a deficit of over $200 billion, so what is $200.029 billion? That is not even a ripple in the ocean of red ink. It is just the animus of the mind that we in public life have for the next election, putting expediency ahead of responsibility, this election ahead of the next generation.

The traveling around the country, I began to see and realize the good the Women, Infants, and Children Feeding Program was doing. You ought to travel to some of these States. You will find the most dedicated of citizens, volunteers, operating these offices all over this land. Young mothers coming along trying their best to look out for their children in the next generation are realizing for themselves, that their own good nutrition impacts on the health of their babies. They now see that they have a chance with the Women, Infants, and Children Feeding Program.

In reality, we are only taking care of a third—two-thirds of those eligible for this essential feeding program remain unserved. We are here on Friday afternoon, almost with hat in hand, begging. And the premise of our beg is: "Look, it is such a little amount. You fellows just give us this and we will leave you alone." The conscience of everyone in the national Congress should demand this funding as a minimum.

I say to the Senator from Mississippi, for his generation and mine, 30 percent of the budget goes for those 65 years of age and over. For the children, and the future of America, if you come for a student loan, if you come for a child's lunch or if you come for women, infants, and children feeding, no way; cut it back. These people do not show up in the polls, let's put the money in for someone who does. This political expediency tears the social fabric and weakens the Nation.

All we are asking is to flesh out the program so that those who have already been relying on the program can continue and complete the course.

The President tells us to stay the course economically. But, tells the young mothers of America and the little infants coming along: "Quit the course. We don't have money to feed you. We don't have money for those who are in poverty."

I think it is very interesting to note, and it should impress everyone, that now 25 percent—one out of every four children below the age of 6 are poor in America. They are living in poor families. Read the latest report by the Census Bureau. The facts are all there.

And when you look at the minority children, the blacks and Hispanics, every other one is living in poverty; 49.5 percent, of black children under the age of 6 are poor—every other one there lives in poverty. And for Hispanic children under the age of 6, 41.8 percent live in poverty.

If you could study those figures you would understand what our friend Rev. Jesse Jackson had in mind when he said, "Our time has come," meaning that some attention has to be given to these particular needs. Let us give some meaning to that cry here on the floor of the Senate this afternoon.

It is not my intent to belabor the Congress, but to try to change around priorities. To strike a balance between those who have labored and those who have yet to have that opportunity. What we want is dignity for all our citizens—old and young. To accomplish this we must have a shared sacrifice. Older Americans understand this. In most instances their lives reflect a discipline and dedication to principles and valves that are basic to the American way of life. My good friend CLAUDE PEPPER—and no one is more distinguished in the field of senior citizens—has led the way. But I have had to face him as well with my proposal to freeze increases for Social Security as a part of my budget freeze designed to balance the budget. No one has ever cut Social Security, and this Senator has never advocated doing so. But I faced the senior citizen groups, with our friend CLAUDE PEPPER of Florida, and I said: "Look, we don't have the money to continue these increases." No one is cutting you for what you have invested. The average recipient receives all the money he puts in within 18 months. This past year, we spent $22 billion of the public's general revenues to maintain the trust funds and keep benefits coming. In order to make the payments this year, 1985, we are going to pay about $17 billion.

So I would face those senior citizens and say, "Look, you have children. We are not magicians. The question revolves down to whether we are going to give you an increase and offload that debt onto your children or are we going to hold up, in a shared sacrifice, any increase, let us say for a year, and not pass on that debt to your children and grandchildren?" Share the sacrifice as we share the many rewards of being American citizens.

And almost to every man or woman, they would say that if it is a shared sacrifice, then we will do our part. The senior citizens are not welfare recipients. We take care of those under SSI. However, when we address those who we are talking about here, the 3,500 at the Statler-Hilton recently in Washington, and those out in Cedar Rapids, IA, that I addressed along with our distinguished colleague, Congressman PEPPER, and the other meetings that we had around the country, if it is a shared sacrifice, then they said, "We want to do our part and make sure that we do not offload this horrendous debt onto our children and grandchildren."

That is what they want. They will sacrifice. Anyone working in the field of poverty—and I have—will find a grandmother sitting there starving to keep a little grandchild in school with good clothes. Do not demean senior citizens or seniority in our land. That is not my idea, never has been and never will be. It is my idea to awaken the national Congress to adjust their own priorities, their own mentalities on this thing. We have just been playing rank politics with the budget of America, and we have forgotten the responsibility of Government is to open the doors of opportunity. Opportunity for Americans from all walks of life and of all ages.

Under the recent Harvard study, every dollar spent saves our budget 3 bucks. Under another study, I think it was out in Missouri, if I am not mistaken on my memory on that, the Missouri study found that for every dollar spent with respect to Women's, Infants', and Children's Feeding Program, we save $1.42 just during the first month of life. So we are making money by investing. That is the whole purpose of Government—investment in the human infrastructure.

We can talk about, oh, man, the fat banks came around here. The international banks—$8 billion one Friday afternoon when we were adjourning. They did not have any trouble. They did not have to beg for $29 million. They could get $8 billion in an afternoon. Continental of Illinois—they did not have any trouble finding $4 billion, $5 billion, $8 billion. I do not know where they get it from. I guess

they get it from the policies of this national Congress.

But when we, who are trying to do our duty and look out for the next generation, come and ask for $29 million, I do not want to see anybody come up here and give us this budget bunk and deficits and it has to come out of expended money and all of that stuff. I do not see how anybody could vote against this if they have a conscience.

If you are a big bank, you can get all you want. If you just happen to be over the age of 65, do not worry. They will force feed you the money before you can get to 1985—some $5 billion more.

So let us go with this amendment with the Senator from Massachusetts. I am sure the Senator from Mississippi will help us with the Woman's, Infants', and Children's Feeding Program. Does the chairman of the committee accept his amendment?

Mr. COCHRAN. Mr. President, if the Senator will yield, before he came to the floor and during the time the bill was being discussed earlier in the day, it was the statement of this Senator that he would recommend the acceptance of the amendment.

Mr. HOLLINGS. Wonderful. I know the Senator and I know he has a good heart and consideration for those who are poor down in Mississippi. Down in South Carolina we have the same problem and same opportunity. So I hope that they will take the recommendation. I thank my distinguished colleague.

Mr. HUDDLESTON. Mr. President, I want to thank the distinguished Senator from Massachusetts [Mr. KENNEDY], for offering this amendment, and associate myself with the remarks of my friend and colleague from South Carolina, Senator HOLLINGS.

I think it is apparent now that the level of funding contained in the committee-reported bill will not support the current participation level in the supplemental food program for women, infants, and children—the WIC Program.

It would be most unproductive for us to knowingly shortchange this effective and highly respected program. The States and local WIC clinics need to know at the beginning of the fiscal year what funding will be available to them for the complete year so they can best manage their caseloads. Further, the funding crisis that would result from the partial-year funding or inadequate funding in this program will benefit neither the program participants nor the program managers, and do nothing to reduce the eventual cost of the program.

I am pleased to be a cosponsor of this amendment, and I urge my colleagues to support it.

The PRESIDING OFFICER. Is there further debate?

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, for the purpose of clarifying the record, let me point out that the House of Representatives passed an appropriations bill containing a recommended figure for this program of $1,241,745,120. The Senate Committee on Appropriations is recommending a figure of $1,471,000,000. The Senate figure was reached by determining the average participation in this program during fiscal year 1984, and then providing a level of funding that would permit participation in the program at the same level in fiscal year 1985.

It is not the intent of the Committee on Appropriations to bring a figure to the floor—and recommend the Senate agree to it—that would reduce the participation in this program. The distinguished Senator from Massachusetts has recommended that an addition be made to that level to provide for the funding for the full year on the basis of peak month participation. There are some months when there are more persons participating in the program than in other months. The calculation seems to be based upon the assumption that there would be a full year's requirement for funding participation levels based on the months with the highest participation. We are not going to make an issue of whether that is needed or not at this point.

We recommend that the amendment be agreed to, and we hope that in conference we can convince the House to go along with the notion of providing funding for the entire year, not just funding at a level which would cause the program to run out of money completely on August 1. That is what the House figure would do.

We are hoping the Senate will go along with the additional funding recommended in the Kennedy amendment.

Mr. President, I know of no other Senators who wish to speak on the issue. The Senator from Massachusetts wants a record vote, even though we are willing to accept the amendment.

Mr. EXON. Mr. President, I think it is well known that this Senator generally does not like add-ons to appropriation measures unless there is a critical need. I just want to speak in support of the WIC program add-on.

Of all the programs of the Federal Government to help the needy of this country, I think that the record will clearly show that none of our programs is more beneficial to the people receiving Government help than the WIC Program.

At the same time, I suspect that there are few, if any, programs of the Federal Government that in the end, end up saving money rather than costing us money.

I have long been an individual supporter of the WIC Program. I hope that this amendment that is being offered will be accepted. But if not, I suggest that we go to a rollcall vote. If that happens, I would just urge my colleagues to listen and read very carefully the remarks just made by the distinguished Senator from Missouri with regard to those who are dropping through the cracks in our society.

While I maintain that the first responsibility of the Federal Government's budget process is to provide for the common defense of this country, very near I say to that awesome responsibility that falls on us in Congress is to also provide as a first priority matter for the very young in our society, many of whom are not reaping the benefits of society or to the extent of only a very minimum amount.

Therefore, Mr. President, I urge the adoption of the amendment that is pending.

Mr. BOSCHWITZ. Mr. President, I rise today to cosponsor and support Senator KENNEDY's amendment to add $30 million in funding for the Special Supplemental Food Program for Women, Infants, and Children. This funding level corresponds exactly with the amendment I have filed to the reauthorization bill for WIC and other child nutrition programs. Unfortunately, the cart is before the horse. We are appropriating for fiscal year 1985 a program that has yet to be authorized in fiscal year 1985.

Five child nutrition programs expire on September 30, 1984. They have yet to be reauthorized. Those programs include: WIC, Summer Food Service, Commodity Distribution, Nutrition Education and Training, and State Administrative expenses. On May 25, the Agriculture Committee reported the proposed National School Lunch and Child Nutrition Programs Reauthorization Act of 1984 (S. 2722), which would reauthorize these five programs. But, the reauthorization legislation is being held hostage until there is agreement that no amendments will be considered. I have already filed my amendment, and I am certain that other Senators may wish to offer amendments.

It is difficult, if not impossible, to efficiently run a nutrition program if the program only has authorization to operate for 1 year. The programs, particularly the WIC Program, need the stability that comes with the ability to make long range plans. it is crucial that the child nutrition programs be reauthorized allowing Senators their customary prerogative to offer amendments. The time constraints that accompany the end of a legislative session make it imperative that we have a time agreement before this legislation, or any other, is considered. But, that

does not have to preclude any amendments at all.

The amendment at hand adds approximately $30 million in funding for WIC making the total appropriation $1.5 billion. This level should allow for 60,000 new participants over the current participation level of 3 million.

The WIC Program provides food supplements and nutrition education to children up to the age of five, and pregnant and nursing mothers. Participants must be at nutritional risk and low income. Participants generally receive vouchers, which they can redeem for specified foods—formula, cereal, fruit juice, milk, cheese, eggs, et cetera—at authorized retail food stores. The WIC Program serves women and children on a priority basis, with the most needy receiving services first. This brief description of the program should serve to illustrate that the WIC Program is well targeted to those in both economic and nutritional need. It is evident that dollars spent on prevention or intervention when children are young saves countless health, education, and social service dollars in the future. Therefore, I am pleased to support and promote additional funding for WIC.

Mr. DOLE. Mr. President, I rise in support of the amendment offered by the distinguished Senator from Massachusetts, [Mr. KENNEDY]. The Senator from Kansas is pleased to be a cosponsor of this amendment which represents a very modest increase in the special supplemental food program for women, infants, and children [WIC]. I consider WIC to be the most effective Federal nutrition program, and $1.5 billion provides enough funding to maintain a participation level of 3.08 million women, infants, and children, which was the caseload for the month of May 1984—up from the fiscal year 1983 year-end participation level of 2.96 million, on which the fiscal year 1985 funding level of $1.471 billion in this bill was based. The Congressional Budget Office has estimated this to be the amount of funding needed to maintain services for about 5 million women, infants, and children in fiscal year 1985. Both the House and Senate versions of the agriculture appropriations bill has adopted this funding level.

WIC'S GREAT TRACK RECORD

More than any other Federal nutrition program, WIC has earned its reputation as a bipartisan favorite. WIC has a very strong performance record.

This program is a true nutrition program, whose benefits are tailored to meet the special nutrition needs of the recipients it serves unlike the food stamp program whose benefits are not tied to any nutritional standards.

Evaluation studies indicate the WIC Program has been cost effective in both health and dollar terms. A major study at the Harvard School of Public Health found that each $1 spent in the prenatal component of WIC saves $3 in hospitalization costs due to the reduced number of low birthweight infants requiring expensive neonatal care.

CONCLUDING REMARKS

Mr. President, WIC's great track record is underscored by the fact that, at a time when other Federal nutrition programs were undergoing significant spending reductions, the WIC Program was allowed to expand. The number of WIC Program participants has grown from 1.9 million in fiscal year 1980 to 3 million in fiscal year 1985, under the Reagan administration. Funding has similarly increased from $708 million in fiscal year 1980 to $1.360 billion this current fiscal year.

As chairman of the Nutrition Subcommittee, WIC has always been one of my favorite nutrition programs. The Senator from Kansas believes this additional $29 million will be well spent, since the program now only serves about one-third of the potential eligible population.

Mr. GLENN. Mr. President, for the last several days we have been debating and voting on spending issues without any clear sense of direction and without a careful plan for the allocation of our resources. We are approving appropriations without a budget resolution to guide us and we have made no effort at all to bring our Government closer to the goal of operating on a pay-as-you-go basis. The Women, Infants, and Children Program before us stands in stark contrast to these proceedings. It directs our attention to the needs of this and future generations, carefully targets our resources to where they are needed most and does so in a cost effective manner. For these reasons I am happy to rise in support of this amendment.

According to recent studies nearly one out of four of America's children live in poverty. For these children to realize their full potential it is essential that they receive adequate nutrition in the early years of life. The supplemental food program for women, infants and children was designed to accomplish this. However, only one-fourth of those eligible for the WIC Program are currently served.

The costs of our continuing failure to meet the fundamental needs of these citizens is staggering. The fact that 17 nations have lower infant mortality rates than the United States is a national disgrace and the hospital costs borne by medicaid to care for low-weight infants are unnecessary. Studies done by the Harvard Medical School suggest that every additional dollar spent on WIC saves $3 in medical expenditures. These studies do not attempt to estimate the human potential that is sacrificed or the opportunities that are foreclosed by inadequate nutrition.

Mr. President, there are few programs we fund that actually result in cost savings to the Federal Government. At a time when poverty rates and Federal health costs are continuing to rise expansion of this program combines compassion with common sense. It targets our resources to where they're needed most and does so in a way that is both morally and fiscally responsible.

Mr. HELMS. Mr. President, I shall vote for this amendment, but I have some reservations about it. Still, I do not want to risk inadequate funding for needy women, children and infants.

This additional $29 million will permit the conferees sufficient flexibility to arrive at a reasonable, full 12 months appropriation level, rather than the partial year funding in the House bill.

It will also allow time to decipher whether, indeed, an error has been made by the Congressional Budget Office in estimating program participation. If that should prove not to be the case, the conferees may opt to adjust the appropriation accordingly.

The Congress stated last year the participation levels should remain at those attained at the end of fiscal year 1983, which proved to be 2.963 million people. The $1.471 billion figure was established as one that would preserve 3 million participants on a monthly basis throughout fiscal year 1985.

I do not believe we can afford expansion of the program at this point, but I do not believe it is the intention of the Senate to reduce program participation. For these reasons, pending further clarification of the budget situation, I shall support the amendment.

The chairmen of the full committee (Mr. HATFIELD) and the subcommittee (Mr. COCHRAN) have already noted that the bill, as reported from the Appropriations Committee, exceeds the President's request and the House-passed bill.

Having said all that, the record should be made clear that the Appropriations Committee has appropriated $1.471 billion for the special supplemental food program for women, infants, and children [WIC]. That amount continues the growth in this program from just over $10 million in fiscal year 1974.

Simply put, the WIC program has grown dramatically in its 10 years of operation.

The following tables outline the growth in both program participation and cost:

WIC PROGRAM PARTICIPATION, 1974–83

Fiscal year	Average monthly participation	Women	Infants	Children	Percentage of children participating
1974	87,700	17,100	26,300	44,300	50
1975	344,100	55,000	103,100	186,000	54
1976	520,200	81,100	147,700	291,400	56
Transition quarter	623,900	108,400	153,200	362,300	58
1977	848,300	165,200	212,800	470,300	55
1978	1,180,100	319,700	308,700	632,400	53
1979	1,480,600	311,400	389,700	779,500	52
1980	1,910,400	411,200	506,400	992,800	52
1981	2,117,800	445,300	584,900	1,208,000	51
1982	2,187,700	447,400	622,700	1,087,700	50
1983	2,536,965	541,826	729,933	1,265,207	50

Source: Food and Nutrition Service, U.S. Department of Agriculture.

The following chart shows funding for the program from 1974–83:

WIC PROGRAM FUNDING, 1974–83

Fiscal year	Program level (millions)	Average monthly cost per participant	
		Food package	Administrative
1974	$10.4	$15.68	$4.10
1975	89.3	18.58	3.04
1976	155.5	22.05	2.86
Transition quarter	48.4	22.40	3.48
1977	256.5	20.86	4.33
1978	385.7	22.43	4.81
1979	527.3	24.19	5.49
1980	712.3	25.44	5.46
1981	887.6	27.86	7.14
1982	958.7	29.22	7.25
1983	1,177.2	29.68	7.35

Source: Food and Nutrition Service, U.S. Department of Agriculture.

The Appropriations Committee amount is consistent with the authorization level reported in S. 2722 by the Senate Committee on Agriculture, Nutrition, and Forestry. This is $111 million greater than the $1.360 billion amount already appropriated for fiscal year 1984.

The amount appropriated by the Senate Appropriations Committee, and that recommended in the authorization by the Agriculture Committee, is designed to provide for participation by 3 million women, infants, and children in the WIC Program during fiscal year 1985. This figure maintains the current services level as estimated by the Congressional Budget Office.

I should point out that the amounts appropriated and authorized exceed the level, $1.390 billion, "assumed" in the Senate-passed budget resolution. However, under the Senate budget resolution, any excess above the "assumptions" must result in a corresponding reduction in other, nondefense, nondiscretionary spending to compensate for the increased spending.

The amendment would add $29 million to the WIC Program. It will also, therefore, add $29 million to the amount that will have to be subtracted from other domestic nonentitlement programs in order to remain within the Senate budget resolution targets.

The original $1.471 billion amount is a reasonable amount which will provide continuity in the WIC Program without the sudden surges and reductions that erratic appropriations increases have caused in the past.

Some States are apparently unable to manage their program caseloads to utilize sudden increases in spending. Better management at the State level may be necessary to establish maximum utilization of Federal appropriations. We have all read the problems that the State of Maryland has had with regard to the State turning back money in the last fiscal year and now running far short because they overcompensated by adding too many people to the WIC rolls.

My own State of North Carolina turned back 10 percent of its fiscal year 1983 funds, $4.2 million, apparently unable to use the funds for women, infants, and children in my State. While many States have some amount of their allocation unused, especially when appropriations change, that is, increase, dramatically, North Carolina's percentage of unspent funds was the highest of any State last year, second in total dollars only to California's unspent $5 million.

I would also like to clarify some other points that have been raised, perhaps in good faith, but nonetheless in error, by some who, like the Senator from North Carolina, will support the amendment.

With regard to the WIC Program, I do not think it serves the interest of congressional deliberations or public dialog for advocates to engage in emotional rhetoric or exaggeration on this, or other programs.

It seems reasonable to me to examine whether the program is, indeed, effective, or at least to determine what is known about the program's effectiveness.

In anticipation of WIC reauthorization, I asked the General Accounting Office last year to undertake a careful examination of existing research to determine the soundness of various WIC evaluations and the credibility of the claims which have been made passed on them. These findings have been cited to in previous testimony before the committee to support contentions that the program is effective in improving a variety of maternal and child health conditions among participants. Others, however, have criticized the methodology of the studies as unsound and the findings insufficient for national representation.

The GAO found, after examining the studies, that—

The information is insufficient for making any general or conclusive judgments about whether the WIC program is effective or ineffective overall.

The GAO did note that, "in a limited way," the information indicates the likelihood that WIC has modestly positive effectives in some areas, primarily infant birthweights. (See "WIC Evaluations Provide Some Favorable But No Conclusive Evidence Of The Effects For The Special Supplemental Program For Women, Infants, and Children," January 30, 1984.)

As I noted at one of the hearings, I would have been hopeful that after 10 years, there would be more supportive and conclusive evidence to demonstrate whether this program is worth over $1 billion of the taxpayer's money each year or not.

While we hear a lot of glowing assertions about the program from program advocates, the GAO's examination of the actual research provided no clear indication of any reliable research consensus as to the program's effectiveness—or ineffectiveness.

Hopefully, further research will provide a greater degree of certainty. Later this year the national evaluation of the WIC Program should be completed. Perhaps this will contain some more conclusive findings. Frankly, what we have to go on now is mostly hope that the program is having desirable effects. It almost surely is not having negative effects.

A separate study by the Congressional Research Service provided a more thorough examination of another frequently-made claim that the WIC Program saves $3, in averted hospital costs, for every $1 spent in WIC. Again, such assertions are not substantiated by the research evidence. The Congressional Research Service examined the study cited to demonstrate this 3-for-1 argument and concluded that the evidence was "neither conclusive nor generalizable to the program's benefits nationwide. Since the study was confined to the State of Massachusetts, it would be inappropriate to infer that the WIC Program would have the same effects nationwide. Finally, the study does not support one specific cost-benefit ratio for the WIC Program, even in Massachusetts, the one State covered in the study. The authors do not make such claims in their analysis."

I ask unanimous consent that a copy of this CRS analysis be printed at the end of my statement.

However, even if one wanted to assume that the program is inherently effective and cost-beneficial—which, as noted above, has not been conclusively demonstrated—there are still questions about the day-to-day administration of the program.

The foremost operational problem in the WIC Program is that of targeting benefits to the most needy.

The following table furnished to the Agriculture Committee earlier this year by the Department of Agriculture outlines the distribution of participants in individual States for which information was available.

CASELOAD DISTRIBUTION BY PRIORITY LEVEL BASED ON ESTIMATED DATA RECEIVED FROM 43 WIC STATE AGENCIES*

State	Total October participation	Percent of caseload by priority levels					
		Priority I	Priority II	Priority III	Priority IV	Priority V	Priority VI
Alaska	3,464	36	13	42	1	4	4
Arizona	25,868	32.7	20.3	27.4	7.5	5.6	6.5
Arkansas	25,184	32	9	31	10	18	0
California	205,408	32	20	23	6	9	10
Colorado	28,411	28	10	34	7	18	3
Connecticut	46,433	20	11	38	6	22	3
Delaware	6,527	22	29	49	0	0	0
District of Columbia	11,689	20.4	11.4	25	8.4	25.1	9.7
Florida	86,289	32	17	38	2	4	7
Guam	1,486	32	11	36	6	10	5
Hawaii	5,142	32	9	32	11	13	3
Idaho	11,657	21	11	19	16	32	1
Illinois	120,010	34	15	35	4	9	3
Indiana	49,384	25	10	27	8	24	6
Iowa	32,201	15	10	25	10	40	0
Kansas	21,376	35	8	35	9	12	1
Kentucky	59,870	19.5	15.2	29.6	9.3	20.3	6.1
Maine	15,779	22	11	35	8	21	3
Minnesota	53,915	24	9	44	5	15	3
Missouri	61,922	26	16	31	9	11	7
Nebraska	15,693	30.6	11.9	35.8	3.3	10.5	7.8
Nevada	10,792	22	8	33	7	24	6
New Hampshire	12,477	22.3	8.5	37.1	6.5	22.9	2.7
New Mexico	16,126	66	9	25	0	0	0
North Carolina	96,012	27	10	44	3	8	8
North Dakota	11,651	15.2	10.6	28.8	10.2	35.2	
Ohio	161,034	25	9	45	6	10	5
Oklahoma	37,173	25	28	31	2	12	2
Oregon	28,971	46	10	37	2	4	1
Pennsylvania	136,447	29.2	7.6	53.8	2.1	4.6	2.7
Puerto Rico	85,569	43	2	53	0	1	1
South Carolina	67,655	32.2	16	33.5	5.5	7.8	5
South Dakota	9,516	26	10	31	6	18	9
Tennessee	57,500	23	15	37	13	6	6
Texas	171,914	27.5	11.8	31.9	6.8	13.8	8.2
Utah	20,878	29.2	13.9	37.5	2.4	12.2	4.8
Vermont	17,051	11.7	13	12.7	9.4	48.3	4.9
Virginia	57,525	21.1	11.6	24.5	8.1	20.3	14.4
Virgin Islands	6,207	12.9	21.5	48.5	2	3.8	8.3
Washington	34,431	41	13	30	5	9	2
West Virginia	25,389	21	10	51	3	13	2
Wisconsin	62,366	30	10	45	3	9	3
Wyoming	6,324	27.6	8.3	42.5	3.5	12.8	5.3

*First priority individuals are pregnant women, breastfeeding women, and infants determined to be at nutritional risk by a blood test or some other documented medical condition. The second priority is infants up to 6 months, whose mothers participated in the WIC program during pregnancy or whose mothers did not participate during pregnancy, but were at nutritional risk. The third priority is children at nutritional risk as demonstrated by a blood test or other documented medical condition. The fourth priority is pregnant or breastfeeding women and infants at nutritional risk because of an inadequate dietary pattern. The fifth priority is children with an inadequate dietary pattern. Finally, the sixth priority is nonbreastfeeding postpartum women at nutritional risk.

Source: U.S. Department of Agriculture, Apr. 3, 1984.

Another division of the General Accounting Office is currently conducting a study on appropriate targeting and other administrative aspects of the program. Mr. Brian P. Crowley, Senior Associate Director of the Resources, Community, and Economic Development Division of the GAO outlined some of their concerns at an April 25 committee hearing.

Many of these problem areas were ones which I had also identified and attempted to address in legislation I introduced earlier this year, S. 2545, the Nutrition Programs Reform Act.

The GAO observations are most interesting. Mr. Crowley noted:

We found broad agreement among program directors, nutritionists, and certifying officials that the pregnant women, breastfeeding women, infants, and children under age three (in roughly that order) were more likely to be at risk because of inadequate income, health care, or both, and more apt to benefit from timely WIC intervention than non-breastfeeding women and older children.

This is consistent with the six existing priority rankings of WIC participants, which rank pregnant women, breastfeeding women, and infants who are at nutritional risk as the top priority. Continued Mr. Crowley:

There also was substantial agreement that targeting program benefits to the groups at greater risk would represent an appropriate strategy for optimizing program impact and insuring effective use of limited funds.

The GAO noted:

Current program rules do not require or even encourage targeting except under circumstances where a state or local agency program has attained maximum caseload. However, since an agency may be in maximum-caseload targeting situations for only limited periods of time during a program year, or perhaps not at all, it would not be required to target just when targeting would make the most sense and would likely be most productive; that is, when available funds would enable it to increase enrollment by taking on new participants.

One would like to hope that the program would have as a primary purpose the service of those at greatest risk, those most in need of the supplemental food provided by the program. Unfortunately, in practice, that is not necessarily the case. State and local bureaucrats, working exclusively with Federal program dollars, frequently manipulate the system. The GAO:

Some agency directors told us that the pressures to enroll participants quickly and to maintain participation at the new, higher caseload levels made possible by infusions of additional funding at unpredictable intervals often turn WIC into a "numbers game" where the relative health risk or need of those served becomes less important than simply filling the available caseload slots.

Mr. Crowley noted another potential problem area identified by the GAO:

Our analyses and discussions at local WIC offices also have suggested a need to refine and tighten some of the nutritional risk criteria presently used to enroll WIC participants, and to make it more uniform nationwide. The nutritional risk criteria differ from state to state and result in disparities as to who can qualify for the program. One of our earlier reports addressed this same general issue and pointed out the need to assure WIC applicants more equitable access to program benefits regardless of where they live.

As in many social services programs, verification of income may be a problem. Mr. Crowley noted:

We noted that WIC regulations do not require documentation of income eligibility. WIC certification workers commonly accept an applicant's word on family income.

Indeed, the current program does not even require participants to furnish Social Security numbers. It should also be noted that there are no provisions for recovering the value of benefits which are issued to ineligible recipients.

Another concern, in my judgment, is the high percentage of administrative costs in the program; 20 percent of the program is used for administrative expenses in administering the program. This is very high relative to other Federal programs.

I ask unanimous consent that excerpts on the WIC Program from Mr. Crowley's testimony be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM TESTIMONY OF MR. BRIAN P. CROWLEY, GENERAL ACCOUNTING OFFICE, APRIL 25, 1984

WIC PROGRAM TARGETING AND RELATED ISSUES

To be eligible for WIC benefits, applicants must meet income limits established in accordance with federal requirements and be considered "at nutritional risk" on the basis of state-established risk criteria. WIC has grown rapidly in recent years. Monthly participation is now about 3 million women, infants, and children, and annual program costs are about $1.2 billion. Program officials recognize that budgetary constraints are likely to slow program growth in future years. Our recently completed field work on the WIC Program focused on what could be done to better direct limited funds to those considered to be at greatest nutritional risk. We found broad agreement among program directors, nutritionists, and certifying officials that pregnant women, breastfeeding women, infants, and children under age three (in roughly that order) were more likely to be at risk because of inadequate income, health care, or both, and more apt to benefit from timely WIC intervention than non-breastfeeding women and older children. There also was substantial agreement that targeting program benefits to the groups at greater risk would represent an appropriate strategy for optimizing program impact and insuring effective use of limited funds.

Our work in five states (California, Illinois, Minnesota, Nevada, and Pennsylvania) showed relatively little targeting being done. Current program rules do not require or even encourage targeting except under circumstances where a state or local agency program has attained maximum caseload; that is, when available funding will not support further increases in the number of participants. In such an event, WIC agencies are required to maintain applicant waiting lists grouped according to federally-prescribed priority risk categories and to enroll from these lists on a one-for-one replacement basis only as other participants come off the program.

However, since an agency may be in a maximum-caseload targeting situation for only limited periods of time during a program year, or perhaps not at all, it would not be required to target just when targeting would make the most sense and would likely be most productive; that is, when available funds would enable it to increase enrollment by taking on new participants. Based on our work and discussions with program officials at locations we visited, it appears that Agriculture could do more to emphasize targeting as a principal program objective, make state agency performance in this area a major focus of its WIC management evaluations, build-in targeting performance as an incentive factor in its fund allocation formula, and help states to target their outreach and develop health care networks to assure referrals of high risk applicants to their WIC programs.

Our work also touched on two related points dealing with WIC funding and WIC

eligibility standards and procedures. We found broad agreement that when WIC funding uncertainties continue into the program year and their ultimate resolution results in more or less program funds than originally anticipated, state and local agencies have difficulty planning and managing their caseloads and have to make special efforts to avoid the risk of having Agriculture recover and reallocate any unspent WIC funds to other states. Some local agency directors told us that the pressures to enroll participants quickly and to maintain participation at the new, higher caseload levels made possible by infusions of additional funding at unpredictable intervals often turn WIC into a "numbers game" where the relative health risk or need of those served becomes less important than simply filling the available caseload slots.

These kinds of pressures are at odds with the concept of targeting to priority needs because WIC agencies sometimes feel that, to avoid the possibility of losing WIC money, they have to spend the money quickly on the most accessible eligibles available without necessarily considering the relative priority of their needs. Some WIC officials agreed that a more stable funding approach—including authority for states and WIC agencies to carry over part of their program funds, without loss, from one year to the next—would provide them needed management flexibility and opportunity for targeting initiatives.

Our analyses and discussions at local WIC offices also have suggested a need to refine and tighten some of the nutritional risk criteria presently used to enroll WIC participants, and to make it more uniform nationwide. The nutritional risk criteria differ from state to state and result in disparities as to who can qualify for the program. For example, someone at risk for anemia in one state would not necessarily be considered at risk in another. One state may consider consumption of more than a minimal amount of caffeine in tea, coffee, or colas as a risk factor for pregnant women while another may not. States also differ as to the age cutoff used for defining the risk factor of adolescent pregnancy—such age may vary from less than 15 years of age (at the time of conception) in one state to age 19 or under in another. One of our earlier reports* addressed this same general issue and pointed out the need to assure WIC applicants more equitable access to program benefits regardless of where they live. Also, although WIC participants are to meet established income criteria based on family size, we noted that WIC regulations do not require documentation of income eligibility. WIC certification workers commonly accept an applicant's word on family income.

We expect that a report on our WIC review and the points we have discussed here will be issued later this year.

Mr. HELMS. As with many other Federal child nutrition programs, no State matching funds or other financial contribution by the State is required. Not surprisingly, States thus far have been opposed to correcting the types of shortcomings identified by GAO.

As I said, even if one accepts the premise that the program can be effective, it surely cannot do so without proper targeting and improved administration.

Another issue which apparently raises some confusion is that of eligibility for the program. The assertion is frequently made that the WIC Program only serves about one-third of the eligible recipients. There are two eligibility criteria. One is income. Based on that criterion alone, it is sometimes accurate that the program serves approximately one-third of those eligible. However, that is not the sole measure which is used. There is a corresponding requirement that recipients be at nutritional risk as determined by a competent health official. Only a portion of those individuals who are income eligible will be eligible when the nutritional risk criteria are applied. Therefore, the income-based estimates are larger than actual eligibility. There is no basis for making an assertion that, based on both measures, the program is serving only one-third of those eligible. Hard data on that is simply not available.

CLARIFICATION OF MASSACHUSETTS FINDINGS

Mr. President, I would also like to make a few comments to clarify some of the findings sometimes ascribed to the 1983 Massachusetts Nutrition Survey and another Massachusetts study. These two studies sometime surface in a discussion of the WIC program although the connection is tenuous at best.

These studies are often cited by those who purport to be witnessing a resurgence of hunger in America. The studies have received much attention, and yet it is precisely because of some of their own deficiencies—some admitted by the authors—that I and others cannot give credence to some of the purported findings or proposals which are based upon these findings.

Perhaps the most significant shortcoming in the studies is the lack of comparison with previous conditions. Advocates of increased welfare spending have attempted to draw a connection between reports of hunger and malnutrition with reforms adopted in various food assistance and other welfare programs in recent years. However, many of the very studies from which they derive this hypothesis specifically note that such a conclusion cannot be reached from the findings.

For instance, a spectacular charge was made by Dr. Larry Brown at a Nutrition Subcommittee hearing conducted by Senator BOB DOLE on April 6, 1983. It was summarized in the following New York Times article:

A survey by a Boston hospital that found an unexpectedly large number of children with stunted growth may be an indication of "silent undernutrition" among America's poor, a Harvard health specialist said today. (New York Times, April 7, 1983, B15)

The implications of Brown's testimony—as evidenced by news reports—were that the findings from this study were a new development, that they were linked to nutrition program changes enacted during the Reagan administration, and that they may be occurring nationally.

However, there was absolutely no documentation in the testimony or subsequent answers to questions for any of the elements of this stark scenario. The most fundamental question in dealing with comparisons—especially those that are portrayed as very negative—is "compared to what?" There was no evidence that the stunting statistics peculiar to the Boston City Hospital were new; indeed, no comparisons were made with previous years to form a basis for analysis. Brown admitted in response to a follow-up question that:

Researchers do not know whether growth failure in this population (low-income children within Boston) was greater or less than a year ago, although prospective studies are being conducted.

No evidence was presented to suggest, much less prove, that levels of growth failure in Boston or elsewhere had any connection whatsoever to Federal nutrition programs, much less to specific changes made within the past 2 years. Indeed, there was not even any evidence that there had been any change; that is, an implied reduction in the level of Federal nutrition assistance received by the low-income households in the Boston City Hospital study.

Most unfortunate was the portrayal by the media that the study of one hospital in inner-city Boston had produced results which somehow might have ominous national implications. The New York Times headline for the story was "Study Cited as Sign of Health Peril to Children of Poor in U.S." Even Brown stated in his testimony, not quoted in the newspapers, that "the Boston City Hospital study does not permit generalization to the larger population."

Nonetheless, the fiction was launched, or at least perpetuated, that nutrition program changes of 1981 and 1982—designed primarily to remove higher income participants and eliminate abuses—were having a negative impact on low-income families.

Dr. Brown has subsequently organized a so-called Physicians Task Force on Hunger to travel around the country to investigate malnutrition. Dr. Brown, who incidentally is not a physician himself but rather a Ph.D., and his investigators have turned up in a number of States, especially those which have a high correlation of Senators up for reelection. I am sure this is merely coincidental; after all, we are told that the investigation is nonpartisan.

Mr. President, if you believe that, there's a bridge up in Brooklyn that I'd like to sell you. In any case, let me

*The Special Supplemental Food Program For Women, Infants, and Children (WIC)—How Can It Work Better? (CED-79-55, Feb. 27, 1979).

cite another study and its findings. Following his testimony before the Nutrition Subcommittee of the Agriculture Committee this year, I asked Dr. Bailus Walker, Jr., for some clarifications about a second Massachusetts study, this one statewide. Dr. Walker is the commissioner of public health for the Commonwealth of Massachusetts.

Dr. Walker noted in response to questioning that the point-prevalence study was not designed to determine whether or not the nutritional status of this population—low-income children—was changing but rather to evaluate whether there was legitimate cause for concern regarding the nutritional status of the low-income, preschool population in Massachusetts. He further noted that "It is not possible to establish causal relationships from the data". Yet both of these conclusions are precisely what some have tried to extrapolate from the Massachusetts study and Dr. Brown's Boston work.

Following is the exchange of questions and answers with Dr. Walker addressing these issues.

RESPONSES TO ADDITIONAL QUESTIONS SUBMITTED TO DR. BAILUS WALKER, JR., BY SENATOR JESSE HELMS

Senator HELMS. Did your 1983 Massachusetts Nutrition Survey make any assessment of the nutritional status of individuals *compared* to any earlier time period? If not, how do you assess whether existing programs are addressing the needs of your citizens? In other words, how do you know whether the nutritional status is improving or deteriorating?

Dr. WALKER. The 1983 Massachusetts Nutrition Survey (MNS) was a point-prevalence study designed to estimate the prevalence and severity of gross nutritional deficiencies among low-income children who use community pediatric health care facilities in the state. The study describes the status of the sampled population at a single point in time. The study was not designed to determine whether or not the nutritional status of this population was changing but rather to evaluate whether there was legitimate cause for concern regarding the nutritional status of the low-income, preschool population in Massachusetts.

Comparison of the MNS data with previous point-prevalence studies is currently being undertaken but is being hampered by the following methodological differences: sampling frame, targeted populations, and reference standards. However, initial analysis indicates that the prevalence of chronic undernutrition has not decreased significantly.

In order to determine whether or not the nutritional status of the population is changing, longitudinal surveillance is required. Even trend data of this type has limited value in conclusively establishing the efficacy of nutrition programs. It is, however, a valuable tool for identifying changing needs and planning appropriate interventions.

Senator HELMS. Could the results of your survey, showing "chronic malnutrition" among low-income children in Massachusetts, indicate that existing health and nutrition programs in Massachusetts are not being sufficiently targeted to those in greatest need?

Dr. WALKER. The primary purpose of the MNS survey was to determine whether or not a problem existed and to describe the problem if one was found. The analysis is limited to describing the sample and the nutritional status of the sample population. It is not possible to establish causal relationships from the data. The data can be used, however, to identify areas where increased targeting of resources could enhance the status of preschool children.

Mr. President, I take the time to outline these clarifications in order to make a more complete record on the discussion surrounding this amendment.

There being no objection, the material was orderd to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, December 16, 1983.

To: Senate Committee on Agriculture, Nutrition, and Forestry Attention: Thomas Boney.

From: Ken Cahill, specialist in social legislation, and Rich Rimkunas, analyst in social legislation, Education and Public Welfare Division.

Subject: Review of a cost-benefit analysis of the WIC Program.

In reponse to your request, this memorandum is a critique of the methodology used in a study by Eileen T. Kennedy, James E. Austin, and C. Peter Timmer that assessed the cost-benefit and cost-effectiveness of the Special Supplemental Food Program for Women, Infants and Children (WIC). The study, entitled "Cost/Benefit and Cost/Effectiveness of WIC," was prepared for the Food and Nutrition Service of the Department of Agriculture and was also a portion of Kennedy's doctoral dissertation. We have reviewed both the study and supplemental information contained in Kennedy's dissertation. At your request, this memorandum focuses on the study's cost-benefit analysis. It does not review that portion of the research that assessed the cost-effectiveness of the WIC program.

INTRODUCTION AND SUMMARY

The authors of the report find the WIC program cost-beneficial; the costs of providing dietary supplements to pregnant women are less than the program benefits, as measured by the authors. The primary goal of the prenatal WIC program is to improve pregnancy outcomes and particularly the health of newborns. The authors base their analysis on measurement of low birth weight in infants, which is often used as a measure of health problems in newborns. Typically, low birth weight babies require intensive neo-natal hospital care. The lower the birth weight, the more hospital care is needed. Thus, to the extent that the WIC program reduces the incidence of low birth weight, or increases the average weight among low birth weight babies, costs associated with intensive neo-natal care are averted. Kennedy et al. find that the WIC program does reduce the incidence of low birth weight, and that the averted hospital costs exceed the cost of the WIC program.

The authors findings are based on an analysis of the records of pregnant women in 9 health facilities in Massachusetts between 1973 and 1978. Ideally, the WIC program's effect would be measured using an experiment in which women were randomly assigned to either participate or not participate in the program. Then the differences in birth weight between the two groups attributable to WIC could be accurately measured. As with most social programs, this approach was not possible for the authors; since WIC program benefits are need-related, ignoring the need either by denying program benefits or not suggesting alternative treatment could be unethical. Given this constraint, the authors reviewed the medical and nutritional records of three groups of women, and used a statistical model to control for the problems caused by nonrandom assignment. The three groups of women were: women who participated in the WIC program, women who applied for the WIC program but did not participate in it, and women who used health facilities not served by the WIC program. Depending on which groups of women were compared, the ratios of the averted hospital costs to the cost of the WIC program varied from 3.1 to 1 down to 1.1 to 1.

The authors followed a reasonable approach to their research, and generally followed accepted methodological practices. The research is constrained, however, by limitations often beyond the authors' control. These limitations include insufficient data on the women under study, inability to develop a model that explains most of the variation in low birth weight, a lack of comprehensive previous research on hospital costs and length of hospital stay for low birth-weight babies, lack of geographic variability, and loss of a significant portion of the women from the study due to data problems.

There are several implications of the research methodology and its limitations. First this analysis does provide some evidence that the WIC program is cost beneficial if benefits are measured as averted hospital costs due to a reduction in low birth weight caused by WIC dietary supplements. This evidence should however, be considered neither conclusive nor generalizable to the program's benefits nationwide. Since the study was confined to the State of Massachusetts, it would be inappropriate to infer that the WIC program would have the same effects nationwide. Finally, the study does not support one specific cost-benefit ratio for the WIC program, even in Massachusetts. The authors do not make such claims in their analysis.

The limitations noted above and which are discussed in more detail later in this memorandum, result in a considerable instability in the cost-benefit ratios. One comparison of different groups of women leads to a $3.10 benefit for every $1 spent on WIC, which is over 170 percent more cost beneficial than the $1.10 benefit for every $1 spent on WIC that resulted from a comparison of different groups of women.

The results presented in "Cost/Benefit and Cost Effectiveness of WIC" should be interpreted as showing a consistent, but unstable, pattern of favorable cost-benefits for the WIC program in both a specific geographical region and time period.

The remainder of this memorandum presents more detail on the Kennedy et al. research methodology and our comments on that methodology. We have attempted to keep our discussion readable by those without a background in quantitative analysis.

DESCRIPTION OF STUDY

Data collection

Kennedy, Austin, and Timmer collected medical and nutritional data for 1,328 women in 9 health facilities serving low

income women in Massachusetts. Six of the 9 facilities offered WIC services (WIC sites). The information collected covered the period from January 1973 to February 1978. The medical and nutritional records did not provide the authors with complete information on all women. For example, information on weight gain of the mother during pregnancy only was available for 956 cases, or 72 percent of the sample. The cost-benefit analysis was limited to those women who had complete medical and nutritional information, and who had live births.[1]

The records of the women used in the cost-benefit analysis were a census of women in 3 groups:[2] women who participated in WIC; women who applied for WIC but did not participate in WIC during pregnancy; and women who did not use WIC health facilities. The authors used the three groups to compare the impact of the WIC dietary supplements upon the women and their newborn infants. Specifically, the birth weight of infants who had mothers who participated in WIC was compared to that of the other groups who did not receive WIC food vouchers.

Estimates of low birth weight

According to the medical records, 6 percent of the women who participated in WIC had infants with a birth weight of 2,500 grams (5.5 pounds) or less. The 2,500 gram birth weight corresponds to the authors' definition of low birth weight. Among the women who applied to the WIC program but did not receive prenatal WIC dietary supplements, 10.1 percent of the births were of low birth weight. The combined set of records of all non-WIC women in the sample, those at WIC health facilities as well as those at non-WIC facilities, indicated that 8.8 percent of the births were low birth weight.[3] Based upon actual birth weights, the authors note that WIC participation does seem to be associated with increased infant birth weight.

However, the authors note that this comparison alone does not allow them to attribute the reduction in the incidence of low birth weight infants solely to WIC participation. Biological and social or economic factors might also be associated with increases in birth weight.

In order to refine their results, and provide statistical controls to allow them to more rigorously assess the effect of the WIC program, the authors use a regression model. The regression model attempts to explain differences in low birth weight due to WIC participation, while controlling for other factors that also may effect birth weight. Based upon the results of this statistical technique, the study indicates that, of the original 54 biological, social and economic factors tested, only 4 biological variables, as well as participation in WIC, had a statistically significant influence upon birth weight. The important biological factors were: the mother's pre-pregnancy weight, the amount of weight gained during pregnancy, the gestational age of the infant, and the number of prior low birth weight children born to the women. This statistical estimation technique explained about 38 pecent of the actual differences in birth weight among the women. The regression model was then used to predict the birth weight of infants of WIC and non-WIC mothers, controlling for other non-program related factors.

Predicted birth weights, based upon the regression analysis, were divided into five categories: infants of normal birth weight (2,500 grams or more); 2,500–2,001 gram infants; 2,000–1,500 gram infants; 1,500–1,001 gram infants; and infants of 1,000 grams or less. The predicted birth weights for WIC participants were then compared to 2 groups, all the mothers who did not receive WIC benefits, and those mothers who applied for WIC, but did not receive dietary supplements during pregnancy.[4]

Using the predicted birth weights, the WIC participants were found to have the lowest incidence of low birth weight infants—3.4 percent. Women who applied to WIC, but did not participate in WIC, had a 14.6 percent incidence of low birth weight infants. The total non-WIC groups had a 9.4 percent incidence of low birth weight infants.

In addition to having fewer low birth weight infants, WIC participants were found less likely to have low birth weight infants in the weight categories below 2,000 grams (4.4 pounds). Only 1.3 percent of WIC participants were in these categories compared to 4 percent for non-WIC participants at WIC sites, and 2.9 percent for the combined non-WIC group. This distribution is important because the estimated hospital costs used in the study are substantially higher for these lower birth weight categories.

Cost-benefit analysis

The estimates of low birth weights were used in the cost-benefit analysis. Since neonatal intensive care is more costly than normal neonatal care, the authors measured the benefit of the WIC dietary supplements as the reduced hospital costs associated with increased birth weight.

Since the authors were concerned about the comparability of the 3 groups of women, they calculated separate cost-benefit ratios, using the same hospital and program cost factors. These cost-benefit ratios were based upon 3 components: the predicted incidence of low birth weight infants; estimated WIC program costs, and estimated hospital costs of low birth weight infants.

Estimates of WIC program costs were based upon fiscal year 1977 program spending in Massachusetts. Program costs totalled $64,566 for the 627 WIC participants. To determine program costs the authors used the size of the WIC group, the average cost and number of WIC dietary vouchers, and an administrative cost factor. They valued the average food vouchers at $21.07, and the administrative cost was 20.47 percent of the voucher value or $4.31.

The hospital cost components of the ratio were based upon separate studies of hospital in-treatment costs of low birth weight infants and estimated length of hospital stay studies of premature infants.[5] Pomerance et al. reported daily hospital charges for low birth weight infants born between January 1973 and June 1975, in Los Angeles and Jonsen and Garland reported the length of hospital stays for premature infants in San Francisco during 1973.

Based upon these studies, estimated hospital costs varied with the weight of the infant. The daily hospital charge of $450 was multiplied by varying numbers of days in care. The estimated hospital costs were: $39,285 for infants weighing 1,000 grams or less, $20,070 for infants weighing between 1,001 and 1,500 grams, $10,035 for infants weighing between 1,501 and 2,000 grams, and $5,017 for infants weighing between 2,001 and 2,500 grams. No hospital costs were included for normal weight infants. Hospital costs were in 1976 dollars.

The calculation of the costs for each group of women was straightforward. First, Kennedy et al. multiplied the number of low birth weight infants in each weight category by the appropriate hospital cost. Then, for the WIC group, they added WIC program costs. Finally, they compared the hospital cost of each non-WIC group to the combined hospital and program costs of the WIC group.

The study reported hospital costs for the WIC group infants of $165,577. Combined with the estimated WIC program costs of $64,566 the total costs for WIC infants were $230,143. Assuming the same number of births as the WIC group, the estimated hospital costs for women who applied to the WIC program but did not receive a dietary supplement during pregnancy was $715,914, or 3.1 times the WIC group costs. For the combined non-WIC group (i.e., those women not receiving supplements but at the WIC facilities and those women at non-WIC facilities) hospital costs were $442,954 or 1.9 times the WIC group costs.

In another test to control for the differences between the comparison groups the authors estimated the incidence of low birth weight infants among WIC mothers, if they had not participated in the program.[6] The use of a different regression model and a smaller sample of women resulted in a higher predicted incidence of low birth weight infants for WIC participants than in the earlier analysis. With WIC, they estimated the incidence of low birth weight to be 8.9 percent. Without WIC, they estimated that the incidence of low birth weight would have increased to 11.3 percent. Using the same cost methods as above, the cost-benefit ratio for this comparison was 1.1 to 1.

COMMENTS ON STUDY METHODOLOGY

The following sections contain our comments on the four principal elements of Kennedy, Austin and Timer's cost-benefit analysis of the WIC program. Those elements are the data, the impact of the WIC program on birth weight, the average per day hospital costs of neonatal intensive care, and the length of hospital stay for infants of various birth weights. We consider the data used in the analysis and the author's estimate of WIC's effect on birth weight to be the most important elements in the study.

There are two levels at which a review of the quantitative methods used in research may be conducted. At the first level, the ap-

[1] Thirty of the women in the sample had miscarriages or stillborn births.

[2] Except for the exclusion of women for the reasons noted above.

[3] The study does not provide separate statistics for those women at non-WIC health facilities.

[4] The predicted birth weights were consistent with the actual birth weight recorded for the women.

[5] Pomerance, J. J., C. T. Ukrainski, T. Ukra, D. H. Henderson, A. H. Nash and J. L. Meridith. Cost of Living for Infants Weighting 1,000 Grams or Less at Birth. *Pediatrics* 61:908 and Jonsen, A. R. and M. J. Garland, eds. *Ethics of Newborn Intensive Care.* A joint publication of Health Policy Program, University of California at San Francisco and the Institute of Governmental Studies, University of California at Santa Barbara, 1976. p. 82.

[6] To do this the authors used a slightly different regression model. This model did not include the infant's gestational age as a factor, and was estimated using only the women at the WIC facilities.

propriateness of a method, the quality of the data, the rigor with which methods are applied at each step in the research, and the correctness of inferences drawn from the research are assessed. The second level is much more technical and detailed. For example, at each step have all of the calculations been performed accurately; have all of the proper error tests been made; can research results be replicated by others using the same data. We have limited ourselves to the first level of review, since we felt that this level of review provides information on the study adequate to assess its relevance for public policy. Because we did not do the more detailed technical review, it is possible that numerical errors exist in the report. However, we have no evidence that this is the case, and every reason to expect that the authors met professional standards of accuracy.

Data collection

In the limited number of health facilities studied, the authors collected data on all of the women who met the study's criteria (not just a sample of women). Therefore, at least for the analysis of these health facilities, the study was strengthened to the extent that errors that can occur in statistical sampling were not present. In addition, the WIC and health facility records used as the primary data source appear to have provided the authors with a good range of accurate information.

The data are limited in several ways that affect the scope and reliability of the research. The women analyzed were not representative of all pregnant women eligible for the WIC program. The study was limited to the State of Massachusetts. Differences between Massachusetts and other States on social, economic and health factors that could affect pregnancy outcomes mean that it would be improper to infer that WIC program effects found in Massachusetts would also be found nationwide. Second, because the health facilities used in the study were not randomly selected they cannot be considered representative of all health facilities in Massachusetts. These comments do not mean that the program effects found in the 9 sites studied would not be found in other areas. Rather there is insufficient evidence to say what the program effects would occur outside of the 9 sites.

A second problem with the data is that 28 percent of the women in the 9 sites were dropped from the study because their records lacked complete information. To the extent that these women differed from the women who were included in the analysis in some significant way, the research results would be biased. Normally, if information on the excluded group is available, researchers make comparisons to get some indication of the likelihood and direction of any bias in the results. As far as we could determine, Kennedy et al. did not perform analysis of this type. Given the size of the excluded group, the research results may have been biased; but the extent of any bias, and whether the WIC program's benefit was over or under estimated is unknown.

The time period covered by the data also limits the body. The data were from 1973 to 1978. Advances in prenatal care have been made since that time. The interactions between these advances and WIC services could alter the overall effect of the WIC program. For example, better knowledge of the dietary needs of pregnant women could lead to more effective prenatal counselling of WIC participants and non-WIC women. The direction of any change in WIC effectiveness due to improved prenatal care is, however, uncertain.

Incidence of low birth weight

The most important factor in the cost-benefit ratios was the difference in the estimates of the incidence of low birth weight infants for each group. The other factors in the cost estimates were the same for all groups, except that the WIC group had added program costs. The three cost estimates vary because the predicted incidence and distribution of low birth weight infants varies among each of the groups of women. As a result, the degree of confidence which can be placed upon the cost estimates rests primarily on the method used by the authors to estimate birth weights.

The authors employ appropriate methods to predict the incidence of low birth weight. The predicted weights for infants in each group are consistent with the actual incidences. In addition, the research suggests that the use of WIC vouchers does increase birth weight. However, the limits of their methods should be noted.

Statistical controls and the predicted incidence of birth weight

The authors use a regression model to control for other factors affecting birth weight. A complete regression model would allow the authors to isolate the effect of WIC vouchers. While the use of the regression model does account for the effect, on birth weights, of some biological and nutritional factors not associated with WIC participation, a majority of the variation in birth weight (62 percent) is left unexplained. Other factors, such as participation in other nutrition or medical programs, which are not included in the regression model may have had an influence on the incidence of low birth weight. It is difficult to determine how this affects the birth weight predictions and related cost estimates.

The failure of the regression model to account for other potentially important factors affecting birth weight is the likely reason that the cost-benefit ratios are so unstable. The reported cost-benefit ratios range from 3.1 to 1 down to 1.1 to 1, a difference of over 170 percent. Theoretically, if their model was complete (i.e., included all factors affecting birth weight), the cost-benefit ratios for each comparison group of women should be about the same. Absent the complete model, the specific cost-benefit ratio is unknown.

Further evidence of the instability of the results can be seen in an unreported cost comparison: women in the WIC program with women at non-WIC health sites. Based upon a summary table in the report, we calculated that the non-WIC participants at such sites would have had a predicted incidence of low birth weight infants of 4.5 percent. This is comparable to the 3.4 percent low birth weight incidence for WIC participants. Using the study's hospital cost factors, the non-WIC participants would have had associated hospital costs of $205,650. The combined WIC program and hospital costs, using the author's cost factors, was $230,134. This translates to a .9/1 cost-benefit ratio. This does not necessarily mean that the WIC program is not cost-beneficial. It does, however, reemphasize the instability of the findings (4 different cost-benefit ratios) and suggests that factors other than WIC participation and the biological variables used in the regression model play a role in determining the incidence of low birth weight infants.

Hospital costs

Total hospital costs used in the cost-benefit ratios are determined by multiplying the predicted incidence of low birth weight infants by a daily hospital charge; and a length of hospital stay for each low birth weight category. The hospital charge and length of stay cost factors were not based upon the medical records of the study participants. Rather, Kennedy et al. used estimates from other studies. Overall, differences between actual and estimated hospital costs would have a relatively small impact upon the cost-benefit ratios, when compared to the effect of the previously discussed instability in the estimates of low birth weight. The following sections discuss the limitations of the hospital cost estimates and their implications for the cost-benefit analysis.

Daily hospital charges

Because actual daily hospital charge information was not collected in this study, the authors calculate total hospital charges using estimates from a separate study on the subject. The study was of hospital charges for low birth weight infants born in a Los Angeles hospital between January 1973 and June 1975 which showed a charge of $450 per day per child. This amendment was applied to all weight categories. The hospital charges used could affect the cost-benefit rates if there is substantial geographical differences in hospital charges, or if there are differences in daily hospital charges associated with different weight categories.

The effect of geographical variation in hospital costs on the cost-benefit ratios would depend on whether charges were over or underestimated. The use of hospital charges in excess of those that actually existed would, however, have a modest effect on the cost-benefit ratios reported by Kennedy et al. This is because the same average hospital charge per day is applied to both groups in a comparison. That is, if the authors reduced or increased daily hospital charges, total hospital costs would increase or decrease for both the WIC women and non-WIC women. Decreasing daily hospital charges by 20 percent only would have reduced the cost-benefit ratio by about 3 percent. A 20 percent increase in the daily hospital charge would result in about a 9 percent increase in the ratios. The cost-benefit ratios are influenced much more by the predicted incidence of low birth weight infants.

In addition to this geographic variation daily hospital charges for low birth weight infants are likely to vary with the weight of the infant. As birth weight declines, daily hospital charges are likely to increase. If the authors had incorporated this variability in daily charges, the differences in total hospital costs for each category of birth weight could be even wider than those actually used. Since the non-WIC participants had a higher incidence of infants in the weight categories below 2,000 grams than the WIC participants, and these categories would be assigned a higher daily hospital cost, the non-WIC participant costs would be driven up. On the other hand, the WIC participant hospital costs would be smaller because of their lower incidence of infants in the lowest weight categories. In such a case, the cost-benefit ratios would more strongly favor the WIC program than those reported.

Length of stay

As noted previously, Kennedy, Austin, and Timmer used the results of previous research for their estimates of the length of time spent in hospitals for infants of varying birth weights. We confine ourselves to comments on two areas; how reliable was the original research, and did Kennedy et al. apply this research appropriately.

The original study by Jonsen and Garland,[7] which was used by the authors, was not definitive, and the authors did not claim that it was. The particular Jonsen and Garland estimates of the number of hospital days per infant, which were used by Kennedy et al., were based on only 10 infants with birth weights of under 1,500 grams in 1973. In addition, Jonsen and Garland report a difference of almost 25 percent in the length of hospital stay for low birth weight infants in the same weight classes between 1969 and 1973 (the 2 years studied in their report).

The application of the Jonsen and Garland Study to the WIC cost benefit analysis also created problems. For example, Jonsen and Garland report length-of-stay for 2 groups of birth weights, under 1,200 grams groups and 1,200 to 1,500 grams, while the WIC study looked at 4 grams of birth weights, under 1,000 grams, 1,000-1,500 grams, 1,500-2,000 grams, and 2,000-2,500 grams. Thus, Kennedy et al. had to make significant asumptions in order to determine length-of-stay for their study.

Several points should be made about the limited basis of the original length-of-stay research used and about the assumptions made in applying that research to the WIC study. First, very little research was, and is, available on the length of hospital stays of infants of different weights. Hospital records provide the necessary information but they have been neither complied nor generally made available. Second, given limited information, the authors make reasonable assumptions about the probable duration of hospital care for low birth weight infants. Finally, some error in the length of hospital stay is less important to the overall cost-benefit analysis than the assessment of the effect of the WIC program on birth weight itself. The intensive care that low birth weight infants must receive is obviously very expensive. If the WIC program significantly reduces the incidence of low birth weight, the program likely will be cost beneficial, even if the average length of stay used in the cost-benefit ratio is not precise. The problems with the length-of-stay estimates do, however, add more uncertainty to the accuracy of the cost-benefit ratios. Taken by themselves, potential errors in the length-of-stay estimates used in the study would not have affected the finding that the WIC program was cost beneficial. Any error would, however, have affected just how cost beneficial the program was found to be.

Mr. COCHRAN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

[7] Jonsen, A. R. and M. J. Garland, eds. *Ethics of Newborn Intensive Care.* A joint publication of the Health Policy Program, University of California at San Francisco, and the Institute of Governmental Studies, University of California at Santa Barbara, 1976.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to the amendment of the Senator from Massachusetts. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Nevada [Mr. LAXALT], the Senator from Vermont [Mr. STAFFORD], and the Senator from Texas [Mr. TOWER] are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. HEINZ] would vote "yea".

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from California [Mr. CRANSTON], the Senator from Kentucky [Mr. FORD], the Senator from Colorado [Mr. HART], the Senator from Montana [Mr. MELCHER], the Senator from New York [Mr. MOYNIHAN], and the Senator from Arkansas [Mr. PRYOR] are necessarily absent.

I further announce that, if present and voting, the Senator from Montana [Mr. MELCHER] and the Senator from New York [Mr. MOYNIHAN], would each vote "yea".

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 83, nays 4, as follows:

[Rollcall Vote No. 229 Leg.]

YEAS—83

Abdnor	Garn	Mitchell
Andrews	Glenn	Murkowski
Baker	Gorton	Nunn
Baucus	Grassley	Packwood
Biden	Hatch	Pell
Bingaman	Hatfield	Percy
Boren	Hawkins	Pressler
Boschwitz	Hecht	Quayle
Bradley	Heflin	Randolph
Bumpers	Helms	Riegle
Burdick	Hollings	Roth
Byrd	Huddleston	Rudman
Chafee	Humphrey	Sarbanes
Chiles	Inouye	Sasser
Cochran	Jepsen	Simpson
Cohen	Johnston	Specter
D'Amato	Kasten	Stennis
Danforth	Kennedy	Stevens
DeConcini	Lautenberg	Symms
Dixon	Leahy	Thurmond
Dodd	Levin	Trible
Dole	Long	Tsongas
Domenici	Lugar	Wallop
Durenberger	Mathias	Warner
Eagleton	Matsunaga	Weicker
East	Mattingly	Wilson
Evans	McClure	Zorinsky
Exon	Metzenbaum	

NAYS—4

Denton	Nickles
Goldwater	Proxmire

NOT VOTING—13

Armstrong	Heinz	Pryor
Bentsen	Kassebaum	Stafford
Cranston	Laxalt	Tower
Ford	Melcher	
Hart	Moynihan	

So the amendment (No. 3680) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3693

(Purpose: To appropriate additional funds for the control of outbreaks of grasshoppers and mormon crickets)

Mr. McCLURE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE], for himself, Mr. ABDNOR, Mr. SYMMS, Mr. BAUCUS, and Mr. PRESSLER, proposes an amendment numbered 3693.

On page 15, line 10, strike out "$266,681,000" and insert in lieu thereof "$267,181,000".

On page 15, line 12, insert "and not less than $560,000 shall be available for the control of outbreaks of grasshoppers and Mormon crickets" after "conditions".

Mr. McCLURE. Mr. President, the Animal and Plant Health Inspection Service [APHIS] was established by the Secretary of Agriculture on April 2, 1972, with its primary mission to protect the animal and plant resources of the Nation from diseases and pests in order to preserve the marketability of U.S. agricultural products within this country and abroad. The Agency conducts control and eradication programs on new and endemic infestations of plant and animal pests and diseases.

APHIS has provided a valuable and efficient method of control of rangeland pests, such as the grasshopper and Mormon cricket, through programs within the Agency for many years. The Bureau of Land Management and the Forest Service have historically relied on APHIS for pest control on rangelands because they have not had the budget nor the expertise to do the necessary job of pest control.

Under current arrangements, APHIS coordinates all rangeland pest activities across ownership boundaries. The BLM and FS have "Memorandums of Understanding" [MOU's] with APHIS which state that APHIS agrees to control pest outbreaks on Federal lands. The Forest Service recently received notice that their MOU with APHIS would be terminated in the near future. BLM is expecting a similar termination soon. APHIS is now asserting that the BLM and FS should carry out rangeland pest management programs by themselves.

The Forest Service and WIC do not have the expertise nor do they have the budget for pest control. It would take approximately 18 months for

these two agencies to gear up to meet the costs of such a program. My State of Idaho and other Western States do not have 18 months to wait for a Government program to be rearranged into two different agencies.

Language inserted in the fiscal year 1985 agriculture appropriations bill report should settle the question of who has responsibility for the rangeland pest control program. The language states that the committee understands that APHIS will assume direct responsibility for the operation of the Rangeland Pest Management Program, accepting all costs of such programs on Federal lands and assuming responsibility for the control programs on private lands, using the normal one-third split among local, State, and Federal funding. This places the responsibility directly with APHIS for the present time.

If APHIS does not want the responsibility of controlling rangeland pests on BLM and FS lands, I am willing to work with APHIS, BLM, and FS to provide an alternative. First, the alternatives must be identified. Should pest control personnel be moved from APHIS to the BLM and FS? How would this move be best facilitated? I believe that a study should be done to identify the best way to deal with this problem. I have requested a GAO study on moving the responsibility for rangeland pest control from APHIS in the Department of Agriculture to the Bureau of Land Management in the Department of Interior and the Forest Service in the Department of Agriculture. I also request the support of those Senators who would like to see this matter brought up and discussed.

But this action is in the future. What concerns me most now is the lack of adequate funding for grasshopper control for fiscal year 1985. There has been an economically devastating grasshopper infestation in Idaho this year, with no funds in the contingency fund for control. We foresee an even larger problem in 1985.

Recent surveys indicate that 4.5 million acres of federally owned land and 0.5 million acres of private land in Idaho alone have economic infestations of grasshoppers now. An economic infestation is defined as eight grasshoppers per square yard. In many areas of Idaho, as many as 15 to 25 grasshoppers per square yard have been found—well beyond the base level of infestation. If each female deposits 100 eggs per pod, with 10 to 12 pods as the norm, the grasshopper infestation next year could be 100 times worse. This could spell economic disaster for Idaho farmers next year that is much worse than anything experienced this summer.

The economic impact to ranchers using BLM lands will be high. But of even greater significance will be the economic impact to farmers on intensified irrigation lands that border BLM lands. As grasshoppers mature and the range dries up, more migration to adjoining private lands will occur. Many farmers will quite literally be eaten out of house and home. Economic losses in Idaho have already been great, an estimated $1,130,000 thus far. Next year could be even worse.

Idaho is not alone. Economically damaging grasshopper and Mormon cricket infestations have been reported in Colorado, Wyoming, New Mexico, Utah and North and South Dakota. In all cases, Federal aid has been sought with basically the same answer—there is no money for control. All the money from the contingency fund in APHIS was used to control the Mediterranean fruit fly in 1984. The $1 million placed in the budget for 1984 was needed before the end of the first quarter, months before it became clear that money would be needed for grasshopper control. This year, the committee has provided a $700,000 increase in the Medfly Program, and expects the contingency fund to be used for other sporadic outbreaks, such as grasshoppers. The contingency fund has been used in the past for grasshopper control and, given enough money, could be used for grasshopper control in 1985.

My concern today is that only $1 million has been placed in the contingency fund for pest control for fiscal year 1985. By the best estimates from APHIS, plant protection and quarantine, and the State of Idaho's Department of Agriculture, Idaho alone needs all the money in the contingency fund to treat its present problem. Unless we have very poor weather and an increase in natural predators and diseases next spring to reduce the grasshopper hatch, Idaho will need most of the money that is currently in the contingency fund for fiscal year 1985. Other States along with Idaho will find a shortage of funds to combat the hordes of grasshoppers that might hatch next year.

I know that we must all work under the restraints of the budget process. I recognize and thank Senator COCHRAN and his staff for the exceptional work that they have done on this bill in keeping it within bounds costwise. However, I must request an increase in the funding for the APHIS plant disease and pest control contingency fund. Taking into consideration the need to keep spending under control, I am asking for an increase of $500,000. The amendment before this body today adds $500,000 to the contingency fund for grasshopper control—bringing the total to $1,500,000. This additional money is to be used only for grasshopper and Mormon cricket control.

Grasshopper infestations do not only happen on private lands. Public lands, such as BLM and FS lands, are large breeding grounds for grasshoppers. As is often stated by many people throughout this Nation, public lands belong to the people. In this instance, the people of this Nation need to manage their lands in a manner that does not infringe upon those who live next to these public lands. If the good neighbor policy is to be followed, we here today must take responsibility for controlling pest outbreaks on public lands by adequately funding this contingency fund to control rangeland pests. If the Government wants to own lands, the Government must take the responsibility of ownership.

Therefore, I ask the Senate to support this addition to the contingency fund. Let us send a message to those private landowners in the West whose property borders on public lands, a message that we will take responsibilty for management of our public lands. A message that rangeland pests such as grasshoppers and Mormon crickets can and will be controlled on public lands. A message that the good neighbor policy is still in force.

Mr. HATCH. I should like to reaffirm my support for the language in the agriculture appropriations bill and moneys which have been set aside therein for a contingency fund for plant disease and pest control in the Senate agriculture appropriations bill. After 2 years of floods and mudslides, the State of Utah is now being assaulted by grasshopper infestations. Hundreds of thousands of dollars in crop losses have been experienced because of excessive grasshopper damage.

When the commissioner of agriculture of the State of Utah requested assistance from Agricultural Plant and Health Inspection Service [APHIS], he was told that there were not funds available for such control. My office confirmed with APHIS their contention that the budget had been expended for other uses. While I have no quarrel with the legitimate use of funds for other destructive infestations, the lack of funds has severely impacted my State and, as I understand it, several other States as well.

I am distressed that nothing could be done to assist the State of Utah in solving this problem this year and expressed my concerns to the Agriculture Appropriations Subcommittee that some action should be taken to set aside contingency funds for this purpose for the 1985 year.

I would like to thank Senators COCHRAN, MCCLURE, and ABDNOR for their work on this matter. It is sincerely appreciated and should provide some assistance.

Mr. SYMMS. I thank my colleague from Idaho [Mr. MCCLURE] for the foresight he has shown in proposing this amendment. I agree whole-heartedly with his comments and wish to

add my voice in support of the proposed appropriation for grasshopper control.

Many of my fellow Idahoans have suffered due to the tremendous grasshopper infestation that started on Government lands. This problem could have been averted at an early stage, but lack of funding delayed relief measures for weeks. The Government agency encharged with such pest control, the Animal and Plant Health Inspection Service, had completely spent its funds earlier in the year, long before the late summer when grasshopper infestations are most likely.

Clearly, the Federal Government has a responsibility here. If the Government wishes to continue as a land owner, it must assume the responsibilities of such. This includes controlling the pests that develop on that land. We cannot make the private property owner suffer because his neighbor just happens to be the Federal Government.

In response to the recent infestation in Idaho, the Government had to resort to crisis management. Because grasshopper control funds were unavailable, emergency money had to be dug up from some other fund. The process was slow, tedious, and inefficient. The Department of Agriculture tells me that they could have controlled the problem within a few days after the first outbreak, had allocated funds been available.

Senator McCLURE's amendment will allow us to handle such emergencies in a planned and effective manner. Rather than waste so much time and money on each individual crisis, we will be prepared for it—getting at the problem sooner, and eliminating it more efficiently.

Our goal with this agriculture appropriations bill is to priortize areas where the taxpayers dollars will do the most good. Clearly, this amendment deserves high priority. By preparing us to deal with this unforeseen emergency, not only does the Government meet its obligation as a land owner, but it effectively protects against millions of dollars in damage to private property holders.

Mr. McCLURE. Mr. President, I ask unanimous consent that Senator HATCH be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that the amendment be considered in order in spite of the fact that it amends a figure which has previously been amended.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the amendment of the Senator from Idaho.

Mr. COCHRAN. Mr. President, I appreciate the diligence of the Senators from Idaho Senators McCLURE and SYMMS, and the Senator from South Dakota, Senator ABDNOR, in bringing the critical nature of the grasshopper problem to the Senate's attention.

Grasshoppers have already devastated many of our Western States this year. The administration has responded by utilizing $400,000 of Commodity Credit Corporation funds for control of further infestation. It now seems likely, according to entomologists in that area, that this problem will occur again next year.

Mr. President, these Senators brought this problem to the attention of the Subcommittee on Agriculture during our makeup of this bill. At that time, we felt that our report language, which directs the Secretary to use his emergency authority to transfer funds from the Commodity Credit Corporation, would be sufficient to meet the problem.

Because the amount of time which is available for effective spraying is so limited, and because funds will likely be needed next year, it now seems to us that an additional $500,000 to be earmarked for grasshoppers in the Animal Plant Health Inspection [APHIS] contingency fund would be appropriate. I, therefore, recommend this amendment be accepted.

Mr. McCLURE. Mr. President, I ask unanimous consent that the distinguished Senator from Oregon [Mr. HATFIELD] be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 3693) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3694

(Purpose: To restore appropriations for the screwworm eradication program to the fiscal year 1984 level)

Mr. BOREN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. BOREN] (for himself, Mr. BENTSEN, Mr. DeCONCINI, Mr. TOWER, Mr. GOLDWATER, and Mr. BUMPERS), proposes an amendment numbered 3694. On page 15, line 10, strike out "$267,181,000" and insert in lieu thereof "$279,448,000".

Mr. BOREN. Mr. President, on behalf of myself and Senators BENTSEN, DeCONCINI, TOWER, GOLDWATER, and BUMPERS, I have sent to the desk an amendment which will bring the 1985 appropriations for the screwworm eradication program back up to the 1984 level. The Senate Appropriations Committee and the House reduced funding for this vital program by $12,267,000 for 1985. This amendment will restore these funds to this program.

The screwworm is the larva or maggot of the screwworm fly and is a parasite of warm-blooded animals, found only in tropical and subtropical areas of the Western Hemisphere. The screwworm fly lays eggs on an animal only when there is a break in the body surface. If untreated, an animal can be killed in 7 to 10 days. As is obvious, the screwworm can be devastating to the livestock industries of any country.

The screwworm eradication program has been a very successful program. Since the Mexico-United States Joint Commission was created in 1972, the program has eradicated the screwworm to near the Isthmus of Tehuantepec in Mexico. Eradication is expected to be completed to the isthmus by the end of this year and a permanent biological barrier to prevent reinfestation of previously freed areas will be established.

It has been the goal of livestock producers to establish a sterile fly barrier at the Colombia-Panama border. To accomplish this goal, the screwworm populations in the Yucatan Peninsula of Mexico and the countries of Central America and Panama would have to be eradicated. This would virtually eliminate the threat of reinfestation of the United States.

The livestock producers of Central America have long expressed a desire for screwworm eradication. Some producers report death losses of up to 25 percent in newborn calves and more than 60 percent of their ranch labor is spent looking for and treating animals with screwworms.

Recently, an extensive investigation was conducted to determine the political and economic feasibility of establishing a sterile fly barrier at the Colombia-Panama border. According to one of the participants in the investigation, many of the screwworm problems described by livestock producers were reminescent of those in the United States prior to screwworm eradication.

An economic feasibility study completed in 1983 by the Inter-American Institute for Cooperation on Agriculture estimated that eradicating screwworms would save the countries of the region $43 million annually. The entire cost of the eradication program would be offset by savings to the livestock producers of the region by the sixth year following the establishment

of a barrier in Panama near the Colombia border.

Wherever screwworm eradication stops, a biological barrier must be maintained by continuously releasing sterile screwworm flies to prevent reinfestation of freed areas. A barrier at the Isthmus of Panama is estimated to reduce the cost of operations by one-half to two-thirds under the cost of operating the barrier in Mexico. Additionally, a barrier at the Isthmus of Panama should be easier to protect than the Mexico barrier for several reasons. First, no roads connect Panama and Colombia. Second, a foot-and-mouth disease quarantine zone already exists which restricts animal movement. And third, there are low numbers of animals in the Panama-Colombia border region.

While the program has been highly successful thus far, the goal of establishing a biological barrier at the Darien Gap in Panama has yet to be done. As long as a possibility for reinfestation in the United States exists, we must continue this program at the current funding levels. The amendment we are offering today will not increase the amount of funds for this program, but will merely provide funding at the 1984 level.

Mr. President, all too often we, in Congress, find a program that is successful and based on that success decide that we do not need to continue working toward the ultimate solution of the problem the program was initially designed to correct. In those instances, we often find ourselves a few years later with a problem that could have been prevented had we not acted so hastily to reduce the funding of a successful program. Usually, we also are forced to realize that had we continued funding at the previous level and maintained a strong effort toward resolution of the problem, we could have saved the taxpayers' millions of dollars. I believe, Mr. President, this is one of those times when we should not act hastily and decrease the funding level of this important program.

Screwworm infestation is not a problem in this country right now. But, unless we continue our efforts to remove all possibilities for reinfestation, we could have a problem again. It is my understanding that several cases of screwworm infestation have been reported near Monterey recently. Unless we continue a strong program, we could be faced with cases reported in Texas or New Mexico. I do not believe we want this to happen.

Mr. President, I urge my colleagues to oppose the reduction in funds for the screwworm eradication program by supporting this amendment.

Mr. DECONCINI. Mr. President, I am pleased to be a cosponsor of Senator BOREN's amendment to restore $12,300,000 to the screwworm eradication program. Adoption of this amendment will bring funding for this program to the fiscal year 1984 level.

Most Members of this body are probably unfamiliar with the screwworm problem. Those who have agricultural interests within their States, however, are painfully aware of the problem. A renewed infestation of the screwworm into the United States would have a devastating impact on our livestock section and it is in all our best interest to insure that such an infestation does not reoccur.

Let me briefly explain what the screwworm is. It is the larva or maggot of the screwworm fly. It is a parasite of warm-blooded animals found only in tropical and subtropical areas of the Western Hemisphere. The screwworm lays eggs on an animal only where there is a break in the body surface and the most common area of an animal where such eggs are laid is in the navel of a new-born. If untreated, an animal can die within 7 to 10 days.

Since the screwworm eradication program began in 1972, it has proved extremely effective. The screwworm has been eliminated in the United States and has been eradicated close to the Isthmus of Tehuantepec in Mexico. We should be proud of the success of this program. It has reaped returns far beyond the Government's investment. However, past achievements are no guarantee for the future.

Recently, one of my constituents, Arizona State Senator John Hays, returned from Central America as part of a study group which was investigating the feasibility of extending the sterile screwworm fly barrier to the Colombia-Panama border. Other members of this group included top officials of the U.S. Department of Agriculture and officials of Mexico. It is my understanding that in a soon to be released report, the group concluded that the barrier could be extended farther south if sufficient funds were made available to do so.

It is in all our best interest to extend the screwworm eradication program into Central America since the Colombia-Panama border will provide the most effective barrier to prevent a reinfestation of the screwworm into the United States.

In light of these facts, it does not appear appropriate to this Senator to reduce funding for a program so vital to U.S. agricultural interests. A $12,300,000 reduction in program funding will result in many highly competent and technical staff who have been involved in the eradication program for many years being laid off. If our ultimate goal is to extend the screwworm barrier farther south, it is counterproductive to reduce funding for this program at this time.

Mr. President, I urge my colleagues to support the Boren amendment to add $12,300,000 to the pending measure to ensure that the screwworm eradication funding will be maintained at the fiscal year 1984 level.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. BENTSEN. Mr. President, I am pleased to join my distinguished colleague from Oklahoma [Mr. BOREN] in offering this amendment to maintain the Screwworm Eradication Program. I strongly support this amendment, and I urge its adoption by the Senate.

The screwworm eradication program is one of the great success stories of the U.S. livestock industry, and it is one of the great success stories of international cooperation. This program has succeeded in eradicating screwworms from the United States, and they have since been eradicated from a large part of Mexico as well. The initial objective of this joint United States-Mexico effort was to eradicate the screwworm south into Mexico to the Isthmus of Tehuantepec, which is the first narrow geographic area, and thus a place where it would be easier to maintain a permanent barrier to prevent the screwworm from moving back north.

Since that objective was established, it has become clear that the Isthmus of Tehuanepec is not the ideal site for a permanent barrier zone. This area has a large livestock population, and approximately 600,000 head of cattle per year move north through this barrier area.

It is now clear that a barrier farther south would be much more effective in controlling the screwworm fly and in minimizing the cost of spot eradication efforts to clean up reinfestations in the cleared areas. A study commission appointed by the U.S. Department of Agriculture has just returned from this region and filed a report outlining these recommendations. Although the report has not yet been released, I have discussed its contents with members of the commission. They estimate that a permanent barrier at the Darien Gap, between Panama and Colombia, would reduce the annual maintenance costs by one-half to two-thirds compared to the barrier at the Isthmus of Tehuantepec. They also estimate that a barrier at the Guatemala-Honduras border would be much more effective than the barrier at the Isthmus of Tehuantepec and would cost about the same amount to maintain.

Mr. President, these recommendations did not become available in time to be presented to the Appropriations Committee or to the USDA during the normal budget process. As a result, the USDA budget recommended a cut of $12 million in the Screwworm Program. This cut assumes a reduction to a maintenance level of operations at the Isthmus of Tehuantepec. This funding figure was approved by the

House and by the Senate Appropriations Committee.

Mr. President, if these funds are cut now the Screwworm Program will lose vital personnel. It will be more difficult and more expensive to move this barrier on south to a better location. I believe that we should maintain this funding at the current level and move this barrier on south. Adoption of this amendment will allow us to do that.

In addition, this amendment does not prevent the USDA from deciding to stop the program at the Isthmus of Tehuantepec. Should careful review of this commission's recommendation lead to a decision not to go on south, then USDA can simply request a rescission of these funds. This amendment simply keeps our options open so that we can choose the best course and get there at the least cost.

Mr. President, the benefits of the Screwworm Eradication Program to U.S. ranchers has been tremendous. In 1960, before the Screwworm Program, screwworn losses were $97 million per year. In current dollars, an infestation of that magnitude would cost $340 million.

In addition, thousands of man-hours were spent riding the pastures, checking for screwworms and bringing in and treating infested animals. This commission reports that some Central American livestock producers today spend over 60 percent of their total man-hours dealing with screwworms. U.S. ranchers simply do not have that capability today, and it would be extremely expensive to go back to such an intensive management system.

I grew up on a ranch in south Texas, Mr. President, Those who have spent long hot hours on horseback, carefully checking each newborn calf in every pasture, will know what I am talking about. Those hours spent carefully herding a balky cow to the nearest corral for treatment were a great training program for cow horses, but that was the only benefit.

Wildlife losses to screwworms are also very high, and there is no hope of treatment for a newborn deer with screwworms in his navel or his mouth. He is often doomed to be eaten alive by the screwworm larvae, which feed only on living flesh.

Texas ranchers strongly support the screwworm eradication program, Mr. President. They have put their own money and work into this program, and both the Texas and Southwestern Cattle Raisers Association and the Independent Cattlemen's Association have expressed their support for this amendment.

I believe that it is only prudent to keep our options open on this important program. I realize that this amendment has not had time to be fully considered by the Appropriations Committee and by the Department of Agriculture, and that the committee may choose not to accept this amendment. However, such action will not preclude the administration from requesting funds at a later date to carry out the intent of this amendment. I hope that the USDA will study this problem carefully and will request any additional funds that may be needed to see that this program is carried out in the most efficient manner, and I will stand ready to work with them to secure congressional approval of such funds.●

The PRESIDING OFFICER. The Chair informs the Senator from Oklahoma that his amendment is amending a part of the bill which has been previously amended and unanimous consent is necessary for the amendment to be in order.

Mr. BOREN. Mr. President, I ask unanimous consent that the amendment be in order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I can understand the Senator's concern in this matter, and I, too, hope that the eradication effort, which has been very successful, and the barrier which has been set up in Mexico, can prevent reinfestation of the screwworm in the United States.

However, I must point out to the Senate that the Screwworm Eradication Program, administered by a Mexico-United States Joint Commission, has had as its goal—for over a decade—the eradication of the screwworm to the Isthmus of Tehuantepec in southern Mexico. That goal will be reached by the end of this year. A barrier will be established which is designed to prevent reinfestation in Mexico or the United States. A sterile-fly production plant has been operating in that area and will continue to produce sterile flies to maintain the barrier and to handle any sporadic outbreaks north of the barrier.

Although this program has been in place since 1973, the Appropriations Committee was not approached until a couple of months ago about the prospect of moving the barrier farther southward. The committee felt that such a request needs to be evaluated before we appropriate additional funds for moving the barrier southward.

One problem which might be encounterd is the wet, tropical climate in Central America, where the screwworm fly thrives year-round. The eradication effort has been successful in Mexico due, in part, to dry and cool seasons of the year, during which the screwworm fly is easier to eradicate.

Another problem would be the political unrest in the region. While we understand that screwworm is not a political issue, there would likely be some danger involved for the aircraft and ground crew working on the eradication.

We are not certain that these problems would prohibit an effective eradication program. For that reason, we have concurred with the House in requesting a feasibility study on moving the barrier southward. Further, we have specifically requested that a cost estimate be done on moving the barrier only as far as Guatemala's border with Honduras and El Salvador. This would eradicate the pest from Belize, Guatemala, and the remainder of Mexico, but would retain the barrier north of the political unrest and most of the wet, tropical climate.

Once this study is completed, we will strongly consider any recommendations of the report concerning additional funding.

Mr. President, once this study is completed—it is now in the final stages of completion with a report due soon—we will be in a position to consider recommendations for additional funding. The bill provides the funding needed to keep the program on track and consistent with established goals which are widely supported throughout the country. This is also true of the areas where there are threats of additional reinfestation.

So I hope, in spite of the fact that this is a serious problem—and the Senator from Oklahoma is to be commended for bringing this program to the attention of the Senate—he will withhold his amendment until this study has been completed and we have a better idea about how much money is going to be required to meet the goals of the program.

Mr. BOREN. Mr. President, will the Senator yield?

Mr. COCHRAN. I am happy to yield.

Mr. BOREN. I gather from the Senator's remarks that, on behalf of the committee, he would have to oppose the amendment at this time, until the study is completed. Is that correct?

Mr. COCHRAN. That is correct. I am unable to recommend that the Senate approve the amendment until the study is evaluated by the Appropriations Committee. If the study confirms that additional money is needed, we will carefully consider a recommendation for additional funding.

Mr. BOREN. The Senator from Mississippi has certainly demonstrated to me, in our private conversations, a very strong interest in this program, and I am very appreciative of his interest. Am I correct in stating that in light of some of our past conversations about this matter, the committee did include in the report language a reference to the pending study and to the possibility of providing funds in the future that might include the Central American region?

Mr. COCHRAN. Mr. President, the Senator is correct. There is report lan-

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guage that describes the goals of the program. There is further report language acknowledging the possibility that this barrier could be more easily maintained farther down the isthmus. Therefore, in the report language, we are joining the House Appropriations Committee in asking that a comprehensive study be conducted on the feasibility of moving the barrier farther southward. This was all spelled out in the report, and we hope that, by virtue of that language, we can see a more effective program put in place if the feasibility is there.

Mr. BOREN. Mr. President, there are several constituents in my area who have been helping with this study. Mr. Ed Ketchum, of Stephens County, OK, has been a participant in this study.

I gather that the study is nearing its formal submission back to the committee in the near future.

I gather from the remarks made by the Senator from Mississippi on the floor today and from our prior conversations that if I do agree to withdraw the amendment today, I can expect that he and his subcommittee will give very close attention to and a very sympathetic reading of, this study when it comes, and will seriously consider increasing the funding level, if this formal study, when received by the committee, makes that recommendation and demonstrates the feasibility. Is that correct?

Mr. COCHRAN. The Senator is correct. This committee is going to continue to monitor the program very carefully.

Mr. BOREN. Mr. President, in light of the statements made by the Senator from Mississippi and in view of the need to get the bill through to completion in the near future, I think it would be appropriate, knowing of his sympathetic concern for this matter, for me to withdraw the amendment at this point and to express my appreciation to the Senator from Mississippi for his interest and his consideration.

Mr. President, I withdraw the amendment at this time.

The PRESIDING OFFICER. The Senator has the right to withdraw his amendment. The amendment is withdrawn.

Mr. COCHRAN. Mr. President, I wish to express my appreciation to the Senator from Oklahoma. I thank him for his forbearance and for his diligent efforts in trying to find a good solution to this very troublesome and serious problem that we face. I thank the Senator most sincerely.

AMENDMENT NO. 3695

(Purpose: Expressing the sense of the Congress that the President should submit his plans for dealing with the problems of family farms)

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself and Mr. BAUCUS, Mr. EXON, Mr. HUDDLESTON, Mr. SARBANES, Mr. SASSER, and Mr. BOREN, proposes an amendment numbered 3695.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) The Congress finds that:

(1) The volume of farm exports has declined each year since 1980 and this year will be more than 20 million metric tons below the 1980–1981 level, a decline of more than 12 percent; and

(2) The dollar value of farm exports during the same period has been consistently below the peak level of $43.8 billion achieved in 1980–1981; and

(3) Net farm income, adjusted for inflation, has declined in each year since 1980 and next year will still be below the 1977–80 average, even if the Department of Agriculture's optimistic forecast is correct; and

(4) the real value of farmland has fallen each year since 1980 and is currently at its lowest level since 1977; and

(5) The number of farm foreclosures and forced sales since 1980 has more than tripled with the Farmers Home Administration having taken possession of thousands of family farms and currently having over 2,000 such farms, valued at $440 million, in its inventory; and

(6) In addition to forcing thousands of family farmers out of business, the current high interest rates and growing costs of production make it difficult for young farmers to get into the business; and

(7) The Economic Report of the President refers to an unspecified plan, to be unveiled in 1985, to reduce spending; and

(8) Administration officials have included farm support programs on a list of future budget reductions;

(b) In view of these findings, it is the sense of the Congress that—

(1) the President shall, not later than October 2, 1984, report to Congress on the specific changes in fiscal and agricultural policy the Administration will take to increase farm income, expand farm exports, lower interest rates, assure an adequate flow of credit to the American farmer, and otherwise ameliorate the severe impacts on the family farmer which its fiscal policy has created, and

(2) the President shall, not later than October 2, 1984, report to Congress on the specific changes contemplated in farm commodity and credit programs, their effect on net farm income, exports, availability of credit and other indicators of the economic condition of family farms, and the effect of such changes on the federal budget.

Mr. BUMPERS. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The yeas and nays were not ordered.

Mr. BUMPERS. Mr. President, would the Senator from Mississippi like to enter into a time agreement on this amendment?

Mr. COCHRAN. No time agreement—just vote.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, this is an amendment that is a sense-of-the-Congress resolution which calls on the President, on or before October 2 of this year, to submit to us his plan for agricultural programs, what he hopes to accomplish by expanding farm exports, lowering interest rates, assuring an adequate flow of credit to the American farmer, increasing the income of the American farmer, and generally what the administration plans to do to ameliorate the severe plight of the farmer, which is admitted, my guess is, by virtually every Member of this body.

I want to edify my colleagues by giving them a few statistics.

I point out, first, that almost every measure we use in determining the plight of the farmer in this country has deteriorated since 1981.

For example, this year, 1984, our exports will be 24 million metric tons less than they were in 1981. In dollars, that translates into a loss of about $8 billion in lost exports.

Net farm income since 1981 has declined from $15.4 billion to an estimate of $13 billion. When you consider the fact that in 1979, farm income was almost $20 billion, that is a 25-percent drop in farm income since 1979, at a time when inflation has gone up somewhere between 25 percent and 30 percent in the same period.

Real estate values, without even adjustment for inflation, have dropped since 1981 from $795 to $739 per acre. So the borrowing ability of farmers which they have used in the past because of the accreted value of their land is no longer available to them, because their land is losing its value.

Since 1980, farm foreclosures and force sales of farms have tripled, with the Farmers Home Administration currently having more than 2,000 farms in its inventory, valued at $440 million.

During the last 2 years, more than 15,000 farmers with Farmers Home loans have been forced to liquidate. Before 1981, the number of farms held by the Farmers Home Administration never exceeded 260, and today they have 2,000, consisting of 418,000 acres.

In the past year, more than 30,000 farmers have gone out of farming in the United States, 2½ times the normal rate, and 1,000 of those farmers happen to be in my State.

The total number of farmers in this country is now down to 2,370,000. Last year, 27 percent of all Farmers Home borrowers were delinquent. That

means that of the 270,000 Farmers Home loans in existence, 72,000 were delinquent; 7,529 borrowers went out of business last year. And of those who went out of business, 2,667 of them were forceably liquidated, 1,392 took bankruptcy, 1,357 were foreclosed, 1,486 were voluntarily liquidated, and 627 were transferred. But listen to this year. Those are figures for last year. By April 30 of this year, 98,000 borrowers were delinquent, or 36 percent of all the Farmers Home borrowers in this country were delinquent, and in Florida and Georgia more than 60 percent of all the Farmers Home borrowers were delinquent.

Obviously, agriculture is in the grip of an extended financial crisis and they are in this crisis because of prices, they are in this crisis because the dollar is too strong to export, and they are in this crisis because of interest rates.

According to Ruth Goble, an economist with the Farmers Union, every time the interest rate goes up 1 percent it costs the American farmer $2 billion.

Mr. President, the reason I am offering this resolution is that the President's Economic Report in February of this year refers to an "unspecified plan." It says that this plan will be unveiled in 1985 to reduce spending. But administration officials, mostly in the form of OMB Director David Stockman, have said that farm programs must be cut more.

Here is what David Stockman said before the Budget Committee this past February:

> Some programs such as agricultural price supports * * * have escaped the general regimen of fiscal restraint since 1981 and must now be firmly curtailed.

That is not calculated to bring joy to the farmers' hearts of this country. So this resolution asks the President to tell us what specific steps the administration intends to take to increase farm income, expand farm exports, lower interest rates, and provide suitable credit for the American farmer. And it also asks him to tell us what specific reductions are contemplated in the 1986 budget for farm support programs and the effect those programs will have on income.

Mr. President, we are on the verge of having to deal with a major farm bill. We are going to write a new farm bill in the next session, and we need to know what the administration has in mind now so we can all be thinking about it.

So, Mr. President, this does not sound like an onerous resolution to me.

An awful lot of the Senators here come from farm States and those who do not are very sympathetic to the most ravaged segment of our economy—the American farmer.

So, Mr. President, in one sense I know that resoutions like this sound political simply because we are on the eve of an election, but the President is going to be out campaigning for reelection as is the Democratic nominee. They are going to be talking about what they are going to do for the American farmer. They are going to be telling the farmers how much they love them and what they have done for them, and the farmers are going to have a very tough time understanding that unless the rhetoric includes lower interest rates, better prices, and management of the supply side. We can talk on this floor forever about what we are going to do for farmers, but the truth of the matter is that our ability to produce is killing us.

And in addition to that, there are some other things that are happening. I will give you an illustration. Seventy-seven million acres of new land had been put in production in this country just in the past few years. I voted for Senator MELCHER'S sodbuster amendment yesterday because I think we should discourage and get tough on bringing fragile lands into production when our major problem right now is overproduction.

The American people have become increasingly wary of eating beef. Some doctors have warned that red meat contributes to high blood pressure, that beef cooked with charcoal is carcinogenic, and so beef consumption in this country has dropped from about 117 pounds per capita over the past 5 years to about 98 pounds per capita.

If it were not for McDonald's and Wendy's the beef farmer in this country would have to declare bankruptcy tomorrow because McDonald's, Wendy's, Burger Chef, and all the rest consume 48 percent of all the beef produced in this country. If people did not drive into those places and buy hamburgers they just would not be buying that much red meat.

What does that mean? That does not only affect the livestock farmers, but it also affects the corn farmer. It takes 8 pounds of corn to make 1 pound of red meat. And when you consider a 20-pound-per-year drop in consumption of red meat by 230 million people, which is the population of the country, you can see why corn production is what it is.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. BUMPERS. I yield.

AMENDMENT NO. 3696

(Purpose: Expressing the sense of the Congress that the President should submit his plans for dealing with the problems of family farms)

Mr. EAGLETON. Mr. President, I offer a second-degree amendment to the Bumpers amendment.

The PRESIDING OFFICER (Mr. DENTON). The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri [Mr. EAGLETON] proposes an amendment numbered 3696 to the Bumpers amendment numbered 3695.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after line 7 on page 1 of the pending amendment, through the end of the amendment, and insert in lieu thereof the following:

(3) Net farm income, adjusted for inflation, has declined in each year since 1980 and next year will still be below the 1977–80 average, even if the Department of Agriculture's optimistic forecast is correct; and

(4) The real value of farmland has fallen each year since 1980 and is currently at its lowest level since 1977; and

(5) The number of farm foreclosures and forced sales since 1980 has more than tripled with the Farmers Home Administration having taken possession of thousands of family farms and currently having over 2,000 such farms, valued at $440 million, in its inventory; and

(6) In addition to forcing thousands of family farmers out of business, the current high interest rates and growing costs of production make it difficult for young farmers to get into the business; and

(7) The Economic Report of the President refers to an unspecified plan, to be unveiled in 1985, to reduce spending; and

(8) Administration officials have included farm support programs on a list of future budget reductions;

(b) In view of these findings, it is the sense of the Congress that—

(1) The President shall, not later than October 15, 1984, report to Congress on the specific changes in fiscal and agricultural policy the Administration will take to increase farm income, expand farm exports, lower interest rates, assure an adequate flow of credit to the American farmer, and otherwise ameliorate the severe impacts on the family farmer which its fiscal policy has created, and

(2) The President shall, not later than October 15, 1984, report to Congress on the specific changes contemplated in farm commodity and credit programs, their effect on net farm income, exports, availability of credit and other indicators of the economic condition of family farms, and the effect of such changes on the federal budget.

Mr. EAGLETON. Mr. President, the only change in this second-degree amendment as contrasted to the original Bumpers amendment is the date upon which the report is due. Instead of October 2, my amendment makes the due date October 15.

I yield the floor.

Mr. BUMPERS. Mr. President, I do not want to belabor this point, but I think a sense-of-Congress resolution telling the President that we consider the plight of the American farmer in a state of crisis as never before, and simply calling on him to report to Congress what kind of programs he intends to implement in 1985 so that

those of us, even though we are not on the Agriculture Committee but hope to have some input into the 1985 farm program, will have an opportunity to do so.

I yield the floor, Mr. President.

Mr. DOLE. Mr. President, I just want to rise to say that this is pure politics. We ought to include Walter Mondale's name in there, as well.

In San Francisco, they were so worried about farmers that they tried to have a meeting. However, they could only find nine people at the whole convention who were willing to talk about agriculture. You could get them in one phone booth. That is how concerned the Democrats were about agriculture at their convention in San Francisco.

This is pure politics—pure and simple. We are still suffering from the Mondale grain embargo. We are still trying to get over it. It is going to take a little while to get over those big assaults on American agriculture.

But let us not try to handcuff the President of the United States, who has done more for the economy than anybody I can think of in recent memory. Let us vote or do whatever the manager of this bill wants to do. This speech has got everything but a Mondale button on it. Walter Mondale wants to cut agriculture $10 billion—so he said in the debates.

So I think we are better off hearing from Walter Mondale. He wants to cut $10 billion. I am not sure, but maybe he wants another grain embargo. They could not get a meeting of farmers in San Francisco.

But here we are assaulting this bill with political rhetoric about Ronald Reagan and the American farmer. We have gotten interest rates down, we have lifted the grain embargo, and we have reduced inflation. We are now selling grain to the Soviet Union. There are many good things happening. We are getting over the period of the Mondale embargo, but it takes a while.

I just suggest that we do something with this amendment—but not pass it.

Mr. BUMPERS. Mr. President, I just would make one observation. If what the Senator from Kansas says is true, think what a golden opportunity this resolution will give the President to draw these great distinctions between what he intends to do for the farmer and what Walter Mondale said he is going to do.

Mr. SARBANES. Mr. President, there is one thing the chairman of the Finance Committee said that really brought me to my feet, and that is he said that interest rates are down. The fact of the matter is that real interest rates—real interest rates, which are really the critical issue—are still running at very high, almost unprecedented, levels.

Now, the consequence of those high real interest rates is a very, very strong dollar, one that most objective observers feel is overvalued and places us at a competitive disadvantage with respect to the import-export question.

Farm exports have dropped very substantially over the last 3 years. Part of the reason for that—in fact, a good part of the reason for that, in the judgment of many people—is the unprecedented high real interest rates and the difficulty that presents in terms of exports because of the overvaluation of the American dollar.

Now, the distinguished chairman of the committee is himself in a dispute with his President and perhaps with his Vice President, we are not sure about that, with respect to revenue enhancement—if I may use the new term now that is being applied to tax increases—with respect to revenue enhancement as a means of addressing the unprecedented deficit which we confront as we look forward as to what the Nation's fiscal policy is going to be.

Now that high deficit, projected well out into future years, which the President's policies have brought us, has an impact of course on the high interest rates, and the high interest rates have an impact on the strength of the dollar, and the strength of the dollar impacts exports.

Now the chairman of the Finance Committee, to his credit, has been pretty candid about this issue and has been quoted on more than one occasion and only recently in one of the network interview shows on Sunday morning. I do not recall which one it was. I did read the transcript. I thought the committee chairman was his usual sharp and, on occasion, humorous self in that interview. But in the course of that, he was very upfront about the need for "revenue enhancement."

The President and the Vice President on his side apparently cannot get it straightened out between themselves, let alone straighten it out between themselves and the chairman of the Finance Committee.

The distinguished Senator from Arkansas, in putting forward this resolution, is underscoring, in the sense of the Congress resolution, first of all, what is occurring in the farm sector.

There is a lot of talk about a recovery taking place. I would just point out that, even on a general basis, the recovery now has brought the unemployment rate to about the point where the unemployment rate was when President Reagan took over. This much-heralded recovery that we are hearing so much about has got the unemployment rate now back to just about where it was when Reagan took over.

So the only recovery that has happened is an easing of unemployment from the unprecedented levels which it reached in the course of this administration, levels that the Nation has not seen since the Great Depression. At its peak, it was 10.8 percent. Currently, it is not below the levels at which the unemployment rate was when the President came into office in the first few months of his administration. Now that is a point on the general recovery.

With respect to the farm sector of the country, there has been no real, not only not a recovery, they continue to face a significant downturn, as the distinguished Senator from Arkansas pointed out. Export volume is down and net farm income adjusted for inflation has declined each year since 1980 and next year will be below the 1977-80 average.

Even if you accept these grossly optimistic estimates of the Department of Agriculture, one has realy got to wonder whether Secretary Block and those around him really either know what they are doing or, if they know what they are doing, are leveling with the American people in terms of the kind of their forecasts. The real value of farmland has fallen each year since 1980. It is now at its lowest level since 1977.

The distinguished Senator from Arkansas talked about the unprecedented level of farm closures and forced sales of farms.

It is interesting, while the small family farmer faces all of these problems, the partner of the Secretary of Agriculture is able to go in and get very significant governmental assistance, which really, of course, raises the very sharp question about what the goals and objectives of the Secretary and this administration are with respect to the kind of farm income we are going to have in this country.

The borrowers at FHA, an unprecedented level of them are delinquent. They are being forced out of business, forced into bankruptcy, forcibly liquidated, and agriculture is in the grips of an extended financial crisis.

The low commodity prices, the high interest rates, and the declining farmland values have eroded the equity position of farmers and obviously eroded their borrowing ability. It is expected that the interest rates are going to move up, if not before the election, certainly after it. I think the administration is trying very hard to have the Nation on an election-year economic course—just try to make it beyond that November date, and then let all the consequences come home to roost.

I must say with respect to the chairman of the Finance Committee that he has not undertaken to do that. He has pointed out what the future holds with respect to the chickens coming home to roost.

This resolution calls on the President to submit to the Congress the steps he plans to take with respect to agriculture policy and fiscal policy in order to address the question of falling farm income, of expanding farm exports, of lowering interest rates, and of assuring an adequate flow of credit to the American farmer.

Unless we address this question, the American family farmer is going to be a thing of history and memory. It is no secret that Mr. Stockman and others in the administration want to cut even deeper into the farm programs. There is no alternative comprehensive plan being put forward, and it seems to me that the call by the Senator from Arkansas for the President to report to the Congress on the specific changes contemplated in farm commodity and credit programs, their effect on net farm income, on exports, on availability of credit and other indicators of the economic condition of family farms and the effect of such changes on the Federal budget is not only reasonable but owed to the American people.

I do not come from what is ordinarily regarded as a farm State but we have a very important farm sector in my State. And I have long held the view that you cannot have real prosperity in this country if the farm sector itself is not sharing in that prosperity.

I defy anyone in this Chamber to assert that currently the farm sector is sharing in this so-called recovery. I, in fact, have questioned the use of the word "recovery" to describe what is happening overall in our economy. When you take an unemployment rate, 7.4 percent which is the rate that existed when the administration came into office with the administration coming in sounding the cry that that unemployment rate then was much too high and call that recovery, it is like calling tax increases revenue enhancements and calling the MX the peacekeeper.

I mean this is 1984, George Orwell's year. I am sure if he were alive and looking today, he would find in this use of political language on the part of the administration clear and convincing proof of his concern about language in politics. The President ought to submit a report. And he ought to be frank, candid, and he ought to lay the issues before the Congress and before the country.

I commend the distinguished Senator from Arkansas for coming forward with this resolution and focusing the attention of this body on this very important, and indeed, critical issue. We have never been able to have a sustained and extended prosperity in this country without the farm sector sharing in it. And it ought to be a prime concern of ours, and a prime objective of ours ought to be addressing problems that are now plaguing the farmers across the country and particularly the family farmers.

This Department of Agriculture has written off the American family farmer; and these large loans, financial assistance, that are going out to Block's partner is only proof of that and only underscores that fact. The family farmer is really being given the back of their hand. And once they go out, it is virtually impossible for them to come back into activity.

Mr. BOSCHWITZ. Will the Senator yield for a question?

Mr. SARBANES. I yield for a question.

Mr. BOSCHWITZ. Why does the loan that was made—without condoning the loan that was made to the partner of the Secretary—have any impact on this?

Mr. SARBANES. There are farmers going in who cannot get loans. Family people are being foreclosed, and forcibly forced out of their business. They are being told there is not enough credit to help them. Those figures are being held down. Then we come along and the partner of the Secretary of Agriculture could come in for $400,000——

Mr. BUMPERS. Unsecured.

Mr. SARBANES. Unsecured. That is some family farmer. That is some kind of loan.

Mr. BOSCHWITZ. If the Senator would yield for a short comment, that loan was made under an emergency program that is funded by an open-ended appropriations; so that loan did not squeeze out any other farmer. There was security for the loan. The security was the crop, I believe.

Mr. SARBANES. Because it is an open-ended program does not mean it is not impacting on the amount of money. We are constantly hearing this argument in here that the amount of credit available for the family farmer has to be held. If the Senator from Minnesota wants to take the floor and defend this $400,000 loan to the partner of the Secretary of Agriculture, that is one thing. It does not seem to me that is addressing the problems which family farmers across the country, and I assume in his State as well, are facing under current circumstances.

Mr. BOSCHWITZ. If you would yield once again, Senator, I just point out that that loan—and I once again say I do not condone it—did not deplete any limited pool of funds that were sitting out there.

That loan was from an open-ended appropriation. It is a disaster emergency type of loan. As a result, it did not deplete the funds that would be available to other farmers, large or small. As a matter of fact, that particular program is somewhat of an entitlement.

Basically, the court decisions have so described it.

I might add that we have restricted the dollar amount of such loans to any one individual on this side of the aisle. Under the previous administration those loans had no limit.

So that I think we should act responsibly, and recognize that the loan did not come from funds that could be depleted and that it did not make credit more difficult to obtain for other smaller farmers.

Mr. SARBANES. I am interested in hearing the Senator say he does not condone the loan. Does he criticize it? He seems to be taking the floor to defend it.

Mr. BOSCHWITZ. Is the Senator asking me a question?

Mr. SARBANES. Yes.

Mr. BOSCHWITZ. Do I criticize the loan?

Mr. SARBANES. You took the floor and said you do not condone it but I have not heard you criticize it. And I take it that the statement you are making is in defense of it.

Mr. BOSCHWITZ. The statement I made is just a statement of fact. The program under which the loan was made was such that it is a virtual entitlement.

The appropriation under which the loan was made is open ended, and as a result no one else has been denied such a loan. I do not like to lend money to speculators any more than does any other Senator. It is unfortunate that that took place. I think it took place without any knowledge of the Secretary, in his defense.

This side of the aisle has restricted the upper limits of those loans where the previous administration supported a no limit policy. Some of the loans really were very much larger, and in multiples of that $400,000.

Mr. SARBANES. All I can say to the distinguished Senator from Minnesota is he may be prepared to go in front of his small family farmers and defend this loan to the partner of the Secretary of Agriculture, but I certainly would not be prepared to do that.

Mr. BOSCHWITZ. I am not defending the loan. I am only saying as a statement of fact that the funds came from a program which cannot be depleted. It is part of a program that—when it has been tested in the courts—has been proven to be a virtual entitlement program. It was an emergency disaster loan. It is a program that I am sure you and I voted for many times in this body.

Mr. SARBANES. We may have voted for the program, but I think it is an abuse of it to provide this loan to the partner of the Secretary under the circumstances of that case, and I would certainly not undertake to defend it to any of my small farmers.

Mr. EAGLETON. Will the Senator yield for a question?

Mr. SARBANES. I yield.

Mr. EAGLETON. Here is what happened to a small farmer in Missouri who was eligible for about a $7,000 loan from the Farmers Home Administration and was responded to by the Farmers Home Administration as follows:

It is the Agency's policy to require maximum security on EM loans which are subsidized by the taxpayer since they represent a greater risk to the Government. Farmers Home county supervisors are required to obtain a lien on all the assets owned by the applicants receiving EM loans at the subsidized rates. Applicants receiving EM loans at the nonsubsidized rates are not required to pledge all of their assets to secure EM loans.

Here is a small farmer named Benson Burkhead, from Coffey, MO, who wanted a $7,000 loan. He was told by Farmers Home that he had to pledge all of his assets to secure that $7,000 loan.

That is how the small farmer is treated by the Farmers Home Administration. Put everything you have up on the chopping block and maybe we will loan you $7,000. But if you are going to borrow $400,000, then it is just OK, to have limited security.

If there is not a grave disparity in the treatment between what was afforded to Mr. Block's partner and what was afforded to Mr. Burkhead, of Coffey, MO, I do not know a disparity.

Mr. SARBANES. I think the Senator from Missouri is exactly right. This is the point I am trying to make to the Senator from Minnesota. I do not see how anyone can rise in explanation or defense of the loan that went to Block's partner, particularly. The Senator from Missouri has just cited one case, but there have been cases of that type all across the country. That is the standard response which the small farmers are receiving. That is one of the reasons they are being forced out of agriculture and squeezed out of agriculture in the course of this disastrous farm policy.

To try to explain away what the Department did with respect to the Secretary's partner, I do not understand.

I thank the Senator from Missouri for bringing that specific case to our attention, though it is only representative of many, many similar cases all across the country.

Mr. COCHRAN. Mr. President, the amendment of the Senator from Arkansas [Mr. BUMPERS] requires the President to submit a report basically, setting out his proposal for the next farm bill, which will have to be enacted by Congress next year. There are other demands that are made in the amendment in the form of a report on the status of American agriculture.

Let me point out that the Secretary of Agriculture does submit an annual report to the Congress on the state of agriculture and on the farm economy. The most recent report was distributed this month.

The Secretary also holds an annual outlook conference, usually in November, and during this conference every aspect of agriculture is discussed. The proceedings are published and distributed to every Member of Congress. The next conference is scheduled for November, just 1 month later than the Senator's amendment requires a report from the President on basically the same subject.

There is also a special annual report to the Joint Economic Committee on the status of the agricultural economy. That is scheduled for January of 1985.

Let me also point out that the legislative Committee on Agriculture is conducting hearings—many of them are being held this year—around the country. They will be held next year as well. They are to get input from the farm community, from the general public, and from consumers who are interested in the health of the agriculture economy. They are trying to get recommendations for the farm bill that will have to be written by Congress next year.

As a member of that committee, I am convinced that we are going to have the best of all possible advice, maybe more advice than we would like, during the period between now and the writing of that legislation. But it is important to get a wide range of input, and I think every effort will be made to see that that is done before the Committee on Agriculture begins to mark up the next farm bill.

I think the Senator from Kansas may have accurately described this as politics. I do not know that that is all the motivation behind this. I do not question the motivation, but I am saying that this does put the President under a demand by the Congress to come up with statements that are going to be used during the course of this campaign year by the President and by those others who are involved in the Presidential campaign. A lot of Members of Congress will be talking about these issues, too. We all need to consider them.

There is no question that the economic well-being of agriculture has to be improved. We need to be sure that we work in partnership with the administration to solve these problems.

However, I do not think that this resolution is going to solve the problem, Mr. President, and I am hoping that the Senate will reject it.

I think we have fully discussed the amendment now. Everybody knows what is in it. It is my intention to move to table the amendment of the Senator from Arkansas. I presume by doing so we will carry the Eagleton amendment with it if the motion to table is agreed to.

As the amendment now stands, if the Eagleton amendment were agreed to, it would call for this report to be made by the President to the Congress on October 15.

I do not know of any other Senators who want to speak who have not already spoken. It is my intention to make that motion so we will not unnecessarily drag out debate.

Mr. HUDDLESTON. Will the Senator yield?

Mr. COCHRAN. I will yield to the Senator with the understanding I will not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HUDDLESTON. Mr. President, I have listened to the discussion on this matter, and would like to make a couple of points regarding the amendment.

The situation confronting our Nation's farmers is grim. Farm commodity prices are low, export sales of agricultural products are in a severe slump, and many farmers and ranchers are having difficulty in obtaining the credit necessary to stay in business. The amendment asks the President to share with the farmers of the United States what plans the administration has to remedy farm problems.

The amendment expresses the sense of Congress that the President should submit a report to Congress in October, on the specific changes in fiscal and agricultural policy that the administration will take to increase farm income, expand farm exports, lower interest rates, ensure an adequate flow of credit to the American farmer, and otherwise ameliorate the adverse effects on the family farmer created by current fiscal policies.

It would also require the President to report what specific changes are contemplated in farm commodity and credit programs, their effect on net farm income, exports, availability of credit, and other indicators of the economic condition of family farms, and the effect of such changes on the Federal budget.

FARM PRICES AND EXPORTS DOWN

U.S. farmers are the most efficient and productive in the world, and our agricultural production and distribution system is one of the most important parts of the national economy. Any sustained economic recovery will depend on the health of our agricultural industry. However, farmers need an adequate return for their work and investment if they are to continue to contribute to the national economy.

Unfortunately, in recent months, we have seen a disturbing decline in commodity prices; and over the past 3 years, as a whole, farm prices have not

kept pace with increases in agricultural production costs. For some commodities, the prices being paid to farmers today are less than the cost of production. This situation cannot go on indefinitely. Farm commodity prices must be strengthened.

In addition, exports are crucial to American agriculture. Foreign markets provide important outlets for our agricultural commodities and products. For many of these commodities and products, export sales are essential if farm prices are to be maintained.

Also, our Nation's international trade system is highly dependent upon agricultural exports. Agricultural consistently produces a net balance-of-trade surplus and, in recent years, has contributed perhaps more than any other sector of our economy toward improving our overall balance of trade.

However, this year, for the fourth consecutive year, we see a disturbing decline in agriculture exports. It is anticipated that the volume of agricultural exports in fiscal year 1984 will be 142 million metric tons. This is some 22 million tons less than the peak volume of 164 million tons in 1980.

The greatly reduced volume of shipments is a major cause of the decline in market prices for many agricultural commodities and the decline in farm income. Export losses also decreases employment opportunities in the industries that process and transport farm produce for the export trade.

We all know that the disastrous trend toward reduced agricultural exports must be reversed. Unfortunately, the Department of Agriculture has been reluctant during the past few years to take effective action.

For example, on January 11, 1983, the President announced that the administration would make available $250 million for direct export credits in fiscal year 1983 in addition to the $175 million required for the 1983 agricultural export promotion program.

Yet, according to budget documents of the Department of Agriculture, only $205 million—less than half of the total $425 million promised—was provided for use in commercial transactions in fiscal year 1983. Since then, the erosion of our agricultural export markets has worsened. Clearly, Congress and the American farmers deserve to know if this reluctance to use available authority will continue or worsen.

FARM CREDIT SITUATION

The farm credit situation, likewise, is worsening. Interest rates on agricultural loans remain at excessively high levels. Also, this year we are seeing cooperative lenders, concerned about the quality of farm loans in their portfolios, declining to extend credit to many of their traditional borrowers.

Through May of this year, production credit associations had extended about 5 percent—or $734 million—less credit than during the same time period in 1983. In some farm credit system districts, the percentage reduction has been much higher than the national average—9.7 percent in the New Orleans district, 13.7 percent in the Omaha district, and 15 percent in the Louisville district. And, we should keep in mind that 1983 was a year of reduced demand for operating-type credit because of the Payment-in-Kind [PIK] Program.

Further, it appears that more and more farmers are turning to the Farmers Home Administration, the lender of last resort for farmers, for assistance. Despite repeated assurances from the administration that the Farmers Home Administration had adequate operating loan funds for this fiscal year, a few weeks ago Congress was informed that the Department of Agriculture found it necessary to use emergency interchange authority to transfer $150 million in insured loan funds and $100 million in loan guarantees from other essential FmHA programs to the operating loan program.

I am pleased that, earlier this week, the Senate approved legislation that I proposed to ensure that additional Farmers Home Administration credit assistance—in the form of loan guarantees—will be made immediately available to hard-pressed farmers. However, that modest first step cannot be considered the full answer to the severe deficiencies in the agricultural credit system. A more comprehensive and long-range solution will be required.

ADMINISTRATION PLANS MUST BE SPELLED OUT

The administration needs to take action to resolve the crisis that confronts many individual farmers. Unless effective action is taken, there will be increased foreclosures and further difficulties for farm-related businesses and agricultural lenders. However, it is unclear now what remedial actions, if any, the administration plans to pursue.

Mr. President, the situation boils down to this: The farm economy is in serious trouble, but the administration's plans to deal with this crisis are unknown.

It is very difficult for Congress to work together with the administration in implementing a solution to the farm problems if we don't know how the administration plans to proceed. And farmers whose livelihoods are at stake need to know what steps the Government is going to take to turn the situation around.

The administration must come forward with its farm proposals, so I urge my colleagues to approve the amendment.

I would like to make this additional comment: Whether the proposal by the Senator from Arkansas is an expression of election-year politics or not, the fact remains that there is no part of the American economy that is undergoing greater financial stress at the present time than our Nation's agriculture producers.

Too, there is no sector of our economy that is more important to the financial well-being and security of the United States than our agriculture production. It is the greatest asset we have in this country.

It seems to me, whether or not this is an election year, attention needs to be focused on this problem. Those who are in a position of leadership ought to be willing to indicate to the whole country what their plans are to help resolve the difficulties confronting farmers.

I have been somewhat concerned that the Department of Agriculture has not been willing to use all the authorities that are available to address the problems of credit and the problems relating to target prices and loan rates. The administration should be using authorities that are available through legislation provided by the Congress years ago.

But, regardless of that, we know that as far as agriculture in the United States is concerned, the ox is in the ditch.

The time has come to begin to formulate the right kind of policies that will help alleviate the problems facing farmers. So I see nothing wrong with requiring the Chief Executive of the United States to indicate to Congress and to the people what plans may be afoot, what his positions are, as far as helping to resolve these problems, and I believe the amendment should be adopted.

Mr. COCHRAN and Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi still has the floor.

Mr. COCHRAN. Mr. President, I see the Senator from Nebraska also desires to make a statement. I ask unanimous consent that I may be permitted to yield to the Senator from Nebraska without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. EXON. Mr. President, I thank the Chair and I thank my friend from Mississippi for his usual consideration.

I just want to add my voice in support of the resolution that is before us, Mr. President. I am one of the original cosponsors. I do not think we need to get off on a matter of partisan politics on this, but this is a political year. The matter of agriculture is likely to play a role in the campaigns.

What this is designed to do is focus attention once again on the White House, the highest office in this land, to call attention to the serious difficulties that face family-sized agriculture today, that still—I emphasize the word

"still"—are generally not understood by the people of the United States. I remember well last spring, in the Budget Committee, when David Stockman, Director of the Office of Management and Budget, appeared and said—meaning after the election—"Next year we are going to have to make some further cuts in programs."

The first two he singled out for cuts were agriculture and education. We just cannot keep putting off everything until after November 6, that magical election day. We have to have some plans now.

I, for one, am certainly not blaming the President of the United States or the Secretary of Agriculture for all of the problems that beset our family farmers today, but I know agriculture well. I think I know the depth of the problem. Let me just say this, Mr. President: The declining land values in my State of Nebraska have literally destroyed the ability of the farmer to secure credit. The financial institutions, the agricultural banks have contracted the amount of their portfolios committed to agriculture from a norm of somewhere between 50 and 54 percent on average down to under 20 percent today.

Why are they doing that? The bankers are fearful of putting the usual percentage of their money available in agriculture because of the great instability of that sector of our economy today—more unstable, I suggest, than even the great steel industry that is having such problems.

What this amendment is addressed to do is simply to focus attention to this problem. The President has already said that at least 5 percent of our family-sized farms are going to have to go out of business. I am fearful that under the policies that we are not doing anything about here, as of now, that will be much higher than the range of 15 to 20 percent in the next 2 years. All you have to do is go out into the heartland of America and listen to the bankers and listen to the farmers. You quickly get the picture.

I would say, in support of this amendment, that by and large, the farmers in the State of Nebraska today are not, at this time, blaming the President of the United States for the dilemma they are in. They are blaming all of us. All of us have a share of the responsibility to carry on our shoulders, but we are not doing anything about it.

I see nothing at all wrong with this amendment, Mr. President. It is simply saying that the time is now to chart the policy, not to wait until after November 6. I am very fearful that we will continue to carry on in an attitude where we hear no evil, we think no evil, we see no evil until after November 6. I do not believe the crisis we have in family-sized farms can wait that long, Mr. President. I think the amendment that I am proud to be a cosponsor of with my friend from Arkansas and many others says, as a bottom line, let us start planning now. Let us begin to develop some kind of farm program in this country where the food producers will begin to see the light at the end of the tunnel.

Mr. President, it is all dark down there right now. I think they need some hope. They need to recognize that we are going to do something, in a cooperative effort, I hope, between the Congress and the executive department.

I thank my friend, and I yield back to my friend from Mississippi.

Mr. COCHRAN. Mr. President, I notice the distinguished Senator from Arkansas is on the floor seeking recognition. I ask unanimous consent that I may be permitted to yield to the Senator from Arkansas without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I ask unanimous consent that Senators SASSER, SARBANES, EXON, HUDDLESTON, MELCHER, and BAUCUS be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Secondly, I want to apologize to my colleagues if this amendment has offended anybody or if it has certain political overtones to it. I know political amendments are anathema to all Members of this body. This is probably a first in this body, for an amendment such as this to be offered.

While I apologize, Mr. President, I also want to point out that I have a strong political belief that this country has consistently gotten in trouble when our political leaders have deceived us or misled us or lied to us or had a hidden agenda that they did not reveal until after the election. So, to that extent, I think it is fair to call on the President to tell the American farmer and Members of this body what his plans are for agriculture—and I promise you, there are Members on both sides of the aisle who would like the President to come out with something very dramatic and reassuring to the farmers that would help them in their reelection bids.

I hope that the President would come to my State and speak on agriculture, following the advice of the Senator from Kansas, and tell the farmers of my State that some really good things have been happening in agriculture. I hope that is what he will say to the farmers of my State when he comes there. I know that, in 1976, farmers were already getting very apprehensive about what the future held for them, and they voted for Jimmy Carter in unprecedented numbers. And in 1980, because of the grain embargo and the sense of betrayal they felt as a result of that, and because they had already begun to see that their land values were jeopardized, the very thing they had been using and leveraging to stay in business, they felt threatened. And, in my opinion, they voted overwhelmingly for Ronald Reagan.

But I will say this: These statistics—as they say, liars can figure, but figures do not lie. The statistics are from the Department of Agriculture and show the very fact that land values are down, delinquencies are up, sales are down, commodities are down, and the farmer is on the endangered species list. And nobody feels it more than the farmer does.

Last year, I spoke to the black medical association of my home State. I was seated with these black doctors, and I said, "You know, I sense that racism may be on the upswing in this country." The doctor seated on my left said, "You sense it; we feel it."

The American farmer feels. He is not interested in the lofty debate here, not this debate or any other debate. What he wants to know or what she wants to know, is whether there is any future or should they just hang it up and quit now? There is not one segment of this economy, unless it is possibly the steel industry, that has suffered the ravages of indifference from the U.S. President and Congress like the American farmer. It is going to take dramatic action, but I do not believe that the President ought to be allowed to go past November 6 without telling the American farmer whether there is any light at the end of the tunnel for them. I do not think there ought to be any hidden agenda on that, and I do not think the words ought to be obfuscating. I do not think it ought to be deceitful. I think the President ought either to say, "Yes, I agree with what David Stockman said—from programs must be cut"; or he ought to say, "David Stockman was not speaking for me and he is dead wrong."

That is not asking very much for the most powerful man in the world, the No. 1 man in the United States, the only person who can take the lead in alleviating the plight of the farmer.

So I hope my colleagues will vote for my amendment, and I thank the Senator for yielding.

Mr. COCHRAN. Mr. President, during the course of this campaign, I am sure the candidates are going to try their best to communicate with farmers and with other citizens as to why they ought to be reelected or elected President. We can be assured, whether this amendment is passed or not, that President Reagan and Walter Mondale are going to be cam-

paigning as hard as they can from now until election day.

I think it also should be noted that if we pass the amendment, we are not going to increase the yield on a single acre of land; we are not going to reduce the interest rate that a farmer has to pay; we are not going to stabilize the cost of production; we are not going to increase land values for any farmer; we are not going to move a single bushel of rice in export markets that would not have otherwise been sold.

And so, Mr. President, for that reason, I move to table the Bumpers amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Maine [Mr. COHEN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Nevada [Mr. LAXALT], the Senator from Wyoming [Mr. SIMPSON], the Senator from Vermont [Mr. STAFFORD], the Senator from Texas [Mr. TOWER], the Senator from Wyoming [Mr. WALLOP], and the Senator from Connecticut [Mr. WEICKER], are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. HEINZ] would vote "yea."

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from California [Mr. CRANSTON], the Senator from Kentucky [Mr. FORD], the Senator from Colorado [Mr. HART], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Masschusetts [Mr. KENNEDY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Montana [Mr. MELCHER], the Senator from New York [Mr. MOYNIHAN], the Senator from Arkansas [Mr. PRYOR], the Senator from Mississippi [Mr. STENNIS], are necessarily absent.

I further announce that, if present and voting, the Senator from Montana [Mr. MELCHER], the Senator from New York [Mr. MOYNIHAN], would vote "nay."

The PRESIDING OFFICER [Mr. DANFORTH]. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 46, nays 34, as follows:

[Rollcall Vote No. 230 Leg.]

YEAS—46

Abdnor	Domenici	Hawkins
Andrews	Durenberger	Hecht
Baker	East	Helms
Boschwitz	Evans	Humphrey
Chafee	Garn	Jepsen
Cochran	Goldwater	Kassebaum
D'Amato	Gorton	Kasten
Danforth	Grassley	Lugar
Denton	Hatch	Mathias
Dole	Hatfield	Mattingly
McClure	Quayle	Thurmond
Murkowski	Roth	Trible
Nickles	Rudman	Warner
Packwood	Specter	Wilson
Percy	Stevens	
Pressler	Symms	

NAYS—34

Baucus	Eagleton	Mitchell
Biden	Exon	Nunn
Bingaman	Glenn	Pell
Boren	Heflin	Proxmire
Bradley	Hollings	Randolph
Bumpers	Huddleston	Riegle
Burdick	Inouye	Sarbanes
Byrd	Leahy	Sasser
Chiles	Levin	Tsongas
DeConcini	Long	Zorinsky
Dixon	Matsunaga	
Dodd	Metzenbaum	

NOT VOTING—20

Armstrong	Johnston	Simpson
Bentsen	Kennedy	Stafford
Cohen	Lautenberg	Stennis
Cranston	Laxalt	Tower
Ford	Melcher	Wallop
Hart	Moynihan	Weicker
Heinz	Pryor	

So the motion to lay on the table Mr. BUMPERS' amendment (No. 3695) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, we have just one or two additional amendments that I know about, and I am hoping that we can discuss these amendments, and we may not have to have a RECORD vote on either one of them.

I understand that the Senator from Minnesota [Mr. BOSCHWITZ] wanted to offer an amendment and there is also an amendment to be offered by the Senator from Michigan [Mr. LEVIN].

Those are the only two amendments that I know about.

We are trying to work out some acceptable language with the distinguished Senator from Michigan on his amendment, and I think we have reached an agreement with the Senator from Minnesota, although I do not see him in the Chamber at this moment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 3698

(Purpose: To provide further appropriations to ensure adequate administration of Farmers Home Administration loan programs)

Mr. BOSCHWITZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. BOSCHWITZ] proposes an amendment numbered 3698.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 34, line 6, strike out "$327,251,000" and insert in lieu thereof "$357,251,000".

On page 64, line 4, insert "(1)" before "reduce".

On page 64, line 7, strike out "11,700" and insert in lieu thereof "12,700".

On page 64, line 9, after "14,156", insert the following: "; or (2) accomplish an increase in the full-time equivalent staff years for the Farmers Home Administration under the appropriation for Farmers Home Administration salaries and expenses provided in this Act through a transfer of full-time equivalent staff years from other agencies of the Department of Agriculture, except as otherwise provided in this Act".

Mr. BOSCHWITZ. Mr. President, today I am offering an amendment which calls for an increase in staffing for the Farmers Home Administration [FmHA]. Before explaining the amendment, let me discuss the reasons for offering it. It is clear that the agricultural credit situation in Minnesota and much of the rest of the country is more severe than it has been in many years. The financial stress which burdens our farmers have been largely caused by factors external to agriculture. In the 1970's most farmers prospered and the agricultural economy boomed. At that time, there was enough demand throughout the world so that we could sell virtually all the agricultural commodities we produced. Export sales were enhanced by a relatively low-valued dollar and strong economic growth in countries around the globe. On top of that, interest rates were relatively low.

Today, we see a reversal of those factors. While some of those factors have improved in recent years, nevertheless, there is still generally a reversal of those factors. Export sales have dropped. Part of this has been because of unwise agriculture embargoes from which we are still recovering. The rest of it is due to the overvalued dollar, the worldwide recession, and the aggressive use of unfair trade practices by other nations. Each one of those items should be given equal weight, although certainly the high value of the dollar is difficult to cope with. In addition, farmers are facing interest rates which are simply too high to make farming a viable business.

These factors are beyond the control of the Secretary of Agriculture or the Senate Committee on Agriculture, Nutrition, and Forestry. They have cre-

ated an environment which is extremely difficult for agriculture. Farmers are paying high interest rates to produce commodities which are sold at low prices due to lack of demand.

It is no wonder that farmers have had to borrow money to maintain their operations and now find themselves struggling under excessive debt. Some of them did make poor management decisions and pay too much for land. Others are simply victims of circumstances beyond their control.

I might say, Mr. President, that many of the bankers, many of the CPA's, and many of the other lenders who now do not welcome the farmers through their doors formerly welcomed them with open arms, encouraged them to expand, encouraged them to buy additional land, encouraged them to buy more expensive machinery, and now they really are part of the problem that has now been created.

I became deeply involved in ag credit problems last winter. Due partly to a natural disaster, four FmHA county offices in northwestern Minnesota developed a backlog of several hundred loan applications. To alleviate the pile-up it was necessary to take extraordinary measures and transfer FmHA people to that area from around the State.

I am pleased to report that that backlog was cleared up prior to planting and that the concern about that situation caused the FmHA in our State to be far more aggressive in seeking to solve problems.

The Governor of our State was extremely helpful and we worked in a bipartisan manner to solve those problems. I think that perhaps because of the bipartisanship and the interest of the FmHA, we were indeed able to take care of those problems.

Most of Minnesota, Mr. President, is more than 1,000 miles from Washington. It is difficult to keep track of everything that is happening in our State. So, in an effort to get a grip on the agriculture credit situation, I sponsored and held 30 meetings in local communities in all parts of Minnesota during the July recess and attended a number of those meetings. We talked to somewhere between 500 and 600 farmers and also a large number of lenders. We got a sense of the agricultural credit problems in great depth, as you can understand.

Both farmers and lenders are most concerned about high interest rates. Many farmers made investments at 8 percent interest in the 1970's which were profitable and provided a good cash flow. Since most agricultural loans are set up on a variable interest rate, these same investors are now having to pay interest rates of 14 to 15 percent. Frequently, this increase in interest cost alone is enough to shift a farmer from making a modest profit into incurring a large loss. That is indeed occurring with many farmers who really have been very sound for many, many years.

As I said earlier, there is nothing the Senate Agriculture Committee can do to lower interest rates. I hope that soon Congress will be able to make the decisions necessary to balance the budget. I believe this will clearly lower interest rates in a dramatic fashion, as a matter of fact.

And since net farm income increases by $2 billion for each percentage point drop in interest rates, we could add $10 billion in income to the farm economy by getting the Government's house in order, lowering interest rates by 5 percentage points, and by doing it rapidly.

Farmers also talked a great deal about the problems caused by declining asset values in agriculture. I passed out a questionnaire at each one of those hearings to find out how much land and machinery values have fallen. Although the pattern varied from one part of the State to another, and this was not a statistically significant survey, the farmers and lenders we met with felt that land values in our State have fallen by an average of 38 percent. Two-thirds of the respondents felt that land value was likely to decline even further, while the other one-third expected it to stabilize at about the present level.

The picture for used machinery was about the same. It is no secret that declining asset values have contributed greatly to agricultural credit problems. Some bank examiners have insisted on devaluing land by up to 50 percent. Of course, what happened, Mr. President, is that these loans were made very often aggressively by people in the lending community to farmers on the basis of equity of farmers, on the basis of the value of their assets, and not on the basis of cash flow. Now, with cash flow difficuly, with interest rates high, we indeed have a significant number of highly leveraged farmers who are in deep trouble.

At the meetings we discussed the possibility of expanding the FmHA Operating Loan Guarantee Program. There was substantial support for this by many farmers who had never involved themselves in FmHA before, because loans made by private lenders that receive the 90-percent FmHA guarantee will normally not be classified by bank examiners. One of the really sterling parts of this agricultural appropriations bill is the fact that we have allocated $650 million to be available for operating loan guarantees. That in itself is an enormous step forward and will help the agricultural community to a great extent. We must keep this in perspective, though, Mr. President, because $650 million has to be related to an overall farm debt burden of about $210 billion.

I strongly support the $650 million of operating loan guarantees that is included in this agricultural appropriations bill. It is a major increase of $550 million over this year's program level. Hopefully many of these guarantees can be handled through the new Approved Lender Program that FmHA is setting up. This program will help to improve the coordination between FmHA and private lenders to the benefit of all parties including the farmers. I expect that these additional operating loan guarantees will be well received by Minnesota farmers.

One of the major issues remaining that has not been addressed is a fact that came up time and again at these 30 meetings: There is a general feeling across Minnesota that FmHA county offices simply have too much work, and not enough people to do it. This leads to delays and frustrations which made life very difficult for both farmers and FmHA employees.

It seems that in Minnesota—and probably much of the rest of the country as well—the FmHA staff are being overloaded more each year. The staffing problems in the county officers are getting worse; not better.

I might say that the average loan volume, Mr. President, for a Production Credit Association employee in the 7th Farm Credit District—which includes Minnesota, Wisconsin, Michigan, and North Dakota—is about $2.3 million. The average loan volume per employee in an FmHA county office nationwide is approximately $10 million. While those are not entirely comparable, they are comparable enough so that a four-time difference between the FmHA office and the PCA office indicates that indeed there is a heavy burden cast on the FmHA county office.

Why are these staffing problems happening? We in the Congress have been reasonably responsive in providing more loan funds to FmHA as the demand for loans has risen. I cannot claim that all the needs have been met, but the increase in loan volume has been impressive, nonetheless.

For instance, since 1980 the volume of FmHA's insured operating loan program has more than doubled by going from $849.9 million to more than $1.8 billion so far this year. The number of farmers served has almost doubled, from 31,849 to 54,922.

The situation in Minnesota is more acute than that shown by the national figures. Our State has seen more than a threefold increase in FmHA operating loan volume. It has risen from $29.6 million in 1980 to over $100 million so far this year. The number of farmers has almost tripled from 1,037 to over 2,800.

These numbers show that FmHA has been making a concerted effort to keep as many farmers as possible in

business. I applaud them for it. The other side of the coin however, is that this huge increase in workload has fallen onto the shoulders of a shrinking number of FmHA workers out in the county offices. If we look at the total staff positions for FmHA throughout the country, we see that the staff level has actually fallen by over 3 percent from 12,603 in 1981 to 12,181 in June 1984. The number of permanent full-time staff positions has been increased, but this has been more than offset by the decline in temporary and part-time employees.

Mr. President, this brings me to the purpose of my amendment. This bill imposes a staff ceiling on FmHA of 11,700 "full-time equivalent staff years". That is the same as last year's level. I am proposing that we raise that 8.5 percent to 12,700. That will mean an average about half an additional staff year for each of the 1,900 FmHA county offices.

I do not suggest that we will cure all of FmHA's problems by adding 1,000 people. I do think that such a number can be effectively recruited and utilized. This is a necessary step toward eliminating the frustration, anguish, and—oftentimes—the outright despair that is currently being experienced by so many FmHA borrowers and employees. It would be unconscionable to further increase FmHA's workload as we are doing by adding $550 million of loan guarantees without providing some additional staff.

As you may have already guessed, we can't hire more staff without additional funding. I am advised that it takes appproximately $30,000 per year to maintain an average FmHA employee in the field. Therefore, my amendment adds $30 million to the "salaries and expenses" account.

I believe this is a necesssary expenditure which must be made if we are serious about having FmHA actually do its job of serving farmers who are not eligible for credit from private lenders. If we choose to turn our eyes and not see the problems that are out there, then we are simply trying to fool ourselves.

The current situation of too much work and not enough workers is a sure recipe for discontent and disillusionment out in the countryside. If you have any doubts about this, I encourage you to go hold a meeting with your farmers. The stories you hear will convince you—as I have been convinced—that we must take this action if we are serious about dealing with agricultural credit problems.

I urge all Senators to join me in cosponsoring and supporting this amendment.

Mr. President, I would like to engage my colleague from Mississippi, the chairman of the Agricultural Appropriations Committee, in a short colloquy about this amendment. This amendment would add $30 million to the agriculture appropriations bill, and it would provide for 1,000 additional employees for FmHA offices around the country.

I have spoken to the distinguished Senator from Mississippi about this amendment. He has said that he would have to oppose it. Indeed, if I tested the amendment on the floor of the Senate, we might be able to pass it. However, in the spirit of getting this bill passed and signed and recognizing that the loan guarantee portion of this bill has been vastly expanded and will be very helpful to both farmers and to the banking community—since these guaranteed loans will not be classified and will thereby take some pressure off foreclosures and forced sales—I would be willing to withdraw the amendment. However, I say to the distinguished Senator from Mississippi that we do have to make some provisions for the surge that may well come upon us, and upon the FmHA in the fall and in the winter. I ask that he, I, and others perhaps from the Agriculture Committee approach the Secretary of Agriculture to get from him plans and objectives on how they will handle the problems of agricultural credit that may well be upon them in the fall.

I would solicit the cooperation of my colleague from Mississippi.

Mr. COCHRAN. Mr. President, if the Senator will yield, let me respond first of all by congratulating him for his excellent statement of the situation that he finds existing in the State of Minnesota as a result of his efforts to communicate with the farm community to find out what the problems are, and how they think the Congress ought to legislate to help solve some of these critical problems.

I hear, too, in my State and from other Senators that there is concern about the ability of the Farmers Home Administration to handle the large volume of loan applications that are filed in the district and county offices during the course of the year.

I hope the Senator will reconsider his insistence on a set ceiling. The provision that we have in our bill prevents any decreases in Farmers Home personnel. We are trying to use the general provision in our bill to reflect the USDA estimate of Farmers Home staff years for the next fiscal year. But if we start trying to tie them down, we may unwittingly legislate a ceiling which we would come to regret.

Let me say to the Senator that I will work with him. I know he is trying to get at a problem that is very serious. Let me say that I will work with him in any way possible to try to be sure that we identify the appropriate level of funding for Farmers Home Administration staffing, and that we get the best possible result from the Secretary's office in terms of allocating people to this function within the Department.

Mr. BOSCHWITZ. I thank the Senator from Mississippi. I know that we have spoken about his comments together on the floor, and it will be difficult to achieve those ends through this one amendment.

Mr. COCHRAN. Not only is Farmers Home responsible for administering the farm loan programs, but there are also housing applications that have to be dealt with. Whatever is left of the business and industrial loan program has to be administered by the Farmers Home Administration offices as well, rural and community development activities, such as rural water waste disposal loan activities, and other rural development programs that all end up being handled by these staff members and employees in the local Farmers Home offices.

I think by and large they do an outstanding job to keep up with handling the large volume of business that they have. It has been troublesome to to this Senator for some time that they really do get put in a crunch in the early part of the year. They are trying to make housing loans, and they have this large volume—particularly in the States that are economically depressed—of loans applications to process for farmers. I talked to the Secretary's office, and also to the Assistant Secretary under whose jurisdiction the Farmers Home Administration operates. I was told that they have the authority to hire as many temporary employees as they need to handle these loans. If we legislate a specified number of jobs that ought to be devoted to Farmers Home staffing, we are in effect legislating a ceiling that does not now exist. They can transfer personnel from one agency to another which can also add to the staffing in order to handle the backlog of applications, and the sudden surge that they are confronted with during a lending season which more dramatically affects farmers than at any other time of the year.

Mr. BOSCHWITZ. I point out to my colleague from Mississippi that in his State in the last 5 years operating loans through the FmHA have gone from $32 to $85 million, and that the total number of filled positions in FmHA employment from 552 to 492. So they have actually gone down. It is that that we are trying to address as we watch the developing farm situation. We must talk to the Secretary and others in the Department about their plans to obtain sufficient staff and their plans to obtain sufficient funding so that the FmHA will not be caught without funds to lend.

In the past we have been able to shift moneys around from one FmHA program to another. I think we have in effect loosened some money by

virtue of the guarantee program that I have spoken about and that is included in this bill.

It is important, in a developing situation that could become more difficult, that we have the plan, the personnel, and the money available to support agricultural credit as it needs to be supported.

Mr. COCHRAN. Mr. President, will the Senator yield?

Mr. BOSCHWITZ. I yield.

Mr. COCHRAN. Mr. President, I ask unanimous consent that a copy of a news release issued in St. Louis, MO, dated August 8, 1984, be printed in the RECORD at this point.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

USDA IMPROVES LOAN MAKING CAPABILITIES

ST. LOUIS, MO., August 8.—The U.S. Department of Agriculture's Farmers Home Administration Friday, August 10, will make a major step in updating its loan making and loan servicing capabilities, Secretary of Agriculture John R. Block announced.

Block said the agency will mark the move into modern, high capacity automatic data processing and electronic information transmission when Under Secretary of Agriculture Frank W. Naylor, Jr., officiates at a ribbon-cutting ceremony in the FmHA Finance Office at 1520 Market St., St. Louis.

The ceremony will note the transfer of borrower master files from USDA's St. Louis computer center to its larger Kansas City computer center and the start of new on-line computer terminal capabilities.

The move from a medium to a large capacity computer facility will enable the agency to more effectively handle its growing portfolio of loans and rapidly respond to the credit needs of rural Americans, Naylor said.

Charles W. Shuman, administrator of the agency, said the conversion is a significant part of the administration's commitment to improve "our accounting system to bring about more effective service to rural Americans."

"The conversion puts into operation an automated system which allows state offices to make loans and obtain checks utilizing computer terminals for data processing," he said.

"As a result, rural Americans hit by disasters will benefit from faster response to their credit needs. Handling time from the date of loan approval to the time of funds availability to the borrower will be more than halved," Block said.

A demonstration of terminal capabilities and a tour of the finance office will follow the ribbon cutting.

Mr. COCHRAN. Mr. President, this is a statement indicating that we might be able to look forward to more efficiency in the handling of the growing portfolio of loans by the Farmers Home Administration due to the move from a medium to a large capacity computer facility.

The Administrator of the Farmers Home Administration made this announcement this week, so it does offer some hope that maybe they are moving into an era of better quality technology and will be able to help some of the problems that are confronting that agency in this way. At least it gives us, I think, reason for hope.

Let me also say, with the permission of the Senator from Minnesota, that in October the General Accounting Office is beginning an investigation of the FmHA with respect to the staffing structure. They will be looking at the personnel makeup of the Farmers Home Administration and the entire loan processing procedure.

I am bringing that up to let the Senator know that there is a continuing effort to improve efficiency and to try to get at the bases for problems that he has identified and which need the attention of this Congress and this administration.

Mr. BOSCHWITZ. Mr. President, I thank the Senator from Mississippi and am pleased to hear that a more elaborate and modern means of communication is being installed in the Farmers Home Administration.

I see Senator HUDDLESTON is in the Chamber. I yield to the Senator from Kentucky.

Mr. HUDDLESTON. I thank the distinguished Senator from Minnesota. I join with him in this attempt to resolve what is a serious problem throughout the United States with regard to the service farmers receive on their Farmers Home Administration loan applications.

I think the dialog has indicated that this problem is well recognized.

The Farmers Home Administration has one of the largest loan portfolios in the world—over $50 billion in outstanding loans. That agency's loan portfolio continues to grow each day and the financial problems of many FmHA borrowers require special attention. However, the agency lacks the resources to provide the quality of loan supervision needed to protect the Government's multibillion-dollar investment in the agency's loans.

In fact, a significant increase in staffing is needed just to get the agency up to the number of employees it had as of January 1981. I have before me a Farmers Home Administration report that states that, as of June 1984, the agency had 12,181 employees compared to 12,603 in January 1981.

I am aware that certain officials at the Department of Agriculture like to point out that the Farmers Home Administration has increased the number of permanent full-time employees. However, what those officials fail to mention is that there has been a decrease of over 2,800 part-time and temporary employees form the 1981 levels. Most of those so-called part-time employees worked 39 hours per week and most of the temporary employees were involved in one of the agency's most crucial activities—that of making and servicing natural disaster emergency loans.

The Farmers Home Administration cannot do the job Congress has given it without an adequate number of employees. Further, we cannot afford to risk the Government's multibillion-dollar investment in farm and housing loans by failing to provide proper loan supervision.

However, I understood that efforts will be made to correct the problem and I certainly do not want to do anything with an amendment at this time that would in any way hamper those efforts.

I ask unanimous consent that the report on FmHA staffing levels be included at this point in the RECORD and I yield back to the Senator from Minnesota.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FARMERS HOME ADMINISTRATION COMPARISON OF FILLED POSITIONS

	Permanent full-time		
	January 1981	June 1984	Increase
Alabama	226	272	46
Alaska	20	26	6
Arizona	82	106	24
Arkansas	259	322	63
California	132	211	79
Colorado	102	114	12
Delaware	88	112	24
Florida	144	216	72
Georgia	219	307	88
Hawaii	48	61	13
Idaho	136	153	17
Illinois	176	255	79
Indiana	153	208	55
Iowa	211	274	63
Kansas	138	188	50
Kentucky	222	304	82
Louisiana	189	272	83
Maine	136	168	32
Massachusetts	94	122	28
Michigan	156	230	74
Minnesota	182	249	67
Mississippi	339	451	112
Missouri	261	319	58
Montana	90	110	20
Nebraska	128	176	48
New Jersey	86	102	16
New Mexico	95	103	8
New York	192	254	62
North Carolina	341	458	117
North Dakota	149	203	54
Ohio	132	167	35
Oklahoma	227	272	45
Oregon	97	120	23
Pennsylvania	141	220	79
Puerto Rico	123	156	33
South Carolina	188	232	44
South Dakota	152	178	26
Tennessee	263	317	54
Texas	400	509	109
Utah	93	110	17
Vermont	85	133	48
Virginia	179	250	71
Washington	102	135	33
West Virginia	125	143	18
Wisconsin	179	266	87
Wyoming	66	74	8
Subtotal	7,346	9,628	2,282
National Office	515	456	(59)
Finance Office	627	850	223
Total	8,488	10,934	2,446

FARMERS HOME ADMINISTRATION COMPARISON OF FILLED POSITIONS

	Perm. part time		Temporaries		All others	
	January 1981	June 1984	January 1981	June 1984	January 1981	June 1984
Alabama	47	6	112	3	6	4
Alaska	4	0	1	0	0	0

FARMERS HOME ADMINISTRATION COMPARISON OF FILLED POSITIONS—Continued

	Perm. part time		Temporaries		All others	
	January 1981	June 1984	January 1981	June 1984	January 1981	June 1984
Arizona	25	0	7	1	6	2
Arkansas	42	9	100	3	13	11
California	45	7	34	12	15	3
Colorado	15	2	2	2	1	16
Delaware	22	4	1	6	11	2
Florida	47	3	23	0	8	1
Georgia	36	0	87	0	22	9
Hawaii	19	1	4	1	5	2
Idaho	29	16	39	9	4	0
Illinois	31	8	71	63	7	3
Indiana	41	23	24	9	1	1
Iowa	41	17	40	76	17	14
Kansas	47	18	25	14	12	2
Kentucky	23	15	43	20	0	3
Louisiana	32	12	59	0	0	0
Maine	39	11	6	3	13	4
Massachusetts	31	4	11	1	11	4
Michigan	37	16	19	11	34	3
Minnesota	38	28	27	17	23	2
Mississippi	39	29	170	2	4	10
Missouri	35	12	77	76	6	15
Montana	25	14	20	7	3	2
Nebraska	29	21	72	17	6	0
New Jersey	25	2	16	1	4	2
New Mexico	19	8	3	4	1	3
New York	23	2	51	0	20	13
North Carolina	39	2	148	4	13	8
North Dakota	40	6	69	5	0	18
Ohio	34	9	2	6	0	0
Oklahoma	39	0	69	27	0	1
Oregon	33	6	9	13	18	4
Pennsylvania	33	5	5	13	4	2
Puerto Rico	28	0	0	15	1	0
South Carolina	30	7	37	0	3	19
South Dakota	21	16	19	14	2	2
Tennessee	56	18	71	0	0	10
Texas	74	7	127	24	9	23
Utah	15	7	2	2	0	0
Vermont	39	9	0	0	1	2
Virginia	40	0	98	2	13	0
Washington	25	2	11	3	8	4
West Virginia	25	1	5	5	0	0
Wisconsin	35	4	36	4	0	0
Wyoming	11	6	0	2	0	1
Subtotal	1,503	393	1,852	497	325	225
National Office	47	7	28	9	0	0
Finance Office	216	51	84	35	60	30
Total	1,766	451	1,964	541	385	255

FARMERS HOME ADMINISTRATION COMPARISON OF FILLED POSITIONS

	Total	
	January 1981	June 1984
Alabama	391	285
Alaska	25	26
Arizona	120	109
Arkansas	414	345
California	226	233
Colorado	120	134
Delaware	122	124
Florida	222	220
Georgia	364	316
Hawaii	76	65
Idaho	208	178
Illinois	285	329
Indiana	219	241
Iowa	309	381
Kansas	222	222
Kentucky	288	342
Louisiana	280	284
Maine	194	186
Massachusetts	147	131
Michigan	246	260
Minnesota	270	296
Mississippi	552	492
Missouri	379	422
Montana	138	133
Nebraska	235	214
New Jersey	131	107
New Mexico	118	118
New York	286	269
North Carolina	541	472
North Dakota	258	232
Ohio	168	182
Oklahoma	335	300
Oregon	157	143
Pennsylvania	183	240
Puerto Rico	152	171
South Carolina	258	258
South Dakota	194	210
Tennessee	390	345

FARMERS HOME ADMINISTRATION COMPARISON OF FILLED POSITIONS—Continued

	Total	
	January 1981	June 1984
Texas	610	563
Utah	110	119
Vermont	125	144
Virginia	330	252
Washington	146	144
West Virginia	155	149
Wisconsin	250	274
Wyoming	77	83
Subtotal	11,026	10,743
National Office	590	472
Finance Office	987	966
Total	12,603	12,181

Mr. BOSCHWITZ. Mr. President, I have also spoken with Mr. Isaacs of the FDIC, Mr. Connover, the Comptroller of the Currency, and also Mr. Volcker about how bank examiners should exercise some forbearance in criticizing agricultural loans so that we do not have the wholesale classification of loans that would lead to forced sales of property.

While they note with great vigor the responsibility that they have to the banking system as a whole, nevertheless I think they listened with interest and with a sympathetic ear.

Mr. President, having made all these points, and I thank the Senator from Kentucky, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. COCHRAN. Mr. President, I thank the Senator from Minnesota for his statement, his contributions to the work of this committee, and for his effort to get a more sensitive and efficient delivery of services by the Department of Agriculture to farmers not only in Minnesota but throughout the country. I commend him for the fine work he is doing in that regard.

Mr. President, I have a notation that the Senator from Michigan [Mr. LEVIN] and the Senator from Ohio [Mr. METZENBAUM] have an amendment. Other than those, I know of no other amendments.

I am hoping we have worked out the Levin amendment so that we may be able to recommend that it be accepted. We have been making an effort to do that.

Mr. METZENBAUM. Will the Senator yield for a question or advice and comment?

Mr. COCHRAN. I am happy to yield.

Mr. METZENBAUM. I have an amendment that I am prepared to offer. However, I should say to the distinguished manager of the bill that my sense of the Senate resolution relates to a matter in which I think Senator DOLE has an interest. It is an extension of a matter considered yesterday. I though the Senator from Mississippi might see fit to ask the Senator from Kansas to come to the floor.

Mr. COCHRAN. Mr. President, I thank the Senator very much for that advice. We will contact the Senator from Kansas and invite him to come to the floor when the amendment is brought up.

Mr. President, I see the Senator from Michigan is now on the floor. I yield.

AMENDMENT NO. 3699

(Purpose: To express the sense of the Congress that continued Japanese restrictions against United States products will result in responsive action by the U.S.)

Mr. LEVIN. Mr. President, I sent an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself and Mr. BUMPERS, proposes an amendment numbered 3699.

Mr. LEVIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 64, between lines 9 and 10, insert the following new section:

SEC. 627. (a) The Congress finds that—

(1) Japan imposes quotas on eighteen categories of United States agricultural products while the United States does not impose any quotas on Japanese agricultural products;

(2) Japan makes her markets difficult to penetrate by formal and informal tariffs, quotas, and barriers and is one of the most protectionist countries in the world; and

(3) the result was a trade imbalance with Japan in 1983 of $19 billion and a projected trade imbalance of more than $27 billion in 1984.

(b) It is the sense of the Congress that should Japan continue tariffs, quotas, and barriers against American products the result would be that the U.S. would no longer treat Japan better than they treat us in the area of trade.

Mr. LEVIN. Mr. President, this amendment has been modified and I understand it is now acceptable to the floor managers of the bill. I am offering this amendment expressing the sense of the Senate that the United States is unwilling to accept Japan's continued restrictions against our products.

In 1983 our trade imbalance with Japan was $19 billion. In 1984, the projected trade imbalance with Japan is estimated to exceed $27 billion.

In the first 3 months of this year, if they were taken as an indication of the 1984 trade deficit with Japan, the trade imbalance would actually be $32 billion.

A good example of Japan's discrimination against our products is the imbalance in our agriculture products. Japan has imposed quotas on 18 categories of U.S. agriculture products while the United States does not impose any quotas on Japanese agri-

culture products. Japan's markets are difficult to penetrate, and the protectionist attitudes and programs of Japan contribute to the large trade imbalance we are now experiencing with her. I am advocating fair trade, and the adoption of this amendment will give that signal to Japan to stop restrictions against our products.

If they refuse us adequate access to their markets, then we should respond. Fair is fair. I see no reason why the United States should accept trade policies which are less than equal. We cannot continue to tolerate our trade deficit and we need to send a strong signal to our trading partners that we will not sit idly by and watch our industries suffer at the expense of their protectionist policies.

As I indicated, Mr. President, I believe this is now acceptable to the two managers of the bill. I ask unanimous consent that Senator BUMPERS be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection it is so ordered.

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, there are some concerns about the provisions of this amendment. First, I do not know that this committee has jurisdiction over this subject matter. The present occupant of the chair is the chairman of the Trade Subcommittee of the Senate Committee on Finance. I am very reluctant to represent to the Senate that this amendment is really in the best interest of the United States. I am just not sure that it is.

There are some concerns that have been expressed to me by persons who have looked at the amendment and who tell me that Japan is our best customer for U.S.-grown agricultural products, that there are some recent developments that are very encouraging. Japan has recently agreed to increase their citrus and beef import quotas. In view of this progress, there is some concern that this amendment might damage further negotiations that are taking place with the Japanese.

I think everyone would agree that we would like to see fair treatment for our country by any trading partner. I am certainly one of those in the Senate who thinks we need to get tougher than we have been in international trade. We need to do everything we can within the terms of the General Agreement on Tariffs and Trade and other treaties to which we are a party and which we have ratified to help improve our trade situation around the world. But Japan does purchase more agricultural products from the United States than any other country, and I think we do recognize them as a very important trading partner.

As a matter of fact, Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table showing the top five agricultural trade partners of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TOP 5 AGRICULTURAL TRADE PARTNERS (COUNTRIES)

[In billions of dollars]

	1983	1982
Japan	6.2	5.5
Netherlands	2.53	3.04
Mexico	1.94	1.15
Korea	1.83	1.58
Canada	1.83	1.8

Mr. COCHRAN. As shown by the table, Mr. President, Japan ranks No. 1. In 1983, they purchased $6.2 billion in agricultural commodities and products from the United States.

There is some hope that we can work out some agreement on this amendment. I do not want to say at this point that we insist on trying to table this amendment, but there is some concern about the intent of it.

Let me ask the Senator from Michigan, if I may, if this is simply an expression of the Congress, the sense of the Congress that, should Japan continue tariffs, quotas, and barriers against U.S. agricultural commodities and products, the United States should not continue to treat Japan better than Japan treats us in the area of trade. Is that the general tenor of the amendment?

Mr. LEVIN. The Senator is correct.

Mr. COCHRAN. Mr. President, while there may be some concerns about this, I am certainly willing to take this to conference and discuss it with the House conferees. It does not provide for an additional appropriation; it is not a limitation on appropriations that are contained in the bill. Unless there is objection from the distinguished Senator from Missouri, I am prepared to recommend that we accept the amendment.

Mr. MATSUNAGA. Mr. President, will the Senator yield?

Mr. COCHRAN. I shall be happy to yield to the distinguished Senator from Hawaii.

Mr. MATSUNAGA. I wish to put a question to the offeror of the amendment.

Does the Senator from Michigan realize that Japan imports 60 percent of all the agricultural products exported by the United States?

Mr. LEVIN. I think that was made clear in Senator COCHRAN's comments.

Mr. MATSUNAGA. Does the Senator from Michigan realize, too, that Japan imports 95 percent of all of its imports of soybeans from the United States?

Mr. LEVIN. As a matter of fact, my good friend from Hawaii knows that I represent a State that produces a great deal of soybeans and we need these agricultural exports.

The reason for this sense-of-the-Congress resolution is that Japan has 18 categories of quotas on our agricultural products. We have none on hers.

Mr. MATSUNAGA. Well, Mr. President, as the Senator from Michigan may know, Japan hardly has any agricultural commodities to export.

Mr. LEVIN. They do export lots of commodities, I say to my friend from Hawaii.

Mr. MATSUNAGA. But they are not agricultural commodities, as my friend from Michigan well knows, so the Senator's amendment would in effect be meaningless to the Japanese. We could not invoke quotas in Japanese agricultural products because we import practically nothing.

Mr. President, the point I am trying to make here is that we must not forget that Japan is our greatest trading partner in the Pacific Basin, and we have got to cultivate their friendship to the point where we look upon each other not as competitors but as partners in our constant struggle for economic security.

I have coming later this month, for example, from Japan, a team headed by Ambassador Sawaki, former Japanese Ambassador to the Philippines and to Indonesia, who is coming to see about the possibility of joining with the United States in the support of the Pacific International Center for Science and Technology Research. The Japanese are gesturing to invest in projects and programs in America in order to reduce the lopsided balance of trade in their favor. That balance of trade in their favor will be between $21 billion and $27 billion this year. They are concerned about it and would like to find ways and means of reducing that balance that is excessively in their favor. I am fearful that an amendment such as that being offered by the Senator from Michigan might jeopardize such programs which are now under consideration. It is only for this reason that I have risen to question the Senator from Michigan.

I fully appreciate the position that he finds himself in because of the competition in the auto industry, but I think we have taken care of that to the point where the auto industry in Michigan has revived itself and is competing very well today.

Mr. LEVIN. I thank my friend from Hawaii. My friend does know Michigan is a great agricultural State, one of the greatest agricultural States. The restrictions on Japan's 18 categories of products include some areas where Michigan could export. We do not accept Japanese restrictions on beef, on lumber, on citrus, on a

number of agricultural products. I think my friend would agree that continuing progress is important, that everybody should be after a fair trade policy. That is all that this sense-of-the-Congress resolution does connote.

Mr. MATSUNAGA. I thank the Senator from Michigan for his clarification.

Mr. COCHRAN. Mr. President, I do not know of any other Senators who wish to speak on the issue.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3699) was agreed to.

Mr. LEVIN. I move to reconsider the vote by which the amendment was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEVIN. I thank the floor manager.

Mr. COCHRAN. The only other amendment I know anything about is the amendment of the Senator from Ohio [Mr. METZENBAUM].

AMENDMENT NO. 3700

(Purpose: To express the sense of the Congress that obligations issued outside the United States be in registered form)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. DURENBERGER). The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 3700.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following section:

SEC. . (a) The Congress finds that—

(1) the Secretary of the Treasury should take all reasonable and necessary steps to improve and promote tax compliance,

(2) long-term debt issued in registered form improves tax compliance,

(3) in the Tax Equity and Fiscal Responsibility Act of 1982, Congress restricted the use of unregistered obligations in order to promote tax compliance,

(4) the Secretary of Treasury has publicly stated that the Treasury Department has no plans to issue bearer securities,

(b) It is the sense of the Congress that the Secretary of the Treasury shall—

(1) immediately act to prevent the sale or resale of securities in bearer form, backed by the U.S. Treasury or agencies and instrumentalities of the United States, and to prevent such agencies and instrumentalities of the United States from issuing bonds in bearer form, and

(2) report to the appropriate Committees of Congress by September 1, 1984 on the effectiveness of existing law and regulation to achieve the aforesaid objectives, as well as preventing tax evasion by Americans who purchase bonds overseas.

Mr. METZENBAUM. Mr. President, this is a sense-of-the-Senate resolution which I call up today and follows one that I called up yesterday. Yesterday, I offered a sense-of-the-Senate resolution having to do with the Treasury issuing bearer bonds.

Now, the issue of bearer bonds is a very simple one. If you do not have to have the bonds in registered form, it is pretty simple for people not to pay their taxes. Foreign investors, and sometimes indirectly foreign investors on behalf of U.S. investors, can use this procedure to avoid paying their taxes.

Now, we find an article on the subject in the Wall Street Journal today, a day after the discussion that I had yesterday on the floor of the Senate with the chairman of the Finance Committee—and so there may be no question about this, I do not find him at fault at all. In fact, he has been totally cooperative. I think he shares the concerns of the Senator from Ohio on this very issue. But the Wall Street Journal today had an article, "Group Buys $1.7 Billion of U.S. Bonds, Plans 'Bearer' Form to Lure Foreigners." That article says that:

Salomon Brothers Inc., the lead house in the group, said the sponsors intend that foreigners will be able to buy the repackaged bonds in anonymous "bearer" form.

The article goes on to point out that:

The Treasury Department yesterday said it has decided against offering securities in this form, despite the attraction of foreign buyers. Critics of bearer form have warned that it could worsen tax evasion by foreigners and Americans alike.

The article reads on:

Now investors and investment bankers will have to see whether the Treasury or Congress will move to squelch arrangements such as Salomon's and another offering brought to market yesterday by Goldman, Sachs & Co., in which the bankers buy the bonds and add the anonymity feature for their foreign customers.

Mr. President, I ask unanimous consent the entire article be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Aug. 10, 1984]

GROUP BUYS $1.7 BILLION OF U.S. BONDS, PLANS "BEARER" FORM TO LURE FOREIGNERS

(By Michael R. Sesit and Alan Murray)

Five securities firms and banks purchased $1.7 billion of yesterday's 30-year $4.8 billion U.S. Treasury bond offering and plan to repackage the bonds in a way that will be particularly attractive to foreign investors.

Salomon Brothers Inc., the lead-house in the group, said the sponsors intend that foreigners will be able to buy the repackaged bonds in anonymous, "bearer" form.

The Treasury Department yesterday said it has decided against offering securities in this form, despite the attraction to foreign buyers. Critics of the bearer form had warned that it could worsen tax evasion by foreigners and Americans alike.

Now investors and investment bankers will have to see whether the Treasury or Congress will move to squelch arrangements such as Salomon's and another offering brought to market yesterday by Goldman, Sachs & Co., in which the bankers buy the bonds and add the anonymity feature for their foreign customers.

CONVERSION PLANNED

Salomon said the sponsors intend to convert the bonds into about $7 billion worth of Certificates of Accrual on Treasury Securities, called CATS, for sale to both U.S. residents and foreign investors.

The CATS issue, which splits the interest coupons on the bonds from the principal portion, is the largest such offering ever made by Salomon.

Besides Salomon, the sponsoring group comprises Citibank, PaineWebber Inc., Prudential-Bache Securities and Shearson Lehman/American Express Inc.

Yesterday, Treasury Secretary Donald Regan sent a letter to Robert Dole (R., Kans.), chairman of the Senate Finance Committee, saying that the Treasury had no plans to issue bonds in bearer form. The Treasury had received expressions of concern from members of Congress and some foreign governments that such instruments could make tax evasion worse and make it more difficult for foreign countries to raise money in international markets.

CATS are effectively zero-coupon bonds that carry no interest and are sold at a deep discount from face value. The investor gains an effective yield, because he is repaid the face value of the bond at maturity.

The Salomon group's Treasury bonds are to be split into two segments consisting of $5.3 billion of coupon CATS due semiannually from Feb. 15, 1985, to Aug. 15, 2009, and a so-called corpus portion, consisting of the $1.7 billion Treasury bonds' principal, callable Aug. 15, 2009 and maturing Aug. 15, 2014.

Starting today, the corpus portions of the CATS are being offered at $595 for a $1,000 bond to yield an effective 11⅝ percent.

INTERCHANGEABLE CATS

The bearer CATS sold to foreigners and the registered instruments sold to U.S. residents will be enterchangeable, said E. Craig Coates, a Salomon managing director. Thus, CATS sold to a U.S. resident by a foreigner become registered instruments, while registered CATS sold to a foreigner will revert to bearer form, if required by the foreign investor.

The bearer bonds won't be immediately available, but, instead, will be placed on deposit as a single global certificate at either Euroclear or Cedel, the two European clearing systems. They, in turn, will release the bonds in bearer form when investors pay for them and certify that they are neither U.S. residents nor holding the bonds for U.S. residents.

Nevertheless, it remains to be seen what proof the Treasury might require that a bearer-bond holder isn't a U.S. resident. U.S. regulations require investors either to identify themselves when being paid interest or principal from the U.S. or to pay a 20 percent so-called backup withholding tax.

Some bankers contend that as much as 50 percent of the Eurobond market won't invest in U.S. securities without guarantees of anonymity.

An issue for the Treasury, say bankers, will be whether it accepts a U.S. investment bank's certification that a bearer bond has been sold to a foreign financial institution or whether it will require the foreign institution to further certify that the actual bondholder isn't a U.S. resident.

Some bankers contend that since it is virtually impossible for a foreign bank to know who the real owner of a bond is, the bank may refuse to put its name behind a declaration that no U.S. residents hold U.S. bearer bonds.

NO ASSURANCE

In fact, the CATS' offering statement warns investors that "there can be no assurance that a requirement to provide such a statement (that the holder isn't a U.S. resident) or additional certifications will not apply to sales or payments at maturity of the CATS. All payments on CATS will be made net of any tax withholding, if applicable."

Salomon Brothers said that it had informed the Treasury of its intention to offer CATS in bearer form to foreigners.

Some bankers contend that the argument over whether U.S. residents will use U.S. bearer securities to evade U.S. taxes is moot. "Any determined tax evader can shield anything from anyone he wishes," said a U.S. investment banker. Referring to the Salomon offering, he added: "This isn't exactly opening a Pandora's box; the Pandora's box has already been opened."

At year-end 1983, there was $140 billion of outstanding Eurodollar bonds in bearer form as well as more than $50 billion of bearer bonds denominated in other currencies. Bankers point out that any sophisticated U.S. investor could have used them to evade taxes.

Mr. METZENBAUM. First of all, I think this is a reprehensible practice. I think it is wrong.

Up until yesterday, it was understood that the Treasury was moving in the direction to issue bearer bonds, and as of yesterday, when the Secretary of the Treasury learned, as I had advised the chairman of the Finance Committee, that I was going to offer a sense-of-the-Senate resolution, he then sent a letter indicating that Treasury had no plans to issue bearer bonds.

Now, what do we find is the sequel to that? Not only two big investment banking houses but we also find that some of the agencies of our Government are planning to do this on their own. Treasury will not do it; they will do it.

The Bond Buyer, for August 10, 1984, reads as follows:

FNMA seeks clearance to issue bearer bonds abroad. The Federal National Mortgage Association urged the Treasury Department today to let it and other U.S. corporations issue bearer bonds so they may gain free and complete access to foreign markets.

It goes on to recite that one of the Congresspersons indicated that that should be the practice followed. The article continues on:

FNMA is a privately owned corporation, but it has a charter from the Government and a backup line of credit with the U.S. Treasury. The Treasury lobbied hard in Congress for repeal of the 30-percent tax, and it is considered doubtful that it would choose a form of bond issuance that would jeopardize the new investment market it worked so hard to gain.

As a consequence, Mr. President, we find ourselves in this situation: We find that Treasury has now backed off, we find that agencies and instrumentalities of the U.S. Government are moving in that direction, and we find investment banking houses in this country are moving to circumvent that which is obviously the will and the intent of the Congress.

It is my understanding that the chairman of the Finance Committee does not object to the passage of this resolution, but it is also my understanding that they want a modification and so, at this time, before asking the Senate to act in connection with this matter, I will send a modifying amendment to the desk.

The PRESIDING OFFICER. The amendment is so modified.

Mr. METZENBAUM. Did I hear the Chair rule the amendment is so modified?

The PRESIDING OFFICER. The Chair did rule that the amendment is so modified.

The amendment, as modified, is as follows:

At the appropriate place, insert the following section:

SEC. . (a) The Congress finds that—

(1) the Secretary of the Treasury should take all reasonable and necessary steps to improve and promote tax compliance,

(2) long-term debt issued in registered form improves tax compliance,

(3) in the Tax Equity and Fiscal Responsibility Act of 1982, Congress restricted the use of unregistered obligations in order to promote tax compliance,

(4) the Secretary of Treasury has publicly stated that the Treasury Department has no plans to issue bearer securities.

(b) It is the sense of the Congress that the Secretary of the Treasury shall—

(1) immediately act to the fullest extent possible under existing law to prevent the sale or resale of securities in bearer form backed by securities of the United States, and to prevent such agencies and instrumentalities from issuing bonds in bearer form, and

(2) report to the appropriate Committees of Congress by September 1, 1984 on the effectiveness of existing law and regulations to achieve the aforesaid objectives, as well as preventing tax evasion by Americans who purchase bonds overseas.

Mr. COCHRAN. Mr. President, I have been advised by the Senator from Kansas, the chairman of the Finance Committee, that this sense-of-the-Senate resolution is acceptable to him, and I have been asked to recommend to the Senate that the amendment be agreed to.

Mr. METZENBAUM. Mr. President, because the chairman of the Finance Committee has made it very clear that all of us in this body feel this practice should not be condoned—and as a matter of fact, should be condemned—I see no reason to force this body into a rollcall vote on the subject. If the manager of the bill is prepared to accept the amendment, I am very happy to go forward.

Mr. COCHRAN. Mr. President, we are prepared to accept the amendment. We accept the amendment. We recommend the Senate approve it.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Ohio.

The amendment (No. 3700), as modified, was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I know of no other amendments on the bill. If there are no Senators who have other amendments, I ask for third reading.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

Mr. COCHRAN. Mr. President, I ask for the yeas and nays on final passage of the bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I support the Agriculture, Rural Development and Related Agencies appropriation bill as reported by the Senate Appropriations Committee.

I commend the distinguished chairman, Senator HATFIELD, and the subcommittee chairman, Senator COCHRAN, for bringing this bill to the floor so expeditiously after full committee markup.

H.R. 5743 provides $35.8 billion in budget authority for the Department of Agriculture.

With outlays from prior-year budget authority and adjustments to conform mandatory programs to budget resolution assumptions, fiscal year 1985 outlays associated with this bill would be $23.6 billion.

The Senate Appropriations Committee has not yet made its 302(b) allocations to subcommittees under a first budget resolution.

When Appropriations Committee subcommittee allocations are available, I will insert into the RECORD tables comparing the spending in this bill to this subcommittee's allocation.

Nondefense discretionary spending in this bill is consistent with the guid-

ance of $7.5 billion in budget authority given to the subcommittee by the full Senate Appropriations Committee on June 14, 1984. Mr. President, I ask unanimous consent that a table showing this relationship be inserted into the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Agriculture and Related Agencies Subcommittee nondefense discretionary budget authority—fiscal year 1985

[In billions of dollars]

Senate-reported bill (H.R. 5743)	7.4
Subcommittee total	7.4
Committee guidance [1]	7.5
House-passed	7.3
President's request	6.8
Subcommittee total compared to:	
Committee guidance [1]	−0.1
House-passed	+(*)
President's request	0.6

[1] Nondefense discretionary cap guidance approved by the Appropriations Committee on June 14, 1984.

FOCUS: HOPE

Mr. LEVIN. Mr. President, recently, I was informed by Focus: HOPE, a Commodity Supplemental Food Program [CSFP] in the State of Michigan, that the program continues to experience a shortfall in administrative funding from fiscal year 1982. During that year, Focus: HOPE incurred an operating deficit of $431,536 because the administrative funding formula for the Commodity Supplemental Food Program did not reflect surplus commodities such as cheese and nonfat dry milk, distributed as a regular part of the food package for mothers and infants.

In 1983, Congress approved legislation to change the administrative funding formula for CSFP to address this problem. However, the modification in the funding formula approved in 1983 did not resolve the deficit incurred by Focus: HOPE in fiscal year 1982. Furthermore, additional funds appropriated by the Congress did not fully cover the debt. As I undersand it, the USDA is prohibited from using reallocated funds from fiscal year 1983 to cover Focus: HOPE's 1982 deficit of $72,295.

Mr. President, while I have preferred to address this problem by offering an amendment to the Agriculture appropriations bill, H.R. 5743, I understand the need to move on to the final passage of the bill. But I wonder whether the chairman of the Subcommittee on Agriculture appropriations would be willing to support an amendment providing funds to Focus: HOPE to cover the 1982 debt when the Senate takes up the continuing resolution in September?

Mr. COCHRAN. Mr. President, the problem Focus: HOPE has experienced relative to an operating deficit during fiscal year 1982 has just come to the subcommittee's attention. I would like to have an opportunity to check the facts and to discuss the matter with the Department of Agriculture. However, I want to assure my colleagues from Michigan that I would consider supporting such an amendment after studying this matter further.

Mr. LEVIN. Mr. President, I ask unanimous consent that several letters regarding this matter be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
Chicago, IL, July 26, 1984.

Dr. PHILIP O'LEARY,
Acting Director, School Management Services, Michigan Department of Education, Food and Nutrition Section, Lansing, MI.

DEAR DR. O'LEARY: On April 17, 1984, you sent us a letter requesting that Focus: HOPE be reimbursed for a $72,295.00 operating deficit in fiscal year 1982 with fiscal year 1983 reallocation funds. We have not notified you of the results since OMB has not yet apportioned the reallocation money for distribution.

However, after talking with Eleonor Josaitis at the CSFP Detroit Conference, I believe that it is necessary to provide you with FNS's position on this particular matter.

We will not be able to cover this $72,295.00 for reimbursement with money from the fiscal year 1983 reallocation. According to 31 USCS Section 502, entitled "Balances Available", appropriations for any given period of time cannot be used to cover expenses from another period of time. In this case, we cannot cover fiscal year 1982 expenses with funds appropriated for fiscal year 1983.

If you have any further questions, please give me a call.

Sincerely,

DAVID M. MIKELSON,
Regional Director, Supplemental Food Programs.

DEPARTMENT OF EDUCATION,
Lansing, MI, April 17, 1984.

Mr. DAVID M. MIKELSON,
Regional Director, Supplemental Food Program, Chicago, IL.

DEAR MR. MIKELSON: It has come to my attention that the Agriculture Department is prepared to reallocate unspent Fiscal Year 1983 administrative funds for the Commodity Supplemental Feeding Program (CSFP).

Focus: Hope has requested $72,295 of these funds to be applied to its fiscal year 1982 CSFP operating deficit of $431,536.

As you know, that deficit has been the subject of several previous actions, but it has yet to be fully resolved. It was first discussed with USDA officials (Barbara Sandoval and John Body) at meetings with Focus: Hope in September and November of 1982. When it became clear that the Department was unable to fully absolve the deficit through unspent fiscal year 1981 and fiscal year 1982 CSFD funds, Congress passed a supplemental appropriation for this purpose. From these two sources, Focus: Hope received less than the $431,536 deficit amount reported by the Arthur Andersen and Company program audit for fiscal year 1982.

Initially, a total of $323,710 was paid through the supplemental adjustment (received in November, 1983) and another $35,531 was paid through the fourth quarter reallocation of fiscal year 1981 and fiscal year 1982 funds (received this past January.) This leaves $72,295 in administrative expenses paid by Focus: Hope in fiscal year 1982 for which they have not been reimbursed by any federal agency.

It seems clear to me that the intention of both Congress and the Department was to fully address this deficit. For all concerned, I would strongly recommend that unspent fiscal year 1983 money be used to settle the entire deficit experienced by Focus: Hope in fiscal year 1982.

Thank you for your consideration of this request.

Sincerely,

PHILIP J. O'LEARY,
Ph.D., Director, School Management Services.

STONE FRUIT DECLINE AND POTATO RESEARCH

Mr. LEVIN. I would like to ask the chairman of the Agriculture Appropriations Subcommittee if he would give careful consideration in the conference to a provision which is in the version of this legislation approved by the other body, but which is not contained in the bill as reported out of the the Senate Appropriations Committee. This provision provides $300,000 in fiscal year 1985 for stone fruit decline research. Stone fruit decline is a disease which primarily affects cherry and peach trees and can cut the life of the tree in half. As a result, it imposes a severe financial burden on peach and cherry growers.

I am particularly sensitive to this issue because Michigan ranks first in the Nation in the production of red tart cherries and sixth in the production of peaches. It means millions of dollars to the economy of Michigan.

I am also concerned about the committee recommendations for potato research. The line item specifies $600,000 for potato research for the Eastern, Western, and Midwestern regions. However, the report language allots $200,000 to breeding programs in the East and $400,000 to the Pacific Northwest potato industry. That leaves no allocation to the Midwest. I hope the Senate conferees will give these matters serious consideration.

Mr. COCHRAN. I understand the Senator's concerns and I assure him that I will seriously consider them during the conference. It is my hope that we can resolve the differences between the House and Senate versions in a way that is mutually satisfactory to all.

Mr. RIEGLE. Mr. President, I would like to associate myself with the remarks of my friend and colleague from Michigan. As he correctly states, the research funds that we are seeking are of critical importance to Michigan agriculture. Michigan ranks among the Nation's top producers of peaches, plums and cherries, both sweet and tart. The total value of these crops is almost $60 million, and several thousand people in the State are depend-

ent on the health of these crops for their livelihood.

Because of this dependence, the availability of research moneys to address the problems caused by stone fruit decline is necessary. Michigan State University is uniquely capable of performing research of this nature, both due to its tremendous academic resources, and to its proximity to the major fruit-producing areas of the State. In addition, Michigan is a logical choice for these funds given the wide diversity of stone fruit crops in the State.

The House has approved an appropriation of $300,000 to begin the stone fruit decline research. Unfortunately the Senate committee was unable to agree to this amount. I understand, however, that the distinguished chairman of the subcommittee, Mr. COCHRAN, will strongly consider adding funds for this program when it is discussed in conference, and I am most grateful for this consideration.

Another item that has been mentioned concerns funds for the potato research program, which has been allocated $200,000 on page 31 of the committee report with programs earmarked for Eastern, Western and Midwestern areas of the Nation." I have spoken with Congressman TRAXLER, one of the authors of the House language, and he specifically intended funds to be divided between all three areas. On page 34 of the Senate report, however, the committee directs the $200,000 to be allocated to the university breeding programs in Pennsylvania, Maine, New York, and Maryland. I am concerned about this allocation since it clearly is inconsistent with the House intention, and is contrary to the line-item description which includes a Midwestern site.

I hope that the chairman will modify the language and will accede to the House intentions to provide funding for a Michigan location.

In closing, the chairman of the subcommittee and the ranking member have been extremely helpful to me in efforts to address problems inherent to Michigan agriculture. I am deeply appreciative of these actions, and am hopeful that the issues that I have raised and which Senator LEVIN has raised will be considered.

Mr. HATFIELD. Mr. President, I would like to address a question to the chairman of the Senate Appropriations Subcommittee on Agriculture and the manager of the bill regarding fruit research. In the report accompanying H.R. 5743, the fiscal year 1985 agriculture, rural development, and related agencies appropriations bill, it is indicated that the committee recommended increases of $48,000 over the 1984 level for fruit research at Wenatchee, WA, and $61,000 for fruit research at Yakima, WA. Last year the conference report (H. Rept 98-450) to accompany H.R. 3223, the fiscal year 1984 agriculture, rural development, and related agencies appropriations bill stated that the fiscal year 1984 level would be $1,318,000 for Wenatchee, WA, and $1,234,000 for Yakima, WA. It is the understanding of the manager of the bill and the chairman of the subcommittee that the increases provided by the committee are to the levels reflected in the fiscal year 1984 conference report?

Mr. COCHRAN. Yes; that is correct.

Mr. HATFIELD. I thank the Senator from Mississippi.

ELDERLY COMMODITY SUPPLEMENTAL FEEDING PROGRAM

Mr. JOHNSTON. Mr. President, I want to congratulate the distinguished subcommittee chairman and ranking member for the actions they recommended with respect to an important pilot feeding project, modeled on the Commodity Supplemental Feeding Program for women and children, for needy seniors. This program has been met with overwhelming enthusiasm in the communities it now serves and has proved to be an efficient and cost-effective means of providing food to those older Americans most in need of this assistance.

There is one point on which I seek clarification, however. On page 106 of the committee report, the committee states its intention that sufficient funds be made available to maintain current participation rates in the program. I assume this means that each program's current level should be maintained, and for New Orleans this means that our current caseload of 8,000 should be maintained. If need be, the administration is directed to make available funds in addition to the $1.3 million floor earmarked in the report in a timely manner so that no senior now on the program who continues to be eligible for it will be cut off.

Is that the chairman's understanding of this language?

Mr. COCHRAN. Yes, it is the committee's intent that each of the three pilots be maintained at its year-end participation rate and that no program should be forced to reduce its current caseload. In the case of New Orleans, the caseload will be 8,000 as the Senator from Louisiana noted. If additional funds are needed to accomplish this, the administration is directed by this report language to allocate additional funds in a timely fashion to maintain each pilot's caseload so that no senior now on the program who continues to qualify for it will be forced off in midyear.

Mr. JOHNSTON. I thank the distinguished Senator from Mississippi for this important clarification and again express my sincere thanks for his help on this issue.

WOOD UTILIZATION RESEARCH

Mr. COCHRAN. Mr. President, I do have a colloquy with the Senator from Washington [Mr. GORTON] that involves a provision of this bill. Senator MCCLURE and Senator HATFIELD are also parties to this colloquy.

Mr. GORTON. Mr. President, today I came to the floor of the Senate fully intent on introducing an amendment to the agriculture rural development, and related agencies appropriations bill, H.R. 5743. My colleagues were made aware of my intentions as they appeared in my dear colleague letter which was circulated 2 days ago.

Mr. President, I have no quarrel with the bulk of the agriculture appropriations bill. In fact, I applaud the work of Senators HATFIELD, COCHRAN, and the other Senators on the Appropriations Committee for the superb job that they have done in fashioning this bill. In particular, I believe that the leadership of the esteemed chairman of the committee, Mr. HATFIELD, and the highly regarded chairman of the subcommittee of Agriculture, Rural Development, and Related Agencies deserve the highest praise from their fellow Senators and the American public.

As my colleagues know, however, I am concerned about a small but important part of the agriculture appropriations bill. The part of which I speak concerns the establishment and funding of three Forestry Research Centers of Excellence. As the bill is currently written, $3 million is earmarked for the creation of these centers to be located at Mississippi State University, Oregon State University, and Purdue University. The need for Forestry Research Centers is well documented. In 1983, the Office of Technology Assessment produced a lengthy report which championed the establishment of "two or three national research centers of excellence aimed at improved utilization of wood and wood materials." The centers would, as the committee report states, "focus their research on the utilization of wood, through developing technology required to improve the efficiency of wood harvesting and processing, develop new products, and develop new markets, both foreign and domestic." My amendment recognized the beneficial goals of this legislation but it would have changed the program from a special research grant program to a competitive program authorizing the Secretary of Agriculture to make grants for research centers of excellence on a competitive basis. The goal of my amendment would have been the assurance that all qualified schools would have a chance to compete for the opportunity to become one of these centers of excellence.

Mr. President, I am concerned about the precedent the bill would create by designating three specific schools as forestry research centers of excellence at the exclusion of the more than 50

other forestry schools that operate in 38 of the 50 States. I do not question the excellence of the schools mentioned in the bill, but I am concerned that by designating these three schools as the Forestry Research Centers of Excellence of the United States, we are prejudicing the other forestry schools that do excellent research in universities and colleges across the country. In my own State, the University of Washington and Washington State University both have excellent, nationally recognized forestry schools. I do not believe that the intent of the Appropriations Committee or the Subcommittee on Agriculture was to label the three schools mentioned in the bill as the "best" or the "most excellent" of our Nation's forestry schools, but that reading of the bill is certainly possible. More important will be the distribution of funds over the Forestry Research Centers of Excellence Program in coming years. Are we saying here with this legislation that the only schools that may be considered by Congress for such funding are those that we are designating today as forestry research centers of excellence? I would hope that 1, 2, 5, or 10 years from now other qualified schools would be given the opportunity to be considered by Congress for these funds.

Mr. COCHRAN. Mr. President, the Senator's points are well taken. I want to assure the Senator from Washington—and all Senators who have forestry schools in their States—that we are not declaring these schools to be the "best" forestry research schools in the United States; nor are we providing funds to these universities for the purpose of enabling them to attain that distinction.

These "centers of excellence" would focus their research on the utilization of wood products, not the production of forestry resources. As the Senator stated, they would develop new technologies which would improve the efficiency of wood harvesting and processing, and would develop new products which could improve foreign and domestic markets for wood and wood products.

The Senator from Washington mentioned the 1983 Office of Technology Assessment [OTA] report concerning the need for wood utilization research. It was on the basis of this report that we chose the name "Forestry Research Centers of Excellence." I can see how that might be misleading. Therefore, Mr. President, I will propose in conference on this bill that we not create "centers of excellence" but simply provide a special grant of $3 million for wood utilization research to be distributed to the three universities referred to in the committee report on this bill.

I would also point out, Mr. President, that the Interior appropriations bill, as reported by the Appropriations Committee, contains $10 million for competitive grants for forestry research, including $5 million for research similar to that which we are discussing. The competitive grants in that bill are provided under a different authority than the competitive grants in the agriculture appropriations bill.

Mr. GORTON. Mr. President, I thank the Senator from Mississippi for that clarification. As my colleague knows, I am worried that schools such as the University of Washington, and Washington State University and other excellent forestry schools throughout the country could be hurt by not being designated as forestry research centers of excellence. Although this issue is only one small part of the very large and complex agriculture appropriations bill, it had the potential to do great harm to forestry schools that had not gained the laudable distinction as centers of research excellence.

Mr. HATFIELD. Mr. President, I understand the concerns of the Senator from Washington and I concur with the statement of the Senator from Mississippi.

I would also like to add that the senior Senator from Washington is fortunate to have two excellent forestry schools in his State at the University of Washington and at Washington State University. The University of Idaho also has a well-known forestry school. With the fine reputation that these three schools have attained, I am confident that they will be able to compete successfully for grants, which the committee has provided in the Interior Appropriations Committee under competitive research grants program for forest and rangeland renewable resources in the $500,000 to $1 million range.

Mr. COCHRAN. I concur with the comments of my good friend and colleague, Senator HATFIELD.

Mr. McCLURE. Mr. President, I must say that I am pleased with the efforts of my friend from the State of Washington. I am also appreciative of the work done by my colleague on the Appropriations Committee. Senator COCHRAN has offered a good compromise that I believe every Senator can and should support. As chairman of the Interior Appropriations Subcommittee, I enthusiastically offer my support for this compromise.

FOOD STAMP REDEMPTION AT COMMUNITY HEALTH CENTERS

Mr. COCHRAN. Mr. President, at this time I wish to clarify the intent of Congress concerning a provision contained in the conference report on the first continuing resolution for fiscal year 1984.

Until last year, the Food Stamp Act of 1977, as amended, required the Department of Agriculture to deny food stamp benefits to otherwise eligible residents of alcohol and drug abuse treatment programs in certain States, because the sponsors of such programs are considered to be "public" agencies rather than "private, nonprofit" organizations as specified in the act.

This prohibition created an unfortunate discrimination against those States which have chosen to designate regional commissions, which are considered public agencies, to operate alcohol and drug treatment programs through community mental health centers. These health centers, supervised by the regional commissions appointed by local governments, provide exactly the same types of services and are funded in the same ways as the "private, nonprofit" agencies which are approved to receive food stamps.

In the conference report on the continuing resolution for fiscal year 1984 (Report 98-397), the Food Stamp Act was amended to allow drug addiction or alcohol treatment and rehabilitation programs conducted by publicly operated community health centers to redeem food stamps for its otherwise-eligible residents just as such programs are allowed to do which are conducted by privately operated community health centers. The conferees fully intended this to be a permanent change in law, and, therefore, these centers will continue to be eligible to redeem such food stamps.

NUTRITIONAL VALUE OF ANIMAL FOODS

Mr. COCHRAN. Mr. President, the distinguished Senator from Iowa [Mr. JEPSEN] and I have a colloquy on the subject of nutritional value of animal foods.

Mr. JEPSEN. Mr. President, I want to commend the distinguished chairman, members of the full committee, and of the Agriculture Subcommittee for the fine job they have done with this bill. With the critical need to bring the Federal deficit under control it is an especially difficult task to try to do everything that needs to be done, and at the same time exercise the fiscal restraint necessary to keep spending at a responsible level.

One area in which I have considerable interest and concern is not specifically addressed in this bill. However, it is currently the object of some attention within the U.S. Department of Agriculture. I would like to ask the distinguished chairman of the Agriculture Subcommittee, the Senator from Mississippi [Mr. COCHRAN] if we could take a moment to direct some additional encouragement to USDA to continue certain efforts they have begun in the important area of diet and nutrition?

For a number of years now the public has been subjected to a succession of conflicting studies, reports, and pronouncements about what foods may or may not be beneficial from the standpoint of long-term effects on

human health. The result has been massive confusion and some erosion of public confidence, not only in many of those who have issued these pronouncements, but to some extent also in those who monitor the quality of our national food supply, and determine the relative nutritional value of foods of animal origin in particular.

An unfortunate effect of this flood of conflicting and often negative information is that it tends to create a distored perspective on the food in our diets.

Now, more than ever before, we need a better understanding of the positive contributions of various foods and food groups in our diet. What nutrients are necessary to sustain life and maintain health, and what foods provide them? What are the relative nutritional contributions of foods of animal origin compared to foods of plant origin, and what essential nutrients are supplied by each?

The U.S. Department of Agriculture should be encouraged in their current planning efforts for a conference on this subject. This would provide the public with scientifically sound, factual information on what is known about human food needs and the nutritional contributions offered by various foods in the diet to meet those needs. I am certain that Chairman COCHRAN and my other good friends and colleagues on the Agriculture Appropriations Subcommittee will agree that this is an important and useful undertaking and that a letter to Secretary Block expressing our support would be in order.

Mr. COCHRAN. Senator JEPSEN makes a good point, and I certainly would agree that this is an effort that should be supported and encouraged. Many research projects and studies are set up to try to determine what is the cause of a specific bad effect. It is natural that the findings of such studies are expressed in a negative way.

A comprehensive look at the positive nutritional contributions of the various foods in our diet—especially foods of animal origin—is a very useful and helpful thing to do at this time. I agree with Senator JEPSEN that a letter to Agriculture Secretary Block expressing support for this undertaking would be very much in order.

BOLL WEEVIL ERADICATION PROGRAM

Mr. COCHRAN. Mr. President, I have a colloquy between the Senator from Alabama [Mr. HEFLIN] and myself and a colloquy between the Senator from Georgia [Mr. MATTINGLY] and myself on the subject of the Boll Weevil Eradication Program.

Mr. HEFLIN. I know that Senator COCHRAN is familiar with the Boll Weevil Eradication Program currently underway in North and South Carolina. We have spoken about the success of this program and the desire of cotton farmers to expand the program to other Southeastern States. Funding of this program is shared between producers and the Federal Government, with producers paying 70 percent of total program cost.

Farmers in my State of Alabama and in Georgia will make a final decision on the program this fall and next spring by voting in statewide referendums. If the referendums pass, APHIS is scheduled to begin work in July, 1985.

I notice that the committee report "directs the Department to submit a budget request at the earliest opportunity for the necessary funds to cover the Federal portion."

Is it the intent of this report language to require the Department of Agriculture to submit a request for supplemental appropriations in fiscal year 1985 immediately after passage of the State referendums? In the event a supplemental appropriatons bill is in the legislative process after the passage of the State referendums, will the Appropriations Committee initiate such funding by an amendment to the Department's request?

Mr. COCHRAN. My answer to both questions is yes. The primary reason for delaying the appropriation until later is that Federal funding is contingent upon passage of State referendums in the program areas. Given the demonstrated success of current programs and willingness of farmers to support the cost of an eradication program at the 70 percent level, it is my opinion that the Appropriations Committee will fund this program in fiscal year 1985.

Mr. MATTINGLY. Mr. President, if I might ask my distinguished colleague from Mississippi a question about the provisions in the bill and the Senate report pertaining to the Boll Weevil Eradication Program. Specifically, is it the Senator's impression that, even with the report language which instructs the Department to expedite a funding request in the event additional States become eligible by providing cost sharing, there would be a problem getting the program in place for the 1985 crop if eligibility is not established and funding provided during the very first month or two of next year?

Mr. COCHRAN. That is correct, Mr. President. The folks at APHIS who run the program have indicated to me that if a State were to pass enabling legislation as late as January of next year, there would probably be too little time to hold a referendum and implement a program for crop year 1985.

Mr. MATTINGLY. Mr. President, may I further ask the able chairman of our Agriculture Appropriations Subcommittee whether it could be fairly said that he would actively support a supplemental appropriation for this program should local matching funds be secured?

Mr. COCHRAN. Mr. President, in our committee report, the Secretary is directed to submit a supplemental appropriations request upon passage of a referendum in any State which provides for local matching funds to be obtained for this program. The Senator would have my full support for providing necessary funds for this program on the first available vehicle which comes through the Senate after passage of such a referendum assuring the availability of local matching funds.

Mr. DOLE. Mr. President, I rise in support of the agriculture appropriations bill, as reported by the Senate committee. For the first time in recent memory, the committee has decided to fully fund the Federal nutrition programs through the entire fiscal year. If projected cost estimates prove correct, no supplementals will be necessary next year.

This is a major step in the right direction, and I commend the leadership of the distinguished Agriculture Appropriations Subcommittee chairman, Mr. COCHRAN, and the distinguished chairman of the committee, Mr. HATFIELD, as well as other members of the committee on both sides of the aisle. This represents good fiscal judgment with regard to these vital programs.

FULL FUNDING

Mr. President, as chairman of the Nutrition Subcommittee, I am very pleased that, if all goes well during the next fiscal year, Federal nutrition programs will not be forced to go through any midyear funding crises as they have in the past. All too often, Congress has acted at the last hour to provide the necessary supplemental appropriations for the food stamp program and WIC. This creates a tremendous amount of uncertainty on the part of program administrators and recipients. We may be able to avoid this type of crisis next year.

FOOD STAMP PROGRAM

This bill contains $11.450 billion in food stamp program funds, with an additional $825 million for the Puerto Rico Food Assistance Program. The funding level in this legislation represents an increase of $533 million over fiscal year 1984 funding, $652 million more than the President's fiscal year 1985 budget, and $760 million more than was provided in the House bill. The $11.5 billion is the amount of funding that the Congressional Budget Office has estimated to be necessary to fully fund the Food Stamp Program through September 1985. Since next year we will be in the middle of deliberations over the 1985 farm bill, it is most helpful that we do not need to worry about a food stamp supplemental while all this is going on.

Further, the committee has directed that no action be taken by the administration to reduce benefit levels in accordance with section 18(b) of the Food Stamp Act without Congress first having the opportunity to consider required supplemental funding if such funding becomes necessary. The Senator from Kansas agrees with the committee that program participants should not have to suffer the consequences or uncertainty of possible benefit reductions due to incorrect estimates of program cost on the part of Government entities.

CHILD NUTRITION PROGRAMS

The committee has provided the WIC program with sufficient funds to maintain current services at the participation level of about 3 million women, infants, and children. The $1.471 billion contained in this legislation, as reported from committee, is $111 million more than was provided in fiscal year 1984, and $217 more than the President's fiscal year 1985 budget. It also represents an increase of $229 million over the House version.

In addition, for the nonentitlement child nutrition programs, the committee has provided a total of $3.8 billion, which is $246 more than the fiscal year 1984 program level, $49 million more than the President's budget for fiscal year 1985 and $38 million more than the House version.

TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

One of the programs that has been most useful in addressing the needs of low-income and unemployed individuals during the past economic recession has been the temporary emergency food assistance program, which provides surplus agricultural commodities to food banks, soup kitchens, churches and other local nonprofit organizations that help those in need of food who may fall between the cracks of other Government programs. The committee has provided the $50 million authorized for fiscal year 1985. Since this program expires next year, the authorizing committee will be evaluating its effectiveness in addressing the problems it was intended to alleviate.

CONCLUDING REMARKS

Mr. President, the Senator from Kansas is pleased that the Appropriations Committee has taken this action to provide full fiscal year funding for nutrition programs in accordance with the most recent CBO cost estimates. Should these projected estimates fall short of the required need, the Congress will still have an opportunity to provide supplemental funding, but, for once, this action may be unnecessary. This legislation represents a great improvement in fiscal planning for these essential programs.

FUNDING FOR REA

Mrs. HAWKINS. Mr. President, as chairman of the Senate Agriculture Committee's Subcommittee on Agricultural Credit and Rural Electrification, I would like to point out one item in H.R. 5743 which I feel needs to be discussed. It concerns an appropriation of $215,964,000 to reimburse the rural electrification and telephone revolving fund for losses incurred in fiscal year 1983.

As stated in the committee report, this appropriation is deemed necessary to reimburse the revolving fund for losses incurred by the fund as a result of changing 5 percent interest rates for its own financing. While this appropriation of over $215 million is purportedly based upon losses in fiscal year 1983, in fact, on a cash basis the revolving fund actually made a profit of $91.2 million that year, according to Rural Electrification Administration officials.

To understand this discrepancy, we only need look at the fact that the revolving fund was created by providing it with certain assets and liabilities back in 1973. One of these liabilities was the payment of principal due on outstanding loans to the REA Administrator from the Secretary of Treasury totaling $7.9 billion. The interest, on the other hand, was forgiven.

It is this level of forgiven interest, no longer an expense of REA, which is being appropriated to the fund in this legislation. According to REA, the fund retains sufficient assets to cover its expenses for several more years and with direct appropriations as contained in this bill, Congress is, in effect, merely buying additional time before the fund becomes insolvent.

This appropriation, regardless of the figure on which it is based, could be considered as a premature appropriation, merely buying time, but at the expense of the American taxpayer.

If Congress choses to appropriate the shortfall in the fund each year and merely extend the life of the fund on a yearly basis, it is free to do so. However, I perfer a less costly and more long-term solution, one that truly brings interest expense in line with interest receipts. During our hearings, I discovered broad support for some modification in the interest rates charged fund borrowers in order to help resolve the fund's problem. I believe that the real solution lies primarily with the interest rate formula and I believe we should focus our attention on that formula. However, as the appropriation contained in this bill does help Congress buy precious time, it is certainly not the answer I think we are all looking for.

Mr. HUDDLESTON. Mr. President, H.R. 5743 provides funding for important programs that benefit farmers and rural residents, and enable persons with low incomes to receive a nutritionally adequate diet. The funding provided by the bill will enable the people of the United States to benefit from the assurance of an adequate and wholesome food supply and the preservation of our natural resource base.

The overall funding for fiscal year 1985 under the bill is approximately $33 billion in new budget authority, with outlays amounting to approximately $28 billion.

The bill does not include the general provision of the House-passed agriculture appropriations measure that reduces, by 1 percent, each amount appropriated or otherwise made available. However, the bill incorporates the 1-percent reduction for those accounts where such reduction is appropriate and where sharper cuts are not provided.

For example, the 1-percent reduction is applied to the fiscal year 1985 funding for Department of Agriculture advisory committees and the Department's Office of Governmental and Public Affairs, but the bill restores funds associated with the 1-percent, across-the-board reduction approved by the House—and fully funds for fiscal year 1985—the Department's Office of the Inspector General, the Office charged with uncovering fraud and abuse.

While I believe that some programs could reasonably use greater funding, current budget limitations force us to keep outlays for these programs to the minimum necessary to respond to the needs of U.S. agriculture.

NEED FOR STRONG SUPPORT OF AGRICULTURE

We need to take every feasible action to support the Nation's farmers and ranchers because the last several years have been most difficult for them. The declining value of farm assets, high interest rates, and low farm income have combined to create a severe crisis for many farmers.

The Department of Agriculture projects that net cash income for farmers in 1984 will decline substantially from the 1983 estimated range of $37 to $41 billion. After adjusting for inflation, net cash income to farmers in 1984 could be down by more than 25 percent. In no year under the current administration has cash income, measured in constant dollars, exceeded the 1980 level.

Much of the decline in farm income may be attributed to the disturbing weakness in U.S. agricultural export markets. U.S. farm export volume is expected to go down again in fiscal year 1984, for the fourth consecutive year. Export shipments in fiscal year 1984 are expected to be about 22 million tons less than the peak volume of 164 million tons reached in 1980. The greatly reduced volume of shipments has weakened market prices for many agricultural commodities.

Contributing to the reduced volume of shipments has been the continued strength of the U.S. dollar. Between 1980 and 1983, the value of the dollar in terms of foreign currency increased by as much as 50 percent. Therefore, despite the lower market prices of U.S. agricultural commodities, foreign purchasers have not had any price incentive to buy American farm goods.

The high value of the dollar reflects the high interest rates that prevail in the United States. While nominal interest rates have declined from the record high levels of a few years ago, real interest rates remain very high.

These dismal facts argue strongly as to the need for Department of Agriculture farm programs that are funded in fiscal year 1985 by this legislation.

COMMODITY PROGRAMS

Under H.R. 5743, appropriations will be made to reimburse the Commodity Credit Corporation for losses incurred through the commodity price and income support activities of the Corporation. The bill appropriates $8.7 billion for this purpose, some $975.4 million less than provided in fiscal year 1984 and the same amount requested by the administration.

INTERNATIONAL PROGRAMS

The bill provides funding for programs that promote agricultural export market expansion and for the Food for Peace (Public Law 480) Program. In particular, I am pleased that the bill provides for an increase of $153 million for the Food for Peace Program over the fiscal year 1984 funding level.

Under the bill, more than $1 billion is provided for programs operated under titles I and III of Public Law 480, the titles that authorize sales for convertible foreign currencies or for dollars on credit terms, and food for development programs. Of that amount, $705 million is appropriated, with the balance of the funding derived from sales of foreign currencies.

H.R. 5743 will also provide $650 million for commodity donation programs operated under title II of Public Law 480. Under the title II operations, commodities are supplied to combat hunger and malnutrition in areas of the world where the people are unable to provide for themselves.

RESEARCH AND EXTENSION

Federal support of the development of agricultural science and education programs is a public investment that has paid great dividends to the Nation and the world. I am pleased that the bill provides solid support for the research and extension programs.

There is $489 million provided for the Agricultural Research Service for fiscal year 1985, an increase of about $15 million over the level of funding for fiscal year 1984, and $156.5 million is provided for payments for cooperative research under the Hatch Act.

Funding for the Extension Service under the bill is $343.7 million, including $241.5 million for payments for cooperative extension under the Smith-Lever Act.

Under the bill, $50 million is provided for competitive research grants, including $28.5 million for biotechnology research grants. The biotechnology research projects funded under the grant program will enhance the future productivity of agriculture and help to ensure an adequate supply of agricultural products for future generations.

CONCLUSION

Mr. President, this bill will fund important agriculture, food, conservation, and research and extension programs in fiscal year 1985. I am convinced that the people of the United States support efficiently run programs that ensure an adequate and secure food supply today and for the future. While many of us would like to see more funding for many programs, I believe that this bill as amended by the Senate is fiscally responsible and must be passed.

Mr. MITCHELL. Mr. President, I plan to vote against the Agriculture appropriations bill for fiscal year 1985. I will do so because, at $35.78 billion, it is $1.23 billion more than the budget estimate of $34.52 billion, and $1.57 billion more than the amount approved by the House of Representatives. That's too much at a time when the Federal deficit is out of control, and a realistic plan of action to remedy the deficit problem has yet to be arrived at, let alone implemented.

The bill has a number of attractive features; for instance, I strongly support the committee's decision to restore the cuts previously make in the feeding program for women, infants, and children [WIC]; rural housing programs of the Farmers Home Administration; business and industrial loans; conservation programs of the Soil Conservation Service; and cost-sharing programs of the Agricultural Stabilization and Conservation Service.

In my judgment, the committee also acted responsibly when it provided $11.4 billion for the Food Stamp Program, under which coupons are issued to eligible low-income households to enable them to obtain a better diet by increasing their food purchasing power.

At the same time, however, I am not pleased with the high level of funding contained in this appropriations measure which will be devoted to maintaining the commodity price support program administered by the Commodity Credit Corporation. This bill contains $9.6 billion—more than $283 million more than the amount provided by the House—to support the price of corn, cotton, wheat, rice, peanuts, tobacco, dairy products, honey, wool, mohair, barley, oats, rye, grain sorghum, sugar, soybeans, and seed cotton.

While I am willing to accept the view that the Congress must provide appropriations for the price support programs as long as these programs remain in statute, I believe firmly that they cost the taxpayers too much, especially in the context of the current and projected budget deficits.

In my judgment, the lower House figure for this appropriations bill makes more sense and should be adopted by the Senate.

FARM SUBSIDIES REMAIN TOO FAT

Mr. PELL. Mr. President, I have cast my vote against passage of the Agriculture appropriations bill—despite the increases it includes for the Food Stamp Program and other vital nutrition programs—because the farm subsidies that it contains remain far too fat.

The amounts that this measure earmarks for the Food Stamp Program, for the child nutrition program, for the elderly feeding program and for Women, Infants and Children [WIC] feeding programs are up from the inadequate amounts sought in the administration's budget request.

That is good and, if that were all, I would support the Agriculture appropriations bill enthusiastically. Unfortunately, this measure also contains staggering amounts to cover farm subsidies that are way out of line with our troubled economy.

Once again, we are faced with an agriculture bill that is far too generous to the private farm industry and unfair to taxpayers and consumers.

It is wrong to ask taxpayers to pay for overblown price support programs that only assure consumer prices will remain high.

We are facing skyrocketing Federal budget deficits and, at a time when we need to restrain spending more than ever, I cannot support the payment of billions of dollars in subsidies to the agricultural industry.

The PRESIDING OFFICER. The bill, having been read the third time, the question is, Shall it pass?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Maine [Mr. COHEN], the Senator from Nevada [Mr. LAXALT], the Senator from Wyoming [Mr. SIMPSON], the Senator from Vermont [Mr. STAFFORD], the Senator from Texas [Mr. TOWER], the Senator from Wyoming [Mr. WALLOP], and the Senator from Connecticut [Mr. WEICKER], are necessarily absent.

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from California [Mr. CRANSTON], the Senator from Ken-

tucky [Mr. FORD], the Senator from Alabama [Mr. HEFLIN], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Montana [Mr. MELCHER], the Senator from New York [Mr. MOYNIHAN], and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

I further announce that, if present and voting, the Senator from Montana [Mr. MELCHER] and the Senator from New York [Mr. MOYNIHAN], would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 71, nays 11, as follows:

[Rollcall Vote No. 231 Leg.]

YEAS—71

Abdnor	Exon	Mattingly
Andrews	Garn	McClure
Baker	Glenn	Metzenbaum
Baucus	Goldwater	Murkowski
Bingaman	Gorton	Nickles
Boren	Grassley	Nunn
Boschwitz	Hart	Packwood
Bradley	Hatch	Percy
Bumpers	Hatfield	Pressler
Burdick	Hawkins	Quayle
Byrd	Hecht	Randolph
Chiles	Heinz	Riegle
Cochran	Helms	Sarbanes
D'Amato	Hollings	Sasser
Danforth	Huddleston	Specter
DeConcini	Inouye	Stennis
Denton	Jepsen	Stevens
Dixon	Kassebaum	Symms
Dole	Kasten	Thurmond
Domenici	Leahy	Trible
Durenberger	Levin	Tsongas
Eagleton	Long	Warner
East	Lugar	Zorinsky
Evans	Matsunaga	

NAYS—11

Biden	Mathias	Roth
Chafee	Mitchell	Rudman
Dodd	Pell	Wilson
Humphrey	Proxmire	

NOT VOTING—18

Armstrong	Johnston	Pryor
Bentsen	Kennedy	Simpson
Cohen	Lautenberg	Stafford
Cranston	Laxalt	Tower
Ford	Melcher	Wallop
Heflin	Moynihan	Weicker

So the bill (H.R. 5743), as amended was passed.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes thereon and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. DURENBERGER) appointed Mr. COCHRAN, Mr. MCCLURE, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTER, Mr. HATFIELD, Mr. EAGLETON, Mr. STENNIS, Mr. CHILES, Mr. BURDICK, and Mr. SASSER conferees on the part of the Senate.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I want to express my sincere appreciation to the distinguished Senator from Missouri [Mr. EAGLETON], for his outstanding help in the development of this bill, and its passage; and, also, other members of the committee who worked very hard to bring this bill to the floor, and helped to assure its passage.

I also want to thank Ken Auer, who is the staff member for Senator EAGLETON on the committee; and Irma Hanneman; and Forest Thigpen and Koni Gleason, members of my staff, who helped so much with the passage of this bill.

I thank the President.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I congratulate the managers on both sides for a job well done. I am only speaking facetiously when I point out that some days ago the distinguished manager of this bill, the manager on the other side in all candor came to me and said, "Senator, we can finish this bill in 2 hours." That was 2 weeks ago. [Laughter.] It was not really 2 weeks ago, but a long time. I understand how that goes. That is not meant to detract from the admiration I have for their working this bill through to its completion. That is a job well done.

I congratulate them, and I congratulate the Members and their excellent staff on both sides of the aisle for a smooth-running debate in the disposition of an important piece of legislation.

Mr. BYRD. Mr. President, I would like to associate myself with the remarks of the distinguished majority leader as he has commended, quite rightly and deservedly, the skill and efficiency with which these two fine Senators have managed this bill.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, there may be other matters that we can do while we continue to wait for the House of Representatives to deal with the supplemental appropriations conference report. May I say there may be other rollcall votes today. Senators should not assume that there will not be.

I urge all Senators to wait until we can get a better idea of what the House will do with the supplemental conference report which is the last remaining must piece of legislation to be taken care of before we pass the adjournment resolution.

Once again, Senators should not assume that there will not be other rollcall votes. There may very well be, particularly in respect to the supplemental conference report. I can assure Members that as soon as I have any further information about that, I will let them know because I am mindful of the pressure of travel arrangements, personal arrangements, and official arrangements that begin to bear so heavily on Members at this hour.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, while we get our bearings and see what else there is to be done, I think there are a few things we can take care of.

Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business until no later than 4:30 p.m., in which Senators may speak for not more than 5 minutes each with the exception of the two leaders, against whom no limitation of time will apply.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET ACT WAIVER

Mr. BAKER. Mr. President, may I say to the minority leader that there is one bill of particular interest to Senators NICKLES and EXON, which appears to be cleared for action by unanimous consent.

If the minority leader is prepared to go forward with that now, I am prepared do do so.

Mr. BYRD. Mr. President, there is no objection on this side.

Mr. BAKER. I thank the majority leader.

Mr. President, I ask the Chair to lay before the Senate the Budget Act waiver to accompany H.R. 71, which is Senate Resolution 361.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The bill clerk read as follows:

A resolution (S. Res. 361) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 71.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Budget Act waiver was considered and agreed to as follows:

S. RES. 361

Resolved, That pursuant to section 402(c) of the Congressional Budget act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of H.R. 71, an Act to authorize and direct the Secretary of the Interior to engage in a special study of the potential for ground-water recharge in the High Plains States, and for other purposes. H.R. 71, as reported, authorizes the enactment of new budget authority which would first become available in fiscal year 1984.

The waiver of section 402(a) of such Act is necessary to permit congressional consideration of H.R. 71. Such bill was not reported on or before May 23, 1983, as required by section 402(a) of the Congressional Budget Act of 1974 for such authorizations.

HIGH PLAINS STATES GROUNDWATER DEMONSTRATION PROGRAM ACT OF 1983

Mr. BAKER. Mr. President, I ask the Chair to lay before the Senate Calendar No. 732, which is H.R 71, and ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The bill clerk read as follows:

A bill (H.R. 71) to authorize and direct the Secretary of the Interior to engage in a special study of the potential for groundwater recharge in the High Plains States, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

There being no objection, the Senate proceeded to consider the bill (H.R. 71).

AMENDMENT NO. 3701

Mr. BAKER. Mr. President, on behalf of the distinguished occupant of the chair, who may not act because of his present responsibilities, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Tennessee [Mr. BAKER], for Mr. DURENBERGER and Mr. PERCY, proposes an amendment numbered 3701.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 2, line 7, strike "Act." and insert "Act: *Provided*, That funds made available pursuant to this Act shall not be used for the study or construction of groundwater recharge demonstration projects in the High Plains States and other Reclamation Act States which would utilize water originating in the drainage basin of the Great Lakes.

Mr. DURENBERGER. Mr. President, I am today offering three amendments to this legislation which may not be entirely necessary, but which nevertheless establish what I believe to be important principles.

H.R. 71 is a small demonstration program to study and test the feasibility of ground water recharge in the High Plains States and other arid areas of the West. It is well-known that the aquifers of these States are being rapidly depleted as a result of various consumptive uses, principally irrigation of agricultural acreage. Ground water aquifers recharge only slowly and the result of pumping at current rates must necessarily be complete depletion, if we were to rely solely on natural processes of replenishment.

Other sources of water will need to be found. Many believe that ground water recharge through high-pressure injection wells using surface waters is a promising technology to solve that problem. It has advantages over the typical reclamation projects which impound flowing waters in man-made reservoirs for surface distribution by irrigation canals. It may be less expensive. It may also preserve water resources by greatly reducing evaporation and absorption of surface waters that are diverted for consumptive uses.

I am pleased with the intent of the legislation and congratulate the sponsors of the bill on the long-term vision that it reflects. But I have concerns which I think are satisfied by the amendments that I am introducing. It seems to me that there are questions that need to be resolved which go beyond technical and economic feasibility. I attempted to address those questions through the amendments that I am offering, today.

The first is water quality. As I read the bill there is no explicit consideration of the impact on ground water quality that these injection projects might have. At this point I do not believe that is necessary to establish some elaborate water quality criteria. But I do believe that we should involve the Agency of the Federal Government, the Environmental Protection Agency, with water quality responsibilities in the early phases of what may become a large public works undertaking. Thus, my first amendment rquires that a memorandum of understanding between Interior and EPA be written on the water quality implications of the proposed projects. I would expect that EPA, for its part would assure that none of the authorized projects would degrade ground water resources which are or may be used for drinking water, nor would EPA approve projects that would divert surface waters to the point that the quality of a river, lake, or stream would no longer meet standards establish under the Clean Water Act.

My second amendment concerns the role of Congress in considering and approving these projects. The bill is structured to include two phases. The first phase authorizes study which will conclude with a proposal by the Department of Interior recommending the construction of several specific projects. But nothing in the bill would require the Congress to approve construction on a project-by-project basis before appropriations can be made. The committees with authorizing jurisdiction apparently did not believe that specific authorizations were needed since the principal purpose of this legislation is demonstration rather than full-scale development.

Nevertheless, I think that the Congress should have the opportunity to judge the merits of the projects on an individual basis, if it chooses. Therefore, my second amendment would require specific line item appropriations for each project before phase II construction could begin.

The final issue I would raise, and it is a difficult and sensitive issue here in the Senate, is interbasin water transfers. As we begin this demonstration program, we have yet to seriously consider the sources of surface water that will or could be used if ground water injection should become a widespread practice in semi-arid regions. The citizens of my State and our neighbors in the Great Lakes region are rightly concerned about this question. Recently I had the opportunity to speak on this question in Toronto at a water resources conference sponsored by the Province of Ontario on the subject of Great Lakes diversion. Rather than belabor the debate here this afternoon, I would simply ask unanimous consent that my remarks be printed in the RECORD at the conclusion of my comments.

I want to thank the sponsors of this legislation and the members of the Energy and Natural Resources Committee for their sensitivity to these concerns and their help in drafting a third amendment which assures that no water will be diverted from the Great Lakes basin nor will any part of the study be devoted to the possibility of such diversion as a source for ground water recharge in the reclamation States.

Mr. President, let me conclude by once again thanking the sponsors for their patience and help in drafting these amendments. I would now urge their adoption.

Mr. PERCY. Mr. President, I am extremely pleased to join my distinguished colleague from Minnesota in sponsoring this amendment to H.R. 71.

We all realize the importance of ground water supplies for the High Plains States and other States under the Reclamation Act. The depletion of the great Ogallala Aquifer which underlies the High Plains is one of the most disturbing environmental occurances of the past 50 years. I commend the sponsors of this bill in both Houses for their foresight in looking at possible solutions to the problems of ground water loss and the problematics of ground water recharge.

At the same time, we have to start thinking about where the water is going to come from to replenish the Ogallala and other ground water repositories. By adopting this amendment, the Senate will send a clear mes-

sage that this water is not going to come from the Great Lakes watershed.

The Great Lakes environment is a fragile one. We all know the devastating effects which pollution has had on Lakes Erie and Ontario. Other Senators will recall the horrific effects of the lamprey on the ecology of the lakes. The point is that the Great Lakes ecosystem must not be tampered with any more than it has been already. Losses of water through diversion would be just the kind of shock to the lakes' ecosystem that we are seeking to avoid.

The amendment which we are offering will prohibit any use of water from the Great Lakes watershed in demonstration projects to be set up under H.R. 71. Nor will studies of such diversions for the purposes of this act be allowed.

Mr. President, this amendment makes perfect sense. Any new diversions of Great Lakes water will have detrimental effects on the lakes' environment. Fish and wildlife habitats will be adversely affected as water levels drop and wetlands are diminished. In addition, we in the Great Lakes States would face economic losses. Estimates of the loss to commercial shipping alone in the Great Lakes from the drop in the water level of 1 inch range as high as $10 million as various channels and harbors become less navigable.

Mr. President, I ask unanimous consent that letter from Mr. George Ryan, president of the Lake Carriers' Association, dealing with the effects of diversion on commercial shipping in the Great Lakes, be printed at the conclusion of my remarks in the RECORD.

I am pleased that this legislative package has been worked out and I greatly appreciate the support of all of my colleagues for it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LAKE CARRIERS' ASSOCIATION,
Cleveland, OH, January 26, 1984.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, DC.

DEAR SENATOR PERCY: Commercial navigation on the Great Lakes would be seriously affected by any further diversion of Great Lakes water from the region. The lowering of the water level by a water diversion out of the Great Lakes basin would reduce the amount of cargo a vessel can transport per trip and have an adverse economic impact on waterborne commerce and particularly the movement of iron ore, coal, grain, stone, and petroleum products. An example of the estimated loss to the shipping industry is that for every inch of water lost, there would be 750,000 fewer tons transported per year with existing ships.

The International Lake Erie Regulation Study Board, in their report to the International Joint Commission, confirms the disbenefit to commercial navigation by any reduction in the water level. The need for concern for an adequate supply of water in the Great Lakes watershed in the future is pointed out in the report of the International Great Lakes Diversions and Consumptive Uses Study Board to the International Joint Commission.

The bill, S. 2026, introduced with joint sponsorship of Senators from each of the Great Lakes states, would establish legislation for the regional beneficial use of this natural resource and a procedure for approving the exception for any diversion outside the Great Lakes drainage basin. The Great Lakes shipping industry does not favor diversion of water within a Great Lakes state or outside a Great Lakes state if substantial quantities of the diverted water would leave the Great Lakes watershed. If S. 2026 were modified to accept this principal, then the bill would be endorsed and fully supported by Lake Carriers' Association.

Sincerely yours,
GEORGE J. RYAN, *President.*

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Minnesota [Mr. DURENBERGER].

The amendment (No. 3701) was agreed to.

AMENDMENT NO. 3702

Mr. BAKER. Mr. President, I send an amendment to the desk on behalf of the distinguished Senator from Minnesota, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Tennessee [Mr. BAKER], for Mr. DURENBERGER, proposes an amendment numbered 3702.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 5, line 19, insert the following new section 5 and renumber existing sections accordingly:

"SEC. 5. The Secretary, acting through the Bureau, and the Administrator of the Environmental Protection Agency (hereinafter referred to as the "Administrator") shall enter into a memorandum of understanding to provide for an evaluation of the impacts to surface water and groundwater quality resulting from the groundwater recharge demonstration projects constructed pursuant to this Act. The Administrator shall consult with the United States Geological Survey and shall make maximum use of data, studies, and other technical resources and assistance available from State and local entities in conducting the evaluation. The evaluation of water quality impacts shall be completed so as to be included in the Secretary's final report to the Congress referred to in section 4(c)(2) of this Act."

Page 6, line 1, strike section 6 in its entirety and insert in lieu thereof:

"SEC. 6. There is authorized to be appropriated for fiscal years beginning after September 30, 1983, $20,000,000 (October 1983 price levels) to carry out phase II. Amounts shall be made available pursuant to the authorization contained in this section in sums for individual projects based on findings of feasibility by the Secretary."

Mr. DURENBERGER. Mr. President, each time I give a speech like this, we have a little contest in my office to see who can write the most creative title. Headlines, after all, are half the art in politics.

The winner for my talk this morning is, "Great Lakes Water Consumption and Diversion: Drinking Canada Dry." My task is to convince you that there are some in Congress who are sensitive to these issues and that, although we enjoy the soda, it is not our intention to make the brand name synonomous with U.S. Government water policy.

A rational person looking at the question of water diversion from the Great Lakes might conclude that there is little cause for concern. There are many reasons to doubt the prospects for any large scale diversion of water from the Great Lakes Basin.

First, the lakes are an important economic asset to the States and Provinces which surround them. Recreation, tourism, transportation, bulk cargo shipping, and industrial and drinking water supplies are the economic life blood of these States and Provinces. Minister Alan Pope is particularly convincing when he details the economic harm that would result from potential diversions. A rational person would have a hard time believing that any of the border States would approve schemes that did direct damage to their economies.

Because of their economic importance to the region, the lakes have been protected by a series of legal and diplomatic steps at the State, regional, Federal, and international level. Some States and the Province of Ontario have taken strong positions to oppose diversion. Regional compacts have pledged solidarity on the issue. The U.S. Supreme Court has kept a lid on the size of the Illinois and Michigan canal diversion at Chicago. And Canada and the United States observe a treaty which requires joint approval of diversions from boundary waters.

A further roadblock to the schemes of those in arid regions who thirst for our waters is cost. The one detailed study on a diversion from the west end of Lake Superior to the Missouri River Basin estimated the cost of a 10,000 cfs—cubic feet per second—diversion at $26.6 billion. Beyond the pale of economic rationality, most would conclude.

So why worry? Looking at the political, legal, diplomatic and economic problems that any diversion project would have to overcome, the rational person might think that the concerns which prompted this conference are misplaced.

But, but the first principal of water policy, in my country, at least, is that rational thinking doesn't apply.

Look at the Garrison diversion project, for instance. It is designed to irrigate 250,000 acres of farmland in North Dakota. At a cost of $1.3 billion, that is a $5,000 per acre cost of capital for agricultural land that has a substantially lower market value—even after irrigation.

The farmers who will benefit from Garrison grow wheat—an important factor in balancing U.S. trade deficits. No doubt irrigation from Garrison will greatly increase their yield. But last year the U.S. Government gave them wheat through the PIK Program to take their land out of production.

Overproduction of agricultural commodities cost the U.S. Government $27 billion in price supports and PIK distributions last year, and over farm economy for some time to come. So, I ask you, how do we explain to the rational person the billions of dollars we spend each year to irrigate marginal prairie lands?

Garrison is a typical example of U.S. water policy. Cost has been no barrier. Economic rationality is not a consideration. Water is a political, not an economic, commodity. Everybody else got a piece of the Missouri, so North Dakota is entitled to its piece, too. Regardless of the cost or environmental consequences of this interbasin transfer.

What about the legal barriers? There are, I think, two significant loopholes in the legal and diplomatic protections that have been built up around the Great Lakes.

Minister Pope has referred to one of them as the Great Lakes wild card. Lake Michigan lies entirely within the United States and is thus not subject to the protections of the Boundary Water Treaty and other agreements between our National Governments. The Chicago diversion from Lake Michigan to the Illinois River and thus to the Mississippi Basin is rightly viewed as a wild card in an otherwise tight system of legal protections.

The Mississippi is a potential source to recharge the Ogallala Aquifer—an immense groundwater resource underlying 13 States in our agricultural heartland that is being rapidly depleted through intensive farming; 200,000 wells tap the Ogallala to irrigate 16 million acres of farmland.

Because the water tables have dropped substantially in some portions of the aquifer, Ogallala politicians are beginning to look for future water supplies. The U.S. House of Representatives has passed a bill (H.R. 71) authorizing the Federal Government to determine whether the aquifer might be recharged by pumping water into the ground through high pressure injection wells.

Although it is only a small demonstration project at this point, one can envision a massive new public works program with the U.S. Government recharging the aquifer by innjection wells at one point so it can be depleted by an irrigation well at some distant location. We've diverted great rivers, created great reservoirs, so I can easily imagine an attempt to replenish great aquifers. But where would the water come from? The question hasn't been answered, but interbasin transfers would be necessary and the Mississippi basin has high potential particularly if it can be replenished by diversions from Lake Michigan through Chicago and the Illinois River.

Today, the Chicago diversion is regulated at 3,200 cfs—cubic feet per second—by a 1967 decision of the U.S. Supreme Court. But it has capacity for diversion at more than double that rate. It's the wild card.

Mention of the Supreme Court brings us to the second loophole in the legal protections that we are relying upon to protect the Great Lakes. Two recent decisions of the Court should give even a skeptic cause for concern.

One was a water decision. For most of our history, our courts have held that water is not a commodity in commerce. It wasn't possible to own it privately. It was a resource belonging to the States. Under that theory, the State of Nebraska enacted a statute that prohibited the export of water to another State that did not reciprocate with exports of its own. In the case, Sporhase against Nebraska, the U.S. Supreme Court struck down the Nebraska statute as an impermissible burden on interstate commerce. Nebraska no longer owns its water.

In a related opinion, the Court found that the need of a Texas city for drinking water was sufficient to override a New Mexico law prohibiting the export of precious ground water across the border. The city of El Paso, TX, now has municipal drinking water wells in New Mexico with the Court's blessing.

As a result of the Sporhase and El Paso decisions, one has to ask whether the laws of the individual Great Lakes States—or even their determined resolution in a compact of several States—would be able to prevent a privately organized diversion of Great Lakes waters to meet the needs of some far-off region.

And a second decision of the Court raises the possibility that one or more States would actively cooperate in a diversion despite the economic and recreational consequences to the lake system. The case was Commonwealth Edison against Montana. The resource was not water, but coal. Montana imposes a 30 percent severance tax on coal extracted from Montana mines. Most of the coal is on land owned by the Federal Government. The revenues from the tax far exceed any impact that mining has on Montana. In fact, the dollars are put into a trust fund and the interest is used to pay the cost of general government: keeping other taxes low.

Despite the fact that the coal belongs to the Federal Government, despite the extraordinary rate of the tax, and despite the fact that the tax is exported to citizens in other States, the U.S. Supreme Court found no reason to object. Imagine the kind of tax relief that a Great Lakes politician could offer if he could finance tax cuts with a severance tax on freshwater diverted from the lakes to some arid State in the West. Just such an offer for water from the Oahe Reservoir has made William Janklow the most popular Governor in South Dakota history.

So, cost is not a problem. The legal protections are precarious. The potential for greed to divide us is plentiful. Yes, diversions are a very real threat to the future of our Great Lakes.

What to do about it? Some have suggested that we seek amendments to the Boundary Water Treaty to include Lake Michigan diversions within its scope. I think that an unlikely step for the U.S. Government to take.

Many States have or will act to tighten protections. But given the recent decisions of the Supreme Court, I doubt the efficacy of State action—even of the States acting together.

There are bills pending in the Congress which offer possibilities. In particular, Senator PERCY of Illinois has introduced S. 2026 which follows a resolution of the Council of Great Lakes Governors. That bill would prohibit the diversion of waters outside the region without the express consent of each of the Great Lakes States and the International Joint Commission. It would also prevent studies of various diversion schemes financed by U.S. Government agencies. It's a good bill and we should seek its early adoption.

But the real issue here is deeper. It's the question we started with. How much longer will we tolerate a water policy that requires us to abandon our good sense as a prerequisite to being involved?

History—both U.S. and Canadian—suggests that question may not have an answer. But some of us are trying to make a new start. I am cochairman of an organization called the National Water Alliance founded by Members of the House and the Senate. The alliance has an ambitious charter—to educate, to provide forums for discussion, and to seek consensus among broad segments of the American public on fundamental issues of water policy. In addition to Senators and Congressmen, the board of the alliance includes leaders from industry, the labor unions, environmental organizations, State and local governments and water suppliers and users.

The various parts of American Government are intensely divided on water policy issues. In the Congress,

budget committees disagree with public works committees on how water projects should be funded. Across branches at the Federal level, there is no agreement on which projects are of high priority. And up and down our Federal system each layer of government is trying to shift the costs of water decisions—both supply and quality decisions—onto some other layer of government.

It is the hope of the National Water Alliance that by going outside of government—by getting away from the notion that water is a political commodity—we can find some good sense. At this stage, the alliance is hosting a series of discussions across the United States. Perhaps some of you have had a chance to participate in one of those forums. Minister Pope spoke at a recent conference in St. Paul, MN. All of you—Canadian and American—are invited to lend your expertise in the future.

With the hope that efforts like the alliance and this conference can improve the water policy process in the future, let me return to the Great Lakes and conclude with a few comments on the consumptive uses—water taken out of the basin and not returned.

Most of the concern I have seen expressed about consumptive use is based on a single study by the Great Lakes Diversion and Consumptive Uses Study Board, presented to the International Joint Commission in 1981. If that study is accurate, consumption would appear to be a greater problem than diversion as we look into the future. The study estimates that consumption will increase sixfold by the year 2035—50 years out. That level of consumption would reduce the outflow of the St. Lawrence Seaway by 8½ percent.

Although I have not had an opportunity to review the detailed appendicies of that study, I would be reluctant to make sweeping public policy choices on the basis of these projections. Most of the estimated increase is in the industrial sector. In fact, industrial consumption would grow from 51 to 87 percent of total uses. Perhaps that's very good news. All of our constituents will be glad to know of the industrial boom that's just around the corner for the Great Lakes region.

But when you look at the figures closely, doubt creeps in. Most of the increased consumption in the industrial sector is for electric powerplants. When this study was drafted the power industry was projecting rapid growth, year-after-year as far out as one could see. But several American electric utilities are now near bankruptcy because they made investment decisions based on those demand projections. It appears there will not be hundreds of nuclear powerplants with closed-cycle cooling systems dotting the Great Lakes region in the year 2035. Growth in electric power consumption is not anywhere near the 70 percent annual increase we experienced in the 1970's.

To bring this question into clearer focus, some have suggested that consumption uses be raised as a reference item to the International Joint Commission. Speaking for myself, I don't think we are at that point yet. After all, if we looked back 50 years to 1935, nuclear power generating stations would have been no part of anyone's expectations. Jumping to conclusions based on one picture of the world 50 years out seems to me a little hasty.

Rather than seek an official international projection at this time, I would prefer to see the many Federal, State, and provincial governments authorize studies using several assumptions and methodologies. We need a much broader base of understanding before we turn this issue in a policy making direction.

If you look at the human landscape of this region of North America, you realize that it is a living testament to the bounty of the Great Lakes as a natural resource. They satisfy both our need for a living and our spirit for life.

Although largely nonrenewable and often abused, the lakes remain the great resource of our region. We are doing much to protect their quality. Real improvements are noticeable as a result of the Water Quality Agreements of 1972 and 1978. We have a ways to go on nonpoint sources, toxic contaminants and pollution deposited from the air. But there is reason to boast and be hopeful about the quality of our water.

In the same way, I would sound a hopeful note on the quantity side, as well. We need to act together and act now to prevent diversions. That sensible people will join together in conferences like this to share concerns is a very good sign.

As to consumption in our region for the benefit of our region, it is not time to ask EPA or Environment Canada to develop artificial controls on water uses. Water is our bounty. We ought not waste it. But it's the economic commodity that does the work on this part of the continent. Let us not rush to deny the benefits of this bounty on evidence too slim or jealousies exaggerated. As they were the foundation of our past, the Great Lakes are the promise of our future.

Thank you, ladies and gentlemen.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Minnesota [Mr. DURENBERGER].

The amendment (No. 3702) was agreed to.

AMENDMENT NO. 3703

Mr. BYRD. Mr. President, I send an amendment to the desk on behalf of Mr. PRYOR, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. PRYOR, proposes an amendment numbered 3703.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 7, following line 2, insert the following new section:

"SEC. 9. No funds authorized to be appropriated by this Act shall be used for any activities associated with:

(1) the interstate transfer of water from the State of Arkansas; or

(2) the study or demonstration of the potential for the interstate transfer of water from the State of Arkansas."

● Mr. PRYOR. Mr. President, the legislation before the Senate today would seek to authorize the construction of 21 ground water recharge demonstration projects in the eight States known as the "High Plains States" and in other Reclamation Act States designated in the Reclamation Act of 1902. The projects authorized by this bill are intended to study and demonstrate the potential and feasibility for ground water recharge of aquifers in areas of these States where serious losses of water resources have occurred. I commend the efforts of the sponsors in behalf of the resources needs of their States.

Mr. President, I am vitally concerned about water resources in my home State of Arkansas as well, and this is the reason I have taken a great interest in this legislation. In May I asked the majority leader to refrain from bringing this legislation to debate in the Senate until I had enough time to explore adequate safeguards for Arkansas. I can report that this time has been well spent and that I have received excellent cooperation from the Senator from Oklahoma [Mr. NICKLES] and the Senator from Nebraska [Mr. EXON] and from their staffs. I have also received support from Chairman MCCLURE and his committee staff, and I believe that we have worked out an agreement on language which I offer in the form of an amendment.

The issue of adequate water supplies for our Nation's municipal, industrial, agricultural, and home usage is critical not only to Oklahoma and Nebraska, and to the other High Plains States, but to every State in the Union as well. I can assure you it is very important to the people of Arkansas. Our water supplies have not proven to be

adequate in some areas of Arkansas were rice crops are grown. Very few will forget the drought of 1980. We know already, for instance, that the underground water tables in the Grand Prairie region of Arkansas are dropping as much as 2 feet each year.

In December 1982, the Department of Commerce issued the final report from the High Plains Council of a study that began in 1976 and involved some 13 different Federal agencies. It involved State officials from each of the High Plains States. It involved private consulting organizations; $6 million Federal were spent. One of the things this study accomplished was to identify four sites in the State of Arkansas as potential source sites for the interstate transfer of water.

No official of the State of Arkansas had any vote on any transfer options.

The study concluded by recommending that the Federal Government continue regional interstate water transfer feasibility and planning studies.

Mr. President, as long as I am a Senator representing the State of Arkansas I will oppose Federal funding of regional studies to transfer water from the State of Arkansas without the expressed consent and participation of the people of Arkansas and their elected representatives.

I am delighted today to tell my colleagues that the amendment that I offer will adequately protect my State, and I am glad that the chairman has agreed to accept it as offered. I hope that H.R. 71 will produce the wealth of information on ground water recharge technology that will help the High Plains States to recover the water resources that once made their croplands among the most productive in the world. The solutions to one region's problems never lie in taking resources from another. I hope that these projects relieve some of the pressure on other States such as Arkansas.●

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Arkansas [Mr. PRYOR].

The amendment (No. 3703) was agreed to.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I am pleased to rise in strong support of H.R. 71, the High Plains Groundwater Demonstration Program Act.

First of all, Mr. President, I would like to congratulate my good friend and colleague, Senator EXON, for his leadership. Some time ago he introduced a very similar piece of legislation. We have had hearings on these bills before my Energy Subcommittee, the Water and Power Subcommittee, in Washington, DC, and in Woodward, OK.

I can tell you that there is very strong support for this legislation throughout the High Plains States.

Mr. President, I also would like to thank the chairman of the Energy and Natural Resources Committee, Mr. MCCLURE, for his help.

In addition, I would like to express my gratitude to the Presiding Officer at this time, Senator DURENBERGER, for his assistance. We are happy to accommodate his amendments, and also the amendment of Senator PRYOR. We are pleased to accommodate those amendments.

Finally, I would like to thank Senator STAFFORD for working with hs committee in accommodating their concerns.

Senator EXON, as I said earlier, has been a leader in trying to get this legislation passed. He is an original cosponsor of this legislation.

In addition, we have had as cosponsors Senator ZORINSKY, and also my senior Senator from Oklahoma, Senator BOREN.

All have worked hard, and our staffs have worked very hard. I think this legislation will be very, very positive, and of significant benefit.

Mr. President, this legislation embodies an exciting concept. H.R. 71 authorizes a program of study and demonstration projects to investigate the potential of artificial aquifer recharge as a method of alleviating ground water shortages in the Western States. Although the physical aspects of the program to be authorized would be confined to the Western States, I am confident that what is learned will have application nationwide. The problems and solutions associated with ground water depletion in the arid West have equal application to those areas in the Eastern United States which face, or will face in the future, ground water shortages.

The bill authorizes the appropriation of funds in two parts: First, $500,000 is authorized initially for the studies to be conducted pursuant to the measure, and second, $20,000,000 is authorized to carry out demonstration projects based on those studies. I would point out that under the terms of the bill, non-Federal entities would be required to assume a 20-percent matching share for the demonstration projects. This share may be in the form of a cash contribution or in-kind services.

Mr. President, all of us are familiar with the recent problems associated with efforts to authorize and construct water storage projects. In many areas, the most economic sites for dams and reservoirs have already been developed. Other potential sites, which may be economically attractive, turn out to be unfeasible because of environmental or other reasons. Ground water recharge research and demonstration projects may point the way to future water storage without the need for massive dams and the ensuing costs—both economic and environmental—that such project entail. It may be that our future reservoirs will be underground with all the obvious advantages that such a method of storage would provide. This is an exciting concept and one worthy of investigation.

The Energy Subcommittee on Water and Power held a hearing on this measure September 29, 1983 and a field hearing was held in Woodward, OK, on February 17, 1984. At both hearings we heard strong support for this ground water research and demonstration program.

The House passed H.R. 71 on June 20, 1983 and the bill was favorably reported by the Energy and Natural Resources Committee on March 29 of this year. At this point, I would ask unanimous consent that the purpose and background sections of the Senate committee report on H.R. 71 be printed in the RECORD.

Mr. President, there are several amendments which will be offered to H.R. 71. Senators DURENBERGER and PRYOR have amendments which address concerns they have over interbasin and interstate water transfers. Let me state very clearly that this bill will not authorize any study or any use of interbasin or interstate water transfers for the purpose of groundwater recharge demonstration projects. The Senate committee report states on page 3 that:

> It is not the intent of the committee that H.R. 71 imply support of, or be used for, the importation of water from great distances for the purpose of recharging aquifers.

The moderate level of funding authorized by H.R. 71 precludes any kind of massive water transfer project. The committee also noted that such water transfer schemes are not within the purview of the studies authorized by the act.

The amendments proposed by the two Senators would provide additional assurances that no such transfers are contemplated by H.R. 71. While I believe the bill adequately addresses their concerns, I am happy to support their amendments.

Senator DURENBERGER has also brought to our attention the need to examine water quality relating to these recharge demonstration projects. His amendment would require that the EPA Administrator and the Secretary of Interior enter into a memorandum of understanding to evaluate the impact that demonstration projects have on ground water quality. I appreciate the Senator's leadership in this area and believe that this will be a helpful addition to the bill. I will support this amendment.

Last, some concern had been raised over section 219 of the Water Re-

sources Development Act of 1983, S. 1739, which would authorize a comprehensive research and development program on the depletion of the Ogallala Aquifer. This program contains a number of unique provisions and would provide a real complement to H.R. 71. It is my hope that section 219 would remain in the Corps of Engineers authorization as it is now drafted.

Mr. President, it has taken us some time to work out these concerns, but I am very pleased to say that we have reached agreement on them. I would urge my colleagues to support this important and timely piece of legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PURPOSE

As reported by the Senate Committee on Energy and Natural Resources, H.R. 71 would authorize a two-phase program of study and demonstration projects to examine the potential for artificial recharge of aquifers. The act would authorize the appropriation of $500,000 for the phase I study and $20 million for the phase II program of additional study and ground water recharge demonstration projects. Funds authorized and appropriated for phase II require matching on a four-to-one basis by States and/or other non-Federal entities.

BACKGROUND

Ground water depletion, that is pumping from underground aquifers at a rate greater than replenishment, has long been a recognized problem in many areas of the United States. Problems have been particularly acute in the arid West where large irrigated acreages, as well as several urban areas, are dependent upon ground water resources. Particular attention has focused on the Ogallala Aquifer, which encompasses 156,000 square miles and underlies portions of New Mexico, Oklahoma, Colorado, Kansas, Nebraska, and Texas. In Texas alone, 4 million to 6 million acre-feet of water are withdrawn from the Ogallala Aquifer each year in comparison to the annual recharge from precipitation of only 200,000 acre-feet annually. Extensive drawdowns of the aquifer, thereby increasing pumping costs to the consumer, are widespread. In turn, it is estimated that from 2 million to 4 million acres of agricultural land in Texas will be turned back to dry land farming within 40 years.

"Water Policies for the Future," the final report of the National Commission to the President in 1973, recognized the need for an intensive investigation of aquifer systems and included as a program goal the determination of the suitability of overlying land and wells for artificial recharge programs. The technical aspects of artificial recharge through such methods as injection wells, percolation ponds, and spreading basins are well known, but have been tested on a limited basis. It is not clear as to the application of these various techniques to a variety of soil and geologic conditions.

Enactment of H.R. 71 would authorize a cooperative Federal/non-Federal program of study and actual testing of artifical recharge methods. Noteworthy is the potential application of the results of the investigation and demonstration programs to areas of the United States not included within the geographical scope of the act. In addition, aquifer recharge may, in some instances, provide a method of underground storage in lieu of traditional dams and reservoirs.

Mr. METZENBAUM. Mr. President, I have had a hold on this bill for several months because I have several concerns about it.

First, it authorizes a study of ground-water recharge projects and at the same time authorizes $20 million for design, construction, and operation of the projects. Put another way, the bill authorizes a study to determine how to proceed and simultaneously authorizes spending on whatever the study recommends. I do not think that is a sound or responsible way to do business. Before we authorize $20 million in spending, I think we ought to know what we are spending the money on.

I am also concerned about the amendments offered by Senators PRYOR and DURENBERGER. I share their concern about preventing projects in the High Plains States from diverting water from the Great Lakes or Arkansas.

But their amendments do more than prevent diversion of water from those regions to the High Plains. They prevent the Government from even studying policies that might result in such an outcome. I do not believe it is wise to restrict the ability of any government from, at the very least, examining available policy alternatives. How can we ever expect to arrive at sound policies if we won't even allow appropriate agencies to study all options?

Over the last few months and days, I have discussed these concerns with Senator EXON. While recognizing the validity of my objections, he has uged me not to let them block passage of this legislation.

As a result of Senator EXON's tenacious and ultimately persuasive persistence, I am convinced of the urgent need to address immediately the ground water depletion problem in the High Plains States and accordingly have agreed to remove my hold. However, I want to make it clear that I plan to object to future measures that improperly hamstring the ability of Government to function in the most efficient and responsible manner.

Mr. EXON. Mr. President, I wish to commend both the Senator from Idaho [Mr. MCCLURE] and the Senator from Oklahoma [Mr. NICKLES] for their outstanding leadership and foresight in bringing this measure of vital importance to the Western States before the Senate.

It was not until today that we were successful here in the Senate in resolving some late concerns raised by Senators MCCLURE, METZENBAUM, and STAFFORD. I thank all for their understanding during our detailed and sometimes tedious negotiations. I am grateful that after all our work and patience here, all difficulties have been resolved and all of several "holds" released.

In addition, Mr. President, I want to note my appreciation to my good friend from Arkansas, Senator PRYOR, for his cooperation in fashioning a provision protecting his State's important water resources. Arkansas must be proud of his leadership in this area.

Finally, Mr. President, I want to express my appreciation to my friend from Minnesota, Senator DURENBERGER, for his excellent contribution to this important bill.

The Senator from Minnesota is well renowned for his leadership in protecting our Nation's water quality. The provision fashioned by him will ensure appropriate evaluation of the impacts to surface water and ground water quality resulting from the demonstration projects constructed under this legislation.

I also thank my good friend from Ohio, Senator METZENBAUM, for his cooperation on this bill and the Senator from Vermont, Senator STAFFORD, for his assistance.

In our efforts to find cost-effective and environmentally sound methods of developing future water supplies for agriculture, water quality must stand as a coequal goal with water quantity objectives.

This bill, the Groundwater Recharge Study and Demonstration Act, represents the future for meeting agricultural water needs in the face of less available Federal funds and environmental concerns about development projects.

This measure authorizes $500,000 for a phase I study period by the Bureau of Reclamation; in addition the bill authorizes $20 million to fund demonstration sites in the 17 Western "reclamation" States; each State is required to match funding on a 4-to-1 basis.

Years from now, the Nation will even more fully appreciate the fruit of our efforts here today to implement a Federal policy to encourage artificial ground water recharge.

In addition to cosponsoring S. 1811, I introduced on April 7, 1983, S. 997, which is similar to the measure before us today. Both measures would establish a Federal-State cooperative program for the actual testing and application of various artificial ground water recharge technologies.

The former Commissioner of Reclamation, Mr. Broadbent, who is now Interior's Assistant Secretary for Water and Science Policy, is supportive of this legislation and has stated that, in certain favorable situations, the depletion of ground water aquifers and basins could be alleviated to a significant degree by artificial recharge.

This program established by the legislation before us today, integrates artificial ground water recharge into ex-

isting Federal water development programs.

Although artificial recharge is not a new concept, what is new is that it is now being viewed not merely as an accidental or incidental benefit of reclamation projects, but rather as a significant component which must be purposefully developed.

This legislation before us today will raise ground water recharge from the status of unintended benefit, to a benefit which is deliberate, which is designed, and which is decided. Artificial ground water recharge, as a goal and as an end, will be significant in our Nation's future water development.

I applaud my colleagues for their demonstrated foresight in recognizing artificial ground water recharge as pointing the way to future water storage without the need for massive dams and the ensuing costs—both economic and environmental.

Since 1902, when Teddy Roosevelt signed the Reclamation Act into law, Federal water policy has focused almost exclusively upon the construction of massive surface water impoundment structures, ignoring nature's full hydrologic cycle. Past Federal policy has been looking to ground water recharge merely as an incidental benefit from the seepage of surface reservoirs and canals.

As our Nation's budget deficit escalates upward toward $200 billion and beyond, massive surface impoundment projects will become less and less affordable.

In 1903, when the Reclamation Act was implemented, such projects cost the Government $30 million. Today, similar projects cost $300 to $400 million. In 1903, we had a budget surplus, and not a deficit, which is pushing interest rates in the private credit market upward as the Federal Government continues to borrow, borrow, and borrow.

Artificial ground water recharge is less costly and will enable us to meet our future water development needs in the face of rising Federal deficits. It is more efficient as well, due to the tremendous reduction in evaporation loss which is incidental to surface-impoundment projects.

The legislation before us today takes the important first step toward integrating surface water practices with ground water resources. This measure will initiate a Federal program of purposeful ground water development.

Mr. President, I am proud to note to my colleagues that my State of Nebraska is light years ahead of the Congress and the Bureau of Reclamation in developing and demonstrating the uses and benefits of artificial ground water recharge.

As part of a congressionally authorized State-led study of alternatives to a controversial project in my State, the Nebraska Department of Water Resources, under the direction of Michael Jess and State hydrologist, Lee Becker, is finding that agricultural water needs can be met without the use of a dam by applying ground water recharge technology to the project.

This certainly holds the promise for future water development to proceed in a less burdensome, less costly, less environmentally harmful manner. Absent environmental objections, time and efforts spent on litigation and acrimonious debate can be directed toward more positive goals.

Some concerns have been expressed that this measure would authorize interbasin transfers of water. I can certainly appreciate such concerns. However, it is not the intention of this bill to do so.

The technical aspects of artificial ground water recharge at least as far as proposals which have been reviewed, are very locally oriented in nature. These projects would involve the use of local surface water supplies to recharge a nearby aquifer through injection wells, spreading basins, percolation ponds and other such innovations.

I envision this demonstration program to be limited to addressing very local water issues, and, to be designed only to demonstrate the technology.

In concluding my remarks on this bill, Mr. President, let me again state my appreciation for the Energy Committee's leadership on this important legislation.

As the report of the six-State high plains Ogallala Aquifer study notes, future agriculture production will be drastically curtailed due to our depleting ground water resources. With over 40 percent of agricultural production dependent upon ground water supplies, it is imperative that we move forward with a definite plan to replenish our ground water resources.

As a final note, I know that the able chairman of the Senate Energy Committee and the Senator from Oklahoma share my strong convictions that the Bureau of Reclamation should implement this program in a timely and prudent manner. In consulting with each respective State, the Bureau should recognize that some States are more advanced in this area than others, and accordingly, should proceed in developing phase I consistent with this recognition.

This legislation directs that the Bureau report to the Congress within 24 months on recommendations for phase I. I believe that the Bureau should make every effort to advance that timetable. The purpose of this measure is not 24 months of "make work" for a Federal agency. The purpose of this measure is to demonstrate groundwater recharge technology as soon as possible.

This measure will be a significant step in advancing artificial recharge technology, and I urge its prompt approval and implementation.

● Mr. ZORINSKY. Mr. President, I am pleased to present my views regarding H.R. 71, the High Plains States Groundwater Demonstration Program Act. This is an important and useful piece of legislation that will benefit future generations by expanding our water management capabilities.

There is no question but that ground water is the lifeblood of American society in many regions of the country. The natural underground stores of water found in aquifers throughout the country are used to meet the massive needs for agriculture, industry, municipal uses, and drinking water. Many States like my home State of Nebraska are truly blessed with a combination of factors that created some of the best ground water storage formations in the world over the course of geologic history. In the arid and semiarid regions of the United States, we have come to depend on our ground water as an essential ingredient in the quality of life. Low or unpredictable rainfall means that the only dependable water source is often that found deep in the ground. And, of course, ground water provides a major contribution to the miracle that is American agriculture. Our ground water supplies are an invaluable and indispensable national asset.

But it has become very apparent in recent years that this asset is not one which we can exploit without regard for the future. In many areas of the country we are currently mining the ground water. For those who may not be familiar with the term in this context, "mining" water simply means that we are taking out more than the forces of nature can replace. In other words, the gradually increasing demands for ground water in the drier regions of the United States are racing ahead of supply.

A report was recently issued by the Office of Technology Assessment that discusses this problem as well as possible solutions. I will be referring to the report, entitled "Water-Related Technologies for Sustainable Agriculture in U.S. Arid/Semiarid Lands." I recommend it to my colleagues who are interested in studying water supply problems in depth.

I would like to quote a paragraph from the OTA report that sets out the supply problems in no uncertain terms:

> Available estimates of water supply and use indicate that almost half of the Western United States is experiencing water-supply problems in relation to demand. Surface water shortages exist annually or seasonally in at least some portion of each of the major water resources regions of the Western States. In almost all cases, these shortages are offset by water reuse and ground water pumping. In much of the Southwest

and southern High Plains, ground water is being withdrawn faster than it is replaced . . . in order to sustain developed levels of use. Where water supply is not being consumed, competing nonconsumptive uses, such as instream flow requirements for hydroelectric generation, waste assimilation, recreation, and habitat maintenance, increasingly create scheduling conflicts for offstream uses. Present trends and experience indicate that every additional drop of Western water conserved, and thus available, enables more growth and development, raising demand levels further.

Mr. President, that is a rather gloomy forecast for residents of States like Nebraska that rely heavily on ground water as a major underpinning of the economy as well as for everyday living. I will continue to quote from the report:

Ground water use in the Western United States almost tripled between 1950 and 1975, and the ground water percentage of the total water withdrawn in the region nearly doubled. Much of this increase in ground water use was made possible by technologies that permit the withdrawal of ever-deeper supplies at ever-faster rates, often in excess of recharge. This ground water "mining" has led to the noticeable depletion of ground water in many of the agricultural areas dependent on it. Technologies to recharge these supplies artificially depend on a water surplus during at least some portion of each year to use for recharge. Their effectiveness is also very site-specific, dependent on suitable geologic characteristics and availability of land where recharge ponds are to be used . . . In many of the areas most affected by ground water overdraft, the total available renewable water resources are being completely consumed each year.

Mr. President, while agriculture is a prime consideration in this problem, it is by no means the only one. The OTA report states that:

While irrigated agriculture has consumed the largest volume of ground water in recent decades in the United States, municipal and industrial uses have become increasingly important. Many Western cities are now dependent on ground water and have a greater stake in its quantity and quality.

To summarize the problem, we have an essential but diminishing asset in much of this Nation's ground water supply. Water tables are dropping. There is less water available and it is harder to reach. If we are to keep pace with current needs, as well as the demands of development and expansion in the West, we need to take affirmative steps to enhance our supplies. Put simply, our aquifers need some maintenance, and that is where H.R. 71 can give a great deal of help.

H.R. 71 would authorize a two-phase program of study and demonstration projects to examine the potential for "artificial recharge" of aquifers. Artificial recharge is a term encompassing a number of techniques for reintroducing water into an aquifer. Methods for inducing recharge include using precolation ponds, shallow or deep-well injection, and spreading basins. We know that these techniques can be very effective, but the degree of recharge that can be attained in any given area is dependent on many site-specific factors. What we need to know is how to modify and apply these techniques in geological and hydrological conditions that vary greatly from area to area.

As I said, this bill would authorize a two-phase program to examine the potential for artificial recharge. The act would authorize an appropriation of $500,000 for the phase I study. Phase I would direct the Secretary of the Interior through the Bureau of Reclamation to create a detailed plan for up to 21 demonstration projects in the Reclamation Act States. The Bureau would be required to determine whether various recharge technologies may be applied to diverse geology and hydrology conditions, and would recommend projects to be constructed. The phase I planning period would run for 24 months. Construction and operation of the pilot projects would take place during phase II, the 5-year demonstration period; $20 million would be authorized to implement phase II. A 20-percent non-Federal cost share would be required of local entities to pay for the project costs.

H.R. 71 passed in the House on June 20 of last year by voice vote. The bill was referred to the Senate Energy and Natural Resources Committee. Hearings were held last year and Executive comment was requested from the Office of Management and Budget. On October 1, 1983, the committee received favorable comment from OMB. On March 29 of this year, the Energy and Natural Resources Committee reported H.R. 71 favorably, without amendment, I might add, by a vote of 15 to 2.

I am very pleased to see this bill proceed through the legislative process with little difficulty. I think this is due primarily to the promise that artificial recharge holds for relieving our growing water supply problems. Artificial recharge seems to be cost-effective, environmentally safe and beneficial means for replenishing our aquifers. These positive characteristics exist because artificial recharge stores water underground, in naturally occurring geologic formations, rather than above ground, where dams and reservoirs flood thousands of acres to achieve the same goal. Evaporation losses are reduced as well. The unique benefits afforded by artificial recharge make it an attractive supply-enhancement technique to many groups with diverse, often conflicting, interests. Support for this bill has developed over a broad spectrum. I find this very encouraging. I hope this effort will be remembered as a shining example of addressing difficult social and economic problems with innovation and technology.

In closing, I would like to thank my good friends, the members of the Energy and Natural Resources Committee, for acting on this matter expeditiously. I especially want to express my appreciation to my colleague, Senator McCLURE, for his help in moving this legislation. It is always a great pleasure to work with the distinguished chairman of the Energy and Natural Resources Committee, and I look forward to future work with the Senator from Idaho. I would also like to note the efforts of the Senator from Oklahoma [Mr. NICKLES], chairman of the Subcommittee on Water and Power. My good friend has shown extraordinary interest in H.R. 71, even to the extent of holding hearings in his home State. The Senator from Oklahoma has consistently demonstrated his willingness and his ability to tackle problems head on, and to solve them with a pragmatic approach that is both thorough and timely. His cooperation and assistance are greatly appreciated.

Mr. President, I look forward to the passage of this measure, H.R. 71.●

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed for a third reading and the bill to be read the third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall it pass?

So the bill (H.R. 71), as amended, was passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, there are other matters which I believe we can do while we await the action of the House on the supplemental appropriations bill conference report. In the meanwhile, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. ABDNOR]. Without objection, it is so ordered.

SILVER JUBILEE OF HAWAIIAN STATEHOOD

Mr. MATSUNAGA. Mr. President, I rise to call to the attention of this body, an anniversary date that should not go unnoticed. This month marks the 25th anniversary of statehood for Hawaii, the newest member of our Union of States, which began more than two centuries ago.

It was on August 21, 1959, that Hawaii was admitted as the 50th State under a Presidential proclamation accompanied by the official unveiling, here in Washington, of the new 50-star flag. Earlier, on March 11, this body had passed a Hawaii statehood bill by a vote of 75 to 15, and the House had followed on the next day, supporting the measure by an overwhelming 323 to 89 vote.

That day, March 12, 1959, remains indelibly enshrined in my memory. As majority leader of the Hawaii Territorial House of Representatives, I was in the house chamber of Iolani Palace with my colleagues, listening to the voice of our then-Delegate to Congress, John A. Burns, over a telephone hooked to an amplifier so that everyone there could listen to his blow-by-blow account of the proceedings, as the final vote was being taken in the House here in Washington. When final passage of the bill was announced, an omnipotent spirit of thanksgiving engulfed us all, and in reverent silence, we fell to our knees, almost in unison, as one of our House members, Representative Akoni Pule, the acting chaplain, led us in a prayer of thanksgiving.

President Dwight D. Eisenhower signed the Hawaii statehood bill into law as Public Law 86-3 on August 21, 1959. It was an event welcomed by the people of Hawaii in jubilance, for in a plebiscite held earlier, they had expressed their preference for statehood by a whopping 94.5 percent voting in favor.

Since then, the people of Hawaii have risen to meet the challenges of a young and growing State, noncontiguous to the North American Continent, yet firmly bound to its sister States by the ideals of American democracy. They have met these challenges while fulfilling their role within our Nation's Pacific showcase, a bridge of friendship and understanding between the East and West.

In assessing Hawaii's contribution to the Union over the past quarter century, an appreciation of the arduous journey toward that admission day is in order. For more than half a century, Hawaii's people had knocked on the congressional door seeking that admittance; 22 congressional investigations were held. The results exhaustively cover 57 subjects, ranging alphabetically from the importance of our "Agriculture" to the indelible national contribution of our "War Record." More than 6,300 printed pages, available in the Library of Congress, record the hearings held and the committee reports made. These include the record of 128 days of hearings and the testimonies of more than 700 witnesses; 39 Members of Congress visited Hawaii as members of investigating committees. The last four of these congressional committees overwhelmingly recommended immediate statehood.

If I may be permitted a personal aside to these remarks, Mr. President, I remember testifying before such a body at a hearing in the 1930's as a young high school graduate whose civics teacher had inspired him to pursue the goal of becoming a U.S. Senator from the State-to-be. Years later, as a World War II veteran and Harvard Law School student, I testified again here in Washington. It was then that I met my present-day colleague, the senior Senator from Louisiana, RUSSELL LONG, and urged his support of the measure.

Fortunately, he was even then a very reasonable and wise man who eventually, became one of the key supporters in this body of Hawaii statehood. He helped to break the southern bloc opposition, and was instrumental in the passage of one of the greatest bills passed in this century, among many notable legislative accomplishments in his long and distinguished legislative career.

I might add that Senator LONG has been recognized for this great assistance which he gave to my people of Hawaii, with the award of the Order of the Splintered Paddle of King Kamehameha, the highest award given by the State's chamber of commerce.

Long before our annexation as a territory of the United States, the goal of statehood for the Hawaiian island chain had taken shape. The initial seed was the Northwest Ordinance of the Continental Congress in 1787, setting the policy of our Nation toward territories from that time forward. This established America's westward course prior to the first significant American influence in those Pacific islands, which came with the arrival of missionary settlers from New England in 1820. Within 20 years of these settlers' arrival, Hawaii's people adopted their first constitution, modeled after the Constitution of the United States. In my maiden address as a Member of Congress 21 years ago, I said that these facts were especially remarkable considering the fact that the people of Hawaii at that time were almost entirely of Polynesian origin. I observed then, and reiterate today, that the tie which binds the people of Hawaii to the rest of the United States is not that of race or history, nor that of force or economic exploitation, but that of ideals freely accepted.

Hawaii's aspirations for statehood were first articulated early in 1854 when Kamehameha III directed his Foreign Minister, Robert C. Wyllie, "to take immediate steps * * * to ascertain the views of the United States in relation to the annexation thereto of these islands." A treaty was then negotiated which provided that "the Kingdom of the Hawaiian Islands shall be incorporated into the American Union as a State * * * on a perfect equality with all the other States of the Union." However, this treaty was not ratified by the time the king died in December of that year and his young successor, Kamehameha IV, chose not to pursue it.

It was in the parent country where a mid-Pacific state was first conceived. Hawaii first came within the purview of Congress in 1842 when President John Tyler sent a message which defined the national interest in the "Sandwich Islands" by extending the Monroe Doctrine. "They lie in the Pacific Ocean much nearer to this continent than to any other," he noted in this message. Annexation and statehood for Hawaii were first proposed by an editorialist writing for a newspaper, the Northern Journal, in upstate New York at Lowville on May 1, 1849. Other newspapers picked up the idea and endorsed it. In August 1852, Representative J.W. McCorkle, of California, broached it in Congress as a protection to the United States in event of war and as an important medium of trade with Asia and Pacific islands in time of peace. In November of the same year, at a Democratic celebration of Franklin Pierce's election as President, a toast was offered to "The Sandwich Isles—may they soon be added to the galaxy of States."

Yet it was a long period between cup and lip. True, annexation did come in 1898 by Joint Resolution 55 of the 55th Congress. But between 1903, following territorial organization under the Organic Act of 1900, and 1959, the legislature of the Territory of Hawaii petitioned Congress for statehood no less than 17 times. The first hearings in Congress on Hawaiian statehood were held by the House Subcommittee on Territories in 1935. The House passed a statehood bill in 1947, and again in 1950. The House, in 1953, and Senate, in 1954, passed the Hawaii-Alaska Enabling Act, but never both Houses in the same term, until March of 1959. As to Hawaii's readiness for statehood, the House Committee on Interior and Insular Affairs reported on February 11, 1959, that, "the committee members are convinced that the Nation could take in no more responsible partner than Hawaii."

That partner has brought a vigorous economic contribution to the Union, both in the financial support of its citizens to the Federal Government

and in the production of goods and services for the national economy of its people; 25 years ago, with a population of 620,000, Hawaii's per capita personal income stood at $2,103, 2 percent under the national average, while its tithe to Federal coffers stood at $175 million. Today, with a population of 1 million people, the per capita figure stands at $12,101 (1983), nearly 3 percent (2.9) above the national average of $11,675, while the State's contribution to Federal revenues appoximates the $2 billion mark.

The statehood years have converted Hawaii's economy from an agricultural to one which is service orientated. Today the State produces slightly more sugar on substantially less acreage than did the territory 25 years ago, while tourist volume has exploded from 243,216 visitors spending $109 million in 1959, to this year's approximately 5 million visitors, who will spend in the neighborhood of $4 billion. The people of Hawaii have shared their island beauty, bestowed by a bountiful Creator's hand, with their countrymen from Maine to California and with visitors from thoughout the Pacific and, indeed, the world.

Despite this transformation, Hawaii's logistical role in the Nation's security continues to be a key one, unabated by strategic shifts, technological change and time's passage. Its mid-ocean importance has readily gained a new dimension as explorers forsake the charted seas for the vast frontiers of space.

While much has changed since Hawaii achieved its political majority, much else remains the same: we are an island people dependent upon maritime and air commerce for our linkages to a larger world. We have endeavored to maintain our diversified agriculture, both for domestic consumption and new exports, even as our population growth, from 620,000 on admission to more than 1 million today, has left behind many of the diseconomies of a once "pocket market." Conscious of our island status even as we have been drawn into a wider economic orbit, we have striven to exploit new resources and achieve greater self-sufficiency. This is especially evident in the realm of energy.

We are vulnerable to dislocations in the global oil market and dependent upon imported finite fossile fuel for our energy supply. This has spurred us to exploit our renewable energy resources in recent years. In the process we have become the Nation's natural renewable energy laboratory for conducting the research, development, and demonstration work necessary to broaden the mix of these resources that are put to productive use. Geothermal and biomass, direct solar water heating, photovoltaic applications and thermal cogeneration, wind and hydropower: all these are Hawaii's resources and technologies being tapped for electric power or its replacement while we exlore the prospects of ocean thermal energy conversion for the future. To replace jet fuel, upon which our visitor economy rests, we look to hydrogen and the production of hydrocarbons from agriculture. Through these developments, our great Union's newest member is setting the pace for the Nation in the energy transition immediately ahead of us.

Resourceful by the necessities of island life, the people of my State have been generous as well in extending their knowledge and experieince to assist their Pacific neighbors. As full-fledged American citizens for a quarter century, they have been keenly conscious that their island State is the westernmost outpost of America's New Frontier; they know Hawaii must serve as a bridge between the East and West for international cooperation toward amity in the Pacific and peace throughout the world. The statehood years have seen the formation and development of institutions for this mission: The East-West Center for Cultural and Technical Interchange with its world renowned scholars and specialists from many lands, and the University of Hawaii and its professional schools and overseas training programs, especially in tropical agriculture and medicine and renewable energy engineering. There are others as well: The Japan-America Institute of Management Science, the overseas outreach progams of Brigham Young University's Hawaii campus, and those of various other private groups and business organizations. All this has fostered an atmosphere conducive to international endeavors, from the commerce generated by the State of Hawaii Foreign Trade Zone to the scientific undertakings sponsored by the Government of France in mounting a telescope observatory atop Mauna Kea. More recently, the University of Hawaii has launched a Pacific International Center for High Technology Research in which the Governments of Japan and the United States may support high technology projects of mutual interest. Today the 50th State enjoys the fruits of international commerce, manufacturing, trade, and finance, that have grown in tandem with its scientific and educational endeavors.

All these are signs of the evident success of Hawaii's statehood role for our Nation vis-a-vis Asia and the Pacific. But I would suggest, Mr. President, that Hawaii also has contributed greatly to the enormous strides our country has made over the last 25 years toward ethnic equity for all our peoples and the consequent domestic tranqulity we have gained. The racial harmony of Hawaii's multiethnic people—while not yet attaining an ideal state—nevertheless represents a model of integration and a standard of neighborliness that have left a lasting impression on millions of American tourists over the years and, indeed, on our visitors from foreign shores as well.

This accord would not have been possible had it not been for the hospitality of Hawaii's host civilization: The native Hawaiians. From their long isolation as a people, they bred a heritage which they somehow have imparted to those of us who have followed them to Hawaii's shores in more recent times. It is the secret of living in harmony at close quarters, a legacy of great price today—it is the spirit of "aloha," indigenous and peculiar to the paradise isles of the Pacific.

This legacy has gained for my State, Mr. President, a prominence throughout the globe far out of proportion to its size and resources. We have become a symbol to a shrinking world, many of its own more apparent resources dwindling, anxiously seeking human understanding and goodwill.

Perhaps, the greatest compliment to the "Aloha State" was paid by President John F. Kennedy when on June 8, 1963, when, in addressing the National Conference of Mayors, he said he had chosen to deliver his first major civil rights address as President of the United States in Hawaii because "Hawaii is what the United States is striving to be."

It is both exciting and humbling for me to represent such a State in this Congress, Mr. President. Its people have, indeed, been faithful in their responsibilities over the last quarter century to the partnership of these United States of America, and as we celebrate our silver jubilee of statehood, we Hawaiians are first and above all proud to be full-fledged Americans.

I thank the Presiding Officer.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER [Mr. STEVENS]. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I unanimous consent that the time for morning business be extended, under the same terms and conditions, until 5:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

31-059 O-87-17 (Pt. 17)

MORE MILITARY ADVISERS?

Mr. TSONGAS. Mr. President, last week Gen. Paul Gorman, head of the U.S. Southern Command, testified before the House Foreign Affairs Committee that he seeks to increase the number of U.S. trainers, better known as military advisers, from the current level of 55 to 125 men.

Now this may not seem that serious—General Gorman is not requesting American combat troops, merely more advisers. My colleagues here may not see this need for more advisers as controversial or particularly dangerous. But let us reflect for a moment.

Putting more American soldiers in El Salvador raises the American stake in the war; it also places more responsibility for day to day operations in American hands, that is if things go wrong, it will be logical to assume an American failure, an American oversight, an American misjudgment. More U.S. advisers raises the political profile of our involvement and as General Gorman said himself last week, the arrival of American troops in El Salvador might arouse sensitivities to the point that nationalism might cut against us. The general was talking about troops, not advisers, but the distinction is not that clear or accurate.

Some of my colleagues will travel to El Salvador over the recess and I hope that they will look into this question of American advisers. It might be worthwhile to ask the Salvadoran leadership what they think of the general's proposal. It is also worth noting that the improvements in the performance of the Salvadoran military have occurred with only 55 advisers.

General Gorman has good intentions. He believes that more American advisers will automatically bring about better military performance. But he knows better than me that an army's morale is far more important than equipment and sophisticated advice. Let us consider the novel proposition that Salvadorans may have their own ideas for improving their armed forces. If those ideas and the motivations behind them are consistent with a reformed army which observes human rights and which fights more efficiently, then why disrupt the equation with a high profile injection of more Americans. And if the Salvadorans do not seek more American advisers, then the proposition becomes particularly dubious and potentially dangerous.

Again, I hope that my colleagues will look into this question, particularly those who will be in El Salvador over the recess. The answer may not coincide with the general's prescription.

I request unanimous consent that two articles dealing with this question be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 3, 1984]

125 U.S. MILITARY TRAINERS REQUESTED FOR EL SALVADOR

(By Joanne Omang and Margaret Shapiro)

The commander of U.S. forces in Latin America said yesterday that he needs 125 U.S. military trainers in El Salvador, more than double the current number, and that leftist guerrillas there could be "under effective control" within two years if Congress provides enough aid.

As he spoke, the House rejected an administration effort to obtain $117 million in additional military aid to El Salvador this year.

Gen. Paul F. Gorman, head of the U.S. Southern Command, also said in rare congressional testimony that he can "foresee no circumstances" under which U.S. armed forces would be sent to fight guerrillas in El Salvador, despite what he called "the checkered performance" of the Salvadoran armed forces.

Gorman's appearance before the House Foreign Affairs subcommittee on the Western Hemisphere came as Rep. Jack Kemp (R-N.Y.) failed in the House to reattach $117 million in military aid to El Salvador to the administration's supplemental appropriation request for fiscal 1984.

Kemp's amendment was ruled out of order on procedural grounds. The House then voted 304 to 116 to pass the $5.4 billion measure, which contains funds for a variety of federal programs, from food stamps to covert aid to Afghan rebels.

But the total is $1 billion less than President Reagan's request and the measure would provide only $129.7 million in economic and military aid for Central America, of the $662.5 million requested. It would give $25 million in military assistance to Costa Rica, Honduras and Panama.

The Senate has yet to act on the supplemental appropriation.

Gorman told reporters during a break in his House testimony that press reports saying he runs Central American policy are "sheer bunkum . . . I do what I'm told." In response to questions, he testified that the Salvadoran armed forces "have a heavy burden of foul-ups, screw-ups, misapprehensions and misjudgments to work off," and that the Pentagon's self-imposed ceiling of 55 U.S. military trainers is too few "to get around to all the battalions on even a monthly basis."

He said Congress should consider whether the number is enough to oversee the use of millions of dollars' worth of military equipment that the United States has supplied since 1979.

"There are almost as many GAO [General Accounting Office] people out there in some provinces as we have trainers," he said.

Subcommittee Chairman Michael D. Barnes (D-Md.) asked Gorman how many troops he would like to have.

"I need 125 U.S. trainers, roughly double what I have now," he replied.

Gorman, who had been asked to discuss the nature and direction of U.S. military activity in Central America, told the panel that while the Salvadoran armed forces have increased from 15,000 to 42,000 since 1982, leftists guerrilla strength has risen from 6,000 to between 9,000 and 12,000, "at a more rapid rate than the Salvadoran army."

This is largely because of insufficient resources for training and equipping additional men, he said. If U.S. economic and military aid were supplied at the rate recommended in January by the Bipartisan National Commission on Central America, he said, "within two years we'd have 80 to 90 percent of the country under effective control . . . and the guerrillas' ability to resurge would be severely attenuated."

Rep. Garry E. Studds (D-Mass.) said the panel was told three years ago that the war would be over in one more year. He asked Gorman whether he would send U.S. troops to the region if the Salvadoran government appeared to be losing to the guerrillas "and the only way out was to introduce U.S. troops."

"No, sir, I would not," Gorman replied. "The Salvadorans can protect their own government if provided with the resources . . . I can foresee no circumstances that it would be useful for our purposes to introduce U.S. armed forces into that conflict.

Gorman repeated this view when Rep. Stephen J. Solarz (D-N.Y.) asked him to compare the Salvadoran conflict to Gorman's experiences in Vietnam.

"Nationalism cut against the interests of the United States" in Vietnam but does not in El Salvador, despite the history of U.S intervention in the region, Gorman said. The arrival of U.S. troops could "transform that war into a very different kind of war in which nationalism . . . might cut against us," he added.

Gorman stressed that "the Salvadoran rebel is not a Viet Cong . . . and Nicaragua is not North Vietnam," and that it would be "a serious mistake" to think otherwise. The applicable lessons of Vietnam, he said, "are largely tactical, and where they've been applied I think they've paid off."

During the brief House debate, Kemp and other supporters of the administration position argued that newly elected Salvadoran President Jose Napoleon Duarte has enacted democratic reforms, taken control of the military and cracked down on the death squads, as Congress had been demanding. Therefore, they said, Duarte deserved to be given the additional aid.

"It is extremely important that we begin the process of restoring credibility to this new regime," Kemp said. He added that the admininstration's funding request was in line with the recommendations of the bipartisan commission on the region.

Opponents argued that since Congress has provided enough military aid for El Salvador this year—$126 million—and will provide much of what the administration wants next year, more aid isn't necessary in the two months remaining in fiscal 1984. In addition, they said, the supplemental appropriation was intended as an emergency funding source, and aid to El Salvador is not an emergency.

Rep. Clarence D. Long (D-Md.), chairman of the Appropriations subcommittee that marked up the bill, said the measure would give the Salvadorans "what they need to get along but not so much that their generals can go rushing to Miami banks."

The administration did not lobby hard on the bill, in part because it expects to get what it wants, or close to it, when the Republican-controlled Senate takes up the supplemental appropriation. The administration then could take a strong hand into a conference committee to resolve differences between the two versions.

[From the New York Times, Aug. 2, 1984]

GENERAL DOUBTS GI ROLE IN EL SALVADOR

(By Philip Taubman)

WASHINGTON, August 1.—The commander of United States military forces in Latin America said today that he "could foresee no circumstances when it would be useful" to commit American troops to combat in El Salvador.

The commander, Gen. Paul F. Gorman, told a House subcommitte: "The Salvadorans can protect their own Government if they are provided with resources by the United States. United States forces cannot protect the Government of El Salvador."

He said it would be a mistake for the United States to use combat forces in El Salvador even if the Salvadoran Government appeared to be in danger of being overthrown by guerrillas.

The arrival of American forces, he said, would likely "transform the conflict from an indigenous struggle into a very different kind of fighting in which nationalism might cut against the United States."

A VERY HISTORIC BURDEN

"We carry a very historic burden in that region and for the United States to send troops to fight could very well precipitate the kind of events we are trying to foreclose," General Gorman, the senior officer of the United States Southern Command, based in Panama, told the House Foreign Affairs subcommittee on Latin America.

He said he would like to increase the number of American military advisers in El Salvador from the current limit of 55 to 125, a recommendation he made a year ago that was turned down by the White House as too risky politically.

Since assuming command in Panama last year, General Gorman has been a key architect of the Reagan Administration's military buildup in Central America, including the use of large-scale exercises to intimidate Nicaragua, according to senior Administration officials.

He told the subcommittee that if Congress approved the level of military assistance for El Salvador that the White House has requested, the Salvadoran military could have 80 to 90 percent of the country under its control within two years.

General Gorman described the current military situation in El Salvador as slightly favoring the Government forces, but noted that the Salvadoran military, while steadily improving, was still producing "a checkered performance" in which "minor tactical debacles abound."

ATTEMPTS TO INCREASE AID DEFEATED

The subcommittee later held a closed session to receive a briefing from General Gorman in which, Defense Department officials said, the general showed the lawmakers classified photographs and other intelligence information that demonstrated that Nicaragua was providing a steady flow of weapons and ammunition to Salvadoran guerrillas.

Moments after General Gorman spoke, Representative Jack F. Kemp, Republican of New York, was ruled out of order in the House when he tried to amend a supplemental appropriations bill for the fiscal year 1984 to provide El Salvador with $116 million in additional military aid.

The ruling had the effect of eliminating Administration hopes of obtaining the extra money for El Salvador.

Earlier, Representative Clarence D. Long, Democrat of Maryland, the chairman of the House Appropriations subcommittee on foreign operations, said he would recommend making some military and economic aid to El Salvador in 1985 conditional on the observance of human rights there.

Mr. Long, who said on Monday that he would approve almost all of the economic and military aid requested for El Salvador in 1985, told reporters today that he would support a proposal to delay final approval of half of the assistance for six months to insure that Congress could retain some control over the aid.

Mr. Long said on Monday that he would support the Administration aid request because he thought José Napoleón Duarte, who was elected President of El Salvador in May, deserved a chance to establish democratic rule.

THE 23D ANNIVERSARY OF THE BUILDING OF THE BERLIN WALL

Mr. THURMOND. Mr. President, I rise to call to the attention of the Senate the 23d anniversary of the building of the Berlin Wall which began on August 13, 1961. It is instructive to review the significance of this act because it goes much deeper than the purpose for which the wall was built.

The Berlin Wall serves well its function of preventing East Germans from seeking freedom in West Berlin, but it also points to a more symbolic truth that the democracies must never forget.

That truth is the utter failure of communism to provide the prosperity that it promises. Capitalism may not be a perfect system, but communism certainly spreads misery and despair equally.

Fifteen years before the construction of the Berlin Wall, Sir Winston Churchill referred to the "Iron Curtain" that had descended across Eastern Europe. West Berlin became an oasis of freedom behind the "Iron Curtain," and the Communists had to stop the exodus of people seeking to quench their thirst for freedom. Thus, the Berlin Wall became a reality.

What has happened in these 23 years? Has this symbol of oppression been completely successful in stifling the single most potent desire of mankind—to be free? Although the wall has helped the Communists pen their people in, it cannot be considered wholly successful.

Over the years, we have watched as some escape successfully while others have been machinegunned or blown to bits by antipersonnel mines during attempted escapes. Guard details have had to be increased because guards often shoot other guards in the back so that they can escape. The wall has also been enlarged to deter further attempts.

Mr. President, we are quite fortunate to live in the greatest Nation in the world, and we should be thankful for the opportunities we have been presented. It is also important that we remember those who are still enslaved. The 23d anniversary of the building of the Berlin Wall is a stark reminder.

TRADE WITH THE SOCIALIST REPUBLIC OF ROMANIA

Mr. HELMS. Mr. President, on May 31, the President of the United States asked Congress to renew his authority to waive the freedom of emigration requirements of the Trade Act of 1974, which would extend most-favored-nation trade status to the Socialist Republic of Romania for another year.

According to section 402 of the 1974 Trade Act, renewal of most-favored-nation trading status for Romania should depend on current emigration performance; however, the harassment, job displacement, religious persecution and refusal to allow free emigration continues as before.

One such example is that of Father Geza Palfi. Father Palfi was arrested because of a sermon he gave on Christmas Day in 1983, wherein he protested the fact that Romanian citizens were forced to work on a religious holiday. After his arrest, Father Palfi was beaten to the point where he had to be hospitalized. In February he died. Romanian officials reported he had died from cancer of the liver.

Mr. President, Radio Free Europe specifically mentioned the case of Father Palfi on two of their broadcasts. Once on May 7, they cited information they had concerning the circumstances of his arrest—that he had been arrested because of a sermon he delivered on Christmas Day. On July 25, Radio Free Europe again discussed the case of Father Palfi, citing that he had died as a result of beatings, and not because of cancer as claimed by the Romanian authorities.

Although the Radio Free Europe broadcasts were in Romanian, Voice of America also broadcast similar information in both English and Romanian. Mr. President, I ask unanimous consent that the Voice of America English transcripts be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VOICE OF AMERICA TRANSCRIPT

ROMANIAN PRIEST

The United States has expressed concern to Romania over reports that a Roman Catholic priest died earlier this year as a result of beatings by Romanian police.

A State Department spokesman says the Romanian Government denies the clergyman, Father Gezi Palfi, was beaten or tortured, and says he died in March of cancer.

But the U.S. spokesman noted persistent reports that the priest had delivered a Christmas sermon critical of religious conditions in Romania. He also cited other reports that Father Palfi was beaten to death by police after falling into disfavor with a local Romanian official.

ROMANIAN PRIEST

The (U.S.) State Department says it has expressed strong concern to Romania about reports that a Romanian priest died in March from beatings by authorities.

Father Geza Palfi has reported to have been beaten after offending authorities by criticizing religious conditions in Romania during a Christmas sermon last year.

According to the State Department, the Bucharest Government denies Father Palfi has beaten and says he died of cancer.

Mr. HELMS. Mr. President, there are hundreds upon hundreds of cases similar to Father Geza Palfi—Romanian citizens—Christians and those of the Jewish faith—who are persecuted, denied jobs, beaten and imprisoned for long periods of time for "crimes" such as Bible smuggling and exercising their rights of freedom of speech.

In this Senator's opinion, trade must be tied to the improvement of political circumstances, particularly those bearing on human rights. It is difficult to see the benefits of trade when those benefits are obtained from the labor of those who are not free to enjoy the ordinary rights of liberty and property.

While it is not anticipated that Romania will revolutionize its entire system, restore the rights of property ownership so essential to the freedom of the individual, and throw off Communist ideology just for the sake of trade, we can demand that Romania take steps that will lead to an improvement of the system under which the citizens of that country must live. The most important step is the right of free emigration, without intimidation and harassment. Such a right provides an alternative to the oppressed citizen. If we cannot provide alternatives within the system we should at least provide the alternative of leaving the system.

Therefore, this Senator remains opposed to granting most-favored-nation trade status to Romania, and will continue to oppose such concessions until Romania joins the civilized nations of the world with respect to human rights and free emigration.

THE RESOURCE CONSERVATION AND RECOVERY ACT

Mr. SYMMS. Mr. President, I rise today in strong opposition to the blaitant political games being played by the majority party in the House of Representatives. In attaching a seriously flawed and astronomically expensive Superfund bill to the Resource Conservation and Recovery Act [RCRA], the House has not only said that it intends to place politics ahead of a rational solution to hazardous wastes, it has seriously crippled the chance of passing a RCRA bill through this Congress.

I worked very hard to see that that bill, which establishes this Nation's basic hazardous waste management system and encourages the conservation and recovery of valuable materials and energy, would pass the Senate in a workable form. It took many months to make the changes necessary to mold the Senate's RCRA bill into what it is today. Those efforts were bipartisan. We adopted deadlines that EPA said they could be reasonably expected to meet, at the same time removing hammers that only end up penalizing the citizenry for EPA's delays. We adopted a stringent requirement to retrofit surface impoundments, at the same time recognizing that mine wastes which are high volume, low toxicity should not be subject to the same requirements as highly toxic wastes. Similarly, Senate bill makes a distinction between highly toxic materials in primiary waste systems and the much less toxic materials in secondary and tertiary, impoundments that must meet the NPDES requirements of permits issued under the Clean Water Act. Finally, we adopted an underground storages tank provision that helps, rather than hinders EPA in the studies they are conducting and the regulatory programs that may result from those studies.

The House of Representatives, on the other hand, is saying to the people of this Nation that it is less committed to the effective management of hazardous wastes, as articulated through RCRA, and more committed to grandstanding in this election year. The American people will suffer from the House's political tactics.

I can assure you that this Senator will not succumb to this blatant form of political blackmail. The Superfund bill passed by the House of Representatives is a sham. The House of Representatives bill is like going out to dinner at the most expensive restaurant in town and ordering from soup to nuts with only $10 in their pocket. The House bill is estimated to cost over $13 billion over the next 5 years, and it proposes sweeping new programs that will divert the fund to uses way outside the cleanup of wastesites that is the foundation of the fund. Will the House raise $13 billion to pay for their program? No way. In fact, the House bill raises $9 billion to pay for their $13 billion boondoggle. The shortage of funds will most certainly cripple the purpose of the bill—to cleanup those sites identified on the national priorities list.

I call on my colleagues from both sides of the aisle to rebuke this attempt to embarass this body and the administration, and to continue to focus the deliberations of this body on the fundamentals of Superfund, the cleanup of toxic sites. We all agree that EPA must continue and even expand their efforts to carry out those responsibilities. Accordingly, Congress should not authorize more or less money to fund expansion that the EPA can be reasonably expected to spend each year. The Agency's assistant administrator for Superfund Lee Thomas estimates that figure at about $5 billion over the next 5 years. Yet when one rebellious Democrat proposed a program and corresponding funding mechanism, the House leadership balked at it and ensured its defeat. There's something rotten in the Halls of Congress, and I think it's the beast of political partisanship rearing its ugly head.

The House Superfund bill is a bad bill. First of all, it mandates a Federal cause of action that even has worried those bastions of liberalism, the New York Times and the Washington Post. Mr. President, I ask unanimous consent to include recent editorials by those newspapers in my statement at this point:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 9, 1984]

DON'T DIVERT THE SUPERFUND

A lawyer's dream of paradise is said to be that everyone is resurrected and sues to claim his property back from his descendants. The House risks creating a close terrestrial equivalent in its revision of the Superfund law regulating the cleanup of abandoned toxic dump sites.

The Superfund urgently needs to be expanded and streamlined. In the five years since its creation, only six dumps have been fully cleaned up. Meanwhile 133 new ones have been identified. Many, like the Stringfellow acid pits near Glen Avon, Calif., are leaking hazardous chemicals that threaten to poison drinking water.

The House bill, offered by Representative James Florio of New Jersey, would significantly strengthen the Superfund with more resources and firm deadlines. But it would also do something troublesome, allowing people who believe they've been harmed by a dump site to sue in Federal court. The rules of liability would be so strict that any company that ever sent an ounce of poison to the dump could be held liable for all damages, even if it had done nothing illegal or negligent.

There may be 2,000 toxic dump sites, with millions of people living around them, including many who suffer from diseases like cancer that are arguably caused by dump site wastes. Should such possible victims sue in large numbers, companies' cleanup resources could well be eaten up by legal costs. The site would then have to be cleaned up with Superfund money, depleting it seriously. Even voluntary cleanups might cease if companies feared opening themselves to damage suits.

No matter how valid the claims of some victims, the diversion of money from the Superfund would detract from its prime purpose of cleaning up as many dumps as quickly as possible. Each dump site holds different wastes, and it would take a major medical study to determine who had been harmed. Even more important than compensating victims of past, hard-to-prove negligence is avoiding the creation of new victims.

Victims' interests are in any case already provided for in most state tort laws. A com-

mission appointed by Congress under the present Superfund law decided that state laws are working well, at least for the larger claims. It specifically recommended against creating a Federal cause of action, as the new bill does.

Compensation is an issue separable from cleanup, and until medical science gives a clearer picture of health around toxic dumps, or state laws are found clearly deficient, there is little need for change. If the House sets high priority on expunging toxic dumps, it has to insure that the expanded Superfund is dedicated to that cause alone.

[From the Washington Post, Aug. 3, 1984]

SUPERFUND FOR LAWYERS

Congress doesn't have to act on Superfund until the fall of next year. But it would like to assure voters before this fall's elections that hazardous-dump cleanups will not only continue, but expand in the future. That's understandable. But Congress, eager to appear attentive to people who claim their plight results from exposure to chemical wastes, is also considering adding victim compensation provisions to the law. That raises difficult questions of legal policy and social equity.

People who believe they have suffered from toxic wastes can, of course, sue for damages in state courts. But because toxic exposure may be only one of many factors contributing to an illness, claimants have found it difficult to win these cases and are pressing for a more responsive federal compensation system. Earlier this year a House subcommittee rejected a proposal setting up an administrative compensation system so generous that it might have ended up compensating almost everyone in the United States who contracts cancer.

Now—despite unanimous disapproval of a committee of well-known lawyers appointed to review compensation approaches—a House committee has approved and a Senate committee is considering letting people sue for exposure damages in Federal court. The terms are not only more lenient than those prevailing in state courts, but also depart from carefully developed rules governing other federal court actions.

A person claiming damages could, for example, choose to sue any company that had ever generated or transported waste dumped in a site, operated a site or owned land on which waste was dumped. Full damages—covering pain and suffering, legal fees and reduced property value because of a site's location—could be collected from any one defendant, even if that company had added only a small amount of waste to the site, had done so at the direction of local authorities or was in no way negligent. The losing company could then try to sue all other contributors to the dump if it could find them—and if it could afford it.

Provisions such as these fly in the face of what most people think is fair. They wouldn't even work well for victims. As in asbestos exposure cases, some victims would get bigger settlements than others with far more severe injuries. More than half of the benefits would go for legal costs. Promoting more lawsuits could also paralyze cleanup efforts, since companies would be even less willing to admit involvement and dumps might have to be left unchanged for evidence.

Superfund was designed to make all generators of hazardous wastes contribute to cleanup efforts. Civil and criminal actions are also being pursued against especially egregious violators. And state courts are with proper caution, developing principles to deal with toxic exposure cases. Superfund's purpose is to clean up dumps that are, even now, leaking toxic wastes into water supplies. Progress on that front has been far from spectacular. The Superfund legislation ought not to be diverted into the very separate question of dealing with environmental health damages, a subject that leads very quickly into the broader issue of how far this country wants to go in guaranteeing full health coverage and disability benefits to everyone.

Mr. SYMMS. The evidence, ignored by the House, overwhelmingly argues that a Federal cause of action is inappropriate. The 301(e) study group commissioned by the 1980 Superfund Act unanimously rejected recommending Federal cause of action to Congress this year. The Department of Justice opposed this action in testimony before the Senate Environment and Public Works Committee, calling it a radical departure from tort laws that have remained relatively constant from the past century. Justice also expressed extreme concerns over the impacts of Federal cause of action on the Federal rules of evidence and its broad impacts on society as a whole. The Department of Commerce told the committee that there is no established need for a Federal cause of action, and an extensive exposure of the U.S. business community to potential tort liability, which may be so costly that insurance markets may not be available to cover those claims. Finally, EPA's general counsel has called this action premature and ill advised. And this is the kind of legislation the leadership of the House is playing politics with. On a broader scope, the editors of the Wall Street Journal have characterized this political gamesmenship very accurately in an article entitled "Superfund Supermess," which appeared in that paper on August 7. I would like to ask unanimous consent that that article appear at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Aug. 7, 1984]

SUPERFUND SUPERMESS

Congress is now in the process of reauthorizing the Superfund, established in 1980 to provide money for cleaning up hazardous chemical-waste sites. It is no bad thing that the fund should continue its work. But our leaders in Congress are tacking enough garble and ideology onto the reauthorization to make reluctant opponents even out of conservatives who would like to be moderates on this issue.

Even in a society with well-functioning markets and liability laws there is a need for such devices as the Superfund. Some manufacturing makes for hazardous wastes. Years after the fact it is sometimes impossible to say who is responsible for having deposited a given waste product at a given site. Yet on occasion this waste is a clear danger to the surrounding population. Under these circumstances we have to pool risks and resources to cope with the problem. The trick is to make the pooling method fair and efficient.

When the fund was first proposed after a series of Love Canal-like problems in the late 1970's, the chemical industry wanted general revenues to pay for the cleanups. Fat chance, it was told. The Superfund it actually got takes its money mainly from chemical manufacturers, with a 12.5% share from general revenues.

Nevertheless, the industry has come to support the idea of the fund, in no small part because in today's climate the persistence of waste sites exposes companies to nightmares of liability. They want the Superfund reauthorized. In fact, they want to double its size. But, while the industry is willing to keep making its present contribution, it wants the new money to come from chemical users, who also contribute to the waste problem.

This does not sound so unreasonable. But for a real contrast, consider the bill now going through Congress—pushed by Rep. James Florio, recently named as Walter Mondale's environmental surrogate. This bill would create a fund more than twice as big as the industry's plan. Most of the increase would come from a big boost in the tax rate on the chemical companies. The bill just reported out of Democrat Dan Rostenkowski's Ways and Means Committee includes an additional tax on crude oil. And funding from general tax revenues skyrockets from $220 million over five years to $2.3 billion. Total five-year cost: $10.2 billion. So much for "controlling the deficit." The bill would establish more rigid schedules for completion of the various phases of site cleanup. Standards of what constitutes "clean" would be tightened.

The bill also contains a huge time bomb set to go off in federal courts all over the country. A new provision would give citizens a heretofore nonexistent right to sue for hazardous waste damages in the federal courts, under notably loose standards of liability. Such suits are currently handled by state courts. What our legislators are doing with this provision, of course, is creating a boondoggle for liability lawyers. Initially, Mr. Florio had hoped to create a new federally financed toxic-waste victims' fund. Mr. Florio's colleagues killed that preposterous idea, which would have invited an avalanche of spurious claims, choosing instead the new federal cause-of-action provision to off-load the victims' compensation issue on the already overburdened federal judicial system.

If the waste sites were being cleaned too slowly to protect public health and safety, the enthusiasts would have an argument. But this seems not to be the case: EPA has greatly increased its activity in the area in recent months and cannot fairly be said to need a bigger legal whip to get it moving. As for the size of the Superfund, the agency says it simply cannot usefully absorb new money at the rate contemplated by the Florio-style Superfund. The new rigidity in schedules and standards is inappropriate to the variations in the waste sites that must be handled.

Finally, though chemical producers dealing with the Superfund frequently complain about some of EPA's specific tactics, they have sufficient reason of their own to want the cleanup to move expeditously. They have not given Rep. Florio good reason to treat them with the punitiveness you would apply to criminals, children or mules.

Congress had a defensible idea in the Superfund. The legislators are now turning it into something grotesque. Even the things

we wish government would do, end up, by virtue of our political culture, being done badly.

THE CONTINUING EDUCATION ACT OF 1984

Mr. HATCH. Mr. President, I ask unanimous consent that the text of the bill, S. 2919, The Continuing Education Act of 1984, be printed in the RECORD immediately following my remarks.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2919

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That this Act may be cited as the "Continuing Education Act of 1984".

SEC. 2. Title I of the Higher Education Act of 1965 is amended to read as follows:

"TITLE I—POSTSECONDARY CONTINUING EDUCATION

"PART A—POSTSECONDARY CONTINUING EDUCATION INNOVATION AND OUTREACH GRANTS

"FINDINGS AND PURPOSE

"SEC. 101. (a) The Congress finds that—

"(1) enrollments by adult and nontraditional learners are changing the demography of American postsecondary education;

"(2) adult learners frequently encounter barriers which make them unable to participate fully in postsecondary education opportunities;

"(3) postsecondary institutions need to reexamine their governing policies and academic curricula to integrate continuing education programs for adults into their general missions and to make a more substantial commitment to serve all adult learners on an equitable basis with other learners, regardless of age;

"(4) State agencies responsible for postsecondary education need to review their planning and funding policies to determine whether they promote or impede the expansion of learning opportunities for adults;

"(5) modern communications technology is an effective tool that can be used to help them make the resources of institutions of higher education more available to adult learners and other students unable to participate in postsecondary education programs;

"(6) changes in the economy, in technology, and in communication, and the relocation and dislocation of industries and workers, suggest the need to improve postsecondary education opportunities for adults throughout their lives;

"(7) the majority of adults who continue their education do so for job and career-related reasons;

"(8) institutional linkages with the private sector can futher joint planning and implementation of servics to adult workers and to adults seeking work; and

"(9) it is in the interest of the Federal Government to support continuing education for adults that will help reduce unemployment and underemployment, enhance job opportunities for many individuals, and promote a well-trained, flexible, and internationally competitive workforce, and an educated citizenry.

"(b) It is the purpose of this part—

"(1) to assist institutions of higher education and combinations of such institutions to establish pilot projects and demonstration programs worthy of replication that respond to the learning needs of adults;

"(2) to establish or expand cooperative arrangements between institutions of higher education and private sector employers to plan and implement innovative programs and services to the American workforce; and

"(3) to demonstrate the effectiveness of innovative education outreach programs, particularly programs that adapt communications technologies to reach new and isolated learners.

"INDIVIDUALS FOR WHICH PROGRAM IS DESIGNED

"SEC. 102. To promote the purposes of this part, individuals who need continuing education and who would benefit from programs and services established by this Act may include—

"(1) potential new entrants to the workforce who have completed their secondary education but who have not found employment, especially disadvantaged and minority individuals;

"(2) individuals who seek reentry to the workforce after prolonged absences, particularly women, and who need education and training to obtain marketable skills;

"(3) workers who have been dislocated by plant closures, technological change, and new products and processes;

"(4) individuals who need remedial instruction to proceed with collegiate education and further training;

"(5) individuals isolated from educational resources because of geographic location;

"(6) employees of small- and medium-sized businesses that do not have the capacity to undertake education and training activities on their own; and,

"(7) individuals in service industries deemed of special concern to the national interest, such as individuals in teaching and nursing, health and medical paraprofessionals and aides, teachers of adults, guidance and counseling personnel for adults, library and learning center personnel working with adults, and others.

"ESTABLISHMENT OF PROGRAM

"SEC. 103. The Secretary shall carry out a program, in accordance with this part, to assist eligible institutions of higher education to establish programs to enhance the educational opportunities available to adult learners.

"APPLICATIONS FOR ASSISTANCE

"SEC. 104. (a) Any eligible institution of higher education, or combination of such institutions, which is eligible for assistance may submit an application under this part to the Secretary at such time, in such form, and containing such information, as may be necessary to enable the Secretary to evaluate the need for assistance. The Secretary shall make awards on a competitive basis taking into consideration the effectiveness of the program proposed in the application.

"(b) Each such application shall—

"(1) describe the current academic program offered by the institution of higher education, or the combination of such institutions, and the activities proposed to be assisted under this part to enhance the educational opportunities and to meet the educational needs of adult learners;

"(2) provide evidence that the institution of higher education, or the combination of such institutions, meets the eligibility requirements of section 105;

"(3) provide evidence that the institution of higher education or combination of such institutions has sought to identify the educational needs of potential adult learners in the area served by the applicant;

"(4) describe a proposal for a program designed to enhance the educational opportunities available to adult students by (A) encouraging enrollment; (B) addressing specific educational needs of adult learners; (C) structuring programs and services designed to facilitate the attendance of working students, parents caring for dependent children, and persons seeking to reenter the educational system; (D) implementign guidance, counseling and other services designed to enhance career decisions and course selections; and (E) coordinating with existing institutional programs designed to serve the adult learner;

"(5) provide for such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursement and accounting for funds made available to the applicant under this part;

"(6) include a statement by the applicant describing how it intends to continue the activities to be supported under the grant after the grant has been expended;

"(7) set forth policies and procedures to ensure that Federal funds made available under this part for any fiscal year will be used to supplement and, to the extent practical, increase the funds that would otherwise be made available for the purpose of this part and in no case supplant the funds:

"(8) set forth policies and procedures for evaluating the effectiveness in accomplishing the purpose of the activities for which a grant is awarded under this part; and

"(9) include such other information as the Secretary may reasonably require to carry out the provisions of this part.

"INSTITUTIONAL ELIGIBILITY

"SEC. 105. Each institution of higher education or each combination of such institutions shall be eligible if the Secretary determines that—

"(1) the institution or the combination has demonstrated an ability to work with professional and technical associations and agencies, employers, and employee representatives in planning and implementing state-of-the-art continuing education and training activities;

"(2) the institution or combination is willing to conduct and integrate into the curriculum work-oriented professional and technical continuing education programs;

"(3) the institution or combination has the capacity to solicit contributions of staff, equipment, and resources from nonacademic sources, particularly employers, in behalf of such programs; and

"(4) the proposed program is relevant to the State plan for postsecondary education.

"USE OF FUNDS

"SEC. 106. (a) Grants under this part to any eligible institution or higher education or combination of such institutions may be used for planning, developing, or operating the program designed by the institution of higher education to carry out the purposes of this part and may include—

"(1) making educational opportunities available to adult learners at convenient times and locations, including at home and on-the-job;

"(2) assessing the learning needs of adults and, in particular, the responsiveness of continuing education to the work and career-related objectives of individuals;

"(3) assessing institutional and other barriers to adults who wish to continue their education;

"(4) developing or expanding institutional outreach centers to improve educational and occupational information and counseling services to meet the special needs of adults, including information concerning available forms of student financial assistance;

"(5) training of administrator, faculty, and staff to improve their ability to teach and serve adult learners;

"(6) developing and expanding innovative delivery systems and curricula to ensure career development and career transitions for needy individuals;

"(7) promoting collaborative efforts between the institution of higher education or combination of such institutions, and private sector employers and employee representatives to develop continuing education curricula and services responsive to current employment and economic conditions;

"(8) adapting the use of technologically oriented delivery systems using interactive computers, radio, television, teleconferencing, video-disc, print, or any combination thereof, or such other means as may provide direct use and access by individuals to educational opportunities;

"(9) joint planning and implementation activities between institutional and private sector representatives to expand educational opportunities; and

"(10) promoting the sharing of personnel and resources between an institution and an employer.

"(b) Funds paid pursuant to this part may not be used—

"(1) to purchase facilities to be used in connection with the program or general operation overhead of the institution of higher education or combination of such institutions; or

"(2) to pay stipends or provide direct financial assistance to any individual participating in the programs established under this part.

"SIZE AND DURATION OF GRANT

"SEC. 107. The maximum award that may be made to a single applicant under this part for any three-fiscal-year period is $150,000.

"PART B—POSTSECONDARY CONTINUING EDUCATION RESEARCH AND RESEARCH APPLICATION GRANTS

"FINDINGS AND PURPOSE

"SEC. 121. (a) The Congress finds that—

"(1) research on the learning interests and needs of adults who are continuing their education or who would like to continue their education at postsecondary institutions and elsewhere has not kept pace with rapid growth of adult learning throughout the Nation;

"(2) research that is available, particularly data and other information relating to labor market needs, employment opportunities, and appropriate educational opportunities, is not being disseminated in a timely and useful fashion to postsecondary education planners and others;

"(3) long-term planning and allocation of institutional resources for postsecondary continuing education needs a sound research and scholarly base;

"(4) development of trained professional personnel to serve adult learners, whether in preservice or inservice training, requires access to recognized academic centers of training, scholarship, research, and research application specifically focused on postsecondary continuing education; and

"(5) national, regional, and interstate research and research application activities can provide direction and momentum to all postsecondary institutions willing to develop or expand their services to adult learners.

"(b) It is the purpose of this part to held ensure that one or more national or regional comprehensive institutions of higher education, or both, have the sustained capacity—

"(1) to undertake independent research and research application activities in postsecondary continuing education, and

"(2) to provide leadership, advice, and technical assistance to other institutions of higher education and to public agencies and private organizations on the use and allocation of resources to serve national, regional, State, and local adult learning priorities.

"ESTABLISHMENT OF PROGRAM

"SEC. 122. The Secretary is authorized to make grants to, and to enter into contracts with, institutions of higher education, or any combination there, to carry out the purposes of this part by providing assistance to such educational institutions.

"(3) long-term planning and allocation of institutional resources for postsecondary continuing education needs a sound research and scholarly base;

"(4) development of trained professional personnel to serve adult learners, whether in preservice or inservice training, requires access to recognized academic centers of training, scholarship, research, and research application specifically focused on postsecondary continuing education; and

"(5) national, regional, and interstate research and research application activities can provide direction and momentum to all postsecondary institutions willing to develop or expand their services to adult learners.

"(b) It is the purpose of this part to held ensure that one or more national or regional comprehensive institutions of higher education, or both, have the sustained capacity—

"(1) to undertake independent research and research application activities in postsecondary continuing education, and

"(2) to provide leadership, advice, and technical assistance to other institutions of higher education and to public agencies and private organizations on the use and allocation of resources to serve national, regional, State, and local adult learning priorities.

"ESTABLISHMENT OF PROGRAM

"SEC. 122. The Secretary is authorized to make grants to, and to enter into contracts with, institutions of higher education, or any combination thereof, to carry out the purposes of this part by providing assistance to such educational institutions.

"USE OF FUNDS

"SEC. 123. Funds paid pursuant to this part to any institution of higher education or combination of such institutions may be used for planning, developing, or operating the program designed to carry out the purposes of this part, and may include—

"(1) identifying and analyzing special problems and needs of adult learners on a national, regional, or State basis;

"(2) recruiting and training of faculty and staff professionals engaged in adult learning and postsecondary continuing education;

"(3) collecting, analyzing, and disseminating pertinent data affecting adult learners and their educational and employment objectives, with particular focus on analyzing and disseminating information on the current and projected needs of the labor market;

"(4) research on the use and application of postsecondary resources for demonstration programs and pilot projects appropriate to the education and training needs of adults and which can lead to replication;

"(5) examination and application of education technologies to reach new and isolated learners;

"(6) advisory and technical services to institutional and State legislature policymakers on strategies to develop or expand educational programs and services to adults;

"(7) developing, demonstrating, and disseminating innovative outreach methods designed to attract and serve adult learners who are inadequately prepared in skill areas to participate in postsecondary education;

"(8) collecting and disseminating relevant data emanating from Federal agencies and other national and State resources and applicable to postsecondary institutional planning for continuing education, including information related to Federal and other forms of student financial assistance;

"(9) promoting resource sharing for innovative uses of technology, including telecommunications, to overcome barriers to postsecondary educational opportunities;

"(10) coordinating with State education officials to develop interstate educational delivery systems, cooperative and consortial arrangements, and programs (including telecommunications) which more effectively address regional needs for continuing education;

"(11) examining appropriate State roles in continuing education and adult learning, especially as they relate to existing education and training programs;

"(12) assessing alternative methods of funding adult learning activities;

"(13) reviewing the effectiveness of programs and activities funded under this part for purposes of dissemination to user groups and of replication; and

"(14) such other studies as may be authorized by the secretary.

APPLICATION FOR ASSISTANCE

"SEC. 124. A grant or contract authorized by this part may be awarded by the Secretary on a competitive basis upon receipt of an application, which is submitted to the secretary at such time or times and contains such information as the secretary may prescribe. Each such application shall—

"(1) contain provisions that demonstrate the existing resources and academic reputation of the institution of higher education in the field of continuing education and its ability to conduct such activities;

"(2) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of an accounting for Federal funds paid to the applicant under this part;

"(3) provide for making such reports, in such form and containing such information as the Secretary may require to carry out the functions under this part, and for keeping such records and affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports; and

"(4) provide assurances that the applicant intends to continue the activities to be supported under the grant after the grant has been expended, including a detailed plan for obtaining funds to continue such activities.

"SIZE AND DURATION OF GRANT OR CONTRACT

"SEC. 125. The maximum award that may be made to a single applicant under this part is $400,000 for any fiscal year, and may not exceed $2,000,000 over 5 years.

"PART C—THE NATIONAL ADVISORY COUNCIL ON CONTINUING EDUCATION

"ESTABLISHMENT OF NATIONAL ADVISORY COUNCIL

"SEC. 131. (a) The President shall appoint a National Advisory Council on Continuing Education consisting of eight representatives of Federal agencies having postsecondary continuing education and training responsibilities, including but not limited to, one representative each from the Departments of Education, Agriculture, Defense, and Labor and the Veterans' Administration; and twelve members, not fulltime employees of the Federal Government, who are knowledgeable and experienced in the field of continuing education, including State and local government officials, representatives of business, and labor, and community groups, and adults whose educational needs have been inadequately served. The Advisory Council shall meet at the call of the Chairman but not less than twice a year.

"(b) The Advisory Council shall advise the Secretary in the preparation of general regulations and with respect to policies and procedures arising in the administration of this title.

"(c) The Advisory Council shall examine all federally supported continuing education and training programs and make recommendations with regard to policies to eliminate duplication and to effectuate the coordination of programs under this title and other federally funded continuing education and training programs and services.

"(d) The Advisory Council shall prepare and submit annual reports to the President, for transmittal to the Congress, commencing on September 30, 1985, of its findings and recommendations, including recommendations for changes in the provisions of this title and other Federal laws relating to continuing education and training activities. The President shall transmit each such report to the Congress with his comments and recommendations. The Advisory Council shall make such other reports or recommendations to the President, the Congress, the Secretary, or the head of any other Federal department or agency as may be appropriate.

"(e) The Advisory Council may utilize the services and facilities of any agency of the Federal Government as may be necessary. The Advisory Council may accept, employ, and dispose of gifts or bequests to carry out its responsibilities under this title.

"PART D—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 141. (a) For the purpose of this title, the term 'adult learner' means an individual (1) who, by reason of his or her personal circumstance including age, marital status, position with regard to dependent children, lack of or need for new employment skills, desires to pursue a new career, and is not a traditional full-time student, and (2) who engages in some form of structured postsecondary program of study to improve his or her knowledge, information, skills, or employment opportunities.

"(b) For the purpose of part A of this title, an 'institution of higher education' includes all institutions of higher education described in section 481 of this Act.

"DISCRETIONARY FEDERAL SHARE

"SEC. 142. The Secretary may under part A or B of this title, or both, include an appropriate matching provision that makes Federal support contingent upon a non-Federal contribution of dollars or services by the approved applicant.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 143. There are authorized to be appropriated $50,000,000 for the fiscal year 1985 and for each succeeding fiscal year ending prior to October 1, 1990, as may be necessary to carry out the purposes of this Act. Not less than 15 percent nor more than 20 percent in any fiscal year may be used to carry out the provisions of part B of this title.".

SENATOR JAVITS SPEAKS OUT

Mr. PERCY. Mr. President, our distinguished former colleague and dear friend, Jack Javits, recently spoke to doctors at the New York Hospital on what it means to be terminally ill. Jack suffers from a disabling illness which has affected his muscles severely. However, he told the doctors, "The use of my brain seems assured." Indeed it does. He continues to lecture, read, write, and speak out. He said recently, "I dedicate my life to the issues that have dominated it for many decades now, and to my profession as a lawyer. I believe that I can still be useful in many ways."

We all have seen the quality of our former colleague in the Senate—his powerful intellect, brilliance, creativity, tenacity, hard work, compassion, loyalty, and friendship.

Senator Javits expanded his remarks into an article which appeared in the August issue of Discover magazine, and I ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Discover, August 1984]

WHEN SHOULD DOCTORS LET A PATIENT DIE?

(By Jacob K. Javits)

I am a victim of what is generally called a terminal disease. It is amyotrophic lateral sclerosis (ALS), which slowly disables muscles by reducing the ability of the motor neurons—the nerves that control movement—to deliver chemical messages from the brain to those muscles. ALS is usually a disease of middle age and thereafter, and more men than women seem to get it. It is not considered contagious. It is popularly known as Lou Gehrig's disease, because it killed the great baseball player while he was still in his thirties. There is no known cure.

I am now confined to a wheelchair, because my leg muscles are inadequate, and I need a ventilator to help me breathe, though it uses only room air. The critical thing in keeping alive, in my estimation, is to keep my mind in order and functioning. Fortunately, ALS does not seem to compromise the brain or the intellectual ability of the stricken individual.

When I received the news that I had this difficult disease after a long and active career as a lawyer, Army officer, state attorney general, and a member of Congress, I could have been devastated and destroyed. But I was not. I decided I would simply have to make the best of it. Throughout my medical experience, this philosophy has always prevailed: that I had a job to do and a life to finish, and that no physical obstacles could stop me in the pursuit of what I considered to be my duty and responsibility to my people and my time.

Therefore, for patients with a so-called terminal illness like ALS, my message is this: We are all terminal and we are all going to die sometime. So why should a terminal illness be different from a terminal life? There is no difference, and I would suggest that the most positive thought for any patient is to concentrate on perpetuating life. First and foremost, whether the patient is a mechanic or a United States senator, he or she must have motivation for living—if the life force is to prevail over illness or infirmity.

For me this life source starts from Marian, my wife, and our children, who have been my basic support, and extends to relatives and friends, country, and the world. But I have also been sustained by my doctors, who in diagnosing my case always gave me two assurances: that I would be continent, and that my intellectual capacities would be unaffected. Despite my handicaps, I can speak, see, hear, taste, smell, feel, even swallow (though many ALS patients have difficulty with this function). No matter how my other faculties might suffer, the use of my brain seems assured. This, it seems to me, is the essence of life.

I was very much interested in the stir created earlier this year when Governor Richard D. Lamm of Colorado was reported to have urged all elderly people with terminal illnesses to get out of the way and leave medical care for younger and more vital subjects. This view ran into an enormous storm of disapproval, especially from those who would be affected. The governor sounded inhuman to many, including me. Actually, it turned out that Lamm had said "We all have a duty to die." Nonetheless, in discussing treatment of the terminally ill, he raised a question of deepest seriousness for the medical profession and for the community in general.

It is true that medical care is very expensive, and that it is still not available without regard to economic resources on a nondiscriminatory and equal basis for all. But until that goal is reached, I believe the medical profession should cooperate with efforts to establish a test in cases of terminal illness that would enable us to determine who should live and who should die. It should be based not on how rich the patient and his family are, but on whether the brain is functioning and whether there is any expectation that the patient will continue to enjoy what is truly life.

This can best be done by a process that involves the participation of the patient, the patient's family, a representative of the patient's religious affiliation, a representative of the community, and, of course, the medical profession—and ultimately, if the issue is not resolved, the judgment of a court. But I believe that the criterion must be the ability of the brain to function—for that is life, as distinguished from death. Even when continuous excruciating pain is present, we have every reason to hope that advances in the control of pain may help us continue to consider the functioning brain as the rule for life.

Based upon what I have been through, I have found that medical care is generally administered with good intentions to those with terminal illnesses, and that an atmosphere of good will pervades medical offices and hospitals. I believe it is also fair to say that the patient should have a lot to do with the treatment, however limited it may

be. For if he is cooperative, optimistic, and communicative to the doctor and other health professionals, he will inspire the total medical staff, and this can have a lot to do with the results.

A friend of mine, Norman Cousins, a distinguished author and editor who suffered some years ago from what he thought at the time was a terminal illness, has given us all a message in that respect. Humor was the single factor that helped him most, and he demonstrated that the patient can contribute as much as the doctor or the nurse to a happy outcome, and can make life much easier for the people who function within the health care or hospital setting.

We have made a lot of progress in this country in the quality and the availability of health care, but we still have a long way to go. I am very proud of what we have done, especially because most of it is in the private sector, which always gives greater freedom and greater opportunity to the individual. I believe, too, that there is a growing body of opinion in the health care professions that has helped to move this process on its way, and that this is an expression of social consciousness among the members of the health care professions. Though this attitude is far from universal, I am sorry to say, it is nonetheless impressive and very promising for the future.

Now a few observations on my own life as a "sick man," which may be helpful to others carrying comparable serious disabilities. I do lecture, I do read, and I do write. I dedicate my life to the issues that have dominated it for many decades now, and to my profession as a lawyer. I believe that I can still be useful in many ways.

In short, life does not stop with terminal illness. Only the patient stops if he does not have the intellectual and moral wherewithal to go forward with life until death overtakes him. That happens to everybody. We can be inspired by our disabilities and carry on what is truly life, or we can be dismayed and downed by them.

The greatest therapy is to forget about terminal illness. Everybody is terminal. That is the great message that can perpetuate the useful life of the patient and be of solace and comfort to the patient's family and friends. What is really worthwhile in life is the excitement and the expectation of living, and the giving and the receiving, which is, after all, life's essence.

UTAH WILDERNESS BILL

Mr. HATCH. Mr. President, after numerous months of debate, negotiation, and compromise, I am delighted that the Senate completed action late last night on S. 2155, the Utah wilderness bill.

This process began over 12 months ago when the entire Utah delegation, along with the Governor of the State of Utah traveled across the State to receive testimony on the concept of Utah wilderness.

The reactions we received were mixed. Some individuals expressed dismay that we would consider designating any parcel of land a wilderness area, while others indicated that they felt vast areas of the State should be included. The resulting product is a classic compromise.

S. 2155 will add over 700,000 acres of new Forest Service wilderness in the State of Utah and will release to multiple use nearly 3 million acres of lands currently being managed as defacto wilderness. This is a little more than 40,000 acres above the acreage contained in the bill, which was originally introduced, and I might add every additional acre was the subject of lengthy discussion.

S. 2155 contains the following provisions: Section 201 acknowledges RARE II and congressional review of the wilderness issue as well as outlining the McClure-Seiberling release language which will provide certainty to Forest Service wilderness management and recurring wilderness review on a 10 to 15 year cyclical basis. Section 301 will allow grazing in accordance with the 1968 Wilderness Act and will maintain limited motorized access for essential purposes. This is an issue of vital importance to our cattlemen and women in a State which has 60 percent of its lands under Federal jurisdiction.

Section 302 will protect the States water rights, allow for watershed protection for all primary Utah watersheds affected by wilderness designations and clarifies the States' jurisdiction over fish and wildlife.

Section 303 of the bill will prohibit the use of buffer zones, and section 304 will allow for the continued assessment of mineral potential. This section will also allow for the installation and maintenance of snow pack and water measuring equipment by limited motorized access in critical Utah watershed areas.

Section 306 had originally contained language authorizing the continuance of helicopter skiing in the Mount Olympus and Twin Peaks areas where it has occurred for over a decade. However, because environmentalists have rallied to oppose this language I felt, as I know Senator GARN felt, that it would be wiser for us to simply delete these areas and avoid a direct confrontation on this point. The Senate Energy Committee agreed with this approach and simply deleted the land which would have been protected by this language last Wednesday. I am hopeful that the corresponding House committee will also see fit to do so, so this issue will cease to be an issue.

This has been an important issue to me in part because of the impact tourist dollars have in the State of Utah. Tourism is Utah's No. 1 industry. According to "Ski Utah," skiing accounts for approximately one-third of the State's billion dollar tourism industry. Over 2½ million skiers visited the State last year. If this sounds like I am endorsing Utah as a wonderful place to ski and visit—I am. I would invite all who want to see some of the most beautiful areas imaginable, ski some of the finest snow on earth, to visit my fine State. It is magnificent: as are the wilderness areas designated in this bill. I am also convinced the companies have provided valuable public service in avalanche control and warning as well as rescue operations. I would ask that a letter from the Utah Avalanche Forecast Center be inserted in the RECORD at the conclusion of my remarks.

S. 2155 sets aside approximately 12 major wilderness areas, the largest being in the high Uintas, located in northern Utah. The Uinta Wilderness Area is one in which compromise was the name of the game, and which many long hours were spent. Needless to say, the heated debate centered on the area's natural beauty and rich mineral potential. While neither environmentalists nor industry are content with this classification, I am hopeful that each will acknowledge the necessity of compromise in the legislative process and will realize that the delegation has had to compromise in order to forge a bill that will be a viable one.

The southern half of the State has not been forgotten either. Southern Utah has become famous for its beauty in past years, and I predict will become even more famous in future years. The Dark/Woodenshoe Canyon area is a beautiful canyon which is full of diversity and drama. Box Death Hollow is another magnificent area, but was discovered to contain a significant reserve of carbon dioxide earlier this year.

Carbon dioxide has recently become an increasingly important resource to recover trapped oil reserves from older oil fields.

Because of the significance of this deposit, portions of the Box Death Hollow area were specifically deleted to permit the development of this resource. It is the intent of the sponsors of this legislation that development of the resource be allowed to occur subject to carefully crafted stipulations. These include a requirement that fill material will need to be obtained from outside the wilderness area, and construction will need to occur when there will be a minimal impact on recreation or wildlife uses.

The senior Senator from Utah has worked diligently to forge this compromise and I would like to express my appreciation to him and his staff for their hard work. It has been a pleasure to work with him on this issue and I always welcome the opportunity to do so.

Finally, I would add that each wilderness bill, though part of a national system, is unique to its own State. The State of Utah has worked for months to develop this bill. Thousands of hours have been spent in its development. It has been the object of controversy and in some cases has been the cause of ridicule and vandalism.

I am pleased to see that S. 2155 is now one step closer to public law and

thank the Senate for their favorable consideration.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF COMMERCE, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL WEATHER SERVICE, USDA FOREST SERVICE, USDC NATIONAL WEATHER SERVICE, UTAH AVALANCHE FORECAST CENTER,

Salt Lake City, UT, Apr. 24, 1984.

To the Honorable Senator Orrin Hatch,

I am writing this letter in response to an issue that we have been made aware of concerning the Utah wilderness bill and the Wasatch Powderbird guide helicopter skiing operation. The issue concerns a special-use permit with the proposed twin peaks wilderness and the Mount Olympus wilderness which will be administered under the proposed Utah wilderness bill.

These two proposed wilderness areas are located within the Wasatch Mountain range near Salt Lake City. Some of the prime helicopter ski terrain which the Wasatch Powderbird guides have had access to by special-use permit from the U.S. Forest Service lie within these two areas. The Powderbird guides have had an established use within these areas for the past 11 years. Unless a special provision is written into the Utah wilderness bill, authorizing the use of a helicopter within these two proposed areas by the Wasatch Powderbird guides, the helicopter skiing service will likely have to close their business down. This would likely be done for lack of available helicopter skiing terrain that would offer the optimal snow conditions and terrain that they now have access to within these two areas. There is no substitute terrain available.

Another result of their having to close down would be a loss of their feedback of backcountry avalanche hazard evaluations and observations in these remote areas. This information has been shared with the Utah Avalanche Forecast Center, the U.S. Forest Service, the Utah Department of Transportation, and all major ski resorts within the Wasatch Range. This information has been invaluable, especially to the backcountry avalanche forecast center.

The other aspect that would be lost if this helicopter operation closes down would be the winter rescue capabilities and emergency medical and evacuation service that they have always provided at a moment's notice when needed. The Powderbirds have been ready and willing to assist over the last 11 years with any backcountry rescue and they are well equipped and highly trained for this task. It would be a major loss to not have this service available, especially in an area that has a history and reputation of some of the most active avalanche terrain in this country.

There are many other aspects that can be addressed and would be lost if this helicopter ski operation were not around. For instance, a loss of several jobs and a large chunk of revenue would be missing from Utah's ski economy. Also, there is a special appeal to powder skiers around the world, that Utah has the greatest snow on Earth. A helicopter ski experience within the Wasatch Mountains is certainly the cream off the top.

For the above reasons we ask your support for a special provision to be included under the Utah wilderness bill allowing the use of a helicopter for backcountry skiing within the proposed Mount Olympus and Twin Peaks wilderness areas. Over the past 11 years the Wasatch Powderbird guide helicopter ski operation has caused no detriment to the sensitive Alpine soil and plants within our mountains. They leave only tracks in the snow. As a special-use permittee, the Powderbird operation and activities has always been and will continue to be administered under restrictions by the U.S. Forest Service.

Sincerely,

ALBERT J. SOUCIE, Jr.,
Avalanche Forecaster for the Utah Avalanche Forecast Center.

PCP

Mrs. HAWKINS. Mr. President, reports of the widespread use of the drug Phencyclidine, or PCP, are increasingly disturbing.

PCP has emerged in the last decade as an illicit street drug of major importance. When this synthetic drug was first developed, it was hailed as a nonbarbituate, nonnarcotic, anesthetic agent with potent analgesic properties. It was, however, soon found to produce adverse side effects, including agitation, delirium, hallucination, muscle rigidity, and seizures. At present, its only allowable use is for veterinary purposes.

One of the primary reasons it is presently in such quantities in our cities is that it is a simple drug to synthesize. It can be produced with a small number of readily available chemicals and with a minimum of equipment.

PCP is insidious in its destruction of our young people. It appears in many different forms and is contained in many different drugs; it can be ingested in the form of tablets or capsules, or it can be smoked. A major national study of 2,750 drug abusers under the age of 18, representing 97 drug abuse programs, revealed that 31 percent reported current or past use of PCP. A high level of polydrug usage was found among the 875 PCP users in this study, and more than half the PCP subjects were using the drug one or more times weekly prior to entering treatment. Many other indications of the currently prevalent use of PCP can be found in local surveys, street drug analysis data, and reports of police raids of illicit PCP manufacturers.

Mr. President, no one knows how extensive are the damaging effects of this drug. The PCP user is often not sure what is going to happen when he or she is on PCP, and too often becomes so violent that the severity of the behavior has been referred to as "inhuman." Severe speech impairment, irreversible brain damage, and permanent schizophrenia have resulted from use of this drug, as have comas and death.

In Washington, DC, for example, it was reported that one-third of the inpatient admissions at a large mental health facility, between 1974 and 1977, suffered from effects of PCP. Psychosis caused by this drug was cited as the primary reason for inpatient psychiatric admissions.

All indications are that this drug is having a devastating effect on our society, at every level. We have worked to eradicate other particularly damaging drugs, and we have succeeded in making them unavailable to our children. Mr. President, we must do so again with PCP.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. [Mr. ABDNOR]. Without objection, it is so ordered.

ORDER TO PLACE H.R. 5177 ON THE CALENDAR

Mr. BAKER. Mr. President, there is one other matter that appears to be cleared now for action by unanimous consent. I have discussed this with the distinguished chairman of the Judiciary Committee and the distinguished minority leader.

Mr. President, I now ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of H.R. 5177, granting the consent of Congress to an amendment to the Wheeling Creek Watershed Protection and Flood Prevention District Compact entered into by the States of West Virginia and Pennsylvania.

The PRESIDING OFFICER. Is there objection? If not, without objection, it is so ordered.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. Certainly.

Mr. BYRD. Mr. President, on behalf of my colleague, Senator RANDOLPH, and myself, I wish to thank the distinguished majority leader for helping to clear this action.

I also wish to express appreciation to the chairman of the Judiciary Committee [Mr. THURMOND] and also Senator METZENBAUM and Senator BIDEN on this side of the aisle, they being members of the Judiciary Committee and they having cleared this action as well.

We appreciate it very much and I hope that at an appropriate time the distinguished majority leader, after consulting with the appropriate Members on his side, will be able to call this measure up and pass it.

Mr. BAKER. I thank the minority leader. I can assure him that we will do whatever we can.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, there is another matter I would hope we might reach. We have had some conversations about this on both sides of the aisle. That is the D.C. appropriations bill. I do not believe it will require much time or a rollcall vote.

Could I inquire of the minority leader if there is some chance we might be able to reach that?

Mr. BYRD. On the D.C. appropriations bill, that has not been cleared on this side of the aisle. Or has it?

So far as I know now it has been cleared on this side of the aisle. Senator CHILES and Senator STENNIS are here and perhaps we can hear from them.

Mr. STENNIS. If the Senator will yield to me, I am told by the chairman and the ranking member of the committee that this is all cleared. He is engaged elsewhere at this time.

Mr. BAKER. I thank the ranking minority member. There is one other matter we have to take care of before we can reach that bill. Having been once engaged in debate on this matter for some days, more than I had originally anticipated, I see the distinguished Senator from Florida, the ranking minority member of the Budget Committee on the floor. I wonder if he is seeking recognition at this time.

THE BUDGET ACT

Mr. CHILES. My understanding is, Mr. President, that this would take a waiver of the Budget Act. Is that something you are planning to do?

Mr. BAKER. Yes, I am.

Mr. CHILES. I want to say to the distinguished majority leader and my good friend that for longer than I had hoped necessary, I engaged the Senate in an effort to reach some understanding that waiving the Budget Act would jeopardize its overall effectiveness.

I will have to say, however, that after that debate I heard some things that showed me there were some fears on the other side of the aisle I, perhaps, did not fully appreciate.

I said many times on the floor during that debate, in my frustrations, that for the life of me, I could not understand why we were here and why we had not given final approval to a budget resolution. It was brought to my attention that sometimes you see one side of a picture but you do not always see how the other man sees things. It was explained to me that the majority party was concerned that if they came to an agreement on the Budget Act, it would only be the start of the debate. They had some concern we might be setting a ceiling on the defense number but it would not set the floor. The majority feared it would be in the position of bidding against itself as the number went down.

Frankly, that did not seem to be a real fear to me. I felt that something else would happen. As I explained, without a Budget Act the House would automatically go as low as they possibly could in a continuing resolution and that would push the debate in another direction.

After discussing this with my distinguished chairman of the Budget Committee, he further explained to me some of the concern on the other side of the aisle.

In the budget conference yesterday I noted that perhaps both sides suspected other motives or had some fears. But, as Senator STEVENS has said, sooner or later we are going to arrive at a number. And if everybody knows that is true, why wait until later if there is any possibility it could be done sooner.

I suggested at the budget conference that maybe we had an opportunity for the leadership of the House and the Senate to sit down and see if we could arrive at an understanding on a budget number, and once reached, that would be the number. That would be the defense number to govern the appropriations bills, and perhaps even the authorizing bill. At least, there would not be three fights, but rather one discussion.

It seems to me that has some merit, but only if both sides believe it has merit.

I would like to explore that with the majority leader.

The extended debate is the first one I have ever undertaken. It is not something I particularly relish. I do not exactly look forward to doing it some more, yet, by the same token, I was talking about a principle I still believe in very strongly. And it is that we should not abandon the Budget Act. If we could do something like this, I believe it would be positive. It would certainly safeguard the Budget Act. I would like to explore that with the majority leader and see what his views might be.

The PRESIDING OFFICER [Mr. HECHT]. The majority leader.

Mr. BAKER. Mr. President, I would like to yield to the chairman of the Budget Committee in just a moment.

Let me respond to the distinguished Senator from Florida by saying first I was struck by the proposal he made in the last budget conference, I believe on yesterday. It was one of those moments with highly attractive candor and a statement of understanding of the other person's point of view, which is not always the rule in any legislative group.

By his initiative in that respect, I think we may have come to a better understanding of his concern and he, of course, the distinguished Senator from Florida, may have suggested a way out of this dilemma, because it is a dilemma.

I do not want to see the Budget Act go down the tube. I do not want to see it weakened. I want to see it work. The proposal made by the Senator from Florida, as I understand it, is that we ought to have an informal, ad hoc conference between the principals involved in all three aspects of the establishment of a defense number. That would be the Budget Committee, that would be the authorizing committee, the Appropriations Committee, and the involvement of the leadership in both Houses on both sides of the aisle.

That sounds like a big and ponderous undertaking, but it really is not. It is not infrequent that that sort of thing happens, that the leadership on both sides of the aisle in both Houses simply sit down and say, "Look, we have to do something about it, so why do we not just make a deal?"

That is the very essence of the legislative system. I am attracted to that. I will say right now I am willing to do that. For my part, I will sit down with the Speaker and my colleagues on both sides of the aisle with leadership in the Budget, authorizing, and Appropriations Committee, and we will try to find a defense number.

The hallmark of this agreement is the point made by the Senate from Florida so well and so ably. That is if we do that, it should not be the beginning bargaining point, it ought to be the number. We ought not to be bargaining down from it. It ought not become just a ceiling and not automatically a floor.

So I congratulate the Senator from Florida. I think he deserves an enormous debt of gratitude for making the suggestion—and making it in a true sense of fairness and bipartisanship as I perceive it. And I am willing now to say that I am willing to sit down with the Speaker, Senator DOMENICI, with Senator CHILES, and with the Appropriations Committee, and the authorizing committee representatives, and see what we can do.

One point that ought to be made, Mr. President, of which everybody is aware. The fact that we agree on a number does not automatically mean that we are going to avoid all of the fights. There will be fights on the MX, and goodness knows what else. They will abide by the outcome of those debates, and the conference. But this does not preclude that.

Mr. CHILES. Mr. President, no, sir. I would say each committee certainly can write its bill in its own way. But the Appropriations Committee can agree to market that number. The authorizing committee can agree to market that number. We can use that number in our budget resolution. So we would have a budget resolution, and we would not be waiving further appropriations bills. We would have an act.

Mr. BAKER. Mr. President, I commend the Senator. Once again, I am willing to participate in such a meeting. I also will discuss it further with the minority leader. I will attempt to contact our counterparts on the other side of the Capitol in the House.

I expect it will be after Labor Day before we could actually have a meeting of that sort since there is an adjournment resolution finding its way over here from the House at this very moment. Once again, I want to commend the Senator from Florida.

Mr. President, may I yield to the Senator from New Mexico, the chairman of the Budget Committee?

Mr. DOMENICI. Mr. President, from what I have heard, Mr. President, I say to my good friend from Florida, that I surely do not have to say very much. I stand ready and willing, and I think after attempting to make the point four or five times—and I probably did it very poorly—my good friend from Florida has arrived at the conclusion, has understood it far better than I, and better than I explained it.

But basically, what I kept saying in terms of not negotiating is that I had already negotiated once in an effort to get our number, and that history would reveal that the last 2 years, even after getting a target number in defense by the time we were through with the process it came out yet lower, and in one case substantially lower; and, that I did not think this committee at least from the standpoint of the majority ought to lower the number, and to have two or three more shots at bargaining against it, one from the House where we do not even have any evidence to this point that we want a full bill this year.

If what the Senator from Florida has indicated could take place—and I commend the majority leader for agreeing to try to put it together so all of the principals would agree—then the Budget Committee number would be the number. That means that the dollar figure for defense in appropriations for the year 1985 would be that, and we would not come forth with a number from that committee only to have weeks of wrangling as to what the other committees want to do in defense.

Obviously, it has been difficult for the Senator from New Mexico to sit there and say we are not going to get a budget resolution because of defense. But I think this afternoon and yesterday in the committee there has been at least some realization of the kind of problems that I foresee as a result of this very serious negotiation that occurred 2½ months ago with the President on most of the budget items which are going to come out about as agreed upon there.

So I look forward to the day that we can all get together. I really think the number is achievable. I think the Senator from Florida is correct. It is going to have to be arrived at some time but we may be through the session before that sometime occurs unless we go about it this way.

Frankly, I do not think we have to be that far apart in real dollars either. It is not an item nor the kind of thing that we could not work out at the kind of meeting. I think we could. I look forward to it, and I hope it is done in good faith—I think it will—and we will succeed.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. Mr. President, I do not want what I am about to do next to sound like I am trying to hurry things along because there is much work yet to be done in trying to put these meetings together and make them happen. But there is one appropriations bill that I have already mentioned that I think is highly important that we try to pass in the Senate before we go out. There are many reasons for doing so. I think it can be done without controversy. To renew the request I made earlier, would it be possible just for this one appropriations bill to go forward? Let me say before the minority leader or the Senator from Florida answers, I do not think we ought to pass a bunch of them on this basis because I want to see the budget resolution passed, and I want to see it cover the appropriation bills. But I think there are ample reasons for trying to do the D.C. appropriations bill as soon as possible. So this is outside the context for the conversation and the dialog we have just had, but I think there are separate and important reasons that it be desirable to go ahead with the D.C. appropriations bill even now in advance of the arrangement that we may be able to make, I hope we make, and expect to make on the other matter.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. BYRD. Mr. President, first, before I respond to the distinguished majority leader, I say for the record that Mr. CHILES came to me this morning and suggested that we ought to pursue what he felt would be conducive to a better understanding, and possibly get us moving off the dime where we seem to be at the moment with respect to the budget resolution conference. It was his suggestion to me that we meet with the Speaker and Mr. JONES, the chairman of the Budget Committee of the House, and other Members of the House. That meeting was arranged, and we talked with the Speaker and others in the House. I think that the results of that meeting were very positive.

We were encouraged to come back and pursue a meeting with the able majority leader and the distinguished chairman of the Budget Committee in this body, Mr. DOMENICI. So that meeting was conducted. I think it gave us all hope that we had made progress. I am talking about Mr. CHILES at this point. I think that both those meetings have given us cause to feel that we may be well on the way to breaking the road blocks that are presently—and have been for some time—keeping us from making headway on a budget resolution conference report, and a conference report on the military authorization bill.

So I thank the distinguished Senator from Florida, and I commend him. I have to say that if this is the approach that in the final analysis helps the two bodies, the House and the Senate, to come together, and reach an agreed-upon figure and position, the Senate will certainly be in Mr. CHILES' debt. I thank him again and commend him highly.

As far as the DC appropriations bill is concerned, Mr. President, I wish Mr. CHILES and Mr. STENNIS to speak to that—Mr. STENNIS has already spoken. I am going to yield the floor now, and Mr. CHILES may indicate to the majority leader what his wishes are.

Mr. CHILES. Mr. President, let me say I am very happy that the minority leader has reported the meeting that was held with the Speaker and Chairman JONES of the Budget Committee and other Members of the House.

I thank the minority leader, also, for setting up that meeting and setting the atmosphere at that meeting that I think helped get that underway.

I also say to the majority leader that the spirit at that meeting was the same spirit that the majority leader has come forth with today, which gives me great hope now that both sides see this as a situation in which there is a benefit to having one number, and there is a benefit to having it decided sooner rather than later. So in any of these things it has to be a sort of win-win situation. It looks like that possibility is here—not that we have arrived there. That number is not agreed to. There may be days that come in between. But the spirit is the same that we felt on the House side and that we are now thankfully receiving from the majority side here.

With that, Mr. President, I certainly would honor the majority leader's request that we take up the DC appropriations bill. I appreciate his saying we are going to try to keep the budget process, we are not trying to push all the bills through at this time, we are going to see if we can make this other meeting work. With that, there is certainly not any reason why I would want to hold up the Senate. And I certainly will not object.

Mr. BAKER. Mr. President, I thank the Senator. I am most grateful.

There is one thing I should add. The distinguished minority leader reported on his meeting with the Speaker and others. I am glad he did that. He had told me of those things earlier.

I should complete the record by saying that shortly after—immediately after—the budget conference yesterday at which the Senator from Florida made that suggestion, the Senator from New Mexico was in my office within minutes relating that suggestion and suggesting that we go forward with it. At that time, I told him that I hoped to convey to his fellow members on the committee that I was willing to participate in that. I owe a debt of gratitude to the Senator from New Mexico for bringing this matter promptly to my attention and urging me to participate in it. As usual, his judgments were better than mine.

Mr. President, I thank all Senators, and I think that this record we have built here will stand us in good stead now as we proceed in this difficult task of trying to arrive at a negotiated number on defense and trying to dispose of the balance of the appropriations bills—maybe even avoiding a lameduck session, who knows? That would be highly to be desired.

Mr. President, I thank the Senator also for agreeing that we might do the budget waiver to accompany the DC appropriations bill.

BUDGET ACT WAIVER—H.R. 5899

Mr. BAKER. Mr. President, I ask unanimous consent that, pursuant to section 904 of the Congressional Budget Act, section 303 of that act be waived with respect to consideration of Calendar Order No. 1078, H.R. 5899, an act making appropriations for the Government of the District of Columbia and other activities for fiscal year 1985 and all amendments thereto.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Mr. President, reserving the right to object, and I shall not object, let me state for the RECORD and for other Senators that this bill is within the allocations that the Committee on Appropriations made for the various functions of Government, arrived at in public and voted on by the Appropriations Committee. This bill is within those limits and those ceilings.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1985

Mr. BAKER. Mr. President, now that consent has been given to waive the Budget Act, I ask the Chair to lay before the Senate H.R. 5899.

The PRESIDING OFFICER. Is there objection? Without objection, the clerk will state the bill.

The legislative clerk read as follows:

A bill (H.R. 5899) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1985, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

H.R. 5899

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1985, and for other purposes, namely:

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1985, **[**$386,000,000**]** *$425,000,000,* as authorized by the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47-3406): *Provided,* That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 3,880, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date.

For payment to the District of Columbia for the fiscal year ending September 30, 1985, in lieu of reimbursement for charges for water and water services and sanitary sewer services furnished to facilities of the United States Government, $24,100,000, as authorized by the Act of May 18, 1954, as amended (D.C. Code, secs. 43-1552 and 43-1612).

For the Federal contribution to the Police Officers and Fire Fighters', Teachers' and Judges' Retirement Funds as authorized by the District of Columbia Retirement Reform Act, Public Law 96-122, approved November 17, 1979 (93 Stat. 866), $52,070,000.

SAINT ELIZABETHS HOSPITAL

For a Federal contribution to the District of Columbia, $20,000,000, to be made available only upon enactment into law of a Federal statute which establishes the relative financial responsibilities of the Federal Government and the government of the District of Columbia for the costs of operating Saint Elizabeths Hospital: *Provided,* That if the claims to the District of Columbia for reimbursement for operating costs of Saint Elizabeths Hospital for fiscal year 1985 are less than $55,207,000 there shall revert to the Treasury of the United States so much of such Federal contribution as is equal to the amount by which such claims are less than $55,207,000.

INAUGURAL EXPENSES PAYMENT

For payment to the District of Columbia in lieu of reimbursements for expenses incurred in connection with Presidential inauguration activities, $2,300,000, as authorized by section 737(b) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (87 Stat. 824; D.C. Code, sec. 1-1803).

[LOANS TO THE DISTRICT OF COLUMBIA FOR CAPITAL OUTLAY

[For loans to the District of Columbia, as authorized by the District of Columbia Self Government and Governmental Reorganization Act, Public Law 93-198, as amended, $155,000,000, which shall remain available until expended and be advanced upon request of the Mayor: *Provided,* That notwithstanding any other provision of law, the Mayor is authorized to accept loans for the District from the United States Treasury, and the Secretary of the Treasury is authorized to lend the Mayor such sums as the Mayor may determine are required for financing capital projects for which appropriations are authorized in the this or prior Act.**]**

CRIMINAL JUSTICE INITIATIVE

For a Federal contribution to the District of Columbia, $9,873,000.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, **[**$88,606,000**]** *$87,872,000: Provided,* That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further,* That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further,* That not less than $320,000 shall be used by the Office of Personnel exclusively for the administration of programs for the training of District of Columbia government employees: *Provided further,* That notwithstanding any other provision of law, there is hereby appropriated $3,337,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which **[**$834,000**]** *$100,000* shall be derived from the general fund and not to exceed **[**$2,503,000**]** *$3,237,000* shall be derived from the earnings of the applicable retirement funds: *Provided further,* That the District of Columbia Retirement Board shall provide to the Congress and the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further,* That the District of Columbia Retirement Board shall provide the Mayor for transmittal to the Council of the District of Columbia an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $72,061,000: *Provided,* That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Agency's annual audited financial

statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of fifteen years, with a deferral of payments for the first three years: *Provided further,* That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the holders of any bonds or notes issued by the Agency and shall be repaid to the District of Columbia only from available operating revenues of the Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses: *Provided further,* That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of not to exceed one hundred and thirty-five passenger-carrying vehicles for replacement only (including one hundred and thirty for police-type use and five for the fire-type use without regard to the general purchase price limitation for the current fiscal year), [$471,176,000] *$504,897,000,* of which $3,339,000 shall be payable from the revenue sharing trust fund: *Provided,* That the Metropolitan Police Department is authorized to replace not to exceed twenty-five passenger-carrying vehicles, and the Fire Department is authorized to replace not to exceed five passenger-carrying vehicles, annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further,* That not to exceed $320,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further,* That the staffing levels of the various units within the Fire Department shall be maintained in accordance with the provisions of Article III, Section 18 of the Fire Department Rules and Regulations as then in effect: *Provided further,* That funds appropriated for expenses under the District of Columbia Criminal Justice Act, Public Law 93-412, approved September 3, 1974 (88 Stat. 1090; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1985, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1975: *Provided further,* That $50,000 of any appropriation available to the District of Columbia may be used to match financial contributions from the Department of Defense to the District of Columbia Office of Emergency Preparedness for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Mayor: *Provided further,* That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further, That title 11, section 11-1732(d) of the District of Columbia Code, is amended by striking out "1984" and inserting in lieu thereof "1985".*

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, [$485,331,000] *$496,333,000,* of which $6,000,000 shall be payable from the revenue sharing trust fund, to be allocated as follows: [$338,850,000] *$340,352,000* for the public schools of the District of Columbia; [$67,600,000] *$77,200,000* for the District of Columbia Teachers' Retirement Fund; $63,609,000 for the University of the District of Columbia; [$13,945,000] *$13,845,000* for the Public Library; $1,127,000 for the Commission on the Arts and Humanities; and $200,000 for the Educational Institution Licensure Commission: *Provided,* That the public schools of the District of Columbia are authorized to accept not to exceed thirty-one motor vehicles for exclusive use in the driver education program: *Provided further,* That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further,* That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1985, a tuition rate schedule which will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area.

HUMAN SUPPORT SERVICES

Human support services, including care and treatment of indigent patients in institutions under contracts to be made by the Director of the Department of Human Services, $556,050,000, of which $6,555,000 shall be payable from the revenue sharing trust fund: *Provided,* That the inpatient rate under these contracts shall not exceed $76 per diem and the newborn rate shall not exceed $20 per diem; and the outpatient and emergency room rate shall not exceed $12 per visit except for services provided to patients who are eligible for these services under the District of Columbia plan for medical assistance under title XIX of the Social Security Act, approved July 30, 1965 (79 Stat. 343; 42 U.S.C. 1396 et seq.), and the inpatient rate (excluding the proportionate share for repairs and construction) for services rendered by Saint Elizabeths Hospital for patient care shall be at the per diem rate established pursuant to section 2 of An Act to authorize certain expenditures from the appropriation of Saint Elizabeths Hospital, and for other purposes, approved August 4, 1947 (61 Stat. 751; 24 U.S.C. 168(a)): *Provided further,* That total funds paid by the District of Columbia as reimbursements for operating costs of Saint Elizabeths Hospital, including any District of Columbia payments (but excluding the Federal matching share of payments) associated with title XIX of the Social Security Act, approved July 30, 1965 (75 Stat. 343; 42 U.S.C. 1396 et seq.), shall not exceed $55,207,000: *Provided further,* That until there is enacted into law a Federal statute which establishes the relative financial responsibilities of the Federal Government and the government of the District of Columbia for the costs of operating Saint Elizabeths Hospital, $20,000,000 of the reimbursements for such costs shall be funded and apportioned by the Mayor from amounts otherwise available to the District of Columbia government, including amounts appropriated by this Act or revenues otherwise available, or both, but not including amounts set apart exclusively for the purposes specified in section 103: *Provided further,* That $10,200,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation.

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, [$189,377,000] *$192,499,000,* of which $2,500,000 shall be payable from the revenue sharing trust fund and not to exceed $4,000,000 shall be available for the School Transit Subsidy: *Provided,* That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business or from apartment houses with four or more apartments, or from any building or connected group of buildings operating as a rooming or boarding house as defined in the housing regulations of the District of Columbia.

WASHINGTON CONVENTION CENTER FUND

For the Washington Convention Center Fund, [$6,930,000] *$8,830,000: Provided,* That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36, D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for peformance of the annual convention center audit.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896); the Departments of Labor, and Health, Education and Welfare Appropriation Act of 1955, approved July 2, 1954 (68 Stat. 443); section 1 of An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; D.C. Code, sec. 9-219); section 4 of An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211); and section 723 of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 821; D.C. Code, sec. 47-321, note); and section 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act, approved October 13, 1977 (91 Stat. 1156; D.C. Code, sec. 9-219, note), including interest as required thereby $174,000,000.

REPAYMENT OF GENERAL FUND DEFICIT

For the purpose of eliminating the cash portion of the $279,449,000 general fund accumulated deficit as of September 30, 1983, [$20,100,000] *$10,100,000* [of which not less than $10,000,000 shall be funded and apportioned by the Mayor from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both).]

SHORT-TERM BORROWINGS

For the purpose of funding interest related to borrowing funds for short-term cash needs, $5,000,000.

INAUGURAL EXPENSES

For reimbursement for necessary expenses incurred in connection with Presidential inauguration activities as authorized by section 737(b) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, approved December 24, 1973 (87 Stat. 824; D.C. Code, sec. 1-1803), $2,300,000, of which $75,000 shall be for the District of Columbia National Guard and $2,225,000 shall be apportioned by the Mayor within the various appropriation headings in this Act.

ADJUSTMENTS

The Mayor shall reduce authorized appropriations and expenditures within object class 30A (energy) in the amount of $65,000, within the various appropriation titles in this Act.

CAPITAL OUTLAY

For construction projects as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; D.C. Code, secs. 432-1512 to 1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101); An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal government participation to meet costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; D.C. Code, secs 9-219 and 47-3402); section 3(g) of the District of Columbia Motor Vehicle Parking Facility Act of 1942, approved August 20, 1958 (72 Stat. 686. D.C. Code, sec. 40-805(7)); and the National Capital Transportation Act of 1969 approved December 9, 1969 (83 Stat. 320; D.C. Code, sec. 1-2451, 1-2452 1-2454, 1-2456, and 1-2457); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended, $90,842,000, of which $5,087,000 for fiscal year 1985, $3,531,000 for fiscal year 1986, and $298,000 for fiscal year 1987 shall be financed from general fund operating revenues: *Provided*, That $5,343,000 shall be available for project management and $7,712,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor, and that the funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further*, That all such funds shall be available only for the specific projects and purpose intended: *Provided further*, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, Public Law 90-495, approved August 23, 1968 (82 Stat. 827; D.C. Code, sec.7-134, note), for which funds are provided by this paragraph, shall expire on September 30, 1986, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1986: *Provided further*, That upon expiration of any such project authorization the funds provided herein for such project shall lapse.

WATER AND SEWER ENTERPRISE FUND

For the Water and Sewer Enterprise Fund, $140,206,000, of which $27,692,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; D.C. Code, sec. 43-1512 et seq.), $22,180,000: *Provided*, That the requirements and restrictions which are applicable to general fund capital improvement projects and which are set forth in this Act under the heading Capital Outlay shall apply to projects approved under this heading.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund established by Public Law 97-91 (95 Stat. 1174, 1175), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Code, secs. 2-2501 et seq. and 22-1516 et seq.), $3,531,000, to be derived from non-Federal District of Columbia revenues; *Provided*, That the District of Columbia shall identify the source of funding for this appropriation from its own locally-generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund as established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5-36; D.C. Code, sec. 43-1801 et seq.), $250,000.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount which may be expended for said purpose or object rather than an amount set apart exclusively therefor, except for those funds and programs for the Metropolitan Police Department under the heading "Public Safety and Justice" which shall be considered as the amounts set apart exclusively for and shall be expended solely by that Department; and the appropriation under the heading "Repayment of General Fund Deficit" which shall be considered as the amount set apart exclusively for and shall be expended solely for that purpose.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided*, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided*, That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. Appropriations in this Act shall not be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Service Commission requiring the installation of meters in taxicabs, or for or in connection with the licensing of any vehicle to be operated as a taxicab except for operation in accordance with such system of uniform zones and rates and regulations applicable thereto as shall have been prescribed by the Public Service Commission.

SEC. 107. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 108. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Code, sec. 3-205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, Public Law 90-445, approved July 31, 1968 (82 Stat. 462; 42 U.S.C. 3801 et seq.).

SEC. 109. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 110. Not to exceed 4½ per centum of the total of all funds appropriated by this Act for personal compensation may be used to pay the cost of overtime or temporary positions.

SEC. 111. Appropriations in this Act shall not be available, during the fiscal year ending September 30, 1985, for the compensation of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds [30,972] *31,413*, the number of positions authorized by this Act.

SEC. 112. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of

school buildings for the use of any community or partisan political group during non-school hours.

SEC. 113. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1986, shall be transmitted to the Congress by not later than April 15, 1985.

SEC. 114. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on the District of Columbia, the Subcommittee on Governmental Efficiency and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia or their duly authorized representatives.

SEC. 115. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 116. None of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

SEC. 117. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 118. None of the Federal funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service. Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

SEC. 119. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowing from the United States Treasury: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowing and spending progress compared with projections.

SEC. 120. The Mayor shall not borrow any funds for capital projects unless he has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 121. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 122. None of the funds appropriated in this Act may be used for the implementation of a personnel lottery with respect to the hiring of fire fighters or police officers.

SEC. 123. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443) which accompanied the District of Columbia Appropriation Act, 1980 (Public Law 96-93, approved October 30, 1979) (93 Stat. 713), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.).

SEC. 124. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 125. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 126. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Government Reorganization Act, approved December 24, 1973 (87 Stat. 790; D.C. Code, sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) for any position for any period during the last quarter of calendar year 1984 shall be deemed to be the rate of pay payable for that position for September 30, 1984.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, a per diem compensation at a rate established by the Mayor.

SEC. 127. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-610.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (Public Law 93-198; 87 Stat. 790; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for any purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

SEC. 128. None of the funds appropriated by this Act may be used to transport any output of the municipal waste system of the District of Columbia for disposal at any public or private landfill located in any State, excepting currently utilized landfills in Maryland and Virginia, until the appropriate State agency has issued the required permits.

SEC. 129. All Federal employees assigned to operate and maintain the Washington Aqueduct and funded from the District of Columbia Water and Sewer Enterprise Fund shall be exempt from Federal personnel ceilings, effective October 1, 1983.

SEC. 130. The director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (40 U.S.C. 278(a)), upon a determination by the director, that by reason of circumstances set forth in such determination the payment of such rents and the execution of such work, without reference to the limitations of that section, is advantageous to the District in terms of economy, efficiency and the District's best interest.

SEC. 131. Notwithstanding any other provisions of law:

(a) Funds appropriated shall be available for implementation of a program of issuing bonds, notes, and other obligations for the purposes permitted in the District of Columbia Self-Government and Governmental Reorganization Act. All bonds, notes, or other obligations issued pursuant to that Act may be sold at public or private sale without previous advertising at such price or prices as may be provided for in the Act authorizing the issuance of the bonds, notes, or other obligations.

(b) The District of Columbia Self-Government and Governmental Reorganization Act and all laws of the District of Columbia in effect on the date of enactment of this Act are hereby ratified and declared to be in effect notwithstanding any judicial determination concerning the constitutional validity of any provisions of the District of Columbia Self-Government and Governmental Reorganization Act which involve adoption of resolutions by one or both Houses of Congress disapproving acts of the Council of the District of Columbia.

(c) The validity and effect of all actions taken in the past and any activities undertaken in the future by any officer, employee, agent, agency, board, commission, authority, or Council of the District of Columbia, or by an officer, employee, agent, or member of any of the foregoing pursuant to any law of the District of Columbia in effect on the date of enactment of this Act shall not be affected by any judicial determination concerning the constitutional validity of any provisions of the District of Columbia Self-Government and Governmental Reorganization Act which involve the adoption of resolutions by one or both Houses of Congress disapproving acts of the Council of the District of Columbia.

(d) The provisions of this action shall be effective for all issues until September 30, 1985, or until superceded by authorizing legislation.

SEC. 132. The Mayor shall reduce authorized appropriations and expenditures for professional and related services in the amount of $3,511,000, within the various appropriation titles in this Act.

SEC. 133. The property located on square numbered 197, lot numbered 841, at 1125 16th Street, Northwest, Washington, District of Columbia, shall be designated as "Andrei Sakharov Plaza".

This Act may be cited as the "District of Columbia Appropriation Act, 1985".

Mr. SPECTER. Mr. President, I am pleased to present to the Senate today the D.C. appropriations bill for fiscal year 1985. As required by law this budget is balanced, as a matter of fact the District government has completed each fiscal year since 1981 with a balanced budget. This is an admirable

accomplishment and one not often recognized.

This bill includes $533 million in Federal funds, which is well within our allocation of the nondefense discretionary funds and is $106 million below the House allowance. This amount includes: $425 million for the Federal payment; $76 million reimbursements for services to the Federal Government; $2 million for reimbursements for upcoming inaugural expenses; $20 million to close a funding gap at St. Elizabeths Hospital; and $9.8 million for a criminal justice initiative.

We have stricken the House allowance of $155 million in capital borrowing authority from the U.S. Treasury and instead included bill language designed to permit the District to issue bonds in the private capital markets. The language would pledge the full faith and credit of the Federal Government if the courts strike down the Home Rule Act. This authority is limited to fiscal 1985 and will give the authorizing committee an opportunity to resolve the questions created by the Supreme Court's Chadha decision.

Within the $9.8 million criminal justice initiative is $6.2 million for the Department of Corrections to continue the vocational and basic literacy training programs in D.C. corrections facilities. This amount is only one-half of the estimate to continue these programs for all of 1985. The committee is taking this step to indicate our concern over what has been done to date with funds already provided. We have held oversight hearings, and I have visited both the jail and prison and remain convinced of the great potential for reducing recidivist crime through job-training and opportunities. The establishment of the Advisory Committee on Corrections Education Reform is a positive step and the committee feels that with this active group of government officials and private citizens that a useful and meaningful program will result. We will consider further appropriations in a supplemental later in the year after reviewing and observing the progress of the next few months.

For the superior court we recommend $1.8 million in Federal funds over the budget request. These funds will be used in four areas.

First, $1.2 million is for the salaries of the seven new judges and their staff, that will soon be joining the court. The names are before the Senate and prompt action is expected.

Second, $160,000 will permit the hiring of two additional hearing commissioners to implement procedures for immediate probation revocation review before a probationer who is rearrested is released on the new charge. Now such a hearing is dependent on the judge receiving the information from the probation department in a timely fashion and the size of his immediate caseload.

Third, $317,000 for nine additional probation officers to help speed reports to the judges to assist in holding the probation revocation hearings. This request was made by the court but denied by the city administration. There has not been an increase in probation officers since 1971.

Fourth, $139,000 is recommended for additional support staff for retired judges. The committee received testimony that these judges gave nearly 12,000 hours of support to the D.C. superior court last year and currently have only 1 law clerk and 1 secretary for the 11 judges. We are adding three law clerks and two secretaries.

There is also $335,000 for the parole board to implement rules changes in its parole revocation procedures. Their original estimate of one additional hearing examiner and six parole officers and support staff appears to be in-adequate. We have asked them to reconsider this estimate. The board is also considering changes to its initial parole release standards so that the committee is recommending this amount to begin implementing these rule changes. We will closely monitor these rule changes and the expenditure of these funds.

The committee is also recommending $1.2 million in additional Federal funds for the D.C. public schools to combat truancy. This will allow them to establish a truancy/dropout prevention center and hire counseling staff to provide intensive assistance to chronic truants. This is very important both as to the educational process and to take youngsters out of the crime cycle.

The committee also is recommending $335,000 for the public schools to expand the teacher and school incentive programs as recommended by the task force on teacher incentives, which the committee funded in the fiscal year 1984 District appropriations bill.

The bill also contains a provision which reduces the allowance for consultants and professional fees by $3.5 million. These fees were proposed to increase by 23 percent in fiscal year 1985. This reduction limits that increase to 6 percent the same increase as the overall budget.

The committee recommendation also includes reduction of $1.9 million in House add ons and the restoration of a like amount in House cuts.

Before closing, Mr. President, I want to express my appreciation to the chairman of the Appropriations Committee for his assistance in bringing this bill before the Senate today and the other members of the subcommittee—Senator MATTINGLY and Senator DOMENICI on this side and Senator BUMPERS on the other side. Finally, I want to recognize especially the contribution of the Senator from Vermont [Mr. LEAHY] who has been supportive and influential in the development of this bill. I know he joins me and all other members of the committee in thanking the staff on both sides for assisting in preparing the materials necessary for the committee's consideration, especially the outstanding job of Mr. Tim Leeth, who makes the job of chairing this committee so easy, and Mr. Jim Cubie on the minority side.

Mr. President, I ask unanimous consent that a more detailed explanation be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GOVERNMENTAL DIRECTION AND SUPPORT

The bill includes a total of $87,872,000 for Government Direction and Support. This account includes for the first time the new Department of Administrative Services at $22,357,000, and the Deputy Mayor for Finance at $192,000.

The bill also contains a total of $100,000 for the D.C. Retirement Board to be derived from the general fund. This is the same as the budget request and $734,000 less than the House. Both versions include a total budget for the Board of $3,337,000. The balance is to be derived from the earnings of invested funds. The House bill allowed 25 percent of the Board's budget from the general fund as has been the custom in the past, however, the committee has agreed with the budget request in order to reduce the ever increasing administrative expenses.

ECONOMIC DEVELOPMENT AND REGULATION

The Committee recommends $72,061,000 for Economic Development and Regulation. This is the same as the House allowance and $3 million below the budget request. This is due to the transfer in small capital projections in the Department of Housing and Community Development (DHCD) to the capital outlay section of the bill.

This account contains for the first time the Deputy Mayor for Ecomomic Development. This new position, created in January 1983 is responsible for development and implementation of all District economic development agencies and programs.

Within the Department of Housing and Community Development increases are recommended for the House Purchase Assistance Program, low-rent housing, and rehabilitation and modernization of public housing units.

For the Development of Employment Services the bill includes an increase 200 positions to 650 participants in the in-school program and a total of 8,300 youth in the Summer youth program, an increase of 800.

The bill also includes the new District Department of Consumer and Regulatory Affairs which consolidates various agencies into one department.

PUBLIC SAFETY AND JUSTICE

The bill includes a total of $504,897,000 for the Public Safety and Justice appropriation title. This is $7,794,000 above the budget request and $33,721,000 above the House allowance.

The committee has recommended a total of $143,512,000 for the Metropolitan Police Department. This is $708,000 below the House. The House had allowed an additional $500,000 to purchase motor scooters because the current complement of scooters is

unsafe for officers weighing more than 195 pounds. The Committee has learned that the MPD is purchasing 70 scooters in fiscal year 1984 and will purchase 150 scooters in fiscal year 1985 with funds already requested. Thus the department will replace two-thirds of its fleet within current appropriations. The Committee believes this replacement schedule along with the normal life cycle replacement schedule will be sufficient to remove the hazard to officers in a timely manner without additional funds.

The remaining $208,000 was provided for the operation of the police and fire clinic. The budget request contemplated contracting for these services, however, after receiving bids it was decided that MPD could operate the clinic at the same cost as the private sector. Therefore, no increase is required at this time.

The bill also includes $55,926,000 and 1,644 positions for the Fire Department. The bill also includes language, agreed to by the union representing firefighters and the District government, stating that the rules governing staffing levels be adhered to until changed. The Committee wishes to make it clear that this language is not intended to interfere in any way with the collective-bargaining process.

For the Court of Appeals the Committee has recommended increases of $138,000, giving the District's highest Court its full budget request. These increases are more than offset by increased fees charged for admission to the bar by motion.

For the Superior Court the Committee has included $37,416,000, an increase of $1,821,000. Of this amount $1.2 million will cover salaries of the seven new judges who will shortly join the Court; $139,000 will provide 3 law clerks and 2 secretaries for retired judges; $317,000 for 9 new probation officers; and $160,000 for two additional hearing commissioners. These hearing commissioners will allow the Court to modify its rules to require an immediate probation revocation hearing upon rearrest.

The Department of Corrections recommendation is $118,559,000. An increase of $23.4 million is provided from the additional Federal payment as payment to the Federal Bureau of Prisons for D.C. Code violators held in that system. Also included is $6,215,000 to continue the literacy and vocational training programs begun during fiscal year 1984. This is one-half of the amount required to operate the programs for the entire year. The Committee will continue to monitor the program and will defer until a supplemental appropriations bill, a decision on the second half of the required funding.

For the Board of Parole the Committee recommends $1,228,000, an increase of $335,000 to assist the Board in making changes to its rules on parole revocation and initial release.

The Committee has included $476,000 for the Law Revision Commission. The Committee believes that the Commission provides an important service to the District and supports its work.

The Police and Fire Retirement System recommendation includes $109,700,000, $2.6 million more than the House. This increase results from the subsequent enactment of the increase federal payment authorization and is contained in a pending budget amendment.

PUBLIC EDUCATION SYSTEM

The Committee recommends $496,333,000 for the Public Education System.

For the Board of Education $340,352,000 is recommended. Included within this amount is $1.5 million for truancy programs and school and teacher incentive award programs. The Committee also requests that the Mayor and Board perform a comprehensive study of deferred and needed maintenance of school buildings.

The bill also includes $63.6 million for the University of the District of Columbia; $13.9 million for the public library; and $1.1 million for the Commission on Arts and Humanities.

The Teachers Retirement and Annuity Fund is increased by $9.6 million as part of the additional Federal payment, for a total of $77.2 million.

HUMAN SUPPORT SERVICES

The bill includes $556,050,000 for the Human Support Services appropriation title.

For the Department of Human Services $407.8 million is recommended, a net increase of $54.2 million and $224,000 below the budget request. The reduction represents the transfer of small capital projects to the capital outlay section of the bill.

The Committee recommendation also includes $23.1 million for the Department of Recreation; $6.1 million for the Office of Aging; $44.1 million operating subsidy for D.C. General Hospital and $1.3 million for the Office of Human Rights.

The bill also includes a total of $55,207,000 for District payments to St. Elizabeth's Hospital. This represents an increase of $20 million over the budget. This amount is required to close a funding gap between the Federal and District budget submissions. This allowance will insure that the Hospital services are not diminished.

PUBLIC WORKS

The bill includes $192,499,000 for the programs under the Public Works appropriation title.

These include $84.7 million for the Department of Public Works; $87,000 for the Washington Metropolitan Area Transit Commission; $103.7 million for the Washington Metropolitan Area Authority which is $3.4 million more than the House. This amount is part of the additional Federal payment.

For the first time the Washington Convention Center Fund is part of this title. The bill includes $8,830,000, $1.9 million more than the House and the same as the budget request. In addition the center will have $4.5 million in operating revenue for a total budget of $13.3 million.

REPAYMENT OF GENERAL FUND DEFICIT

The bill includes $10.1 million to reduce the District's accumulated General Fund deficit, the same as the budget request and House allowance. The Committee has not recommended the additional $10 million in unidentified reductions that was included in the House bill.

INAUGURAL EXPENSES

The bill includes $2.3 million in Federal funds to cover District expenses involved in the presidential inauguration of January 1985.

CAPITAL OUTLAY

The total recommendation is for $113,022,000 the District's Capital Improvements Program.

ENTERPRISE FUNDS

A total of $143,987,000 is recommended for the various District enterprise funds. For the Water and Sewer fund $140.2 million is included; $3.5 million Lottery and Charitable Games Control Board and $250,000 for cable television.

Mr. SPECTER. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall have been considered to have been waived if the request is agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I am advised that there is one amendment to be offered by the distinguished Senator from Florida [Mrs. HAWKINS], which I have reviewed and find acceptable. We have discussed the matter with the distinguished ranking member, Senator STENNIS.

The essence of the amendment is drug enforcement, and I believe it to be noncontroversial. But I yield the floor at this point to Senator STENNIS.

Mr. STENNIS. Mr. President, I am merely substituting for Mr. LEAHY, who is the ranking minority member of this important subcommittee. I have no expressed authority to act, but I am sure it will be all right with him to approve this amendment. Furthermore, the gentleman to my left is the clerk for that subcommittee and represents Mr. LEAHY to that extent. He thinks it is well we approve this amendment. As far as I know, there is no one on this side who objects to it.

Mr. SPECTER. I thank the distinguished Senator from Mississippi.

Mr. President, at this time, I yield to my distinguished colleague from Florida [Mrs. HAWKINS].

AMENDMENT NO. 3705

(Purpose: To urge the government of the District of Columbia to take more aggressive action to halt illegal drug trafficking and to notify the government of the District of Columbia that in considering future budget requests from the District of Columbia drug enforcement will be given the highest priority)

Mrs. HAWKINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida [Mrs. HAWKINS] proposes an amendment numbered 3705:

On page 28, between lines 2 and 3, insert the following:

SEC. 134. (a) The Congress finds that—

(1) drug abuse and drug related crime in the District of Columbia have reached epidemic proportions,

(2) drug trafficking in local neighborhoods of the District of Columbia results in a sharp deterioration in the quality of life and public safety,

(3) the District of Columbia has the highest evidence of emergency room mention and deaths resulting from the use of the drug PCP, and

(4) the Congress has a special responsibility to the citizens of the District of Columbia to provide for public safety and quality of life.

(b) It is the sense of the Congress that—

(1) the government of the District of Columbia must take more aggressive action to halt illegal drug trafficking, and

(2) in the consideration of further budget requests from the District of Columbia the Congress should give the highest priority to drug enforcement.

Mrs. HAWKINS. Mr. President, one of the greatest misnomers in the English language today is referring to cocaine as a "recreational" drug. This description creates the impression that this drug is a harmless one. I would like to focus on a small community in Washington, DC, to show just how "recreational" and harmless cocaine really is.

A formerly quiet and peaceful neighborhood in our Nation's Capital was invaded by cocaine dealers. Elderly citizens had lived there for years, had reared their children there, and referred to it as "the most glorious place" they had ever lived.

This has all changed with the invasion of the cocaine dealers.

Now there is only murder and fear on Hanover Place.

The police remark that Hanover Place is different from other drug-dealing blocks because of the high cost of cocaine—$50 packets of the drug is the smallest amount sold—and because the customers tend to be middle-class suburbanites. But the dealers and pushers of the drug occupy Hanover Place by day and by night, terrorizing its residents and bringing ruin to the individuals who buy what they have to sell.

Mr. President, the police spend more time driving through Hanover Place than anywhere in Washington, and still it remains the city's No. 1 market for street sales of cocaine, and one of the city's deadliest places. When the police leave the block, the dealers just ooze back out from under their rocks and return to their work.

Mr. President, we must not let up in our efforts to eradicate drug abuse. As the attached article depicts, lives are being lost, neighborhoods are being destroyed, and futures are being ruined; all by the "recreational" drug, cocaine.

PCP has led to violent criminal behavior and permanent brain damage to its users. In the District of Columbia, PCP is called the "keys to St. E.'s" because its users end up in St. Elizabeths. The vast majority of new entrants into St. Elizabeths are directly involved in PCP, an animal tranquilizer.

PCP creates a sensation of invulnerability in its users and unpredictable violence. There are numerous instances of users killing their children, their entire families, and moments later being unaware of their actions.

Nowhere in the world is PCP production, abuse, or crime higher than in Washington, DC. Only by aggressive law enforcement action can this epidemic be stopped.

Recently, the subcommittee I chair, the Senate Subcommittee on Alcoholism and Drug Abuse, conducted hearings on the impact of drugs on crime. While this seems to be a self-evident relationship, specific questions needed to be addressed and specific answers needed to be given in trying to break up this relationship. Testifying at this hearing were the U.S. attorneys for the Southern Districts of Florida and New York; criminologists from Temple University and the University of Maryland; and a group of recovering narcotics addicts. What came out of this hearing were horrifying revelations of just how great is the impact of drugs on crime. For example, testimony stated that heroin addicts pale in comparison with the next generation of unpredictably violent criminals hooked on PCP and cocaine; that the power of drug dollars to corrupt civic integrity cannot be overestimated; that death is an appropriate penalty for major drug traffickers because successful large-scale drug operations cannot be conducted without engaging in murder. Statistics provided by witnesses were chilling in their numerical depiction of the impact of drugs on crime: The average heroin addict in California commits 177 property crimes a year; over a 9-year period, 234 heroin addicts in Baltimore committed half a million crimes; in Texas, a drug addict is expected to commit 190 crimes.

But this hearing was not just about numbers. It was also about the vital, personal dimension that has been depicted in the article I have attached. And this personal dimension, in terms of the survival of our citizens, must be considered if we are to try and solve the problems of drug abuse.

I ask unanimous consent that the article entitled "Combat Zone: Cocaine, Killings Terrorize Hanover Place," dated May 17, 1984, in the Washington Post, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 17, 1984]

COMBAT ZONE: COCAINE, KILLINGS TERRORIZE HANOVER PLACE

(By Linda Wheeler)

Nobody on Hanover Place NW really wants to talk about the murders and the drug dealing that are part of life on this littered, deadend street just off busy North Capitol Street.

The little street of two-story brick row houses is now the Number One market for street sales of cocaine in the city, according to police. And it is rapidly becoming one of the city's deadliest places as well, with at least three homicides this year on or just off the block-long street, along with several other stabbings and shootings.

Questions about the cocaine business are turned away by the young men lining the street unless interest is shown in buying the $50 packets of white powder called "the lady."

Questions about the murders on or near the block are just shrugged off. The most recent killing was last Thursday evening, when 24-year-old Walter Turner was shot to death at the end of the block. "I looked out the door and when I saw what it was, I closed that door," said one man who lives on the street and declined to identify himself. "It's bad here, lady. Don't come back here alone."

Hanover Place hasn't always been such a tough block. Police say marijuana has been sold on the block for nearly 20 years, but there was little trouble until the dealers added heroin and cocaine to their inventory.

Leroy and Mable Harris moved to Hanover Place 22 years ago. Mable Harris remembers when the street was "clean and nice and quite. It was a wonderful place to live." But things changed about two years ago, she says. "People started throwing trash on the street. And there's a lot of traffic and a lot of people who don't live here out on the street. The police be out there, but nothing changes."

Leroy Harris, a former advisory neighborhood commissioner, says the block used to be "the most glorious place I ever lived. Now it's terrible. People stand in front of your gate all night long, and out back of your house in the alley. It is awful."

Hanover Place is a busy street by day and by night. Shifting groups of men lounge against the walls of vacant houses, shoot craps on the side-walk or crisscross the street, pausing to lean into car windows. At night the little street resembles a long dark tunnel, punctuated by street lights that barely illuminate the crowds below.

Tuesday night the police blocked several of the labyrinthine alleys leading out of Hanover Place and questioned everyone driving into the block. Most of the drivers were turned away, leaving the block unexpectedly empty and quite.

Down at the end of the block, at one of two car-repair shops on the street, an auto-body mechanic leaned against the garage door of his shop, his white protective mask dangling around his neck. He said he was afraid to give his name.

"We heard the cops were here so we came out. Glad to see them here. They ought to burn those guys, those drug dealers, and not let them back on the street. It's like a rubber band, they just keep snapping back to Hanover," he said.

The man said he has owned the repair shop for two years and found that running a legal business on Hanover Place presents peculiar problems.

"I can't get anyone to deliver parts here," he said. "I tell them the address and they say, 'no way, you will have to come here and get them.' And my customers won't come in here. I have to do pickup and delivery."

When the man saw the police cars leave the block, he decided to close the big garage door and go back to work. He said he regretted shutting out the daylight and fresh air, but "I like working in the dark where it's safe. We never open up this door."

The police left, the garage door closed and suddenly the block filled with men who stepped into the street from several vacant houses and out of the back alleys.

Sgt. Al Marshall, head of the narcotics squad for the police department's 1st District, said, "We're devoting a lot of time to Hanover, more than to anywhere else. We go in there on a warrant and we get more than drugs. Recently we got a sawed-off

shotgun, a .45 automatic, a rifle with a telescope, a .38 and a lot of drugs from just one house."

Marshall said Hanover Place is different from other drug-dealing blocks because of the relatively high cost of cocaine and because the customers tend to be middle-class suburbanites driving Volvos and Mercedes. "We find people trading for cocaine, and that's why you have so much stolen property up there. Most of the stuff seems to be new. Some of it has price tags."

As Hanover Place became a tough street over the past few years, the neighboring blocks changed in a different way. Houses along N and O streets have been renovated, and an old warehouse at 52 O St. NW was transformed into studio space for 20 artists.

Eric Rudd, a sculptor who owns the renovated warehouse, said Hanover Place is the busiest block in the area. "On O Street we have a mixture of homeless people eating at SOME [So Others May Eat, a soup kitchen], a school for nurses, old-time residents and the artists. All of that is calm compared to Hanover. Hanover is like a third world country."

Former ANC commissioner Harris, 76, would like Hanover Place to be a quiet street again. But he is a realist about how much change he can bring to his block, and settles for the area in front of his own house.

"I don't allow them to sell no dope in front of my place, or I will have to get involved," he said. "They give me that respect. They don't want me raising sam out there. It can be a terrible problem knowing too much. Down here, if you start knowing too much, you get yourself dead."

Mrs. HAWKINS. Mr. President, I thank the chairman and the minority member for clearing this amendment.

Mr. SPECTER. Mr. President, I commend the distinguished Senator from Florida [Mrs. HAWKINS] for her leadership on the drug issue. The matters that she referred to are very important and, as a matter of fact, the subcommittee is planning hearings on the issue of drugs during the month of September. It is on our docket. The amendment which has been offered by Senator HAWKINS is especially timely in providing notice to local officials of the concern of the Senate on this subject. There will be a followup on this important matter.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida.

The amendment (No. 3705) was agreed to.

Mr. HELMS. Mr. President, I have one concern about section 131(b) of the bill which I would like to direct to the distinguished subcommittee chairman. The language, on its face, would seem to ratify any law of the District of Columbia which is "in effect" on the date of enactment. As the Senator knows, Congress has, on a couple of occasions, vetoed enactments of the D.C. City Council. The most recent instance was exercised on October 1, 1981, when the House, by a vote of 269 to 119, vetoed District of Columbia 4-69, which would have decriminalized certain consensual sexual activities in the District.

Following the Chadha decision, there has been considerable debate about the constitutionality of that veto. It is my belief that the courts will distinguish legislative vetoes of D.C. acts on the basis of language in article I, section 8, which makes Congress the exclusive legislative authority in the District. But there are some scholars who would disagree with that position.

Because a number of proposals before the Senate would deal with the Chadha problem with respect to the District of Columbia, I would like to ask the distinguished chairman if he could give any assurances that section 131(b) could not be taken to ratify acts of the D.C. Council which have been vetoed pursuant to provisions in the D.C. Self-Government Act.

Mr. SPECTER. Mr. President, I would be happy to give such assurances to my friend from North Carolina. Section 131(b) specifically limits its effect to laws which are "in effect" on the date of enactment. Since the constitutionality of the veto of District of Columbia 4-69 has not been adjudicated, it is the intention of the committee that it not be taken to be "in effect." The language in section 131 would therefore not apply to it. It is also the intention of the committee that nothing in section 131 be taken to imply any position with respect to the constitutionality of the Self-Government Act or the legislative veto provisions contained therein.

In fact, authority contained in this provision is limited to fiscal year 1985 or until authorizing legislation is enacted. Its purpose is solely to permit the District to enter the private bond market rather than rely on the U.S. Treasury to their long term borrowing needs.

Mr. DOMENICI. Mr. President, I support the fiscal year 1985 D.C. Appropriation bill as reported by the Senate Appropriations Committee.

I commend the subcommittee chairman for keeping spending within the budget and the President's request.

H.R. 5899 provides $0.5 billion in budget authority and outlays for fiscal year 1985 for programs and services in the District of Columbia.

The Senate Appropriations Committee has not yet made its 302(b) allocations to subcommittees under a first budget resolution.

Using informal staff assumptions, this bill is consistent with the Deficit Reduction Act and the first budget resolution for fiscal year 1985 as passed by the Senate.

When the Appropriations Committee subcommittee allocations are available, I will insert into the RECORD tables comparing the spending in this bill to the D.C. Subcommittee's allocation.

Nondefense discretionary spending in the bill is consistent with the guidance given to the subcommittee by the full Senate Appropriations Committee on June 14, 1984. Mr. President, I ask unanimous consent that a table showing this relationship be inserted into the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

See Exhibit 1.

Mr. DOMENICI. Again, Mr. President, I support this bill as reported by the committee and commend the members of that committee for all their hard work.

EXHIBIT 1

District of Columbia Subcommittee—Fiscal year 1985 nondefense discretionary budget authority

[In billion of dollars]

Senate-reported bill (H.R. 5899)	0.5
Subcommittee total	0.5
Committee guidance [1]	0.6
House-passed level	0.7
President's request	0.5
Subcommittee total compared to:	
Committee guidance [1]	−0.1
House-passed level	−0.1
President's request	+(*)

[1] Non-defense discretionary cap guidance approved by the Appropriations Committee on June 14, 1984.

Mr. SPECTER. Mr. President, there is no further debate or comment at this time. I move the adoption of the bill.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 5899), as amended, was passed.

Mr. SPECTER. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer [Mr. HECHT] appointed Mr. SPECTER, Mr. HATFIELD, Mr. MATTINGLY, Mr. DOMENICI, Mr. LEAHY, Mr. STENNIS, and Mr. BUMPERS conferees on the part of the Senate.

Mr. SPECTER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, this is the last item of business that we have to attend to. There is a good bit of wrap-up. But as soon as the minority leader is prepared to do so, I am prepared to go with the conference report. I hope that will not be very long.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS 1984—CONFERENCE REPORT

Mr. BAKER. Mr. President, I submit a report of the committee of conference on H.R. 6040 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendmdens of the Senate to the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, August 10, 1984.)

Mr. STEVENS. Mr. President, the conference agreement on H.R. 6040, the second supplemental for fiscal year 1984, represents a successful conclusion to a long and sometimes difficult odyssey. The Senate conferees defended the Senate's position well, and the result before us is one that deserves adoption by this body. Senator HATFIELD, the chairman of the committee, is to be especially commended for his determination to bring the conference to a conclusion. Even though he did not support the Central America assistance package that was before us, he simply would not allow the conference to end until all issues had been resolved. Had he not been so tenacious, we might well have been here tomorrow or next week.

Mr. President, this supplemental provides $4,088,813,000 in program supplementals and $2,087,932,000 in pay supplementals, for a total of $6,176,745,000. This is $223,456,830 above the President's request, and $751,432,070 below the Senate passed bill, so your conferees were able to trim the bill of excessive spending and allay the concerns of many of this body about the overall levels of spending in the bill.

Major items in this bill include $700,000,000 for food stamps, funds that are urgently required to prevent a termination of the program during August; $150,000,000 for section 235 subsidized housing; $70,000,000 for emergency food and shelter assistance; $50,000,000 for asbestos removal; $284,900,000 for veterans compensation and pensions; $459,190,000 for facilities of the strategic petroleum reserve; $21,700,000 for the Jobs Corps; $81,000,000 for renovation of the Jefferson and Adams Buildings of the Library of Congress; and, of course, considerable sums for foreign assistance, primarily Central America. This last item was reported from the conference in true disagreement and subsequently modified on the House floor this afternoon.

Mr. President, I believe this is a good agreement, and I urge its prompt consideration and adoption by the Senate.

Mr. President, I ask that certain summary tables be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1984 SECOND SUPPLEMENTAL (H.R. 6040)—MAJOR ITEMS IN THE CONFERENCE AGREEMENT

	Item	Dollars
Subcommittee:		
Title I: Program:		
Agriculture	Food stamps	700,000,000
Agriculture	Public Law 480 credit sales	175,000,000
Agriculture	FCIC borrowing authority	150,000,000
Agriculture	Children's Nutritional Research Center	49,000,000
Agriculture	Guaranteed operating loans (nonadd)	(150,000,000)
Defense/Milcon	Dod O&M, procurement and construction	405,900,000
Foreign operations	Multilateral assistance	1,000,000
Foreign operations	Bilateral assistance	98,933,000
Foreign operations	Central America initiative	502,989,000
HUD–Independent	VA compensation, pensions, and readjustment benefits	376,100,000
HUD–Independent	VA loan guarantee revolving fund	100,000,000
HUD–Independent	Assisted housing (contract authority)	150,000,000
HUD–Independent	Asbestos abatement and control	50,000,000
HUD–Independent	Superfund	50,000,000
HUD–Independent	FEMA—emergency food and shelter	70,000,000
Interior	SPRO (Big Hill)	459,190,000
Labor–HHS–Ed	CPB (fiscal year 1984 and future year funding)	57,500,000
Labor–HHS–Ed	Family social services	60,000,000
Legislative branch	Library of Congress—renovation	81,000,000
Treasury–Postal	Civil service retirement trust fund	238,081,000
Miscellaneous	All other programs, net	314,120,000
Total, title I, program		4,088,813,000
Title II Pay:		
Dod pay supplementals		1,576,482,000
All other pay supplementals		511,450,000
Total, title II, pay		2,087,932,000
Total, conference agreement		6,176,745,000

SUPPLEMENTAL

	Estimates	House	Senate	Conference	Conference compared with Estimates	Conference compared with House Bill	Conference compared with Senate Bill
TITLE I - GENERAL SUPPLEMENTALS							
Chapter I:							
Agriculture:							
New budget (obligational) authority	1,000,000,000	978,567,000	1,100,367,000	1,029,567,000	+29,567,000	+51,000,000	-70,800,000
Appropriations	(900,000,000)	(953,567,000)	(1,000,367,000)	(979,567,000)	(+79,567,000)	(+26,000,000)	(-20,800,000)
Authority to borrow	(100,000,000)	(25,000,000)	(100,000,000)	(50,000,000)	(-50,000,000)	(+25,000,000)	(-50,000,000)
Chapter II:							
Commerce, Justice, State and the Judiciary:							
New budget (obligational) authority	73,380,000	61,731,000	113,438,000	120,340,000	+46,960,000	+58,609,000	+6,902,000
(By transfer)	(19,457,000)	(24,002,000)	(20,457,000)	(20,457,000)	(+1,000,000)	(-3,545,000)	---
Chapter III:							
Defense:							
New budget (obligational) authority	356,900,000	329,900,000	331,900,000	331,900,000	-25,000,000	+2,000,000	---
(By transfer)	---	(52,000,000)	(52,000,000)	(52,000,000)	(+52,000,000)	---	---
Chapter IV:							
Energy and Water Development:							
New budget (obligational) authority	157,600,000	---	23,500,000	23,500,000	-134,100,000	+23,500,000	---
Chapter V:							
Housing & Urban Development-Independent Agencies:							
New budget (obligational) authority (net)	186,918,000	401,618,000	383,368,000	481,868,000	+294,950,000	+80,250,000	+98,500,000
Appropriations	(541,188,000)	(605,888,000)	(737,638,000)	(686,138,000)	(+144,950,000)	(+80,250,000)	(-51,500,000)
Contract authority	---	(150,000,000)	---	(150,000,000)	(+150,000,000)	---	(+150,000,000)
Rescission of contract authority	(-354,270,000)	(-354,270,000)	(-354,270,000)	(-354,270,000)	---	---	---
Chapter VI:							
Interior and Related Agencies:							
New budget (obligational) authority (net)	129,951,000	633,026,000	652,527,000	662,828,000	+532,877,000	+29,802,000	+10,301,000
Appropriations	(129,951,000)	(663,026,000)	(682,527,000)	(692,828,000)	(+562,877,000)	(+29,802,000)	(+10,301,000)
Rescission of contract authority	---	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	---	---
(By transfer)	(26,914,000)	(570,000)	(18,084,000)	(17,820,000)	(-9,094,000)	(+17,250,000)	(-264,000)
Chapter VII:							
Labor, Health and Human Services, and Education:							
New budget (obligational) authority	58,200,000	227,969,000	627,798,000	260,848,000	+202,648,000	+32,879,000	-366,950,000
Appropriations, FY 1984	(58,200,000)	(177,969,000)	(572,798,000)	(210,848,000)	(+152,648,000)	(+32,879,000)	(-361,950,000)
Appropriations, FY 1985	---	(20,500,000)	(23,000,000)	(20,500,000)	(+20,500,000)	---	(-2,500,000)
Appropriations, FY 1986	---	(29,500,000)	(32,000,000)	(29,500,000)	(+29,500,000)	---	(-2,500,000)
(By transfer)	(13,923,000)	(11,717,000)	(6,717,000)	(6,717,000)	(-7,206,000)	(-5,000,000)	---
(Trust fund transfer)	(4,000,000)	---	---	---	(-4,000,000)	---	---
Chapter VIII:							
Legislative Branch:							
New budget (obligational) authority	183,291,000	52,345,400	143,610,900	143,459,000	-39,832,000	+91,113,600	-151,900
Appropriations, FY 1984	(183,240,000)	(52,294,400)	(143,559,900)	(143,408,000)	(-39,832,000)	(+91,113,600)	(-151,900)
Appropriations, FY 1985	(51,000)	(51,000)	(51,000)	(51,000)	---	---	---
Chapter IX:							
Military Construction:							
New budget (obligational) authority	85,000,000	58,000,000	79,000,000	74,000,000	-11,000,000	+16,000,000	-5,000,000
Chapter X:							
Transportation:							
New budget (obligational) authority	143,475,000	118,100,000	116,900,000	118,100,000	-25,375,000	---	+1,200,000
Appropriations	(1,658,025,000)	(1,658,025,000)	(1,658,025,000)	(1,658,025,000)	---	---	---
Rescissions	(-25,375,000)	(-25,375,000)	(-26,575,000)	(-25,375,000)	(-25,375,000)	---	(+1,200,000)
Appropriation for debt reduction	(-1,514,550,000)	(-1,514,550,000)	(-1,514,550,000)	(-1,514,550,000)	---	---	---
(By transfer)	(21,258,000)	(21,000,000)	(21,000,000)	(21,000,000)	(-258,000)	---	---
Chapter XI:							
Treasury, Postal Service & General Government:							
New budget (obligational) authority	239,711,000	239,481,000	239,481,000	239,481,000	-230,000	---	---
(By transfer)	---	---	(3,000,000)	(3,000,000)	(+3,000,000)	(+3,000,000)	---
(Limitation on availability of revenue)	(50,000)	(50,000)	(50,000)	(50,000)	---	---	---
Chapter XII:							
Foreign Operations:							
New budget (obligational) authority	1,012,774,170	230,495,000	1,039,388,170	602,922,000	-409,852,170	+372,427,000	-436,466,170
(Limitation on callable capital subscriptions)	(794,500,113)	---	(369,999,991)	---	(-794,500,113)	---	(-369,999,991)
Chapter XIII:							
District of Columbia:							
District of Columbia Funds	(14,374,000)	---	(14,374,000)	(14,373,700)	(-300)	(+14,373,700)	(-300)
Operating Expenses	(43,890,000)	---	(43,890,000)	(35,991,000)	(-7,899,000)	(+35,991,000)	(-7,899,000)
Rescissions	(-29,516,000)	---	(-29,516,000)	(-21,617,300)	(+7,898,700)	(-21,617,300)	(+7,898,700)
(By transfer)	---	---	---	(12,719,800)	(+12,719,800)	(+12,719,800)	(+12,719,800)

SUPPLEMENTAL

	Estimates	House	Senate	Conference	Conference compared with Estimates	Conference compared with House Bill	Conference compared with Senate Bill
TITLE I - GENERAL SUPPLEMENTALS							
TOTAL - New budget (obligational) authority (net)	3,627,200,170	3,331,232,400	4,851,278,070	4,088,813,000	+461,612,830	+757,580,600	-762,465,070
Net appropriations: 1984	(3,627,189,170)	(3,284,188,400)	(4,796,227,070)	(4,088,762,000)	(+411,612,830)	(+757,580,600)	(-757,465,070)
Appropriations: 1984	(5,395,989,170)	(5,088,448,400)	(6,628,694,070)	(5,763,629,000)	(+367,639,830)	(+732,580,600)	(-858,665,070)
Authority to borrow	(100,000,000)	(25,000,000)	(100,000,000)	(50,000,000)	(-50,000,000)	(+25,000,000)	(-50,000,000)
Appropriations for debt reduction	(-1,514,550,000)	(-1,514,550,000)	(-1,514,550,000)	(-1,514,550,000)	---	---	---
Contract authority	---	(150,000,000)	---	(150,000,000)	(+150,000,000)	---	(+150,000,000)
Rescissions	(-25,375,000)	(-25,447,000)	(-26,647,000)	(-25,447,000)	(-25,447,000)	---	(+1,200,000)
Rescission of contract authority	(-354,270,000)	(-384,270,000)	(-384,270,000)	(-384,270,000)	(-30,000,000)	---	---
Appropriations: FY 1985	(51,000)	(20,551,000)	(23,051,000)	(20,551,000)	(+20,500,000)	---	(-2,500,000)
Appropriations: FY 1986	---	(29,500,000)	(32,000,000)	(29,500,000)	(+29,500,000)	---	(-2,500,000)
(Rescission of limitation on contract authority)	(-21,912,000)	(-21,912,000)	(-21,912,000)	(-21,912,000)	---	---	---
(Trust fund transfer)	(4,000,000)	---	---	---	(-4,000,000)	---	---
(By transfer)	(81,332,000)	(109,289,000)	(121,258,000)	(120,994,000)	(+39,662,000)	(+11,705,000)	(-264,000)
(Limitation on contract authority)	---	(15,000,000)	---	(15,000,000)	(+15,000,000)	---	(+15,000,000)
(Limitation on callable capital subscriptions)	(794,500,113)	---	(369,999,991)	---	(-794,500,113)	---	(-369,999,991)
(Limitation on availability of revenue)	(50,000)	(50,000)	(50,000)	(50,000)	---	---	---
(Increase in limitation on administrative expenses)	(69,000,000)	(68,887,000)	(68,887,000)	(68,889,000)	(-200,000)	---	---
(District of Columbia Funds)	(14,374,000)	---	(14,374,000)	(14,373,700)	(-300)	(+14,373,700)	(-300)
TITLE II - INCREASED PAY COSTS							
TOTAL - New budget (obligational) authority	2,326,140,000	2,053,392,000	2,131,950,000	2,087,932,000	-238,208,000	+34,540,000	-44,018,000
(Increase in limitations)	(84,000)	(84,000)	(84,000)	(84,000)	---	---	---
(Limitation on administrative expenses)	(4,847,000)	(2,160,000)	(2,828,000)	(2,494,000)	(-2,353,000)	(+334,000)	(-334,000)
(Section 32 - increase in limitation)	(58,000)	(58,000)	(58,000)	(58,000)	---	---	---
(Trust fund transfer)	(117,000)	(117,000)	(117,000)	(117,000)	---	---	---
(By transfer)	(71,658,780)	(96,348,700)	(92,477,700)	(95,705,700)	(+24,047,000)	(-643,000)	(+3,228,000)
(Transfer from Commodity Credit Corporation)	(45,000)	(45,000)	(45,000)	(45,000)	---	---	---
GRAND TOTAL							
TOTAL - New budget (obligational) authority (net)	5,953,340,170	5,384,624,400	6,983,228,070	6,176,745,000	+223,404,830	+792,120,600	-806,483,070
Net appropriations: 1984	(5,953,289,170)	(5,334,573,400)	(6,928,177,070)	(6,126,694,000)	(+173,404,830)	(+792,120,600)	(-801,483,070)
Appropriations: 1984	(7,722,189,170)	(7,083,848,400)	(8,753,644,070)	(7,850,963,000)	(+128,851,830)	(+767,120,600)	(-902,681,070)
Authority to borrow	(100,000,000)	(25,000,000)	(100,000,000)	(50,000,000)	(-50,000,000)	(+25,000,000)	(-50,000,000)
Appropriations for debt reduction	(-1,514,550,000)	(-1,514,550,000)	(-1,514,550,000)	(-1,514,550,000)	---	---	---
Contract authority	---	(150,000,000)	---	(150,000,000)	(+150,000,000)	---	(+150,000,000)
Rescissions	(-25,375,000)	(-25,447,000)	(-26,647,000)	(-25,447,000)	(-25,447,000)	---	(+1,200,000)
Rescission of contract authority	(-354,270,000)	(-384,270,000)	(-384,270,000)	(-384,270,000)	(-30,000,000)	---	---
Appropriations: FY 1985	(51,000)	(20,551,000)	(23,051,000)	(20,551,000)	(+20,500,000)	---	(-2,500,000)
Appropriations: FY 1986	---	(29,500,000)	(32,000,000)	(29,500,000)	(+29,500,000)	---	(-2,500,000)
(Rescission of limitation on contract authority)	(-21,912,000)	(-21,912,000)	(-21,912,000)	(-21,912,000)	---	---	---
(By transfer)	(153,210,700)	(205,637,700)	(213,735,700)	(216,699,700)	(+63,489,000)	(+11,062,000)	(+2,964,000)
(Transfer from Commodity Credit Corporation)	(45,000)	(45,000)	(45,000)	(45,000)	---	---	---
(Increase in limitations)	(84,000)	(84,000)	(84,000)	(84,000)	---	---	---
(Section 32 - increase in limitation)	(58,000)	(58,000)	(58,000)	(58,000)	---	---	---
(Limitation on callable capital subscriptions)	(794,500,113)	---	(369,999,991)	---	(-794,500,113)	---	(-369,999,991)
(Limitation on availability of revenue)	(50,000)	(50,000)	(50,000)	(50,000)	---	---	---
(Increase in limitation on administrative expenses)	(73,934,000)	(71,049,000)	(71,717,000)	(71,383,000)	(-2,573,000)	(+334,000)	(-334,000)
(Trust fund transfer)	(4,117,000)	(117,000)	(117,000)	(117,000)	(-4,000,000)	---	---
(Limitation on indefinite contract authority)	---	(15,000,000)	---	(15,000,000)	(+15,000,000)	---	(+15,000,000)
(District of Columbia Funds)	(14,374,000)	---	(14,374,000)	(14,373,700)	(-300)	(+14,373,700)	(-300)
CONGRESSIONAL BUDGET RECAP							
Total (fiscal year 1984 only)	5,953,289,170	5,334,573,400	6,928,177,070	6,126,694,000	+173,404,830	+792,120,600	-801,483,070
Amounts in this bill (fiscal year 1984 only)	(5,953,289,170)	(5,334,573,400)	(6,928,177,070)	(6,126,694,000)	(+173,404,830)	(+792,120,600)	(-801,483,070)
Prior year outlays associated with this bill	---	---	---	---	---	---	---
Total Congressional mandatory and discretionary	5,953,340,170	5,384,624,400	6,983,228,070	6,176,745,000	+223,404,830	+792,120,600	-806,483,070
Mandatory (total)	(2,875,199,000)	(2,856,507,400)	(2,915,152,000)	(2,871,134,000)	(-4,065,000)	(+214,626,600)	(-44,018,000)
(Mandatory new)	---	---	---	---	---	---	---
(Prior year)	---	---	---	---	---	---	---
Discretionary (new)	(3,078,141,170)	(2,728,117,000)	(4,068,076,070)	(3,305,611,000)	(+227,469,830)	(+577,494,000)	(-762,465,070)

Mr. STEVENS. Mr. President, I yield to my friend from Mississippi, the distinguished ranking member of the full committee.

Mr. STENNIS. I thank the Senator for yielding.

Mr. President, may we have quiet in the Chamber? I want to just give a brief report on the conference.

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. Mr. President, last night we had one of the best conferences I have ever attended. I made only a very small contribution and I am not including myself for any credit.

There was a very able presentation by several Members of our group, including Chairman HATFIELD and Senators INOUYE and KASTEN, and the House responded in kind. Each group showed a very deep concern for the situation in Central America as we found the facts all want to do something about it.

I am proud of this conference report and I endorse it in every way, the findings, the conclusions, the figures.

Mr. President, I do not know of anyone on this side of the aisle who opposes it, who disapproves it. I heartily endorse it myself. I think it is a good and necessary settlement and I hope it is agreed to.

Mr. HATFIELD. Mr. President, I wish to take this opportunity to express my opposition to H.R. 6040, the fiscal year 1984 Supplemental Appropriations bill. My position is not directed to H.R. 6040 as a whole, but is in response to the levels provided for military assistance to El Salvador in amendment 164, as modified by the House, in the conference report.

As chairman of the Senate Appropriations Committee and manager of the Conference Committee, I want to commend my colleagues from the Senate who participated in the conference for a job well done. Many difficult and contentious issues were resolved after lengthy debate. I basically support those decisions, but I feel compelled to oppose H.R. 6040 due to my long-standing concerns for the administration's policy in El Salvador and the growth in the provision of military assistance to the Central American region.

Specifically, by this action today, the Congress will have approved roughly $200 million for El Salvador in fiscal year 1984, which compares with $81.3 million in fiscal year 1983 and $82 million in fiscal year 1982. The levels provided in amendment 164 greatly increase military assistance to El Salvador in fiscal year 1984 over previous fiscal years. Yet, the region is no closer to peace than when this escalation began. Instead, the carnage, repression, torture, malnutrition, poverty, and illiteracy which characterize the present state in El Salvador continue and with no abatement. Therefore, I reiterate my deep conviction that negotiations are the only way to bring peace to this troubled country and must register my strong opposition to the levels of military assistance provided in amendment 164 of the conference report.

Mr. BURDICK. Mr. President, I will vote for this supplemental appropriations conference report, but I do so with the greatest reluctance.

I simply cannot justify to my constituents the millions of dollars contained in this bill for foreign aid programs. The millions destined for the international banks is bad enough, but even worse is the additional military aid for El Salvador.

Congress has already approved $126 million in military aid for El Salvador in fiscal year 1984. This includes the $61 million we just approved in late June. Now, with only 7 weeks remaining in this fiscal year, we are sending another $70 million down there. I cannot believe the El Salvadoran military will spend this money wisely or well. Indeed, before they even have time to absorb this windfall, Congress will probably have approved another $132 million in fiscal year 1985 military aid.

As much as I oppose this level of foreign aid funding in this bill, I find I must vote for the conference report because it contains funds for vital domestic programs which I strongly support. These programs include food stamps for our neediest citizens, Pell grants for the education of our children, help for America's veterans, and substantial funding for FmHA guaranteed operating loans which our farmers so desperately need.

Mr. President, I am presented with Hobson's choice, so I will vote for this conference report because it contains funds for important programs which help our people here at home.

Mr. STEVENS. Mr. President, I know of no one else who has asked to speak on this measure. It is necessary to adopt the conference report before we go to the amendments in disagreement.

Mr. President, I move adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

SUBSCRIPTION TO CAPITAL STOCK

To enable the Secretary of the Treasury to subscribe and pay for additional capital stock of the Federal Crop Insurance Corporation, as provided in section 504(a) of the Federal Crop Insurance Act (7 U.S.C. 1504), $50,000,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 4 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *; and guaranteed operating loans, $150,000,000, to remain available until September 30, 1985.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 6 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$15,000,000.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

1985 WHEAT PROGRAM

Notwithstanding any other provision of law, in carrying out acreage limitation and land diversion programs for the 1985 crop of wheat, the Secretary shall permit all or any part of the acreage diverted from production under such programs by participating producers to be devoted to grazing except during five of the principal growing months, as determined for each State by the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 11 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "Economic development assistance programs", $26,000,000 to remain available until expend, pursuant to 42 U.S.C. 3151(f) of which $7,000,000 is for a grant to the Institute for Technology Development in the State of Mississippi, and of which $19,000,000 is for a grant to Boston University in the State of Massachusetts, for the construction and related costs of the university engineering and technical training center.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 16 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

For an additional amount for "Operations and training", $2,500,000, to remain available until expended: Provided, That these funds shall be made available to the "Association for the Preservation of the Yacht, Potomac" only when matched by an additional $2,500,000 in contributions from State or local governments or private sources. In addition, for the acquisition and preconversion costs for a training vessel to be used at the State University of New York

Maritime College, $8,500,000, to remain available until expended, of which not to exceed $1,000,000 shall be used for preconversion costs: Provided, That these funds shall be made available for obligation six months following the enactment of this Act only if a suitable surplus vessel has not been made available to the State University of New York Maritime College: Provided further, that all appropriate federal agencies are hereby authorized and shall expedite making any vessel of this class available which is declared surplus by a federal agency and that upon the bona fide sale, approved by the Maritime Administration, of the current schoolship utilized by the State University of New York Maritime College, the proceeds of such sale shall be applied by the Maritime Administration toward the rehabilitation of the schoolship acquisition provided for herein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *: Provided, That $1,100,000 shall remain available until September 30, 1985, for the United States Attorney's office in the District of Columbia for the purpose of relocating, renovating, installing equipment, and renting space: Provided further, That $1,436,000 shall be available until September 30, 1985, for the purpose of paying salaries and expenses of employees supporting the District of Columbia Superior Court.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 27 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$3,300,000.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 40 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Section 781 of the Department of Defense Appropriation Act, 1984 (Public Law 98-212), is hereby amended by inserting the following language at the end of the provision: "This limitation shall apply only to ejection seats procured for installation on aircraft produced or assembled in the United States.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 55 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ABATEMENT, CONTROL, AND COMPLIANCE

For an additional amount for "Abatement, control, and compliance", $50,000,000, to remain available until expended: Provided, That this amount shall be available for the purposes of the Asbestos School Hazards Abatement Act of 1984 (including up to ten per cent for administrative expenses as provided for in said Act): Provided further, That this sum shall not be available for asbestos removal projects until the Environmental Protection Agency develops comprehensive guidelines to classify and evaluate asbestos hazards and appropriate abatement options.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 58 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Of the amounts appropriated under this heading in Public Law 98-181, $175,000 shall be available for the necessary expenses of the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91-190), the Environmental Quality Improvement Act of 1970 (Public Law 91-224), and Reorganization Plan No. 1 of 1977, to remain available until September 30, 1985.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 63 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

The National Aeronautics and Space Administration is authorized, notwithstanding any other provision of law, to acquire for and otherwise take such actions as the Administrator deems necessary to provide to the National Science Foundation, on a reimbursable basis, a Class VI Computer, with accompanying peripheral equipment as requested by the Foundation. NASA is further authorized to lease as a replacement on a two year basis, a compatible upgraded computer, with such peripheral equipment as it deems necessary to conduct requisite research operations. $13,000,000 is appropriated only for this purpose and shall remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 76 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $4,500,000, to remain available until expended, for expenses necessary to carry out the provisions of section 11 of Public Law 93-531, as amended, including administrative expenses and acquisition of lands or waters, or interest therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 81 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $10,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, for the acquisition of land or waters, or interest therein, in the Atchafalaya Basin, Louisiana, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, including the Fish and Wildlife Act of 1956.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 84 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$22,653,000.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 87 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *: Provided, That for fiscal year 1984, no more than $19,700,000 in total may be obligated or expended for any activities related to automatic data processing operations: Provided further, That the act making Supplemental Appropriations for fiscal year 1983 (Public Law 98-63: 97 Stat. at 326 and 327) is amended under the heading "Bureau of Indian Affairs" and the subheading "Operation of Indian Programs" as follows:*

(1) delete the words "no more than 15.25 acres, excluding roads" and insert in lieu thereof: "30 acres, excluding roads as described in the Memorandum of Understanding dated June, 1984 between the Alaska Area Native Health Service and the Department of Education of the State of Alaska. Such description shall be published in the Federal Register by the Secretary of the Interior".

(2) delete the first sentence in the second undesignated paragraph and insert in lieu thereof:

"No final conveyance of any title, interest, or right shall be made unless the State of Alaska has executed an agreement by October 1, 1984 to begin operating a Mount Edgecumbe boarding school facility no later than September 30, 1985, and does in fact open such a facility for school operations by September 30, 1985. To assist the State of Alaska in opening such a facility, and notwithstanding the provisions of title 31 U.S.C. 6308, the $22,000,000 appropriated under this heading for use by the State of Alaska in renovating the Mount Edgecumbe school shall be made immediately available, in full, to the State of Alaska upon the execution of the aforementioned agreement, but such funds shall only be expended for facilities to be located within the lands conveyed by this staute. A failure on the part of the State of Alaska to begin operating a Mount Edgecumbe boarding school facility no later than September 30, 1985 shall cause the interim conveyance made under this heading to terminate.".

(3) insert before the period at the end of the third sentence of the third undesignated paragraph the following: "if the State of Alaska opens a Mount Edgecumbe boarding school facility for school operations by September 30, 1985; if the State of Alaska does not open such a facility for school operations by September 30, 1985, then the interim conveyance terminates as of October 1, 1985, and all interest in the lands covered by the interim conveyance, together with all improvements thereon, revert to the United States": Provided further, That of the unobligated balances in "Construction," $856,405,000, hereby transferred to "Operation of Indian programs".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 92 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *, and $250,000 to be derived by transfer from unobligated balances of grants to the judiciary in American Samoa for compensation and expenses.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 96 to the aforesaid bill,

and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$1,395,000.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 103 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

GENERAL PROVISIONS

None of the funds appropriated herein or for fiscal year 1985 from the Land and Water Conservation Fund for the Bureau of Land Management or the Forest Service shall be obligated for the acquisition of lands or waters, or interests therein unless and until the seller has been offered, and has rejected, an exchange, pursuant to current authorities, for specific lands of comparable value (within plus or minus 25 per centum) and utility, if such potential exchange lands are available within the boundary of the same State as the lands to be acquired: Provided, That condemnations, declarations of taking, or the acquisition of scenic, conservation, or development easements shall not be subject to this provision: Provided further, That acquisition of tracts of lands of less than 40 acres shall not be subject to this provision.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 132 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *$786,000.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 144 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Notwithstanding any other provision of law, funds appropriated for the design of the renovation of and addition to Brooke Army Medical Center at Fort Sam Houston, Texas, are also available for the design of a replacement facility.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 147 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Notwithstanding any other provision of law, the Secretary of the Navy may utilize part of the funds from the sale of property at the Naval Base, Port Hueneme, California, as specified in section 812 of Public Law 98-115, to build replacement facilities.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 156 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

DEPARTMENT OF STATE

INTERNATIONAL ORGANIZATIONS AND PROGRAM

For an additional amount for "International organizations and programs", $1,000,000: Provided, That this amount shall be available only for payment to the International Atomic Energy Agency: Provided further, That of the amount made available for the International Atomic Energy Agency under this chapter and the funds made available for the International Atomic Energy Agency in Public Law 98-151, not less than $7,000,000 shall be available only for the safeguards program.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 158 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International disaster assistance", $16,000,000: Provided, That this sum shall be available only for emergency inland transportation associated with food relief efforts in Africa.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 160 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $50,000,000, to be available only for the Dominican Republic and to remain available until March 31, 1985.

CLEMENT J. ZABLOCKI MEMORIAL OUTPATIENT FACILITY IN POLAND

For an additional amount for the "Economic Support Fund", to carry out Public Law 98-266, $10,000,000 to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 164 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

CENTRAL AMERICA DEMOCRACY, PEACE AND DEVELOPMENT INITIATIVE

For expenses necessary to enable the President to carry out the provisions of the Central America Democracy, Peace and Development Initiative Act of 1984, the Foreign Assistance Act of 1961, as amended, and for other purposes, for assistance for Central American countries, to remain available until March 31, 1985, in addition to amounts otherwise made available for such purposes:

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE RURAL DEVELOPMENT AND NUTRITION

For an additional amount for "Agriculture, rural development, and nutrition, Development Assistance", $10,000,000.

HEALTH

For an additional amount for "Health, Development Assistance", $18,000,000.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

For an additional amount for "Education and human resources development, Development Assistance", $10,000,000: Provided, That of this amount not less than $2,000,000 shall be available only for the International Student Exchange Program.

ENERGY AND SELECTED DEVELOPMENT ACTIVITIES

For an additional amount for "Energy and selected development activities, Development Assistance", $30,000,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $290,500,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "Operating expenses of the Agency for International Development", $2,489,000: Provided, That not less than $727,000 shall be available only for the activities of the Inspector General's office.

INDEPENDENT AGENCY

PEACE CORPS

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612), $2,000,000.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE PROGRAM

For an additional amount for "Military assistance", $140,000,000, notwithstanding the limitations and restrictions contained in section 101(b) of Public Law 98-151: Provided, That not more than $70,000,000 of the funds made available by this paragraph shall be for El Salvador.

GENERAL PROVISIONS

Funds under this chapter are made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 166 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

CHAPTER XIII

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

For an additional amount for "Governmental direction and support", $250,000, which shall be derived from the earnings of the applicable retirement funds, to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: Provided, That notwithstanding any other provision of law, the District of Columbia Retirement Board shall transfer to the District of Columbia $748,000 from the District of Columbia Police Officers and Fire Fighters' Retirement Fund and $1,199,000 from the District of Columbia Teachers' Retirement Fund in conformity with appropriation transfers contained in this Act: Provided further, That all budget requests and justifications for the District of Columbia government shall start with the amounts appropriated in the most recently enacted appropriation act and then explain changes from those amounts to the current budget request.

ECONOMIC DEVELOPMENT AND REGULATION

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Economic development and regulation", $3,912,300, of which $1,313,000 shall be derived by transfer from the appropriation "Human support services" and $2,563,300 shall be derived by transfer from the appropriation "Public works": Provided, That notwithstanding the provision regarding the calculation of repayments by the District of Columbia Housing Finance Agency under the heading "Economic development and regulation" in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 820, 821; Public Law 93-125), for the fiscal year ending September 30, 1984, the District of Columbia Housing Finance Agency estab-

lished by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code. sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative cost plus interest at a rate of 4 percent per annum for a term of fifteen years, with a deferral of payments for the first four years.

PUBLIC SAFETY AND JUSTICE

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Public safety and justice", $4,318,000 of which $967,000 shall be payable from the revenue sharing trust fund: Provided, That $246,000 of this appropriation shall be derived by transfer from the appropriation "Governmental direction and support", $15,000 shall be derived by transfer from the appropriation "Economic development and regulation", $2,815,000 shall be derived by transfer from the appropriation "Public education system", and $479,000 shall be derived by transfer from the appropriation "Human support services".

HUMAN SUPPORT SERVICES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Human support services", $15,181,000, of which $287,000 shall be derived by transfer from the appropriation "Economic Development and regulation", and $437,000 shall be derived by transfer from the appropriation "Public education system".

PUBLIC WORKS

(TRANSFER OF FUNDS)

For an additional amount for "Public works", $4,926,300, of which $611,000 shall be derived by transfer from the appropriation "Governmental direction and support", $97,300 shall be derived by transfer from the appropriation "Economic development and regulation", $3,660,000 shall be derived by transfer from the appropriation "Public education system", and $558,000 shall be derived by transfer from the appropriation "Human support services".

ADJUSTMENTS

In addition to the reduction in authorized appropriations and expenditures within object class 30A (energy) required by Public Law 98-125 (97 Stat. 823), the Mayor is authorized and directed to further reduce authorized appropriations and expenditures for the fiscal year ending September 30, 1984, in the amount of $12,000,300 within one or several of the various appropriation headings in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (Public Law 98-125), as amended by this Act: Provided, That notwithstanding the provision regarding reductions within object class 13 under the heading "Adjustments" in the District of Columbia Appropriations Act, 1984, approved October 13, 1983 (97 Stat. 823; Public Law 98-125), the Mayor shall not be required to reduce authorized appropriations and expenditures within object class 13 (additional gross pay) in the amount of $361,800 for the fiscal year ending September 30, 1984: Provided further, That the Mayor is authorized and directed to further reduce authorized appropriations and expenditures as follows: $210,800 from "Governmental direction and support", $57,000 from "Economic development and regulation", and $94,000 from "Human support services".

WASHINGTON CONVENTION CENTER FUND

For the "Washington Convention Center", $6,072,000: Provided, That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual convention center audit.

CAPITAL OUTLAY

For an additional amount for "Capital outlay", $14,663,000: Provided, That $827,000 shall be available for project management and $788,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

(RESCISSION)

Of the funds appropriated for "Washington Convention Center Enterprise Fund" for fiscal year 1984, by the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 824; Public Law 98-125), $9,617,000 are rescinded.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 195 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *$35,000,000, of which $1,200,000 shall be derived by transfer from the unobligated balances of "Interstate Commerce Commission, Salaries and expenses", and of which $3,800,000 shall be derived by transfer from the unobligated balances of "Civil Aeronautics Board, Payments to air carriers";*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 201 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"Construction, minor projects", an increase of $334,000 in the limitation on the expenses of the Office of Construction;

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 205 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *$2,131,000, of which not to exceed $400,000 shall be derived from "State and local assistance", and of which not to exceed $307,000 shall be derived from "Emergency planning and assistance".*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 209 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: *303(a).*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 210 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 304. No funds appropriated by this or any other Act to the Federal Communications Commission may be used to implement the Commission's decision adopted on July 26, 1984, in docket GEN 83-1009 as it applies to television licenses, prior to April 1, 1985, or for 60 days after the Commission's reconsideration of its decision in this matter, whichever is later. The term "implement" shall include but not be limited to processing, review, approval, or acquisition of any interest in or the transfer or assignment of television licenses.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 214 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 308. (a) The Congress finds that—

(1) the export of American poultry meat products has reduced our Nation's annual trade deficit by over $275,000,000 but has declined for two straight years;

(2) an even more drastic decline in the exports of American shell eggs has occurred over the same period of time and many foreign markets have been completely lost;

(3) the decline of such exports is largely a result of the use of unfair trade subsidies for poultry and egg exports by countries of the European Economic Community and Brazil;

(4) the United States has been engaged for almost three years in negotiations with such countries to end the use of such subsidies but has been unable to make substantial progress in ending such subsidies; and

(5) further negotiations to end the use of such subsidies are expected to be held in October 1984.

(b) It is the sense of the Congress that—

(1) the President should use all practicable means to necessitate an end to the use of unfair trade subsidies for poultry and egg exports by countries of the European Economic Community and Brazil in order to permit American producers to compete more fairly in international markets and to avoid the imposition of such subsidies by the United States.

(2) the President should use all of the authorities available, including the Commodity Credit Corporation, to move U.S. agricultural products in world trade at competitive prices.

Resolved, That the House insist upon its disagreement to the amendments of the Senate numbered 155, 159, 162, and 208 to the aforesaid bill.

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendments in disagreement be considered en bloc, with the exception of amendments 155, 159, 162, and 208. I will state that those are separate amendments that we would have to move to recede from our amendments. I will make a subsequent request to that effect later.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate concur in the amendments of the House to the amendments of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE COMPROMISE

Mr. KASTEN. Mr. President, I would like to make a few comments on the foreign assistance chapter of the conference report.

It is with a great deal of mixed feelings that I will support the House Action on the foreign assistance chapter. On the one hand, this legislation is historic in that we are enacting into law the first step of the recommendations made by the national bipartisan Commission on Central America. Congress, the administration, and the Commission have now shown substantial agreement in the initiative called for by the national bipartisan Commission on Central America. From that point of view there is an element of victory in this long struggle in Congress to enact on a bipartisan basis this new policy for Central America.

On the other hand, Mr. President, the security assistance numbers passed by the House for El Salvador are still inadequate. Furthermore, I am convinced that had the House had the opportunity to vote on a higher level, specifically the compromise that I recommended last night of $90 million, it would have passed. Some may look at the $70 million figure before us as a good compromise, and I suppose depending on your view, a good compromise between zero and $117 million might be any figure between those two extremes. In fact, it is obvious to me that had administration representatives not been so anxious to grab onto the first number thrown out, the House would have approved the $90 million I suggested last night.

Mr. President, I make this point not because of sour grapes, but because we will still be faced with a shortfall for what we are trying to do by way of enhancement of the Salvadoran military. The shortfall of $47 million will surely come up again, and I want to go on record now as predicting that so that no one can make the argument that the amount now before us is adequate, and that any additional funds requested just represent some escalation or greed on the part of the administration. We went over these requirements for the Salvadoran military very carefully, and more funds will be required to bring that force up to the quality we all desire.

Mr. President, at any rate, this will be revisited again, I am sure, and so I would ask my colleagues not to be surprised when we are asked to make up the shortfall at a later time.

Mr. President, in many ways just looking at the context of the conference last night, what the House finally approved is far different than what we faced just 24 hours ago. We had a House conference which told the Senate conferees that there would be no agreement, except on House conferees' terms, and furthermore that they would now allow the matter to be taken back for a vote. As time wore on last evening, the House conferees who held that position soon recognized the very strange position that put them in—a position of not wanting the body they represent to vote on these matters. It is important to point out in this regard that despite newspaper reports that the House had earlier rejected these numbers, that rejection was simply on a point of order and not on the merits. Now the House has spoken overwhelmingly, and they should be congratulated. Furthermore, the effort today represents a truly bipartisan approach which is essential to success. I would like to extend my personal congratulations, appreciation and high regard for Congressmen KEMP, WRIGHT, BOLAND, and MURTHA who were the bipartisan leaders on behalf of this result.

Mr. President, before I conclude, I must make some observations with regard to other negative aspects of this agreement, in that funds for the International Fund for Agricultural Development, the World Bank, the Inter-American Development Bank, the Asian Development Bank, and funding for the housing guaranty fund have all been eliminated in this agreement. This was probably necessary to get the final compromise, but nonetheless it simply means that we will be faced with the necessity of appropriating these dollars which are requested as a result of previous international agreements at a subsequent time. I do not believe that the lack of funds for these activities will hurt these organizations, but the House leadership had to give them up in order to get the compromise through. That is understandable, but it is going to create problems down the road.

Mr. President, in regard to Guatemala, I am pleased to see that the recent positive developments in that country relating to human rights and democracy have been reflected in the action by the conferees. Both House and Senate versions had contained provisions affecting the use of development assistance in Guatemala. The conference report sent over from the House strikes these provisions and permits development assistance to be used to help poor people in that country. On behalf of the Senate conferees, I am happy to recommend that we concur in the House position, and permit development assistance made available by this bill to be used in Guatemala.

Mr. President, I cannot conclude without paying my highest respect and praise, first of all, to the very distinguished chairman of the Senate Appropriations Committee, Mr. HATFIELD, who through his usual dignity and patience got us through a very difficult conference over a 6-hour period. I also want to express my appreciation again to the ranking member of my subcommittee, Senator INOUYE, who as always was invaluable.

Mr. DOMENICI. Mr. President, I support the fiscal year 1984 supplemental funding for food stamps, emergency food and shelter, farm loans, and other important programs funded by H.R. 6040.

I also support the Senate position on additional aid to Central America.

The conference agreement provides $5.5 billion in budget authority and an estimated $3.2 billion in outlays excluding those items reported in true disagreement.

With prior-year outlays, appropriations action to date and adjustments for mandatory programs, the conference agreement leaves the Appropriations Committee $10.6 billion in budget authority below its section 302(a) allocation. Using preliminary CBO estimates of outlays associated with this bill, the conference agreement puts the committee $0.3 billion over its allocation in outlays.

Mr. President, I ask unanimous consent that two tables showing the relationship of the bill to the congressional spending budget and the President's budget request to be printed in the RECORD at the conclusion of my remarks.

When the Senate returns from the recess, I will insert into the RECORD tables showing the total spending in this bill reflecting the final action on those items in disagreement as compared to the President's budget request and the congressional spending budget.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1984 SUPPLEMENTAL APPROPRIATIONS BILL, H.R. 6040, CONFERENCE AGREEMENT—SENATE APPROPRIATIONS COMMITTEE STATUS

[In billions of dollars]

	Budget authority	Outlays
Action to date by Appropriations Committee [1]	520.7	507.7
H.R. 6040, conference agreement, excluding items in true disagreement	5.5	3.2
Adjustment to conform mandatory programs to budget resolution assumptions	+1.0	+2.1
Appropriations Committee total	527.2	512.9
Committee 302(a) allocation [2]	537.9	512.6
Committee total compared to committee 302(a) allocation	−10.6	+0.3
H.R. 6040:		
President's request [3]	6.3	3.3
House-passed bill	5.3	3.1
Senate-passed bill	6.9	3.6
Conference agreement (House position on items in true disagreement)	5.8	3.2
Conference agreement (Senate position on items in true disagreement)	6.6	3.3

[1] Includes all enacted regular appropriations bills, the second continuing resolution, enacted supplemental bills, outlays from prior-year budget authority and other prior actions. Excludes $8.5 billion in budget authority for the IMF (no outlays) assumed in the President's request and budget resolution for fiscal year 1983, but not enacted until fiscal year 1984.

[2] Includes reserve fund allocations made on September 14 and October 27, 1983.

[3] Includes $0.5 billion in budget authority for the strategic petroleum reserve not considered in fiscal year 1985 request.

FISCAL YEAR 1984 TOTAL BUDGET STATUS

[In billions of dollars]

	Budget authority	Outlays
Revised Second Budget Resolution (H. Con. Res. 91)	922.1	852.1
Current level [1]	920.5	854.5
Amount remaining (−) or over (+)	−1.6	+2.4
Net effect of H.R. 6040 conference agreement excluding items in true disagreement on current level [2]	+2.9	+0.5
Amount over including this bill	+1.2	+2.9

Note: Details may not add to totals due to rounding.
[1] As of July 23, 1984. Includes $8.5 billion budget authority for the International Monetary Fund which was in the President's request and the budget resolution for fiscal year 1983, but not enacted until fiscal year 1984.
[2] Certain entitlements and pay raises included in this bill are already included in current level.

Mr. STEVENS. Mr. President, I ask unanimous consent that the remaining amendments in disagreement be considered en bloc.

Mr. BYRD. Mr. President, reserving the right to object.

Mr. President, I withdraw my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate recede from its amendments numbered 155, 159, 162, and 208.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I move it be in order to reconsider the votes on the amendments in disagreement and the remaining amendments en bloc.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider that action.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, the distinguished Senator from North Carolina is on the floor, and I know he wishes to speak or has comments to make on this matter after the passage of the conference report and dealing with the amendments in disagreement, which has now been completed.

I ask unanimous consent that the Senator from North Carolina may now be recognized for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAST. Mr. President, I appreciate the recognition.

Mr. President, I would like to comment briefly on the conference report. The principal objection I have, though I have not insisted, obviously, on a rollcall vote, is the reduction of military aid to El Salvador from $117 million. This I deeply regret.

The Senate indicated strong bipartisan support for the larger figure.

I wish to bring to the attention of my colleagues again that this has strong bipartisan support. I am not making a partisan point. I wish to bring to the attention of my colleagues that the distinguished senior Senator from New York [Mr. MOYNIHAN] pointed out yesterday in his speech in the Senate that there is a very strategic change taking place in Nicaragua. Namely, it is becoming a base for Soviet strategic weaponry. I submit that is occurring as a natural fruit of allowing Havana and Moscow to have total access to Managua in terms of small arms flow to establish a military beachhead in Nicaragua, export that into El Salvador, and they are now putting in strategic weaponry which will jeopardize the security and the freedom of the United States.

I think that is deeply to be deplored. I commend the Senator from New York for making that very perceptive statement on the Senate floor and showing strong bipartisan support to stop this, stop the arms flow, and to address this question more fully as time evolves.

This is what is occurring in Central America. It was warned about in the debate we had, 1 or 2 days ago. I think the distinguished Senator from New York is bringing that into ever sharper focus.

Let me conclude on this point because the hour is late and people are anxious to go. The administration has understood this is what is occurring and it is clear in the U.S. Senate bipartisanwise in terms of votes, that this is what is occurring. I hope that the House of Representatives in the days and weeks ahead—they are slow learners—will also understand the need to take decisive action in Central America. That means as a minimum giving aid of a sufficient character militarily to the democratically elected Government of El Salvador to prevent it, too, falling under the dominance of Managua, Havana, and Moscow. It is now taking on strategic importance. That is what the Senator from New York is pointing out. I concur with him. I think that is a very positive development. I commend the Senate for it. I have always supported the administration for it. I hope the House of Representatives continues to educate itself over the recess between now and when we convene on September 5. We have made some progress. I thank the Chair. I thank the Senate for its indulgence. I yield the floor.

Mr. PERCY. Mr. President, this bill is replete with funding for needed programs, but I am especially pleased to see that the supplemental economic and military assistance for Central America is included.

The $290 million supplemental ESF appropriation is going to give a desparately needed economic shot in the arm to the troubled economies of Central America. It will help to keep factories working and people employed in Central America and that will help the political situation.

The $140 million military assistance is a good compromise that will permit El Salvador to begin to close the tremendous training gap it has confronted ever since the insurgency began. It is a vote of confidence for the Salvadoran officers who have committed themselves to support a civilian democratic government and human rights. More importantly, it is a tremendous vote of support for President Duarte. It says that we believe he can bring about reforms and start down the road to peace in Central America. It says we are going to give him a chance and help to make sure he succeeds.

Mr. President, like others, I am disappointed that we have not yet had the opportunity to enact the bipartisan Kissinger Commission plan for Central America with its long term commitment to the development of that region. This appropriation is a first step in the direction of that commitment. It is a first installment that can have a tremendous payoff for the future political stability and economic prosperity of a region that is profoundly important to us.

Mr. BAKER. Mr. President, I have an announcement to make. There will be no more record votes tonight.

HOUSE CONCURRENT RESOLUTION 351—ADJOURNMENT OF THE TWO HOUSES OF CONGRESS

Mr. BAKER. Mr. President, is there an adjournment resolution at the desk?

The PRESIDING OFFICER. There is.

Mr. BAKER. Mr. President, I ask the Chair to lay that resolution before the Senate.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A House Concurrent Resolution (H. Con. Res. 351), providing for conditional adjournment of the two Houses.

Mr. BAKER. Mr. President, will the clerk please read the rest of the resolution?

The PRESIDING OFFICER. The clerk will state the resolution.

The assistant legislative clerk read as follows:

That when the two Houses adjourn on Friday, August 10, 1984, they stand adjourned until 12 o'clock meridian on Wednesday, September 5, 1984, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respec-

tively, to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. BYRD. Mr. President, I thank the Chair. I thank the clerk and I thank the majority leader.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The resolution (H. Con. Res. 351) was considered and agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF AGRICULTURE AND FOOD ACT OF 1981

Mr. BAKER. Mr. President, Members should understand there are a number of things yet to do. The next thing on my agenda is House Joint Resolution 600. May I inquire of the minority leader if he is prepared to consider that at this time?

Mr. BYRD. Mr. President, the answer is in the affirmative.

Mr. BAKER. I ask unanimous consent that the Senate now turn to consideration of House Joint Resolution 600, the agriculture-related trade policy measure.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will state the resolution.

The assistant legislative clerk read as follows:

A House concurrent resolution (H. Con. Res. 600) to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

Mr. JEPSEN. Mr. President, as the principal sponsor of this important resolution, I urge my colleagues to support the passage of this important resolution. It will explore all sectors affecting agricultural trade policy, and make an initial report by March 1985, in time for hearings on the 1985 farm bill. The final report would be due by July 1986. Of particular importance is the private sector funding provision under which farm groups and agriculture-related organizations will "put their money where their mouth is" on exports.

If there were two things I could "wave a wand" and bring about immediately it would be to get "exports up" and "interest rates down". This resolution is an action proposal for getting exports up and should be implemented immediately.

Mr. PERCY. Mr. President, the pending joint resolution would amend the Agriculture and Food Act of 1981 in order to establish a blue ribbon commission to study and make recommendations regarding U.S. argicultural trade and export policy.

Much of the credit for advancing this timely proposal goes to Senator BOB DOLE, who introduced this resolution on June 21, 1984, with the principal cosponsorship of my distinguished colleague from Iowa [Mr. JEPSEN]. I was pleased and proud to cosponsor that resolution. During his public career, BOB DOLE has done much to promote and advance the cause of American agriculture. Once again, he has taken the lead and I can say the same for Senator JEPSEN, who has also taken the lead in agricultural policy in this country.

Mr. President, hearings were held by the Governmental Affairs Committee on August 3, 1984, with the following witnesses testifying:

The Honorable Robert Dole, U.S. Senate, Washington, DC.

Mr. Larry Werries, Director of Illinois Department of Agriculture, representing the National Association of State Departments of Agriculture, Washington, DC.

The Honorable Jesse Helms, U.S. Senate, Washington, D.C.

PANEL

Mr. John White, Jr., President of Illinois Agricultural Association, representing the American Farm Bureau Federation, Washington, DC.

Mr. Gary D. Myers, President of the Fertilizer Institute, Washington, DC.

Mr. Bob Liebenow, Steering Committee, Export Processing Industry Coalition, President of Corn Refiners Association, Incorporated, Washington, DC.

Mr. John G. Reed, Jr., Vice President of International, Archer Daniels, Midland, Decatur, IL.

Mr. David Wirsing, President of the Illinois Pork Producers Association, representing the National Pork Producers Council, Des Moines, IA.

Mr. President, I can report that without exception every witness not only supported the creation of this Commission, but urged its immediate passage so that members can be appointed just as soon as possible.

The passage of this resolution should be of interest to every member in view of several significant facts on the overall impact of agricultural exports on the U.S. economy:

In 1983, agricultural exports reached $34.8 billion and could reach $38 billion in 1984;

The Agriculture Department estimates that agricultural exports generated 1.1 million jobs and $81.8 billion in overall business activity;

Agricultural exports help to significantly reduce our balance of trade deficits.

Through the Food-for-Peace Program, agricultural exports generate good will throughout the lesser developed countries which are unable to feed their own populations.

Yet, a variety of factors have caused a recent decline in exports. I would like to quote from a letter I received from the National Association of State Departments of Agriculture:

After an unprecedented growth of farm exports in the 1970's, exports peaked at a record $43.8 billion in fiscal year 1981. During the 1970's, the volume of U.S. farm exports rose from 60 million tons to 164 million tons, an increase of 270 per cent. During that same period, the value of farm exports increased nearly six times. The low value of the dollar made our farm goods very attractive. However, the situation has changed drastically since fiscal year 1982 when exports dropped to $39.09 billion. We are now faced with a high-priced dollar, export subsidies from several nations, improved economic strength of our trading partners and various other problems.

As both Agriculture Secretary Block and my distinquished colleague, Senator HELMS, chairman of the Agriculture Committee, have rightly pointed out there is yet another factor: The residual effect of the Carter administration Soviet grain embargo.

One of my highest priorities has been to reverse the disastrous effects of the embargo policies of the previous administration. I am please that 54 of my colleagues supported the resolution which I introduced in 1983 urging the administration to negotiate a new long-term agricultural agreement with the Soviet Union. We already know that the minimums of 8 million metric tons of corn and wheat have been exceeded by 50 percent for the first year of the agreement and the Soviets have already met their purchase requirements for the second year of the agreement, beginning this October. In my own State of Illinois, this agreement has meant $600 million annually in additional income for farmers and processors.

Mr. President, I would hope that the Commission study additional policy options to repair the enormous damage inflicted on American agriculture by this embargo, along the lines of contract sanctity legislation supported by a significant number of members in this body.

I am pleased to report that 6 members of the proposed 35-member Commission will be appointed from the Senate including both the chairman and ranking member on the Foreign Relations, Agriculture, and Finance Committees. They will be ex-officio voting members and sit alongside their counterparts on the three counterpart House committees.

Further, that the President pro tempore of the Senate, together with the Speaker of the House, will each select 10 private sector representatives. An additional three ex-officio members without voting rights will be appointed by the President.

The Commission is scheduled to make an interim report by March 31, 1985, in time for the debate on the 1985 farm bill. A full report is to be issued by July 1, 1986.

I share with my colleagues confidence in the Commission because of the significant involvement of the private sector. Besides holding 20 of the 35 seats on the Commission, the private agricultural sector is committed to fund its operations.

The House version of this resolution includes a safeguard against possible abuse of the private sector funding component. Namely, that no one private sector group could contribute more than 5 percent of the Commission's total budget.

Additionally, the House version gives the Secretary of Agriculture authority to provide up to $1 million in Commodity Credit Corporation [CCC] authority to fund Commission activities. It is my expectation that this authority will not have to be exercised because of private sector commitments.

I personally have no qualms to the Senate approving either of those two measures.

Mr. President, I represent the leading agriculture exporting State in the Nation. Our farmers and processors have urged me to expedite approval of this Commission.

They are looking forward to the development of prudent and realistic policy options that could be recommended by this blue-ribbon Commission.

Mr. President, for the Illinois farmer and processor, exports are critical. As the leading agricultural export State in the Nation with $2.4 billion of annual export sales, one out of every two farm jobs is dedicated to exports, and one of every 3 acres is used for export crops.

That is why as chairman of the Senate Foreign Relations Committee and a member of the President's Export Commission I have not only taken an active interest in stimulating new export markets for our products, but also in protecting existing markets from unfair trade practices.

One of our highest priorities has been to reverse the disastrous effects of past embargo policies. I am pleased that 54 of my colleagues supported the resolution I introduced in 1983 urging the administration to negotiate a new long-term agricultural agreement with the Soviet Union. We already know that the minimums of 8 million metric tons of corn and wheat have been exceeded by 50 percent for the first year of the agreement and the Soviets have already met their purchase requirements for corn for the second year, beginning this October. In Illinois, this agreement has meant $600 million annually in additional income for farmers and processors.

Our second priority is to continue with this administration to resist efforts by the European Economic Community to walk away from our existing trade agreements and to limit the sale of U.S. origin corn gulten feed and other high protein animal feed ingredients, worth over $500 million annually to U.S. producers. Those efforts will continue this September in Geneva.

The third priority is to stimulate the introduction of value-added processed products for export in addition to bulk commodities. Trade in these processed products can create thousands of new jobs.

This initiative will provide us with a fresh look at policy options we need to deal effectively with the drop in U.S. export sales. While the factors which have created this decline—such as the strong dollar—are well understood, some of the proposed remedies have been controversial.

I am especially pleased by the provisions calling for involvement of the private sector in this effort. If the commission is to be truly effective, it must be prepared to recommend bold steps to regain our share of the world export market. For instance, if we cannot achieve our objectives through existing international trade organizations, then we must be prepared to move unilaterally, through the use of our enormous economic resources, to let the European Economic Community, Brazil, Argentina, and others know that we will not permit ourselves to be pushed out of the third country markets through their use of export subsidies. Study after study indicates that exports create jobs and additional tax revenues. We should take this into account before we dismiss the use of such subsidies. Other countries know the benefits of exports and so should we.

We should also expand Public Law 480, whose 30th anniversary we celebrated last month, to include more value-added processed products to feed those parts of the world that are deficient in high protein foods.

Above all, we must strive to maintain free trade in agriculture. To do otherwise invites economic disaster. Nonetheless, countries which treat our exports unfairly should be put on notice that their imports will be subject to the same sort of treatment.

Some may not want this Commission to make strong recommendations. Yet in my view, we simply have no choice but to change our agricultural export policies to meet changing circumstances in a world that no longer adheres to the old rules of the game.

I strongly support this resolution and do so having discussed the resolution with a great many farm and agriculture organizations. I ask unanimous consent that the list of agricultural organizations in the United States that have endorsed House Joint Resolution 600 and the principles embodied therein be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

American Farm Bureau Federation; American Feed Manufacturers Association; American Soybean Association; Cooperative League of the U.S.A.; Farmland Industries; National Agricultural Chemicals Association; National Association of State Departments of Agriculture; National Association of Wheat Growers; National Cattleman's Association; National Corn Growers Association; National Council of Farmer Cooperatives; National Grange; The Fertilizer Institute; National Milk Producers Federation/National Broiler Council; National Pork Producers Council; and Export Processing Industry Coalition.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. PERCY. Yes, Mr. President, I yield.

Mr. DOLE. Mr. President, I would like to thank the majority leader for his willingness to expedite handling of this resolution, and also the distinguished chairman of the Committee on Governmental Affairs, Senator ROTH, for his interest and cooperation. With only 2 days left before recess, we needed and received the assistance of all concerned in order to move this legislation forward in a timely fashion. We now can work toward getting the Commission members appointed so they can begin work early this fall.

PRIVATE SECTOR FUNDING PROVISIONS

Last Friday, Mr. President, I testified on behalf of the Senate version of this resolution, Senate Joint Resolution 319, at a hearing by the Governmental Affairs Committee, chaired by Senator PERCY. At that time, I expressed some reservations about an amendment which the House Agriculture Committee added in markup that authorizes up to $1 million in CCC funds for the Commission's startup expenses. This provision was necessitated by another House amendment requiring that all Commission members be appointed before any private sector funds are accepted.

As I understand it, the House report which accompanies House Joint Resolution 600 specifies that any Government funds used shall be to facilitate the Commission's initial startup phase, and that repayment of such funds to the CCC is expected.

I want to make clear that, if this authority must be exercised by the Secretary of Agriculture in order to satisfy the limitation on acceptance of private sector funds, I would fully expect the Commission's accounts to be managed in such a way that all Government funds would be repaid in full. If there is any question about whether such a reimbursement can be made directly to the CCC, I would encourage that a separate account be maintained to isolate the funds for repayment until some method is found or until residual funds are turned over to the Treasury.

I hope the point has been clearly made by all of the sponsors of this leg-

islation that, in order to be effective, the Commission's direct expenses must be fully financed by private sector contributions. It is the private sector which stands to gain the most from the development of a positive and comprehensive agricultural trade policy, and which should be willing to make the necessary financial commitment toward that goal. We in Congress and the administration can give the Commission access to appropriate Federal agencies and support services, but we cannot give blanket credibility to the Commission's eventual recommendations. The value and utility of such findings will be directly proportional to the commitment and effort made by farm groups, agribusiness, and other agriculture-related industries and individuals.

ADMINISTRATION POSITION

Mr. President, throughout the meetings and discussions which developed the present resolution, the administration has appropriately chosen to take no official position. Just as the Commission will require a financial commitment by the various interests comprising American agriculture, there has been every reason for the executive branch not to prejudge the merits of this legislation. If the private sector believes that the need for such an initiative is sufficient to give it full support, I would hope the administration would respect that expression of support and give the Commission its full cooperation.

I truly believe, Mr. President, that a fully funded Commission with U.S. Agriculture behind it will be of invaluable assistance to efforts by the Department of Agriculture and other agencies to create more prosperous conditions for our farm policy economy through a more aggressive and effective export trade policy. I hope that USDA officials will adopt a positive and constructive attitude toward the Commission's work, and will make every effort to ensure that it has the benefit of the administration's own views on trade policy.

RECOMMENDATIONS ON ORGANIZATIONAL STRUCTURE

Mr. President, the scope of the Commission's investigation and possible recommendations has been left purposefully broad to allow the greatest possible flexibility. Just as there are many influences on our agricultural economy from events and policies outside the jurisdiction of the Department of Agriculture and the congressional Agriculture Committees, the Commission will need to explore areas as disparate as the exchange value of the dollar and the purpose of international commodity agreements.

One area which the Commission may wish to explore is the organizational structure of the Department of Agriculture and other executive agencies as they relate to agricultural trade policy development. I have no particular problem with such an area of consideration, as part of the Commission's overall assessment of the current environment for farm trade policy.

However, I would state that the Commission's primary emphasis should be on developing recommendations that comprise a comprehensive and cohesive national agricultural trade and export policy. It is the structure of such a set of policies, rather than the organizational structure of the agencies which may play a role in administering and implementing them, which is of paramount importance.

There have been any number of Commissions in the past which have become bogged down trying to come up with a "perfect organizational chart" to manage trade or food assistance or some other function of government. What is really important at this point is for the Commission to develop a workable set of policies regarding agricultural trade and exports which we can then try to implement within the existing structure. If some modifications then appear to be in order, I am sure there will be a number of suggestions on how certain responsibilities can be changed around.

I thank the Chair.

Mr. ROTH. Mr. President, I am pleased to support House Joint Resolution 600, which authorizes a comprehensive review of agricultural trade and export policy. Senate action on this proposal today will permit this effort to get underway promptly and to make a positive contribution to the deliberations on the 1985 farm bill.

I commend Senator DOLE for the leadership he has provided in introducing this legislation, and I want to thank Senator PERCY for the excellent hearing on this matter that he chaired recently before the Committee on Governmental Affairs. It was clear in the testimony offered before the committee last week that this proposal enjoys broad support within the farm community. Farmers see this as not just another ineffective blue ribbon panel. Rather it is viewed as a significant opportunity to contribute to legislation that will be before the Congress next year and to help us remain competitive in agricultural exports in the coming decade and beyond.

It is this dual nature of the resolution mandate that is particularly appealing. The 1985 farm bill is likely to be watershed legislation for the American agriculture community. The findings and recommendations generated by the Resolution 319 review will focus the issues in the farm bill and will help to ensure that the final legislation advances the interests of all farmers.

Additionally, however, we in this country must take a serious look at the long-term future of agricultural exports and the manner in which Government policies affect our farm export performance. The relationship between domestic farm support programs and export policy, and the interrelationship of our patchwork quilt of export programs must be reviewed to make certain that these policies are not contradictory and ultimately self-defeating. The neglect of these issues will jeopardize American agricultural productivity which is the envy of all the world. To address these concerns forthrightly will help ensure the continued international competitiveness of American agriculture long into the future. The mandate contained in Resolution 319 and the timing of the reports to be submitted to Congress and the President will permit this longer term review.

The importance of agricultural exports can hardly be overestimated. Today about 25 percent of U.S. farm income is derived from exports and almost 2 out of every 5 acres of agricultural land is cultivated for export. Farm exports are the largest single positive aspect of our current trade balance of payments. Every $1 billion in farm exports is responsible for between 25,000 and 30,000 jobs in the private sector. Last year this accounted for more that 1 million jobs for people other than U.S. farmers.

My home State of Delaware clearly exemplifies the importance of agriculture. In Delaware, agriculture is a principle employer and is essential to the health of the State's economy. The Delaware corn, soybean, and poultry industries all are enhanced when world markets are enhanced.

Despite this importance of agriculture, however, the strength of U.S. agricultural exports by no means is assured. In fiscal year 1982 our agricultural exports fell almost $5 billion below the 1981 level to $39.1 billion. In fiscal year 1983 a further decline occurred, bringing the level of U.S. agricultural exports to $34.8 billion. While recent data are somewhat more encouraging, the vulnerability of U.S. farm exports is clear.

The study called for in Senator DOLE's proposal can help to assure strong export performance for agriculture in the future. By sorting out our confusing mosaic of agricultural export policies, this proposal will make a significant contribution to the competitiveness of U.S. farm exports and to the health of domestic agriculture.

I urge prompt Senate approval of this resolution.

Mr. HELMS. Mr. President, this legislation would establish an Agricultural Trade and Export Policy Commission. As a cosponsor of its Senate companion, Senate Joint Resolution 319, I am pleased to support this bill. At a time when increasing agricultural exports is so vital to the American

farmer, the Commission holds much promise for guiding us to a long-term trade policy which will coordinate our domestic and export farm programs.

The United States is the world's leader in agricultural trade. Our farmers supply 80 percent of the soybeans, 60 percent of the feed grains, 40 percent of the wheat and cotton, and 20 percent of the tobacco and rice moving in world trade.

Mr. President, American agriculture is organized to operate in a world market, and the health of our farm economy is very much dependent on our ability to export farm products. Currently, more than one-quarter of U.S. farm income is derived from exports, and about 2 of every 5 acres of crop land in this country is devoted to exports.

Exports account for more than 60 percent of our wheat production, nearly one-half of our soybean and rice production, more than one-half of our cotton production, and about a third of our corn production.

Promoting farm exports is not just an agriculture issue; it is a national issue of concern to all Americans. Farm exports are the largest single positive force in our balance of payments.

Every $1 billion of last year's $35 billion of farm export earnings generated 30,000 jobs in the private sector—that's a total of 1.05 million jobs for persons other than farmers. Truly, agricultural trade is an opportunity for America that is an essential key to our continued economic growth and prosperity.

Although U.S. agricultural exports are expected to increase this year to $38 billion from last year's $35 billion, they will likely fall short of the record $43.8 billion set in 1981.

Mr. President, there are a variety of reasons for the decline in exports including the world recession, weak foreign currencies, massive debt of many potential importers, favorable weather conditions worldwide, residual effects of the Carter/Mondale grain embargo, production incentives to farmers worldwide and export subsidies employed by competitor nations.

A number of important steps have been taken in the past few years in order to effectively retain America's role in international trade and increase farm exports.

Much has been done to restore the confidence in America's reliability as a supplier which appeared so badly shaken just a few years back. The grain embargo was lifted and a new, long-term grain agreement was signed. Included in the Futures Trading Act was a contract sanctity provision and the administration also issued the "Reagan Doctrine on Agricultural Trade".

Under the Reagan doctrine, it is stated that it is the policy of the United States that no restrictions on commercial agricultural exports will be imposed because of rising domestic prices for foreign policy purposes except in the most extreme situation and even then, agriculture will not be singled out as it has been in the past.

Other measures have been taken to challenge unfair trade practices abroad. The President—and his entire team—have spoken out forcefully and repeatedly against these unfair foreign trade practices. The administration is using the GATT to challenge the unfair practices of Japan and the European Economic Community, for example.

The use of funds for the direct promotion of U.S. farm exports aimed at meeting unfair competition head-to-head began with the Helms amendment fund included in the 1982 Reconciliation Act. Specifically, this mandated the allocation of $175 to $190 million for export promotion.

On October 20, 1982, Secretary Block announced that he would use part of this authority in a blended credit program. Under this program, $100 million in interest-free direct credits were blended with $400 million of CCC credit guarantees of private lender financing at market interest rates. The total package provided interest rates at levels competitive with subsidizing countries.

By the end of the first year, all the funds had been allocated to eight countries to finance the purchase of 2.5 million tons of U.S. corn, wheat, soybean meal, vegetable oil, and cotton. Since its inception, the blended credit program has provided for the financing for a total of more than 7 million tons of 15 different U.S. commodities, resulting in more than $1 billion in additional sales.

Furthermore, the Reagan administration has allocated more funds to credit guarantees under the GSM-102 program in the past 2 years than at any time in the history of market development—a total of almost $9 billion, which is two-fifths of the total USDA funding for market development since 1954.

Guarantees under this program were allocated to provide for the financing of about 23 million tons of U.S. agricultural exports last fiscal year, and further guarantees have been made available as of early this year to finance shipments totaling about 19 million tons.

In addition, on January 17, 1983, Egypt signed an agreement with the United States to buy 1 million metric tons of U.S. wheat flour over the following 12 to 14 months. The USDA provided enough CCC-owned wheat to enable U.S. suppliers to sell and deliver wheat flour at the agreed upon price of $155 per metric ton. Credit guarantees were also used. This action utilized surplus U.S. wheat to meet the competition from subsidized French wheat flour sales to Egypt.

Despite these congressional and administrative actions, there is a realization that more is needed to promote exports and convince competitor nations who utilize predatory subsidies of the seriousness with which we deem their unfair policies.

A long-term agricultural trade policy holds much promise for promoting these goals. Such a policy, by indicating the importance placed by our Government on farm trade, would help restore confidence in America as a reliable supplier of agricultural commodities. In addition, a sustained, long-term policy to give U.S. negotiators the tools they need to bring an end to predatory export subsidies is essential.

The coordination of domestic and export policies in farm legislation is also another key to promoting farm exports. This would help remedy the situation where these policies sometimes seem to work at cross-purposes.

Further, we must demonstrate to our competitors that we are unwilling to yield our interest in international agricultural trade. We cannot and will not remove ourselves from world markets. Everyone on this planet will prosper from free and open trade. But for that to happen, trade must be fair, as well.

At a time when we need to continue to expand our efforts in agricultural trade, House Joint Resolution 600 will establish a mechanism by which various trade experts, representing a variety of interest, can get together to develop recommendations for an effective trade strategy. Also, the Commission can provide us with guidance for the comprehensive strategies we need to coordinate our domestic and export farm policies. House Joint Resolution 600 is a timely matter which I encourage my colleagues to support.

Mr. PERCY. Mr. President, Senator HELMS was a witness at the hearings as chairman of the Agriculture Committee and Senator ROTH, as chairman of the Governmental Affairs Committee, put the hearings that I chaired on August 3 on a very fast track. I express my appreciation to him and Senator EAGLETON for their making possible very early hearings so this matter could be given early consideration.

I know that Senator EAGLETON has had some reservations about it and possibly, at this point, it might be well—I am happy to yield to him for whatever statement he would like to make or action he would like to take.

AMENDMENT NO. 3706

(Purpose: To provide funding for the Commission)

Mr. EAGLETON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Missouri [Mr. EAGLETON] proposes an amendment numbered 3706.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 9, line 12, strike out through page 10, line 14, and insert in lieu thereof the following:

"EXPENSES OF THE COMMISSION

"SEC. 1223. (a) There are hereby authorized to be appropriated $1,000,000 to carry out this subtitle.

On page 10, line 15, strike out "(d)", and insert in lieu thereof "(b)".

On page 7, line 21, strike out "in advance".

Mr. EAGLETON. Mr. President, I support the creation of a National Commission on Agricultural Trade and Export Policy. Our extraordinary capacity for agricultural production is at the heart of our Nation's strength. Our ability to export agricultural products successfully has been vital to our economic health, particularly at a time when our trade position in manufactured products has been deteriorating dramatically. In recent years, our agricultural export sector has been buffeted by a changing and intensely complex world trade climate, featuring many countries who have subsidized their agricultural exports to the detriment of ours. It is an appropriate time for a searching look at the issues relating to agricultural trade, to insure that our policies—domestic and international—best serve our Nation's interests in this vital area.

But precisely because these issues are so important, any national commission we establish should be a serious commission, which will have the credibility to produce recommendations that will be taken seriously by the President, Congress, and the public. As presently written, House Joint Resolution 600 does not meet that standard.

I am fundamentally opposed to section 1223 which would permit the Secretary of Agriculture to "receive, from persons, corporations, foundations, and all other groups and entities within the United States, contributions of money and services to assist the Commission in carrying out its duties and functions." It is clear from the resolution that this private funding is to be the main source of funds for the Commission, although the Secretary may also use the funds of the Commodity Credit Corporation up to $1 million, to the extent that private funds do not suffice.

The proponents of this resolution support the private funding concept because—naturally enough—it will save the Government money. At a time when deficits are running close to $200 billion, we all have an interest in making savings where possible. But we should recognize the fundamental dangers of the approach being put forth here.

First, it can distort our way of making decisions about what tasks government should undertake. Traditionally, when Congress concludes that a national commission is needed to study a vital national problem, it has shown the willingness to pay for it with Federal money. The supporters of this legislation argue that the Commission is important to the agricultural community; that the community would like to participate; and that they will put up the money. I agree that our agricultural sector is capable of footing the bill for the operations of a commission, which may cost between $500,000 and $1.5 million—as a ballpark figure. But that cannot be the criterion for Government action. At some future point, we may again find the need for a commission to consider the problem of hunger in America. Should we refrain from creating such a commission because those who are hungry cannot defray the cost? Obviously, the question answers itself, and yet if we adopt this resolution, and substitute private funding for what is a basic Government responsibility, we can be sure that at some future point, someone in Congress will oppose the creation of a needed commission because it would require Govenment funding—and this precedent will be invoked as the enlightened, and cost-effective way to proceed.

Of course, the agricultural sector can pay for their commission. But does Congress, and the country, really want them to? Senator DOLE, the chief sponsor of this resolution, testified to the Governmental Affairs Committee last week as follows:

In addition to filling a much-needed purpose, the commission is important because it would be financed by private sector contributions . . . Various farm groups and agriculture-related organizations endorsed this non-government funding concept as a positive step in building credibility in its eventual recommendations.

With all due respect for my friend from Kansas, who has done so much for agriculture, and the Nation, I can conceive of nothing more destructive to the credibility of this Commission than letting it be privately funded. The recommendations of this Commission, if taken seriously, could have multibillion dollar ramifications for our agricultural sector. Those who stand to be financially affected should not be footing the bill for the study. They should not be buying seats on the Commission or influence on its deliberations through their contributions. The proponents of this legislation are arguing that the national if Cargill, General Mills, Kellogg, etcetera have contributed $50,000 apiece to its funding than it would be if Government funds paid for it.

There is no basis for that conclusion, other than the cynical indiscriminate argument that everything the private sector touches is inherently superior to what the Government does. There is, however, strong evidence to the contrary. Since 1980, Senator ROTH and I have been pushing for a new Hoover Commission to study the organization of the Federal Government and to recommend ways that its operations could be effectively reformed to meet the challenges of the 1980's and beyond. The recommendations of the first two Hoover Commissions had enormous impact on the shape of the Federal Government, because of the prestige and credibility of the Commissions, whose impartiality was unquestioned. But when President Reagan tried to accomplish some of the same things that Senator ROTH and I sought to do, through the Grace Commission, the effort bogged down because of fears of conflict of interest, partisan motivations, ideological axes to grind, and self-dealing by those involved. Is there any serious doubt that the cost-cutting recommendations of the Grace Commission would have been taken for more seriously if they had come from a new Hoover Commission, instead of a private sector team funded by business interests?

The House Agriculture Committee recognized the dangers inherent in private funding, and offered some amendments in the hope of curing the problems. The resolution we now consider contains these protections: the funds won't be collected until the Commission members are picked; and no one individual or group can pay more than 5 percent of the tab. Essentially, these protections are worthless. It is certainly possible for interested individuals or groups to make pledges before the Commission is picked, if they are angling for a spot on the Commission in exchange for a contribution. The 5-percent limit would still allow an individual or group to put up $50,000, or so—a significant sum—and in fact, there is no particular reason why one corporation couldn't contribute 5 percent, and then get its president, or senior vice presidents to kick in 5 percent apiece.

I believe that this resolution is part of a pattern which is quite corrosive—the tendency to turn to the private sector to pay for things that are the responsibility of Government. We see it when Members of Congress argue against pay raises, but favor unlimited fees for speaking engagements. We see it when the Grace Commission did its work. Or when people argue that the Archives should be more reliant on private funding. Or when the White House feels that a group of wealthy

Republicans should pay for new White House china.

The short-term appeal is obvious: it saves money. The long-term cost, less obvious, is extremely damaging: support for Government to perform its legitimate functions erodes, and ultimately, the only things that get done are those which the wealthy are willing to pay for.

I represent a State with significant agricultural interests, and I am the past chairman of the Ag Appropriations Subcommittee. I think I understand the need for this Commission as well as any of its advocates, and I support the idea. But I don't support the private funding concept, any more than I would support a National Commission to study the environmental laws paid for by Dow Chemical, Du Pont, and a host of other interested companies. If the agricultural community wants to fund a study of the agricultural export issue, they can certainly do it. But if they want a study, whose recommendations have the force of a National Commission, created by law, then they should support my amendment, which would strike the private funding, and authorize $1 million in Government funds to be appropriated.

Mr. PERCY. House Joint Resolution 600 would make three changes in the resolution's private sector financing provisions. It would limit the size of any individual or corporate contribution to 5 percent of the total fund; it would require appointment of the Commission members before any funds are accepted; and it would provide authority to the Secretary of Agriculture to contribute up to $1 million in CCC funds if the private sector financing is not sufficient for the Commission's operations. I don't have any particular problem with either of the first two points, which serve to reduce any possibility of one firm or individual unduly on the Commission. With regard to authorized CCC contributions, I would hope the USDA will make clear to the private sector that it does not intend to make any direct funding for the Commission.

The sooner the financing responsibility is back clearly on the private sector's shoulders, the better. So while we can discuss the House amendment today I do not see it posing an insurmountable obstacle to passage of House Joint Resolution 600.

Finally, let me say that the value and utility of any Commission's findings and recommendations are rarely greater than the political pressures on policymakers at the time they are made. Hopefully, the financial as well as economic interest of all of the agriculture-related industries supporting this initiative will help to keep the pressure on. And hopefully, the Commission will be able to find its way through the existing complexity of U.S. farm trade and export programs and policies to propose some meaningful and long-range suggestions to guide our future direction.

I believe we are ready for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment (No. 3706) was rejected.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PERCY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUDDLESTON. Mr. President, House Joint Resolution 600 would establish a national commission to perform a much-needed evaluation of agriculture-related trade and export policies, programs, and practices of the United States and to make recommendations on how those policies, programs, and practices can be improved to strengthen export markets for United States agricultural products.

House Joint Resolution 600 is similar to Senate Joint Resolution 319, which I was pleased to sponsor along with Senator DOLE and several other of our colleagues. The House and Senate resolutions were essentially the same when they were introduced on June 21, 1984, but the House of Representatives adopted several amendments to House Joint Resolution 600 to strengthen the operation of the national Commission. House Joint Resolution 600, as amended by the House, does not make any substantive changes in the purposes of the resolution or the work of the Commission, and I urge the Senate to adopt it.

IMPORTANCE OF AGRICULTURAL EXPORTS

U.S. farmers are the most efficient and productive in the world, and our Agricultural production and distribution system is one of the most important parts of the national economy. Any sustained economic recovery will depend on the health of our agricultural industry.

Exports are crucial to American agriculture. Foreign markets provide important outlets for our agricultural commodities and products. For many of these commodities and products, export sales are essential if farm prices are to be maintained at levels that cover costs of production.

In addition, our Nation's international trade system is highly dependent upon agricultural exports. Agriculture consistently produces a net balance of trade surplus and, in recent years, has contributed perhaps more than any other sector of our economy toward improving our overall balance of trade.

However, this year, for the fourth consecutive year, we are experiencing a disturbing decline in agricultural exports. It is anticipated that the volume of agricultural exports in fiscal year 1984 will be 142 million metric tons. This is 22 million tons less than the peak volume of 164 million tons in 1980.

The greatly reduced volume of shipments has weakened market prices for many agricultural commodities and decreased employment opportunities in the industries that process and transport farm products for the export trade.

THE ROLE OF THE COMMISSION

The trend toward reduced agricultural exports must be reversed. Unfortunately, current agriculture-related trade and export policies and programs have not been effective in stemming this decline. Therefore, we must fashion new policies and programs that will maintain and expand markets for U.S. agricultural exports.

The first step in that process is to evaluate current policies and programs and identify the international and domestic factors affecting those policies and programs. However, a thorough analysis and evaluation of agriculture-related trade and export policies and programs will be a difficult and time-consuming process because the agricultural export trade is both huge and complex.

The National Commission on Agricultural Trade and Export Policy that will be established by the resolution is needed to complete this essential work in a timely fashion.

The resolution was developed with the cooperation of many Members of Congress, representatives of agricultural commodity groups, and others who are deeply concerned about the decline in exports of U.S. agricultural commodities and products, and it represents the consensus of that group as to what the task requires.

The Commission will be given approximately 2 years to study the agriculture-related trade and export policies, programs, and practices of the United States and develop recommendations for consideration by the President and Congress on how U.S. agricultural exports can be developed, maintained, and expanded.

The Commission will be required to submit an initial report by March 31, 1985, and such additional interim reports as requested by Committees of Congress. The initial and interim reports will be useful in consideration of the 1985 farm legislation. The Commission's final report will be due on July 1, 1986.

Included among the areas that the Commission will study are: the effectiveness of existing agricultural export programs; new export programs that could be implemented; practices of foreign countries that impede the export of U.S. agricultural products; the effectiveness of the U.S. trade agree-

ments program with respect to agriculture-related trade and exports; international economic trends that affect agricultural exports; potential conflicts between the agricultural export trade and foreign food assistance programs; and the relationship between the agricultural export trade and foreign economic development programs.

The Commission will be able to provide Congress and the President with a comprehensive review of past Government actions under programs designed to increase agricultural export sales.

That review, accompanied by the Commission's analysis of why some efforts have succeeded and others have failed and its recommendations as to needed changes in the programs or their administration, will provide a sound basis for the development of effective, long-term agricultural trade policies.

OPERATION OF THE COMMISSION

Under the resolution, the Commission will be composed of 35 members. The President will select three government officials to serve as ex officio members without voting rights. The Speaker of the House of Representatives and the President pro tempore of the Senate will each select 10 private citizens to serve as representatives of farmers and the industries that are directly affected by U.S. agriculture-related trade and export policies, programs, and practices. I believe that, to the extent feasible, producers of feed grains, wheat, rice, cotton, tobacco, peanuts, and oilseeds, as well as poultry, livestock, fruits, nuts, vegetables, and forest products, should be represented on the Commission.

The chairmen and ranking minority members of the House Committees on Agriculture, Foreign Affairs, and Ways and Means and the Senate Committees on Agriculture, Nutrition, and Forestry, Foreign Relations, and Finance will serve as ex officio members of the Commission and will have the same voting rights as the private-sector members of the Commission. The chairmen and ranking minority members will be authorized to designate other members of their committees to serve in their stead on the Commission.

In developing this legislation, careful consideration was given to the current budgetary restraints on the Federal Government. Therefore, the resolution provides that the members of the Commission will serve without compensation and that the cost of operating the Commission will be funded through contributions from the private sector.

As amended by the House, the resolution will limit contributions from any one person, corporation, or entity to 5 percent of the Commission's budget, which is anticipated to be no more than $1,000,000. Such contributions could only be received after the Commission's members are appointed.

The House also amended the resolution to authorize the Secretary of Agriculture to use Commodity Credit Corporation [CCC] funds for the payment of expenses incurred by the Commission if there are insufficient funds available to it from private contributions. The amount of CCC funds that could be made available to the Commission would be limited to $1,000,000.

The House committee report on this legislation states that the private sector is expected to fund the entire expense of the Commission. CCC funds will be used to enable the Commission to begin operating before contributions are made or to enable the Commission to complete its work. The House report also states that it is intended that the CCC will be fully reimbursed for any funds advanced to the Commission when such contributions are received. I expect the Secretary of Agriculture to take all necessary steps to ensure that CCC funds are used only in the manner described in the House report. In this regard, prior to using CCC funds to pay Commission expenses, the Secretary should require the Commission to agree to reimburse the CCC for any amounts advanced by him if funds subsequently become available to it from private contributions.

The Commission would be authorized to employ a director and any additional staff necessary to assist it in the performance of its duties and functions. Additional support personnel and services to assist the Commission would be available from the Department of Agriculture and other Government agencies. Also, the executive agenices, the International Trade Commission, the General Accounting Office, and the Congressional Budget Office would provide, to the extent permitted by law, information to assist the Commission in its work.

CONCLUSION

Mr. President, the data showing the recent decline in our Nation's agricultural export industry provide forceful evidence of the need for changes in our agricultural trade and export policies, programs, and practices.

The National Commission on Agricultural Trade and Export Policy to be established under the resolution will lay the foundation for a productive revision of those policies, programs, and practices.

I strongly urge the Senate to approve this legislation.

I ask unanimous consent that a summary of the major provisions of the resolution be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE JOINT RESOLUTION

The joint resolution will amend the Agriculture and Food Act of 1981 to add new provisions establishing an Agricultural Trade and Export Policy Commission. The Commission will conduct a study of the agriculture-related trade and export policies, programs, and practices of the United States. On the basis of its study, the Commission will make recommendations to the President and Congress as to how those policies, programs, and practices can be improved to better develop, maintain, and expand export markets for United States agricultural products.

COMPOSITION OF THE COMMISSION

The Commission will be composed of thirty-five members, twenty-three of whom would be appointed by the President and selected as follows:

One, the President will select three members from the Executive branch who will serve in an ex officio capacity without voting rights; and

Two, the Speaker of the House of Representatives and the President pro tempore of the Senate will each select ten members from outside the Government to represent industries directly affected by agriculture-related trade and export policies, programs, and practices of the United States.

The remaining twelve members will be the chairmen and ranking minority members of the House Committee on Agriculture, the Senate Committee on Agriculture, Nutrition, and Forestry, the House Committee on Foreign Affairs, the Senate Committee on Foreign Relations, the House Committee on Ways and Means, and the Senate Committee on Finance. These congressional members will serve in an ex officio capacity with the same voting rights as the private-sector members of the Commission and will be authorized to appoint other members of their committees to serve in their stead on the Commission.

Any vacancy on the Commission would be filled in the same manner in which the original appointment was made. A chairman of the Commission would be elected from among the private-sector members of the Commission. The members of the Commission will serve without compensation for their work on the Commission.

OPERATIONS OF THE COMMISSION

The Commission will submit to the President and Congress a report containing its initial findings and recommendations by March 31, 1985, and a report containing the final results of its study and its recommendations therefrom by July 1, 1986. The Commission will make such additional interim reports on its work as may be requested by the Chairman of the House Committee on Agriculture, Foreign Affairs, or Ways and Means, or the Senate Committee on Agriculture, Nutrition, and Forestry, Foreign Relations, or Finance.

The work of the Commission will be funded through private contributions. The Secretary of Agriculture will be authorized to accept, from persons, groups, and entities in the United States, contributions of cash and services to assist the Commission in carrying out its duties and functions. No contributions could be made prior to the appointment of the members of the Commission, and contributions from any one person, corporation, or entity would be limited to five percent of the Commission's budget.

Money received by the Secretary will be available to the Commission for the pay-

ment of staff salaries, travel, per diem, or other expenses of the Commission. The Secretary will be required to keep, and make available for public inspection, records that disclose the name and adress of each contributor, the amount and type of the contribution, and the date on which the contribution was made.

If contributions from the private sector are insufficient to pay salaries, travel expenses, per diem and other expenses incurred by the Commission, the Secretary will be authorized to use Commodity Credit Corporation funds—in an amount not to exceed a total of $1,000,000—for such purposes. This authorization will ensure that the Commission has adequate funds available to begin operation and to complete its work. It is intended that any Commodity Credit Corporation funds available under this authority be provided on a reimbursable basis to be repaid from private contributions that subsequently become available to the Commission.

The Secretary will also maintain financial records that fully disclose the disposition of funds by the Commission and the nature and extent of its activities. Such records will be subject to audit or examination by the General Accounting Office.

The Commission will be authorized to employ a director and any other staff needed to assist the Commission in its work. Additional support staff and services would be available to the Commission on a nonreimbursable basis from the Department of Agriculture and other agencies of the Government.

The heads of all executive agencies, the International Trade Commission, the General Accounting Office, and the Congressional Budget Office, to the extent permitted by law, will be required to submit information that the Commission finds necessary in conducting its study and in developing recommendations for the President and Congress.

SCOPE OF THE STUDY

The scope of the study to be conducted by the Commission will be limited to the agriculture-related trade and export policies, programs, and practices of the United States and the international and domestic factors that affect those policies, programs, and practices. Included among the areas that the Commission will consider are: (1) the effectiveness of existing agricultural export assistance programs, (2) new export assistance programs that could be implemented, (3) practices of foreign countries that impede the export of United States agricultural products, (4) the effectiveness of the United States trade agreements program with respect to agriculture-related trade and exports, (5) the international economic trends that affect United States agricultural exports, (6) potential conflicts between international agricultural trade and foreign food assistance programs, and (7) the relationship between international agricultural trade and foreign economic development and food programs.

TENURE OF THE COMMISSION

The Commission will terminate sixty days after its final report is submitted to the President and Congress.

The PRESIDING OFFICER. Are there further amendments?

Mr. PERCY. Mr. President, I know of no other Senators who wish to speak on the resolution. I believe we are ready to vote.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the joint resolution.

The amendments were to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 600) was read the third time and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was passed, as amended.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TECHNICAL CORRECTIONS IN HOUSE JOINT RESOLUTION 600

Mr. BAKER. Mr. President, I now ask unanimous consent the Senate turn to the consideration of House Concurrent Resolution 349, making technical corrections in House Joint Resolution 600 just adopted.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 349), authorizing changes in the enrollment of House Joint Resolution 600.

There being no objection, the current resolution was considered and agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONFERENCE ON DISABILITY LEGISLATION

Mr. DOLE. Mr. President, I regret to announce to my colleagues in the Senate that House and Senate conferees were unable to reach agreement on H.R. 3755, the Social Security disability insurance legislation. It is disconcerting when consensus cannot be reached on a matter of such intense concern to so many people. Some 4.8 million people are on the Social Security disability insurance rolls who are now in limbo as a result of congressional inaction.

Secretary Heckler announced a temporary nationwide moratorium on eligibility reviews nearly 4 months ago with the full expectation that the Congress would enact reform legislation in short order. At that time, the House had recently approved its bill and the Senate was about to take up disability legislation. By May 22, both Houses had approved legislation and here we are in mid-August, still without a resolution to this critical issue.

I am especially disappointed because of the real effort made on the part of the Senate conferees to go the extra mile necessary to develop a compromise. In the past 3 weeks, the House called only one brief meeting of the conferees—on July 26—at which time we resolved several of the less controversial items. Since that time, we have twice exchanged offers on the remaining items, with the last proposal being offered by me yesterday afternoon. While none of us support each and every item in that proposal, it was a good compromise that balanced the various interests and went a long way toward achieving the goals of the House- and Senate-passed bills. Views vary widely on the right way to handle the problems we see in the disability insurance program. Inevitably, reaching an agreement will require real give-and-take from the House as well as the Senate.

Mr. President, as we near our Labor Day recess, I am reminded of the many months, even years, those of us in Congress have wrestled with this emotional issue. If memory serves, the legislation that mandated periodic eligibility reviews of disability recipients was enacted in 1980, by a Democrat-controlled Congress and signed by President Carter. These have been long and troubled years for the families relying on the disability insurance program for their primary source of support. It is high time the Congress revises the law that has been the source of so much concern.

In closing, I should like to say that there is strong bipartisan support for reforming the disability insurance program. This was clearly reflected by the 20 to zero vote on disability legislation in the Finance Committee and the 96 to zero vote in the Senate. And in the House, H.R. 3755 was approved by a vote of 410 to 1. I hope we can muster that bipartisan support again when the Congress readjourns in September. A speedy resolution to this vitally important legislation is in everyone's best interest.

THE REPUBLICAN CONSENSUS ON TAXES

Mr. DOLE. Mr. President, as we approach the congressional recess for the Republican Convention in Dallas, I should like to take a few moments to lay to rest one of the media myths about our party. Republicans are in overwhelming agreement on most aspects of the tax issue, and it is time for everyone to acknowledge that and focus instead on the huge gap between our views on taxes and those of the Mondale-Ferraro wing of the Democratic Party. Let us look at a few facts.

Republicans agree that we must rule out any increase in personal income taxes. High individual tax rates were a major contributor to the stagflation of the 1970's, and one of the outstanding achievements of the first Reagan administration has been the series of tax rate reductions and indexing to inflation that ended the deceit of bracket creep. We on the Finance Committee initiated the indexing amendment that ultimately prevailed, and I remain convinced that it is the most significant, far-reaching tax policy achievement of this adminstration. And it could not have been done without many years of determined, dedicated effort by Republicans of all ideologies, such as WILLIS GRADISON in the House and Bob Griffin, Jim Buckley, and others in the Senate.

The importance of tax indexing can hardly be overstated, because it lies at the heart of the tax policy debate. Without indexing we have no direct control over revenues, effective tax rates, or marginal tax rates. What is worse, we would penalize the lower-income and moderate-income taxpayer the most, because inflation pushes them into higher brackets most rapidly. That apparently does not concern candidates Mondale and FERRARO, who advocate repeal or deferral of indexing, but it concerns us in the Republican Party—and many of our more responsible Democratic colleagues as well.

KEEP THE GOOD NEWS COMING

Mr. President, Republicans also agree that our tax and spending policies have to be geared to sustaining our spectacular economic recovery while maintaining low levels of inflation and reasonable rates of interest. There can be little doubt that victory over inflation President Reagan's supreme economic achievement. That victory must be made permanent, and we all appreciate the threat that record deficits or an unstable monetary policy may pose to the goal of keeping inflation at bay.

The fact is that in 1980 Americans accepted Ronald Reagan's challenge to try a new approach to breaking the stagflation deadlock. As a result we have declining inflation and rising employment, the dollar is strong, and the world marvels at our ability to rise from the depths of recession and create jobs at record rates. But now the challenge is to offer the American people new opportunities in the years ahead by limiting Government interference, fostering economic stability, and giving full reign to the creative energies of all our citizens.

RESTRAINT ON GOVERNMENT

The Treasury's massive interference in the credit markets is one kind of Government interference we need less of. We simply have not succeeded in scaling the size of the Federal Government back as much as we ought. This problem must be tackled head-on, and it means we will have to scrutinize every aspect of the budget for possible savings next year. Restraint on Government has been a classic Republican issue for many, many years. We are glad to have our Democratic friends join in this concern, but there should be no doubt about who got there first.

PRIORITIES

So, Mr. President, we Republicans can agree on commonsense priorities for meeting the economic challenges of a second Reagan administration. First, continue to foster stable economic growth by keeping in place the tax, spending, and regulatory reforms of the past 3 years. Growth itself will help bring the deficit down by increasing the pool of taxable income and reducing the need for safety net spending. Second, continue to attack Federal spending on all fronts, with only a few exceptions for the more vulnerable groups in our society. Less spending means more freedom for individuals and businesses to make the day-to-day economic decisions that sustain a growth economy. Third, work for maximum stability in monetary policy, without some of the sudden swings and shifts that have marred an otherwise dramatic improvement on the monetary front in recent years. That will help lower interest rates and rebuild the confidence in financial markets that was undermined by years of roller-coaster fiscal and monetary policies. Finally, work to further reform taxes by lowering rates and broadening the tax base. Reforms can raise revenue too, of course, and that can be done to reduce the deficit if we fall short on spending. But that option should be left open, in the President's words, only as "as last resort."

PEOPLE CAN HELP

No one knows precisely what deficit-reduction options we will take up next year, because no one knows for certain what the composition of the Congress will be or who will be President. But the American people can help us rule out the tax increase option, or minimize its chances, by voting for a Congress and a President that are committed to the priorities I have outlined. In my view that requires a Republican President and a Republican Senate.

The President has stated his views on taxes, spending, and deficits, and I believe that they reflect the priorities discussed above. In the last resort the President must set the policy and take the lead. That is why it would be a mistake to box the President in by ruling out any particular option for tackling our economic problems. This President has done more for the taxpayer than any in a generation. Ronald Reagan has the credibility on the tax issue—far more so than the newly realistic Democrats who offer a rollback of the rate cuts and indexing that most help the average taxpayers.

THERE IS A DIFFERENCE

Mr. President, the point is that the differences between Democrats and Republicans this year really make a difference. Walter Mondale's top priority is a return to the high-tax rate, unfair economic policies of the past. Ronald Reagan has ruled out tax rate increases, and will consider no tax changes of any kind until we have seen how much sustained growth and spending reduction can do to cut the deficit. The President has earned our trust on the tax issue, and that is what counts. However, much Republicans may quibble over details, we share an overwhelming consensus that the Mondale policy of turning back the clock on tax reform must be rejected. And that is what voters will remember on election day.

Mr. President, I suggest that as we prepare for our convention in Dallas, there has been some indication that there might be some difference of views among Republicans, and I assure everyone that is not the case. We are all committed to lower taxes. We are all committed to more spending reduction. We are all committed to putting to rest the issue about secret tax plans. There are no tax plans. The President does not have any tax plans. I can say that I have witnessed first-hand President Reagan's concern about raising taxes. He does not want to raise taxes. There is not any plan to raise taxes.

So I suggest, as my statement points out, that we ought to give the blue ribbon and the medal to Walter Mondale.

Mr. METZENBAUM. Mr. President, will the Senator yield for a question?

Mr. DOLE. Certainly, You may make a speech, if you like.

Mr. METZENBAUM. Am I correct that it was the incumbent President who raised taxes $31 billion and, but for the efforts of the chairman of the Finance Committee, proposed to raise another $150 billion by a 5-percent surcharge on income tax and a 5-cent-a-barrel tax on oil? Was that the same President who is now talking about not raising taxes, or is that another person? Am I confused?

Mr. DOLE. It is not without precedent, but I may be confused.

I cannot remember the President suggesting a surtax. I know at one time we had a standby proposal based on spending restraint, but that did not come, so that did not trigger the standby. We abandoned that early on.

Mr. METZENBAUM. Is it the same President who advocated a 15-percent minimum tax on 91,000 corporations and whose troops on the floor of the U.S. Senate voted overwhelmingly against an amendment I offered to do just that? Is that the same President?

Mr. DOLE. I must say, when it gets into tax reform—I know there are

other matters pending—that this President has initiated more loophole closings in the past 3½ years—and I think the Senator from Illinois will agree—than any other President in my memory. I do not say it critically, because it is a matter of fact. We have had to do it in the Finance Committee, and the recommendations have come from the Treasury and have been supported by the President. I am aware of that amendment. My view was that we had pretty well taken care of that in the 1982 act, and therefore it was not necessary. But I think the Senator from Ohio knows that we did do a lot of loophole closing.

Mr. METZENBAUM. I want to acknowledge that the chairman of the Finance Committee had a hand in closing some loopholes, but I would not want to let go unnoticed the fact that we gave away $5 billion to commodity dealers in the recent tax bill and wiped out an obligation of $13.2 billion of the DISC's, which I would say is a pretty good way of indicating that we do not close all the loopholes, and then wound up passing a tax bill that, as he and the ranking minority Member indicated, was as much as the insurance companies were willing to pay—was not what Congress decided should be paid but was what they were willing to pay; and that gave them about a $1.4 billion reduction.

All this came from the man who says he does not want to raise taxes but, indeed, has raised them on gas and telephones and liquor; and I forget the other, whether it was cigarettes——

Mr. DOLE. Cigarettes.

Mr. METZENBAUM. So it seems to me that the President—and I do not want this to be stated inappropriately—speaks out of both sides of his mouth. He says he does not want to raise taxes, but he has already raised taxes and would have raised taxes substantially more if Congress had been willing to do so.

The only difficulty, I point out, is that this President also wants to raise taxes on middle-class and poor Americans, and we have great difficulty in getting him to understand that there are literally thousands, and maybe hundreds of thousands, of very wealthy Americans who are not paying their fair share of taxes, and that includes a large number of major corporations.

I see the majority leader rising. I will take my seat before he cuts me off. I did not think that my friend from Kansas ought to go too far without at least getting in a few licks for the home team.

Mr. DOLE. I think we are going to be debating this for some time. I think the record reflects the balance of policy, and I am willing to let the record speak for itself.

Mr. BAKER. Mr. President, I predict, with considerable certainty, that there will be all sorts of opportunity to debate these issues in the weeks ahead.

It is now 10 minutes to 7, and I want to try to adjourn. So I express my deep gratitude to the Senator from Kansas for bringing these matters to the attention of the Senate, and I thank the Senator from Ohio for forbearing to extend the conversation any longer.

OSTOMY AWARENESS MONTH

Mr. BAKER. Mr. President, if the minority leader will agree, I wish to go to the matter that Senator MATSUNAGA is especially interested in, and that is calendar order No. 1131, which is Senate Joint Resolution 330.

Mr. BYRD. Mr. President, I merely say the distinguished Senator from Hawaii [Mr. MATSUNAGA] is here, and I prefer that he speak to this.

Mr. BAKER. Very well.

Mr. President, I ask unanimous consent that the Senate now turn to the consideration of that measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Hawaii is recognized.

Mr. MATSUNAGA. I thank both the majority leader and minority leader.

Mr. President, I call up calendar order No. 1131, Senate Joint Resolution 330, and ask for its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 330) designating the month of August 1984 as "Ostomy Awareness Month."

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. MATSUNAGA. Mr. President, the joint resolution, which I have just called up, designates the month of August 1984 as "Ostomy Awareness Month."

The House companion measure, House Joint Resolution 587, sponsored by Congressman STENY HOYER of Maryland, was passed by the House on August 8, 1984.

At the outset, I would like to commend Senator GRASSLEY, the principal cosponsor of Senate Joint Resolution 330, and his colleagues on the Senate Judiciary Committee. It was through their special effort that the bill was reported out of that committee for full Senate consideration. I would also like to express my appreciation to the other 31 cosponsors of the bill for their support.

It was on June 28, 1984, that I introduced Senate Joint Resolution 330 on behalf of nearly 1.5 million Americans who have a condition that is relatively unknown. Approximately 125,000 people join their ranks each year. These individuals are ostomates. They have in common an "ostomy," a type of surgery required when a person has lost the normal function of the bowel or bladder, due to birth defect, disease, injury, or other disorder. Such operations include colostomy, ileostomy, and urostomy. Ostomates are of all ages, and represent every race, occupation, and ethnic background. They do return to normal living and community responsibility, but not without first overcoming the trauma associated with this radical surgery.

Public awareness and education efforts can help. Mutual aid and support groups can also be of great assistance to ostomates and their families. The first local ostomy association was formed in 1949, and in 1962 the United Ostomy Association was established. This association, with over 625 chapters—three in the State of Hawaii—and international affiliation, is dedicated to helping every ostomy patient return to normal living through mutual support, education in proper ostomy care, exchange of ideas, assistance in improving ostomy equipment and supplies, advancement of knowledge of gastrointestinal diseases, and public education about ostomy.

The Visiting Program is the most important activity of the United Ostomy Association. The volunteer members of local chapters, composed primarily of ostomates, provide preoperative preparation and support as well as postsurgical followthrough on a person-to-person basis. These trained and certified members are carefully selected to visit a new patient in the hospital or at their home, upon request and with the consent of the surgeon. As one member of a team whose task is to return the patient to health and activity, the visitor provides help which cannot be duplicated. To a new patient, a successful ostomate symbolizes good outcome.

At regular monthly meetings, open to anyone who is interested, members can exchange practical and personal experiences, see ostomy equipment displayed, and hear speakers. Through the Visiting Program and chapter meetings, thousands of people have returned to active and productive lives by adjusting to their new way of life.

Without greater public understanding of this type of surgery, the fear of those about to undergo the surgery and of family members and loved ones who are so important to the rehabilitation process tends to increase. For the reasons I have stated, together with Senator GRASSLEY and other concerned cosponsors of the measure, I urge the adoption of Senate Joint Resolution 330.

Mr. GRASSLEY. Mr. President, today we are considering a resolution,

which has already passed in the House of Representatives, designating this month, August 1984, as "Ostomy Awareness Month"; 1.5 million people have undergone an ostomy due to the loss of the normal function of their bowel or bladder. Fortunately, all of these people are able to resume their previous lifestyles after the surgery.

The United Ostomy Association has 50,000 members whom the association counsels through the trauma of surgery and the readjustment that is necessary after surgery. Not only does the association help ostomates, but they also assist the families and friends in gaining understanding and support for their friend or family member.

Many well-known people have had one of the three types of ostomies, a colostomy, an urostomy or an ileostomy, and have become spokespersons for ostomates. We can do our part too by designating this month as "Ostomy Awareness Month" and thereby promoting the education of the American population and commending the people who have had an ostomy and continue to live as they had before the surgery. I urge you to support this important resolution.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and the third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

Mr. BAKER. Mr. President, I ask unanimous consent that the pending measure be laid aside and the Senate turn to the consideration of House Joint Resolution 587, Calendar Order No. 1132.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 587) designating the month of August 1984 as "Ostomy Awareness Month."

There being no objection, the Senate proceeded to the consideration of the joint resolution.

Mr. MATSUNAGA. Mr. President, inasmuch as the language of the House joint resolution is exactly the same as that of the Senate Joint Resolution 330, I rise in full support of the measure and ask for its immediate passage.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 587) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. MATSUNAGA. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that Senate Joint Resolution 330 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL FOOD, DRUG, AND COSMETIC ACT AMENDMENT

Mr. BAKER. Mr. President, could I inquire next of the minority leader if it is possible for him to clear for action by unanimous consent Calendar Order No. 1115, S. 2926, the drug bill.

Mr. METZENBAUM. Mr. President, reserving the right to object, and I shall not object, I wish to address myself for one moment to the minority leader.

Mr. BAKER. Mr. President, I am advised now that it may take a few additional moments to get that in shape.

I withdraw my request of the minority leader.

Mr. President, I believe now that the earlier matter may be cleared.

Let me renew my inquiry of the minority leader.

I wish now to go to Calendar No. 1115, S. 2926, if the minority leader can clear that.

Mr. BYRD. Mr. President, the matter has been cleared on this side, and there is no objection.

Mr. BAKER. I thank the minority leader.

Mr. President, I ask the Chair to lay before the Senate Calendar Order No. 1115, S. 2926.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2926) to amend the Federal Food, Drug, and Cosmetic Act to revise the procedures for new drug applications, to amend title 35, United States Code, to authorize the extention of the patents for certain regulated products, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. HATCH. Mr. President, we have before us the most important pharmaceutical legislation to come before Congress in many years. This bill, S. 2926, is the final version of S. 2748, the Drug Price Competition and Patent Term Restoration Act of 1984. This is a groundbreaking compromise in the public interest. It reconciles the opposing, competitive interests of two segments of the pharmaceutical industry which have often stymied each other's attempts to improve the law. The research-based drug industry obtains an extension of patents for new drug discoveries to compensate them for the time spent off-market in Food and Drug Administration review. The generic drug industry gets the ability to bring generic copies of off-patent drugs to market as soon as the patent expires, without the needless reduplication of studies and tests already in FDA's files.

The public receives the best of both worlds—cheaper drugs today and better drugs tomorow. The proliferation of new generics for some of the most important drugs on the market will save consumers an estimated $1 billion or more over the next decade. The added patent life will restore to our domestic drug companies some of the incentive for innovation which has weakened as Federal premarket approval requirements have become more expensive and time-consuming. That incentive will produce both the investment and commitment to reseach and development that will again place the United States in unquestioned leadership in the field. And it will generate an increase in the number of important new drugs, among the most vital causes for this century's dramatic increase in the length and quality of life.

Now, those who have been following this bill know this is a vastly simplified account of the bill and its effect. It is involved and is carefully balanced at a number of points in ways only lawyers could have devised. But it is a good bill, one which I have heartily endorsed and promoted in the Senate. It is backed by a wide range of organizations including the Pharmaceutical Manufacturers' Association, the AFL-CIO and numerous individual unions, the American Association of Retired Persons, and the National Council of Senior Citizens.

As you are probably also aware, several research-based pharmaceutical companies have felt that the compromise embodied in S. 2748 was not adequate and have pressed for changes in the bill. During the past 3 months I have met with many of these companies to discuss their concerns as has Congressman HENRY WAXMAN, the bill's House sponsor, and indeed as have many members of my committee. While I believe S. 2748 enjoys overwhelming support in the Senate, it has certainly been my belief that it is preferable to accommodate requests for changes which do not disturb balances essential to the bill.

As the time remaining during this session has decreased, discussions over these concerns have intensified. Hoping that I could catalyze a final agreement among the interested parties, we met Tuesday and Wednesday and conducted many hours of intense negotiation. We discussed and placed on the table issues relating both to the abbreviated new drug application

[ANDA] and patent portions of the bill.

Further negotiations ensued yesterday with Congressman WAXMAN, the House sponsor, in an attempt to develop a final position which would be satisfactory to everyone. I am pleased to report that these negotiations bore fruit and that a compromise set of amendments has been incorporated into this new bill and into the technical amendment I am proposing today. The bill, S. 2926, as amended has drawn the support of almost all of the companies opposing S. 2748, and has been accepted by Congressman WAXMAN and by the administration.

Before continuing my remarks, let me acknowledge the good offices of the many people who assisted in these negotiations, especially Mr. Joe Williams, president of Warner-Lambert and chairman of the Pharmaceutical Manufacturers Association; Mr. Jack Stafford, chief executive officer of American Home Products; Mr. Bill Haddad, president of the Generic Pharmaceutical Industry Association; Mr. William Greif, vice president of Bristol Myers; and Mr. William Ryan assistant general counsel of Johnson & Johnson. Above all, I express my appreciation for the flexibility and leadership of Chairman WAXMAN. We have enjoyed a close and amicable working relationship during the progress of this legislation through the Congress.

The elements of the compromise are:

There is to be a prospective 5-year waiting period for filing of ANDA's following approval by FDA of a new chemical entity new drug application [NDA]. For all other NDA's involving new clinical tests, there will be a 3-year period during which no ANDA approval may be made effective. This protects products whose development has taken much time and money in FDA testing and review, but which have little for no patent life left when they are finally allowed on the market.

Further, the 10-year ANDA moratorium for products approved between January 1, 1982, and the date of enactment is supplemented by a similar provision for 2 years for non-new-chemical-entity drugs.

The period of time during which an abbreviated new drug application is not to be made effective, during the pendency of a patent challenge under the statute, is extended from 18 to 30 months from the date of submission of an ANDA application containing bioequivalency data. This increases the likelihood that the litigation will be concluded within the time period during which ANDA's are not allowed.

Some of the complicated current restrictions on the nature of patents which can be extended are removed, with the provision that one patent on a product, not necessarily the first, can be extended but that total exclusive market life of the product cannot exceed 14 years.

The authority of the Secretary of Health and Human Services to deny a petition for filing an ANDA for a product not exactly similar to the original drug will be expanded to include cases where the proposed generic is a combination drug, one of whose active ingredients is different from those of the original combination drug. This will make sure that FDA retains the authority to prevent drugs from coming to market without proper tests to establish the unforeseen interactions that substituted active ingredients may have on each other.

The concern was raised that FDA might be forced under the bill to approve an ANDA, even if FDA had started proceedings to remove the original drug from the market but had not completed the process. Language was adopted which would remedy this loophole.

The treatment of animal drugs contained in S. 2748 is deleted in this bill.

I would also like to address a comment to one issue which arose during the discussion of the bill. The Patent Commissioner has expressed concern that he is required to verify the contents of applications for patent extension. This was not intended, and a wording change in the bill clarifies that he may rely wholly on the required information as represented by the applicant.

Mr. President, the United States waits for this bill.

Mr. THURMOND. Mr. President, I express my strong endorsement of S. 2926, the Drug Price Competition and Patent Term Restoration Act of 1984. This important compromise measure builds upon legislation which was reported by the Judiciary Committee and passed by the Senate in the 97th Congress. I was a cosponsor of that bill and its successors, and I am pleased to join the distinguished chairman of the Labor and Human Resources Committee, Senator ORRIN HATCH, in cosponsoring this measure.

Mr. President, patent term restoration makes eminently good sense and is fair to business and consumers alike. It encourages inventiveness by making the patent term a real and useful one. This bill adds an additional feature relating to approval procedures for drugs coming off patent, which will expedite the availability of generic drugs. This is a balanced package which addresses legitimate needs in a reasonable manner.

Mr. President, after a long delay, we are finally able to bring this important legislation before the Senate. I want to commend Senator HATCH for his persistence in this matter. I also want to express my congratulations to representatives of the various interested groups who worked together to resolve their differences so that the public interest would be served. Although, as with any compromise, everyone did not get everything that he wanted, this package represents a fair balance of interests.

I urge my colleagues to support S. 2926 so that we can enact patent term restoration and ANDA provisions without further delay.

AMENDMENT NO. 3707

(Purpose: To make certain technical changes to the bills)

Mr. HATCH. Mr. President, I now send to the desk a technical amendment to S. 2926 on behalf of myself and the other cosponsors and Senator METZENBAUM.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH], for himself and Mr. METZENBAUM, Mr. DECONCINI, Mrs. HAWKINS, Mr. KENNEDY, Mr. DENTON, and Mr. THURMOND proposes amendment numbered 3707.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Clause (iii) of section 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(a) of the bill, is amended by striking out "(or supplement to an application)" and "(or supplement thereto)", and by inserting after "approved under subsection (b)" the following "and which contains reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant".

Clause (iv) of section 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(a) of the bill, redesignated as clause (v), and the following new clause (iv) is inserted immediately after clause (iii):

"(iv) If a supplement to an application approved under subsection (b) includes reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant and is approved after the date of enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which such supplement was submitted effective before the expiration of three years from the date of the approval of the supplement under subsection (b).

Clause (iii) of section 505(c)(3)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(b) of the bill, is amended by striking out "(or supplement to an application)" and "(or supplement thereto)" and by inserting after "approved under subsection (b)" the following "and which contains reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant".

Clause (iv) of section 505(c)(3)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(b) of the bill, is redesignated as clause (v), and the following new clause (iv) is inserted immediately after clause (iii);

"(iv) If a supplement to an application approved under subsection (b) includes reports of new clincial investigations (other than

bioavailability studies) sponsored by the applicant and is approved after the date of enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which such supplement was submitted effective before the expiration of three years from the date of the approval of the supplement under subsection (b).

Subsection (1) of section 505 of the Federal Food, Drug, and Cosmetic Act, as added by section 104 of the bill, is amended by striking out, beginning with ", including", all matter through "financial information".

Mr. HATCH. Mr. President, the amendment clarifies the data release provision and the 3-year moratorium for ANDA's. It would protect only those new drug applications which involve new clinical investigations.

The effect on changes to existing NDA's would be to restrict coverage to only those alterations, like some changes in strength, indications, and so forth, which require considerable time and expense in FDA required clinical testing.

Mr. President, I move that the amendment be adopted.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Utah.

The amendment (No. 3707) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAKER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3708

Mr. HATCH. Mr. President, at this time, I submit an amendment on behalf of Senator THURMOND and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] for Mr. THURMOND proposes an amendment numbered 3708.

Mr. HATCH. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert the following new title:

TITLE —

SEC. . (a) Title 35 of the United States Code is amended by adding immediately following section 155 the following new section:

"§ 155A. Patent extension.

"(a) Notwithstanding section 154 of this title, the term of any patent which encompasses within its scope a composition of matter which is a new drug product, if such new drug product is subject to the labeling requirements for oral hypoglycemic drugs of the sulfonylurea class as promulgated by the Food and Drug Administration in its final rule on March 22, 1984 (FR Doc. 84-9640) and was approved by the Food and Drug Administration for marketing after promulgation of such final rule and prior to the date of enactment of this law, shall be extended until April 21, 1992.

"(b) The patentee or licensee or authorized representative of any patent described in such subsection (a) shall, within ninety days after the date of enactment of such subsection, notify the Commissioner of Patents and Trademarks of the number of any patent so extended. On receipt of such notice, the Commissioner shall confirm such extension by placing a notice thereof in the official file of such patent and publishing an appropriate notice of such extension in the Official Gazette of the Patent and Trademark Office.".

(b) The table of sections for chapter 14 of title 35, United States Code is amended by adding after the item relating to section 155 the following new item:

"155A. Patent extension.".

Section 25(a) of the bill, as redesignated, is amended by striking out "9 and 10" and inserting in lieu thereof "9, 10, and 24".

Mr. HATCH. Mr. President, I would like to share with my colleagues a statement by Senator THURMOND on this amendment.

This amendment passed the Senate without objection on June 29 as an amendment to S. 1538. It would provide limited patent extension for certain oral diabetic drugs. Such relief is necessary because the FDA unduly delayed final approval for these drugs while it developed class labeling. This would restore some of the patent life lost because of the government's undue delay.

Mr. President, it is my understanding that Members of the House are willing to take this amendment, as well, so we are adding it to this bill.

Mr. METZENBAUM. Will the manger of the bill be good enough just to repeat what this amendment is? This is not the Thurmond textile amendment?

Mr. HATCH. Mr. President, this has nothing to do with textiles. This is an amendment that provides limited patent extensions for certain oral diabetic drugs. Such relief is necessary because the Food and Drug Administration unduly delayed final approval for these drugs while it developed class labeling. This would restore some of the patent life lost because of the Government's undue delay.

Mr. METZENBAUM. Mr. President, I have to say to my colleague from Utah that this amendment is not agreeable at all. I have not heard of this amendment before. This is the first time I have heard about a patent extension with respect to diabetic drugs. We have many patent extensions proposed.

Mr. HATCH. Mr. President, if the Senator will yield for just a moment.

Mr. METZENBAUM. Mr. President, I have to advise my colleague that although apparently one of my staff members saw fit to clear it, it does not reflect my views. But if he did so, I am not going to renege on that understanding. I withdraw my objection.

Mr. HATCH. I appreciate the distinguished Senator from Ohio doing that.

I might add that this is part of the package that has been considered and accepted by, I believe, Representatives in the House and the Senate. I understood that it had been cleared. I appreciate that kindness on the part of the distinguished Senator from Ohio.

Mr. METZENBAUM. Is the Senator finished with the amendment?

Mr. HATCH. I have not moved the amendment yet.

Mr. METZENBAUM. I would like to be heard on the bill when the Senator from Utah is finished.

Mr. HATCH. I am not quite through yet.

Mr. President, I move the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Utah [Mr. HATCH].

The amendment (No. 3708) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I yield the floor to the distinguished Senator from Ohio.

Mr. METZENBAUM. Mr. President, I spent the last couple of days on this bill, and I am frank to admit that I have grave misgivings about it. I have misgivings about it because it provides the Senate with the horns of a dilemma.

One part of the bill provides a good legislative approach to the use of generic drugs, and it breaks some new ground in that area. I support the concept of the use of generic drugs. I think it helps senior citizens as well as all people in our society if you can buy drugs that are not merely by reason of their name and the advertising but based upon the content.

But there is another part of the bill that gives me great concern; that is that portion of the bill that provides for an extension of patents under various and sundry circumstances.

I have seen a proliferation of legislation in this session of Congress calling for the extension of patents. Some brilliant lawyer or lobbyist came to the conclusion that if we went to the Congress we could get patents extended beyond their usual 17-year term. So we have seen bills having to do with pharmaceuticals and chemicals, and agriculture chemicals, specific drugs, various and sundry drugs, some described rather generally, and in each instance there was a strong case made, "Well, the FDA delayed it

or whatever and there should be an extension."

This bill is not specific in that respect. It provides for a more general extension of patents. In that respect, I have grave reservations about it.

Then there are provisions of this bill that provide for specific extensions. And each day of extension, it should be pointed out, costs the American consumers literally hundreds of thousands, and in some instances millions, of dollars. When I attempted to determine how much the extension rights for the patent extensions provided in this bill were worth, I was unable to get a figure. Nobody can say whether it was $1 billion, $2 billion, $5 billion, or $50 billion. I am frank to admit I do not know the amount. But I know that it is a large amount and the drug companies will clap with enthusiasm and excitement when this bill becomes law.

Then there is another provision in this bill that breaks even further more new ground, and that is it is a totally new concept. It provides that the FDA, upon approval of a drug, may grant exclusivity, exclusive rights to use that drug for 5 years. Then if you read it closely enough, you will learn it really is not 5 years, it is closer to 6 years because of the date and the manner in which it is written.

Well, that was enough and that was sufficient reason to be concerned about the passage of this legislation. But then we learned just in the last few minutes that the language of the 5-year exclusive marketing provision which the FDA can give may also, in some way, detour or detract from the right of generic drug manufacturers and perhaps others as well to challenge the patent during that period.

I have received an ironclad assurance from the man primarily responsible for the passage of this legislation, the distinguished and well-respected Congressperson from California HENRY WAXMAN, who said if this is a problem, he will see to it that it is taken care of in the House. I want at this point to say very publicly that one of the reasons that I have withdrawn any objection to this bill is because of the distinguished record that the Congressperson from California, Congressman WAXMAN, has had and the confidence that I have in his legislative approach.

I still have reservations. I still have concerns. I will not oppose this legislation. I am not at all certain that the Senate, when it passes it this evening, will be doing the right thing, but I will not stand in the way of the passage.

There are some fine groups, generic groups, retired senior citizens groups, Congress Watch, other groups of that kind, consumer groups, who have indicated their support. I hope they are right. I hope they are not making a mistake. I hope that they have not given away too much of the ball game to the big drug manufacturers of this country, and only time will tell whether or not I am right.

On one other subject, there are many people asking what this bill is all about; what it means; how do you interpret it. Let me say, for one, that I interpret it in only one manner. Nobody can change the language of the legislation. It speaks for itself. So notwithstanding anybody who may feel that they can interpret the language of this legislation in one way or another, I want the courts to understand that the legislation speaks for itself and the interpretation which anyone may make on the floor does not really add anything to that interpretation.

Mr. HATCH. Mr. President, I cannot overstate the importance of this bill. It will revolutionize the drug industry and the drug market. It is a boon to both consumers and producers, and I know of no group which opposes it as amended.

The support is bipartisan, and it is overwhelming.

Mr. President, I cannot tell you how much the distinguished Member of Congress, Congressman WAXMAN, has done to help bring this bill about. Without his tireless, unrelenting leadership, I do not know that we would ever have had this bill. And there has been a lot of work here in the Senate, and especially in the Labor and Human Resources Committee, as well.

I was pleased to join in the effort with Congressman WAXMAN in this bipartisan effort.

I want to thank the people in industry, the consumer groups, the people in the generic pharmaceutical industry, the people in the Pharmaceutical Manufacturers Association, and all of those who have worked with us. I want to thank the Senator from Ohio. I would like to thank the distinguished Member of Congress, Congressman WAXMAN.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (S. 2926) was passed, as amended as follows:

S. 2926

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Drug Price Competition and Patent Term Restoration Act of 1984".

TITLE I—ABBREVIATED NEW DRUG APPLICATIONS

SEC. 101. Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by redesignating subsection (j) as subsection (k) and inserting after subsection (i) the following:

"(j)(1) Any person may file with the Secretary an abbreviated application for the approval of a new drug.

"(2)(A) An abbreviated application for a new drug shall contain—

"(i) information to show that the conditions of use prescribed, recommended, or suggested in the labeling proposed for the new drug have been previously approved for a drug listed under paragraph (6) (hereinafter in this subsection referred to as a 'listed drug');

"(ii)(I) if the listed drug referred to in clause (i) has only one active ingredient, information to show that the active ingredient of the new drug is the same as that of the listed drug,

"(II) if the listed drug referred to in clause (i) has more than one active ingredient, information to show that the active ingredients of the new drug are the same as those of the listed drug, or

"(III) if the listed drug referred to in clause (i) has more than one active ingredient and if one of the active ingredients of the new drug is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the other active ingredients of the new drug are the same as the active ingredients of the listed drug, information to show that the different active ingredient is an active ingredient of a listed drug or of a drug which does not meet the the requirements of section 201(p), and such other information respecting the different active ingredient with respect to which the petition was filed as the Secretary may require;

"(iii) information to show that the route of administration, the dosage form, and the strength of the new drug are the same as those of the listed drug referred to in clause (i) or, if the route of administration, the dosage form, or the strength of the new drug is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), such information respecting the route of administration, dosage form, or strength with respect to which the petition was filed as the Secretary may require;

"(iv) information to show that the new drug is bioequivalent to the listed drug referred to in clause (i), except that if the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the active ingredients of the new drug are of the same pharmacological or therapeutic class as those of the listed drug referred to in clause (i) and the new drug can be expected to have the same therapeutic effect as the listed drug when administered to patients for a condition of use referred to in clause (i);

"(v) information to show that the labeling proposed for the new drug is the same as the labeling approved for the listed drug referred to in clause (i) except for changes required because of differences approved under a petition filed under subparagraph (C) or because the new drug and the listed drug are produced or distributed by different manufacturers;

"(vi) the items specified in clauses (B) through (F) of subsection (b)(i);

"(vii) a certification, in the opinion of the applicant and to the best of his knowledge, with respect to each patent which claims the listed drug referred to in clause (i) or which claims a use for such listed drug for which the applicant is seeking approval under this subsection and for which information is required to be filed under subsection (b) or (c)—

"(I) that such patent information has not been filed,

"(II) that such patent has expired,

"(III) of the date on which such patent will expire, or

"(IV) that such patent is invalid or will not be infringed by the manufacture, use, or sale of the new drug for which the application is submitted; and

"(viii) if with respect to the listed drug referred to in clause (i) information was filed under subsection (b) or (c) for a method of use patent which dose not claim a use for which the applicant is seeking approval under this subsection, a statement that the method of use patent does not claim such a use.

The Secretary may not require that an abbreviated application contain information to that required by clauses (i) through (viii).

"(B)(i) An applicant who makes a certification described in subparagraph (A)(vii)(IV) shall include in the application a statement that the application will give the notice required by clause (ii) to—

"(I) each owner of the patent which is the subject of the certification or the representative of such owner designated to receive such notice, and

"(II) the holder of the approved application under subsection (b) for the drug which is claimed by the patent or a use of which is claimed by the patent or the respresentative of such holder designated to receive such notice.

"(ii) The notice referred to in clause (i) shall state that an application which contains data from bioavailability or bioequivalence studies has been submitted under this subsection for the drug with respect to which the certification is made to obtain approval to engage in the commercial manufacture, use or sale of such drug before the expiration of the patent referred to in the certification. Such notice shall include a detailed statement of the factual and legal basis of the applicant's opinion that the patent is not valid or will not be infringed.

"(iii) If an application is amended to include a certification described in subparagraph (A)(vii)(IV), the notice required by clause (ii) shall be given when the amended application is submitted.

"(C) If a person wants to submit an abbreviated application for a new drug which has a different active ingredient or whose route of administration, dosage form, or strength differ from that of a listed drug, such person shall submit a petition to the Secretary seeking permission to file such an application. The Secretary shall approve or disapprove a petition submitted under this subparagraph within ninety days of the date the petition is submitted. "The Secretary shall approve such a petition unless the Secretary finds—

"(i) that investigations must be conducted to show the safety and effectiveness of the drug or of any of its active ingredients or of the route of administration, the dosage form, or strength which differ from the listed drug; or

"(ii) that any drug with a different active ingredient may not be adequately evaluated for approval as safe and effective on the basis of the information required to be submitted in an abbreviated application.

"(3) Subject to paragraph (4), the Secretary shall approve an application for a drug unless the Secretary finds—

"(A) the methods used in, or the facilities and controls used for, the manufacture, processing, and packing of the drug are inadequate to assure and preserve its identity, strength, quality, and purity;

"(B) information submitted with the application is insufficient to show that each of the proposed conditions of use have been previously approved for the listed drug referred to in the application;

"(C)(i) if the listed drug has only one active ingredient, information submitted with the application is insufficient to show that the active ingredient is the same as that of the listed drug,

"(ii) if the listed drug has more than one active ingredient, information submitted with the application is insufficient to show that the active ingredients are the same as the active ingredients of the listed drug, or

"(iii) if the listed drug has more than one active ingredient and if the application is for a drug which has an active ingredient different from the listed drug, information submitted with the application is insufficient to show—

"(I) that the other active ingredients are the same as the active ingredients of the listed drug, or

"(II) that the different active ingredient is an active ingredient of a listed drug or a drug which does not meet the requirements of section 201(p),

or no petition to file an application for the drug with the different ingredient was approved under paragraph (2)(C);

"(D)(i) if the application is for a drug whose route of administration, dosage form, or strength of the drug is the same as the route of administration, dosage form, or strength of the listed drug referred to in the application, information submitted in the application is insufficient to show that the route of administration, dosage form, or strength is the same as that of the listed drug, or

"(ii) if the application is for a drug whose route of administration, dosage form, or strength of the drug is different from that of the listed drug referred to in the application, no petition to file an application for the drug with the different route of administration, dosage form, or strength was approved under paragraph (2)(C);

"(E) if the application was filed pursuant to the approval of a petition under paragraph (2)(C), the application did not contain the information required by the Secretary respecting the active ingredient, route of administration, dosage form, or strength which is not the same;

"(F) information submitted in the application is insufficient to show that the drug is bioequivalent to the listed drug referred to in the application or, if the application was filed pursuant to a petition approved under paragraph (2)(C), information submitted in the application is insufficient to show that the active ingredients of the new drug are of the same pharmacological or therapeutic class as those of the listed drug referred to in paragraph (2)(A)(i) and that the new drug can be expected to have the same therapeutic effect as the listed drug when administered to patients for a condition of use referred to in such paragraph;

"(G) information submitted in the application is insufficient to show that the labeling proposed for the drug is the same as the labeling approved for the listed drug referred to in the application except for changes required because of differences approved under a petition filed under paragraph (2)(C) or because the drug and the listed drug are produced or distributed by different manufacturers;

"(H) information submitted in the application or any other information available to the Secretary shows that (i) the inactive ingredients of the drug are unsafe for use under the conditions prescribed, recommended, or suggested in the labeling proposed for the drug, or (ii) the composition of the drug is unsafe under such conditions because of the type or quantity of inactive ingredients included or the manner in which the inactive ingredients are included;

"(I) the approval under subsection (c) of the listed drug referred to in the application under this subsection has been withdrawn or suspended for grounds described in the first sentence of subsection (e), the Secretary has published a notice of opportunity for hearing to withdraw approval of the listed drug under subsection (c) for grounds deseribed under the first sentence of subsection (e), the approval under this subsection of the listed drug referred to in the application under this subsection has been withdrawn or suspended under paragraph (5), or the Secretary has determined that the listed drug has been withdrawn from sale for safety or effectiveness reasons;

"(J) the application does not meet any other requirement of paragraph (2)(A); or

"(K) the application contains an untrue statement of material fact.

"(4)(A) Within one hundred and eighty days of the initial receipt of an application under paragraph (2) or within such additional period as may be agreed upon by the Secretary and the applicant, the Secretary shall approve or disapprove the application.

"(B) The approval of an application submitted under paragraph (2) shall be made effective on the last applicable date determined under the following:

"(i) if the applicant only made a certification described in subclause (I) or (II) of paragraph (2)(A)(vii) or in both such subclauses, the approval may be made effective immediately.

"(ii) if the applicant made a certification described in subclause (III) of paragraph (2)(A)(vii), the approval may be made effective on the date certified under subclause (III).

"(iii) if the applicant made a certification described in subclause (IV) of paragraph (2)(A)(vii), the approval shall be made effective immediately unless an action is brought for infringement of each patent which is the subject of the certification before the expiration of forty-five days from the date the notice provided under paragraph (2)(B)(i) is received. If such an action is brought before the expiration of such days, the approval shall be made effective upon the expiration of the thirty-month period beginning on the date of the receipt of the notice provided under paragraph (2)(B)(i) or such shorter or longer period as the court may order because either party to the action failed to reasonably cooperate in expediting the action, except that—

"(I) if before the expiration of such period the court decides that each such patent is invalid or not infringed, the approval shall be made effective on the date of the court decision,

"(II) if before the expiration of such period the court decides that any such patent has been infringed, the approval shall be made effective on such date as the court orders under section 271(e)(4)(A) of title 35, United States Code, or

"(III) if before the expiration of such period the court grants a preliminary injunction prohibiting the applicant from engaging in the commercial manufacture or sale of the drug until the court decides the issues of patent validity and infringement, the approval shall be made effective on the date of such court decision.

In such an action, each of the parties shall reasonably cooperate in expediting the action. Until the expiration of the forty-five-day period beginning on the date the notice made under paragraph (2)(B)(i) is received, no action may be brought under section 2201 of title 28, United States Code, for a declaratory judgment with respect to the patent. Any action brought under section 2201 shall be brought in the judicial district where the defendant has its principal place of business or a regular and established place of business.

"(iv) if the application contains a certification described in subclause (IV) of paragraph (2)(A)(vii) and is for a drug for which a previous application has been submitted under this subsection containing such a certification, the application shall be made effective not earlier than one hundred and eighty days after—

"(I) the date the Secretary receives notice from the applicant under the previous application of the first commercial marketing of the drug under the previous application, or

"(II) the date of a decision of a court in an action described in clause (iii) holding the patent which is the subject of the certification to be invalid or not infringed,

whichever is earlier.

"(C) If the Secretary decides to disapprove an application, the Secretary shall give the applicant notice of an opportunity for a hearing before the Secretary on the question of whether such application is approvable. If the applicant elects to accept the opportunity for hearing by written request within thirty days after such notice, such hearing shall commence not more than ninety days after the expiration of such thirty days unless the Secretary and the applicant otherwise agree. Any such hearing shall thereafter be conducted on an expedited basis and the Secretary's order thereon shall be issued within ninety days after the date fixed by the Secretary for filing final briefs.

"(D)(i) If an application (other than an abbreviated new drug application) submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), was approved during the period begining January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted effective before the expiration of ten years from the date of the approval of the application under subsection (b).

"(ii) If an application submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), is approved after the date of the enactment of this subsection. No application may be submitted under this subsection which refers to the drug for which the subsection (b) application was submitted before the expiration of five years from the date of the approval of the application under subsection (b).

"(iii) If an application (or supplement to an application) submitted under subsection (b) for a drug which includes an active ingredient that has been approved in any other application approved under subsection (b), is approved after the date of enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted effective before the expiration of three years from the date of the approval of the application (or supplement thereto) under subsection (b).

"(IV) If an application (or supplement to an application) submitted under subsection (b) for a drug which includes an active ingredient that has been approved in any other application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted effective before the expiration of two years from the date of enactment of this subsection.

"(5) If a drug approved under this subsection refers in its approved application to a drug the approval of which was withdrawn or suspended for grounds described in the first sentence of subsection (e) or was withdrawn or suspended under this paragraph or which, as determined by the Secretary, has been withdrawn from sale for safety or effectiveness reasons, the approval of the drug under this subsection shall be withdrawn or suspended—

"(A) for the same period as the withdrawal of suspension under subsection (e) or this paragraph, or

"(B) if the listed drug has been withdrawn from sale, for the period of withdrawal from sale or, if earlier, the period ending on the date the Secretary determines that the withdrawal from sale is not for safety or effectiveness reasons.

"(6)(A)(i) Within sixty days of the date of the enactment of this subsection, the Secretary shall publish and make available to the public—

"(I) a list in alphabetical order of the official and proprietary name of each drug which has been approved for safety and effectiveness under subsection (c) before the date of the enactment of this subsection;

"(II) the date of approval if the drug is approved after 1981 and the number of the application which was approved; and

"(III) whether in vitro or in vivo bioequivalence studies, or both such studies, are required for applications filed under this subsection which will refer to the drug published.

"(ii) Every thirty days after the publication of the first list under clause (i) the Secretary shall revise the list to include each drug which has been approved for safety and effectiveness under subsection (c) or approved under this subsection during the thirty-day period.

"(iii) When patent information submitted under subsection (b) or (c) respecting a drug included on the list is to be published by the Secretary the Secretary shall, in revisions made under clause (ii), include such information for such drug.

"(B) A drug approved for safety and effectiveness under subsection (c) or approved under this subsection shall, for purposes of this subsection, be considered to have been published under subparagraph (A) on the date of its approval or the date of enactment, whichever is later.

"(C) If the approval of a drug was withdrawn or suspended for grounds described in the first sentence of subsection (e) or was withdrawn or suspended under paragraph (5) or if the Secretary determines that a drug has been withdrawn from sale for safety or effectiveness reasons, it may not be published in the list under subparagraph (A) or, if the withdrawal or suspension occurred after its publication in such list, it shall be immediately removed from such list—

"(i) for the same period as the withdrawal or suspension under subsection (e) or paragraph (5), or

"(ii) if the listed drug has been withdrawn from sale, for the period of withdrawal from sale or, if earlier, the period ending on the date the Secretary determines that the withdrawal from sale is not for safety or effectiveness reasons.

A notice of the removal shall be published in the Federal Register.

"(7) For purposes of this subsection:

"(A) The term 'bioavailability' means the rate and extent to which the active ingredient or therapeutic ingredient is absorbed from a drug and becomes available at the site of drug action.

"(B) A drug shall be considered to be bioequivalent to a listed drug if—

"(i) the rate and extent of absorption of the drug do not show a significant difference from the rate and extent of absorption of the listed drug when administered at the same molar dose of the therapeutic ingredient under similar experimental conditions in either a single dose of multiple doses; or

"(ii) the extent of absorption of the drug does not show a significant difference from the extent of absorption of the listed drug when administered at the same molar dose of the therapeutic ingredient under similar experimental conditions in either a single dose or multiple doses and the difference from the listed drug in the rate of absorpotion of the drug is intentional, is reflected in its proposed labeling, is not essential to the attainment of effective body drug concentrations on chronic use, and is considered medically insignificant for the drug.".

SEC. 102. (a)(1) Section 505(b) of such Act is amended by adding at the end thereof the following: "The applicant shall file with the application the patent number and the expiration date of any patent which claims the drug for which the applicant submitted the application or which claims a method of using such drug and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If an application is filed under this subsection for a drug and a patent which claims such drug or a method of using such drug is issued after the filing date but before approval of the application, the applicant shall amend the application to include the information required by the preceding sentence. Upon approval of the application, the Secretary shall publish information submitted under the two preceding sentences.".

(2) Section 505(c) of such Act is amended by inserting "(1)" after "(c)", by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and by adding at the end thereof the following:

"(2) If the patent information described in subsection (b) could not be filed with the submission of an application under subsection (b) because the application was filed before the patent information was required under subsection (b) or a patent was issued after the application was approved under such subsection, the holder of an approved application shall file with the Secretary the patent number and the expiration date of any patent which claims the drug for which

the application was submitted or which claims a method of using such drug and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If the holder of an approved application could not file patent information under subsection (b) because it was not required at the time the application was approved, the holder shall file such information under this subsection not later than thirty days after the date of the enactment of this sentence, and if the holder of an approved application could not file patent information under subsection (b) because no patent had been issued when the application was filed or approved, the holder shall file such information under this subsection not later than thirty days after the date the patent involved is issued. Upon the submission of patent information under this subsection, the Secretary shall publish it.".

(3)(A) The first sentence of section 505(d) of such Act is amended by redesignating clause (6) as clause (7) and inserting after clause (5) the following: "(6) the application failed to contain the patent information prescribed by subsection (b); or".

(B) The first sentence of section 505(e) of such Act is amended by redesignating clause (4) as clause (5) and inserting after clause (3) the following: "(4) the patent information prescribed by subsection (c) was not filed within thirty days after the receipt of written notice from the Secretary specifying the failure to file such information; or".

(b)(1) Section 505(a) of such Act is amended by inserting "or (j)" after "subsection (b)".

(2) Section 505(c) of such Act is amended by striking out "this subsection" and inserting in lieu thereof "subsection (b)".

(3) The second sentence of section 505(e) of such Act is amended by inserting "submitted under subsection (b) or (j)" after "an application".

(4) The second sentence of section 505(e) is amended by striking out "(j)" each place it occurs in clause (1) and inserting in lieu thereof "(k)".

(5) Section 505(k)(1) of such Act (as so redesignated) is amended by striking out "pursuant to this section" and inserting in lieu thereof "under subsection (b) or (j)".

(6) Subsections (a) and (b) of section 527 of such Act are each amended by striking out "under section 505(b)" and inserting in lieu thereof "under section 505".

SEC. 103. (a) Section 505(b) of such Act is amended by inserting "(1)" after "(b)", by redesignating clauses (1) through (6) as clauses (A) through (F), respectively, and by adding at the end thereof the following:

"(2) An application submitted under paragraph (1) for a drug for which investigations described in clause (A) of such paragraph and relied upon by the applicant for approval of the application were not conducted by or for the applicant or for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted shall also include—

"(A) a certification, in the opinion of the applicant and to the best of his knowledge, with respect to each patent which claims the drug for which such investigations were conducted or which claims a use for such drug for which the applicant is seeking approval under this subsection and for which information is required to be filed under paragraph (1) or subsection (c)—

"(i) that such patent information has not been filed,

"(ii) that such patent has expired,

"(iii) of the date on which such patent will expire, or

"(iv) that such patent is invalid or will not be infringed by the manufacture, use, or sale of the new drug for which the application is submitted; and

"(B) if with respect to the drug for which investigations described in paragraph (1)(A) were conducted information was filed under paragraph (1) or subsection (c) for a method of use patent which does not claim a use for which the applicant is seeking approval under this subsection, a statement that the method of use patent does not claim such a use.

"(3)(A) An applicant who makes a certification described in paragraph (2)(A)(iv) shall include in the application a statement that the applicant has given the notice required by subparagraph (b) to—

"(i) each owner of the patent which is the subject of the certification or the representative of such owner designated to receive such notice, and

"(ii) the holder of the approved application under subsection (b) for the drug which is claimed by the patent or a use of which is claimed by the patent or the representative of such holder designated to receive such notice.

"(B) The notice referred to in subparagraph (A) shall state that an application has been submitted under this subsection for the drug with respect to which the certification is made to obtain approval to engage in the commercial manufacture, use, or sale of the drug before the expiration of the patent referred to in the certification. Such notice shall include a detailed statement of the factual and legal basis of the applicant's opinion that the patent is not valid or will not be infringed.

"(C) If an application is amended to include a certification described in paragraph (2)(A)(iv), the notice required by subparagraph (B) shall be given when the amended application is submitted.".

(b) Section 505(c) of such Act (as amended by section 102(a)(2)) is amended by adding at the end thereof the following:

"(3) The approval of an application filed under subsection (b) which contains a certification required by paragraph (2) of such subsection shall be made effective on the last applicable date determined under the following:

"(A) If the applicant only made a certification described in clause (i) or (ii) of subsection (b)(2)(A) or in both such clauses, the approval may be made effective immediately.

"(B) If the applicant made a certification described in clause (iii) of subsection (b)(2)(A), the approval may be made effective on the date certified under clause (iii).

"(C) If the applicant made a certification described in clause (iv) of subsection (b)(2)(A), the approval shall be made effective immediately unless an action is brought for infringement of each patent which is the subject of the certification before the expiration of forty-five days from the date the notice provided under paragraph (3)(B) is received. If such an action is brought before the expiration of such days, the approval may be made effective upon the expiration of the thirty-month period beginning on the date of the receipt of the notice provided under paragraph (3)(B) or such shorter or longer period as the court may order because either party to the action failed to reasonably cooperate in expediting the action, except that—

"(i) if before the expiration of such period the court decides that each such patent is invalid or not infringed, the approval may be made effective on the date of the court decision.

"(ii) if before the expiration of such period the court decides that any such patent has been infringed, the approval may be made effective on such date as the court orders under section 271(e)(4)(A) of title 35, United States Code, or

"(iii) if before the expiration of such period the court grants a preliminary injunction prohibiting the applicant from engaging in the commercial manufacture or sale of the drug until the court decides the issues of patent validity and infringement, the approval shall be made effective on the date of such court decision.

In such an action, each of the parties shall reasonably cooperate in expediting the action. Until the expiration of the forty-five-day period beginning on the date the notice made under paragraph (3)(B) is received, no action may be brought under section 2201 of title 28, United States Code, for a declaratory judgment with respect to the patent. Any action brought under such section 2201 shall be brought in the judicial district where the defendant has its principal place of business or a regular and established place of business.

"(D)(i) If an application (other than an abbreviated new drug application) submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of another application for a drug for which investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant or which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted effective before the expiration of ten years from the date of the approval of the application previously approved under subsection (b).

"(ii) If an application submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), is approved after the date of the enactment of this subsection no application may be submitted under this subsection which refers to the drug for which the subsection (b) application was submitting before the expiration of five years from the date of the approval of the application under subsection (b).

"(iii) If an application (or supplement to an application) submitted under subsection (b) for a drug which includes an active ingredient that has been approved in any other application approved under subsection (b), is approved after the date of enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted effective before the expiration of three years from the date of the approval of the application (or supplement thereto) under subsection (b).

"(iv) If an application (or supplement to an application submitted under subsection (b) for a drug which includes an active ingredient that has been approved in any other application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted effective before the expiration of two years from the date of enactment of this subsection.".

SEC. 104. Section 505 of such Act is amended by adding at the end thereof the following:

"(l) Safety and effectiveness data and information which has been submitted in an application under subsection (b) for a drug and which has not previously been disclosed to the public shall be made available to the public, upon request, unless extraordinary circumstances are shown, including that the data and information represent trade secret or confidential commercial or financial information—

"(1) if no work is being or will be undertaken to have the application approved,

"(2) if the Secretary has determined that the application is not approvable and all legal appeals have been exhausted,

"(3) if approval of the application under subsection (c) is withdrawn and all legal appeals have been exhausted,

"(4) if the Secretary has determined that such drug is not a new drug, or

"(5) upon the effective date of the approval of the first application under subsection (j) which refers to such drug or upon that date upon which the approval of an application under subsection (j) which refers to such drug could be made effective if such an application been submitted.

"(m) For purposes of this section, the term 'patent' means a patent issued by the Patent and Trademark Office of the Department of Commerce.".

SEC. 105. (a) The Secretary of Health and Human Services shall promulgate, in accordance with the notice and comment requirements of section 553 of title 5, United States Code, such regulations as may be necessary for the administration of section 505 of the Federal Food, Drug, and Cosmetic Act, as amendment by sections 101, 102, and 103 of this Act, within one year of the date of enactment of this Act.

(6) During the period beginning on the date of the enactment of this Act and ending on the date regulations promulgated under subsection (a) take effect, abbreviated new drug applications may be submitted in accordance with the provisions of section 314.2 of title 21 of the Code of Federal Regulations and shall be considered as suitable for any drug which has been approved for safety and effectiveness under section 505(c) of the Federal Food, Drug, and Cosmetic Act before the date of the enactment of this Act. If any such provision is inconsistent with the requirements of section 505(j) of the Federal Food, Drug, and Cosmetic Act, the Secretary shall consider the application under the applicable requirements of such section. The Secretary of Health and Human Services may not approve such an abbreviated new drug application which is filed for a drug which is described in sections 505(c)(3)(D) and 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act except in accordance with such section.

SEC. 106. Section 2201 of title 28, United States Code, is amended by inserting "(a)" before "In a case" and by adding at the end the following:

"(b) For limitations on actions brought with respect to drug patents see section 505 of the Federal Food, Drug, and Cosmetic Act.".

SEC. 107(a). Clause (iii) of section 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(a) of the Act, is amended by striking out "(or supplement to an application)" and "(or supplement thereto)", and by inserting after "approved under subsection (b)" the following "and which contains reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant".

(b) Clause (iv) of section 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(a) of the Act, is redesignated as clause (v), and the following new clause (iv) is inserted immediately after clause (iii):

"(iv) If a supplement to an application approved under subsection (b) includes reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant and is approved after the date of enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which such supplement was submitted effective before the expiration of three years from the date of the approval of the supplement under subsection (b).

(c) Clause (iii) of section 505(c)(3)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(b) of the Act, is amended by striking out "(or supplement to an application)" and "(or supplement thereto)". and by inserting after "approved under subsection (b)" the following "and which contains reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant".

(d) Clause (iv) of section 505(c)(3)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(b) of the act, is redesignated as clause (v), and the following new clause (iv) is inserted immediately after clause (iii):

"(iv) If a supplement to an application approved under subsection (b) includes reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant and is approved after the date of enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which such supplement was submitted effective before the expiration of three years from the date of the approval of the supplement under subsection (b).

(e) Subsection (1) of section 505 of the Federal Food, Drug, and Cosmetic Act, as added by section 104 of the Act, is amended by striking out, beginning with ", including", all matter through "financial information".

TITLE II—PATENT EXTENSION

SEC. 201. (a) Title 35 of the United States Code is amended by adding the following new section immediately after section 155:

"§ 156. Extension of patent term.

"(a) The term of a patent which claims a product, a method of using a product, or a method of manufacturing a product shall be extended in accordance with this section from the original expiration date of the patent if—

"(1) the term of the patent has not expired before an application is submitted under subsection (d) for its extension;

"(2) the term of the patent has never been extended;

"(3) an application for extension is submitted by the owner of record of the patent or its agent and in accordance with the requirements of subsection (d);

"(4) the product has been subject to a regulatory review period before its commercial marketing or use;

"(5)(A) except as provided in subparagraph (B), the permission for the commercial marketing or use of the product after such regulatory review period is the first permitted commercial marketing or use of the product under the provision of law under which such regulatory review period occurred; or

"(B) in the case of a patent which claims a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the permission for the commercial marketing or use of the product after such regulatory review period is the first permitted commercial marketing or use of a product manufactured under the process claimed in the patent.

The product referred to in paragraphs (4) and (5) is hereinafter in this section referred to as the 'approved product'.

"(b) The rights derived from any patent the term of which is extended under this section shall during the period during which the patent is extended—

"(1) in the case of a patent which claims a product be limited to any use approved for the approved product before the expiration of the term of the patent under the provision of law under which the applicable regulatory review occurred;

"(2) in the case of a patent which claims a method of using a product, be limited to any use claimed by the patent and approved for the approved product before the expiration of the term of the patent under the provision of law under which the applicable regulatory review occurred; and

"(3) in the case of a patent which claims a method of manufacturing a product, be limited to the method of manufacturing as used to make the approved product.

"(c) The term of a patent eligible for extension under subsection (a) shall be extended by the time equal to the regulatory review period for the approved product which period occurs after the date the patent is issued, except that—

"(1) each period of the regulatory review period shall be reduced by any period determined under subsection (d)(2)(B) during which the applicant for the patent extension did not act with due diligence during such period of the regulatory review period;

"(2) after any reduction required by paragraph (1), the period of extension shall include only one-half of the time remaining in the periods described in paragraphs (1)(B)(i), (2)(B)(i), and (3)(B)(i) of subsection (g);

"(3) if the period remaining in the term of a patent after the date of the approval of the approved product under the provision of law under which such regulatory review occurred when added to the regulatory review period as revised under paragraphs (1) and (2) exceeds fourteen years, the period of extension shall be reduced so that the total of both such periods does not exceed fourteen years; and

"(4) in no event shall more than one patent be extended for the same regulatory review period for any product.

"(d)(1) to obtain an extension of the term of a patent under this section, the owner of record of the patent or its agent shall submit an application to the Commissioner. Such an application may only be submitted within the sixty-day period beginning on the date the product received permission under the provision of law under which the applicable regulatory review period occurred for commercial marketing or use. The application shall contain—

"(A) the identity of the approved product and the Federal statute under which regulatory review occurred;

"(B) the identity of the patent for which an extension is being sought and the identity of each claim of such patent which claims the approved product or a method of using or manufacturing the approved product;

"(C) information to enable the Commissioner to determine under subsections (a) and (b) the eligibility of a patent for extension and the rights that will be derived from the extension and information to enable the Commissioner and the Secretary of Health and Human Services to determine the period of the extension under subsection (g);

"(D) a brief description of the activities undertaken by the applicant during the applicable regulatory review period with respect to the approved product and the significant dates applicable to such activities; and

"(E) such patent or other information as the Commissioner may require.

"(2)(A) Within sixty days of the submittal of an application for extension of the term of a patent under paragraph (1), the Commissioner shall notify the Secretary of Health and Human Services if the patent claims any human drug product, a medical device, or a food additive or color additive or a method of using or manufacturing such a product, device, or additive and if the product, device, and additive are subject to the Federal Food, Drug, and Cosmetic Act of the extension application and shall submit to the Secretary a copy of the application. Not later than thirty days after the receipt of an application from the Commissioner, the Secretary shall review the dates contained in the application pursuant to paragraph (1)(C) and determine the applicable regulatory review period, shall notify the Commissioner of the determination, and shall publish in the Federal Register a notice of such determination.

"(B)(i) If a petition is submitted to the Secretary under subparagraph (A), not later than one hundred and eighty days after the publication of the determination under subparagraph (A), upon which it may reasonably be determined that the applicant did not act with due diligence during the applicable regulatory review period, the Secretary shall, in accordance with regulations promulgated by the Secretary determine if the applicant acted with due diligence during the applicable regulatory review period. The Secretary shall make such determination not later than ninety days after the receipt of such a petition. The Secretary may not delegate the authority to make the determination prescribed by this subparagraph to an office below the Office of the Commissioner of Food and Drugs.

"(ii) The Secretary shall notify the Commissioner of the determination and shall publish in the Federal Register a notice of such determination together with the factual and legal basis for such determination. Any interested person may request, within the sixty-day period beginning on the publication of a determination, the Secretary to hold an informal hearing on the determination. If such a request is made within such period, the Secretary shall hold such hearing not later than thirty days after the date of the request, or at the request of the person making the request, not later than sixty days after such date. The Secretary shall provide notice of the hearing to the owner of the patent involved and to any interested person and provide the owner and any interested person an opportunity to participate in the hearing. Within thirty days after the completion of the hearing, the Secretary shall affirm or revise the determination which was the subject of the hearing and notify the Commissioner of any revision of the determination and shall publish any such revision in the Federal Register.

"(3) For purposes of paragraph (2)(B), the term 'due diligence' means that degree of attention, continuous directed effort, and timeliness as may reasonably be expected from, and are ordinarily exercised by, a person during a regulatory review period.

"(4) An application for the extension of the term of a patent is subject to the disclosure requirements prescribed by the Commissioner.

"(e)(1) A determination that a patent is eligible for extension may be made by the Commissioner solely on the basis of the representations contained in the application for the extension. If the Commissioner determines that a patent is eligible for extension under subsection (a) and that the requirements of subsection (d) have been complied with, the Commissioner shall issue to the applicant for the extension of the term of the patent a certificate of extension, under seal, for the period prescribed by subsection (c). Such certificate shall be recorded in the official file of the patent and shall be considered as part of the original patent.

"(2) If the term of a patent for which an application has been submitted under subsection (d) would expire before a certificate of extension was issued or denied, the Commissioner shall extend the term of the patent for periods of up to one year until such certificate is issued or denied.

"(f) For purposes of this section:

"(1) The term 'product' means:

"(A) A human drug product.

"(B) Any medical device, food additive, or color additive subject to regulation under the Federal Food, Drug, and Cosmetic Act.

"(2) The term 'human drug product' means the active ingredient of a new drug, antibiotic drug, or human biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act) including any salt or ester of the active ingredient, as a single entity or in combination with another active ingredient.

"(3) The term 'major health or environmental effects test' means a test which is reasonably related to the evaluation of the health or environmental effects of a product, which requires at least six months to conduct, and the data from which is submitted to receive permission for commercial marketing or use. Periods of analysis or evaluation of test results are not to be included in determining if the conduct of a test required at least six months.

"(4)(A) Any reference to section 351 is a reference to section 351 of the Public Health Service Act.

"(B) Any reference to section 503, 505, 507, 512, or 515 is a reference to section 503, 505, 507, 512, or 515 of the Federal Food, Drug, and Cosmetic Act.

"(5) The term 'informal hearing' has the meaning prescribed for such term by section 201(y) of the Federal Food, Drug, and Cosmetic Act.

"(6) The term 'patent' means a patent issued by the United States Patent and Trademark Office.

"(g) For purposes of this section, the term 'regulatory review period' has the following meanings:

"(1)(A) In the case of a product which is a human drug product, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a human drug product is the sum of—

"(i) the period beginning on the date an exemption under subsection (i) of section 505 or under subsection (d) of section 507 became effective for the approved human drug product and ending on the date an application was initially submitted for such drug product under section 351, 505, or 507, and

"(ii) the period beginning on the date the application was initially submitted for the approved human drug product under section 351, subsection (b) of section 505, or section 507 and ending on the date such application was approved under such section.

"(2)(A) In the case of a product which is a food additive or color additive, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a food or color additive is the sum of—

"(i) the period beginning on the date a major health or environmental effects test on the additive was initiated and ending on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and

"(ii) the period beginning on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and ending on the date such regulation became effective or, if objections were filed to such regulation, ending on the date such objections were resolved and commercial marketing was permitted or, if commercial marketing was permitted and later revoked pending further proceedings as a result of such objections, ending on the date such proceedings were finally resolved and commercial marketing was permitted.

"(3)(A) In the case of a product which is a medical device, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a medical device is the sum of—

"(i) the period beginning on the date a clinical investigation on humans involving the device was begun and ending on the date an application was initially submitted with respect to the device under section 515, and

"(ii) the period beginning on the date an application was initially submitted with respect to the device under section 515 and ending on the date such application was approved under such Act or the period beginning on the date a notice of completion of a product development protocol was initially submitted under section 515(f)(5) and

ending on the date the protocol was declared completed under section 515(f)(6).

"(4) A period determined under any of the preceding paragraphs is subject to the following limitations:

"(A) If the patent involved was issued after the date of the enactment of this section, the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.

"(B) If the patent involved was issued before the date of the enactment of this section and—

"(i) no request for an exemption described in paragraph (1)(B) was submitted.

"(ii) no major health or environmental effects test described in paragraph (2) was initiated and no petition for a regulation or application for registration described in such paragraph was submitted, or

"(iii) no clinical investigation described in paragraph (3) was begun or product development protocol described in such paragraph was submitted.

before such date for the approved product the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.

"(C) If the patent involved was issued before the date of the enactment of this section and if an action described in subparagraph (b) was taken before the date of the enactment of this section with respect to the approved product and the commercial marketing or use of the product has not been approved before such date, the period of extension determined on the basis of the regulatory review period determined under such paragraph may not exceed two years.

"(h) The Commissioner may establish such fees as the Commissioner determines appropriate to cover the costs to the Office of receiving and acting upon applications under this section.".

(b) The analysis for chapter 14 of title 35 of the United States Code is amended by adding at the end thereof the following:

"156. Extension of patent term.".

SEC. 202. Section 271 of title 35, United States Code is amended by adding at the end the following:

"(e)(1) It shall not be an act of infringement to make, use, or sell a patented invention (other than a new animal drug or veterinary biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Act of March 4, 1913)) solely for uses reasonably related to the development and submission of information under a Federal law which regulates the manufacture, use, or sale of drugs.

"(2) It shall be an act of infringement to submit an application under section 505(j) of the Federal Food, Drug, and Cosmetic Act for a drug claimed in a patent or the use of which is claimed in a patent, if the purpose of such submission is to obtain approval under such Act to engage in the commerical manufacture, use, or sale of a drug claimed in a patent or the use of which is claimed in a patent before the expiration of such patent.

"(3) In any action for patent infringement brought under this section, no injunctive or other relief may be granted which would prohibit the making, using, or selling of a patented invention under the paragraph (1).

"(4) For an act of infringement described in paragraph (2)—

"(A) the court shall order the effective date of any approval of the drug involved in the infringement to be a date which is not earlier than the date of the expiration of the patent which has been infringed,

"(B) injunctive relief may be granted against an infringer to prevent the commercial manufacture, use, or sale of an approved drug, and

"(C) damages or other monetary relief may be awarded against an infringer only if ther has been commerical manufacture, use, or sale of an approved drug.

The remedies prescribed by subparagraphs (A), (B), and (C) are the only remedies which may be granted by a court for an act of infringement described in paragraph (2), except that a court may award attorney fees under section 285.".

SEC. 203. Section 282 of title 35, United States Code, is amended by adding at the end the following: "Invalidity of the extension of a patent term or any portion thereof under section 156 of this title because of the material failure—

"(1) by the applicant for the extension, or

"(2) by the Commissioner,

to comply with the requirements of such section shall be a defense in any action involving the infringement of a patent during the period of the extension of its term and shall be pleaded. A due diligence determination under section 156(d)(2) is not subject to review in such an action.".

TITLE III—SEPARABILITY CLAUSE

SEC. 301. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the constitutionality of the remainder of this Act and the applicability thereof to other persons and circumstances shall not be affected thereby.

TITLE IV—MISCELLANEOUS PATENT EXTENSIONS

SEC. 401. (a) Title 35 of the United States Code is amended by adding immediately following section 155 the following new section:

"§155A. Patent extension.

"(a) Notwithstanding section 154 of this title, the term of any patent which encompasses within its scope a composition of matter which is a new drug product, if such new drug product is subject to the labeling requirements for oral hypoglycemic drugs of the sulfonylurea class as promulgated by the Food and Drug Administration in its final rule of March 22, 1984 (FR Doc. 84-9640) and was approved by the Food and Drug Administration for marketing after promulgation of such final rule and prior to the date of enactment of this law, shall be extended until April 21, 1992.

"(b) The patentee or licensee or authorized representative of any patent described in such subsection (a) shall, within ninety days after the date of enactment of such subsection, notify the Commissioner of Patents and Trademarks of the number of any patent so extended. On receipt of such notice, the Commissioner shall confirm such extension by placing a notice thereof in the official file of such patent and publishing an appropriate notice of such extension in the Official Gazette of the Patent and Trademark Office.".

(b) The table of sections for chapter 14 of title 35, United States Code is amended by adding after the item relating to section 155 the following new item:

"155A. Patent extension.".

SEC. 402. Section 25(a) of the bill, as redesignated, is amended by striking out "9 and 10" and inserting in lieu thereof "9, 10, and 24".

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I would like the RECORD to reflect the fact that the Senator from Ohio voted in the negative.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DECONCINI. I would like to engage in a colloquy with my friend, Senator HATCH. I understand that S. 2926, as amended, statutorily codifies FDA's current regulation and practice with reference to standards for the release of trade secret, confidential commercial and financial information contained in NDA files, is that correct?

Mr. HATCH. Yes, the bill carries over from the existing regulation the provision that information is releasable—if other requirements are met—unless extraordinary circumstances are shown. Under current practice, which will be the practice under this bill, extraordinary circumstances are present for example when the information is trade secret or confidential commercial or financial information. As one specific example, release would not be permitted if the information has never been previously released and would support the application of a competitor for approval before a foreign regulatory agency. As another example, safety and efficacy data contained in an application that was not approved will not be released if the data retains possible commercial, competitive value. In short, the provision retains the applicability of the (b)(4) exemption under the Freedom of Information Act.

Mr. DECONCINI. That is my understanding also.

Mr. BAKER addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, I wish to express my appreciation to the distinguished Senator from Utah for work well done. The work was long, hard, and done diligently. There were moments even as recently as 30 minutes ago when I thought it would be impossible for him to get this bill cleared for passage before we go out. But he did.

I think that is remarkable. I extend to the Senator my heartiest congratulations for doing so.

Mr. President, I thank the minority leader for his willingness to consider this matter, and the Senator from Ohio for agreeing to go forward without objection.

There is one other point, Mr. President, that I would like to make. The

distinguished Senator from South Carolina [Mr. THURMOND], is not here. He is necessarily absent from the floor at this point. He had originally planned to offer a textile amendment to this bill. He feels very keenly about that. Many Members know of the great interest he has in that, and the dedication that he has for the purposes to be served. But the Senator from South Carolina in his characteristically generous way agreed not to offer that amendment in order to facilitate the passage of this bill.

I wish to acknowledge that at the conclusion of this RECORD.

Mr. President, as well I am told that in addition to myself, the distinguished Senator from Ohio [Mr. METZENBAUM], had indicated to the President pro tempore that in his absence we would offer that amendment. We were released from the obligation. I thank the Senator for doing so.

Senator GORTON, and others, had indicated their objection. They all were withdrawn. I thank all Members for making it possible for us to proceed in this manner at this time.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I would express my gratitude to the distinguished majority and minority leaders of this great body, and for the cooperation they have given to me and to other Members to try to get this bill passed this evening. It is historic. It is important.

I want to personally express my personal gratitude to both of them, and to everybody else who has worked to make this possible.

FEDERAL BOAT SAFETY ACT AMENDMENT

Mr. BAKER. Mr. President, I have discussed this with the minority leader. He is aware of the request I am about to make.

Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar No. 571, H.R. 2163, the Boat Safety Act, and that it be considered under the following time agreement:

That 30 minutes of total debate, to be equally divided between the chairman of the Finance committee and the ranking minority member, or their designees; that the committee reported amendment in the nature of a substitute be withdrawn; and that only one amendment be in order, to be offered by the Senator from Kansas [Mr. DOLE] and the Senator from New Jersey [Mr. BRADLEY], which is the text of the Enterprise zone amendment which was agreed to in H.R. 4170;

And that the agreement be in the usual form.

Mr. President, I further ask unanimous consent that following final passage of H.R. 2163, it be in order for the chairman of the Finance committee or his designee to amend the title of H.R. 163 appropriately.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. Mr. President, I am sorry to have to object in regard to this matter. But we have not been able to clear such a time agreement with only the amendment by Mr. DOLE to be offered. There are Senators on this side of the aisle, I believe, who have amendments on the enterprise zone itself, and we have been attempting to clear the bill. We are trying to determine the nature of other possible amendments as well. But on behalf of the other Senators on this side of the aisle, I regrettably would have to object at this time.

The PRESIDING OFFICER. Objection is heard.

Mr. BAKER. Mr. President, I now have a list of items that I would like to take up. May I say to the minority leader that it is a considerable list, running to more than one page. Perhaps I could run through them, and he might be in a position then to tell me whether he could clear all or any part of these matters that would expedite that consideration.

I would propose, Mr. President, to indefinitely postpone Calendar Order 1117; pass Calendar No. 1118; indefinitely postponed Calendar No. 1119; pass Calendar Nos. 1120, 1121, and 1122; to indefinitely postpone Calendar No. 1123, to pass Calendar Nos. 1124, 1125, 1126, 1127, and 1128; to indefinitely postpone Calendar No. 1129; to pass Calendar Nos. 1130, 1133, 1134, 1135, 1136, 1137, 1138, 1139, 1140, 1141, 1143, 1146, 1147, and 1148; and, finally, to pass Calendar No. 1150.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. Mr. President, I have no objection to proceeding with the calendar orders mentioned by the distinguished majority leader.

NATIONAL SPINA BIFIDA MONTH

The joint resolution (S.J. Res. 275) to designate the month of October 1984, as "National Spina Bifida Month", was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 275

Whereas spina bifida is a birth defect in the spinal column which occurs in one of every one thousand births in the United States;

Whereas spina bifida is the most common crippler of newborns, resulting when one or more bones in the back (vertebrae) fail to close completely during prenatal development;

Whereas while the cause of spina bifida is not known, it appears to be the result of multiple environmental and genetic factors;

Whereas although most of the March of Dimes and Easter Seal poster children have spina bifida, many people have not heard of the defect;

Whereas only a few cities in the United States have proper care centers and specialized professionals that can provide the most effective, aggressive treatment for children and adults with spina bifida;

Whereas an increase in the national awareness of the problem of spina bifida may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for spina bifida: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1984 is designated "National Spina Bifida Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate ceremonies and activities.

MYASTHENIA GRAVIS AWARENESS WEEK

The joint resolution (S.J. Res. 295) to provide for the designation of the week of October 14, through October 20, 1984, as "Myasthenia Gravis Awareness Week", was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 295

Whereas the incidence and prevalence of myasthenia gravis presents a significant health problem in the United States;

Whereas myasthenia gravis is a severe neuromuscular disorder, characterized by weakness of the voluntary muscles of the body;

Whereas an estimated one hundred thousand to two hundred thousand diagnosed, and over one hundred thousand undiagnosed, Americans of both sexes, and all races and ages, are afflicted with the disease;

Whereas the Nation faces a continuing need to support innovative research into the causes, treatment, and cure of myasthenia gravis; and

Whereas it is appropriate to focus the Nation's attention upon the problem of myasthenia gravis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 14, through October 20, 1984, is designated as "Myasthenia Gravis Awareness Week" and the President of the United States is authorized and requested to issue a proclamation calling upon all Government agencies and the people of the United States to observe the week with appropriate programs, ceremonies and activities.

NATIONAL DIABETES MONTH

The joint resolution (S.J. Res. 299) to designate November 1984, as "Na-

tional Diabetes Month," was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 299

Whereas diabetes kills more than all other diseases except cancer and cardiovascular diseases;

Whereas eleven million Americans suffer from diabetes and five million seven hundred thousand of such Americans are not aware of their illness;

Whereas $10,100,000,000 annually are used for health care costs, disability payments, and premature mortality costs due to diabetes;

Whereas up to 85 per centum of all cases of noninsulin-dependent diabetes may be controllable through greater public understanding, awareness, and education; and

Whereas diabetes is a leading cause of blindness, kidney disease, heart disease, stroke, birth defects, and lower life expectancy, which complications may be reduced through greater patient and public understanding, awareness, and education: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1984, is designated as "National Diabetes Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate programs, ceremonies, and activities.

TEENAGE ALCOHOL ABUSE AWARENESS WEEK

The joint resolution (S.J. Res. 305) to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week," was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 305

Whereas alcohol abuse among teenagers is a growing problem in the United States;

Whereas teenagers do not seem to be aware that alcohol can be the most dangerous of all drugs; and

Whereas the youth of this Nation need to be educated to the dangers of alcohol abuse: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 10, 1984, through September 16, 1984, is designated as "Teenage Alcohol Abuse Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate programs and activities.

NATIONAL CEREBRAL PALSY MONTH

The joint resolution (S.J. Res. 309) authorizing and requesting the President to designate January 1985, as "National Cerebral Palsy Month," was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 309

Whereas cerebral palsy affects more than seven hundred thousand individuals in the United States;

Whereas between five thousand and seven thousand children will be born this year with cerebral palsy;

Whereas the Department of Health and Human Services estimates the annual cost of care for individuals with cerebral palsy exceeds $3,750,000,000; and

Whereas increased national awareness of the effects of cerebral palsy may add new impetus to efforts to expand research activities and educational and employment opportunities for individuals affected by cerebral palsy: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the month of January 1985 as "National Cerebral Palsy Month", and calling upon all government agencies and people of the United States to observe such month with appropriate programs, ceremonies, and activities.

NATIONAL HIGH-TECH WEEK

The joint resolution (S.J. Res. 316) designating the week of September 30 through October 6, 1984, as "National High-Tech Week," was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 316

Whereas the economy of this Nation is closely tied to technological advances;

Whereas the United States has long been a leader in high technology development;

Whereas it is of the highest national interest to focus our collective abilities to maintain this leadership;

Whereas the national commitment to high technology development has been called into doubt;

Whereas the youth of the Nation need to have educational opportunities to grow and develop in a high technology environment; and

Whereas our youth should have a national focus on their high technology future: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 30 through October 6, 1984, is designated as "National High-Tech Week". The President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities, including programs aimed at educating the Nation's youth about high technology.

NATIONAL DEVELOPMENTAL DISABILITIES AWARENESS WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 318) to designate the week of September 16, 1984, through September 22, 1984, as "National Developmental Disabilities Awareness Week."

Mr. HATCH. Mr. President, today the Senate is considering Senate Joint Resolution 318, a bill to establish a "National Developmental Disabilities Awareness Week" to be observed September 16-22, 1984. As you know Senate Joint Resolution 318 had 27 original cosponsors and now has a total of 39 cosponsors, including both the chairman and the ranking minority of the Subcommittee on the Handicapped, Mr. WEICKER and Mr. RANDOLPH. Other members of my Labor and Human Resources Committee who are cosponsors are Senators KENNEDY, NICKLES, HAWKINS, QUAYLE, STAFFORD, METZENBAUM, EAGLETON, RIEGLE, THURMOND, GRASSLEY, MATSUNAGA and DENTON. I urge the rest of my colleagues in the Senate to support passage of Senate Joint Resolution 318.

Developmental disabilities affect 3.9 million children and adults in the United States. These disabilities result in lifelong substantial limitations of major activities such as self-care, mobility, self-direction, the capacity for independent living and economic self-sufficiency. Developmental disabilities are attributed to chronic mental and/or physical impairment manifested before the age of 22. Persons with developmental disabilities require a combination and sequence of special interdisciplinary or generic services and treatment for their entire life. Due to the severity of their handicaps, developmental disabled people must have individually planned and coordinated services.

We introduced Senate Joint Resolution 318 to accomplish two major purposes. First, we want to educate the general public about the potential and special needs of persons with developmental disabilities. Second, we want to recognize professional personnel, parents and concerned citizens for their contributions in serving the special population. It is our hope that passage of Senate Joint Resolution 318, "National Developmental Disabilities Awareness Week" will serve as the vehicle to accomplish both goals.

The joint resolution was ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 318

Whereas there are three million nine-hundred thousand children and adults with developmental disabilities in the United States;

Whereas such persons have severe chronic disabilities attributed to mental or physical impairment which begin early in life and result in substantial limitations in major life activities such as self care, mobility, language, learning, and self direction;

Whereas handicaps of persons with developmental disabilities need interdisciplinary or generic service and treatment for extended periods or life;

Whereas despite substantial limitations, persons with developmental disabilities have the capability to become more independent and economically self sufficient;

Whereas the services and expertise provided by professional personnel, parents and concerned citizens enable persons with developmental disabilities to participate more freely in education, employment and community living;

Whereas increasingly more persons with developmental disabilities are living in the community enabling them to live less restricted lives;

Whereas the Developmental Disabilities Assistance and Bill of Rights Act will be aurhorized this year in support of the developmental disabilities programs;

Whereas through increased national awareness of such programs, the public will better understand the potential and needs of persons with developmental disabilities: Now, therefore, be it:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 16, 1984 through September 22, 1984 is designated as "National Developmental Disabilities Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States and all Federal, State, and local government officials to observe the week with appropriate programs and activities.

MENTAL ILLNESS AWARENESS WEEK

The joint resolution (S.J. Res. 322) designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week," was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 322

Whereas mental illness is a problem of grave concern and consequence in American society, though one widely but unnecessarily feared and misunderstood;

Whereas thirty-one to forty-one million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas mental illness in at least twelve million children interferes with vital developmental and maturational processes;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas mental illness costs our nation $65,000,000,000 annually, including lost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (pharmacological, behavioral, psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major affective disorders, phobias, and panic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost-effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on October 7, 1984, is hereby designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL CHILDREN'S WEEK

The joint resolution (S.J. Res. 325) to designate the week of October 7, 1984, through October 13, 1984, as "National Children's Week," was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 325

Whereas there are approximately sixty-five million children in the Nation;

Whereas the children of the Nation are its most precious resource and its greatest hope for the future; and

Whereas a week designated for the purpose of focusing on the needs of children and the community services available to them will be beneficial both to children and to the future of the Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 7, 1984, through October 13, 1984, hereby is designated "National Children's Week," and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

YOUTH OF AMERICA WEEK

The joint resolution (H.J. Res. 597) to designate the week beginning September 2, 1984, as "Youth of America Week," was considered, read the third time, and passed.

The preamble was agreed to.

WORLD FOOD DAY

The joint resolution (S.J. Res. 332) to proclaim October 16, 1984 as "World Food Day" was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 332

Whereas hunger and chronic malnutrition remain daily facts of life for hundreds of millions of people throughout the world;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment, including blindness, because of vitamin and protein deficiencies;

Whereas Congress is particularly concerned by the rise of hunger, recurring natural catastrophes, and inadequate food production now affecting a large number of African countries and the need for an appropriate United States response to emergency and long-term food needs of that continent;

Whereas, although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native Americans, migrant workers, the elderly, and childern, remain vulnerable to malnutrition and related diseases;

Whereas the danger posed malnutrition and related diseases to these groups and to other people is intensified by unemployment and slow rates of economic growth;

Whereas national policies concerning food, farmland, and nutrition require continuing evaluation and should consider and strive for the well-being and protection of all residents of the United States and particularly those most at health risk;

Whereas there is widespread concern that the use and conservation of land and water resources required for food production throughout the United States ensure care for the national patrimony we bequeath to future generations;

Whereas the United States has always supported the principle that the health of a nation depends on a strong agriculture based on private enterprise and the primacy of the independent family farm;

Whereas the United States, as the world's largest producer and trader of food, has a key role to play in efforts to assist nations and people to improve their ability to feed themselves;

Whereas the United States has a long tradition of demonstrating its humanitarian concern for helping the hungry and malnourished;

Whereas efforts to resolve the world hunger problem are critical to the security of the United States and the international community;

Whereas Congress is acutely aware of the paradox of immense farm surpluses and rising farm foreclosures in the United States despite the desperate need for food by hundreds of millions of people around the world;

Whereas a key recommendation of the 1980 report of the Presidential Commission on World Hunger was that efforts be undertaken to increase public awareness of the world hunger problem;

Whereas the member nations of the Food and Agriculture Organization of the United Nations designated October 16 of each year as World Food Day because of the need to alert the public to the increasingly dangerous world food situation;

Whereas past observances of World Food Day have been supported by proclamations of the fifty States, the District of Columbia,

the Commonwealth of Puerto Rico, and the territories and possessions of the United States, by resolutions of Congress, by Presidential proclamations, by programs of the United States Department of Agriculture and other Government departments and agencies, and by the governments and peoples of many other nations; and

Whereas more than three hundred private and voluntary organizations and many thousands of community leaders are participating in the planning of World Food Day observances this year: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1984, is hereby proclaimed "World Food Day". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe that day with appropriate activities to explore ways in which our Nation can further contribute to the elimination of hunger in the world.

WORLD WAR I ACES AND AVIATORS DAY

The joint resolution (S.J. Res. 333) to designate September 21, 1984, as "World War I Aces and Aviators Day," was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 333

Whereas World War I, the "war to end all wars" began seventy years ago;

Whereas that war spawned a new breed of warrior, the aviator, who engaged in single combat high above the conflict on the ground;

Whereas these truly remarkable men defended the skies of Europe with valor and distinction;

Whereas some of these aviators achieved the title "Ace" by gaining at least five confirmed victories over opponents in the air;

Whereas there are only about sixty known surviving Aces of World War I, who meet periodically to share memories of a conflict familiar to many Americans only through recorded history;

Whereas all Americans should express their gratitude and respect for these gallant air warriors for their extraordinary feats in defense of liberty: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 21, 1984, is designated as "World War I Aces and Aviators Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs and activities.

NATIONAL HOSPICE MONTH

The joint resolution (S.J. Res. 334) to provide for the designation of the month of November 1984, as "National Hospice Month," was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 334

Whereas hospice care has been demonstrated to be a humanitarian way for terminally ill patients to approach the end of their lives in relative comfort with appropriate, competent, and compassionate care in an environment of personal individuality and dignity;

Whereas hospice advocates care of the patient and family by attending to their physical, emotional, and spiritual needs and specifically, the pain and grief they experience;

Whereas hospice care is provided by an interdisciplinary team of physicians, nurses, social workers, pharmacists, psychological and spiritual counselors, and other community volunteers trained in the hospice concept of care;

Whereas hospice care is rapidly becoming a full partner in the Nation's health care system;

Whereas the recent enactment of the medicare hospice benefit makes it possible for many more elderly Americans to have the opportunity to elect to receive hospice care; and

Whereas there remains a great need to increase public awareness of the benefits of hospice care: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1984, is designated as "National Hospice Month", and the President is authorized and requested to issue a proclamation calling upon all Government agencies, the medical community, appropriate private organizations, and the people of the United States to observe the month with appropriate forums, programs, and activities designed to encourage national recognition of and support for hospice care as a humane response to the needs of the terminally ill and as a viable component of the health care system in this country.

NATIONAL TOURISM WEEK

The joint resolution (S.J. Res. 335) to designate the week beginning on May 19, 1985, as "National Tourism Week", was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 335

Whereas tourism is vital to the United States, contributing to economic prosperity, employment, and international balance of payments;

Whereas travelers from the United States and other countries spent $255,000,000,000 in the United States during 1982, directly producing four million five hundred thousand jobs, $41,000,000,000 in wages and salaries, and over $20,000,000,000 in Federal, State, and local tax revenues;

Whereas, if viewed as a single retail industry, the travel and tourism sector of the economy constituted the second largest retail industry in the United States in 1982, as measured by business receipts;

Whereas tourism contributes substantially to personal growth, education, and intercultural appreciation of geography, history, and people of the United States;

Whereas tourism enhances international understanding and good will; and

Whereas, as people throughout the world become more aware of the outstanding cultural and recreational resources available across the United States, travel and tourism will become an increasingly important aspect of the daily lives of the people of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on May 19, 1985, hereby is designated as "National Tourism Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

A TIME OF REMEMBRANCE FOR TERRORISM VICTIMS

The joint resolution (S.J. Res. 336) to proclaim October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world, was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 336

Whereas the problem of terrorism has become an international concern that knows no boundaries—religious, racial, political, or national;

Whereas thousands of men, women, and children have died at the hands of terrorists in nations around the world, and today terrorism continues to claim the lives of many peaceloving individuals;

Whereas October 23, 1983, is the date on which the largest number of Americans were killed in a single act of terrorism—the bombing of the United States compound in Beirut, Lebanon, in which two hundred and forty-one United States servicemen lost their lives;

Whereas many of these victims died defending ideals of peace and freedom; and

Whereas it is appropriate to honor all victims of terrorism, and in America to console the families of victims, and to cherish the freedom that their sacrifices make possible for all Americans: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 23, 1984, be proclaimed as "A Time of Remembrance", to urge all Americans to take time to reflect on the sacrifices that have been made in the pursuit of peace and freedom, and to promote active participation by the American people through the wearing of a purple ribbon, a symbol of patriotism, dignity, loyalty, and martyrdom. The President is authorized and requested to issue a proclamation calling upon the departments and agencies of the United States and interested organizations, groups, and individuals to fly United States flags at half staff throughout the world in the hope that the desire for peace and freedom take firm root in every person and every nation.

COMPUTER LEARNING MONTH

The joint resolution (S.J. Res. 337) designating October 1984 as "Computer Learning Month," was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 337

Whereas computer based technologies are playing an ever larger role in the social and economic development of our Nation;

Whereas expanding the use and application of computers is one key to maintaining United States leadership in the high technology field;

Whereas it is incumbent upon present and future generations of Americans to learn to use and adapt this technology for the betterment of their lives and society;

Whereas millions of Americans have yet to learn of the capabilities and applications which computers have in the home and work environment; and

Whereas we must take every opportunity to encourage an understanding of computer based technology through the promotion of innovative learning environments in order to integrate computer technology into our diverse society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1984 shall be designated "Computer Learning Month", in order that national attention be focused on the growing importance of computer based technology in our lives and that more Americans be afforded the opportunity to learn to use computers.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of this resolution to the President.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

The joint resolution (S.J. Res. 340) to designate the week of September 23, 1984 as "National Historically Black Colleges Week", was considered, ordered to be engrossed for third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES 340

Whereas there are one hundred and three historically black colleges and universities in the United States;

Whereas they are providing the quality education so essential to full participation in our complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas these institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of these historically black colleges are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 23, 1984, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe that week by engaging in appropriate ceremonies, activities, and programs, thereby showing their support of historically black colleges and universities in the United States.

CONGRATULATING AND COMMENDING THE USA PHILHARMONIC SOCIETY

The resolution (S. Res. 412) to congratulate and commend the USA Philharmonic Society, was considered, and agreed to.

The amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The resolution, and the preamble, as amended, are as follows:

S.J. RES. 412

Whereas the USA Philharmonic Society is a nonprofit corporation, organized under the laws of the District of Columbia, promoting the performance of music and dedicated to educational activities;

Whereas the goal of the USA Philharmonic Society is to inaugurate an orchestra unique in the United States and unique in the lives of the American people thereby providing an enduring cultural landmark for the Nation;

Whereas the first activity of the USA Philharmonic Society is the formation and maintenance of the USA Philharmonic, the only professional orchestra designed to assemble the best musicians between 18 and 28 years of age in the United States, and to belong to the entire Nation, based in the Nation's capital, which will, through its tours, generate international understanding of the musical talent that lives in our Nation's youth;

Whereas opportunities for orchestral employment are limited since relatively few openings occur each year in major orchestras, thereby many talented music graduates are unable to begin their careers, the USA Philharmonic bridges this gap between formal training and the start of an orchestral career by providing professional experience and by assisting its members with placement in major United States orchestras;

Whereas other countries are draining United States talent by offering immediate employment to young musicians, USA Philharmonic offers a superior alternative for our young musicians trying to launch their careers, and provides a unique opportunity for them to participate in an international exchange of musical cultures as well;

Whereas more than forty years have passed since the musical genius of our Nation's youth has been shared with other nations, when through the leadership of Maestro Leopold Stokowski in 1940 and 1941, the "All-American Youth Orchestra" inspired nations in South America with its tours, USA Philharmonic will bring together musicians and musiclovers of other countries, not for political, but for artistic and spiritual interchange;

Whereas musicians for USA Philharmonic will be determined by two auditions in each of six regions, thereby offering participation to youth of all States, and coordinated by the Audition Committee with music associations, universities, college and independent schools of music to insure the broadest representation and the most outstanding talent;

Whereas USA Philharmonic on tour will present the classical repertoire and recent compositions from the United States and the host country, and, but alternating tours abroad with domestic tours, USA Philharmonic will showcase the musical genius of our Nation's youth, display the high standard of our Nation's musical invention, and play the first performance in the United States of prominent new music from other nations, including those of South America in 1984; and

Whereas the growth of the USA Philharmonic Society to date is due to the dedication of its many volunteers who have generously contributed their time and energy, and that the USA Philharmonic Society enjoys the support of a distinguished and very able Board of Directors: Mr. Michael L. Ainslie, Mr. Roger Alexander, Dr. Jahangir Amuzegar, Mr. Rick Barwick, Dr. John Bitter, Mr. Patrick J. Daly, Ms. Nancy Hyman, Mr. Paul Hume, Mr. Karl Jaeger, Mr. Afshin Khalatbary, Mr. Viktor von Lillienfeld, Mr. J. Walter Lund, Mr. Garrick Ohlsson, Professor Efrain Paesky, Mr. Richard Salmon, Mr. John Philip Sousa III, and Miss Elizabeth Taylor: Now, therefore, be it

Resolved, That the United States Senate congratulates and commends the USA Philharmonic Society for its dedicated work on behalf of the Nation's young musicians, and its commitment to furthering better understanding among peoples of all nations through the universal language of music.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President of the USA Philharmonic Society, Washington, D.C.

CONTRIBUTION OF THE ARTS TO A COMPLETE EDUCATION

The joint resolution (H.J. Res. 452) recognizing the important contributions of the arts to a complete education, was considered, read the third time, and passed.

The preamble was agreed to.

NATIONAL MUSEUM OF THE U.S. ARMY

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 75) favoring a National Museum of the U.S. Army, which had been reported from the Committee on Armed Services, with an amendment to strike out all after the resolving clause, and insert the following:

That the Congress hereby encourages the historical preservation of this Nation's military material culture and the education of its citizens in the rich heritage that is theirs as a result of the brave deeds of the military land forces of the United States, that the Congress hereby recognizes the contributions made to that heritage by the land forces of this Nation in both peace and war, and that the Congress favors and encourages the established of a National Museum of the United States Army.

The reported amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

The amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The concurrent resolution, as amended, and the preamble, as amended, are as follows:

S. CON. RES. 75

Whereas the United States Army has served our country in every war, standing ready in times of peace, deterring war when possible, and when called upon, fighting with great courage, devotion, and professional skill;

Whereas the United States Army is our only military service which has no national museum to display the history of its military land forces;

Whereas a spirit of patriotism and honor is fostered by study of military history and individual valor;

Whereas a National Army Museum is needed to foster pride, record the outstanding deeds and accomplishments of the brave men and women who have served in the United States Army, and to serve as a living memorial to the service and dedication of all the men and women who have nobly served in the United States Army in peace and war; and

Whereas a National Museum of the United States Army would help to preserve interest in and respect for the military land forces of this Nation: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby encourages the historical preservation of this Nation's military material culture and the education of its citizens in the rich heritage that is theirs as a result of the brave deeds of the military land forces of the United States, that the Congress hereby recognizes the contributions made to that heritage by the land forces of this Nation in both peace and war, and that the Congress favors and encourages the establishment of a National Museum of the United States Army.

VOTING ACCESSIBILITY FOR THE ELDERLY AND HANDICAPPED ACT

The Senate proceeded to consider the bill (H.R. 1250) to improve access for handicapped and elderly individuals to registration and polling facilities for Federal elections, which had been reported from the Committee on Rules and Administration with amendments.

The parts of the bill intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.

H.R. 1250

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Voting Accessibility for the Elderly and Handicapped Act".

PURPOSE

SEC. 2. It is the intention of Congress in enacting this Act to promote the fundamental right to vote by improving access for handicapped and elderly individuals to registration [and polling facilities] *facilities and polling places* for Federal elections.

SELECTION OF POLLING FACILITIES

SEC. 3. (a) Within each State, except as provided in subsection (b), each political subdivision responsible for conducting elections shall assure that all polling [facilities] *places* for Federal elections are accessible to handicapped and elderly voters.

(b) Subsection (a) shall not apply to a [facility] *polling place*—

(1) in the case of an emergency, as determined by the chief election officer of the State; or

(2) if the chief election officer of the State—

(A) determines that all potential [polling facilities] *polling places* have been surveyed and no [accessible facility is] *such accessible place is* available, nor is the political subdivision able to make one temporarily accessible, in the area involved; and

[(B) assures that any handicapped or elderly voter assigned to an inaccessible facility will be assigned, upon advance request of such voter (pursuant to procedures established by the chief election officer of the State), to the nearest accessible facility.]

(B) assures that any handicapped or elderly voter assigned to an inaccessible polling place, upon advance request of such voter (pursuant to procedures established by the chief election officer of the State)—

(i) will be assigned to an accessible polling place, or

(ii) will be provided with an alternative means for casting a ballot on the day of the election.

(c)(1) Not later than December 31 of each even-numbered year, the chief election officer of each State shall report to the Federal Election Commission, in a manner to be determined by the Commission, the number of accessible and inaccessible polling [facilities] places in such State on the date of the preceding general Federal election, and the reasons for any instance of inaccessibility.

(2) Not later than April 30 of each odd-numbered year, the Federal Election Commission shall compile the information reported under paragraph (1) and shall transmit that information to the Congress.

(3) The provisions of this subsection shall only be effective for a period of 10 years beginning on the date of enactment of this Act.

SELECTION OF REGISTRATION FACILITIES

SEC. 4. (a) Each State or political subdivision responsible for registration for Federal elections shall provide a reasonable number of accessible permanent registration facilities.

(b) Subsection (a) does not apply to any State that has in effect a system that provides an opportunity for each potential voter to register by mail or at the residence of such voter.

REGISTRATION AND VOTING AIDS

SEC. 5. (a) Each State shall make available registration and voting aids for Federal elections for handicapped and elderly individuals, including—

(1) instructions, printed in large type, conspicuously displayed at each permanent registration facility and each polling [facility;] *place;* and

(2) information by telecommunications devices for the deaf.

(b) No notarization or medical certification shall be required of a handicapped voter with respect to an absentee ballot or an application for such ballot, except that medical certification may be required when the certification establishes eligibility, under State law—

(1) to automatically receive an application or a ballot on a continuing basis; or

(2) to apply for an absentee ballot after the deadline has passed.

(c) The chief election officer of each State shall provide public notice, calculated to reach elderly and handicapped voters, of the availability of aids under this section, assistance under section 208 of the Voting Rights Act of 1965 (42 U.S.C. 1973aa-6), and the procedures for voting by absentee ballot, not later than general public notice of registration and voting is provided.

ENFORCEMENT

SEC. 6. (a) If a State or political subdivision does not comply with this Act, the United States Attorney General or a person who is personally aggrieved by the noncompliance may bring an action for declaratory or injunctive relief in the appropriate district court.

(b) An action may be brought under this section only if the plaintiff notifies the chief election officer of the State of the noncompliance and a period of 45 days has elapsed since the date of notification.

(c) Notwithstanding any other provision of law, no award of attorney fees may be made with respect to an action under this section, except in any action brought to enforce the original judgment of the court.

RELATIONSHIP TO VOTING RIGHTS ACT OF 1965

SEC. 7. This Act shall not be construed to impair any right guaranteed by the Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.).

DEFINITIONS

SEC. 8. As used in this Act, the term—

(1) "accessible" means accessible to handicapped and elderly individuals for the purpose of voting or registration, as determined under guidelines established by the chief election officer of the State involved;

(2) "elderly" means 65 years of age or older;

(3) "Federal election" means a general, special, primary, or runoff election for the office of President or Vice President, or of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress;

(4) "handicapped" means having a temporary or permanent physical disability; and

(5) "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

EFFECTIVE DATE

SEC. 9. This Act shall apply with respect to elections taking place after December 31, 1985.

Mr. DOLE. Mr. President, as we move toward recessing so that the Republican Party can officially nominate its Presidential and Vice Presidential candidates, it is both timely and appropriate for us to take action on an important piece of legislation, the Voting Rights for the Handicapped and the Elderly Act. This bill will move to strike down the physical barriers which impede this Nation's elderly and disabled citizens from exercising their right to vote.

The Voting Rights for the Handicapped and Elderly Act requires that all polling places in Federal elections be accessible, unless no accessible facility is available and no available site can be made temporarily accessible; in States without mail or door-to-door registration, requires that a reasonable number of accessible permanent registration facilities be provided; provides for the documentation and reporting of the number of inaccessible polling facilities and the reason therefor to Congress; requires States to

make available and give public notice about registration and voting aids, such as large print instructions and access to voting information by telecommunications devices for the deaf; eliminates the need for handicapped voters to obtain notarization in order to vote by absentee ballot, and eliminates the requirement for medical certification of such ballots under most circumstances; allows the U.S. Attorney General or an aggrieved individual to seek compliance with the act by bringing an action for declaratory or injunctive relief, but only if the chief election officer of the State has been notified of the noncompliance and 45 days have elapsed since the notification; expressly disallows the award of attorney's fees except in contempt proceedings; and would apply to Federal elections taking place after December 31, 1985.

Voting is the most sacred political right that we have in this country, yet many Americans do not exercise their franchise to vote. In the 1980 Presidential elections only 53 percent went to the polls. Clearly the reasons why citizens do not vote are varied, and even the passage of the Voting Rights for the Handicapped and the Elderly Act will not send waves of voters to the polls for the 1984 elections. What it will do, however, is send a clear message out over this land, and to other nations as well, that this is a Government of, by, and for the people. All of the people.

I hope that my colleagues in the Senate will take immediate action on this vital legislation so that it might be enacted this year.

Mr. FORD. Mr. President, on August 8, 1984, the Committee on Rules and Administration reported favorably, H.R. 1250, the Voting Accessibility for the Elderly and Handicapped Act. As reported that bill contains the substance of the bill passed by the House of Representatives, with three Senate amendments.

The bill reflects the terms negotiated by representatives of the Voting Access Coalition, a group of organizations that have joined together to advocate improved accessibility to our polling places, and by State and local election officials. They all deserve our commendation for their dedication and work throughout extensive conferences and our appreciation for their willingness to make adjustments in order to produce a workable, effective bill that commands broad support.

An important contribution to this endeavor was made by the Advisory Panel to the Federal Election Commission's National Clearinghouse which included this proposed legislation on the agenda of its annual meeting this year. This gave many State and local election administrators a forum to discuss the bill's implications to their States as well as the opportunity to meet with representatives of the Voting Access Coalition to exchange views.

I believe Congress should make every effort to remove, wherever possible, obstacles to the full, equal, and confidential exercise of the right to vote by persons who are handicapped and by our elderly citizens. I believe that this bill includes the provisions necessary to achieve that laudable goal, and that it also takes into consideration the legitimate concerns of the State and local election administrators, whose support is essential to its successful implementation.

I am pleased to note that the likelihood that the bill would pass this session has, in and of itself, already spurred some States to legislative and administrative activity to improve accessibility to registration and voting places. Hopefully its passage will result in the elimination of physical barriers to the exercise of the right to vote to the fullest extent feasible in all States.

A significant feature of this bill is that it attempts to achieve these improvements without the creation of any significant increase in the Federal bureaucracy. The only Federal involvement contemplated is the receipt of State reports by the Federal Election Commission, the compilation of a report by that agency for Congress, and enforcement on a case-by-case basis by the Justice Department. The administration of this program will be left to the States and their election administrators. I hope that this approach of minimal Federal intrusion and involvement in the administration of elections will be effective so that the worthwhile purposes of the legislation will be realized.

This legislation has my full support. It is an important, effective and innovative measure to make significant improvements in the accessibility of polling and registration places throughout the country to elderly and handicapped voters.

Mr. President, I urge adoption of this legislation.

Mr. DURENBERGER. Mr. President, I am extremely pleased that this legislation, equal access to voting rights—H.R. 1250, is being considered by the Senate today. This legislation is the House companion bill to legislation I introduced in the Senate, S. 1676—the Voting Rights for the Handicapped and Elderly Act. This legislative initiative will help overcome many of the barriers that stand in the way of a handicapped voter and the ballot box.

I want to commend the chairman of the Rules Committee, Senator MATHIAS, and the other members of the committee for sending this bill to the floor and for their efforts to guarantee constitutionally protected rights for all citizens. I would also like to recognize the members of the House Task Force on Elections for their success in reaching a compromise that all parties could support.

There is no principle more important in our democratic system of government than each citizen's right to vote. We have, during the history of our Nation, denied many of our citizens their franchise. Over time, we have recognized our errors in doing so and have sought to secure the right of suffrage for women, minorities, and young adults. Our efforts to guarantee this constitutional right have been ongoing—as demonstrated by congressional action reauthorizing the Voting Rights Act of 1965.

Despite this legislative progress, today there are proud American citizens, many of them veterans, who are unable to exercise their voting right—America's handicapped. For 35 million elderly and disabled Americans, physical barriers have often provided as great an obstacle to voter participation as have legal barriers. The barriers these individuals face are not intentionally imposed—they are the darkness of blindness, the frustration of physical paralysis, and the frailty of age.

To understand the real impact of these barriers on human beings, consider how you would respond to any of the following situations:

Suppose you were in a wheelchair and arrived at the polls only to find that architectural barriers physically barred you from access to the polling place.

Imagine that you lost your hearing and discovered, upon arriving at the voting booth, that only oral—rather than written—directions were provided.

These problems arise every year, in every election. To most of us, they may be nothing more than minor inconveniences. To some Americans they are the difference between exercising a constitutional right and isolation from the democratic process.

Equal access to voting rights will overcome the fear these physical obstacles present. The provisions of H.R. 1250 are simple and inexpensive, yet offer a real chance for thousands of disabled and elderly voters to participate in the electoral process.

This legislation is the product of many hours of discussion and compromise between all interested parties—handicapped and elderly advocacy organizations, election officials, and legislative staff. The House Task Force on Elections conducted several hearings on this issue and the Senate Rules and Administration held hearings on two mornings to consider testimony on this legislation.

These hearings revealed a widespread consensus in support of this bill. A large coalition of organizations

joined together to testify to the urgency and significance of this legislation. J. Scott Marshall, testifying on behalf of the American Council of the Blind, summed it up perfectly when he stated:

It is now time to enact the Voting Rights for the Handicapped and Elderly Act. The Act would eliminate many obstacles that now preclude handicapped people from exercising their right to vote and be an important step toward the goal of full participation of handicapped people in the mainstream of American life.

I am proud to have authored the Senate legislation and to have endorsements for the bill from so many major organizations representing disabled and senior citizens. The bill has been endorsed by the following organizations: American Association of Retired Persons/National Retired Teachers Association; American Civil Liberties Union; American Coalition of Citizens with Disabilities; American Council of the Blind; American Foundation for the Blind, Inc.; American Speech Language Hearing Association; Association for Retarded Citizens; Blinded Veteran's Association; Equal Justice Foundation; Gallaudet College; Goodwill Industries; Institute for Public Representation; Leadership Conference on Civil Rights; League of Women Voters; League of Disabled Voters; Montgomery County Association of Children & Adults with Disabilities; National Association of Social Workers; National Center for Handicapped Rights; National Center for Law & the Deaf; National Easter Seal Society; National Network of Learning Disabled Adults; National Rehabilitation Association; National Spinal Cord Injury Association; Paralyzed Veterans of America; United Cerebral Palsy Association; Affiliated Leadership League of & for the Blind of America; AFL-CIO; American Bar Association; American Foundation of Teachers; American Health Care Association, Anti-Defamation League of B'nai B'rith; Arkansas Environmental Barriers Council; B'nai B'rith Women; Consumer Federation of America; Disability Rights Education and Defense Fund; Independence Center of Northern Virginia, Inc; Lutheran Council, USA; Metropolitan Washington Gray Panthers; National Association of Meal Programs; National Association of the Deaf; National Conference of Catholic Charities; National Council of Health Centers; National Council of Senior Citizens; National Education Association; National Multiple Sclerosis Society; National Society for Children & Adults with Autism; National Urban League, Texas Coalition of Disabled Voters; and United Church of Christ.

State election officials also testified at the hearings and identified the demand for State legislation, as well as their ability to implement such legislation. Willard A. Morris, administrator of Maryland's State Administrative Board of Election Laws explained Maryland accessibility laws:

Interest in such legislation gathered momentum in our State about eight years ago when veterans from Vietnam joined with other handicapped and elderly individuals and groups and organized to insist on building codes that would allow access to public buildings for all citizens. Section 504 of the Rehabilitation Act of 1973 provided hope and promise that undoubtedly had an effect on the promotion of barrier free polling places in Maryland. Easy access to polling places became a priority of structures where polls were located, if not accessible to handicapped and elderly citizens, threatened their constitutional right to vote . . .

The legislation providing barrier free polling places in Maryland was approved on May 17, 1977, and took effect July 1, 1977.

I can report that this important recognition of the rights of handicapped and elderly citizens has been implemented without undue cost or burden to the election process. Accessibility has worked well.

Concern for the costs of implementation for State and local governments, as well became a priority for developing a compromise bill that was acceptable to all interested parties. The bill we are considering accounts for the needs of State and local election officials and meets the needs of most physically impaired voters. It is an important step in our efforts to ensure voting rights for citizens. The tremendous support for this legislation was reflected in the unanimous vote of the House of Representatives for its passage.

The legislation before us would:

Require all polling places in Federal elections to be accessible, unless no accessible place is available and no available site can be made temporarily accessible;

Require that, in States without mail or door-to-door registration, a reasonable number of accessible permanent registration facilities be provided;

Provide for the documentation and reporting of the number of inaccessible polling facilities and the reasons therefor to Congress—for a period of 10 years;

Require States to make available and give public notice about registration and voting aids, such as large print instructions and access to voting information by telecommunications devices for the deaf [TTD's]; and

Eliminate the need for handicapped voters to obtain notarization in order to vote by absentee ballot, and eliminate the requirement for medical certification of such ballots under most circumstances.

We have fought and gained the legal right to suffrage through constitutional amendment. Let us back up this voting right with the means to make it truly possible for every American to exercise his or her right to vote. We cannot afford to be flexible in guaranteeing that right—it must be afforded to all who are entitled to exercise their franchise. As Abraham Lincoln said in his final public address: "Important principles may and must be inflexible."

Mr. President, I believe today is an important day in the progress we have made toward equality and participation in our governmental process. I urge my colleagues to give our past efforts to guarantee suffrage for all Americans and signals our intent to continue that process. I urge my colleagues to give an overwhelming mandate to this legislation.

Mr. MATHIAS. Mr. President, the bill H.R. 1250, as reported by the Committee on Rules and Administration, is intended to expand the opportunities for persons who are elderly or handicapped to participate in the electoral process by improving their access to registration and polling places in Federal elections.

The committee received testimony on a companion Senate bill, S. 1676, on March 21 and March 28, 1984. In addition, the committee has received numerous written comments and statements from State and local election officials, and other organizations and individuals concerned with the proposed legislation.

On balance, the testimony and written comments reflect an awareness that much can be done to eliminate the barriers encountered by persons who are elderly or handicapped in registering and voting in Federal elections. The bill also recognizes, however, the variety of circumstances that may exist in the over 13,000 election jurisdictions nationwide and thus seeks to provide a degree of flexibility to the States and localities which will have the responsibility for implementing the legislation. Notwithstanding this flexibile approach, the objectives of the bill remain to improve the accessibility of polling and registration places and to provide voting aids to individuals who are elderly or handicapped. I am confident that this legislation, which has been worked out in consultation with State and local election officials and representatives of the Voting Access Coalition, is a sound approach for improving the ability of citizens who are elderly or handicapped to exercise their right to vote.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An Act to improve access for handicapped and elderly individuals to registration facilities and polling places for Federal elections."

NATIONAL DRUG ABUSE EDUCATION AND PREVENTION WEEK

The Senate proceeded to consider the joint resolution (H.J. Res. 529) to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week."

Mr. CHILES. Mr. President, I am pleased to note Senate passage of House Joint Resolution 529, a joint resolution to designate the week beginning September 23, 1984, as "National Drug Abuse Education and Prevention Week." I introduced identical legislation in the Senate, S. 267, and was joined by 27 cosponsors.

Two decades have passed and countless drug-related deaths have occurred since drug abuse began to approach epidemic proportions in the United States. We have gone far in enacting stringent laws to thwart the proliferation of narcotics. We have gone far in strengthening our border patrols, Coast Guard, and other police forces to curb the influx of illegal drugs into our cities and towns. But today, drug abuse remains a national tragedy.

Each of us has been exposed to the statistics on drug abuse. We must not forget the deaths, the broken lives and the distressed families which these figures represent. Moreover, we must always be aware of the less noticeable results of drug abuse; the promotion of criminal behavior among those addicted to drugs, the wasted potential of drug abusers to America's work force, and the fear which strikes every American touched, even remotely, by the effects of drug abuse.

To reverse this trend that is personally and economically detrimental to our society, we must intensify our efforts to educate ourselves and our children on the dangers of drug abuse. By trying to halt the demand for illicit drugs through intelligent and responsible publicity of their effects, we can do a great deal to eradicate this problem. The Senate joint resolution to establish a "National Drug Abuse Education and Prevention Week" is aimed at halting demand through education.

In 1983, as you will recall, this week coincided with the Public Broadcasting System's airing of "The Chemical People." This year, "National Drug Abuse Education and Prevention Week" will coincide with the third national conference of the National Federation of Parents for Drug-Free Youth. The timing is fitting as this organization has been instrumental in organizing nationwide grassroots support for the fight against drug abuse. Moreover, since "National Drug Abuse Education and Prevention Week" falls near the beginning of the school year, it will likely prompt some of our educators to aid in this discussion process.

It is my hope that efforts such as this will help in some way to curb the problem of drug abuse in our Nation. The more we talk with our children about the inherent dangers associated with drugs, the better we prepare them to resist any temptations to experiment with drugs. If we try, we can show our young people that illegal drugs are the problem, and not the answer to any problem.

The joint resolution was read the third time, and passed.

The preamble was agreed to.

NATIONAL JEROME KERN DAY

The joint resolution (H.J. Res. 583) to designate January 27, 1985, as "National Jerome Kern Day," was considered, read the third time, and passed.

The preamble was agreed to.

NATIONAL COMMUNITY LEADERSHIP WEEK

The joint resolution (H.J. Res. 574) to designate the week beginning on September 9, 1984, as "National Community Leadership Week," was considered, read the third time, and passed.

The preamble was agreed to.

Mr. BAKER. Mr. President, I move to reconsider en bloc the votes by which the several items were passed or agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the items identified as being indefinitely postponed be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

SEQUENTIAL REFERRAL OF S. 44

Mr. BAKER. Mr. President, next I say to the minority leader I would propose the sequential referral of S. 44 in the following form.

Mr. President, I ask unanimous consent that Calendar No. 918, S. 44, the Product Liability Act, be sequentially referred to the Committee on Labor and Human Resources for its consideration of only the following provision of the first committee amendment:

Section 3(b)(2), as it relates to the Federal Employees Compensation Act, and Section 10, as it relates to the rights of employers and employees under the Longshoremen's and Harbor Workers Act, the Federal Employees Compensation Act, and any state workers compensation act, for a period not to extend beyond the close of business on September 12, 1984; provided that, if S. 44 is not reported at such time, the Committee on Labor and Human Resources shall be immediately discharged of further consideration thereof and S. 44 shall be placed directly on the Calendar, and that any report of the Committee on Labor and Human Resources regarding S. 44 shall be filed no later than the close of business on September 12, 1984.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC DEVELOPMENT OF GUAM, THE VIRGIN ISLANDS, AMERICAN SAMOA, AND THE NORTHERN MARIANA ISLANDS

Mr. BAKER. Mr. President, next I will say to the minority leader I propose to ask the Senate to turn to the consideration of Calendar No. 1152, H.R. 5561.

Mr. BYRD. No objection.

Mr. BAKER. Mr. President, I ask the Chair to lay before the Senate Calendar Order No. 1152.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 5561) to enhance the economic development of Guam, the Virgin Islands, American Samao, the Northern Mariana Islands, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3709

Mr. BAKER. Mr. President, on behalf of the distinguished Senator from Connecticut [Mr. WEICKER] I send to the desk an amendment in the nature of a substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. BAKER], for Mr. WEICKER, proposes an amendment numbered 3709.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof:

"TITLE I

"SEC. 101. From the sums authorized to be appropriated to the Secretary of the Interior for technical assistance to the territories there may be appropriated not to exceed $2,000,000 for each of fiscal years 1985, 1986, and 1987 for technical assistance (including but not limited to management, marketing, and finance) in developing private enterprises in Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands.

"SEC. 102. The Secretary of the Interior is authorized and directed to report to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate not later than January 1 of fiscal years 1985, 1986, and 1987 on the executive branch's efforts regarding and recommendations for developing private enterprises in Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands.

"TITLE II

"SEC. 201. (a) Subsection (b) of section 8 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1574) is amended—

"(1) by striking out 'shall be sold at public sale and' in the fourth sentence of paragraph (i), and

"(2) by adding at the end thereof the following new paragraph:

"'(iii)(A) The legislature of the government of the Virgin Islands may cause to be

issued after September 30, 1984, industrial development bonds (within the meaning of section 103 (b)(2) of the Internal Revenue Code of 1954).

" '(B) Except as provided in subparagraph (C), any obligation issued under subparagraph (A) and the income from such obligation shall be exempt from all State and local taxation in effect on or after October 1, 1984.

" '(C) Any obligation issued under subparagraph (A) shall not be exempt from State or local gift, estate, inheritance, legacy, succession, or other wealth transfer taxes.

" '(D) For purposes of this paragraph—

" '(I) The term "State" includes the District of Columbia.

" '(II) The taxes imposed by counties, municipalities, or any territory, dependency, or possession of the United States shall be treated as local taxes.

" '(E) For exclusion of interest for purposes of Federal income taxation, see section 103 of the Internal Revenue Code of 1954.'.

"SEC. 202. (a) The legislature of the government of American Samoa may cause to be issued after September 20, 1984, industrial development bonds (within the meaning of section 103(b)(2) of the Internal Revenue Code of 1954).

"(b)(1) Except as provided in paragraph (2), any obligation shall be exempt from all State and local taxation in effect on or after October 1, 1984.

"(2) Any obligation issued under subsection (a) shall not be exempt from State or local gift, estate, inheritance, legacy, succession, or other wealth transfer taxes.

"(3) For purposes of this subsection—

"(A) The term 'State' includes the District of Columbia.

"(B) The taxes imposed by counties, municipalities, or any territory, dependency, or possession of the United States shall be treated as local taxes.

"(c) For exclusion of interest for purposes of Federal income taxation, see section 103 of the Internal Revenue Code of 1954.

"TITLE III

"SEC. 301. Title 46, United States Code, is amended—

"(a) in Section 2101 add a new paragraph (3a) to read as follows: '(3a) "citizen of the United States" means a national of the United States as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)) or an individual citizen of the Trust Territory of the Pacific Islands who is exclusively domiciled in the Northern Mariana Islands within the meaning of section 1005(e) of the Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (90 Stat. 278).';

"(b) in section 12106 add the following at the end:

" '(c) A coastwise license to engage in the coastwise trade of fisheries products between places in Guam, American Samoa, and the Northern Mariana Islands may be issued for a vessel that—

" '(1) is less than two hundred gross tons;

" '(2) was not built in the United States;

" '(3) is eligible for documentation; and

" '(4) otherwise qualifies under the laws of the United States to be employed in the coastwise trade.'; and

"(c) in section 12108 add the following at the end:

" '(c) A fishery license to engage in fishing in the territorial sea and fishery conservation zone adjacent to Guam, American Samoa, and the Northern Mariana Islands may be issued to a vessel that—

" '(1) is less than two hundred gross tons;

" '(2) was not built in the United States;

" '(3) is eligible for documentation; and

" '(4) otherwise qualifies under the laws of the United States to be employed in the fisheries trade.'.

"SEC. 302. A vessel, whether United States-built or foreign-built, and otherwise meeting the criteria set forth in sections 12106(c) or 12108(c) of title 46 of the United States Code, may be sold, chartered, leased, mortgaged, or transferred by any other means to any 'citizen of the United States' as defined in section 2101(3a) of such title, without the approval of the Secretary of Transportation, pursuant to section 9 of the Shipping Act, 1916, as amended (46 App. U.S.C. 808).

"TITLE IV

"SEC. 401. To further the rehabilitation, upgrading, and construction of public facilities in the territories of the United States—

"(a) section 1(a)(1) of the Act of August 18, 1978 (92 Stat. 487), as amended, is further amended by adding 'effective October 1, 1985, $16,300,000,' before the words 'such sums';

"(b)(1) there are authorized to be appropriated from funds heretofore authorized for technical assistance $600,000 in fiscal year 1985 (to remain available until expended) to the Secretary of the Interior who, in consultation with and with the assistance of the Secretary of Transportation, shall use said funds exclusively for planning improvements for the Alexander Hamilton Airport in St. Croix, Virgin Islands; and

"(2) section 303 of the Act of October 19, 1982 (96 Stat. 1705), as amended, is further amended by inserting after 'water and power' the words 'and improvements for the Alexander Hamilton airport in St. Croix, Virgin Islands'."

(c) the Secretary of the Interior is authorized and directed, in consultation with and with the assistance of the Secretary of Housing and Urban Development, to study the desirability and feasibility of initiating a program for the development of housing in American Samoa and including the territory in existing Federal housing programs and to submit such recommendations (such recommendations to include, but are not limited to, any changes or modifications which would be necessary to such existing Federal housing programs to adapt them to the culture and traditions of American Samoa) as he may deem appropriate to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate of the United States within one year of the date of enactment of this Act.

"(d) there are authorized to be appropriated $2,000,000 in fiscal year 1985 (to remain available until expended) to the Secretary of the Interior for grants to the government of Northern Mariana Islands for improvements in the production and distribution of water.

"TITLE V

"SEC. 501. There is hereby conveyed, without consideration, to the Frederick Lutheran Church of Charlotte Amalie, St. Thomas, Virgin Islands, all of the right, title, and interest of the United States in and to Parcel No. 9F, Estate Hospital Ground, No. 9 New Quarter, St. Thomas, Virgin Islands (known as Ebenezer Home), and improvements thereof.

"SEC. 502. Section 11 of the Revised Organic Act of the Virgin Islands, as amended, is further amended by striking the words 'St. Croix, free of rent' and inserting in lieu thereof 'Saint Croix, which house, together with land appurtenant thereto is also transferred to the government of the Virgin Islands'.

"TITLE VI

"SEC. 601. To rationalize the application of certain statutes so that the development of the territories of the United States is facilitated—

"(a) section 1013 of the Act of November 10, 1978 (92 Stat. 3467) is amended by deleting 'subsection' and inserting in lieu thereof 'section;'

"(b) section 501(d) of the Act entitled 'An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes' (91 Stat. 1159), as amended, is further amended by deleting 'Samoa' where it appears and inserting in lieu thereof 'Samoa, Guam, the Virgin Islands,';

"(c) section 119(n)(1) of the Act of August 22, 1974 (88 Stat. 633) as amended, is further amended by deleting 'Guam' and inserting in lieu thereof 'Guam, American Samoa, the Northern Mariana Islands';

"(d) section 17(a) of the Act of April 27, 1935 (49 Stat. 163), as amended, is further amended by deleting 'Puerto Rico, and the Virgin Islands' and inserting in lieu thereof 'Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, and the Virgin Islands';

"(e) the Act of December 22, 1975 (89 Stat. 871), as amended, is amended by deleting 'Samoa' in Sections 391(a) and 398(b) and inserting in lieu thereof 'Samoa, the Northern Mariana Islands';

"(f) Section 3(4) of the Energy Policy and Conservation Act, 42 U.S.C. 6202(4), is amended to read as follows:

" '(4) The term "State" means a State, the District of Columbia, Puerto Rico, the Trust Territory of the Pacific Islands, or any territory or possession of the United States.'; and

"(g) Section 513(2) of the National Energy Extension Service Act, 42 U.S.C. 7011(2), is amended to read as follows:

" '(2) "State" means a State, the District of Columbia, Puerto Rico, the Trust Territory of the Pacific Islands, or any territory or possession of the United States.'.

"TITLE VII

"VIRGIN ISLANDS

"SEC. 701. In section 3 of the Revised Organic Act of the Virgin Islands, as amended (68 Stat. 4981; 48 U.S.C. 1561), the proviso in the next to the last paragraph is amended to read as follows: *'Provided,* That all offenses against the laws of the United States and the laws of the Virgin Islands which are prosecuted in the district court pursuant to sections 22 (a) and (c) of this Act may be had by indictment by grand jury or by information, and that all offenses against the laws of the Virgin Islands which are prosecuted in the district court pursuant to section 22(b) of this Act or in the courts established by local law shall continue to be prosecuted by information, except such as may be required by local law to be prosecuted by indictment by grand jury.'.

"SEC. 702. Section 21 of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C. 1611) is amended to read as follows:

" 'SEC. 21. (a) The judicial power of the Virgin Islands shall be vested in a court of record designated the "District Court of the

Virgin Islands" established by Congress, and in such appellate court and lower local courts as may have been or may hereafter be established by local law.

"'(b) The legislature of the Virgin Islands may vest in the courts of the Virgin Islands established by local law jurisdiction over all causes in the Virgin Islands over which any court established by the Constitution and laws of the United States does not have exclusive jurisdiction. Such jurisdiction shall be subject to the concurrent jurisdiction conferred on the District Court of the Virgin Islands by section 22 (a) and (c) of this Act.

"'(c) The rules governing the practice and procedure of the courts established by local law and those prescribing the qualifications and duties of the judges and officers thereof, oaths and bonds, and the times and places of holding court shall be governed by local law or the rules promulgated by those courts.'.

"SEC. 703. (a) Section 22 of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C 1612) is amended to read as follows:

"'SEC. 22. (a) The District Court of the Virgin Islands shall have the jurisdiction of a district court of the United States, including, but not limited to, the diversity jurisdiction provided for in section 1332 of title 28, United States Code, and that of a bankruptcy court of the United States. The District Court of the Virgin Islands shall have exclusive jurisdiction over all criminal and civil proceedings in the Virgin Islands with respect to the income tax laws applicable to the Virgin Islands, regardless of the degree of the offense or of the amount involved, except the ancillary laws relating to the income tax enacted by the legislature of the Virgin Islands. Any act or failure to act with respect to the income tax laws applicable to the Virgin Islands which would constitute a criminal offense described in chapter 75 of subtitle F of the Internal Revenue Code of 1954 shall constitute an offense against the government of the Virgin Islands and may be prosecuted in the name of the government of the Virgin Islands by the appropriate officers thereof in the District Court of the Virgin Islands without the request or the consent of the United States Attorney for the Virgin Islands, notwithstanding the provisions of Section 27 of this Act.

"'(b) In addition to the jurisdiction described in subsection (a) the District Court of the Virgin Islands shall have general original jurisdiction in all causes in the Virgin Islands the jurisdiction over which is not then vested by local law in the local courts of the Virgin Islands: *Provided*, That the jurisdiction of the District Court of the Virgin Islands under this subsection shall not extend to civil actions wherein the matter in controversy does not exceed the sum or value of $500, exclusive of interest and costs; to criminal cases wherein the maximum punishment which may be imposed does not exceed a fine of $100 or imprisonment for six months, or both; and to violations of local police and executive regulations. The courts established by local law shall have jurisdiction over the civil actions, criminal cases, and violations set forth in the preceding proviso. In causes brought in the district court solely on the basis of this subsection, the district court shall be considered a court established by local law for the purposes of determining the availability of indictment by grand jury or trial by jury.

"'(c) The District Court of the Virgin Islands shall have concurrent jurisdiction with the courts of the Virgin Islands established by local law over those offenses against the criminal laws of the Virgin Islands, whether felonies or misdemeanors or both, which are of the same or similar character or part of, or based on, the same act or transaction or two or more acts or transactions connected together or constituting part of a common scheme or plan, if such act or transaction or acts or transactions also constitutes or constitute an offense or offenses against one or more of the statutes over which the District Court of the Virgin Islands has jurisdiction pursuant to subsections (a) and (b) of this section.'.

"(b) The provisions of this section shall not result in the loss of jurisdiction of the District Court of the Virgin Islands over any complaint or proceeding pending in it on the day preceding the effective date of this amendatory Act and such complaint and proceeding may be pursued to final determination in the District Court of the Virgin Islands, the United States Court of Appeals for the Third Circuit, and the Supreme Court, notwithstanding the provisions of this amendatory Act.

"SEC. 704. Section 23 of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C. 1613) is amended to read as follows:

"'SEC. 23. The relations between the courts established by the Constitution or laws of the United States and the courts established by local law with respect to appeals, certiorari, removal of causes, the issuance of writs of habeas corpus, and other matters or proceedings shall be governed by the laws of the United States pertaining to the relations between the courts of the United States, including the Supreme Court of the United States, and the courts of the several States in such matters and proceedings: *Provided*, That for the first fifteen years following the establishment of the appellate court authorized by section 21(a) of this Act, the United States Court of Appeals for the Third Circuit shall have jurisdiction of appeals from all final decisions of the highest court of the Virgin Islands from which a decision could be had. The Judicial Council of the Third Circuit shall submit reports to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives at intervals of five years following the establishment of such appellate court as to whether it has developed sufficient institutional traditions to justify direct review by the Supreme Court of the United States from all such final decisions. The United States Court of Appeals for the Third Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisons of this section.'.

"SEC. 705. The Revised Organic Act of the Virgin Islands is amended by adding to it a new section 23A:

"'SEC. 23A. (a) Prior to the establishment of the appellate court authorized by section 21(a) to this Act, the District Court of the Virgin Islands shall have such appellate jurisdiction over the courts of the Virgin Islands established by local law to the extent now or hereafter prescribed by local law: *Provided*, That the legislature may not preclude the review of any judgment or order which involves the Constitution, treaties, or laws of the United States, including this Act, or any authority exercised thereunder by an officer or agency of the Government of the United States, or the conformity of any law enacted by the legislature of the Virgin Islands or of any order or regulation issued or action taken by the executive branch of the government of the Virgin Islands with the Constitution, treaties, or laws of the United States, including this Act, or any authority exercised thereunder by an officer or agency of the United States.

"'(b) Appeals to the District Court of the Virgin Islands shall be heard and determined by an appellate division of the court consisting of three judges, of whom two shall constitute a quorum. The chief judge of the district court shall be the presiding judge of the appellate division and shall preside therein unless disqualified or otherwise unable to act. The other judges who are to sit in the appellate division at any session shall be designated by the presiding judge from among the judges who are serving on, or are assigned to, the district court from time to time pursuant to section 24(a) of this Act: *Provided*, That no more than one of them may be a judge of a court established by local law. The concurrence of two judges shall be necessary to any decision by the appellate division of the district court on the merits of an appeal, but the presiding judge alone may make any appropriate orders with respect to an appeal prior to the hearing and determination thereof on the merits and may dismiss an appeal for want of jurisdiction or failure to take or prosecute it in accordance with the applicable law or rules of procedure. Appeals pending in the district court on the effective date of this Act shall be heard and determined by a single judge.

"'(c) The United States Court of Appeals for the Third Circuit shall have jurisdiction of appeals from all final decisions of the district court on appeal from the courts established by local law. The United States Court of Appeals for the Third Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisions of this subsection.

"'(d) Upon the establishment of the appellate court provided for in section 21(a) of this Act all appeals from the decisions of the courts of the Virgin Islands established by local law not previously taken must be taken to that appellate court. The establishment of the appellate court shall not result in the loss of jurisdiction of the district court over any appeal then pending in it. The rulings of the district court on such appeals may be reviewed in the United States Court of Appeals for the Third Circuit and in the Supreme Court notwithstanding the establishment of the appellate court.'.

"SEC. 706. (a) Section 24(a) of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C. 1614(a)) is amended to read as follows:

"'(a) The President shall, by and with the advice and consent of the Senate, appoint two judges for the District Court of the Virgin Islands, who shall hold office for terms of ten years and until their successors are chosen and qualified, unless sooner removed by the President for cause. The judge of the district court who is senior in continuous service and who otherwise qualifies under section 136(a) of title 28, United States Code, shall be the chief judge of the court. The salary of a judge of the district court shall be at the rate prescribed for judges of the United States district courts. Whenever it is made to appear that such an assignment is necessary for the proper dispatch of the business of the district court, the chief judge of the Third Judicial Circuit or the United States may assign a judge of a court of record of the Virgin Islands established by local law, or a circuit or district

judge of the Third Judicial Circuit, or a recalled senior judge of the District Court of the Virgin Islands, or the Chief Justice of the United States may assign any other United States circuit or district judge with the consent of the judge so assigned and of the chief judge of his circuit, to serve temporarily as a judge of the District Court of the Virgin Islands. The compensation of the judges of the district court and the administrative expenses of the court shall be paid from appropriations made for the judiciary of the United States.'

"(b) Section 24(b) of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C. 1614(b)) is amended to read as follows:

"'(b) Where appropriate, the provisions of part II of title 18 and of title 28, United States Code, and, notwithstanding the provisions of rule 7(a) and of rule 54(a) of the Federal Rules of Criminal Procedure relating to the requirement of indictment and to the prosecution of criminal offenses in the Virgin Islands by information, respectively, the rules of practice heretofore or hereafter promulgated and made effective by the Congress or the Supreme Court of the United States pursuant to titles 11, 18, and 28, United States Code, shall apply to the district court and appeals therefrom: *Provided,* That the terms "Attorney for the government" and "United States attorney" as used in the Federal Rules of Criminal Procedure, shall, when applicable to causes arising under the income tax laws applicable to the Virgin Islands, mean the Attorney General of the Virgin Islands or such other person or persons as may be authorized by the laws of the Virgin Islands to act therein: *Provided further,* That in the district court all criminal prosecutions under the laws of the United States, under local law under section 22(c) of this Act, and under the income tax laws applicable to the Virgin Islands may be had by indictment by grand jury or by information: *Provided further,* That an offense which has been investigated by or presented to a grand jury may be prosecuted by information only by leave of court or with the consent of the defendant. All criminal prosecutions arising under local law which are tried in the district court pursuant to section 22(b) of this Act shall continue to be had by information, except such as may be required by the local law to be prosecuted by indictment by grand jury.'.

"SEC. 707. Section 25 of the Revised Organic Act of the Virgin Islands (68 Stat. 507; 48 U.S.C. 1615) is amended to read as follows:

"'SEC. 25. The Virgin Islands consists of two judicial divisions; the Division of Saint Croix, comprising the island of Saint Croix and adjacent islands and cays, and the Division of Saint Thomas and Saint John, comprising the islands of Saint Thomas and Saint John and adjacent islands and cays. Court for the Division of Saint Croix shall be held in Christiansted, and for the Division of Saint Thomas and Saint John at Charlotte Amalie.'.

"SEC. 708. Section 27 of the Revised Organic Act of the Virgin Islands (68 Stat. 507; 48 U.S.C. 1617) is amended by substituting the words 'courts established by local law' for 'inferior courts of the Virgin Islands' wherever they appear, and by deleting the last two sentences.

"SEC. 709. The Act of May 20, 1932 (47 Stat. 160; 48 U.S.C. 1400) is repealed.

"TITLE VIII

"GUAM

"SEC. 801. Section 22 of the Organic Act of Guam (64 Stat. 389; 48 U.S.C. 1424), as amended, is amended to read as follows:

"'SEC. 22. (a) The judicial authority of Guam shall be vested in a court of record established by Congress, designated the "District Court of Guam," and such local court or courts as may have been or shall hereafter be established by the laws of Guam in conformity with section 22A of this Act.

"'(b) The District Court of Guam shall have the jurisdiction of a district court of the United States, including, but not limited to, the diversity jurisdiction provided for in section 1332 of title 28, United States Code, and that of a bankruptcy court of the United States.

"'(c) In addition to the jurisdiction described in subsection (b), the District Court of Guam shall have original jurisdiction in all other causes in Guam, jurisdiction over which is not then vested by the legislature in another court or other courts established by it. In causes brought in the district court solely on the basis of this subsection, the district court shall be considered a court established by the laws of Guam for the purpose of determining the requirements of indictment by grand jury or trial by jury.

"'SEC. 22A. (a) The local courts of Guam shall consist of such trial court or courts as may have been or may hereafter be established by the laws of Guam. On or after the effective date of this Act, the legislature of Guam may in its discretion establish an appellate court.

"'(b) The legislature may vest in the local courts jurisdiction over all causes in Guam over which any court established by the Constitution and laws of the United States does not have exclusive jurisdiction. Such jurisdiction shall be subject to the exclusive or concurrent jurisdiction conferred on the District Court of Guam by section 22(b) of this Act.

"'(c) The practice and procedure in the local courts and the qualifications and duties of the judges thereof shall be governed by the laws of Guam and the rules of those courts.

"'SEC. 22B. The relations between the courts established by the Constitution or laws of the United States and the local courts of Guam with respect to appeals, certiorari, removal of causes, the issuance of writs of habeas corpus, and other matters or proceedings shall be governed by the laws of the United States pertaining to the relations between the courts of the United States, including the Supreme Court of the United States, and the courts of the several States in such matters and proceedings: *Provided,* That for the first fifteen years following the establishment of the appellate court authorized by section 22A(a) of this Act, the United States Court of Appeals for the Ninth Circuit shall have jurisdiction of appeals from all final decisions of the highest court of Guam from which a decision could be had. The Judicial Council of the Ninth Circuit shall submit reports to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives at intervals of five years following the establishment of such appellate Court as to whether it has developed sufficient institutional traditions to justify direct review by the Supreme Court of the United States from all such final decisions. The United States Court of Appeals for the Ninth Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisions of this subsection.

"'SEC. 22C. (a) Prior to the establishment of the appellate court authorized by section 22A(a) of this Act, the District Court of Guam shall have such appellate jurisdiction over the local courts of Guam as the legislature may determine: *Provided,* That the legislature may not preclude the review of any judgment or order which involves the Constitution, treaties, or laws of the United States, including this Act, or any authority exercised thereunder by an officer or agency of the Government of the United States, or the conformity of any law enacted by the legislature of Guam or of any orders or regulations issued or actions taken by the executive branch of the government of Guam with the Constitution, treaties, or laws of the United States, including this Act, or any authority exercised thereunder by an officer or agency of the United States.

"'(b) Appeals to the District Court of Guam shall be heard and determined by an appellate division of the court consisting of three judges, of whom two shall constitute a quorum. The district judge shall be the presiding judge of the appellate division and shall preside therein unless disqualified or otherwise unable to act. The other judges who are to sit in the appellate division of any session shall be designated by the presiding judge from among the judges who are serving on, or are assigned to, the district court from time to time pursuant to section 24 of this Act: *Provided,* That no more than one of them may be a judge of a court of record of Guam. The concurrence of two judges shall be necessary to any decision of the appellate division of the district court on the merits of an appeal, but the presiding judge alone may make any appropriate orders with respect to an appeal prior to the hearing and determination thereof on the merits and may dismiss an appeal for want of jurisdiction or failure to take or prosecute it in accordance with the applicable law or rules of procedure.

"'(c) The United States Court of Appeals for the Ninth Circuit shall have jurisdiction of appeals from all final decisions of the appellate division of the district court. The United States Court of Appeals for the Ninth Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisions of this subsection.

"'(d) Upon the establishment of the appellate court provided for in section 22A(a) of this Act all appeals from the decisions of the local courts not previously taken must be taken to the appellate court. The establishment of that appellate court shall not result in the loss of jurisdiction of the appellate division of the district court over any appeal then pending in it. The rulings of the appellate division of the district court on such appeals may be reviewed in the United States Court of Appeals for the Ninth Circuit and in the Supreme Court notwithstanding the establishment of the appellate court.

"'SEC. 22D. Where appropriate, the provisions of part II of title 18 and of title 28, United States Code, and, notwithstanding the provision in rule 54(a) Federal Rules of Criminal Procedure relating to the prosecution of criminal offenses on Guam by information, the rules of practice and procedure heretofore or hereafter promulgated and made effective by the Congress or the Supreme Court of the United States pursuant to titles 11, 18, and 28, United States Code, shall apply to the District Court of Guam and appeals therefrom; except that the

terms, "Attorney for the government" and "United States attorney", as used in the Federal Rules of Criminal Procedure, shall, when applicable to cases arising under the laws of Guam, including the Guam Territorial income tax, mean the Attorney General of Guam or such other person or persons as may be authorized by the laws of Guam to act therein.'.

"SEC. 802. Section 24 of the Organic Act of Guam, as amended (64 Stat. 390; 48 U.S.C. 1424b), is amended, by:

"(a) substituting in the first paragraph of subsection (a) the words 'for the term of ten years' for 'for a term of eight years';

"(b) substituting in the second paragraph of subsection (a) the words 'a local court of record' for 'the Island Court of Guam';

"(c) inserting in the second paragraph of subsection (a) between the words 'ninth circuit' and 'or' the words 'or a recalled senior judge of the District Court of Guam or of the District Court for the Northern Mariana Islands';

"(d) substituting in subsection (b) the numbers '35' and '37' for '31' and '33', respectively; and

"(e) deleting subsection (c).

"SEC. 803. Section 1 of the Act of August 27, 1954 (68 Stat. 882), is amended by repealing that portion which reads: 'that no provisions of any such rules which authorize or require trial by jury or the prosecution of offenses by indictment by a grand jury instead of by information shall be applicable to the District Court of Guam unless and until made so applicable by laws enacted by the Legislature of Guam, and except further'.

"TITLE IX

"NORTHERN MARIANA ISLANDS

"SEC. 901. Section 1 of the Act of November 8, 1977 (91 Stat. 1265, 48 U.S.C. 1694) is amended by:

"(a) substituting in subsection (b)(1) the words 'for a term of ten years' for 'for a term of eight years';

"(b) inserting in subsection (b)(2) between the words 'President' and 'or', the words 'or a recalled senior judge of the District Court of Guam or of the District Court of the Northern Mariana Islands';

"(c) substituting the following for subsection (c):

" 'where appropriate, and except as otherwise provided in articles IV and V of the Covenant approved by the Act of March 24, 1976 (90 Stat. 263), the provisions of part II of title 18 and of title 28, United States Code, the rules of practice and procedure heretofore or hereafter promulgated and made effective by the Congress or the Supreme Court of the United States pursuant to titles 11, 18, and 28, United States Code, shall apply to the District Court for the Northern Mariana Islands and appeals therefrom; except that the terms 'Attorney for the government' and 'United States attorney', as used in the Federal Rules of Criminal Procedure, shall, when applicable to cases arising under the laws of the Northern Mariana Islands, include the Attorney General of the Northern Mariana Islands or such other person or persons as may be authorized by the laws of the Northern Mariana Islands to act therein."

"SEC. 902. Section 2(a) of the Act of November 8, 1977 (91 Stat. 1266; 48 U.S.C. 1694a(a)), is amended to read as follows:

" '(a) The District Court for the Northern Mariana Islands shall have the jurisdiction of a district court of the United States, including, but not limited to, the diversity jurisdiction provided for in section 1332 of title 28, United States Code, and that of a bankruptcy court of the United States. With respect to the government of the Trust Territory of the Pacific Islands or its agencies of instrumentalities the jurisdiction of the district court shall extend only (a) to actions brought by that government or its agencies or instrumentalities, (b) to actions brought against that government or its agencies or instrumentalities based upon a commercial activity carried on by that government or its agencies or instrumentalities within the Northern Mariana Islands, and (c) to actions in which money damages are sought against that government or its agencies or instrumentalities for personal injury or death, or damage to or loss of property, occurring in the Northern Mariana Islands and caused by the tortious act or omission of that government or its agencies or instrumentalities, or of any official or employee thereof while acting within the scope of his office or employment, except any claim based upon the exercise or failure to exercise a discretionary function, regardless of whether the discretion be abused, or any claim arising out of malicious persecution, abuse of process, libel, slander, misrepresentation, deceit or interference with contract rights. In any suit by or against the government of the Trust Territory or its agencies or instrumentalities permissible under this section, that government or its agencies or instrumentalities shall be entitled to such rights and privileges as are applicable to the United States when it is a party. In cases in which the district court would have no jurisdiction over the government of the Trust Territory of the Pacific Islands if suit were brought against it, the district court shall equally have no jurisdiction over actions brought against the officers or employees of that government or its agencies or instrumentalities with respect to their acts or omissions colorably related to their official duties.'

"SEC. 903. Section 3 of the Act of November 8, 1977 (91 Stat. 1266; 48 U.S.C. 1694b), is amended to read as follows:

" 'SEC. 3. (a) Prior to the estabishment of an appellate court for the Northern Mariana Islands the district court shall have such appellate jurisdiction over the courts established by the Constitution or laws of the Northern Mariana Islands as the Constitution and laws of the Northern Mariana Islands provide, except that such Constitution and laws may not preclude the review of any judgment or order which involves the Constitution, treaties, or laws of the United States, including the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (90 Stat. 263) (hereinafter referred to as "Covenant"), or any authority exercised thereunder by an officer or agency of the Government of the United States, or the conformity of any law enacted by the legislature of the Northern Mariana Islands or of any orders or regulations issued or actions taken by the executive branch of the government of the Northern Mariana Islands with the Constitution, treaties, or laws of the United States, including the Covenant or with any authority exercised thereunder by an officer or agency of the United States.

" '(b) Appeals to the district court shall be heard and determined by an appellate division of the court consisting of three judges, of whom two shall constitute a quorum. The judge appointed for the court by the President shall be the presiding judge of the appellate division and shall preside therein unless disqualified or otherwise unable to act. The other judges who are to sit in the appellate division at any session shall be designated by the presiding judge from among the judges assigned to the court from time to time pursuant to section 1(b)(2) of this Act: Provided, That no more than one of them may be a judge of a court of record of the Northern Mariana Islands. The concurrence of two judges shall be necessary to any decision by the appellate division of the district court on the merits of an appeal but the presiding judge alone may make any appropriate orders with respect to an appeal prior to the hearing and determination thereof on the merits and may dismiss an appeal for want of jurisdiction or failure to take or prosecute it in accordance with the applicable law or rules of procedure.

" '(c) The United States Court of Appeals for the Ninth Circuit shall have jurisdiction of appeals from all final decisions of the appellate division of the district court. The United States Court of Appeals for the Ninth Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisions of this subsection.'.

"SEC. 904. Section 4 of the Act of November 8, 1977 (91 Stat. 1266, 48 U.S.C. 1694c) is amended by inserting the words, 'including the Supreme Court of the United States,' between the words 'courts of the United States' and 'and'.

"TITLE X

"GENERAL PROVISIONS

"SEC. 1001. With respect to cases and controversies which may have arisen or may arise in the Northern Mariana Islands against the Government of the Trust Territory of the Pacific Islands over which the District Court of the Northern Mariana Islands lacks jurisdiction, the High Court of the Trust Territory of the Pacific Islands shall have such jurisdiction as it possessed on January 8, 1978.

"SEC. 1002. Sections 335, 336 and 402(e) of the Act of November 6, 1978 (92 Stat. 2680, 2682) are repealed.

"SEC. 1003. (a) Any judge or former judge who is receiving, or will upon attaining the age of sixty-five years be entitled to receive, payments pursuant to section 373 of title 28, United States Code may elect to become a senior judge of the court on which he served while on active duty.

"(b) The Chief Judge of a Judicial Circuit may recall any such senior judge of his circuit, with the judge's consent, to perform in the District court of Guam, the District Court of the Virgin Islands, or the District court for the Northern Mariana Islands such judicial duties and for such periods of time as the Chief Judge may specify.

"(c) Any act or failure to act by a senior judge performing judicial duties pursuant to this section shall have the same force and effect as if it were the act or failure to act of a judge on active duty; but such senior judge shall not be counted as a judge of the court on which he is serving for purposes of the number of judgeships authorized for that court.

"(d) Any senior judge shall be paid, while performing duties pursuant to this section, the same compensation (in lieu of payments pursuant to section 373 of title 28, United States Code) and the same allowances for travel and other expenses as a judge is active service.

"(e) Senior judges under subsection (a) of this section shall at all times be governed by the Code of judicial conduct for the United

States judges, approved by the Judicial Conference of the United States.

"(f) Any person who has elected to be a senior judge under subsection (a) of this section and who thereafter—

"(1) accepts civil office or employment under the Government of the United States (other than the performance of judicial duties pursuant to subsection (b) of this section);

"(2) engages in the practice of law; or

"(3) materially violated the Code of judicial conduct for the United States judges,

shall cease to be a senior judge and to be eligible for recall pursuant to subsection (b) of this section.

"SEC. 1004. The prosecution in a Territory or Commonwealth is authorized—unless precluded by local law—to seek review or other suitable relief in the appropriate local or federal appellate court, or, where applicable, in the Supreme Court of the United States from—

"(a) a decision, judgment, or order of a trial court dismissing an indictment or information as to any one or more counts, except that no review shall lie where the constitutional prohibition against double jeopardy would further prosecution;

"(b) a decision or order of a trial court suppressing or excluding evidence or requiring the return of seized property in a criminal proceeding, not made after the defendant has been put in jeopardy and before the verdict or finding on an indictment or information, if the prosecution certifies to the trial court that the appeal is not taken for purpose of delay and that the evidence is a substantial proof of a fact material in the proceeding.

"(c) an adverse decision, judgment, or order of an appellate court.

"SEC. 1005. The provisions of sections 706(a), 802(a), and 901(a) of this Act extending the terms of district court judges of the Virgin Islands, Guam, and the Northern Mariana Islands, respectfully, from eight to ten years shall be applicable to the judges of those courts holding office on the effective date of this Act.

"SEC. 1006. Titles VII, VIII, IX, and X of this Act shall become effective on the ninetieth day following their enactment.".

Mr. WEICKER. Mr. President, I rise today to speak in behalf of H.R. 5561, legislation which includes a variety of provisions dealing with the territories of the United States. Only July 26, 1984, the Subcommittee on Energy Conservation and Supply held a hearing on this measure and it was my hope that the bill would be reported by the full committee at the August 1, 1984 business meeting. Unfortunately, the full committee had insufficient time to consider the legislation. Because of the urgency of the bill and the broad support it enjoys, the committee has agreed to discharge it for consideration by the full Senate. I would like to thank the committee members, and particularly the committee chairman, for their assistance in moving this bill forward for prompt consideration.

H.R. 5561, as passed by the House on June 28, 1984, contained 16 provisions. On most of these provisions we are in agreement with the House and the administration or we have technical changes which are agreeable. However, there are two provisions which the subcommittee could not support and which I would like to explain.

First, section 203 of the bill authorizes refinancing of the Guam Power Authority $36 million loan at a rate of 7 percent down from 14.255 percent, and without a prepayment penalty. The penalty costs and subsidy are to be paid from the Treasury. This provision is of particular concern to me because the legislature of Guam maintains ratemaking authority for the Guam Power Authority but it has not moved to resolve the financial problems of the utility. I believe that it is essential for the Guam legislature to establish an independent ratemaking body before the Congress considers refinancing.

Congressman WON PAT, in his testimony before the subcommittee and in other discussions with the committee, has made an eloquent and effective case for Federal assistance to Guam Power. And were it not for the attitude of some toward the management of Guam Power, I might be persuaded to agree with the House language.

I made it clear in the subcommittee hearing, and I want to restate it here, that I will support full local authority in Guam over local affairs, including Guam Power. The grant of authority, however, carries with it the responsibility to exercise that authority wisely and for the benefit of the residents of Guam. The government of Guam has chosen to involve itself directly in the conduct of GPA to the extent that GPA is in technical default on its loan from Bank of America and has failed to meet its last two interest payments on its loan from the Federal Government. The government of Guam has chosen to have its section 30 funds used as an indirect subsidy to GPA rather than using those funds for health and education or to complete their penitentiary. While I may not agree with their decision, I will respect it. I can only hope the Governor, the legislature, and other leaders have informed the residents of Guam what the effect of this decision will be in 1990 when the principal comes due and the entire section 30 funds will be withheld.

As I stated earlier, I am not opposed to assistance to GPA and I only wish that the concerns which Congressman WON PAT has expressed were shared by the local leadership in Guam. At the present time, however, I believe that it would be irresponsible for the Congress to agree to any refinancing so long as the Government of Guam is committed to preventing Guam Power from meeting its obligations which I assume would also encompass any new obligations under a refinancing. I would be willing to reconsider my position in the future if the Guam Legislature does establish an independent rate-making body.

Second, section 602(b) of the bill would permit the Administrator of EPA to make grants for sewage facilities in the territories and would remove any limitations and conditions on grant eligibility. I think you will agree with the administration's position as I did, that this language is too broad in its removal of any limitations on grant eligibility. The EPA is currently developing narrower language which will address the needs of the territories, but they have not yet completed that task. Accordingly, I suggest that this provision be deleted and that more carefully drafted language be adopted when it is agreed upon.

Mr. President, I would like to offer an amendment to H.R. 5561 which would incorporate into this bill the changes I have just outlined, along with the additional changes on which there is agreement. I ask unanimous consent that a full explanation of the provisions of this committee amendment be inserted in the RECORD at this point.

Mr. President, I urge that H.R. 5561 be passed with the committee amendment.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

TITLE I

Section 101. This section would permit the appropriation of not to exceed $2 million in each of fiscal years 1985, 1986, and 1987 in technical assistance to develop private enterprise in the territories with annual reports from the Secretary of the Interior. At present there is an open and authorization for technical assistance and this section would not alter that authorization. The section does reflect a concern by the Committee that economic development of the territories requires greater attention to the private sector to reduce dependence on the public sector, especially for employment.

TITLE II

Section 201 and 202. Sections 201 and 202 would provide the Virgin Islands and American Samoa the authority to issue industrial development bonds. The language also provides that such issues would be exempt from state and local taxation in the United States. The amendment makes it clear that the exemption applies only to income taxation of the interest income and is not designed to exempt such issues from estate, gift, or other such transfer taxes. Such issues would also be exempt from federal income taxation to the extent such issues are exempt under, and as provided in, the Internal Revenue Code, including the limitation of $150 per capita on certain issues included in the Deficit Reduction Act of 1984. The Committee notes that the $200 million minimum cap provided to the States was not provided to the territories. While the Committee understands the concerns underlying this decision, the effect is to limit both the Virgin Islands and Guam to approximately $17 million each, Samoa to about $5 million, and the Marianas to less than $3 million. The Committee hopes that the Administration and the Congress will work to develop a formula which will recog-

nize the particular needs and circumstances of the territories in a fashion consistent with tax policy and efforts to develop the private sector in the territories.

The language also would supersede the three year limit contained in authorizations to the Virgin Islands and American Samoa in section 647 of the Deficit Reduction Act. The limit was designed to afford the Congress the opportunity to cosider several changes in the mirror code application to the Virgin Islands which the Administration and the Virgin Islands have been discussing. The Committee understands that there are problems in the application of the provisions that are of concern both to the Treasury Department and to the Virgin Islands. The Committee believes that these problems should be addressed, and expects that the Virgin Islands and the Administration will be able to agree on any necessary modifications and submit them to the Congress so that they can be fully considered during the 99th Congress. Given that expectation, there appears to be no need for the three year limitation.

TITLE III

Sections 301 and 302 would consider the U.S. nationals of American Samoa and the citizens of the Northern Mariana Islands as U.S. citizens for the purpose of vessel documentation and manning laws. It would also permit the licensing of foreign-built vessels under 200 gross tons in weight for fishing in the territorial sea and fishery conservation zones adjacent to the Pacific territories and the coastwise trade of fisheries products in and among the Pacific territories.

This section thus provides narrow exceptions to vessel documentation and manning and fisheries laws for the Pacific territories. The Committee believes that strict application of those laws to the Pacific territories may be impeding the development of an economically significant commercial fishing industry in the territories.

The Committee does not intend to overturn or undermine established cabotage and citizenship requirements reflected in the Jones Act, 46 U.S.C. § 883, and other statutes. The Committee recognizes that those statutes serve legitimate political and economic objectives. For that reason, the exception provided to the vessel documentation and manning and fisheries laws goes no further than the Committee believes may be appropriate to encourage development of a local fishing industry in the Pacific territories. Sections 301 and 302 would have no effect on the current requirement that transportation of fisheries products between points within Guam and other points, outside the Pacific territories, that are within United States coastwise jurisdiction, be reserved to U.S.-built vessels. Nor is there any intent to undermine the requirement that trade between Guam and other points within U.S. coastwise jurisdiction be reserved to U.S.-flag vessels.

The Committee intends to monitor the effect of Sections 301 and 302 on the development of a local fishing industry in the Pacific territories and on the U.S. shipping industry and to determine whether, in light of the experience under Sections 301 and 302, its provisions ought to remain in effect.

TITLE IV

Section 401(a). This subsection would authorize the appropriation of not to exceed $16.3 million beginning in fiscal year 1986 for construction projects on Guam. This section is an increase of $6.7 million over the authorization contained in the measure as passed by the House based on information submitted by the Governor of Guam during the appropriation hearings. The purpose of the authorization is to assist in the development of the infrastructure for storage and delivery of water. The Department of the Interior is presently conducting a study of the water resources of Guam and the Committee expects that the results of that study will be available to assist the Appropriations Committee in determining the timing and level of assistance which should be provided to Guam.

Section 401(b). This subsection would permit the use of not to exceed $600,000 in technical assistance in fiscal year 1985 for planning improvements for the Alexander Hamilton Airport in St. Croix, Virgin Islands and to use the remaining authorization for water and power improvements for the airport. The Committee is concerned that funding for the airport has not been requested especially in light of the Administration's efforts to encourage private sector development in the territories and the attention to the Caribbean. The Virgin Islands, as other territories, is dependent on air service and has enormous potential for tourism development. It is not the intent of the amendment to displace normal funding from the FAA and the Department of Transportation, but rather to reflect the concern which the Committee has with the slow progress in completing the airport. The Committee expects the Secretary of the Interior to discuss with the Secretary of Transportation and the Administration of the FAA the needs of the airport and to submit to the Committee by December 1, 1985 a time estimate for the completion of the airport together with an estimate of the cost.

Section 401(c). This subsection would authorize a study of housing needs in American Samoa. The Committee agrees with the concerns expressed by the Assistant Secretary of the Interior that the requirements contained in many federal laws are inconsistent with the traditions and culture of American Samoa. Accordingly, it is the intent of the Committee that the Secretary of the Interior should identify the particular problems in existing programs and determine whether amendments should be considered or whether separate provisions should be enacted to meet the needs of American Samoa.

Section 401(d). This section would authorize $15 million for water infrastructure in the Marianas effective fiscal year 1986. The House passed measure had proposed $2 million in fiscal year 1985, however, the situation in the Marianas has become so critical that the Senate Appropriations Subcommittee has included $2 million from the existing authorization for health care needs to begin work. While the Committee agrees with the Administration that attention should be given to the possibility of Covenant authorizations to meet some of the water needs, that decision can only be made on a year to year basis during the Appropriations process. The authorization of $15 million should be adequate, when combined with other funding sources, to meet the needs of the Marianas on an expeditious basis without endangering health. The Committee does not believe that either the federal government or the Marianas should wait until an epidemic, such as the ongoing cholera problem in Truk or the current hepatitis outbreak in the Marianas, occurs before addressing a known and serious deficiency in infrastructure.

TITLE V

Section 501. This section would quiet title to the property in the Virgin Islandss known as Ebenezer Home. The Administration testified that the United States has no interest in the property and believes that title was transferred long ago. Because there is some uncertainty, which has prevented use of the property, this section would formally convey all interest of the United States to the property to the Virgin Islands.

Section 502. This section transfers title to Government House on St. Croix to the Virgin Islands government. Title to Government House on St. Thomas had previously been transferred to the Virgin Islands and the Governor presently uses Government House on St. Croix rent free as his official residence. The building also houses certain offices as well as the district court. Although the building is a part of Christiensted National Historical Site, it has been maintained by the Virgin Islands government not by the National Park Service. In view of the historic importance of the House, the Committee expects that the Virgin Islands will enter into an appropriate agreement with the National Park Service to provide for interpretation of the House as part of the Historical Site and for the maintenance of the building and its antique furnishings with reasonable public access.

TITLE VI

Section 601. This section would: (1) clarify section 1013 of the Urban Parks and Recreation Recovery Act by replacing "subsection" with "section" since there are no subsections in that section; (2) include Guam and the Virgin Islands in the limited matching waiver previously extended to the Marianas and Samoa; (3) include Samoa and the Marianas in the Urban Development Action Grant Progam; (4) include Guam, American Samoa, and the Marianas in the Agricultural Conservation Program; (5) include the Marianas under the Energy Conservation Program for public buildings; and (6) include the Trust Territory (including the Northern Marianas) now and the Northern Marianas after termination of the Trusteeship in the Energy Policy and Conservation Act and the Energy Extension Service Act. This section corrects deficiencies in several statutes which included some, but not all, of the territories in the definitions. The inclusion of Guam and the Virgin Islands in the matching waiver authorization recognizes that in effect both territories wind up matching federal grants with federal dollars due to their dependence on federal transfer payments under the mirror code and section 30 or 28, respectively, of their organic legislation.

TITLE VII—VIRGIN ISLANDS

Section 701. This section amends § 3 of the Revised Organic Act of the Virgin Islands of 1954 (referred to in this title as "Act"), 48 U.S.C. § 1561, by authorizing the prosecution by indictment or by information of violations of the laws of the United States and of certain local offenses closely related to such violations. It is designed to face the problem presented by *United States* v. *Christian*, 660 F.2d 892 (3rd Cir. 1981), which held that existing law precludes the impanelling of federal grand jury for the investigation of violations of federal laws in the Virgin Islands.

Section 702. This section amends § 21 of the Act, 48 U.S.C. 1611, by authorizing the establishment of a local appellate court. It

also authorizes the legislature of the Virgin Islands to vest in the local courts jurisdiction over all causes in the Virgin Islands over which the federal courts do not have exclusive jurisdiction. If the legislature exercises the authority, it must confer on the local courts exclusive jurisdiction. It may not provide litigants an option to proceed in local or in federal court. That jurisdiction of the local court, however, is subject to the concurrent jurisdiction of the district court provided for in § 22(a) and (c). The procedure in the local courts is to be governed by local law.

Section 703. (a) Section 703(a) amends §§ 22 and 23 of the Act, 48 U.S.C. §§1612, 1613. Section 22(a) confers on the District Court of the Virgin Islands the full jurisdiction of a district court of the United States. In view of the decision in *Chase Manhattan Bank (N.A.)* v. *South Acres Development Co.*, 434, U.S. 236 (1978) § 22(a) states specifically that the district court has the diversity jurisdiction provided for in 28 U.S.C. § 1332. The redraft of §22(a) takes account (a) of the amendment of 28 U.S.C. §1331, which has eliminated the jurisdictional amount in the federal question jurisdiction of the district courts, and (b) of the amendment of § 22(a) by § 336(a) and 402(e) of the Bankruptcy Reform Act of 1978, 92 Stat. 2680, 2682, which conferred on the District Court of the Virgin Islands the jurisdiction of a bankruptcy court of the United States. In analogy to § 31 of the Organic Act of Guam, 48 U.S.C. § 1421i(h), the district court will also have exclusive jurisdiction in all proceedings under the income tax laws applicable to the Virgin Islands, except certain ancillary laws enacted by the legislature of the Virgin Islands.

This provision is based on the consideration that since the income tax laws applicable to the Virgin Islands are the provisions of the Internal Revenue Code uniformity of interpretation requires that questions involving the interpretation of those laws be litigated only in the Federal courts. This provision appears to be necessary in view of the characterization of the income tax laws of the Virgin Islands as a local Territorial tax which is reviewable in the district court only by virtue of local legislation. *Dudley* v. *Commissioner of Internal Revenue*, 258 F.2d 182 (3rd Cir. 1958). Another reason for this provision is the factor that this bill would abolish the concurrent jurisdiction of the district court over causes based on local law, of local law has vested jurisdicition over them in the local courts. See Section 22(b). The section further provides that violations of the Federal income tax laws applicable to the Virgin Islands constitute offenses against the government of the Virgin Islands, which the appropriate officer of the Virgin Islands may prosecute in the district court without the request or consent of the United States Attorney normally required by Section 27 of the Act, 48 U.S.C. § 1617. This sentence is modeled on Section 31(f) of the Organic Act of Guam; 48 U.S.C. § 421i(f).

The purpose of section 22(b) is to eliminate the present situation of both the district court and the local court having jurisdiction over strictly local causes. Upon the effective date, the district court will not longer have jurisdiction over any cause over which local law has vested jurisdiction in the local courts. The decision as to whether jurisdiction over strictly local causes should be vested in the district court or the local courts will be made by local law. At any time the local legislature may divest the local courts of jurisdiction over any cause which will automatically revest jurisdiction in the district court, or, by vesting jurisdiction in the local courts, the local law will have the effect of divesting the district court of jurisdiction.

The only exceptions are those provided by Federal law, such as diversity cases under 28 U.S.C. 1332 or causes involving a Federal question under 28 U.S.C. 1331. In addition, under section 22(c), the district court will retain concurrent jurisdiction over closely related offenses.

Section 22(c) confers on the district court concurrent jurisdiction over offenses of which the local courts have jurisdiction, if those offenses are closely related to offenses over which the district court has jurisdiction. The purpose of this provision is to obviate the need for trying in different courts separate aspects of the same offense or of closely related offenses. This subsection is based in part on Rule 8(a) of the Federal Rulers of Criminal Procedure.

(b) Section 703(b) takes account of the loss of the district court's present concurrent jurisdiction over local causes transferred by local law to the local courts, and continues the jurisdiction of the federal courts over the local causes pending in the federal trial and appellate courts on the effective date of this Act.

Section 704. This section replaces § 23 of the Act, 48 U.S.C. § 1613. It provides generally that the relations between the local courts of the Virgin Islands and the federal courts, including the Supreme Court, shall be the same as the relation between the state courts and the federal courts, except that for the first fifteen years following the establishment of the local appellate court, all the decisions of the highest local court from which a decision may be had shall be reviewable in the United States Court of Appeals of the Third Circuit. The phrase "including the Supreme Court of the United States" is included to explicitly note the jurisdiction of the Supreme Court.

The transitional period of fifteen years is the same as the one provided for in § 4 of the Act of November 8, 1977, 48 U.S.C. § 1694(c), relating to the Northern Mariana Islands. It is based on the consideration that, during the formative years of the new appellate court and while it establishes its institutional traditions, its decisions should be reviewed by a court of appeals which is familar with the local conditions rather than on a discretionary basis by the Supreme Court.

The Court of Appeals is authorized to promulgate rules necessary to carry out the provisions of this section and may, to the extent it decides it advisable as a matter of transition and consistent with its assessment of the institutional tradition of the local court and the rights of appellants, by rule proceed to review on the basis of certiorari. The Committee is aware of the long experience which the Virgin Islands already has of having appeals taken to the Third Circuit from the district court of strictly local matters and the concern that a shorter transition period could be enacted. The quality of the judicial process, however, is of critical concern and cannot be properly evaluated until after the establishment of the local appellate court. The section therefore requires the Judicial Council of the Third Circuit at five year intervals to submit reports as to whether there is further need for review by the Court of Appeals for the Third Circuit. Should the Council indicate that the local appellate court has developed its institutional traditions, the Committee can consider legislation amending this section to shorten or eliminate the transition period.

After the expiration of the transitional period referred to in the proviso, the Supreme Court of the United States will have jurisdiction to review the decisions of the courts of the Virgin Islands in the same manner in which it reviews the decisions of the courts of the several states. See 28 U.S.C. § 1258 governing the review of the decisions of the Supreme Court of Puerto Rico by the Supreme Court of the United States.

Section 705. This section adds a new § 23A to the Act. It amplifies the last sentence of § 22 of the Act, 48 U.S.C. 1612, relating to the appellate jurisdiction of the district court over the decisions of the local courts. Section 23A provides that prior to the establishment of the appellate court authorized by § 21(a), the decisions of the local courts shall be reviewable in the district court, as provided by local law. The local legislature, however, may not preclude appeals to the district court from decisions of the local courts involving federal questions.

The pertinent proviso has been drafted (a) to assure the reviewability in the district court of local actions which are in conflict with the Constitution of the United States, federal statutes, including the Organic Act, and the acts of federal officials authorized by federal law and (b) to obviate the contention that every act of the legislative or executive branch of a territorial government raises a federal question because all those acts derive their authority from federal law, in particular the Organic Act. See in this context *Taisacan* v. *Camacho*, 660 F.2d 411, 413 (9th Cir. 1981) and *Camacho* v. *Civil Service Commission*, 666 F.2d 1257, 1261-1262 (9th Cir. 1982).

Although the section continues the current practice of review by the district court, the Committee agrees with the concerns raised by the Fourth Constitutional Convention, Governor Luis and others that the present system of reviewing decisions of local courts by a single judge is inappropriate. The section creates an appellate division within the district court for the purpose of reviewing appeals from the local court.

The appellate division consists of three judges as on Guam and the Northern Mariana Islands (see 48 U.S.C. §§ 1424 and 1694b, respectively). Following the precedent of § 3 of the Act of November 8, 1977, 48 U.S.C. § 1694b applicable to the Northern Mariana Islands, § 23A(b) provides that no more than one judge of a court established by local law may be a judge of the appellate division. This provision was included in the 1977 Act because it would be undesirable to have a majority in the appellate division consist of judges who are members of the very court the decision of which was being reviewed.

The section does provide, however, that any appeals which are pending in the district court on the effective date of the Act will continue to be heard and determined by a single judge. It likewise continues the jurisidiction of the district court over any appeal then pending upon the establishment of a local appellate court.

The final decisions of the district court on appeal from the local courts are reviewable in the Court of Appeals for the Third Circuit and, consistent with the administration of justice, may be limited to review by certiorari or other method of summary disposal as provided by rule.

Section 706. This section deals with the substance of § 24 (a) and (b) of the Act, 48 U.S.C. § 1614 (a) and (b), and the last two sentences of § 25 of the Act, 48 U.S.C. § 1615.

Section 706(a) amends § 24(a) of the Act by providing that the district judges shall be appointed for terms of ten years. Under existing law, the district judges of the territorial courts are appointed for terms of eight years. They become, however, eligible for retirement benefits only after ten years of service. 28 U.S.C. § 373. The purpose of the change is to avoid the hardship which 28 U.S.C. § 373 imposes on district judges who fail reappointment after their first term. The redraft of § 24(a) incorporates by reference the amendment of 28 U.S.C. § 136(a), relating to the appointment of the chief judges of the district courts by § 202 of the Federal Courts Improvement Act of April 2, 1982, 96 Stat. 52. It would also authorize the Chief Judge of the Third Judicial Circuit to assign to the district court a recalled senior judge of the district court of the Virgin Islands.

While the extension of the term for district judges is prospective, the Committee is aware of the situation of those judges presently serving who would not be eligible for retirement benefits if not permitted to serve an additional two years until their successors are chosen and qualified or unless the existing law were amended to make such benefits available upon completion of their present term. Testimony was received suggesting that the extension of the term be made applicable to the terms of present judges and the Committee has addressed this issue in section 1005.

Section 706(b) replaces § 24 of the Act. It expands the scope of the next to the last sentence of § 25 of the Act, 48 U.S.C. § 1615 by extending to the Virgin Islands "where appropriate" part II of title 18, and title 28, United States Code, and the rules of procedures adopted or promulgated pursuant to titles 11, 18, and 28, United States Code. At present some of the statutory procedural provisions are expressly applicable to the Virgin Islands in a haphazard manner, leaving it open whether and to what extent other provisions also apply to the Virgin Islands.

Moreover some chapters of title 28, United States Code, apply to some territories, but not to others. Thus chapter 43 relating to United States Magistrates applies to the Virgin Islands (28 U.S.C. § 6312) and to the Northern Mariana Islands (48 U.S.C. 1694(c)), but the Court of Appeals for the Ninth Circuit has taken the position that it does not apply to Guam. This subsection and its conterparts applicable to Guam and the Nothern Mariana Islands (sections 801 and 901(c) of this Act) would have the effect of making the provisions of part II of title 18 (such as venue) and title 28 generally applicable to all territorial courts. It is intended that in the Virgin Islands the only exceptions to this extension will be those provisions which are in conflict with specific legislation applicable to the Virgin Islands and those relating to judges who are appointed during good behavior.

The first proviso in § 24(b) is designed to provide that if the Attorney General of the Virgin Islands or his designee prosecutes in the District Court of the Virgin Islands any cases arising under the federal income tax laws applicable to the Virgin Islands he shall have the authority of a United States Attorney under the Federal Rules of Criminal Procedure as authorized by the amendments made by section 703(a) of this Act.

The last two provisos of § 24(b) implement the amendment of 3 of the Act by § 701 of this legislation. They provide (a) that federal offenses, local offenses coming within the scope of § 22(c), and offenses against the income tax laws applicable to the Virgin Islands may be prosecuted by indictment by grand jury or by information, and (b) that once a matter has been before a grand jury it may be prosecuted by information only by leave of court or with the consent of the defendant.

Section 707. This section amends § 25 of the Act, 48 U.S.C. 1615. It generally restates the first sentence of that section. The subject matter of the second sentence relating to the sessions of the court has been omitted since it is covered by 28 U.S.C. § 139, rendered applicable to the District Court of the Virgin Islands, by § 24(b). The subject matter of the last two sentences has been transferred to § 24(b).

Section 708. Subsection (a) amends § 27 of the Act, 48 U.S.C. § 1617, by substituting the words "courts established by local law" used in this legislation for the term "inferior courts of the Virgin Islands" used in the Act. It also repeals the last two sentences of § 27 because they duplicate 28 U.S.C. § 546, which has been made applicable to the Virgin Islands by the amendment of § 24(b) and by the first sentence of § 27.

Section 709 repeals the Act of May 20, 1932 (47 Stat. 160, 48 U.S.C. 1400) which conferred admiralty jurisdiction on the District Court of the Virgin Islands. This provision is no longer required in view of the amendment of § 22(a) of the Act, 48 U.S.C. § 1612(a), by § 703(a) of this legislation, which confers on the District Court for the Virgin Islands the full jurisdiction of a district court of the United States, including the admiralty jurisdiction under 28 U.S.C. § 1333.

TITLE VIII—GUAM

Section 801. This section restates and amplifies § 22 of the Organic Act of Guam (referred to in this title as the "Act"), 48 U.S.C. § 1414.

Section 22(a) restates the first sentence of § 22(a) of the Act, 48 U.S.C. § 1424(a).

Section 22(b) deals with the first clause of the second sentence of § 22(a) of the Act, 48 U.S.C. § 1424(a). It confers on the district court of Guam the full jurisdiction of a district court of the United States. In view of the decision in *Chase Manhattan Bank (N.A.)* v. *South Acres Development Co.*, 434 U.S. 236 (1978), the section states specifically that the district court has the diversity jurisdiction provided for in 28 U.S.C. 1332.

Section 22(b) also takes account (a) of the amendment of 28 U.S.C. § 1331, which has eliminated the jurisdictional amount in the federal question jurisdiction of the district courts, and (b) of the amendment of § 22(a) by § 335(a) and 402(e) of the Bankruptcy Reform Act of 1978, which conferred on the district court of Guam the jurisdiction of a bankruptcy court of the United States.

Section 22(c) restates the second clause of the second sentence of § 22(a) of the Act, 48 U.S.C. § 1424. It adds that where the district court retains jurisdiction over local causes because they were not transferred by the legislature to the local courts, the district court shall be deemed to be a court established by the laws of Guam for the purposes of the requirements of indictment by grand jury or trial by jury. The local legislature would also have the power to divest the local courts of jurisdiction over local causes and to return it to the district court.

Section 22A restates the part of the first sentence of § 22(a) of the Act, 48 U.S.C. § 1424(a), which relates to the local courts. The section specifically authorizes the legislature of Guam to establish an appellate court, but only after the effective date of this Act. The subsection therefore will not have the effect of reviving the Supreme Court of Guam which was established in 1974 and struck down by the Supreme Court of the United States in *Guam* v. *Olsen*, 431 U.S. 195 (1977).

Section 22A (b) and (c) generally restate the last sentence of the first paragraph of § 22(a) of the Act, 48 U.S.C. § 1424(a), relating to the power of the legislature to determine the jurisdiction and procedure in the local courts of Guam. Section 22A (b) spells out (a) that the legislature of Guam does not have the power to vest in the local courts jurisdiction over causes over which the federal courts exercise exclusive jurisdiction and (b) that the jurisdiction of the local courts of Guam is subject to the concurrent jurisdiction of the District Court of Guam under § 22(b). Section 22A(c) provides that the procedure in the local courts shall be governed by the laws of Guam or by the rules of court.

Section 22B deals with the relations between the federal courts and local courts of Guam. It provides generally that the relations between the local courts of Guam and the federal courts, including the Supreme Court of the United States, shall be the same as the relations between the state courts and the federal courts, except that for the first fifteen years following the establishment of the appellate court, all the decisions of the highest local court from which a decision may be had shall be reviewable in the United States Court of Appeals for the Ninth Circuit.

The transitional period of fifteen years is the same as the one provided for in § 4 of the Act of November 8, 1977, 48 U.S.C. § 1694c, relating to the Northern Mariana Islands. It is based on the consideration that, during the formative years of the new appellate court and while it establishes its institutional traditions, all decisions of that court should be reviewable by a court of appeals which is familiar with the local conditions rather than on a discretionary basis by the Supreme Court.

The Court of Appeals is authorized to promulgate rules necessary to carry out the provisions of this section and may, to the extent it decides it advisable as a matter of transition and consistent with its assessment of the institutional tradition of the local court and the rights of appellants, by rule proceed to review on the basis of certiorari. The Committee is aware of the long experience which Guam already has of having appeals taken to the Ninth Circuit from the district court of strictly local matters and the concern that a shorter transition period could be enacted. The quality of the judicial process, however, is of critical concern and cannot be properly evaluated until after the establishment of the local appellate court. The section therefore requires the Judicial Council of the Ninth Circuit at five year intervals to submit reports as to whether there is further need for review by the Court of Appeals for the Ninth Circuit. Should the Council indicate that the local appellate court has developed its institutional traditions, the Committee can consider legislation amending this section to shorten or eliminate the transition period.

After the expiration of the transition period referred to in the proviso, the Su-

preme Court of the United States will have jurisdiction to review the decisions of the courts of Guam in the same manner in which it reviews the decisions of the courts of the several states. See 28 U.S.C. § 1258 governing the review of the decisions of the Supreme Court of Puerto Rico by the Supreme Court of the United States.

Section 22C amplifies the second paragraph of § 22(a) of the Act, 48 U.S.C. § 1424(a), relating to the appellate jurisdiction of the district court. It provides that prior to the establishment of the appellate court authorized by § 22(a), the decisions of the local courts shall be reviewable in the appellate division of the district court, as provided by the local legislature. The latter, however, may not preclude appeals to the appellate division from decisions of the local courts involving federal questions.

The pertinent proviso has been drafted (a) to assure the reviewability in the appellate division of the district court of local actions which are in conflict with the Constitution of the United States, federal statutes, including the Organic Act, and the acts of federal officials authorized by federal law and (b) to obviate the contention that every act of the legislative or executive branch of a territorial government raises a federal question because all those acts derive their authority from federal law, in particular the Organic Act. See in this context *Taisacan* v. *Camacho*, 660 F.2d 411, 413 (9th Cir. 1981) and *Camacho* v. *Civil Service Commission*, 666 F.2d 1257, 1261-1262 (9th Cir. 1982).

Section 22C(b) provides for the establishment of an appellate divison of the district court to review any appeals from the local courts and incorporates the precedent of § 3 of the Act of November 8, 1977, 48 U.S.C. § 1694b, applicable to the Northern Mariana Islands, by providing that no more than one judge of a local court of Guam may be a judge of the appellate division. This provision was included in the 1977 Act because it would be undesirable to have a majority in the appellate division consist of judges who are members of the very court the decision of which was being reviewed.

The final decisions of the appellate division are reviewable in the Court of Appeals for the Ninth Circuit and consistent with the administration of justice, may be limited to review by certiorari or other method of summary disposal as provided by rule.

Section 22D is based on and expands § 22(b) of the Act, 48 U.S.C. § 1424(b), which now generally makes the Federal Rules of Procedure applicable to Guam. Section 22D will also extend to Guam "where appropriate" the procedural provisions of title 18 and title 28, United States Code. At present some of the statutory procedural provisions are expressly applicable to Guam in a haphazard manner, leaving it open whether and to what extent other provisions also apply to Guam.

Moreover some chapters of title 28, United States Code, apply to some territories, but not to others. Thus chapter 43 relating to United States Magistrates applies to the Virgin Islands (28 U.S.C. § 631) and to the Northern Mariana Islands (48 U.S.C. § 1694(c)), but the Court of Appeals for the Ninth Circuit has taken the position that it does not apply to Guam. This subsection and its counterparts applicable to the Virgin Islands and the Northern Mariana Islands would have the effect of making the provisions of part II of title 18 and title 28 (such as venue) generally applicable to all territorial courts. It is intended that on Guam the only exceptions to this extension will be those provisions which are in conflict with specific legislation applicable to Guam and those relating to judges who are appointed during good behavior.

Section 22D omits the provisions of § 22(b) of the Act, 48 U.S.C. § 1424(b), relating to trial by jury and prosecution by information rather than by grand jury. Those provisions appear to have been superseded by § 10 of the Elected Governor Act of 1968, 48 U.S.C. § 1421b(u), which introduced into Guam the Fifth and Sixth Amendments to the Constitution of the United States without the reservation relating to grand juries contained in the corresponding provisions applicable to the Virgin Islands. Grand juries and petit juries therefore have been utilized in federal prosecutions on Guam for many years.

Section 802 amends § 24 of the Act, 48 U.S.C. § 1424b, relating to the district judge and the officers of the District Court of Guam. Section 202(a) provides for the appointment of the district judge for a term of ten rather than eight years in order to provide for retirement benefits to district judges who fail of reappointment after their first term. The Committee's concerns expressed in the discussion of section 706 also apply to judges in Guam.

Section 802(b) is self explanatory.

Section 802(c) authorizes the Chief Judge of the Ninth Judicial Circuit to assign to the district court a recalled senior district judge. See Sec. 1003.

Section 802(d) conforms § 24(b) of the act, 48 U.S.C. § 1424(b), to the renumbering of the chapters of title 28, United States Code, in 1966.

Section 802(e) repeals § 24(c) of the Act, 48 U.S.C. § 1424b(c), which has become redundant as the result of the general applicability to Guam of title 28, United States Code by virtue of § 22D.

Section 803. The reason for this repeal is given in the last two sentences of the explanation of § 22D.

TITLE IX—NORTHERN MARIANA ISLANDS

This title amends the Act of November 8, 1977, 91 Stat. 1265, 48 U.S.C. §§ 1694-1694e (referred to as the Act in this title), which establishes the federal judicial system in, and its relationship to the local courts of, the Northern Mariana Islands in conformity with Article IV of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, approved on March 24, 1976, 90 Stat. 263 (Covenant), 48 U.S.C. § 1681, note.

Section 901(a) amends § 1(b)(1) of the Act, 48 U.S.C. § 1694(b)(1), by providing that the district judge shall be appointed for a term of ten rather than of eight years. The Committee's concerns expressed in the discussion of section 106 apply equally to the situation of judges in the Northern Mariana Islands. The purpose of this amendment is to provide for retirement benefits to a district judge who fails of reappointment after his first term. Sec. 901(b) authorizes the Chief Judge of the Ninth Judicial Circuit to assign to the District Court of the Northern Mariana Islands a recalled senior district judge. See § 1003.

SEC. 901(c) is based on and expands § 1(c) of the Act, which now generally makes the Federal Rules of Procedure applicable to the Northern Mariana Islands, unless otherwise provided in Articles IV and V of the Covenant. In addition to the existing law, § 901(c) will extend to the Northern Mariana Islands the Part II of title 18 and 28, United States Code, where "appropriate" and not inconsistent with Articles IV and V of the Covenant.

At present some of those statutory procedural provisions are expressly applicable to the Northern Mariana Islands in a haphazard manner, leaving it open whether and to what extent other provisions also apply to them. Moreover some chapters of title 28, United States Code, apply to some territories, but not to others. Thus chapter 43 relating to United States Magistrates applies to the Virgin Islands (28 U.S.C. § 631) and to Northern Mariana Islands (48 U.S.C. § 1694(c)), but the Court of Appeals for the Ninth Circuit has taken the position that it does not apply to Guam. This subsection would have the effect of making the provisions of Part II of title 18 and title 28 (such as venue) generally applicable to the District Court for the Northern Mariana Islands. It is intended that the only exceptions to this extension will be those provisions which are in conflict with specific legislation applicable to the Northern Mariana Islands, in particular Articles IV and V of the Covenant, and those relating to judges who are appointed during good behavior.

Section 902 amends § 2(a) of the Act, 48 U.S.C. § 1694(a), in four aspects. First, it adjusts the section to the recent amendment of 28 U.S.C. § 1331, pursuant to which the district courts have federal question jurisdiction without regard of the amount in controversy. Second, it provides that the court will have the jurisdiction of a bankruptcy court of the United States, as have the district courts of Guam and of the Virgin Islands. Third, in view of the decision in *Chase Manhattan Bank* v. *South Acres Development Co.*, 434 U.S. 236 (1978), the section states specifically that the district court has the diversity jurisdiction provided for in 28 U.S.C. § 1332. Fourth, it provides that the jurisdiction of the district court with respect to the government of the Trust Territory of the Pacific Islands shall extend only to actions brought by that government and, generally, to those actions against it which may be brought against a foreign government under the Foreign Sovereign Immunities Act, 28 U.S.C. § 1605, i.e. to those which are based on commercial activities carried on in the Northern Mariana Islands or on certain torts occurring there. In such actions the Trust Territory Government is entitled to such rights and privileges as are applicable to the United States where it is a party, e.g. venue, the statute of limitations, absence of a jury trial, and counterclaims.

This provision has been prompted by the decision of the Appellate Division of the District Court for the Northern Mariana Islands in *Sablan Construction Company* v. *Government of the Trust Territory of the Pacific Islands*, 526 F. Supp. 135 (D. N.M.I. App. Div. 1981) in which the court assumed jurisdiction in a tax case involving the Trust Territory Government. The provisions of the bill to treat that government as a foreign government and not as an agency of the United States is based on a number of decisions which hold within a broad spectrum of issues, that the government of the Trust Territory is not an agency of the United States. *See* in this context in particular, *People of Saipan* v. *United States*, 502 F.2d 90, 95-96, 99-100, (9th Cir. 1974), cert. denied 420 U.S. 1003 (1975); *Gale* v. *Andrew* 643 F.2d 826, 830, 832 (D.C. Cir. 1980); *Porter* v. *United States*, 204 Ct. Cl. 355, 364, 365, 496 F.2d 583, 589, 590 (Ct. Cl. 1976); *RCA Global Communications Inc.* v. *U.S. Department of the Interior*, 432 F. Supp.

791, 794 (D. Guam 1977). The last two decisions indeed consider that government to be a foreign government. The interests of the people of the Northern Mariana Islands are sufficiently protected by giving the district court contract and tort jurisdiction over the Trust Territory Government and by the provisions of § 1001. Above all, the preclusion of review by the district court of the governmental activities of the Trust Territory Government is not likely to prejudice the citizens of the Northern Mariana Islands since that government has exercised few, if any, governmental functions with respect to those Islands since 1976. On the other hand, continued jurisdiction of the district court over the Trust Territory Government may result in suits being brought against it by residents of other Micronesian islands and adversely affect the detailed claims settlement procedures provided for in the Compact with the Micronesian entities.

The Compact of Free Association which has been negotiated with the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau sets forth a different legal and judicial relationship than that which obtains under the Trusteeship Agreement. The Committee will consider that relationship when the Compact is presented to the Congress for approval and may also consider the respective roles of the Trust Territory High Court, the district court in the Marianas, the local courts of the Micronesian governments, and Court of Appeals for the Ninth Circuit during the period after approval of the Compact and prior to termination of the trusteeship and post-trusteeship as well as for any governments not covered by either the Compact or the Covenant.

The last sentence of Section 902 provides that a lack of the district court's jurisdiction over the Trust Territory Government cannot be circumvented by suits against the officers or employees of that government.

Section 903 deals with § 3 of the Act, 48 U.S.C. § 1694b, relating to the appellate jurisdiction of the district court for the Northern Mariana Islands.

First, § 903(a) establishes beyond any doubt that the appellate division of the District Court for the Northern Mariana Islands has jurisdiction only over the appeals from the decisions of the local courts of the Northern Mariana Islands and not over those of the district court. This clarification of the meaning of § 3 of the Act has been occasioned by the decision in *Sablan* v. *Santos*, 634 F.2d 1153 (9th Cir. 1980), which held that appeals from district court decisions in local law matters are to be taken to the appellate division of the district court rather than to the Court of Appeals for the Ninth Circuit. That decision is in conflict with § 402(c) of the Covenant with the Northern Mariana Islands (48 U.S.C. § 1681, note) on which § 3 of the Act is based. The explanation of § 402(c) in the Senate Report on the Covenant specifically states "the District Court will have such appellate jurisdiction over the decision of the *local* courts of the Northern Mariana Islands as the laws of the Northern Mariana Islands provide". (S. Rep. No. 433, 94th Cong. 1st Sess. 73 (1975) (emphasis added.)) The clause "such appellate jurisdiction as the laws of the Northern Mariana Islands provide" means, as do the corresponding provisions on Guam and in the Virgin Islands (48 U.S.C. § 1424(a) and 1612), that the laws of the Northern Mariana Islands may restrict the right of appeal, not that a local legislature can determine the court to which the decisions of a federal court may be appealed.

Moreover, the appellate division of the District Court for the Northern Mariana Islands has been patterned on the appellate division of the District Court of Guam. In re Webster, 363 F.2d 837; 839 (9th Cir. 1966), held that the appellate division of the District Court of Guam "has no jurisdiction except to hear appeals from the island Court of Guam (*i.e.* the local court) to the District Court of Guam." Subsequent decisions of the Court of Appeals for the Ninth Circuit, *Taisacan* v. *Camacho, 660 F.2d 411, 413, (9th Cir. 1981), and Camacho*, v. *Civil Service Commission*, 666 F.2d 1257, 1259-62 (9th Cir. 1982), point to the problems created by *Sablan* v. *Santos, supra*, viz., (a) the difficulty of determining whether a decision is based on local or federal law (666 F.2d at 1262); (b) whether an appeal to the Court of Appeals lies from a decision of the appellate division on matters of local law; and (c) whether a decision of the district court on matters of federal law can be appealed directly to the Court of Appeals. Hence, it appears imperative to clarify the point that all appeals from the decisions of the trial division of the district court go directly to the Court of Appeals for the Ninth Circuit.

Second, § 903(a) provides, as do § 705, (§ 23A(a)) and § 801, (§ 22c(a)), that the local legislature cannot preclude appeals to the appellate division of the district court from the decisions of the local courts which involve federal questions.

This provision has been drafted (a) to assure the reviewability in the Court of Appeals of local actions which are in conflict with the Constitution of the United States, federal statutes, including the Covenant, and the acts of federal officials authorized by federal law and (b) to obviate the contention that every act of the legislative or executive branch of the government of the Northern Mariana Islands raises a federal question because virtually all those acts derive their authority from federal law, in particular the Covenant. See in this context *Taisacan* v. *Camacho*, 660 F.2d 411, 413 (9th Cir. 1981) and *Camacho* v. *Civil Service Commission*, 666 F.2d 1257, 1261-1262 (9th Cir. 1982).

Sec. 904. This section amends § 4 of the Act which deals with the relationship between the courts established by the Constitution or laws of the United States and the local courts of the Northern Mariana Islands by especially referring to the Supreme Court of the United States. This amendment is designed to clarify that, after the expiration of the fifteen year period referred to in the proviso, the Supreme Court of the United States will have jurisdiction to review the decision of the courts of the Northern Mariana Islands in the same manner in which it reviews the decisions of the courts of the several States. See 28 U.S.C. § 1258 governing the review of the decisions of the Supreme Court of Puerto Rico by the Supreme Court of the United States.

TITLE X

Section 1001. This section is a correlative to Section 902. It provides in substance that with respect to claims against the Trust Terriotry Government arising in the Northern Mariana Islands over which the District Court for the Northern Mariana Islands lacks jurisdiction pursuant to Section 902, the High Court of the Trust Territory shall have such jurisdiction as it possessed on January 8, 1978, i.e., the day on which the constitution of the Northern Mariana Islands became effective.

Section 1002. This section repeals §§ 335, 336 and 402(e) of the Bankruptcy Act of 1978, because they have been incorporated in §§ 703(a), and 801.

Section 1003 provides for the recall to duty of certain territorial judges whose terms have expired. Judges of the United States, as defined in 28 U.S.C. § 451, retain their office after retirement pursuant to 28 U.S.C. § 371(b). Therefore they can be designated and assigned to perform active duty pursuant to 28 U.S.C. § 294. A territorial judge whose term has expired, however, ceases to be a judge. Hence, he cannot be recalled to active duty absent a statutory authorization.

Section 1003 established, in analogy to 26 U.S.C. 7447 (Tax Court) and 28 U.S.C. § 797 (United States Claims Court), a procedure pursuant to which a territorial judge who receives or will be eligible to receive retirement pay under 28 U.S.C. 373 may elect to become senior judge. Such senior judge may be recalled to duty by the Chief Judge of the Judicial Circuit in which the judge has served. The recall of a senior judge may obviate the need for assigning a judge from a distant district to a territorial court in the event of the temporary absence of the regular district judge or in order to designate an appellate division.

In order to protect the independence of the judiciary and to prevent conflicts of interest and other improprieties or the appearance thereof, a senior judge will remain subject to the requirements of the Code of Judicial Conduct of United States judges and be precluded from accepting civil office with the Government of the United States, or from practicing law. Cf. 26 U.S.C. § 7447(f).

Section 1004. This section has been prompted by the decision in *People of the Territory of Guam* v. *Okada*, 694 F.2d 565 (9th Cir. 1983) which held that the government of a territory may not appeal to a federal court in a criminal case from a ruling—even that of an appellate court—in the favor of the defendant, in the absence of a federal statutory authorization. Section 1004 sets forth the circumstances in which such appeals are authorized. This section is based in part on 18 U.S.C. 3731.

Section 1005. This section makes applicable to sitting judges the extension of the term for district court judges from eight to ten years provided in sections 706(a), 802(a), and 901(a). At present, the judges' term does not automatically end after eight years but as a practical matter they continue to serve until their successors are chosen and qualified. The effect of the amendment is simply to delay the appointment of a successor so that the judges, if they so choose, may continue to serve and become eligible for retirement benefits which accrue only after ten years of service.

Section 1006. This section provides that the proposed legislation in titles VII, VIII, IX and X will become effective on the ninetieth day following its enactment. In view of the many changes in the jurisdiction of courts contained in this legislation, its effectiveness should be delayed by at least ninety days following its enactment.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute.

The amendment, in the nature of a substitute, (No. 3709) was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed,

the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed for a third reading, and the bill to be read the third time.

The bill (H.R. 5561) was read the third time, and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VICTIMS OF CRIME ASSISTANCE ACT OF 1984

Mr. BAKER. Mr. President, would the minority leader be favorably disposed to taking up Calendar No. 941 at this time?

Mr. BYRD. Mr. President, there is no objection.

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of Calendar Order No. 941, S. 2423.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2423) to provide financial assistance to the States for the purpose of compensating and otherwise assisting victims of crime, and to provide funds to the Department of Justice for the purpose of assisting victims of Federal Crime.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported by the Committee on the Judiciary with an amendment to strike all after the enacting clause and insert:

That this Act may be cited as the "Victims of Crime Assistance Act of 1984".

FINDINGS AND PURPOSE

The Congress finds and declares that—

(1) many violent crimes result in serious financial losses and severe physical and psychological trauma to the victims of crime and their families;

(2) the Federal Government and the States are presently unable to adequately protect the victims of crime from its devastating physical, financial, emotional, and psychological consequences;

(3) the Federal Government spends far more resources on rehabilitating and educating prisoners than it does on assisting victims;

(4) the public's respect for the law is seriously diminished if it perceives that only the perpetrators of violent crime, and not the victims, are entitled to justice and protection from their government;

(5) the successful operation of the criminal justice system depends on the willing, welcome participation of victims at all stages of the criminal justice process;

(6) assisting victims of crime is a joint responsibility of the States and Federal Government. The free movement of criminals, victims, and the implements of crime across State boundaries requires a strong Federal response. Although over two-thirds of the States now operate some form of victims' compensation program, there is no formal compensation of victims of Federal crime;

(7) it is against public policy for a criminal to profit from the retelling or depiction of his crime or to encourage others to commit similar acts by glorification of his crime.

The Congress therefore declares that the purposes of this Act are to—

(1) establish a separate account in the United States Treasury to finance payments to the States and selected Federal agencies for compensation and other assistance to the victims of crime;

(2) encourage States to provide direct financial assistance to victims of crime within their borders, regardless of the victim's residence or jurisdiction of the crime;

(3) assist local units of government and private nonprofit organizations to provide direct services to victims of crime and to promote the development of comprehensive services to all victims of crime across the Nation;

(4) establish a safe, welcome environment for victims to participate in the criminal justice process; and

(5) improve the Federal Government's assistance to victims of Federal crime.

TITLE I—CRIME VICTIMS' ASSISTANCE FUND

PART A—ESTABLISHMENT OF THE FUND

SEC. 101. There is hereby established in the United States Treasury a separate account to be known as the Crime Victims' Assistance Fund ("Fund") in which shall be deposited, but not to exceed $100,000,000—

(a) all criminal fines (as defined in section 401(a)(2) of this Act) collected by any officer of the Federal Government;

(b) contributions made pursuant to title III of this Act;

(c) penalty assessment fees collected pursuant to title II of this Act; and

(d) any money paid into the Fund pursuant to section 103(b) of this title.

SEC. 102. Title 18 of the United States Code is amended by adding a new rule 32.2 to the Federal Rules of Criminal Procedure to read as follows:

"Rule 32.2 Payment of Moneys Received From Sale of Rights Arising From Criminal Act

"(a) At any time after the filing of an indictment or information against a defendant, and upon motion of the attorney for the Government, the court may order a person or organization with whom the defendant has contracted for the purpose of having his crime depicted in a movie, book, newspaper, magazine, radio, or television production, or live entertainment of any kind, or for the purpose of expressing his thoughts, opinions, or emotions regarding such crime, to pay in to the clerk of the court any money which would otherwise, by terms of the contract, be paid to the defendant, his representative, or any transferee of the defendant.

"(b) Prior to entering such an order, the court shall conduct a hearing, after notice to the defendant, the person or organization with whom he has contracted, any other transferee of proceeds under the contract and the victim, if any, of the crime committed by the defendant, for the purpose of determining whether such an order is warranted in the interests of justice or to redress the injuries suffered by the victim. Each party notified shall be given an opportunity to speak to the court.".

SEC. 103. (a) Any person who has been charged with, convicted of, pleaded guilty, or pleaded nolo contendere to a Federal crime (hereinafter referred to as "defendant") who contracts with a person for the purpose of having his crime or alleged crime depicted in a movie, book, newspaper, magazine, radio or television production, or live entertainment of any kind, or for the purpose of expressing his thoughts, opinions or emotions regarding such crime, shall file a copy of such contract with the court adjudicating his guilt.

(b) If so ordered by the court after proceedings conducted pursuant to rule 32.2 of the Federal Rules of Criminal Procedure, the person with whom the defendant has contracted shall pay in to the clerk of the court any money which would otherwise, by terms of the contract, be paid to the defendant, his representative, or any transferee of the defendant. The clerk shall deposit such moneys in the Crime Victims' Assistance Fund for the benefit of and payable to any victim of crimes committed by such person.

(c) Moneys deposited in the Fund under section 103(b) of this title shall be used to satisfy any unsatisfied or partially satisfied judgment rendered in favor of a victim or his legal representative in any civil action brought by the victim that is filed in any court of the United States within five years after the first deposit of such moneys in the Fund, against a defendant or his representative for damages arising out of the crime committed by the defendant. If no such action has been filed within five years after the first deposit of such moneys, any money remaining in the account shall remain in the Fund for distribution pursuant to part B of this title, subject to section 103(d) and (e) of this title.

(d) Moneys in the fund shall be paid to the defendant upon an order of a United States district court judge for the exclusive purpose of retaining legal representation at any stage of the criminal proceedings brought against the defendant. The total of all payments made from the Fund under this subsection shall not exceed one-fifth of the total moneys paid into the Fund with respect to the defendant.

(e) Upon dismissal of charges or acquittal of any defendant, the court shall order the clerk to pay over to the defendant all moneys paid in to the clerk with respect to the defendant under section 103(b) of this title.

(f) The clerk shall, once every six months for five years from the first date money is deposited in the Fund publish a notice in the Federal Register and in a newspaper of general circulation in the county or city where the offense was committed notifying victims that such moneys are available to satisfy judgments pursuant to this title.

SEC. 104. (a) Title 18 of the United States Code is amended by deleting the word "and" after subsection (4) of section 4207 and adding a new subsection (5) to section 4207, to read as follows:

"(5) statements of the victim or his representative, which the Commission shall solicit at the parole hearing, about the emotional, physical, psychological, and financial impact the prisoner's criminal conduct has had on his life. Such statements may be presented orally, or in writing, at the discretion of the victim or his representative; and".

(b) Title 18 of the United States Code is amended by redesignating present subsection "(5)" of section 4207 as subsection "(6)".

PART B—DISBURSEMENTS

SEC. 201. The Attorney General is authorized to make annual grants and other payments from the Fund to States for the purpose of compensating and providing other assistance to victims of crime. Amounts in the Fund shall be available to the Attorney General, who shall distribute the funds on the basis of the following criteria:

(a) in the fiscal year ending on September 30, 1985, 40 per centum, and in subsequent fiscal years, 45 per centum, to be available for distribution among the States on the basis of the amount of money spent by the State in relation to all States, for the compensation of victims of crime, including victims of exclusively Federal crimes, during the preceding fiscal year: Provided, That no State shall receive more than 25 per centum of the amount it spent for the compensation of victims of crime, including victims of exclusively Federal crimes, during the preceding fiscal year;

(b) 45 per centum to be distributed among the States on the basis of State population in relation to the population of all States; and

(c) in the fiscal year ending on September 30, 1985, 15 per centum, and in subsequent fiscal years, 10 per centum, for distribution by the Attorney General among Federal law enforcement agencies for the purposes enumerated in section 204 of this title.

Distributions from the Fund shall be based on the amount credited to the Fund during the previous fiscal year. In no event shall any State of the United States or the District of Columbia receive less than a total of $100,000 under subsections (a) and (b) of this section.

SEC. 202. (a) Funds awarded under section 201(a) of this title shall be expended by the State solely for the purpose of providing financial compensation to victims of crime, subject to the provisions of 202(d) of this title. A State is eligible to receive funds under section 201(a) of this title if—

(1) the chief executive of the State submits an application to the Attorney General, prior to the receipt of funds under this title, which—

(A) certifies the amount of money spent by the State in the preceding fiscal year to compensate victims of crime;

(B) certifies that the funds awarded under section 201(a) of this title shall not be used to supplant available State funds, but to increase the amount of funds expended by the State to compensate victims of crime; and

(C) contains such other information and assurances related to the purposes of this title as the Attorney General may require;

(2) the State provides the same financial benefits to victims of crime who are nonresidents of the State, as are provided to victims of crime who are residents of the State;

(3) the State provides the same financial benefits to individuals who are victims of Federal crimes committed in the State as are provided to individuals who are victims of State crimes; and

(4) the State provides compensation for mental health counseling that may be required by eligible individuals as a result of their victimization.

(b) No portion of the funds awarded under section 201(a) of this title may be used by any State for payment of administrative expenses related to the operation of the State victim compensation program.

(c) Any funds which would be awarded to a State but for the 25 per centum limitation imposed by section 201(a) of this title shall, at the option of the chief executive of such State, either be expended by the State under section 203 of this title, or returned by such State to the Fund for redistribution under section 201 of this title.

(d) Any funds awarded under section 201(a) which remain unspent by the State in any fiscal year may be expended for the purposes of providing financial compensation to victims of crime at any time over the next fiscal year. Any funds remaining unspent at the expiration of that time shall, at the option of the chief executive of such State, either be expended by the State under section 203 of this title, or returned by such State to the Fund for redistribution under section 201 of this title.

SEC. 203. (a) Funds awarded to the State under section 201(b) of this title shall be expended by the State solely for the purposes of providing services, other nonfinancial assistance, and limited emergency financial assistance to victims of crime, subject to the provisions of section 203(c) of this title. The chief executive of the State shall appoint or designate an official of a State executive agency as the State victim assistance administrator ("State administrator"). The State administrator shall—

(1) certify that funds awarded under section 201(b) of this title shall not be used to supplant available State funds, but to increase the amount of funds expended by the State for financial assistance to eligible recipient organizations for the provision of services, other nonfinancial assistance, and limited emergency financial assistance to victims of crime;

(2) award the money received from the Fund under section 201(b) of this title to eligible recipient organizations in the State. The Administrator shall award funds only to an eligible recipient organization which—

(A) demonstrates a record of quality assistance to victims consistent with the purposes of this statute and available resources;

(B) to the extent practicable, promotes the use of volunteers in its service delivery;

(C) demonstrates financial support from sources other than the Fund;

(D) demonstrates an established commitment from other locally available service providers to provide the services that it does not provide, to all victims of crime; and

(E) assures that it shall coordinate with other public agencies and private organizations for the purpose of providing services to victims of crime;

(3) obtain assurances from eligible recipient organizations of compliance with the requirements of this title; and

(4) administer, monitor, and evaluate the fiscal and programmatic performance of organizations receiving funds under this section.

(b) An eligible recipient organization is a nonprofit organization, an agency of a State or local unit of government, or a combination of such entities which provides one or more of the following services to victims of crime as a group or to any targeted category of crime victims—

(1) crisis intervention services;

(2) assistance to victims in determining the status of, and participating in criminal justice proceedings; and

(3) assistance in securing victim compensation benefits.

(c) All funds awarded to a State under section 201(b) of this title may be used only for the purpose of providing financial assistance to eligible recipient organizations for the provision of services and other assistance to victims of crime. Any funds awarded under subsection 201(b) of this title which remain unspent by the State in any fiscal year may be expended for the purposes of this section at any time during the next fiscal year, at the expiration of which time any remaining unspent funds shall, at the option of the chief executive of such State, either be expended by the State under section 202 of this title, or returned by such State to the Fund for redistribution under section 201 of this title.

SEC. 204. (a) Funds awarded under section 201(c) of this title shall be expended by the Attorney General solely for the purpose of providing services and other nonfinancial assistance to victims of Federal crimes, subject to the provisions of section 204(e) of this title. The Attorney General shall appoint or designate an official of the Department of Justice to be the Federal Victim Assistance Administrator ("Federal Administrator") authorized to exercise the responsibilities in section 204(c) of this title.

(b)(1) The President is authorized to establish a Federal Victim of Crime Advisory Committee ("Committee") comprised of the Attorney General, the Secretary of the Treasury, the Secretary of the Interior, the Federal Administrator, such other Federal officials as he may deem appropriate, and no less than two members of the public who have special knowledge of the needs of victims. The Attorney General shall serve as Chairman of the Committee.

(2) The Committee shall advise the Federal Administrator about the victims assistance needs of the Federal Government and recommend proposed uses of the funds received under section 201(c) of this title to him. The Committee shall also periodically recommend to the President other actions to be taken by the Federal Government for the improved treatment of victims of Federal crime. The Committee shall meet semiannually and at such other times as the Attorney General may designate.

(3) The members of the public appointed under subsection (b)(1) shall receive compensation for each day engaged in the actual performance of duties vested in the Committee at rates of pay not in excess of the daily equivalent of the highest rate of basic pay then payable under the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence and other necessary expenses.

(c) After consultation with the Committee, the Federal Administrator shall annually distribute the funds received under section 201(c) of this title among the Executive agencies of the Federal Government having criminal law enforcement responsibilities, for the purpose of improving assistance to the victims of Federal crime. The funds may be expended for activities such as—

(1) the establishment and maintenance of victims assistance positions or units;

(2) the establishment and maintenance of services such as crisis intervention counseling services, followup counseling services, information and referral services, and on-call systems for the victims of Federal crimes;

(3) the training of Federal law enforcement personnel (including court personnel) in the delivery of victims assistance services;

(4) dissemination of information about Federal victims assistance services; and

(5) such other related purposes as the Federal Administrator may deem appropriate.

The Federal Administrator shall seek to avoid duplicating assistance already effectively provided by local organizations.

(d) The Federal Administrator shall be responsible for overseeing Federal compliance with the guidelines for fair treatment of Federal crime victims and witnesses required by section 6(a) of the Victim and Witness Protection Act of 1982, Public Law 97-291. The Federal Administrator shall also be responsible for coordinating victim assistance activities between the Federal government and State and local efforts. The Attorney General may direct the Federal Administrator to perform such other functions related to the purposes of this title as he may deem appropriate.

(e) Any funds awarded under section 201(c) of this title which remain unspent in any fiscal year may be expended for the purposes of this section at any time during the next fiscal year, at the expiration of which time any remaining unspent funds shall revert to the Fund for redistribution pursuant to section 203.

PART C—ADMINISTRATIVE PROVISION

SEC. 301. Within one year from the enactment of this title, the Director of the Administrative Office of the United States Courts shall submit a report to the Attorney General setting forth the steps it has taken to (1) improve the accurate accounting of collections of criminal fines, and (2) assure that all collected criminal fines are deposited in the Fund. The report may also set forth recommendations for future action by the Federal Government that would best assure collection of all criminal fines imposed by the courts.

SEC. 302. (a) Sections 701, 702, 703, 708, 709, and 710 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, are applicable to all recipients of funds disbursed under this title.

(b) The Attorney General is authorized to establish such rules, regulations, guidelines, and procedures as are necessary to the exercise of his functions under, and as are consistent with, the stated purposes of this title.

(c) No later than December 31, 1987, the Attorney General shall report to the President and to the Committees on the Judiciary of the Senate and House of Representatives on the amount of funds collected from each source listed in section 101 of this title, and on the effectiveness of the activities supported pursuant to sections 202, 203, and 204 of this title. The Attorney General shall also set forth recommendations for legislation to improve the ability of the Department of Justice to fulfill the purposes of this title.

(d) Deposits shall be made in the Fund pursuant to section 101 of this title until September 30, 1988. No deposits shall be made after that date without further authorization by Congress. Amounts remaining unobligated in the Fund after September 30, 1988, shall revert to the general fund of the Treasury.

SEC. 303. This Act does not modify or repeal the provisions contained in section 11(d) of the Endangered Species Act of 1973 (16 U.S.C. 1540) or section 6(d) of the Lacey Act Amendments of 1981 (16 U.S.C. 3375).

PART D—DEFINITIONS

SEC. 401. (a) As used in this title—

(1) "crime" means a criminal offense as defined by Federal, State, or common law, or an act which would constitute such an offense but for the fact that the perpetrator of the act lacked capacity to commit the offense, but does not include an offense prosecuted in Indian tribal courts or Courts of Indian Offenses;

(2) "criminal fines" means all pecuniary punishments imposed by a Federal court upon a person, a corporation, or other entity convicted of a crime (including all fines imposed for criminal violation of motor vehicle and antitrust laws) and all money derived from forefeited appearance bonds posted by Federal criminal defendants, but does not include criminal fines imposed by Indian tribal courts or Courts of Indian Offenses;

(3) "financial compensation" means payment of money to victims of crime for expenses and losses arising out of the criminal incident that are compensable under State law, including limited emergency financial assistance;

(4) "fiscal year" means the period beginning October 1 of one calendar year and ending September 30 of the next calendar year;

(5) "population" means total resident population based on data compiled by the United States Bureau of the Census and referable to the same point or period in time;

(6) "representative of the victim" means a parent or legal guardian of a victim who is a minor, or a parent, legal guardian, or spouse of a deceased victim; and

(7) except with respect to the $100,000 minimum contained in section 201 of this title, "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

TITLE II

PENALTY ASSESSMENT FEES

SEC. 101. Whenever any person is convicted of an offense in any court of the United States, the court shall impose a penalty assessment fee on such person in the amount of—

(a) $25, if the defendant is an individual and the offense is a misdemeanor;

(b) $50, if the defendant is an individual and the offense is a felony;

(c) $100, if the defendant is a person other than an individual and the offense is a misdemeanor; and

(d) $200, if the defendant is a person other than an individual and the offense is a felony.

TITLE III

DONATIONS FOR VICTIMS ASSISTANCE

SEC. 101. (a) The Attorney General is authorized to accept on behalf of the United States, contributions from members of the public for purposes of aiding victims of crime. No gift may be accepted—

(1) from any individual who has been convicted of an offense in any court of the United States, or who has been charged with an offense against the United States;

(2) that attaches conditions inconsistent with applicable laws or regulations; or

(3) that is conditioned upon or will require the expenditure of appropriated funds unless such expenditure has been authorized by Act of Congress.

(b) For purposes of Federal income, estate, and gift taxes, property accepted under subsection (a) of this section shall be considered as a gift or bequest to or for the use of the United States.

TITLE IV

FINE INCREASES AND IMPROVED COLLECTION PROCEDURES

SEC. 101. Title 18 of the United States Code is amended by adding the following new section:

"§ 3621. Sentence of fine

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to pay a fine.

"(b) AUTHORIZED FINES.—Not withstanding any other provision of law, the authorized fines are—

"(1) if the defendant is an individual—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $250,000;

"(B) for any other misdemeanor, not more than $25,000; and

"(C) for an infraction, not more than $1,000; and

"(2) if the defendant is an organization—

(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $500,000;

(B) for any other misdemeanor, not more than $100,000; and

(C) for an infraction, not more than $10,000.".

SEC. 102. (a) Title 18 of the United States Code is amended by adding the following new chapter after chapter 227:

"CHAPTER 228—IMPOSITION, PAYMENT, AND COLLECTION OF FINES

"Sec.
"3591. Imposition of a fine.
"3592. Payment of a fine, delinquency and default.
"3593. Modification or remission of fine.
"3594. Certification and notification.
"3595. Interest, monetary penalties for delinquency, and default.
"3596. Civil remedies for satisfaction of an unpaid fine.
"3597. Resentencing upon failure to pay a fine.
"3598. Statute of limitations.
"3599. Criminal default.

"§ 3591. Imposition of a fine.

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A FINE.—The court, in determining whether to impose a fine, the amount of any fine, the time for payment, and the method of payment, shall consider—

"(1) the ability of the defendant to pay the fine in view of the income of the defendant, earning capacity and financial resources, and, if the defendant is an organization, the size of the organization;

"(2) the nature of the burden that payment of the fine will impose on the defendant, and on any person who is financially dependent on the defendant, relative to the burden which alternative punishments would impose;

"(3) any restitution or reparation made by the defendant in connection with the offense and any obligation imposed upon the defendant to make such restitution or reparation;

"(4) if the defendant is an organization, any measure taken by the organization to discipline its employees or agents responsible for the offense or to ensure against a recurrence of such an offense; and

"(5) any other pertinent consideration.

"(b) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence to pay a fine can subsequently be—

"(1) modified or remitted pursuant to the provisions of section 3593;

"(2) corrected pursuant to the provisions of rule 35; or

"(3) appealed;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"§ 3592. Payment of a fine, delinquency and default.

"(a) TIME AND METHOD OF PAYMENT.—Payment of a fine is due immediately unless the court, at the time of sentencing—

"(1) requires payment by a date certain; or

"(2) establishes an installment schedule, the specific terms of which shall be fixed by the court.

"(b) INDIVIDUAL RESPONSIBILITIES FOR PAYMENT.—If a fine is imposed on an organization, it is the duty of each individual authorized to make disbursement of the assets of the organization to pay the fine from assets of the organization. If a fine is imposed on an agent or shareholder of an organization, the fine shall not be paid, directly or indirectly, out of the assets of the organization, unless the court finds that such payment is expressly permissible under applicable State law.

"(c) RESPONSIBILITY TO PROVIDE CURRENT ADDRESS.—At the time of imposition of the fine, the court shall order the person fined to provide the Attorney General with a current mailing address for the entire period that any part of the fine remains unpaid. Failure to provide the Attorney General with a current address or a change in address shall be punishable as a contempt of court.

"(d) STAY OF FINE PENDING APPEAL.—Unless exceptional circumstances exist, if a sentence to pay a fine is stayed pending appeal, the court granting the stay shall include in such stay—

"(1) a requirement that the defendant, pending appeal, to deposit the entire fine amount, or the amount due under an installment schedule, during the pendency of an appeal, in an escrow account in the registry of the district court, or to give bond for the payment thereof; or

"(2) an order restraining the defendant from transferring or dissipating assets found to be sufficient, if sold, to meet the defendant's fine obligation.

"(e) DELINQUENT FINE.—A fine is delinquent if any portion of such fine is not paid within thirty days of when it is due, including any fines to be paid pursuant to an installment schedule.

"(f) DEFAULT.—A fine is in default if any portion of such fine is more than ninety days delinquent. When a criminal fine is in default, the entire amount is due within thirty days of notification of the default, notwithstanding any installment schedule.

"§ 3593. Modification or remission of fine.

"(a) PETITION FOR MODIFICATION OR REMISSION.—A person who has been sentenced to pay a fine, and who—

"(1) can show a good faith effort to comply with the terms of the sentence and concerning whom the circumstances no longer exist that warranted the imposition of the fine in the amount imposed or payment by the installment schedule, may at any time petition the court for—

"(A) an extension of the installment schedule, not to exceed two years except in case of incarceration or special circumstances; or

"(B) a remission of all or part of the unpaid portion including interest and penalties; or

"(2) has voluntarily made restitution or reparation to the victim of the offense, may at any time petition the court for a remission of the unpaid portion of the fine in an amount not exceeding the amount of such restitution or reparation.

Any petition filed pursuant to this subsection shall be filed in the court in which sentence was originally imposed, unless that court transfers jurisdiction to another court. The petitioner shall notify the Attorney General that the petition has been filed within ten working days after filing. For the purposes of clause (1), unless exceptional circumstances exist, a person may be considered to have made a good faith effort to comply with the terms of the sentence only after payment of a reasonable portion of the fine.

"(b) ORDER OF MODIFICATION OR REMISSION.—If, after the filing of a petition as provided in subsection (a), the court finds that the circumstances warrant relief, the court may enter an appropriate order, in which case it shall provide the Attorney General with a copy of such order.

"§ 3594. Certification and notification.

"(a) DISPOSITION OF PAYMENT.—The clerk shall forward each fine payment to the United States Treasury and shall notify the Attorney General of its receipt within ten working days.

"(b) CERTIFICATION OF IMPOSITION.—If a fine exceeding $100 is imposed, modified, or remitted, the sentencing court shall incorporate in the order imposing, remitting, and modifying such fine, and promptly certify to the Attorney General—

"(1) the name of the person fined;

"(2) his current address;

"(3) the docket number of the case;

"(4) the amount of the fine imposed;

"(5) any installment schedule;

"(6) the nature of any modification or remission of the fine or installment schedule; and

"(7) the amount of the fine that is due and unpaid.

"(c) RESPONSIBILITY FOR COLLECTION.—The Attorney General shall be responsible for collection of an unpaid fine concerning which a certification has been issued as provided in subsection (a).

"(d) NOTIFICATION OF DELINQUENCY.—Within ten working days after a fine is determined to be delinquent as provided in section 3592(e), the Attorney General shall notify the person whose fine is delinquent, by certified mail, to inform him that the fine is delinquent.

"(e) NOTIFICATION OF DEFAULT.—Within ten working days after a fine is determined to be in default as provided in section 3592(f), the Attorney General shall notify the person defaulting, by certified mail, to inform him that the fine is in default and the entire unpaid balance, including interest and penalties, is due within thirty days.

"§ 3595. Interest, monetary penalties for delinquency, and default.

"Upon a determination of willful nonpayment, the court may impose the following interest and monetary penalties:

"(1) INTEREST.—Notwithstanding any other provision of law, interest at the rate of 1 per centum per month, or 12 per centum per year, shall be charged, beginning the thirty-first day after sentencing on the first day of each month during which any fine balance remains unpaid, including sums to be paid pursuant to an installment schedule.

"(2) MONETARY PENALTIES FOR DELINQUENT FINES.—Notwithstanding any other provision of law, a penalty sum equal to 10 per centum shall be charged for any portion of a criminal fine which has become delinquent. The Attorney General may waive all or part of the penalty for good cause.

"§ 3596. Civil remedies for satisfaction of an unpaid fine.

"(a) LIEN.—A fine imposed as a sentence is a lien in favor of the United States upon all property belonging to the person fined. The lien arises at the time of the entry of the judgment and continues until the liability is satisfied, remitted, or set aside, or until it becomes unenforceable pursuant to the provisions of subsection (b). On application of the person fined, the Attorney General shall—

"(1) issue a certificate of release, as described in section 6325 of the Internal Revenue Code, of any lien imposed pursuant to this section, upon his acceptance of a bond described in section 6325(a)(2) of the Internal Revenue Code; or

"(2) issue a certificate of discharge, as described in section 6325 of the Internal Revenue Code, of any part of the person's property subject to a lien imposed pursuant to this section, upon his determination that the fair market value of that part of such property remaining subject to and available to satisfy the lien is at least three times the amount of the fine.

"(b) EXPIRATION OF LIEN.—A lien becomes unenforceable at the time liability to pay a fine expires as provided in section 3598.

"(c) APPLICATION OF OTHER LIEN PROVISIONS.—The provisions of sections 6323, 6331, 6334 through 6336, 6337(a), 6338 through 6343, 6901, 7402, 7403, 7424 through 7426, 7505(a), 7506, 7701, and 7805 of the Internal Revenue Code of 1954 (26 U.S.C. 6323, 6331, 6332, 6334 through 6336, 6337(a), 6338 through 6343, 6901, 7402, 7403, 7424 through 7426, 7505(a), 7506, 7701, and 7805) and of section 513 of the Act of October 17, 1940 (54 Stat. 1190), apply to a fine and to the lien imposed by subsection (a) as if the liability of the person fined were for an internal revenue tax assessment, except to the extent that the application of such statutes is modified by regulations issued by the Attorney General to accord with differences in the nature of the liabilities. For the purposes of this subsection, references in the preceding sections of the Internal Revenue Code of 1954 to 'the Secretary' shall be construed to mean 'the Attorney General,' and references in those sections to 'tax' shall be construed to mean 'fine.'

"(d) EFFECT ON NOTICE OF LIEN.—A notice of the lien imposed by subsection (a) shall be considered a notice of lien for taxes payable to the United States for the purposes of any State or local law providing for the filing of a notice of a tax lien. The registration, recording, docketing, or indexing, in accordance with 28 U.S.C. 1962, of the judgment under which a fine is imposed shall be considered for all purposes as the filing prescribed by section 6323(f)(1)(A) of the Internal Revenue Code of 1954 (26 U.S.C. 6323(f)(1)(A)) and by subsection (c).

"(e) ALTERNATIVE ENFORCEMENT.—Notwithstanding any other provision of this section, a judgment imposing a fine may be enforced by execution against the property of the person fined in like manner as judgments in civil cases.

"(f) DISCHARGE OF DEBTS INAPPLICABLE.—No discharge of debts pursuant to a bankruptcy proceeding shall render a lien under this section unenforceable or discharge liability to pay a fine.

"§ 3597. Resentencing upon failure to pay a fine.

"(a) RESENTENCING.—Subject to the provisions of subsection (b), if a person knowingly fails to pay a delinquent fine the court may resentence the person to any sentence which might originally have been imposed.

"(b) IMPRISONMENT.—The defendant may be sentenced to a term of imprisonment under

subsection (a) only if the court determines that—

"(1) the person willfully refused to pay the delinquent fine or had failed to make sufficient bona fide efforts to pay the fine; or

"(2) in light of the nature of the offense and the characteristics of the person, alternatives to imprisonment are not adequate to serve the purposes of punishment and deterrence.

"§3598. Statute of limitations.

"(a) LIABILITY TO PAY A FINE EXPIRES.—

"(1) twenty years after the entry of the judgment;

"(2) upon the death of the person fined.

"(b) The period set forth in subsection (a) may be extended, prior to its expiration, by a written agreement between the person fined and the Attorney General. The running of the period set forth in subsection (a) is suspended during any interval for which the running of the period of limitations for collection of a tax would be suspended pursuant to section 6503(b), 6503(c), 6503(f), 6503(i), or 7508(a)(1)(I) of the Internal Revenue Code of 1954 (26 U.S.C. 6503(b), 6503(c), 6503(f), 6503(i), or 7508(a)(1)(I)), or section 513 of the Act of October 17, 1940 (54 Stat. 1190).

"§ 3599. Criminal default.

"Whoever, having been sentenced to pay a fine, willfully fails to pay the fine, shall be fined not more than twice the amount of the unpaid balance of the fine or $10,000, whichever is greater, imprisoned not more than one year, or both.".

(b) Section 3651 of title 18, United States Code, is amended by inserting after "May be required to provide for the support of any persons, for whose support he is legally responsible." the following new paragraph:

"If the court has imposed and ordered execution of a fine and placed the defendant on probation, payment of the fine or adherence to the court-established installment schedule shall be a condition of the probation.".

(c) Section 3651 of title 18, United States Code, is amended by striking out the last paragraph and inserting in lieu thereof the following:

"The defendant's liability for any unexecuted fine or other punishment imposed as to which probation is granted, shall be fully discharged by the fulfillment of the terms and conditions of probation.".

(d) The second paragraph of section 3655 of title 18, United States Code, is amended to read as follows:

"He shall keep informed concerning the conduct, condition, and compliance with any condition of probation, including the payment of a fine or restitution of each probationer under his supervision, and shall report thereon to the court placing such person on probation. He shall report to the court any failure of a probationer under his supervision to pay a fine in default within thirty days after notification that it is in default so that the court may determine whether probation should be revoked.".

(e) Section 4209 of title 18, United States Code, is amended in subsection (a) by striking out the period at the end of the first sentence and inserting in lieu thereof "and, in a case involving a criminal fine that has not already been paid, that the parolee pay or agree to adhere to an installment schedule, not to exceed two years except in special circumstances, to pay for any fine imposed for the offense.".

(f) Subsection (b) (1) of section 4214 of title 18, United States Code, is amended by adding after "parole" the following: "or a failure to pay a fine in default within thirty days after notification that it is in default".

(g)(1) Section 3565 of title 18, United States Code, is repealed.

(2) The table of sections for chapter 227 of title 18, United States Code, is amended by striking out the item for section 3565 and inserting in lieu thereof the following:

"3565. Repealed.".

(h) Section 3569 of title 18, United States Code, is amended by—

(1) striking out "(a)"; and

(2) striking out subsection (b).

SEC. 103. (a)(1) Except as provided in paragraph (2), for each criminal fine for which the unpaid balance exceeds $100 as of the effective date of this Act, the Attorney General shall, within one hundred and twenty days, notify the person by certified mail of his obligation, within thirty days after notification, to—

(A) pay the fine in full;

(B) specify, and demonstrate compliance with, an installment schedule established by a court before enactment of the amendments made by this Act, specifying the dates on which designated partial payments will be made; or

(C) establish with the concurrence of the Attorney General, a new installment schedule of a duration not exceeding two years, except in special circumstances, and specifying the dates on which designated partial payments will be made.

(2) This subsection shall not apply in cases in which—

(A) the Attorney General believes the likelihood of collection is remote; or

(B) criminal fines have been stayed pending appeal.

(b) The Attorney General shall, within one hundred and eighty days after the effective date of this Act, declare all fines for which this obligation is unfulfilled to be in criminal default, subject to the civil and criminal remedies established by amendments made by this Act. No interest or monetary penalties shall be charged on any fines subject to this section.

(c) Not later than one year following the effective date of this Act, the Attorney General shall include in the annual crime report steps taken to implement this Act and the progress achieved in criminal fine collection, including collection data for each judicial district.

SEC. 104. The table of chapters for Part II of title 18 of the United States Code is amended by adding the following new chapter:

"228. Imposition, Payment, and Collection of Fines..... 3591.".

SEC. 105. The table of sections for Chapter 229 of title 18 of the United States Code is amended by adding the following new section at the end thereof:

"3621. Sentence of fine.".

TITLE V

COMPENSATION TO VICTIMS OF FEDERALLY PROTECTED WITNESSES

SEC. 101. (a) The Attorney General may pay restitution to, or in the case of death, compensation for the death of any victim of a crime that causes or threatens death or serious bodily injury and that is committed by any person provided protection under Title V of the Organized Crime Control Act of 1970 (84 Stat. 933).

(b) Not later than four months after the end of each fiscal year, the Attorney General shall transmit to the Congress a detailed report on payments made under this subsection for such year.

(c) There are authorized to be appropriated for the fiscal year 1985 and for each fiscal year thereafter, $1,000,000 for payments under this subsection.

(d) The Attorney General shall establish guidelines and procedures for making payments under this subsection. The payments to victims under this subsection shall be made for the types of expenses provided for in section 3579(b) of title 18, United States Code, except that in the case of the death of the victim, an amount not to exceed $50,000 may be paid to the victim's estate. No payment may be made under this subsection to a victim unless the victim has sought restitution and compensation provided under Federal or State law or by civil action. Such payments may be made only to the extent the victim, or the victim's estate, has not otherwise received restitution and compensation, including insurance payments, for the crime involved. Payments may be made under this subsection to victims of crimes occurring on or after the date of the enactment of this chapter. Notwithstanding any other provision of this subsection, in the case of a crime occurring before the date of the enactment of this chapter, a payment may be made under this subsection in the case of the death of the victim in an amount not exceeding $25,000.

AMENDMENT NO. 3710

(Purpose: to make certain technical and conforming amendments)

Mr. BAKER. Now, Mr. President, I have an amendment on behalf of the distinguished Senator from South Carolina [Mr. THURMOND] which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. BAKER] for Mr. THURMOND, proposes an amendment numbered 3710.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 18, line 20, before "The" insert "SEC. 2. 2 (a)".

On page 20, line 1, before "The" insert "(b)".

On page 21, line 2, stirke out "401(a)(2) of this Act" and insert in lieu thereof "131(a)(2)".

On page 23, lines 3 and 4, strike out "section 103(b) of this title" and insert in lieu thereof "subsection (b)".

On page 23, line 14, strike out "section 103 (d) and (e) of this title" and insert in lieu thereof "subsections (d) and (e) of this section".

On page 23, line 25, strike out "section 103(b) of this title" and insert in lieu thereof "subsection (b)".

On page 24, line 22, strike out "SEC. 201." and insert in lieu thereof "SEC. 111.".

On page 25, line 21, strike out "204" and insert in lieu thereof "114".

On page 26, line 3, strike out "SEC. 202." and insert in lieu thereof "SEC. 112.".

On page 26, line 3, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 26, line 6, strike out "section 202(d) of this title" and insert in lieu thereof "subsection (d)".

On page 26, line 7, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 26, line 15, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 27, line 9, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 27, line 13, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 27, line 15, strike out "203" and insert in lieu thereof "113".

On page 27, line 17, strike out "201" and insert in lieu thereof "111".

On page 27, line 18, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 27, line 24, strike out "203" and insert in lieu thereof "113".

On page 28, line 2, strike out "201" and insert in lieu thereof "111".

On page 28, line 3, strike out "SEC. 203." and insert in lieu thereof "SEC. 113.".

On page 28, line 4, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 28, lines 7 and 8, strike out "section 203(c) of this title" and insert in lieu thereof "subsection (c)".

On page 28, line 13, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 28, line 20, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 30, line 9, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 30, line 13, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 30, line 19, strike out "202" and insert in lieu thereof "112".

On page 30, line 20, strike out "201" and insert in lieu thereof "111".

On page 30, line 21, strike out "SEC. 204." and insert in lieu thereof "SEC. 114.".

On page 30, line 21, strike out "201(c)" and insert in lieu thereof "111(c)".

On page 30, line 25, strike out "section 204(e) of this title and insert in lieu thereof "subsection (e)".

On page 31, line 4, strike out "section 204(c) of this title" and insert in lieu thereof "subsection (c)".

On page 31, line 16, strike out "201(c)" and insert in lieu thereof "111(c)".

On page 31, lines 22 and 23, strike out "subsection (b)(1)" and insert in lieu thereof "paragraph (1)".

On page 32, line 7, strike out "201(c)" and insert in lieu thereof "111(c)".

On page 33, line 13, strike out "201(c)" and insert in lieu thereof "111(c)".

On page 33, line 18, strike out "203" and insert in lieu thereof "113".

On page 33, line 20, strike out "SEC. 301." and insert in lieu thereof "SEC. 121.".

On page 34, line 4, strike out "SEC. 302."and insert in lieu thereof "SEC. 122.".

On page 34, line 17, strike out "202, 203, and 204" and insert in lieu thereof "112, 113, and 114".

On page 35, line 3, strike out "SEC. 303." and insert in lieu thereof "SEC. 123.".

On page 35, line 8, strike out "SEC. 401." and insert in lieu thereof "SEC. 131.".

On page 36, line 16, strike out "SEC. 201." and insert in lieu thereof "SEC. 111.".

On page 36, line 24, strike out "SEC. 101." and insert in lieu thereof "SEC. 201.".

On page 37, line 13, strike out "SEC. 101." and insert in lieu thereof "SEC. 301.".

On page 38, line 8, strike out "SEC. 101." and insert in lieu thereof "SEC. 401.".

On page 39, line 8, strike out "SEC. 102." and insert in lieu thereof "SEC. 402.".

On page 52, line 1, strike out "SEC. 103." and insert in lieu thereof "SEC. 403.".

On page 53, line 9, strike out "SEC. 104." and insert in lieu thereof "SEC. 404.".

On page 53, line 12, strike out "SEC. 105." and insert in lieu thereof "SEC. 405.".

On page 53, line 18, strike out "SEC. 101." and insert in lieu thereof "SEC. 501.".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3710) was agreed to.

AMENDMENT NO. 3711

Mr. BAKER. Mr. President, I send another amendment to the desk on behalf of the Senator from South Carolina [Mr. THURMOND] and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. BAKER], for Mr. THURMOND, Proposes an amendment numbered 3711.

Mr. BAKER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 23, strike out "In no" and all that follows through line 2 in page 26 and insert in lieu thereof the following: "Subject to the amounts available in the Fund, each State of the United States and the District of Columbia shall receive not less than $100,000 under subsections (a) and (b) of this section."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3711) was agreed to.

AMENDMENT NO. 3712

(Purpose: To provide a priority to programs providing assistance to victims of sexual assault, spousal abuse or child abuse)

Mr. BAKER. Mr. President, I send an amendment to the desk on behalf of the distinguished Senator from Pennsylvania [Mr. SPECTER] and Senators BRADLEY, NUNN, BOSCHWITZ, and HAWKINS and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. BAKER], for Mr. SPECTER, Mr. BRADLEY, Mr. NUNN, Mr. BOSCHWITZ, and Mrs. HAWKINS, proposes an amendment numbered 3712.

To amend S. 2423 on page 28 by renumbering subparagraph (2) as subparagraph (3) and inserting the following new paragraph after line 18:

"(2) certify that priority shall be given to eligible recipient organizations for programs providing assistance to victims of sexual assault, spousal abuse or child abuse; and"

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3712) was agreed to.

Mr. BAKER. Mr. President, I know of no other amendments to the committee substitute.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on agreeing to the committee substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. THURMOND. Mr. President, I urge my colleagues to strongly support S. 2423, the Victims of Crime Assistance Act of 1984, as reported by the Judiciary Committee. This legislation, which I introduced at the request of the administration, is urgently required to address the often ignored needs of innocent victims of crime. It has enjoyed bipartisan support since its introduction.

The amendment adopted by the committee establishes a crime victims' assistance fund in the U.S. Treasury into which are deposited: First, all criminal fines; second, public contributions to victims' assistance; third, penalty surcharges on convicted defendants; and fourth, funds forfeited under the new "Son of Sam" provisions. The fund may not exceed $100 million.

In fiscal year 1985, the fund is distributed as follows: 40 percent to State compensation programs; 45 percent to State victims' assistance, and; 15 percent to Federal victims' assistance. In the three subsequent fiscal years 45 percent goes to State compensation and 10 percent to Federal victims' assistance.

Compensation funds are distributed to the States based on their distributions to victims in the previous fiscal year. A State may receive up to 25 percent of those distributions. Assistance funds are distributed based on population. Unused compensation funds and funds, which would have been payable to the State but for the 25 percent cap may be used by the State for victims assistance or returned to the fund. Unused assistance funds may be used for compensation or returned. States are entitled to a minimum of $100,000, subject to the amounts deposited in the fund. Funds may not be used to supplant existing expenditures, nor for administrative costs.

Federal funds are distributed to Federal agencies for victims' assistance by a Federal Victim Assistance Administrator appointed by the Attorney General, based on advice from an Interagency Federal Victim of Crime Advisory Committee. The Advisor coordinates activities with the States and supervises implementation of the Federal guidelines for the fair treatment of crime victims.

The amendment provides for a Federal "Son of Sam" law to prevent criminals from profiting from publicizing their crimes, permits victims to

testify before the Parole Commission, raises fines with improved collection procedures, and authorizes compensation to victims of federally protected witnesses.

The Committee on the Judiciary does not intend that section 204(b) of the bill reported by the committee authorize any additional budget authority for fiscal year 1984 other than that already available to the Federal agencies affected by this legislation. The committee intends that any additional costs in fiscal year 1984 incurred by the Federal Victims of Crime Advisory Committee authorized by section 204(b) of the reported bill are to be absorbed from existing funds.

Mr. President, in addition to two technical amendments which I am proposing, Senator SPECTER will offer an amendment relating to services for victims of sexual assault and child abuse. This amendment requires the States to certify that priority will be given to those services. This is to ensure that at least some funds will be used to address these crucial problems, but does not require any specific percent of the funds to be spent.

Mr. President, I commend the administration, and particularly Assistant Attorney General Lois Herrington, for proposing and strongly supporting this legislation, which I introduced at their request. I commend Senator BIDEN for working with me to develop the amendment reported by the committee. Finally, I thank Senators HEINZ, GRASSLEY, LAXALT, DENTON, SPECTER, KENNEDY, and BAUCUS for their support.

Mr. BIDEN. Mr. President, on May 10, Senator THURMOND and I joined together in moving out of the Judiciary Committee the victims assistance bill. This bill is another piece of crime legislation that is long overdue. The plight of innocent victims of crime, the so-called "Forgotten Party" of the criminal justice system requires the attention of Government at all levels. Crime in this country affects so many of us on an annual basis that to ignore this issue any longer can only result in a furtherance of public apathy and skepticism of the criminal justice process.

STROM THURMOND and I have joined together over the past 3 years to twice move through the Senate the most encompassing crime legislation this body has considered in the 12 years I have been here. The victims assistance bill should be added to that list of reforms because it will probably affect more American people than the rest of the legislation combined. This victims assistance bill will truly provide a congressional response to those most in need of aid or assistance. The crime victim never asks to be a part of the so-called criminal justice system. In most cases the victim doesn't even understand the system which asks so much of him.

This bill stands a good chance of being enacted into law. The House leadership seems intent to also pass a victims assistance bill this Congress.

I ask my colleagues to join in supporting final passage of this important legislation.

Mr. HEINZ. Mr. President, S. 2423, the Victims of Crime Assistance Act of 1984, deserves prompt passage by the Senate today. I am also pleased to note that this legislation, of which I am an original cosponsor, is based on S. 704, which I introduced in 1983. S. 2423 will provide funding to States for direct compensation and service programs to assist victims of crime, including victims of Federal crime. In addition, it provides funds to improve Federal efforts which assist crime victims.

Mr. President, as chairman of the Senate Special Committee on Aging, I have been particularly concerned about the fear of crime and the impact of crime, especially upon elderly victims. There is good cause for concern. The U.S. Department of Justice concludes that of the 26 million older Americans in this country, about 182,000 will be victims of a violent crime this year. About 642,000 will suffer a theft. Another 1.5 million households will be the victims of larceny. A 1981 Harris survey indicated that older persons are more concerned about the impact of crime on their lives than they are about their health, income, or most other social problems.

In hearings I chaired before the Aging Committee on the subject of the fear of crime and the impact of crime, we documented the disproportionate impact on the elderly. Older persons realize better than anyone their vulnerability to physical attack. And the consequences of a crime against an elderly person are especially severe. The hearings also made clear a distressing fact: Victims are twice victimized—first by the crime itself and then by the treatment they suffer through our criminal justice system.

At one of the hearings, we heard testimony regarding a 79-year-old pursesnatch victim that is all too typical of cases seen on a daily basis. The victim and her sister were leaving a restaurant in a popular tourist area on a Sunday afternoon when a young man ran toward them from behind, cut the victim's shoulder purse strap with a knife and grabbed her purse. He pushed the woman to the ground as he fled to a waiting vehicle. The woman's injuries included a broken hip, broken wrist, and numerous cuts and deep bruises. She required surgery to repair the hip, and spent many months in convalescent care and rehabilitation. Before the crime, she had worked all her life to provide for her retirement; she was proud of her independence and her ability to drive a car, and manage her own home. Today she walks with difficulty, cannot drive, and must depend on others for care. She has moved in with relatives and is concerned about the burden she creates for them. She expresses depression and anger over her present condition. Her assailant was never apprehended. Her purse contained $2.30.

To an older person on a fixed income and with few economic resources, even a small loss can be devastating. For all victims, a criminal act can leave them paying for medical expenses and therapy, all on their own. When they do become victims, elderly persons may suffer more damaging stress reaction, especially if they are isolated and without family or community support systems. Recovery periods for elderly crime victims are often much longer than for other crime victims. Physically, emotionally, and financially, the impact of crime on older Americans, and upon all other victims as well, can be devastating.

While there is an overwhelming need to address the question of fairness for the victim, we have only just recently begun to do so. In 1982, I introduced legislation with my distinguished colleague and friend, Senator LAXALT, to begin to address the problems faced by victims of crime. That legislation—the Victim and Witness Protection Act of 1982—was passed by Congress and signed into law on October 12, 1982. Until passage of that act, the criminal justice system had largely ignored the traumatic impact of crime on victims. Still more needs to be done.

The Federal Government has a strong interest in recognizing crime victims as integal components of the criminal justice system. That system could not function successfully without the full cooperation and participation of vicitims. Testimony received by the committee indicated that crime victims suffer less severe psychological consequences and are more willing to cooperate with the criminal justice system when they receive services appropriate to their needs as soon as possible after the crime occurs. Although 39 States plus the District of Columbia and the Virgin Islands have established crime victims' compensation programs, virtually all of these State compensation programs are experiencing financial difficulties and have insufficient funds to meet outstanding eligible claims. States are in desperate need of additional financial support for their compensation and assistance programs. Federal financial support and leadership is needed to help assure greater cooperation by victims and to restore faith in our criminal justice system.

To this end, on March 13, 1984, Senators THURMOND, BIDEN, LAXALT,

GRASSLEY, and I introduced S. 2423, the Victims of Crime Assistance Act of 1984. The main purpose of the bill is to provide Federal funding to assist State crime victim compensation programs and victim assistance programs at every level of Government and the private sector. The legislation will implement recommendations of the President's Task Force on Victims of Crime which concluded that the treatment of victims by our criminal justice system has been careless and shameful. In the words of the task force, "Innocent victims of crime have been overlooked, their pleas for justice have gone unheeded, and their wounds—personal, emotional, and financial—have gone unattended." The task force recommended enactment of legislation that would provide funds to States to assist them to financially compensate and provide services to victims of crime.

Under this legislation, a Crime Victims' Assistance Fund will be established in the U.S. Treasury to make payments to the States and selected Federal agencies for compensation and assistance to victims of State and Federal crimes. No increase in the Federal budget deficit will result, however, since it does not require any appropriation of Federal funds. In fact, the funding elements would generate funds sufficient to accomplish the purposes of the act plus a potential surplus.

The principal source of funding will be the total of all criminal fines collected from convicted Federal defendants, including motor vehicle and antitrust fines and forfeited appearance bonds posted by Federal criminal defendants. The Department of Justice has projected that criminal fines would provide approximately $45 to $75 million for the Fund in the first year.

Public contributions and penalty assessment fees levied on convicted persons would also provide dollars for the Fund. Finally, the Fund would be the depository of profits that a convicted criminal might otherwise receive under a contract to retell or depict his crime, so-called Son of Sam Profits. This provision responds to the requirement of the Victim and Witness Protection Act of 1982 that the Attorney General report to Congress with regard to any Federal laws necessary to ensure that Federal felons do not profit from the selling of their crimes. It also answers the declaration contained in this bill that it is against public policy for a criminal to profit from the retelling or depiction of his crime or to encourage others to commit similar acts by glorification of his crime.

In the first year, 40 percent of the money deposited in the Fund will be available for distribution annually to those States with existing victim compensation programs for the purpose of reimbursing them for 25 percent of their previous year payouts under those programs. In order to receive this funding, a State must provide the same compensation to nonresident victims as it does to residents. It must provide the same compensation to victims of Federal crimes as it does to victims of State crimes. The States must also compensate victims for mental health counseling that may be required by eligible individuals as a result of their victimization.

Forty-five percent of the Fund will be distributed to the States on the basis of their population for the purpose of improving the assistance provided to victims of crime by State governments, local units of government, and nonprofit organizations. In order to receive this portion of funds, the organizations must demonstrate a record of quality assistance to victims, promote the use of volunteers, demonstrate a commitment from other organizations to provide necessary services to all victims of crime, and assure coordination with other service providers.

The 15 percent remaining in the Fund will be distributed among Federal law enforcement agencies for the purpose of improving the assistance offered by the Federal Government to victims of crime. Uses of the money include establishing victims assistance positions or units in Federal agencies, establishment of crisis intervention counseling services, training Federal law enforcement and court personnel in victims assistance, and disseminating information about Federal victims assistance services. This share of the Fund will be administered by a Federal Victim Assistance Administrator appointed by the Attorney General. The Federal Administrator will be responsible for coordinating victims assistance activities between the Federal Government and State and local activities. The Administrator will also be responsible for overseeing Federal compliance with the guidelines for fair treatment of Federal crime victims and witnesses required by section 6(a) of the Victim and Witness Protection Act of 1982.

The President will be authorized to establish a Federal Victim of Crime Advisory Committee to guide the Administrator. The Committee will be chaired by the Attorney General and would include the Secretary of the Treasury, the Secretary of the Interior and other officials as the President deems appropriate. Two members of the public who have special knowledge of the needs of victims will also serve on the Advisory Committee. The Committee would make periodic recommendations to the President with regard to actions the Federal Government could take for improved treatment of victims of Federal crime.

The bill also provides victims or their representatives the opportunity to appear at Federal parole hearings to inform the parole commission of the emotional, physical, psychological and financial impact that a prospective parolee's criminal conduct has had on the victim's life.

Mr. President, a violent crime occurs every 25 seconds in this country and each year more than 40 million Americans are criminally victimized. There is a critical need for this legislation today. Passage of this act would extend the purpose we embraced in enacting the Victim and Witness Protection Act and more fully protect the rights and needs of those who have been victimized.

The fair treatment of victims rises above party lines. Nothing in this legislation impinges upon the rights of defendants secured by our Constitution. We must not be deaf to the pleas of those who have been victimized. Without the cooperation of victims, our criminal justice system would virtually collapse. We must not forget that it was their interest which the criminal justice system was organized to protect.

In closing, I wish to thank the distinguished chairman of the Judiciary Committee, Senator THURMOND, the cosponsors, and other members of the committee for their support of and efforts on behalf of this bill. The administration, and especially Assistant Attorney General Lois Haight Herrington, who also served as Chairwoman of the President's Task Force on Victims of Crime, also deserve special thanks for proposing and requesting inroduction of this bill. Finally, I want to extend deep gratitude to all of the victims' assistance groups and individuals, particularly the National Organization for Victim Assistance, which have worked so effectively for the promotion of victims' rights.

Mr. MATHIAS. Mr. President, in the ongoing fight against violent crime, the victims of crime have, until recently, been neglected and overlooked. Slowly and belatedly, this injustice is being corrected. Today the Senate takes another step down the road toward fair treatment of crime victims, by passing S. 2423, the Victims of Crime Assistance Act of 1984.

Statistics paint a chilling picture of the extent to which our people are victimized by violent crime. We live in a society in which a murder is committed every 23 minutes, a robbery every 55 seconds, an aggravated assault every 49 seconds. A woman is raped every 6 minutes. The Bureau of Justice Statistics estimates that in 1981, the most recent year for which final figures are available, 35 of every 1,000 adult Americans became the victim of a violent crime, while property crimes created victims at a much higher rate.

Americans from all walks of life are actual or potential crime victims, and the way we treat victims of crime is of immediate concern to all of us.

The legislation before us is not the first response the Senate has made to the needs of crime victims. We have addressed this issue before, most recently during the 97th Congress, when the Omnibus Victim/Witness Protection Act, which I cosponsored, was passed by both Houses and signed into law. But that legislation, while important, was narrowly focused on the needs of those injured by the commission of Federal crimes. It did little to address the problems of the vast majority of crime victims: those who are injured by crimes that are prosecuted on the State and local level. The Victims of Crime Assistance Act helps to fill that gap, by providing limited Federal financial assistance to the States for compensation and other aid to crime victims.

Two particularly commendable features of S. 2423 deserves special mention. First, the costs of financing the assistance program created by this legislation are imposed primarily upon the criminals themselves, and not upon the law-abiding taxpayer. Most of the money in the Crime Victim's Assistance Fund established by this legislation will come from increased fines and other monetary penalties imposed by Federal courts upon persons and organizations convicted of crimes against the United States. In order to increase the likelihood that these funds will actually be collected, the bill incorporates the needed improvements in fine collection procedures proposed in S. 1976, a bill introduced by the Senator from Illinois [Mr. PERCY], after extensive hearings on the subject of deficiencies in the current system of enforcement of criminal fines. I might add that the enactment of increases in the outdated levels of permissible fines, along with the enhanced collection procedures, may encourage Federal judges to impose monetary penalties whenever warranted, and thereby curb the persistent tendency to rely too much on incarceration as a criminal sanction.

Another noteworthy feature of S. 2423 is the recognition of the key role played in victim assistance programs by community-based volunteer organizations. As the Judiciary Committee's report notes, these groups have pioneered the provision of services for victims of sexual assault, child abuse, spouse abuse, and other serious violent crimes. Rape crisis centers, child abuse hotlines, and similar volunteer efforts have helped greatly to put the issue of victims' rights on the legislative agenda in every State and in the Congress, and they continue to play an essential role in aiding the victims of crime. In Maryland, for example, the 10 most active rape crisis centers have achieved remarkable levels of service with minimal tax-supported funding, and, in many cases, with no public funding whatever. Taken together, these 10 centers have scarcely 20 paid staff, some of them part time; yet they have been able to motivate and train hundreds of volunteers to take part in efforts to help the victims of one of the most devastating of all crimes, and to prevent further rapes. It is clear that a small public investment in such community-based services will go a long way, and I am particularly pleased that the report of the Judiciary Committee encourages the States to use the victim assistance funds made available under this legislation to support such services.

While I am pleased to support the Victims of Crime Assistance Act, like any legislation it could be improved. Since the House of Representatives is still considering companion legislation, I will point out two areas of the bill which I think need further study and refinement.

First, section 202(b) of the bill before us prohibits the use of any Federal funds for administrative expenses of State victim compensation programs. This provision certainly makes political sense—few voters feel strongly about administrative expenses—but it may not be very practical. If S. 2423 succeeds in its aims, more victims of crime will apply to State victim compensation boards for benefits to which they are entitled under State law. I note in this regard that one of the purposes to which victim assistance funds under the bill may be devoted is to assist victims in securing compensation benefits. If these increased benefits are to be distributed efficiently to an increased number of claimants, increases in administrative costs would seem to be unavoidable. Most State victim compensation boards have low overhead costs. In Maryland, for example, only about 10 percent of the budget of the Criminal Injuries Compensation Board goes for administration; the balance—over $1.7 million in 1983—is paid to claimants. The National Association of Crime Victim Compensation Boards has suggested that a limited portion of victim compensation fund made available under the bill be allowed for administrative expenses. This comment seems worthy of further consideration.

My second reservation has to do with the so-called Son-of-Sam provisions of this legislation, under which the Victims' Assistance Fund could receive all proceeds of contracts entered into be a Federal criminal defendant for the depiction of his alleged crime, or for the expression of his thoughts, opinions or emotions regarding the crime. It is a repulsive spectacle when a criminal profits from the commercial exploitation of his misdeeds, and I am completely in sympathy with the effort to divert that profit stream to the benefit of crime victims. However, in my view the provision before us has not been drafted with sufficient recognition of the fact that any Son-of-Sam legislation must chart a cautions course around the strictures of the First Amendment.

There is no question in my mind that enactment of the Son-of-Sam provision before us will have a chilling effect on speech by those accused of Federal crimes. Two centuries ago, Dr. Samuel Johnson, the great moralist and lexicographer, said, "No man but a blockhead ever wrote except for money." Many Federal criminal defendants may be unattractive or even evil characters, but not all of them are blockheads. Whatever they may be, they are entitled to the protection of the first amendment.

Sometimes we overlook the fact that the writings of criminal defendants have played an important role in our society and culture. When college students delve into the dialog of Plato, such as the "Apology" or the "Crito," they glean the wisdom of a convicted defendant—Socrates—who expresses his thoughts, opinions or emotions regarding the crime of corrupting the youth of Athens. And this is only the first in a long series of literary works that would fall within the definitions contained in this bill. In our own day, the best-seller lists have been studded with books that would be covered by the Son-of-Sam provisions of S. 2423. Most of the memoirs of Watergate participants would be included, for example. Opinion may differ on the merits of some of these books, but we should be able to agree that any system that would prevent most such books from being written raises important first amendment questions and demands the most careful scrutiny.

This proposal, I should note, covers all persons charged with Federal crime, whether or not convicted; it extends to all crimes, violent and nonviolent, and even those that lack any identificable victim to be compensated from the proceeds of a book contract. Those accused of official corruption, participants in civil disobedience, parties to highly controversial prosecutions—all these could be chilled into silence by the threat of confiscation of royalties or other proceeds, even if the defendant's primary reason to speak is to proclaim his own innocence of the charge laid against him. The loser in such cases would not be Son-of-Sam, but men and women cloaked with the presumption of innocence, who may have something to say that many of us wish to hear.

I believe that an effective law could be drafted that would prevent a convicted criminal from unjustly enriching himself through the glorification of his crime, and that would put the

public's evident appetite for such writings to use in financing programs to help victims. I believe that we can accomplish these ends without infringing on the first amendment. But I have my doubt that the bill before us satisfies these standards. This is another area in which the Victims of Crime Assistance Act, while worthy of passage, could be improved

Mr. LAXALT. Mr President, today's passage of the Victims of Crime Assistance Act is an important victory in the long struggle to aid a forgotten group in our society: the victims of crime. The stories are legion of those whose victimization forces them to lead a life of physical and psychological suffering and indigency. This is especially true for poor and elderly victims. Yet for too long, our govenmental institutions have concentrated on the rights of criminals and ignored the victims.

Many States and private groups have begun to correct this injustice by enacting programs of aid to victims. While the State will continue to bear most of the responsibility for compensation and volunteer groups will continue to be the leaders in providing assistance, this legislation provides Federal support for these efforts without excessive bureaucratic redtape.

The concept is simple. S. 2423 establishes a crime victims' assistance fund to be composed of Federal criminal fines and proceeds which convicted criminals would receive from sales of the stories of their crimes. The fund of up to $100 million would then be distributed to States for their own victims' compensation and assistance efforts. The Federal money will allow States with existing victims' programs to expand their efforts and will encourage the 12 States without programs to undertake schemes of compensation and assistance to victims.

I commend the States and private agencies for their leadership in this area, and I welcome the adoption of this legislation to provide a Federal response to the tragedy of the victims' plight.

Mr. DENTON. Mr. President I rise in strong support of S. 2423, the Victims of Crime Assistance Act of 1984. The legislation will go a long way toward balancing the scales of justice.

Far too often, criminals profit from their illegal acts while innocent victims must struggle to replace stolen property or to rebuild their lives. Even after incarceration, criminals know that they may continue to profit through media coverage of their crimes, from the sale of books and television and motion picture rights. I, therefore, commend my distinguished colleague from South Carolina, Senator THURMOND, for introducing a bill to deal with the considerable injustice that is now possible.

Mr. President, it is high time that we stop protecting criminals from the consequences of their illegal acts and offer more assistance to their victims, people whose innocent lives are suddenly thrown into chaos through no fault of their own. Our system today seems to be more interested in guaranteeing the constitutional rights of the felon than the rights of his victim. The Victims of Crime Assistance Act of 1984 is designed to reverse that trend.

S. 2423 is based on a recommendation from the President's Task Force on Victims of Crime, a recommendation that was first made public in late 1982. Under the proposed legislation, the U.S. Department of the Treasury would create a fund to provide modest Federal financial assistance for certain State, public, and private compensation programs. The bill would not, however, impose any additional burden on the taxpayer. The financing would come from fines collected by the Federal Government and from profits made by criminals from publishing their misdeeds in literary, visual, and audio productions.

Under the proposal, half of the funds would be distributed to existing State victim compensation programs, based on payments made to victims in the previous year. Thirty percent would be channeled to States on a population basis, while the remaining funds would finance the Federal Victim Assistance Program.

Between $45 and $75 million a year would be raised for the program from fines paid by criminals convicted of Federal offenses. I point out that the fund would receive even greater revenue were the House of Representatives to pass S. 1762, the President's Comprehensive Crime Control Act, which authorizes higher fines for Federal crimes.

In addition to providing financial assistance, the proposed legislation would permit the victims to make a statement at a U.S. Parole Commission hearing about the way their lives were physically, psychologically, and financially affected by the crime. That information is currently available to the judge in the presentencing report, and should be available to the Parole Commission before it grants parole, and therefore, a shorter sentence, to the criminal.

Mr. President, as my colleagues know, many crimes go unreported in the United States because victims are often fearful that simple performance of their civic duties may cause more pain and aggravation than the original criminal act. I am proud to be a cosponsor of the Victims of Crime Assistance Act of 1984, a truly bipartisan effort to assist the innocent members of our society who suffer at the hands of criminals. I hope that my colleagues will help to return fairness to the American system of justice by supporting S. 2423.

Thank you, Mr. President.

Mr. GRASSLEY. Mr. President, I am pleased to offer my support for S. 2423, the Victims of Crime Assistance Act which I cosponsored. I would also like to commend Senator THURMOND who introduced this bill and who has exhibited along with Senators LAXALT, HEINZ, and BIDEN a sincere concern for crime victims and a dedication to assisting their needs.

This bill is a continuation of efforts to sensitize the criminal justice system to the problems and trauma suffered by victims of crime. Two years ago, Congress acknowledged the need for reform by enacting into law the Victim Witness Act of 1982. Senator HEINZ and I introduced a bill earlier this Congress, S. 704, which similar to the bill we are considering today, would establish a victim assistance fund providing financial support to State and Federal victim compensation and assistance programs.

It is clear to me from listening to testimony presented at a hearing I conducted last year on elderly victims of crime, and reviewing the exhaustive research and testimony collected by the President's Task Force on Victims of Crime, that there is a compelling need to assist crime victims.

So often we find ourselves in the position of legislating protections for the accused, to carefully protect the accused's constitutional rights by providing food and housing, quick attention to physical and psychiatric needs, job training, and family support in some cases. But up until recently, victims have been on their own in dealing with physical and emotional injury—and on their own again when the judicial system demands their full-time participation to seek a conviction. The time has come to recognize the victim's suffering and reach out to help alleviate their trauma.

We are all too frequently reminded that crime may strike any one of us at any time. For some, such as the impoverished and elderly, the consequences can be particularly devastating.

I recently learned of a troubling incident in my own State of Iowa. An 86-year-old woman, living alone and on a fixed income, answered her doorbell one evening only to be brutally shoved back into her home and suffer a beating that resulted in several broken ribs, a broken nose, and perhaps most devastating to her, the loss of her only good eye—an eye which had just been surgically corrected to restore clear vision.

Even though this woman was insured, her medical expenses exceeded her policy entitlement. Like so many crime victims who suffer unexpected financial hardship, she would have had to find a way to pay the bills out of her own pocket. Fortunately those

costs were reimbursed by the Iowa Victim Reparation Program.

The Victims of Crime Assistance Act will aid State compensation and assistance programs like Iowa's so that they may maintain adequate funding to provide prompt and useful assistance to victims. With this bill the Federal Government takes a leadership role in helping crime victims by supplying a minimum of $100,000 in funding for existing State compensation programs and at the same time encourages States to develop and improve their assistance.

While money will never transform crime victims' horror stories into success stories, it will offer some relief to those who not only feel physical and psychological pain, but face the difficult financial burden of lost work time or costly medical bills.

This bill fashions an appropriate way to fund victims assistance programs. Criminals, not innocent taxpayers, will pick up the tab for the havoc they force on victim's lives. The increased Federal criminal fines, improved fine collection procedures and additional penalty assessments outlined in this bill will together serve to raise additional revenues for the victims fund. In addition, the so-called Son of Sam provision will assure that criminals will not profit through publicizing their misdeeds.

Many individuals will never fully recover from their victimization—never return to life the way it was before it was so cruelly interrupted. There really is no adequate way for our system to fully repair the damage, nor to entirely ease the pain. Our system can be improved though so that the unfortunate plight of crime victims is recognized and their needs are cared for. I believe the Victims of Crime Assistance Act takes great strides toward achieving those improvements.

Mr. SPECTER. Mr. President, sexual assault and child abuse are serious national problems of enormous proportions. According to the FBI, a rape is committed in the United States every 7 minutes. The weakest among us, the children, are especially vulnerable to abuse. Even by conservative estimates, a child will be sexually abused once every 2 minutes.

Victims of sexual assault and child abuse often have special needs that require treatment by persons with special training. Rape victims, for example, must face twisted social attitudes that shift blame to the victim. Counseling these victims requires sensitivity to the psychological and social problems that victims experience as a consequence of these attitudes. Similarly, treatment of abused children demands an understanding of childrens' psychological and social development. Witnesses at hearings of the Juvenile Justice Subcommittee, which I chair, have testified about the severe problems that often arise when abused children are treated by adults who do not understand the perspective of a child.

I am, therefore, introducing an amendment to require that the State administrators responsible for distributing funds under this legislation certify that priority will be given to eligible recipient organizations for programs providing assistance to victims of sexual assault, spousal assault or child abuse.

Given the special needs of sexual assault and child abuse victims, I believe this emphasis is warranted. However it is important to note that the amendment would not unduly infringe on State prerogatives. States would be free to fund organizations of their choice at an amount of their choice. Nor does the bill establish a definite percentage of funding that must be given to these programs; instead the States would be able to consider the availability and quality of existing services.

It should be emphasized that this amendment will not cost the Federal Government 1 penny in additional expenditures. Nor does the amendment create a new Federal bureaucracy.

I want to pay a special tribute to the esteemed chairman of the Judiciary Committee, Senator STROM THURMOND, for his help in working out the language of this amendment. Senator THURMOND's invaluable work for crime victims deserves the thanks of all Americans.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and to be read a third time.

The bill (S. 2423) was read the third time and passed, as amended, as follows:

S. 2423

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Victims of Crime Assistance Act of 1984".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) many violent crimes result in serious financial losses and severe physical and psychological trauma to the victims of crime and their families;

(2) the Federal Government and the States are presently unable to adequately protect the victims of crime from its devastating physical, financial, emotional, and psychological consequences;

(3) the Federal Government spends far more resources on rehabilitating and educating prisoners than it does on assisting victims;

(4) the public's respect for the law is seriously diminished if it perceives that only the perpetrators of violent crime, and not the victims, are entitled to justice and protection from their government;

(5) the successful operation of the criminal justice system depends on the willing, welcome participation of victims at all stages of the criminal justice process;

(6) assisting victims of crime is a joint responsibility of the States and Federal Government. The free movement of criminals, victims, and the implements of crime across State boundaries requires a strong Federal response. Although over two-thirds of the States now operate some form of victims' compensation program, there is no formal compensation of victims of Federal crime;

(7) it is against public policy for a criminal to profit from the retelling or depiction of his crime or to encourage others to commit similar acts by glorification of his crime.

(b) The Congress therefore declares that the purposes of this Act are to—

(1) establish a separate account in the United States Treasury to finance payments to the States and selected Federal agencies for compensation and other assistance to the victims of crime;

(2) encourage States to provide direct financial assistance to victims of crime within their borders, regardless of the victim's residence or jurisdiction of the crime;

(3) assist local units of government and private nonprofit organizations to provide direct services to victims of crime and to promote the development of comprehensive services to all victims of crime across the Nation;

(4) establish a safe, welcome environment for victims to participate in the criminal justice process; and

(5) improve the Federal Government's assistance to victims of Federal crime.

TITLE I—CRIME VICTIMS' ASSISTANCE FUND

PART A—ESTABLISHMENT OF THE FUND

SEC. 101. There is hereby established in the United States Treasury a separate account to be known as the Crime Victims' Assistance Fund ("Fund") in which shall be deposited, but not to exceed $100,000,000—

(a) all criminal fines (as defined in section 131(a)(2)) collected by any officer of the Federal Government;

(b) contributions made pursuant to title III of this Act;

(c) penalty assessment fees collected pursuant to title II of this Act; and

(d) any money paid into the Fund pursuant to section 103(b) of this title.

SEC. 102. Title 18 of the United States Code is amended by adding a new rule 32.2 to the Federal Rules of Criminal Procedure to read as follows:

"Rule 32.2 Payment of Moneys Received From Sale of Rights Arising From Criminal Act

"(a) At any time after the filing of an indictment or information against a defendant, and upon motion of the attorney for the Government, the court may order a person or organization with whom the defendant has contracted for the purpose of having his crime depicted in a movie, book, newspaper, magazine, radio, or television production, or live entertainment of any kind, or for the purpose of expressing his thoughts, opinions, or emotions regarding such crime, to pay in to the clerk of the court any money which would otherwise, by terms of the contract, be paid to the defendant, his representative, or any transferee of the defendant.

"(b) Prior to entering such an order, the court shall conduct a hearing, after notice to the defendant, the person or organization with whom he has contracted, any other transferee of proceeds under the contract and the victim, if any, of the crime commit-

ted by the defendant, for the purpose of determining whether such an order is warranted in the interests of justice or to redress the injuries suffered by the victim. Each party notified shall be given an opportunity to speak to the court.".

SEC. 103. (a) Any person who has been charged with, convicted of, pleaded guilty, or pleaded nolo contendere to a Federal crime (hereinafter referred to as "defendant") who contracts with a person for the purpose of having his crime or alleged crime depicted in a movie, book, newspaper, magazine, radio or television production, or live entertainment of any kind, or for the purpose of expressing his thoughts, opinions or emotions regarding such crime, shall file a copy of such contract with the court adjudicating his guilt.

(b) If so ordered by the court after proceedings conducted pursuant to rule 32.2 of the Federal Rules of Criminal Procedure, the person with whom the defendant has contracted shall pay in to the clerk of the court any money which would otherwise, by terms of the contract, be paid to the defendant, his representative, or any transferee of the defendant. The clerk shall deposit such moneys in the Crime Victims' Assistance Fund for the benefit of and payable to any victim of crimes committed by such person.

(c) Moneys deposited in the Fund under subsection (b) shall be used to satisfy any unsatisfied or partially satisfied judgment rendered in favor of a victim or his legal representative in any civil action brought by the victim that is filed in any court of the United States within five years after the first deposit of such moneys in the Fund, against a defendant or his representative for damages arising out of the crime committed by the defendant. If no such action has been filed within five years after the first deposit of such moneys, any money remaining in the account shall remain in the Fund for distribution pursuant to part B of this title, subject to subsections (d) and (e) of the section.

(d) Moneys in the fund shall be paid to the defendant upon an order of a United States district court judge for the exclusive purpose of retaining legal representation at any stage of the criminal proceedings brought against the defendant. The total of all payments made from the Fund under this subsection shall not exceed one-fifth of the total moneys paid into the Fund with respect to the defendant.

(e) Upon dismissal of charges or acquittal of any defendant, the court shall order the clerk to pay over to the defendant all moneys paid in to the clerk with respect to the defendant under subsection (b).

(f) The clerk shall, once every six months for five years from the first date money is deposited in the Fund publish a notice in the Federal Register and in a newspaper of general circulation in the county or city where the offense was committed notifying victims that such moneys are available to satisfy judgments pursuant to this title.

SEC. 104. (a) Title 18 of the United States Code is amended by deleting the word "and" after subsection (4) of section 4207 and adding a new subsection (5) to section 4207, to read as follows:

"(5) statements of the victim or his representative, which the Commission shall solicit at the parole hearing, about the emotional, physical, psychological, and financial impact the prisoner's criminal conduct has had on his life. Such statements may be presented orally, or in writing, at the discretion of the victim or his representative; and".

(b) Title 18 of the United States Code is amended by redesignating present subsection "(5)" of section 4207 as subsection "(6)".

PART B—DISBURSEMENTS

SEC. 111. The Attorney General is authorized to make annual grants and other payments from the Fund to States for the purpose of compensating and providing other assistance to victims of crime. Amounts in the Fund shall be available to the Attorney General, who shall distribute the funds on the basis of the following criteria:

(a) in the fiscal year ending on September 30, 1985, 40 per centum, and in subsequent fiscal years, 45 per centum, to be available for distribution among the States on the basis of the amount of money spent by the State in relation to all States, for the compensation of victims of crime, including victims of exclusively Federal crimes, during the preceding fiscal year: Provided, That no State shall receive more than 25 per centum of the amount it spent for the compensation of victims of crime, including victims of exclusively Federal crimes, during the preceding fiscal year;

(b) 45 per centum to be distributed among the States on the basis of State population in relation to the population of all States; and

(c) in the fiscal year ending on September 30, 1985, 15 per centum, and in subsequent fiscal years, 10 per centum, for distribution by the Attorney General among Federal law enforcement agencies for the purposes enumerated in section 114 of this title.

Distributions from the Fund shall be based on the amount credited to the Fund during the previous fiscal year. Subject to the amounts available in the Fund, each State of the United States and the District of Columbia shall receive not less than $100,000 under subsections (a) and (b) of this section.

SEC. 112. (a) Funds awarded under section 111(a) of this title shall be expended by the State solely for the purpose of providing financial compensation to victims of crime, subject to the provisions of subsection (d). A State is eligible to receive funds under section 111(a) of this title if—

(1) the chief executive of the State submits an application to the Attorney General, prior to the receipt of funds under this title, which—

(A) certifies the amount of money spent by the State in the preceding fiscal year to compensate victims of crime;

(B) certifies that the funds awarded under section 111(a) of this title shall not be used to supplant available State funds, but to increase the amount of funds expended by the State to compensate victims of crime; and

(C) contains such other information and assurances related to the purposes of this title as the Attorney General may require;

(2) the State provides the same financial benefits to victims of crime who are nonresidents of the State, as are provided to victims of crime who are residents of the State;

(3) the State provides the same financial benefits to individuals who are victims of Federal crimes committed in the State as are provided to individuals who are victims of State crimes; and

(4) the State provides compensation for mental health counseling that may be required by eligible individuals as a result of their victimization.

(b) No portion of the funds awarded under section 111(a) of this title may be used by any State for payment of administrative expenses related to the operation of the State victim compensation program.

(c) Any funds which would be awarded to a State but for the 25 per centum limitation imposed by section 111(a) of this title shall, at the option of the chief executive of such State, either be expended by the State under section 113 of this title, or returned by such State to the Fund for redistribution under section 111 of this title.

(d) Any funds awarded under section 111(a) which remain unspent by the State in any fiscal year may be expended for the purposes of providing financial compensation to victims of crime at any time over the next fiscal year. Any funds remaining unspent at the expiration of that time shall, at the option of the chief executive of such State, either be expended by the State under section 113 of this title, or returned by such State to the Fund for redistribution under section 111 of this title.

SEC. 113. (a) Funds awarded to the State under section 111(b) of this title shall be expended by the State solely for the purposes of providing services, other nonfinancial assistance, and limited emergency financial assistance to victims of crime, subject to the provisions of subsection (c). The chief executive of the State shall appoint or designate an official of a State executive agency as the State victim assistance administrator ("State administrator"). The State administrator shall—

(1) certify that funds awarded under section 111(b) of this title shall not be used to supplant available State funds, but to increase the amount of funds expended by the State for financial assistance to eligible recipient organizations for the provision of services, other nonfinancial assistance, and limited emergency financial assistance to victims of crime;

(2) certify that priority shall be given to eligible recipient organizations for programs providing assistance to victims of sexual assault, spousal abuse or child abuse; and

(3) award the money received from the Fund under section 111(b) of this title to eligible recipient organizations in the State. The Administrator shall award funds only to an eligible recipient organization which—

(A) demonstrates a record of quality assistance to victims consistent with the purposes of this statute and available resources;

(B) to the extent practicable, promotes the use of volunteers in its service delivery;

(C) demonstrates financial support from sources other than the Fund;

(D) demonstrates an established commitment from other locally available service providers to provide the services that it does not provide, to all victims of crime; and

(E) assures that it shall coordinate with other public agencies and private organizations for the purpose of providing services to victims of crime;

(3) obtain assurances from eligible recipient organizations of compliance with the requirements of this title; and

(4) administer, monitor, and evaluate the fiscal and programmatic performance of organizations receiving funds under this section.

(b) An eligible recipient organization is a nonprofit organization, an agency of a State or local unit of government, or a combination of such entities which provides one or more of the following services to victims of crime as a group or to any targeted category of crime victims—

(1) crisis intervention services;

(2) assistance to victims in determining the status of, and participating in criminal justice proceedings; and

(3) assistance in securing victim compensation benefits.

(c) All funds awarded to a State under section 111(b) of this title may be used only for the purpose of providing financial assistance to eligible recipient organizations for the provision of services and other assistance to victims of crime. Any funds awarded under subsection 111(b) of this title which remain unspent by the State in any fiscal year may be expended for the purposes of this section at any time during the next fiscal year, at the expiration of which time any remaining unspent funds shall, at the option of the chief executive of such State, either be expended by the State under section 112 of this title, or returned by such State to the Fund for redistribution under section 111 of this title.

SEC. 114. (a) Funds awarded under section 111(c) of this title shall be expended by the Attorney General solely for the purpose of providing services and other nonfinancial assistance to victims of Federal crimes, subject to the provisions of subsection (e). The Attorney General shall appoint or designate an official of the Department of Justice to be the Federal Victim Assistance Administrator ("Federal Administrator") authorized to exercise the responsibilities in subsection (c).

(b)(1) The President is authorized to establish a Federal Victim of Crime Advisory Committee ("Committee") comprised of the Attorney General, the Secretary of the Treasury, the Secretary of the Interior, the Federal Administrator, such other Federal officials as he may deem appropriate, and no less than two members of the public who have special knowledge of the needs of victims. The Attorney General shall serve as Chairman of the Committee.

(2) The Committee shall advise the Federal Administrator about the victims assistance needs of the Federal Government and recommend proposed uses of the funds received under section 111(c) of this title to him. The Committee shall also periodically recommend to the President other actions to be taken by the Federal Government for the improved treatment of victims of Federal crime. The Committee shall meet semiannually and at such other times as the Attorney General may designate.

(3) The members of the public appointed under paragraph (1) shall receive compensation for each day engaged in the actual performance of duties vested in the Committee at rates of pay not in excess of the daily equivalent of the highest rate of basic pay then payable under the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence and other necessary expenses.

(c) After consultation with the Committee, the Federal Administrator shall annually distribute the funds received under section 111(c) of this title among the Executive agencies of the Federal Government having criminal law enforcement responsibilities, for the purpose of improving assistance to the victims of Federal crime. The funds may be expended for activities such as—

(1) the establishment and maintenance of victims assistance positions or units;

(2) the establishment and maintenance of services such as crisis intervention counseling services, followup counseling services, information and referral services, and on-call systems for the victims of Federal crimes;

(3) the training of Federal law enforcement personnel (including court personnel) in the delivery of victims assistance services;

(4) dissemination of information about Federal victims assistance services; and

(5) such other related purposes as the Federal Administrator may deem appropriate.

The Federal Administrator shall seek to avoid duplicating assistance already effectively provided by local organizations.

(d) The Federal Administrator shall be responsible for overseeing Federal compliance with the guidelines for fair treatment of Federal crime victims and witnesses required by section 6(a) of the Victim and Witness Protection Act of 1982, Public Law 97-291. The Federal Administrator shall also be responsible for coordinating victim assistance activities between the Federal government and State and local efforts. The Attorney General may direct the Federal Administrator to perform such other functions related to the purposes of this title as he may deem appropriate.

(e) Any funds awarded under section 111(c) of this title which remain unspent in any fiscal year may be expended for the purposes of this section at any time during the next fiscal year, at the expiration of which time any remaining unspent funds shall revert to the Fund for redistribution pursuant to section 113.

PART C—ADMINISTRATIVE PROVISION

SEC. 121. Within one year from the enactment of this title, the Director of the Administrative Office of the United States Courts shall submit a report to the Attorney General setting forth the steps it has taken to (1) improve the accurate accounting of collections of criminal fines, and (2) assure that all collected criminal fines are deposited in the Fund. The report may also set forth recommendations for future action by the Federal Government that would best assure collection of all criminal fines imposed by the courts.

SEC. 122. (a) Sections 701, 702, 703, 708, 709, and 710 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, are applicable to all recipients of funds disbursed under this title.

(b) The Attorney General is authorized to establish such rules, regulations, guidelines, and procedures as are necessary to the exercise of his functions under, and as are consistent with, the stated purposes of this title.

(c) No later than December 31, 1987, the Attorney General shall report to the President and to the Committees on the Judiciary of the Senate and House of Representatives on the amount of funds collected from each source listed in section 101 of this title, and on the effectiveness of the activities supported pursuant to sections 112, 113, and 114 of this title. The Attorney General shall also set forth recommendations for legislation to improve the ability of the Department of Justice to fulfill the purposes of this title.

(d) Deposits shall be made in the Fund pursuant to section 101 of this title until September 30, 1988. No deposits shall be made after that date without further authorization by Congress. Amounts remaining unobligated in the Fund after September 30, 1988, shall revert to the general fund of the Treasury.

SEC. 123. This Act does not modify or repeal the provisions contained in section 11(d) of the Endangered Species Act of 1973 (16 U.S.C. 1540) or section 6(d) of the Lacey Act Amendments of 1981 (16 U.S.C. 3375).

PART D—DEFINITIONS

SEC. 131. (a) As used in this title—

(1) "crime" means a criminal offense as defined by Federal, State, or common law, or an act which would constitute such an offense but for the fact that the perpetrator of the act lacked capacity to commit the offense, but does not include an offense prosecuted in Indian tribal courts or Courts of Indian Offenses;

(2) "criminal fines" means all pecuniary punishments imposed by a Federal court upon a person, a corporation, or other entity convicted of a crime (including all fines imposed for criminal violation of motor vehicle and antitrust laws) and all money derived from forefeited appearance bonds posted by Federal criminal defendants, but does not include criminal fines imposed by Indian tribal courts or Courts of Indian Offenses;

(3) "financial compensation" means payment of money to victims of crime for expenses and losses arising out of the criminal incident that are compensable under State law, including limited emergency financial assistance;

(4) "fiscal year" means the period beginning October 1 of one calendar year and ending September 30 of the next calendar year;

(5) "population" means total resident population based on data compiled by the United States Bureau of the Census and referable to the same point or period in time;

(6) "representative of the victim" means a parent or legal guardian of a victim who is a minor, or a parent, legal guardian, or spouse of a deceased victim; and

(7) except with respect to the $100,000 minimum contained in section 111 of this title, "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

TITLE II

PENALTY ASSESSMENT FEES

SEC. 201. Whenever any person is convicted of an offense in any court of the United States, the court shall impose a penalty assessment fee on such person in the amount of—

(a) $25, if the defendant is an individual and the offense is a misdemeanor;

(b) $50, if the defendant is an individual and the offense is a felony;

(c) $100, if the defendant is a person other than an individual and the offense is a misdemeanor; and

(d) $200, if the defendant is a person other than an individual and the offense is a felony.

TITLE III

DONATIONS FOR VICTIMS ASSISTANCE

SEC. 301. (a) The Attorney General is authorized to accept on behalf of the United States, contributions from members of the public for purposes of aiding victims of crime. No gift may be accepted—

(1) from any individual who has been convicted of an offense in any court of the United States, or who has been charged with an offense against the United States;

(2) that attaches conditions inconsistent with applicable laws or regulations; or

(3) that is conditioned upon or will require the expenditure of appropriated funds unless such expenditure has been authorized by Act of Congress.

(b) For purposes of Federal income, estate, and gift taxes, property accepted under subsection (a) of this section shall be considered as a gift or bequest to or for the use of the United States.

TITLE IV

FINE INCREASES AND IMPROVED COLLECTION PROCEDURES

SEC. 401. Title 18 of the United States Code is amended by adding the following new section:

"§ 3621. Sentence of fine

"(a) IN GENERAL.—A defendant who has been found guilty of an offense may be sentenced to pay a fine.

"(b) AUTHORIZED FINES.—Notwithstanding any other provision of law, the authorized fines are—

"(1) if the defendant is an individual—

"(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $250,000;

"(B) for any other misdemeanor, not more than $25,000; and

"(C) for an infraction, not more than $1,000; and

"(2) if the defendant is an organization—

(A) for a felony, or for a misdemeanor resulting in the loss of human life, not more than $500,000;

(B) for any other misdemeanor, not more than $100,000; and

(C) for an infraction, not more than $10,000.".

SEC. 402. (a) Title 18 of the United States Code is amended by adding the following new chapter after chapter 227:

"CHAPTER 228—IMPOSITION, PAYMENT, AND COLLECTION OF FINES

"Sec.
"3591. Imposition of a fine.
"3592. Payment of a fine, delinquency and default.
"3593. Modification or remission of fine.
"3594. Certification and notification.
"3595. Interest, monetary penalties for delinquency, and default.
"3596. Civil remedies for satisfaction of an unpaid fine.
"3597. Resentencing upon failure to pay a fine.
"3598. Statute of limitations.
"3599. Criminal default.

"§ 3591. Imposition of a fine

"(a) FACTORS TO BE CONSIDERED IN IMPOSING A FINE.—The court, in determining whether to impose a fine, the amount of any fine, the time for payment, and the method of payment, shall consider—

"(1) the ability of the defendant to pay the fine in view of the income of the defendant, earning capacity and financial resources, and, if the defendant is an organization, the size of the organization;

"(2) the nature of the burden that payment of the fine will impose on the defendant, and on any person who is financially dependent on the defendant, relative to the burden which alternative punishments would impose;

"(3) any restitution or reparation made by the defendant in connection with the offense and any obligation imposed upon the defendant to make such restitution or reparation;

"(4) if the defendant is an organization, any measure taken by the organization to discipline its employees or agents responsible for the offense or to ensure against a recurrence of such an offense; and

"(5) any other pertinent consideration.

"(b) EFFECT OF FINALITY OF JUDGMENT.—Notwithstanding the fact that a sentence to pay a fine can subsequently be—

"(1) modified or remitted pursuant to the provisions of section 3593;

"(2) corrected pursuant to the provisions of rule 35; or

"(3) appealed;

a judgment of conviction that includes such a sentence constitutes a final judgment for all other purposes.

"§ 3592. Payment of a fine, delinquency and default

"(a) TIME AND METHOD OF PAYMENT.—Payment of a fine is due immediately unless the court, at the time of sentencing—

"(1) requires payment by a date certain; or

"(2) establishes an installment schedule, the specific terms of which shall be fixed by the court.

"(b) INDIVIDUAL RESPONSIBILITIES FOR PAYMENT.—If a fine is imposed on an organization, it is the duty of each individual authorized to make disbursement of the assets of the organization to pay the fine from assets of the organization. If a fine is imposed on an agent or shareholder of an organization, the fine shall not be paid, directly or indirectly, out of the assets of the organization, unless the court finds that such payment is expressly permissible under applicable State law.

"(c) RESPONSIBILITY TO PROVIDE CURRENT ADDRESS.—At the time of imposition of the fine, the court shall order the person fined to provide the Attorney General with a current mailing address for the entire period that any part of the fine remains unpaid. Failure to provide the Attorney General with a current address or a change in address shall be punishable as a contempt of court.

"(d) STAY OF FINE PENDING APPEAL.—Unless exceptional circumstances exist, if a sentence to pay a fine is stayed pending appeal, the court granting the stay shall include in such stay—

"(1) a requirement that the defendant, pending appeal, to deposit the entire fine amount, or the amount due under an installment schedule, during the pendency of an appeal, in an escrow account in the registry of the district court, or to give bond for the payment thereof; or

"(2) an order restraining the defendant from transferring or dissipating assets found to be sufficient, if sold, to meet the defendant's fine obligation.

"(e) DELINQUENT FINE.—A fine is delinquent if any portion of such fine is not paid within thirty days of when it is due, including any fines to be paid pursuant to an installment schedule.

"(f) DEFAULT.—A fine is in default if any portion of such fine is more than ninety days delinquent. When a criminal fine is in default, the entire amount is due within thirty days of notification of the default, notwithstanding any installment schedule.

"§ 3593. Modification or remission of fine

"(a) PETITION FOR MODIFICATION OR REMISSION.—A person who has been sentenced to pay a fine, and who—

"(1) can show a good faith effort to comply with the terms of the sentence and concerning whom the circumstances no longer exist that warranted the imposition of the fine in the amount imposed or payment by the installment schedule, may at any time petition the court for—

"(A) an extension of the installment schedule, not to exceed two years except in case of incarceration or special circumstances; or

"(B) a remission of all or part of the unpaid portion including interest and penalties; or

"(2) has voluntarily made restitution or reparation to the victim of the offense, may at any time petition the court for a remission of the unpaid portion of the fine in an amount not exceeding the amount of such restitution or reparation.

Any petition filed pursuant to this subsection shall be filed in the court in which sentence was originally imposed, unless that court transfers jurisdiction to another court. The petitioner shall notify the Attorney General that the petition has been filed within ten working days after filing. For the purposes of clause (1), unless exceptional circumstances exist, a person may be considered to have made a good faith effort to comply with the terms of the sentence only after payment of a reasonable portion of the fine.

"(b) ORDER OF MODIFICATION OR REMISSION.—If, after the filing of a petition as provided in subsection (a), the court finds that the circumstances warrant relief, the court may enter an appropriate order, in which case it shall provide the Attorney General with a copy of such order.

"§ 3594. Certification and notification

"(a) DISPOSITION OF PAYMENT.—The clerk shall forward each fine payment to the United States Treasury and shall notify the Attorney General of its receipt within ten working days.

"(b) CERTIFICATION OF IMPOSITION.—If a fine exceeding $100 is imposed, modified, or remitted, the sentencing court shall incorporate in the order imposing, remitting, and modifying such fine, and promptly certify to the Attorney General—

"(1) the name of the person fined;

"(2) his current address;

"(3) the docket number of the case;

"(4) the amount of the fine imposed;

"(5) any installment schedule;

"(6) the nature of any modification or remission of the fine or installment schedule; and

"(7) the amount of the fine that is due and unpaid.

"(c) RESPONSIBILITY FOR COLLECTION.—The Attorney General shall be responsible for collection of an unpaid fine concerning which a certification has been issued as provided in subsection (a).

"(d) NOTIFICATION OF DELINQUENCY.—Within ten working days after a fine is determined to be delinquent as provided in section 3592(e), the Attorney General shall notify the person whose fine is delinquent, by certified mail, to inform him that the fine is delinquent.

"(e) NOTIFICATION OF DEFAULT.—Within ten working days after a fine is determined to be in default as provided in section 3592(f), the Attorney General shall notify the person defaulting, by certified mail, to inform him that the fine is in default and the entire unpaid balance, including interest and penalties, is due within thirty days.

"§ 3595. Interest, monetary penalties for delinquency, and default

"Upon a determination of willful nonpayment, the court may impose the following interest and monetary penalties:

"(1) INTEREST.—Notwithstanding any other provision of law, interest at the rate of 1 per centum per month, or 12 per centum per year, shall be charged, beginning the thirty-first day after sentencing on the first day of each month during which any fine balance remains unpaid, including sums to be paid pursuant to an installment schedule.

"(2) MONETARY PENALTIES FOR DELINQUENT FINES.—Notwithstanding any other provision of law, a penalty sum equal to 10 per centum shall be charged for any portion of a criminal fine which has become delinquent. The Attorney General may waive all or part of the penalty for good cause.

"§ 3596. Civil remedies for satisfaction of an unpaid fine

"(a) LIEN.—A fine imposed as a sentence is a lien in favor of the United States upon all property belonging to the person fined. The lien arises at the time of the entry of the judgment and continues until the liability is satisfied, remitted, or set aside, or until it becomes unenforceable pursuant to the provisions of subsection (b). On application of the person fined, the Attorney General shall—

"(1) issue a certificate of release, as described in section 6325 of the Internal Revenue Code, of any lien imposed pursuant to this section, upon his acceptance of a bond described in section 6325(a)(2) of the Internal Revenue Code; or

"(2) issue a certificate of discharge, as described in section 6325 of the Internal Revenue Code, of any part of the person's property subject to a lien imposed pursuant to this section, upon his determination that the fair market value of that part of such property remaining subject to and available to satisfy the lien is at least three times the amount of the fine.

"(b) EXPIRATION OF LIEN.—A lien becomes unenforceable at the time liability to pay a fine expires as provided in section 3598.

"(c) APPLICATION OF OTHER LIEN PROVISIONS.—The provisions of sections 6323, 6331, 6334 through 6336, 6337(a), 6338 through 6343, 6901, 7402, 7403, 7424 through 7426, 7505(a), 7506, 7701, and 7805 of the Internal Revenue Code of 1954 (26 U.S.C. 6323, 6331, 6332, 6334 through 6336, 6337(a), 6338 through 6343, 6901, 7402, 7403, 7424 through 7426, 7505(a), 7506, 7701, and 7805) and of section 513 of the Act of October 17, 1940 (54 Stat. 1190), apply to a fine and to the lien imposed by subsection (a) as if the liability of the person fined were for an internal revenue tax assessment, except to the extent that the application of such statutes is modified by regulations issued by the Attorney General to accord with differences in the nature of the liabilities. For the purposes of this subsection, references in the preceding sections of the Internal Revenue Code of 1954 to 'the Secretary' shall be construed to mean 'the Attorney General,' and references in those sections to 'tax' shall be construed to mean 'fine.'

"(d) EFFECT ON NOTICE OF LIEN.—A notice of the lien imposed by subsection (a) shall be considered a notice of lien for taxes payable to the United States for the purposes of any State or local law providing for the filing of a notice of a tax lien. The registration, recording, docketing, or indexing, in accordance with 28 U.S.C. 1962, of the judgment under which a fine is imposed shall be considered for all purposes as the filing prescribed by section 6323(f)(1)(A) of the Internal Revenue Code of 1954 (26 U.S.C. 6323(f)(1)(A)) and by subsection (c).

"(e) ALTERNATIVE ENFORCEMENT.—Notwithstanding any other provision of this section, a judgment imposing a fine may be enforced by execution against the property of the person fined in like manner as judgments in civil cases.

"(f) DISCHARGE OF DEBTS INAPPLICABLE.—No discharge of debts pursuant to a bankruptcy proceeding shall render a lien under this section unenforceable or discharge liability to pay a fine.

"§ 3597. Resentencing upon failure to pay a fine

"(a) RESENTENCING.—Subject to the provisions of subsection (b), if a person knowingly fails to pay a delinquent fine the court may resentence the person to any sentence which might originally have been imposed.

"(b) IMPRISONMENT.—The defendant may be sentenced to a term of imprisonment under subsection (a) only if the court determines that—

"(1) the person willfully refused to pay the delinquent fine or had failed to make sufficient bona fide efforts to pay the fine; or

"(2) in light of the nature of the offense and the characteristics of the person, alternatives to imprisonment are not adequate to serve the purposes of punishment and deterrence.

"§ 3598. Statute of limitations

"(a) LIABILITY TO PAY A FINE EXPIRES.—

"(1) twenty years after the entry of the judgment;

"(2) upon the death of the person fined.

"(b) The period set forth in subsection (a) may be extended, prior to its expiration, by a written agreement between the person fined and the Attorney General. The running of the period set forth in subsection (a) is suspended during any interval for which the running of the period of limitations for collection of a tax would be suspended pursuant to section 6503(b), 6503(c), 6503(f), 6503(i), or 7508(a)(1)(I) of the Internal Revenue Code of 1954 (26 U.S.C. 6503(b), 6503(c), 6503(f), 6503(i), or 7508(a)(1)(I)), or section 513 of the Act of October 17, 1940 (54 Stat. 1190).

"§ 3599. Criminal default

"Whoever, having been sentenced to pay a fine, willfully fails to pay the fine, shall be fined not more than twice the amount of the unpaid balance of the fine or $10,000, whichever is greater, imprisoned not more than one year, or both.".

(b) Section 3651 of title 18, United States Code, is amended by inserting after "May be required to provide for the support of any persons, for whose support he is legally responsible." the following new paragraph:

"If the court has imposed and ordered execution of a fine and placed the defendant on probation, payment of the fine or adherence to the court-established installment schedule shall be a condition of the probation.".

(c) Section 3651 of title 18, United States Code, is amended by striking out the last paragraph and inserting in lieu thereof the following:

"The defendant's liability for any unexecuted fine or other punishment imposed as to which probation is granted, shall be fully discharged by the fulfillment of the terms and conditions of probation.".

(d) The second paragraph of section 3655 of title 18, United States Code, is amended to read as follows:

"He shall keep informed concerning the conduct, condition, and compliance with any condition of probation, including the payment of a fine or restitution of each probationer under his supervision, and shall report thereon to the court placing such person on probation. He shall report to the court any failure of a probationer under his supervision to pay a fine in default within thirty days after notification that it is in default so that the court may determine whether probation should be revoked.".

(e) Section 4209 of title 18, United States Code, is amended in subsection (a) by striking out the period at the end of the first sentence and inserting in lieu thereof "and, in a case involving a criminal fine that has not already been paid, that the parolee pay or agree to adhere to an installment schedule, not to exceed two years except in special circumstances, to pay for any fine imposed for the offense.".

(f) Subsection (b) (1) of section 4214 of title 18, United States Code, is amended by adding after "parole" the following: "or a failure to pay a fine in default within thirty days after notification that it is in default".

(g)(1) Section 3565 of title 18, United States Code, is repealed.

(2) The table of sections for chapter 227 of title 18, United States Code, is amended by striking out the item for section 3565 and inserting in lieu thereof the following:

"3565. Repealed.".

(h) Section 3569 of title 18, United States Code, is amended by—

(1) striking out "(a)"; and

(2) striking out subsection (b).

SEC. 403. (a)(1) Except as provided in paragraph (2), for each criminal fine for which the unpaid balance exceeds $100 as of the effective date of this Act, the Attorney General shall, within one hundred and twenty days, notify the person by certified mail of his obligation, within thirty days after notification, to—

(A) pay the fine in full;

(B) specify, and demonstrate compliance with, an installment schedule established by a court before enactment of the amendments made by this Act, specifying the dates on which designated partial payments will be made; or

(C) establish with the çoncurrence of the Attorney General, a new installment schedule of a duration not exceeding two years, except in special circumstances, and specifying the dates on which designated partial payments will be made.

(2) This subsection shall not apply in cases in which—

(A) the Attorney General believes the likelihood of collection is remote; or

(B) criminal fines have been stayed pending appeal.

(b) The Attorney General shall, within one hundred and eighty days after the effective date of this Act, declare all fines for which this obligation is unfulfilled to be in criminal default, subject to the civil and criminal remedies established by amendments made by this Act. No interest or monetary penalties shall be charged on any fines subject to this section.

(c) Not later than one year following the effective date of this Act, the Attorney General shall include in the annual crime report steps taken to implement this Act and the progress achieved in criminal fine collection, including collection data for each judicial district.

SEC. 404. The table of chapters for Part II of title 18 of the United States Code is amended by adding the following new chapter:

"228. Imposition, Payment, and Collection of Fines..... 3591.".

SEC. 405. The table of sections for Chapter 229 of title 18 of the United States Code is amended by adding the following new section at the end thereof:

"3621. Sentence of fine.".

TITLE V

COMPENSATION TO VICTIMS OF FEDERALLY PROTECTED WITNESSES

SEC. 501. (a) The Attorney General may pay restitution to, or in the case of death, compensation for the death of any victim of a crime that causes or threatens death or serious bodily injury and that is committed by any person provided protection under Title V of the Organized Crime Control Act of 1970 (84 Stat. 933).

(b) Not later than four months after the end of each fiscal year, the Attorney General shall transmit to the Congress a detailed

report on payments made under this subsection for such year.

(c) There are authorized to be appropriated for the fiscal year 1985 and for each fiscal year thereafter, $1,000,000 for payments under this subsection.

(d) The Attorney General shall establish guidelines and procedures for making payments under this subsection. The payments to victims under this subsection shall be made for the types of expenses provided for in section 3579(b) of title 18, United States Code, except that in the case of the death of the victim, an amount not to exceed $50,000 may be paid to the victim's estate. No payment may be made under this subsection to a victim unless the victim has sought restitution and compensation provided under Federal or State law or by civil action. Such payments may be made only to the extent the victim, or the victim's estate, has not otherwise received restitution and compensation, including insurance payments, for the crime involved. Payments may be made under this subsection to victims of crimes occurring on or after the date of the enactment of this chapter. Notwithstanding any other provision of this subsection, in the case of a crime occurring before the date of the enactment of this chapter, a payment may be made under this subsection in the case of the death of the victim in an amount not exceeding $25,000.

Mr. BAKER. I move to reconsider the vote, Mr. President.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECOVERY OF CERTAIN COSTS ASSOCIATED WITH COTTON CLASSING SERVICES

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2085.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2085) entitled "An Act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services", do pass with the following amendment:

"1" Page 3, line 4, strike out all after "seq.)." down to and including "Act." in line 16, and insert: *Any fees collected under this section and under section 3d of this Act, late payment penalties, the proceeds from the sales of samples, and interest earned from the investment of such funds shall be credited to the current appropriation account that incurs the cost of services provided under this section and section 3d and shall remain available without fiscal year limitation to pay the expenses of the Secretary incident to providing such services. Such funds may be invested by the Secretary in insured or fully collateralized, interest-bearing accounts, or, at the discretion of the Secretary, by the Secretary of the Treasury in United States Government debt instruments.*

"2" Page 3, strike out all after line 20 over to and including line 9 on page 4, and insert:

SEC. 2. Section 203(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) is amended by inserting immediately before the first complete sentence the following: "Any fees collected under this subsection, late payment penalties, the proceeds from the sales of samples, and interest earned from the investment of such funds shall be credited to the trust fund account that incurs the cost of the services provided under this subsection and shall remain available without fiscal year limitation to pay the expenses of the Secretary incident to providing such services. Such funds may be invested by the Secretary in insured or fully collateralized, interest-bearing accounts or, at the discretion of the Secretary, by the Secretary of the Treasury in United States Government debt instruments.".

COTTON CLASSING SERVICES

Mr. HELMS. Mr. President, on May 2, 1984, the Senate passed S. 2085. That bill extends for 4 years the authority of the Secretary of Agriculture to charge fees for cotton classification services provided to producers by the Department of Agriculture. The bill also authorizes the Department to invest in interest-bearing accounts, the operating balances of the trust fund containing fees collected for voluntary inspection, and grading services provided under the Agricultural Marketing Act of 1946.

The House of Representatives passed S. 2085 on May 21, 1984. The House made two amendments to the bill which are purely technical to clarify the provisions regarding investment of user fees and related sums in interest-bearing accounts.

I urge the Senate to accept the House amendments. They do not change the substance of the bill as passed by the Senate, but merely make several technical and clarifying improvements.

Mr. HUDDLESTON. Mr. President, S. 2085 extends, for 4 years, the authority for the Secretary of Agriculture to charge fees for cotton classification services provided to producers by the Department of Agriculture. The bill will also permit the Department to invest cotton classing fees, certain fees collected under the Agricultural Marketing Act of 1946, and related funds in interest-bearing accounts.

Enactment of the bill is needed to enable the Secretary of Agriculture to continue to collect fees to offset costs associated with providing cotton classing services to producers. Without enactment of the bill, authority to charge for cotton classing services will expire at the end of fiscal year 1984. Under S. 2085, the authority is extended through fiscal year 1988.

Also, under current law effective through fiscal year 1984, fees collected for cotton classing services are held in a special account, to be used to cover the cost to the Government of providing the services. Funds being held in that account can be deposited in interest-bearing accounts. Enactment of S. 2085 is needed to extend the authority to earn interest on funds in the special cotton classing account.

Under the Agricultural Marketing Act of 1946, commodity inspection and grading services are provided to the agricultural marketing system. Inspection and grading services are provided for various agricultural commodities, such as meat, poultry, eggs, fruits, and vegetables. Fees are collected for these services and placed in a trust fund account for use in covering the cost of such services. Under S. 2085, collected fees and related funds received by the trust fund can be deposited in interest-bearing accounts, and the interest earned on deposits will be applied against the cost of providing the inspection and grading services.

This new authority to earn interest on fees collected under the Agricultural Marketing Act is the same as that provided with respect to cotton classing fees and will place all voluntary commodity inspection and grading programs of the Department of Agriculture on a comparable basis, helping to offset future revenue requirements.

S. 2085, as passed by the Senate, was amended by the House of Representatives, which has asked the Senate to concur in its amendment. The House amendment was limited and technical in nature—to clarify the provisions of the legislation relating to the investment of user fees. The House amendment does not make any substantive change in the purpose or effect of S. 2085, as passed by the Senate.

Mr. President, this legislation is necessary to maintain the effective operation of the cotton classification and other commodity inspection and grading programs without adding to the Federal budget. I urge my colleagues to concur in the House amendment.

Mr. BAKER. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the Senate concurred in the House amendments.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

OLDER AMERICANS ACT AMENDMENTS

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2603.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2603) entitled "An Act to extend the authorization of appropriations for, and to revise the Older Americans Act of 1965", do

pass with the following amendments: Strike out all after the enacting clause and insert:

That this Act may be cited as the "Older Americans Act Amendments of 1984".

TITLE I—AMENDMENTS REGARDING OBJECTIVES AND DEFINITIONS

AMENDMENT TO HEADING

SEC. 101. The heading for title I of the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended by striking out the colon and inserting in lieu thereof a semicolon.

COMMUNITY-BASED, LONG-TERM CARE SERVICES

SEC. 102. (a) Section 101(4) of the Older Americans Act of 1965 (42 U.S.C. 3001(4)) is amended by inserting before the period the following: ", and a comprehensive array of community-based, long-term care services adequate to appropriately sustain older people in their communities and in their homes".

(b) Section 101(10) of the Older Americans Act of 1965 (42 U.S.C. 3001(10)) is amended by inserting before the period the following: "and full participation in the planning and operation of community-based services and programs provided for their benefit".

TITLE II—AMENDMENTS REGARDING THE ADMINISTRATION ON AGING

AMENDMENT TO HEADING

SEC. 201. The heading for title II of the Older Americans Act of 1965 (42 U.S.C. 3011 et seq.) is amended to read as follows:

"TITLE II—OFFICE ON AGING"

OFFICE ON AGING

SEC. 202. Section 201 of the Older Americans Act of 1965 (42 U.S.C. 3011) is amended to read as follows:

"ESTABLISHMENT OF OFFICE ON AGING

"SEC. 201. (a) There is established in the office of the Secretary an Office on Aging (hereinafter in this Act referred to as the 'Office') which shall be headed by the Commissioner on Aging. The Office shall be the principal agency for carrying out this Act, other than title V. In the performance of the functions of the Office, the Commissioner shall be directly responsible to the Secretary. There shall be a direct reporting relationship between the Commissioner and the Secretary. The Secretary shall not approve any delegation of the functions of the Office to any officer not directly responsible to the Commissioner.

"(b) The Commissioner shall be appointed by the President by and with the advice and consent of the Senate.".

FUNCTIONS OF OFFICE ON AGING

SEC. 203. (a) The heading for section 202 of the Older Americans Act of 1965 (42 U.S.C. 3011) is amended by striking out "Commissioner" and inserting in lieu thereof "Office on Aging".

(b) Section 202(a) of the Older Americans Act of 1965 (42 U.S.C. 3012(a)) is amended—

(1) by striking out "function of the Administration" and inserting in lieu thereof "function of the Office",

(2) in paragraph (5) by striking out "of and carry out" and inserting in lieu thereof "and implementation of",

(3) in paragraph (16) by striking out "and",

(4) in paragraph (17) by striking out the period and inserting in lieu thereof "; and", and

(5) by adding at the end thereof the following new paragraph:

"(18) to consult with national organizations representing minority individuals to develop and disseminate training packages and to provide technical assistance efforts designed to assist State and area agencies in providing services to older individuals with the greatest economic or social needs.".

(c) Section 202(b) of the Older Americans Act of 1965 (42 U.S.C. 3012(b)) is amended by striking out "Administration" and inserting in lieu thereof "Office".

(d) Section 202(c) of the Older Americans Act of 1965 (42 U.S.C. 3012(b)) is amended by striking out "his duties and functions" and inserting in lieu thereof "the duties and functions of the Office".

FEDERAL AGENCY CONSULTATION

SEC. 204. Section 203(b) of the Older Americans Act of 1965 (42 U.S.C. 3013(b)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1) the Job Training Partnership Act,",

(2) in paragraph (8)—

(A) by striking out "the community schools program under the Elementary and Secondary Education Act of 1965,", and

(B) by striking out "1965, and" and inserting in lieu thereof "1965 and", and

(3) in paragraph (9) by striking out "5,".

AUTHORIZATION OF APPROPRIATIONS

SEC. 205. (a) Section 204(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3015(b)(2)) is amended by striking out "his" and inserting in lieu thereof "such member's".

(b) Section 204(c) of the Older Americans Act of 1965 (42 U.S.C. 3015(c)) is amended by striking out "Chairman" each place it appears and inserting in lieu thereof "Chairperson".

(c) Section 204(e) of the Older Americans Act of 1965 (42 U.S.C. 3015(e)) is amended by striking out "Chairman" and inserting in lieu thereof "Chairperson".

(d) Section 204(g) of the Older Americans Act of 1965 (42 U.S.C. 3015(g)) is amended—

(1) by striking out "$200,000" and all that follows through "1983, and", and

(2) by inserting before the period at the end thereof the following: "and $200,000 for each of the fiscal years 1985, 1986, and 1987".

ISSUANCE OF REGULATIONS

SEC. 206. (a) Section 205(b) of the Older Americans Act of 1965 (42 U.S.C. 3016(b)) is amended by striking out "his functions" and inserting in lieu thereof "the functions of the Office".

(b) Section 205 of the Older Americans Act of 1965 (42 U.S.C. 3016) is amended—

(1) by redesignating subsection (c) as subsection (d), and

(2) by inserting after subsection (b) the following new subsection:

"(c) Not later than 120 days after the date of the enactment of the Older Americans Act Amendments of 1984, the Secretary shall issue and publish in the Federal Register proposed regulations for the administration of this Act. After allowing a reasonable period for public comment on such proposed rules and not later than ninety days after such publication, the Secretary shall issue, in final form, regulations for the administration of this Act.".

EVALUATION

SEC. 207. (a) The first sentence of section 206(b) of the Older Americans Act of 1965 (42 U.S.C. 3017(b)) is amended to read as follows: "The Secretary may not make grants or contracts under title IV of this Act until the Secretary develops and publishes general standards to be used by the Secretary in evaluating the programs and projects assisted under such title.".

(b) Section 206(c) of the Older Americans Act of 1965 (42 U.S.C. 3017(c)) is amended by adding at the end thereof the following: "In carrying out such evaluations, the Secretary shall consult with organizations concerned with older individuals, including those representing minority individuals.".

(c) Section 206(g) of the Older Americans Act of 1965 (42 U.S.C. 3017(g)) is amended by inserting "one-fourth of" after "exceed".

REPORTS

SEC. 208. Section 207 of the Older Americans Act of 1965 (42 U.S.C. 3018) is amended by striking out "for transmittal" and inserting in lieu thereof "and".

REDUCTION OF PAPERWORK

SEC. 209. Section 211 of the Older Americans Act of 1965 (42 U.S.C. 3020b) is amended—

(1) by striking out "Administration" and inserting in lieu thereof "Office", and

(2) by inserting before the period at the end thereof the following: "and, in gathering such information, shall make use of uniform service definitions to the extent that such definitions are available".

TITLE III—GRANTS FOR PROGRAMS ON AGING

TECHNICAL AMENDMENTS

SEC. 301. Section 301(b)(1) of the Older Americans Act of 1965 (42 U.S.C. 3021(b)(1)) is amended by striking out "Administration" and inserting in lieu thereof "Office".

DEFINITIONS

SEC. 302. Section 302 of the Older Americans Act of 1965 (42 U.S.C. 3022) is amended—

(1) in paragraph (6) by striking out "and the Northern Mariana Islands" and inserting in lieu thereof ", and the Commonwealth of the Northern Mariana Islands", and

(2) by adding at the end thereof the following new paragraphs:

"(10) The term 'older individual' means any individual who is sixty years of age or older.

"(11) The term 'multipurpose senior centers' means community facilities for the organization and provision of a broad spectrum of services, including provision of health, social, nutritional, and educational services and provision of facilities for recreational activities, for older individuals.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 303. (a) Section 303(a) of the Older Americans Act of 1965 (42 U.S.C. 3023(a)) is amended—

(1) by striking out "$300,000,000" and all that follows through "1983, and", and

(2) by inserting after "1984," the following: "$386,300,000 for the fiscal year 1985, $405,600,000 for the fiscal year 1986, and $424,900,000 for the fiscal year 1987,".

(b) Section 303(b) of the Older Americans Act of 1965 (42 U.S.C. 3023(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "$350,000,000" and all that follows through "1983, and", and

(B) by inserting after "1984," the following: "$383,600,000 for fiscal year 1985, $402,800,000 for fiscal year 1986, and $423,000,000 for fiscal year 1987,", and

(2) in paragraph (2)—

(A) by striking out "$80,000,000" and all that follows through "1983, and", and

(B) by inserting after "1984," the following: "$72,300,000 for fiscal year 1985, $75,800,000 for fiscal year 1986, and $79,600,000 for fiscal year 1987,".

TECHNICAL AMENDMENTS

SEC. 304. (a) Section 304(a) of the Older Americans Act of 1965 (42 U.S.C. 3024(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "Northern Mariana Islands" each place it appears and inserting in lieu thereof "Commonwealth of the Northern Mariana Islands", and

(B) by striking out "clause (A)" and inserting in lieu thereof "subparagraph (A)", and

(2) in paragraph (2) by striking out "him" and inserting in lieu thereof "the Commissioner".

(b) Section 304(b) of the Older Americans Act of 1965 (42 U.S.C. 3024(b)) is amended by striking out "he" each place it appears and inserting in lieu thereof "the Commissioner".

(c) Section 304(c) of the Older Americans Act of 1965 (42 U.S.C 3024(c)) is amended—

(1) by striking out "subsection (d)(1)(B)" and inserting in lieu thereof "subsection (d)(1)(C)", and

(2) by striking out "for in-kind resources" and inserting in lieu thereof "or in-kind resources".

(d) Section 305(a)(2) of the Older Americans Act of 1965 (42 U.S.C. 3025(a)(2)) is amended—

(1) by striking out "clause (1)" and inserting in lieu thereof "paragraph (1)",

(2) in subparagraph (D) by striking out "subclause (C)" and inserting in lieu thereof "subparagraph (C)", and

(3) in subparagraph (E)—

(A) by inserting ", with particular attention to low-income minority individuals," after "social needs", and

(B) by adding at the end thereof the following: "For purposes of this subparagraph the term 'greatest economic need' means the need resulting from an income level at or below the poverty threshold established by the Bureau of the Census and the term 'greatest social need' means the need caused by noneconomic factors which include physical and mental disabilities, language barriers, cultural or social isolation including that caused by racial or ethnic status which restricts an individual's ability to perform normal daily tasks or which threaten his or her capacity to live independently.".

(e) Section 305(b) of the Older Americans Act of 1965 (42 U.S.C. 3025(b)) is amended—

(1) in paragraphs (1), (2), and (4) by striking out "clause (1)" each place it appears and inserting in lieu thereof "paragraph (1)", and

(2) in paragraph (3) by striking out "he" and inserting in lieu thereof "the Commissioner".

AREA PLANS

SEC. 305. (a) Section 306(a) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)) is amended—

(1) in paragraph (2)—

(A) by inserting "each of the following categories of services" after "the delivery of", and

(B) by striking out "and that some funds" and all that follows through "services", and inserting in lieu thereof "and specify annually in such plan, as submitted or as amended, in detail the amount of funds expended for each such category during the fiscal year most recently concluded",

(2) in paragraph (5)(A) by inserting ", with particular attention to low-income minority individuals," after "social needs", and

(3) in paragraph (6)—

(A) by striking out subparagraph (F),

(B) in subparagraph (G) by inserting "(including minority individuals)" after "individuals" the first place it appears,

(C) in subparagraph (H) by striking out "clause (2); and" and inserting in lieu thereof "paragraph (2);",

(D) in subparagraph (I) by striking out the period at the end thereof and inserting in lieu thereof "; and",

(E) by redesignating subparagraphs (G), (H), and (I) as subparagraphs (F), (G), and (H), respectively, and

(F) by adding at the end thereof the following:

"(I) conduct efforts to facilitate the coordination of community-based, long-term care services designed to retain individuals in their homes, thereby deferring unnecessary, costly institutionalization, and designed to emphasize the development of client-centered care management systems as a component of such services; and

"(J) facilitate the involvement of long-term care providers in the coordination of community-based long-term care services and work to ensure community awareness of and involvement in addressing the needs of residents of long-term care facilities.

For purposes of paragraph (5)(A), the term 'greatest economic need' means the need resulting from an income level at or below the poverty threshold established by the Bureau of the Census and the term 'greatest social need' means the need caused by noneconomic factors which include physical and mental disabilities, language barriers, cultural or social isolation including that caused by racial or ethnic status which restricts an individual's ability to perform normal daily tasks or which threaten his or her capacity to live independently.".

(b) Section 306(b) of the Older Americans Act of 1965 (42 U.S.C. 3026(b)) is amended to read as follows:

"(b) Each State shall not approve an area agency plan under this section unless the requirements of paragraph (2) of subsection (a) are fully satisfied. A State shall waive the requirements described in paragraph (2) of subsection (a) for any category of services described in such paragraph only if the area agency on aging demonstrates to the State agency that services being furnished for such category in the area are sufficient to meet the need for such services in such area. Such demonstration by the area agency shall be based on a public hearing, held within two years of the request for a waiver, where all interested parties are notified and given an opportunity to appear and present testimony. A record of the public hearing shall accompany an area agency's request for a waiver.".

STATE PLANS

SEC. 306. (a) Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)) is amended—

(1) in paragraph (10) by striking out ", including nutrition services," and inserting in lieu thereof "or nutrition services,",

(2) in paragraph (12)—

(A) in subparagraph (A)—

(i) by striking out "which is not" the first place it appears and inserting in lieu thereof ", other than an agency or organization which is",

(ii) by striking out "not" the second place it appears,

(iii) by striking out "will—" and inserting in lieu thereof "provides individuals who will, on a full-time basis—", and

(iv) in clause (iv) by inserting "staff and" after "training",

(B) in subparagraph (C) by striking out "and" at the end thereof,

(C) in subparagraph (D)(ii) by inserting "and" after the semicolon at the end thereof, and

(D) by adding at the end thereof the following new subparagraph:

"(E) in planning and operating the ombudsman program, consider the views of area agencies on aging, older individuals, and provider agencies;",

(3) in paragraph (17)(B)(ii) by striking out the period and inserting in lieu thereof "; and", and

(4) in paragraph (18)—

(A) by striking out "Northern Mariana Islands" and inserting in lieu thereof "Commonwealth of the Northern Mariana Islands", and

(B) by striking out "clause" each place it appears and inserting in lieu thereof "paragraph".

(b) Section 307(b) of the Older Americans Act of 1965 (42 U.S.C. 3027(b)) is amended—

(1) in paragraph (1) by striking out "he" and inserting in lieu thereof "the Commissioner", and

(2) in paragraph (2) by striking out "clause (3)(B)" each place it appears and inserting in lieu thereof "paragraph (3)(B)".

(c) Section 307(d) of the Older Americans Act of 1965 (42 U.S.C. 3027(d)) is amended—

(1) by striking out "his" and inserting in lieu thereof "the Commissioner's",

(2) by striking out "he" each place it appears and inserting in lieu thereof "the Commissioner", and

(3) by striking out "section 307" and inserting in lieu thereof "this section".

(d) Section 307(e) of the Older Americans Act of 1965 (42 U.S.C. 3027(e)) is amended—

(1) in paragraph (1)—

(A) by striking out "him" and inserting in lieu thereof "the Commissioner", and

(B) by striking out "he based his action" and inserting in lieu thereof "the Commissioner's action is based", and

(2) in the first sentence of paragraph (2) by striking out "his" and inserting in lieu thereof "the Commissioner's".

ADMINISTRATION OF STATE PLANS

SEC. 307. Section 308(b) of the Older Americans Act of 1965 (42 U.S.C. 3028(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "clause (A)" and inserting in lieu thereof "subparagraph (A)", and

(B) by striking out "Northern Mariana Islands" each place it appears and inserting in lieu thereof "Commonwealth of the Northern Mariana Islands",

(2) in paragraph (4) by striking out "most recent satisfactory data available to him" and inserting in lieu thereof "most recent data of the Bureau of the Census available to the Commissioner",

(3) in paragraph (5) by striking out "he" and inserting in lieu thereof "the Commissioner", and

(4) in paragraph (6) by striking out "20 per centum" and inserting in lieu thereof "25 per centum".

TECHNICAL AMENDMENT

SEC. 308. Section 309(a) of the Older Americans Act of 1965 (42 U.S.C. 3029(a)) is amended by striking out "he" and inserting in lieu thereof "the Commissioner".

SURPLUS COMMODITIES; AUTHORIZATION OF APPROPRIATIONS

SEC. 309. (a) Section 311(a)(4) of the Older Americans Act of 1965 (42 U.S.C. 3030a(a)(4)) is amended—

(1) by striking out "subsection (d)" and inserting in lieu thereof "subsection (c)", and

(2) by inserting "for All Urban Consumers" after "Consumer Price Index".

(b) Section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a) is amended by redesignating subsection (d)(1) as (c)(1).

(c) Section 311(c), as so redesignated, is amended—

(1) in paragraph (1)—

(A) by striking out "$93,200,000" and all that follows through "1983, and", and

(B) by inserting "$121,800,000 for fiscal year 1985, $127,900,000 for fiscal year 1986, and $134,300,000 for fiscal year 1987," after "1984,", and

(2) in paragraph (2) by striking out "appropriation" and inserting in lieu thereof "appropriations".

SUPPORTIVE SERVICES

SEC. 310. (a) Section 321(a) of the Older Americans Act of 1965 (42 U.S.C. 3030d(a)) is amended—

(1) in paragraph (6) by striking out "and financial counseling" and inserting in lieu thereof ", financial counseling, and counseling regarding appropriate health and life insurance coverage",

(2) in paragraph (8) by striking out "illness" and inserting in lieu thereof "illnesses",

(3) in paragraph (14) by striking out "or" at the end thereof,

(4) by redesignating paragraph (15) as paragraph (16), and

(5) by inserting after paragraph (14) the following new paragraph:

"(15) services designed to enable mentally impaired older individuals to attain and maintain emotional well-being and independent living through a coordinated system of support services; or".

(b) Section 321(b) of the Older Americans Act of 1965 (42 U.S.C. 3030d(b)) is amended—

(1) in paragraph (1) by striking out "which shall be" and all that follows through "individuals", and

(2) in paragraph (2)—

(A) by striking out "used," and inserting in lieu thereof "used", and

(B) by striking out "centers, to meet" and inserting in lieu thereof "centers and meeting".

TITLE IV—TRAINING, RESEARCH, AND DISCRETIONARY PROGRAMS RELATED TO AGING

EDUCATION AND TRAINING

SEC. 401. The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended by inserting after the heading for part A the following new section:

"PURPOSE

"SEC. 410. The purpose of this part is to improve the quality of service and to help meet critical shortages of adequately trained personnel for programs in the field of aging by—

"(1) identifying both short- and long-range manpower needs in the field of aging;

"(2) providing a broad range of educational and training opportunities to meet those needs;

"(3) attracting a greater number of qualified personnel into the field of aging;

"(4) helping to upgrade personnel training programs to make them more responsive to the need in the field of aging; and

"(5) establishing and supporting multidisciplinary centers of gerontology and providing special emphasis that will improve, enhance, and expand existing training programs.".

AUTHORITY FOR GRANTS AND CONTRACTS

SEC. 402. Section 411 of the Older Americans Act of 1965 (42 U.S.C. 3031-3037a) is amended to read as follows:

"GRANTS AND CONTRACTS

"SEC. 411. (a) The Commissioner shall make grants and enter into contracts to achieve the purpose of this part. The purposes for which such grants and contracts shall be made include the following:

"(1) To provide comprehensive and coordinated nondegree education, training programs, and curricula at institutions of higher education and at other research, training, or educational organizations, for practitioners in the fields of nutrition, health care, supportive services, housing, and long-term care, including the expansion and enhancement of existing inservice education and training programs.

"(2) To provide inservice training opportunities to the personnel of State offices, area agencies, senior centers, and nutrition programs to strengthen their capacity to remain responsive to the needs of older individuals.

"(3) To provide courses on aging and the dissemination of information about aging to the public through institutions of higher education and other organizations and agencies.

"(b) To achieve the purpose of this title, the Office on Aging shall conduct both—

"(1) long-term educational activities to prepare personnel for careers in the field of aging; and

"(2) short-term inservice training and continuing education activities for State and area agency personnel, and other personnel, in the field of aging or preparing to enter the field of aging.

"(c) In making grants and contracts under this part, the Commissioner shall give special consideration to the recruitment and training of personnel, volunteers, and those individuals preparing for employment in that part of the field of aging which relates to providing custodial and skilled care for older individuals who suffer from Alzheimer's disease and other neurological and organic brain diseases and providing family respite services with respect to such individuals.

"(d) In making grants or contracts under this part, the Commissioner shall ensure that all projects and activities related to personnel training shall include specific data on the number of individuals to be trained and the number of older individuals to be served through such training activities by public and nonprofit agencies, State and area agencies on aging, institutions of higher education, and other organizations.".

MULTIDISCIPLINARY CENTERS OF GERONTOLOGY

SEC. 403. Section 412 of the Older Americans Act of 1965 (42 U.S.C. 3032) is amended—

(1) by inserting "(a)" after "SEC. 412.",

(2) in subsection (a), as so redesignated—

(A) by inserting "(including emphasis on nutrition, employment, health, income maintenance and supportive services)" before the period at the end thereof, and

(B) by adding at the end thereof the following:

"Such centers shall conduct research and policy analysis and function as a technical resource for the Commissioner, policymakers, service providers, and the Congress. Multidisciplinary centers of gerontology shall—

"(1) recruit and train personnel;

"(2) conduct basic and applied research directed toward the development of information related to aging;

"(3) stimulate the incorporation of information on aging into the teaching of biological, behavioral, and social sciences at colleges and universities;

"(4) help to develop training programs in the field of aging at schools of public health, education, and other appropriate schools within colleges and universities;

"(5) serve as a repository of information and knowledge on aging; and

"(6) provide consultation and information to public and voluntary organizations, including State and area agencies, which serve the needs of older individuals in planning and developing services provided under other provisions of this Act.", and

(3) by adding at the end thereof the following new subsection:

"(b) Centers supported under this section shall provide data to the Commissioner on the projects and activities for which funds are provided under this title. Such data shall include the number of personnel trained, the number of older individuals served, the number of schools assisted, and other information that will facilitate achieving the purposes of this Act.".

PURPOSE OF PART B

SEC. 404. The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended by inserting after the heading for part B the following new section:

"PURPOSE

"SEC. 420. The purpose of this part is to improve the quality and efficiency of programs serving older individuals through research and development projects, and demonstration projects, designed to—

"(1) develop and synthesize knowledge about aging from multidisciplinary perspectives;

"(2) establish an information base of data and practical experience;

"(3) examine effective models of planning and practice that will improve or enhance services provided under other provisions of this Act;

"(4) evaluate the efficacy, quality, efficiency, and accessibility of programs and services for older individuals; and

"(5) develop, implement, and evaluate innovative planning and practice strategies to address the needs, concerns, and capabilities of older individuals.".

RESEARCH AND DEVELOPMENT PROJECTS

SEC. 405. Section 421 of the Older Americans Act of 1965 (42 U.S.C. 3035) is amended—

(1) by inserting "(a)" after "SEC. 421.", and

(2) adding at the end thereof the following new subsections:

"(b) Each research and development activity proposal for which funds are requested under subsection (a) shall include, when appropriate, a concise policy or practice implication statement.

"(c)(1) The Commissioner shall select, to the extent practicable, for assistance under subsection (a) research activities which will, not later than three years after the date of the enactment of the Older Americans Act Amendments of 1984, collectively—

"(A) contribute to the establishment and maintenance of a demographic data base which contains information on the population of older individuals generally and older individuals categorized by age, sex, race, geographical location, and such other factors as the Commissioner deems useful for purpose of formulating public policy;

"(B) identify the future needs of older individuals;

"(C) identify the kinds and comprehensiveness of programs required to satisfy such needs; and

"(D) identify the kinds and number of personnel required to carry out such programs.

"(2) The Commissioner shall select, to the extent practicable, for assistance under subsection (a) demonstration projects which test research results and implement innovative ways of satisfying the needs of, and delivery services to, older individuals.".

DEMONSTRATION PROJECTS

SEC. 406. (a) Section 422(a) of the Older Americans Act of 1965 (42 U.S.C. 3035a(a)) is amended by striking out "elderly Such" and inserting in lieu thereof "elderly. Such".

(b) Section 422(b) of the Older Americans Act of 1965 (42 U.S.C. 3035a(b)) is amended—

(1) in paragraph (6) by striking out "and" at the end thereof,

(2) in paragraph (7) by striking out the period and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new paragraph:

"(8) identify older individuals who suffer from Alzheimer's disease and other neurological and organic brain diseases, and provide family respite services and other community-based care services to such individuals.".

DEMONSTRATION PROJECTS ON LEGAL SERVICES

SEC. 407. Section 424 of the Older Americans Act of 1965 (42 U.S.C. 3035c) is amended to read as follows:

"SPECIAL DEMONSTRATION AND SUPPORT PROJECTS FOR LEGAL SERVICES FOR OLDER INDIVIDUALS

"SEC. 424. (a) The Commissioner shall make grants and enter into contracts, in order to—

"(1) provide nationwide legal services support activities to State and area agencies on aging for providing, developing, or supporting legal services for older individuals, including—

"(A) case consultations;

"(B) training;

"(C) provision of substantive legal advice and assistance; and

"(D) assistance in the design, implementation, and administration of legal services delivery systems to local providers of legal services for older individuals; and

"(2) support demonstration projects to expand or improve the delivery of legal services to older individuals with social or economic needs.

"(b) Any grants or contracts made under subsection (a)(2) shall contain assurances that the requirements of section 307(a)(15) are met.

"(c) To carry out subsection (a)(1), the Commissioner shall make grants to or enter into contracts with national nonprofit legal services organizations experienced in providing support, on a nationwide basis, to local legal services providers.".

TECHNICAL AMENDMENTS

SEC. 408. (a) Section 425 of the Older Americans Act of 1965 (42 U.S.C. 3035d) is amended by inserting "(a)" after "SEC. 425."

(b) Section 426 of the Older Americans Act of 1965 (42 U.S.C. 3035e) is amended by inserting "is" after "business concern".

AUTHORIZATION OF APPROPRIATIONS

SEC. 409. (a) Section 431(a) of the Older Americans Act of 1965 (42 U.S.C. 3037(a)) is amended—

(1) by striking out "$23,200,000" and all that follows through "1983, and", and

(2) inserting ", $27,900,000 for fiscal year 1985, $29,300,000 for fiscal year 1986, and $30,800,000 for fiscal year 1987" before the period at the end thereof.

(b) Section 431(b) of the Older Americans Act of 1965 (42 U.S.C. 3037(b)) is amended—

(1) in paragraph (1) by striking out "or" at the end thereof,

(2) in paragraph (2) by striking out the period and inserting in lieu thereof "; or", and

(3) by adding at the end thereof the following new paragraph:

"(3) may be combined with funds appropriated under any other Act if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment.".

TECHNICAL AMENDMENT

SEC. 410. Section 432(a) of the Older Americans Act of 1965 (42 U.S.C. 3037a(a)) is amended by striking out "he" and inserting in lieu thereof "the Commissioner".

RESPONSIBILITIES OF COMMISSIONER

SEC. 411. The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended by inserting after section 432 the following new section:

"RESPONSIBILITIES OF COMMISSIONER

"SEC. 433. (a) The Commissioner shall be responsible for the administration, implementation, and making of grants and contracts under this title and shall not delegate authority under this title to any other individual, agency, or organization.

"(b) The Commissioner shall prepare and publish annually as part of the report provided for in section 207 a detailed description of all grants, contracts, and activities for which funds are paid under this title. Such report shall include the name of the recipient of each such grant or contract, the amount of funds provided for such grant or contract, and a justification of how the funded activity or project will achieve the purpose of this title.".

TITLE V—COMMUNITY SERVICE EMPLOYMENT

TECHNICAL AMENDMENTS

SEC. 501. (a) Section 502(b)(1) of the Older American Community Service Employment Act (42 U.S.C. 3056(b)(1)) is amended—

(1) in the third sentence by striking out "he" and inserting in lieu thereof "the Secretary",

(2) in subparagraph (J) by striking out "he" and inserting in lieu thereof "the participant",

(3) in subparagraph (M) by striking out "and" at the end thereof,

(4) in subparagraph (N) by striking out the period at the end thereof and inserting in lieu thereof "; and", and

(5) by inserting after paragraph (N) the following new subparagraph:

"(O) will post in such project workplace a notice, and will make available to each person associated with such project a written explanation, clarifying the law with respect to allowable and unallowable political activities under chapter 15 of title 5, United States Code, applicable to the project and to each category of individuals associated with such project and containing the address and telephone number of the Inspector General of the Department of Labor, to whom questions regarding the application of such chapter may be addressed.".

(b)(1) Section 503(a) of the Older American Community Service Employment Act (42 U.S.C. 3056a(a)) is amended by striking out "Commissioner of the Administration on Aging" and inserting in lieu thereof "Commissioner of the Office on Aging".

(2) Section 503(b) of the Older American Community Service Employment Act (42 U.S.C. 3056a(b)) is amended by striking out "Comprehensive Employment and Training Act" each place it appears and inserting in lieu thereof "Job Training Partnership Act".

(c) Section 506(a)(3) of the Older American Community Service Employment Act (42 U.S.C. 3056d(a)(3)) is amended by inserting "the" after "shall allot to".

(d) Section 507(2) of the Older American Community Service Employment Act (42 U.S.C. 3056e(2)) is amended by striking out "over" each place it appears and inserting in lieu thereof "older".

AUTHORIZATION OF APPROPRIATIONS

SEC. 502. Section 508(a) of the Older American Community Service Employment Act (42 U.S.C. 3056f(a)) is amended—

(1) in paragraph (1) by striking out "$277,100,000" and all that follows through "1984", and inserting in lieu thereof "$319,450,000 for fiscal year 1984, $331,900,000 for fiscal year 1985, $345,500,000 for fiscal year 1986, and $359,300,000 for fiscal year 1987", and

(2) in paragraph (2) by striking out "54,200" and inserting in lieu thereof "62,500".

ADMINISTRATION OF COMMUNITY SERVICE EMPLOYMENT PROGRAMS

SEC. 503. In carrying out the Older American Community Service Employment Act (42 U.S.C. 3056–3056f), if the Secretary of Labor requires as a condition for implementing any employment program under such Act that a recipient of program funds place some eligible individuals in unsubsidized employment, then eligible individuals placed by such recipient in any program carried out under title III, IV, or VI of the Older Americans Act of 1965 shall be considered to be placed in unsubsidized employment.

STUDY OF OLDER AMERICAN COMMUNITY SERVICE PROGRAMS

SEC. 504. The Secretary of Labor shall conduct a study to identify alternative mechanisms, supplementing the existing program under the Older American Community Service Employment Act, to increase community service employment opportunities for eligible individuals. Not later than 1 year after the date of the enactment of this Act, the Secretary of Labor shall submit to the Congress a report describing the results of such study and proposing draft legislation which, if enacted by the Congress, would increase such employment opportunities.

TITLE VI—GRANTS FOR INDIAN TRIBES

ELIGIBILITY

SEC. 601. Section 602(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3058(a)(1)) is amended by striking out "75" and inserting in lieu thereof "60".

TECHNICAL AMENDMENTS

SEC. 602. Section 604(d) of the Older Americans Act of 1965 (42 U.S.C. 3057c(d)) is amended—

(1) by striking out "he" each place it appears and inserting in lieu thereof "the Commissioner",

(2) in paragraph (1) by striking out "his", and

(3) in paragraph (2) by striking out "his" and inserting in lieu thereof "such".

AUTHORIZATION OF APPROPRIATIONS

SEC. 603. (a) Section 608(a) of the Older Americans Act of 1965 (42 U.S.C. 3057g(a)) is amended—

(1) by striking out "$6,500,000" and all that follows through "1983, and", and

(2) by inserting after "1984" the following: ", $7,900,000 for fiscal year 1985, $8,300,000 for fiscal year 1986, and $8,600,000 for fiscal year 1987".

(b) Section 608 of the Older Americans Act of 1965 (42 U.S.C. 3057g) is amended by striking out subsection (c).

TITLE VII—PERSONAL HEALTH EDUCATION AND TRAINING PROGRAMS FOR OLDER INDIVIDUALS

PERSONAL HEALTH EDUCATION AND TRAINING PROGRAMS

SEC. 701. The Older Americans Act of 1965 (42 U.S.C. 3001, et seq.) is amended by adding at the end a new title as follows:

"TITLE VII—OLDER AMERICANS PERSONAL HEALTH EDUCATION AND TRAINING PROGRAM

"SHORT TITLE

"SEC. 701. This title may be cited as the 'Older Americans Personal Health Education and Training Act'.

"FINDINGS

"SEC. 702. The Congress hereby finds that—

"(1) individuals 60 years of age or older constitute the fastest growing segment of the Nation's population;

"(2) the process of aging, as well as the changes in lifestyle which accompany it, such as retirement, the end of parenting roles, and relocation, seems to increase and exacerbate health problems faced by older individuals (such health problems include physical, mental, and emotional health problems);

"(3) many of the health problems faced by individuals 60 years of age or older, such as arteriosclerosis, arthritis, adult-onset diabetes, hypothermia, heat stress, Alzheimer's disease, circulatory problems, hypertension, diminished hearing and eyesight, reduced strength, social isolation, and bone fragility are particularly common to the older American population;

"(4) although older individuals make up only 11 percent of our population, they consume 29 percent of the total health care expenditures and 50.5 percent of Federal health care (non-military) expenditures, and as our population ages the percent of Federal health care dollars absorbed by older individuals will inevitably increase;

"(5) older individuals consume more prescription and over-the-counter drugs than any other group and are therefore more likely to be exposed to drug preparations containing two or more active drugs which negatively interact;

"(6) many of the health problems faced by older individuals and the fear of those health problems can be ameliorated and in some cases prevented if proper health education and training is available;

"(7) health education and training focused specifically on the needs of older individuals can play an important role in health promotion and illness prevention and simultaneously help reduce medical costs for both individuals and the Government;

"(8) the educational institutions of public health, the medical sciences, psychology, pharmacology, nursing, social work, education, nutrition, and gerontology have much to offer in the design and implementation of health education and training services for older individuals; and

"(9) the existing 3,300 multipurpose senior centers established under this Act which already serve over 9,000,000 older individuals each year, are appropriate points of contact from which health education and training can be provided, but there is currently no uniform, standardized program consistently in place across the Nation.

"PURPOSES

"SEC. 703. The purposes of this title are to provide the necessary resources, leadership, and coordination (1) to design a uniform, standardized program of health education and training for older individuals; (2) to directly involve graduate educational institutions of public health in the design of such program; (3) to directly involve the graduate educational institutions of public health, the medical sciences, psychology, pharmacology, nursing, social work, education, nutrition, and gerontology in the implementation of such program; (4) to implement such program in all the States in multipurpose senior centers established under this Act; and (5) to evaluate such program.

"OLDER AMERICANS PERSONAL HEALTH EDUCATION AND TRAINING PROGRAM

"SEC. 704. (a) In order to foster and promote the design and implementation of a health education and training program for individuals who are 60 years of age or older, the Secretary of Health and Human Services (hereinafter in this title referred to as the 'Secretary') shall establish an older individuals personal health education and training program within the Office on Aging.

"(b)(1) In order to carry out the provisions of this title, the Secretary, through the Office on Aging, shall enter into contracts with public or private institutions of higher education having graduate programs with capability in public health, the medical sciences, psychology, pharmacology, nursing, social work, education, nutrition, or gerontology in order to achieve the purposes of this title. No payment shall be made by the Secretary toward the cost of any such project established or administered by any such institution unless the Secretary determines that such project—

"(A) will provide for the design and implementation of a local or statewide demonstration health education and training program which is amenable to eventual replication in multipurpose senior centers, as well as other sites convenient to older individuals in all the States;

"(B) will provide for utilization of multipurpose senior centers established under section 321(b)(1) with regard to both the design and the provision of services;

"(C) will be generally applicable to the health needs of all individuals 60 years of age or older;

"(D) will provide for the development of uniform, standardized components relating to specific problems encountered by older individuals, such as diet, mental health, physical fitness, hypertension, retirement, health insurance, hypothermia, and legal advice concerning rights to live and to receive medical treatment;

"(E) will provide education in the safe and effective use of prescription and nonprescription medicines;

"(F) will address the motivation of older individuals including consideration of the elements of self-responsibility, physical fitness, stress management, nutrition, and environmental awareness; and the benefits older individuals can derive from behavioral and lifestyle modifications within their individual control;

"(G) will provide for peer contact and interaction among participating older individuals;

"(H) will provide for the training and utilization of graduate students (including the consideration of the granting of course credit to such students) and faculty in the fields of public health, the medical sciences, psychology, pharmacology, nursing, social work, education, nutrition, and gerontology;

"(I) will provide for the training and utilization of older individuals participating in such projects as volunteers;

"(J) will ensure that participating older individuals are made aware of the health services available to them in their communities;

"(K) will be designed in consultation with persons specifically competent in the field of public health;

"(L) will demonstrate the ability of those who carry out such project to generate multidisciplinary working relationships with other groups in relevant fields, including the medical sciences, mental health, pharmacology, nursing, social work, education, and nutrition;

"(M) will provide for coordination with the State agency designated under section 305(a)(1) and State health officials in the State in which such project is carried out; and

"(N) will implement education and training activity in at least 10 separate sites.

"(2) The Secretary shall establish, issue, and amend such regulations as may be necessary to effectively carry out this title.

"(c)(1) The Secretary shall pay not to exceed 90 percent of the cost of any project which is the subject of a contract entered into under subsection (b).

"(2) The remaining cost of such project shall be provided from non-Federal sources, in cash or in-kind. In determining the amount of the non-Federal share, the Secretary is authorized to attribute fair-market value to services and facilities contributed from non-Federal sources.

"(3) In considering grant or contract applications under this title, the Secretary shall give priority to grants and contracts smaller than $150,000.

"(d) The Secretary shall prepare and submit to the Congress, not later than one year after the effective date of the Older Americans Personal Health Education and Training Act, an interim report describing the projects approved under subsection (b) and a design for the evaluation of such projects. The Secretary shall prepare and submit to the President and the Congress a final report on the projects approved under subsection (b) not later than February 1, 1987, along with such findings and recommendations as the Secretary deems appropriate.

"ADMINISTRATION

"SEC. 705. (a) In carrying out this title, the Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and to cooperate on a similar basis with other public and private agencies and instrumentalities in the use of services, equipment, and facilities.

"(b) Payments under this title may be made in advance or by way of reimbursement, and in such installments as the Secretary may determine.

"(c) The Secretary shall not delegate any function of the Secretary under this title to any other department or agency of the United States.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 706. (a) There are authorized to be appropriated to carry out this title $8,550,000 for fiscal year 1985 and such sums as may be necessary for fiscal years 1986 and 1987.

"(b) Amounts appropriated under this section for any fiscal year shall remain available for obligation until expended.".

TITLE VIII—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

RELATED AND CONFORMING AMENDMENTS

SEC. 801. (a) Section 14(c) of the National School Lunch Act (42 U.S.C. 1762a(c)) is amended by striking out "section 311(c)(1) of such Act (42 U.S.C. 3030(c)(1))" and inserting in lieu thereof "section 311(b)(1) of such Act (42 U.S.C. 3030(b)(1))".

(b) Section 204(b)(7) of the Rehabilitation Act of 1973 (29 U.S.C. 762(b)(7)) is amended by striking out "Administration on Aging" and inserting in lieu thereof "Office of Aging".

(c) Section 501(b) of the Comprehensive Older Americans Act Amendments of 1978 (42 U.S.C. 3045 note) is amended by inserting after the first sentence the following: "Such process shall include evaluation of each bidder's experience in providing services to older individuals.".

REFERENCES IN OTHER LAWS

SEC. 802. Any reference to the Administration on Aging in any law in effect on the date of the enactment of this Act, other than a reference in an Act amended by this Act, shall be deemed to be a reference to the Office on Aging.

EFFECTIVE DATES

SEC. 803. (a) Except as provided in subsection (b) and subsection (c), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b)(1) The amendment made by section 206(a) shall take effect sixty days after the date of the enactment of this Act.

(2) The amendment made by section 206(c) shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act.

(3) The amendment made by section 701 shall take effect on October 1, 1984.

(c) The amendment made by section 409(b) shall not apply with respect to any grant or payment made before the date of the enactment of this Act.

Amend the title so as to read: "An Act to amend the Older Americans Act of 1965 to authorize appropriations for fiscal years 1985, 1986, and 1987, and for other purposes.".

Mr. BAKER. Mr. President, I move that the Senate disagree with the House amendment, agree to the conference requested by the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to and the Chair appointed Mr. HATCH, Mr. GRASSLEY, Mr. DENTON, Mr. THURMOND, Mr. KENNEDY, Mr. EAGLETON, and Mr. PELL conferees on the part of the Senate.

CONVEYING CERTAIN LAND TO THE ZUNI INDIAN TRIBE FOR RELIGIOUS PURPOSES

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2201.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2201) entitled "An Act to convey certain lands to the Zuni Indian Tribe for religious purposes", do pass with the following amendment: Page 6, strike out lines 8 to 13, inclusive.

Mr. BAKER. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

PRINTING OF S. 2851

Mr. BAKER. Mr. President, I ask unanimous consent that the U.S. Government Printing Office be authorized to print a revised version of a bill, S. 2851, the Financial Services Competitive Equity Act, which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

FIRST READING OF SENATE JOINT RESOLUTION 348

Mr. BAKER. Mr. President, I next have, I say to the minority leader, a bill that I propose to introduce on behalf of the distinguished Senator from Idaho [Mr. MCCLURE] and ask for first reading and proceed under the provisions of rule XIV with respect thereto.

Mr. President, I send a joint resolution to the desk on behalf of Senator MCCLURE and ask for its first reading.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S. Res. 348) to amend the Constitution of the United States to limit budget outlays for a fiscal year to not more than 19 per centum of gross national product.

(The remarks of Mr. MCCLURE and the text of the joint resolution are printed under Introduced Bills and Joint Resolutions.)

Mr. BAKER. Now, Mr. President, I ask for second reading of the resolution.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The joint resolution, having had its first reading and an objection having been heard to the second reading, will remain at the desk pending the second reading on the next legislative day.

REPRINTING OF H.R. 6028

Mr. BAKER. Mr. President, I ask unanimous consent that H.R. 6028, the Labor, Health and Human Services, and Education and Related Agencies bill for fiscal 1985, be printed with amendments as recommended by the Committee on Appropriations. I further ask unanimous consent that this reprint be deemed the official version of the measure for the purpose of Senate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, this unusual procedure is necessary to facilitate Senate floor consideration of the Labor-HHS appropriations bill.

The amendments of the committee are those reflected in the recommendations contained in S. 2836, the Senate companion bill to H.R. 6028. Ordinarily, the committee would have been referred and reported the House-passed bill with amendments. Unfortunately, final House action on the measure was delayed and rather than further hold up action in the Senate, the committee decided to proceed with an original bill.

My request will incorporate the substance of the committee recommendations in the House bill currently on the calendar so that it will be printed in the form as if it were reported by the committee. This will permit the usual Senate floor consideration of appropriations bills by clearly delineating the amendments recommended by the committee.

Mr. President, I would further like to make clear that this request in no way adopts or implies agreement with any of the committee amendments. Each amendment is still subject to full floor debate and a vote when this bill is called up in the Senate.

PRINTING OF EXECUTIVE REPORT 98-39

Mr. BAKER. Mr. President, I ask unanimous consent that the Government Printing Office be authorized to print a revision of Executive Report 98-39 on the nomination of Martha R. Seger to be a member of the Board of Governors of the Federal Reserve System.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY

Mr. BAKER. As in executive session, I ask unanimous consent that the injunction of secrecy be removed from A Tax Agreement with the People's Republic of China (Treaty Document No. 98-30), transmitted to the Senate today by the President of the United States; and ask that the treaty be read the first time, that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE CALENDAR

Mr. BAKER. Mr. President, may I inquire of the minority leader if there are any items on today's Executive Calendar that might be cleared on his

side for action by unanimous consent so we can try to match our two calendars and ascertain what, if any, action might be taken on these subjects?

Mr. BYRD. Mr. President, on this side the following nominations have been cleared: Calendar Order No. 662 and Calendar Order No. 942. I am sorry to say that those are the only nominations which have been cleared on this side.

Mr. BAKER. Mr. President, did I understand correctly—my attention was momentarily diverted—that the minority leader is prepared to consider Calendar No. 662, which is Rovert N. Broadbent, of Nevada, and 942, J.J. Simmons III, of Oklahoma? Were those the two?

Mr. BYRD. Those two are cleared. Rollcalls would be needed on Calendar Orders 953, 954, 955, and 956, which appear on pages 5 and 6 of the Executive Calendar.

Mr. BAKER. Mr. President, the minority leader knows how to get directly to the point. We will not then be able to do those today, but it would be my hope that we can do them immediately after we return.

Mr. President, it would appear then that even though the minority leader can clear two nominations, of the two he mentions I can only clear one.

I might say in explanation that under Interstate Commerce Commission there are three nominations. I had thought at one time we would be able to take up one of those on behalf of a Senator who had made a request particularly for that and which I had thought we would be able to do. But as a result of a request by a Senator here on this side having special jurisdiction in these matters, it is now possible for me to go forward with one of the three nominations instead of all three.

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering the nomination of Robert N. Broadbent, of Nevada, to be an Assistant Secretary of the Interior.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination will be stated.

DEPARTMENT OF THE INTERIOR

The assistant legislative clerk read the nomination of Robert N. Broadbent, of Nevada, to be an Assistant Secretary of the Interior.

Mr. McCLURE. Mr. President, I rise in strong support of the nomination of Robert N. Broadbent to be an Assistant Secretary of the Interior, Water and Science. The Committee on Energy and Natural Resources held a hearing to consider Mr. Broadbent for this position on June 7, and on June 20, reported his nomination favorably by a vote on 17 to 0.

Mr. Broadbent has been selected to fill the newly created position of Assistant Secretary of the Interior for Water and Science. If confirmed, he will have responsibility for the Bureau of Reclamation, the Bureau of Mines, and the U.S. Geological Survey. Since 1981, Mr. Broadbent has served as Commissioner of Reclamation at the Department of the Interior. Prior to that appointment, he was a commissioner of Clark County, NV, for 12 years, and also became the first mayor of Boulder City, NV. I am pleased that the President has chosen such as well qualified candidate for this important new post. I would also like to add that Mr. Broadbent has received numerous statements of support from Members of Congress and a wide spectrum of interest groups.

Mr. President, on behalf of the Committee on Energy and Natural Resources, I am pleased to recommend Senate confirmation of Robert N. Broadbent to be an Assistant Secretary of the Interior, Water and Science.

The PRESIDING OFFICER. The nomination is considered and confirmed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BAKER. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

JEWISH WAR VETERANS OF THE UNITED STATES OF AMERICA, INCORPORATED

Mr. BAKER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1806.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1806) entitled "An Act to recognize the organization known as the Jewish War Veterans of the United States of America, Incorporated.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That (a) the Jewish War Veterans of the United States of America, Incorporated, organized and incorporated as a nonprofit entity under the laws of the State of New York, is hereby recognized as such and is granted a Federal charter.

(b) the corporation shall retain and maintain its status as a corporation organized and incorporated under the laws of the State of New York.

POWERS

SEC. 2. The Jewish War Veterans of the United States of America, Incorporated (hereinafter referred to as the "corporation"), shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation are those provided in its articles of incorporation and shall include a continuing commitment, on a national basis, to—

(1) maintain true allegiance to the United States of America;

(2) foster and perpetuate true Americanism;

(3) combat whatever tends to impair the efficiency and permanency of our free institutions;

(4) uphold the fair name of the Jew and fight his battles wherever unjustly assailed;

(5) encourage the doctrine of universal liberty, equal rights and full justice to all men;

(6) combat the powers of bigotry and darkness wherever originating and whatever the target;

(7) preserve the spirit of comradeship by mutual helpfulness to comrades and their families;

(8) cooperate with and support existing educational institutions and establish educational institutions, and foster the eduction of ex-servicemen and ex-servicewomen and members of the corporation in the ideals and principles of Americanism;

(9) instill love of country and flag and to promote sound minds and bodies in members of the corporation and their youth; and

(10) preserve the memories and records of patriotic service performed by the men and women of the Jewish faith and to honor their memory and shield from neglect the graves of our heroic dead.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall, except as provided in this Act, be as provided in the bylaws and constitution of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation of

the corporation and in conformity with the laws of the State or States wherein it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(d) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of accounts and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right to vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under the Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(62) Jewish War Veterans of the United States of America.".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit required by section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF STATE

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1954. If the corporation fails to maintain such status, the charter granted hereby shall expire.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions or provisions of this Act, the charter granted hereby shall expire.

Mr. BAKER. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTINE MORNING BUSINESS

(Routine morning business transacted and statements submitted during the day are as follows:)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 6:01 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 2, 13, 22, 23, 26, 28, 30, 32, 35, 36, 38, 43, 45, 47, 48, 49, 50, 51, 52, 61, 62, 66, 67, 77, 82, 85, 94, 99, 104, 106, 107, 110, 111, 116, 117, 118, 119, 124, 129, 130, 131, 135, 136, 138, 143, 145, 146, 148, 149, 151, 152, 153, 154, 157, 161, 165, 167, 168, 170, 171, 199, 211, 212, 213, and 215 to the bill, and agrees thereto; it recedes from its disagreement to the amendments of the Senate numbered 3, 4, 6, 9, 11, 16, 20, 27, 40, 55, 58, 63, 76, 81, 84, 87, 92, 96, 103, 132, 144, 147, 156, 158, 160, 164, 166, 195, 201, 205, 209, 210, and 214 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate; and that the House insists upon its disagreement to the amendments of the Senate numbered 155, 159, 162, and 208 to the said bill.

The message also announced that the House has agreed to the amendment of the Senate to each of the following bills:

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute Program, and for other purposes; and

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes.

The message further announced that the House agrees to the amendments of the Senate to the following bill:

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3331. An act to authorize the exchange of certain lands between the Bureau of Land Management and the city of Los Angeles for purposes of the Santa Monica Mountains National Recreation Area; and

H.R. 6000. An act to designate the Table Rock Lake Visitors Center building in the vicinity of Branson, Missouri as the "Dewey J. Short Table Rock Lake Visitors Center".

The message further announced that Mr. Gregg is appointed as an additional conferee in the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1841) entitled "An Act to promote research and development, encourage innovation, stimulate trade, and make necessary and appropriate amendments to the antitrust, patent, and copyright laws.".

The message further announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes.

The message also announced that pursuant to the provisions of 22 United States Code, section 276a-1, the Speaker appoints as members of the delegation to attend the conference of the Interparliamentary Union, to be held in Geneva, Switzerland, on September 24 through September 29, 1984, the following Members on the part of the House: Mr. PEPPER, chairman, Mr. HAMILTON, vice chairman, Mr. SAM B. HALL, JR., Mr. KILDEE, Ms. OAKAR, Mr. MICA, Mr. HARRISON, Mr. HYDE, Mr. ROTH, Mr. MCGRATH, Mr. BATEMAN, and Mr. BOEHLERT.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 349. Concurrent resolution authorizing changes in the enrollment of H.J. Res. 600; and

H. Con. Res. 351. Concurrent resolution providing for a conditional adjournment of the two Houses from August 10, 1984, until September 5, 1984.

ENROLLED JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolutions:

S. J. Res. 248. Joint resolution designating August 21, 1984, as "Hawaii Statehood Silver Jubilee Day";

S. J. Res. 302. Joint resolution to designate the month of September 1984 as "National Sewing Month"; and

S. J. Res. 338. Joint resolution to congratulate the athletes of the United States Olympic team for their performance and achievements in the 1984 winter Olympic games in Sarajevo, Yugoslavia and the 1984 summer Olympic games in Los Angeles, California.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 3331. An act to authorize the exchange of certain lands between the Bureau of Land Management and the city of Los Angeles for purposes of the Santa Monica Mountains National Recreation Area; to the Committee on Energy and Natural Resources.

H.R. 6000. An act to designate the Table Rock Lake Visitors Center building in the vicinity of Branson, Missouri as the "Dewey J. Short Table Rock Lake Visitors Center"; to the Committee on Environment and Public Works.

MEASURES PLACED ON THE CALENDAR

The Committee on the Judiciary was discharged from the further consideration of the following bill, which was placed on the calendar:

H.R. 5177. An act granting the consent of Congress to an amendment to the Wheeling Creek Watershed Protection and Flood Prevention District Compact entered into by the States of West Virginia and Pennsylvania.

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John Melcher:									
Costa Rica	Dollar		140.00		633.00				773.00
Wayne E. Mehl:									
Costa Rica	Dollar		140.00		633.00				773.00
Total			280.00		1,266.00				1,546.00

JESSE HELMS,
Chairman, Committee on Agriculture, Nutrition and Forestry,
June 22, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
James D. Bond:									
Netherlands	Dollar		260.00						260.00
Netherlands	Dollar				1,532.00				1,532.00
Richard L. Collins:									
El Salvador	Dollar		100.00						100.00
Honduras	Dollar		96.00						96.00
Panama	Dollar		75.00						75.00
Nicaragua	Dollar		82.00						82.00
Senator J. Bennett Johnston:									
El Salvador	Dollar		50.00						50.00
Honduras	Dollar		20.00						20.00
Panama	Dollar		13.00						13.00
Nicaragua	Dollar		20.00						20.00
Senator Lawton Chiles:									
El Salvador	Dollar		20.00						20.00
Honduras	Dollar		20.00						20.00
Panama	Dollar		13.00						13.00
Senator Dennis DeConcini:									
India	Rupee	2,864	254.00						254.00
Pakistan	Rupee	1,675	125.00						125.00
Total			1,148.00		1,532.00				2,680.00

MARK O. HATFIELD,
Chairman, Committee on Appropriations, July 28, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1984

[Amended report for the 1st quarter, 1984]

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Richard Collins:									
Guatemala	Dollar		225.00						225.00
El Salvador	Dollar		300.00						300.00
Nicaragua	Dollar		246.00						246.00
Honduras	Dollar		277.00						277.00
Robert Walker:									
Honduras	Lempira	466	233.00					466	233.00
Sean O'Keefe:									
Honduras	Lempira	384	192.00					384	192.00
Dwight Dyer:									
Honduras	Lempira	384	192.00					384	192.00
Gary Barbour:									
Honduras	Lempira	566	283.00					566	283.00
Richard Pierce:									
Honduras	Lempira	327	163.50					327	163.50
James Bond:									
Honduras	Lempira	400	200.00					400	200.00
Barbados	Dollar		156.00						156.00
Nicaragua	Dollar		82.00						82.00
Honduras	Dollar		96.00						96.00
El Salvador	Dollar		75.00						75.00
Guatemala	Dollar		150.00						150.00
Robert Walker:									
Honduras	Dollar		150.00						150.00
Senator James Sasser:									
Honduras	Dollar		150.00						150.00
Total			3,170.50						3,170.50

MARK O. HATFIELD,
Chairman, Committee on Appropriations, June 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM JAN. 1, TO MARCH 31, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Charles O. Flickner:									
El Salvador	Dollar		250.00						250.00
Nicaragua	Dollar		246.00						246.00
Honduras	Dollar		192.00						192.00
	Dollar				770.66				770.66
Total			688.00		770.66				1,458.66

PETE V. DOMENICI,
Chairman, Committee on the Budget, June 14, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Douglas Olin:									
El Salvador	Dollar		96.00						96.00
Honduras	Dollar		34.00						34.00
Panama	Dollar		56.00						56.00
Nicaragua	Dollar		43.00						43.00
Total			229.00						229.00

PETE V. DOMENICI,
Chairman, Committee on the Budget, June 15, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Thomas W. Cohen:									
Japan	Yen	84,216	363.00					84,216	363.00
United States	Dollar				2,183.00				2,183.00
Ward H. White:									
Japan	Yen	84,216	363.00					84,216	363.00
United States	Dollar				2,183.00				2,183.00
Total			726.00		4,366.00				5,092.00

BOB PACKWOOD,
Chairman, Committee on Commerce, Science, and Transportation.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b) COMMITTEE ON ENERGY AND NATURAL RESOURCES, FOR TRAVEL FROM JAN. 1, TO MAR. 31, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Benjamin S. Cooper:									
India	Rupee	14,481	1,370.00		19.30		66.93		1,456.23
Pakistan	Rupee	2,037	150.00				7.36		157.36
France	Franc	2,468.16	288.00				19.60		307.60
United States	Dollar				3,515.00				3,515.00
Total			1,808.00		3,534.30		93.89		5,436.19

JAMES A. McCLURE,
Chairman, Committee on Energy and Natural Resources,
June 27, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ENERGY AND NATURAL RESOURCES, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Jane A. Robbins:									
Taiwan	Dollar	14,617	368.00						368.00
Korea	Won	307,257	388.00						2,659.00
United States	Dollar				2,271.00				2,271.00
Cherry Matano:									
Japan	Yen	246,114	1,089.00						3,291.78
United States	Dollar				2,202.78				2,202.78
Total			1,845.00		4,473.78				6,318.78

JAMES A. McCLURE,
Chairman, Committee on Energy and Natural Resources,
June 22, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS, FOR TRAVEL FROM APR. 1, TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Robert F. Hurley:									
England	Pound	713.40	990.00		895.00			713.40	1,885.00
Total			990.00		895.00				1,885.00

ROBERT T. STAFFORD,
Chairman, Committee on Environment and Public Works,
July 23, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Jeffery M. Lang:									
France	Franc	4,156	480.00						480.00
Switzerland	Franc	184.75	82.00						82.00
Belgium	Franc	13,694	237.00		27.02				264.02
United States	Dollar				1,095.00				1,095.00
Michael Stern:									
France	Franc	4,156	480.00		15.36		23.33		518.69
Switzerland	Franc	184.75	82.00						82.00
Belgium	Franc	13,694	237.00		27.02				264.02
United States	Dollar				869.00				869.00
Roderick DeArment:									
France	Franc	2,494	288.00		54.12				342.12
Switzerland	Franc	369.50	164.00						164.00
Belgium	Franc	13,694	237.00		27.02				264.02
United States	Dollar				869.00				869.00
Theodore Kassinger:									
France	Franc	2,494	288.00		54.11				342.11
Switzerland	Franc	369.50	164.00						164.00
Belgium	Franc	13,694	237.00		27.02				264.02
United States	Dollar				869.00				869.00
Leonard Santos:									
France	Franc	2,494	288.00		54.12				342.12
Switzerland	Franc	369.50	164.00						164.00
Belgium	Franc	13,694	237.00		27.02				264.02
United States	Dollar				869.00				869.00
Total			3,665.00		4,883.81		23.33		8,572.14

BOB DOLE,
Chairman, Committee on Finance.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1983

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Steven Symms:									
Mexico	Peso	30,300	150.00						150.00
Peru	Sol	244,350	75.00						75.00
Brazil	Cruzeiro	147.073	354.00						354.00
Total			579.00						579.00

BOB DOLE,
Chairman, Committee on Finance, May 10, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1983

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Steven Symms:									
El Salvador	Colon	577.5	150.00					577.5	150.00
Samuel Routson:									
El Salvador	Colon	406.56	105.60					406.56	105.60
Total			255.60						255.60

BOB DOLE,
Chairman, Committee on Finance, May 10, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1983

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Russell Long:									
Denmark	Krone	3,267	340.00						340.00
Belgium	Franc	12,819	237.00						237.00
Netherlands	Guilder	466.1	78.00						78.00
Germany	Mark	2.67	152.00						152.00
United States	Dollar				1,782.72				1,782.72

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1983—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Jeffrey M. Lang:									
Belgium	Franc	17,092	316.00						316.00
Netherlands	Guilder	466.10	78.00						78.00
Germany	Mark	2.67	152.00						152.00
United States	Dollar				1,718.00				1,718.00
Total			1,353.00		3,500.72				4,853.72

BOB DOLE,
Chairman, Committee on Finance, May 10, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1982

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Theodore Kassinger:									
Switzerland	Franc	1,810.50	850.00	65	30.50				880.50
United States	Dollar				1,372.00				1,372.00
Total			850.00		1,402.50				2,252.50

BOB DOLE,
Chairman, Committee on Finance, May 10, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Amendment to 4th quarter 1983:									
Senator Christopher Dodd:									
Egypt	Dollar		252.00						252.00
Israel	Dollar		600.00						600.00
United States	Dollar				2,797.00				2,797.00
Frederick Brown:									
Korea	Won	207,257	388.00						388.00
Taiwan	Dollar	14,617	368.00						368.00
United States	Dollar				2,331.00				2,331.00
Philippines	Peso	9,412.09	672.05						672.05
United States	Dollar				2,169.00				2,169.00
Amendment to 1st quarter 1984:									
Peter Galbraith:									
Pakistan	Rupee	3,499	260.55						260.55
India	Rupee	5,611.50	522.00	927	86.23			6,538.50	608.23
India	Dollar				120.00				120.0
Bhutan	Dollar		375.00		165.00				540.00
United States	Dollar				3,414.00				3,414.00
United Kingdom	Dollar		198.00						198.00
Mary Locke:									
Japan	Yen	198,137	847.00					198,137	847.00
United States	Dollar				1,995.00				1,995.00
John Ritch:									
U.S.S.R.			300.00						300.00
West Germany	Mark				372.00				372.00
United States	Dollar				967.00				967.00
Total			4,782.60		14,416.23				19,198.83

CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, June 26, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
William W. Quinn			276.00						276.00
Charles N. Andreae			1,524.00		2,816.10				4,340.10

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1984—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Robert R. Simmons			160.00		257.60				417.60
Total			1,960.00		3,073.70				5,033.70

BARRY GOLDWATER,
Chairman, Select Committee on Intelligence,
July 1, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), PRESIDENT PRO TEMPORE, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1983

[Amended report to Oct. 1 to Dec. 31, 1983, quarter report]

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jeremiah Denton:									
Panama	Dollar		108.00						108.00
Costa Rica	Colon	3,236.25	75.00					3,236.25	75.00
Honduras	Lempira	384	192.00					384	192.00
El Salvador	Colon	592.50	150.00					592.50	150.00
Joel Lisker:									
Panama	Dollar		108.00						108.00
Costa Rica	Colon	3,236.25	75.00					3,236.25	75.00
Honduras	Lempira	384	192.00					384	192.00
El Salvador	Colon	592.50	150.00					592.50	150.00
Margaret Hunt:									
Panama	Dollar		108.00						108.00
Costa Rica	Colon	3,236.25	75.00					3,236.25	75.00
Honduras	Lempira	384	192.00					384	192.00
El Salvador	Colon	592.50	150.00					592.50	150.00
Deborah DeMoss:									
Panama	Dollar		108.00						108.00
Costa Rica	Colon	3,236.25	75.00					3,236.25	75.00
Honduras	Lempira	384	192.00					384	192.00
El Salvador	Colon	592.50	150.00					592.50	150.00
Total			2,100.00						2,100.00

STROM THURMOND,
President pro tempore, June 30, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON LABOR AND HUMAN RESOURCES, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1983

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Orrin G. Hatch:									
Switzerland			172.00						172.00
United States	Dollar				1,678.00				1,678.00
Total			172.00		1,678.00				1,850.00

ORRIN G. HATCH,
Chairman, Committee on Labor and Human Resources,
Apr. 6, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL BAKER, FOR TRAVEL FROM APR. 14–22, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Howard Baker:									
Japan	Yen	103,488	462.00					103,488	462.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00
Senator Daniel Evans:									
Japan	Yen	76,740	342.58					76,740	342.58
	Dollar	2,039.70	262.00					2,039.70	262.00
William Hildenbrand:									
Japan	Yen	103,488	462.00					103,488	462.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00
Maureen Brinck:									
Japan	Yen	103,488	462.00					103,488	462.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL BAKER, FOR TRAVEL FROM APR. 14–22, 1984—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Danny Crippen:									
Japan	Yen	103,488	462.00					103,488	462.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00
Vivian Dubreuil:									
Japan	Yen	103,488	462.00					103,488	462.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00
Thomas Griscom:									
Japan	Yen	103,488	462.00					103,488	462.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00
Philip Jones:									
Japan	Yen	81,536	364.00					81,536	364.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00
Cranwell Montgomery:									
Japan	Yen	103,488	462.00					103,488	462.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00
Jan Novins:									
Japan	Yen	103,488	462.00					103,488	462.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00
Linda Zanelotti:									
Japan	Yen	103,488	462.00					103,488	462.00
Hong Kong	Dollar	2,039.70	262.00					2,039.70	262.00
Delegation expenses:									
Japan							2,902.98		2,902.98
Korea							1,070.63		1,070.63
Hong Kong							2,446.07		2,446.07
Total			7,746.58				6,419.68		14,166.26

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of sec. 502(b) of the Mutual Security Act of 1954, as amended by sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

HOWARD H. BAKER, JR.,
Majority Leader, Aug. 2, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM APR. 1 TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
George Cranwell Montgomery:									
Honduras	Lempira	192	96.00					192	96.00
George F. Murphy, Jr.:									
Honduras	Lempira	384	192.00					384	192.00
Total			288.00						288.00

HOWARD H. BAKER, JR.,
Majority Leader.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL WILSON, FOR TRAVEL AUTHORIZATION BY JOHN TOWER, CHAIRMAN, COMMITTEE ON ARMED SERVICES, AUG. 4–13, 1983

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Pete Wilson:									
Panama	Dollar		160.00		118.15				278.15
Guatemala	Quetzal	73	73.00	14.37	14.37	33.19	33.19	120.56	120.56
El Salvador	Colone			540	136.71			540	136.71
Drew Harker:									
Panama	Dollar		160.00		118.15				278.15
Guatemala	Quetzal	73	73.00	14.37	14.37	33.19	33.19	120.56	120.56
Costa Rica	Colone	3,232.50	75.00					3,232.50	75.00
El Salvador	Colone			540	136.71			540	136.71
Mark Albrecht:									
Panama	Dollar		160.00		118.15				278.15
Guatemala	Quetzal	73	73.00	14.37	14.37	33.19	33.19	120.56	120.56
Costa Rica	Colone	3,232,50	75.00					3,232,50	75.00
El Salvador	Colone			540	136.71			540	136.71
Total			849.00		807.69		99.57		1,756.26

JOHN TOWER,
Committee on Armed Services, May 29, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL COHEN/HART FOR TRAVEL AUTHORIZED BY JOHN TOWER, CHAIRMAN, COMMITTEE ON ARMED SERVICES, SEPT. 6–11, 1983

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William S. Cohen:									
El Salvador	Colone	233.35	59.00					233.35	59.00
Mexico	Dollar				32.53				32.53
Senator Gary Hart:									
El Salvador	Colone	233.35	59.00					233.35	59.00
Paul Besozzi:									
El Salvador	Colone	233.35	59.00					233.35	59.00
Kent Hughes:									
El Salvador	Colone	233.35	59.00					233.35	59.00
James Dykstra:									
El Salvador	Colone	233.35	59.00					233.35	59.00
Total			295.00		32.53				327.53

JOHN TOWER,
Chairman, Committee on Armed Services, May 29, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MINORITY LEADER

[Amended report to Jan. 1 to Mar. 31, 1984]

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Douglas K. Hall:									
Honduras	Dollar		150.00						150.00
Total			150.00						150.00

ROBERT C. BYRD,
Minority Leader, Aug. 3, 1984.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MINORITY LEADER, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1984

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Frank R. Lautenberg:									
El Salvador	Colone	35	9.09	96.25	25.00			131.25	34.09
United States	Dollar				690.70				690.70
Patrick Griffin:									
Panama	Dollar		80.00				30.00		110.00
United States	Dollar				726.00				726.00
Richard L. McCall:									
El Salvador	Colone	1,155	300.00					1,155	300.00
United States	Dollar				550.00				550.00
Nicaragua	Dollar		246.00						246.00
El Salvador	Colone	888.75	234.00					888.75	234.00
Panama	Dollar		80.00						80.00
United States	Dollar				909.00				909.00
Jim McQueeny:									
El Salvador	Colone	35	9.09	96.25	25.00			131.25	34.09
United States	Dollar				690.70				690.70
Total			958.18		3,616.40		30.00		4,604.58

ROBERT C. BYRD,
Minority Leader, Aug. 3, 1984.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary:

Report to accompany the bill (S. 1578) to modify the operation of Federal Antitrust Laws with respect to units of local government (Rept. No. 98–593).

By Mr. HATCH, from the Committee on the Judiciary, with amendments:

S. 119: A bill to provide procedures for calling Federal constitutional conventions under article V for the purpose of proposing amendments to the United States Constitution (Rept. No. 98–594).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DENTON (for himself and Mr. HEFLIN):

S. 2947. A bill to designate the lock and dam on the Warrior River in Hale County, Alabama, as the "Armistead I. Selden Lock and Dam"; to the Committee on Environment and Public Works.

By Mr. KASTEN (for himself and Mr. HATCH):

S. 2948. A bill to reduce tax rates in a manner that is fair to all taxpayers and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Finance.

By Mr. GARN (for himself and Mr. HATCH):

S. 2949. A bill to improve the land ownership patterns and management of State of Utah and Federal lands in the State of Utah and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. THURMOND (for himself, Mr. BIDEN, Mr. DENTON, Mr. HEFLIN, Mr. SPECTER, Mr. EAST, Mr. DOLE and Mr. ZORINSKY):

S. 2950. A bill to amend the patent law to restore the term of the patent grant in the case of certain products for the time of the regulatory review period preventing the marketing of the product claimed in a patent; to the Committee on the Judiciary.

By Mr. BOSCHWITZ:

S. 2951. A bill for the relief of Hreinn Pio Francisco Lindal; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. MOYNIHAN and Mr. MITCHELL):

S. 2952. A bill to improve the operation of certain trade laws of the United States; to the Committee on Finance.

By Mr. BOSCHWITZ (for himself, Mr. PRESSLER and Mr. ABDNOR):

S. 2953. A bill to amend title 38, United States Code, to allow the use of upright grave markers in national Veterans Administration Cemeteries; to the Committee on Veterans Affairs.

By Mr. DURENBERGER (for himself and Mr. BOSCHWITZ):

S. 2954. A bill entitled the "Food Stamp Redemption Act of 1984"; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BINGAMAN:

S. 2955. A bill to require the Secretary of Commerce to report on the labeling on arts and crafts imported into the United States, and for other purposes; to the Committee on Finance.

By Mr. WARNER:

S. 2956. A bill to recognize the organization known as the Navy Wives Clubs of America; to the Committee on the Judiciary.

By Mr. PELL (for himself, Mr. HATFIELD, Mr. KENNEDY, Mr. CRANSTON, Mr. STAFFORD, Mr. SARBANES, Mr. DURENBERGER, Mr. MATSUNAGA, Mr. TSONGAS, Mr. BURDICK, Mr. MITCHELL, Mr. HART, Mr. BAUCUS, Mr. EAGLETON, Mr. LEAHY and Mr. DODD):

S. 2957. A bill providing for a temporary mutual and verifiable halt in the testing and deployment of selected weapons; to the Committee on Foreign Relations.

By Mr. BINGAMAN (for himself, Mr. HOLLINGS and Mr. PRYOR):

S. 2958. A bill to amend the Public Works and Economic Development Act of 1965 to authorize appropriations for additional fiscal years; to the Committee on Environment and Public Works.

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 2959. A bill to reauthorize the Superfund and for other purposes; to the Committee on Finance.

By Mr. CHILES:

S. 2960. A bill to permit the vessel No Slack to be documented for use in the fisheries and coastwise trade of the United States; to the Committee on Commerce, Science, and Transportation.

By Mr. INOUYE:

S. 2961. A bill for the relief of Susan Rebola Cardenas; to the Committee on the Judiciary.

By Mr. WILSON (for himself, Mr. INOUYE, Mr. HATCH and Mr. KENNEDY):

S. 2962. A bill to amend the Communications Act of 1934 to promote diversity in broadcasting; to the Committee on Commerce, Science, and Transportation.

By Mr. COHEN (for himself, Mr. CHAFEE and Mr. DANFORTH):

S. 2963. A bill to amend the Tariff Act of 1930 to establish a Trade Remedy Assistance Office, and for other purposes; to the Committee on Finance.

By Mr. JEPSEN:

S.J. Res. 343. Joint resolution to designate the week of September 16, 1984, through September 22, 1984, as "National Independent Free Paper Week"; to the Committee on the Judiciary.

By Mr. BRADLEY (for himself and Mr. DECONCINI):

S.J. Res. 344. Joint resolution to designate the month of November 1984 as "National Make-A-Wish Month"; to the Committee on the Judiciary.

By Mr. BAUCUS:

S.J. Res. 345. Joint resolution to express the sense of the Congress that the Congressional Leadership should call for the 98th Congress to meet after the November election to impose an 18-month federal spending freeze and for the next President to convene a bipartisan deficit reduction summit conference; to the Committee on Rules and Administration.

By Mr. LEVIN:

S.J. Res. 346. Joint resolution to designate the year of 1985 as the "Year of the Teacher"; to the Committee on the Judiciary.

By Mr. STEVENS (for himself, Mr. LAXALT, Mr. COCHRAN, Mrs. HAWKINS, Mr. THURMOND, Mr. BURDICK, Mr. WEICKER, Mr. INOUYE and Mr. CRANSTON):

S.J. Res. 347. Joint resolution designating the week beginning June 11, 1985, as "National Scuba Week"; to the Committee on the Judiciary.

By Mr. BAKER (for Mr. MCCLURE):

S.J. Res. 348. Joint resolution to amend the Constitution of the United States to limit budget outlays for a fiscal year to not more than 19 per centum of gross national product; read the first time.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. RIEGLE (for himself, Mr. PACKWOOD, Mr. KENNEDY, Mr. RANDOLPH, Mr. METZENBAUM, Mr. MATSUNAGA, Mr. DODD, Mr. STAFFORD, Mr. WEICKER, Mr. PELL, Mr. LEVIN, Mr. CRANSTON and Mr. EAGLETON):

S. Res. 433. Resolution to congratulate the United States athletes who have participated in the Games of the XXIII Olympiad and urge enactment of the Senate bill relating to the clarification of certain equal opportunity laws; to the Committee on Commerce, Science, and Transportation.

By Mr. SASSER:

S. Res. 434. Resolution relating to the Administration's economic assumptions; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DENTON (for himself and Mr. Heflin):

S. 2947. A bill to designate the lock and dam on the Warrior River in Hale County, AL, as the "Armistead I. Selden Lock and Dam"; to the Committee on Environment and Public Works.

ARMISTEAD I. SELDEN LOCK AND DAM

Mr. DENTON. Mr. President, it is with great honor and pride that I introduce, on behalf of myself and my distinguished colleague from Alabama, legislation to redesignate the Warrior Lock and Dam on the Warrior River in Hale County, AL, as the Armistead Inge Selden Lock and Dam.

Armistead Inge Selden is truly a great American of whom all Alabamians can be justifiably proud.

Designation of the Armistead Selden Lock and Dam would be an appropriate tribute and this proposal has the support of thousands of Alabamians whose lives have been touched in some way by Armistead's goodwill and assistance to his fellow man.

It has often been said that "a man's virtue is his monument." That is especially true of Armistead Selden.

Renaming the Warrior Lock and Dam as the Armistead Inge Selden Lock and Dam will be a gift of this generation to our young people. It will stand as a reminder to the young people of today, and of generations to come, of one man's deeds. It will be a testimonial to a lifetime of effort and devotion that brought great honor and fame to the State Armistead loves so much.

Armistead was born on February 20, 1921, and grew up in Greensboro, AL. He attended the University of the South in Sewanee, TN, receiving an A.B. degree in 1942. He was a combat Navy veteran of World War II. In 1948 he received the LL.B. degree from the University of Alabama.

He is married to the former Mary Jane Wright and they have three sons and two daughters. He had a private law practice in Greensboro, AL, for 10 years during his career and served one term as a member of the Alabama House of Represenstatives in 1951.

In 1952, he was elected to the U.S. Congress and was reelected to seven succeeding Congresses. He retired voluntarily from the U.S. House of Representatives in January 1969.

While in Congress he served as member of the House Foreign Relations Committee, where he became chairman of the Subcommittee on Inter-American Affairs.

After leaving the Congress he served as Principal Deputy Assistant Secretary of Defense for International Security Affairs. He has served the United States as Ambassador to New Zealand, Tonga, Western Samoa, and

Fiji. He is currently president of the League for Exports and Security Assistance, Inc.

In 1980, before I ran for the Senate, Armistead and I were both urged by many of our mutual friends in Alabama to seek the Senate seat I now have.

We ran against one another in the Republican primary and he proved to be a formidable opponent. It was a measure of his integrity that following the primary he joined with me to win the general election.

It is most appropriate that the Warrior Lock and Dam is renamed for Armistead. The Warrior Lock and Dam was a project for which he championed when he was in Congress. Renaming the Warrior Lock and Dam as the Armistead Inge Selden Lock and Dam will be a fitting monument to the deeds of a great Alabamian and a great American.

Mr. HEFLIN. Mr. President, it is indeed a pleasure to introduce today, along with my colleague from Alabama, this bill to redesignate the Warrior Lock and Dam on the Warrior River in Hale County, AL, as the Armistead I. Selden Lock and Dam.

Mr. Selden has had a long and distinguished career in public service. He served three years in the Alabama State Legislature and 16 years in the U.S. House of Representatives, where he became chairman of the Subcommittee on Inter-American Affairs. Upon his resignation from Congress, Mr. Selden was appointed Deputy Assistant Secretary of Defense for the Development of International Policy and Procurement. His respected work in the Defense Department gained him special recognition, for which he was accorded the honor of serving as U.S. Ambassador to New Zealand, Fiji, Tonga, and U.S. Samoa—a post he occupied under three administrations.

Armistead Selden was an outstanding American. He served the people of Alabama and our Nation in so many ways. In Congress, he often promoted the value of a sound and responsible inland waterway system. He knew that development of these waterway systems in our State would return rich dividends to the citizens of Alabama in the way of better jobs and a better and higher standard of living. He was particularly prominent in the funding and construction of the Warrior Lock and Dam and it is fitting that this lock and dam be named in his honor.

By Mr. KASTEN (for himself and Mr. HATCH):

S. 2948. A bill to reduce tax rates in a manner that is fair to all taxpayers and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Finance.

FAIR AND SIMPLE TAX

Mr. KASTEN. Mr. President, on April 26 of this year, Congressman JACK KEMP and I introduced the fair and simple tax—S. 2600/H.R. 5533—a bill to provide the American taxpayers with a much needed change from the current tax system.

Today, Congressman KEMP and I are reintroducing a new and improved version of this bill. This version reflects the many comments and modifications that have been suggested over the past few months. We felt it necessary to include many of them in Fair and Simple Tax, and in the future, we may offer still more modifications. Our purpose is to make the Fair and Simple Tax a comprehensive tax reform bill that treats every one fairly, and yet still provides incentives for work, savings, investment, and productivity.

The Fair and Simple Tax plan still offers the best features of a flat tax—a single tax rate applied to an expanded tax base—with special provisons for the working poor, families with children, homeowners, savers, and small businesses. In brief, the plan caps the top rate at 25 percent, doubles the personal exemptions, provides an employment income credit, and maintains many essential deductions in current law.

We are pleased about the changes in Fair and Simple Tax, which include both technical corrections and changes in current law that disproportionately affect our Nation's senior citizens.

The modifications are as follows:

Exemptions for the elderly and the blind are increased from $2,000 to $4,000 each, and are indexed to inflation.

Married taxpayers with less than $15,000 in wage and salary income may exclude from tax 20 percent of all their total income up to $15,000. If you are single, you may exclude 20 percent of all your income up to $10,000. This is a slight modification from the bill, which allows a $20,000 limit for married taxpayers.

The 96 percent bracket for the elderly is eliminated. Under current law, the combination of Federal programs results marginal tax rates on the elderly which can range from 80 percent to more than 100 percent. These high rates are caused by the following factors:

First, the so-called retirement test reduces Social Security benefits by 50 cents for every $1 above $6,960 a year of income earned by those between the ages of 65 and 70. This creates, in effect, a 50-percent marginal tax rate on earned income.

Second, an unfortunately designed feature in the 1983 Social Security Amendments effectively raises the Federal marginal tax rate by 50 percent above what it would otherwise be. According to a complicated formula, this provision adds 50 cents in Social Security benefits to a taxpayer's tax base for every dollar of income earned above a certain income threshold. In addition, this threshold provision instituted a "back door" tax on supposedly tax-exempt municipal bonds owned by the elderly, the retired, and survivors. To give an example, if a taxpayer is in the 30 percent Federal income tax bracket under current law, the threshold method can effectively raise the marginal income tax rate to 45 percent.

Third, such workers must pay ordinary Federal, State, and local income and payroll taxes.

Our bill abolishes this 96 percent bracket for senior citizens in the following way:

First, we phase out the retirement test, by cutting the benefit reduction from 50 to 25 cents on a dollar immediately, and zero reduction after 5 years.

Second, we change the taxation of Social Security benefits in a manner designed to raise about the same amount of revenue from the same income group, but without substantially increasing their marginal tax rates. The first $7,000 (single)/$10,500 (joint return) of Social Security benefits is excluded from tax, and no more than half of total benefits may be taxed. According to the U.S. Treasury, this would result in raising about the same amount of revenue and taxing approximately the same higher income taxpayers.

Third, we abolished back door taxation of tax-exempt bonds.

This combination of improvements would reduce that 96 percent tax bracket on middle income senior citizens to below 30 percent, or by almost three-quarters.

Other important changes in our new bill are listed below.

With its simplicity, protection for families, the poor and senior citizens, and its increased incentives to work, save and invest, we believe that the fair and simple tax is a plan which families across the country can embrace.

ADDITIONAL CHANGES IN THE NEW "FAIR AND SIMPLE TAX" (FAST) ACT

In addition to technical corrections and improvements aimed at senior citizens, other changes in the second version of Kemp-Kasten include:

First, indexing the earned income credit (received by low-income working single heads of household) for inflation.

Second, indexing the 20 percent exclusion of the first $10,000/$15,000 of nonemployment income for inflation. (The exclusion for wages is already indexed.)

Third, phasing out the limitation on capital losses over 10 years, and sub-

jecting capital losses to the alternative minimum tax.

Allowing deductibility of capital losses is a matter of simple fairness: if the Government claims a share of any capital gain, it should permit a taxpayer to account for capital losses on a symmetrical basis. If gains are taxed in full, they should be deductible in full; if gains are only partly taxable, they should be only partly deductible.

Subjecting capital losses to the alternative minimum tax, meanwhile, effectively prevents high bracket taxpayers from using this provision to avoid paying tax by systematically realizing losses to reduce taxable gains.

Fourth, repealing the deductibility of interest expense for consumer expenses, other than residential property and loans solely for educational purposes. Business-related interest such as rental property is also unaffected. The first version of Kemp-Kasten permitted deductibility of any interest expense.

Fifth, repealing the exemption for students aged 19 and older.

Sixth, maintain current law in exempting employer-provided medical and life insurance premiums, as well as benefits paid out of those premiums, from tax. While there is an argument for taxing these, we believe there is also an argument for encouraging private rather than public provision of medical care and family security.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2948

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Fair and Simple Tax Act of 1984".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The Secretary of the Treasury or his delegate, not later than 90 days after the date of the enactment of this Act, shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a draft of any technical and conforming amendments to the Internal Revenue Code of 1954 which are necessary to reflect the substantive amendments made by this Act.

TITLE I—REDUCTION OF INDIVIDUAL AND CORPORATE TAX RATES

SUBTITLE A—REDUCTION OF RATES

SEC. 101. INDIVIDUAL INCOME TAX RATES.

Section 1 (relating to tax imposed on individuals) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"There is hereby imposed on the taxable income of every individual for each taxable year a tax equal to 25 percent of the taxable income for the taxable year."

SEC. 102. CORPORATE TAX RATES.

Subsection (b) of section 11 is amended to read as follows:

"(b) AMOUNT OF TAX.—The amount of tax imposed by subsection (a) shall be the sum of—

"(1) 15 percent of so much of the taxable income as does not exceed $50,000, and

"(2) 30 percent of so much of the taxable income as exceeds $50,000."

SUBTITLE B—INCREASE IN AMOUNT OF PERSONAL EXEMPTION AND ZERO BRACKET AMOUNT

SEC. 111. INCREASE IN AMOUNT OF PERSONAL EXEMPTION.

Subsection (f) of section 151 (relating to allowance of deductions for personal exemptions) is amended—

(1) by striking out "$1,000" each place such term appears in such subsection and inserting in lieu thereof "$2,000", and

(2) by striking out "section 1(f)(3)" and inserting in lieu thereof "section 63(d)(2)(C)".

SEC. 112. INCREASE IN ZERO BRACKET AMOUNT.

Subsection (d) of section 63 (defining zero bracket amount) is amended to read as follows:

"(d) ZERO BRACKET AMOUNT DEFINED.—For purposes of this subtitle—

"(1) In general.—The term 'zero bracket amount' means—

"(A) $3,500 in the case of—

"(i) a joint return, or

"(ii) a surviving spouse (as defined in section 2(a)),

"(B) $2,700 in the case of an individual who is not married and is not a surviving spouse (as so defined),

"(C) $1,750 in the case of a married individual filing a separate return, and

"(D) zero in every other case, adjusted in the manner provided in paragraph (2).

"(2) Adjustments so that inflation will not reduce the value of zero bracket amount.—

"(A) IN GENERAL.—Not later than December 15 of 1984 and each subsequent calendar year, the Secretary shall prescribe the zero bracket amounts which shall apply in lieu of the amounts defined in paragraph (1) with respect to taxable years beginning in the succeeding calendar year.

"(B) METHOD OF ADJUSTING ZERO BRACKET AMOUNT.—The amounts which shall apply in lieu of the amounts described in paragraph (1) with respect to taxable years beginning in any calendar year shall be prescribed by increasing each amount contained in paragraph (1) by the cost-of-living adjustment for such calendar year. If such increase is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5 but not a multiple of $10, such increase shall be increased to the next multiple of $10).

"(C) COST-OF-LIVING ADJUSTMENT DEFINED.—For purposes of subparagraph (B), the cost-of-living adjustment for any calendar year is the percentage (if any) by which—

"(i) the CPI for the preceding calendar year, exceeds

"(ii) the CPT for the calendar year 1983.

"(D) CPT FOR ANY CALENDAR YEAR.—For purposes of subparagraph (C), the CPT for any preceding calendar year (or for 1983) is the average of the Consumer Price Index as of the close of the 12-month period ending on September 30 of such preceding calendar year (or 1983, as the case may be).

"(E) CONSUMER PRICE INDEX.—For purposes of subparagraph (D), the term 'Consumer Price Index' means the last Consumer Price Index for all-urban consumers published by the Department of Labor."

SEC. 113. EXEMPTION FOR DEPENDENTS WHO ARE STUDENTS OVER THE AGE OF 18 REPEALED.

Subparagraph (B) of section 151(e)(1) (relating to additional exemption for dependents) is amended by striking out ", or (ii) is a student".

SUBTITLE C—EMPLOYMENT INCOME EXCLUSION ESTABLISHED

SEC. 121. EMPLOYMENT INCOME EXCLUSION.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from income) is amended by redesignating section 134 as section 135 and by inserting after section 133 the following new section:

"SEC. 134. PARTIAL EXCLUSION OF EMPLOYMENT INCOME.

"(a) IN GENERAL.—Gross income of an individual does not include an amount equal to 20 percent of the amount received during the taxable year by such individual as employment income.

"(b) MAXIMUM AMOUNT EXCLUDABLE.—

"(1) IN GENERAL.—The amount excludable under subsection (a) for any taxable year shall not exceed 20 percent of the FICA maximum wage base for the calendar year in which such taxable year began.

"(2) PHASEOUT OF EMPLOYMENT INCOME EXCLUSION ABOVE FICA MAXIMUM WAGE BASE.—In the case of a taxpayer with employment income for any taxable year in excess of the FICA maximum wage base for the calendar year in which such taxable year began, the amount excludable under subsection (a) shall not exceed the amount determined under paragraph (1) reduced (but not below 0) by an amount equal to the product of—

"(A) 12.5 percent, and

"(B) the amount by which the employment income of the taxpayer for such taxable year exceeds the FICA maximum wage base for such calendar year.

"(c) SPECIAL RULE FOR INDIVIDUAL WITH EMPLOYMENT INCOME OF $10,000 OR LESS ($15,000 OR LESS IN THE CASE OF JOINT RETURN).—In the case of a taxpayer whose employment income for the taxable year is $10,000 or less ($15,000 or less in the case of a joint return), so much of the investment income (if any) of the taxpayer for the taxable year as does not exceed the difference between—

"(1) $10,000 ($15,000 in the case of a joint return), and

"(2) the aggregate amount of employment income of such taxpayer for such taxable year.

shall be treated as employment income for purposes of this section.

"(d) DEFINITIONS.—For purposes of this section—

"(1) EMPLOYMENT INCOME DEFINED.—The term 'employment income' has the meaning given to the term 'earned income' in section 32(c)(2), except that such term shall include any qualified alimony (as such term is defined in section 219(b)(4)(B)) received by the taxpayer,

"(2) INVESTMENT INCOME DEFINED.—The term 'investment income' means any income of the taxpayer which is not employment income, and

"(3) FICA MAXIMUM WAGE BASE DEFINED.—The term 'FICA maximum wage base' means the contribution and benefit base as

determined under section 230 of the Social Security Act.

"(e) ADJUSTMENTS SO THAT INFLATION WILL NOT REDUCE THE VALUE OF CREDIT.—

"(1) IN GENERAL.—Not later than December 15 of 1984 and each subsequent clendar year thereafter, the Secretary shall prescribe the amounts which shall apply in lieu of the $10,000 amount and the $15,000 amount described in subsection (c) with respect to taxable years beginning in the succeeding calendar year.

"(2) METHOD OF ADJUSTING AMOUNTS.—The amounts which shall apply in lieu of the amounts referred to in paragraph (1) with respect to taxable years beginning in any calendar year shall be prescribed by increasing each such amount by the cost-of-living adjustment (as defined in section 63(d)(2)(C)) for such calendar year. If such increase is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5 but not a multiple of $10, such increase shall be increased to the next multiple of $10."

(b) CLERICAL AMENDMENT.—The table of sections for such part III is amended by redesignating the item relating to section 134 as section 135 and by inserting after the item relating to section 133 the following new item:

"Sec. 134. Partial exclusion of employment income."

SUBTITLE D—REPEALS RELATED TO REDUCTION IN RATES

SEC. 131. REPEALS.

(a) GENERAL RULE.—The following provisions are hereby repealed:

(1) Section 3 (relating to tax tables for individuals).

(2) Paragraphs (1), (2), and (3) of section 402(e) (relating to special averaging rules for lump-sum distributions).

(3) Part I of subchapter G of chapter 1 (section 531 and following, relating to corporations improperly accumulating surplus).

(4) Part II of subchapter G of chapter 1 (section 541 and following, relating to personal holding companies).

(5) Part I of subchapter Q of chapter 1 (section 1301 and following, relating to income averaging).

(6) Section 1551 (relating to graduated corporate tax rates).

(o) TRUST THROWBACK RULES APPLY ONLY TO FOREIGN TRUST.—Subpart D of part I of subchapter J of chapter 1 (relating to treatment of excess distributions by trust) is amended by adding at the end thereof the following new section:

"SEC. 669. SUBPART TO APPLY ONLY TO FOREIGN TRUSTS.

"This subpart shall apply only with respect to amounts distributed from a foreign trust."

TITLE II—BASE BROADENING

SUBTITLE A—CREDITS

SEC. 201. REPEALS.

The following provisions are hereby repealed:

(1) Section 21 (relating to credit for expenses for household and dependent care services necessary for gainful employment).

(2) Section 22 (relating to credit for the elderly and the permanently and totally disabled).

(3) Section 23 (relating to residential energy credit).

(4) Section 24 (relating to contributions to candidates for public office).

(5) Section 28 (relating to clinical testing expenses for certain drugs for rare diseases and conditions).

(6) Section 29 (relating to credit for producing fuel from a nonconventional source).

(7) Section 30 (relating to credit for increasing research activities).

(8) Paragraphs (1), (2), (3), and (4) of section 38(b) (allowing credits determined under sections 40 and 41 and subparts E and F).

(9) Sections 40 and 87 (relating to alcohol used as fuel).

(10) Section 41 (relating to rules for determining amount of employee stock ownership credit).

(11) Section 42 (relating to general tax credit).

(12) Subpart E of part IV of subchapter A of chapter 1 (relating to rules for determining credit for investment in certain depreciable property).

(13) Subpart F of such part IV (relating to rules for determining credit for employment of certain new employees).

SUBTITLE B—EXCLUSIONS

PART I—REPEALS

SEC. 211. REPEALS.

The following sections are hereby repealed:

(1) Section 104 (relating to compensation for injuries or sickness).

(2) Section 116 (relating to partial exclusion of dividends received by individuals).

(3) Section 120 (relating to amounts received under qualified group legal service plans).

(4) Section 124 (relating to qualified transportation furnished by employer).

(5) Section 305(e) (relating to dividend reinvestment in public utilities).

(6) Section 621 (relating to payments to encourage exploration, development, and mining for defense purposes).

PART II—OTHER CHANGES

SEC. 212. CHANGE OF EARNED INCOME CREDIT MAXIMUM AMOUNT.

(a) IN GENERAL.—Subsection (a) of section 32 (relating to earned income credit) is amended—

(1) by striking out "11 percent" and inserting in lieu thereof "10", and

(2) by striking out "$5,000" and inserting in lieu thereof "$4,00".

(b) PHASEOUT OF CREDIT.—Subsection (b) of such section 32 is amended to read as follows:

"(b) LIMITATION.—The amount of the credit allowable to a taxpayer under subsection (a) shall not exceed the excess (if any) of—

"(1) $400, over

"(2) 15 percent of so much of the adjusted gross income (or, if greater, the earned income) of the taxpayer for the taxable year as exceeds $4,000."

(c) ADJUSTMENTS SO THAT INFLATION WILL NOT REDUCE THE VALUE OF CREDIT.—

"(1) IN GENERAL.—Not later than December 15 of 1984 and each subsequent calendar year thereafter, the Secretary shall prescribe the amounts which shall apply in lieu of—

"(A) the $4,000 amount contained in subsections (a), (b)(2), and (f)(2)(B),

"(B) the $400 amount contained in subsection (b)(1), and

"(C) the $6,667 amount contained in subsections (f) (2)(A) and (B),

with respect to taxable years beginning in the succeeding calendar year.

"(2) METHOD OF ADJUSTING AMOUNTS.—The amounts which shall apply in lieu of the amounts referred to in paragraph (1) (A), (B), and (C) with respect to taxable years beginning in any calendar year shall be prescribed by increasing each such amount by the cost-of-living adjustment (as defined in section 63(d)(2)(C)) for such calendar year. If such increase is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5 but not a multiple of $10, such increase shall be increased to the next multiple of $10)."

(d) TECHNICAL AMENDMENT.—Paragraph (2) of subsection (f) of such section 32 is amended—

(1) in subparagraph (A) by striking out "$11,000" and inserting in lieu thereof "$6,667", and

(2) in subparagraph (B) by striking out "$6,500 and $11,000" and inserting in lieu thereof "$4,000 and $6,667".

SEC. 213. TAXATION OF UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Subsection (a) of section 85 (relating to unemployment compensation) is amended to read as follows:

"(a) In General.—Gross income includes any unmployment compensation received by the taxpayer during the taxable year."

(b) CONFORMING AMENDMENT.—Section 85 is amended by striking out subsection (b) and redesignating subsection (c) as subsection (b).

SEC. 214. TAXATION OF ANNUAL INCREASE IN CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES.

(a) IN GENERAL.—Part II of subchapter B of chapter 1 (relating to amounts specifically included in gross income) is amended by adding at the end thereof the following new section:

"SEC. 89. INCOME ATTRIBUTABLE TO LIFE INSURANCE, ANNUITY, OR ENDOWMENT CONTRACTS.

"(a) IN GENERAL.—There shall be included in the gross income for the taxable year of the owner of any annuity, life insurance, or endowment contract an amount equal to the excess of—

"(1) the sum of—

"(A) any change in the cash surrender value of such contract during the policy year ending with or within such taxable year,

"(B) any withdrawals during such policy year under such contract,

"(C) the cost of insurance provided during such policy year under such contract, and

"(D) any policyholder dividends paid during such policy year under such contract, over

"(2) the amount of premimus paid during such policy year under such contract.

"(b) CARRYOVER.—If the amount described in paragraph (2) of subsection (a) exceeds the amount determined under paragraph (1) of subsection (a) for any policy year, the amount of such excess shall be treated as a premium paid during the following policy year under the contract.

"(c) INSURANCE COMPANIES TO REPORT TO POLICYHOLDER AND TO THE SECRETARY.—The insurance company (or other payor) under any annuity, life insurance, or endowment contract shall, after the close of each policy year, report to the owner of the contract, and to the Secretary, such information as may be necessary for purposes of this section.

"(d) COORDINATION WITH SECTION 72.—For purposes of section 72, any amount included in gross income under this section with respect to any annuity, life insurance, or en-

dowment contract shall be treated as consideration paid for such contract.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary for purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part II of Subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 89. Income attributable to life insurance, annuity, or endowment contracts."

SEC. 215. LIMITATION ON PRIVATE-PURPOSE TAX-EXEMPTS BONDS.

(a) REPEAL OF TAX EXEMPTION FOR INDUSTRIAL DEVELOPMENT BONDS.—Each paragraph of section 103(b) (relating to industrial development bonds) other than paragraphs (1), (2), and (3) is hereby repealed.

(b) REPEAL OF TAX EXEMPTION FOR MORTGAGE SUBSIDY BONDS.—Section 103A is amended to read as follows:

"SEC. 103A. MORTGAGE SUBSIDY BONDS.

"(a) GENERAL RULE.—Any mortgage subsidy bond shall be treated as an obligation not described in subsection (a) of section 103.

"(b) MORTGAGE SUBSIDY BOND DEFINED.—For purposes of this title, the term 'mortgage subsidy bond' means any obligation which is issued as part of an issue a significant part of the proceeds of which is to be used directly or indirectly for mortgages (or other owner financing) on owner-occupied residences."

(c) REPEAL OF TAX EXEMPTION FOR CERTAIN PRIVATE PURPOSE BONDS.—

(1) IN GENERAL.—

(A) Subsection (a) of section 103 is amended to read as follows:

"(a) GENERAL RULE.—Gross income does not include interest on the obligations of a State, a territory, or a possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia."

(B) Subsection (e) of section 103 is amended to read as follows:

"(e) CERTAIN PRIVATE PURPOSE BONDS.—Any obligation which is issued as part of an issue all or a major portion of the proceeds of which are to be used (directly or indirectly)—

"(1) to finance loans to individuals for educational expenses, or

"(2) by an organization described in section 501(c)(3) which is exempt from taxation under section 501(a),

shall be treated as an obligation not described in subsection (a)."

(2) CONFORMING AMENDMENTS.—

(A) Subsections (b)(1) and (c)(1) of section 103 are each amended by striking out "subsection (a)(1) or (2)" each place it appears and inserting in lieu thereof "subsection (a)".

(B) Paragraph (3) of section 103(b) (defining exempt person) is amended to read as follows:

"(3) EXEMPT PERSON.—For purposes of paragraph (2)(A), the term 'exempt person' means a governmental unit."

(C) Subsections (d), (e), (g), (h), (k), (l), (n), and (o) of section 103 are hereby repealed.

SEC. 216. REPEAL OF STOCK FOR DEBT EXCEPTION FOR PURPOSES OF DETERMINING INCOME FROM DISCHARGE OF INDEBTEDNESS.

Subsection (e) of section 108 (relating to income from discharge of indebtedness) is amended by adding at the end thereof the following new paragraph:

"(10) INDEBTEDNESS SATISFIED BY CORPORATION'S STOCK.—For purposes of determining income of the debtor from discharge of indebtedness, if a debtor corporation transfers its stock to a creditor in satisfaction of its indebtedness, such corporation shall be treated as having satisfied the indebtedness with an amount of money equal to the fair market value of the stock. In the case of a debtor in a title 11 case or when the debtor is insolvent, paragraph (8) (and not this paragraph) shall apply."

SEC. 217. SCHOLARSHIP AND FELLOWSHIP EXCLUSION LIMITED TO TUITION AND RELATED EXPENSES.

(a) GENERAL RULE.—Subsection (a) and (b) of section 117 (relating to scholarships and fellowships) are amended to read as follows:

"(a) IN GENERAL.—In the case of an individual who is a candidate for a degree at an educational organization described in section 170(b)(1)(A)(ii), gross income does not include any amount received as—

"(1) a scholarship, or

"(2) a fellowship grant, to the extent such amount is used for qualified tuition and related expenses (within the meaning of subsection (c)(2)).

"(b) PAYMENT FOR TEACHING, RESEARCH, ETC.—Subsection (a) shall not apply to that portion of any amount received which represents payment for teaching, research, or other services in the nature of part-time employment required as a condition to receiving the scholarship or the fellowship grant. If teaching, research, or other services are required of all candidates (whether or not recipients or scholarships or fellowship grants) for a particular degree as a condition to receiving such degree, such teaching, research, or other services shall not be regarded as part-time employment within the meaning of this subsection."

(b) CLARIFICATION OF DEFINITION OF QUALIFIED TUITION AND RELATED EXPENSES.—

(1) Clause (i) of section 117(c)(2)(A) is amended by striking out "at an institution of higher education" and inserting in lieu thereof "at an educational organization described in section 170(b)(1)(A)(ii)".

(2) Subparagraph (B) of section 117(c)(1) is amended by inserting "at an institution of higher education" after "qualified tuition and related expenses".

SEC. 218. TERMINATION OF TAX EXEMPTION FOR DEPOSITS INTO, AND WITHDRAWALS FROM, THE CAPITAL CONSTRUCTION FUND UNDER SECTION 607 OF THE MERCHANT MARINE ACT, 1936.

(a) TAXATION OF DEPOSITS.—Subsection (d) of section 607 of the Merchant Marine Act, 1936 (relating to nontaxability for deposits) is hereby repealed.

(b) ALL WITHDRAWALS TREATED AS NONQUALIFIED.—Subsection (f) of such section 607 is amended by adding at the end thereof the following new paragraph:

"(3) No withdrawal after December 31, 1984, shall be treated as a qualified withdrawal."

SEC. 219. CHANGE IN METHOD OF TAXING SOCIAL SECURITY BENEFITS.

(a) IN GENERAL.—Subsections (a) and (b) of section 86 (relating to social security and tier 1 railroad retirement benefits) are amended to read as follows:

"(a) IN GENERAL.—Gross income for the taxable year of any taxpayer includes social security benefits received during the taxable year to the extent such benefits exceed $7,000 ($10,500 in the case of a joint return).

"(b) MAXIMUM INCLUSION.—Not more than ½ of the total amount of social security benefits received during the taxable year shall be included in gross income of the taxpayer for such taxable year."

(b) CONFORMING AMENDMENT.—Subsection (c) of section 86 is hereby repealed.

SUBTITLE C—DEDUCTIONS

PART I—REPEALS

SEC. 221. REPEALS.

The following provisions are hereby repealed:

(1) Subsections (c)(3), (e), and (h) of section 165 (relating to deduction for casualty and theft losses).

(2) Section 196 (relating to deduction for unused business credits).

(3) Section 221 (relating to deduction for two-earner married couples).

PART II—OTHER CHANGES

SEC. 226. REPEAL OF DEDUCTION FOR STATE AND LOCAL INCOME TAXES.

Subsection (a) of section 164 (relating to deduction for taxes) is amended—

(1) in paragraph (3) by striking out "income, war profits," and inserting in lieu thereof "war profits and", and

(2) by inserting after paragraph (5) the following new paragraph:

"(6) Foreign income taxes."

SEC. 227. INCREASE IN FLOOR ON MEDICAL DEDUCTION.

Subsection (a) of section 213 (relating to medical, dental, etc., expenses) is amended by striking out "5 percent" and inserting in lieu thereof "10 percent".

SEC. 228. REPEAL OF DEDUCTION FOR CONSUMER INTEREST.

(a) IN GENERAL.—Section 163 (relating to interest expenses) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) DENIAL OF DEDUCTION FOR CERTAIN CONSUMER INTEREST.—

"(1) IN GENERAL.—No deduction shall be allowed under subsection (a) for any consumer interest.

"(2) CONSUMER INTEREST DEFINED.—For purposes of this subsection, the term 'consumer interest' means any interest which is allowable as a deduction under this chapter solely by reason of this section, except that such term does not include any interest on any indebtedness the proceeds of which were used exclusively—

"(A) to acquire, construct, or rehabilitate any residential property, or

"(B) to pay educational expenses of the taxpayer, the taxpayer's spouse, or any dependent (as such term is defined in section 152) of the taxpayer."

SUBTITLE D—ADJUSTMENT TO BASIS; CHANGES IN CERTAIN SPECIAL CAPITAL GAINS TREATMENT PROVISIONS

SEC. 231. ADJUSTMENTS TO BASIS TO ALLOW FOR INFLATION.

(a) IN GENERAL.—Part II of subchapter 0 of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Except as provided in paragraph (2), if an indexed asset is sold or otherwise disposed of, for purposes of this title the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) EXCEPTION FOR DEPRECIATION, ETC.—The deduction for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means any capital asset (within the meaning given to such term by section 1221) which has been held for more than 1 year.

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) OPTIONS.—Any option or other right to acquire an interest in property.

"(C) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

"(D) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(E) STOCK IN CERTAIN CORPORATIONS.—Stock in—

"(i) an electing small business corporation (within the meaning of section 1371(b)), and

"(ii) a foreign corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Clause (ii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

"(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) IN GENERAL.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset is the percentage arrived at by dividing—

"(A) the gross national product deflator for the calendar quarter in which the disposition takes place, by

"(B) the gross national product deflator for the calendar quarter in which the asset was acquired by the taxpayer (or, if later, the calendar quarter ending December 31, 1984).

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest 1/10 of 1 percent.

"(3) GROSS NATIONAL PRODUCT DEFLATOR.—The gross national product deflator for any calendar quarter is the implicit price deflator for the gross national product for such quarter (as shown in the first revision thereof).

"(d) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(C) Any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—

"(A) IN GENERAL.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

"(B) CERTAIN SHORT SALES.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

"(3) TREATMENT OF CERTAIN DISTRIBUTIONS.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

"(4) SECTION CANNOT INCREASE ORDINARY LOSS.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which the second sentence of section 1231(a) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

"(5) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (A)(1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

"(6) COLLAPSIBLE CORPORATIONS.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

"(e) CERTAIN CONDUIT ENTITIES.—

"(1) REGULATED INVESTMENT COMPANIES; REAL ESTATE INVESTMENT TRUSTS; COMMON TRUST FUNDS.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(E) QUALIFIED INVESTMENT ENTITY.—For purposes of this paragraph, the term 'qualified investment entity' means—

"(i) a regulated investment company (within the meaning of section 851).

"(ii) a real estate investment trust (within the meaning of section 856), and

"(iii) a common trust fund (within the meaning of section 584).

"(2) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

"(3) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

"(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

"(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

"(2) RELATED PERSONS DEFINED.—For purposes of this section, the term 'related persons' means—

"(A) persons bearing a relationship set forth in section 267(b), and

"(B) persons treated as single employer under subsection (b) or (c) of section 414.

"(g) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

"(1) to secure or increase an adjustment under subsection (a), or

"(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

"(h) DEFINITIONS.—For purposes of this section—

"(1) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased real property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(2) STOCK INCLUDES INTEREST IN COMMON TRUST FUND.—The term 'stock in a corporation' includes any interest in a common trust fund (as defined in section 584(a)).

"(i) REGULATIONS.—The Seretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of such chapter 1 is amendd by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain or loss."

SEC. 232. CHANGES IN SPECIAL TREATMENT OF CAPITAL GAINS AND LOSSES.

(a) REDUCTION IN RATE OF ALTERNATIVE TAX FOR CORPORATIONS.—Paragraph (2) of section 1201(a) (relating to alternative tax for corporations) is amended by striking out "28 percent" and inserting in lieu thereof "20 percent".

(b) SPECIAL TREATMENT FOR CAPITAL GAINS OF INDIVIDUALS REPEALED.—Section 1202 (relating to deduction for individuals for capital gains) is hereby repealed.

(c) Capital Losses of Individuals; Carryover of the Excess of Such Losses Over Gross Income Allowed.—

(1) Repeal of limitation allowing deduction only to extent of certain net losses over net gains.—Subparagraph (C) of section 1211(b)(1) (relating to limitation on deduction of capital losses) is hereby repealed.

(2) Full amount of capital losses of individuals deductible after 1994.—Subsection (b) of section 1211 (relating to limitation on capital losses of individuals) is hereby repealed.

(3) Phaseout of dollar amount limitation on deduction.—Paragraph (2) of section 1211(b) (defining applicable amount) is amended to read as follows:

"(2) Applicable amount.—For purposes of paragraph (1)(B), the term 'applicable amount' means the amount determined under the following table:

"For taxable years beginning in:	The applicable amount is:
1985	$3,000
1986	10,000
1987	20,000
1988	30,000
1989	40,000
1990	50,000
1991	60,000
1992	70,000
1993	80,000
1994	90,000

in the case of a separate return by a husband or wife, the applicable amount shall be one-half the amount determined under the preceding table."

(4) Carryforward allowed.—Subsection (b) of section 1212 (relating to carryovers for taxpayers other than corporations) is amended to read as follows: "(b) Other Taxpayers.—

"(1) General rule.—If an individual taxpayer has capital losses for any taxable year which exceed an amount equal to—

"(A) the gross income of the taxpayer for the taxable year, reduced by

"(B) the sum of the deductions allowed by this chapter for the taxable year (determined in accordance with paragraph (2)),

such excess amount shall be treated as a capital loss in the succeeding taxable year.

"(2) Determination of sum of deductions.—In determining the sum of the deductions allowable under this chapter for the taxable year for purposes of paragraph (1)(B)—

"(A) the amount of any capital loss incurred in the taxable year shall not be taken into account, and

"(B) the amount of any capital losses incurred in the preceding taxable year which may be treated, under this subsection, as capital losses incurred in the taxable year shall be taken into account."

(d) Deduction for Capital Losses Established as a Tax Preference Item.—

(1) In general.—Subparagraph (A) of paragraph (9) of section 57(a) (defining items of tax preference) is amended to read as follows:

"(A) Individuals.—In the case of a taxpayer other than a corporation, an amount equal to the deduction allowed under section 165(f) for losses from sales or exchanges of capital assets."

(2) Technical and conforming amendments.—

(A) The hearing for such paragraph (9) is amended by striking out "gains" and inserting in lieu thereof "gains and losses".

(B) Subparagraph (D) of such paragraph (9) is hereby repealed.

(e) Special Rules for Capital Gains and Losses Applicable Only to Corporations.—The following provisions shall apply only to corporations.

(1) Section 268 (relating to sale of land with unharvested crop).

(2) Section 272 (relating to disposal of coal or domestic iron ore).

(3) Section 631 (relating to gain or loss in the case of timber, coal, or domestic iron ore).

(4) Section 735 (relating to distributions of property).

(5) Section 751 (relating to collapsible partnerships).

(6) Section 1231 (relating to property used in the trade or business and involuntary conversions).

(7) Section 1235 (relating to sale or exchange of patents).

(8) Section 1238 (relating to amortization in excess of depreciation).

(9) Section 1239 (relating to gain from sale of depreciable property between certain related taxpayers).

(10) Section 1245 (relating to gain from dispositions of certain depreciable property).

(11) Section 1246 (relating to gain on foreign investment company stock).

(12) Section 1247 (relating to election by foreign investment companies to distribute income currenty).

(13) Section 1248 (relating to gain from certain sales or exchanges of stock in certain forign corporations).

(14) Section 1249 (relating to gain certain sales or exchanges of patents, etc., to foreign corporations).

(15) Section 1250 (relating to gain from disposition of certain depreciable realty).

(16) Section 1252 (relating to gain from disposition of of farm land).

(17) Section 1254 (relating to gain from disposition of interest in oil, gas, or geothermal property).

(18) Section 1255 (relating to gain from disposition of section 126 property).

SEC. 233. 10-YEAR TRANSITION PERIOD FOR IMPLEMENTATION OF SECTION 231.

(a) Election to Disregard Indexed Basis.—In the case of a sale or other disposition by an individual of an indexed asset (within the meaning given to such term by section 1022(b), as added by section 231 of this title) at any time within the 10-year period beginning on January 1, 1985, the taxpayer may make an election to apply the provisions of this section for purposes of determining—

(1) the amount of gain or loss with respect to the sale or other disposition of such asset, and

(2) the manner in which any gain or loss shall be treated in determining taxable income of the taxpayer for the taxable year.

(b) Treatment of Sale or Other Disposition of Indexed Asset in case of Election to Disregard Indexed Basis.—If, with respect to a sale or other disposition of an indexed asset, the taxpayer makes an election under subsection (a) to have this section apply—

(1) section 1022 (as added by section 231 of this title) shall not apply for purposes of determining the amount of gain or loss with respect to such sale or other disposition,

(2) 25 percent of any gain from such sale or other disposition shall be excluded from gross income of the taxpayer for the taxable year in which such sale or other disposition was made, and

(3) 25 percent of any loss from such sale or other disposition shall not be taken into account—

(A) in determining the amount of capital losses from sales or exchanges of capital assets by the taxpayer for which a deduction is allowed under section 165 for the taxable year in which such sale or other disposition was made, or

(B) under any other section to the extent such amount would otherwise be taken into account under any such section for the purpose of computing taxable income for the taxable year in which such sale or other disposition was made.

(c) Time and Manner of Election.—An election by a taxpayer to apply the provisions of this section shall be made at such time and in such manner as the Secretary shall prescribe by regulations. Such an election, once made, shall be irrevocable.

TITLE III—CAPITAL COST RECOVERY

Subtitle A—Simplified Cost Recovery System for Depletable Property

SEC. 301. SIMPLIFIED COST RECOVERY FOR DEPLETABLE PROPERTY.

(a) General Rule.—Part I of subchapter I of chapter 1 (relating to deduction for depletion) is amended by inserting after section 611 the following new section:

"SEC. 611A. SIMPLIFIED COST RECOVERY FOR DEPLETABLE PROPERTY.

"(a) Deduction Allowed.—In the case of qualified depletable property, there shall be allowed as a depletion deduction the amount determined in accordance with subsection (b).

"(b) Amount of Deduction.—The deduction allowed by subsection (a) shall be the aggregate amount determined by applying to the unadjusted basis of qualified depletable property the applicable percentage determined in accordance with section 168(b).

"(c) Classes of Depletable Property.—For purposes of this section—

"(1) In general.—Except as provided in paragraph (2), each item of qualified depletable property shall be assigned to one of the classes of property defined in subparagraph (A), (B), (C), (D), or (E) of section 168(c)(2). In applying the preceding sentence, the anticipated productive life of such depletable property shall be taken into account in lieu of present class life.

"(2) 3-year productive life for oil, gas, and geothermal wells.—All qualified depletable property which is an oil or gas well or a well drilled for any geothermal deposit shall be assigned to the class of 3-year property (within the meaning given to such term by section 168(c)(2)(A)).

"(d) Qualified Depletable Property.—For purposes of this section, the term 'qualified depletable property' means any property—

"(1) which is of a character subject to the allowance for depletion provided in section 611, and

"(2) production from which first began after December 31, 1984.

"(e) Certain Rules Made Applicable.—For purposes of this section, rules similar to the rules of subsections (d), (f), and (g) of section 168 shall apply; except that property shall not be treated as placed in service until production from the property begins.

"(f) Special Rule for Nonproductive Wells or Mines.—This section shall not apply with respect to any nonproductive well or mine. Nothing in this section shall be construed to deny any deduction allowable for a loss sustained by reason of the abandonment of a nonproductive well or mine."

(b) Technical Amendments.—

(1) Section 611 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) COORDINATION WITH SECTION 611A.—In the case of any qualified depletable property, the deduction provided by section 611A shall be deemed to be the reasonable allowance for depletion provided by this section."

(2) Subsection (a) of section 611 is amended by striking out "and timber,".

SUBTITLE B—OTHER CHANGES

PART I—REPEALS

SEC. 311. REPEALS.

The following provisions are hereby repealed:

(1) Section 174 (relating to research and experimental expenditures).

(2) Section 175 (relating to soil and water conservation expenditures).

(3) Section 178 (relating to depreciation or amortization of improvements made by lessee on lessor's property).

(4) Section 182 (relating to expenditures by farmers for clearing land).

(5) Section 194 (relating to amortization of reforestation expenditures).

(6) Section 195 (relating to start-up expenditures).

(7) Section 263(c) (relating to intangible drilling and development costs in the case of oil and gas wells and geothermal wells).

(8) Sections 613, 613A, and 614 (relating to percentage depletion).

(9) Section 616 (relating to development expenditures).

(10) Section 617 (relating to deduction and recapture of certain mining exploration expenditures).

PART II—OTHER CHANGES

SEC. 316. 10-YEAR AMORTIZATION OF CONSTRUCTION PERIOD INTEREST AND TAXES.

(a) GENERAL RULE.—Subsection (b) of section 189 (relating to amortization of amounts charged to capital account) is amended to read as follows:

"(b) AMORTIZATION OF AMOUNTS CHARGED TO CAPITAL ACCOUNT.—Any amount paid or accrued which would (but for subsection (a)) be allowable as a deduction for the taxable year in which paid or accrued shall be allowed as a deduction ratably over the 10-year period beginning with such taxable year."

(b) ELIMINATION OF CERTAIN EXCEPTIONS.—Subsection (d) of section 189 (relating to certain property excluded) is amended to read as follows:

"(d) CERTAIN PROPERTY EXCLUDED.—This section shall not apply to any real property acquired, constructed, or carried if such property is not, and cannot reasonably be expected to be, held in a trade or business or in an activity conducted for profit."

SEC. 317. CIRCULATION EXPENDITURES.

Section 173 (relating to circulation expenditures) is amended to read as follows:

"SEC. 173 CIRCULATION EXPENDITURES.

"(a) GENERAL RULE.—Expenditures (other than expenditures for the purchase of land or depreciable property or for the acquisition of circulation through the purchase of any part of the business of another publisher of a newspaper, magazine, or other periodical) to establish, maintain, or increase the circulation of a newspaper, magazine, or other periodical shall be allowed as a deduction ratably over the 5-year period beginning with the taxable year in which such expenditure was made.

"(b) EXCEPTION.—Subsection (a) shall not apply with respect to any portion of the expenditure as (under regulations prescribed by the Secretary) is chargeable to capital account if the taxpayer elects, in accordance with such regulations, to treat such portion as so chargeable. Such election if made, must be for the total amount of such portion of the expenditure which is so chargeable to capital account, and shall be binding for all subsequent taxable years unless, upon application by the taxpayer, the Secretary permits a revocation of such election subject to such conditions as he deems necessary."

TITLE IV—MISCELLANEOUS PROVISIONS

SUBTITLE A—FOREIGN INCOME

SEC. 401. REPEAL OF DISC.

(a) Section 991 (relating to tax exemption of a DISC) is amended by adding at the end thereof the following: "This section shall not apply to any taxable year beginning after December 31, 1984."

(b) Section 992(a) (defining DISC) is amended by adding at the end thereof the following new paragraph:

"(4) TERMINATION.—No corporation shall be treated as a DISC for any taxable year beginning after December 31, 1984."

(c) Section 995(b)(2) (relating to deemed distributions upon DISC disqualification) is amended by adding at the end thereof the following new subparagraph:

"(C) A corporation which, by reason of the provisions of section 992(a)(4), is a former DISC, for its first taxable year beginning after December 31, 1984, shall be treated, for purposes of this paragraph, as having failed to satisfy the conditions of section 992(a)(1) for such taxable year."

SUBTITLE B—OTHER MISCELLANEOUS PROVISIONS

SEC. 411. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

(a) GENERAL RULE.—The section heading and subsection (a) of section 447 (relating to method of accounting for corporations engaged in farming) are amended to read as follows:

"SEC. 447. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

"(a) GENERAL RULE.—The taxable income from farming (including timber) shall be computed on an accrual method of accounting and with the capitalization of preproductive expenses described in subsection (b)."

(b) ACCRUAL METHOD NOT REQUIRED FOR TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS; REPEAL OF OTHER EXCEPTIONS.—Section 447 is amended by striking out subsections (c), (d), (e), (g), and (h) and by inserting after subsection (b) the following new subsection:

"(c) TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS.—

"(1) IN GENERAL.—This section shall not apply with respect to any taxpayer if for each prior taxable year of such taxpayer beginning after December 31, 1984 (December 31, 1975, in the case of a corporation), such taxpayer (and, in the case of a corporation, any predecessor) did not have gross receipts exceeding $1,000,000. For purposes of the preceding sentence, all taxpayers which are treated as a single employer under subsection (a) or (b) of section 52 (as in effect before its repeal) shall be treated as 1 taxpayer.

"(2) FARMING SYNDICATES SUBJECT TO ACCRUAL METHOD WITHOUT REGARD TO AMOUNT OF GROSS RECEIPTS.—Paragraph (1) shall not apply to any farming syndicate (as defined in section 464(c))."

SEC. 412. RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTY BY CORPORATIONS.

(a) DISTRIBUTION.—Section 311 (relating to taxability of corporation on distribution) is amended to read as follows:

"SEC. 311. TAXABILITY OF CORPORATION ON DISTRIBUTION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property with respect to its stock in the same manner as if the property distributed had been sold to the distributee at its fair market value.

"(b) EXCEPTION FOR DEBT OF CORPORATION.—Subsection (a) shall not apply with respect to any distribution of an obligation of the corporation."

(b) DISTRIBUTIONS IN LIQUIDATION.—Section 336 (relating to distributions of property in liquidation) is amended to read as follows:

"SEC. 336. DISTRIBUTIONS OF PROPERTY IN LIQUIDATION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property in complete liquidation in the same manner as if the property distributed had been sold to the distributee at its fair market value.

"(b) EXCEPTION WHERE BASIS DETERMINED UNDER SECTION 334(b).—Subsection (a) shall not apply to any liquidation under section 332 for which the basis of property received is determined under section 334(b)."

(c) REPEAL OF SECTION 337.—

(1) Section 337 (relating to gain or loss on sales or exchanges in connection with certain liquidations) is hereby repealed.

(2) ADJUSTMENTS TO SECTION 338.—

(A) Paragraph (1) of section 338(a) (relating to certain stock purchases treated as asset acquisitions) is amended by striking out "to which section 337 applies".

(B) Subsection (c) of section 338 is hereby repealed.

SEC. 413. ELIMINATION OF SPECIAL BAD DEBT RESERVES OF FINANCIAL INSTITUTIONS.

(a) BANKS.—

(1) Paragraph (1) of section 585(b) (relating to addition to reserves for bad debts of banks) is amended to read as follows:

"(1) GENERAL RULE.—For purposes of section 166(c), the reasonable addition to the reserve for bad debts of any financial institution to which this section applies shall be an amount determined by the taxpayer which shall not exceed the addition to the reserve for losses on loans determined under the experience method as provided in paragraph (2)."

(2) Subsection (b) of section 585 is amended by striking out paragraphs (2) and (4) and by redesignating paragraph (3) as paragraph (2).

(b) OTHER FINANCIAL INSTITUTIONS.—Subsection (b) of section 593 (relating to addition to reserves for bad debts) is amended to read as follows:

"(b) ADDITION TO RESERVES FOR BAD DEBTS.—For purposes of section 166(c), the reasonable addition for the taxable year to the reserve for bad debts of any taxpayer described in subsection (a) shall be the amount determined to be a reasonable addition to the reserve to the extent such amount does not exceed an amount determined in the same manner as provided with respect to additions to the reserves for losses on loans of banks under section 585(b)(2)."

SEC. 414. LIBERALIZATION FOLLOWED BY REPEAL OF SOCIAL SECURITY EARNINGS TEST.

(a) LIBERALIZATION OF EARNINGS TEST.—Paragraph (3) of section 203(f) of the Social Security Act is amended—

(1) by striking out "33⅓ percent" and inserting in lieu thereof "25 percent", and

(2) by striking out "in the case of an individual who has attained retirement age (as defined in section 216(1)) before the close of such taxable year, or 50 percent of his earnings for such year in excess of such product in the case of any other individual,".

(b) EFFECTIVE IN 1985.—Subsection (b) of section 347 of the Social Security Amendments of 1983 is amended by striking out "1989" and everything that follows thereafter through the period at the end and inserting in lieu thereof "1984."

(c) REPEAL OF EARNINGS TEST.—Subsections (b) and (f) of section 203 of the Social Security Act are hereby repealed.

TITLE V—EFFECTIVE DATES

SEC. 501. EFFECTIVE DATES.

(a) GENERAL RULE.—Except as otherwise provided in this Act, the amendments made by this Act shall apply to taxable years beginning after December 31, 1984.

(b) TRUST THROWBACK RULES.—The amendment made by section 131(b) shall apply with respect to income accumulated during taxable years of trusts beginning after December 31, 1984.

(c) CREDITS.—

(1) INVESTMENT TAX CREDIT.—The repeals made by section 201(2) shall apply to—

(A) property (to which section 46(d) of the Internal Revenue Code of 1954 does not apply) placed in service after December 31, 1984, and

(B) property to which such section 46(d) applies to the extent of qualified progress expenditures made after December 31, 1984.

(2) PRESERVATION OF EXISTING CARRYOVERS.—The repeals made by section 201 shall not apply to any carryover of an excess credit from a taxable year beginning before January 1, 1985, to a taxable year beginning after December 31, 1984; except that any carryover to a taxable year beginning after December 31, 1984, shall be reduced to an amount equal to 30/46 of the amount which would have been such carryover but for this paragraph.

(d) INCREASE IN CASH SURRENDER VALUE OF LIFE INSURANCE CONTRACTS.—The amendment made by section 214 shall apply with respect to policy years beginning after December 31, 1984.

(e) TAX-EXEMPT BONDS.—The amendments made by section 215 shall apply to obligations issued after December 31, 1984.

(f) INDEXED BASIS.—The amendments made by section 231 shall apply to dispositions after December 31, 1984, in taxable years ending after such date.

(g) CAPITAL LOSSES OF INDIVIDUALS AFTER TRANSITION PERIOD.—The amendment made by section 232(c)(2) shall apply to losses from sales or exchanges of capital assets after December 31, 1994, in taxable years beginning after such date.

(h) ALTERNATIVE TO COST DEPLETION.—The amendments made by section 301 shall apply with respect to property from which production first begins after December 31, 1984.

(i) RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTIES BY CORPORTIONS.—

(1) The amendments made by subsections (a) and (b) of section 412 shall apply to distributions after December 31, 1984, in taxable years ending after such date.

(2) The amendments made by subsection (c) of section 412 shall apply to sales or exchanges after December 31, 1984, in taxable years ending after such date.

(j) LIBERALIZATION OF EARNINGS TEST.—The amendments made by section 414(c) shall apply to taxable years beginning after December 31, 1989.

By Mr. THURMOND (for himself, Mr. BIDEN, Mr. DENTON, Mr. HEFLIN, Mr. SPECTER, Mr. EAST, Mr. DOLE, and Mr. ZORINSKY):

S. 2950. A bill to amend the patent law to restore the term of the patent grant in the case of certain products for the time of the regulatory review period preventing the marketing of the product claimed in the patent; to the Committee on the Judiciary.

AGRICULTURAL PATENT REFORM ACT

Mr. THURMOND. Mr. President, today I am pleased to introduce the Agricultural Patent Reform Act of 1984. Joining me in the introduction of this important legislation is the ranking minority member of the Judiciary Committee, Senator JOSEPH R. BIDEN, JR., and Senators JEREMIAH DENTON, HOWELL HEFLIN, ARLEN SPECTER, JOHN EAST, ROBERT DOLE, and EDWARD ZORINSKY.

As my colleagues are aware, patent term restoration legislation has enjoyed wide bipartisan support for several years. In the 97th Congress, the Senate passed one version, which was supported by almost two-thirds of the House of Representatives. In this Congress, the Subcommittee on Patents, Copyrights and Trademarks has held extensive hearings on S. 1306, of which I was an original cosponsor. Those hearings clearly demonstrated strong support from a wide variety of sources for extending patent terms to restore some of the time lost because of Government review procedures. Although much of the focus in this area has been on pharmaceutical products for human consumption, there was considerable testimony relating to the urgent need for similar relief with respect to agricultural products.

The bill which I am introducing today, along with my distinguished colleagues, is identical to the bill reported by the House Judiciary Committee this week by a very wide bipartisan margin. It would provide a limited patent term restoration for animal drugs and antibiotics, veterinary biological products regulated under the Virus-Serum-Toxin Act, and materials regulated under the Federal Insecticide, Fungicide and Rodenticide Act and the Toxic Substances Control Act. The amount of restoration is equal to the amount of time the product spends undergoing federally required testing and premarket review. However, the bill places an absolute maximum of 5 years on any patent term extension. A 3-year cap is placed on the extension period for patented products already undergoing regulatory review. The term of the proposed patent extension shall be reduced for any period of time during the regulatory review period when the patentee fails to act with due diligence to obtain the necessary regulatory approval.

Mr. President, in addition to the bipartisan endorsement of my distinguished colleagues, this bill enjoys the support of a multitude of agricultural organizations. I am hopeful that the Senate will be able to pass it without undue delay.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2950

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Patent Reform Act of 1984."

SEC. 2. (a) Title 35 is amended by adding the following new section immediately after section 155A;

"§ 156. Restoration of patent term for certain agricultural and chemical products

"(a)(1) The term of a patent which claims a product subject to a regulatory review period or a method for using such a product or a method for manufacturing such a product shall be extended, in accordance with this section, from the original expiration date of the patient if—

"(A) the product sponsor gives notice to the Commissioner in compliance with the provisions of subsection (b)(1);

"(B) the product has been subject to a regulatory review period pursuant to statute before its commercial marketing or use;

"(C) the patent to be extended has not expired prior to notice to the Commissioner under subsection (b)(1);

"(D)(i) in the case of a patent which claims a method of manufacturing the product which does not primarily use recombinant DNA technology in the manufacture of the product—

"(I) no other patent has been issued to the patent owner which claims the product or a method of using the product; and

"(II) no other method of manufacturing the product which does not primarily use DNA technology in the manufacture of the product is covered by a claim in a patent issued to the patent owner having an earlier issuance date;

"(ii) in the case of a patent which claims a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product—

"(I) the holder of the patent for a method of manufacturing the product is not the holder of a patent for the product or for a method of using the product;

"(II) no other method of manufacturing the product primarily using recombinant DNA technology is covered by a claim in a patent having an earlier issuance date; and

"(III) the holder of the patent for a method of manufacturing is not owned or controlled by a holder of a patent for the product or for a method of using the product or by a person who owns or controls a holder of such a patent, and does not own or

control the holder of such a patent or a person who owns or controls a holder of such a patent; and

"(E) except in the case of a patent which claims a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the permission for the commercial marketing or use of the product after such regulatory review period is the first permitted commercial marketing or use of the product under the provision of law under which such regulatory review period occurred.

"(2) The rights derived from any claim of any patent extended under paragraph (1) shall be limited in scope during the period of any extension as follows:

"(A) In the case of any patent, to the scope of such claim which relates to the product subject to regulatory review.

"(B) In the case of a patent which claims a product or a method of using a product—

"(i) which is subject to regulatory review under the Federal Food, Drug, and Cosmetic Act, to the uses of the product which may be regulated by the chapter of such Act under which the regulatory review occurred, or

"(ii) which is subject to regulatory review under any other statute, to the uses of the product which may be regulated by the statute under which the regulatory review occurred.

"(C) In the case of a patent which claims a method of manufacturing a product, to the method of manufacturing as used to make the approved product.

"(3)(A) Subject to subparagraph (B), the term of a patent shall be extended by the time equal to the regulatory review period which occurred during the period up to ten years after the date of filing of the earliest application for such patent and the time equal to one-half the regulatory review period which occurred during the period between ten and twenty years from the filing date of the earliest patent application for such patent.

"(B)(i) In determining a regulatory review period for purposes of subparagraph (A), if an application or notice described in paragraph (5)(B)(ii) or (5)(C)(ii) of subsection (c) was rejected and returned to the product sponsor because of insufficiency of data, the period beginning on the date the application was rejected for insufficiency of data and ending on the date the application was subsequently accepted shall be excluded, except that if during such period the product sponsor conducts a major health or environmental effects test, the period during which such test is conducted shall not be excluded. In determining the regulatory review period for purposes of subparagraph (A) with respect to a new animal drug, if the Secretary of Health and Human Services refuses to approve an application submitted under section 512 of the Federal Food, Drug, and Cosmetic Act on the grounds that the application contains insufficient information, the period beginning on the date the Secretary issues an order under subsection (d)(1) of such section refusing to approve such application and ending on the date a subsequent application is approved shall be excluded.

"(ii) In determining a regulatory review period for purposes of subparagraph (A), the regulatory review period shall be reduced by any period determined under subsection (b)(2) during which the applicant for the patent extension did not act with due diligence.

"(iii) In no event shall the term of any patent be extended for more than five years. No term of any extended patent may exceed twenty-five years from the date of filing of the earliest United States patent application which provides support under section 120 of this title for any claim of the patent to be extended. If the regulatory review period for a product began before the date of the enactment of this section and if on such date the regulatory review period has not ended, the period of patent extension for the patent which claims the product or a method of using or manufacturing the product shall be measured from the date of enactment and shall not exceed three years.

"(C) In no event shall more than one patent be extended for the same regulatory review period for any product.

"(D) In the case of a pesticide, all formulations of such pesticide containing the identical active ingredient shall be considered the same pesticide and no pesticide may be the subject of more than one patent extension.

"(b)(1) To obtain an extension of the term of a patent under subsection (a), the product sponsor shall notify the Commissioner under oath, within ninety days after the termination of the regulatory review period for the product to which the patent relates, that the regulatory review period has ended. If the product sponsor is not the owner of record of the patent, the notification shall include the written consent of the owner of record of the patent to the extension. Such notification shall be in writing and shall—

"(A) identify the Federal statute under which regulatory review occurred or, if the regulatory review occurred under the Federal Food, Drug, and Cosmetic Act, the chapter of the Act under which the review occurred;

"(B) state the dates on which the regulatory review period commenced and ended;

"(C) identify the product for which regulatory review was required;

"(D) state that the requirements of the statute under which the regulatory review referred to in subsection (a)(1)(B) occurred have been satisfied and commercial merketing or use of the product is not prohibited; and

"(E) identify the patent and any claim thereof to which the extension is applicable; the date of filing of the earliest application for the patent; and the length of time of the regulatory review period for which the term of such patent is to be extended; and state that no other patent has been extended for the regulatory review period for the product.

"(2)(A) Within 60 days of the submittal of the extension notice under paragraph (1), the Commissioner shall notify—

"(i) the Secretary of Agriculture if the patent claims a veterinary biological product subject to the Virus-Serum-Toxin Act or a method of using or manufacturing such a product,

"(ii) the Secretary of Health and Human Services if the patent claims an animal drug product or animal antibiotic product subject to the Federal Food, Drug, and Cosmetic Act or a method of using or manufacturing such a product,

"(iii) the Administrator of the Environmental Protection Agency if the patent claims a pesticide subject to the Federal Insecticide, Fungicide, and Rodenticide Act, a chemical substance or mixture subject to the Toxic Substances Control Act, or a method of using or manufacturing such a pesticide, substance, or mixture, of the extension notice and shall submit to the Secretary or Administrator who is so notified a copy of the extension notice. Not later than thirty days after the receipt of the extension notice from the Commissioner, the Secretary or Administrator receiving the extension notice shall review the dates contained in such notice pursuant to paragraph (1)(B) and determine the applicable regulatory review period, shall notify the Commissioner of the determination, and shall publish in the Federal Register a notice of such determination.

"(B) If a petition is submitted to the Secretary or Administrator making the determination under subparagraph (A), not later than one hundred and eighty days after the publication of the determination under subparagraph (A), upon which it may reasonably be determined that the product sponsor did not act with due diligence during the applicable regulatory review period, the Secretary or Administrator making the determination shall, in accordance with regulations promulgated by such Secretary or Administrator, determine if the product sponsor acted with due diligence during the applicable regulatory review period. The Secretary or Administrator shall make such determination not later than 90 days after the receipt of such a petition. The Secretary of Health and Human Services may not delegate such authority to make the determination prescribed by this subparagraph to an office below the Office of the Commissioner of Food and Drugs, the Secretary of Agriculture may not delegate such authority to an office below the Deputy Administrator of Veterinary Services, and the Administrator of the Environmental Protection Agency may not delegate such authority to an office below the Assistant Administrator for Pesticides and Toxic Substances.

"(C) The Secretary or Administrator making a determination under subparagraph (B) shall notify the Commissioner of the determination and shall publish in the Federal Register a notice of such determination, together with the factual and legal basis for such determination. Any interested person may request, within the 60-day period beginning on the publication of a determination, the Secretary or Administrator making the determination to hold a hearing on the determination. Such a hearing shall be an informal hearing which is not subject to section 554, 556, or 557 of title 5, United States Code. If such a request is made within such period, such Secretary or Administrator shall hold such hearing not later than thirty days after the date of the request, or at the request of the person making the request, not later than sixty days after such date. The Secretary or Administrator who is holding the hearing shall provide notice of the hearing to the product sponsor and to any interested person and provide the owner and any interested person an opportunity to participate in the hearing. Within thirty days after the completion of the hearing, such Secretary or Administrator shall affirm or revise the determination which was the subject of the hearing and notify the Commissioner of such affirmation or any revision of the determination and shall publish such affirmation or revision in the Federal Register.

"(D) Failure of a product sponsor to act with due diligence during a regulatory review period shall not be a defense in any action involving the infringement of a patient.

"(E) For purposes of this paragraph, the term 'due diligence' means that degree of attention, sustained directed effort, and time-

liness as may reasonably be expected from, and are ordinarily exercised by, a person during a regulatory review period.

"(F) The Secretary and the Administrator may establish such fees as the Secretary and Administrator determine appropriate to cover the costs to the Secretary and the Administrator of making the review under subparagraph (A), receiving and acting upon petitions under subparagraph (B), and holding hearings under subparagraph (C).

"(G) In a proceeding under this paragraph, the Secretary and Administrator may take into consideration the failure of a product sponsor to submit data which the product sponsor knew or reasonably should have known was necessary to support an application or notice described in paragraph (5) of subsection (c).

"(3) Upon receipt of a final determination of the applicable regulatory review period under paragraph (2), the Commissioner shall issue to the owner of record of the patent a certificate of extension, under seal, stating the fact and length of the extension, identifying the product and the statute under which regulatory review occurred, and specifying any claim to which such extension is applicable. Such certificate shall be recorded in the official file of the patent so extended and shall be considered as part of the original patent. The Commissioner shall publish in the Official Gazette of the Patent and Trademark Office a notice of such extension.

"(4) If information submitted by a product sponsor during a regulatory review period is considered as trade secret or confidential commercial or financial information under the law under which such regulatory review occurred, such information may only be disclosed under this section in accordance with such law.

"(c) As used in this section:

"(1) The term 'product' means any machine, manufacture, or composition of matter for which a patent may be obtained and is limited to the following:

"(A) Any new animal drug or animal antibiotic subject to regulation under the Federal Food, Drug, and Cosmetic Act.

"(B) Any veterinary bilogical product subject to regulation under the Virus-Serum-Toxin Act.

"(C) Any pesticide subject to regulation under the Federal Insecticide, Fungicide, and Rodenticide Act.

"(D) Any chemical substance or mixture subject to regulation under the Toxic Substances Control Act.

"(2) The term 'major health or environmental effects test' means an experiment or study to determine or evaluate health or environmental effects which requires at least six months to conduct, not including any period for analysis or conclusions, and the data from which is submitted to receive permission for commercial marketing or use.

"(3) The term 'earliest application for the patent' means the patent application providing the earliest benefit of a filing date to the patent and includes patent applications under section 120.

"(4) The term 'product sponsor' means any person who, with the consent of the patent owner, initiates testing or investigations, claims and exemption, or submits an application, petition, protocol, request, or notice described in paragraph (5) of this subsection.

"(5) The term 'regulatory review period' has the following meaning:

"(A) With respect to a product which is a new animal drug, animal antibiotic, or veterinary biological product, the regulatory review period is the sum of—

"(i) the period beginning on the date—

"(I) an exemption under subsection "(j) of section 512 of the Federal Food, Drug, and Cosmetic Act, or

"(II) the authority to prepare an experimental biological product under the Virus-Serum-Toxin Act,

became effective for the approved product and ending on the date an application was submitted for such product under section 512 of the Federal Food, Drug, and Cosmetic Act or the Virus-Serum-Toxin Act, and

"(ii) the period beginning on the date the application was submitted for the approved product under section 512 of the Federal Food, Drug, and Cosmetic Act or the Virus-Serum-Toxin Act and ending on the date such an application was approved.

"(B) With respect to a product which is a pesticide, the term means the sum of—

"(i) the period beginning on the earlier of the date the product sponsor (I) initiates a major health or environmental effects test on such pesticide, or (II) requests, in accordance with regulations issued by the Administrator, the grant of an experimental use permit for the pesticide under section 5 of the Federal Insecticide, Fungicide, and Rodenticide Act, and ending on the date an application is submitted for registration of such pesticide pursuant to section 3 of such Act, and

"(ii) the period beginning on the date an application is submitted, in accordance with regulations issued by the Administrator, for registration of such pesticide pursuant to section 3 of such Act and ending on the date such pesticide is first registered, either conditionally or fully, under such section.

"(C) With respect to a product which is a chemical substance for which notice is required under section 5 of the Toxic Substances Control Act or which is a mixture which contains a substance for which such notice is required and—

"(i) which is subject to a rule requiring testing under section 4(a) of such Act, the term means a period commencing on the date the product sponsor has initiated the testing required in such rule and ending on the expiration of the notice period for such chemical substance or mixture under section 5 of such Act, or if an order or injunction is issued under section 5(e) or 5(f) of such Act, the date on which such order or injunction is dissolved or set aside; or

"(ii) which is not subject to a testing rule under section 4 of such Act, the term means a period commencing on the earlier of the date the product sponsor—

"(I) submits, in accordance with regulations issued by the Administrator, a notice under section 5 of such Act, or

"(II) initiates a major health or environmental effects test on such chemical substance or mixture,

and ending on the expiration of the notice period for such substance under section 5 of such Act or if an order or injunction is issued under section 5(e) or 5(f) of such Act, the date on which such order or such injunction is dissolved or set aside.

No regulatory review period shall be deemed to have commenced until a patent has been granted for the product which is subject to regulatory review, for the method for using such product, or for the method for producing such product.

"(6) The term 'Virus-Serum-Toxin Act' means the Act of March 4, 1913 (21 U.S.C. 151-158).".

"(b) The analysis for chapter 14 of title 35 of the United States Code is amended by adding at the end the following:

"156. Restoration of patent term for certain agricultural and chemical products.".

AGRICULTURAL PATENT REFORM ACT OF 1984

Mr. BIDEN. Mr. President, today I join with Senator THURMOND and others in introducing a bill that will provide patent term restoration relief to agricultural chemicals, animal drugs and chemicals regulated under the Toxic Substances Control Act [TSCA]. All of these products are used directly or indirectly by our Nation's farmers to ensure a plentiful and inexpensive supply of food and fiber for the consumer here and abroad.

Over 30 national farm and allied trade associations, including the major user groups of these products, have strongly endorsed the need for patent term restoration legislation as it applies to these industries. Some of these groups include the Delmarva Poultry Industries, Inc., American Farm Bureau, National Farmers Union, National Association of Wheat Growers, National Cotton Council of America, National Corn Growers Association, National Broiler Council, American Soybean Association, National Cattlemen's Association, National Pork Producers Council, and the National Milk Producers Federation.

Finally, the affected industries, as represented by the National Agricultural Chemicals Association [NACA], Animal Health Institute [AHI] and Chemical Manufacturers Association [CMA], have testified and submitted statements before the Senate Judiciary Committee regarding patent term restoration legislation on two separate occasions. At no time during any of these hearings has anyone expressed opposition or reservations about providing restoration relief to these farm-related industries.

Given the support for this legislation by these industries, we strongly recommend that this important measure be acted on during the remainder of the 98th Congress.

In contrast to the earlier patent term restoration bills, our bill, which is identical to the Glickman-DeWine bill (H.R. 6034) as passed by the House Subcommittee on Courts last week imposes significant new limitations and conditions on the amount of restoration relief afforded these three industries. For example, under our bill no agrichemical or animal drug will receive more than 5 years of patent extension based upon Federal premarket regulatory review requirements. Earlier patent term restoration legislation provided up to 7 years of relief. Further, our amendment contains "due diligence" language which provides for challenges of patent holders who engage in dilatory tactics when seek-

ing product approval in order to realize greater patent extensions.

Our bill has also incorporated suggestions made by environmental groups to insure that their viewpoints were considered in developing this bill. In response to concerns raised by the generic pesticide industry, the bill explicitly provides that no pesticide will be the subject of more than one extension. All of these changes represent major concessions by the affected industries in response to concerns expressed by various interest groups.

In sum this bill represents balanced, reasonable legislation which will provide important new incentives for agricultural research and development, and thereby result in the introduction of new and innovative crop protection chemicals and animal drugs for use by the American farmer. It will encourage the development of better and more environmentally sound agrichemicals and animal drugs. Moreover, by reducing the amount of lost patent life, it will provide new incentives to industry to do complete and accurate long-term testing which plays such a critical role in determining a product's safety and efficacy.

Mr. SPECTER. Mr. President, I support this bill, which will provide patent term restoration for certain chemicals and animal drugs. This legislation is badly needed and long overdue.

Patent term restoration is not a new issue. Similar legislation has been before the Senate in three successive Congresses and was passed by the Senate in 1981 without objection. Although a companion measure narrowly failed to pass the House, objections to the legislation were directed almost exclusively at the human drug portion of the bill.

Unfortunately, the continued controversy surrounding patent term restoration for human drugs has, until now, impeded efforts in the 98th Congress to extend relief to chemicals and animal drugs. I am hopeful that this controversy will soon be resolved. I believe, however, that we must move forward immediately to ensure that patent term restoration for chemicals is enacted into law as soon as possible.

There is near universal agreement on the need for patent term restoration relief for agrichemicals and animal drugs. The language introduced today is supported by the major product users and groups representing the affected industries. On the industry side, proponents include the National Agricultural Chemicals Association, the Animal Health Institute, and the Chemical Manufacturers Association. Among the major user groups supporting this legislation are the American Farm Bureau, National Farmers Union, National Association of Wheat Growers, National Cotton Council of America, National Corn Growers Association, National Broiler Council, American Soybean Association, National Cattlemen's Association, Delmarva Poultry Industries, Inc., National Milk Producers Federation, and the National Pork Producers Council.

The near consensus on the need for this legislation reflects widespread agreement on the importance of providing incentives for agrichemical and animal drug research. Without patent term relief, the value of a patent for these products often is seriously diminished by delays in the regulatory process. The delays therefore create a serious disincentive to investment in agrichemical and animal drug research. The bill will help restore important incentives for research by extending patent life to account for regulatory delay.

The ultimate beneficiaries of this legislation will be consumers at home and abroad. Agrichemicals and animal drugs are used by our Nation's farmers to ensure a plentiful and inexpensive supply of food. The development of new, more efficient products promises not only to increase the quantity and quality of food supplies, but to lower food costs as well.

This patent restoration deserves our immediate attention. I urge my colleagues to support this bill.

By Mr. BOSCHWITZ (for himself, Mr. PRESSLER, and Mr. ABDNOR):

S. 2953. A bill to amend title 38, United States Code, to allow the use of upright grave markers in national Veterans' Administration cemeteries; to the Committee on Veterans' Affairs.

USE OF UPRIGHT GRAVE MARKERS IN VETERANS CEMETERIES

● Mr. BOSCHWITZ. Mr. President, today I am introducing, along with my colleagues, Senators PRESSLER and ABDNOR, legislation which will give veterans and their survivors the option to use upright grave markers rather than the current flat markers.

Mr. President, the Veterans' Administration now requires the VA national cemeteries to use flat grave markers, arguing the flat markers make maintenance easier and less costly. Unfortunately for those of us who live in the northern areas, snow then covers these markers for months at a time, making it impossible for a veteran's loved ones to locate specific individuals.

The legislation I am introducing today would give each veteran and his family the choice of the flat or upright marker. Sections of the national cemetery would be set aside for those who wanted flat markers in order to preserve a uniform look.

Mr. President, veterans who are buried in VA national cemeteries are those who put their lives on the line in battle to preserve and protect freedom. Providing upright grave markers so their loved ones can pay their respects throughout the year seems a small price to repay.

I urge my colleagues to support my legislation.●

UPRIGHT MARKERS STILL PREFERRED

● Mr. PRESSLER. Mr. President, I speak today on a subject that is of importance to many in my home State of South Dakota—that is the issue of flat versus upright grave markers. Today, I join with Senator BOSCHWITZ as a cosponsor of legislation to stop the VA move to the flat markers.

In 1982, the VA began to phase out the upright headstones that have been a part of our national cemetery system for so long. As the regulation now reads, new national cemeteries and new sections of existing national cemeteries are to use the flat markers. The VA has cited procurement and maintenance costs as the primary reason for this move.

A large number of South Dakota veterans have contacted me in opposition to the flat markers. Many feel that the use of the upright headstones has long been equated with a proper military burial. For years we have used the uprights and Arlington National Cemetery certainly illustrates to us how impressive they are. I must admit, I cannot imagine what this and another major national cemetery in South Dakota—the Black Hills National Cemetery—would look like if they were lined with the flat markers.

Beyond this, I want to point to a practical consideration. Midwestern winters are long and hard. Snow often comes early and stays with us until spring. Blizzards are frequent. In weather conditions like this, many times the flat markers are covered with snow and are very difficult to locate. The VA has said that at times such as this, their staff would be glad to clean a gravesite for visitors. But what happens when the visit is after regular hours or on weekends, as so many are. The answer is obvious—visitors will be left to fend for themselves.

The legislation introduced today will correct the current situation. It will not ban flat markers. If a veteran's family prefers, the flat markers can be used. The legislation will permit the opportunity for families to choose the upright marker for a grave if they so choose. I think this is only fitting and proper, and urge my colleagues to join me in support of this change.●

● Mr. ABDNOR. Mr. President, I am delighted to join with my good friend and neighbor, the distinguished junior Senator from Minnesota, in urging our colleagues to support S. 2953, which would require that grave markers in national cemeteries shall be upright.

Provisions identical to those contained in S. 2953 already have been unanimously passed in the other body, indicating in a most concrete way how

much support there is for this legislation.

In enacting this legislation we would be overruling a policy of the Veterans' Administration that, regardless of longstanding tradition, mandates the use of flat markers in new regional national cemeteries and new burial sections of existing national cemeteries.

Time-honored traditions in matters such as this should not be altered or abandoned because an administrative agency finds that the public is beginning to accept a different practice or that a change would be more economical. In other words, I do not agree that flat markers should be the only choice in new regional cemeteries and new sections of existing cemeteries simply because such markers are used extensively in private cemeteries and the cost to the Government is less when compared to upright markers.

In noting my support for this legislation, the Huron Daily Plainsman, Huron, SD, has this to say in its editorial of June 11, 1984:

Opposition to the flat markers, by Abdnor and others, isn't hard to understand, particularly in a state like South Dakota where heavy snowfalls make it difficult for survivors to find specific burial places for long periods of time. This past winter is a good example of that. In addition, they also violate the traditional symbolic soldiers formation represented by upright markers.

Abdnor has taken note of the recent D-Day commemorations which included pictures of the long rows of gravemarkers where American soldiers are buried.

That's stirring sight, he said, and it is a tribute to American heroism in battle as well as a tribute that should be maintained in our own national cemeteries.

We agree with Abdnor and encourage veterans organizations to continue their support of the state's junior senator in his attempts to get the legislation on the floor of the U.S. Senate.

Mr. President, I urge my colleagues to join with my distinguished colleague from Minnesota in seeing that this legislation is enacted before Congress adjourns this year.●

By Mr. DURENBERGER (for himself and Mr. BOSCHWITZ):

S. 2954. A bill entitled the "Food Stamp Redemption Act of 1984"; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD STAMP REDEMPTION ACT

Mr. DURENBERGER. Mr. President, I rise today to introduce the Food Stamp Redemption Act. In brief, this bill prohibits financial institutions from charging retail food stores service charges for the redemption of food stamp coupons. I would like to make clear that, while I am the first Member of the Senate to introduce legislation to accomplish this end, I am not the only Member of the Senate to express an interest in this matter. In particular, I would like to express my gratitude and appreciation for the fine work which has been done on this by my two distinguished cosponsors—Senator BOSCHWITZ and Senator DOLE.

This bill is an outgrowth of a series of meetings I have had with small, independent grocers in Minnesota and, after listening to their concerns, I am not sure we should not call this legislation the Food Stamp Preservation Act. The problem this legislation is designed to address is one which threatens the efficiency, if not the viability, of the Food Stamp Program.

In a nutshell, financial institutions have instituted a policy of charging retailers service charges for processing food stamp coupons. These charges apparently are not uniform, ranging from $1.50 per bundle to 8 cents per coupon. Many of my grocers tell me that these fees could very well exceed their margin of profit on food stamp transactions. If these service charges are allowed to continue unchecked, they could force many small grocers to withdraw from the program. This is a development to be avoided at all costs, and I am hopeful that this bill will prevent that development from occurring.

A similar provision can be found in the House-passed Hunger Relief Act of 1984.

Mr. President, I ask unanimous consent that the bill and a statement by James Stoll on behalf of the National Grocers Association be printed in the RECORD.

There being no objection, the bill and statement were ordered to be printed in the RECORD, as follows:

S. 2954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This act may be cited as the "Food Stamp Redemption Act."

SEC. 2. (a) Section 10 of the Food Stamp Act of 1977 (7 U.S.C. 2019) is amended by adding at the end thereof the following new sentence: "No financial institution may impose on or collect from a retail food store a fee or other charge for the redemption of coupons that are submitted to the financial institution in a manner consistent with the requirements, other than any requirements relating to cancellation of coupons, for the presentation of coupons by financial institutions to the Federal Reserve Banks".

(b) The Secretary, in consultation with the Board of Governors of the Federal Reserve System, shall issue regulations implementing the provisions of subsection (a).

STATEMENT OF JAMES A. STOLL ON BEHALF OF NATIONAL GROCERS ASSOCIATION

I. INTRODUCTION

My name is James Stoll, president and chairman of Stoll's Foods, Inc., headquartered in New Philadelphia, Ohio. My company operates three stores in eastern Ohio and has been in the retail grocery business since 1972.

I am a past chairman of the National Association of Retail Grocers in the United States (NARGUS), which in October 1982 merged with the Cooperative Food Distributors of America (C.F.D.A.) to form the National Grocers Association (N.G.A.). As a member of the N.G.A. Board of Directors and its Executive Committee, I am pleased to present this testimony on its behalf.

N.G.A. is a national trade association representing over fifteen hundred independent retail grocers, sixty-six retailer-owned cooperative warehouses which serve over twenty-eight thousand food stores, and fifty-six state and local food distributor associations. N.G.A. members serve consumers in every type of community—rural, suburban, urban and inner city—by operating supermarkets, small and medium size grocery stores, as well as warehouse and convenience stores.

I wish to commend the Chairman and this Subcommittee for holding a hearing on the food stamp program and for providing N.G.A. with this opportunity to comment upon the increasing amount and types of fees which many banks are imposing upon food retailers making food stamp deposits. While new and escalating bank fees borne by consumers and business have received recent Congressional and media attention, these food stamp charges levied on an instrument intended to help feed the needy in our society are particularly objectionable.

My testimony will focus upon these food stamp-related bank fees, the resulting costs to retail food stores, the inequities of the situation and the need for corrective Congressional action.

II. FEDERAL FOOD STAMP REQUIREMENTS

The Food Stamp Act of 1977, 7 USC Section 201, et seq., states that food coupons must be redeemed for face value:

Coupons issued and used as provided for in this chapter shall be redeemable at face value by the Secretary through the facilities of the Treasury of the United States. 7 USC Section 2012(a).

Additionally, USDA regulations require retail stores participating in the food stamp program to accept coupons "for eligible foods at the same prices and on the same terms and conditions applicable to cash purchases of the same foods at the same store." 7 CFR Section 278.2(b).

Therefore, pursuant to federal law and in accordance with USDA regulations, food retailers are explicitly prohibited from discriminating against food stamp recipients by charging higher prices or by imposing special fees.

Nevertheless, more and more banks are penalizing grocery stores, and indirectly the food stamp user, by assessing special fees for food stamp deposits. N.G.A. submits that this discriminatory banking practice is contrary to federal law and USDA regulations and should not be permitted to continue.

III. BANK CHARGES FOR ACCEPTING FOOD STAMPS

The members of N.G.A. are distressed that many financial institutions are discounting the face value of food stamps deposited by grocery stores, as well as charging a fee for the food stamp deposit itself. As discussed above, federal law prohibits retailers from discriminating against food stamp recipients. On the other hand, many financial institutions are penalizing grocery stores by assessing special fees for food stamp deposits. In turn, these banking fees are indirectly discriminating against consumers who rely upon food stamp assistance to feed themselves and their families.

Food retailers participating in the food stamp program incur additional labor and administrative costs. For example, time management studies document that food stamp transactions take a cashier longer to complete than cash or check purchases of

grocery items. In addition, many banks require retailers to bundle or wrap coupons before they will accept them for deposit. Also, because some banks have established minimum amounts for food stamp deposits, many retailers are forced to hold the food stamps for days or weeks until an amount sufficient for a bank deposit accumulates. Throughout this waiting period, these coupons represent another cost—a negative cash flow—for the retailer.

In order to comply with federal law and department regulations, food retailers must allocate labor and administrative cost associated with accepting food stamps throughout their overall cost of doing business. However, in an industry in which the average annual margin of profit is 1 percent, the allocation of any extra costs, including the labor and administrative costs of accepting food coupons, has a significant impact upon the economic viability of the retail food store.

A survey of N.G.A. members conducted last year discloses that a substantial number of its members are being assessed a food stamp handling fee. About 20 percent of the respondents indicate that they are being charged a fee by at least one bank in over twenty states. Over two-thirds of those being charged indicate that they are being charged for each coupon. The charges range from a low of $.025 per 100 coupons to a high of 6 cents per coupon reported by a retailer in Minnesota. A summary of typical food stamp redemption fees reported by representative retailers in several key states appears in Appendix A.

In my business, each of my three stores makes approximately 20 food stamp deposits per month. My bank is charging me a fee of $.25 for each individual deposit. In addition, the bank requires food stamps to be bundled for deposit and charges me for the special strap or wrapper which must be used. Also, each food stamp deposit must be accompanied by a special deposit slip, for which I am charged, too.

Other retailers throughout Ohio are incurring greater processing fees by banks which are charging on a per coupon basis, instead of a per deposit basis. For example, Russo's Eagle Supermarket in Cleveland, Ohio, whose annual sales exceed $1 million, including a large percentage of food stamp purchases, is being charged a $.02 per coupon fee by its bank, regardless of the face value of the coupon. Also in the Cleveland area, Dave's Eagle Supermarket and Wayside Eagle Supermarket were paying to its bank a $.05 and $.04 per coupon fee, respectively. In an attempt to avoid these charges, both retailers "shopped" for another bank. However, the "best deal" in their local areas still requires them to pay a food stamp charge for each deposit.

This is not a local or regional problem. Indeed, N.G.A. members throughout the country are having their food stamps discounted by banks. Specifically, Macey's Inc., a six-store Utah retailer doing business as Sack N' Save, has been assessed by its banks fees of various kinds and amounts on food stamps deposits. Its highest volume store was being charged a $.03 per coupon fee. Although its bank has recently acquiesced to the store's complaints and reduced the processing fee, this store is still being charged $0.01 for each food stamp coupon.

Other Sack N' Save stores have been given three fee options by the banks with which they do business. First, loose coupon deposits would cost the retailer $0.0475 per deposit. Second, if the retailer cancels and bundles the coupons itself, then the bank would charge it $0.50 per 100 coupons. Finally, in addition to cancelling and bundling the coupons, if the retailer bags and seals them for direct delivery to the Federal Reserve, then the bank's processing fee would be $2.00 per bag.

By opting for the last alternative, these Sack N' Save stores have reduced their monthly food stamp charges from $350 to $10, but they have increased their labor and administrative costs. Moreover, each deposit contains nearly $12,000 worth of food stamps, representing a significant security risk in the event that they are lost, stolen or destroyed prior to the deposit. During the time that it takes to fill each bag with food stamps, they represent a negative cash flow to each individual store, as well.

So while this particular Utah retailer has reduced, but not eliminated, his direct bank charges for processing food stamps, the stores have increased their internal costs, assumed a constant security risk and absorbed a continual negative cash flow. In the meantime, each Sack N' Save store continues to accept food stamps from its customers in a nondiscriminatory way, as federal law requires.

Likewise, retailers throughout Northern California are being assessed processing fees on food stamps. On the lower end of the spectrum is a charge of 1.4 cents per unit (each food stamp is considered a unit regardless of its face value) reported by Sure Save Market in Madera. Larry's Market in Arcata, CA, is being charged 3 cents for coupons in bundles of a minimum of 100 stamps and 3.9 cents for each loose coupon. Also, Pacific Foodland in Crescent City, CA, reports that all but one of the banks in the area are charging .05 cents for each coupon deposited. The only bank that has yet to institute a food stamp processing fee has informed Pacific Foodland that it intends to do so, shortly.

As the Subcommittee might suspect, these food stamp fees are part of many new and increased service fees being assessed by banks throughout the country. Appendix B contains a list of a variety of charges, including food stamp fees, which banks are passing to retail grocery stores and to other commercial customers.

Based upon the foregoing information, N.G.A. respectfully submits that this is a nationwide problem which is having a detrimental impact upon a federally-funded benefit program, thereby clearly justifying Congressional inquiry and action.

VI. USDA REFUSES TO CORRECT INEQUITABLE SITUATION

Before turning to Congress to resolve this inequitable situation, N.G.A. and other retail food trade associations, including the Food Marketing Institute and the National Association of Convenience Stores, had worked with the U.S. Department of Agriculture throughout 1983 in an attempt to resolve the problem. In a series of meetings with the Secretary of Agriculture and the Administrator of the Food and Nutrition Service, N.G.A. urged that the Secretary exercise his authority contained in the Food Stamp Act of 1977 to stop banks from continuing this costly practice.

A reading of Act reveals that the Secretary of Agriculture, in cooperation with the Department of Treasury, has the authority to regulate financial institutions participating in the food stamp redemption process. Specifically, Section 2019 of the law, 7 USC Section 2019, states:

Regulations issued pursuant to this chapter shall provide for the redemption of coupons accepted by retail food stores through approved wholesale food concerns or through financial institutions which are insured by the Federal Deposit Insurance Corporation, with the cooperation of the Department of Treasury.

The regulations which the Secretary of the Agriculture has promulgated under the law clearly govern both retail stores and banks which participate in the food stamp program. For example, Section 278.5, 7 CFR Part 278.5, specifically regulates the redemption of coupons by banks, requiring Federal Reserve Banks to act as "fiscal agents of the United States (to) receive canceled coupons for collection as cash items."

Because the Secretary of the Agriculture has already exercised authority under the Food Stamp Act to regulate banks participating in the food stamp program, N.G.A. believes he has the authority to prohibit banks from charging redemption fees to retail stores, in the present instance. Unfortunately, the department has refused to exercise this authority. In a letter dated December 6, 1983, John W. Bode, Deputy Assistant Secretary for Food and Consumer Services, wrote to N.G.A. President Thomas K. Zaucha, stating "we have determined not to initiate a rulemaking to preclude financial institutions from charging fees for the redemption of food stamp coupons." (See Appendix C).

In light of the increasing number of financial institutions throughout the country assessing processing fees on food stamp coupons and the decision of the Secretary of the Agriculture not to take appropriate action, the country's retail food industry is forced to turn toward Congress to correct this growing problem.

V. LEGISLATIVE ACTION IS NECESSARY AND APPROPRIATE

Despite language in the Food Stamp Act requiring food retailers to treat food stamp transactions as cash transactions and requiring banks to exchange coupons for their face value, more and more banks are proceeding to adopt a practice which discounts the face value of the food stamp and assesses a processing fee to the retailer participating in the food stamp program. While grocers are prohibited from discriminating against food stamp users, banks are proceeding to do so. On its face this is an inequitable situation which threatens to undermine the integrity of a major component of our federal feeding programs.

Accordingly, N.G.A. respectfully urges this Subcommittee to amend the act to prevent a practice which is contrary to the intent of the law, that is unfair to retail food stores and coupon users, and allows banks to profit improperly from the food stamp program—a program which was designed to aid the poor, not to assist the banks. To this end, the association would wholeheartedly support a clarifying amendment prohibiting all institutions participating in the food stamp program, including retail grocery stores, food wholesalers and banks, to pay or assess any fees or charges in connection with the acceptance, processing the redemption of these food coupons.

VI. CONCLUSION

On behalf of the National Grocers Association, I want to thank Chairman Panetta and the members of this Subcommittee for allowing me the opportunity to testify on this matter of great importance to our industry. In addition, I wish to commend Mr.

Panetta for holding hearings on this issue, as well as on the overall effectiveness of our federal food programs. In this regard, N.G.A. commends Congressman Panetta for introducing H.R. 5151, the "Hunger Relief Act of 1984," and hopes that our recommended prohibition on charging processing fees for redeeming food stamps can become part of this commendable legislative proposal.

APPENDIX A

The following is a summary of typical food stamp redemption fees reported by representative retailers in several key States:

FOOD STAMP REDEMPTION FEES IN SELECTED STATES

State	Amount
California	$0.03 per bundle.
	$0.04 per coupon.
Louisiana	No amount stated.
Idaho	$0.25 per coupon.
North Carolina	$0.02 per coupon or $0.25 per bundle of 100.
	$0.05 per coupon or $0.50 per bundle of 100.
	$0.025 per coupon.
Utah	$0.045 per coupon.
Massachusetts	$0.02 per coupon.
Wisconsin	$0.01 per coupon or $0.20 per bundle.
	$0.05 per coupon.
	$0.02 per coupon.
New Jersey	$0.02 per coupon.
Ohio	$0.01 per coupon.
	$0.02 per coupon.
	$0.03 per coupon.
	$0.17 per deposit.
Michigan	$0.50 per 100 coupons—$1.00 per partial bundle.
	$0.35 per bundle of 100.
Washington	$0.05 per coupon.

APPENDIX B

The following table illustrates some typical services provided by banks to food retailers and the charge associated with each of those services:

SCHEDULE OF BUSINESS CHECKING ACCOUNT SERVICE CHARGES

Cost per check (volume per month):	
0 to 500	$0.15
501 to 25,000	.13
25,001 to 45,000	.11
45,001 and over	.095
Deposited items:	
Unencoded	.055
Encoded	.0275
Deposit slips	.25
Statement preparation (volume of debits per month):	
0 to 500	7.00
501 and over	7.50
Food coupons (each):	
Direct charge (each coupon)	.03
Account analysis (without minimum balance)	.02
Currency (per strap)	.08
Coin (per box)	.70
Currency wrappers (per box)	2.00

Source: A major financial institution which services a retailer in Cleveland, Ohio.

APPENDIX C

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, December 6, 1983.

Mr. THOMAS K. ZAUCHA,
President, National Grocers Association, Reston, VA.

DEAR MR. ZAUCHA: Thank you for meeting with us to express the views of the National Grocers Association (NGA) regarding bank service charges incurred by grocery retailers for food stamp redemption. We have thoroughly reviewed the matter.

We share your concern that a growing number of retailers who honor food stamps are being charged a handling fee by banks. We see these charges as part of a larger trend among financial institutions. Specifically, a growing number of these institutions charge fees for various services such as handling cash and checks.

Consistent with the deregulatory effort in financial institutions, the Food and Nutrition Service (FNS) has promulgated regulations which permit savings and loan institutions, as well as banks, to redeem food stamp coupons. This new rule is intended to expand the number of financial intitutions at which retailers may redeem coupons. Increased competition will help curtail financial institution service fees.

As you know, FNS is experimenting with alternatives to the food coupon in the operation of the Food Stamp Program, and eventually some of these ideas may alleviate the significant costs associated with redeeming coupons. Thereby, the pressure for financial institution service fees would be relieved.

In light of these efforts and our reluctance to expand the scope of FNS regulatory activities to a broad new class of institutions, we have determined not to initiate a rulemaking to preclude financial institutions from charging fees for the redemption of food stamp coupons.

We will, however, continue to monitor this situation and work with representatives of the financial community in an effort to limit this practice.

Sincerely,

JOHN W. BODE,
Deputy Assistant Secretary for Food and Consumer Services.

By Mr. BINGAMAN:

S. 2955. A bill to require the Secretary of Commerce to report on the labeling on arts and crafts imported into the United States, and for other purposes; to the Committee on Finance.

REPORT ON LABELING ON ARTS AND CRAFTS IMPORTED INTO THE UNITED STATES

● Mr. BINGAMAN. Mr. President, I introduce legislation today that seeks a solution to a problem threatening the credibility and economic livelihood of American Indian artisans and arts and crafts dealers who produce and sell handmade jewelry, rugs, pottery, kachinas, and other Indian handiwork. These hard-working individuals are losing hundreds of thousands of dollars each year to wholesalers and dealers who sell imported, imitation Indian goods. It is not only the artisans and dealers who lose out, but also the consumer. These products are sold without any labels identifying their country or origin or their non-Indian workmanship. Thus, the unchecked flood of fake Indian goods not only destroys consumer confidence in legitimade artists and dealers but also damages the entire American Indian arts and crafts industry.

In my State of New Mexico this poses an especially serious problem as slightly less than 10 percent of the State population is American Indian. New Mexico is a State rich in a vibrant Indian culture. The various tribes are still very traditional and a good number still rely on the sale of their jewelry and handiwork as their sole source of income.

In my conversations with New Mexico Indians and arts and crafts dealers I have learned that imitation Indian goods are sent to this country from Mexico, Taiwan, and the Philipines. As the quality of these imitations has improved, the ability of consumers to tell the difference between authentic and fake Indian products has decreased markedly. For example, manufacturers in the Philippines now stamp initials into the backs of pieces of jewelry just as American Indians often do to identify their work. Detailed imitations like this make determining the difference between authentic and fake Indian products extremely difficult.

Although the Tariff Act of 1930 requires imported products to be labeled with the country of origin, Bureau of Customs regulations for arts and crafts allow gummed, stick-on labels to be used. Consequently, unscrupulous dealers and wholesalers remove the labels and sell the imitations as authentic American Indian products at prices well below market value. These goods are found in shops not only in the Southwest but throughout the Nation and around the world. By selling and shipping the imitations from the center of the Indian arts and crafts industry, the dealers fool unsuspecting customers into thinking they have bought legitimate American Indian goods.

I believe this legislation is necessary for two reasons. First, without an indelible mark showing the country of origin consumers cannot tell the difference between imitation Indian products and the real thing. This destroys consumer confidence in all dealers and artists, even honest, legitimate ones. It allows a continuing fraud to be perpetrated on the buyer and leaves him unprotected and uninformed when dealing with dishonest dealers and wholesalers.

Second, American Indian artists are unable to compete with the low labor costs in foreign countries manufacturing these imitations. With the hours of painstaking effort required to handcraft a piece of jewelry or pottery or a rug, maintaining a fair market price is essential if legitimate artists are to survive economically. We must not allow illegitimate foreign competition to destroy the historical and cultural tradition of American Indian arts and crafts.

This bill creates a framework for finding a solution to the problem. It directs the Secretary of Commerce, in consultation with the Secretary of the Treasury, to report to the House and the Senate on country of origin labeling requirements for arts and crafts imported into the United States. It asks the Secretaries to analyze and give recommendations regarding the requiring of truly permanent—rather

than removable—labels and the prevention of exports from the United States of unlabeled arts and crafts originally imported from other countries. The bill requests this report be submitted to Congress no later than 60 days after its enactment.

With this bill I hope we can find a solution to the problem of imitation American Indian arts and crafts. It has the support of the Indian Arts and Crafts Association and New Mexicans statewide who deal in Indian art an handiwork. I hope the Secretary of Commerce will find a practical and effective method of permanent labeling for these products. American Indian artists and dealers in the Western United States as well as consumers all over the world have an interest in seeing this bill passed. Their rights as legitimate, honest manufacturers, sellers and buyers need to be protected along with the historical legacy of American Indian arts and crafts.●

By Mr. WARNER:

S. 2956. A bill to recognize the organization known as the Navy Wives Clubs of America; to the Committee on the Judiciary.

FEDERAL CHARTER FOR THE NAVY WIVES CLUBS OF AMERICA

● Mr. WARNER. Mr. President, today I am introducing a bill to provide a Federal charter to a selfless, dedicated and vital organization, the Navy Wives Clubs of America.

This outstanding, nonprofit organization has been making countless important contributions to our sailors and their families for many years.

Founded in 1936, members of the Navy Wives Clubs of America are spouses of enlisted personnel in the U.S. Navy, Marine Corps, and Coast Guard as well as their retired and Active Reserve components.

They participate in community projects and various charitable programs.

Most notably, they provide a crucial support mechanism to families often separated for long periods from servicemen serving shipboard tours.

Their scholarship foundation provides funds for children of Navy, Marine Corps, and Coast Guard enlisted personnel.

In addition to sponsoring its own activities, the Navy Wives Clubs of America work in cooperation with other nonprofit organizations such as the Salvation Army, Red Cross, March of Dimes, Boys Club of America, and countless local civic and charitable organizations.

For their efforts in support of the Navy family, they have received official recognition and cooperation from the Navy.

In support of H.R. 2372, the House counterpart to my bill, sponsored by Congressman FORD of Tennessee, Rear Adm. David Harlow made the following statement reaffirming the Navy's high regard for this organization:

STATEMENT OF REAR ADM. DAVID L. HARLOW, U.S. NAVY COMMANDER, NAVAL MILITARY PERSONNEL COMMAND AND DEPUTY CHIEF OF NAVAL PERSONNEL, FOR THE NAVY WIVES CLUBS OF AMERICA

I am pleased as the Commander, Naval Military Personnel Command and Deputy Chief of Naval Personnel to provide a statement regarding Navy Wives Club of America. The Department of Defense supports H.R. 2372 which would grant a federal charter to the Navy Wives Club of America, Inc.

The Navy Wives Club of America, Inc., first chartered in 1936, is a national federation of wives of enlisted personnel with five regional presidents and local clubs at Navy, Marine, and Coast Guard installations in the United States and overseas. Membership is open to wives and widows of enlisted members of the Navy, Marine Corps, and Coast Guard who are serving on active duty, retired with pay status, or as members of the Active Reserve. There are approximately 2,000 members worldwide. Focusing primarily on education, welfare and social activities, the clubs sponsor lectures on Navy life, travel, and career options. They are also instrumental in organizing courses and workshops in areas of interest to Navy families. Among other patriotic efforts, one chapter in New London, Connecticut has full responsibility for maintaining a Revolutionary War Cemetery.

A major effort initiated in 1952 was the establishment of a Scholarship Foundation supported by contributions from local Navy Wives Clubs of America. This foundation annually awards 21 college scholarships in the amount of $1,000 to Navy, Marine Corps, and Coast Guard dependents.

Members do volunteer work through the Navy Relief Society, the American Red Cross, Navy Family Service Centers and community organizations, serving in Navy hospitals and conducting "visiting" programs for patients and senior citizens. The organization provides social and informational programs for spouses and can help newly-arrived families settle comfortably into the local community. Sometimes members also serve on Quality of Life boards as well as advisory boards for hospitals, commissaries, and exchanges. In the past year, the Navy Wives Club of America has been actively involved in raising money to help toward the restoration of the Statute of Liberty. On the local level, members have assisted commands with voter registration programs by disseminating the information and forms to military members and their families. Other areas of cooperation have taken the form of:

Use of facilities for club meetings and working space, and assistance in fund-raising activities for special projects.

Use of mechanical office equipment.

Providing Navy films and speakers for club meetings.

Guidance and assistance in publicizing club activities.

Development of an awareness of the responsibilities of Navy and Marine Corps families to the civilian community.

The Navy regards the Navy Wives Clubs of America as a significant enhancement of morale and encouragement of career service. The Chief of Naval Operations and the Commandant of the Marine Corps have endorsed the purposes and programs of this organization and encouraged commanding officers to assist it in establishing and maintaining strong and effective local clubs.

Mrs. Susan Pope, national president of the Navy Wives Club of America, also submitted a statement which, I believe, eloquently describes the many worthwhile accomplishments and goals of this outstanding organization.

I would like to insert it in the RECORD so that all who read my remarks may be impressed, as I was, by the extent and worthiness of their efforts.

Mr. President, this outstanding record of contribution to military families deserves our recognition. I invite my colleagues to support me in providing that recognition through the granting of a Federal charter.

Mr. President, I ask unanimous consent that the statements of Rear Admiral Harlow and Mrs. Susan Pope be printed in the RECORD, along with a list of the activities undertaken by this group.

STATEMENT OF SUSAN POPE—NAVY WIVES CLUBS OF AMERICA

I am Susan Pope, and I serve as the National President of Navy Wives Clubs of America. I am very pleased to be here today and wish to thank the Subcommittee for allowing me this opportunity to testify on behalf of HR2372. Sincere appreciation is also extended to the Subcommittee Chairman, the Honorable Sam B. Hall, for having HR2372 placed on today's agenda and also to Mr. William Shattuck, who serves as Chief Counsel for the Subcommittee, for his encouragement and support. In addition, NWCA is grateful to the Department of the Navy for its presence here today, and we sincerely appreciate the Navy's assistance, support and encouragement to NWCA in our endeavor to obtain a federal charter.

The idea of a national federation of Navy wives began back in the early 1930's. Individual groups not affiliated with one another had surfaced on the West Coast during this time and several women pursued the idea of a national organization. It culminated in the chartering of NWCA with the State of California on June 3, 1936, but even in those days the idea of going further and being federally chartered was one pursued with great interest. Active solicitation of Congress began on March 2, 1971, when HR 5340 was presented to the 92nd Congress. Before you today is HR 2372 for your consideration. The idea of a federal charter for Navy Wives Clubs of America is not new to us. It has been a dream of NWCA's extending back through its near fifty year history.

Attached is a list of activities successfully completed by the local clubs during the 1982 year. The publication of our latest report will not be available until September 1984, which will reflect activities accomplished in 1983. This annual report reflects activities of approximately two-thirds of NWCA's chapters as reporting lists of activities by the local clubs to the national organization is optional, although participation is encouraged.

The deeds accomplished in this report were done by a nucleus of approximately 1200 volunteers within NWCA located in approximately 80 clubs around the world. They contributed in excess of 200,000 volunteer hours and many thousands of dollars were donated to the many varied organizations and causes. Although it would naturally be assumed that NWCA's activities are

geared toward military people, that is not totally the case. A large per cent of the activities are done within local civilian communities for the benefit of local residents. As a small example, nearly every chapter in NWCA is intimately involved with either a local nursing home, convalescent home, or children's home. Most clubs are involved in local schools through volunteering as teacher's aides, library assistants, school nurse program, etc. Many clubs are also involved with Senior Citizen groups and local firemen and policemen groups. Because of its involvement in so many charitable activities, NWCA was granted a 501(c)(3) tax status by IRS approximately five years ago.

Totally separate from the Navy Wives Clubs of America is the Scholarship Foundation of NWCA. It is a separate corporation with its own officers but one that is supported by every club in the NWCA through monetary donations. This Foundation began in 1952 with two $200 grants given that year and has progressed to its present day grants totalling twenty-one $100 scholarship plus one $600 scholarship annually. The assets of the Foundation exceed $175,000 due to the wise investments we've made through the many small donations we've received over the years.

Navy Wives Clubs and America serves primarily as a support group. In this way, we are able to assist many worthwhile projects and causes, as opposed to just one or two. Wherever there is a need, NWCA stands ready to assist in anyway they can. In addition, NWCA lends 100% support to the United States Navy, Marine Corps and Coast Guard. Just last year at our national convention a resolution was carried by the delegation to go on record in support of the aims and goals of the Chief of Naval Operations, the Commandant of the Marine Corps, and the Commandant of the Coast Guard. We regularly participate in and assist with military projects; i.e., base open houses and air shows, base chapel programs, VA hospitals, voter registration, exchange/commissary/hospital advisory boards, Family Service Centers, retiree seminars, Recruiter/Sailor of the Year programs, alcohol/drug rehabilitation programs, etc.

NWCA is actively and continuously involved in many patriotic events. The national organization of NWCA has an individual who serves as the National Patriotism Chairman. It is the duty of this chairman to offer to the local clubs on various patriotic events they may wish to undertake. Awards are presented annually to clubs most successful in this area. This chairman also educates the membership in flag etiquette and keeps us abreast of patriotic movements and causes within the U.S. Every NWCA club actively participates in patriotic events. As examples, one club regularly sponsors a Naturalization Ceremony for newly naturalized American citizens in its area. Many clubs sponsor essay contests in area schools, donate flags to schools and organizations, sponsor flag-raising ceremonies, and lay wreathes or flowers on graves or memorials. Last year one club solely coordinated an entire base open house, with displays from every branch of the service, that over 100,000 area residents attended. At last year's national convention the delegation voted to adopt the Statue of Liberty Renovation project. In addition to all the many other projects NWCA works on, it appears we will be able to donate approximately $5000 this year to the renovation fund. This is only one year's effort on only one project. Clubs did not solely concentrate on this cause.

As proud Americans, we are well aware of the responsibility placed in our hands when stationed overseas. We know that our attitudes and behavior directly reflect on the United States of America when living in a foreign country. The opinions formed by the citizens of the host countries will oftentimes be as a result of affiliation with service people and their families. We take this responsibility seriously endeavoring to promote the proper American image abroad. The national organization of NWCA has two national chairmen who serve as Goodwill Ambassadors. It is the duty of these chairmen to keep in constant contact with the overseas chapters and offer ideas on how to form better relationships with their host countries.

But perhaps one of the biggest contributions made by NWCA is that one made to the wives themselves. Nothing is more devastating to an eighteen or twenty year old bride, when she finds herself in a strange town, her husband out to sea or on an unaccompanied tour, no friends, no family, no money, no home. NWCA is there to assist her in her adjustment to Navy life. We offer our helping hands of friendship to these frightened young women, letting them know that they are not alone—that we are here to ease the strain of separation and military life.

I thank you sincerly for your patience in listening to what I had to say and apologize for the length of my testimony. As a partner of a man serving the flag of our country and ever mindful of the dignity of the position which I hold, I urge you to take affirmative action of on HR2372.

NAVY WIVES CLUB OF AMERICA, INC.

This is a cumulative list of all the activities undertaken by NWCA during the past year in both civilian and military communities around the world.

WELFARE AND GOODWILL DEEDS

Bake for Youth Detention Home monthly.
Decorated Pediatric Clinic for Halloween and Christmas.
Visitation to Peds Ward at NRMC and Hospital for Halloween—passed out treats.
Thanksgiving baskets to the needy.
Christmas baskets to the needy.
Easter baskets to the needy.
Party given on Easter and Christmas at Holly Ridge School.
Baked for Annual Christmas Tree Lighting at PSNS.
Donated needed items to Alive Program in Bremerton.
Visited and serve refreshments at hospital monthly for staff and patients.
Wrapped gifts at NEX for Christmas.
Donated and planted a tree in childrens cemetary.
Donated gifts of jewelry to local nursing home.
Sponsor Brownie Troop.
Sponsor Girl Scout Troops.
Sponsor Boy Scout Troops.
Donated items for charity groups fund raising events.
Donate lollipops to shot clinic.
Presented gifts to National Officers and Chairman.
Gave a Christmas tree to needy family.
Sponsor a child to camp.
Donated grass cutters to Airen-en Childrens Home.
Supplied paint and workers to paint picnic tables for Childrens Home.
Supplied and delivered mattresses for the Children's home.
Carolled for people in hospital.
Baked and delivered good boxes to Navy Watchstanders at Christmas.
Baked good for Bon-O-Dori.
Participated in Community Swim Party.
Assisted Special Services with Teen Club Dance.
Baked cakes and donated to orphanage.
Baked cakes and made curtains for opening of Auto Club Overseas.
Donated clothing to orphanage.
Held coffee for new members.
Donated cake to Byrd Elementary School.
Donated and visited Leper Colony giving gifts of towels, soap, coffeepot etc.
Donated coloring books and colors to Negishi Child Care.
Operated grab bag booth at Community Halloween Party.
Dedicated Pediatric Dental Chair at NRDC in Yokosuka.
Donated to FISH.
Donated to the Oregon Burn Center and Emanuel Medical Center.
San Diego Area Council prepared and served Birthday dinner at USO.
Saved Campbell Soup labels for school made tray favors for Balboa Hospital.
Manned checkpoint for Diabetics Bike-a-thon.
Sponsored Naturalization ceremony.
Saved Betty Crocker coupons for Starlight Center (mental Retardation Center).
Christmas presents for the needy.
Adult and Children Christmas Parties aboard military bases.
Family Picnics.
Clean base Chapel once a month.
Provide refreshments for night services at base Chapel.
Donated Aloha kit and money to burned out family.
Support local Cub Scouts Troop.
Support ASSETS and REACH.
Donations to USO Lounge at airport with food, money and items.
Operate Keiki Car Seat Program.
Donated toys and books to Spouse Abuse Center for Military.
Donated car seat to Catholic Social Services for adoption department.
Made curtains for Pediatric Clinic.
Purchased hat for Radford High School Marching Band Uniform.
Presented a wreath to the USS Arizona Memorial.
Christmat cookie give away.
Gifts to hospitalized patients at hospital during Christmas.
Attended Memorial Day Services at Fort Rosecrans and placed wreath for a family.
Worked Cerebral Palsy Telephon and M.D.A. Telephon.
Donate magazines and books to Oak Knoll Hospital.
Donated Betty Crocker Coupons to Good Shepherd Home of the West.
Christmas wrap for Navy Exchange and YMCA.
Made cookies for Starlite Center.
Thanksgiving basket to Our House (home for runaways).
Hostessed Luncheons at Regional and National Conventions.
Sponsored girl for "Little Miss" Hemisphere Beauty Pageant in Ventra County.
Collected toys for Salvation Army at Christmas.
Donated items to Convelence Hospital for patients.
Attended NWCA Birthday celebration with another club.

Easter Hat Celebration for Convalescence Home.
Held bake sale on USS Connie to help with cost of National Convention.
Donated sheets and toys to child care center at NAS North Island.
Donated pots and pans from club house to Family Services Center.
Helped HSL-33 with their "We Care Fair".
Gave Birthday cards and gifts to residents of Villa Sienna Home for the aged.
Shopped for Navy Relief Pantry.
Supported Foster Child through Christian Children's Fund.
Gifts to Foster children.
Donated Air Hockey table to new base Youth Center.
Sent a child to Washington D.C. for Citizenship Competition.
Support for Crippled Children and Campership Fund.
California Youth Authority Cottage birthday parties.
Presented baby bibs and receiving blankets to new mothers at Naval Hospital.
Handed out miniature American Flags at Navy Exchange on Flag Day.
Ran houshold emergency loan out service for families arriving at base.
Monthly bingo with Senior Citizens.
Easter baskets for the boys at Waimano Home.
Easter Egg Hunt and St. Patrick's Day cookies for Special Ed and Head Start Children.
Attended Japanese Bone Adore festival with Senior Citizens.
Attended folk dance luncheon with senior citizens.
Held Children's bingos.
Decorated base for Christmas.
Baked cookies for the Marines.
Attended Santa for Senior Citizens Christmas Party.
Valentines, cupcakes, and candy for Special Ed and Head Start children.
Attended and help set up FIN.
Gofer made tables for Spouse Abuse Center preschool.
United Way stuffing.
Health Fair Volunteers.
Red Cross (casework and clinic) Bloodmobile.
Base Thrift Shops.
Hospitality Kits.
Easter Egg Hunt for dependents.
Children's games for Armed Forces Day Picnic.
Decorations for Navy and Hospital Balls.
Halloween parties for dependents.
Christmas Parties for dependents.
Served pizza to recruits.
Items to Regional Medical Centers.
Books for patients at Bay Pines VA Hospital.
Toys to Pediatric Ward at USNH.
Layettes for Christmas and New Years Babies.
Planted bulbs for Base beautification project.
Participated in wreath laying ceremonies for Veteran's and Memorial Day Ceremonies.
Navy Relief-layettes, office work, interviewing.
Monthly coastal center birthday party for the retarded.
Car Seat for Valentine Baby at NRMC.
Toys for Tots.
School kits for Ben Tillman School.
Campbell Soup Labels for school.
Plants to new mother's Day.
Easter Baskets for Mental Health.
Clothing for Disabled Veterans.
Eyeglasses collected and donated to Lions Club.
Senior Citizens bingo.
Naturalization Ceremony.
Hay ride and Christmas sing-along.
Cooks to transit barracks.
Clothing to adopted children.
Clothing to Union Mission.
Christmas shoe boxes to Tidewater Mental Health patients.
Stamps for the wounded.
Tuitions paid for Pine Castle.
Clothing donated to Goodwill Industries and Salvation Army.
Lollipops donated to shot clinics.
Preschool vision screening (Ambkyopia).
Bingo at Veteran's Hospital.
Wrapped gifts for cancer society.
Sponsored tour of ship for St. Augustine School for Blind and Deaf.
Christmas gift for Angle Tree.
Pool party and BBQ for handicapped children.
Assistance given to Sister Damiella and Gyme Indians, Russell Home for Atypical Children, Edgewood Ranch for Boys, Golden Floor, Sheriff's Girls Villa.
Punch and Cookies to VA Hospital.
Donations to Children's Village.
Donations to Christian Children's Fund.
Birthday party for adopted grandparent.
Donations to Scholarship.
Donations made monthly to the Bridge a home for abused women.
Members made caseroles for MAL.
Members sponsored service men in their homes over the holidays.
Community Service Countrywide Memorial Service.
Visited sister members and families in the hospital.
Visited with residents of Touro Shakespeare. Home
Door to Door preregistration for Day Care Center in Housing Area .
Volunteers worked at base library.
Members worked concession stand and donated proceeds to Navy Relief.
Presented flag to Girl Scout Troop.
Assisted other non profit organization by allowing them to use NWCA concession stand.
Entered float in Meridian Annual Holiday parade.
Attended Nationwide Prayer Breakfast.
Assisted the Navy Relief Drive.
Visited Retama Manor on Mother's Day.
Worked at the Air Show.
Worked the Jerry Lewis Telphon.
Decorated float for Christmas parade.
Santa workshop for children.
Annual Cooking Show in Kingsville.
Project Cheer for Servicemen.
Project Meet.
Supported Meharry Medical College.
Supported USO's Big Sister Program.
Support St. Jude's and LeBonheur Children's Hospitals.
Flowers presented to base chapel.
Flag Day cupcake and flag give away.
Support Father Flanagans Boys Home.
Sponsored contestant in Jr. Miss Contest.
Volunteer at base nursery.
Food pantry for needy persons.
Gifts for national officers and chairman.
Provide transportation for needy Navy families.
Donation to Wifeline.
Laid wreath at Tomb of the Unknown Soldier.
Raised Flag on Flag Day at Naval Station.
Gave hoagies to D.C. Village Nursing Home.
Cupcakes to Enlisted Barracks on Veterans Day.
Sponsored NAVEX buyers meeting.
Local Scholarships.
Gifts and visits to shut ins.
Maintain Revolutionary War Cemetery.
Volunteers for Subase Library/Museum.
Laid flowers in memory of Kermit Quin and deceased members of local club at FRA Memorial Day-at-Sea.
Hatchecking at Submarine Ball.
Club newsletter to MAL's in region.
Trustees for Thomas Williams Fund.
Monthly donations to Noank Baptist Group Homes.
Visited adopted Senior Citizen.
Gifts to Sponsors.
Frozen food demo sponsored for commissary.
Sponsored Teen Dance.
Toiletries and cosmetics to Noank Baptist Group Homes.
Donated popcorn and candy for Halloween party.
Distributed Scholarship pamphlets to area High Schools.
Bingo at Fairview.
Sold calendars for Dolphins Scholarship.
Purchase Fire Prevention film for Subase Fire Department.
Monthly birthday parties at Brunswick Manor.
Monthly donations to foster child.
Provide transportation to child with MD.
Volunteers for Personal Services Centers.
Donations to Shriner's Burn Institute.
Donations to Donna Merrill Fund.
Donations to Santa Fund of Times Record newspaper.
Christmas dinner for Women's shelter.
Packages fees for sister members to conventions.
Sponsored Rota Youth Soccer League.
Sponsored Rota Girl Scouts Cadets.
DGF Scholarship High School Foundation.
Donation to Rota Swim Team.
Sponored Virginia Institute of the Blind to purchase a braille typewriter for two children of an active duty chief petty officer.
Donations to Red Cross for fast advocacy team and babysitting.
Donations to Arcos Old Folks Home.
Donated car seats to hospitals.
Sponsored Jr. Girl Scouts Troop.
Bought playground equipment for orphanage in Chippiona, Spain.
Donation for page in High School yearbook.
Donations to help defray cost of funeral expenses of spouse of active duty servicewomen.
Bought curtains for vase child care center.
Monthly visits to Martha T. Berry Nursing Home.
Served refreshments at retirement ceremonies.
Volunteered for Navy Retiree Seminar.
Baked and served at Army pre-retirement workshop.
Workers for base thrift shops.
Volunteers for Army Community Services.
Emergency call list through base chaplains.
Provided Easter bunny for base school.
Donations to member scholarship.
Gave baby silverware to new mothers.
Fruit baskets and plants to welcome new sponsors.
Babysitting and food to families with emergency or death in family.
Maintaining cheer chain.

Ombudsman on advisory councils/boards and special task force for drug and alcohol abuse.
Supported Turning Point Home.
Donated cookies, playing cards and magazines for VA Hospital.
Farewell potluck supper with special presentation for outgoing sponsors.
Special presentations and coffees for departing members.
Husband appreciation potlucks.
Family Picnic.
Volunteers for Retarded Citizens Association.
Santa Float-passed out 1,000 goodies bags for 11th year.
Participated in Coast Guard Memorial Service.
Participated in American/Canadian Veteran's Day program.
Sponsor Foreign children.
Hosted bazaar where proceeds went to Lake County Blind Association.
Formed a choral group to sing at old folks homes.
School kits to area schools for underprivileged children.
Pass out Lady Com at commissary.
Toys for base nursery.
Collect food for emergency food locker for Family Service Center.
Participated in Health Fair.
Help with Special Olympics.
Monthly coffee call at Naval Hospitals.
Sponsored Youth program on base.
Clubs work with Children's Village.
Donated babysitting fees for mothers to attend Base Orientation.
Baked goods for gallery and barracks for holidays.
Baked cookies for USO lounge at the airports.
Participated in local festivals.
Sponsored Youth Baseball Team.
Donated goody baskets for those having duty on Christmas Eve.
Filled Christmas stockings for orphans.
Volunteered in the Dental Clinic.
Participated in community awareness action program.
Visits and magazines for base hospital maternity patients.
Monthly donations to local Church Home for Girls.
Donations to Personal Services Center.
Hosted the Master Chief of the Navy's Wife.
Volunteer hours at the hospitals.
Members provide transportation to the hospitals.
Clean Chapel monthly.
Ribbons and name tags to new Sponsors and members.

MONETARY CONTRIBUTIONS

The NWCA Scholarship Foundation which awarded twenty-one (21) scholarships at one thousand dollars ($1,000) each for 1982-83 is supported almost entirely by donations from sister clubs. A special scholarship is also given for a student who is specializing in Special Education. A Scholarship of six hundred ($600) dollars is given to a member of NWCA to enable her to attend the college of her choice. This award is made possible by separate donations from our clubs.
Children's Village.
Child Help USA.
Christian Children's Fund.
Scholarships.
VA Hospital.
Wifeline.
Senior Citizens Homes.
Christmas baskets.
Thanksgiving baskets.
Easter baskets.
Adoptive children and grandparents.
Donation to Reserve Center Rec Fund.
Donations to Travel funds for National Officers and Chairman.
Floral spray for Veteran's Day.
Member Scholarships.
Local Scholarships.
Sister Daniella.
Dependent Youth Organization.
Sister Members.
Lion's Club.
March of Dimes.
Jordan Chapel.
Area Councils.
Diabetes Camp.
Heart Fund.
Joy Fund.
SPCA.
Toys for Tots.
Richardson's Nursing Home.
Coastal Center.
Association of the Blind.
Conclave Committee.
Camp High Hope.
Shriners Hospital.
Base Nurseries.
My Sister's House.
Angel Tree.
BETA Center.
Edgewood Boys Ranch.
Red Cross.
Navy Relief.
FARC Summer Camp.
Young Volunteers in Action.
Nursing Homes.
Leukemia Foundation.
Daisey Ross Birthday Party.
Crime Watch.
Pine Castle.
Donna Merrill Fund.
Stanley Locust Cancer Fund.
Youth Transient Center.
Disabled American Veterans.
Little League.
Beth Erdman Fund.
USO.
Recycles Group.
Muscular Dystrophy.
Ombudsman Schools.
Salvation Army.
Ronald McDonald House.
Golden Door.
Band Boosters.
Telephons.
Gifts for Sister Clubs.
Cancer Society.
Children's Hospital of Akron.
St. Judes.
Sherry Morris Fund.
Good Cheer Fund.
Cross Roads.
Russell Home for Atypical Children.
Girls and Boys Scout Troops.
"We Care" Inc.
Meals on Wheels.
Vietnam Memorial.
Sickle Cell Foundation.
Senior Citizens Groups.
Zoological Park.
Aloha Jewish Center.
Assets.
Reach.
Fin.
March of Dimes.
Humane Society.
Base Decorations.
Viola Cross Scholarship.
Kauai Family for Hurrican Ewa.
Arizona Memorial.
Boys at Waimano Home.
Arthritis Foundation.
Military Spouse Abuse Center.
Cerebral Palsy.
Hear Center of Visilia.
Red Cross Babysitting Fund.
Purchase of flag pole for VFW Avenue of Flags at Golden Gate Cemetery.
Santa Clara Crippled Children's Society.
San Jose Mercury New Campership Fund.
San Jose Museum of Art.
Air hockey table for base Youth Center.
Thanksgiving and Christmas checks.
Money tree.
Gifts for adoptive children.
Coronado Middle School Campership Fund.
Flowers for RTC Graduation.
Walk for Mankind.
Coronado Convelence Center.
Navy Wives News.
Sponors presentation.
Oxnard Rescue Mission.
KCET TV.
Junior Blind.
Sponsored Beauty Pageant.
Guide Dogs for the Blind.
Alzheimers Disease Association.
United Negro College Fund.
Daughters of Hawaii.
Peal City Nursery.
Base Chapel.
Cub Scouts
Sunshine Keiki Preschool.
NRMC Pediatric Clinic.
Good Neighbor Fund.
Hawaii Epilepsy Society.
St. Anthony's Church.
Radford High School Band.
Red Cross Hurrican Ewa Fund.
US Olympic Team.
Mental Health Society.
Triplet Gift Program.
Brownie Troops.
Gifts to hostess clubs at conventions
Kitsap County Sheriff Department.
Holly Ridge School.
Holly Ridge School for Special chair.
NSB Bangor Poster Contest.
Bellringer Fund.
March of Dimes.
Donated to Jr. Sr. Prom for Kinnich High School in Japan.
Leper Colony.
Kodomo No Sono Orphange.
Spring Festival for Byrd Elementary School.
Airen-en Children's Home.
Saving Bond to Sailor of the Year.
Armed Forces YMCA.
Variety Club.
Child to camp.
Girls State.
Family House.
Sea Tac.
Father's Flanagan's Boys Town.
Suckers for the base hospitals.
Project Meet.
LeBonheur Children's Hospital.
Meharry Medical College
Millington Christmas parade
Jerry Lewis Telephon Sponsor Jr. Miss Contestant.
Donations to burned out victims.
Retama Manor.
July 4th Celebration.
Miller Lite Festival.
NAS Kindergarten.
Fruit baskets.
Shipmates Dinner.
Touro Shakespeare Home.
Flowers for new mothers.
Donations to sister clubs.
Battered Wives.
Kidney unit at Gulfport Hospital.
Scott Ray Leukemia Fund.
Art Scholarship.

Lions Club.
Sea Cadets.
Santa Float.
Martha T. Berry Nursing Home.
Rota Youth Soccer.
Rota Swim Team.
Arcos Old Folks Home.
Decorations for Navy Ball.
Car Seats for base hospitals.
Military Alcohol Rehab Program.
Girl Scouts Junior.
Orphange in Chippiona, Japan.
DGF High School yearbook.
Brunswick Manor Nursing Hospital.
Personal services center.
Shriner's Burn Institute.
Brunswick Student Aid Fund.
Times Record Santa Fund.
Togus Veteran's Hospital.
Special Olympics.
Marine Memorial plaque.
Blinded Veteran's Association.
SERVTS Award.
Noank Baptist Group Homes.
Jewish Federation.
Norwich State Hospital Canteen Fund.
Jim French Scholarship Fund.
Fitch Scholarship Fund.
New London fire victims.
National Congress of American Indians.
Memorial at sea flowers.
Farewell gifts and gifts to members in hospital.
Bond for baby contest.
Newington Children's Hospital.
Christmas for Orphans.
O'Keefe Memorial Fund.
Genesis House.
St. Vincent de Paul Place.
Sunshine Fund Foundation.
Connecticut Junior Republic.
Project Pride.
Fire Department films.
Nicki Goode Fund.
Andrews AFB Youth Center.
Memorial/Veterans Day projects.
Operation Schoolhouse.
National Treasury.
American Lung Association.
Pizza for recruits.
Jaycees.
Hemophelia Society.
National officers and chairman travel fund.
Baseball teams.
Paid members dues.
Teen Clubs.
Big Sisters Program.
Project Twigs.
United Way.
Emergency food bank.
Donations to base contests.
Books for base nurseries.
Veterans Day Conference Committee.
Operation School House.
Kidney Foundation.
Coast Guard Wives.
HEAR

WAYS AND MEANS PROJECTS

NWCA is a non-profit organization, therefore, all of the money we donate to others, has to be made using our own resources.
Thrift Shops.
Lady Com.
Family Magazine.
Booths at Air Shows.
Monthly raffle.
Christmas gift wrap.
Kiddie Cartoons.
Tupperware party.
Bake Sales.
Planning Calendars.
Cartoon Character Picture sales.
NWCA pens.
Card and gift sale.
Bazaars.
Chinese Auctions.
Plant sales.
Birthday and anniversary banks.
Bingo.
Club cook books.
Dime-a-dip socials.
T-Shirt sales.
Sandwich sales.
Whopper dollars.
Weight loss program.
Hair cuts.
Sold food at Swap Meet.
Day at the Races.
Sold calendars.
Recycling of aluminum cans.
Las Vegas bus trip.
Trash for Cash Program.
Sold pin badges.
Penny Marcg.
Raffles.
Booth at Armed Forces "Y."
Tours.
Booth at Balboa Shopping Center.
Aloha kits.
Yard sales.
Swap meet.
Convention raffles.
Sold balloons at air show.
Market Research surveys.
Reno bus trips.
Crystal party.
Wind Chime sales.
ICC Raffle.
Car Wash.
Sold bells.
Sell extra pictures of members and events.
Bakeless bake sale.
Sold donuts and coffee at base auction.
Sandwich sales.
Flea Market.
White Elephant Sale.
Baked goo·ls and lemonade booth at Easter Ballon Festival.
Bagges groceries at commissary.
Sold stationery.
Took santa pictures at Navy Exchange.
Chili Sale.
Taco and Frito Boat Sale.
Penny Pitch booth at Halloween.
Base Hospitality kits.
Sold Gold C Discount Books.
Half and Half raffles at monthly business meeting.
Fines for not wearing ribbons.
Sold coupon books from area merchants.
Fashion Show.
Runs a Bakery.
Bon-o-Dori Festival.
Fathers Day Raffle.
Held Bowl-a-thon.
Rent Santa suits during the holidays.
Flower sale.
Pancake Breakfast.
Bingo cake raffles.
Refreshments at Dance Recital.
Christmas boutique.
Christmas ornament sales.
Operated concession booth during softball season.
Ran a softball tournament.
Santa Secret Shop.
Fashion Show.
Hoagie Sales.
Reno Night.
Octoberfest.
Navy Fair Day.
Navy Retiree Seminar.
Navy Retirement Coffee.
Hot food sales.
Casetas.
Craft sales.
Hatchecking at military balls.
Bingo marathon.
Sale of Coasters.
Birthday parade.
Sunshine bank.
Silk flower classes.
Firearm Safety Courses.
Tag Sale.
SOC drink sale.
Beautiful Baby Contest.
Self protection classes.
Halloween Teen Dance.
Donut Sales.
Basket raffles.
Greeting cards.
Santa Visits.

EDUCATIONAL

NWCA Workshops.
Bazaar workshops.
Mavy Wives Information School.
Coupon Exchange.
Attended Regional and National Conventions.
Plant Care.
UNB Bank Services.
Visit to chrysler museum.
Toured Coleman Nursery Fantasyland.
Seminar by Navy Retention Team.
Fire and Safety Lecture.
Basket Weaving Demo.
Area Council meetings.
Sister club installations.
Naturalization program.
Historical Society.
Bylaw revisions.
Cosmetic color demo.
Ombudsman.
Hairstyling demonstration.
Fashion Show.
Gift wrap demo.
Survivors benefits.
Candy making classes.
Speaker on sexual harassment.
Day in Life of Marine Recruit.
Presentation on Guyami Indians.
Crime prevention lecture.
Rec. Fund Info School.
Gulf Powe Demo.
Speaker on Champus.
Tiffney collection at Museum.
Presentation by Child Help.
Guest speaker from Miramar Recretional Service.
Guest speaker on family counceling.
Speaker from Catholice Social Services.
ICC Meeting.
Seminar on car seat program.
CPR Course.
Tour of Queen Emma's summer palace.
Tour of Punchbowl National Cemetary.
Guest speaker on Va benefits.
Guest speaker on Social Security Survivor benefits.
Members attended UCSD Medical Aux. Board meeting.
Attended UCSD Medical Aux. Health Lectures.
Had protocol meeting.
Represented at Ombudsman meetings.
Commissary officer was guest speaker.
Speach therapist from the Superintendent of Schools Office.
Attended Community Action Board Meetings.
Speaker from Honolulu Community Action Program.
Navy Exchange officer spoke at meeting.
Learning to own and operate a bakery.
Speaker on career opportunities for women today.
Speaker on battered wives.
Attended meeting of volunteer awareness.
Talk on drugs and its signs.

Speech by Master Chief of the Navy's wife.
Ceramic workshop.
Cake decorating.
Speaker on National Scholarship Foundation.
Speaker on Health Services.
Flower arrangement demonstration.
Learning to count orss stitch embriodery.
Guest speaker on drug abuse and peer pressure in the family.
Went over pins and points for new members.
Seminar on Electric conservation.
Holliday Food Demo.
Films and displays.
Navy Information School.
Represented at Sec Nav Briefing.
Members are trustees for Thomas Williams Trust Fund.
Navy Information Orientation.
Libby Can demo.
Home Repair Course.
Firearm Safety course.
Self protection class.
YMCA program Advisory Council.
Film from Shriner's Burn Institute.
Creative Expressions craft night.
Sepaker from Navy Relief.
Food handlers course.
Report on latest bills in Congress affecting military.
Base drive for voter registration.
Rape seminar.
Speaker from Temporary Service.
Speaker from Women's Christian Fellowship.
Call to convention meetings.
Red Cross.
Trips and Tours.
Ombusdsman.
Workshop on operating manuel.
Meeting with base housing officer.
Scholarship applications given to students.
Workships on standing rules revisions.
Speaker on retirement.
Police speaker on neighborhood watch program.

MEMBERSHIP

Information booths.
Posters.
Letters.
Articles in base and community newspapers.
Information in welcome aboard packets.
Cookie give outs with information.
Plaques displayed in libraries and public areas.
Personal contact with new comers.
Radio promotions.
Television promotions.
Membership contest.
Members encouraged to wear pins.
Free nursery for club activities.
Distribution of club newletters.
Lady Com distribution at commissaries.
Members spoke at Navy Information School.
Welcome aboard coffees.
Visitation to local command and chaplains etc. to inform them of NWCA.
Letters to Reserve Units.
Visit newly arriving Navy Wives and offer assistance in getting settled.
Club calendar posted at Exchange.
Flyers.
Membership teas.
Contacted new transfer members coming into the area.
Membership luncheon.
Progressive dinner.
Skating Party.
Mystery Auction.
Articles in NAS Housing monthly.
Come and Meet us get together.
Articles for Navy Information School.
Members are guest speakers at seminars.
Silk Flower class and firearm safety class open to the base.
Membership information handed out at ways and means projects.
Membership information handed out at Family Service Centers.
Copies of Navy Wives News left in waiting area of hospitals.
Meeting with base liaison office.
Navy Relief Training course.
Bring a guest social.
Wedding memories brunch.
Teas held in sponsors home.

IN FRIENDSHIP

Christmas parties for members and children.
Flowers to sponsor in the hospital.
Cards to members on birthday.
Potted plants to members and their children in hospital.
Sent birthday, anniversary, get well and sympathy cards to members.
Secret Pals.
Hails and farewell.
Baby showers.
Cards to members husbands on Father's Day.
Cards to MAL's in the region.
Gifts for transferring members.
Baby gifts for new arrivals.
Hostessing luncheons at regional and national conventions.
Gifts to National Officers and Chairman.
Pins given to sister members.
Prayer breakfast.
Plaques to outstanding members of the year.
Babysit for members children.
Helped with the Sailor of the Year Luncheon.
Draped charter for deceased sponsor and sister members.
Sent flowers of sympathy.
Kept in close contact with sister members in hospital, those whose husbands were away from home, and those with serious ill family members.
Husband appreciation night.
Cookie exchange.
Attended beauty pageant for small children.
Installation of sponsors.
Held 50th Installation.
Attend area council meetings and luncheons.
Attended Bonanza coffee and bus trips.
Members serve on community boards.
Honored sponsors on their birthdays.
Attend sister clubs functions.
Flowers to commanding officers secretary as a thank you.
Husband and wifes socials.
Welcome aboard for new commanding officer.
Arranged for tours aboard the bases.
Father's Day potluck.
Assisted sister clubs with convention items.
Presented founder with life membership.
Attended sister members daughter's wedding.
Members open their homes to members transferring.
Presented wreath in honor of husbands at Memorial Day Services.
Flag pins presented to new members.
Presented anniversary cake and flowers to sponsors.
Donated items to officers wives clubs for their bazaar.
Hosted dinners in honor of National Officers and National Chairman.
Presented leis to senior citizens.
Kidnap farewell coffee and breakfast.
Get acquainted coffees.
Family picnics and parties.
Bowling parties.
Bunko parties.
Hobo dinner.
Certificates to those supporting NWCA in various ways.
Select wife of the term.
Club cup presented to members leaving.
Luncheons encourage friendship.
Donations made in honor of members or special friends of NWCA.
Planted a tree in Babyland cemetery.
Nametags presented to new members.
Navy Wives Subscription to our sponsor.
Potluck dinner in honor of Master Chief Petty Officer of the Navy's Wife.
Attend Change of Commands.
Initiations of new ceremony.
Wine and Cheese parties.
Plaques of appreciation to husbands and individuals who assist local clubs.
Assist sister clubs.
Luncheons for our patients at Memorial Hospital Kidney unit.
Attended grand opening of Kidney Unit.
Valentine cards to members and friends.
Thanksgiving potluck.
Flowers to members who have a death in the family.
Gifts to members children in the hospital.
Birthday cake to member in the hospital.
Roses to sponsor at Installation.
Spanish baby plaques to new mothers.
Roses to member who received her ten member pin.
Thank yous to different people who have helped NWCA.
Present pins for volunteer hours.
Assist chapel with old folks by preparing and serving dinner.
Anniversary celebrations for NWCA.
Plaques to members who have 25 years of service to the organization.
Gifts to National Officers and National Chairman.
Theater parties.
Christmas caroling at local hospitals and nursing homes.
Presented Brunswick Manor with new Bingo set.
Honored gofers.
Friendship at monthly meeting.
Club newsletters to members.
5 year charms to members.
Visited shut in life member monthly and took gifts.
Paid convention expenses for delegates.
Cocktail parties for visiting sister members.
Gifts to overseas delegates and MALS and convention.
Gave baskets to the needy.
Halloween party.
Luau.
Adult Valentine party.
Easter egg hunt.
Anniversary greetings to clubs.
Christmas cards.
Welcome aboard committees.
Memorial services.
Bridal showers.
Sponsor's luncheon.
Member of the Year Award.
Special gifts to foster child.
Birthday cake to honor NWCA
Christmas greetings in Navy Wives News.

MISCELLANEOUS

Attended National Convention.

Special services meetings.
Poverty ball and game night.
Presented corsages to wives of new chiefs.
Luncheon at Greek Restaurant.
Audit Committee Meetings.
Attend Change of Command Ceremony.
Host area council.
Attended Installation of officers in area clubs.
Gifts for sponsors.
Silver tea service for sponsor.
Workshops held for various offices.
Attend Exchange Board meetings.
Attend Commissary board meetings.
Attend hospital board meetings.
Attend Millington Environmental Board meetings.
Attend four Intra-Island Coordinating Council Luncheons and board meetings.
Provide babysitting for business meeting.
Represented at AMVENTS Memorial service aboard the USS Arizona.
Members assisted the USS Cimmarron about starting a ships wives club.
Members attended area Council Charter Anniversary.
Hostess for the National and Regional Conventions.
Hostess for SDAC USO dinner.
Welcomed new Liaison officer.
Served as proxies for sister clubs.
Submitted themes for National President's Theme Contest and the National Patriotism Theme Contest.
Presented EM Club manager with a bingo clock and EM club staff with plaque of Appreciation.
Participated in commissary store surveys.
Participated in Memorial day services at Chapel in honor of Maine Vietnam Veterans and assisted Harpswell Garden club with refreshments.
Hot Dog giveaway to celebrate Navy Birthday.
Decorated EM and CPO club for the holidays.
Meetings with the liaison officers.
2nd Annual Selfridge Recognition Night and presented certificates of appreciation to community groups and people who support local clubs.
Sponsored Patriotism project incorporating all 5 services, other wives groups and various organizations on the base.
Presented life membership to charter member.
Corsages to persons traveling to recruit graduation.
Attend Secretary of the Navy Briefing.
Ombudsman for local bases and ship.
Family Service center meetings.
Attend Base Orientation.

PROJECTS OR PROGRAMS PROMOTING OUR NATIONAL PRESIDENTS THEME

Working on and hostessing National and Regional Conventions.
Working toward purchasing a special club guard.
Donation of a TV to a children's ward.
Supporting an adoptive child.
Clubs make a point to promote the theme in making the dream of a bigger and better National organization.
Visit children in hospital over the holidays.
Provide scholarships so others may continue their educations and see that their education dreams may be realized.
Participated in 4th of July celebration.
Having Christmas for Senior-Citizens.
Sponsor the Big Sister Program for USO.
Assisted burn out victims.
Assisting sister clubs.
Sponsor Naturalization Ceremony.
Prepare and serve dinner at the USO.
Meet each week and get to know each other better.
Reorganizing club projects.
Striving to make more money for charity.
Mary Paolozzi cup project, to honor the First Lady of NWCA with a commemorative gift from all of us.
Sharing the Christmas season working with sister members at a convalescent home.
Sharing by making donations which will help another agency's dreams come true.
Working with special education and special olympics.
Work with Head Start and Boys Homes.
Submitting a theme to the National President's Theme Contest.
Donations toward cost of trip for a member's child to play in Lions National Band.
Monetary contributions.
Helped a local fire department by buying a film.
Presented Christmas baskets to the needy.
Monthly donations to Naonk Baptist Group Homes for girls which goes to purchase items not allowed under state funding laws.
Donation to NWCA Member Scholarship.
Hardwork and satisfaction by helping others.
Help with emergencies whenever possible.
This has been a very rewarding year for Navy Wives Clubs of America, Inc. All the clubs have worked very hard. Each time a member represents NWCA she is fulfilling a dream come true, for without our members we would not have accomplished the many deeds, contributions and spread the goodwill that we have. Our country as well as our organization was founded on dreams and all of us live day to day with a dream for tomorrow. Working together all of us can through Navy Wives Clubs of America, Inc. continue Making Dreams Come True.●

By Mr. PELL (for himself, Mr. HATFIELD, Mr. KENNEDY, Mr. CRANSTON, Mr. STAFFORD, Mr. SARBANES, Mr. DURENBERGER, Mr. MATSUNAGA, Mr. TSONGAS, Mr. BURDICK, Mr. MITCHELL, Mr. HART, Mr. BAUCUS, Mr. EAGLETON, Mr. LEAHY, and Mr. DODD):

S. 2957. A bill providing for a temporary mutual and verifiable halt in the testing and deployment of selected weapons; to the Committee on Foreign Relations.

HALT IN TESTING AND DEPLOYMENT OF CERTAIN WEAPONS

Mr. PELL. Mr. President, the United States and the Soviet Union are embarking upon new weapons programs which, if carried out, will undermine nuclear deterrence, promote instability and increase the risk of nuclear war. Having already built nuclear arsenals on Earth which could destroy human life, the two sides are moving briskly toward the weaponization of that last frontier—space.

The only way to stop a refueled and burgeoning arms race is through strong and comprehensive arms control. Sadly, just as the arms race is taking on new momentum, arms control has run out of steam. For the first time in 15 years, there are no nuclear arms control negotiations underway or in prospect.

The lack of any prospect for arms control success has strengthened the hand of those in the United States and the Soviet Union with the misbegotten notion that one can "win" or "prevail" in a nuclear arms race and, if it come to that, "win" or "prevail" in a nuclear war. These unrelenting enemies of arms control have succeeded in setting us on a course which holds little prospect other than steadily deepening nuclear peril. It will be no solace at all when they are proved wrong as the rubble is bounced and vaporized in a nuclear holocaust.

Many seem to have forgotten that the best national security policy combines defense programs and arms control. While it is true that we need a strong defense to deter our adversaries, it is equally true that arms control must be an integral part of our national security fabric if we are to be truly secure.

In the past, arms control agreements by a succession of Democratic and Republican Presidents have served to curb, and even stop, threatening military programs and activities. With the necessary will and resolve, we and our adversaries could build upon the achievements of the past two decades and build a truly safer world.

Convinced that we must take action now in an effort to reduce the peril of nuclear war, I have developed, in consultation with several colleagues, the Arms Race Control Act of 1984, which provides for a temporary mutual and verifiable halt in the testing and deployment of certain threatening weapons to demonstrate earnestness and resolve and to facilitate negotiations for a comprehensive halt in the nuclear arms race. I am introducing that bill today with 15 other original cosponsors—including the Senators from Oregon [Mr. HATFIELD], Massachusetts [Mr. KENNEDY], California [Mr. CRANSTON], Vermont [Mr. STAFFORD], Maryland [Mr. SARBANES], Minnesota [Mr. DURENBERGER], Hawaii [Mr. MATSUNAGA], Massachusetts [Mr. TSONGAS], North Dakota [Mr. BURDICK], Maine [Mr. MITCHELL], Colorado [Mr. HART], Montana [Mr. BAUCUS], Missouri [Mr. EAGLETON], Vermont [Mr. LEAHY], and Connecticut [Mr. DODD]. I hope others will join us as cosponsors after the recess.

The temporary bilateral halt called for in the bill would cover the flight testing and deployment of strategic ballistic missiles under development, the testing of antisatellite weapons against objects in space, and the detonation of any nuclear explosive device. The United States would halt the flight testing and deployment of the MX missile. Other strategic missiles could be affected later. The Soviet Union would halt the flight testing

and deployment of the SS-X-24, SS-X-25, SS-NX-23, and any other new strategic ballistic missiles. Funds for those covered U.S. programs would be cut off unless the President determines and certifies to the Congress first, that he has endeavored in good faith, and has failed, to reach such an agreement with the Soviets; second, that he has reliable indications that the Soviets are proceeding with the covered programs, and third, that failure of the United States to do the same would undermine the national security.

Mr. President, the bill is clear and succinct.

The weapons systems covered were chosen very carefully. The goal is a halt which poses no threat to our security, but which represents a serious and major demonstration of earnestness and resolve.

Clearly, the next generation of land-based ballistic missiles, with their substantially greater accuracy and their continued vulnerability are far more destabilizing weapons than submarine-launched ballistic missiles and bombers. The next generation of Soviet land-based strategic missiles, if deployed in large numbers, will undoubtedly threaten stability as they raise first-strike fears. Our own missile, the MX, could do the same. It seems clear that these systems are prime candidates for a halt as a prelude to a comprehensive agreement.

Earlier this summer, the Senate showed in the Defense authorization bill that it wants the President to endeavor in good faith to negotiate an antisatellite weapons agreement before going ahead with testing against objects in space. Similarly, the House has expressed its support for antisatellite weapons negotiations. This bill complements those efforts by providing for what could be an invaluable pause in the present unrelenting march toward a new generation of space-directed weapons and the ultimate weaponization of space.

Finally, the legislation would lead to a bilateral halt in nuclear testing. I believe that a negotiated pause of limited duration in nuclear testing should not constitute a risk to our security. For the longer term, we should seek a comprehensive test ban with strong verification measures, including a network of seismic stations on each side's territory and provisions for inspection of suspect test sites upon demand.

Unfortunately, the United States and the Soviet Union appear at a deadlock on test ban issues. A negotiated halt in testing could break that impasse and open the way to successful negotiation of a comprehensive test ban. Groundwork for such a ban was laid painstakingly in detailed talks held during the past administration.

Mr. President, on May 8, the draft will receive the unanimous and enthusiastic endorsement of the strategy and executive committees of the nuclear freeze campaign. I have recently been delighted with the reception accorded this bill by a number of my constituents in Rhode Island.

I have observed that concern remains very high in our Nation that nuclear war has become more likely over the past several years. Millions of Americans are frightened as they see both sides pouring fuel on the arms race.

We simply cannot wait any more in the vain hope that arms control will somehow come to pass. Congress must play a strong role in charting a course. I believe that this bill offers a simple, realistic way to put the brakes on the arms race in preparation for a full stop.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2957

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 1. This act may be cited as the "Arms Race Control Act of 1984."

TESTING AND DEPLOYMENT HALT

SEC. 2. The Congress finds that, to demonstrate earnestness and resolve and to facilitate negotiations for a comprehensive halt in the nuclear arms race, the President shall immediately propose to the Government of the Soviet Union that the two sides agree to halt, for a limited time, the flight-testing and deployment of strategic ballistic missiles under development, and the testing of anti-satellite weapons against objects in space, and the detonation of any nuclear explosive device.

FUNDING RESTRICTION

SEC. 3. Notwithstanding any other provision of law, beginning six months after the date of enactment of this Act, no funds may be obligated or expended to flight test and deploy strategic ballistic missiles under development, to test anti-satellite weapons against objects in space, and to detonate nuclear explosive devices unless the President provides a determination and certification to the Congress, together with an unclassified report and detailed classified report setting forth the basis for his decision, stating that—

(a) he has endeavored in good faith, and has failed, to achieve a mutual and verifiable agreement with the Soviet Union to impose the constraints described in Section 2;

(b) he has reliable evidence that the Soviet Union is proceeding with the flight testing and deployment of strategic ballistic missiles under development, the testing of anti-satellite weapons against objects in space, or the detornation of any nuclear explosive device; and

(c) failure of the United States to do the same would undermine the national security.

ALLOCATION OF PERSONNEL

SEC. 4. The Secretary of State and the Director of the United States Arms Control and Disarmament Agency shall allocate such personnel resources as may be appropriate to ensure continued progress toward the goal of a comperhensive halt in the nuclear arms race.

REPORT ON ARMS CONTROL NEGOTIATIONS

SEC. 5. The Secretary of State, in coordination with the Director of the United States Arms Control and Disarmament Agency, shall transmit to the Chairman of the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives, by January 31 of each year, a report regarding the status of, and prospects for, bilateral and multilateral negotiations to accomplish the goal of a comperhensive halt in the nuclear arms race.

By Mr. BINGAMAN (for himself, Mr. HOLLINGS, and Mr. PRYOR):

S. 2958. A bill to amend the Public Works and Economic Development Act of 1965 to authorize appropriations for additional fiscal years; to the Committee on Environment and Public Works.

PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT AMENDMENTS

● Mr. BINGAMAN. Mr. President, today I am introducing legislation to reauthorize the Economic Development Administration [EDA]. The bill is a simple reauthorization for an additional 2 years, through fiscal years 1985, 1986, and 1987. The bill makes no substantive changes in the program.

Since 1965, when EDA was first authorized as a successor to the Area Development Administration, it has provided an invaluable service to many of the neediest communities in each of the 50 States.

EDA's mission has been to generate new jobs and help protect existing jobs in economically distressed areas of the Nation. The Agency has administered a variety of successful programs which have increased personal incomes of individuals and enriched communities in distressed areas by providing the support necessary to create long-term jobs and lasting growth in the private sector. The program includes grants and loans for public works, business loans, and loan guarantees; and planning and technical assistance. In addition, grants are made to continue programs of economic development planning for States, cities, multicounty development districts, cooperating jurisdictions, and Indian tribes and councils. The services provided have improved the communities and lives of millions of Americans. It has helped needy communities to build roads, sewers, industrial parks, and much more.

EDAA has had a tremendous impact on our States and communities. In my own State of New Mexico, countless numbers of individuals have been helped through EDA's grants. Over the past several years, EDA funding for New Mexico has exceeded

$165,831,000, which was spent on some 585 different projects. EDA has been especially important to Indian tribes which have depended heavily upon EDA funding for many of their programs. Some 265 New Mexican Indian projects have received EDA funding over the past 3 years. These projects have ranged from the construction of tribal office buildings to the completion of irrigation improvement projects.

In spite of its success and flexibility the EDA has operated without congressional authorization since 1982. EDA appropriations have fallen from $668 million in fiscal year 1981 to 228 million for fiscal year 1986. While I am not proposing an increase in funding, it is time for us to once again affirm our support for the important time-tested EDA programs which have proven themselves to be of great value for nearly 20 years in all parts of this Nation. Reauthorization of EDA now that the appropriations process has been completed and funding has been provided is but a reaffirmation of EDA's successful past. It is not a call for any new expenditure of funds, it would simply authorize the existence of the Agency.

A simple extension is not without precedent. Such was done in December 1980, when Congress reauthorized EDA for 2 years through fiscal year 1982. Congress at that time passed simple extension for 2 years, just as my bill calls for.

I hope my colleagues will join me in calling for swift congressional approval of this bill.●

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 2959. A bill to reauthorize the Superfund, and for other purposes; to the Committee on Finance.

REAUTHORIZATION OF THE SUPERFUND

● Mr. LAUTENBERG. Mr. President, I join Senator BRADLEY today in introducing legislation to strengthen and extend the vital Superfund Program.

Mr. President, the Environmental and Public Works Committee, on which I serve, has held extensive hearings and markup sessions over the past months in an attempt to get congressional action this year to renew the Superfund Program. Despite a strong commitment by the leadership and many members of the committee to secure action on S. 2892, the Superfund bill introduced by our distinguished chairman, Senator STAFFORD, and ranking Democratic member Senator RANDOLPH, we have been unable to make much progress. We will continue our meetings when we reconvene in September.

The House of Representatives is currently considering the Superfund legislation. It is likely the other body will approve a bill before recessing. Today, Senator BRADLEY and I are introducing the House version of this legislation to show our support and determination that Congress take decisive action this year.

Mr. President, one of the greatest challenges we face today is protecting the public and our environment from the hazards of toxic waste. Citizens all across this Nation face the fear of exposure to dioxin, benzene, asbestos, and other highly toxic chemicals. Irreplaceable ground water supplies continue to be contaminated by leaking from underground storage tanks and ill-designed landfills.

We are only beginning to gage the magnitude of exposure to toxic chemicals in our environment. There are currently 546 abandoned hazardous waste sites on the Superfund's national priority list. The Environmental Protection Agency expects this number to quadruple over the next decade. There is no State whose citizens are free from the threat of toxic waste exposure. The responsibility to protect the public from hazardous waste exposure is shared by Federal, State, and local governments.

My own State of New Jersey is vitally interested in renewing and strengthening this program. New Jersey has 86 Superfund sites—the most in the Nation. By the end of the summer, EPA may add another 15 sites which are now candidates for Superfund listing. Not one site has been cleaned up in New Jersey since Superfund was enacted 4 years ago. Only six sites have been cleaned up nationwide.

Mr. President, the Superfund Program must be expanded, improved and renewed this year. EPA's own estimates indicate that to clean up the 2,200 hazardous waste sites that EPA has identified as candidates for the Superfund list, the Superfund must be enlarged by a factor of at least four, more likely, it may have to be increased by up to 10 times its current size. Further, experience with the program has shown us that there are large gaps in the protection it currently affords the public. Authority must be enlarged to prevent and cleanup ground water contamination, a ticking time bomb associated with hazardous waste. Other needs include standards to make sure that sites are adequately cleaned up; schedules for initiating action at sites; regulation of leaking underground storage tanks and the ability to respond to leaks when they occur; and more effective remedies for citizens to force action at hazardous waste sites and participate in decisions about their cleanup. The bill we introduce today would revise the Superfund Program in response to these needs.

Further, Mr. President, our bill is designed to strengthen the Federal-State partnership established by the Superfund Program. It includes two amendments Senator BRADLEY and I were successful in adding to the Senate version of the Resource Conservation and Recovery Act. The first of these amendments—the so-called State credit provision—would remove disincentives under the existing Superfund program for States with aggressive hazardous waste programs to move faster than can currently be accommodated by Superfund. It would permit States to use their own funds to clean up sites, according to plans approved by EPA, without permanently foregoing Federal funds to which they would be entitled if they delayed action.

This provision is critical to New, Jersey, where an ambitious cleanup program is planned for next year. New Jersey's plan for fiscal year 1985 calls for action on 69 separate sites. It involves 150 design, engineering, or construction projects at a cost of $108 million in Federal Superfund dollars. In 1986, $123 million will needed to keep this program moving. A cost credit provision will enable New Jersey to move forward with this program.

Another provision in our bill would extend the statute of limitations for filing claims against the Superfund for natural resource damage. The natural resources claim provisions of Superfund provide that the Federal Government or any State may seek compensation for damages to forests, fish, wildlife, and surface and ground water, including polluted water supplies. When the statute of limitations expired in December, 1983, 57 claims had been filed against the fund. Twenty-six were from New Jersey. All of these claims were rejected because the Department of Interior and EPA failed to promulgate specifications for filing claims as required by Superfund. Our bill extends the statute of limitations to 3 years following promulgation of the Federal specifications.

Mr. President, this legislation also acknowledges that the Federal Government should assist the States with activities associated with cleaning up and maintaining sites, activities which are now the sole responsibility of the States and localities. EPA has construed the Superfund Program to cover only a limited range of activities associated with site cleanup. This will prove to be particularly inequitable in the case of sites where extensive ground water contamination has occurred. The cleanup necessary to treat ground water contamination can last for years and cost millions of dollars. Certain activities necessary to cleanup ground water contamination are not currently eligible for Superfund assistance. States and localities should not be saddled with these costs. Even States with ambitious hazardous waste cleanup programs of their own will need to use these dollars to clean up the hundreds of hazardous waste sites that Superfund will never address.

Our bill establishes a 90 to 10 cost-sharing formula in so-called operation and maintenance activities.

In closing, Mr. President, I want to acknowledge the hard work and commitment of many members of the Senate Environment and Public Works Committee to get a strengthened Superfund bill this year. As the committee continues to consider Superfund legislation, Senator BRADLEY and I hope our bill can contribute to that process.●

By Mr. WILSON (for himself, Mr. INOUYE, Mr. HATCH, and Mr. KENNEDY):

S. 2962. A bill to amend the Communications Act of 1934 to promote diversity in broadcasting; to the Committee on Commerce, Science, and Transportation.

DIVERSITY IN BROADCASTING ACT

Mr. WILSON. Mr. President, I am today introducing the Diversity in Broadcasting Act of 1984. I am pleased to be joined on the bill by the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Utah [Mr. HATCH].

This bill is designed to address the issues raised by the so-called 7-7-7 rule restricting concentration in the broadcast industry. Recently, with the help of many of my colleagues, we were able to derail the efforts of the Federal Communications Commission to abolish the rule.

Mr. President, I do not want to take too much time today setting out the need for this legislation. I would refer my colleagues to the statement I made regarding the Rudman amendment to H.R. 6040, the supplemental appropriations bill, on August 8, which appears on page 22809 of the RECORD.

Mr. President, the Diversity in Broadcasting Act was drafted after discussions with many of my colleagues who have expressed concern, and in some instances outrage, over the proposed actions of the FCC.

Briefly, the Diversity in Broadcasting Act would limit television station ownership to 10 VHF stations. Furthermore, these 10 stations could only have a reach of 22½ percent of the Nation's television households. While there is no limit on the number of UFH stations which may be owned, the total reach of UHF and VHF stations owned or controlled by one entity could be no more than 27½ percent. Finally, the limits of 10 stations, 22½ percent, and 27½ percent would be increased to 12 stations, 25 percent, and 30 percent to account for the reach of affiliated minority controlled television stations.

Mr. President, I believe that the bill encompasses a reasonable solution to the controversy which has arisen. I trust that it will be carefully scrutinized by the Committees on Judiciary and Commerce during their hearings on this subject.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2962

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Diversity in Broadcasting Act of 1984".

SEC. 2. Part I of Title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.) is amended by adding at the end thereof the following new section:

"RESTRICTIONS OF OWNERSHIP

"SEC. 333. (a) The Commission may not approve an application for a television broadcasting station license or for the transfer or assignment of any such license if the approval of such application would result in the applicant owning, operating, or otherwise controlling, directly or indirectly—

"(1) more than ten VHF broadcasting stations;

"(2) VHF television broadcasting stations the signals of which can, in the aggregate, be received, according to commonly accepted industry standards, by more than 22½ percent of the television households in the United States; or

"(3) television broadcasting stations the signals of which can, in the aggregate, be received, according to commonly accepted industry standards, by more than 27½ percent of the television households in the United States.

"(b) If the Commission receives an application which would exceed the numerical limitation of subsection (a)(1) by not more than 2, the Commission shall waive such limitation to the extent that the excess is the result of broadcasting service provided by one or more minority controlled television stations.

"(c) If the Commission receives an application which would exceed the numerical limitations of subsection (a) (2) or (3) by not more than 2½ percent, the Commission shall waive such limitations to the extent that the excess is the result of broadcasting service provided by one or more minority controlled television stations.

"(d) The term 'minority controlled television station' means any television broadcasting station of which not less than 50 percent is owned by one or more members of a minority group (as defined in section 309(i)(3)(ii).".

SEC. 3. EFFECTIVE DATE.—The provisions of this Act shall take effect on the date of enactment.

By Mr. COHEN (for himself, Mr. CHAFEE, and Mr. DANFORTH):

S. 2963. A bill to amend the Tariff Act of 1930 to establish a Trade Remedy Assistance Office; to the Committee on Finance.

TRADE REMEDY ASSISTANCE OFFICE

● Mr. COHEN. Mr. President, today I am introducing legislation designed to assist small businesses seeking relief under present U.S. trade laws. I want to thank Senator DANFORTH and his staff for their cooperation and assistance in developing this legislation.

Time and time again, I have watched small businesses which have been harmed by imports attempt to pursue the frustrating process of obtaining trade relief, only to be confounded by the maze of bureaucratic procedures, complex statutory requirements, and staggering expenses. I first introduced this legislation in early 1982, after chairing a Governmental Affairs subcommittee hearing on the trade problems affecting industries in our Canadian border States. The testimony at that hearing convinced me that many of our Nation's small businesses are precluded from receiving trade relief under our current system. I believe that the bill I am introducing today is a first step toward providing access to that relief for the Nation's small businesses.

In recent years, the potato, fishing, and lumber industries, as well as many others in my own State of Maine have confronted insurmountable problems while attempting to seek trade relief. I believe that this legislation represents a step forward in facilitating access to our trade relief laws for the thousands of small businesses which are currently unable to avail themselves of these remedies.

In addition to the establishment of a small business office within the Department of Commerce, this legislation makes a number of technical corrections to the countervailing duty and antidumping laws which will clarify ambiguities, correct mistakes, and streamline the administration of current law. These changes should reduce costs, data requirements, and time consuming technical provisions now imposed on small businesses under current law.

While there is only a short period of time left this session, I am hopeful that we can pass this important legislation before we adjourn in October. I look forward to working closely with Senator DANFORTH and members of the Finance Committee to accomplish this goal.●

By Mr. JEPSEN:

S.J. Res. 343. Joint resolution to designate the week of September 16, 1984, through September 22, 1984, as "National Independent Free Paper Week"; to the Committee on the Judiciary.

NATIONAL INDEPENDENT FREE PAPER WEEK

● Mr. JEPSEN. Mr. President, today I am introducing a joint resolution to designate the week of September 16-22, 1984, as "National Independent Free Paper Week."

Independent free-circulation papers are an integral part of American life. They provide valuable free services to businessmen and merchants. At the same time, they help keep the public informed. They are a boon to smaller cities and towns and our rural areas.

It is therefore fitting and proper that the week of the founding of their association be designated for them. I urge my colleagues to join me in honoring the bastion of free enterprise.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 343

Whereas independent free-circulation papers serve many small businesses and are located in smaller cities and towns;

Whereas independent free-circulation papers epitomize the free enterprise system;

Whereas independent free-circulation papers offer an important economic service to small businesses and merchants; and

Whereas the anniversary of the founding of the Independent Free Papers of America Association occurs in September: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 16, 1984, through September 22, 1984, is designated "National Independent Free Paper Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.●

By Mr. BRADLEY (for himself and Mr. DECONCINI):

S.J. Res. 344. Joint resolution to designate the month of November 1984 as "National Make-a-Wish Month;" to the Committee on the Judiciary.

NATIONAL MAKE-A-WISH MONTH

Mr. BRADLEY. Mr. President, I am today introducing a joint resolution to designate the month of November 1984 as "National Make-a-Wish Month."

The Make-a-Wish Foundation is a nonprofit organization, which established 39 chapters in 24 States across the country. The sole purpose of this foundation is to grant the wishes of children who are terminally ill. Many dedicated individuals and private organizations are working to grant the wishes of these children, but many more contributions will be necessary to sustain the organization. Donating money to research institutions to find a cure is important; sadly some children will not benefit from such research in the years ahead. Make-a-Wish is devoted to assisting these children and their families.

The memories of a family who loses a child to terminal illness are often crowded with images of hospitals, painful treatments, and worries over how to pay medical bills. The Make-a-Wish Foundation is trying to make those memories a little brighter by giving the sick youngster a dream come true and letting family members share in his or her happiness.

I have been fortunate enough to have participated in the Make-a-Wish Foundation's activities. The experiences of fulfilling the wish of a terminally ill child have been a uniquely moving and fulfilling experience for me.

It is appropriate that a resolution focus attention of the Nation upon the wishes of these children in order that they may be granted.

By Mr. BAUCUS:

S.J. Res. 345. Joint resolution to express the sense of the Congress that the congressional leadership should call for the 98th Congress to meet after the November election to impose an 18-month Federal spending freeze and for the next President to convene a bipartisan deficit reduction sumit; to the Committee on Rules and Administration.

DEFICIT REDUCTION SUMMIT AND FEDERAL SPENDING FREEZE

● Mr. BAUCUS. Mr. President, the Federal budget deficit is growing by $22 million an hour.

If we don't act, in the next 6 years the national debt will double—to over $3 trillion.

That debt: Drives up interest rates; forces more bankruptcies; prevents American ranchers and farmers from competing in world markets; puts people out of work.

And every day we put off dealing with the problem it compounds itself.

That hurts us, but it also hurts the generations to come.

It was President Thomas Jefferson who wrote:

The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

Jefferson was right.

We in America had better start responding to his admonition.

Each day we are adding to the burdens of our children and grandchildren instead of lessening it.

Each day we are allowing the future to slip away, instead of building it.

That's wrong.

We've got to buckle down.

And we have to decide we are willing to put aside our differences to get the job done.

That is why I have joined three other Senators—two Republicans and a Democrat—to call for a 1-year budget freeze on all Federal spending.

Senators KASSEBAUM, GRASSLEY, BIDEN, and I got together and decided that these deficits cry out for a unique solution:

A solution that transcends partisan bickering; a solution that transcends the pleas of special interest groups; a solution that gets deficits and interest rates down now, not 7 years from now.

I'm proud of our proposal.

While others are trying to assess blame for the deficits, we are emphasizing the need for a solution.

While others are promoting political "acid tests" to underscore their distaste for deficits, we are actually working to get the deficits down.

There are some who would rather promote gimmicks.

There are some who would rather hide behind smoke and mirrors.

But we won't get the deficits down until we have 51 Members of the Senate and 218 Members of the House that have the political courage it takes to get the job done.

I am sorry to say that some Senators of both parties have shied away from our approach.

Some complain it's too tough on seniors and veterans.

Some complain it's too tough on the Pentagon.

But as I travel around Montana, I find that most people are so worried about these deficits, that they are willing to help contribute to the solution as long as they are convinced everyone else will too.

I know a 1-year spending freeze is tough medicine.

But I believe that Montanans, and Americans, are looking for political leadership, and that is precisely what we are trying to provide.

I will continue to fight for the bipartisan Federal spending freeze, I'm convinced that with hard work, we will enact it.

Today, I am proposing two specific actions that I believe will move us several steps closer to a budget freeze and a long-term deficit reduction program.

First, I am calling on the leadership of the Senate and the House of Representatives to reconvene the Congress after the November elections for the specific purpose of enacting an 18-month spending freeze.

It is clear that in the current election year climate, this Congress is not about to take any additional deficit reduction actions.

But we can't wait another 6 months.

Therefore, as soon as the election is behind us, we ought to get back to work.

And the next step should be to impose a budget freeze.

That will set the right tone: One of shared belt tightening; and one of fairness.

And it will also give the next President and the next Congress a period of time to negotiate a fair and balanced long-term deficit reduction program.

To further that end, my second proposal is for the next President, whoever is elected, to convene a deficit reduction summit conference.

Such a conference would bring together administration and congressional leaders for the purpose of de-

signing a bipartisan long-term deficit reduction package.

This conference could help set the proper tone of balance and cooperation that will be needed to enact solutions to the deficit problem.

Both of these steps taken together can help move the process along in a constructive manner.

I will not yield in my ongoing efforts to find a solution to the deficit problem.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 345

Whereas, the federal budget deficit is projected to exceed $180 billion this fiscal year;

Whereas, interest on the public debt is projected to exceed $110 billion this fiscal year;

Whereas, the federal budget deficit is projected to increase each of the next four fiscal years, until the deficit exceeds $270 billion and total federal debt exceeds $1.3 trillion;

Whereas, such huge and persistent deficits require the federal government to borrow so much money that other borrowers are crowded out and interest rates are driven higher, making it difficult for average Americans to borrow to expand their small businesses or buy homes;

Whereas, such huge and persistent deficits inflate the international value of the dollar, making U.S. exports prohibitively expensive and encouraging a flood of foreign imports;

Whereas, such huge and persistent deficits mortgage our children's future by forcing them to pay off our debts;

Whereas, such huge and persistent deficits pose so serious a threat to our economy that the problem transcends partisan politics and requires a bipartisan solution;

Whereas, an 18-month spending freeze would reduce the deficit by imposing tighter budgetary discipline and preventing federal spending from increasing further;

Whereas, an 18-month spending freeze would be fair because it would treat all categories of spending the same; and

Whereas, an 18-month spending freeze would give the next President and the next Congress time to netotiate a fair and balanced long-term deficit reduction package; Now, therefore, be it

Resolved, That it is the sense of the Congress that the leadership of the Senate and the House of Representatives should immediately schedule the 98th Congress to meet after the November election, whatever the outcome of that election, for the limited purpose of enacting an 18-month federal spending freeze.

SEC. 2. It further is the sense of the Congress that the next President, whatever the outcome of the November election, should immediately convene a deficit reduction summit conference, with Congressional leaders, for the purpose of designing a bipartisan long-term deficit reduction package.●

By Mr. LEVIN:

S.J. Res. 346. Joint resolution to designate the year of 1985 as the "Year of the Teacher"; to the Committee on the Judiciary.

YEAR OF THE TEACHER

● Mr. LEVIN. Mr. President, there are more than 3 million teachers in the United States working at every level of the educational system. These teachers are a critical link in the learning process. Our society relies on its teachers to bring to students, both young and old, the information, knowledge, and skills necessary to develop their talents and to enrich their lives.

The individuals engaged in the teaching profession taken as a whole are performing in a dedicated and exemplary manner. Unfortunately, teachers frequently do not receive the recognition, rewards, and respect that their vital role in our society merits. I am proud to introduce a joint resolution which would designate 1985 as the "Year of the Teacher." This designation is one small way to express our Nation's gratitude to its teachers. A resolution such as this does not, of course, replace the need to devote adequate resources to education in general and teachers in particular. Quite the contrary, it is intended to serve as a stimulus for efforts to improve our educational system and for recognizing the many contributions of our Nation's teachers.

I ask unanimous consent that the point resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 346

Whereas teaching and learning are vital activities that must be understood and prized;

Whereas teachers are and will continue to be a major source of the insight and direction of the development of our Nation;

Whereas the teaching profession, consisting of the more than three million teachers at all levels of education, is performing in an exemplary manner; and

Whereas the Nation must respect and reward the teaching profession in order to attract intellectually capable people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the year beginning January 1, 1985, is designated as the "Year of the Teacher", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the year 1985 with appropriate ceremonies and activities including workshops, conferences, public debates, exhibits, and local public service announcements.●

By Mr. STEVENS (for himself, Mr. LAXALT, Mr. COCHRAN, Mrs. HAWKINS, Mr. THURMOND, Mr. BURDICK, Mr. WEICKER, Mr. INOUYE, and Mr. CRANSTON):

S.J. Res. 347. Joint resolution designating the week beginning June 11, 1985, as "National Scuba Week"; to the Committee on the Judiciary.

NATIONAL SCUBA WEEK

Mr. STEVENS. Mr. President, today I am submitting a joint resolution on behalf of myself and Senators LAXALT, COCHRAN, HAWKINS, THURMOND, BURDICK, WEICKER, and INOUYE to designate the week beginning June 11, 1985, as "National Scuba Week."

It was on June 11, 1943 that Captain Jacques Cousteau first attempted a test dive using the self-contained underwater breathing apparatus, known today as scuba. Since that time Captain Cousteau and the crew of the Calypso have explored the oceans of the world, bringing scenes of underwater life to us at home through the medium of educational televsion. The efforts of the Calypso, and those of many others in the scuba industry, increased our interest in the oceanic world, and led millions of us to try scuba diving for ourselves.

Now scuba diving is one of the country's fastest growing sports, with over 2½ million participants. It is a year-round, 24-hour-a-day activity, with night diving during the summer months and ice diving during the winter months. The sport is practiced in both fresh water and salt water all over the world. In Alaska, recreational scuba divers challenge the cold depths of Resurrection Bay near Seward, AK.

America's scuba industry provides close to 100,000 jobs, mainly in the area of manufacturing and for scuba instructors. Revenues generated by the industry were nearly $600 million in 1983 alone. The equipment is used for scientific studies, underwater welding, and underwater photography, as well as for recreation.

Mr. President, at this time I would like to ask my collegues to join me in cosponsoring this joint resolution to designate the week beginning June 11, 1985, as "National Scuba Week." I would also ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 347

Whereas underwater diving with a self-contained underwater breathing apparatus, known as scuba diving, is one of the country's fastest growing family sports;

Whereas scuba divers in the United States number two and one-half million;

Whereas close to 100,000 people are employed in the scuba industry in instruction, manufacturing, and other related capacities;

Whereas $600,000,000 in revenues were generated in 1983 by the scuba industry;

Whereas scuba diving can be done anywhere in the world in both fresh water and salt water and can be used for special purposes, such as underwater photography and scientific experimentation, as well as for recreation;

Whereas the public's awareness of scuba diving has increased greatly through the research and educational pursuits of Jacques Cousteau; and

Whereas June 11 is Jacques Cousteau's birthday and also the day on which Captain Cousteau first tested the Aqua-Lung in 1943: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of American in Congress assembled, That the week beginning June 11, 1985, is designated as "National Scuba Week". The President is requested to issue a proclamation calling upon government agencies and the people of the United States to observe that week with appropriate ceremonies and activities.

By Mr. BAKER (for Mr. McCLURE):

S.J. Res. 348. Joint resolution to amend the Constitution of the United States to limit budget outlays for a fiscal year to not more than 19 per centum of gross national product; read the first time.

CONSTITUTIONAL AMENDMENT TO LIMIT BUDGET OUTLAYS

● Mr. McCLURE. Mr. President, in 1982 this body passed the proposed constitutional amendment to balance the budget. I strongly supported that measure and felt it would go a way to restoring fiscal responsibility to our Government. However, it was a compromise and as there are with most compromises, there are imperfections.

We can all agree that it is imperative that the Federal Government adopt and stick to a policy of spending no more than it takes in as revenue. Unfortunately, the means of accomplishing this goal is under constant scrutiny. I feel, as many of my colleagues do, that the temptation to raise taxes is too great in that balance the budget amendment and in the amendment that is currently before the Senate Judiciary Committee.

There is no doubt that the best way to go about balancing our budget is to focus on decreasing the role of the Federal Government in our economy.

There are those who tell us that we are undertaxed, that the American public pays less than other countries do. But this is one of the unique aspects of the American way—that we are not like other countries. We are free people, and we cherish our freedom. We do not like the idea of government taking away from us, as a matter of right, more than half of what we make and that is what government at every level is doing today.

Mr. President, sometimes individual examples are more persuasive than abstract principles. When leisure becomes more rewarding to a laboring person than does the aftertax reward of their labor, they choose leisure. They are not stupid. The sawmill worker in northern Idaho is suddenly sick every other Friday afternoon. Naturally his employer doubted whether this was fact. They called him and said, "Hank, we noticed that you were sick every other Friday afternoon and we don't believe it." and he said: "Well, you are right. The first Friday afternoon I was sick. I could hardly get home and into bed. I was in bed all weekend, I could hardly get back to work Monday morning, but when I got my check for that week it was only a few dollars less than if I had worked on Friday afternoon. And frankly, my Friday afternoon is worth more than that to me."

Not a lazy American worker, a smart American doing what our system tells him to do, and this is to choose leisure as more rewarding than the aftertax rewards of labor.

That is what this amendment is all about, to try to get spending back down to the limits where Americans begin to see that the rewards of labor are more important to them than the reward of leisure. We will never attain that in our system as long as the burden of taxation continues to overwhelm us. As important as the proposed constitutional amendment to balance the budget is, it did not do all of the job that needs to be done because spending can continue to rise under the amendment. Senator Mattingly and I warned this body of this in 1982, but at the time we felt that altering it then would have gone further to guarantee its defeat than its passage.

At that time we vowed to bring the issue up again. My views have not changed on this subject. Government spending is bleeding our Nation dry. Those of both sides of the aisle see this and should address it. The American people delivered a clear message in November 1980. They were tired of inefficient agencies, and they know that deficits are strangling our economy and their livelihood.

If we look back to the 1950's and the 1960's when Federal spending took a smaller share of our economy, we were much more productive. In the 1960's Federal spending was about 18 percent of our gross national product. During this period our economy, as it is measured by GNP, grew 6.72 percent. In the 1970's during Congress freewheeling spending spree, Federal spending as a percentage of GNP was 21 percent, and at the same time our inflation rate was above 7 percent and the growth of our economy was only about 3 percent. Unfortunately, as Federal spending consumes more and more of our economy we are less productive and we turn to inflationary policies to make up the difference. This year, the Federal Government share of GNP will surpass 25 percent, thus further choking the productive side of the economy.

On the tax side, this administration has a record of success that any administration would be proud of. Since the Reagan administration took office, the Federal Government's share of taxes has been reduced from 21 percent to GNP in fiscal 1981 to 18.6 percent in fiscal year 1983. The end result in this economic confusion is a deficit that could surpass 6.5 percent of GNP.

During the last 80 years, population has tripled, prices has increased 7 times but the outstanding Government debt has increased 5,000 times. We must realize that, money expenditures do not solve social problems. This body has conducted the world's longest experiment in this and we have failed. More money spent on a bad idea will not make that idea good.

The proposal I am reintroducing today will go a long way in reaffirm valid financial standards. It is similar to the proposal I introduced on March 3, 1983, which was cosponsored by Senators MATTINGLY, SYMMS, GARN, HELMS, ARMSTRONG, NICKLES, and ABDNOR.

This constitutional amendment reduces the Federal Government's share of GNP by 1 percent a year until it is back down to productive levels of 19 percent. Clearly, it will go a long way to restore fiscal responsibility to government. This was a promise Ronald Reagan made to the American people and I intend to do everything I can to help him accomplish it. It should be very clear to us that the American people feel that modern government is out of control. They are correct. This year we can expect to spend over $100 billion on interest payments on our debt alone.

The time is now to draw the line and give the American people exactly what they need and what the economy needs. A budget that is balanced by taking the foot off the neck of the economy.

I ask all of my colleagues to join me in support of this important measure, and ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 348

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"SECTION. 1. In exercising its powers under article 1 of the Constitution, and in particular its powers to lay and collect taxes, duties imposts, and excises and to enact laws making appropriations, the Congress shall assure that the total outlays of the Government during any fiscal year (expect for repayment of debt) do not exceed an amount equal to the greater of—

"(a) the difference between—

"(1) an amount which bears the same relationship to the gross national product of the United States at the close of such fiscal year as outlays for the preceding fiscal year bear

to the gross national product of the United States at the close of such preceding fiscal year, and

"(2) an amount which is equal to 1 per centum of gross national product for such fiscal year, and

"(b) 19 per centum of the gross national product for such fiscal year.

"SEC. 2. In case of national emergency or war, the limit may be exceeded but all expeditures in excess of the greater of the limitations listed in section 1 of this Act must be approved by a concurrent resolution agreed to by a rollcall vote of three-fourths of all the Members of each House of Congress. The limitation may be exceeded only in that fiscal year in which such a vote was taken."●

ADDITIONAL COSPONSORS

S. 2145

At the request of Mr. HATCH, the names of the Senator from Maine [Mr. COHEN], and the Senator from Iowa [Mr. JEPSEN] were added as cosponsors of S. 2145, a bill to amend the Fair Labor Standards Act of 1938 to facilitate industrial homework, including sewing, knitting, and craftmaking, and for other purposes.

S. 2222

At the request of Mr. METZENBAUM, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 2222, a bill to provide a deduction from gross income for individual taxpayers who maintain a household which includes a dependent of the taxpayer who suffers from Alzheimer's disease.

S. 2258

At the request of Mr. MOYNIHAN, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 2258, a bill to grant a Federal charter to the 369th Veterans' Association.

S. 2576

At the request of Mr. BINGAMAN, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 2576, a bill to establish a commission to study and make recommendations concerning the international trade and export policies and practices of the United States.

S. 2720

At the request of Mrs. HAWKINS, the names of the Senator from Maine [Mr. MITCHELL], the Senator from North Dakota [Mr. BURDICK], the Senator from Virginia [Mr. TRIBLE], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 2720, a bill to recognize the organization known as the Women's Army Corps Veterans' Association.

S. 2735

At the request of Mr. BRADLEY, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 2735, a bill to rescind funds appropriated to the Energy Security Reserve by the 1980 Department of the Interior and Related Agencies Appropriations Act, and for other purposes.

S. 2740

At the request of Mr. THURMOND, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 2740, a bill to amend title 5, United States Code, to prohibit employment in civil service positions in the executive branch of any individual required to register under the Military Selective Service Act who has not so registered.

S. 2751

At the request of Mr. KASTEN, the name of the Senator from Maryland [Mr. MATHIAS] was added as a cosponsor of S. 2751, a bill to provide for coordinated management and rehabilitation of the Great Lakes, and for other purposes.

S. 2875

At the request of Mr. HOLLINGS, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 2875, a bill to establish qualifications for individuals appointed to the National Advisory Committee on Oceans and Atmosphere to authorize appropriations for fiscal year 1985, and for other purposes.

S. 2893

At the request of Mr. SPECTER, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 2893, a bill to amend the Internal Revenue Code of 1954 to repeal the limitation on the aggregate face amount of private activity bonds, and for other purposes.

S. 2894

At the request of Mr. MELCHER, the names of the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 2984, a bill to amend the Internal Revenue Code of 1954 to clarify the application of the imputed interest and interest accrual rules in the case of sales of residences, farms, and real property used in a trade or business.

S. 2914

At the request of Mr. DOLE, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 2914, a bill to amend the Internal Revenue Code of 1954 to provide for the establishment of enterprise zones, and for other purposes.

S. 2926

At the request of Mr. HATCH, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Alabama [Mr. DENTON], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of S. 2926, a bill to amend the Federal Food, Drug, and Cosmetic Act to revise the procedures for new drug applications, to amend title 35, United States Code, to authorize the extension of the patents for certain regulated products, and for other purposes.

At the request of Mr. BIDEN, his name was added as a cosponsor of S. 2926, supra.

S. 2930

At the request of Mr. SYMMS, the names of the Senator from Arkansas [Mr. PRYOR], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 2930, a bill to repeal the changes made by the Tax Reform Act of 1984 with respect to the tax treatment of debt instruments issued for property.

SENATE JOINT RESOLUTION 267

At the request of Mr. CHILES, the names of the Senator from Maryland [Mr. SARBANES], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 267, a joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week".

SENATE JOINT RESOLUTION 299

At the request of Mr. ABDNOR, the names of the Senator from Vermont [Mr. LEAHY], the Senator from Illinois [Mr. PERCY], the Senator from Kansas [Mr. DOLE], the Senator from Illinois [Mr. DIXON], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of Senate Joint Resolution 299, a joint resolution to designate November 1984 as "National Diabetes Month".

SENATE JOINT RESOLUTION 310

At the request of Mr. LEVIN, the names of the Senator from Indiana [Mr. LUGAR], the Senator from Michigan [Mr. RIEGLE], the Senator from Texas [Mr. BENTSEN], the Senator from Nevada [Mr. LAXALT], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Joint Resolution 310, a joint resolution to designate the week beginning September 16, 1984, as "National Osteopathic Medicine Week".

SENATE JOINT RESOLUTION 311

At the request of Mr. LEVIN, the names of the Senator from Illinois [Mr. PERCY], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Nebraska [Mr. EXON], the Senator from Michigan [Mr. RIEGLE], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 311, a joint resolution to designate the week of October 13, 1984, through October 19, 1984, as "National Independent Laboratory Week".

SENATE JOINT RESOLUTION 318

At the request of Mr. HATCH, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of Senate Joint Resolution 318, a joint resolution to designate the week of September 16, 1984 through September 22, 1984, as "National De-

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velopmental Disabilities Awareness Week".

SENATE JOINT RESOLUTION 320

At the request of Mr. PERCY, the names of the Senator from Virginia [Mr. TRIBLE], the Senator from Illinois [Mr. DIXON], the Senator from Michigan [Mr. RIEGLE], the Senator from Maine [Mr. MITCHELL], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of Senate Joint Resolution 320, a joint resolution regarding the implementation of the policy of the U.S. Government in opposition to the practice of torture by any foreign government.

SENATE JOINT RESOLUTION 325

At the request of Mr. NUNN, the names of the Senator from Illinois [Mr. DIXON], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of Senate Joint Resolution 325, a joint resolution to designate October 7, 1984, through October 13, 1984, as "National Children's Week".

SENATE JOINT RESOLUTION 334

At the request of Mr. DOLE, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Missouri [Mr. EAGLETON], the Senator from New York [Mr. D'AMATO], the Senator from North Dakota [Mr. BURDICK], the Senator from Wisconsin [Mr. KASTEN], the Senator from Mississippi [Mr. STENNIS], the Senator from Oklahoma [Mr. NICKLES], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 334, a joint resolution to provide for the designation the month of November 1984 as "National Hospice Month".

SENATE JOINT RESOLUTION 336

At the request of Mr. DENTON, the names of the Senator from Texas [Mr. TOWER], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from California [Mr. CRANSTON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of Senate Joint Resolution 336, a joint resolution to proclaim October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world.

SENATE JOINT RESOLUTION 340

At the request of Mr. THURMOND, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Indiana [Mr. LUGAR], and the Senator from West Virginia [Mr. RANDOLPH] were added as cosponsors of Senate Joint Resolution 340, a joint resolution to designate the week of September 23, 1984, as "National Historically Black Colleges Week".

SENATE CONCURRENT RESOLUTION 135

At the request of Mr. PACKWOOD, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of Senate Concurrent Resolution 135, a concurrent resolution reaffirming the United States commitment to furnishing international population and family planning assistance under the Foreign Assistance Act of 1961.

AMENDMENT NO. 3408

At the request of Mr. DURENBERGER, the name of the Senator from New Hampshire [Mr. HUMPHREY] was added as a cosponsor of amendment No. 3408 proposed to S. 757, a bill to amend the Solid Waste Disposal Act to authorize funds for fiscal years 1983, 1984, 1985, 1986, and 1987, and for other purposes.

● Mr. DURENBERGER. Mr. President, on July 25 I offered and the Senate adopted amendment No. 3408 relating to the regulation of underground storage tanks to S. 757, a bill to reauthorize the Resource Conservation and Recovery Act. Senator HUMPHREY was unintentionally not listed as a cosponsor of that amendment. That is most unfortunate, since the Senator from New Hampshire put in a great deal of effort on this amendment and was an original cosponsor of S. 2513, the bill which preceded the tank amendment. To rectify this oversight, I now ask unanimous consent the the Senator from New Hampshire, Senator HUMPHREY be listed as a cosponsor of that amendment. Thank you, Mr. President.●

AMENDMENT NO. 3680

At the request of Mr. KASTEN, his name was added as a cosponsor of amendment No. 3680 proposed to H.R. 5743, a bill making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1985, and for other purposes.

At the request of Mr. DECONCINI, his name was added as a cosponsor of amendment No. 3680 proposed to H.R. 5743, supra.

SENATE RESOLUTION 433—CONGRATULATING THE ATHLETES WHO HAVE PARICIPATED IN THE XXIII OLYMPIAD

Mr. RIEGLE (for himself, Mr. PACKWOOD, Mr. KENNEDY, Mr. RANDOLPH, Mr. METZENBAUM, Mr. MATSUNAGA, Mr. DODD, Mr. STAFFORD, Mr. WEICKER, Mr. PELL, Mr. LEVIN, Mr. CRANSTON, and Mr. EAGLETON) submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. RES. 433

Whereas women, minority and all other athletes of the United States have distinguished themselves by winning numerous medals at the Games of the XXIII Olympiad in Los Angeles, California;

Whereas these widespread accomplishments are a testament to the opportunity of such athletes to participate on a nondiscriminatory basis in programs to develop their skills;

Whereas the Civil Rights Act of 1964, the Education Amendments of 1972, the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975 have guaranteed individuals the right to participate and enjoy the benefits of athletic programs on a nondiscriminatory basis;

Whereas the decision of the Supreme Court in *Grove City College* v. *Bell* has the effect of restricting equal opportunity in athletic programs guaranteed by such Acts;

Whereas the bill S. 2568 entitled "To clarify the application title IX of the Education Amendments of 1972, section 504 of the Rehabiliation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964" now pending in the Senate will restore such Acts to their intended scope and effect;

Whereas such Senate bill has sixty-three cosponsors; and

Whereas the House of Representatives has passed the companion legislation (H.R. 5490) by a vote of three-hundred and seventy-five to thirty-two: Now, therefore, be it

Resolved, That the United States Senate congratulates all of the United States athletes who have participated in the Games of the XXIII Olympiad in Los Angeles, California, and urges the speedy enactment of S. 2568 to promote the equal opportunity of all Americans to participate in athletic programs regardless of race, color, national orgin, sex, disability, or age.

Mr. RIEGLE. Mr. President, during the past 2 weeks we have been treated to an amazing display of athletic prowess by the athletes at the XXIII Olympic games. We Americans have been particularly thrilled by the success of our team and our athletes in Los Angeles. Today I submitted a resolution that congratulates our athletes who have participated in these games and that urges the speedy enactment of the Senate bill (S. 2568) that clarifies the application of certain equal opportunity laws that have helped make these athletes achievements possible. I am pleased that Senators PACKWOOD, KENNEDY, RANDOLPH, METZENBAUM, MATSUNAGA, DODD, STAFFORD, WEICKER, PELL, LEVIN, and CRANSTON are cosponsors of this resolution.

When watching a Mary Lou Retton perform a difficult gymnastic exercise with apparent ease or a Carl Lewis amass gold medals, it is easy to forget the years of training that make such accomplishments look effortless. While many of these athletes were born with raw talent, most have had to hone their skills under the careful eye of coaches since their elementary school days. It is with this fact in mind that I find the numerous accomplishments of our women and minority athletes to be particularly noteworthy.

It was not very long ago that enormous obstacles existed that prevented young girls and minorities from receiving the training and support necessary to develop their skills. These obstacles included blatant and subtle forms of discrimination, ranging from outright denial of participation in organized athletic programs to an absence of athletic scholarships. Fortunately, many of these obstacles have been removed. The accomplishments of these

women and minority athletes reflect the great strides that our country has made in securing equal opportunity for all of its citizens.

I believe that various civil rights statutes enacted in the 1960's and 1970's deserve much of the credit. Of particular importance have been title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin in programs or activities receiving Federal financial assistance, and title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex in educational institutions that receive Federal financial assistance. The fact that minority and women athletes have greatly increased their participation and success in the Olympic games since the enactment of these laws is no mere coincidence.

Mr. President, unfortunately, all of these advances stand in some jeopardy as a result of the Supreme Court decision in Grove City College against Bell. That decision, which the Reagan administration sought in its argument before the Court, has the effect of restriction title IX's provisions prohibiting discrimination on the basis of sex.

In an effort to restore the intended scope and effect of title IX to what it was prior to the Grove City decision, 63 Senators have sponsored the Civil Rights Act of 1984 (S. 2568). This bill amends the "program or activity" language, which the Supreme Court interpreted in reaching the Grove City decision, that is found in title VI, title IX, section 504 of the 1973 Rehabilitation Act, and the 1975 Age Discrimination Act. The Civil Rights Act of 1984 will insure that active enforcement of these civil rights statutes will continue.

Mr. President, the House passed the companion bill to this legislation by a vote of 375 to 32 more than a month ago. Despite the clear support for this measure in the other body and the sponsorship of 63 Senators in this body, the Civil Rights Act of 1984 remains bottled up in committee.

The accomplishments of our Olympic athletes provide one obvious example of why active enforcement of our antidiscrimination laws must continue. We can insure that our commitment to prohibit discrimination on the basis of race, sex, disability or age will continue in full force and effect by enacting S. 2568, the Civil Rights Act of 1984. The Senate Resolution that I am submitting today calls for the speedy enactment of this vital piece of legislation. I urge my colleagues to support it.

SENATE RESOLUTION 434—RELATING TO THE ADMINISTRATION'S ECONOMIC ASSUMPTIONS

Mr. SASSER submitted the following resolution; which was referred to the Committee on Governmental Affairs:

S. RES. 434

Whereas the Administration has presented to the Congress its economic assumptions for the period of 1984–1989;

Whereas the Administration's assumptions with respect to real economic growth, inflation and interest rates would, in combination, be without historical precedent;

Whereas among those assumptions are that short-term interest rates will fall to 9.1 percent in 1985, 8.1 percent in 1986, 6.7 percent in 1987, 5.5 percent in 1988, and 5.0 percent in 1989;

Whereas the Administration has not explained how such a reduction in interest rates can be achieved in the absence of further significant actions to reduce budget deficits;

Whereas the Congressional Budget Office has estimated that a more prudent interest rate assumption would be 9.7 percent in 1985, 8.9 percent in 1986, 8.9 percent in 1987, 8.9 percent in 1988, and 8.9 percent in 1989;

Whereas the lower interest rate assumptions of the Administration artificially reduce the projected deficits by $78,000,000,000 annually in 1989, according to the testimony of the Secretary of the Treasury;

Whereas the Administration has presented no justification for or reason why its highly optimistic interest rate assumptions are to be preferred to those of the Congressional Budget Office; and

Whereas it is the strong conviction of the Senate that deficits remain a grave national problem, and that estimates which tend to understate the magnitude of the problem through artificially optimistic economic projections can only serve to damage prospects for early and effective action to reduce the deficits: Now, therefore, be it

Resolved, That it is the sense of the Senate that the interest rate assumptions which the Administration has used in its mid-session economic projections are implausible, and should be revised to more realistic and prudent levels.

Mr. SASSER. Mr. President, I rise today to submit a resolution of great import to our current economic situation.

The resolution that I am offering calls on the Reagan administration to come forward with reasonable and plausible interest rate assumptions for fiscal years 1984 through 1989.

Currently, the administration is projecting short-term interest rate levels of 9.1 percent in 1985, 8.1 percent in 1986, 6.7 percent in 1987, 5.5 percent in 1988, and 5 percent in 1989.

These interest rate estimates are markedly lower than those projected by the nonpartisan Congressional Budget Office which projects short-term interest rates at 9.7 percent in 1985, 8.9 percent in 1986, 8.9 percent in 1987, and 8.9 percent in 1988 and 1989.

Now why should we be concerned with this difference in interest rate assumptions? After all, I am sure that everyone here in this body would like to see lower interest rates now and in the future.

Deficits $200 billion for as far as the eye can see is a reality. Who will pay for these deficits is not a secret, it will be our children. This administration has effectively mortgaged our future. The President's response to this deficit crisis is one based on personal optimism and political convenience.

Well, the principal reason that we should be concerned is that these rosy, and I am sad to say, unrealistic interest rate assumptions are used to reduce deficit projections in the years ahead.

According to the Joint Economic Committee, the optimistic interest rate projections embodied in the OMB budget review will reduce the budget deficit by: $7 billion in 1985; $6 billion in 1986; $17 billion in 1987; $53 billion in 1988; and nearly $80 billion in 1989.

That means, in total, that deficits will be reduced by nearly $165 billion in the years ahead by the use of what must be regarded as phony interest rate projections.

Now there is one way in which the administration is attempting to deal with this serious problem. It is not new or novel. In fact, it has been used skillfully by the administration since day one. It simply involves cooking up phony economic assumptions to make the deficits go away.

David Stockman outlined this technique in his interview in the 1981 Atlantic Monthly article. George Bush called it voodoo economics during the 1980 election. What we are now seeing is voodoo economics revisited.

That's not a bad day's work for an administration that consistently refuses to face up to the deficit problem.

That's certainly a painless way to reduce the deficit. You don't need to do the hard work to see whether your revenues and taxes are adequate to meet your expenditure needs. You don't need to examine defense spending carefully and see where you can make reductions without hurting our military preparedness, and you don't need to send forward a balanced program of tax revisions and expenditure reductions that will provide a realistic and equitable means of restoring balance to the budget.

All you have to do, apparently, is cook the books. All you have to do is reduce the budget deficit with questionable economic assumptions. Now that, Mr. President, is a painless way to reduce the budget deficit.

Now who really agrees with these interest rate assumptions?

Well, the Congressional Budget Office certainly does not. The most recent Congressional Budget Office report on deficit forecasts indicates that and I quote:

The principal reason why interest rates should remain so high even as the economy cools down is the high level of Treasury borrowing and the concomitant rapid increase in the outstanding stock of Treasury debt.

Mr. Penner, CBO Director, goes on to state further that if deficits are not reduced by realistic then interest rate payments should rise to some 4 percent of GNP by 1989. That means that over 16 percent of all Federal outlays will go for debt service, and public debt will double to a level of $2.5 trillion.

In short, unless some hard choices are made on fiscal policy, Mr. President, interest rates will not go down, and the administration will be trying once again to paint an unwarranted deficit picture for the American public.

The interest rate assumptions contained in the OMB projections have no foundation in economic principle. They are not consistent with the expertise of any economist that I know of, or of any economist that has testified before the Senate Budget Committee.

Now what do other economists think about the interest rate situation?

Well, the Washington Post reported on August 7, 1984, that most outside economists foresee a long-term rise in interest rates because of the deficit.

That's what Andrew Brimmer, former Federal Reserve Board member contends.

That's what Allen Sinai, chief economist for American Express contends.

That's what most Wall Street economists contend.

And Mr. President, the market itself continues to be worried about rising interest rates.

Why on August 6 the average yield on 3 month Treasury Bills was 10.55 percent, the highest level since July of 1982.

And to remove any further doubt, Mr. President, the homebuilders and realtors associations project either increases in the prime rate or effective mortgage rates of about 1 percent within the next year or so.

So, Mr. President, to me the jury is in. These projections are simply implausible and cannot be taken seriously. They should be withdrawn and I urge my colleagues to send this message, that the American people deserve better.

The homebuilders and realtors aren't betting on interest rates coming down.

Paul Volcker and Rudy Penner aren't forecasting reduced interest rates.

No one is, except the Reagan administration.

The U.S. Senate should not be a party to these phony budget estimates. Rather we should pass this resolution and send a clear message to the administration and the American people that we need a realistic assessment of the budget deficit problem, and then we can take realistic steps to deal with this problem.

Mr. President, I ask unanimous consent that related articles and tables about interest rate projections be included immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 7, 1984]

INTEREST RATE RISE PREDICTED

(By Jane Seaberry)

Interest rates, after a respite from their upward march, probably will begin slowly rising again as credit market pressures continue to mount and the brief rally in the bond market fizzles, economists said yesterday.

The interest rate picture had improved somewhat in the last few weeks as the bond market rallied on the news that Federal Reserve Chairman Paul A. Volcker had said the Fed isn't likley to tighten credit conditions this year, coupled with expectations of slower economic growth and lower inflation.

In addition, some investors who felt interest rates wouldn't rise as much as initially expected entered the bond markets to lock in yields, said former Federal Reserve Board member Andrew Brimmer.

However, economists predicted yesterday that interest rates will continue to climb slowly. Short-term rates are expected to stay high, pushed upward by increasing private and public credit demands and a firm Federal Reserve monetary policy.

These high short-term rates are attracting investors away from bonds, pushing long rates higher, economists said.

The average yield on three-month bills at yesterday's Treasury auction was 10.55 percent. The highest since July 26, 1982. The average yield on six-month bills was 10.687 percent, the highest since Aug. 9, 1982.

What also concerned many Wall Street analysts yesterday was the effect that Treasury's quarterly refunding, which begins today, will have on long-term rates. Some Wall Street analysts suggested that dealers purchasing the government securities will have to offer high yields to make the bonds attractive.

Yesterday, the rally in the bond market burst, partly in anticipation of the Treasury refunding and partly on concern that economic growth hadn't slowed as much as expected, suggesting continued high short-term rates.

In addition to measuring the effect of the refunding, the markets will also be watching when the government releases the money supply figures on Thursday and the Producer Price Index on Friday.

"In the long term, we're still sort of negative and bearish" on interest rates, and expect them to rise, said Elizabeth A. Ginste, assistant vice president for money market research at Dean Witter Reynolds Inc. Ginste said her firm had heard that there was some interest in the Treasury offering, but how much interest wasn't clear.

"If retail [buying] does not come in, it will reinforce the downturn in prices we saw this morning," Ginste said. "It will probably put a cap on the rally."

William N. Griggs, managing director of Griggs & Santow Inc. said that bonds are now in the low end of their trading range and he expects yields to go back up in the weeks ahead, a sentiment echoed by Brimmer.

"The decline in rates we've noticed over the last week or so is temporary," Brimmer said.

"The real test" of the bond market's strength "is in the refunding, to see where the market settles down," Griggs said. He said the test will be whether the retail market has enough "depth and breadth of interest" in the Treasury offering. Yields will have to increase to generate interest in the government securities.

The Treasury Department will sell $16.75 billion of securities this week to raise $9.6 billion in new cash as part of $44.6 billion in borrowing for the last quarter of the fiscal year that ends Sept. 30.

A three-year note in the amount of $6.5 billion will be auctioned today. A 10-year note in the amount of $5.5 billion will be auctioned on Wednesday and a 30-year bond will be auctioned on Thursday.

The market probably will have a problem digesting the shorter-term securities because investors' inventories of short-term instruments are already heavy, said Allen Sinai, chief economist for Shearson Lehman/American Express.

As the market rallied in the past few weeks, demand surged for intermediate and long-term investments, Sinai said.

On the other hand, some economists said that the Fed's firm rein on the money supply will slow growth enough to reduce credit demand and allow some easing in rates.

But what do many economists say the whole effect of this market activity will be? "Upward pressure on rates," Sinai said.

[From the Wall Street Journal, Aug. 7, 1984]

BUDGET DEFICITS WILL GROW, CBO PREDICTS, BUT BY LESS THAN ITS FEBRUARY ESTIMATE

(By Jeffrey H. Birnbaum)

WASHINGTON.—The Congressional Budget Office forecast that the massive federal budget deficits will grow each year for the rest of the decade, but said the red ink won't be as torrential as it previously projected.

The budget office report, through generally rosier than earlier forecasts, still gives scant relief to financial analysts would have been hoping that deficits would begin to decline. In addition, the agency foresees higher interest rates in coming years than it had foreseen just six months ago, though rates are projected to decline slightly from current levels.

The CBO, a nonpartisan arm of Congress, won't have the last word on the budget outlook, as it did in previous years. The White House has delayed the release of its own forecast until at least Thursday, reversing the usual order of disclosure for the politically sensitive reports. The White House is usually more optimistic about the economic future, particularly in an election year.

In comparison with the CBO, the White House Office of Management and Budget is expected to project lower interest rates, faster economic growth and smaller deficits, according to congressional aides. White House spokesman Larry Speakes said the Reagan administration's deficit figures will be "substantially lower" than the CBO projections.

DEFICIT PROJECTIONS

The CBO projected that deficits will reach $172 billion this fiscal year, which ends Sept. 30, and $178 billion in fiscal 1985 and that they will swell annually to $263 billion in fiscal 1989. In its forecast released in February, the CBO had projected that deficits would reach $189 billion this fiscal year, $197 billion in fiscal 1985 and $308 billion in fiscal 1989.

Over the six years from fiscal 1984 through 1989, the deficits projected in the current forecast are a total of $166 billion less than those projected in the February forecast. The change results largely from the savings from the deficit "down payment" enacted by Congress earlier this year; those savings would be partly offset by higher-than-expected interest rates.

At least for the short term the CBO's economic outlook is bright. The agency expects the current economic expansion to continue this year and next. But inflation-adjusted growth, it adds, will slow for the rest of 1984 from the blistering pace set earlier this year and will decelerate significantly next year.

Inflation-adjusted economic growth is forecast to be 6.6% over the four quarters of this fiscal year and 2.8% next year. This represents more rapid growth this year, weaker growth in 1985 and a stronger economic recovery overall than the CBO forecast in February.

The real gross national product, the inflation-adjusted value of the nation's output of goods and services, increased a rapid 7.5% in the second quarter. The administration is expected to forecast real GNP growth of more than 6% for all of 1984.

But the interest-rate outlook presents a less sanguine story. The CBO projects that the three-month Treasury-bill rate will average about 10% this year, decline "very moderately" to an average of about 9.7% next year and drop the next year to 8.9%. Blame for the historically high interest rates rests with the budget deficits, the CBO said.

HISTORICALLY HIGH RATES

"The principal reason why interest rates should remain so high even as the economy cools down is the high level of Treasury borrowing and the concomitant rapid increase in the outstanding stock of Treasury debt," the CBO report states.

In its February forecast, the CBO had projected that three-month Treasury-bill rates in 1984, 1985 and 1989 would be 1.1 percentage points lower than in the latest forecast.

Federal borrowing is projected to fall to 4.8% of GNP in 1985 from its 1983 peak of 6.4%. But the CBO expects it then will resume its climb, to 4.9% in 1989.

REITERATES WARNING

CBO Director Rudolph Penner, who has often called for deficit-reduction measures, yesterday reiterated a warning about the possibility of runaway interest payments on the national debt if deficits aren't trimmed. As a share of GNP, federal interest payments will rise to 4% in 1989 from 3.1% this year, the CBO analysis states. In addition, interest payments will rise as a percentage of total budget outlays, to 16.4% in 1989 from 13.1% in 1984.

Mr. Penner also emphasized that, as a percentage of gross national product, the amount of national debt held by the public is rising drastically. Publicly held federal debt is projected to nearly double to $2.5 trillion in 1989, or 46% of GNP, from $1.3 trillion this year, or 35.4%.

Interest on the debt is projected to reach $214 billion in 1989, compared with $90 billion in 1983 and about $53 billion in 1980. Total federal debt is projected to reach $3.14 trillion in 1989, more than double the $1.38 trillion in 1983 and about triple the 1980 level.

The CBO said inflation is likely to increase moderately next year from its current low rate.

The CBO forecasts are based on current law. If Congress enacts additional deficit-cutting measures in the future, the CBO numbers would change. Under current law, government spending is to rise to $1.30 trillion in 1989, or 24.3% of GNP, from $845 billion, or 23.5%, this year. Revenues would rise to $1.04 trillion in 1989, or 19.4% of GNP, from $673 billion this year, or $18.7% of GNP.

"Assuming that no further fiscal policy action is taken, the structural deficit would continue to rise during a projected or sustained economic growth," the CBO states.

TESTIMONY AT JEG AUGUST 8, 1984

Representative SCHEUER. Let me ask, how much difference would it make in your projections if the Congressional Budget Office is right and by 1990 interest rates are 8.9 percent instead of the 5 percent that you predict, which would give an increase in the budget for 1989 alone of about $80 billion?

Secretary REGAN. One-percent change in interest rates, based upon the current and expected United States debt, is about $26 billion per year. If they are at 8.5 and we're at 5.5, approximately three percentage points, three times 26, you get there $78 billion of additional deficit resulting strictly from the difference in interest rates.

Representative SCHEUER. That's annually?

Secretary REGAN. Annually. And the difference between their $263 and whatever we come in with, $78 of it could be accounted for by the difference in interest rates assumptions alone.

TABLE 2.—THE MIDSESSION ECONOMIC ASSUMPTIONS

	1984	1985	1986	1987	1988	1989
Year to year percent change:						
Nominal GNP	11.5	9.2	8.7	8.4	8.1	7.6
Real GNP	7.2	4.3	4.0	4.0	4.0	3.9
GNP deflator	4.0	4.7	4.5	4.2	3.9	3.6
Percent (average for year):						
Unemployment rate [1]	7.2	6.6	6.4	6.2	5.9	5.7
3-month Treasury bill rate	9.5	9.3	8.5	7.2	5.9	5.1
Fourth quarter to fourth quarter percent change:						
Nominal GNP	11.2	8.9	8.6	8.3	7.9	7.4
Real GNP	6.5	4.0	4.0	4.0	4.0	3.7
GNP deflator	4.4	4.7	4.4	4.1	3.8	3.5
Percent (fourth quarter):						
Unemployment rate [1]	6.8	6.5	6.3	6.1	5.8	5.7
3-month Treasury bill rate	9.6	9.1	8.1	6.7	5.5	5.0

[1] Based on total labor force, including Armed Forces stationed in this country.

Source: U.S. Department of the Treasury.

AMENDMENTS SUBMITTED

PROFESSIONAL SPORTS TEAM COMMUNITY PROTECTION ACT

GORTON AMENDMENT NO. 3688

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill (S. 2505) to provide a right of first refusal for metropolitan areas before a professional sports team is relocated and for other purposes, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Professional Sports Team Community Protection Act".

DEFINITIONS

SEC. 2. As used in this act, the term—

(1) "person" means any individual, partnership, corporation, or any unincorporated association, or any combination or association thereof, or any political subdivision;

(2) "professional sports league" or "league" means, except as provided in section 202(f) of this Act, an association composed of two or more professional sports teams which has adopted, accepted or put into effect rules for the conduct of professional sports teams which are members of that association and the regulation of contests and exhibitions in which such teams regularly engage, and which has been engaged in competition in such sport for more than seven years; and

(3) "professional sports team" or "team" means, in accordance with section 109 of this Act, any group of professional athletes organized to play major league baseball, basketball, football or hockey and which is also a member of a league subject to the provisions of this Act.

SEVERABILITY

SEC. 3. If any provision of this Act, or the application of such provision to any person or circumstance, is held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those with respect to which it is held invalid, shall not be affected by such invalidation.

TITLE I

FINDINGS AND POLICY

SEC. 101. (a) The Congress finds that—

(1) professional sports teams achieve a strong local identity with the people of the community in which they play, and provide a source of pride and entertainment to their supporters;

(2) professional sports teams are invested with a strong public interest;

(3) the public, through a municipal stadium authority (which is typically a city or county agency or a municipal corporation), generally authorizes capital construction bonds to finance the construction of the stadium in which a professional sports team plays;

(4) in some cases, the lease or use agreement between the municipal stadium authority and the professional sports team sets rent to defray only the operating costs of the stadium, and does not reimburse the public for the costs of constructing the stadium;

(5) professional sports stadiums and arenas often serve as focal points for substantial urban renewal projects in many communities, and often such projects involve a significant amount of Federal assistance;

(6) despite the close association with and support from the people in the community in which it plays, a professional sports team may be enticed from time to time to relocate to a new geographical location without regard to important interests and considerations which may be thought to be incon-

sistent with immediate financial gain for the owner of such a team;

(7) stability in the location of professional sports teams which are members of leagues subject to the provisions of this title enhances the quality of athletic competition in such leagues;

(8) it is difficult for any single community or State to provide adequate protection against those professional sports team relocations which are not consistent with the public interest; and

(9) communities in which professional sports teams play derive substantial tax revenues and employment opportunities from the operation of such teams.

(b) It is the policy of the Congress in this title to discourage the unnecessary relocation of any professional sports team which is receiving adequate support from the people in the community in which such team plays, and to encourage, to the extent practicable, continuity and stability in the location of professional sports teams. The increased frequency of bidding contests between communities regarding the location of professional sports teams (which contests are in most cases not in the best interests of such communities) has necessitated the establishment of a procedure by which important community interests are considered in the relocation decision process.

PURPOSE

SEC. 102. It is the purpose of this title—

(1) to provide stability in the location of professional sports teams;

(2) to provide predictability with respect to the relocation of professional sports teams; and

(3) to ensure that the interests of communities which have supported such teams are considered through an equitable procedure.

DEFINITIONS

SEC. 103. As used in this title, the term—

(1) "Board" means the Professional Sports Team Arbitration Board established in section 106 of this title;

(2) "community" means the Standard Metropolitan Statistical Area in which the team plays its home games or its assigned territory, whichever is smaller;

(3) "offer of retention" means any offer made by a person to purchase a professional sports team and to continue to locate such team in the community in which it then plays, or to provide terms not involving a transfer of ownership which will ensure that such team continues to be located in the community in which it then plays;

(4) "proposed relocation" means a proposal to relocate a team by the owner of such team who intends to retain ownership, or either the acceptance of an offer of sale of a team by the owner or the offering to purchase a team by any person, as a result of which such team will not continue to be located in the community in which it then plays;

(5) "stadium" or "arena" means the principal physical facility within which a professional sports team plays the majority of its home games; and

(6) "territory" means the geographic area within which a professional sports team has agreed to operate and play the majority of its home games, as that territory is defined by the relevant league.

AUTHORITY FOR RELOCATION

SEC. 104. (a) No person may change the community location of any professional sports team unless—

(1) the relevant league determines, in accordance with subsection (b) of this section, that the proposed relocation is necessary and appropriate; and

(2) such person has received the approval of the Board pursuant to section 106 of this title.

(b) The league shall make its determination under subsection (a)(1) of this section pursuant to such rules as the league may adopt. In making such determination, the league shall specifically consider, taking into account the findings, policy and purpose of this title—

(1) the adequacy of the stadium or arena in which the team played its home games in the previous season and the willingness of the stadium or arena authority to remedy any deficiencies in such facility;

(2) the extent to which fan support for the team has been demonstrated during the team's tenure in the community;

(3) the extent to which the team has, directly or indirectly, received public financial support by means of any publicly financed playing facility, special tax treatment, and any other form of public financial support;

(4) the degree to which the owner or management of the team has contributed to any circumstance which might otherwise demonstrate the need for such relocation;

(5) whether the team has incurred net operating losses, exclusive of depreciation and amortization, sufficient to threaten the continued financial viability of the team;

(6) the degree to which the team has engaged in good faith negotiations with members and representatives of the community concerning terms and conditions under which the team would continue to play its games in such community;

(7) whether any other team in its league is located in the community in which the team is currently located;

(8) whether the team proposes to relocate to a community in which no other team in its league is located; and

(9) whether the stadium or arena authority, if public, is not opposed to such relocation.

(c) Nothing in this section shall affect in any manner—

(1) the decision of the league, pursuant to any lawful rule of such league, to refuse to allow the relocation of any team which is a member of that league; or

(2) the validity or application of any rule of a league regarding any proposed relocation within the community in which the relevant team is currently located.

NOTICE

SEC. 105. (a) Any person seeking to relocate a professional sports team to a new community location shall furnish notice of such proposed relocation at least three months before the proposed date for such relocation.

(b) Such notice shall be furnished to the appropriate stadium authority and to the county in which the stadium is located and shall—

(1) be in writing;

(2) be delivered through certified mail or be personally delivered;

(3) contain a statement of intention to relocate, the new location, reasons for such relocation, and the date on which such relocation is scheduled to occur; and

(4) a certified copy of the determination of the league pursuant to section 104 of this title.

(c) When a person furnishes notice pursuant to this section, such person shall also transmit to the league a cashier's check in the amount of $50,000. The league shall deposit such check in an escrow account which it establishes for such purpose. Amounts deposited under this subsection shall be used for activities of the Board established under section 106 of this title. Any amounts remaining in such account after the termination of the Board pursuant to section 106(b) of this title which are not required for expenses incurred by the Board shall be returned to such person.

ARBITRATION BOARD

SEC. 106. (a) There shall be established a Professional Sports Team Arbitration Board to carry out the activities of this section. The Board shall be composed of three members, who shall be appointed as follows:

(1) One member shall be appointed by the relevant league.

(2) One member shall be appointed by the governmental authority which operates the stadium or, if no governmental authority operates the stadium, by the county in which the stadium is located.

(3) One member shall be appointed by the President of the American Arbitration Association.

(b) The Board shall be appointed within 30 days after notice is delivered pursuant to section 105 of this title, and shall terminate when the Board has made a final decision with respect to a proposed relocation or offer of retention in accordance with the provisions of this section. The members shall select a chairman from among its members. Any member of the Board who is not an officer or employee of the Federal Government shall be entitled to receive compensation at a rate not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) during which the member is engaged in the actual performance of the duties of the Board. No individual may serve on the Board if such individual has (or as a result of relocation or sale of such team, might have) a financial or other pecuniary interest in any professional sports team which engages in—

(1) the same sport as the professional sports team involved in the proposed relocation; or

(2) any other sport regularly played in the same community where the team then plays or in the community of proposed relocation.

(c) All information required by this title shall also be furnished promptly to the Board. Any person who makes an offer to purchase a team or accepts an offer which would result in the relocation of a team, and any owner transmitting any notice under this title, shall, upon request of the Board, provide access to all relevant financial records necessary to allow the Board to make the determination required in subsection (g) of this section. The Board may, notwithstanding any other provision of this title, disapprove a proposed relocation if any information requested by the Board is not submitted in a timely manner.

(d)(1) Within two months after the establishment of the Board, any person wishing to make an offer of retention under this title shall make such offer and furnish notice of such offer in accordance with the provisions of this subsection.

(2) Such notice shall be furnished to the team, to the relevant league, to the stadium authority, to the county in which such team plays, and to the Board. Such notice shall—

(A) be in writing;

(B) be delivered through certified mail or be personally delivered; and

(C) contain a statement of intention to purchase such team and to continue thereafter to locate the team in the same community or to provide terms not involving a transfer of ownership which are more favorable to such team than the terms currently in effect.

(e)(1) Not earlier than two months nor later than three months after notice is furnished pursuant to section 105(a) of this title, the Board shall conduct a formal hearing on the record—

(1) to consider de novo whether, after specifically considering the factors identified in section 104(b) of this title and taking into account the findings, policy and purpose of this title, the proposed relocation is necessary and appropriate; and

(2) if it appears to the Board that the proposed relocation is necessary and appropriate, to take evidence and consider testimony regarding the estimated value of any such proposed relocation or offer of retention.

(f) If the Board determines that the proposed relocation is not necessary and appropriate, the Board shall disapprove the proposed relocation.

(g) After the hearing required by subsection (e) of this section and not later than three months after notice is furnished pursuant to section 105(a) of this title, if the Board determines that the proposed relocation is necessary and appropriate, it shall determine whether any offer of retention is equal to or greater in value than the proposed relocation. The Board may contract with an independent actuary for all such valuations.

(h)(1) If the Board determines under subsection (g) of this section that it has received an offer of retention which does not involve a change of team ownership and which is of a value equal to or greater than the proposed relocation, it shall disapprove the proposed relocation. If an offer of retention which would involve a change in team ownership is determined by the Board to be of a value equal to or greater than the proposed relocation, the Board shall, before approving or disapproving the proposed relocation, transmit all necessary and appropriate information concerning such offer of retention to the relevant league.

(2) After receipt from the Board of the information regarding the offer of retention, the league shall review such offer under its applicable rules for a transfer of league membership. If the league determines that the person making such offer of retention satisfies the criteria of the league for a transfer of league membership, it shall so inform the Board, and the Board shall then disapprove the proposed relocation. If, by vote of a simple majority of its members and based upon a written record, the league determines that the person making the offer of retention does not satisfy the criteria of the league for a transfer of membership, it shall so inform the Board, and the Board shall then approve the relocation. If more than one offer of retention is transmitted by the Board to the league for its consideration, the league, if it determines that more than one offer of retention has been made with respect to which the offeror satisfies the criteria of the league for a transfer of membership, may indicate to the Board its order of preference of membership. If the team owner elects to accept any such offer, the team owner shall accept any offer which is preferred by the league.

(i) If the Board determines that the proposed relocation is necessary and appropriate and that it has received no offer of retention which is of a value equal to or greater than the proposed relocation, the Board shall approve the relocation.

(j) No decision of the Board under this section shall become effective until five days after such decision is made. A court may, in accordance with section 107 of this title, stay the effective date of such decision during the pendency of judicial review proceedings under such section.

(k) Any information submitted to the Board which relates to the financial condition of the team seeking to relocate shall be confidential and shall not be disclosed, except when required under court order or as required in the course of judicial review of any decision made by the Board pursuant to the provisions of this title. Any such disclosure shall be made under such terms and conditions as the reviewing court may direct.

(l) The Board may obtain the assistance of counsel regarding its activities or in response to any action brought under section 107 of this title.

JUDICIAL REVIEW

SEC. 107. (a) Except as provided in this section and section 109(b)(2) of this title, no person (including a team, league or community) may bring a civil action seeking judicial review of any act or decision made pursuant to any authority specifically provided in this title. For purposes of this section—

(1) a determination by a league, after specific consideration of the factors set forth in section 104 of this title, that a proposed relocation is not necessary and appropriate shall be considered to be an act or decision made pursuant to authority specifically provided in this title; and

(2) any act or decision by a league under section 104(c) of this title shall not be considered to be an act or decision made pursuant to authority specifically provided in this title.

(b) No team, community or other person aggrieved by a decision of a league under section 104 of this title may seek judicial review of the decision, but any such community may seek judicial review in the district court of the United States for the district in which the team is currently located solely regarding whether the league specifically considered the factors identified in section 104(b) of this title. The court may award such equitable relief, other than an award of damages, as the court considers appropriate.

(c) No team, community or other person aggrieved by a decision of the Board pursuant to section 106 (f) or (g) of this title may seek judicial review of the decision, but such team, community or person may seek judicial review in the district court of the United States for the district in which the team is currently located solely regarding whether the Board specifically considered the factors identified in section 104(b) of this title. If such review is sought, the court may stay the effective date of any such decision during the period of such review.

(d) Any person wishing to seek judicial review under subsection (b) or (c) of this section shall seek such review within 30 days after the decision of the league or Board, as appropriate.

(e) Any person aggrieved by any decision made by a league pursuant to section 106(h)(2) of this title or by the Board pursuant to section 106(i) of this title may seek judicial review of such decision in the district court of the United States for the district in which the team is currently located. In any such review, the court shall consider whether such decision was arbitrary, capricious or an abuse of discretion, or was a violation of any applicable Federal or State law. The procedures relevant to such standard of review in chapter 7 of title 5, United States Code, shall apply to such review.

(f) Any person may bring an action in the district court of the United States for the district in which the team is currently located or was located in the previous season to enjoin a failure to comply with any provision of this title regarding relocation of a professional sports team or a failure to comply with any decision by a league or the Board under this title, unless such decision is the subject of judicial review under subsection (b) or (c) of this section.

EFFECT ON CONTRACTS

SEC. 108. Nothing in this title shall affect in any manner any contract between a professional sports team and any stadium or other person, unless such contract is inconsistent with the provisions of section 109 of this title.

APPLICABILITY

SEC. 109. (a) This title applies to any proposed relocation of a professional baseball, basketball, football or hockey team which plays its home games in a community within the United States and which is a member of a league subject to the provisions of this title, if such relocation occurs or is scheduled to occur on or after June 13, 1984, except that nothing in this title shall affect in any manner the decision of any court to order the relocation of any professional sports team subject to the provisions of this title, in connection with any litigation regarding the location of such team which was pending on June 13, 1984.

TITLE II

AGREEMENTS RELATING TO SPONSORED TELECASTING

SEC. 201. The antitrust laws, as defined in the Federal Trade Commission Act (15 U.S.C. 41 et seq.) and in the first section of the Clayton Act (15 U.S.C. 12), shall not apply to an agreement by a majority of the members of any professional sports league to require such members to participate in or to share revenues generated by any contract pursuant to which the rights of such members in the sponsored telecasting of any game of such league are sold or otherwise transferred (in whole or in part). Any such agreement relating to the sharing of revenues shall provide that any person who becomes a member of such league after the date of such agreement will share in such revenues in the same manner and to the same extent as the members of such league as of the date of such agreement, except that the league may provide that any such person will only share in such revenues in proportion to the period of time during such contract that the person is a member of such league.

ACCESS TO FACILITIES

SEC. 202. (a)(1) Each publicly-owned or operated facility for the public display of games of professional sport shall be available for use by all professional sports teams on fair and reasonable terms and without unfair discrimination. Each stadium shall be made available for use by professional sports teams under nondiscriminatory and substantially comparable rates, rentals and other charges and under nondiscriminatory and substantially comparable rules, regulations and conditions. The right of any professional sports team which submits a re-

quest under this subsection to use any such facility shall not be unreasonably denied, notwithstanding the fact that there is an existing contract or arrangement between such facility and any other professional sports team in effect for the season within which the requested dates occur.

(2) Whenever any professional sports team submits to any such public authority a written request for the use of such facility for team contests and exhibitions, such public authority shall, except as provided in subsection (b) of this section, permit such team to use the facility in accordance with the provisions of paragraph (1) of this subsection.

(b) No such public authority shall be required under this section to permit a professional sports team which submits a request under subsection (a) of this section to use any such facility if—

(1) the date of the requested use is the same date on which any other user of such facility has a right (under any contract or other agreement in effect on the date of the request) to use such facility for scheduled exhibitions or contest; or

(2) the requested use will impose a significant burden on the continued use of such facility by any such user who is entitled to use the facility pursuant to any contract or other agreement in effect on the date of such request.

(c) Any such public authority which receives a request for use by a professional sports team under this section shall make such reasonable efforts as may be necessary to permit the use of the facility by such team.

(d) Any professional sports team which submits a request for use under this section may bring an action in any appropriate district court of the United States against any such public authority which fails to comply with the provisions of this section. The court may award damages and such equitable relief, including injunctive relief, as the court considers appropriate.

(e) As used in this section, the term "facility" includes facilities associated with any publicly-owned or operated facility for the public display of games of professional baseball, basketball, football or hockey.

(f) As used in this section, the term "professional sports league" shall have the meaning given to such term in section 2(2) of this Act, without regard to the length of time such league has been engaged in competition in such sport.

TITLE III

DEFINITION

SEC. 301. As used in this title, the term "antitrust laws" has the meaning given to such term in the Federal Trade Commission Act (15 U.S.C. 41 et seq.) and in the first section of the Clayton Act (15 U.S.C. 12).

FINDINGS

SEC. 302. The Congress finds and declares that—

(1) in the past, professional sports leagues have received special treatment by Congress with respect to the application of the Federal antitrust laws;

(2) relocations of professional sports teams are likely to occur more frequently, when the number of communities which believe they can adequately support a team exceeds the number of franchises made available by professional sports leagues;

(3) because maintaining the number of franchises in a league below the level of demand increases the value of the existing franchises, increases the bargaining power of the holders of existing franchises with stadium or arena authorities, and causes revenues from broadcasting (to the extent such revenues are shared) to be shared by fewer teams, previous increases in the number of franchises in any league generally have not been solely in response to the demand of the communities which seek such a franchise;

(4) the failure of the National Football League to respond to the demand for teams by communities such as Jacksonville, Florida, Memphis, Tennessee, Phoeniz, Arizona, and Indianapolis, Indiana, was a contributing factor in the recent move of the Baltimore Colts football team from Baltimore, Maryland;

(5) because there is a significant difference in the value to the City of Oakland, California, between the location in such city of the professional football team presently known as the Los Angeles Raiders and a new professional football team, it is appropriate that the City of Oakland be allowed to continue to pursue its eminent domain proceeding or other litigation which was pending on January 1, 1984 against the Los Angeles Raiders; and that, although section 303(a) of this title requires that the National Football League locate a new professional football team in the City of Oakland, California, if such city is not successful in such proceeding or other litigation, such location will only partly mitigate loss to such city caused by the relocation of the Los Angeles Raiders to Los Angeles, California;

(6) there exists a clear, reasonable, and, as yet, unmet demand by certain communities in the United States for a National Football League franchise or a Major League Baseball franchise;

(7) it is uncertain that the National Football League or Major League Baseball will voluntarily increase the number of franchises in each league in the near future; and

(8) to the extent that continued or expanded special treatment under the Federal antitrust laws may, as a consequence, contribute to the perpetuation of a scarcity of franchises for professional sports teams, it is necessary to couple such continued or expanded special treatment with measures designed to prevent an unreasonable failure by such leagues to respond to the demand of communities for such franchises.

RESTRICTION AGAINST CERTAIN ACTIONS

SEC. 303. (a) Any of the following actions constitutes a violation of section 2 of the Sherman Act (15 U.S.C. 2):

(1) The failure of Major League Baseball to increase its membership by two new members over the total number of its members on June 13, 1984, and to ensure that such new members will commerce play in the 1987 season.

The failure of the National Football League to increase its membership by two new members over the total number of its members on June 13, 1984, and to ensure that (A) both of such new members will commence play in the league in the 1987 season, and (B) one of such new members will be located in, and play its homes games in, Baltimore, Maryland.

(3) The failure of the National Football League to increase its membership by two new members over the total number of its members after the increase specified in paragraph (2) of this subsection, and to ensure that (A) both of such new members will commerce play in the league no later than the 1989 season, and (B) that one of such new members will be located in Oakland, California.

Paragraph (3)(B) of this subsection shall not constitute an unfair and exclusionary practice of the relevant league in violation of section 2 of the Sherman Act (15 U.S.C. 2) if, prior to the location specified in such paragraph, a member of the National Football League has been located in Oakland, California, either pursuant to any eminent domain proceeding or other litigation regarding such matter which was pending on January 1, 1984 or pursuant to the increase specified in paragraph (2) of this subsection.

(b) Any person who submits to Major League Baseball or the National Football League an application to operate a franchise specified in subsection (a) of this section may maintain an action pursuant to section 4 of the Clayton Act (15 U.S.C. 15) if the relevant league fails, within the time specified in subsection (a) of this section, to increase the number of franchises in such league as specified in such subsection.

(c) Notwithstanding any other provision of law, for purposes of this title, Major League Baseball is a business involved in interstate commerce and is subject to the provision of section 2 of the Sherman Act (15 U.S.C. 2) and any other provision of the antitrust laws necessary for the enforcement of such section.

(d) For purposes of this section, discussions among members of the National League and the American League of Major League Baseball regarding the number and the location of members of such Leagues shall not be considered to be a violation of the antitrust laws.

APPLICABILITY

SEC. 304. Nothing in this Act shall be construed to affect in any way any eminent domain proceeding or other litigation by the City of Oakland, California, against the professional football team presently known as the Los Angeles Raiders which was pending on January 1, 1984, or otherwise to affect adversely the position or rights of the City of Oakland with respect to such proceeding or litigation.

OVERSIGHT

SEC. 305. The Senate Committee on Commerce, Science, and Transportation shall conduct periodic oversight hearings on the effects of this Act no less often than annually for the first 3 years following the date of enactment of this Act. As part of such hearings, the Committee will consider testimony from the Federal Trade Commission, consumers, members of professional sports leagues, and players for professional sports teams. The Committee shall also consider the need or desirability, or both, of the establishment of a national policy regarding the expansion of professional sports leagues.

DEAUTHORIZATION OF DICKEY-LINCOLN SCHOOL PROJECT

COHEN AMENDMENT NO. 3689

(Ordered to lie on the table.)

Mr. COHEN submitted an amendment intended to be proposed by him to appropriate legislation; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . The Dickey-Lincoln School project, Saint John River, Maine, as authorized by section 204 of the Flood Control Act of 1965, is hereby deauthorized.

OMNIBUS CRIME CONTROL AND SAFE STREETS ACT AMENDMENTS

THURMOND (AND OTHERS) AMENDMENT NO. 3690

Mr. THURMOND (for himself, Mr. BIDEN, Mr. SPECTER, Mrs. HAWKINS, and Mr. BRADLEY) proposed an amendment to the bill (H.R. 2175) to amend the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes; as follows:

Strike all after the enacting clause and insert in lieu therof:

TITLE I—AMENDMENTS TO OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

SHORT TITLE

SEC. 101. This Act may be cited as the "Justice Assistance, Missing Children and Juvenile Justice Act of 1984".

SEC. 102. (a) Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3701-2799) is Amended to read as follows—

"PART A—OFFICE OF JUSTICE ASSISTANCE

"ESTABLISHMENT OF OFFICE OF JUSTICE ASSISTANCE

"SEC. 101. There is hereby established an Office of Justice Assistance within the Department of Justice under the general authority of the Attorney General. The Office of Justice Assistance (hereinafter referred to in this title as the 'Office') shall be headed by an Assistant Attorney General appointed by the President, by and with the consent of the Senate. The Assistant Attorney General shall have authority to award all grants, cooperative agreements, and contracts authorized under this title.

"DUTIES AND FUNCTIONS OF ASSISTANT ATTORNEY GENERAL

"SEC. 102. (a) The Assistant Attorney General shall—

"(1) publish and disseminate information on the conditions and progress of the criminal justice systems;

"(2) maintain liaison with the executive and judicial branches of the Federal and State Governments in matters relating to justice research and statistics, and cooperate in assuring as much uniformity as feasible in statistical systems of the executive and judicial branches;

"(3) provide information to the President, the Congress, the judiciary, State and local governments, and the general public on justice research and statistics;

"(4) maintain liaison with public and private educational and research institutions, State and local governments, and governments of other nations concerning justice research and statistics;

"(5) cooperate in and participate with national and international organizations in the development of uniform justice statistics;

"(6) insure conformance with security and privacy regulations issued pursuant to section 710 and, identify, analyze and participate in the development and implementation of privacy, security and information policies which impact on Federal and state criminal justice operations and related statistical activities;

"(7) directly provide staff support to and coordinate the activities of the Office (including the Bureau of Justice Programs, the National Institute of Justice, and the Bureau of Justice Statistics) and the Office of Juvenile Justice and Delinquency Prevention;

"(8) directly provide staff support to, supervise and coordinate the activities of the Bureau of Justice Statistics, the National Institute of Justice and the Bureau of Justice Programs;

"(9) exercise the powers and functions set out in Part G; and

"(10) exercise such other powers and functions as may be vested in the Assistant Attorney General pursuant to this title or by delegation of the Attorney General.

"(b) The Attorney General shall submit an annual report to the President and to the Congress not later than March 31, of each year. Each annual report shall describe the activities carried out under the provisions of this title and shall contain considers necessary or appropriate after consultation with the Assistant Attorney General and the Advisory Board.

"ADVISORY BOARD

"SEC. 103. (a) There is hereby established a Justice Assistance Board (hereinafter referred to as the 'Board'). The Board shall consist of not more than twenty-one members who shall be appointed by the President. The members shall include representatives of the public, various components of the criminal justice system at all levels of government, persons experienced in the criminal justice system, including the design, operation and management of programs at the State and local level, and persons who have knowledge and experience concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice, including such matters as the problems of the family, youth unemployment, school violence and vandalism, and learning disabilities. The President shall designate from among its members a Chairman and Vice Chairman. The Vice Chairman is authorized to sit and act in the place of the Chairman in the absence of the Chairman. The Assistant Attorney General shall be non-voting member of the Board and shall not serve as Chairman or Vice Chairman. Vacancies in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board and shall be filled in the same manner as in the case of an original appointment.

"(b) The Board may make such rules respecting organization and procedures as it deems necessary, except that no recommendation shall be reported from the Board unless a majority of the full Board assents.

"(c) The members of the Board shall serve at the pleasure of the President and shall have no fixed term. The members of the Board shall receive compensation for each day engaged in the actual performance of duties vested in the Board at rates of pay not in excess of the daily equivalent of the highest rate of basic pay then payable in the General Schedule of section 5332(a) of title 5, United States Code, and in addition shall be reimbursed for travel, subsistence, and other necessary expenses.

"(d) The Board shall—

"(1) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Bureau of Justice Programs, the National Institute of Justice, the Bureau of Justice Statistics, and the Office of Juvenile Justice and Delinquency Prevention in research, statistics and program priorities;

"(2) review demonstration programs funded under part B, and evaluations thereof, and advise the Assistant Attorney General of the results of such review and evaluations; and

"(3) undertake such additional related tasks as the Board may deem necessary.

"(e) In addition to the powers and duties set forth elsewhere in this title, the Assistant Attorney General shall exercise such powers and duties of the Board as may be delegated to the Assistant Attorney General by the Board.

"(f) The Assistant Attorney General shall provide staff support to assist the Board in carrying out its activities.

"PART B—BUREAU OF JUSTICE PROGRAMS

"ESTABLISHMENT OF BUREAU OF JUSTICE PROGRAMS

"SEC. 201. (a) There is established within the Office of Justice Assistance a Bureau of Justice Programs (hereinafter referred to in this part as the "Bureau").

"(b) The Bureau shall be headed by a Director who shall be appointed by the Attorney General. The director shall not engage in any employment other than that of serving as the Director, nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this title.

"DUTIES AND FUNCTIONS OF DIRECTOR

"SEC. 202. The Director shall—

"(1) provide funds to eligible States, units of local government and private nonprofit organizations pursuant to part E and part F;

"(2) establish priorities for programs in accordance with part E and, following public announcement of such priorities, award and allocate funds and technical assistance in accordance with the criteria of part F and on terms and conditions determined by the Director to be consistent with part F;

"(3) cooperate with and provide technical assistance to states, units of local government, and other public and private organizations or international agencies involved in criminal justice activities;

"(4) provide for the development of technical assistance and training programs for state and local criminal justice agencies and foster local participation in such activities;

"(5) encourage the targeting of State and local resources on efforts to reduce the incidence of violent crime and on programs relating to the apprehension and prosecution of repeat offenders;

"(6) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Office relating to the Bureau; and

"(7) exercise such other powers and functions as may be vested in the Director pursuant to this title.

"PART C—NATIONAL INSTITUTE OF JUSTICE

"NATIONAL INSTITUTE OF JUSTICE

"SEC. 301. (a) It is the purpose of this part to establish a National Institute of Justice, which shall provide for and encourage research and demonstration efforts for the purpose of—

"(1) improving Federal, State and local criminal justice systems and related aspects of the civil justice system;

"(2) preventing and reducing crimes;

"(3) insuring citizen access to appropriate dispute-resolution forums;

"(4) improving efforts to detect, investigate, prosecute, and otherwise combat and prevent white-collar cirime and public corruption;

"(5) addressing the unique problem of crime committed against the elderly;

"(6) identifying programs of proven and demonstrated success or programs which are likely to be successful; and

"(7) developing improved strategies for rural areas to better utilize their dispersed resources in combating crime, with particular emphasis on violent crime, juvenile delinquency, and crime prevention.

"(b) The Institute shall have authority to engage in and encourage research and development to improve and strengthen the criminal justice system and related aspects of the civil justice system and to disseminate the results of such efforts to units of Federal, State, and local government, to develop alternatives to judicial resolution of disputes, to evaluate the effectiveness of programs funded under this title, to develop and demonstrate new or improved approaches and techniques, to improve and strengthen the administration of justice, and to identify programs or projects carried out under this title which have demonstrated success in improving the quality of justice systems and which offer the likelihood of success if continued or repeated. In carrying out the provisions of this part the Institute shall give primary emphasis to the problems of State and local justice systems.

"ESTABLISHMENT, DUTIES, AND FUNCTIONS

"SEC. 302. (a) There is established within the Office of Justice Assistance a National Institute of Justice (hereinafter referred to in this title as the "Institute").

"(b) The Institute shall be headed by a Director appointed by the Attorney General. The Director shall have had experience in justice research. The Director shall have such authority as delegated by the Assistant Attorney General to make grants, cooperative agreements, and contracts awarded by the Institute. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Institute makes any contract or other arrangements under this title.

"(c) The Institute is authorized to—

"(1) make grants to, or enter into cooperative agreements or contracts with, States, units of local government or combinations thereof, public agencies, institutions of higher education, private organizations, or individuals to conduct research, demonstration or special projects pertaining to the purposes described in this part, and provide technical assistance and training in support of tests, demonstrations, and special projects;

"(2) conduct or authorize multiyear and short-term research and development concerning the criminal and civil justice systems in an effort—

"(A) to identify alternative programs for achieving system goals;

"(B) to provide more accurate information on the causes and correlates of crime;

"(C) to analyze the correlates of crime and juvenile delinquency and provide more accurate information on the causes and correlates of crime and juvenile delinquency;

"(D) to improve the functioning of the criminal justice system;

"(E) to develop new methods for the prevention and reduction of crime, including but not limited to the development of programs to facilitate cooperation among the States and units of local government, the detection and apprehension of criminals, the expeditious, efficient, and fair disposition of criminal and juvenile delinquency cases, the improvement of police and minority relations, the conduct of research into the problems of victims and witnesses of crime, the feasibility and consequences of allowing victims to participate in criminal justice decisionmaking, the feasibility and desirability of adopting procedures and programs which increase the victim's participation in the criminal justice process, the reduction in the need to seek court resolution of civil disputes, and the development of adequate corrections facilities and effective programs of correction; and

"(F) to develop programs and projects to improve and expand the capacity of States and units of local government and combinations of such units, to detect, investigate, prosecute, and otherwise combat and prevent white-collar crime and public corruption, to improve and expand cooperation among the Federal Government, States, and units of local government in order to enhance the overall criminal justice system response to white-collar crime and public corruption, and to foster the creation and implementation of a comprehensive national strategy to prevent and combat white-collar crime and public corruption.

In carrying out the provisions of this subsection, the Institute may request the assistance of both public and private research agencies;

"(3) evaluate the effectiveness of projects or programs carried out under this title;

"(4) make recommendations to the Assistant Attorney General for action which can be taken by units of Federal, State, and local governments and by private persons and organizations to improve and strengthen criminal and civil justice systems;

"(5) provide research fellowships and clinical internships and carry out programs of training and special workshops for the presentation and dissemination of information resulting from research, demonstrations, and special projects including those authorized by this part;

"(6) collect and disseminate information obtained by the institute or other Federal agencies, public agencies, institutions of higher education, and private organizations relating to the purposes of this part;

"(7) serve as a national and international clearinghouse for the exchange of information with respect to the purposes of this part;

"(8) encourage, assist, and serve in a consulting capacity to Federal, State, and local justice system agencies in the development, maintenance, and coordination of criminal and civil justice programs and services;

"(9) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Office relating to the Institute; and

"(10) exercise such administrative functions under Part G as may be delegated by the Assistant Attorney General.

"(d) To insure that all criminal and civil justice research is carried out in a coordinated manner, the Institute is authorized to—

"(1) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, local, and private agencies and instrumentalities with or without reimbursement therefore;

"(2) confer with and avail itself of the cooperation, services, records, and facilities of State or of municipal or other local agencies;

"(3) request such information, data, and reports from any Federal agency as may be required to carry out the purposes of this section, and the agencies shall provide such information to the Institute as required to carry out the purposes of this part;

"(4) seek the cooperation of the judicial branches of Federal and State Government in coordinating civil and criminal justice research and development.

"AUTHORITY FOR 100 PER CENTUM GRANTS

"SEC. 303. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Institute shall require, whenever feasible, as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"PART D—BUREAU OF JUSTICE STATISTICS

"BUREAU OF JUSTICE STATISTICS

"SEC. 401. It is the purpose of this part to provide for an encourage the collection and analysis of statistical information concerning crime, juvenile delinquency, and the operation of the criminal justice system and related aspects of the civil justice system and to encourage the development of information and statistical systems at the Federal, State, and local levels to improve the efforts of these levels of government to measure and understand the levels of crime, juvenile delinquency, and the operation of the criminal justice system and related aspects of the civil justice system. The Bureau shall give primary emphasis to the needs of State and local justice systems, both individually and as a whole.

"ESTABLISHMENT, DUTIES, AND FUNCTIONS

"SEC. 402. (a) There is established within the Office of Justice Assistance a Bureau of Justice Statistics (hereinafter referred to in this part as the 'Bureau').

"(b) The Bureau shall be headed by a Director appointed by the Attorney General. The Director shall have had experience in statistical programs. The Director shall have such authority as delegated by the Assistant Attorney General to make grants, cooperative agreements, and contracts awarded by the Bureau. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this Act.

"(c) The Bureau is authorized to—

"(1) make grants to, or enter into cooperative agreements or contracts with public agencies, institutions of higher education, private organizations, or private individuals for purposes related to this part; grants shall be made subject to continuing compliance with standards for gathering justice statistics set forth in rules and regulations promulgated by the Director;

"(2) collect and analyze information concerning criminal victimization, including crimes against the elederly, and civil disputes;

"(3) collect and analyze data that will serve as a continuous and comparable national social indication of the prevalence, incidence, rates, extent, distribution, and attributes of crime, juvenile delinquency, civil disputes, and other statistical factors related to crime, civil disputes, and juvenile delinquency, in support of National, State, and local justice policy and decisionmaking;

"(4) collect and analyze statistical information concerning the operations of the

criminal justice system at the Federal, State, and local levels;

"(5) collect and analyze statistical information concerning the prevalence, incidence, rates, extent, distribution, and attributes of crime, and juvenile delinquency, at the Federal, State, and local levels.

"(6) analyze the correlates of crime, civil disputes and juvenile delinquency, by the use of statistical information, about criminal and civil justice systems at the Federal, State, and local levels, and about the extent, distribution and attributes of crime, and juvenile delinquency, in the Nation and at the Federal, State, local levels;

"(7) compile, collate, analyze, publish, and disseminate uniform national statistics concerning all aspects of criminal justice and related aspects of civil justice, crime, including crimes against the elderly, juvenile deinquency, criminal offenders, juvenile delinquents, and civil disputes in the various States;

"(8) recommend to the Assistant Attorney General national standards for justice statistics and for insuring the reliability and validity of justice statistics supplied pursuant to this title;

"(9) establish or assist in the establishment of a system to provide State and local governments with access to Federal informational resources useful in the planning, implementation, and evaluation of programs under this Act;

"(10) conduct or support research relating to methods of gathering or analyzing justice statistics;

"(11) provide for the development of justice information systems programs and assistance to the States and units of local government relating to collection, analysis, or dissemination of justice statistics;

"(12) develop and maintain a data processing capability to support the collection, aggregation, analysis and dissemination of information on the incidence of crime and the operation of the criminal justice system;

"(13) collect, analyze and disseminate comprehensive Federal justice transaction statistics (including statistics on issues of Federal justice interest such as public fraud and high technology crime) and to provide assistance to and work jointly with other Federal agencies to improve the availability and quality of Federal justice data;

"(14) insure conformance with security and privacy requirement of section 810 and regulations issued pursuant thereto;

"(15) advise and make recommendations to the Assistant Attorney General on the policies and priorities of the Office relating to the Bureau; and

"(16) exercise such administrative functions under Part G as may be delegated by the Assistant Attorney General.

"(d) To insure that all justice statistical collection, analysis, and dissemination is carried out in a coordinated manner, the Bureau is authorized to—

"(1) utilize, with their consent, the services, equipment, records, personnel, information, and facilities of other Federal, State, local and private agencies and instrumentalities with or without reimbursement therefore, and to enter into agreements with the aforementioned agencies and instrumentalities for purposes of data collection and analysis;

"(2) confer and cooperate with State, municipal, and other local agencies;

"(3) request such information, data, and reports from any Federal agency as may be required to carry out the purposes of this title;

"(4) seek the cooperation of the judicial branch of the Federal Government in gathering from criminal justice records; and

"(5) encourage replication, coordination and sharing among justice agencies regarding information systems, information policy, and data.

"(e) Federal agenices requested to furnish information, data, or reports pursuant to subsection (d)(3) shall provide such information to the Bureau as is required to carry out the purposes of this section.

"(f) In recommending standards for gathering justice statistics under this section, the Bureau shall consult with representatives of State and local government, including, where appropriate, representatives of the judiciary.

"AUTHORITY FOR 100 PER CENTUM GRANTS

"SEC. 403. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Bureau shall require, whenever feasible as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purposes for which the grant is sought.

"USE OF DATA

"SEC. 404. Data collected by the Bureau shall be used only for statistical or research purposes, and shall be gathered in a manner that precludes their use for law enforcement or any purposes relating to a particular individual other than statistical or research purposes.

"PART E—STATE/LOCAL ALLOCATIONS

"DESCRIPTION OF PROGRAM

"SEC. 501. (a) It is the purpose of this part to assist States and units of local government in carrying out specific programs of proven effectiveness or which offer a high probability of improving the functions of the criminal justice systems and which focus primarily on violent crime and serious offenders. The Bureau of Justice Programs (hereinafter referred to in this part at the 'Bureau') is authorized, to make grants under this part to States for the purpose of—

"(1) providing community and neighborhood programs that enable citizens and police to undertake initiatives to prevent and control neighborhood crime;

"(2) disrupting illicit commerce in stolen goods and property;

"(3) combating arson;

"(4) effectively investigating and bringing to trial white-collar crime, organized crime, public corruption crimes, and fraud against the Government;

"(5) identifying and processing within the criminal justice system persons (including juvenile offenders) with a history of serious criminal conduct;

"(6) developing and implementing programs which provide assistance to jurors and witnesses, and assistance (other than compensation) to victims of crimes;

"(7) providing alternatives to pretrial detention, jail, and prison for persons who pose no danger to the community;

"(8) providing programs which identify and meet the needs of drug-dependent offenders;

"(9) providing programs which alleviate prison and jail overcrowding and programs which identify existing State and Federal buildings suitable for prison use;

"(10) improve workload management systems for prosecutors and expedite felony case processing by the courts;

"(11) providing prison industry projects designed to place inmates in a realistic working and training, environment in which they will be enabled to acquire marketable skills and to make financial payments for restitution to their victims, for support of their own families, and for support of themselves in the institution;

"(12) with respect to cases involving career criminals and violent crime, expedite the disposition of criminal cases, reform sentencing practices and procedures, and improve court system management;

"(13) provide training technical assistance, and programs to assist State and local law enforcement authorities in rural areas in combating crime, with particular emphasis on violent crime, juvenile delinquency, and crime prevention;

"(14) address the unique problem of crime committed against the elderly;

"(15) providing for operational information systems which improve the effectiveness of criminal justice agencies;

"(16) implement programs that address critical problems of crime, such as drug trafficking, which have been certified by the Director, after consultation with the Directors of the National Institute of Justice, Bureau of Justice Statistics and the Office of Juvenile Justice and Delinquency Prevention, as having proved successful or which are innovative and have been deemed by the Director as likely to prove successful;

"(17) providing programs which address the problem of serious offenses committed by juveniles; and

"(18) improve the operational effectiveness of law enforcement by integrating and maximizing the effectiveness of police field operations and the use of crime analysis techniques.

"(b)(1) For any fiscal year ending after September 30, 1984, the Federal portion of any grant made under this part shall be 50 per centum of the cost of programs and projects specified in the application for such grant, except that in the case of funds distributed to an Indian tribe which performs law enforcement functions (as determined by the Secretary of the Interior) for any program or project described in subsection (a), the Federal portion may be up to 100 per centum of such cost.

"(2) The non-Federal portion of the cost of such program or project shall be in cash.

"(c) No funds may be given under this title to a grant recipient for a program for project or which funds have been given under this title for 4 years (in the aggregate), including any period occuring before the effective date of this subsection.

"ELIGIBILITY

"SEC. 502. The Bureau is authorized to make financial assistance under this part available to a State to enable it to carry out all or a substantial part of a program or project submitted and approved in accordance with the provisions of this part.

"APPLICATIONS

"SEC. 503. (a) No grant made by the Bureau to a State, or by a State to an eligible recipient pursuant to part E, unless the application sets forth criminal justice programs covering a two-year period which meet the objectives of section 501, designates which objective specified in section 501(a) each such program is intended to achieve, and identifies the State agency or unit of local government which will implement each such program. This application must be amended annually if new programs are to be added to the application or if the

programs contained in the original application are not implemented. The application must include—

"(1) an assurance that following the first fiscal year covered by an application and each fiscal year thereafter, the applicant shall submit to the Bureau, where the applicant is a State;

"(A) a performance report concerning the activities carried out pursuant to this title; and

"(B) an assessment by the applicant of the impact of those activities on the objectives of this title and the needs and objectives identified in the applicant's statement;

"(2) a certification that Federal funds made available under this title will not be used to supplant State or local funds, but will be used to increase the amounts of such funds that would, in the absence of Federal funds, be made available for criminal justice activities;

"(3) fund accounting, auditing, monitoring, and such evaluation procedures as may be necessary to keep such records as the Bureau shall prescribe will be provided to assure fiscal control, proper management, and efficient disbursement of funds received under this title;

"(4) an assurance that the State will maintain such data and information and submit such reports in such form, at such times and containing such data and information as the Bureau may reasonably require to administer other provisions of this title;

"(5) a certification that its programs meet all the requirements of this section, that all the information contained in the application is correct, that there has been appropriate coordination with affected agencies, and that the applicant will comply with all provisions of this title and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Bureau and shall be executed by the chief executive or other officer of the applicant qualified under regulations promulgated by the Bureau;

"(6) satisfactory assurances that equipment, whose purchase was previously made in connection with a program or project in such State assisted under this title and whose cost in the aggregate was $100,000 or more, has been put into use not later than one year after the date set at the time of purchase for the commencement of such use and has continued in use during its useful life;

"(7) an assurance that the State will take into account the needs and requests of units of general local government in the State and encourage local initiative in the development of programs which meet the objective of section 501.

"REVIEW OF APPLICATIONS

"SEC. 501. (a) The Bureau shall provide financial assistance to each State applicant under this part to carry out the programs or projects submitted by such applicant upon determining that the application or amendment thereof is consistent with requirements of this title and with the priorities and criteria established by the Bureau under section 501. Each application or amendment made and submitted for approval to the Bureau pursuant to section 503 of this title shall be deemed approved, in whole or part, by the Bureau within sixty days after first received unless the Bureau informs the applicant of specific reasons for disapproval.

"(b) The Bureau shall suspend funding for an approved application in whole or in part if such application contains a program or project which has failed to conform to the requirements or statutory objectives of this Act. The Bureau may make appropriate adjustments in the amounts of grants in accordance with its findings pursuant to this subsection.

"(c) Grant funds awarded under this part and part F shall not be used for—

"(1) the purchase of equipment or hardware, or the payment of personnel costs, unless the cost of such purchases and payments is incurred as an incidental and necessary part of a program under section 501(a);

"(2) programs which have as their primary purpose general salary payments for employees or classes of employees within an eligible jurisdiction, except for the compensation of personnel for time engaged in conducting or undergoing training programs or the compensation of personnel engaged in research, development, demonstration, or short-term programs;

"(3) land acquisition, construction projects; or

"(4) programs or projects which, based upon evaluations by the Bureau, the National Institute of Justice, Bureau of Justice Statistics, State or local agencies, and other public or private organizations, have been demonstrated to offer a low probability of improving the functioning of the criminal justice system. Such programs must be formally identified by a notice in the Federal Register after opportunity for comment.

"(d) The Bureau shall not finally disapprove any application submitted to the Director under this part, or any amendments thereof, without first affording the applicant reasonable notice and opportunity for reconsideration.

"ALLOCATION AND DISTRIBUTION OF FUNDS

"SEC. 505. (a) Of the total amount appropriated for this part and part F in any fiscal year, 80 per centum shall be set aside for this part and 20 per centum shall be set aside for part F. Funds set aside for this part shall be allocated to States as follows:

"(1) $250,000 shall be allocated to each of the participating States.

"(2) Of the total funds remaining for this part after the allocation under paragraph (1) there shall be allocated to each State an amount which bears the same ratio to the amount of remaining funds described in this subparagraph as the population of such State bears to the population of all the States.

"(b) Notwithstanding the requirements of section 505(a), if the total amount appropriated for this part and part F is less than $80,000,000 in any fiscal year, then the entire amount shall be set aside and reserved for allocation to the States according to the criteria established by the Director to provide for equitable distribution among the States.

"(c)(1) Each State which receives funds under this part in a fiscal year shall distribute among units of local government, or combinations of units of local government, in such State for the purposes specified in section 501(a) not less than that portion of such funds which bears the same ratio to the aggregate amount of such funds as the amount of funds expended by all units of local government for criminal justice in the preceding fiscal year bears to the aggregate amount of funds expended by the State and all units of local government in such State for criminal justice in the preceding fiscal year.

"(2) In distributing funds received under this part among urban, rural and suburban units of local government and combinations thereof, the State shall give priority to those jurisdictions with the greatest need.

"(3) Any funds not distributed to units of local government under paragraph (1) shall be available for expenditure by the State involved.

"(4) For purposes of determining the distribution of funds under paragraph (1), the most accurate and complete data available for the fiscal year involved shall be used. If data for such fiscal year are not available, then the most accurate and complete data available for the most recent fiscal year preceding such fiscal year shall be used.

"(d) No funds allocated to a State under subsections (a) or (b) or received by a State for distribution under subsection (c) may be distributed by the Director or by the State involved for any program other than a program contained in an approved application.

"(5) In distributing funds received under this part the State shall make every effort to distribute to units of local government and combinations thereof, the maximum amount of such available funds.

"(e) If the Bureau determines, on the basis of information available to it during any fiscal year, that a portion of the funds allocated to a State for that fiscal year will not be required or that a State will be unable to qualify or receive funds under this part, or that a State chooses not to participate in the program established by this part, then such portion shall be awarded by the Director to urban, rural and suburban units of local government or combinations thereof within such State giving priority to those jurisdictions with greatest need.

"(f) Any funds not distributed under subsections (d) and (e) shall be available for obligation under part F.

"STATE OFFICE

"SEC. 506. (a) The chief executive of each participating State shall designate a State office for purposes of—

"(1) preparing an application to obtain funds under this part; and

"(2) administering funds received from the Bureau of Justice Programs, including receipt, review, processing, monitoring, progress and financial report review, technical assistance, grant adjustments, accounting, auditing, and fund disbursements.

"(b) An office or agency performing other functions within the executive branch of a State may be designated to carry out the functions specified in subsection (a).

"PART F—DISCRETIONARY GRANTS

"PURPOSE

"SEC. 601. (a) The purpose of this part is to provide additional Federal financial assistance to States, units of local government, combinations of such units, and private nonprofit organizations for purposes of—

"(1) educational and training programs for criminal justice personnel;

"(2) providing technical assistance to States and local units of governments;

"(3) projects which are national or multi-State in scope and which address the purposes specified in section 501; and

"(4) providing financial assistance to States, units of local government and private nonprofit organizations for demonstration programs which, in view of previous research or experience, are likely to be a success in more than one jurisdiction and are not likely to be funded with moneys from other sources.

"(b) In carrying out this part, the Bureau is authorized to make grants, enter into cooperative agreements, and contracts with, States, units of local governments or combinations thereof, public agencies, institutions of higher education or private organizations.

"PERCENTAGE OF APPROPRIATION FOR DISCRETIONARY GRANT PROGRAM

"SEC. 602. Of the total amount appropriated for part E and this part in any fiscal year, 20 per centum shall be reserved and set aside for this part in a special discretionary fund for use by the Office in carrying out the purposes specified in section 501. Grants under this part may be made for amounts up to 100 per centum of the costs of the programs or projects contained in the approved application.

"PROCEDURE FOR ESTABLISHING DISCRETIONARY PROGRAMS

"SEC. 603. (a) The Director of the Bureau of Justice Programs shall periodically establish discretionary programs and projects for financial assistance under this part. Such programs and projects shall be considered priorities for a period of time not to exceed three years from the time of such determination.

"(b) Such Director shall annually request the National Institute of Justice, the Bureau of Justice Statistics, the Office of Juvenile Justice and Delinquency Prevention, the Office of Justice Assistance, State and local governments, and other appropriate public and private agencies to suggest discretionary programs and projects. Such Director shall then, pursuant to regulations, annually publish the proposed priorities pursuant to this part and invite and encourage public comment concerning such priorities. Priorities shall not be established or modified until such Director has provided at least sixty-days advance notice for such public comment and such Director shall encourage and invite recommendations and opinion concerning such priorities from appropriate agencies and officials of State and units of local government. After considering any comments submitted during such period of time and after consultation with appropriate agencies and officials of State and units of local government, such Director shall determine whether existing established priorities should be modified. Such Director shall publish in the Federal Register the priorities established pursuant to this part, as amended by the Justice Assistance Act of 1984, for fiscal year 1984 and each fiscal year thereafter for which appropriations will be available to carry out the program.

"CRITERIA FOR AWARD

"SEC. 604. (a) No grant may be made pursuant to this part unless an application has been submitted to the Bureau in which the applicant—

"(1) sets forth a program or project which is eligible for funding pursuant to this part;

"(2) describes the services to be provided, performance goals and the manner in which the program is to be carried out;

"(3) describes the method to be used to evaluate the program or project in order to determine its impact and effectiveness in achieving the stated goals and agrees to conduct such evaluation according to the procedures and terms established by the Bureau;

"(4) indicates, if it is a private nonprofit organization, that it has consulted with appropriate agencies and officials of the State and units of local government to be affected by the program or project.

"(b) Each applicant for funds under this project shall certify that its program or project meets all the requirements of this section, that all the information contained in the application is correct, and that the applicant will comply with all the provisions of this title and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Bureau.

"PERIOD FOR AWARD

"SEC. 605. The Bureau may provide financial aid and assistance to programs or projects under this part for a period not to exceed three years. Grants made pursuant to this part may be extended or renewed by the Bureau for an additional period of up to two years if—

"(1) an evaluation of the program or project indicates that it has been effective in achieving the State goals or offers the potential for improving the functioning of the criminal justice system; and

"(2) the State, unit of local government, or combination thereof and private nonprofit organizations within which the program or project has been conducted agrees to provide at least one-half of the total costs of such program or project from part E funds or from any other source of funds, including other Federal grants, available to the eligible jurisdiction. Funding for the management and the administration of national nonprofit organizations under section 601(c) of this part is not subject to the funding limitations of this section.

"PART G—ADMINISTRATIVE PROVISIONS

"ESTABLISHMENT OF RULES AND DELEGATION OF FUNCTIONS

"SEC. 701. (a) The Office of Justice Assistance is authorized, after appropriate consultation with representatives of States and units of local government, to establish such rules, regulations, and procedures as are necessary to the exercise of the functions of the Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics, and as are consistent with the stated purpose of this title.

"(b) The Office of Justice Assistance shall, after consultation with the Bureau of Justice Programs, the National Institute of Justice, the Bureau of Justice Statistics, the Office of Juvenile Justice and Deliquency Prevention, State and local governments, and the appropriate public and private agencies, establish such rules and regulations as are necessary to assure the continuing evaluation or monitoring of selected programs or projects conducted pursuant to parts E and F, in order to determine—

"(1) whether such programs or projects have achieved the performance goals stated in the original application, are of proven effectiveness, have a record of proven success, or offer a high probability of improving the criminal justice system;

"(2) whether such programs or projects have contributed or are likely to contribute to the improvement of the criminal justice system and the reduction and prevention of crime;

"(3) their cost in relation to their effectiveness in achieving stated goals;

"(4) their impact on communities and participants; and

"(5) their implication for related programs. In conducting evaluations described in this subsection, the Office of Justice Assistance shall, when practical, compare the effectiveness of programs conducted by similar applicants and different applicants. The Office of Justice Assistance shall also require applicants under part E to submit an annual performance report concerning activities carried out pursuant to Part E together with an assessment by the applicant of the effectiveness of those activities in achieving the objectives of section 501 of this title and the relationships of those activities to the needs and objectives specified by the applicant in the application submitted pursuant to section 503 of this title. The Office shall suspend funding for an approved application under part E if an applicant fails to submit such an annual performance report.

"(c) The procedures established to implement the provisions of this title shall minimize paperwork and prevent needless duplication and unnecessary delays in award and expenditure of funds at all levels of government.

"NOTICE AND HEARING ON DENIAL OR TERMINATION OF GRANT

"SEC. 702. (a) Whenever, after reasonable notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, the Office finds that a recipient of assistance under this title has failed to comply substantially with—

"(1) any provisions of this title;

"(2) any regulations or guidelines promulgated under this title; or

"(3) any application submitted in accordance with the provisions of this title, or the provisions of any other applicable Federal Act;

the Assistant Attorney General, until satisfied that there is no longer any such failure to comply, shall terminate payments to the recipient under this title, reduce payments to the recipient under this title by an amount equal to the amount of such payments which were not expended in accordance with this title, or limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply.

"(b) If any grant under this title has been terminated, the Bureau of Justic Programs, the National Institute of Justice or the Bureau of Justice Statistics as appropriate, shall notify the grantee of its action and set forth the reason for the action taken. Whenever such a grantee requests a hearing, the Office, or any authorized officer thereof, is authorized and directed to hold such hearings or investigations, including hearings on the record in accordance with section 554 of title 5, United States Code, at such times and places as necessary, following appropriate and adequate notice to such grantee; and the findings of fact and determinations made with respect thereto shall be final and conclusive, except as otherwise provided herein. The Office is authorized to take final action without a hearing if after an administrative review of the termination it is determined that the basis for the appeal, if substantiated, would not establish a basis for continuation of the grant. Under such circumstances, a more detailed statement of reasons for the agency action should be made availabe, upon request, to the grantee.

"(c) If such recipient is dissatisfied with the findings and determinations of the Office, following notice and hearing provided for in subsection (a) of this section, a request may be made for rehearing, under such regulations and procedure as the Office may establish, and such recipient shall be afforded an opportunity to present such additional information as may be deemed appropriate and pertinent to the matter involved.

"FINALITY OF DETERMINATIONS

"SEC. 703. In carrying out the functions vested by this title in the Office, its determinations, findings, and conclusions shall, after reasonable notice and opportunity for a hearing, be final and conclusive upon all grants.

"SUBPOENA POWER; AUTHORITY TO HOLD HEARINGS

"SEC. 704. The Office may appoint such hearing examiners or administrative law judges or request the use of such administrative law judges selected by the Office of Personnel Management pursuant to section 3344 of title 5, United States Code, as shall be necessary to carry out the powers and duties under this title. The Office, or upon authorization, any member thereof or any hearing examiner or administrative law judge assigned to or employed thereby shall have the power to hold hearings and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate.

"PERSONNEL AND ADMINISTRATIVE AUTHORITY

"SEC. 705. (a) The Office is authorized to select, appoint, employ and fix compensation of such officers and employees as shall be necessary to carry out the powers and duties of the Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics under this title.

"(b) The Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics are authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of Federal, State, and local agencies to the extent deemed appropriate after giving due consideration to the effectiveness of such existing services, equipment, personnel, and facilities.

"(c) The Office may arrange with and reimburse the heads of other Federal departments and agencies for the performance of any of the functions under this title.

"(d) The Office, the Bureau of Justice Programs, the Institute, and the Bureau of Justice Statistics in carrying out their respective functions may use grants, contracts, or cooperative agreements in accordance with the standards established in the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501 et. seq.).

"(e) The Office may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, relating to appointments in the Federal service, at rates of compensation for individuals not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5, United States Code.

"(f) The Office is authorized to appoint pursuant to the Adivsory Committee Management Act, but without regard to the remaining provisions of title 5, United States Code, technical or other advisory committees to advise it with respect to the administration of this title as it deems necessary. Members of those committees not otherwise in the employ of the United States, while engaged in advising or attending meetings of the committees, shall be compensated at rates to be fixed by the Office but not exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5 of the United States Code, and while away from home or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

"(g) Payments under this title may be made in installments, and in advance or by way of reimbursement, as may be determined by the Office, and may be used to pay the transportation and subsistence expenses of persons attending conferences or other assemblages notwithstanding the provisions of the joint resolution entitled 'Joint resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings', approved February 2, 1935 (31 U.S.C. 551).

"(h) The Office is authorized to accept and employ, in carrying out the provisions of this title, voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)). Such individual shall not be considered Federal employees except for purposes of chapter 81 of title 5, United States Code, with respect to job-incurred disability and title 28, United States Code, with respect to tort claims.

"TITLE TO PERSONAL PROPERTY

"SEC. 706. Notwithstanding any other provision of law, title to all expendable and nonexpendable personal property purchased with funds made available under this title, including such property purchased with funds made available under this title as in effect before the date of the enactment of this Act, shall vest in the criminal justice agency or nonprofit organization that purchased the property if it certifies to the State office described in Section 506 that it will use the property for criminal justice purposes. If such certification is not made, title to the property shall vest in the State office, which shall seek to have the property used for criminal justice purposes elsewhere in the State prior to using it or disposing of it in any other manner.

"PROHIBITION OF FEDERAL CONTROL OVER STATE AND LOCAL CRIMINAL JUSTICE AGENCIES

"SEC. 707. Nothing in this title or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over any police force or any other criminal justice agency of any State or any political subdivision thereof.

"NONDISCRIMINATION

"SEC. 708. (a) No person in any State shall on the ground of race, color, religion, national origin, or sex be excluded from participation in, be denied the benefits of or be subjected to discrimination under or denied employment in connection with any programs or activity funded in whole or in part with funds made available under this title.

"(b) Notwithstanding any other provision of law, nothing contained in this title shall be construed to authorize the Office of Justice Assistance—

"(1) to require, or condition the availability or amount of a grant upon the adoption by an applicant or grantee under this title of a percentage ratio, quota system, or other program to achieve racial balance in any criminal justice agency; or

"(2) to deny or discontinue a grant because of the refusal of an applicant or grantee under this title to adopt such a ratio, system or other program.

"(c) Whenever the Attorney General has reason to believe that a State government or unit of local government has engaged in or is engaging in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in an appropriate United States district court. Such a court may grant as relief any temporary restraining order, preliminary or permanent injunction, or other order, as necessary or appropriate to insure the full enjoyment of the rights described in this section, including the suspension, termination, or repayment of such funds made available under this title as the court may deem appropriate, or placing any further such funds in escrow pending the outcome of the litigation.

"(d) Whenever the Attorney General files a civil action alleging a pattern or practice of discriminatory conduct on the basis of race, color, religion, national origin, or sex in any program or activity of State government or unit of local government which State government or unit of local government receives funds made available under this title, and the conduct allegedly violates the provisions of this section and neither party within forty-five days after such filing has been granted such preliminary relief with regard to the suspension or repayment of funds as may be otherwise available by law, the Office of Justice Assistance shall cause to have suspended further payment of any funds under this title to that specific program or activity alleged by the Attorney General to be in violation of the provisions of this subsection until such time as the court orders resumption of payment.

"RECORDKEEPING REQUIREMENT

"SEC. 709. (a) Each recipient of funds under this title shall keep such records as the Office shall prescribe, including records which fully disclose the amount and disposition by such recipient of the funds, the total cost of the project or undertaking for which such funds are used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Office or any of its duly authorized representatives, shall have access for purpose of audit and examination of any books, documents, papers, and records of the recipients of funds under this title which in the opinion of the Office may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title.

"(c) The Comptroller General of the United States or any of his duly authorized representatives, shall, until the expiration of three years after the completion of the program or project with which the assistance is used, have access for purpose of audit and examination to any books, documents, papers, and records of recipients of Federal funds under this title which in the opinion of the Comptroller General may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to under this title.

"(d) The provisions of this section shall apply to all recipients of assistance under this title, whether by direct grant, cooperative agreement, or contract under this title or by subgrant or subcontract from primary grantees or contractors under this title.

"CONFIDENTIALITY OF INFORMATION

"SEC. 710. (a) Except as provided by Federal law other than this title, no officer or employee of the Federal Government, and no recipient of assistance under the provisions of this title shall use or reveal any research or statistical information furnished under this title by any person and identifiable to any specific private person for any purpose other than the purpose for which it was obtained in accordance with this title. Such information and copies thereof shall be

immune from legal process, and shall not, without the consent of the person furnishing such information, be admitted the consent of the person furnishing such information, be admitted as evidence or used for any purpose in any action, suit, or other judicial, legislative, or administrative proceedings.

"(b) All criminal history information collected, stored, or disseminated through support under this title shall contain, to the maximum extent feasible, disposition as well as arrest data where arrest data is included therein. The collection, storage, and dissemination of such information shall take place under procedures reasonably designed to insure that all such information is kept current therein; the Office shall assure that the security and privacy of all information is adequately provided for and that information shall only be used for law enforcement and criminal justice and other lawful purposes. In addition, an individual who believes that criminal history information concerning him contained in an automated system is inaccurate, incomplete, or maintained in violation of this title, shall, upon satisfactory verification of his identity, be entitled to review such information and to obtain a copy of it for the purpose of challenge or correction.

"(c) All criminal intelligence systems operating through support under this title shall collect, maintain, and disseminate criminal intelligence information in conformance with policy standards which are prescribed by the Office and which are written to assure that the funding and operation of these systems furthers the purpose of this title and to assure that such systems are not utilized in violation of the privacy and constitutional rights of individuals.

"(d) Any person violating the provisions of this section, or of any rule, regulation, or order issued thereunder, shall be fined not to exceed $10,000, in addition to any other penalty imposed by law.

"PART H—DEFINITIONS

"Sec. 801. As used in this Title—

"(1) 'criminal justice' means activities pertaining to crime prevention, control, or reduction, or the enforcement of the criminal law, including, but not limited to, police efforts to prevent, control, or reduce crime or to apprehend criminals, including juveniles, activities of courts having criminal jurisdiction, and related agencies (including but not limited to prosecutorial and defender services, juvenile delinquency agencies and pretrial service or release agencies), activities of corrections, probation, or parole authorities and related agencies assisting in the rehabilitation, supervision, and care of criminal offenders, and programs relating to the prevention, control, or reduction of narcotic addiction and juvenile delinquency;

"(2) 'State' means any State of the United States, the District of Columbia, the United States Virgin Islands, and the Commonwealth of Puerto Rico;

"(3) 'unit of local government' means any city, county township, town, borough, parish, village, or other general purpose political subdivision of a State, an Indian tribe which performs law enforcement functions as determined by the Secretary of the Interior, any agency of the District of Columbia government or the United States performing law enforcement functions in and for the District of Columbia, and Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands;

"(4) 'public agency' means any State, unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing;

"(5) 'criminal history information' includes records and related data, contained in an automated or manual criminal justice information system, compiled by law enforcement agencies for the purpose of identifying criminal offenders and alleged offenders and maintaining as to such persons records of arrests, the nature and disposition of criminal charges, sentencing, confinement, rehabilitation, and release;

"(6) 'evaluation' means the administration and conduct of studies or analyses of data to determine the impact and value of a project or program in accomplishing the statutory objectives of this title;

"(7) 'Attorney General' means the Attorney General of the United States or his designee;

"(8) 'Assistant Attorney General' means the Assistant Attorney General for Justice Assistance.

"PART I—FUNDING

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 901. (a) There is authorized to be appropriated to carry out the functions of the Bureau of Justice Statistics such sums as are necessary for the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988. There is authorized to be appropriated to carry out the functions of the National Institute of Justice such sums as are necessary for the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988. There is authorized to be appropriated for parts A, B, E, F and G, and for the purposes of carrying out the remaining function of the Office of Justice Assistance other than parts J and L, such sums as are necessary for the fiscal years ending September 30, 1984, September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988. Funds appropriated for any fiscal year may remain available for obligation until expended. There is authorized to be appropriated in each fiscal year such sums as may be necessary to carry out the purposes of part J and part L.

"(b) Notwithstanding any other provision of law, no funds appropriated under this section for parts D and E of this title may be transferred or reprogrammed for carrying out any activity which is not authorized under such parts.

"PART J—PUBLIC SAFETY OFFICERS' DEATH BENEFITS

"PAYMENTS

"Sec. 1001. (a) In any case in which the Office determines, under regulations issued pursuant to this part, that a public safety officer has died as the direct and proximate result of a personal injury sustained in the line of duty, the Office shall pay a benefit of $50,000 as follows:

"(1) if there is no surviving child of such officer, to the surviving spouse of such officer;

"(2) if there is a surviving child or children and a surviving spouse, one-half to the surviving child or children of such officer in equal shares and one-half to the surviving spouse;

"(3) if there is no surviving spouse, to the child or children of such officer in equal shares; or

"(4) if none of the above, to the dependent parent or parents of such officer in equal shares.

"(b) Whenever the Office determines upon showing of need and prior to final action that the death of a public safety officer is one with respect to which a benefit will probably be paid, the Office may make an interim benefit payment not exceeding $3,000 to the person entitled to receive a benefit under subsection (a) of this section.

"(c) The amount of an interim payment under subsection (b) shall be deducted from the amount of any final benefit paid to such person.

"(d) Where there is no final benefit paid, the recipient of any interim payment under subsection (b) shall be liable for repayment of such amount. The Office may waive all or part of such repayment, considering for this purpose the hardship which would result from such repayment.

"(e) The benefit payable under this part shall be in addition to any other benefit that may be due from any other source, except—

"(1) payments authorized by section 12(k) of the Act of September 1, 1916, as amended (D.C. Code, sec. 4-531(1)); or

"(2) benefits authorized by section 8191 of title 5, United States Code; such beneficiaries shall only receive benefits under that section that are in excess of the benefits received under this part.

"(f) No benefit paid under this part shall be subject to execution or attachment.

"LIMITATIONS

"Sec. 1002. No benefit shall be paid under this part—

"(1) if the death was caused by the intentional misconduct of the public safety officer or by such officer's intention to bring about his death;

"(2) if the public safety officer was voluntarily intoxicated at the time of his death;

"(3) if the public safety officer was performing his duties in a grossly negligent manner at the time of his death; or

"(4) to any person who would otherwise be entitled to a benefit under this persons's actions were a substantial contributing factor to the death of the public safety officer.

"DEFINITIONS

"Sec. 1003. As used in this part—

"(1) 'child' means any natural, illegitimate, adopted, or posthumous child or stepchild of a deceased public safety officer who, at the time of the public safety officer's death, is—

"(i) eighteen years of age or under;

"(ii) over eighteen years of age and a student as defined in section 8101 of title 5, United States Code; or

"(iii) over eighteen years of age and incapable of self-support because of physical or mental disability;

"(2) 'dependent' means a person who was substantially reliant for support upon the income of the decreased public safety officer;

"(3) 'fireman' includes a person serving as an officially recognized or designated member of a legally organized volunteer fire department and an officially recognized or designated public employee member of a rescue squad or ambulance crew who was responding to a fire or police emergency;

"(4) 'intoxication' means a disturbance of mental or physical faculties resulting from the introduction of alcohol into the body as evidenced by—

"(i) a post-mortem blood alcohol level of .20% or greater;

"(ii) a post-mortem blood alcohol level of at least .10% but less than .20%, unless the Office receives convincing evidence that the

public safety officer was not acting in an intoxicated manner immediately prior to his death;

or resulting from drugs or other substances in the body;

"(5) 'law enforcement officer' means a person involved in crime and juvenile delinquency control or reduction, or enforcement of the laws, including, but not limited to, police, corrections, probation, parole, and judicial officers;

"(6) 'public agency' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, and any territory or possession of the United States, or any unit of local government, department, agency, or instrumentality of any of the foregoing; and

"(7) 'public safety officer' means a person serving a public agency in an official capacity, with or without compensation, as a law enforcement officer or a fireman.

"ADMINISTRATIVE PROVISIONS

"SEC. 1004. (a) The Office is authorized to establish such rules, regulations, and procedures as may be necessary to carry out the purposes of this part. Such rules, regulations, and procedures will be determinative of conflict of laws issues arising under this part. Rules, regulations, and procedures issued under this part may include regulations governing the recognition of agents or other persons representing claimants under this part before the Office. The Office may prescribe the maximum fees which may be charged for services performed in connection with any claim under this part before the Office, and any agreement in violation of such rules and regulations shall be void.

"(b) In making determinations under section 1001, the Office may utilize such administrative and investigative assistance as may be available from State and local agencies. Responsibility for making final determinations shall rest with the Office.

"JUDICIAL REVIEW

"SEC. 1005. The United States Claims Court shall have exclusive jurisdiction over all actions seeking review of the final decisions of the Office under this part.

"PART K—FBI TRAINING OF STATE AND LOCAL CRIMINAL JUSTICE PERSONNEL

"SEC. 1101. (a) The Director of the Federal Bureau of Investigation is authorized to—

"(1) establish and conduct training programs at the Federal Bureau of Investigation Academy at Quantico, Virginia, to provide, at the request of a State or unit of local government, training for State and local criminal justice personnel;

"(2) develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen criminal justice; and

"(3) assist in conducting, at the request of a State or unit of local government, local and regional training programs for the training of State and local criminal justice personnel engaged in the investigation of crime and the apprehension of criminals. Training for rural criminal justice personnel shall include, where appropriate, effective use of regional resources and methods to improve coordination among criminal justice personnel in different areas and in different levels of government. Such training shall be provided only for persons actually employed as State police or highway patrol, police of a unit of local government, sheriffs, and their deputies, and other persons as the State or unit may nominate for police training while such persons are actually employed as officers of such State or unit.

"(b) In the exercise of the functions, powers, and duties established under this section the Director of the Federal Bureau of Investigation shall be under the general authority of the Attorney General.

"(c) Notwithstanding the provisions of subsection (a), the Secretary of the Treasury is authorized to fund and continue to develop, establish and conduct training programs at the Federal Law Enforcement Training Center at Glynco, Georgia, to provide, at the request of a State or unit of local government, training for State and local criminal justice personnel so long as that training does not interfere with the Center's mission to train Federal law enforcement personnel.

"PART L—EMERGENCY FEDERAL LAW ENFORCEMENT ASSISTANCE

"APPLICATION REQUIREMENTS

"SEC. 1201. (a) The Attorney General is authorized to receive from the chief executive of any state a request for designation of a state or local jurisdiction as a law enforcement emergency jurisdiction. Such application shall be submitted in such manner and containing or accompanied by such information as the Attorney General may prescribe. Such application for designation as a law enforcement emergency jurisdiction shall be evaluated by the Attorney General according to such criteria, and on such terms and conditions as he shall establish and shall publish in the Federal Register prior to the beginning of fiscal year 1984 and each fiscal year thereafter for which appropriations will be available to carry out the program.

"(b) The Attorney General shall, in accordance with the criteria established, approve or disapprove such application not later than ten days after receiving such application.

"ASSISTANCE PROVIDED

"SEC. 1202. (a) Upon a finding by the Attorney General that a law enforcement emergency exists in accordance with the provisions of section 1201 of this title, the federal law enforcement community is authorized to provide emergency assistance for the duration of the emergency. The cost of such assistance may be paid by the Office of Justice Assistance from funds appropriate under this part, in accordance with procedures established by the Office and the heads of the participating Federal law enforcement agencies and with the approval of the Attorney General.

"(b) Upon such finding by the Attorney General, the Office of Justice Assistance may provide technical assistance, funds for the lease or rental of specialized equipment and other forms of emergency assistance to the jurisdiction, except that no funds may be used to pay the salaries of local criminal justice personnel or othewise supplant State or local funds that would in the absence of such Federal funds be made available for law enforcement. The cost of assistance provided under this section shall be paid by the Office of Justice Assistance from funds appropriated under this part. The Federal share of such assistance may be up to 100 per centum of project costs.

"DEFINITIONS

"SEC. 1203. For the purposes of this part—

"(1) the term "Federal law enforcement assistance" means equipment, training, intelligence information, and technical expertise;

"(2) the term "Federal law enforcement community" means the heads of the following departments or agencies:

"(A) the Department of Justice,

"(B) the Internal Revenue Service,

"(C) the Customs Service

"(D) the National Park Service,

"(E) the Secret Service,

"(F) the Coast Guard,

"(G) the Bureau of Alcohol, Tobacco and Firearms,

"(H) other Federal agencies with specific statutory authority to investigate violations of Federal criminal laws;

"(3) the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and Commonwealth of the Northern Mariana Islands.

"(4) the term 'law enforcement emergency' means an uncommon situation in which state and local resources are inadequate to protect the lives and property of citizens or enforce the criminal law.

"ADMINISTRATIVE REQUIREMENT

"SEC. 1204. The recordkeeping and administrative requirements of section 708, 709 and 710 shall apply to funds provided under this part.

"LIMITATION OF AUTHORITY

"SEC. 1205. (a) Nothing in this part authorizes the use of Federal law enforcement personnel to investigate violations of criminal law other than violations with respect to which investigation is authorized by other provisions of law.

"(b) Nothing in this part shall be construed to authorize the Attorney General or the Federal law enforcement community to exercise any direction, supervision, or control over any police force or other criminal justice agency of an applicant for Federal law enforcement assistance.

"(c) Nothing in this part shall be construed to authorize the Attorney General or the Federal law enforcement community—

"(1) to condition the availability or amount of Federal law enforcement assistance upon the adoption by an applicant for such assistance of, or

"(2) to deny or discontinue such assistance upon the failure of such applicant to adopt, a percentage ratio, quota system, or other program to achieve racial balance in any criminal justice agency of such applicant.

"(d) No funds provided under this part may be used to supplant State or local funds that would otherwise be made available for such purposes.

"(e) Nothing in this part shall be construed to limit any authority to provide emergency assistance otherwise provided by law.

"REPAYMENT

"SEC. 1206. (a) If Federal law enforcement assistance provided under this part is used by the recipient of such assistance for any purpose other than the purpose for which it is provided, then such recipient shall promptly repay to the Attorney General an amount equal to the value of such assistance.

"(b) The Attorney General may bring a civil action in an appropriate United States district court to recover any amount required to be repaid under subsection (a).

"PART M—TRANSITION

"CONTINUATION OF RULES, AUTHORITIES, AND PROCEEDINGS

"SEC. 1301. (a) All orders, determinations, rules, regulations, and instructions of the Office of Justice Assistance, Research, and Statistics which are in effect on the date of the enactment of this Act shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President or the Attorney General, or his designee, or by operation of law.

"(b) The amendments made to this title by the Justice Assistance, Missing Children and Juvenile Justice Act of 1984 shall not affect any suit, action, or other proceeding commenced by or against the Government before the date of the enactment of such Act.

"(c) Nothing in this title prevents the utilization of funds appropriated for purposes of this title for all activities necessary or appropriate for the review, audit, investigation, and judicial or administrative resolution of audit matters for those grants or contracts that were awarded under this title. The final disposition and dissemination of program and project accomplishments with respect to programs and projects approved in accordance with this title, as in effect before the date of the enactment of Act, may be carried out with funds appropriated for purposes of this title.

"(d) The Assistant Attorney General may award new grants, enter into new contracts or cooperative agreements and otherwise obligate unused or reversionary funds previously appropriated for the purposes of Parts D, E and F of this title as in effect on the day before the date of enactment of the Justice Assistance Act of 1984, or for purposes consistent with this title.

"(e) Notwithstanding any other provisions of law, the Assistant Attorney General shall have all the authority previously vested in the Director of the Office of Justice Assistance, Research, and Statistics and the Administrator of the Law Enforcement Assistance Administration necessary to terminate the activities of the Law Enforcement Assistance Administration and the Office of Justice Assistance, Research, and Statistics, and all provisions of this title, as in effect on the day before the enactment of this Act, which are necessary for this purpose remain in effect for the sole purpose of carrying out the termination of these activities.".

REFERENCES IN OTHER LAWS

SEC. 103. Any reference to the Office of Justice Assistance, Research, and Statistics or the Law Enforcement Assistance Administration in any law other than this Act and the Omnibus Crime Control and Safe Streets Act of 1968, applicable to activities, functions, powers, and duties that after the date of the enactment of this Act are carried out by the Office of Justice Assistance shall be deemed to be a reference to the Office of Justice Assistance or to the Assistant Attorney General, Office of Justice Assistance, as the case may be.

COMPENSATION OF FEDERAL OFFICERS

SEC. 104. (a) Section 5314 of title 5, United States Code is amended by striking out "Director, Office of Justice Assistance, Research, and Statistics."

(b) Section 5315 of title 5, United States Code is amended by sriking out "Administrator of Law Enforcement Assistance." "Director of the National Institute of Justice", and Director of the Bureau of Justice Statistics."

(c) Section 516 of title 5, United States Code is amended by adding "Director of the National Institute of Justice, Director of the Bureau of Justice Statistics, Administrator of the Office of Juvenile Justice and Delinquency Prevention."

PRISON INDUSTRY ENHANCEMENT

SEC. 105. (a) Section 1761, subsection (c), of title 18, United States Code, is amended to read as follows:

"(c) In addition to the exceptions set forth in subsection (b) of this section, this chapter shall also not apply to goods, wares, services or merchandise manufactured, produced, provided or mined by convicts or prisoners particpating in a program of not more than 20 projects designated by the Assistant Attorney General, Office of Justice Assistance, who—

"(1) have, in connection with such work, received wages at a rate which is not less than that paid for work of a similar nature in the locality in which the work was performed, except that such wages may be subject to deductions which shall not, in the aggregate, exceed 80 per centum of gross wages, and shall be limited as follows:

"(A) taxes (Federal, State, local);

"(B) reasonable charges for room and board as determined by regulations which shall be issued by the Chief correctional officer of the jurisdiction;

"(C) allocations for support of family pursuant to State statute, court order, or agreement by the offender;

"(D) contributions to any fund established by law to compensate the victims of crime of not more than 20 per centum but not less than 5 per centum of gross wages:

"(2) are entitled to compensation for injury sustained in the course of participation in these projects;

"(3) have participated in such employment voluntarily and have agreed in advance to the specific deductions made from gross wages pursuant to this section, and all other financial arrangements as a result of participation in such employment.

"(b)(1) Section 1761 of title 18, United States Code, is amended by adding thereto a new subsection (d) as follows:

"(d) The provisions of subsection (c) shall not apply unless—

"(1) representatives of local union central bodies or similar labor union organizations have been consulted prior to the initiation of any project otherwise qualifying for any exception created by subsection (c); and

"(2) such paid inmate employment will not result in the displacement of employed workers, or by applied in skills, crafts, or trades in which there is a surplus of available gainful labor in the locality, or impair existing contracts for services."

"(2) The second sentence of Section 11507 of title 49, United States Code, is amended by adding after the "use" the following: ", or to commodities produced by a project designated by the Assistant Attorney General, Office of Justice Assistance under Section 1761(c) of title 18, United States Code'.

(c) The first section of the Act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; 41 U.S.C. 35), commonly known as the Walsh-Healey Act, is amended by adding to the end of subsection (d) thereof, before "; and", the following: "except that this section, or any other law or Executive order containing similar prohibitions against purchase of goods by the Federal Government, shall not apply to convict labor which satisfies the conditions of section 1761(c) and 1761(d) of title 18, United States Code".

SEC. 106. (a) Section 1028 of title 18, United States Code, is amended by adding at the end thereof the following:

"(f) To the maximum extent feasible, personal descriptors or identifiers utilized in identification documents, as defined in this section, shall utilize common descriptive terms and formats designed to—

"(1) reduce the redundancy and duplication of identification systems by providing information which can be utilized by the maximum number of authorities; and

"(2) facilitate positive identification of bona fide holders of identification documents."

"(b) The President shall, no later than three years after the date of enactment of this Act, and after consultation with Federal, State, local, and international issuing authorities, and concerned groups, make recommendations to the Congress for the enactment of comprehensive legislation on Federal identification systems. Such legislation shall—

"(1) give due consideration to protecting the privacy of persons who are the subject of any identification system;

"(2) recommend appropriate civil and criminal sanctions for the misuse or unauthorized disclosure of personal identification information; and

"(3) make recommendations providing for the exchange of personal identification information as authorized by Federal or State law or Executive order of the President or the chief executive officer of any of the several States.".

SEC. 107. Title II of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5601), is amended as follows—

(a) SEC. 201. is amended to read—

"SEC. 201. (a) There is established an Office of Juvenile Justice and Delinquency Prevention (hereinafter referred to in this title as the "Office") within the Department of Justice under the general authority of the Attorney General.

"(b) The Office shall be headed by an Administrator nominated by the President by and with the advice and consent of the Senate. The Administrator of the Office of Juvenile Justice and Delinquency Prevention (hereinafter referred to in this title as the "Administrator") shall have had experience in juvenile justice programs. The Administrator shall have authority to make grants, cooperative agreements, and contracts awarded by the Office. The Administrator shall report to the Attorney General through the Assistant Attorney General who heads the Office of Justice Assistance under Part A of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by the Justice Assistance, Missing Children and Juvenile Justice Act of 1984.

"(c) There shall be in the Office such Deputy Administrators as the Attorney General may designate including an Assistant Administrator whose function shall be to supervise and direct the National Institute for Juvenile Justice and Delinquency Prevention established under section 241 of this title.",

(b) by striking out section 207,

(c) by striking out "Advisory Committee" each place it appears and inserting in lieu thereof "Justice Assistance Board",

(d) SEC. 261 is amended to read—

"SEC. 261. (a) To carry out the purposes of this title there is authorized to be appropriated $70,000,000 for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988. Funds appropriated for any fiscal year may remain available for obligation until expended.

"(b) The Administrator is authorized to—

"(1) approve any appropriate State agency designated by the Governor of the State involved as the sole agency responsible for supervising the preparation and administration of the State plan submitted under section 223; and

"(2) establish appropriate administrative and supervisory board membership requirements for any agency designated in accordance with paragraph (1), and permit the State advisory group appointed under section 223(a)(3) to operate as the supervisory board for such agency, at the discretion of the Governor.", and

(e) SEC. 262 is amended to read—

"SEC. 262. The Office shall be administered by the Administrator under the general authority of the Attorney General in accordance with the administrative provisions of Part G of Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by the Justice Assistance, Missing Children and Juvenile Justice Act of 1984.".

SEC. 108. Title II of the Juvenile Justice and Deliquency Prevention Act of 1974 (42 U.S.C. 5601) is amended by adding at the end thereof the following new part:

"PART E—MISSING CHILDREN

"FINDINGS

"SEC. 271. The Congress finds that—

"(1) over one million children are missing from their homes each year;

"(2) thousands of these children are abducted under circumstances which immediately place them in grave danger;

"(3) many of these children are never reunited with their families;

"(4) often, there are no clues as to the whereabouts of these children;

"(5) many missing children are at great risk of both physical harm and sexual exploitation;

"(6) of the over three thousand unidentifiable bodies that are discovered annually, hundreds are children;

"(7) in many cases, parents and local law enforcement officials have neither the resources nor the expertise to mount expanded search efforts;

"(8) abducted children are frequently moved from one locality to another, requiring the cooperation and coordination of local, State, and Federal law enforcement efforts;

"(9) on frequent occasions, law enforcement authorities quickly exhaust all leads in missing children cases, and require assistance from distant communities where the child may be located; and

"(10) Federal assistance is urgently needed to coordinate and assist in this interstate problem.

"DEFINITION

"SEC. 272. For purposes of this part the term 'missing child' means

"(1) any individual thirteen years of age or younger whose whereabouts are unknown to his legal custodian; or

"(2) any individual less than eighteen years of age whose whereabouts are unknown to his legal custodian if—

"(A) the circumstances surrounding such individual's disappearance indicate that such individual may have been removed by another from the control of his legal custodian without the custodian's consent, or

"(B) credible evidence indicates that the individual is likely to be abused or sexually exploited.

"DUTIES AND FUNCTIONS OF ADMINISTRATOR

"Sec. 273(a). The Administrator of the Office of Juvenile Justice and Delinquency Prevention—

"(1) may prescribe such rules as he considers necessary or appropriate to carry out the purposes of this part;

"(2) shall make such arrangements as may be necessary or appropriate to ensure that there is effective coordination among all federally funded programs related to missing children; and

"(3) shall provide adequate staff and agency resources which are necessary to properly carry out the responsibilities pursuant to this part.

"(b) The Administrator shall, by making grants to, or entering into contracts with, public agencies or nonprofit organizations (or combination thereof), provide for programs—

"(1) to establish and maintain a national toll-free telephone line where individuals may report information regarding the location of missing children;

"(2) to establish and maintain a national resource center and clearinghouse to—

"(A) provide technical assistance to local and State governments, public and private nonprofit agencies and individuals in locating and recovering missing children;

"(B) coordinate public and private programs to locate and recover missing children; and

"(C) nationally disseminate information on innovative missing childrens' programs, services, and legislation; and

"(D) provide technical assistance to law enforcement agencies, State and local governments, elements of the criminal justice system, public and private non-profit agencies, and individuals in the prevention, investigation, prosecution and treatment of the missing and exploited child case; and

"(3) to periodically conduct national incidence studies to determine the actual number of children reported missing each year, the number of children who are victims of stranger abductions, the number of children who are the victims of parental kidnappings, and the number of missing children who are recovered each year.

"(c) The Administrator shall compile, analyze, publish, and disseminate an annual summary of recently conducted research, and research currently being conducted on missing children, as well as prepare, in conjunction with the Advisory Board on Missing Children, an annual comprehensive plan for assuring cooperation and coordination among all agencies and organizations with responsibilities related to missing children.

"(d) Nothing contained in this section shall be construed to grant to the Administrator any law enforcement responsibility or supervisory authority over any other Federal agency.

"GRANTS

"SEC. 274. (a) The Administrator is authorized to make grants to and enter into contracts with public agencies or nonprofit private organizations, or combinations thereof, for research, or demonstration or service programs designed—

"(1) to educate parents, children, and community agencies in ways to prevent the abduction and exploitation of children;

"(2) to assist in the recovery or tracking of missing children;

"(3) to aid communities in the collection of materials which would be useful to parents in the identification of their children;

"(4) to increase knowledge of the psychological consequences on both parents and children, of—

"(A) the abduction of a child, both during the period of disappearance and after the child is recovered; and

"(B) the sexual exploitation of a child;

"(5) to collect detailed data from selected States or localities on the actual investigative practices utilized by law enforcement agencies in missing children's cases; and

"(6) to minimize the negative impact of judicial and law enforcement proceedings on children who are victims of abuse or sexual exploitation and to promote the active participation of children and their families in cases involving abuse or sexual exploitation.

"(b) In considering grant applications under this part, priority shall be given to applicants who—

"(1) have demonstrated ability in—

"(A) locating missing children and reuniting them with their families or

"(B) providing other services to missing children or their families; and

"(2) substantially utilize volunteer assistance.

"ADVISORY BOARD

"SEC. 275. (a) The Administrator shall, within ninety days after the date of enactment of this part, appoint an Advisory Board on Missing children (hereinafter referred ot as the 'Advisory Board'), which shall meet periodically. Such Advisory Board shall be comprised of five members of the general public with experience or expertise related to missing children. The advisory Board shall assist the Administrator in cordinating programs and activities related to missing children which are planned, administered, or assisted by any Federal agency.

"(b) The Advisory Board shall assist in the preparation of the annual comprehensive plan on missing children developed pursuant to section 273(c) and shall submit the first annual plan to the President and Congress not later than eighteen months after the date of enactment of this section.

"(c) Members of the Advisory Board shall be entitled, for each day such member is engaged in the actual performance of this or her duties as a member of the Board, to be paid at a rate not in excess of the daily equivalent rate of pay payable to a GS–18 employee under section 5332 of title 5, United States Code, including travel time. All members of the Board shall be reimbursed for travel (including per diem in lieu of subsistence) as authorized by section 5703 of such title, subsistence, and other necessary expenses incurred by them in the performance of their duties.

"CRITERIA FOR GRANTS

"SEC. 276. The Administrator, in consultation with the Advisory Board on Missing Children, shall establish annual research, demonstration, and service program priorities for making grants or contracts pursuant to section 274 and, not less than sixty days before establishing such priorities, shall publish in the Federal Register for public comment a statement of such proposed priorities.

"AUTHORIZATION

"SEC. 277. To carry out the provisions of Part E, there are authorized to be appropriated $10,000,000 for each of the fiscal years ending September 30, 1984, September 30,

1985, September 30, 1986, September 30, 1987, and September 30, 1988."

SEC. 109. Section 223(a) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)) is amended as follows:

(1) Paragraph (10) is amended as follows:

(A) in subparagraph (F) by inserting "and their families" before the semicolon at the end thereof and

(B) in subparagraph (H)—

(i) in clause (iii) by striking out "or" at the end thereof, and

(ii) in clause (iv) by inserting "or"at the end thereof, and

(iii) by adding at the end thereof the following new clause:

"(v) involve parents and other family members in addressing the delinquency-related problems of juveniles;",

(2) by redesignating paragraphs (17), (18), (19), (20), (21) and (22) as paragraphs (18), (19), (20), (21), (22), and (23), respectively, and

(3) by inserting after paragraph (16) the following new paragraph:

"(17) provide assurance that consideration will be given to and that assistance will be available for approaches designed to strengthen and maintain the family units of delinquent and other youth to prevent juvenile delinquency. Such approaches should include the involvement of grandparents or other extended family members when possible and appropriate;".

(4) by striking out "and" at the end of subparagraph (I) and inserting "and" at the end of subparagraph (J);

(5) by adding after subparagraph (J) the following new subparagraph:

"(K) law-related education programs and projects designed to prevent juvenile delinquency."

SEC. 110. (a)(1) The first sentence of section 223(a)(10) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(10)) is amended by—

(A) striking out "programs for juveniles" and inserting in lieu thereof "programs for juveniles, including those processed in the criminal justice system,"; and

(B) striking out the prior at the end thereof and inserting in lieu thereof ", and to facilitate the coordination of services between the juvenile justice and criminal justice systems.".

(2) Section 223(a)(10) of the Juvenile Justice and Delinquency Act of 1974 (42 U.S.C. 5633(a)(10(J)) is amended by striking out "juvenile gangs and their members" and inserting in lieu thereof "gangs whose membership is substantially composed of juveniles".

(b)(1) Section 224(a)(12) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5634(a)(12) is amended by—

(A) inserting ", including those processed in the criminal justice system," after "prevention and treatment programs relating to juveniles"; and

(B) inserting "and facilitate the coordination of services between the juvenile and criminal justice systems" after "who commit serious crimes".

(2) Section 224(a) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5634(a)) is amended by—

(A) striking out "and" after the semicolon in clause (11);

(B) striking out the period at the end of clause (12) and;

(C) inserting at the end thereof the following:

"(13) develop and implement programs designed to deter involvement in illegal activities or to promote involvement in lawful activities on the part of gangs whose membership is substantially composed of juveniles; and

"(14) develop and implement law-related education delinquency prevention programs, including training programs for persons responsible for the implementation of law-related education programs in elementary and secondary schools, focussing primarily on youths at greatest risk of become delinquent."

(c) Section 243(5) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5653(5)) is amended by—

(1) inserting a dash after "including";

(2) designating the matter that follows the dash as clause (A);

(3) adding at the end thereof the following:

"(B) an examination of the treatment of juveniles processed in the criminal justice system; and

"(C) recommendations as to effective means for detering involvement in illegal activities or promoting involvement in lawful activities on the part of gangs whose membership is substantially composed of juveniles.".

SEC. 111. Section 223(a)(12)(A) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(12)(A)) is amended to read as follows:

"(12)(A) provide within three years after submission of the initial plan that—

"(i) juvenile nonoffenders such as dependent or neglected children shall not be placed in secure detention facilities or secure correctional facilities; and

"(ii) juveniles who are charged with or who have committed offenses that would not be criminal if committed by an adult or offenses which do not constitute violations of valid court orders shall not be placed in secure detention facilities or secure correctional facilities except that the short-term emergency placement in a public or private secure juvenile residential facility of certain of these juveniles may be ordered by the court if the court finds based on clear and convincing evidence that: (a) the physical safety of the juvenile is in serious danger; and (b) there is no less restrictive alternative placement available which would adequately safeguard the welfare of the juvenile, provided that a judicial determination is held within 24 hours and that the juvenile is either released or diverted to a nonsecure community-based alternative within 5 calendar days;

"(B) provide that pursuant to subparagraph (A)(ii) the State advisory group must evaluate the secure juvenile residential facilities in the State which are available to carry out the purposes of this subparagraph every six months to determine whether they provide acceptable shelter care and services to safeguard the welfare of these juveniles; juveniles shall not be held pursuant to subparagraph (A)(ii) in a facility which is not deemed appropriate for such a purpose.".

SEC. 112. Section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633) is amended—

(a) in subsection (a)(3)(C) to read as follows:

"(C) which shall include (i) representatives of private organizations, including those with a special focus on maintaining and strengthening the family unit, those representing parents or parent groups, those concerned with delinquency prevention and treatment and with neglected or dependent children, and those concerned with the quality of juvenile justice, education, or social services for children; (ii) representatives of organizations which utilize volunteers to work with delinquents or potential delinquents; (iii) representatives of community based delinquency prevention or treatment programs; (iv) representatives of business employing youth; (v) youth workers involved with alternative youth programs; and (vi) persons with special experience and competence in addressing the problems of the family, school violence and vandalism, and learning disabilities,";

(b) in subsection (a)(12)(B) by substituting "C" for "B", by substituting "," for "and" after "* * * subparagraph (A)", and by inserting after "* * * section 103(1)" the following, ", and a report on the number of juveniles held under subparagraph (A)(ii), including the length of confinement and final case disposition".

SEC. 113. The last sentence of section 223(c) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(c)) is amended by striking out "not to exceed 2 additional years" and inserting in lieu thereof "not to exceed 3 additional years.".

SEC. 114. Section 241(d) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C 5651(d)) is amended to read as follows:

"(d) It shall be the purpose of the Institute to provide—

"(1) a coordinating center for the collection, preparation, and dissemination of useful data regarding the prevention and treatment of juvenile delinquency; and

"(2) appropriate training (including training designed to strengthen and maintain the family unit) for representatives of Federal, state, local law enforcement officers, teachers and special education personnel, family counselors, child welfare workers, juvenile judges and judicial personnel, probation personnel, correctional personnel (including volunteer law personnel), persons associated with law-related education, youth workers, and representatives of private agencies and organizations with specific experience in the prevention and treatment of juvenile delinquency.".

SEC. 115. Section 243 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C 5653) is amended in paragraph (5) by striking out "recreation and" and inserting in lieu thereof "familial relationships, recreation, and".

SEC. 116. Section 244 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C 5654) is amended in paragraph (1) by striking out "and juvenile offenders" and inserting in lieu thereof ", juvenile offenders, and their families"

SEC. 117. Section 103(14) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C 5603) is amended by inserting "or other sex offenses punishable as a felony" after "rape" and before ", mayhem,".

SEC. 118. Section 341(a) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C 5751(a)) is amended by striking out all after "ending" through ", and" and inserting after "1984" the following: ", September 30, 1984, September 30, 1986, September 30, 1987, and September 30, 1988.".

SEC. 119. (a) Section 311(a) of the Runaway and Homeless Youth Act (42 U.S.C. 5711(a)) is amended by inserting "and their families" before the period at the end thereof.

(b) Section 311(b) of the Runaway and Homeless Youth Act (42 U.S.C. 5711(b)) is amended by inserting "and to the families of such juveniles" before the period at the end thereof.

SEC. 120. Section 312(b) of the Runaway and Homeless Youth Act (42 U.S.C. 5712) is amended as follows:

(1) in paragraph (4) by inserting "school systems," after "social service personnel,";

(2) in paragraph (5) by striking out "parents" and inserting in lieu thereof "families", and

(3) in paragraph (6) by striking out "parents" and inserting in lieu thereof "family members".

SEC. 121. (a) Section 311(a) of the Runaway and Homeless Youth Act (42 U.S.C. 5711(a)) is amended in the first sentence by striking out "nonprofit private agencies and coordinated networks of such agencies" and inserting in lieu thereof "private entities and coordinated networks of such entities".

(b) Section 313 of such act (42 U.S.C. 5713) is amended in the first sentence by striking out "nonprofit private agency" and inserting in lieu thereof "private entity".

(c) Section 314 of such Act (42 U.S.C. 5714) is amended in the first sentence and in the caption by striking out "nonprofit private agencies" and inserting in lieu thereof "private entities".

SPECTER (AND OTHERS) AMENDMENT NO. 3691

Mr. BAKER (for Mr. SPECTER for himself, Mr. D'AMATO, and Mr. DOLE) proposed an amendment to amendment No. 3690 proposed by Mr. THURMOND to the bill H.R. 2175, supra; as follows:

After Part F, add the following new part:

"PART G—CRIMINAL JUSTICE FACILITY

CONSTRUCTION: PILOT PROGRAM

"AUTHORITY FOR PAYMENTS

"SEC. 701. In order to relieve emergency overcrowding conditions at State and local correctional facilities, the Secretary of the Treasury is authorized to pay, subject to the requirement for a certification under section 705(c) by the Director of the Bureau of Justice Programs (hereinafter referred to in this part as the "Director"), to a State or political subdivision thereof, the Federal share of the cost of construction of a correctional facility project approved under this part.

"DEFINITIONS

"SEC. 702. For the purposes of this part—

"(1) a correctional facility project is a project for the construction, replacement, alteration or expansion of a prison or jail for the purpose of significantly expanding the rated inmate capacity of the State in which such facility is or will be located; and

"(2) the cost of construction shall include all expenses found necessary by the Director for the construction of the project, including architect and engineering fees, but excluding land acquisition costs.

"FEDERAL SHARE

"SEC. 703. (a) Except as provided in subsection (b), the Federal share of the cost of construction of a correctional facility project shall be 10 percent of such cost.

"(b) In the case of correctional facility projects determined by the Director, according to standards which the Director shall prescribe and publish in the Federal Register, to be prototypes of new methods and designs that will stand as examples of technology for avoiding delay and excessive costs in correctional facility design and improvement, the Federal share of the cost of construction of a correctional facility project shall be 12 percent of such cost.

"ELIGIBILITY; RATED CAPACITY

"SEC. 704. (a) A State or political subdivision thereof shall be eligible for assistance under this part in connection with a correctional facility project only—

"(1) to the extent that such project, together with other projects planned for or under construction, would cause the total rated capacity of State and local correctional facilities in such State to increase during the fiscal year in which an application is submitted under section 705 in connection with such project (such project to be deemed to be projected for completion and activation in such fiscal year) by an amount greater than the average annual such increase during the 5 fiscal years preceding such fiscal year;

"(2) where such project, together with other projects planned for or under construction and other correctional facilities, would not cause the rated capacity for such State to exceed the estimated necessary rated capacity prescribed by the Director pursuant to subsection (b)(1); and

"(3) where such project would meet the standards regarding advanced practices prescribed by the Director pursuant to subsection (b)(2).

"(b) Within 6 months after the date of enactment of this part, the Director shall prescribe by regulation—

"(1) the estimated rated capacity necessary to accommodate the total prison and jail inmate population of each State for the then present fiscal year and for each of the 3 succeeding fiscal years, and shall from time to time revise such estimates as appropriate; and

"(2) minimum standards regarding the current state of advanced practices in correctional facility construction methods and design technology.

"APPLICATION; APPROVAL; PAYMENT

"SEC. 705. (a) A State or political subdivision thereof desiring to receive assistance for the correctional facility project shall submit to the Director an application. Such application shall be in such form and contain such information as the Director considers necessary and appropriate, and shall set forth—

"(1) a detailed description of the correctional facility to be constructed, altered or expanded, including a description of the site of such facility;

"(2) an estimate of the total cost of the construction of such project, including the amount of assistance requested for such project;

"(3) reasonable assurance that title to such site is or will be vested solely in the applicant, or another agency or instrumentality of the applicant;

"(4) reasonable assurance that adequate financial support will be available for the construction of the project and for its maintenance and operation when complete;

"(5) the amount of increased rated capacity in each of the 6 fiscal years preceeding the fiscal year in which such application is submitted resulting from correctional facility projects in such State; and

"(6) reasonable assurance that the applicant will make such reports in such form and containing such information as the Director may from time to time reasonably require, and will afford the Director, upon demand, access to the records upon which such information is based.

"(b)(1) The Director may approve any such application if the Director finds that—

"(A) there are sufficient funds available to provide the assistance requested;

"(B) such assistance does not exceed the Federal share of the estimated total cost of construction;

"(C) the application contains such reasonable assurances as may be required under paragraph (1); and

"(D) the eligibility criteria of section 704 are met.

"(2) In approving applications under this subsection, the Director shall—

"(A) give primary consideration to the needs of States which have made satisfactory assurances that they have implemented, or are in the process of implementing, significant measures to reduce overcrowding and improve conditions of confinement in State and local correctional facilities, through legislative, executive, or judicial initiatives;

"(B) consider the extent of the applicant's compliance, or likelihood of future compliance based upon receipt of satisfactory assurances form the applicant, with the standards and recommendations of the clearinghouse on the construction and modernization of correctional facilities established under section 707;

"(C) consider the extent to which population levels or conditions of confinement in State or local correctional facilities have been determined, by adjudication, consent decree, or any other determination made on the record after opportunity for an agency hearing, to be in violation of the Federal Constitution, or State statutes, codes, or standards;

"(D) consider the numbers and general characteristics of the inmate population (to include factors such as offender ages, offenses, average term of incarceration, and custody status); and

"(E) endeavor to achieve equitable distribution of funds available for purposes of carrying out this part among the several States based upon consideration of the relative needs of each State.

"(c) Upon approving an application under this section, the Director shall certify to the Secretary of the Treasury the amount of assistance so approved, but in no event an amount greater than the Federal share, and shall designate the appropriation from which it shall be paid. Such certification shall provide for payment to the applicant or, if designated by the applicant, any agency or instrumentality of the applicant. Such amount shall be paid, in advance or by way of reimbursement, and in such installments consistent with the progress of construction as the Director may determine and certify for payment to the Secretary of Treasury. Funds paid under this subsection for the construction of an approved project shall be used solely for carrying out such project as so approved.

"(d) Any amendment of any application, whether or not approved, shall be subject to approval in the same manner as an original application.

"RECAPTURE PROVISIONS

"SEC. 706. If, within twenty years after completion of any correctional facility project with respect to which assistance has been provided under this section, such facilities cease to be operated as a correctional

facility, the United States may recover from the State, or from the then owner of such facility, any amount up to 10 percent of the then value of such project (but in no event an amount greater than the amount of assistance provided under this part for such project), as determined by agreement of the parties or by action brought in the district court of the United States for the district in which such facility is situated.

"CLEARINGHOUSE ON THE CONSTRUCTION AND MODERNIZATION OF CRIMINAL JUSTICE FACILITIES

"SEC. 707. The Director shall establish and operate a clearinghouse on the construction and modernization of correctional facilities, which shall collect and disseminate to pertaining to the construction and modernization of correctional facilities, including—

"(1) information concerning ways in which a construction program may be used to improve the administration of the criminal justice system within each state;

"(2) recommended minimum standards concerning construction materials and methods, to be updated from time to time to reflect technological advances;

"(3) the cost-effectiveness of available construction materials, methods and design technologies;

"(4) the training of correctional facility personnel; and

"(5) health and safety considerations in construction planning.

"The Director is authorized to enter into contracts with public agencies or private organizations to operate the clearinghouse established or designated under this section.".

After the third sentence of section 901(a), insert the following sentence: "There are authorized to be appropriate amounts not to exceed in total $25,000,000 for each of the fiscal years ending September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988, for the purposes of carrying out the functions and activities of the Bureau of Justice Programs as set forth in Part G.". Redesignate all part numbers, section numbers and cross references accordingly.

BIDEN (AND DOLE) AMENDMENT NO. 3692

Mr. BYRD (for Mr. BIDEN for himself and Mr. DOLE) proposed an amendment to amendment No. 3690 proposed by Mr. THURMOND to the bill H.R. 2175, supra; as follows:

On page 1, strike out the third sentence in section 101 of part A of title I and insert in lieu thereof "The Assistant Attorney General shall have authority to award grants, cooperative agreements, and contracts authorized under parts B, E, and F of this title.".

On page 2, strike out all of page 2 through the end of section 102 and insert in lieu thereof the following:

"DUTIES AND FUNCTIONS OF ASSISTANT ATTORNEY GENERAL

"SEC. 102. (a) The assistant Attorney General shall—

"(1) publish and disseminate information on the conditions and progress of the criminal justice systems;

"(2) maintain liaison with the executive and judicial branches of the Federal and State Governments in matters relating to criminal justice;

"(3) provide information to the President, the Congress, the judiciary, State and local governments, and the general public relating to criminal justice;

"(4) maintain liaison with public and private educational and research institutions, State and local governments, and governments of other nations relating to criminal justice;

"(5) provide staff support to coordinate the activities of the Office and the Bureau of Justice Programs, and National Institute of Justice, the Bureau of Justice Statistics, and the Office of Juvenile Justice and Delinquency Prevention;

"(6) exercise the powers and functions set out in Part G; and

"(7) exercise such other powers and functions as may be vested in the assistant Attorney General pursuant to this title or by delegation of the Attorney General.

"(b) The Attorney General shall submit an annual report to the President and to the Congress not later than March 31 of each year. Each annual report shall describe the activities carried our under the provisions of this title and shall contain such findings and recommendations as the Attorney General considers necessary or appropriate after consultation with the Assistant Attorney General and the Directors of the National Institute of Justice and the Bureau of Justice Statistics, and the Advisory Board.".

On page 8, beginning with the heading for section 302 strike out through subsection (b) and insert in lieu thereof the following:

"ESTABLISHMENT, DUTIES, AND FUNCTIONS

"SEC. 302. (a) There is established within the Department of Justice under the general authority of the Attorney General, a National Institute of Justice (hereinafter referred to in this title as the 'Institute').

"(b) The Institute shall be headed by a Director appointed by the President, by and with the advice and consent of the Senate. The Director shall have experience in justice research. The Director shall have authority to make grants, cooperative agreements, and contracts awarded by the Institute. The Director shall report to the Attorney General through the Assistant Attorney General who heads the Office. The Institute shall be administered by the Director under the general authority of the Attorney General in accordance with the administrative provisions of part C of this title. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Institute makes any contract or other arrangements under this title.".

On page 11, in clause (4), strike out "to the Assistant Attorney General".

On page 11, strike out clause (9).

On page 12, strike out clause (10) and insert in lieu thereof the following:

"(9) exercise the powers and functions set out in part G.".

On pages 13 and 14, beginning with the heading for section 402 strike out through subsection (b) of such section and insert in lieu thereof the following:

"ESTABLISHMENT, DUTIES, AND FUNCTIONS

"SEC. 402. (a) There is established within the Department of Justice, under the general authority of the Attorney General a Bureau of Justice Statistics (hereinafter referred to in this part as the "Bureau").

"(b) The Bureau shall be headed by a Director appointed by the President by and with the advice and consent of the Senate. The Director shall have had experience in statistical programs. The Director shall have authority to make grants, cooperative agreements, and contracts awarded by the Bureau. The Director shall report to the Attorney General through the Assistant Attorney General who heads the Office. The Bureau shall be administered by the Director under the general authority of the Attorney General in accordance with the administrative provisions of part G of this title. The Director shall not engage in any other employment than that of serving as Director; nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Bureau makes any contract or other arrangement under this Act.".

On page 15, clause (8), strike out "to the Assistant Attorney General".

On page 16, strike out clauses (14) through (16) and insert in lieu thereof the following:

"(14) insure conformance with security and privacy requirement of section 710 and identify, analyze, and participate in the development and impelmentation of privacy, security, and information policies which impact on Federal and State criminal justice operations and related statistical activities;

"(15) provide information to the President, Congress, Judiciary, State and local governments and the general public on justice statistics;

"(16) maintain liaison with State and local governments and with judicial branches of Federal and State governments in matters relating to justice statistics;

"(17) exercise the powers and functions set out in part G; and

"(18) cooperate in and participate with national and international organizations in the development of uniform justice statistics.".

On page 30, at the end of clause (3) of subsection (a) of section 604 before the semicolon insert the following: "of Justice Statistics, or the National Institute of Justice.".

On page 32, subsection (a) of section 701, strike out "is" and insert in lieu thereof ", the National Institute of Justice and the Bureau of Justice Statistics are".

On page 33, in the first sentence of the matter following clause (5), strike out "Office of Justice Assistance" and insert in lieu thereof "Institute".

On page 34, in subsection (a) before clause (1) strike out "Office finds" and insert "Office, the Institute, and the Bureau of Justice Statistics find".

On page 34, in subsection (a) in the matter following clause (3) strike out "the Assistant Attorney General" and insert in lieu thereof "they".

On pages 34 and 35, wherever the "Office" appears alone insert after such term following: "the Institute, or the Bureau of Justice Statistics".

AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES APPROPRIATION ACT, 1985

McCLURE (AND OTHERS) AMENDMENT NO. 3693

Mr. McCLURE (for himself, Mr. ABDNOR, Mr. SYMMS, Mr. BAUCUS, Mr. PRESSLER, Mr. HATCH, and Mr. HATFIELD) proposed an amendment to the bill (H.R. 5743) making appropriations for agriculture, rural development, and related agencies programs for the

fiscal year ending September 30, 1985, and for other purposes; as follows:

On page 15, line 10, strike out "$266,681,000" and insert in lieu thereof "$267,181,000".

On page 15, line 12, insert "and not less than $500,000 shall be available for the control of outbreaks of grasshoppers and Morman crickets" after "conditions".

BOREN (AND OTHERS) AMENDMENT NO. 3694

Mr. BOREN (for himself, Mr. BENTSEN, Mr. DECONCINI, Mr. TOWER, Mr. GOLDWATER, and Mr. BUMPERS) proposed an amendment to the bill H.R. 5743, supra; as follows:

On page 15, line 10, strike out "$267,181,000" and insert in lieu thereof "$279,448,000".

BUMPERS (AND OTHERS) AMENDMENT NO. 3695

Mr. BUMPERS (for himself, Mr. BAUCUS, Mr. EXON, Mr. HUDDLESTON, Mr. SARBANES, Mr. SASSER, and Mr. BOREN) proposed an amendment to the bill H.R. 5743, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) The Congress finds that:

(1) The volume of farm exports has declined each year since 1980 and this year will be more than 20 million metric tons below the 1980-1981 level, a decline of more than 12 percent; and

(2) The dollar value of farm exports during the same period has been consistently below the peak level of $43.8 billion achieved in 1980-1981; and

(3) Net farm income, adjusted for inflation, has declined in each year since 1980 and next year will still be below the 1977-80 average, even if the Department of Agriculture's optimistic forecast is correct; and

(4) the real value of farmland has fallen each year since 1980 and is currently at its lowest level since 1977; and

(5) The number of farm foreclosures and forced sales since 1980 has more than tripled with the Farmers Home Administration having taken possession of thousands of family farms and currently having over 2,000 such farms, valued at $440 million, in its inventory; and

(6) In addition to forcing thousands of family farmers out of business, the current high interest rates and growing costs of production make it difficult for young farmers to get into the business; and

(7) The Economic Report of the President refers to an unspecified plan, to be unveiled in 1985, to reduce spending; and

(8) Administration officials have included farm support programs on a list of future budget reductions;

(b) In view of these findings, it is the sense of the Congress that—

(1) the President shall, not later than October 2, 1984, report to Congress on the specific changes in fiscal and agricultural policy the Administration will take to increase farm income, expand farm exports, lower interest rates, assure an adequate flow of credit to the American farmer, and otherwise ameliorate the severe impacts on the family farmer which its fiscal policy has created, and

(2) the President shall, not later than October 2, 1984, report to Congress on the specific changes contemplated in farm commodity and credit programs, their effect on net farm income, exports, availability of credit and other indicators of the economic condition of family farms, and the effect of such changes on the federal budget.

EAGLETON AMENDMENT NO. 3696

Mr. EAGLETON proposed an amendment to amendment No. 3695 proposed by Mr. BUMPERS (and others) to the bill H.R. 5743, supra; as follows:

Strike out all after line 7 on page 1 of the pending amendment, through the end of the amendment, and insert in lieu thereof the following:

(3) Net farm income, adjusted for inflation, has declined in each year since 1980 and next year will still be below the 1977-80 average, even if the Department of Agriculture's optimistic forecast is correct; and

(4) the real value of farmland has fallen each year since 1980 and is currently at its lowest level since 1977; and

(5) The number of farm foreclosures and forced sales since 1980 has more than tripled with the Farmers Home Administration having taken possession of thousands of family farms and currently having over 2,000 such farms, valued at $440 million, in its inventory; and

(6) In addition to forcing thousands of family farmers out of business, the current high interest rates and growing costs of production make it difficult for young farmers to get into the business; and

(7) The Economic Report of the President refers to an unspecified plan, to be unveiled in 1985, to reduce spending; and

(8) Administration officials have included farm support programs on a list of future budget reductions; (b) in view of these findings, it is the sense of the Congress that—

(1) the President shall, not later than October 15, 1984, report to Congress on the specific changes in fiscal and agricultural policy the Administration will take to increase farm income, expand farm exports, lower interest rates, assure an adequate flow of credit to the American farmer, and otherwise ameliorate the severe impacts on the family farmer which its fiscal policy has created, and

(2) the President shall, not later than October 15, 1984, report to Congress on the specific changes contemplated in farm commodity and credit programs, their effect on net farm income, exports, availability of credit and other indicators of the economic condition of family farms, and the effect of such changes on the federal budget.

APPLICATION OF IMPUTED INTEREST AND INTEREST ACCRUAL RULES

MELCHER AMENDMENT NO. 3697

(Ordered referred to the Committee on Finance.)

Mr. MELCHER submitted an amendment intended to be proposed by him to the bill (S. 2894) to amend the Internal Revenue Code of 1954 to clarify the application of the imputed interest and interest accrual rules in the case of sales of residences, farms, and real property used in a trade or business; as follows:

On page 3, strike out lines 1 through 3 and insert in lieu thereof the following:

"(C) of real property by any person but only if such property is not described in subparagraph (A) or (B) and was used in a trade or business of such person or held by such person for the production of income.

On page 3, in the table between lines 12 and 13, strike out "$500,000" and insert in lieu thereof "$1,000,000.".

● Mr. MELCHER. Mr. President, I am submitting an amendment to S. 2894, my bill on imputed interest rates. This amendment includes commercial real property as property subject to the reduced rate of interest and increases the limit on commercial real property and real property sold in connection with the sale of a small business to $1 million.

Testimony presented at imputed interest rate hearings held by the Finance Committee on August 3, 1984, convinced me that these modifications make S. 2894 a better bill and protect those sales from higher imputed interest rates that we originally intended to protect.●

BOSCHWITZ AMENDMENT NO. 3698

Mr. BOSCHWITZ proposed an amendment to the bill H.R. 5743, supra; as follows:

On page 34, line 6, strike out "$327,251,000" and insert in lieu thereof "$357,251,000".

On page 64, line 4, insert "(1)" before "reduce".

On page 64, line 7, strike out "11,700" and insert in lieu thereof "12,700".

On page 64, line 9, after "14,156", insert the following: "; or (2) accomplish an increase in the full-time equivalent staff years for the Farmers Home Administration under the appropriation for Farmers Home Administration salaries and expenses provided in this Act through a transfer of full-time equivalent staff years from other agencies of the Department of Agriculture, except as otherwise provided in this Act".

LEVIN (AND BUMPERS) AMENDMENT NO. 3699

Mr. LEVIN (for himself and Mr. BUMPERS) proposed an amendment to the bill H.R. 5743, supra; as follows:

On page 64, between lines 9 and 10, insert the following new section:

SEC. 627. (a) The Congress finds that—

(1) Japan imposes quotas on eighteen categories of United States agricultural products while the United States does not impose any quotas on Japanese agricultural products;

(2) Japan makes her markets difficult to penetrate by formal and informal tariffs, quotas, and barriers and is one of the most protectionist countries in the world; and

(3) the result was a trade imbalance with Japan in 1983 of $19 billion and a projected trade imbalance of more than $27 billion in 1984.

(b) It is the sense of the Congress that should Japan continue tariffs, quotas, and barriers against American products the result would be that the United States

would no longer treat Japan better than they treat us in the area of trade.

METZENBAUM AMENDMENT NO. 3700

Mr. METZENBAUM proposed an amendment (which was subsequently modified) to the bill H.R. 5743, supra; as follows:

At the appropriate place, insert the following section:

SEC. . (a) The Congress finds that—

(1) the Secretary of the Treasury should take all reasonable and necessary steps to improve and promote tax compliance,

(2) long-term debt issued in registered form improves tax compliance,

(3) in the Tax Equity and Fiscal Responsibility Act of 1982, Congress restricted the use of unregistered obligations in order to promote tax compliance, and

(4) the Secretary of Treasury has publicly stated that the Treasury Department has no plans to issue bearer securities.

(b) It is the sense of the Congress that the Secretary of the Treasury shall—

(1) immediately act to the fullest extent possible under existing law to prevent the sale or resale of securities in bearer form backed by securities of the United States, or any agency or instrumentality of the United States, and to prevent such agencies and instrumentalities from issuing bonds in bearer form, and

(2) report to the appropriate Committees of Congress by September 1, 1984, on the effectiveness of existing law and regulations to achieve the aforesaid objectives, as well as preventing tax evasion by Americans who purchase bonds overseas.

GROUND WATER RECHARGE IN THE HIGH PLAINS STATE

DURENBERGER (AND PERCY) AMENDMENT NO. 3701

Mr. BAKER (for Mr. DURENBERGER for himself and Mr. PERCY) proposed an amendment to the bill (H.R. 71) to authorize and direct the Secretary of the Interior to engage in a special study of the potential for ground water recharge in the High Plains States, and for other purposes; as follows:

Page 2, line 7, strike "Act." and insert "Act: *Provided*, That funds made available pursuant to this Act shall not be used for the study or construction of ground water recharge demonstration projects in the High Plains States and other Reclamation Act States which would utilize water originating in the drainage basin of the Great Lakes.

DURENBERGER AMENDMENT NO. 3702

Mr. BAKER (for Mr. DURENBERGER) proposed an amendment to the bill H.R. 71, supra, as follows:

Page 5, line 19, insert the following new section 5 and renumber existing sections accordingly:

"SEC. 5. The Secretary, acting through the Bureau, and the Administrator of the Environmental Protection Agency (hereinafter referred to as the "Administrator") shall enter into a memorandum-of-understanding to provide for an evaluation of the impacts to surface water and ground water quality resulting from the ground water recharge demonstration projects constructed pursuant to this Act. The Administrator shall consult with the United States Geological Survey and shall make maximum use of data, studies, and other technical resources and assistance available from State and local entities in conducting the evaluation. The evaluation of water quality impacts shall be completed so as to be included in the Secretary's final report to the Congress referred to in section 4(c)(2) of this Act." Page 6, line 1, strike section 6 in its entirety and insert in lieu thereof:

"SEC 6. There is authorized to be appropriated for fiscal years beginning after September 30, 1983, $20,000,000 (October 1983 price levels) to carry out phase II. Amounts shall be made available pursuant to the authorization contained in this section in sums for individual projects based on findings of feasibility by the Secretary."

PRYOR AMENDMENT NO. 3703

Mr. BYRD (for Mr. PRYOR) proposed an amendment to the bill H.R. 71, supra, as follows:

Page 7, following line 2, insert the following new section:

"SEC. 9. No funds authorized to be appropriated by this Act shall be used for any activities associated with:

"(1) the interstate transfer of water from the State of Arkansas; or

"(2) the study or demonstration of the potential for the interstate transfer of water from the State of Arkansas."

TARIFF TREATMENT OF CERTAIN ARTICLES

DOLE AMENDMENT NO. 3704

(Ordered to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill (H.R. 3398) to change the tariff treatment with respect to certain articles, and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

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TITLE IV—TRADE WITH ISRAEL AND CANADA

Sec. 401. Negotiation of trade agreements to reduce trade barriers.
Sec. 402. Joint commission to resolve economic disputes between the United States and Canada.

TITLE V—GENERALIZED SYSTEM OF PREFERENCES

Sec. 501. Short title; statement of purpose.
Sec. 502. 10-year extension of the generalized system of preferences.
Sec. 503. Consideration of a beneficiary developing country's competitiveness in extending preferences.
Sec. 504. Amendments relating to the beneficiary developing country designation criteria and the provision of protection for intellectual property.
Sec. 505. Articles which may not be designated as eligible articles.
Sec. 506. Limitations on preferential treatment.
Sec. 507. Effective date.

TITLE I—TARIFF SCHEDULES AMENDMENTS

Subtitle A—Reference to Tariff Schedules

SEC. 101. REFERENCE.

Whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a schedule, item, headnote or other provision, the reference shall be considered to be made to a schedule, item, headnote or other provision of the Tariff Schedules of the United States (19 U.S.C. 1202).

Subtitle B—Permanent Changes in Tariff Treatment

SEC. 111. COATED TEXTILE FABRICS.

(a) Headnote 5 of schedule 3 is amended to read as follows:

"5. (a) Except as otherwise provided in subsection (b) of this headnote, for the purposes of parts 5, 6, and 7 of this schedule and parts 1 (except subpart A), 4, and 12 of schedule 7, in determining the classification of any article which is wholly or in part of a fabric coated or filled, or laminated, with nontransparent rubber or plastics (which fabric is provided for in part 4C of this schedule), the fabric shall be regarded not as a textile material but as being wholly of rubber or plastics to the extent that (as used in the article) the nontransparent rubber or plastics forms either the outer surface of such article or the only exposed surface of such fabric.

"(b) Any fabric described in part 4C of this schedule shall be classified under part 4C whether or not also described elsewhere in the schedules.".

(b) The headnotes to subpart C of part 4 of schedule 3 are amended—

(1) by striking out clause (vii) in headnote 1; and

(2) by inserting "or value" after "quantities" in headnote 2(c).

(c) Part 12 of schedule 7 is amended by inserting immediately after headnote 1 of part 12 headnote the following new headnote:

"2. This part does not cover fabrics, coated or filled, or laminated, with rubber or plastics provided for in part 4C of schedule 3.".

SEC. 112. WARP KNITTING MACHINES.

(a) Subpart E of part 4 of schedule 6 is amended by striking out item 670.20 and in lieu thereof the following new items with article descriptions at the same indentation level as the article description in item 670.19:

"670.20	Warp knitting machines...	Free		40% ad val
670.21	Other	5.6% ad val.	4.7% ad val.	40% ad val.".

(b) Item 912.14 of the Appendix is repealed.

(c)(1) The rate of duty in column numbered 1 for item 670.21 (as added by subsection (a)) shall be subject to all staged rate reductions for item 670.20 that were proclaimed by the President before the date of the enactment of this Act.

(2) Whenever the rate of duty specified in column numbered 1 for such item 670.21 is reduced to the same level as the corresponding rate of duty specified in the column entitled "LDDC" for such item, or to a lower level, the rate of duty in such "LDDC" column shall be deleted.

SEC. 113. CERTAIN GLOVES.

Subpart C of part 1 of schedule 7 is amended—

(1) by amending headnote 1—

(A) by striking out "and" at the end of paragraph (a),

(B) by striking out the period at the end of paragraph (b) and inserting "; and", and

(C) by adding at the end thereof the following new paragraph:

"(c) the term 'with fourchettes' includes only gloves which, at a minimum, have fourchettes extending from fingertip to fingertip between each of the four fingers."; and

(2) by amending item 705.85 by striking out "textile fabric" and "or sidewalls".

SEC. 114. PET TOYS.

Subpart A of part 13 of schedule 7 is amended by inserting immediately after item 790.55 the following new item:

"790.57	Toys for pets, of textile materials	8.5% ad val.	80% ad val.".

SEC. 115. WATER CHESTNUTS AND BAMBOO SHOOTS.

(a) Items 903.45, 903.50, and 903.55 are repealed.

(b) Subpart A of part 8 of schedule 1 is amended as follows:

(1) Item 137.84 is amended by striking out "25% ad val." in column 1 and inserting in lieu thereof "Free".

(2) Item 138.40 is amended by striking out "17.5% ad val." in column 1 and inserting in lieu thereof "Free".

(c) Subpart C of part 8 of schedule 1 is amended as follows:

(1) Item 141.70 is amended by striking out "7% ad val." in column 1 and inserting in lieu thereof "Free".

(2) Item 141.78 is amended by striking out "8.1% ad val." in column 1 and inserting in lieu thereof "Free".

SEC. 116. GUT FOR USE IN MANUFACTURE OF STERILE SURGICAL SUTURES.

(a) Subpart C of part 13 of schedule 7 is amended by striking out item 792.22 and inserting in lieu thereof the following new items with the article description at the same indentation level as the article description in item 792.20:

"792.24	If imported for use in the manufacture of sterile surgical sutures.	5.4% ad val.	3.5% ad val.	42% ad val.
792.26	Other	11.2% ad val.	7.7% ad val.	40% ad val.".

(b)(1) The rate of duty in column numbered 1 for item 792.24 (as added by subsection (a)) shall be subject to any staged rate reductions for item 495.10 which are proclaimed by the President before the date of the enactment of this Act.

(2) Whenever, after the application of paragraph (1), the rate of duty provided for item 792.24 in the column numbered 1 is not greater than the rate of duty provided for such item in the column designated "LDDC", no rate of duty shall be provided for such item in the column designated "LDDC".

(c) The rate of duty in column numbered 1 for item 792.26 (as added by subsection (a)) shall be subject to the same staged rate reductions that were proclaimed by the President before the date of the enactment of this Act for item 792.20.

SEC. 117. ORANGE JUICE PRODUCTS.

Subpart A of part 12 of schedule 1 is amended—

(1) by inserting after item 165.25 the following new items and the superior heading thereto, with such superior heading at the same indentation level as the article description "Lime" in item 165.25:

"165.27	Orange:		
	Not concentrated and not made from a juice having a degree of concentration of 1.5 or more (as determined before correction to the nearest 0.5 degrees).	20¢ per gal.	70¢ per gal.
165.29	Other	35¢ per gal.	70¢ per gal.".

(2) by redesignating items 165.30 and 165.35 as items 165.32 and 165.36, respectively.

SEC. 118. REIMPORTATION OF CERTAIN ARTICLES ORIGINALLY IMPORTED DUTY FREE.

Item 801.00 is amended by inserting "or which were previously entered free of duty pursuant to the Caribbean Basin Economic Recovery Act or title V of the Trade Act of 1974" after "previous importation".

SEC. 119. GEOPHYSICAL EQUIPMENT.

Part 1 of schedule 8 is amended by inserting in numerical sequence the following new item that has the same indentation as "Exhibition" in item 802.10:

"802.50	Rendition of geophysical or contracting services in connection with the exploration for, or the extraction or development of, natural resources.	Free	Free".

SEC. 120. SCROLLS OR TABLETS IMPORTED FOR USE IN RELIGIOUS OBSERVANCES.

Part 4 of schedule 8 is amended—

(1) by striking out "and 854.30" in headnote 1 and inserting in lieu thereof "854.30, and 854.40"; and

(2) by inserting in numerical sequence the following:

"854.40	Scrolls or tablets of wood or paper, commonly known as gohonzon, imported for use in public or private religious observances, whether or not imported for the use of a religious institution.	Free	Free".

SEC. 121. NAPHTHAS.

Headnote 1 for part 10 of schedule 4 is amended by inserting "naphthas, whether or not catalytic naphthas (provided for in item 475.35)," after "except".

SEC. 122. STEEL PIPES AND TUBES USED IN LAMP-POSTS.

(a) Subpart F of part 3 of schedule 6 is amended by inserting after item 653.37 the following new item with the same indentation as "Of brass" in item 653.37:

"653.38	Tapered steel pipes and tubes chiefly used as parts of illuminating articles.	11.9% ad val.	7.6% ad val.	45% ad val.".

(b)(1) Notwithstanding any other provision of law, any reduction authorized under section 101 of the Trade Act of 1974 (19 U.S.C. 2111) in the rate of duty provided in any rate column for item 653.39 which takes effect after the date of enactment of this Act shall apply to the rate of duty provided in the corresponding column for item 653.38.

(2) Whenever, after the application of paragraph (1), the rate of duty provided for item 653.38 in the column numbered 1 is not greater than the rate of duty provided for such item in the column designated "LDDC", no rate of duty shall be provided for such item in the column designated "LDDC".

SEC. 123. WEARING APPAREL.

The headnotes for part 6 of schedule 3 are amended by adding at the end thereof the following new headnote:

"(3)(a) Except as provided in (b) of this headnote, each garment is to be separately classified under the appropriate tariff item, even if 2 or more garments are imported together and designed to be sold together at retail.

"(b) The provisions of (a) of this headnote shall not apply to—

"(i) suits,

"(ii) pajamas and other nightwear,

"(iii) playsuits, washsuits, and similar apparel,

"(iv) judo, karate, and other oriental martial arts uniforms,

"(v) swimwear, and

"(vi) infants' sets for children who are not over 2 years of age.".

SEC. 124. RECENTLY DEVELOPED DAIRY PRODUCTS.

(a) Subpart D of part 4 of schedule 1 is amended—

(1) by adding at the end thereof the following new items with the same indentation as "Malted milk" in item 118.30:

"118.35	Whey protein concentrate.	Lb.	10% ad val.	xl	20% ad val.	
118.40	Lactalbumin	Lb.	Free	xl	Free	
118.45	Milk protein concentrate.	Lb.	0.2¢ per lb.	xl	5.5¢ per lb.".	

and

(2) by inserting after the heading of such subpart the following:

"Subpart D headnote:

"1. For purposes of item 118.45, the term 'milk protein concentrate' means any milk protein concentrate that is 40 percent or more protein by weight.".

(b)(1) Part 3 of the Appendix to the Tariff Schedules of the United States is amended—

(A) by striking out "and dried whey" in the superior heading to item 950.01 and inserting in lieu thereof ", dried whey, whey protein concentrate, lactalbumin, and milk protein concentrate",

(B) by striking out "items 115.45 and 118.05" in item 950.01 and inserting in lieu thereof "item 115.45, 118.05, 118.35, or 118.40", and

(C) by inserting "or 118.45" after "115.50" in item 950.02.

(2) Any article described in item 118.35, 118.40, or 118.45 of the Tariff Schedules of the United States which is entered before the date which is 15 days after the date of enactment of this Act shall not be taken into account in applying items 950.01 and 950.02 of such Schedules.

(c) The superior heading for item 493.12 of the Tariff Schedules of the United States is amended by inserting "(other than a product described in item 118.45)" after "value thereof".

SEC. 125. TECHNICAL AMENDMENT.

Headnote 3(a)(i) of the general headnotes and rules of interpretation is amended by striking out "of schedule 7, part 2, subpart E, and except as provided in headnote 4 of schedule 7, part 7, subpart A" and inserting in lieu thereof "of subpart E of part 2 of schedule 7, and except as provided in headnote 3 of subpart A of part 7 of schedule 7".

Subtitle C—Temporary Changes In Tariff Treatment

SEC. 141. CRUDE FEATHERS AND DOWN.

Items 903.70 and 903.80 of the Appendix are each amended by striking out "On or before 6/30/84" and inserting in lieu thereof "On or before 6/30/87."

SEC. 142. CANNED CORNED BEEF.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"903.15	Corned beef in airtight containers (provided for in item 107.48, part 2B, schedule 1).	3% ad val.	No change	On or before 12/31/89".

SEC. 143. HOVERCRAFT SKIRTS.

Item 905.40 of the Appendix is amended—

(1) by striking out "manmade" and inserting in lieu thereof "man-made" and

(2) by striking out "6/30/83" and inserting in lieu thereof "6/30/86".

SEC. 144. MXDA.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new items:

"907.02	m-Xylenediamine (MXDA) (provided for in item 404.88, part 1B, schedule 4).	Free	No change	On or before 6/30/87
907.04	1,3-Bis[aminomethyl] cyclohexane (1,3-BAC) (provided for in item 407.05, part 1B, schedule 4).	Free	No change	On or before 6/30/87".

SEC. 145. 4,4'-Bis(alpha,alpha-DIMETHYLBENZYL) DIPHENYLAMINE.

Supart B of part 1 of the Appendix is amended by inserting in numerical sequence the following item:

"906.95	4,4'd-Bis(alpha,alpha-dimethyld-benzyl) diphyenylamine (provided for in Item 404.88, part 1B, schedule 4).	Free	No change	On or before 5/30/87".

SEC. 146. FLECAINIDE ACETATE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.21	Flecainide acetate (provided for in item 412.12, part 1C, schedule 4).	Free	No change	On or before 6/30/87".

SEC. 147. CAFFEINE.

Item 907.22 of the Appendix is amended—

(1) by striking out "6% ad val." and inserting in lieu thereof "4.1% ad val."; and

(2) by striking out "12/31/83" and inserting in lieu thereof "12/31/85".

SEC. 148. WATCH CRYSTALS.

(a) Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

		1	LDDC	2	
"909.40	Watch glasses other than round watch glasses (provided for in item 547.13, part 3C, schedule 5).	6.2% ad val.	4.9% ad val.	No change	On or before 12/31/87".

(b) Effective with respect to articles provided for in item 909.40 (as added by subsection (a)) that are entered, or withdrawn from warehouse for consumption, on or after each of the dates set forth below, column 1 for such item is amended by striking out the rate of duty in effect on the day before such date and inserting in lieu thereof the rate of duty appearing below next to each such date:

Date:	Rate of duty:
January 1, 1985	5.9% ad val.
January 1, 1986	5.6% ad Val.
January 1, 1987	5.2% ad val.

SEC. 149. UNWROUGHT LEAD.

(a) Item 911.50 of the Appendix is amended by striking out "6/30/83" and inserting in lieu thereof "6/30/88".

(b) Section 114 of Public Law 96-609 is amended by striking out "July 1, 1983" in subsection (b) and inserting in lieu thereof "July 1, 1988".

SEC. 150. FLAT KNITTING MACHINES.

Item 912.13 of the Appendix is amended—

(1) by striking out "(provided for in item 670.19 or 670.20," and inserting in lieu thereof ", and parts thereof (provided for in items 670.19, 670.20, and 670.74,"; and

(2) by striking out "6/30/83" and inserting in lieu thereof "6/30/88".

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.13	Mixtures containing not less than 90 percent by weight of stereoisomers of 2-iso-propyl-5-methylcyclohexanol, but containing not more than 30 percent by weight of any one such stereoisomer (provided for in item 407.16, part 1B, schedule 4).	Free	No change	On or before 6/30/87".

SEC. 152. 2-METHYL, 4-CHLOROPHENOL.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.97	2-Methyl, 4-chlorophenol (provided for in item 403.56, part 1B, schedule 4).	Free	No change	On or before 12/31/87".

SEC. 153. UNWROUGHT ALLOYS OF COBALT.

Item 911.90 of the Appendix is amended by striking out "6/30/83" and inserting in lieu thereof "6/30/86".

SEC. 154. CERTAIN INTERMEDIATES FOR THE PRODUCTION OF DYES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new items:

"907.31	Beta-Naphthol (provided for in item 403.29, part 1B, schedule 4).	Free	No change	On or before 12/31/86
907.34	6-Amino-1-naphthol-3-sulfonic acid (provided for in item 405.00, part 1B, schedule 4).	Free	No change	On or before 12/31/86
907.35	2-(4-Aminophenyl)-6-methylbenzo-thiazole-7-sulfonic acid (provided for in item 406.40, part 1B, schedule 4).	Free	No change	On or before 12/31/86".

SEC. 155. CERTAIN SULFA COMPOUNDS.

(a) Item 907.19 of the Appendix is amended—

(1) by striking out "13.3% ad val." and inserting in lieu thereof "Free";

(2) by striking out "7 per lb. + 80% ad val." and inserting in lieu thereof "Free"; and

(3) by striking out "12/31/83" and inserting in lieu thereof "12/31/86".

(b) Subpart B of part I of the Appendix is amended by inserting in numerical sequence the following new items:

"907.33	Acetylsulfaguanidine (CAS No. 19077-97-5, provided for in item 406.56, part 1B, schedule 4).	Free	Free	On or before 12/31/87
907.36	Sulfamethazine (provided for in item 411.24, part 1C, schedule 4).	Free	Free	On or before 12/31/87
907.37	Sulfaguanidine (provided for in item 411.27, part 1C, schedule 4).	Free	Free	On or before 12/31/87
907.38	Sulfaquinoxaline (provided for in item 411.81, part 1C, schedule 4).	Free	Free	On or before 12/31/87
907.39	Sulfanilamide (provided for in item 411.81, part 1C, schedule 4).	Free	Free	On or before 12/31/87".

SEC. 156. CERTAIN PARTS FOR SPINDLE MOTORS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"912.03	Parts designed for use exclusively in permanent magnet, brushless, electronically commutated, direct current, computer memory disk drive spindle motors of less than 1/10 horsepower (provided for in items 682.55, 682.60, and 685.90, part 5, schedule 6).	Free	No change	On or before 12/31/85".

SEC. 157. MELAMINE.

(a) Subpart A of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"901.25	Melamine (provided for in item 425.10, part 2D, schedule 4).	5.1% ad val.	Free	On or before 12/31/86".

(b) Effective with respect to articles provided for in item 901.25 (as added by subsection (a)) that are entered, or withdrawn from warehouse for consumption, on or after January 1, 1986, column 1 for such item is amended by striking out "5.1% ad val." and inserting in lieu thereof "5.3% ad val.".

SEC. 158. 4-CHLORO-3-METHYLPHENOL.

Item 907.08 of subpart B of part 1 of the Appendix is amended by striking out "6/30/84" and inserting in lieu thereof "6/30/87".

SEC. 159. CERTAIN CLOCK RADIOS.

Item 911.95 of the Appendix is amended by striking out "9/30/84" and inserting in lieu thereof "12/31/85".

SEC. 160. RIFAMPIN.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.99	Rifampin (provided for in item 437.32, part 3B, schedule 4).	Free	No change	On or before 12/31/87".

SEC. 161. MEPENZOLATE BROMIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.56	Mepenzolate bormide (provided for in item 412.02, part 1C, schedule 4).	Free	No change	On or before 12/31/87".

SEC. 162. DESIPRAMINE HYDROCHLORIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.54	Desipramine hydrochloride (provided for in item 412.35, part 1C, schedule 4).	Free	No change	On or before 12/31/87".

SEC. 163. DIPHENYL GUANIDINE AND DI-ORTHO-TOLYL GUANIDINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.50	Diphenyl guanidine, and di-ortho-tolyl guanidine (provided for in item 405.52, part 1B, schedule 4).	Free	No change	On or before 9/30/87".

SEC. 164. CONTINUATION OF SUSPENSION OF DUTY ON CERTAIN FORMS OF ZINC.

Items 911.00, 911.01, 911.02, and 911.03 of the Appendix are each amended by striking out "6/30/84" and inserting in lieu thereof "6/30/89".

SEC. 165. CLOMIPHENE CITRATE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.42	Clomiphene citrate (provided for in item 412.50, part 1C, schedule 4).	Free	No change	On or before 6/30/86".

SEC. 166. TERFENADINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.25	Terfenadine (provided for in item 411.58, part 1C, schedule 4).	Free	No change	On or before 6/30/86".

SEC. 167. DICYCLOMINE HYDROCHLORIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.63	Dicyclomine hydrochloride (provided for in item 412.02, part 1C, schedule 4).	Free	No change	On or before 6/30/86".

SEC. 168. LACTULOSE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.76	Lactulose (provided for in item 439.50, part 3C, schedule 4).	Free	No change	On or before 6/30/87".

SEC. 169. IRON-DEXTRAN COMPLEX.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.79	Iron-dextran complex (provided for in item 440.00, part 3C, schedule 4).	Free	No change	On or before 6/30/87".

SEC. 170. CIRCULAR KNITTING MACHINES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new items with a superior heading that has the same indentation as "Powerdriven" in item 912.13:

"912.17	Circular knitting machines: Cylinder and dial machines designed for sweater strip or garment length knitting (provided for in item 670.17, part 4E, schedule 6).	Free	No change	On or before 12/31/89

912.18	Double cylinder machines for sweater strip or garment length knitting (provided for in item 670.17 part 4E, schedule 6).	Free	No change	On or before 12/31/89".

SEC. 171. UNCOMPOUNDED ALLYL RESINS.

Item 907.16 of the Appendix is amended by striking out "9/30/84" and inserting in lieu thereof "12/31/86".

SEC. 172. O-BENZYL-p-CHLOROPHENOL.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.23	o-Benzyl-p-chlorophenol (provided for in item 408.16, part 1C, schedule 4).	Free	No change	On or before 12/31/87".

SEC. 173. NARROW FABRIC LOOMS.

(a) Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"912.04	Power driven weaving machines for weaving fabrics not over 12 inches in width (provided for in item 670.14, part 4E, schedule 6), not including parts thereof (provided for in item 670.74, part 4E, schedule 6).	Free	No change	On or before 6/30/87".

(b) The headnotes for subpart B of part 1 of the Appendix is amended by adding at the end thereof the following new headnote:

"(7) Parts of power driven weaving machines for weaving fabrics not over 12 inches in width which are excluded from item 912.04 are classifiable under item 670.74 and are dutiable at the rate that would apply to the machines of which they are parts in the absence of the duty suspension provided for in item 912.04.".

SEC. 174. NICOTINE RESIN COMPLEX.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.63	Nicotine resin complex (provided for in item 437.13, part 3B, schedule 4).	Free	No change	On or before 6/30/87".

SEC. 175. TARTARIC ACID AND CERTAIN TARTARIC CHEMICALS.

Items 907.65, 907.66, 907.68, and 907.69 are each amended by striking out "6/30/84" and inserting in lieu thereof "6/30/88".

SEC. 176. MAGNESIUM CHLORIDE AND MAGNESIUM NITRATE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.52	Mixtures of 5-chloro-2-methyl-4-isothiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride and magnesium nitrate (provided for in item 432.25, part 2E, schedule 4).	Free	No change	On or before 6/30/87".

SEC. 177. POTASSIUM MIXTURES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.41	Mixtures of potassium 1-(p-chlorophenyl)-1,4-dihydro-6-methyl-4-oxopyri-dazine-3-carboylate ("fenridazon-potassium") and formulation adjuvants (provided for in item 408.38, part 1C, schedule 4).	Free	No change	On or before 6/30/87".

SEC. 178. CERTAIN BENZENOID CHEMICALS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new items:

"906.30	Trichlorosalicylic acid (provided for in item 404.46, part 1B) schedule 4).	Free	Free	On or before 6/30/86
906.32	M-Aminophenol (provided for in item 404.92, part 1B, schedule 4).	Free	Free	On or before 6/30/86
906.36	6-Amino-1-naphthol-3-sulfonic acid (provided for in item 405.00, part 1B, schedule 4).	Free	Free	On or before 6/30/86
906.38	4-Acetaminobenzene-sulfonyl chloride (provided for in item 405.33, part 1B, schedule 4).	Free	Free	On or before 6/30/86".

SEC. 179. LACE-BRAIDING MACHINES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"912.11	Decorative lacebraiding machines using the Jacquard system, and parts thereof (provided for in items 670.25 and 670.74, part 4E, schedule 6).	Free	No change	On or before 6/30/87".

SEC. 180. YTTRIUM.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.51	Yttrium bearing ores, materials, and compounds containing by weight more than 19% but less than 85% yttrium oxide equivalent (provided for in item 423.00 or 423.96, part 2C schedule 4, or item 603.70, part 1, schedule 6).	Free	No change	On or before 6/30/89".

SEC. 181. NATURAL GRAPHITE.

Item 909.01 of subpart B of part 1 of the Tariff Schedules of the United States is amended by striking out "12/31/84" and inserting in lieu thereof "12/31/87".

SEC. 182. TETRAAMINO BIPHENYL.

Item 909.01 of subpart B of part 1 of the Tariff Schedules of the United States is amended by striking out "12/31/84" and inserting in lieu thereof "12/31/87".

SEC. 182. TETRAAMINO BIPHENYL.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.32	Tetraamino biphenyl (provided for in item 404.90, subpart 1C, schedule 4).	Free	No change	On or before 12/31/88".

SEC. 183. CERTAIN CHEMICAL INTERMEDIATE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.51	(6R,7R)-7-[(R)-2-Amino-2-phenyl-acetamidol-3-methyl-8-oxo-5-thia-1-azabicyclo [4.2.0]oct-2-ene-2-carboxylic acid disolvate (provided for in item 406.42, part 1B, schedule 4).	Free	No change	On or before 12/31/86".

SEC. 184. CERTAIN MAGNETRON TUBES.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"912.02	Magnetron tubes with an operating frequency of 2.450 GHZ and a minimum power of at least 300 watts and a maximum power not greater than 2,000 watts (provided for in item 684.28, part 5, schedule 6).	Free	No change	On or before 12/31/86".

Subtitle D—Effective Dates

SEC. 199. EFFECTIVE DATES.

(a) As used in this section, the term "entered" means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States.

(b) Except as provided in subsections (c) and (d), the amendments made by subtitles B and C shall apply with respect to articles entered on or after the fifteenth day after the date of the enactment of this Act.

(c)(1) Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the customs officer concerned on or before the ninetieth day after the date of the enactment of this Act, the application of the amendments made by this Act to the entry of any article described in paragraph (2) shall be treated as provided in such paragraph.

(2) In the case of the application of the amendment made by section 112, 115, 118, 141, 142, 143, 147, 149, 150, 153, 155(a), 158, 159, and 164 to any entry—

(A) which was made after the applicable date and before the fifteenth day after the date of the enactment of this Act; and

(B) with respect to which there would have been no duty or a lesser duty if the amendment made by such section applied to such entry;

such entry shall be liquidated or reliquidated as though such entry had been made on the fifteenth day after the date of the enactment of this Act.

(3) For purposes of paragraph (2), the term "applicable date" means—

(A) in the case of sections 112, 115, 143, 149, 150, and 153, June 30, 1983;

(B) in the case of section 118, June 1, 1982;

(C) in the case of sections 147 and 155(a), December 31, 1983;

(D) in the case of sections 141, 158, and 164, June 30, 1984; and

(E) in the case of section 159, September 30, 1934.

(d)(1) The amendments made by section 117 of this Act shall apply to articles entered after March 31, 1985.

(2) The amendment made by section 142 of this Act shall apply with respect to articles entered on or after October 30, 1983.

(3) The amendments made by section 137 shall apply with respect to articles entered after December 31, 1984.

TITLE II—CUSTOMS AND MISCELLANEOUS AMENDMENTS

Subtitle A—Amendments to the Tariff Act of 1930

SEC. 201. PACKAGING MATERIALS FOR MERCHANDISE ENTITLED TO SAME CONDITION DRAWBACK.

(a) Section 313(j) of the Tariff Act of 1930 (19 U.S.C. 1313(j)) is amended by adding at the end thereof the following new paragraph:

"(3) Packaging material that is imported for use in packaging or repackaging imported merchandise to which paragraph (1) applies shall be eligible under the same conditions provided in such paragraph for refund, as drawback, of 99 per centum of any duty, tax, or fee imposed under Federal law on the importation of such material.".

(b) The amendment made by subsection (a) shall take effect on or after the fifteenth day after the date of the enactment of this Act.

SEC. 202. PUBLIC DISCLOSURE OF CERTAIN MANIFEST INFORMATION.

(a) Section 431 of the Tariff Act of 1930 (19 U.S.C. 1431) is amended—

(1) by striking out the period at the end of the paragraph designated as "Third" in subsection (a) and inserting in lieu thereof "; and the names of the shippers of such merchandise."; and

(2) by adding at the end thereof the following new subsection:

"(c)(1) Except as provided in subparagraph (2), the following information, when contained in such manifest, shall be available for public disclosure:

"(A) The name and address of each importer or consignee and the name and address of the shipper to such importer or consignee, unless the importer or consignee has made a biennial certification, in accordance with procedures adopted by the Secretary of the Treasury, claiming confidential treatment of such information.

"(B) The general character of the cargo.

"(C) The number of packages and gross weight.

"(D) The name of the vessel or carrier.

"(E) The port of loading.

"(F) The port of discharge.

"(G) The country or origin of the shipment.

"(2) The information listed in paragraph (1) shall not be available for public disclosure if—

"(A) the Secretary of the Treasury makes an affirmative finding on a shipment-by-shipment basis that disclosure is likely to pose a threat of personal injury or property damage; or

"(B) the information is exempt under the provisions of section 552(b)(1) of title 5 of the United States Code.

"(3) The Secretary of the Treasury, in order to allow for the timely dissemination and publication of the information listed in paragraph (1), shall establish procedures to provide access to manifests. Such procedures shall include provisions for adequate protection against the public disclosure of information not available for public disclosure from such manifests.".

(b) The amendments made by subsection (a) shall take effect on or after the fifteenth day after the date of the enactment of this Act.

SEC. 203. VIRGIN ISLANDS EXCURSION VESSELS.

(a) Section 442(3) of the Tariff Act of 1930 (19 U.S.C. 1441(3)) is amended to read as follows:

"(3) Vessels carrying passengers on excursion from the United States Virgin Islands to the British Virgin Islands and returning, and licensed yachts or undocumented American pleasure vessels not engaged in trade: *Provided,* That such vessels do not in any way violate the customs or navigation laws of the United States and have not visited any hovering vessel: *Provided further,* That the master of any such vessel which has on board any article required by law to be entered shall be required to report such article to the appropriate customs officer within twenty-four hours after arrival.".

(b) The amendment made by subsection (a) shall apply with respect to vessels returning from the British Virgin Islands on or after the fifteenth day after the date of the enactment of this Act.

SEC. 204. UNLAWFUL IMPORTATION OR EXPORTATION OF CERTAIN VEHICLES.

(a) Part V of title IV of the Tariff Act of 1930 (19 U.S.C. 1571 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 627. UNLAWFUL IMPORTATION OR EXPORTATION OF CERTAIN VEHICLES; INSPECTIONS.

"(a)(1) Whoever knowingly imports, exports, or attempts to import or export—

"(A) Any stolen self-propelled vehicle, vessel, aircraft, or part of a self-propelled vehicle, vessel, or aircraft; or

"(B) any self-propelled vehicle or part of self-propelled vehicle from which the identification number has been removed, obliterated, tampered with, or altered;

shall be subject to a civil penalty in an amount determined by the Secretary, not to exceed $10,000 for each violation.

"(2) Any violation of this subsection shall make such self-propelled vehicle, vessel, aircraft, or part thereof subject to seizure and forfeiture under this Act.

"(b) A person attempting to export a used self-propelled vehicle shall present, pursuant to regulations prescribed by the Secretary, to the appropriate customs officer both the vehicle and a document describing such vehicle which includes the vehicle identification number, before lading if the vehicle is to be transported by vessel or aircraft, or before export if the vehicle is to be transported by rail, highway, or under its own power. Failure to comply with the regulations of the Secretary shall subject such person to a civil penalty of not more than $500 for each violation.

"(c) For purposes of this section—

"(1) the term 'self-propelled vehicle' includes any automobile, truck, tractor, bus, motorcycle, motor home, self-propelled agricultural machinery, self-propelled construction equipment, self-propelled special use equipment, and any other self-propelled vehicle used or designed for running on land but not on rail;

"(2) the term 'aircraft' has the meaning given it in section 101(5) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(5));

"(3) the term 'used' refers to any self-propelled vehicle the equitable or legal title to which has been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser; and

"(4) the term 'ultimate purchaser' means the first person, other than a dealer purchasing in his capacity as a dealer, who in good faith purchases a self-propelled vehicle for purposes other than resale.

"(d) Customs officers may cooperate and exchange information concerning motor vehicles, off-highway mobile equipment, vessels, or aircraft, either before exportation or after exportation or importation, with such Federal, State, local, and foreign law enforcement or governmental authorities, and with such organizations engaged in theft prevention activities, as may be designated by the Secretary.".

(b) The amendment made by subsection (a) shall take effect on or after the fifteenth day after the date of the enactment of this Act.

SEC. 205. INCREASE IN AMOUNT FOR INFORMAL ENTRY OF GOODS.

(a) Paragraph (1) of section 498 of the Tariff Act of 1930 (19 U.S.C. 1498) is amended—

(1) by striking out "$250" and inserting in lieu thereof "$1,000"; and

(2) by inserting before the semicolon at the end thereof: ", except that this paragraph does not apply to articles valued in excess of $250 classified in—

"(A) schedule 3,

"(B) parts 1, 4A, 7B, 12A, 12D, and 13B of schedule 7, and

"(C) parts 2 and 3 of the Appendix, of the Tariff Schedules of the United States, or to any other article for which formal entry is required without regard to value.".

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the fifteenth day after the date of the enactment of this Act.

SEC. 206. CERTAIN COUNTRY OF ORIGIN MARKING REQUIREMENTS.

(a) Section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) is amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (f), (g), and (h), respectively;

(2) by inserting immediately after subsection (b) the following new subsections:

"(c) MARKING OF CERTAIN PIPE AND FITTINGS.—No exception may be made under subsection (a)(3) with respect to pipes of iron, steel, or stainless steel, to pipe fittings of steel, stainless steel, chrome-moly steel, or cast and malleable iron each of which shall be marked with the English name of the country of origin by means of die stamping, cast-in-mold lettering, etching, or engraving.

"(d) MARKING OF COMPRESSED GAS CYLINDERS.—No exception may be made under subsection (a)(3) with respect to compressed gas cylinders designed to be used for the transport and storage of compressed gases whether or not certified prior to exportation to have been made in accordance with the safety requirements of sections 178.36 through 178.68 of title 49, Code of Federal Regulations, each of which shall be marked with the English name of the country of origin by means of die stamping, molding, etching, raised lettering, or an equally permanent method of marking.

"(e) MARKING OF CERTAIN MANHOLE RINGS OR FRAMES, COVERS, AND ASSEMBLIES THEREOF.—No exception may be made under subsection (a)(e) with respect to manhole rings or frames, covers, and assemblies thereof each of which shall be marked on the top surface with the English name of the country of origin by means of die stamping, cast-in-mold lettering, etching, or engraving.";

and

(3) by striking out "subsection (c)" in subsection (g) (as so redesignated) and inserting in lieu thereof "subsection (f)".

(b) The amendments made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the fifteenth day after the date of the enactment of this Act; except for such of those articles that, on or

before such fifteenth day, had been taken onboard for transit to the customs territory of the United States.

SEC. 207. EQUIPMENTS AND REPAIRS OF CERTAIN VESSELS EXEMPT FROM DUTIES.

(a) Section 466(e) of the Tariff Act of 1930 (19 U.S.C. 1466 (e)) is amended to read as follows:

"(e)(1) In the case of any vessel referred to in subsection (a) that arrives in a port of the United States two years or more after its last departure from a port in the United States, the duties imposed by this section shall apply only with respect to—

"(A) fish nets and netting, and

"(B) other equipments and parts thereof, repair parts and materials purchased, or repairs made, during the first six months after the last departure of such vessel from a port of the United States.

"(2) If such vessel is designed and used primarily for transporting passengers or property, paragraph (1) shall not apply if the vessel departed from the United States for the sole purpose of obtaining such equipments, parts, materials, or repairs.".

(b)(1) The amendment made by subsection (a) shall apply with respect to entries made in connection with arrivals of vessels on or after the fifteenth day after the date of the enactment of this Act.

(2) Upon request therefor filled with the customs officer concerned on or before the ninetieth day after the date of the enactment of this Act, any entry in connection with the arrival of a vessel used primarily for transporting passengers or property—

(A) made before the fifteenth day after the date of the enactment of this Act but not liquidated as of January 1, 1983, or

(B) made before the fifteenth day after the date of the enactment of this Act but which is the subject of an action in a court of competent jurisdiction on September 19, 1983, and

(C) with respect to which there would have been no duty if the amendment made by subsection (a) applied to such entry,

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1980 (19 U.S.C. 1514) or any other provision of law, be liquidated or reliquidated as though such entry had been made on the fifteenth day after the date of the enactment of this Act.

SEC. 208. FUNGIBLE MERCHANDISE ENTITLED SAME CONDITION DRAWBACK.

(a) Section 313(j) of the Tariff Act of 1980 (19 U.S.C. 1313(j)) is amended—

(1) by redesignating paragraph (2) as paragraph (3);

(2) by inserting after paragraph (1) the following new paragraph:

"(2) If merchandise which is fungible to imported merchandise on which was paid any duty, tax, or fee because of its importation, or an aggregate of such imported merchandise and fungible merchandise (either of which has been imported by a person prior to the subsequent exportation by the same person of such commercially identical merchandise) is—

"(A) before the close of a three-year period beginning on the date of importation—

"(i) exported from the United States; or

"(ii) destroyed under Customs supervision; and

"(B) not used within the United States before such exportation or destruction;

then upon such exportation or destruction 99 per centum of the amount of each such duty, tax or fee so paid shall be refunded as drawback, notwithstanding the fact that none of the imported merchandise may actually have been exported or destroyed under Customs supervision.".

(b) The amendment made by subsection (a) shall take effect on or after the fifteenth day after the date of enactment of this Act.

SEC. 209. DRAWBACK FOR CERTAIN BULK ARTICLES.

(a) Section 313 of the Tariff Act of 1930 (19 U.S.C. 1313) is amended—

(1) by redesignating subsections (k) and (l) as subsections (l) and (m), respectively, and

(2) by inserting after subsection (j) the following new subsection:

"(k) For purposes of subsections (a) and (b), the use of any domestic merchandise acquired in exchange for imported merchandise of the same kind and quality shall be treated as the use of such imported merchandise if no certificate of delivery is issued with respect to such imported merchandise.".

(b) The amendment made by this section shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date of enactment of this Act.

SEC. 210. INVESTIGATIONS OF COUNTERVAILING DUTIES AND ANTIDUMPING DUTIES.

(a)(1) Subsection (a) of section 701 of the Tariff Act of 1930 (19 U.S.C. 1671(a)) is amended—

(A) by inserting ", or sold (or likely to be sold) for importation," after "imported" in paragraph (1);

(B) by inserting "or by reason of sales (or the likelihood of sales) of that merchandise for importation" immediately after "by reason of imports of that merchandise" in paragraph (2); and

(C) by adding at the end thereof the following new sentence: "For purposes of this subsection and section 705(b)(1), a reference to the sale of merchandise includes the entering into of any leasing arrangement regarding the merchandise that is equivalent to the sale of the merchandise.".

(2) Section 705(b)(1) of the Tariff Act of 1930 (19 U.S.C. 1671(b)(1)) is amended by inserting ", or sales (or the likelihood of sales) for importation," immediately after "by reason of imports".

(b) Section 731 of the Tariff Act of 1930 (19 U.S.C. 1673) is amended by adding at the end thereof the following new sentence: "For purposes of this section and section 735(b)(1), a reference to the sale of foreign merchandise includes the entering into of any leasing arrangement regarding the merchandise that is equivalent to the sale of the merchandise.".

Subtitle B—Miscellaneous Provisions

SEC. 241. DUTY-FREE ENTRY FOR PIPE ORGAN FOR THE CRYSTAL CATHEDRAL, GARDEN GROVE, CALIFORNIA.

The pipe organ that was imported for the use of the Crystal Cathedral of Garden Grove, California, and entered in six shipments between April 30, 1981, and April 8, 1982, at Los Angeles, California, shall be considered to have been admitted free of duty as of the date of each such entry. If the liquidation of any such entry has become final, the Secretary of the Treasury shall reliquidate each such entry and make the appropriate refund of any duty paid on such organ.

SEC. 242. DUTY-FREE ENTRY FOR SCIENTIFIC EQUIPMENT FOR THE ELLIS FISCHEL STATE CANCER HOSPITAL, COLUMBIA, MISSOURI.

Notwithstanding any provision of the Tariff Act of 1930 or any other provisions of the law to the contrary, the Secretary of the Treasury shall reliquidate, as duty free, the entries numbered 220286 (dated November 7, 1975) and 235380 (dated January 23, 1976) made at Chicago, Illinois, and covering scientific equipment for the use of the Ellis Fischel Cancer Hospital, Columbia, Missouri, in accordance with the decision of the Department of Commerce in docket numbered 76-00199-33-00530.

SEC. 243. ENFORCEMENT ARRANGEMENT ON EUROPEAN COMMUNITY EXPORT OF PIPES AND TUBES.

(a) The Secretary of Commerce is directed to enter into consultations immediately, if such consultations have not already been initiated, with the European Communities pursuant to the Arrangement on European Communities Export of Pipes and Tubes to the United States of America, contained in an exchange of letters dated October 21, 1982, between representatives of the United States and the Commission of the European Communities. The Secretary shall promptly report the results of the consultations to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(b) If after a period of sixty days after such consultations begin, consultations undertaken pursuant to subsection (a) have not resulted in an agreement the Secretary of Commerce determines will result in—

(1) an annual level of exports of pipes and tubes to the United States from the European Communities not exceeding the 1979-1981 average share of annual United States apparent consumption, and

(2) a pattern of United States-European Communities trade within the pipe and tube sector that is not distorted,

the Secretary is authorized to request the Secretary of the Treasury to take action pursuant to subsection (c). For purposes of this subsection, the Secretary of Commerce shall determine whether distortion is occurring in the pipe and tube sector by reference to product categories developed by the Secretary and by the average share of annual United States apparent consumption accounted for by European Communities articles within each category during the historical period specified in paragraph (1) of this subsection. Any request to the Secretary of the Treasury pursuant to this subsection by the Secretary of Commerce shall identify one or more specific categories of pipe and tube products with respect to which action under subsection (c) is requested.

(c) At the request of the Secretary of Commerce pursuant to subsection (b), the Secretary of the Treasury shall take such action as may be necessary to ensure that the aggregate quantity of European Communities articles in each product category identified by the Secretary of Commerce in such request that are entered into the United States during the remainder of the term of the Arrangement, are in accordance with the terms of the Arrangement. The Secretary of the Treasury is authorized to promulgate regulations establishing the terms and conditions under which European Communities articles may be denied entry into the United States pursuant to this subsection.

SEC. 244. NO STATE OR LOCAL TAX ON INVENTORY LOCATED IN FOREIGN TRADE ZONES.

(a) Section 15 of the Act of June 18, 1934 (48 Stat. 1002; 19 U.S.C. 81o), commonly known as the Foreign Trade Zones Act, is amended by adding at the end thereof the following new subsection:

"(e) Tangible personal property imported from outside the United States and held in a zone for the purpose of storage, sale, exhi-

bition, repackaging, assembly, distribution, sorting, grading, cleaning, mixing, display, manufacturing, or processing, and tangible personal property produced in the United States and held in a zone for exportation, either in its original form or as altered by any of the above processes, shall be exempt from State and local ad valorem taxation.".

(b) The amendment made by subsection (a) shall take effect on January 1, 1983.

SEC. 245. DENIAL OF DEDUCTION FOR CERTAIN FOREIGN ADVERTISING EXPENSES.

(a) Section 162 of the Internal Revenue Code of 1954 (relating to trade or business expenses) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) CERTAIN FOREIGN ADVERTISING EXPENSES.—

"(1) IN GENERAL.—No deduction shall be allowed under subsection (a) for any expenses of an advertisement carried by a foreign broadcast undertaking and directed primarily to a market in the United States. This paragraph shall apply only to foreign broadcast undertakings located in a country which denies a similar deduction for the cost of advertising directed primarily to a market in the foregn country when placed with a United States broadcast undertaking.

"(2) BROADCAST UNDERTAKING.—For purposes of paragraph (1), the term 'broadcast undertaking' includes (but is not limited to) radio and television stations.".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 246. CERTAIN RELICS AND CURIOS.

Section 925 of title 18, United States Code, is amended by inserting at the end thereof the following:

"(e) Notwithstanding any other provision of this title, the Secretary shall authorize the importation of, by any licensed importer, the following:

"(1) All rifles and shotguns listed as curios or relics by the Secretary pursuant to section 921(a)(13), and

"(2) All handguns, listeds as curios or relics by the Secretary pursuant to section 921(a)(13), provided that such handguns are generally recognized as particularly suitable for or readily adaptable to sporting purposes.".

SEC. 247. MODIFICATION OF DUTIES ON CERTAIN ARTICLES USED IN CIVIL AVIATION.

(a) The President may proclaim modifications in the rate of duty column numbered 1 and in the article descriptions, including the superior headings thereto, for the articles provided for in the following items in the Tariff Schedules of the United States (19 U.S.C. 1202) in order to provide duty-free coverage comparable to the expanded coverage provided by all other signatories to the Agreement on Trade in Civil Aircraft pursuant to the extension of the Annex to the Agreement on Trade in Civil Aircraft of October 6, 1983, if such articles are certified for use in civil aircraft in accordance with headnote 3 to schedule 6, part 6, subpart C of such Schedules:

646.95	680.61	682.05
660.85	680.62	683.05
660.97	680.92	683.07
661.06	680.95	683.15
661.10	681.01	708.01
661.15	681.15	708.03
661.20	681.18	708.05
661.35	681.21	708.07
680.59	681.24	708.09
708.21	708.27	711.78
708.23	708.29	711.98
708.25	711.77	712.49

(b) For purposes of section 125 of the Trade Act of 1974, the duty-free treatment, if any, proclaimed under the first section of this Act shall be considered to be trade agreement obligations entered into under the Trade Act of 1974 of benefit to foreign countries or instrumentalities.

"SEC. 248. RELIQUIDATION OF CERTAIN MASS SPECTROMETER SYSTEMS.

Notwithstanding sections 514 and 520 of the Tariff Act of 1930 and any other provision of law, the Secretary of the Treasury shall reliquidate the entry of 2 mass spectrometer systems—

(1) which were imported into the United States for the use of Montana State University, Bozeman, Montana, and

(2) with respect to which applications were filed with the International Trade Administration of the Department of Commerce for duty-free entry of scientific instruments that were assigned the docket numbers 82-00323 and 83-108 (described in 47 Federal Register 41409 and 48 Federal Register 13214, respectively).

SEC. 249. MAX PLANCK INSTITUTE FOR RADIOASTRONOMY.

(a)(1) The Secretary of the Treasury is authorized and directed to admit free of duty any article provided by the Max Planck Institute for Radioastronomy of the Federal Republic of Germany to the joint astronomical project being undertaken by the Steward Observatory of the University of Arizona and the Max Planck Institute for the construction, installation, and operation of a sub-mm telescope in the State of Arizona if—

(A) such article is an instrument or apparatus (within the meaning of headnote 6(a) of part 4 of schedule 8 of the Tariff Schedules of the United States (19 U.S.C. 1202)), and

(B) no instruments or apparatus of equivalent scientific value for the purposes for which such article is intended to be used is being manufactured in the United States.

(2) For purposes of paragraph (1)(B), scientific testing equipment provided by the Max Planck Institute and necessary for aligning, calibrating, or otherwise testing an instrument or apparatus shall be considered to be part of such instrument or apparatus.

(b) The University of Arizona or the Max Planck Institute shall submit to the United States Customs Service and to the International Trade Administration descriptions of the articles sought to be admitted free of duty containing sufficient detail to allow the United States Customs Service to determine whether subsection (a)(1)(A) is satisfied and the International Trade Administration to determine whether subsection (a)(1)(B) is satisfied. The descriptions may be submitted in a single or in several submissions to each agency, as the University of Arizona or the Max Planck Institute deem appropriate during the course of the project. The United States Customs Service and the International Trade Administration are directed to make their respective determinations under this section within ninety days of the date the agency receives a sufficient submission of information with respect to any article.

(c) The Secretary of the Treasury is authorized and directed to readmit free of duty any article admitted free of duty under subsection (a) and subsequently returned to the Federal Republic of Germany for repair, replacement, or modification.

(d) The Secretary of the Treasury is authorized and directed to admit free of duty any repair components for articles admitted free of duty under subsection (a).

(e) If any article admitted free of duty under subsection (a) is used for any purpose other than the joint project described in subsection (a)(1) within five years after being entered, duty on the article shall be assessed in accordance with the procedures established in headnote 1 of part 4 of schedule 8 (19 U.S.C. 1202).

(f) The provisions of subsection (a) shall apply with respect to articles entered for consumption after the day which is 15 days after the date of enactment of this Act and before November 1, 1993.

SEC. 250. STUDY ON HONEY IMPORTS.

(a) The Congress finds that—

(1) in 1976 the International Trade Commission found that honey imports threatened serious injury to the domestic honey industry and recommended action to control honey imports.

(2) the domestic honey industry is essential for production of many agricultural crops,

(3) a significant part of our total diet is dependent directly or indirectly on insect pollination, and

(4) it is imperative that the domestic honey bee industry be maintained at a level sufficient to provide crop pollination.

(b) It is the sense of the Congress that the Secretary of Agriculture should promptly request the President to call for an International Trade Commission investigation of honey imports, under section 22 of the Agriculture Adjustment Act.

SEC. 251. PRODUCTS OF CARIBBEAN BASIN COUNTRIES ENTERED IN PUERTO RICO.

Subsection (a) of section 213 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703) is amended by adding at the end thereof the following new paragraph:

"(3) Notwithstanding section 311 of the Tariff Act of 1930, the products of a beneficiary country which are imported directly from such country into Puerto Rico may be entered under bond for processing or use in manufacturing in Puerto Rico. No duty shall be imposed on the withdrawal from warehouse of the product of such processing or manufacturing if, at the time of such withdrawal, such product meets the requirements of paragraph (1)(B).".

TITLE III—MISCELLANEOUS AMENDMENTS TO THE TRADE ACT OF 1974

SEC. 301. SHORT TITLE; AMENDMENT OF TRADE ACT OF 1974.

(a) This title may be cited as the "International Trade and Investment Act".

(b) Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Trade Act of 1974.

SEC. 302. STATEMENT OF PURPOSES.

The purposes of this title are—

(1) to foster the economic growth of, and full employment in, the United States by expanding competitive United States exports through the achievement of commercial opportunities in foreign markets substantially equivalent to those accorded by the United States;

(2) to improve the ability of the President—

(A) to identify and to analyze barriers to (and restrictions on) United States trade and investment, and

(B) to achieve the elimination of such barriers and restrictions;

(3) to encourage the expansion of international trade in services through the negotiation of agreements (both bilateral and multilateral) which reduce or eliminate barriers to international trade in services; and

(4) to enhance the free flow of foreign direct investment through the negotiation of agreements (both bilateral and multilateral) which reduce or eliminate the trade distortive effects of certain investment-related measures.

SEC. 303. ANALYSIS OF FOREIGN TRADE BARRIERS.

(a) Title I (19 U.S.C. 2111 et seq.) is amended by adding at the end thereof the following new chapter:

"CHAPTER 8—BARRIERS TO MARKET ACCESS

"SEC. 181. ACTIONS CONCERNING BARRIERS TO MARKET ACCESS.

"(a) NATIONAL TRADE ESTIMATES.—

"(1) IN GENERAL.—Not later than the date on which the initial report is required under subsection (b)(1), the United States Trade Representative, through the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962:

"(A) identify and analyze acts, policies, or practices which constitute significant barriers to, or distortions of—

"(i) United States exports of goods (including agricultural commodities) or services, and

"(ii) foreign direct investment by United States persons, especially if such investment has implications for trade in goods or services; and

"(B) make an estimate of the trade-distorting impact on United States commerce of any act, policy, or practice identified under subparagraph (A).

"(2) CERTAIN FACTORS TAKEN INTO ACCOUNT IN MAKING ANALYSIS AND ESTIMATE.—In making any analysis or estimate under paragraph (1), the Trade Representative shall take into account—

"(A) the relative impact of the act, policy, or practice on United States commerce;

"(B) the availability of information to document prices, market shares, and other matters necessary to demonstrate the effects of the act, policy, or practice;

"(C) the extent to which such act, policy, or practice is subject to international agreements to which the United States is a party; and

"(D) any advice given through appropriate committees established pursuant to section 135.

"(3) ANNUAL REVISIONS AND UPDATES.—The Trade Representative shall annually revise and update the analysis and estimate under paragraph (1).

"(b) REPORT TO CONGRESS.—

"(1) IN GENERAL.—On or before the date which is one year after the date of the enactment of the International Trade and Investment Act, and each year thereafter, the Trade Representative shall submit the analysis and estimate under subsection (a) to the Commitee on Finance of the Senate and to the Committee on Ways and Means of the House of Representatives.

"(2) REPORTS TO INCLUDE INFORMATION WITH RESPECT TO ACTION BEING TAKEN.—The Trade Representaitve shall include in each report submitted under paragraph (1) information with respect to any action taken (or the reasons for no action taken) to eliminate any act, policy, or practice identified under subsection (a), including, but not limited to—

"(A) any action under section 301, or

"(B) negotiations or consultations with foreign governments.

"(3) CONSULTATION WITH CONGRESS ON TRADE POLICY PRIORITIES.—The Trade Representative shall keep the committees described in paragraph (1) currently informed with respect to trade policy priorities for the purposes of expanding market opportunities.

"(c) ASSISTANCE OF OTHER AGENCIES.—

"(1) FURNISHING OF INFORMATION.—The head of each department or agency of the executive branch of the Government, including any independent agency, is authorized and directed to furnish to the Trade Representative or to the appropriate agency, upon request, such data, reports, and other information as is necessary for the Trade Representative to carry out his functions under this section.

"(2) RESTRICTIONS ON RELEASE OR USE OF INFORMATION.—Nothing in this subsection shall authorize the release of information to, or the use of information by, the Trade Representative in a manner inconsistent with law or any procedure established pursuant thereto.

"(3) PERSONNEL AND SERVICES.—The head of any department, agency, or instrumentality of the Unitd States may detail such personnel and may furnish such services, with or without reimbursement, as the Trade Representative may request to assist in carrying out his functions.".

(b) The table of contents for title I is amended by adding at the end thereof the following:

"Chapter 8—Barriers to Market Access

"SEC. 181. Actions concerning barriers to market access.".

SEC. 304. AMENDMENTS TO TITLE III OF THE TRADE ACT OF 1974.

(a) Section 301(a) (19 U.S.C. 2411(a)) is amended to read as follows:

"(a) DETERMINATIONS REQUIRING ACTION.—

"(1) IN GENERAL.—If the President determines that action by the United States is appropriate—

"(A) to enforce the rights of the United States under any trade agreement; or

"(B) to respond to any act, policy, or practice of a foreign country or instrumentality that—

"(i) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement, or

"(ii) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce;

the President shall take all appropriate and feasible action within his power to enforce such rights or to obtain the elimination of such act, policy, or practice.

"(2) SCOPE OF ACTION.—The President may exercise his authority under this section with respect to any goods or sector—

"(A) on a nondiscriminatory basis or solely against the foreign country or instrumentality involved, and

"(B) without regard to whether or not such goods or sector were involved in the act, policy, or practice identified under paragraph (1).".

(b) Section 301(b) (19 U.S.C. 2411(b)) is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) in paragraph (2)—

(A) by inserting "notwithstanding any other provision of law," before "impose";

(B) by striking out "products" and inserting in lieu thereof "goods"; and

(C) by striking out the period and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following:

"(3) propose legislation where necessary and appropriate to carry out the objectives of subsection (a).

Any legislation proposed under paragraph (3) shall be treated as an implementing bill pursuant to the provisions of section 151, except that, for purposes of section 151(c)(1), no trade agreement shall be required and the day on which the implementing bill is submitted shall be created as the day on which the trade agreement is submitted. The President shall notify Congress, and publish notice in the Federal Register, of his intention to propose legislation under paragraph (3) at least ninety days before the implementing bill is submitted.".

(c)(1) Section 302 (19 U.S.C. 2412) is amended to read as follows:

"SEC. 302. INITIATION OF INVESTIGATIONS BY UNITED STATES TRADE REPRESENTATIVE.

"(a) FILING OF PETITION.—

"(1) IN GENERAL.—Any interested person may file a petition with the United States Trade Representative (hereinafter in this chapter referred to as the 'Trade Representative') requesting the President to take action under section 301 and setting forth the allegations in support of the request.

"(2) REVIEW OF ALLEGATIONS.—The Trade Representative shall review the allegations in the petition and, not later than forty-five days after the date on which he received the petition, shall determine whether to initiate an investigation.

"(b) DETERMINATIONS REGARDING PETITIONS.—

"(1) NEGATIVE DETERMINATION.—If the Trade Representative determines not to initiate an investigation with respect to a petition, he shall inform the petitioner of the reasons therefor and shall publish notice of the determination, together with a summary of such reasons, in the Federal Register.

"(2) AFFIRMATIVE DETERMINATION.—If the Trade Representative determines to initiate an investigation with respect to a petition, he shall initiate an investigation regarding the issues raised. The Trade Representative shall publish a summary of the petition in the Federal Register and shall, as soon as possible, provide opportunity for the presentation of views concerning the issues, including a public hearing—

(A) within the thirty-day period after the date of the determination (or on a date after such period if agreed to by the petitioner) if a public hearing within such period is requested in the petition; or

"(B) at such other time if a timely request therefor is made by the petitioner.

"(c) DETERMINATION TO INITIATE BY MOTION OF TRADE REPRESENTATIVE.—

"(1) DETERMINATION TO INITIATE.—If the Trade Representative determines with respect to any matter that an investigation should be initiated in order to advise the President concerning the exercise of the President's authority under section 301, the Trade Representative shall publish such determination in the Federal Register and such determination shall be treated as an

affirmative determination under subsection (b)(2).

"(2) CONSULTATION BEFORE INITIATION.—The Trade Representative shall, before making any determination under paragraph (1), consult with appropriate committees established pursuant to section 135.".

(2)(A) Section 141(d) is amended—

(i) by striking out "and" at the end of paragraph (6),

(ii) by striking out the period at the end of paragraph (7) and inserting in lieu thereof a semicolon and "and", and

(iii) by adding at the end thereof the following new paragraph:

"(8) provide, where authorized by law, copies of documents to persons at cost, except that any funds so received shall be credited to, and be available for use from, the account from which expenditures relating thereto were made.".

(B) Section 303 (19 U.S.C. 2413) is amended—

(i) by striking out "with respect to a petition";

(ii) by inserting "or the determination of the Trade Representative under section 302(c)(1)" after "in the petition"; and

(ii) by inserting "(if any)" after "petitioner".

(C) Section 304 (19 U.S.C. 2414) is amended by striking out "issues raised in the petition" and inserting in lieu thereof "matters under investigation" in paragraph (1) of subsection (a).

(D) The item relating to section 302 in the table of contents is amended to read as follows:

"Sec. 302. Initiation of investigations by United States Trade Representative.".

(d) Section 303 (19 U.S.C. 2413) is amended—

(1) by inserting "(a) IN GENERAL.—before "On"; and

(2) By adding at the end thereof the following new subsection:

"(b) DELAY OF REQUEST FOR CONSULTATIONS FOR UP TO 90 DAYS.—

"(1) IN GENERAL.—Notwithstanding the provisions of subsection (a)—

"(A) the United States Trade Representative may delay for up to 90 days any request for consultations under subsection (a) for the purpose of verifying or improving the petition to ensure an adequate basis for consultation, and

"(B) if such consultations are delayed by reason of subparagraph (A), each time limitation under section 304 shall be extended for the period of such delay.

"(2) NOTICE AND REPORT.—The Trade Representative shall—

"(A) publish notice of any delay under paragraph (1) in the Federal Register, and

"(B) report to Congress on the reasons for such delay in the report required by section 306.".

(e)(1) Paragraph (1) of section 301(d) (19 U.S.C. 301(d)) is amended to read as follows:

"(1) DEFINITION OF COMMERCE.—The term 'commerce' includes, but is not limited to—

"(A) services (including transfers of information) associated with international trade, whether or not such services are related to specific goods, and

"(B) foreign direct investment by United States persons with implications for trade in goods or services.".

(2) Section 301(d) (19 U.S.C. 2411(d)) is amended by adding at the end thereof the following new paragraphs:

"(3) DEFINITION OF UNREASONABLE.—The term 'unreasonable' means any act, policy, or practice which, while not necessarily in violation of or inconsistent with the international legal rights of the United States, is othewise deemed to be unfair and inequitable. The term includes, but is not limited to, any act, policy, or practice which denies fair and equitable—

"(A) market opportunities;

"(B) opportunities for the establishment of an enterprise; or

"(C) provision of adequate protection of intellectual property rights.

"(4) DEFINITION OF UNJUSTIFIABLE.—

"(A) IN GENERAL.—The term 'unjustifiable' means any act, policy, or practice which is in violation of, or inconsistent with, the international legal rights of the United States.

"(B) CERTAIN ACTIONS INCLUDED.—The term 'unjustifiable' included, but is not limited to, any act, policy, or practice described in subparagraph (A) which denies national or most-favored-nation treatment, the right of establishment, or protection of intellectual property rights.

"(5) DEFINITION OF DISCRIMINATORY.—The term 'discriminatory' includes where appropriate any act, policy, or practice which denies national or most-favored-nation treatment to United States goods, services, or investment.".

(3) Section 301(d) (19 U.S.C. 2411(d)) is amended by striking out the heading and inserting in lieu thereof:

"(d) DEFINITIONS: SPECIAL RULE FOR VESSEL CONSTRUCTION SUBSIDIES.—For purposes of this section—".

(f) Section 305 of the Trade Act of 1974 (19 U.S.C. 2415) is amended by adding at the end thereof the following new subsection:

"(c) CERTAIN BUSINESS INFORMATION NOT MADE AVAILABLE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), and notwithstanding any other provision of law (including section 552 of title 5, United States Code), no information requested and received by the Trade Representative in aid of any investigation under this chapter shall be made available to any person if—

"(A) the person providing such information certifies that—

"(i) such information is business confidential,

"(ii) the disclosure of such information would endanger trade secrets or profitability, and

"(iii) such information is not generally available;

"(B) the Trade Representative determines that such certification is well-founded; and

"(C) to the extent required in regulations prescribed by the Trade Representative, the person providing such information provides an adequate nonconfidential summary of such information.

"(2) USE OF INFORMATION.—The Trade Representative may—

"(A) use such information, or make such information available (in his own discretion) to any employee of the Federal Government for use, in any investigation under this chapter, or

"(B) may make such information available to any other person in a form which cannot be associated with, or otherwise identify, the person providing the information.".

SEC. 305. NEGOTIATING OBJECTIVES WITH RESPECT TO INTERNATIONAL TRADE IN SERVICES AND INVESTMENT AND HIGH TECHNOLOGY INDUSTRIES.

(a)(1) Chapter 1 of title I is amended by inserting immediately after section 104 the following new section:

"SEC. 104A. NEGOTIATING OBJECTIVES WITH RESPECT TO TRADE IN SERVICES, FOREIGN DIRECT INVESTMENT, AND HIGH TECHNOLOGY PRODUCTS.

"(a) TRADE IN SERVICES.—Principal United States negotiating objectives under section 102 shall be—

"(1) to reduce or to eliminate barriers to, or other distortions of, international trade in services (particularly United States service sector trade in foreign markets), including barriers that deny national treatment and the rights of establishment and operation in such markets; and

"(2) to develop internationally agreed rules, including dispute settlement procedures, which—

"(A) are consistent with the commercial policies of the United States, and

"(B) will reduce or eliminate such barriers or distortions and help ensure open international trade in services.

"(b) FOREIGN DIRECT INVESTMENT.—Principal United States negotiating objectives under section 102 shall be—

"(1) to reduce or to eliminate artificial or trade-distorting barriers to foreign direct investment, to expand the principle of national treatment, and to reduce unreasonable barriers to establishment; and

"(2) to develop internationally agreed rules, including dispute settlement procedures, which—

"(A) will help ensure a free flow of foreign direct investment, and

"(B) will reduce or eliminate the trade distortive effects of certain investment related measures.

"(c) HIGH TECHNOLOGY PRODUCTS.—Principal United States negotiating objectives shall be—

"(1) to obtain and preserve the maximum openness with respect to international trade and investment in high technology products and related services;

"(2) to obtain the elimination or reduction of, or compensation for, the significantly distorting effects of, foreign government acts, policies, or practices identified in section 181, with particular consideration given to the nature and extent of foreign government intervention affecting United States exports of high technology products or investments in high technology industries, including—

"(A) foreign industrial policies which distort international trade or investment;

"(B) measures which deny national treatment or otherwise discriminate in favor of domestic high technology industries;

"(C) measures which impair access to domestic markets for key commodity products; and

"(D) measures which facilitate or encourage anticompetitive market practices or structures;

"(3) to obtain commitments that official policy of foreign countries or instrumentalities will not discourage government or private procurement of foregin high technology products and related services;

"(4) to obtain the reduction or elimination of all tariffs on, and other barriers to, United States exports of high technology products and related services;

"(5) to obtain commitments to foster national treatment;

"(6) to obtain commitments to—

"(A) foster the pursuit of joint scientific cooperation between companies, institutions or governmental entities of the United States and those of the trading partners of the United States in areas of mutual interest through such measures as financial par-

ticipation and technical and personnel exchanges, and

"(B) ensure that access by all participants to the results of any such cooperative efforts should not be impaired; and

"(7) to provide effective minimum safeguards for the acquisition and enforcement of intellectual property rights and the property value of proprietary data.

"(d) DEFINITION OF BARRIERS AND OTHER DISTORTIONS.—For purposes of subsection (a), the term 'barriers to, or other distortions of, international trade in services' includes, but is not limited to—

"(1) barriers to the right of establishment in foreign markets, and

"(2) restrictions on the operation of enterprises in foreign markets, including—

"(A) direct or indirect restrictions of the transfer of information into, or out of, the country or instrumentality concerned, and

"(B) restrictions of the use of data processing facilities within or outside of such country or instrumentality.".

(2) The table of contents for chapter 1 of title I is amended by inserting after the item relating to section 104 the following new item:

"Sec. 104A. Negotiating objectives with respect to trade in services, foreign direct investment, and high technology products.".

SEC. 306. PROVISIONS RELATING TO INTERNATIONAL TRADE IN SERVICES.

(a)(1) The United States Trade Representative, through the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962 or any subcommittee thereof, shall, in conformance with other provisions of law, develop (and coordinate the implementation of) United States policies concerning trade in services.

(2) In order to encourage effective development and coordination of United States policies on trade in services, each department or agency of the United States responsible for the regulation of any service sector industry shall, as appropriate, advise and work with the United States Trade Representative concering matters that have come to the department's or agency's attention with respect to—

(A) the treatment afforded United States service sector interests in foreign markets, or

(B) allegations of unfair practices by foreign governments or companies in a service sector.

(3) Noting in this section shall be construed to alter any existing authority or responsibility with respect to any specific service sector.

(b)(1) The Secretary of Commerce is authorized to establish a service industries development program. Such program shall be designed to—

(A) promote the competitiveness of United States service firms and American employees through appropriate economic policies;

(B) promote actively the use and sale of United States services abroad and develop trade opportunities for United States service firms;

(C) develop a data base for policymaking pertaining to services;

(D) collect and analyze, in consultation with appropriate agencies, information pertaining to the international operations and competitiveness of United States service industries, including information with respect to—

(i) United States regulation of service industries;

(ii) tax treatment of services, with particular emphasis on the effect of United States taxation on the international competitiveness of United States firms and exports;

(iii) antitrust policies as such policies affect the competitiveness of United States firms;

(iv) treatment of services in international agreements of the United States; and

(v) adequacy of current United States export promotion activities in the service sector. For purposes of the collection and analysis required by this subsection, and for the purpose of any reporting the Department of Commerce makes to the Congress of the United States, such collection and reporting shall distinguish between income from investment and income from noninvestment services;

(E) provide, together with other appropriate agencies, staff support for negotiations on service-related issues by the United States Trade Representative and the domestic implementation of service-related agreements;

(F) collect such statistical information on the domestic service sector as may be necessary for the development of governmental policies toward the service sector;

(G) conduct sectoral studies of domestic service industries;

(H) collect comparative international information on service industries and policies of foreign governments toward services;

(I) develop policies to strengthen the export competitiveness of domestic service industries;

(J) conduct a program of research and analysis of service-related issues and problems, including forecasts and industrial strategies; and

(K) provide statistical, analytical, and policy information to State and local governments and service industries.

(2) The Secretary of Commerce shall carry out the program under this subsection from funds otherwise made available to him which may be used for such purposes.

(c)(1) It is the policy of Congress that the President shall, as he deems appropriate—

(A) consult with State governments on issues of trade policy affecting the regulatory authority of non-Federal governments, or their procurement of goods and services; and

(B) establish one or more intergovernmental policy advisory committees on trade which shall serve as a principal forum in which State and local governments may consult with the Federal Government with respect to the matters described in subparagraph (A).

(2) Section 135 (19 U.S.C. 2155) is amended—

(A) by inserting "and the non-Federal governmental sector" after "private sector" in subsection (a),

(B) by adding at the end of subsection (c) the following new paragraph:

"(3) The President—

"(A) may establish policy advisory committees representing non-Federal governmental interests to provide, where the President finds it necessary, policy advice—

"(i) on matters referred to in subsection (a), and

"(ii) with respect to implementation of trade agreements, and

"(B) shall include as members of committees established under paragraph (2) representatives of non-Federal governmental interests where he finds such inclusion appropriate after consultation by the Trade Representative with such representatives.";

(C) by inserting "or non-Federal government" after "private" each place it appears in subsections (g) and (j);

(D) by inserting "government," before "labor" in subsection (j); and

(E) by adding at the end thereof the following new subsection:

"(m) Non-Federal Government Defined.—The term 'non-Federal government' means—

"(1) any State, territory, or possession of the United States, or the District of Columbia, or any political subdivision thereof, or

"(2) any agency or instrumentality of any entity described in paragraph (1).''; and

(F) by inserting "or Public" after "Private" in the heading thereof.

(3)(A) Section 104(c) (19 U.S.C. 2114(c)) is amended by inserting "or non-Federal governmental" after "private".

(B) Sections 303 (19 U.S.C. 2413) and 304(b)(2) (19 U.S.C. 2414(b)(2)) are each amended by striking out "private sector".

(C) The table of sections for chapter 3 of title I is amended by inserting "and public" after "private" in the item relating to section 135.

SEC. 327. NEGOTIATING AUTHORITY WITH RESPECT TO FOREIGN DIRECT INVESTMENT.

Paragraph (3) of section 102(g) (19 U.S.C. 2112(g)(3)) is amended to read as follows:

"(3) the term 'international trade' includes—

"(A) trade in both goods and services, and

"(B) foreign direct investment by United States persons, especially if such investment has implications for trade in goods and services.".

SEC. 308. NEGOTIATION OF AGREEMENTS CONCERNING HIGH TECHNOLOGY INDUSTRIES.

(a) The President may enter into such bilateral or multilateral agreements as may be necessary or appropriate to achieve the objectives of this section and the negotiating objectives under section 104A(c) of the Trade Act of 1974.

(b)(1) Chapter 2 of title I is amended by inserting at the end thereof the following new section:

"SEC. 128. MODIFICATION AND CONTINUANCE OF TREATMENT WITH RESPECT TO DUTIES ON HIGH TECHNOLOGY PRODUCTS.

"(a) In order to carry out any agreement concluded as a result of the negotiating objectives under section 104A(c), the President may proclaim, subject to the provisions of chapter 3—

"(1) such modification, elimination, or continuance of any existing duty, duty-free, or excise treatment, or

"(2) such additional duties, as he deems appropriate.

"(b) The President shall exercise his authority under subsection (a) only with respect to the following items listed in the Tariff Schedules of the United States (19 U.S.C. 1202):

"(1) Transistors (provided for in item 587.70, part 5, schedule 6).

"(2) Diodes and rectifiers (provided for in item 687.72, part 5, schedule 6).

"(3) Monolithic integrated circuits (provided for in item 687.74, part 5, schedule 6).

"(4) Other integrated circuits (provided for in item 687.77, part 5, schedule 6).

"(5) Other components (provided for in item 687.81, part 5, schedule 6).

"(6) Parts of semiconductors (provided for in item 687.85, part 5, schedule 6).

"(7) Parts of automatic data-processing machines and units thereof (provided for in item 676.52, part 4G, schedule 6) other than parts incorporating a cathode ray tube.

"(c) TERMINATION.—The President may exercise his authority under this section only during the 5-year period beginning on the date of the enactment of the International Trade and Investment Act.".

(2) The table of contents of chapter 1 of title I is amended by adding at the end thereof the following new item:

"Sec. 128. Modification and continuance of treatment with respect to duties on high technology products.".

TITLE IV—TRADE WITH ISRAEL AND CANADA

SEC. 401. NEGOTIATION OF TRADE AGREEMENTS TO REDUCE TRADE BARRIERS.

(a) Subsection (b) of section 102 of the Trade Act of 1974 (19 U.S.C. 2112(b)) is amended—

(1) by striking out "Whenever" and inserting in lieu thereof "(1) Whenever", and

(2) by adding at the end thereof the following new paragraphs:

"(2) Trade agreements that provide for the elimination or reduction of any duty imposed by the United States may be entered into under paragraph (1) only with Israel or Canada.

"(3) Notwithstanding any other provision of law, no trade benefit shall be extended to any country by reason of the extension of any trade benefit to Israel or Canada under a trade agreement entered into under paragraph (1) with Israel or Canada.

"(4)(A) Notwithstanding paragraph (2), a trade agreement that provides for the elimination or reduction of any duty imposed by the United States may be entered into under paragraph (1) with any country other than Israel or Canada if—

"(i) such country requested the negotiation of such an agreement, and

"(ii) the President, at least 60 days prior to the date notice is provided under subsection (e)(1)—

"(I) provides written notice of such negotiations to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, and

"(II) consults with such committees regarding the negotiation of such agreement.

"(B) The provisions of section 151 shall not apply to an implementing bill (within the meaning of section 151(b)) if—

"(i) such implementing bill contains a provision approving of any trade agreement which—

"(I) is entered into under this section with any country other than Israel or Canada, and

"(II) provides for the elimination or reduction of any duty imposed by the United States, and

"(ii) either—

"(I) the requirements of subparagraph (A) were not met with respect to the negotiation of such agreement, or

"(II) the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives disapproved of the negotiation of such agreement before the close of the 60-day period which begins on the date notice is provided under subsection (A)(ii)(I) with respect to the negotiation of such agreement.

"(C) The 60-day perid described in subparagraphs (A)(ii) and (B)(ii)(II) shall be computed without regard to—

"(i) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

"(ii) any Saturday and Sunday, not excluded under clause (i), when either House of Congres is not in session.".

(b) Paragraph (1) of section 102(g) of the Trade Act of 1974 (19 U.S.C. 2112(g)) is amended to read as follows:

"(1) the term 'barrier' includes—

"(A) the American selling price basis of customs evaluation as defined in sectin 401 or 402a of the Tariff Act of 1930, as appropriate, and

"(B) any duty or other import restriction;".

(c)(1) Section 102 of the Trade Act of 1974 (19 U.S.C. 2112) is amended by striking out "Nontariff" in the heading.

(2) The table of contents of the Trade Act of 1974 is amended by striking out "Nontariff" in the item relating to section 102.

SEC. 402. JOINT COMMISSION TO RESOLVE ECONOMIC DISPUTES BETWEEN THE UNITED STATES AND CANADA.

Subsection (b) of section 612 of the Trade Act of 1974 (19 U.S.C. 2486(b)) is amended to read as follows:

"(b) The President is authorized to seek (through an agreement) establishment of a joint commission to resolve trade and other economic issues between the United States and Canada.".

TITLE V—GENERALIZED SYSTEM OF PREFERENCES

SEC. 501. SHORT TITLE; STATEMENT OF PURPOSE.

(a) This title may be cited as the "Generalized System of Preferences Renewal Act of 1984".

(b) The purpose of this title is to—

(1) promote the development of developing countries, which often need temporary preferential advantages to compete effectively with industrialized countries;

(2) promote the notion that trade, rather than aid, is a more effective and cost-efficient way of promoting broad-based sustained economic development;

(3) take advantage of the fact that developing countries provide the fastest growing markets for United States exports and that foreign exchange earnings from trade with such countries through the Generalized System of Preferences can further stimulate United States exports;

(4) allow for the consideration of the fact that there are significant differences among developing countries with respect to their general development and international competitiveness;

(5) encourage the providing of increased trade liberalization measures, thereby setting an example to be emulated by other industrialized countries;

(6) recognize that a large number of developing countries must generate sufficient foreign exchange earnings to meet international debt obligations;

(7) promote the creation of additional opportunities for trade among the developing countries;

(8) integrate developing countries into the international trading system with its attendant responsibilities in a manner commensurate with their development;

(9) encourage developing countries to eliminate or to reduce significant barriers to trade in goods and services and to investment, and

(10) address the concerns listed in the preceding paragraphs in a manner that—

(A) does not adversely affect United States producers and workers, and

(B) conform to the international obligations of the United States under the General Agreement on Tariffs and Trade.

SEC. 502. 10-YEAR EXTENSION OF THE GENERALIZED SYSTEM OF PREFERENCES.

(a) Section 505 of the Trade Act of 1974 (19 U.S.C. 2465) is amended to read as follows:

"SEC. 505. TERMINATION OF DUTY-FREE TREATMENT.

"No duty-free treatment provided under this title shall remain in effect after January 3, 1995.".

(b) The table of contents of the Trade Act of 1974 is amended by striking out the item relating to section 505 and inserting in lieu thereof the following:

"Sec. 505. Termination of duty-free treatment.".

SEC. 503. CONSIDERATION OF A BENEFICIARY DEVELOPING COUNTRY'S COMPETITIVENESS IN EXTENDING PREFERENCE.

Section 501 of the Trade Act of 1974 (19 U.S.C. 2461) is amended—

(1) by striking out "and" at the end of paragraph (2),

(2) by striking out the period at the end of paragrpah (3) and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new paragraph:

"(4) the extent of the beneficiary developing country's competitiveness with respect to eligible articles.".

SEC. 504. AMENDMENTS RELATING TO THE BENEFICIARY DEVELOPING COUNTRY DESIGNATION CRITERIA AND THE PROVISION OF PROTECTION FOR INTELLECTUAL PROPERTY.

(a) Paragraph (4) of section 502(b) of the Trade Act of 1974 (19 U.S.C. 2462(b)) is amended—

(1) by inserting ", including patents, trademarks, or copyrights," after "control of property" in subparagrpahs (A) and (B), and

(2) by inserting ", including patents, trademarks, or copyrights" after "control of such property" in subparagraph (C).

(b) Subsection (c) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462) is amended—

(1) by striking out "and" at the end of paragraph (3),

(2) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon, and

(3) by adding at the end thereof the following new paragraphs:

"(5) the extent to which such country is providing adequate and effective means under its laws for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual property, including patents, trademarks, and copyrights; and

"(6) the extent to which such country has taken action to reduce trade distorting investment practices and policies (including export performance requirements).".

SEC. 505. ARTICLES WHICH MAY NOT BE DESIGNATED AS ELIGIBLE ARTICLES.

Paragraph (1) of section 503(c) of the Trade Act of 1974 (19 U.S.C. 2463(c)(1)) is amended by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraph:

"(3) footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel which were not eligible articles for purposes of this title on April 1, 1984.".

SEC. 506. LIMITATIONS ON PREFERENTIAL TREATMENT.

(a) Subsection (a) of section 504 of the Trade Act of 1974 (19 U.S.C. 2464) is amended—

(1) by striking out "The President" and inserting in lieu thereof "(1) The President", and

(2) by adding at the end thereof the following new paragraph:

"(2) The President shall, as necessary, advise the Congress and, by no later than January 4, 1988, submit to the Congress a report on the application of sections 501 and 502 (c), with particular emphasis on—

(A) the extent to which beneficiary developing countries have—

"(i) assured the United States that such countries will provide equitable and reasonable access to the markets and basic commodity resources of such countries,

"(ii) provided adequate and effective means for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual property, including patents, trademarks, and copyrights, and

"(iii) taken action to reduce trade-distorting investment practices and policies (including export performance requirements), and

"(B) the actions the President has taken to withdraw, to suspend, or to limit the application of duty-free treatment with respect to any country which has failed to adequately take the actions described in clause (i).".

(b) Subsection (c) and (d) of section 504 of the Trade Act of 1974 (19 U.S.C. 2464 (c) and (d)) are amended to read as follows:

"(c)(1) Whenever the President determines that any country—

"(A) has exported (directly or indirectly) to the United States during a calendar year a quantity of an eligible article having an appraised value in excess of an amount which bears the same ratio to $25,000,000 as the gross national product of the United States for the preceding calendar year (as determined by the Department of Commerce) bears to the gross national product of the United States for calendar year 1974, or

"(B) except as provided in subsection (d), has exported (either directly or indirectly) to the United States a quantity of any eligible article equal to or exceeding 50 percent of the appraised value of the total imports of such article into the United States during any calendar year.

then, not later than 90 days after the close of such calendar year, such country shall not be treated as a beneficiary developing country with respect to such article.

"(2)(A) Not later than January 4, 1987, and periodically thereafter, the President shall conduct a general review of eligible articles based on the considerations described in sections 501 and 502(c).

"(B) If, after any review under subparagraph (A), the President determines that this subparagraph should apply because a beneficiary developing country has demonstrated a sufficient degree of competitiveness (relative to other beneficiary developing countries) with respect to any eligible article, then paragraph (1) shall be applied to such country with respect to such article by substituting—

"(i) '1984' for '1974' in subparagraph (A), and

"(ii) '25 percent' for '50 percent' in subparagraph (B).

"(3)(A) Not earlier than January 4, 1987, the President may waive the application of this subsection with respect to any eligible article of any beneficiary developing country if, before the 90th day after the close of the calendar year for which a determination described in paragraph (1) was made with respect to such eligible article, the President—

"(i) receives the advice of the International Trade Commission on whether any industry in the United States is likely to be adversely affected by such waiver,

"(ii) determines, based on the considerations described in sections 501 and 502(c) and the advice described in clause (i), that such waiver is in the national economic interest of the United States, and

"(iii) publishes the determination described in clause (ii) in the Federal Register.

"(B) In making any determination under subparagraph (A), the President shall give great weight to—

"(i) the extent to which the beneficiary developing country has assured the United States that such country will provide equitable and reasonable access to the markets and basic commodity resources of such country, and

"(ii) the extent to which such country provides adequate and effective means under its law for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual property, including patent, trademark, and copyright rights.

"(C) Any waiver granted pursuant to this paragraph shall remain in effect until the President determines that such waiver is no longer warranted due to changed circumstances.

"(4) Except in any case to which paragraph (2)(B) applies, the President may waive the application of this subsection if, before the 90th day after the close of the calendar year for which a determination described in paragraph (1) was made, the President determines and publishes in the Federal Register that, with respect to such country—

"(A) there has been a historical preferential trade relationship between the United States and such country,

"(B) there is a treaty or trade agreement in force covering economic relations between such country and the United States, and

"(C) such country does not discriminate against, or impose unjustifiable or unreasonable barriers to, United States commerce.

"(5) A country which is no longer treated as a beneficiary developing country with respect to an eligible article by reason of this subsection may be redesignated a beneficiary developing country with respect to such article, subject to the provisions of sections 501 and 502, if imports of such article from such country did not exceed the limitations in paragraph (1) (after application of paragraph (2)) during the preceding calendar year.

"(6)(A) This subsection shall not apply to any beneficiary developing country which the President determines, based on the considerations described in sections, 501 and 502(c), to be a least-developed beneficiary developing country.

"(B) The President shall—

"(i) make a determination under subparagraph (A) with respect to each beneficiary developing country before July 4, 1985, and periodically thereafter, and

"(ii) notify the Congress at least 60 days before any such determination becomes final.

"(7) For purposes of this subsection, the term 'country' does not include an association of countries which is treated as one country under section 502(a)(3), but does include a country which is a member of any such association.

"(d)(1) Subsection (c)(1)(B) (after application of subsection (c)(2)) shall not apply with respect to any eligible article if a like or directly competitive article is not produced in the United States on January 3, 1985.

"(2) The President may disregard subsection (c)(1)(B) with respect to any eligible article if the appraised value of the total imports of such article into the United States during the preceding calendar year is not in excess of an amount which bears the same ratio to $1,000,000 as the gross national product of the United States for that calendar year (as determined by the Department of Commerce) bears to the gross national product of the United States for calendar year 1979.".

SEC. 507. EFFECTIVE DATE.

The amendments made by this title shall take effect on January 4, 1985.

Mr. DOLE. Mr. President, I am filing today on behalf of the Committee on Finance a committee amendment to H.R. 3398, an omnibus miscellaneous tariff bill that is on the Senate Calendar (Calendar No. 559). This committee amendment was approved on July 31, 1984. It is the intention of the committee that this amendment be offered when the Senate turns to consideration of H.R. 3398.

The committee amendment is drafted in the nature of a substitute for H.R. 3398. It incorporates all of the provisions currently set forth in that bill, as reported and as amended by the committee in November 1983 and as amended during Senate debate on it on March 2, 1984. One exception is a tariff provision relating to the Olympic games that has since been enacted into law; the substitute committee amendment does not incorporate that provision of H.R. 3398. Besides repeating the current provisions of H.R. 3398, the committee amendment includes several new provisions. First, the committee amendment contains 35 new miscellaneous tariff and customs provisions. These are in titles I and II of the committees amendment. Title III of the committee amendment contains the provisions of the International Trade and Investment Act, which currently comprises title III of H.R. 3398. Title IV of the committee amendment contains the substance of S. 2746, a bill to authorize the negotiation of trade agreements with Israel and Canada. This bill was approved and ordered favorably reported by the committee without objection on June 12, 1984. Finally, title V of the committee amendment contains the substance of S. 1718, a bill to authorize the renewal of the generalized system of preferences for another 10 years, as amended. This bill also was approved and ordered favorably reported by the committee in May.

In order to assist Members in understanding the new provisions of the committee amendment, the committee has prepared a committee print that is drafted as if it were a committee report on a bill. In an effort to reduce unnecessary cost, the committee print does not repeat information on matters contained in the committee amendment that are the subject of other committee reports. The committee print, however, specifies in which reports this information may be found.

I will not dwell at this time on the substance of all the provisions of the committee, amendment; however, I wish to point out to the Members that the purpose for packaging this committee amendment was to ensure that there will be an opportunity for the Senate to consider several matters of utmost importance in the short time the Congress will have to debate a trade bill. In particular, I refer to the need to authorize the President to negotiate a free-trade agreement with Israel. This proposal, initiated by Israel, but holding great opportunity for U.S. exporters, has been the subject of discussions between our two Governments for several months now. Ambassador Brock believes that negotiations could move forward quickly once the Congress has granted the authority to the President to conclude the agreement. I must emphasize that this bill simply authorized the President to negotiate an agreement within the existing framework of U.S. trade negotiating objectives; compliance with the requirements of the Trade Act of 1974 requires the President to submit the agreement for expedited consideration by the Congress. But the bottom line is that the Congress will have final say over approval of the agreement, and I am confident that this will ensure that any agreement that is completed will be in the best interest of the United States.

In addition, it is very important that the Congress renew the generalized system of preferences, the authority for which expires January 3, 1985. This trade preference program for developing countries has proven to be a good development tool for the poorer nations of the world, without creating any threat of injury to U.S. industries competing with GSP-eligible imports. The authority to renew the program contains some amendments which will strengthen its effect in encouraging developing countries to assume greater responsibilities in the world trading system. In particular, the authority would contain significant incentives for such countries to develop adequate and effective means of recognizing U.S. intellectual property rights. Thus those interested in the fight against counterfeiting are strong supporters of the program's renewal.

Mr. President, I urge the Members and their staffs to take the opportunity during recess to familiarize themselves with the provisions of the committee amendment and contact the staff of the Committee on Finance with any questions they may have. Although the committee print on the amendment will be available as soon as it can be printed, I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD so that it will be immediately available to all Members.

EXPLANATION OF COMMITTEE AMENDMENT TO H.R. 3398

INTRODUCTION

On July 31, 1984, the Committee on Finance approved a committee amendment to H.R. 3398, an omnibus tariff and trade bill reported by the committee on November 10, 1983 (Calendar No. 559). This document, drafted as the equivalent of a committee report, explains only the new miscellaneous tariff and customs provisions of the committee amendment; the provisions of the amendment already included in H.R. 3398 are explained in S. Rept. 98-308, and the other new provisions of the committee amendment are explained on separate reports. The committee amendment is to be offered as an amendment in the nature of a substitute for H.R. 3398 upon Senate consideration of the bill.

I. SUMMARY

The committee amendment to H.R. 3398 is drafted in the nature of a substitute for H.R. 3398. It therefore incorporates the substantive provisions currently set forth in that bill as reported and as amended during Senate debate on March 2, 1984.

The committee amendment further contains the following new provisions: (1) 35 miscellaneous tariff and customs amendments; (2) the substance of S. 1718, a bill to renew the Generalized System of Preferences that was reported favorably by the Committee in May 1984; and (3) the substance of S. 2746, a bill to authorize negotiations for trade agreements with Israel and Canada.

More specifically, title I of the committee amendment contains all of the miscellaneous amendments to the Tariff Schedules of the United States (TSUS) contained in H.R. 3398 (except for one provision already enacted into law), plus 35 new such provisions. Title II contains the customs and miscellaneous amendments of H.R. 3398, plus four new such provisions. Title III sets forth the International Trade and Investment Act, as presently incorporated in title III of H.R. 3398. Title IV embodies the substance of S. 2746, a bill to authorize the negotiation of trade agreements with Israel and Canada. Finally, Title V contains the substance of S. 1718, as amended, a bill to renew the Generalized System of Preferences.

The following is a summary of the sections in title I that are not presently included in H.R. 3398:

TITLE I, SUBTITLE B

1. Section 119 would apply duty-free treatment with respect to articles exported for purposes of rendering certain geophysical or contracting services abroad, and later returned.

2. Section 120 would extend duty-free treatment to scrolls or tablets imported for use in religious observances.

3. Section 121 would amend the Tariff Schedules of the United States (TSUS) to clarify the classification of any naphtha described as both a petroleum product and a benzenoid chemical. The effect would be to provide the same tariff treatment to naphthas described as benzenoid chemicals as that provided naphthas described as petroleum products.

4. Section 122 would create new tariff nomenclature for imported tapered steel tubes used in lampposts.

5. Section 123 would create new tariff nomenclature for most wearing apparel imported as parts of sets.

6. Section 124 would create new tariff nomenclature for certain whey products.

TITLE I, SUBTITLE A

7. Section 155 is amended to include acetylsulfaguanidine among the sulfa compounds for which duties will be suspended through December 31, 1987.

8. Section 160 would suspend through December 31, 1987, the duty on an antibiotic known as rifampin.

9. Section 161 would suspend through December 31, 1987, the duty on a drug known as mepenzolate bromide.

10. Section 162 would suspend through December 31, 1987, the duty on a tricyclic antidepressant known as desipramine hydrochloride.

11. Section 163 would suspend through June 30, 1987, the duty on diphenyl guanidine, and di-ortho-tolyl guanidine.

12. Section 164 would continue until the close of June 30, 1989, a pre-existing suspension of duties on certain forms of zinc.

13. Section 165 would suspend through June 30, 1986, the duty on clomiphene citrate.

14. Section 166 would suspend through June 30, 1986, the duty on terfenadine.

15. Section 167 would suspend through June 30, 1986, the duty on dicyclomine hydrochloride.

16. Section 168 would suspend through June 30, 1987, the duty on lactulose.

17. Section 169 would suspend through June 30, 1987, the duty on iron-dextran complex.

18. Section 170 would suspend the duties on circular knitting machines designed for sweater or garment length knitting until the close of December 31, 1989.

19. Section 171 would extend through December 31, 1986, the current suspension of duty on uncompounded allyl resins.

20. Section 172 would suspend through December 31, 1987, the duty on o-Benzyl-p-chlorophenol.

21. Section 173 would suspend through June 30, 1987, the duty on narrow fabric looms.

22. Section 174 would suspend through June 30, 1987, the duty on nicotine resin complex.

23. Section 175 would extend through June 30, 1988, a recently expired temporary suspension of duty on tartaric acid and certain tartaric chemicals. The chemicals are potassium salts, cream of tartar and sodium tartrate (Rochelle salts).

24. Section 176 would suspend through June 30, 1987, the duty on mixtures of magnesium chloride and magnesium nitrate.

25. Section 177 would suspend through June 30, 1987, the duty on mixtures of potassium 1-(p-chlorophenyl)-1,4-dihydro-6-methyl-4-oxopyridazine-3-carboxylate ("fenridazon-potassium") and formulation adjuvants.

26. Section 178 would suspend the duty on certain benzoid chemicals until the close of June 30, 1986. The chemicals are: trichloro-

salicylic acid; m-Aminophenol; 6-Amino-1-naphthol-3-sulfonic acid; and 4-acetaminobenzenesulfonyl chloride.

27. Section 179 would suspend through June 30, 1987, the duty on lace-braiding machines.

28. Section 180 would suspend through June 30, 1989, the duty on yttrium bearing ores, materials, and compounds containing by weight more than 19 per centum but less than 85 per centum yttrium oxide equivalent.

29. Section 181 would extend through December 31, 1987, the current duty suspension on graphite.

TITLE I, SUBTITLE D

30. Section 199 would establish effective dates for the new tariff items approved by the committee. The section further would change the effective dates in H.R. 3398 to advance their original effective periods, and to make retroactive any tariff suspensions that have now expired, but were still effective when the bill was originally reported.

TITLE II, SUBTITLE A

31. Section 210 embodies an amendment to the antidumping and countervailing duty laws previously approved by the Committee as section 2 of S. 2746, relating to authority for trade agreements with Israel and Canada. The section would clarify that those laws apply to situations where a product has been or is likely to be sold for importation but has not yet been imported.

TITLE II, SUBTITLE B

32. Section 246 would clarify and narrow a provision currently in H.R. 3398 that provides for the importation of antique guns.

33. Section 247 would authorize the President to proclaim modifications in tariffs on certain articles used in civil aircraft, as provided in the multilateral Agreement on Trade in Civil Aircraft.

34. Section 248 would authorize the reopening of administrative proceedings relating to duties paid on the entry of two mass spectrometers that may have been entitled to duty-free entry.

35. Section 249 clarifies an amendment previously approved to H.R. 3398 that would authorize the importation of a telescope intended for use at the University of Arizona.

36. Section 251 would authorize products eligible for duty-free entry under the provisions of the Caribbean Basin Initiative to be entered under bond for manufacture in Puerto Rico; the resulting manufactured products later may be withdrawn for consumption if they are otherwise eligible for duty-free treatment.

TITLE III

Title III contains the substance of title III of H.R. 3398, which is the "International Trade and Investment Act of 1984." It is fully explained in S. Rept. 98-508.

TITLE IV

Title IV contains the substance of S. 2746, a bill to authorize the negotiation of trade agreements with Israel and Canada. The bill is fully explained in S. Rept. 98-510.

TITLE V

Title V contains the substance of S. 1718, a bill to authorize the renewal of the Generalized System of Preferences for another 10 years. The bill is fully explained in S. Rept. 98-485.

The committee approved one amendment to S. 1718 as previously reported. The change, incorporated in section 505 of the committee amendment, would eliminate watches from the import sensitive items now excluded from GSP eligibility.

III. GENERAL EXPLANATION

TITLE I, SUBTITLE B. PERMANENT TARIFF CHANGES

Section 119—Geophysical or Contracting Services Abroad

Section 119 would apply duty-free treatment with respect to articles exported for purposes of rendering certain geophysical or contracting services abroad and returned.

Current law.—The foreign-manufactured articles covered by this legislation are not separately provided for in the TSUS. They are currently provided for in, and account for varying percentages of the value of imports which enter under, numerous TSUS item numbers, chiefly in schedule 6 of the TSUS. The rates of duty applicable to such imported equipment vary, but most of the equipment does not enter free of duty. The proposed item 802.50 would allow the subject articles to enter free of duty from all sources, if exported for the specified temporary uses abroad and if other criteria are met.

The bill.—Section 119 would establish a new provision in subpart A of part 1 of schedule 8 of the TSUS to provide duty-free treatment for articles exported for purposes of rendering certain geophysical or contracting services abroad and returned. The foreign-manufactured equipment used in connection with the exploration, extraction, or development of natural resources abroad and subsequently returned to the United States is currently classifiable in various provisions (chiefly in schedule 6) of the TSUS. This legislation would create a new tariff item in schedule 8 (proposed item 802.50) with a most-favored-nation (MFN) rate or duty (column 1 of the TSUS) of free and non-MFN rate of duty (column 2 of the TSUS) of free. Most of the provision in which these articles are now classified do not provide for duty-free entry regardless of source, so the applicable rates would be eliminated as to such articles if the legislation is enacted.

The intent of the legislation is to allow duty-free entry of foreign-manufactured articles which are being returned to the United States after having been exported for temporary use abroad solely in the rendering of the specified geophysical or contracting services, provided that the equipment is reimported into the United States by the same party who exported the equipment.

Background.—Most U.S. firms which own and operate the subject foreign-manufactured equipment are currently liable for payment of duties each time such equipment is exported for use in rendering certain geophysical or contracting services abroad and later returned. If the duty for each article were payable only upon its initial importation, the U.S. firms would benefit from the subsequent duty savings and thus potentially be more competitive with foreign-based firms.

Domestically produced equipment which is exported and returned without having been advanced in value or improved in condition is currently provided for in TSUS item 800.00. No separate data are available concerning the value of U.S.-produced equipment which is comparable to or competitive with the wide variety of articles classifiable in the proposed tariff item; there may in some instances be no domestic products which may be substituted for foreign manufactures.

Section 120—Scrolls or Tablets Imported for Use in Religious Observances

Section 120 would extend duty-free treatment to certain Buddhist tablets or scrolls called Gohonzon.

Current law.—Gohonzon are classified under TSUS item 207.00, wood not specifically provided for. The MFN tariff rate is 6.2 percent ad valorem, which will decline to 5.1 percent by 1987.

The bill.—Section 120 would provide for the duty-free entry of Gohonzon.

Background.—Gohonzon are either tablets or scrolls. The tablet form is principally used by institutions (e.g., temples) and is made of wood approximately 2 inches thick, 2 feet wide, and 4 feet long. The wooden tablets are carved by the high priest. There are only a few of this type of Gohonzon imported into the United States due to their limited use. The scroll form is used by individuals and is made of a combination of paper and wood. It comes in a variety of sizes depending on its use (some Gohonzon can be carried on the person, though traditionally the scrolls measure 8 inches in width and 16 inches in length), and is imprinted by lithographic techniques. The top of the scroll paper is attached to wood; the bottom is weighted via wooden dowel to keep the paper flat when hanging. The bulk of U.S. imports are of the scroll type. These objects are considered by Buddhist adherents to be highly respected objects of worship and are the focal point of the religion. Frequently, the Gohonzon is enshrined by the believer in a home altar. A true and most respectful worshipper chants a series of prayers while facing the Gohonzon.

There are no domestic producers of Gohonzon because the high priest in Japan must either inscribe or oversee the inscription of the item. Each temple in the United States imports its Gohonzon. Once an adherent has demonstrated a prescribed level of commitment, a priest presents the individual with a Gohonzon. Thus, the Buddhist priesthood controls the manufacture and distribution of this article.

The principal user of Gohonzon is the Japenese Buddhist sect Nishiren Shoshu, a 750-year-old denomination first introduced into the United States in the 1950s by Japanese wives of U.S. military personnel. At present, there are 6 temples, 37 community centers, and 2 training centers, with an estimated 300,000 adherents.

Japan is the sole source of Gohonzon. There were approximately 32,000 Gohonzon imported into the United States in the period 1979-83. An estimated 2,000 articles were imported during 1979 and 1980, around 3,000 articles during 1981 and 1982, and an estimated 22,000 in 1983.

Section 121—Certain Naphtha

Section 121 would amend the TSUS to equalize the tariff treatment of naphthas described as petroleum products and those described as benzenoid chemicals.

Current law.—Currently, naphthas derived from petroleum, shale oil, natural gas, or combinations thereof (except motor fuel) are classified under item 375.35 at a MFN duty rate of 0.25 cent per gallon (ad valorem equivalent (AVE) rate of 3 percent) and a non-MFN rate of 0.5 cent per gallon. Naphthas containing more than 5 percent dutiable benzenoid products, however, are currently classified as other mixtures of organic chemicals containing benzenoid chemicals in item 407.16 at a MFN rate of 1.7 cents per pound plus 13.6 percent ad valorem (AVE rate of 27 percent), but no less than the

highest rate applicable to any component material, and a non-MFN rate of 7 cents per pound plus 43.5 percent ad valorem, but not less than the highest rate applicable to any component material.

Imports from beneficiary developing countries other than Venezuela are eligible for duty-free entry under the Generalized System of Preferences (GSP) and the Caribbean Basin Initiative (CBI).

The bill.—This legislation would amend subpart B of part 1 of schedule 4 of the TSUS to add a new item, 407.17, to provide for naphthas derived from petroleum, shale oil, natural gas, or combinations thereof (except motor fuel) which contain by weight over 5 percent of products described in subpart B of part 1 of schedule 4, at MFN rate of duty of 0.25 cent per gallon and a non-MFN rate of duty of 0.5 cent per gallon. Benzenoid chemicals in naphtha mixtures that are not intended as petroleum fuels' blending stock are precluded from coverage.

Thus, naphthas currently entering under item 407.16 would receive the same, more favorable tariff treatment as those entering under item 475.35.

Background.—The naphtha described in this section is a mixture of aliphatic (acyclic) and aromatic (benzenoid) compounds produced by catalytic reforming of crude petroleum. As a result of this reforming process, the final naphtha mixture usually contains between 30 and 40 percent benzenoid compounds of which 5 to 10 percent are dutiable.

Recently, the Customs Service determined in guidelines to Customs officers that naphtha used to increase octane in lead-free gasoline was required to be classified as benzenoid chemicals, which had the practical effect of placing prohibitive duties on these products. Prior to the Customs Service determination, the duty on naphtha was $.0025 per gallon, so the determination resulted in a duty increase of $.22 per gallon. As reported by the Committee, the provision corrects the duty anomaly caused by the Customs Service determination, but it was also modified from the original form in which it was introduced as S. 2479, by placing a ceiling on the percentage level of benzenoid compounds that imported naphtha may contain in order to receive the benefits of this section. As amended, the Administration did not object to the provision.

In 1982, U.S. imports amounted to 190 million pounds, from Venezuela and Argentina.

Section 122—Steel Pipes and Tubes Used in Lampposts

Section 122 would create a new tariff item for tapered steel pipes and tubes of certain dimensions that are suitable for use as supports for illuminating articles and for other applications. The bill would codify a recent court decision classifying the articles as parts of illuminating articles instead of steel pipes and tubes.

Current law.—The Court of Appeals of the Federal Circuit, in reversing the Court of International Trade (CIT), recently held that the articles in question are classifiable under TSUS item 653.39 as parts of illuminating articles, even though unfinished when imported, so long as the pipes and tubes are chiefly used as parts of illuminating articles. The CIT had held that the articles were classifiable as pipes and tubes, of other than alloy iron or steel, under item 610.32.

TSUS item 653.39 has a MFN duty rate of 11.9 percent ad valorem, a least-developed developing country (LDDC) rate of 7.6 percent, and a non-MFN duty rate of 45 percent. The MFN rate is being staged down to 7.6 percent by 1987. Articles imported from designated beneficiary developing countries are eligible for duty-free treatment under the GSP. Imports from designated Caribbean countries are also eligible for free entry under the CBI. Articles imported under TSUS item 610.32 are subject to a MFN rate of 1.9 percent ad valorem.

The bill.—Section 122 would establish a new tariff item to provide specifically for tapered steel pipes and tubes suitable for illuminating articles and supports, having a diameter of between 5.9 and 7.5 inches and rates of taper from end to end between 0.10 inches and 0.7 inches per foot. The MFN tariff rate would be 11.9 percent ad valorem, while the non-MFN rate would be 45 percent.

Background.—The tapered steel pipes and tubes of the dimensions specified in this bill are used principally as supports for street and highway lighting, commercial area lighting, sports facility lighting, traffic lighting, and, particularly those pipes and tubes with a base diameter of 30 inches or more, supports for the transmission and distribution of electricity.

There are at least 9 U.S. producers of tapered steel pipes and tubes. U.S. shipments ranged from $150 million to $180 million during 1979-83. Imports are estimated to have accounted for less than 10 percent of U.S. consumption in 1983 (about $18 million). U.S. exports are negligible.

Section 123—Wearing Apparel

Section 123 would change the tariff classification of most wearing apparel imported as parts of sets.

Current law.—*Eo nomine* provisions (provisions which describe an article by a specific name) were first established for large numbers of apparel articles on January 1, 1982, to implement tariff concessions granted by the United States during the Tokyo round of the Multilateral Trade Negotiations (MTN). Before 1982, most apparel was described in terms of its composition (e.g., "of cotton") and fabric construction (i.e., "knit" or "not knit"), so that apparel articles of the same fiber and construction were dutiable under the same tariff provision at the same rate. However, during the Tokyo round of negotiations, consideration was given to the import sensitivity of apparel on a product-by-product basis, resulting in small or no-duty reductions as to more sensitive articles and more significant tariff cuts as to less sensitive ones. Consequently, *eo nomine* provisions were created to cover the sensitive articles, while the remainder of the articles were classified under residual or "basket" tariff provisions which have lower rates of duty.

Importers soon began entering apparel sets containing one or more articles provided for *eo nomine* and one or more covered by basket tariff items. Such sets, in which not all components are provided for *eo nomine*, are classified as entireties usually in basket tariff items at the lower duty rates. The U.S. Customs Service classifies apparel sets as entireties if: (1) the components are sold as a unit and not separately; (2) the components are coordinated as to color to the extent that it is obvious they were designed and intended to be worn together; (3) the components, when joined together, form a new article which possesses a character or use different from its parts, *or* one of the components in the set so predominant that the other components are merely incidental.

Apparel sets classified as entireties during January-November 1983 were assessed an average rate of duty of 27 percent ad valorem. If this legislation had then been in effect, the average duty rate on these sets would have been 31 percent ad valorem. This tariff differential will widen considerably during 1984-90, as the staged tariff reductions on apparel negotiated in the Tokyo round are implemented and the duty rates of *eo nomine* provisions are reduced less than those of the basket items.

The bill.—Section 123 would amend part 6, schedule 3 of the TSUS by changing the tariff classification of most wearing apparel imported as parts of sets. Apparel sets, which are now, in general, classified as entireties, would instead be classified according to their separate components. This would result in higher duties on garments imported as parts of sets, because most of the individual components (such as blouses or jackets) would be classified in tariff provisions have significantly higher rates of duty than those now applicable to articles classified as entireties.

Background.—The articles most significantly affected by the section are shirts, sweaters, trousers, coats, and dresses made of textile fibers. Approximately 94 percent of the value of all apparel articles imported as parts of sets in 1983 was accounted for by women's, girls' and infants' garments; shirts and blouses accounted for about 59 percent of the total value of imported sets. Sets are often packaged, put on hangers, shipped, or otherwise marketed together to promote unit purchases at retail.

There are approximately 20,000 establishments producing wearing apparel in the United States. These establishments are located mainly in the Northeast—particularly in New York, New Jersey, and Pennsylvania—and in California. Employment in 1982 totaled 1.16 million people, down 13 percent from 1978. The six major firms in 1982 recorded sales of $7.5 billion, approximately 15 percent of the total apparel market. Shipments of the articles principally affected by this legislation during 1979-83 increased 29 percent to $25 billion (4 percent by quantity, to 249 million dozen). Imports increased in the same period 75 percent by value, to $7 billion, and 43 percent by quantity, to 141 million dozen.

Articles imported specifically as parts of sets accounted for less than 1 percent of the total imports in each garment category, although the total value of these parts rose to $35 million in 1983—up to 37 percent from the previous year. The number of such parts increased 29 percent in 1983 to 862 thousand dozen.

Section 124—Recently Developed Dairy Products

Section 124 would provide new tariff nomenclature for certain recently developed dairy products: whey protein concentrate, lactalbumin, and total milk proteinate.

Current law.—Whey protein concentrate is currently classified in TSUS item 183.05, "other edible preparations not specially provided for." The MFN rate of duty is 10 percent ad valorem, while the non-MFN rate is 20 percent.

Lactalbumin is classified under TSUS item 190.15, "albumin not specially provided for." The MFN and non-FMN rates are free.

Total milk proteinate is classified under TSUS item 493.17, "other casein and mixtures in chief value thereof." The MFN duty rate is 0.2 cents per pound, while the non-MFN duty rate is 5.5 cents per pound.

The bill.—Section 124 would create three new items for these three products within subpart D of part 4 of schedule 1 of the TSUS, which is entitled "other milk products." The tariff rates currently applicable will not change.

Background.—Whey protein concentrate (WPC) is a modified whey product from which most of the non-protein constituents have been removed. It is used as a protein booster in certain foods. Lactalbumin is similar to WPC but has an even higher protein content. Total milk poteinate (TMP) is a soluble milk proteinate in which casein and undenatured whey products are isolated as a single protein complex. TMP is derived from skim milk and is intended for many of the same purposes as nonfat dry milk.

These new products have only recently been approved for use, so that there are practically no imports of them.

TITLE I, SUBTITLE C

Section 155—Certain Sulfa Compounds

The committee includes one new sulfa compound, acetylsulfaguanidine, in a group of such compounds already reported in H.R. 3398 for which duties will be suspended through December 31, 1987.

Current law.—Acetylsulfaguanidine currently is classified under item 406.56 in the Chemical Appendix to the TSUS. It is dutiable at an MFN rate of 1.7 cents per pound plus 18 percent ad valorem. The non-MFN rate is 7 cents per pound plus 57.5 percent ad valorem.

The bill.—Section 122 would establish a new tariff item to provide specifically for tapered steel pipes and tubes suitable for illuminating articles and supports, having a diameter of between 5.9 and 7.5 inches and rate of taper from end to end between 0.10 inches and 0.7 inches per foot. The MFN tariff rate would be 11.9 percent ad valorem, while the non-MFN rate would be 45 percent.

Background.—The tapered steel pipes and tubes of the dimensions specified in this bill are used principally as supports for street and highway lighting, commercial area lighting, sports facility lighting, traffic lighting, and, particularly those pipes and tubes with a base diameter of 30 inches or more, supports for the transmission and distribution of electricity.

There are at least 9 U.S. producers of tapered steel pipes and tubes. U.S. shipments ranged from $150 million to $180 million during 1979-83. Imports are estimated to have accounted for less than 10 percent of U.S. consumption in 1983 (about $18 million). U.S. exports are negligible.

TITLE I, SUBTITLE C

Section 155—Certain Sulfa Compounds

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Current law.—Acetylsulfaguanidine currently is classified under item 406.56 in the Chemical Appendix to the TSUS. It is dutiable at a MFN rate of 1.7 cents per pound plus 18 percent ad valorem. The non-MFN rate is 7 cents per pound plus 57.5 percent ad valorem. The article is not eligible for GSP treatment, but is eligible for duty-free entry from eligible CBI countries.

The bill.—Section 155 provides for a suspension of duties for five sulfa compounds through December 31, 1987. The articles are: acetylsulfaguanidine, sulfamethazine, sulfaguanidine, sulfaguinoxaline, and sulfanilamide. The last four compounds are included in section 135 of H.R. 3398. The committee amendment adds acetylsulfaguanidine to this list.

Background.—Acetylsulfaguanidine is a synthetic organic chemical used in the production of sulfaguanidine, which in turn is used primarily to produce a sulfa drug, sulfamethazine. In the United States, this drug is used to combat bacterial infections in animals. Acetylsulfaguanidine is not produced in the United States. 1983 imports were approximately 60,000 pounds.

Section 160—Rifamycin

Section 160 would amend the Appendix to the TSUS by adding a new item to suspend for a three-year period the MFN rate of duty on the chemical 3- (4-methylpiperazinyliminomethyl) rifamycin SV.

Current law.—The generic name for this drug is rifampin. Rifampin is classified under TSUS item 437.32 as an antibiotic. The current MFN rate of duty is 4.4 percent ad valorem. The non-MFN rate of duty is 25 percent ad valorem. Imports from designated beneficiary developing countries under TSUS item 437.32 are eligible for duty-free entry under the GSP. The LDDC rate of duty is 3.7 percent ad valorem. The MFN rate for this TSUS item is being staged down under the MTN agreement of the Tokyo round and is scheduled to reach 3.7 percent ad valorem by 1987.

The bill.—Section 160 would suspend the MFN rate of duty on rifampin until December 31, 1987.

Background.—Rifampin is a broad-spectrum antibiotic, effective against many bacteria, that is used in combination with at least one other antituberculosis agent in the treatment of tuberculosis. Rifampin is not produced in the United States, nor has it been produced domestically within the last five years. Imports are approximately 22,000 pounds per year, valued at roughly $10 million.

Section 161—Mepenzolate Bromide

Section 161 would suspend for a 3-year period, the MFN rate of duty on a chemical the generic name of which is mepenzolate bromide.

Current law.—Mepenzolate bromide is classified under TSUS item 412.02 as an autonomic drug provided for in the Chemical Appendix to the TSUS. The current MFN rate of duty is 14.1 percent ad valorem. The non-MFN rate of duty is 7¢ per pound plus 71.5 percent ad valorem. Imports from designated beneficiary developing countries under TSUS item 412.02 are not eligible for duty-free entry under the GSP. The LDDC rate of duty is 8.2 percent ad valorem.

The bill.—Section 161 would suspend until December 31, 1987 the MFN rate of duty on mepenzolate bromide.

Background.—Mepenzolate bromide occurs as a white crystalline power that is sparingly soluble in water. It is used in the management of diseases of the colon associated with inflammation, hypermobility, and spasm. Currently, there is no U.S. production of this drug.

Section 162—Desipramine Hydrochloride

Section 162 would amend the Appendix to the TSUS to suspend for a 3-year period the MFN rate of duty on a chemical the generic name of which is desipramine hydrochloride.

Current law.—Desipramine hydrochloride is classified under TSUS item 412.35 as an antidepressant drug provided for in the Chemical Appendix to the TSUS. The MFN rate of duty is 30.5 percent ad valorem. The non-MFN rate of duty is 7¢ per pound plus 149.5 percent ad valorem. Imports from designated beneficiary developing countries under TSUS item 412.35 are not eligible for duty-free entry under the GSP. The LDDC rate of duty is 16.6 percent ad valorem.

The bill.—Section 162 would suspend until December 31, 1987 the MFN rate of duty on desipramine hydrochloride.

Background.—There is apparently no domestic production of desipramine hydrochloride. Imports are approximately 10,000 pounds per year valued at $1.0 million. There is no known U.S. production of any competing product.

Section 163—Diphenyl Guanidine and Di-ortho-tolyl Guanidine

Section 163 would suspend temporarily the duty on diphenyl guanidine and di-ortho-tolyl guanidine.

Current law.—Imports of diphenyl guanidine and di-ortho-tolyl guanidine presently enter with a MFN duty rate of 17.3 percent ad valorem. This rate is scheduled to decrease in stages to 15 percent ad valorem by January 1, 1987, as a result of concessions made in the Tokyo Round of trade negotiations. Diphenyl guanidine and di-ortho-tolyl guanidine are not eligible for duty-free treatment under the U.S. GSP program.

The bill.—Section 163 would suspend the MFN duty until June 30, 1987, on imports of diphenyl guanidine and di-ortho-tolyl guanidine that enter under TSUS item 405.52.

Background.—No U.S. producer presently makes these chemicals, and substitutes do not function as well nor are they as environmentally sound. In 1982, U.S. imports of diphenyl guanidine and di-ortho-tolyl guanidine amounted to 1.6 million pounds and 471,000 pounds, respectively.

Section 164—Continuation of Suspension of Duty on Certain Forms of Zinc

Section 164 would extend to June 30, 1989, the temporary suspension in the MFN rate of duty for certain forms of zinc.

Current law.—The existing temporary suspension in the MFN rate of duty applies to zinc-bearing ores; zinc dross and zinc skimmings; zinc-bearing materials; and zinc waste and scrap.

The duty on these items was originally suspended in 1975 for a 3-year period since U.S. mines did not have sufficient capacity to satisfy demand; it also was recognized that other major zinc-producing countries permit the importation of ores and concentrates free of duty. This temporary duty suspension expired on June 30, 1978. Public Law 96-467, effective October 17, 1980, retroactively restored the temporary duty suspension, which continued until June 30, 1984.

The bill.—Section 164 would continue the temporary suspension of the MFN duties on zinc-bearing ores, zinc dross and skimmings, zinc-bearing materials and zinc waste and scrap from July 1, 1984, to the close of June 30, 1989.

Background.—Imports of these zinc materials are important to the United States because U.S. zinc mines, even when operating at full capacity, cannot produce sufficient ores and concentrates to meet the raw material needs of U.S zinc smelters and refiners. The downward trend in U.S. production is attributable to low ore grades, low by-product value, high production costs, and exhaustion of ore reserve. The U.S. Bureau of Mines estimates that in 1983 domestic mine production was 315,000 tons and U.S. apparent consumption was 1 million tons. Thus, domestic supplies of zinc raw materials are

inadequate to meet the requirements of the zinc smelting industry.

Prior to the 1975 enactment of the duty suspension, the United States was the only major zinc metal producing country which imposed a tariff on these raw material imports. This tariff placed U.S. zinc smelters and refiners at a competitive disadvantage in the acquisition of these materials.

Section 165—Clomiphene Citrate

Section 165 would suspend until June 30, 1986 the duty on clomiphene citrate.

Current law.—Clomiphene citrate is classified under TSUS item 412.50 as a hormone, synthetic substitute, or antagonist not provided for in the Chemical Appendix to the TSUS. The MFN rate of duty is 8.7 percent ad valorem and has been in effect since July 1, 1980. The current MFN rate reflects the full U.S. Multilateral Trade Negotiations concession rate implemented without staging for articles classifiable under TSUS item 412.50. The pre-MTN rate was 1.7¢/lb plus 12.5 percent ad valorem until June 30, 1980. The non-MFN rate of duty is 7¢/lb plus 78.5 percent ad valorem.

Imports from designated beneficiary developing countries under TSUS item 412.50 are not eligible for duty-free entry under the GSP. The LDDC rate of duty is the same as the MFN rate of duty.

The bill.—Section 165 would amend the Appendix to the TSUS to suspend until June 30, 1986 the MFN rate of duty on the chemical 2-[4-(2-chloro-1,2-diphenylethenyl)-phenoxy]-N,N-diethylethanamine dihydrogen citrate.

Background.—Clomiphene citrate has both estrogenic and antiestrogenic properties. The drug is used to induce ovulation in anovulary women. In addition, clomiphene citrate is used in small doses as a gonad stimulating agency in therapy for male infertility. Enactment of this bill should have no adverse effect on domestic producers of like or competitive products. There is no domestic production of this fertility drug. The domestic market is served entirely by imports, which amounted to approximately 90 pounds, valued at $900,000, in 1982.

Section 166—Terfenadine

Section 166 would amend the Appendix to the TSUS to suspend, until June 30, 1986, the MFN rate of duty on the chemical terfenadine.

Current law.—Terfenadine has been imported into the United States for clinical trials under TSUS item 411.58 as an antihistamine not provided for in the Chemical Appendix to the TSUS. The MFN rate of duty is 9.2 percent ad valoren and has been in effect since July 1, 1980. The current MFN rate reflects the full U.S. MTN concession rate implemented without staging for articles classified under TSUS item 411.58. The pre-MTN rate was 1.7¢/lb plus 12.5 ad valorem until June 30, 1980. The non-MFN rate of duty is 7¢/lb plus 82 percent ad valorem.

Imports from designated beneficiary developing countries under TSUS item 411.58 are not eligible for duty-free entry under the GSP. The LDDC rate of duty is the same as the MFN rate of duty.

The bill.—Section 166 would suspend the MFN rate of duty on chemical terfenadine until June 30, 1986.

Background.—Terfendadine is not produced in the United States. It is an intermediate used to produce a new antihistamine product. There is no import data available, although some terfenadine is being imported for testing purposes by the Food and Drug Administration.

Section 167—Dicyclomine Hydrochloride

Section 167 would amend the Appendix to the TSUS to suspend until June 30, 1986, the MFN rate of duty on chemical dicyclomine hydrochloride.

Current law.—Dicyclomine hydrochloride is classified under TSUS item 412.02 as an autonomic drug provided for in the Chemical Appendix to the TSUS. The current MFN rate of duty is 12.6 percent ad valorem. The non-MFN rate of duty is 7¢/lb. plus 71.5 percent ad valorem. Imports from designated beneficiary developing countries under TSUS item 412.02 are not eligible for duty-free entry under the GSP. The LDDC rate of duty is 8.2 percent ad valoren.

The bill.—Section 167 would suspend until June 30, 1986, the MFN rate of duty on chemical dicyclomine hydrochloride.

Background.—Dicyclomine hydrochloride is an autonomic drug that acts as an anticholinergic agent. It is used in the symptomatic treatment of disorders of the gastrointestinal tract, such as spastic colitis, ulcerative dolitis, etc. No company in the United States produces this chemical. Imports in 1982 were approximatley 10,000 pounds, valued at $900,000.

Section 168—Lactulose

Section 168 would suspend until June 30, 1987 the duty on lactulose.

Current law.—Lactulose is classified in subpart C of schedule 4, part 3 under TSUS item 439.50 which provides for other drugs, including synthetic drugs. The current rate of duty for MFN and LDDC countries is 3.7 percent ad valorem. The non-MFN rate of duty is 25 percent. Articles imported from designated beneficiary countries and classified under TSUS 439.50 are eligible for duty-free entry under the GSP. Imports from designated beneficiary Caribbean Basin countries are eligible for duty-free entry under the CBI.

The bill.—Section 168 would amend the Appendix to the TSUS to suspend until June 30, 1987 the MFN rate of duty on lactulose. Current imports are approximately 1 million pounds per year valued at $1 million.

Background.—Lactulose is not produced in the United States. It is used in the manufacture of two prescription drugs, one is a laxative used to correct chronic constipation and the other is a drug used to treat PSE, a disease resulting from cirrhosis of the liver.

Section 169-Iron-Dextran Complex

This bill would suspend until June 30, 1987 the duty on iron-dextran complex.

Current law.—Iron-dextran complex is classified in subpart C of schedule 4, part 3, under TSUS item 440.00 which provides for drugs not provided for in subparts A or B which are imported in ampoules, capsules, tubes, lozenges, pills, tablets, troches, or similar forms, including powders put up in medicinal doses. If it were imported in bulk rather than dosage form, it would be classified in subpart C under TSUS item 439.50. Item 440,00, TSUS, is subject to staged rate reductions in accordance with the Tokyo Round of Multilateral Trade Negotiations.

The current MFN rate of duty for item 440.00 is the rate provided for the product in subpart C, but not less than 4.2 percent ad valorem. The non-MFN rate of duty is the rate provided for the product in subpart C, but not less than 25 percent ad valorem. The LDDC rate of duty is the rate provided for the product in subpart C, but not less than 3.7 percent ad valorem. Because the rates currently in effect for item 439.50 are either the same or lower than these rates, these rates apply to the product.

Articles imported from designated beneficiary developing countries and classified under TSUS item 440.00 are eligible for duty-free entry under ther GSP. Imports from designated beneficiary Caribbean Basin countries are eligible for duty-free entry under the CBI.

The bill.—Section 169 would amend the Appendix to the TSUS to suspend until June 30, 1987 the MFN rate of duty on an iron dextran complex.

Background.—There is no domestic producer of this product, which is used to treat iron deficiency mania. The product is sold under the trademarks Imferon and Proferdex. Imports for 1983 are estimated to have been valued at $500,000.

Section 170—Circular Knitting Machines

Section 170 would suspend MFN duties on certain circular knitting machines until December 31, 1989.

Current law.—These machines are classified under TSUS item 670.17, and are subject to a MFN rate of 4.9 percent ad volorem, which is being phased down to 4.2 percent by 1987. The non-MFN rate is 40 percent. The LDDC rate is 4.2 percent ad volorem. The machines are eligible for duty-free entry under the CBI and GSP.

The bill.—Section 170 would suspend the MFN duty rate on circular knitting machines designed for sweater or garment length knitting until December 31, 1989.

Background.—Knitting is the process of forming fabric by creating interlocking loops of yarn; it may be accomplished by hand or with machines. These machines employ yarn feeds, needle housing in which replaceable hooked needles are installed, cams, drives, and fabric take-up mechanisms. Industrial machines are usually powered by electric motors; other machines may be driven manually. When a machine is operating, the hooked needles move within their individual housings in a manner determined by the cam setting. Each needle in its turn moves through an existing loop, hooks onto a yarn end, and pulls it through the old loop, which is then cast off. In circular knitting machines, the needle housings (or slots) are in a cylinder, positioned over a set of cams which engage the needle butts. As the cylinder rotates over the cams (or in some machines, as the cams rotate in relation to the statonary cylinder), the needles rise and fall as their butts pass over the cam.

There are two basic types of circular knitting machines for sweater and garment length knitting—namely, cylinder and dial machines and double cylinder machines. Cylinder and dial machines possess two circular opposed needle housings called the cylinder and dial. In the dial, needles are arranged horizontally and radially, while the needles contained in the cylinder are arranged vertically. Cylinder and dial machines used to produce sweaters and garment length knitting are also knows as sweater strip machines, garment length machines, body strip machines, and body length machines.

Double cylinder machines possess two cylinders, one on top of the other, containing a distinctive type of needle known as a double-headed latch needle designed to operate off each cylinder in turn in the knitting zone. Double cylinder machines are also known as circular links and links machines, circular purl machines, and superimposed cylinder machines.

There apparently is no domestic production of cylinder and dial or double cylinder circular knitting machines. Imports have increased from 32, valued at $492,000 in 1980, to 87, valued at $3,747,000 in 1983. The imports originate in Spain, Italy, West Germany, and the United Kingdom.

Section 171—Uncompounded Allyl Resins

Section 171 would extend a current duty suspension for uncompounded allyl resins until December 31, 1986.

Current law.—Uncompounded allyl resins are classified under TSUS item 408.96 and are subject to MFN and LDDC and valorem duty rates of 7.4 percent and 5.8 percent, respectively. These rates currently are suspended, under a provision of law that expires September 30, 1984. The MFN rate will be staged down to 5.8 percent by January 1, 1987. The articles are eligible for duty-free entry under the GSP and CBI.

The bill.—Section 171 would extend the current duty suspension until December 31, 1986.

Background.—Uncompounded allyl resins are also called prepolymers. One, diallyl phthalate (DAP), is used as an ingredient in making engineering plastics for a variety of electronics and electrical applications. There is at least one domestic producer of these compounds. In 1983, imports of allyl prepolymer resins and allyl molding compounds amounted to 1,889,000 pounds, valued at $2,818,000.

Section 172—O-Benzyl-P-chlorophenol

Section 172 would suspend until December 31, 1987, the duty on o-Benzyl-p-chlorophenol.

Current law.—This chemical, a biocide, is classified under TSUS item 408.16 with a MFN duty rate of 12.2 percent ad valorem, an LDDC rate of 11.1 percent, and a non-MFN rate of 7¢/lb. + 40 percent ad valorem.

The bill.—Section 172 would create a temporary item 907.13 to provide for the suspension of MFN duties for three years beginning on the date of enactment.

Background.—o-Benzyl-p-chlorophenol is a biocide commonly used as the active ingredient in cleaning solutions and disinfectants. It is the only known biocide that effectively kills mycobacterium tuberculosis, the bacterium causing TB. There apparently are no U.S. producers of the chemical.

Section 173—Narrow Fabric Looms

Section 173 would suspend until June 30, 1987, the duty on narrow fabric looms.

Current law.—Narrow fabric looms currently enter under TSUS item 670.14 at a MFN rate of 5.6 percent ad valorem. This rate is being reduced in stages to 4.7 percent by 1987. Loom parts enter under item 670.74 at the same rate as the machines. The items are eligible for duty-free treatment under the GSP and CBI.

The bill.—Section 173 bill would suspend the duties on the looms and parts until June 30, 1987.

Background.—Only one U.S. firm manufactures a limited number of narrow fabric needle looms. Several produce parts for regular-size fabric looms that can also be used on narrow fabric looms. 1983 imports of narrow fabric looms were 440 units valued at $3.9 million.

Section 174—Nicotine Resin Complex

Section 174 would suspend until June 30, 1987 the duty on nicotine resin complex.

Current law.—Nicotine resin complex is classified under TSUS item 437.13 as an alkaloid compound based on nicotine. The MFN rate of duty is 4.2 percent ad valorem. The non-MFN rate of duty is 25 percent ad valorem. The LDDC rate is 3.7 percent ad valorem.

Articles imported from designated beneficiary developing countries and classified under TSUS item 437.13 are eligible for duty-free entry under the GSP. Imports from designated Caribbean countries are eligible for duty-free treatment under the CBI.

The bill.—Section 174 would amend the Appendix to the TSUS to suspend until June 30, 1987 the MFN rate of duty on nicotine resin complex.

Background.—The trade name of this produce is Nicorette. Nicorette is a prescription chewing gum that has been available for purchase in the United States since March 1984, following FDA approval. Nicorette has been sold for more than five years in Europe and for nearly that long in Canada. When chewed, it releases a small amount of nicotine which is much less than that produced by smoking. It is intended to help smokers who want to wean themselves from the habit of smoking. There is no domestic producer of this product.

Section 175—Tartaric Acid and Certain Tartaric Chemicals

Section 175 would extend until June 30, 1988, a temporary duty suspension for certain tartaric chemicals that expired June 30, 1984.

Current law.—Tartaric acid is classified under TSUS item 425.94 with an MFN duty rate of 5.1 percent of ad valorem, an LDDC rate of 4.3 percent ad valorem, and a non-MFN duty rate of 17 percent ad valorem. Tartar emetic is classified under TSUS item 426.72, with an MFN duty rate of 1.9 percent ad valorem, an LDDC rate of 1.8 percent ad valorem, and a non-MFN duty rate of 4 percent ad valorem. Cream of tartar is classified under TSUS item 426.76 with an MFN duty rate of 5.5 percent ad valorem, an LDDC rate of 4.6 percent ad valorem, and an MFN dute rate of 11 percent ad valorem. Rochelle salt is classified under TSUS item 426.82 with an MFN duty rate of 4.7 percent ad valorem, an LDDC rate of 4.1 percent ad valorem, and a non-MFN duty rate of 11.5 percent ad valorem. The MFN rates are being staged down through 1987.

Imports under all four of the above tariff provisions, if from designated beneficiary countries, are eligible for duty-free entry under the GSP and CBI.

The bill.—Section 175 would amend items 907.65 (tartaric acid), 907.66 (potassium salts), 907.68 (cream of tartar), and 907.69 (sodium tartrate (Rochelle salts)) of the Appendix to the Tariff Schedules of the United States (TSUS) to extend the temporary suspension of MFN duties of those four items until June 30, 1988. There would be no change in the non-MFN rates of duty.

Background.—Tartaric acid is a colorless, transparent, crystalline solid or a white crystalline powder and is classified chemically as a disubstituted, discarboxylic acid. It is produced from argols or wine lees by treatment with milk of lime (calcium hydroxide), followed by precipitation of calcium sulfate, and crystallization of the acid. Tartaric acid can also be produced synthetically by the hydroxylation of maleic anhydride.

Tartaric acid is used as an intermediate in the production of chemicals such as acetaldehyde, and various tartaric acid salts and esters. It is also used as a sequestrant in tanning effervescent beverages, baking powder, flavors, ceramics, galvano-plastics, medicinal preparations, photographic printing and developing, textile processing, silvering glass mirrors, coloring metals, and foods.

Tartar emetic (also referred to as potassium antimony tartarate) is an odorless, poisonous, transparent, crystalline solid which effloresces when exposed to air. It is produced from potassium bitartrate by reaction with antimony metal or antimony trioxide, and is used as a textile and leather mordant, a medicine, a perfumery component, and an insecticide.

Cream of tartar (containing over 90 percent potassium bitartrate by weight) is a white, crystalline powder with a pleasant acid taste. It is classified chemically as an organic acid salt. It is produced by hot water extraction from wine lees followed by crystallization. Cream of tartar is used in baking powder, the production of other tartrates, medicine, galvanizing meals, and foods.

Rochelle salt (also referred to as potassium-sodium tartrate) is a colorless, transparent, crystalline solid with a cooling saline taste that effloresces slightly in warm air. Rochelle salt is produced from a solution of cream of tartar by saturation with sodium carbonate, followed by concentration and crystallization. Rochelle salt is used in the manufacture of mirrors, the manufacture of Seidlitz powders, in baking powder, and for the control of radio frequencies in piezoelectric crystals.

Tartaric acid accounts for the major portion of imports of these tartaric chemicals. Imports of this product rose from 3.4 million pounds, valued at $3.4 million, in 1979 to 3.9 million pounds, valued at $4.7 million, in 1981, then declined to 3.6 million pounds, valued at $2.4 million, in 1983.

U.S. imports of cream of tartar fluctuated during 1979–83 from a low of 2.0 million pounds, valued at $1.5 million, in 1980 to a peak of 2.4 million pounds, valued at $1.8 million, in 1981.

The import quantity for all of these tartaric chemicals decreased from 6.9 million pounds, valued at $6.7 million, in 1979 to 6.7 million pounds, valued at $4.0 million, in 1983.

Rochelle salt and potassium bitartrate are the only tartaric chemicals produced in the United States.

Imports of tartaric acid approximate consumption and amounted to 3.4 million pounds in 1979. Imports of tartaric acid peaked at 3.9 million pounds in 1981, then declined slightly to a level of 3.6 million pounds in 1982 and 1983. Apparent consumption of tartaric acid salts was 3.5 million pounds in consumption of tartaric acid salts fell in 1980 to approximately 2.8 million pounds, then increased to 3.5 million pounds in 1981. During 1982–1983, apparent consumption remained level at about 3.2 million pounds.

Section 176—Magnesium Chloride and Magnesium Nitrate

Section 176 provides for a suspension of the duties on mixtures of 5-chloro-2-methyl-4-isothiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride, and magnesium nitrate until June 30, 1987.

Current law.—Mixtures of isothiazolinones are classified in TSUS item 432.25 as other mixtures not specially provided for, at a MFN rate of duty of 4.2 percent ad valorem, but not less than the highest rate applicable to any component material. The LDDC and non-MFN rates are, respectively, 3.7 percent and 25 percent ad valorem, but no less than the highest rate applicable to any component material. Articles imported from designated beneficiary countries and

classified under TSUS item 432.25 are eligible for duty-free treatment under the GSP. Imports from designated beneficiary Caribbean Basin countries are eligible for duty-free entry under the CBI.

The component material contained in this mixture which has the highest rate of duty if imported as an individual compound is either one of the isothiazolinone compounds. Isothiazolinones are nitrogenous compounds classified under item 425.52, at a MFN rate and LDDC rate of duty of 7.9 percent ad valorem, and a non-MFN rate of 30.5 percent ad valorem. The concession granted with respect to item 425.52 during the Tokyo Round of the Multilateral Trade Negotiations provided for a one-time reduction on July 1, 1980, from 8.4 percent to 7.9 percent ad valorem.

The bill.—Section 176 would amend part 1B of the Appendix to the TSUS to suspend the MFN rate of duty on mixtures of 5-chloro-2-methyl-4-isothiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride, and magnesium nitrate, provided for in item 432.25, TSUS. The non-MFN rate of duty would remain unchanged. The duty would be suspended with respect to articles entered, or withdrawn from warehouse for consumption, beginning on or after the date of enactment of the legislation and continuing until June 30, 1987.

Background.—No company in the United States produces this product. The product is a chemical mixture used as a biostat for the inhibition of bacteria growth and industrial production applications and a variety of detergent formulations.

Section 177—Potassium Mixtures

Section 177 would provide for the suspension of the duty on mixtures of potassium 1-(p-choloophenyl)-1, 4-dihydro-6-methyl-4-oxopyridazine-3-carboxylate ("fenridazon-potassium") and formulation adjuvants until June 30, 1987.

Current law.—Mixtures of fenridazon-potassium and its formulation adjuvants are classified as pesticides in TSUS item 408.38, a provision created by Presidential Proclamation 4768 (45 F.R. 45135). Item 408.38 has a MFN duty rate of 0.8¢/lb plus 9.7 percent ad valorem and a non-MFN rate of 7¢/lb plus 31 percent ad valorem. No preferential rate is provided for imports from least developed developing countries. However, articles imported from designated beneficiary developing countries and classified under item 408.38 are eligible for duty-free entry under the GSP and imports from designated Caribbean Basin countries are eligible for duty-free treatment under the CBI. The MFN duty rate is not scheduled to be reduced through staging.

The bill.—Section 177 would suspend the MFN rate of duty for mixtures of potassium 1-(p-chlorophenyl)-1, 4-dihydro-6-methyl-4-oxopyridazine-3-carboxylate ("fenridazon-potassium") and formulation adjuvants until June 30, 1987.

Background.—Fenridazon-potassium is manufactured only in the United States by one company for captive use. There have been no imports for the past four years. The product is used as a plant growth regulator. In particular, it is used to inhibit the development of pollen on wheat, allowing hybrid wheat seed to develop by selective cross-pollination.

Section 178—Certain Benzoid Chemicals

Section 178 would suspend, until June 30, 1986, the duties on five chemical intermediates.

Current law.—This bill covers the following chemicals, which are classified under the indicated TSUS item numbers: (1) Trichlorosalicylic acid (item 404.46); (2) m-Aminophenol (item 404.92); (3) 6-Amino-1-naphthol-3-sulfonic acid (item 405.00); and (4) 4-Acetaminobenzenesulfonyl chloride (item 405.31). The first and fifth of these have MFN duty rates of 1.7¢ plus 17.9 percent ad valorem and 1.7¢ plus 18.1 percent ad valorem, respectively. Their non-MFN rates are 7¢ plus 57 percent and 7¢ plus 58 percent ad valorem, respectively. The other two articles have the following MFN ad valorem rates: (1) item 404.92—8.4 percent; and (2) item 405.00—9.2 percent. These rates are being staged down through 1987. Only item 405.31 is GSP eligible; all are eligible for duty-free treatment under the CBI.

The bill.—Section 178 would provide for duty-free entry of these articles until June 30, 1986.

Background.—All of the chemicals are produced synthetically from petroleum products (e.g., benzene, phenol, naphthol, and so forth). The primary use of these chemicals is as intermediates in the production of more complex chemicals. The chemical 4-acetaminobenzenesulfonyl chloride (N-acetylsulfanily chloride) is used in the production of sulfa drugs; 6-Amino-1-naphthol-3-sulfonic acid is used in the production of dyes. The remaining three chemicals, trichlorosalicylic acid, and m-Aminophenol, are used to produce a number of products such as dyes, pharmaceuticals, antitoxidants, pigments, and luminescent agents. There are not significant differences in the quality of domestic and foreign products.

6-Amino-1-naphthol-3-sulfonic acid is produced domestically for captive use.

Section 179—Decorative Lace-Braiding Machines

Section 179 would suspend the MFN duties on decorative lace-braiding machines and parts for such machines until June 30, 1987.

Current law.—Lace-braiding machines enter under TSUS item 670.25 at a MFN rate of 5.6 percent ad valorem and a non-MFN rate of 40 percent ad valorem. The LDDC rate is 4.7 percent. The articles are eligible for duty-free entry under the GSP and CBI. Parts enter at the same rate as the machines, under item 670.74. The MFN rates are being staged down to 4.7 percent ad valorem in 1987.

The bill.—Section 179 would suspend the MFN rate of duty for decorative lace-braiding machines and parts for such machines until June 30, 1987.

Background.—Textile braiding machines are of three general types: the comparatively simple Maypole type, which is used to produce such articles as sash cords, firehose covering, shoe laces, ornamental braid, fiberglass, sutures, optical fibers, and pacemaker leads; the high-speed type, which is used chiefly for making materials for insulating electrical wires and cables; and the Barmen lace-braider, which produces a fabric that is similar to handmade laces. These machines produce fabric by interlacing, diagonally, a series of threads or strands in a maypole fashion.

There are at least three domestic producers of lace-braiding machines. Because such machines constitute only a part of all textile machinery, it is not possible to provide separate data on production, imports, and exports of them.

Section 180—Yttrium

Section 180 would suspend until June 30, 1989, the MFN rate on yttrium-bearing ores and materials and yttrium compounds.

Current law.—The current MFN duty rate on these articles is 5.9 percent ad valorem, under TSUS item 603.70. The LDDC rate is 5 percent, while the non-MFN rate is 30 percent.

The bill.—Section 180 will suspend until June 30, 1989, the duty on yttrium-bearing ores, materials, and compounds containing by weight more than 19 percent but less than 85 percent yttrium oxide equivalent.

Background.—The rare earths are a family of closely related elements, both in terms of being found together in nature and their chemical and physical properties. They consist of yttrium and the lanthanides, which are the elements lanthanum through lutetium in the periodic table. Despite their name, "rare earths" are actually very abundant. There are very few places in the world, however, where the rare earths are found in economically recoverable quantities.

The two principal rare earth minerals are bastnasite and monazite. One deposit of bastnasite is at Mountain Pass, California. The ore there consists of approximately 7 percent bastnasite which in turn consists of approximately 70 percent rare earth oxides. Cerium, lanthanum, neodymium, and praseodymium are the most abundant of the rare earths in bastnasite. The Mountain Pass deposit apparently is the only place of primary production of rare earths in the world. Rare earths are produced from other deposits in other countries as by-products of titanium, iron, tin, or uranium production.

Yttrium oxides represent only 0.1 percent of the total rare earth oxides found in bastnasite; thus, high-purity (99.99 percent) yttrium oxide must be produced from imported yttrium concentrates. High-purity rare earth oxides are produced using imported yttrium concentrate and other rare earth concentrates from Mountain Pass.

High-purity yttrium oxide is the host matrix used with europium to emit the visible red light in color television and in energy saving fluorescent lights. Yttrium aluminum garnets (YAGs) and yttrium iron garnets (YIGs) are vital in classified military applications including microwave transmission and phase-array radar guidance systems. Other applications include yags for simulated diamonds, neodymium doped yttrium crystals for lasers, and yttrium oxide-stabilized zirconia for refractory insulating materials. Yttrium is also used in nickel-based, cobalt-based and iron-chromium-aluminum superalloys.

Section 181—Natural Graphite

Section 181 would extend through December 31, 1987, the current duty suspension on graphite.

Current law.—Natural graphite, crude and refined, is classified in TSUS items 517.21 and 517.24. If valued at not over 5.5 cents per pound, the MFN rate of duty is 4.7 percent ad valorem; if valued over 5.5 cents per pound, the duty is 0.3 cents per pound. The LDC rate is 3 percent ad valorem, while the non-MFN rate is 1.65 cents per pound. The MFN rates of duty are presently suspended through December 31, 1984.

The bill.—Section 181 would extend for 3 years the present duty suspension on graphite.

Reason for provision.—Graphite is a form of carbon which is found naturally as a mineral. it is used largely in foundry facings, steelmaking, lubricants, refractories, pencils, and batteries. There is no natural graphite of any type mined in the United States.

Section 210—Investigations of Countervailing Duties and Antidumping Duties

Section 210 incorporates the substance of section 2 of S. 2746. It would clarify that the countervailing duty and antidumping duty laws apply to situations where a product has been or is likely to be sold for importation but has not been imported.

Current law.—Title VII of the Tariff Act of 1930 authorizes the imposition of countervailing and antidumping duties to remedy the injurious effects of subsidized and dumped imported articles. For a countervailing duty investigation, section 701(a) requires a countervailing duty to be imposed when the Department of Commerce determine that merchandise "imported into the United States" benefits from a countervailable subsidy, and the International Trade Commission finds that a U.S. industry is materially injured or threatened with material injury "by reason of imports of that merchandise." In antidumping investigations, section 731 requires the Commerce Department to determine whether "foreign merchandise is being, or is likely to be, sold in the United States at less than its fair value," and the Commission to determine whether a U.S. industry is materially injured, or threatened with material injury "by reason of imports of that merchandise."

The bill.—Section 210 amends section 701(a) and 705(b)(1) of the 1930 Tariff Act to clarify that countervailing duty determinations may be made with respect to merchandise that has not necessarily been imported already, but has been sold or is likely to be sold for importation. Further, the section would amend section 705(b)(1) and 735(b)(1) to make clear that leases of merchandise that are the equivalent of sales shall be treated as sales for purposes of the countervailing and antidumping duty laws.

Background.—The antidumping duty law long has applied not only to actual importations, but also to transactions involving both sales and likely sales. Although the countervailing duty law refers only to "imports", the Department of Commerce has ruled that investigations may proceed on the basis of sales contracts involving future subsidized imports, even though merchandise which is the subject of the investigation has not actually been imported at the time the investigation was commenced. See Railcars from Canada (48 Fed. Reg. 6569 (Feb. 14, 1983)). This situation may arise particularly in transactions involving capital goods, in which delivery times may be spread over several years but there is a large immediate loss to U.S. firms competing with the imports.

The second amendment made by section 210 clarifies that both the countervailing and antidumping duty laws apply to leases that are the equivalent of sales. Import transactions may be structured in a variety of ways that may not be denominated as sales but are in fact permanent exchanges for valuable consideration. This section would ensure that these unfair trade practice laws are not avoided on the basis of form alone. It would be the responsiblity of the Department of Commerce to determine whether any particular leasing arrangement is equivalent to a sale for purposes of the countervailing and antidumping duty laws.

Section 247—Certain Civil Aircraft Parts

Section 247 would authorize the President to proclaim tariff reductions for certain articles covered by the GATT Agreement on Trade in Civil Aircraft.

Current law.—The United States is a party to the GATT Agreement on Trade on Civil Aircraft, one of the nontariff barrier agreements concluded in the Tokyo Round. Among other things, that agreement, approved by the Congress in the 1979 Trade Agreements Act, provided for the elimination of duties on civil aircraft and engines, and flight simulators. The MFN duty rates on articles encompassed by section 247 range from 3.4 percent ad valorem to 16.5 percent.

The bill.—Section 247 would authorize the President to proclaim modifications in the TSUS to provide duty-free entry, beginning January 1, 1985, to imports of various articles from countries entitled to MFN status. These modifications, which are the subject of an agreement reached among parties to the code, would represent the extension of duty-free treatment by the United States which would be equivalent to that provided by other signatories to the Agreement on Trade and Civil Aircraft and the proposed expansion of the Annex thereto.

Specifically, the President would be empowered to modify the MFN rates of duty and the article descriptions of enumerated tariff items, to provide duty-free entry for articles certified for use in civil aircraft in accordance with headnote 3, part 6C of schedule 6 of TSUS. Thus, the following articles and tariff items (or parts of the latter) would be included if properly certified:

Automatic door closers of base metal (TSUS item 646.95 (part) (pt.)); parts of nonelectric engines and motors, not specifically provided for (TSUS item 660.85 (pt.)); parts of pumps for liquids (TSUS items 660.97 (pt.)); parts of fans and blowers (TSUS item 661.06 (pt.)); parts of air or gas compressors (TSU items 661.10 (pt.)); parts of air pumps and vacuum pumps (TSUS item 661.15 (pt.)); parts of air-conditioning machines and heat exchange units and parts of refrigerators and refrigeration equipment, including air humidifiers and dehumidifiers and parts thereof (TSUS items 661.20 (pt.) and 661.35 (pt.)); certain gear boxes and other speed changers (TSUS item 680.59 (pt.) as implemented through item 680.61); certain mechanical power transmission equipment and parts thereof (TSUS items 680.62 (pt.), 680.92 (pt.), 680.95 (pt.), 681.01 (pt.), 681.15 (pt.), 681.18 (pt.), 681.21 (pt.), and 681.24 (pt.)); transformers rated at less than 1kVA (TSUS item 682.05 (pt.)); storage batteries and parts thereof (TSUS items 683.05 (pt.), 683.07 (pt.), and 683.15 (pt.)); lenses, prisms, mirrors, and other optical elements (TSUS items 708.01 (pt.), 708.03 (pt.), 708.05 (pt.), 708.07 (pt.), 708.09 (pt.), 70821 (pt.), 708.23 (pt.), 708.25 (pt.), 708.27 (pt.), and 708.29 (pt.)); and parts of aircraft instruments (TSUS items 711.77 (pt.), 711.78 (pt.), 711.98 (pt.), and 712.49 (pt.)).

Background.—Estimated total U.S. shipments of the articles proposed for inclusion under the expanded Annex to the Agreement on Trade and Civil Aircraft rose each year during 1978–81, from $676.0 million to $943.3 million. This represents an estimated increase of 38.2 percent during the period. The value of shipments (estimated) declined to $891.0 million in 1982, due primarily to decreased production of civil aircraft. Later data are unavailable.

U.S. imports of the subject articles increased annually during the five-year period. Estimated imports rose from $36.7 million in 1978 to $76.6 million in 1982, a gain of 108.7 percent. Because of production requirements, a substantial period of time may pass between the placement of orders and the shipment of the finished articles. This is the principal reason why imports did not decline in 1982, despite the sharp decline in production of civil aircraft. The major sources of imports of these articles are believed to be the United Kingdom, Canada, and France. According to industry sources, some of the trade in certain imported products—specifically lenses, prisms, optical instruments, and parts of aircraft instruments—is conducted between related parties, usually U.S.-owned firms. Due to the wide variety of products to be eligible for duty-free treatment, the names and locations of principal importers cannot be identified.

Exports (estimated) of the articles proposed for inclusion under the Agreement on Trade in Civil Aircraft rose from 97.8 million in 1978 to $111.6 million in 1979. The estimated value of U.S. exports also increased in each of the following 2 years, reaching $136.0 million in 1980 and $162.7 million in 1981. In 1982, exports fell to an estimated $155.3 million. The decline was due primarily to a drop in demand for large transport planes. Because of the diversity of products involved and the lack of available data, the names and locations of principal exporters and the major foreign markets for these exports cannot be specified.

Estimated apparent U.S. consumption of the subject products increased from $614.9 million in 1978 to $846.6 million in 1981, before declining to $812.3 million in 1982. During the 5-year period, consumption rose by an estimated 32.1 percent. The ratio of imports to apparent consumption (estimated) increased from 6.0 percent in 1978 to 9.4 percent in 1982.

Section 248—Two Spectrometers

Section 248 would authorize the reopening of administrative proceedings relating to the possible refund of import duties paid by the Montana State University on two mass spectrometers.

Current law.—The Educational, Scientific, and Cultural Materials Importation Act provides that nonprofit institutions may import scientific equipment duty-free so long as U.S. manufactured equipment is not available. The Department of Commerce administers this law.

An importer may protest an assessment of duties by the Customs Service and seek a refund if a protest is filed within 90 days. Refunds connot be made without a timely protest.

The bill.—Section 248 would require the Secretary of the Treasury to reliquidate the entry of two mass spectrometers imported in 1982 for the use of Montana State University and for which applications were filed with the Commerce Department for duty-free entry.

Background.—Montana State University alleges that it believed a proper protest was timely filed with regard to duties paid on the subject articles. However, it subsequently learned this was not the case, and is barred by law from pursuing administrative relief. Section 248 would require the reliquidation of the entries of the two spectrometers, thus placing the University in a position to seek review by the Commerce Department of its claim for duty-free entry.

Section 249—Certain Telescope Parts

Section 249 would provide for the duty-free entry of articles required for the installation and operation of a sub-mm telescope in Arizona.

Current Law.—Articles intended for the use of any nonprofit institution, whether public or private, established for education-

al or scientific purposes may enter duty-free if the Department of Commerce determine that equivalent U.S. manufactured instruments are not available.

The bill.—Section 249 would require the duty-free entry of any articles provided by the Max Planck Institute for radioastronomy of the Federal Republic of Germany fore the construction, installation, and operation of a sub-mm telescope at the Steward Observatory of the University of Arizona if no instruments or apparatus of equivalent scientific value are being manufactured in the United States. The section applies also to repair components of such qualifying articles. The Commerce Department and Customs Service are charged with making the determinations of eligibility under this section.

Background.—This section of the committee amendment is substantially the same as an amendment to H.R. 3398 previously approved by the Senate. The intent of the section is to facilitate the construction and operation of a telescope to be jointly owned by the Steward Observatory and the Max Planck Institute. Although duty-free treatment may be available to the imported components under current law, the construction of the telescope will require numerous entries, reexports, and reentries of equipment that must be adjusted and repaired. This section would allow the University to avoid seeking new adminstrative determinations each time an import occurs.

Section 251—Products of Caribbean Basin Countries Entered in Puerto Rico

This section would allow products of a beneficiary country under the Caribbean Basin Initiative to enter Puerto Rico under bond for manufacture and later to be withdrawn for consumption free of duty if the products otherwise are entitled to enter duty-free under the CBI.

Current law.—Pursuant to the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 et seq.), which implemented the Caribbean Basin Initiative, eligible products from qualifying Caribbean Basin nations may enter the United States duty-free. Among other criteria, to be eligible an article must be imported directly from a beneficiary country and the sum of (1) the cost of value of materials produced in beneficiary countries and (2) the direct cost of processing performed in them must be not less than 35 percent of the article's value. This minimum percent of value may include costs originating in Puerto Rico and the U.S. Virgin Islands. Because Puerto Rico is in the customs territory of the United States, an article qualifying for duty-free entry under the CBI because it includes value added in Puerto Rico must qualify prior to entering Puerto Rico; it cannot enter the commonwealth, incorporate qualifying value-added, and then be exported to the United States.

The bill.—Section 251 would amend section 213 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703) to authorize products of a CBI beneficiary country to be imported directly into Perto Rico, entering under bond to be processed or manufactured there, together with other imported products to be used in that manufacture. The section further authorizes the resulting manufactured products to be withdrawn for entry into Puerto Rico and thus into U.S. customs territory. If the products otherwise qualify for duty-free entry under the CBI, then they are entitled to duty-free treatment under this section, notwithstanding that the products are not being imported directly from a beneficiary country.

Background.—In enacting the CBI implementing legislation, the Congress provided that value-added in Puerto Rico and the U.S. Virgin Islands could be included in that amount of value that qualified an article as originating in a beneficiary country. One purpose was to encourage joint manufacturing ventures between firms in Puerto Rico and the Virgin Islands and those in the beneficiary countries. The government of Puerto Rico in particular seeks to encourage the use of the island's technical resources, labor skills, and advanced infrastructure by Caribbean firms which will commence the basic manufacture of a complex product in their home nations. The "twin plant" concept offers an opportunity for mutual development, a goal of the CBI.

Because a product must be imported directly from a beneficiary nation in order to qualify for CBI benefits, the current rule of origin is a substantial impediment to the promotion of joint development projects. This section would allow the final stage of manufacture to occur in Puerto Rico to avoid that unnecessary impediment, but it would not otherwise change the criteria qualifying the article for CBI eligibility.

IV. VOTE OF THE COMMITTEE IN REPORTING THE COMMITTEE AMENDMENT

The committee states that the committee amendment was ordered favorably reported without objection.

V. BUDGETARY IMPACT OF THE COMMITTEE AMENDMENT

The following statement is made relative to the cost and budgetary impact of the bill. The committee has received the following letter from the Congressional Budget Office regarding the budgetary impact of this amendment, which the committee accepts as its own estimate.

VI. REGULATORY IMPACT OF THE BILL

The committee states that the provisions of the committee amendment will impose no new regulatory burdens on any individuals or businesses, will not impact on the personal privacy of individuals, and will result in no new paperwork requirements.

VII. CHANGES IN EXISTING LAW

In the opinion of the committee, it is necessary, in order to expedite the business of the Senate, to dispense with the requirements of paragraph 12 of Rule XXVI of the Standing Rules of the Senate (relating to the showing of changes in existing law made by the provisions reported by the committee).

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 10, 1984.

Hon. ROBERT J. DOLE,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In accordance with Section 403 of the Congressional Budget Act, the Congressional Budget Office has examined the committee amendment to H.R. 3398, approved July 31, 1984. The amendment is comprised of various tariff measures and two bills previously reported favorably by the committee. In addition, the amendment would update the effective dates in H.R. 3398 and apply retroactivity rules to certain provisions that have expired since H.R. 3398 was originally reported.

The two previously reported bills are S. 1718, a bill to renew the Generalized System of Preferences, and S. 2746, a bill authorizing negotiations for a free-trade area with Israel and with Canada. Estimating the revenue effect of these two bills in impossible due to the discretionary nature and indeterminant scope of the legislation.

The various tariff bills would reduce some duties, temporarily suspend other duties and clarify the classification of certain goods. The estimates shown below assume an enactment date of October 1, 1984, and are based on reports prepared by the International Trade Commission.

It should be noted that the estimates shown below do not include the effects of several bills due to the lack of reliable data on articles covered.

Effect on revenues of committee amendment to H.R. 3398

[By fiscal years; in millions of dollars]

1985	−4
1986	−3
1987	−3
1988	1
1989	1

With best wishes.
Sincerely,

RUDOLPH G. PENNER,
Director.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1985

HAWKINS AMENDMENT NO. 3705

Mrs. HAWKINS proposed and amendment to the bill (H.R. 5899) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1985, and for other purposes; as follows:

On page 28, between lines 2 and 3, insert the following:

SEC. 134. (a) The Congress finds that—

(1) drug abuse and drug related crime in the District of Columbia have reached epidemic proportions,

(2) drug trafficking in local neighborhoods of the District of Columbia results in a sharp deterioration in the quality of life and public safety,

(3) the District of Columbia has the highest evidence of emergency room mention and deaths resulting from the use of the drug PCP, and

(4) the Congress has a special responsibility to the citizens of the District of Columbia to provide for public safety and quality of life.

(b) It is the sense of the Congress that—

(1) the government of the District of Columbia must take more aggressive action to halt illegal drug trafficking, and

(2) in the consideration of further budget requests from the District of Columbia the Congress should give the highest priority to drug enforcement.

AGRICULTURAL TRADE EXPORT POLICY COMMISSION ACT

EAGLETON AMENDMENT NO. 3706

Mr. EAGLETON proposed an amendment to the bill (H.J. Res. 600) to amend the Agriculture and Food

Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States, as follows:

Beginning on page 9, line 12, strike out through page 10, line 14, and insert in lieu thereof the following:

"EXPENSES OF THE COMMISSION

"SEC. 1223. (a) There are hereby authorized to be appropriated $1,000,000 to carry out this subtitle.

On page 10, line 15, strike out "(d)", and insert in lieu thereof "(b)".

On page 7, line 21, strike out "in advance".

FEDERAL FOOD, DRUG, AND COSMETIC ACT AMENDMENTS

HATCH AMENDMENT NO. 3707

Mr. HATCH proposed an amendment to the bill (S. 2926) to amend the Federal Food, Drug, and Cosmetic Act to revise the procedures for new drug applications, to amend title 35, United States Code, to authorize the extension of the patents for certain regulated products, and for other purposes, as follows:

Clause (iii) of section 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(a) of the bill, is amended by striking out "(or supplement to an application)" and "(or supplement thereto)", and by inserting after "approved under subsection (b)" the following "and which contains reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant".

Clause (iv) of section 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(a) of the bill, is redesignated as clause (v), and the following new clause (iv) is inserted immediately after clause (iii):

"(iv) If a supplement to an application approved under subsection (b) includes reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant and is approved after the date of enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which such supplement was submitted effective before the expiration of three years from the date of the approval of the supplement under subsection (b).

Clause (iii) of section 505(c)(3)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(b) of the bill, is amended by striking out "(or supplement to an application)" and "(or supplement thereto)", and by inserting after "approved under subsection (b)" the following "and which contains reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant".

Clause (iv) of section 505(c)(3)(D) of the Federal Food, Drug, and Cosmetic Act, as added by section 101(b) of the bill, is redesignated as clause (v), and the following new clause (iv) is inserted immediately after clause (iii):

"(iv) If a supplement to an application approved under subsection (b) includes reports of new clinical investigations (other than bioavailability studies) sponsored by the applicant and is approved after the date of enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which such supplement was submitted effective before the expiration of three years from the date of the approval of the supplement under subsection (b).

Subsection (1) of section 505 of the Federal Food, Drug, and Cosmetic Act, as added by section 104 of the bill, is amended by striking out, beginning with ", including", all matter through "financial information".

THURMOND AMENDMENT NO. 3708

Mr. HATCH (for Mr. THURMOND) proposed an amendment to the bill (S. 2926), supra, as follows:

At the end of the bill insert the following new title:

TITLE —

SEC. . (a) Title 35 of the United States Code is amended by adding immediately following section 155 the following new section:

"§ 155A. Patent extension.

"(a) Notwithstanding section 154 of this title, the term of any patent which encompasses within its scope a composition of matter which is a new drug product, if such new drug product is subject to the labeling requirements for oral hypoglycemic drugs of the sulfonylurea class as promulgated by the Food and Drug Administration in its final rule of March 22, 1984 (FR Doc. 84-9640) and was approved by the Food and Drug Administration for marketing after promulgation of such final rule and prior to the date of enactment of this law, shall be extended until April 21, 1992.

"(b) The patentee or licensee or authorized representative of any patent described in such subsection (a) shall, within ninety days after the date of enactment of such subsection, notify the Commissioner of Patents and Trademarks of the number of any patent so extended. On receipt of such notice, the Commissioner shall confirm such extension by placing a notice thereof in the official file of such patent and publishing an appropriate notice of such extension in the Official Gazette of the Patent and Trademark Office.".

(b) The table of sections for chapter 14 of title 35, United States Code is amended by adding after the item relating to section 155 the following new item:

"155A. Patent extension.".

Section 25(a) of the bill, as redesignated, is amended by striking out "9 and 10" and inserting in lieu thereof "9, 10, and 24".

ENHANCEMENTS OF ECONOMIC DEVELOPMENT IN U.S. TERRITORIES

WEICKER AMENDMENT NO. 3709

Mr. BAKER (for Mr. WEICKER) proposed an amendment to the bill (H.R. 5561), to enhance the economic development of Guam, the Virgin Islands American Samoa, the Northern Mariana Islands and for other purposes, as follows:

Strike all after the enacting clause and insert in lieu thereof:

TITLE I

"SEC. 101. From the sums authorized to be appropriated to the Secretary of the Interior for technical assistance to the territories there may be appropriated not to exceed $2,000,000 for each of fiscal years 1985, 1986, and 1987 for technical assistance (including but not limited to management, marketing, and finance) in developing private enterprises in Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands.

"SEC. 102. The Secretary of the Interior is authorized and directed to report to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate not later than January 1 of fiscal years 1985, 1986, and 1987 on the executive branch's efforts regarding and recommendations for developing private enterprises in Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands.

TITLE II

"SEC. 201. (a) Subsection (b) of section 8 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1574) is amended—

"(1) by striking out "shall be sold at public sale and" in the fourth sentence of paragraph (i), and

"(2) by adding at the end thereof the following new paragraph:

"(iii) (A) The legislature of the government of the Virgin Islands may cause to be issued after September 30, 1984, industrial development bonds (within the meaning of section 103(b)(2) of the Internal Revenue Code of 1954).

"(B) Except as provided in subparagraph (C), any obligation issued under subparagraph (A) and the income from such obligation shall be exempt from all State and local taxation in effect on or after October 1, 1984.

"(C) Any obligation issued under subparagraph (A) shall not be exempt from State or local gift, estate, inheritance, legacy, succession, or other wealth transfer taxes.

"(D) For purposes of this paragraph—

"(I) The term "States" includes the District of Columbia.

"(II) The taxes imposed by counties, municipalities, or any territory, dependency, or possession of the United States shall be treated as local taxes.

"(E) For exclusion of interest for purposes of Federal income taxation, see section 103 of the Internal Revenue Code of 1954.

"Sec. 202. (a) The legislature of the government of American Samoa may cause to be issued after September 20, 1984, industrial development bonds (within the meaning of section 103 (b)(2) of the Internal Revenue Code of 1954).

"(b)(1) Except as provided in paragraph (2), any obligations shall be exempt from all State and local taxation in effect on or after October 1, 1984.

"(2) Any obligation issued under subsection (i) shall not be exempt from State or local gift, estate, inheritance, legacy, succession, or other wealth transfer taxes.

"(3) For purposes of this subsection—

"(A) The term 'State' includes the District of Columbia.

"(B) The taxes imposed by counties, municipalities, or any territory, dependency, or possession of the United States shall be treated as local taxes.

"(c) For exclusion of interest for purposes of Federal income taxation, see section 103 of the Internal Revenue Code of 1954.

"TITLE III

"SEC. 301. Title 46, United States Code, is amended—

"(a) in Section 2101 add a new paragraph (3a) to read as follows: '(3a) "citizen of the United States" means a national of the United States as defined in section 101(a)(22)) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22) or an individual citizen of the Trust Territory of the Pacific Islands who is exclusively domiciled in the Northern Mariana Islands within the meaning of section 1005(e) of the Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (90 Stat. 278).';

"(b) in section 12106 add the following at the end:

"'(c) A coastwide license to engage in the coastwise trade of fisheries products between places in Guam, American Samoa, and the Northern Mariana Islands may be issued for a vessel that—

"'(1) is less than two hundred gross tons;

"'(2) was not built in the United States;

"'(3) is eligible for documentation; and

"'(4) otherwise qualifies under the laws of the United States to be employed in the coastwise trade'; and

"(c) in section 12108 add the following at the end:

"'(c) A fishery license to engage in fishing in the territorial sea and fishery conservation zone adjacent to Guam, American Samoa, and the Northern Mariana Islands may be issued to a vessel that—

"'(1) is less than two hundred gross tons;

"'(2) was not built in the United States;

"'(3) is eligible for documentation; and

"'(4) otherwise qualifies under the laws of the United States to be employed in the fisheries trade.'.

"SEC. 302. A vessel, whether United States-built or foreign-built, and otherwise meeting the criteria set forth in sections 12106(c) or 12108(c) of title 46 of the United States Code, may be sold, chartered, leased, mortgaged, or transferred by any other means to any 'citizen of the United States' as defined in section 2101(3a) of such title, without the approval of the Secretary of Transportation, pursuant to section 9 of the Shipping Act, 1916, as amended (46 App. U.S.C. 808).

"TITLE IV

SEC. 401. To further the rehabilitation, upgrading, and construction of public facilities in the territories of the United States—

"(a) section 1(a)(1) of the Act of August 18, 1978 (92 Stat. 487), as amended, is further amended by adding "effective October 1, 1985, $16,300,000," before the words "such sums";

"(b)(1) there are authorized to be appropriated from funds heretofore authorized for technical assistance $600,000 in fiscal year 1985 (to remain available until expended) to the Secretary of the Interior who, in consultation with and with the assistance of the Secretary of Transportation, shall use said funds exclusively for planning improvements for the Alexander Hamilton Airport in St. Croix, Virgin Islands; and

"(2) section 303 of the Act of October 19, 1982 (96 Stat. 1705), as amended, is further amended by inserting after "water and power" the words "and improvements for the Alexander Hamilton airport in St. Croix, Virgin Islands".

(c) the Secretary of the Interior is authorized and directed, in consultation with and with the assistance of the Secretary of Housing and Urban Development, to study the desirability and feasibility of initiating a program for the development of housing in American Samoa and including the territory in existing Federal housing programs and to submit such recommendations (such recommendations to include, but are not limited to, any changes or modifications which would be necessary to such existing Federal housing programs to adapt them to the culture and traditions of American Samoa) as he may deem appropriate to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate of the United States within one year of the date of enactment of this Act.

"(d) there are authorized to be appropriated $2,000,000 in fiscal year 1985 (to remain available until expended) to the Secretary of the Interior for grants to the government of Northern Mariana Islands for improvements in the production and distribution of water.

"TITLE V

"SEC. 501. There is hereby conveyed, without consideration, to the Frederick Lutheran Church of Charlotte Amalie, St. Thomas, Virgin Islands, all of the right, title, and interest of the United States in and to Parcel No. 9F, Estate Hospital Ground, No. 9 New Quarter, St. Thomas, Virgin Islands (known as Ebenezer Home), and improvements thereof.

"SEC. 502. Section 11 of the Revised Organic Act of the Virgin Islands, as amended, is further amended by striking the words "St. Croix, free of rent" and inserting in lieu thereof "Saint Croix, which house, together with land appurtenant thereto is also transferred to the government of the Virgin Islands".

"TITLE VI

"SEC. 601. To rationalize the application of certain statutes so that the development of the territories of the United States is facilitated—

"(a) section 1013 of the Act of November 10, 1978 (92 Stat. 3467) is amended by deleting "subsection" and inserting in lieu thereof "section";

"(b) section 501(d) of the Act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes" (91 Stat. 1159), as amended, is further amended by deleting "Samoa" where it appears and inserting in lieu thereof "Samoa, Guam, the Virgin Islands,";

"(c) section 119(n)(1) of the Act of August 22, 1974 (88 Stat. 633), as amended, is further amended by deleting "Guam" and inserting in lieu thereof "Guam, American Samoa, the Northern Mariana Islands";

"(d) section 17(a) of the Act of April 27, 1935 (49 Stat. 163), as amended, is further amended by deleting "Puerto Rico, and the Virgin Islands" and inserting in lieu thereof "Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, and the Virgin Islands";

"(e) the Act of December 22, 1975 (89 Stat. 871), as amended, is amended by deleting "Samoa" in Sections 391(a) and 398(b) and inserting in lieu thereof "Samoa, the Northern Mariana Islands";

"(f) Section 3(4) of the Energy Policy and Conservation Act, 42 U.S.C 6202(4), is amended to read as follows:

"(4) The term "State" means a State, the District of Columbia, Puerto Rico, the Trust Territory of the Pacific Islands, or any territory or possession of the United States."; and

"(g) Section 513(2) of the National Energy Extension Service Act, 42 U.S.C. 7011(2), is amended to read as follows:

"(2) "State" means a State, the District of Columbia, Puerto Rico, and the Trust Territory of the Pacific Islands, or any territory or possession of the United States.".

"TITLE VII

"VIRGIN ISLANDS

"SEC. 701. In section 3 of the Revised Organic Act of the Virgin Islands, as amended (68 Stat. 4981; 48 U.S.C. 1561), the proviso in the next to the last paragraph is amended to read as follows: *Provided*, That all offenses against the laws of the United States and the laws of the Virgin Islands which are prosecuted in the district court pursuant to sections 22 (a) and (c) of this Act may be had by indictment by grand jury or by information, and that all offenses against the laws of the Virgin Islands which are prosecuted in the district court pursuant to section 22(b) of this Act or in the courts established by local law shall continue to be prosecuted by information, except such as may be required by local law to be prosecuted by indictment by grand jury.".

"SEC. 702. Section 21 of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C. 1611) is amended to read as follows:

"'SEC. 21. (a) The judicial power of the Virgin Islands shall be vested in a court of record designated the "District Court of the Virgin Islands" established by Congress, and in such appellate court and lower local courts as may have been or may hereafter be established by local law.

"'(b) The legislature of the Virgin Islands may vest in the courts of the Virgin Islands established by local law jurisdiction over all causes in the Virgin Islands over which any court established by the Constitution and laws of the United States does not have exclusive jurisdiction. Such jurisdiction shall be subject to the concurrent jurisdiction conferred on the District Court of the Virgin Islands by section 22 (a) and (c) of this Act.

"'(c) The rules governing the practice and procedure of the courts established by local law and those prescribing the qualifications and duties of the judges and officers thereof, oaths and bonds, and the times and places of holding court shall be governed by local law or the rules promulgated by those courts.'.

"SEC. 703. (a) Section 22 of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C. 1612) is amended to read as follows:

"'SEC. 22. (a) The District Court of the Virgin Islands shall have the jurisdiction of a district court of the United States, including, but not limited to, the diversity jurisdiction provided for in section 1332 of title 28, United States Code, and that of a bankruptcy court of the United States. The District Court of the Virgin Islands shall have exclusive jurisdiction over all criminal and civil proceedings in the Virgin Islands with respect to the income tax laws applicable to the Virgin Islands, regardless of the degree of the offense or of the amount involved, except the ancillary laws relating to the income tax enacted by the legislature of the Virgin Islands. Any act or failure to act with respect to the income tax laws applicable to the Virgin Islands which would constitute a criminal offense described in chapter 75 of subtitle F of the Internal Revenue Code of 1954 shall constitute an offense against the government of the Virgin Islands and may

be prosecuted in the name of the government of the Virgin Islands by the appropriate officers thereof in the District Court of the Virgin Islands without the request or the consent of the United States Attorney for the Virgin Islands, notwithstanding the provision of Section 27 of this act.

" '(b) In addition to the jurisdiction described in subsection (a) the District Court of the Virgin Islands shall have general original jurisdiction in all causes in the Virgin Islands the jurisdiction over which is not then vested by local law in the local courts of the Virgin Islands: *Provided,* That the jurisdiction of the District Court of the Virgin Islands under this subsection shall not extend to civil actions wherein the matter in controversy does not exceed the sum or value of $500, exclusive of interest and costs; to criminal cases wherein the maximum punishment which may be imposed does not exceed a fine of $100 or imprisonment for six months, or both; and to violations of local police and executive regulations. The courts established by local law shall have jurisdiction over the civil actions, criminal cases, and violations set forth in the preceding proviso. In causes brought in the district court solely on the basis of this subsection, the district court shall be considered a court established by local law for the purposes of determining the availability of indictment by grand jury or trial by jury.

" '(c) The District Court of the Virgin Islands shall have concurrent jurisdiction with the courts of the Virgin Islands established by local law over those offenses against the criminal laws of the Virgin Islands, whether felonies or misdemeanors or both, which are of the same or similar character or part of, or based on, the same act or transaction or two or more acts or transactions connected together or constituting part of a common scheme or plan, if such act or transaction or acts or transactions also constitutes or constitute an offense or offenses against one or more of the statutes over which the District Court of the Virgin Islands has jurisdiction pursuant to subsections (a) and (b) of this section.'.

"(b) The provisions of this section shall not result in the loss of jurisdiction of the District Court of the Virgin Islands over any complaint or proceeding pending in it on the day preceding the effective date of this amendatory Act and such complaint and proceeding may be pursued to final determination in the District Court of the Virgin Islands, the United States Court of Appeals for the Third Circuit, and the Supreme Court, notwithstanding the provisions of this amendatory Act.

"SEC. 704. Section 23 of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C. 1613) is amended to read as follows:

"SEC. 23. The relations between the courts established by the Constitution or laws of the United States and the courts established by local law with respect to appeals, certiorari, removal of causes, the issuance of writs of habeas corpus, and other matters or proceedings shall be governed by the laws of the United States pertaining to the relations between the courts of the United States, including the Supreme Court of the United States, and the courts of the several States in such matters and proceedings: Provided, That for the first fifteen years following the establishment of the appellate court authorized by section 21(a) of this Act, the United States Court of Appeals for the Third Circuit shall have jurisdiction of appeals from all final decisions of the highest court of the Virgin Islands from which a decision could be had. The Judicial Council of the Third Circuit shall submit reports to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives at intervals of five years following the establishment of such appellate court as to whether it has developed sufficient institutional traditions to justify direct review by the Supreme Court of the United States from all such final decisions. The United States Court of Appeals for the Third Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisions of this section.[1]

"SEC. 705. The Revised Organic Act of the Virgin Islands is amended by adding to it a new section 23A:

"SEC. 23A. (a) Prior to the establishment of the appellate court authorized by section 21(a) of this Act, the District Court of the Virgin Islands shall have such appellate jurisdiction over the courts of the Virgin Islands established by local law to the extent now or hereafter prescribed by local law: *Provided,* That the legislature may not preclude the review of any judgment or order which involves the Constitution, treaties, or laws of the United States, including this Act, or any authority exercised thereunder by an officer or agency of the Government of the United States, or the conformity of any law enacted by the legislature of the Virgin Islands or of any order or regulation issued or action taken by the executive branch of the government of the Virgin Islands with the Constitution, treaties, or laws of the United States, including this Act, or any authority exercised thereunder by an officer or agency of the United States.

"(b) Appeals to the District Court of the Virgin Islands shall be heard and determined by an appellate division of the court consisting of three judges, of whom two shall constitute a quorum. The chief judge of the district court shall be the presiding judge of the appellate division and shall preside therein unless disqualified or otherwise unable to act. The other judges who are to sit in the appellate division at any session shall be designated by the presiding judge from among the judges who are serving on, or are assigned to, the district court from time to time pursuant to section 24(a) of this Act: *Provided,* That no more than one of them may be a judge of a court established by local law. The concurrence of two judges shall be necessary to any decision by the appellate division of the district court on the merits of an appeal, but the presiding judge alone may make any appropriate orders with respect to an appeal prior to the hearing and determination thereof on the merits and may dismiss an appeal for want of jurisdiction or failure to take or prosecute it in accordance with the applicable law or rules of procedure. Appeals pending in the district court on the effective date of this Act shall be heard and determined by a single judge.

" '(c) The United States Court of Appeals for the Third Circuit shall have jurisdiction of appeals from all final decisions of the district court on appeal from the courts established by local law. The United States Court of Appeals for the Third Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisions of this subsection.

" '(d) Upon the establishment of the appellate court provided for in section 21(a) of this Act all appeals from the decisions of the courts of the Virgin Islands established by local law not previously taken must be taken to that appellate court. The establishment of the appellate court shall not result in the loss of jurisdiction of the district court over any appeal then pending in it. The rulings of the district court on such appeals may be reviewed in the United States Court of Appeals for the Third Circuit and in the Supreme Court notwithstanding the establishment of the appellate court.'.

"SEC. 706. (a) Section 24(a) of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C. 1614(a)) is amended to read as follows:

" '(a) The President shall, by and with the advice and consent of the Senate, appoint two judges for the District Court of the Virgin Islands, who shall hold office for terms of ten years and until their successors are chosen and qualified, unless sooner removed by the President for cause. The judge of the district court who is senior in continuous service and who otherwise qualifies under section 136(a) of title 28, United States Code, shall be the chief judge of the court. The salary of a judge of the district court shall be at the rate prescribed for judges of the United States district courts. Whenever it is made to appear that such an assignment is necessary for the proper dispatch of the business of the district court, the chief judge of the Third Judicial Circuit of the United States may assign a judge of a court of record of the Virgin Islands established by local law, or a circuit or district judge of the Third Judicial Circuit, or a recalled senior judge of the District Court of the Virgin Islands, or the Chief Justice of the United States may assign any other United States circuit or district judge with the consent of the judge so assigned and of the chief judge of his circuit, to serve temporarily as a judge of the District Court of the Virgin Islands. The compensation of the judges of the district court and the administrative expenses of the court shall be paid from appropriations made for the judiciary of the United States.".

" '(b) Section 24(b) of the Revised Organic Act of the Virgin Islands (68 Stat. 506; 48 U.S.C. 1614(b)) is amended to read as follows:

" '(b) Where appropriate, the provisions of part II of title 18 and of title 28, United States Code, and, notwithstanding the provisions of rule 7(a) and of rule 54(a) of the Federal Rules of Criminal Procedure relating to the requirement of indictment and to the prosecution of criminal offenses in the Virgin Islands by information, respectively, the rules of practice heretofore or hereafter promulgated and made effective by the Congress or the Supreme Court of the United States pursuant to titles 11, 18, and 28, United States Code, shall apply to the district court and appeals therefrom: *Provided,* That the terms "Attorney for the government" and "United States attorney" as used in the Federal Rules of Criminal Procedure, shall, when applicable to causes arising under the income tax laws applicable to the Virgin Islands, mean the Attorney General of the Virgin Islands or such other person or persons as may be authorized by the laws of the Virgin Islands to act therein: *Provided further,* That in the district court all criminal prosecutions under the laws of the United States, under local law under section 22(c) of this Act, and under the income tax laws applicable to the Virgin Islands may be had by indictment by grand jury or by information: *Provided further,* That an offense which has been investigated by or presented to a grand jury may be prosecuted by

information only by leave of court or with the consent of the defendant. All criminal prosecutions arising under local law which are tried in the district court pursuant to section 22(b) of this Act shall continue to be had by information, except such as may be required by the local law to be prosecuted by indictment by grand jury.'.

"SEC. 707. Section 25 of the Revised Organic Act of the Virgin Islands (68 Stat. 507; 48 U.S.C. 1615) is amended to read as follows:

"'SEC. 25. The Virgin Islands consists of two judicial divisions; the Division of Saint Croix, comprising the island of Saint Croix and adjacent islands and cays, and the Division of Saint Thomas and Saint John, comprising the islands of Saint Thomas and Saint John and adjacent islands and cays. Court for the Division of Saint Croix shall be held in Christiansted, and for the Division of Saint Thomas and Saint John at Charlotte Amalie.'.

"SEC. 708. Section 27 of the Revised Organic Act of the Virgin Islands (68 Stat. 507; 48 U.S.C. 1617) is amended by substituting the words 'courts established by local law' for 'inferior courts of the Virgin Islands' wherever they appear, and by deleting the last two sentences.

"SEC. 709. The Act of May 20, 1932 (47 Stat. 160, 48 U.S.C. 1400) is repealed.

"TITLE VIII

"GUAM

"SEC. 801. Section 22 of the Organic Act of Guam (64 Stat. 389; 48 U.S.C. 1424), as amended, is amended to read as follows:

"'SEC. 22. (a) The judicial authority of Guam shall be vested in a court of record established by Congress, designated the "District Court of Guam," and such local court or courts as may have been or shall hereafter be established by the laws of Guam in conformity with section 22A of this Act.

"'(b) The District Court of Guam shall have the jurisdiction of a district court of the United States, including, but not limited to, the diversity jurisdiction provided for in section 1332 of title 28, United States Code, and that of a bankruptcy court of the United States..

"'(c) In addition to the jurisdiction described in subsection (b), the District Court of Guam shall have original jurisdiction in all other causes in Guam, jurisdiction over which is not then vested by the legislature in another court or other courts established by it. In causes brought in the district court solely on the basis of this subsection, the district court shall be considered a court established by the laws of Guam for the purpose of determining the requirements of indictment by grand jury or trial by jury.

"'SEC. 22A. (a) The local courts of Guam shall consist of such trial court or courts as may have been or may hereafter be established by the laws of Guam. On or after the effective date of this Act, the legislature of Guam may in its discretion establish an appellate court.

"'(b) The legislature may vest in the local courts jurisdiction over all causes in Guam over which any court established by the Constitution and laws of the United States does not have exclusive jurisdiction. Such jurisdiction shall be subject to the exclusive or concurrent jurisdiction conferred on the District Court of Guam by section 22(b) of this Act.

"'(c) The practice and procedure in the local courts and the qualifications and duties of the judges thereof shall be governed by the laws of Guam and the rules of those courts.

"'SEC. 22B. The relations between the courts established by the Constitution or laws of the United States and the local courts of Guam with respect to appeals, certiorari, removal of causes, the issuance of writs of habeas corpus, and other matters or proceedings shall be governed by the laws of the United States pertaining to the relations between the courts of the United States, including the Supreme Court of the United States, and the courts of the several States in such matters and proceedings: *Provided*, That for the first fifteen years following the establishment of the appellate court authorized by section 22A(a) of this Act, the United States Court of Appeals for the Ninth Circuit shall have jurisdiction of appeals from all final decisions of the highest court of Guam from which a decision could be had. The Judicial Council of the Ninth Circuit shall submit reports to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives at intervals of five years following the establishment of such appellate Court as to whether it has developed sufficient institutional traditions to justify direct review by the Supreme Court of the United States from all such final decisions. The United States Court of Appeals for the Ninth Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisions of this subsection.

"SEC. 22C. (a) Prior to the establishment of the appellate court authorized by section 22A(a) of this Act, the District Court of Guam shall have such appellate jurisdiction over the local courts of Guam as the legislature may determine: *Provided*, That the legislature may not preclude the review of any judgment or order which involves the Constitution, treaties, or laws of the United States, including this Act, or any authority exercised thereunder by an officer or agency of the Government of the United States, or the conformity of any law enacted by the legislature of Guam or of any orders or regulations issued or actions taken by the executive branch of the government of Guam with the Constitution, treaties, or laws of the United States, including this Act, or any authority exercised thereunder by an officer or agency of the United States.

"(b) Appeals to the District Court of Guam shall be heard and determined by an appellate division of the court consisting of three judges, of whom two shall constitute a quorum. The district judge shall be the presiding judge of the appellate division and shall preside therein unless disqualified or otherwise unable to act. The other judges who are to sit in the appellate division of any session shall be designated by the presiding judge from among the judges who are serving on, or are assigned to, the district court from time to time pursuant to section 24 of this Act: *Provided*, That no more than one of them may be a judge of a court of record of Guam. The concurrence of two judges shall be necessary to any decision of the appellate division of the district court on the merits of an appeal, but the presiding judge alone may make any appropriate orders with respect to an appeal prior to the hearing and determination thereof on the merits and may dismiss an appeal for want of jurisdiction or failure to take or prosecute it in accordance with the applicable law or rules of procedure.

"'(c) The United States Court of Appeals for the Ninth Circuit shall have jurisdiction of appeals from all final decisions of the appellate division of the district court. The United States Court of Appeals for the Ninth Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisions of this subsection.

"'(d) Upon the establishment of the appellate court provided for in section 22A(a) of this Act all appeals from the decisions of the local courts not previously taken must be taken to the appellate court. The establishment of that appellate court shall not result in the loss of jurisdiction of the appellate division of the district court over any appeal then pending in it. The rulings of the appellate division of the district court on such appeals may be reviewed in the United States Court of Appeals for the Ninth Circuit and in the Supreme Court notwithstanding the establishment of the appellate court.

"'SEC. 22D. Where appropriate, the provisions of part II of title 18 and of title 28, United States Code, and, notwithstanding the provision in Rule 54(a) Federal Rules of Criminal Procedure relating to the prosecution of criminal offenses on Guam by information, the rules of practice and procedure heretofore or hereafter promulgated and made effective by the Congress or the Supreme Court of the United States pursuant to titles 11, 18, and 28, United States Code, shall apply to the District Court of Guam and appeals therefrom; except that the terms, "Attorney for the government" and "United States attorney", as used in the Federal Rules of Criminal Procedure, shall, when applicable to cases arising under the laws of Guam, including the Guam Territorial income tax, mean the Attorney General of Guam or such other person or persons as may be authorized by the laws of Guam to act therein.'.

"SEC. 802. Section 24 of the Organic Act of Guam, as amended (64 Stat. 390; 48 U.S.C. 1424b), is amended, by:

"(a) substituting in the first paragraph of subsection (a) the words 'for the term of ten years' for 'for a term of eight years';

"(b) substituting in the second paragraph of subsection (a) the words 'a local court of record' for 'the Island Court of Guam';

"(c) inserting in the second paragraph of subsection (a) between the words 'ninth circuit' and 'or' the words 'or a recalled senior judge of the District Court of Guam or of the District Court for the Northern Mariana Islands';

"(d) substituting in subsection (b) the numbers '35' and '37' for '31' and '33', respectively; and

"(e) deleting subsection (c).

"SEC. 803. Section 1 of the Act of August 27, 1954 (68 Stat. 882), is amended by repealing that portion which reads: 'that no provisions of any such rules which authorize or require trial by jury or the prosecution of offenses by indictment by a grand jury instead of by information shall be applicable to the District Court of Guam unless and until made so applicable by laws enacted by the Legislature of Guam, and except further'.

"TITLE IX

"NORTHERN MARIANA ISLANDS

"SEC. 901. Section 1 of the Act of November 8, 1977 (91 Stat. 1265, 48 U.S.C. 1694) is amended by:

"(a) substituting in subsection (b)(1) the words 'for a term of ten years' for 'for a term of eight years'.

"(b) inserting in subsection (b)(2) between the words 'President' and 'or', the words 'or a recalled senior judge of the District Court

of Guam or of the District Court of the Northern Mariana Islands'.

"(c) substituting the following for subsection (c):

" 'where appropriate, and except as otherwise provided in articles IV and V of the Covenant approved by the Act of March 24, 1976 (90 Stat. 263), the provisions of part II of title 18 and of title 28, United States Code, the rules of practice and procedure heretofore or hereafter promulgated and made effective by the Congress or the Supreme Court of the United States pursuant to titles 11, 18, and 28, United States Code, shall apply to the District Court for the Northern Mariana Islands and appeals therefrom; except that the terms 'Attorney for the government' and 'United States attorney', as used in the Federal Rules of Criminal Procedure, shall, when applicable to cases arising under the laws of the Northern Mariana Islands, include the Attorney General of the Northern Mariana Islands or such other person or persons as may be authorized by the laws of the Northern Mariana Islands to act therein.'

"SEC. 902. Section 2(a) of the Act of November 8, 1977 (91 Stat. 1266; 48 U.S.C. 1694(a)), is amended to read as follows:

" '(a) The District Court for the Northern Mariana Islands shall have the jurisdiction of a district court of the United States, including, but not limited to, the diversity jurisdiction provided for in section 1332 of title 28, United States Code, and that of a bankruptcy court of the United States. With respect to the government of the Trust Territory of the Pacific Islands or its agencies of instrumentalities the jurisdiction of the district court shall extend only (a) to actions brought by that government or its agencies or instrumentalities, (b) to actions brought against that government or its agencies or instrumentalities based upon a commercial activity carried on by that government or its agencies or instrumentalities within the Northern Mariana Islands, and (c) to actions in which money damages are sought against that government or its agencies or instrumentalities for personal injury or death, or damage to or loss of property, occurring in the Northern Mariana Islands and caused by the tortious act or omission of that government or its agencies or instrumentalities, or of any official or employee thereof while acting within the scope of his office or employment, except any claim based upon the exercise or failure to exercise a discretionary function, regardless of whether the discretion be abused, or any claim arising out of malicious prosecution, abuse of process, libel, slander, misrepresentation, deceit or interference with contract rights. In any suit by or against the government of the Trust Territory or its agencies or instrumentalities permissible under this section, that government or its agencies or instrumentalities shall be entitled to such rights and privileges as are applicable to the United States when it is a party. In cases in which the district court would have no jurisdiction over the government of the Trust Territory of the Pacific Islands if suit were brought against it, the district court shall equally have no jurisdiction over actions brought against the officers or employees of that government or its agencies or instrumentalities with respect to their acts or omissions colorably related to their official duties.".

"SEC. 903. Section 3 of the Act of November 8, 1977 (91 Stat. 1266; 48 U.S.C. 1694b) is amended to read as follows:

" 'SEC. 3. (a) Prior to the establishment of an appellate court for the Northern Mariana Islands the district court shall have such appellate jurisdiction over the courts established by the Constitution or laws of the Northern Mariana Islands as the Constitution and laws of the Northern Mariana Islands provide, except that such Constitution and laws may not preclude the review of any judgment or order which involves the Constitution, treaties, or laws of the United States, including the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America (90 Stat. 263) (hereinafter referred to as "Covenant"), or any authority exercised thereunder by an officer or agency of the Government of the United States, or the conformity of any law enacted by the legislature of the Northern Mariana Islands or of any orders or regulations issued or actions taken by the executive branch of the government of the Northern Mariana Islands with the Constitution, treaties, or laws of the United States, including the Covenant or with any authority exercised thereunder by an officer or agency of the United States.

" '(b) Appeals to the district court shall be heard and determined by an appellate division of the court consisting of three judges, of whom two shall constitute a quorum. The judge appointed for the court by the President shall be the presiding judge of the appellate division and shall preside therein unless disqualified or otherwise unable to act. The other judges who are to sit in the appellate division at any session shall be designated by the presiding judge from among the judges assigned to the court from time to time pursuant to section 1(b)(2) of this Act: *Provided,* That no more than one of them may be a judge of a court of record of the Northern Mariana Islands. The concurrence of two judges shall be necessary to any decision by the appellate division of the district court on the merits of an appeal but the presiding judge alone may make any appropriate orders with respect to an appeal prior to the hearing and determination thereof on the merits and may dismiss an appeal for want of jurisdiction or failure to take or prosecute it in accordance with the applicable law or rules of procedure.

" '(c) The United States Court of Appeals for the Ninth Circuit shall have jurisdiction of appeals from all final decisions of the appellate division of the district court. The United States Court of Appeals for the Ninth Circuit shall have jurisdiction to promulgate rules necessary to carry out the provisions of this subsection.'.

SEC. 904. Section 4 of the Act of November 8, 1977 (91 Stat. 1266, 48 U.S.C. 1694c) is amended by inserting the words, "including the Supreme Court of the United States," between the words "courts of the United States" and "and".

"TITLE X

"GENERAL PROVISIONS

"SEC. 1001. With respect to cases and controversies which may have arisen or may arise in the Northern Mariana Islands against the Government of the Trust Territory of the Pacific Islands over which the District Court of the Northern Mariana Islands lacks jurisdiction, the High Court of the Trust Territory of the Pacific Islands shall have such jurisdiction as it possessed on January 8, 1978.

"SEC. 1002. Sections 335, 336 and 402(e) of the Act of November 6, 1978 (92 Sat. 2680, 2682) are repealed.

"SEC. 1003. (a) Any judge or former judge who is receiving, or will upon attaining the age of sixty-five years be entitled to receive, payments pursuant to section 373 of title 28, United States Code may elect to become a senior judge of the court on which he served while on active duty.

"(b) The Chief Judge of a Judicial Circuit may recall any such senior judge of his circuit, with the judge's consent, to perform in the District Court of Guam, the District Court of the Virgin Islands, or the District Court for the Northern Mariana Islands such judicial duties and for such periods of time as the Chief Judge may specify.

"(c) Any act or failure to act by a senior judge performing judicial duties pursuant to this section shall have the same force and effect as if it were the act or failure to act of a judge on active duty; but such senior judge shall not be counted as a judge of the court on which he is serving for purposes of the number of judgeships authorized for that court.

"(d) Any senior judge shall be paid, while performing duties pursuant to this section, the same compensation (in lieu of payments pursuant to section 373 of title 28, United States Code) and the same allowances for travel and other expenses as a judge in active service.

"(e) Senior judges under subsection (a) of this section shall at all times be governed by the Code of judicial conduct for the United States judges, approved by the Judicial Conference of the United States.

"(f) Any person who has elected to be a senior judge under subsection (a) of this section and who thereafter—

"(1) accepts civil office or employment under the Government of the United States (other than the performance of judicial duties pursuant to subsection (b) of this section);

"(2) engages in the practice of law; or

"(3) materially violated the Code of judicial conduct for the United States judges,

shall cease to be a senior judge and to be eligible for recall pursuant to subsection (b) of this section.

"SEC. 1004. The prosecution in a Territory or Commonwealth is authorized—unless precluded by local law—to seek review or other suitable relief in the appropriate local or federal appellate court, or, where applicable, in the Supreme Court of the United States from—

"(a) a decision, judgment, or order of a trial court dismissing an indictment or information as to any one or more counts, except that no review shall lie where the constitutional prohibition against double jeopardy would further prosecution;

"(b) a decision or order of a trial court suppressing or excluding evidence or requiring the return of seized property in a criminal proceeding, not made after the defendant has been put in jeopardy and before the verdict or finding on an indictment or information, if the prosecution certifies to the trail court that the appeal is not taken for purpose of delay and that the evidence is a substantial proof of a fact material in the proceeding.

"(c) an adverse decision, judgment, or order of an appellate court.

"SEC. 1005. The provisions of sections 706(a), 802(a), and 901(a) of this Act extending the terms of district court judges of the Virgin Islands, Guam, and the Northern Mariana Islands, respectively, from eight to ten years shall be applicable to the judges of those courts holding office on the effective date of this Act.

"SEC. 1006. Titles VII, VIII, IX, and X of this Act shall become effective on the ninetieth day following their enactment.".

VICTIMS OF CRIME ASSISTANCE ACT OF 1984

THURMOND AMENDMENT NO. 3710 AND NO. 3711

Mr. BAKER (for Mr. THURMOND) proposed an amendment to the bill (S. 2423) to provide financial assistance to the States for the purpose of compensating and otherwise assisting victims of crime, and to provide funds to the Department of Justice for the purpose of assisting victims of Federal crime, as follows:

AMENDMENT NO. 3710

On page 18, line 20, before "The" insert "SEC. 2. (a)".

On page 20, line 1, before "The" insert "(b)".

On page 21, line 2, strike out "401(a)(2) of this Act" and insert in lieu thereof "131(a)(2)".

On page 23, lines 3 and, strike out "section 103(b) of this title" and insert in lieu thereof "subsection (b)".

On page 23, line 14, strike out "section 103 (d) and (e) of this title" and insert in lieu thereof "subsections (d) and (e) of this section".

On page 23, line 25 strike out "section 103(b) of this title" and insert in lieu thereof "subsection (b)".

On page 24, line 22 strike out "SEC. 201." and insert in lieu thereof "SEC. 111.".

On page 25, line 21, strike out "204" and insert in lieu thereof "114".

On page 26, line 3, strike out "SEC. 202." and insert in lieu thereof "SEC. 112.".

On page 26, line 3, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 26, line 6, strike out "section 202(d) of this title" and insert in lieu thereof "subsection (d)".

On page 26, line 7, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 26, line 15, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 27, line 9, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 27, line 13, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 27, line 15, strike out "203" and insert in lieu thereof "113".

On page 27, line 17, strike out "201" and insert in lieu thereof "111".

On page 27, line 18, strike out "201(a)" and insert in lieu thereof "111(a)".

On page 27, line 24, strike out "203" and insert in lieu thereof "113".

On page 28, line 2, strike out "201" and insert in lieu thereof "111".

On page 28, line 3, strike out "SEC. 203." and insert in lieu thereof "SEC. 113.".

On page 28, line 4, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 28, lines 7 and 8, strike out "section 203(c of this title" and insert in lieu thereof "subsection (c)".

On page 28, line 13, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 28, line 13, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 30, line 9, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 30, line 13, strike out "201(b)" and insert in lieu thereof "111(b)".

On page 30, line 19, strike out "202" and insert in lieu thereof "112".

On page 30, line 20, strike out "201" and insert in lieu thereof "111".

On page 30, line 21, strike out "SEC. 204." and insert in lieu thereof "SEC. 114.".

On page 30, line 21, strike out "201(c)" and insert in lieu thereof "111(c)".

On page 30, line 25, strike out "section 204(e) of this title" and insert in lieu thereof "subsection (e)".

On page 31, line 25, strike out "section 204(c) of this title" and insert in lieu thereof "subsection (e)".

On page 31, line 4, strike out "section 204(c) of this title" and insert in lieu thereof "subsection (c)".

On page 31, line 16, strike out "201(c)" and insert in lieu thereof "111(c)".

On page 31, lines 22 and 23, strike out "subsection (b)(1)" and insert in lieu thereof "paragraph (1)".

On page 32, line 7, strike out "201(c)" and insert in lieu thereof "111(c)".

On page 33, line 13, strike out "201(c)" and insert in lieu thereof "111(c)".

On page 33, line 18, strike out "203" and insert in lieu thereof "113".

On page 33, line 20, strike out "SEC. 301." and insert in lieu thereof "SEC. 121.".

On page 34, line 4, strike out "SEC. 302." and insert in lieu thereof "SEC. 122.".

On page 34, line 17, strike out "202, 203, and 204" and insert in lieu thereof "112, 113, and 114".

On page 35, line 3, strike out "SEC. 303." and insert in lieu thereof "SEC. 123.".

On page 35, line 8, strike out "SEC. 401." and insert in lieu thereof "SEC. 131.".

On page 36, line 16, strike out "201" and insert in lieu thereof "111".

On page 36, line 24, strike out "SEC. 101." and insert in lieu thereof "SEC. 201.".

On page 37, line 13, strike out "SEC. 101." and insert in lieu thereof "SEC. 201.".

On page 38, line 8, strike out "SEC. 101." and insert in lieu thereof "SEC. 401."

On page 39, line 8, strike out "SEC. 102." and insert in lieu thereof "SEC. 402.".

On page 52, line 1, strike out "SEC. 103." and insert in lieu thereof "SEC. 403.".

On page 53, line 9, strike out "SEC. 104." and insert in lieu thereof "SEC. 404.".

On page 53, line 12, strike out "SEC. 105." and insert in lieu thereof "SEC. 405.".

On page 53, line 18, strike out "SEC. 101." and insert in lieu thereof "SEC. 501.".

AMENDMENT NO. 3711

On page 25, line 23, strike out "In no" and all that follows through line 2 in page 26 and insert in lieu thereof the following: "Subject to the amounts available in the Fund, each State of the United States and the District of Columbia shall receive not less than $100,000 under subsections (a) and (b) of this section."

SPECTER AMENDMENT NO. 3712

Mr. BAKER (for Mr. SPECTER) proposed an amendment to the bill (S. 2423), supra, as follows:

To amend S. 2423 on page 28 by renumbering subparagraph (2) as subparagraph (3) and inserting the following new paragraph after line 18:

"(2) certify that priority shall be given to eligible recipient organizations for programs providing assistance to victims of sexual assault, spousal abuse or child abuse; and"

NOTICES OF HEARINGS

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. D'AMATO. Mr. President, I wish to announce for the information of the Senate and the public that I will chair a Senate Banking Committee field hearing in New York City on August 28 at 10 a.m. at Federal Hall, Wall Street, New York, NY.

The subjects of the hearing are drug money laundering and S. 2579, the Drug Money Seizure Act.

ADDITIONAL STATEMENTS

STUDY OF SENATE COMMITTEE SYSTEM

● Mr. QUAYLE. Mr. President, I am submitting for the RECORD a summary of the 2 days of hearings held by the Temporary Select Committee To Study the Senate Committee System. All Senators will be interested in the ideas that have been expressed, and I wish to reiterate that the Select Committee continues to solicit the comments of all Senators so that our recommendations can be based on as solid a base as possible. The Select Committee's address is SR-B42. Phone 4-2740.

The summary follows:

SUMMARY OF HEARINGS HELD JULY 31, 1984, AND AUGUST 2, 1984, BY THE TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

JULY 31, 1984

Senator Quayle stressed two points in his opening statement. First, he wanted to explore the question of committee and subcommittee proliferation and assignment limitations. Second, he wanted to consider the question of streamlining the budget-authorization-appropriations process in the interest of reducing the perceived redundancies.

Senator Ford stressed that unless the present system of committee organization and operation is clearly defective and unless a proposed change is quite clearly an effective remedy for the problem, the Committee should not recommend a change to the Rules Committee or to the Senate. He pointed out that if the Senate workload is too great then corrective action must be directed at that problem, not at the organizational system that is used to address the work. Merely renaming the organizations through which the work is accomplished will result in no change.

SENATOR HOWARD BAKER

Senator Baker addressed seven points in his testimony. First, increasingly the important work of the Senate is done in committees rather than on the floor of the Senate.

Second, the Senate has too big a workload because of the proliferation of bills, amendments and issues in the committee system.

Third, the budget process imposes a 3-layer structure that allows issues to surface again and again. There is a need to consolidate these functions or coordinate them more efficiently. One possibility, which Senator Baker said he used to support but no longer does, is that of eliminating the authorizing committees and assigning to a super appropriation committee the separate

responsibilities that are now performed by the authorizing and appropriating committees. Another option is to give the appropriating authority to the individual authorizing committees and possibly authorize and appropriate in the same bill.

Fourth, Congress needs a dependable system for overseeing the intelligence operation such as a Joint Committee on Intelligence, with members appointed by the leadership in both Houses on both sides. There should be a professional staff, not a bipartisan staff. Currently the staff of the Intelligence Committees is huge and the committees are prone to leaks of sensitive information.

Fifth, Congress should hold more hearings away from Washington.

Sixth, Congress should not be in session so long. There should be two sessions each year instead of two per Congress. The first session would be an authorizing session, and the second would be an appropriating session with approximately 60 days in between to hold field hearings mentioned above.

Seventh, the leaders are primarily administrators and do not have sufficient time to discharge their legislative responsibilities. The leaders should not be members of any committees, but rather should be ex officio members of all committees.

In addition, Senator Baker agreed that the numbers of committees should be consolidated and assignment rules should be more rigidly enforced and that two-year authorizations and appropriations would be one way of simplifying the budget process. He also suggested a two-year authorization cycle and an annual appropriations cycle. He also pointed out that the authority of the Appropriations Committee is less clear-cut than ten years ago because of authorizaton-appropriations hybrids such as the entitlement programs which effectively bypass the appropriations process.

Senator Baker noted that Senator Johnston's proposal to make the Budget Committee a subcommittee or a joint committee of both Appropriations and Finance members with the budget resolution approved by both the Appropriations Committee and the Finance Committee was a logical proposal, but added that he would include the Commerce Committee and the Environment and Public Works Committee because of the impact of the budget resolution on those committees. He also suggested getting away from a budget resolution altogether and letting the committee report to the leadership or the Senate as a whole on levels of spending.

FORMER SENATOR HENRY BELLMON

Senator Bellmon made the following points.

The Committee on Indian Affairs should not have been a permanent committee, but should rather have been fused back into the Energy Commmittee.

Fiscal policy takes up so much of Congress' time because it is such a serious problem, not because of deficiencies in the organizational structure of the Senate.

There are too many claims on Senators' time. The schedule and the workload should be better organized.

The budget cycle should be a biennial cycle. The appropriations process should also be biennial. This would free up one session in every Congress to deal exclusively with authorization and oversight.

The Senate should be organized so that each member has a position on one authorizing committee and each member sits on either Budget, Appropriations for Finance, which would all be considered fiscal policy committees. Finance would have to counted as both an authorizing committee and a fiscal policy committee.

There needs to be greater emphasis on oversight in Congress, perhaps by creating an oversight committee with across-the-board authority to examine all Federal programs over a five-year cycle with the assistance of GAO. (See Appendix for details of Senator Bellmon's proposal.)

It is necessary to have a Budget Committee to recommend to the Senate appropriate fiscal policy and set priorities. Appropriations should recommend specific funding levels within those priorities.

Part of the problem with the budget process is the failure of the executive branch to exercise appropriate leadership in expediting the process.

Under Senator Bellmon's proposals for committee reorganization the A, B, and C designations would be irrelevant. During the appropriations cycle only the authorizing committees would be operative. Each group of committees would have 100 slots so that each senator would serve on one committee of each group.

Senator Wallop expressed his concern that with a biennial budget an incoming president would have very little influence over the budget when he came into office. Senator Bellmon said that there would be a period of several months in which the incoming president could make changes. He stressed that it was unlikely that a president would want to redo an entire budget and that the president would have sufficient time to make major changes.

Senator Bellmon pointed out that one advantage of his proposal is that there would be no scheduling conflicts between Appropriations and the authorizing committees because each phase would be dealt with during different parts of the legislative session.

SENATOR DANIEL EVANS

Senator Evans made five points in his testimony. First, there is a need for efficiency and effectiveness in scheduling the Senate work week. The Senate has grown accustomed to a three-day work week. There should be a three-week cycle. The first two weeks would be five-day work weeks and the third week the Senate would not be in session at all so that the members would have an opportunity to spend quality time back in their home communities. This would also allow for the holding of more field hearings, as Senator Baker has suggested.

The committee assignment and operation process is disappointing, frustrating, ineffective and inefficient. There should be a total of 100 seats on the exclusive committees (Armed Services, Foreign Relations, Finance and Appropriations) instead of the current 85 seats so that each senator would have one seat on an exclusive committee. A further option is to combine the rest of the A committees and the B committees so that they equal 100 slots. Then each member would be limited to 2 committees. In addition, committees should be divided into classes for the purpose of scheduling meetings with each class having certain times to meet. This would reduce the meeting conflicts for members.

Third, there is a need to recreate meaningful debate on the Senate floor. This could be done by scheduling debate on major issues at certain times, such as late afternoon, and by not allowing committees to schedule meetings during that time. Members should also vote from their seats in order when the roll is called and when recognized by the roll call clerk.

Fourth, there is a need for a two-year budget process because it provides stability and tends to control undue spending. One possibility for the two-year process is for the first year to include budget, authorizing and appropriating and the second year to be devoted to oversight.

Fifth, the combination of large committee staffs and the penchant of members to become deeply involved in various subject areas results in senators working on policy on a level of detail that should be the executive responsibility. Staff numbers as well as committee numbers need to be pared down.

Senator Quayle suggested that senators be limited to membership in 11 units (a unit being a committee or a subcommittee) as a way of enforcing the limitations on committee membership. Senator Evans said that it would be a good mechanism because it would force each member to make a deliberate choice about his assignments. He would suggest a lower number of units, such as 7 or 8. In addition, proxy voting in committees should be abolished so that senators would have to attend meetings in order to vote.

Senator Johnston agreed with the concept of a three-week work week cycle and that there is a need to trim committee staff.

SENATOR MARK HATFIELD

Although the committee system is often perceived as inefficient, it can be extremely effective in discharging its responsibilities. One should be careful about tampering with complex institutions which operate in a complex environment. Because the Senate is a political institution, it should not necessarily be a smooth and highly-organized mechanism. It serves a diverse constituency.

Congress tolerates inefficiency because there is a consensus to do so. For example, the Senate allows the consideration of legislative riders on appropriations bills despite the prohibiting rule. The process is the way it is because a majority of the Senate wants it to be that way.

The same applies to the committee system. If senators have too many assignments, it is because they have chosen to have them.

Authorizations should be multi-year, leaving annual tinkering to the appropriations process.

Rule 25, paragraph 4 of the Senate Rules, limiting assignments to 2 A committees, should be enforced. This would reduce committee size, staff levels and expenditures as well as speed the handling of legislation and sharpen the focus of senators' attention.

Senator Quayle described his 11 units proposal and suggested that if a member wanted to serve on a 12th unit he could not be counted as part of a quorum. Senator Hatfield stressed the Senate tradition of accommodation, that committee sizes would continue to increase and members would continue to acquire waivers because the Senate had a certain flexibility that allowed it to circumvent the rules.

The lack of order in the Senate follows from the lack of order in most senators' offices.

Senator Quayle asked if it would be possible to deal with the defense authorization and appropriations on the floor at the same time, as one bill. Senator Hatfield responded that it was possible if a majority of the Senate agreed to do so, but pointed out that sometimes the appropriations bills were the only vehicle available to members to force

the consideration of controversial issues that the committees avoided.

Senator Johnston asked Senator Hatfield's opinion of making the Budget Committee a joint committee or subcommittee of Appropriations and Finance as suggested by the Pearson-Ribicoff Study Group. Senator Hatfield responded that it should be given serious consideration. Another possibility was for the Budget Committee to be composed of the chairmen of the authorizing committees.

One of the major things lacking in the legislative process today is oversight. The Senate is too busy with day-to-day problems. Multi-year authorizations would help to alleviate this problem, allowing time to project into the future and examine the past.

SENATOR ROGER JEPSEN

There is a need for more efficient scheduling of committee meetings.

There is a need for some kind of enforced germaneness rule.

Speaking for himself and Representative Lee Hamilton, who was scheduled to testify but could not appear, Senator Jepsen stressed that the Joint Economic Committee should not be consolidated into the Committee on Banking, Housing, and Urban Affairs as recommended by the Pearson-Ribicoff Study Group. The JEC is an effective formulator of national economic policy.

AUGUST 2, 1984

Senator Quayle opened the hearing by expressing his agreement with Senator Ford's point about avoiding change for change's sake and stressing that the current committee system has served the Senate well.

Senator Ford stated that a little thought should be given to the two-year budget process as a means of improving the operation of the Senate.

SENATOR TED STEVENS

Senator Stevens made the following points in his testimony.

The Senate has in recent years evolved into an institution that performs functions similar to those of the House of Representatives rather than emphasizing its unique function as a continuous body. There are three basic problems: the proliferation of committees, the overlapping of processes and the Rules.

First, committee reform in the 1970s, although it eliminated some committees, has resulted in an increase in the number of subcommittees. There are currently 102, many of which should be consolidated within their own committees. Some committees should also be eliminated. This would not only reduce the scheduling conflicts and the numbers of staff, but would help the Senate to perform its proper role in the federal government.

Many times the rule prohibiting committee meetings more than two hours after the Senate is in session is being waived for subcommittees. This rule should only be waived for committees.

Second, the annual authorization process is a new factor. The same issues repeatedly come up in the authorization and appropriations processes and result in time spent in a redundant fashion. There is a need to take laws that are ingrained in our system out of the regular reauthorization process and concentrate on oversight instead. The Senate does not have time for the oversight function because of the proliferation of committees and subcommittees and the time which they consume.

The budget process is another example of redundancy of activity and it should be reviewed. It is possible to raise an issue, the MX for example, 10 times under the normal procedure and an unlimited number of times if a senator wants to pursue an issue that far. This redundancy is one of the reasons for the current lack of public confidence in Congress.

Senator Stevens agrees with Senator Baker that there is a need for more hearings out of Washington. The budget process consumes so much time that field hearings are not often held.

One option for consolidation is to combine the budget and appropriations process and combine the authorization and appropriations process. We would do away with the authorizing committees and they would become subcommittees of Appropriations. We would combine Budget and Appropriations to form a Budget and Audit Committee so that the real appropriations function of the current Appropriations Committee would survive. The standing legislative committees would end up as authorizing and appropriations subcommittees of a major committee. We would do the budget function in advance and then the oversight function. There is a need to review the budget process and determine if it is really necessary to have a budget resolution plus an authorization bill and then an appropriations bill and then a reconciliation bill.

There is a need to return to major debates on major issues on the floor. One way of ensuring meaningful debate is to open the Senate to television coverage. There should also be electronic mail so that senators could be kept informed while away from Washington.

Authorizations have, in general, become too detailed. For example, with the Department of Defense we literally authorize the number of trucks for the agency.

There is a need to modify the Rules of the Senate, especially in regard to cloture. Possibly, there is a need to find a way to deny access to the floor to any issue that has already once been resolved in that session.

In response to Senator Quayle's question about limiting subcommittees, Senator Stevens stated that the legislative committees should be limited to 2 subcommittees, with the exception of Appropriations. Under Senator Stevens' plan, the legislative committees would have the appropriations authority and the Appropriations Committee would become Budget and Audit, a pre-appropriations and post-appropriations process.

Senator Quayle described his 11 units proposal. Senator Stevens agreed that it might work if the younger members of the Senate banded together to support change in the Rules. The Senate as a whole should spend two hours a day in committee or subcommittee for at least three days a week.

Senator Ford mentioned the two-year budget. Senator Stevens pointed out that it would have to be imposed on the Executive branch also. He is opposed to the 2nd budget resolution.

Senator Kasten added that the redundancy of processes also applied to the Executive branch and the Administration witnesses who must testify repeatedly on the same issue. Senator Stevens suggested haying joint House and Senate hearings to hear the testimony of Cabinet officers.

Sentor Dixon stated that proxy votes were misused and that much time was wasted in the committee system by senators asking questions just because they felt they must in order to appear interested and knowledgeable. The committee system also takes away from the time spent on the floor. Unwritten amendments should not be allowed and the germaneness rule should be enforced. Senator Stevens reiterated that televising major debates would help increase floor attendance. There is also a need for fewer late night sessions so that senators with young children can spend time with them.

The shortest speeches occur when there are more senators on the floor. Time usage can be controlled through peer pressure.

SENATOR LAWTON CHILES

The proliferation of committee assignments results in fewer slots on good committees for younger senators.

Senator Chiles does not agree with Senator Johnston's proposal to have Budget made up of members of Finance and Appropriations. This will work against what the Budget Committee tries to do. The Budget Act does provide a timetable for action and prohibits certain types of bills being considered prior to the adoption of the first budget resolution. The recent extreme delays encountered in getting a budget resolution in place are due to political difficulties and particularly the difficulty of the majority in getting 51 votes for its package. When the Budget Act was first enacted the budget resolution was a product of a more centrist approach, not of just one party. There is a need to streamline the budget process, but not eliminate it altogether. The second budget resolution should be done away with and the first one should be considered binding because it is the key to setting tax and spending levels. We should start the first resolution by April 15 to allow more time for authorization bills.

The procedures for reconciliation on the budget resolution should be codified. Nonbudgetary items should be prohibited so as to reduce the tendency for authorizing legislation to be included as budget content.

Appropriating and authorizing committees have been encroaching on each other's proper roles. Appropriations should do the funding and authorizations should design the legislation. There is some pressure on Appropriations to legislate when the authorizing committee has refused to act on a bill. Authorizing committees are spending more time on funding issues than on program design and oversight because of the greater interest in budgetary decisions. Authorizing committees also appear to be designing entitlements with trigger levels which is an appropriations-forcing mechanism. This leaves Appropriations with no real discretion.

Senator Quayle asked whether it would be helpful to ask the Rules Committee, the Governmental Affairs Committee or the Budget Committee to examine the Budget Act and make recommendations on how to make the budget process more efficient. Senator Chiles responded that this would only work if a group made up of members of the 3 committees assessed the Budget Act. He agreed that the fact that the Budget Act came under the jurisdiction of 3 committees was an impediment to changing it.

Senator Ford suggested a two-year budget. Senator Chiles agreed that it has some merit but expressed his concern that if the economic situation changed quickly the Budget Committee would not be free to respond if it was locked into a two-year process. He pointed out that state governments are concerned with responding to economic

changes, but the federal government tries to affect the change, which would be difficult with a two-year budget. Senator Ford pointed out that there could be a supplemental to take care of such sudden shifts. The two-year budget would allow much more time for oversight activities.

Senator Chiles suggested the use of a computerized schedule to minimize meeting conflicts. In addition, the proxy rule should be done away with in order to force senators to be present to conduct business. Questioning should be done on the basis of first come first served, not on the basis of seniority. This would encourage those who are really interested to ask questions.

SENATOR JOHN TOWER

Committees waste time bickering about jurisdiction, they duplicate each other's work and senators have workloads which are impossible to faithfully execute.

There is an unnecessary duplication of activities between the Armed Services Committee and the Defense Appropriations subcommittee. Before the Budget Act was enacted there was a need for the Appropriations Committee to pick and choose among all authorizations. The Appropriations Committee acted as the fiscal discipline of the Congress until 1974. Now the fiscal discipline is imposed at the beginning of the process with the budget resolution. Therefore there is no reason to have both an authorization and an appropriations process. The Senate cannot afford to consider major pieces of legislation twice every year. Duplicative hearings are a waste of the Executive branch's time. The committee of expertise should be the one to propose to the Senate the course of action on program and the committees of expertise have always been the authorizing committees.

Overlap of committee jurisdictions and fragmentation of certain areas of public policy is another problem. For example, Aging, Veterans' Affairs and Indian Affairs all logically fit within the jurisdiction of Labor and Human Resources. A more striking example is the area of national security. Responsibility for this area is dispersed among the following committees: Armed Services, Appropriations, Budget, Foreign Relations, Small Business, Veterans' Affairs, Governmental Affairs, Banking, Commerce and Select Committee on Intelligence.

There is also a lack of attention in the Senate to broad policy issues and non-programmatic legislation. Instead the Senate spends all its time working on the budget.

First, the authorizing committees should be given appropriations responsibility. The Budget Committee should be disbanded and the Appropriations Committee should assume the responsibilities of the Budget Committee as well as responsibility for those appropriated items for which there is no authorization and for continuing resolutions and supplemental appropriations.

If the Budget Committee is retained, it should be made up of authorizing committee chairmen and ranking minority members.

Second, jurisdictions of committees should be rationalized and consolidated.

Third, a possible solution to the need for more attention to broad policy is a two-year authorization and appropriation. This would leave time for oversight in alternate years.

An alternative proposal would be for all members of the Senate to become members of the Appropriations Committee with approximately 10 subcommittees, reflecting various budget functions. Each senator would serve on one or two subcommittees, depending on the desired size of the subcommittees. These subcommittees would have both authorizing and appropriating authority. There would be no full committee markups, only floor action.

There would be a subcommittee on the Budget within the Appropriations Committee which would have as its members the chairman and ranking minority members of each Appropriations subcommittee as well as the chairman and minority members of the Finance Committee.

In addition to the Appropriations Committee, there would be a Foreign Relations Committee, a Finance Committee, a Committee on Management of the Government, a Committee on General Laws (similar to the current Judiciary Committee), a Committee on Regulated Industries and a Committee on Rules and Ethics. Each senator would serve on one of these committees in addition to the Appropriations Committee.

This plan would achieve consolidation of the authorization and appropriations process. It would consolidate and rationalize jurisdictions of committees. It would reduce the numbers of committees and assignments and ease the problem of scheduling conflicts.

In addition there should be a rule to require that a senator provide the Senate with 48 hours advance notice before a nongermane amendment is offered to a bill on the floor.

Senator Quayle asked if it would be feasible to deal with the defense authorization and appropriations at the same time on the floor with a requirement that amendments be mathematically consistent. Senator Tower stated that his proposal would accomplish essentially the same thing and that the current delays were caused by the need to wait for the budget process to complete its work.

SENATOR PETE DOMENICI

The three fiscal processes, authorization, appropriations and budget, have been misused. The authorization process was designed to set policy parameters, but the Senate has frequently argued so long over authorizationsthat funding has preceded substantive debate. In other cases the authorizing process has been used to lock in funding levels, thus totally thwarting the appropriations process.

The appropriations process was designed to divide up available resources in a given fiscal year among competing federal programs. Appropriations has frequently been used to debate substantive policy issues, causing atrophy of the authorization process.

The budget process was designed to provide a framework, a broad fiscal policy. The timetable it established has helped Congress to report authorizing legislation on a timely basis and to pass far more of its regular appropriations bills by the beginning of the fiscal year than had previously been the case. During the 8 years prior to the Budget Act, Congress passed an average of only 1 regular appropriations bill by the start of the fiscal year. During the first 8 years following the Budget Act, Congress has passed an average of 5 regular appropriations bills by the start of the fiscal year.

However, there are still late authorizations and late appropriations and the Senate wastes its time debating the same issues repeatedly.

The solution is to return to the original purposes of each of these functions, not to consolidate one or more of them. The budget process has resulted in more meaningful debate on the floor.

Senator Domenici is opposed to Senator Johnston's proposal to make the Budget Committee a subcommittee of Finance and Appropriations.

Duplicate votes on the floor occur because a majority of the Senate wishes them to occur. No process or rule will prevent a majority of the Senate from carrying out its will.

The inability of authorizations to be done on time is not the fault of any process. It simply means that consensus has been harder to achieve. The same is true for appropriations. Efficiency has been deliberately sacrificed in order to avoid serious legislative errors.

In order to correct the current difficulties, we should insist that the first budget resolution be completed on time and that it stick to broad parameters only. This might be encouraged by specifying in more detail the types of amendments that would be in order, by shortening the length of floor debate and by shortening the time for floor debate on amendments to assure that extraneous matters do not enter the debate. The Budget Act provisions that are designed to assure timely completion of conferences on budget resolutions should be enforced.

A binding first budget resolution is a useful suggestion.

Authorizations should be completed on time and before floor action on related appropriations bills begins. There should be rules that assure that funding levels are not locked in through the authorization process prior to the appropriations debate, particularly when entitlements are involved.

Appropriations debates should be carried on without the intrusion of substantive legislative amendments and should be completed on time. One possibility is to move to an omnibus appropriations bill and examine the desirability of aligning the Appropriations subcommittee jurisdictions to coincide with functional categories.

One option is to merge the House and Senate Budget Committees into a Joint Committee on the Budget, similar to the old Joint Atomic Energy Committee. This would speed up the budget process. This committee could also ensure that reconciliation instructions included in a budget resolution are followed and that the Senate is kept informed of the creation of new or expanded entitlements. The Joint Committee on the Budget could also integrate the formulation of a federal credit budget into the congressional budget process and annually review all off-budget expenditures and tax expenditures. In addition, the Committee could consider the advisability of adopting biennial budgeting.

It is possible that the creation of a Joint Committee on the Budget may make the existence of the Joint Economic Committee unnecessary.

There is a need to have some kind of schedule on the floor and for the practice of holds to be modified.

Another possibility is to break up the budget process into four pieces: defense, foreign assistance, appropriated accounts and entitlements.

Senator Quayle pointed out that the process often gets bogged down when dealing with annual authorizations and annual appropriations, not when dealing with permanent legislation. Senator Domenici agreed and suggested that maybe there was a need for a 5-year defense authorization. Senator Quayle suggested trying a two-year authori-

zation as an experiment and appropriating on an annual basis.

Senator Quayle suggested consolidating jurisdiction over the Budget Act as a first step toward modifying it. Senator Domenici suggested that instead a special one-year committee be created composed of members of Rules, Governmental Affairs and the Budget Committee in order to avoid committee jurisdiction battles.

Senator Melcher expressed his interest in a Joint Committee on the Budget and in having only one, binding budget resolution.

SENATOR JOHN STENNIS

The concept of the Budget Committee should be retained.

There is a need for more serious and meaningful debate and freer discussion among committee members rather than the use of proxy votes.

Senator Quayle asked what the biggest change in the Senate had been over the years. Senator Stennis responded that the senators go home too often, but yet do not spend enough time at home.

Senator Stennis added that there is a need for a high quality team of inspectors and investigators attached to the Appropriations Committees of each house to carry out oversight.

SENATOR SAM NUNN

The annual budget process is the current problem. It has taken over the time and workload of the Senate and of the committee and of the Executive branch. Even with the expenditure of all this effort, passage of a budget each year comes later and later. There are several reasons for this development.

First, there is duplicative committee review. Detailed review of the President's budget is annually performed in each House at least three times by three different sets of committees: Budget, Appropriations and the authorizing committees. The Senate also wastes time on the floor repeatedly debating the same issues.

Second, there is excessive attention to detail in authorizations.

Third, the accounting structures used by each participant in the budget process are not compatible or consistent. This is complicated by diffused division of committee jurisdiction.

In summary, Senator Nunn made the following points:

First, there is not enough time for Congress to complete the budget, authorization and appropriations process.

Second, there is insufficient time for oversight of programs and policies because the budget process has become so unwieldly.

Third, more and more of the federal budget has to be authorized annually, causing overloads in the authorizing committees.

Fourth, missed deadlines anywhere in the budget process have a domino effect on the remainder of the budget process.

Fifth, making the second resolution binding delays the process.

Sixth, appropriations bills are becoming more contentious and harder to pass.

Seventh, there are too many legislative and non-germane proposals on appropriations bills.

Eighth, schedules are too hurried.

Ninth, there is too much duplicative effort among all the committees.

There are too many committees and subcommittees in Congress and assignment limitations are not enforced.

Senator Nunn proposed the following solutions:

First, there is a need for a shift to some form of multi-year budgeting.

Second, the accounting framework should be rationalized by deciding on uniform and rational accounting/function categories.

Third, three different committees in each House should not be doing essentially the same thing. There is a need for some consolidation. For example, there could be a combined Budget/Appropriations Committee with strengthen macro authority and the authority to enforce its decisions after they have been endorsed by the Senate. This Committee would also have the authority to de-appropriate. This would allow the authorizing committees to also appropriate under the firm guidance and enforcement of this committee's guidelines.

Fourth, Congressional self-restraint must be exercised when reviewing budget proposals. The appropriate level of detail must be determined.

In addition, Senator Nunn suggested that senators work 5 days a week for the first 3 or 4 months of the year instead of the current tendency toward a 3-day work week.

Senator Quayle suggested dealing with the defense authorization and appropriations at the same time of the floor. Senator Nunn agreed that it would save some time on the floor, but would not have an effect on witnesses from the executive branch. He stressed that committees, for all their delving into detail, are not doing the work of oversight and are not looking at broad strategy at all. He also expressed his support for a Joint Committee on Intelligence.

In addition, Senator Nunn pointed out that the federal government is doing more and more in various areas and is not capable of handling all of these items with the same degree of attention as the States.

Another alternative to resolving problems with the budget process would be for Congress to establish an explicit procedure to authorize milestone decisions in the weapons acquisition process, which parallel the current system of the Defense System Acquisition Review Council milestones used by the Department of Defense. In other words, instead of having have a time limit on a weapons system, the research stage could be authorized, then the development stage, then the engineering production stage and then the final production.

There is enough for two committees to do in the military area. It is pointless for them both to be doing the same things and omitting the same things.

SENATOR EDWARD ZORINSKY

The Veterans' Affairs Committee should not be eliminated. This Committee has rendered and continues to render invaluable services to the former members of the military. It can continue to do so most efficiently as a separate committee.

SENATOR NANCY KASSEBAUM

There is a need for the authorizing and appropriating committees to adhere more closely to their functions. Possibly, as a means of making the process more efficient, the two committees could have a conference and take to the floor one bill.

The Budget Committee provides a valuable framework for fiscal policy-making.

There is a need to combine hearings so that witnesses from the Executive branch would not have to testify repeatedly on the same subject and senators would not have to listen repeatedly to the same testimony.

SENATOR MACK MATTINGLY

Congress has become a full-time legislative bureaucracy that allows little time for formulation and drafting of ideas. The cause of this is the committee system. The proliferation of committees has resulted in proliferation of staff. Senators are spread too thin among their committees to be informed on all relevant issues. The result is a staff that is discharging the responsibilities that senators are elected to perform.

Senator Mattingly suggested the following solutions:

First, go to a two-year budget cycle.

Second, return to a two-track authorization/appropriations process. The third track, the budget process, has been a wasteful and redundant failure. The budget figures should be folded into the appropriations and finance process.

Third, reduce the number of subcommittees and their staffs.

Fourth, eliminate the special, select and join committees and incorporate their responsibilities into the proper authorizing committees.

Fifth, eliminate the use of proxies in committee and record all committee votes for the published record.

Sixth, restrict the number of committee staff allowed on the Senate floor.

In addition, Senator Mattingly mentioned that Military Appropriations had held joint hearings with Armed Services and it worked very well.

REPRESENTATIVE HENRY HYDE

This statement was included in the record. Rep. Hyde did not testify in person.

There is a need for a Joint Committee on Intelligence in order for Congress to exercise responsible oversight of intelligence activities. Congressional oversight must be nonpolitical and bipartisan in order to earn public credibility. Leaks of sensitive information must be prevented.

The two current committees reflect different perspectives and frequently do not focus on the same matters. Apparently there is little interaction or coordination on the issues.

A Joint Intelligence Committee would not only eliminate the above problems, it would encourage bipartisan cooperation and ensure a more effective Congressional oversight operation.

SENATOR ALAN CRANSTON

Senator Cranston submitted for the record a statement stressing the need to retain the Veterans' Affairs Committee as a separate committee. The Veterans' Affairs Committee is performing valuable services in an efficient and effective manner.

SENATOR PAUL SARBANES

Senator Sarbanes submitted for the record a statement stressing the need to retain the Veterans' Affairs Committee as a separate committee. The continuation of the Veterans' Affairs Committee demonstrates the commitment of the Senate to the nation's veterans. The Veterans' Affairs Committee has enabled the Senate to address the specialized needs and concerns of veterans.

Stephen L. Edmiston of Disabled American Veterans, Paul S. Egan of The American Legion and Donald H. Schwab of the Veterans of Foreign Wars all submitted statements for the record stressing the need to retain the Veterans' Affairs Committee as a separate standing committee and describing the scope and quality of its services to American veterans.

In addition, Patrick J. Clements of the Small Tribes Organization of Western Washington submitted for the record

STOWW's support for the continuation of the Select Committee on Indian Affairs as a permanent standing committee.

APPENDIX.—POSSIBLE SCHEDULE FOR A BIENNIAL BUDGET AND APPROPRIATIONS CYCLE

FORMER SENATOR HENRY BELLMON

Budget session—odd numbered years.—Congress convenes in January, odd numbered years, and turns immediately to consideration of two-year budget and two-year appropriations bills. This session must conclude by October 1.

Recess October 1 to October 15.

Authorization/oversight session—begins October, odd numbered years.—Completed March 15, even numbered years.—Authorization/oversight session begins October 15, odd numbered years, recesses November 15, odd numbered years through January 15, even numbered years, and completes its task by March 15, even numbered years.

Recess March 15 to March 31.

Supplemental session—April, even numbered years.—There would be a brief session for the consideration of supplemental appropriations (including appropriations for new authorizations as well as emergency items), and other necessary fiscal policy bills (miscellaneous tariff bills and other revenue legislation, etc.).

End of April, even numbered years—Congress adjourns sine die.—This schedule allows little room for Congressional recesses during either the budget session or the authorization/oversight session.

It would, however, allow Congress to complete its work in sixteen months.●

HAWAII STATEHOOD SILVER JUBILEE DAY

● Mr. INOUYE. Mr. President, the 25th anniversary of Hawaii's admission as the 50th State of our Union will be celebrated on August 21, 1984.

In recognition of this historic occasion, the House this week unanimously passed Senate Joint Resolution 248, designating August 21 as "Hawaii Statehood Silver Jubilee Day," clearing this measure for Presidential consideration. This Senate joint resolution was introduced by me and my colleague, SPARK MATSUNAGA, and unanimously passed by the Senate on April 11.

It is my sincerest hope that the President will approve this measure, in view of its major significance to the citizens of Hawaii and our Nation.

Statehood for Hawaii was achieved through the united efforts of all segments of our community—elected officials, business leaders and, above all, the people of Hawaii. The spirit of Americanism has long flourished among Hawaii's people through their demonstrated loyalty, spirit of equality and compassion, and steadfast devotion to the guiding principles of our Nation. The case for Statehood was made most effectively by the golden people of Hawaii.

I am proud to serve in this body as an elected Representative of the State of Hawaii.

This youngest State in a relatively youthful Nation serves as a constant source of inspiration and renewal for fellow Americans who can witness in Hawaii the idealism, the progressive spirit and the boundless opportunities envisioned by our Nation's Founding Fathers for all citizens. In its quiet beauty, Hawaii speaks eloquently to all of hope, of unity, and of peace.●

THE SEOUL OLYMPIC GAMES IN 1988

● Mr. MURKOWSKI. Mr. President, in recent weeks objections have been raised to the choice of Seoul, Republic of Korea, as a site for the 1988 Olympic games. Some persons have even advocated moving the games to another country. Let me go on record very strongly, Mr. President, in opposition to this idea. I have just had the honor of discussing this matter with General Taewoo Roh, chairman of the 1988 Seoul Olympic Organization Committee. The Republic of Korea has already made an extraordinary effort to prepare sports facilities, special housing, and the many other support facilities associated with an international event of this magnitude. It has constructed a magnificant new subway line out to the Olympic site. By 1988 the Koreans will have invested more than $1½ billion in facilities dedicated to the games, and construction of hotels and other private facilities to support visitors to the games will cost many hundreds of millions of dollars in addition. The Koreans are carrying out these preparations in their characteristically thorough, energetic manner. There is little doubt that the Olympic complex created for the 1988 games in Seoul will be among the finest ever to play host to this event.

Mr. President, the International Olympic Committee has thus far rejected the idea of moving the 1988 games from Seoul.

I urge that the United States firmly resist any fresh moves to even consider such an ill-advised proposal. Our Korean friends should know that the United States stands resolutely beside them on this issue which is of such great importance to them politically and economically. I ask that an article from the July 10, 1984 Los Angeles Times describing the elaborate preparations being made for the Olympics in Seoul be printed in the RECORD.

The text of the article follows:

PREPARING FOR 1988—SEOUL, SOUTH KOREA

AFTER YEARS AND YEARS OF TURMOIL, GETTING SET TO STAGE OLYMPICS APPEARS TO BE SIMPLE MATTER FOR THIS CITY OF 9.5 MILLION PEOPLE

(By Bill Shirley)

SEOUL, SOUTH KOREA—What if they held an Olympic Games and nobody came? It could happen, you know, perhaps in "The Land of the Morning Calm" in 1988, when this ancient capital city of a politically vulnerable nation is scheduled to be the next host—or victim—of the embattled sports festival.

Fractious nations today seem to compete in the Olympics only when the whim suits them and, if there is still such a thing as the Olympic Games in 1988, the ones being prepared for here with impressive skill and speed could possibly be shifted to a less volatile political arena. Like on another planet. Where on earth is there a haven today for the Olympic Games?

If the Games should be moved—and the idea has been discussed, and rejected, among members of the International Olympic Committee—it would be another devastating blow to this tiny developing nation in the northeast corner of Asia which, in its turbulent 5,000-year history, has taken more punches than Muhammed Ali. It's a wonder a country that has taken so much punishment from outside forces—or inflicted it upon itself—didn't quit in its corner years ago.

But archeologists have traced the Republic of Korea's civilization to BC 3,000 and beyond. It was fighting the Chinese as early as the first century and has survived wars—both foreign and domestic—invasions, annexation, occupations, government corruption, internal injustice, authoritarian rule, police brutality, martial law, a coup by the army, student suppression and widespread domestic violence. And it is still on its feet.

Remarkably, no city in recent history has ever prepared as efficiently or as quickly for an Olympic Games as Seoul, which lay in ruins just 31 years ago after changing hands four times in the Korean War. Its economy was wiped out along with its roads and buildings.

But today there is virtually no physical trace of the devastation. Four years before it is scheduled to stage the Summer Games of the XXIV Olympiad, in fact, the city is so far advanced in its preparations for its big moment in its history that there seems to be more concern here about a language problem and cultural gap with the West than about the construction of stadiums and arenas and their price tags, the usual headaches of a city staging an Olympic Games.

More than four years before the Games begin (Sept. 17, 1988, a date chosen to avoid the rainy summer months), this city has completed 85% of all facilities. Los Angeles had not built a new arena or stadium that far in advance.

Montreal barely got its unfinished main stadium in shape for the Opening Ceremonies in 1976 and, in Moscow, laborers were still cleaning up a couple of new gyms the day before its Games began in 1980.

Olympic, tourism and government officials here do not talk about construction delays and strikes. The inference is that they would not be tolerated. And nobody seems to be complaining that the bill for the Games may reach $1.5 billion, including about $800 million for places to play games and house athletes, officials and reporters.

Security will not be a problem; they are used to threats, officials said. Traffic? That's no problem, either, they say. Four new subway lines and a new eight-lane highway are under construction to move spectators from Kimpo Airport and downtown to the main Olympic complexes. The airport will be enlarged and improved for the 200,000 to 300,000 guests expected.

In 1982, Seoul had 11,125 rooms in 51 hotels, including 14 deluxe ones such as the Chosun, Hyatt Regency, Lotte, Hilton, Plaza, Shilla and Sheraton. They will not accommodate all the Olympic guests, but the overflow will be put up in 700 private

homes. "It will not be a problem," the organizers say.

What's going on? Why has Seoul been able to do what other major cities on the planet couldn't?

For one thing, the city and national government are solidly behind the organizing committee. Money does not seem to be a problem. If the organizers have a zoning problem, the Minister of Sports' office takes care of it.

For another, all the agencies seem unified in their zeal to show the world—and, of course, North Korea—the great social and economic strides the country has made in the last 30 years.

But part of the answer probably lies in the industry and emotional intensity of the people who live in the southern half of this 600-mile-long peninsula that thrusts south from the Asian continent between China and Japan. For a city that has literally risen from the ashes of a war, putting on an Olympic Games probably seems as simple as organizing a parade.

Why would Seoul, or any city, want the Olympics and its concomitant problems? Boycotts, murders, scandals and scandalous costs left scars on Mexico City, Munich, Montreal and Moscow and did grievous damage to the Games.

Seoul, at least, probably had a better reason for staging the Games than Los Angeles. The "Korean Miracle," the nation's Phoenix-like rise from the destruction of the Korean War, has had little exposure in the world.

"It is important that we are able to host the Olympic Games," said Sang-Jin Chyun, deputy secretary-general of the Seoul Olympic Organizing Committee. "The Olympics will be a good cause for Korea . . . for peace . . . for the promotion of international relations and for expressing ourselves and to show our country to the world."

Said Vice Mayor Yon Lee: "We had a dream. We wanted to host an Olympic Games. If they are successful, they can be a turning point for Korea."

Minister of Sports Lee Young Ho: "We are very eager to show the world what we can do and what we have accomplished. I think people who come from countries like the United States, where things come more easily, may find it very difficult to understand the emotional intensity we feel in organizing these Games because we have very little in the way of natural resources.

"Everything you see in this country is the result of sweat and hard, hard work. Almost everything we make is made of materials that we have imported. Twenty years ago we were not very hopeful about the future of our nation. But somehow we did it . . . and we take a great deal of pride in it, and the Olympics is simply the best way we could show the world that we have done this. I think this will have some message for other developing countries.

So, with the same intensity with which they rebuilt their city after the war, Seoul's politicans set out to fulfill their dream.

They had a head start because a major sports complex had been included in a long-term master building plan, and parts of it were completed before it was suggested that a bid be made for the Olympic Games. Construction at the Seoul Sports Complex began in 1977 and the government did not decide to seek the Games until 1979, about the time the main gymnasium was completed.

"Although the planning for the Games did not start until 1980," Vice Mayor Yon Lee said, "we expected to get them in the late 1980s."

When Seoul's bid was successful in 1981, 65% of the sports complex was completed. The same confidence abounds here today—publicly, at least—that their Olympic show will go on as scheduled and be a smash hit despite the serious blow dealt the Los Angeles Games and the Olympic movement by the Soviet Bloc's boycott.

"I do not think it is time yet to contemplate how the boycott will affect the Seoul Olympics," Lee Young Ho told an interviewer. "But we can be sure that whatever considerations entered the Soviet decision on the Los Angeles Olympics will not be applicble to the Seoul Olympics. . . . Therefore, it is unwarranted to talk about the possibility of another boycott for Seoul. There has been absolutely no discussion of withdrawing from the 1988 Games. Frankly, I cannot see where else the Games could be better staged than in Seoul."

The International Olympic Committee has said, at least twice, that it has no intention of taking the Games from Seoul. But despite the record number of countries competing in Los Angeles, the acrimony stemming from the latest of three major boycotts lead some to suspect that there might not be an Olympic Games in 1988. And if there is, Seoul seems an unlikely place for it. Consider its turbulent history and its awkward political position today:

Two giants of the planet, the Soviet Union and China, don't recognize it diplomatically, although relations with the Chinese began to thaw recently with some sports exchanges.

A Soviet military plane shot down one of its civilian airliners last year, killing 269 people, an incident Lee Young Ho describes as a "barbaric and anti-human crime."

About 26 miles from the main Olympic sports complex is a demilitarized "no man's land" 1.24 miles wide on either side of the 38th parallel, the latitudinal boundary which separates it from its unfriendly neighbor, North Korea.

North Korea has instructed an organization in Japan, "favorable to North Korea," Minister Lee said, "to do anything to disrupt or damage the Seoul Olympics."

Japan another Asian neighbor, occupied it for 35 years, "harshly and exploitatively," the history books say.

After World War II, it was liberated from Japan and occupied by U.S. troops after the peninsula was arbitrarily divided into two zones. Soviet troops occupied the North.

In 1950, a year or so after U.S. and Soviet troops had withdrawn, the People's Republic of Korea attacked its southern neighbor, precipitating the three-year Korean War.

North and South Korean troops engaged in numerous shootouts during an uneasy truce in the demilitarized zone in the 1950s and 1960s.

This spring, when representatives of the two Koreas met for the first time in four years at Panmunjom, the village where the Korean War truce was signed, to discuss the formation of a unified Olympic team for Los Angeles, they argued instead about political matters and broke off the talks.

On June 2, North Korea announced that it was boycotting the Los Angeles Games.

Against this backdrop, the elite idealists who compose the IOC, by a vote of 52-27, still awarded the Games to Seoul instead of Nagoya, Japan.

The boycotts of Montreal, Moscow and Los Angeles were all precipitated by politics, and it is unlikely that a city with Seoul's vulnerability can stage an Olympics without someone stirring up a similar fuss.

But politics aside, Seoul is splendidly qualified to hold the Olympic Games.

It is a modern, compact metropolis in a setting of antiquity and natural beauty, surrounded on three sides by mountains and the Han River to the south.

Its 9.5 million people make it one of the 10 most populous cities in the world, and it is the political, economic, educational and cultural center of South Korea. Modern skyscrapers, expressways and luxurious Western-style hotels mix with historic palaces (there are five inside the city limits) and other relics such as ancient gates and markets.

It is a shopper's paradise, offering bargains at markets such as the Itaewon and East Gate that tourists once found only in Hong Kong. There are thousands of shops in underground malls.

Traffic here, as in other large Asian cities, is as congested at 10 a.m. or 2 p.m. as the Hollywood, Santa Monica and Santa Ana freeways are at 5 p.m. Thousands of little yellow or green taxis clog the streets. But larger cabs, the four new subway lines and improved highways are expected to ease the traffic jams during the Olympic Games. Besides, the citizens of Seoul will be told not to drive their own cars.

But what is most impressive about Seoul as a site for the Games are its new stadiums and arenas. The Seoul Sports Complex in the southern part of the city is the main attraction.

Built beside the Han River, it is only about eight miles, or a 20-minute, $6.50 taxi ride, from downtown. It will also be reachable on one of the new subway lines. About 200,000 spectators will be able to see events at the same time in the complex, which includes the main stadium, a couple of gymnasiums, a swimming hall and a baseball park.

The main stadium, which will be dedicated in September, seats 100,000, the baseball stadium holds 50,000, the main gym 20,000, the swimming hall 12,000 and another gym 12,000. There is also a practice field and a warm-up pool, which is connected underground to the main swim hall. The complex's parking lot will hold 10,000 cars.

In this one compact area, there will be track and field, soccer, field hockey, boxing, basketball, volleyball, wrestling, equestrian events, cultural shows (in the ballpark) and the opening and closing ceremonies. Rowing will be held on the Han River.

In all, said Sang-Jin Chyun, there will be 95 facilities at 37 sites, all within 24 miles of each other. Events at Los Angeles will be spread all over Southern California. The only major event outside of Seoul will be yachting, in Pusan, the country's principal port, 270 miles to the south.

About two miles from the Seoul Sports Complex, another Olympic site is under construction and scheduled to be completed in 1986. The National Sports Complex will have three gyms, a swimming pool, velodrome, hospital, supermarket, bank, restaurants, a training center and villages for the athletes and press. The main Olympic Village will have 2,160 apartments and house 13,000 athletes. There will be 1,700 apartments in the press block. After the Olympics, the apartments, built by private investors, will be sold to the natives.

The Koreans have a good reason to remain on schedule; they will stage the Asian Games, an event about one-third the size of the Olympics, at the same sites in 1986.

Although the organizing committee has received a government subsidy the past three years, Sang-Jin Chyun said the organizers are "as private as Los Angeles." His committee's basic philosophy, he said, is also similar to Los Angeles'; it will tap corporations for money. Money already has been raised through a national lottery and a domestic coin program.

Security will not be a problem, Sang-Jin said. "We'll get support from the government, as other organizers do. Because Korea has lived under tension for so many years, we are used to making preparations for any kind of threat. I think our preparations are among the best in the world."

South Korea has what Sang-Jin calls "an emotional attachment" to the Olympics.

A Korean, Kee Chung Sohn, won the marathon and the country's first gold medal at Berlin in 1936 under the Japanese flag.

"We were at the time under Japanese occupation," Sang-Jin said, "and it was good for national morale."

South Korea competed at London in 1948 for the first time under its own flag and sent a team to Helsinki in 1952 in the middle of the Korean War. In eight Olympic Games, Koreans have won 18 medals: 1 gold, 6 silver and 11 bronze. They will send 170 athletes to Los Angeles.

This nation of 40 million seems to be trying hard, perhaps unrealistically, to promote peace through its Games. "The Olympic movement is for peace," Sang-Jin said. "Through competition among young people, the Games establish friendships and promote peace in the world. As you know my country is surrounded by big powers. . . . So to have the Olympics in Korea is to have peace in my country."

South Korea wanted a unified team for the Los Angeles Games, Minister Lee said, because "it may facilitate exchanges in other fields which may pave the way for eventual unification of the country. If we had succeeded in getting a unified team, it would have been a great symbolic meaning for our people. . . . There is great yearning on the part of the people for unification.

The talks, in Lee's view, "were not very amicable," and now he thinks it is unrealistic to expect an absolute, clean separation of sports and politics.

How would the South Koreans accept athletes from North Korea and the Soviet Union? "Of course our people were indignant about the barbaric, anti-human crime they (the Soviets) committed in shooting down our civilian passenger plane," Lee said, "but despite all that, our position is that we would welcome Soviet athletes. We will welcome North Koreans and all people. We look for harassment from the North Koreans but we are not unduly apprehensive about it.

"I think we could handle it. The 38th parallel line is well maintained."

The people of Seoul will welcome both the North Koreans and the Russians, Vice Mayor Yon Lee said, "because we want to show them our free society and influence them. The only way we can reunite our peninsula is by showing them what freedom is."

Is the country nervous about the prospect of exposing its flaws as well as its accomplishments when world attention is focused upon it during the Olympics?

Sports Minister Lee: "Naturally one gets nervous. You practice for a great miracle for years and finally you are at Lincoln Center or someplace and of course you are nervous to go onto the stage. But there is also a great anticipation. A critical factor is self-confidence. When we stage the greatest Olympics in history—and I think we can do it—it will help us in the eyes of the world in other things."

Said Ha Dae Don, president of the Korea National Tourism Corp.: "We have some weak points you might call risks. But the government is quite eager to eliminate the risks. Some can be regulated."

Although building the stadiums and gyms has been easy for the South Koreans, they are concerned about their human resources, Sang-Jin Chyun said. "We are reasonably well educated, of course," he said, "but our national language is not English or French (the official Olympic languages), so organization here will be more difficult."

Training to deal with foreigners already has begun, Sang-Jin said. And the Koreans are soliciting outside help to learn about some of the 23 sports in their Games with which they are not familiar. "We have no experience in canoeing and yachting and equestrian events," he said.

Vice Mayor Yon Lee said: "We are doing our best to ease the language problem. We must be fluent to explain our Oriental culture to Westerners. We want to show them how diligent and bright our people are. They remember that people of other nations helped them during the Korean War. We want to pay our debts."

Ha Dae Don: "Having the free world learn about Korea's culture is more important than the income we will receive from the Olympic Games. We will sell our cultural heritage; most people don't realize how old and abundant our country is."

Ha's tourist office will be responsible for training 6,000 guides to assist foreigners. "We'll have a problem but not much of a problem," he said.

But on a tour of the Seoul Sports Complex, a sign barring a reporter's path to the VIP section of a gym read: "No Admittance Except Persons Concerned."

The diligent Koreans are going to have to do something about that language problem.●

A TRIBUTE TO THE ASSOCIATION FOR THE ADVANCEMENT OF THE BLIND AND RETARDED

● Mr. MOYNIHAN. Mr. President, I have addressed this body many times on behalf of the rights of the disabled. Americans have to come to recognize that we have a responsibility to help people overcome their physical and mental handicaps, so that they may lead fuller and more productive lives.

I would like to take this opportunity to pay tribute to one private organization which is in the forefront of this movement, the Association for the Advancement of the Blind and Retarded. For over 25 years, AABR has assumed the great challenge of serving those young adults whom fate has cruelly struck with multiple handicaps, including blindness and severe mental retardation. These individuals require 24-hour-a-day attention throughout their lives if they are to develop even the most basic faculties.

There are few programs in my State or across the Nation that provide intensive services to these neediest of our fellow citizens, especially once they reach the age of 21. AABR fills this gap by operating well-kept, spacious residences in communities throughout New York City for approximately 100 blind and retarded young adults. The Association also runs a day treatment facility at which all of these individuals receive extensive therapy and personalized attention. These programs are national models of what care for the retarded can be.

Most importantly, AABR's directors and those who manage its facilities are among the most decent, inspiring and compassionate people one could ever meet. Thanks to their patience and love, their severely retarded clients are gradually reaching their potential. Each time an AABR resident learns to dress himself, or make his own bed, or even to hold a spoon, it is acknowledged sincerely as a joyous achievement.

Over the years, AABR's remarkable accomplishments have won consistent praise and financial support from the private sector. On September 10 of this year, for example, the Metropolitan Club Managers Association of New York will hold its 11th Annual Charity Golf and Tennis Tournament and Dinner Dance for the benefit of AABR's handicapped youth. I am sure that my colleagues will join me in extending our best wishes and warmest thanks to both AABR and its supporters for their selfless commitment to this most worthy cause.●

CLEAN WATER PROGRAM

● Mr. LEVIN. Mr. President, on a recent visit to Manistee, MI, local officials and residents brought an important problem to my attention. It is a problem that is faced by hundreds of communities in Michigan and many more throughout the Nation. These communities are in dire need of sewer improvements and have sought funding from municipal construction grant programs under the Clean Water Program. Like many older communities, Manistee's sewage system is antiquated.

There are many residents and businesses in Manistee whose basements fill up with sewage after a heavy rain. According to a resident who recently wrote to me about the problem, ". . . in these homes . . . are elderly people who have owned and maintained their homes for 30 years and . . . young people with small children. They all suffer the same indignation we do, having untreated water from the sanitation sewers forced back into their homes."

Despite the city's plea for help to the Environmental Protection Agency [EPA] Manistee is ranked 77 of 183 projects in Michigan who are in need of sewer grant funding. Only five of

these Michigan projects can be funded this year.

The city of Manistee is currently experiencing 15 percent unemployment and a $17 million sewer system is simply beyond the city's means without assistance from the municipal construction grant.

I hope the Senate will expeditiously consider the Clean Water Act with adequate funding to alleviate the problems faced by small communities throughout our country like Manistee, MI.●

RECOGNITION OF JEFFREY BLATNICK

● Mr. D'AMATO. Mr. President, I rise today to pay tribute to an athlete whose spirit embodies all that the Olympic movement should stand for—Jeffrey Blatnick, a man who has captured the hearts of all the world.

On Thursday, August 2, Jeffrey won a gold medal in Greco-Roman wrestling. Normally, an accomplishment of this magnitude would overshadow the man behind the event. In this instance, it paled in comparison. Jeffrey Blatnick will long be remembered by those who know little of wrestling because of the great spirit he displayed in competing for the medal. Truly, here was a time where winning was secondary to the effort made to compete.

For those of you who were sequestered with aides discussing matters of great import or who had obligations which took precedence over viewing the Olympics, I would like to spend a moment chronicling the achievements of this wonderful man and the hardships he had to overcome to win that medal. Jeffrey Blatnick, who hales from Niskayuna, NY, did not follow a path to that championship paved by insurmountable talent or easy circumstance. His medal in Greco-Roman wrestling was only the second ever won by an American in the history of the Olympics—the first preceded it by a matter of hours. His decision to compete in this form of wrestling came from the realization that he lacked the requisite leg drive to be a world champion in the form of wrestling in which Americans have traditionally excelled. He has blazed a path to glory that should be an inspiration to many young Americans.

His efforts in winning a medal in a sport that America had no real tradition of victory in was not, however, his most moving accomplishment. After having to sit out the 1980 Olympics because of the American boycott, Jeffrey persevered and set his sights on the 1984 games. These plans suffered a setback so serious that it threatened not only his career, but also his life. In 1982, doctors realized that he had Hodgkins disease, a form of cancer. An operation, which was delayed so that he could perform in the national amateur championships, removed his spleen and appendix. Normally, this would have been the end of a fine athletic career—3 weeks later, he was back in training. Despite a lingering weakness, Jeffrey never gave up hope and arrived at the Olympics in the greatest shape of his life. This set the stage for the drama that was to follow.

Competing in the final against a man who weighed 30 more pounds than he did and who had much more experience in this type of wrestling, Jeff drew on a source of inspiration that should be a lesson to us all. In 1977, he suffered the most grievous loss imaginable, his older brother died in a motorcycle accident. Before his gold medal match, Jeffrey, who was accompanied by his parents, dedicated the effort to his brother. His mother had urged him before the fight to win for David and he used that inspiration to capture the gold.

But it was his performance after the fight that captured the hearts of his fellow Americans and even the wrestlers he had defeated. When Jeffrey was interviewed after the match, he could not restrain his tears of joy—tears matched by his parents, the interviewer, and all in attendance. When the national anthem was played, he sang out the words in an expression of joy and gratitude. Many athletes from many nations mounted those stands, none with more pride and emotion. His fellow wrestlers whom he had defeated in the quest for the gold were so moved by his efforts, accomplishments and joy that they held his arms aloft in victory. This international expression of respect and camaraderie underscored all that the Olympics stand for. When the athletes of different nations meet, considerations of geopolitical imperatives are forgotten and for a brief period of time a kinship that is forged through years of effort and struggle serves to bring us all, not just the athletes, closer together.

Mr. President, this moment was for me the highlight of this Olympics. Many athletes from many nations gave stirring performances that will long be remembered. I do not slight those efforts or those athletes. I merely commend one man for his uplifting struggle and hope that it will serve as an inspiration to all to remember our common humanity and forget our differences—differences that are minor when compared to our common heritage and struggle for dignity.

Thank you, Mr. President.●

DRIVER SAFETY AND THE PROGRAM FOR DRIVER SAFETY OF BLUE CROSS AND BLUE SHIELD

● Mr. MOYNIHAN. Mr. President, each year, more than 50,000 Americans are killed in motor vehicle accidents. In New York State along, 2,300 car-related deaths occur annually. It is estimated that half of these fatalities would be prevented if motorists used seatbelts and were more cautious about the deadly combination of drinking and driving.

Fortunately, public and governmental concern over driving safety has increased in recent years. I have strongly supported, for example, Federal efforts to promote passive restraints in automobiles that can curb deaths and injuries in traffic accidents.

Still, public awareness of driver safety issues must be further enhanced. I therefore like to commend Blue Cross and Blue Shield of Greater New York for launching a series of public service announcements about the need to use seatbelts and to avoid mixing drinking and driving. In particular, Edwin R. Werner, the company's chairman and chief executive officer, for spearheading this program.

Clearly, Government, the private sector and the public at large have a shared interest in driver safety. Let us continue to work in concert to spread the message that we can and must curb these senseless fatalities on our Nation's highways.●

CLARIFICATION OF SECTION 2632, DEFICIT REDUCTION ACT OF 1984

● Mr. DOLE. Mr. President, it has come to my attention that the statement of managers accompanying the conference report on the Deficit Reduction Act of 1984 fails to make clear the full understanding of the conferees regarding the amendments to the Social Security Act made by section 2632. That section amends the so-called lump-sum rule in the Aid to Families with Dependent Children [AFDC] Program. Subsection (A) makes various substantive amendments; subsection (B), however, is intended merely to clarify the original intent of the Congress as to the applicability of the lump-sum provision. That provision has been interpreted by some courts to apply only to AFDC families having earned income at the time they receive a lump-sum payment. The amendment made by section 2632(B) of the Deficit Reduction Act of 1984 are intended to clarify that this provision was always intended to apply to all families, not just those with earned income.

It is my understanding that the chairman of the House Committee on Ways and Means, who served as chairman of the conference committee, will make a statement similar to this one in order to clarify the conferees' intent with regard to changes in the lump-sum rule for the AFDC program.●

JEFF'S MESSAGE

● Mr. DODD. Mr. President, in carrying the torch to the XXIII Olympic games, our athletes brought with them a message. The eternal flame, which emanates from Greece, symbolizes the most competitive athletic event in the world, one of vast historic dimension. The Olympic games represent the ultimate test of the human spirit. I had the pleasure of visiting with a young Connecticut man recently who is running to Los Angeles with a different message, no less profound. This young man's name is Jeff Keith. What makes his one-man marathon from Boston to Los Angeles most remarkable is that he is running with one artificial leg, the result of bone cancer he contracted at the age of 12.

During his 6-month, 3,600-mile run, covering 20 States, Jeff will raise national awareness to issues facing the handicapped. Stopping by local hospitals along the way and through the efforts of local and national media, Jeff hopes to inspire others like him to overcome their disabilities. In so doing, he will try to raise upward of $25 million for the American Cancer Society and the National Handicapped Sports and Recreation Association, of which he is a member. Jeff, better than most, understands that promoting cancer research is the key to stopping this dreaded disease. We can all learn and benefit from his contributions.

Jeff told me he does not feel that he is physically handicapped but "physically challenged." He lost his right leg at a time when he enjoyed competing in team sports. It was, in fact, after a hockey game that he noticed a leg pain which would later be diagnosed as a malignant growth. After the initial physical and psychological adjustments following his operation, Jeff continued to pursue sports, including tennis, swimming, skiing, and bicycling. At Boston College, he played goalie for the varsity lacrosse team, and he recently finished a triathalon in New York State, placing 30th out of 500 in the 1½-mile swim event. Along with 300 remaining competitors, he finished the 25-mile bicycle race, the 10-mile run. His run across America marks his bravest endeavor to date.

Jeff Keith faces an arduous challenge every day of his life. He has chosen to meet the challenge and to create new ones for himself. When he reaches Los Angeles, he will bring with him a heroic message of courage and determination that represents a special test of the human spirit.●

THE ARCTIC RESEARCH AND POLICY ACT

● Mr. MURKOWSKI. Mr. President, the President of the United States has signed S. 373, the Arctic Research and Policy Act, into law. I rise today to thank a number of individuals who played a part in the development and passage of this legislation.

The effort to establish an Arctic Research Policy began long before I came to the Senate. As long as 20 years ago, a number of Alaskans saw the need to coordinate and prioritize the fragmented Arctic research efforts under a comprehensive Arctic Research Policy. While I am sure to forget a few names, I would like to recognize a number of Alaskans who were instrumental in this effort, including David Hickok, Juan Roederer, Mayor Eugene Brower, Gunter Weller, T. Neil Davis, Chris Noah, Vera Alexander, Robert Elsner, Jay Barton, William Wood, Glenn Olds, Walt Parker, the late Eban Hopson, Sr., Eddie Hobson, Max Brewer, Bill Davis, Nancy Yaw Davis, the late Senator E. L. "Bob" Bartlett, the late Senator Ernest Gruening, William Sackinger, Oliver Leavitt, Larry Dinneen, Paul Gavora, John Middaugh, Roger Herrera, Kris Patterson, Bill VanNess, Alan Mintz, Bob Harcharek, and the many others I have not named who made significant contributions.

Three years ago, I began an initiative to pass legislation dealing with Arctic research policy. There has been a great deal of effort on the part of many who have worked to see this bill enacted into law. Over the past 3 years, this bill has been reported out of the Senate Governmental Affairs Committee twice, passed by the full Senate twice, and scrutinized by no less than four House committees before being adopted in that body. Needless to say, the bill and those who have helped to move it through the legislative process have been through a great deal.

I should first like to thank the Senior Senator from Alaska, TED STEVENS, and the members of his staff, including Joe Darnell, Wally Burnett, and Larry Burton. I also thank Tonja Musko, a former member of Senator STEVENS' staff, who helped a great deal with the bill during its formulation and introduction. Senator STEVENS and his staff worked diligently to move the bill through the Senate Governmental Affairs Committee in both the 97th and 98th Congress.

Aside from Senator STEVENS, the first cosponsor of the bill was the late Senator Henry Jackson. Senator Jackson took a keen interest in this legislation and participated in the Senate hearings which were held on the bill. I believe it is noteworthy that his good work continues to live after him. I thank Mike Harvey and Linda Mason of the minority staff of the Senate Energy and Natural Resources Committee, for their efforts on behalf of the bill. I also thank my other Senate cosponsor, Senator GORTON, for his support.

I thank Representative DON YOUNG, who shepherded this legislation through the House of Representatives. DON deserves a great deal of credit, as does Dan Kish of DON's staff.

I appreciate also, the assistance and support of Senator ROTH, chairman of the Governmental Affairs Committee, and Senator EAGLETON, the ranking minority member of that committee. Their staff members, Lincoln Hoewing, Marikay Riney, and Ira Shapiro, also provided assistance during various stages of the bill's consideration.

With respect to title two of the legislation, I thank Senator MCCLURE, chairman of the Senate Energy Committee, as well as Gary Ellsworth and Charles Traybandt of the majority staff. Their persistence in reachng a compromise on title II with the House was a key factor in moving this legislation quickly.

Finally, Mr. President, I thank David Garman of my staff, who has worked with this issue for 3 long years. But the ordeal still is not over for him, because I am looking forward to the implementation of this bill and the vigorous congressional oversight that I expect to maintain throughout that process.●

THE NEW YORK MORTGAGE BOND PROGRAM AND NATIONAL HOUSING POLICY

INTRODUCTION

● Mr. DOLE. Mr. President, this past Monday I sent a letter to Governor Mario Cuomo, praising the Governor's statements in support of fairness in Government, but sharply criticizing the housing policies of the State of New York Mortgage Agency as being inconsistent with the Governor's rhetoric. I regret that Governor Cuomo misinterpreted this as a partisan attack. Anyone who has followed this year's tax bill knows that I have been expressing strong concerns about the fairness of the mortgage bond program for many months.

I was extremely surprised when I heard about the lines forming at New York banks. In the Senate Finance Committee report and the final conference report on the Deficit Reduction Act, it was made quite clear that Congress did not expect expensive Federal housing subsidies to be distributed by State agencies randomly, through a lottery, or on a first-come, first-served basis. The Congress made clear its intent that State and local governments exercise care in targeting this assistance on a priority basis to lower income families before higher income families. I wrote to Governor Cuomo because the disparity between his rhetoric, and the reality of New York's program, was simply overwhelming.

In the Governor's convention key note address, he criticized my party for allegedly believing in "social Darwinism" and "survival of the fittest." He characterized my party as believing "that the wagon train will not make it to the frontier unless some of the old, some of the young, and some of the weak are left behind . . ." all of that is partisan convention rhetoric, and I have no quarrel with his right to make statements which I believe are simply wrong.

But what are the lines around New York banks if not a form of financial Darwinism? And what about the old or the weak, the handicapped, who could not wait in line for 3 days?"

I was hoping that this was truly an oversight on the Governor's part. And I still hope that after the partisan aspects of our interchange have been forgotten, he will take a serious look at the policies of his agency. Indeed, the new law now requires him and every other Governor and mayor to make an annual policy statement and performance review with regard to programs under their jurisdiction.

The fact is, there are important issues of national housing policy and tax policy involved in this $10 billion a year program.

I submit for the record some further comments and detailed statistics about the New York program and issues of national housing policy. Also, I would like to ask unanimous consent to include a copy of my response to Governor Cuomo's letter to me.

The material follows:

FACTS ABOUT MORTGAGE BOND LOAN DISTRIBUTION

THE NEW YORK EXPERIENCE

First-come, first-served, is the method used by New York State to distribute Federal homeownership subsidies. The New York Times editorial page called this a 'wasteful mortgage lottery.' But in some ways, this approach is far worse than a lottery system.

Under a lottery, individuals who are unable to wait in line for 3 days—the handicapped, the elderly, single parents who must work or take care of children, low income wage earners who cannot take off 3 days from work—would not be unfairly excluded from the program. In addition, individuals who do not read the New York Times every morning, and learn of the program a few days or hours later, would not be unfairly disadvantaged.

The facts indicate that New York's program is not targeted to lower income families. According to Governor Cuomo, the average income of loan recipients in 1983 was $31,000. This income figure exceeds the local median family income for a family of four in every nonmetropolitan county and 11 out of 12 metropolitan statistical areas in the State. In Nassau-Suffolk the median family income is slightly greater, $33,500.

This New York statistic is an average figure. That means that, on average, the New York loans were not targeted at all, but distributed generally to families that had incomes at or above the median family income. This is precisely the distribution to be expected from a random distribution system like a lottery, or the first-come, first-served system used in New York.

The following chart illustrates that New York's loans are generally made to families significantly above local median income.

AVERAGE INCOME OF SONYMA BORROWERS COMPARED TO LOCAL MEDIAN INCOME IN 12 NEW YORK STATE METROPOLITAN AREAS

Metropolitan area	1983 HUD local median family income	Average income of SONYMA borrower	SONYMA income as percentage of local median
Albany-Schenectady-Troy, NY	$25,600	$31,000	121
Buffalo, NY	25,700	31,000	121
Glen Falls, NY	21,300	31,000	146
New York City, NY–NJ	24,900	31,000	124
Poughkeepsie, NY	29,600	31,000	105
Syracuse, NY	25,600	31,000	121
Binghamton, NY–PA	24,600	31,000	126
Elmira, NY	22,800	31,000	136
Nassau-Suffolk, NY	33,500	31,000	93
Newburgh-Middletown, NY	25,800	31,000	120
Rochester, NY	29,200	31,000	106
Utica-Rome, NY	22,700	31,000	137

The GAO study of New York State's loan program (covering bonds issued between December 1981 and July 1982) revealed similar results. Out of 1,640 loans, more than two-thirds were made to borrowers whose incomes exceeded State median income. And 45 percent of the loans were made to borrowers with incomes exceeding 120 percent of State median income.

These numbers understate New York's failure to target its program, since higher income families generally take larger mortgages. When higher income families receive two-thirds of the loans, they will receive an even higher proportion of the mortgage money distributed.

LOWER INCOME FAMILIES ARE BEING DEPRIVED OF THE BENEFITS OF MORTGAGE SUBSIDY BONDS BY ARBITRARY STATE POLICIES

Consider the effects of New York's first-come, first-served policy. What if five people were in line last Wednesday at a New York bank with only $170,000 to lend. The first two applicants may have been single individuals earning $50,000, who planned to borrow $85,000 to acquire homes costing $90,000. The next three people in line might have been a teacher, a sanitation worker, and a factory worker, each with families, and each earning $28,000. Perhaps they were hoping to borrow $56,000 to buy modest homes costing $60,000.

New York's policy would give the entire $170,000 of mortgage money to the first two individuals earning $50,000. Presumably someone would tell the three late-comers earning $28,000 to try again next year. "Only come earlier." The bank officer might say. "In New York, fairness means, whoever gets here first, 'gets'. Stragglers don't 'get'."

FAIRNESS IS A NATIONAL HOUSING POLICY ISSUE

New York's mortgage bond program is poorly targeted. But unfortunately, New York is not unusual. The GAO's 1983 report studied eight State programs in detail, including New York, Connecticut, Oklahoma, Alaska, Idaho, Virginia, Kentucky, and Indiana.

In these eight States, 75 percent of the participating homebuyers had incomes exceeding local median income adjusted for family size and 50 percent had incomes exceeding 120 percent of local median income. Only 8 percent had incomes below 80 percent of local median income.

To appreciate what these statistics mean, consider what it would mean in the District of Columbia where median family income was $35,800 in 1983: 10 percent of the loans would be going to four-person families with incomes exceeding $70,000; 50 percent of the loans would be going to four-person families with incomes exceeding $43,000; and less than 10 percent of the loans would be going to four-person families earning less than $28,000.

SOME STATES AND LOCALITIES DO A MUCH BETTER JOB

Most of the State and local programs studied by the GAO in 1983 were not well-targeted, either by inadvertence or design. There are a few who do much better. In this year's tax bill, the Congress directed the States and localities to adopt income targeting policies based on the more successful State and local programs.

One of the best examples is probably the State of Colorado. The State of Colorado housing finance authority has an income limit roughly equal to the State median income. Much more important than the income limit, however, is a very simple procedure they follow.

As soon as a bond is sold, the State announces a five-day registration period. During this 5-day period, applications are received, and the participating lenders rank the applications in order of increasing family income. Simple adjustments to income are made to equalize different size families. After 5 days the loans are distributed with priority given to the lowest income applicants.

This approach is simple, easy to administer, and fair. Most importantly, it is being used now, and has had dramatic results.

In the Colorado State program, the average income of loan recipients in 1983 was less than $23,000. That is less than 90 percent of the State median income of $26,000.

The Colorado approach may work even better than a fixed income limit. In 1980, for example, before Colorado adopted its priority ranking system, nearly all of the loans were given to applicants with incomes at, or just below, the fixed income limit. Now, if still lower income families apply, they will get priority.

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC, August 10, 1984.

Hon. MARIO M. CUOMO,
Governor, State Capitol, Albany, NY.

DEAR GOVERNOR CUOMO: Thank you for your response to my letter about mortgage subsidy bonds. It is sometimes difficult to evaluate the effectiveness of State and local income targeting policies under the mortgage bond program. Sometimes this difficulty is attributable to a shortage of reliable data, and often it is attributable to the fact that many of us have different intuitive perceptions of the concepts "low income" and "moderate income", especially in the context of homeownership programs.

When I first reviewed the GAO report on the mortgage bond program, I also did not perceive the income of participating households as "excessive". The Federal purchase price limitations imposed in 1980, and the existence of a "sunset" provision have been successful in preventing clear abuses. As a result my primary concern, initially, was the costliness and inefficiency of tax-exempt financing as a method of delivering subsidies.

My views on the fundamental fairness and cost-effectiveness of the program changed

when I obtained data from the Annual Housing Survey of the Department of Housing and Urban Development. As recently as 1980, a year of relatively high interest rates, about 60 percent of all first-time homebuyers who purchased homes with and without subsidies had incomes below 120 percent of local median income adjusted for family size. More than 30 percent of these first-time buyers had incomes below 80 percent of median income (the statutory definition of low and moderate income in the Internal Revenue Code).

In contrast, the General Accounting Office study of eight State programs in 1981 and 1982 (including New York's program) indicated that half of the buyers subsidized with mortgage subsidy bonds had incomes in excess of 120 percent of local median income, and less than 10 percent were low and moderate income families, as defined in Section 103 of the Internal Revenue Code. In other words, the data indicated that mortgage bond beneficiaries generally had higher incomes than the population of first-time homebuyers as a whole. This data supported the conclusion of the GAO that most loan beneficiaries could have afforded to buy without the subsidy.

As I reviewed the data further, I found that some loans were being made to low and moderate income families, demonstrating that it was certainly possible for them to use the program. I questioned why more of the loans were not going to those families. In some jurisdictions, the answer was that subsidies were being targeted to homebuilders, rather than low-income homebuyers. In other jurisdictions, the problem was that a lottery system, or first-come, first-served approach, was being used.

I latter learned about the approach used by the Colorado State Housing Finance Agency. There, applications are received and processed for five days after a bond sale. The applications are ranked in order of increasing family income, with appropriate adjustments for smaller and larger families. After five days, the loans are distributed to the applicants, with priority given to the lowest income applicants. The Congress agreed with me that the policy underlying this approach made sense, and I hope that you will take a careful look at the Colorado experience and other successfully targeted programs. The administration of mortgage subsidy bond programs is a matter of national housing policy, not political partisanship.

For the State of New York, an average income of $31,000 for loan beneficiaries is not necessarily what I would call "abusive". But that statistic does reflect a program targeted, by inadvertence or design, to families with incomes higher than the median income, and higher than the median income of first-time homebuyers. Since that average income figure is not adjusted for family size, the data may be even more troubling.

In my view, the mortgage bond program, and the new mortgage tax credit option that can be used after the end of this year, can be justified as a matter of sound tax policy and fair housing policy only if the benefits are targeted to the greatest extent feasible to the lowest income families who can use the program to afford homeownership. In part, this is because lower income families, many of whom do not itemize deductions, generally receive less benefit from the mortgage interest deduction than higher income families.

I very much appreciate your careful attention to these important issues of national policy.

Sincerely yours,

BOB DOLE,
Chairman.●

GEN. JACK VESSEY

● Mr. DURENBERGER. Mr. President, anybody who has been around Washington for more than a few days is exposed to all kinds of cynical comments about the ability of our Government to recognize and reward talent. In fact, the myth of the incompetent or uncaring public servant has become so pervasive that we have recently seen the spectacle of politicians running for office on the claim that they don't know anybody in Washington.

One of the things which first convinced me to enter politics is the growing distrust and dislike of the American people for their Government. It is vital that we as a nation move to restore trust between the people and their public servants. If we do not, governance will become more and more difficult.

I cannot think of a better way to help restore trust in the integrity and competence of public officials than to draw attention to Gen. John W. Vessey, Jr., the Chairman of the Joint Chiefs of Staff. Even though Jack Vessey strongly believes that a senior military officer should at all times cultivate what he calls effective anonymity, this is one time when I have to disagree with him. His personal qualities and his professional talents are so outstanding that people who do not know about this remarkable soldier should have the opportunity to learn a little about him.

Regardless of what we think about such questions as the proper size of the defense budget or the merits of the MX missile, nobody in this Chamber or anywhere else in America would disagree that the military forces we maintain must be well managed and well led. Our very survival can depend on the courage and wisdom of the people who serve their Nation in the military. At a time when we read all too often of allegations about mismanagement in the Defense Department, it is vital that the good news get at least as much attention as the bad.

The best news I can think of is that General Vessey is serving as the senior military officer in the United States.

As a recent article in the New York Times Sunday Magazine makes clear, Jack Vessey is a remarkable man. He was promoted from the ranks after serving in combat as a sergeant with the Minnesota National Guard and the 34th Division. As a result of that experience, and his own strong character, General Vessey is to this day known as a soldier's general, in the tradition of Gen. Omar Bradley. He is plain spoken and forthright—something I learned at first hand when he wrote a personal letter to me concerning a few of the conclusions I had reached in a white paper about defense. At the time, he was not the Chairman of the Joint Chiefs, but his ability to disagree without being disagreeable made a very strong impression on me. Candor and tact are both rare qualities. When they are combined, the effect is remarkable and we all benefit.

But if Jack Vessey is a soldier's general, he is also a general's general. His leadership of the Joint Chiefs of Staff has been outstanding. He has stood his ground when needed, and has obtained an unprecedented degree of coordination among the military services. While we in the Congress have simply talked about the need to improve decisionmaking in the Joint Chiefs, General Vessey has done it. The result has been several notable documents spelling out roles and missions in areas, such as close-air support for the ground troops, which have too often in the past been neglected.

Finally, I should add that General Vessey is a citizen's general as well. He is the kind of man who takes his duties as an American just as seriously as he takes his duties as a soldier. Throughout his career, he has resisted the temptation to politicize the military, knowing that this would ultimately undermine our unique tradition of civilian control of the military. But he has not been uninvolved. He has appeared, quietly and without fanfare, at innumerable civic occasions because he wants to lend his support to a worthy cause. For instance, he went to his home State of Minnesota some years ago to participate in the dedication of a memorial to those who served in Vietnam, and he gave a moving and graceful speech. In the finest tradition of the citizen-soldier, Jack Vessey wants nothing so much as to some day return to Minnesota, and trade in his uniform for a fishing hat and waders.

But, for the sake of our country, I hope that day is a longtime coming.

Mr. President, I ask that the article from the New York Times Magazine which I mentioned be printed in the RECORD.

The article follows:

[From the New York Times Magazine, July 15, 1984]

A COMMANDING VOICE FOR THE MILITARY

(By Richard Halloran)

Now starting his second term, Gen. John W. Vessey, Jr., has made himself the most influential Chairman of the Joint Chiefs of Staff in 20 years.

It is a point of satisfaction for Gen. John W. Vessey, Jr. that he has started to accomplish the task he set for the nation's military leaders two years ago when he became Chairman of the Joint Chiefs of Staff: "To give the President and Secretary of Defense military advice before they need it." Since then, General Vessey and the chiefs have

taken the initiative in counseling President Reagan and Secretary of Defense Caspar W. Weinberger on current military operations, the needs of the armed forces in the 1990's and national defense in the 21st century.

In so doing, General Vessey has emerged as the principal military adviser to the Administration in fact as well as in law. He has made the present Joint Chiefs—Army Gen. John A. Wickham, Jr., Air Force Gen. Charles A. Gabriel, Marine Corps Gen. P. X. Kelley and Navy Adm. James D. Watkins—more influential than any of their predecessors in 20 years. With them, General Vessey has established new relations with the President and the Secretary of Defense, started breaking down barriers in interservice cooperation, and drawn field commanders into closer contact with Washington.

That has been achieved, White House and Pentagon officials point out, with the blessing of the President and Mr. Weinberger, who have been receptive to military advice in their effort to "rearm America."

"This Administration," said one official, "wants to listen."

Beyond that, General Vessey, unlike most of this predecessors, has taken control of military operations under an agreement with Mr. Weinberger. Although the Chairman is not authorized by law to command forces, General Vessey has asserted that he and other commanders should control military operations once strategy has been decided by the President. Thus, when the President decided to invade Grenada, General Vessey insisted that the military, not the White House, run the operation.

Despite his growing stature, General Vessey is probably less well known to the American public than almost any of his predecessors. The general has sought what he calls "effective anonymity." He has assiduously shunned publicity, and believes that the armed forces are better off if they are out of the public eye. That attitude, as well as a perceived need for operational security, was behind the ban on news coverage of the Grenada invasion, for example.

In particular, General Vessey fervently wishes to prevent his post from being politicized and thus will not permit himself to become involved in the election campaign this year. The Democrats, whose nominating convention opens in San Francisco tomorrow, can be expected to try to exploit fears that President Reagan is prone to military ventures overseas. But that is a battle, say officers around General Vessey, that Mr. Reagan and his political allies must fight themselves.

The military advice of the Joint Chiefs of Staff on immediate issues has been marked by restraint. General Vessey and the chiefs have urged the President to be wary of deploying American forces to the Persian Gulf. They have proposed limiting the American military presence in Central America to maneuvers. In 1983, they advised against sending the Marines to Lebanon and were ahead of the Administration in urging that they be withdrawn.

For the longer run, General Vessey has said, "I continually tell the Secretary of Defense and the President that they ought to spend more for strategic mobility," although American air and sea transport is the world's best. The chiefs have won approval for plans to revise operational areas of the four service's combat commands. They have refined doctrines for joint operations, commando operations, psychological warfare and electronic warfare. The Joint Chiefs have told Mr. Weinberger that while enlistments are going well now, a shrinking pool of 18-year-olds will make recruiting difficult by 1990. They have urged a push on "smart weapons" and other high technology.

Perhaps most vividly, the Joint Chiefs told President Reagan last year it might be possible in the 21st century for the United States to defend itself against nuclear missiles, thus removing the need to rely on threats of retaliation to deter attack. Both the chiefs and Pentagon technicians were surprised, however, when Mr. Reagan announced that goal in visionary terms in his "Star Wars" speech. The proposal touched off a dispute in which some reputable scientists asserted that the plan was not feasible.

But General Vessey and the chiefs have not always had their way. They recommended, in a 3-2 vote, against the "dense pack" base for MX nuclear missiles and were overruled. Their views were not sought when the President decided last year that military pay raises must be foregone in the name of fiscal constraint.

Perhaps most far-reaching the chiefs have failed to persuade the Administration that its global military strategy is too ambitious. The Administration wants a military force able to meet any contingency—from insurgency in Central America to an Iranian attempt to halt the flow of oil from the Persian Gulf to a Soviet invasion of Western Europe with conventional arms to protracted nuclear war. The chiefs have warned the Administration that such a capability would require a military budget 50 percent greater, or $750 billion more, than it has planned.

Nor has General Vessey, who has just begun the second of the pair of 2-year terms permitted by law, won universal applause. Some Republican political operatives in the White House and on Capitol Hill have complained that he has not been visible enough in supporting the Administration's military budget. The Navy, which has traditionally opposed giving an officer from another service control of naval forces, has chafed under the Army general's attempts to tighten the reins.

In some respects, John William Vessey Jr, of Crow Wing County, Minn., seems a surprising choice to be the nation's top soldier. Unlike his predecessors, he is not a graduate of West Point or Annapolis, but won his commission on the battlefield during World War II. Nor was he a "fastburner" who won swift promotion. He was 41 years old when he received a degree from the University of Maryland after struggling in night school, and 45 when he won the Distinguished Service Cross, the Army's second-highest decoration, usually awarded to aggressive young officers. He completed helicopter school at 48, when other students were his son's age, and got his first star as a brigadier general in his 27th year of commissioned service, several years later than most.

But General Vessey, the last of the chiefs to have fought in World War II, is a late bloomer. In only five and a half years, he was promoted to four-star general—his reward, Army officers said, for superb leadership, skilled planning and an ability to inspire confidence at the highest levels.

The general has spent much of his career commanding combat soldiers, and is known as a "grunt's general." He is an unassuming officer, entitled to wear seven rows of battle decorations and campaign ribbons but usually seen with one. Instead of taking a staff car to a football game, he dons civilian clothes and rides the subway.

That, along with his reputation for quiet team playing, was among the reasons President Reagan picked General Vessey, White House officials said. "The President didn't want a flamboyant MacArthur," said one official. Although the general is 11 years younger than the President, he shares Mr. Reagan's belief in old-fashioned virtues. They are Middle Westerners who came of age during the Depression and the Patriotic years of World War II. "The President," the official said, "is just very comfortable with Jack Vessey."

The general is plain-spoken. He says "resource-constrained environment" are "fancy Pentagon words that mean there isn't enough money to go around." He told a college audience: "From my own experience, I can tell you, more has been screwed up on the battlefield and misunderstood in the Pentagon because of a lack of understanding of the English language than any other single factor."

General Vessey holds strong religious convictions. He is active in the Lutheran Church and once considered leaving the Army to become a minister. He spends a few minutes each day reading the Bible, and electrified a National Prayer Breakfast last year with a moving talk on enlisting in the army of the Lord.

At the age of 62, General Vessey keeps fit with running and handball, hardly drinks or smokes and seldom utters a swear word. He likes to tell stories abut Scandinavians in Minnesota but was cautioned by a minister that ethnic jokes were unbecoming. So now he tells jokes abut the two ancient Hittites—one named Ole, the other Sven.

Beneath General Vessey's homespun air, however, is a cool, determined officer with self-confidence bred of years in command. "Jack Vessey likes to play the simple soldier," says an official, "but don't be fooled. He is a tough, shrewd man."

General Vessey is secretive, and has mastered bureaucratic politics. "He knows how to get a paper tabled at the four-star level, what the machinations are and what gates you have to go through to have it come out in a predictable way," said an officer. The general also knows when to set aside a paper. "He realizes," the officer said, "that he who controls the agenda controls the action."

On the other hand, General Vessey, having served mostly away from Washington, seems ill at ease in the political arena and has shown little interest in explaining his views on defense issues to the American public. He speaks to military gatherings and church groups, but not to audiences that might be hostile. He rarely holds news conferences or appears on television. His testimony before Congress tends to be bland, and he seems taken aback when something he has said stirs dispute.

"We have had a lot of famous generals who have been in the public eye, and I think rightfully so—MacArthur, Eisenhower, Bradley," General Vessey said during a rare interview in his comfortable but unpretentious Pentagon office. "But I am not in that category." He feels he can accomplish more without public attention. "They don't need to see me. What they want me to do is to make sure that the armed forces of the United States are as effective as we can make them."

In 1939, Jack Vessey wrote a high school essay on "The Evils of War," then fibbed about his age to join the Minnesota National Guard just before his 17th birthday when the minimum age was 18. He enlisted for several reasons—the Depression, friends who had fought in the Spanish Civil War,

the storm clouds gathering in Europe. "But it wasn't any great idealistic thing," he says. "I guess it was probably more an opportunity to wear high leather boots and ride a motorcycle."

Called to active duty, he fought in the 34th Division's artillery in Tunisia and Italy. By 1944, he was first sergeant of an artillery battery on the Anzio beachhead. On May 6, he and two other sergeants were promoted to second lieutenant, which meant becoming forward observers. Several days later, he said, "one was dead and the other was seriously wounded."

After the war, Lieutenant Vessey married Avis C. Funk from Minnesota and settled down to troop duty, military schools and staff jobs. He missed the Korean War, having been sent to Germany, and thought of leaving the Army "to do the Lord's work." But he was dissuaded by a friend who argued that he could do the Lord's work by soldiering. "In his view," General Vessey says, "I was a far better soldier than I would ever be as a pastor."

Lieutenant Colonel Vessey went to Vietnam in 1966 to serve in the 25th Division's artillery. There he won the Distinguished Service Cross as commander of a battalion that was hit by five battalions of North Vietnamese regulars. The enemy got so close that Colonel Vessey and a sergeant major manned a howitzer, depressed the gun barrel and fired point-blank to drive off the attackers.

When he later learned to fly helicopters, he was 15 years older than anyone in the class. "But I was the first to solo," he says, "and there were a lot of guys who would have dropped out but said: 'If that old fogy can do it, we can do it.' I think it was absolutely the most fun I ever had in my life. It was like drinking out of the fountain of youth."

Then came promotion to brigadier general in 1971 and command of a unit in Thailand that supported anti-Communist tribes in Laos. For that he was awarded the Distinguished Service Medal, the Army's highest noncombat decoration. In 1974, as a major general, he led the Fourth Division in Colorado out of what one officer called "chaos and disaster" in the undisciplined early days of the volunteer army. As a lieutenant general, he was Deputy Chief of Staff for Operations and Plans, the No. 3 post on the Army staff.

There, General Vessey's career became linked with that of his deputy, Maj. Gen. Edward C. Meyer. The differences between them were striking. General Meyer was seven years younger, a West Pointer and a fast-rising star nicknamed "Shy" the way a chubby man might be called "Slim." When Vessey was promoted to full general in 1976 and assigned to command United States forces in Korea, General Meyer succeeded him in the Pentagon.

In Korea, General Vessey was a skilled operator in a delicate political situation. He learned Korean, worked well with Korean officers, won the respect of Air Force and Navy officers under his command and got along with the American Embassy. But he stubbed his toe with President Carter when Mr. Carter announced that he intended to withdraw American ground forces from Korea in five years. General Vessey protested, but kept his disagreement inside the Government.

Several months later, however, Maj. Gen. John K. Singlaub, the chief of staff under General Vessey's command, criticized Mr. Carter's decision publicly, asserting: "If we withdraw our ground forces on the schedule suggested, it will lead to war." An angry President summoned General Singlaub to the White House and relieved him.

Even so, General Vessey continued to oppose the President's policy. In 1978, the Army produced new intelligence placing North Korea's troop strength at 60,000, 25 percent above the previous estimate. When Mr. Carter visited South Korea in 1979, General Vessey urged him to set aside the pullout plan. Within a few weeks, the White House said the withdrawal had been "suspended."

Later that summer, President Carter picked General Vessey's former deputy, General Meyer, a bright energetic young officer junior to 18 generals and lieutenant generals, to be the Army's new Chief of Staff. The Army, a carefully ordered, rank-conscious society, was stunned.

Then, in a move almost as stunning, General Meyer asked General Vessey to be Vice Chief of Staff. General Meyer says he wanted "to balance my youth with his experience." He also wanted to show other senior officers that he would avoid disruptions. General Vessey agreed, explaining: "'Shy' Meyer wasn't the only one who talked to me at that time and asked me to do it. But we had worked together before. We think enough alike so that we don't have to spend a lot of time talking to each other about what needs to be done, or arguing. I knew I could work with Shy Meyer, and it just seemed like the right thing to do."

For the three years as Vice Chief of Staff, General Vessey never showed rancor, never upstaged General Meyer and often saved his boss from making mistakes. General Meyer says that General Vessey was "selfless."

When Air Force Gen. David C. Jones was about to retire as Chairman of the Joint Chiefs in 1982, General Jones and Meyer caught the eye of the Reagan White House by writing articles recommending that the Chairman be given greater authority.

"That," said an official, "pointed away from the military bureaucrat or technocrat and toward somebody identified as an old soldier, an old salt, a silk-scarved flyer." The White House found General Vessey getting a steady stream of recommendations. Among his strongest advocates was General Meyer.

In March 1982, President Reagan picked General Vessey. The general was surprised; he had planned to retire and had begun building a house in Minnesota. When he told his wife, she teased him: "You lied about your age to get into the Army, and now God is punishing you."

That June, at the White House ceremony to swear in the new chairman, an elderly retired major general, Charles C. Bolte, drew himself to attention to salute General Vessey. Thirty-eight years before, General Bolte had been Sergeant Vessey's commanding general on the Anzio beachhead.

At that point, the Joint Chiefs may have been less influential than at any time since they were organized in 1947.

After World War II, President Truman presided over demobilization, then set strategy for the Korean War with civilian advisers. President Eisenhower was his own Secretary of Defense, and often ignored the Joint Chiefs. But President Kennedy brought Gen. Maxwell D. Taylor, who had been army Chief of Staff, out of retirement to be Chairman, and sought his advice. President Johnson, on the other hand, ran the Vietnam War from the White House. President Nixon distrusted military officers as he pursued détente, President Ford lacked time to effect a military policy. President Carter ignored military matters until near the end of his Presidency.

During his first year, President Reagan left military affairs to Mr. Weinberger. But in early 1982, the Administration went through a time of ferment on military policy. It was during that shake-up that General Vessey was appointed Chairman, which gave him a clean slate on which to write. In his first meeting with the chiefs, General Vessey said he wanted them to produce timely advice by nurturing three sets of relationships—between themselves and the President and Secretary of Defense; among themselves, and between the chiefs and commanders of the operational commands.

"In the past," General Vessey says, "the relationship of the chiefs to the President at times had been only through the Secretary of Defense, except for annual potted-palm operations," meaning formal receptions. Thus, he says, "we needed to make it known to both the President and the Secretary of Defense that we thought the relationship needed tending."

General Vessey persuaded the President to meet the chiefs every two or three months, more than other chiefs have met with other Presidents, At those meetings, General Vessey says, the chiefs give the President their "general philosophy on how to defend the nation." Said an official: "Those meetings give Jack Vessey a chance to prove his mettle in a way that is different from the past."

It has been, perhaps, even more important for General Vessey and the chiefs to revitalize communication with the Secretary of Defense. They meet weekly with Mr. Weinberger and a few top defense officials without the "straphangers" who populate most Pentagon meetings. General Vessey says: "We decided we needed to make those important meetings, that we and the Secretary should agree in advance on the agenda and prepare ourselves personally and give him the opportunity to prepare personally."

In addition, the general and the Secretary talk once a day. General Vessey says he and Mr. Weinberger have agreed that "he and I, not his staff or the joint staff, will argue out the issues between us." In public they address each other as "Mr. Secretary" and "General," but in private it's "Cap" and "Jack."

Among the chiefs, General Vessey is a firm but fatherly squad leader. At the start, he suggested that they themselves find ways to be more effective. "We wanted to cut the staff theologians out of the pattern," he says. "We didn't even include the Vice Chiefs. We agreed that we were the ones designated by law to take up the job, so we and we alone had to do it."

General Vessey has erased the pecking order among the chiefs. Instead of having the next senior officer act as Chairman when General Vessey is away from Washington, he has asked each chief to take a turn as Acting Chairman for three months of the year. Thus all have a chance to meet with the Secretary and the National Security Council.

The chiefs have been plagued for years by arguments over service missions, assignments for senior officers and funds. General Vessey, however, has fostered agreements between the Navy and the Air Force, and between the Army and the Air Force, on combat coordination. Those agreements fall

far short of resolving underlying issues, but General Vessey says "we have gotten to the point where we can wrestle with the nation's problems despite the constant charge of interservice bickering."

During the Memorial Day ceremony in May in which the Unknown Soldier of the Vietnam War was buried in Arlington Cemetery, General Vessey asked the chiefs to walk rather than ride in the parade. Later, with a twinkle, he said: "We marched all the way from the Capitol to the Tomb of the Unknown Soldier—and stayed in step the whole way."

Legally, neither General Vessey nor the chiefs command forces. In practice, they translate national strategy into battle plans for field commanders to execute. When he became Chairman, General Vessey received authority over those operations. "It was an oral directive given me by Mr. Weinberger when I assumed my duties," he told Congress.

Early in his tenure, General Vessey wanted each command's war plans, which he thought outdated, to be rewritten. He told the chiefs: "We could blame the Congress if the defense budget was too low; we could blame the parents and the educators if the recruits could not be trained easily; we could blame the defense contractors if they didn't produce good equipment; but if our contingency plans were no good, it was our fault and ours alone."

Those contingency plans, which are highly perishable because situations change so quickly, cover potential operations in Central America, the Persian Gulf, Korea and Western Europe.

For the future, General Vessey has proposed that the Chairman of the Joint Chiefs be placed in the chain of command so that he could issue orders directly. As it stands, he has authority to issue an order only in the name of the Secretary of Defense. Congress is considering legislation to codify his agreement with Mr. Weinberger giving him operational control of combat forces. In justifying the proposal, General Vessey told Congress: "In the event of war, the Secretary of Defense would not be able to focus on the daily operational decisions he has to address. We see where the Chairman would do much of that, referring the larger matters, such as national strategy and policy, to our civilian leadership."

In his 45 years of service, General Vessey has arrived at several basic ideas on military power.

"We live at a time when we all fear greatly the consequences of war," he says, "yet we recognize that we really don't know any other way to prevent war and/or political blackmail or persecution other than to have a big arsenal of military power. But if we think that military power is the supreme power. We are kidding ourselves. We see every day the limits of military power in solving problems in the world."

On the other hand, he says, "Weakness is provocative." In a talk to soldiers at Schofield Barracks in Hawaii, he said: "Our strategy is one of preventing war by making it self-evident to our enemies that they're going to get their clocks cleaned if they start one." Discussing strategy before an audience of sergeants major at Fort Bliss in Texas, he said: "It is also designed to restore peace—or what in Washington the wordmongers call "restoring peace on favorable term,' Now, that means to me, in soldiers language,' that we win the war.

Among the legacies of Vietnam, many officers have said, is a conviction that political leaders must define objectives before putting soldiers at risk. General Vessey agrees. In a talk last year, he said: "Don't send military forces off to do anything unless you know what it is clearly that you want done. I am absolutely, unalterably opposed to risking American lives for some phony sort of military and political objectives that we don't understand."

Replying to a letter from Andrew Metropolis, a high-school history teacher in Peabody, Mass., the general said: "My most difficult decisions all revolved around ordering people to do something in combat when I was not completely confident about the prospects for success." Thus, he said, "a military leader should not commit the forces under his charge lightly."

General Vessey has also given much thought to possible conflict between his military profession and his religious convictions. Asked about that, he said:

"Well, that's a question with which I have wrestled more than a little bit. I'm a Christian. I guess if we examined it, I might call myself an existentialist Christian. It seems to me that the Lord has given us a world, the only world we've got, and we have to deal with that world the way it is. There are two primary relationships that count—our relationship with the Lord and our relationship with our fellow men.

"As I look at it, it would be as immoral for me not to be ready to protect my fellow citizens as it would be to use violence to protect them. I would much rather not use violence, but we live in a violent world.

"Some people say that golf was invented for the entertainment of the rich. I tell them that God invented golf to teach us something about life. He may forgive your sins but he doesn't give you mulligans," a chance at a second drive after a poor shot.

"The ball is where it lies," he said. "You are where you are. And it seems to me that where we are, there really isn't any substitute we can see right now."●

TAX REFORM

● Mr. BAUCUS. Mr. President, this week the Senate Finance Committee held hearings on an issue everyone is concerned about these days: taxes.

PUBLIC DISENCHANTMENT

Mr. President, there is growing disenchantment with the tax system. We can see evidence of it all around us:

In the tax revolts in Michigan and elsewhere.

In the $100 billion "underground economy" of unreported cash transactions.

And in the tax protester movement, which is especially strong in the West.

Back in my own State of Montana, a lot of people are plain fed up. Let me read some excerpts from letters I have received from Montanans recently:

One writes that, "The laws are too complicated when it requires several pages just to explain how to determine your filing status * * * it definitely is too complicated for the average person."

Another writes that, "It is clear that the only beneficiary of such complex tax regulations are accountants and lawyers."

And a third writes that, "It sure is disgusting for the low-income people to have to continue to pay so much of their wages in taxes while the rich people continue to have ways of avoiding most if not all taxes."

THE PROBLEM

Mr. President, these letters are right on target. We've tried to accomplish so many social and economic objectives with our tax system, that we have lost control of it.

As a result, the system is too complex.

It is unfair.

And it makes our economy less efficient.

Let me explain. We enacted the modern income tax in 1913. For the next 50 years or so, we used it primarily for collecting revenue.

But then we began using the tax system to achieve broad social and economic objectives. Today, the Tax Code contains over 100 separate tax preferences, covering everything from aircraft exports to urban mass transit vehicles.

COMPLEXITY

As a result, the Tax Code has grown enormously complex.

It is now longer than the Bible, Talmud, and Koran combined. And the regulations are five times longer.

Given this complexity, many people cannot fill out their tax returns: in 1981, over 40 percent paid commercial tax preparers to fill their forms out for them.

UNFAIRNESS

What is more, this complexity makes the system unfair.

There are so many exemptions, exclusions, deductions, and credits that, frequently, two people who earn the same income do not pay the same tax.

And wealthy taxpayers, who can hire experts to design elaborate tax shelters, wind up avoiding a large share of the tax that they should be paying.

INEFFICIENCY

On top of all this, the tax system makes our economy less efficient.

Because the system offers so many opportunities to reduce taxes through sophisticated gamesmanship, it discourages savings, distorts the allocation of economic resources, and diverts people out of productive businesses and into the tax business.

Just as great civilizations before us spent their wealth building pyramids and cathedrals, we are spending ours building elaborate tax shelters.

At a time when we are trying to regain our international competitive edge, this is a terrible waste.

THE FRAMEWORK FOR REFORM

Given the mess we are in, we must overhaul the Tax Code, to make the tax system simple, fair, and efficient.

But how do we accomplish this?

First of all, we must lower the rates. That will increase the incentive to work and reduce the incentive to invest in tax shelters.

But the rates must remain progressive. Otherwise, we will be shifting heavier tax burdens onto middle and lower income taxpayers.

And the rates must remain indexed. Otherwise, "bracket creep" will push middle and lower income taxpayers into higher tax brackets even when their real income does not increase.

Second of all, we must eliminate many tax preferences.

This is easier said than done, because there is a fundamental tension underlying our debate about tax preferences.

On one hand, we can accomplish some important social and economic objectives better with a tax incentive than with a spending program or a regulation. For example, if we want to encourage increased savings, it may be more efficient to do so by creating deductible IRA accounts than by any other means.

On the other hand, Congress has been unable to resist what one expert calls "the inclination to riddle the income tax with rewards for almost every conceivable social or economic action deemed somehow desirable."

Some respond to this dilemma by proposing that the tax system should never be used to achieve broad social or economic objectives.

I disagree.

That approach would prevent us from accomplishing important public objectives—like encouraging increased savings and business investment, or encouraging people to contribute to charity.

But there is no reason to throw the baby out with the bath water like that. Instead, we should try to develop clear, disciplined criteria for deciding what stays and what goes.

Let me propose three such criteria.

First, we should use tax preferences only to achieve broad public objectives, not to help narrow special interests. Otherwise, every special interest will demand special treatment, just like they do now.

Second, we should use tax preferences only when there is a clear public consensus that we do so. Otherwise, we undermine confidence in the system.

Third, we should use tax preferences only when we cannot accomplish our objective any other way. If we can accomplish it some other way, we should leave the Tax Code alone.

By using such criteria, we can eliminate most tax preferences. But, at the same time, we can retain the core ones important to our overall economy.

CONCLUSION

Mr. President, any time Congress undertakes a major project like overhauling our tax system, there will probably be an initial disagreement about just how to do it.

But I hope there will be an agreement about one point.

We cannot wait any longer. We have to try to restore public confidence in our tax system, before it is too late.

To accomplish this, we must reform the tax system to make it simple, fair, and efficient.

If this means putting partisan differences aside, we must.

And if this means putting special interests aside, we must.

The stakes are so high, we cannot afford not to.

Mr. President, when Congress enacted the income tax in 1913, the Ways and Means Committee said that "all good citizens * * * will cheerfully support and sustain it."

That may have been true in 1913, but, for good reason, it is not true now.

Those of us responsible for Federal tax policy must work together, and hammer out a tax reform package, until it is true again.●

H.R. 1437, TITLE III, DESIGNATION OF THE MONO BASIN NATIONAL FOREST SCENIC AREA

● Mr. WILSON. Mr. President, yesterday the Senate agreed to H.R. 1437, the California Wilderness Act of 1984. Title III of this bill creates the Mono Basin National Forest Scenic Area, and as one of the primary authors of this bill, I would like to take this opportunity to clarify some of the pertinent provisions of title III.

Title III of H.R. 1437 embodies certain provisions regarding water rights which I believe are of significant importance given the background of this legislation. For this reason, I believe it is imperative that these points be made very clear. First, it is my understanding that section 304(b)(1) of this title makes clear that the Secretary is directed to manage the Scenic Area subject to water rights of the State of California or any political subdivision thereof including the city of Los Angeles. The House committee report on this bill (H. Rept. 98-291) makes this point very clear, and is of such importance, that I want to repeat it here. That is—

* * * that such management, under the provisions of this Act, shall not affect or impair the operation of any water diversion activity in the Mono Basin or the Scenic Area granted under the laws of the State of California.

Section 304(b)(2)(e) provides that the Secretary shall submit to the Congress a comprehensive management plan for the scenic area subject to State water rights as provided in section 304(b)(1). House committee report H. Rept. 98-291 points out that—

The rights to use water tributary to Mono Lake, and the manner of exercise of such rights is a matter to be administered by the State of California pursuant to State law. Accordingly, changes in the level of Mono Lake due to natural or artificial causes shall not be deemed contrary to the provisions of this Act.

Thus, it is my understanding that the management plan shall be subject to existing and prospective water rights in the Mono Basin including the scenic area and that the management plan is not intended to include provisions that will affect, in any way, any aspect of the city's operation of its water supply facilities in the Mono Basin including the scenic area.

Section 304(b)(2)(h) of title III embodies the heart of the water rights provisions in that there is nothing in this bill that is intended to reserve any water for purposes of the scenic area nor to deny or otherwise affect the present or prospective water rights of any person or of the State of California or any political subdivision including the city of Los Angeles. It is my understanding that the bill is not intended to provide a basis for any party or person to challenge through litigation water diversions in the Mono Basin and within the scenic area pursuant to existing laws governing such operations. This view is stated clearly in House Committee Report No. 98-291.

In closing, Mr. President, it is my strong belief that Congress should not be a party, or an agent, directly or indirectly, in one way or the other, regarding the natural resource values of the area unless there are strong provisions to protect the water rights concerns. I know too well, that no matter how much care we take in developing water related legislation to ensure that it not be used to restrict or terminate existing water appropriations and uses and to make future developments of water resources for beneficial uses possible without undue burden, we cannot absolutely guarantee that the enacted legislation will be free of legal debate. In effecting the compromise on H.R. 1341, it was the intent of the parties that State law and the legal proceedings following the California Supreme Court decision in National Audubon Society, et al against the Superior Court of Alpine County, known as the Mono Lake lawsuit, would settle and control the rate of diversion and the ultimate level of Mono Lake. I believe that title III of H.R. 1437, as now designed, is a constructive measure because it would provide improved Federal management of the natural and recreational resources of the Mono Basis without affecting the water rights granted by the State of California to the city of Los Angeles and maintains absolute neutrality regarding pending litigation involving those rights. I would hope that this bill is implemented in the same spirit which was intended by its authors and achieves these particular objectives.●

31-059 O-87-23 (Pt. 17)

A TRIBUTE TO ALBERT H. BLUMENTHAL

● Mr. MOYNIHAN. Mr. President, during the past recess, all of New York suffered a great loss with the untimely death of Albert H. Blumenthal. New York is a State which has been gifted with politicians of uncommon distinction; yet few met the standards set by Mr. Blumenthal. Throughout his career in the New York State Assembly, where he served as majority leader, Albert H. Blumenthal built a strong and admirable record as a legislator of principle, willing to raise the ire of others in defending or promoting a principle he upheld. All who knew him or knew of him could not help but be impressed by his record as both a legislator and a human.

Mr. President, I would like to share with my colleagues an obituary for Mr. Blumenthal which appeared in the New York Times. I ask that it be printed in the RECORD at this time.

The obituary follows:

[From the New York Times, July 10, 1984]

ALBERT H. BLUMENTHAL DIES AT 55; EX-MAJORITY LEADER OF ASSEMBLY

(By Walter H. Waggoner)

Albert H. Blumenthal, a former majority leader of the New York State Assembly and one-time candidate for Mayor of New York, died Sunday at the Memorial Sloan-Kettering Cancer Center. He was 55 years old and lived in Larchmont, N.Y.

Mr. Blumenthal, a lawyer, was elected to the Assembly in 1962 from the 69th District on Manhattan's West Side. An energetic and sometimes controversial legislator, he took a special interest in legislation on abortion and divorce and sometimes found himself differing with his own Democratic and Liberal Party leadership.

He introduced legislation to permit abortions under certain circumstances, as well as measures on tax changes, medical assistance for the poor, and housing.

He became the Assembly's deputy minority leader in 1969 and majority leader in 1974, when Hugh L. Carey was elected Governor. In June 1976 Mr. blumenthal announced that he would not seek re-election to the Assembly and retired from politics.

DEFEATED IN MAYORAL RACE

Three years before, he was the Liberal Party candidate for Mayor. He lost to Abraham D. Beame.

A year later Mr. Blumenthal was linked to an investigation involving Bernard Bergman, the nursing home operator, who was jailed in 1978 on charges of making illegal payments for a nursing home license.

Mr. Blumenthal was charged with lying and bribe-taking. He denied all the charges as "unfounded and outrageous," and Justice Aloysius J. Melia of State Supreme Court dismissed the indictment, finding Mr. Blumenthal "legally and factually innocent of the charge."

Louis J. Lefkowitz, former State Attorney General, described Mr. Blumenthal in a statement yesterday as "one of the outstanding men that ever served in the Legislature, highly respected by both sides of the aisle."

"I can't say enough for his integrity," said Mr. Lefkowitz, a Republican. "His death is a great loss, not only to his family, but to his friends and the people of the state."

LAUDED AS A LAWYER

In 1974, Mr. Blumenthal joined the law firm of Phillips, Nizer, Benjamin, Krim & Ballon. He was made a partner in 1977.

Yesterday, Louis Nizer, senior partner in the law firm, said:

"Al Blumenthal was not only a brilliant lawyer and a great public servant, but a compassionate man and a good friend. We are in deep grief, but we hope that in time it will be diminished as the joy of recollecting him will increase."

Mr. Blumenthal was born in the Flatbush section of Brooklyn and graduated from William and Mary College in 1948 and the New York University Law School in 1950. He was admitted to the bar in 1953 after two years in the Army.

He first practiced law with his father and then with the former firm of Blumenthal, Somers & Goldstick.

At his death, Mr. Blumenthal was on the New York State Law Revision Commission. He was also a member of the Larchmont-Mamaro neck Coastal Zone Commission, the Mamaroneck Power Squadron and the Sheldrake Yacht Club.

He is survived by his wife, the former Joel Marie Winik; three sons, Daniel, David and Peter; a daughter, Ann Marie, and a sister, Dorothy Mitchel of Fort Lauderdale, Fla.

Funeral services were private.●

URGING SPEEDY CONSIDERATION OF THE NATIONAL SCHOOL LUNCH AND CHILD NUTRITION PROGRAMS REAUTHORIZATION ACT OF 1984

● Mr. HUDDLESTON. Mr. President, 51 Senators have joined me in sending a letter to the majority leader urging him to schedule S. 2722, the National School Lunch and Child Nutrition Programs Reauthorization Act of 1984, for floor consideration as soon as possible.

S. 2722 will extend, through fiscal year 1986, the authorization for appropriations for five important child nutrition programs due to expire at the end of this fiscal year. Program stability is essential if we are to expect States, local school districts, and WIC clinics to keep errors down and operate the programs in an efficient manner.

For nearly 40 years, Congress has supported food programs designed to assist the most nutritionally vulnerable childern of our Nation. Again, we are called upon to affirm our continued support for improved child nutrition by extending the authorization for appropriations for the WIC, summer food service, nutrition education and training, State administrative expense, and commodity distribution programs.

On May 1, 1984, the House of Representatives passed H.R. 7—a bill that would make several restorations to the school lunch and other child nutrition programs in addition to extending for 4 years the authorization for appropriations for the five expiring programs. H.R. 7 passed the House by an overwhelming vote of 343 to 72.

On May 25, 1984, the Committee on Agriculture, Nutrition, and Forestry favorably reported legislation to extend the expiring programs for 2 years. What is needed now is action by the Senate to consider and pass child nutrition legislation.

I ask unanimous consent that the text of the letter sent to Senator BAKER be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,

Washington, DC, August 10, 1984.

Hon. HOWARD H. BAKER, Jr.,
Majority Leader,
U.S. Senate,
Washington, DC.

DEAR MR. MAJORITY LEADER: We respectfully urge you to schedule S. 2722, the National School Lunch and Child Nutrition Programs Reauthorization Act of 1984, for floor consideration as soon as possible.

S. 2722 was reported favorably by the Committee on Agriculture, Nutrition, and Forestry on May 25, 1984. The bill will extend, through fiscal year 1986, the authorizations for appropriations for five important child nutrition programs under the National School Lunch Act and the Child Nutrition Act of 1966. Current authorizations, under existing law, expire September 30, 1984.

Congress must reauthorize appropriations for the programs in a timely manner to avoid disrupting their operations. Program stability is essential if we are to expect States, local school districts, and WIC clinics to keep errors down and operate the programs in an efficient manner.

Your cooperation in speeding Senate consideration of this important legislation will be appreciated.

Sincerely,

Walter D. Huddleston, Roger W. Jepsen, Edward Zorinsky, John Melcher, David Pryor, Alan J. Dixon, David Durenberger, Sam Nunn, Howard Metzenbaum, Gary Hart, Quentin N. Burdick, Rudy Boschwitz, Patrick J. Leahy, Mark Andrews, Alfonse D'Amato, David L. Boren, Howell Helfin, Paul E. Tsongas, George J. Mitchell, John Heinz, Thomas F. Eagleton, Jim Sasser, Max Baucus, J. James Exon, Paul S. Sarbanes, Ernest F. Hollings, Wendell H. Ford, Dale Bumpers, Frank R. Lautenberg, John C. Stennis, Jeff Bingaman, Alan Cranston, Carl Levin, Robert T. Stafford, John Glenn, Dennis DeConcini, Edward M. Kennedy, William S. Cohen, Spark M. Matsunaga, Christopher J. Dodd, Donald W. Riegle, Jr., Daniel Partick Moynihan, Joseph R. Biden, Jr., Lloyd Bentsen, Daniel K. Inouye, Robert C. Byrd, Lawton Chiles, Mark O. Hatfield, Bill Bradley, Jennings Randolph, Clairborne Pell, John C. Danforth.●

THE ORIGINS OF THE SYNTHET IC FUELS CORPORATION

● Mr. LUGAR. Mr. President, the Senate will soon consider how much of the $13.4 billion currently available to the Synthetic Fuels Corporation

ought to be rescinded. I hope that we will be able to take up this important question in a less crisis ridden atmosphere than existed in 1979–80. The Energy Security Act of 1980 established the Synthetic Fuels Corporation and assigned it a major role in the commercialization of synthetic fuels technology. Now we must take account of important changes in the world oil market and the rising price of synthetic fuels. I hope that we will recognize that the Federal Government should have only a limited role in the development of any particular energy technology.

The Aspen Institute has published the results of an interesting workshop which examined the origins of the Federal Government's current role in synthetic fuels development. While this document does not comprehensively examine all of the events that led to the Energy Security Act of 1980, it contains many valuable observations by persons who participated or closely observed this process. In order that we may recall how the Synthetic Fuels Corporation came to be assigned its present mission, I ask that the Summary Findings of the Aspen Institute Workshop on "Energy Policymaking, Public Opinion and the Media: A Problem in Governance" be printed in the CONGRESSIONAL RECORD.

The material follows:

ENERGY POLICYMAKING, PUBLIC OPINION AND THE MEDIA: A PROBLEM IN GOVERNANCE

". . . Isn't there something we can appear to be doing?"—Henry Cabot Lodge (During the 1912 coal strike.)

". . . We must take the current when it serves or lose our ventures."—Julius Caesar.

In early 1979, in the aftermath of the fall of Iran, gasoline lines reappeared across the United States prompting the public to demand swift remedial action from government. Reacting with uncommon swiftness, the U.S. Congress seized political leadership on the energy issue in an atmosphere of hysteria and flawed communications between itself, the executive branch, the public and the media. One consequence was passage of the Energy Security Act, whose goal was the production of 2.2 million barrels of synthetic petroleum by 1992.

The September Workshop sought to achieve three objectives:

(1) To define and illuminate energy policy results specifically on synfuels in the context of the interplay of pressures between Congress, the White House, the public and the media.

(2) To reconstruct the decision-making process on synfuels legislation during 1979 and 1980 leading to passage of the Energy Security Act.

(3) To explore whether new opportunities and mechanisms exist to narrow the persistent gap between energy policymaking actions in Washington and the public's perceived solutions.

It was not the objective of the workshop to debate the merits of synfuels as an energy source per se, but to analyze instead the workings of the political process during 1979 and 1980 preparatory to the major federal commitment to synfuels development. This objective was made all the more challenging since this unprecedented federal energy policy commitment was made despite powerful opposition from liberals and conservatives in Congress, from the consumerist and environmental community and an energy industry split several different ways so that its political potency was minimal. And it was made with the full knowledge of experts that any relationship between development of synfuels productive capacity by the late 1980s and ending gasoline lines in 1979 was, at best, tenuous.

In general, workshop participants cited public pressure as the major raison d'etre for political action. What were the public's sources of information? How did the media cover the issue? Was the situation fairly and accurately conveyed to the media? Was the executive branch and the Congress responsive to the public and the media or did action occur merely for the sake of "doing something about energy," to placate an angry public?

According to polling analysts prepared exclusively for the workshop by the Opinion Research Corporation, never during the days of "synfuels fever" in 1978–1979 did a majority of the public favor a direct federal role. On the contrary, in August 1979, when Congress was moving toward final votes, a reputable poll reported that no more than 41 percent of the public believed the federal government should take a primary role.

Another dimension of the analysis revealed that considerable divergence between public opinion and official opinion and/or action among federal officials has been a characteristic of energy policymaking for nearly a decade. In sharper profile, in an atmosphere of anger and frustration, the synfuels debate only underscored the gap.

For example, in March 1973, seven months before the Arab oil embargo, 66 percent of the public had heard or read at least a fair amount about a possible energy shortage and demanded action. By October, 73 percent believed the shortage was serious. In January 1974, more than half the public felt the federal government had not taken the situation seriously enough, certainly not as seriously as they did. By the following November, only 6 percent of the public believed that government actions were having a "great deal of impact."

Meantime, a majority felt that the energy problem would be of long duration. By 1975, the public wanted hard choices made by Congress and the executive branch, but at the same time, a majority believed they were not being made. Moreover, a majority of the public was also eager for new sources to be developed; for an acceleration of offshore drilling; and for more nuclear plants. As for energy conservation, a majority of the public also was dissatisfied with existing efforts to conserve energy—by government, business and by themselves.

By mid-1977, the public overwhelmingly favored a dual effort to accelerate the pace of production *and* conservation. Also evident in the polling data was a strong desire for equity. Higher prices were acceptable as long as the burdens were shared fairly among income groups, the workshop was informed.

It was also asserted that a majority of the public believed the nation could simultaneously meet its energy requirements, maintain industrial industrial growth and employment and ensure environmental protection. Only 25 percent of the public thought those goals couldn't be attained simultaneously without significant environmental and economic tradeoffs being required.

By 1978, 75 percent of the public was expressing strong confidence that sufficient energy sources could be developed to forestall serious energy problems.

When Iran fell, the public mood shifted somewhat to a renewed concern about import dependency and a mounting suspicion that the energy conglomerates were not doing all that they should to develop alternative energy sources. Impatience with Congress was also a sentiment that was on the ascendancy during that period. It was rooted in the public's belief that Washington was making haste too slowly on the energy problem, given the seriousness of the problem.

In March 1979, the public's sense of the need for decisive action exceeded the government's willingness to take those actions. For example, a majority of the public desired a rapid phase-out of price controls to spur domestic production and conservation simultaneously, and an end to gasoline price controls; a stunning 90 percent sought increased federal research by the government but a federal role in development, such as an Energy Security Corporation, was opposed by six of ten citizens. In retrospect, it is now abundantly clear that in the heat of legislation, erratic presidential leadership, an information crisis and superficial media coverage, the Congress took the one action the public didn't seek, in creating a direct federal role in synfuels.

The workshop's second session covered the development of synfuel legislation from the vantage point of Congress.

On several occasions prior to 1979, the Senate had passed synfuel initiatives but these always had foundered in the House of Representatives. Despite the Senate's positive votes, however, the workshop was told that no consensus ever really existed for synfuels development. One the one hand there was a powerful conservative view that the private sector could develop synfuels without federal intervention on a significant scale. On the other hand, many senators believed serious environmental damage would result from commercial synfuels plants.

To an alarming extent, the congressional debate during 1979 was dominated by "myths and cliches." A sample:

A nation that can put a man on the moon can develop synfuels.

The German Luftwaffe was able to fly on synfuels—the U.S. should be able to duplicate that achievement.

If South Africa can do it, why can't the U.S.?

From the mid-1970s to the early months of 1979, no sitting president had ever fought for synfuels legislation in a serious, committed way. In its deliberations, Congress felt it was pursuing that particular policy option in isolation from presidential leadership.

As a consequence of frustrations resulting from the 1979 gasoline lines, the political climate changed—almost overnight. Many congressional leaders, particularly on the House side, sensed the political opportunity of a lifetime. After all, it appeared that there was bipartisan support, that the legislation could be managed by one committee and that it would be seen as a uniquely congressional initiative. And there was a small but dedicated group in each house who believed a strong synfuels program was a critical ingredient of a national energy policy long overdue for implementation. To a large extent, this congressional momentum was created by uncertain presidential leadership on the issue. At several meetings between the leadership and senior White House offi-

cials, there was a sense of indecision and constantly shifting signals of support for congressional legislation. At one point, one House leader informed the President: "The train is leaving the station, there is still time to get on." The train abruptly left the station when the House became weary of waiting and passed the enabling legislation with a $3 billion price tag, 368-28.

When the action shifted to the Senate, the administration's commitment slowly surfaced but most public groups were caught unaware and were not prepared to respond. While concerned about the outcome on synfuels, efforts on other energy issues took priority. Their opposition was based on fear over potentially adverse social and environmental consequences of rapid, large-scale commercial production and also the use of a mechanism outside the regular budget process for massive funding. They also felt closed out of the process. Since much of the congressional action was fragmented, it was extremely difficult for public groups to take effective action. This situation, when combined with the desire of some congressional staffers to minimize the "nuisance" of the media during the hurried bill markups, increased the communications gap and led one participant to judge it the "worst journalistic performance" he had seen in many years.

On the Senate side, the perceived need to do something immediately was so strong that the initial markup vehicle was not even a formal piece of legislation, but a memo written by Committee staff in preparation for markup. The administration subsequently weighed in, not with a bill but a "fact sheet" backing up the President's TV speech. In retrospect, it was symbolism and not substance that drove the synfuels legislation through the Congress at a record rate of speed. Members became convinced that the legislation could be sold to the public quickly and its merits could be quickly communicated, the workshop was told.

In effect, in order to satisfy public opinion to "do something, don't just stand there," the Congress acted against what public opinion favored, according to polling data accumulated at the time of the vote. For once, the oil industry stood side-by-side with the public. A representative of the industry trade association acknowledged that his industry had not supported the legislation and conveyed his belief that the marginal decisions on projects which the Synthetic Fuels Corporation will be required to make are virtually impossible. Further, it was agreed that many subcultures were functioning behind the scenes to secure the needed votes, including former "cold war warriors," the gasohol political network and traditional "pork barrel" interests. Under the guise of a national security banner, many legislators seized the chance to secure energy project commitments in their districts. Even conservation and solar energy enthusiasts in the Congress who were skeptical of synfuels, seized upon the measure as a vehicle to gain support for bigger and better programs in their interest. It was also reported at the workshop that the environmental community was slow to understand the legislation's momentum and played a belated role in the legislative debates. The fact that the final bill was, in the words of one former Senate aide, "in many ways, a cynical document," escaped the scrutiny of most of the national media.

Sidney Hillman has written that "politics is the science of who gets what, when and why." In that regard, passage of the Energy Security Act was facilitated by old-fashioned pork barrel politics with little regard to energy needs. Although a majority of Congress knew that the bill wouldn't ameliorate energy problems for a decade or more, if then, they happily rushed it through, claiming afterwards that a famous victory had been won. It was conceded at the workshop by media representatives that the public never was fully informed during the entire process because the national media, which dedicates the lion's share of its resources to White House and diplomatic coverage, was not being stimulated sufficiently by the White House. Furthermore, the absence of technical knowledge in the media created obstacles to a better understanding of the various synfuel options, their relative costs, merits and demerits and to other alternatives such as energy efficiency.

The workshop's third session was devoted to a discussion of the synfuels legislative episode as seen from the perspective of White House strategists.

It was suggested that both budgetary and ideological concerns were principal factors in explaining why the executive branch did not move more quickly to control a runaway congressional process. There was also deep-seated worry that any legislation would become a veritable "Christmas tree" for various special interests. That view was countered in the executive branch by other senior officials who were convinced that since the executive branch would inevitably be forced to launch more initiatives on the production side of energy, it would be wise to move at least in tandem with Congress; to permit Congress to take the initiative would constitute a major strategic error from which it would be difficult to recover.

For these reasons and others, presidential leadership was judged to be wanting during the early summer of 1979; as a result, Congress jumped to fill the vacuum that was created; then that cycle was broken when the executive branch suddenly became more aggressive and embraced an $88 billion program for synfuels development. Simply put, goal analysis was overtaken by political pressures, as one former administration official recalled at the workshop. He said that in retrospect, the policymaking process "didn't go awry, it just didn't go." To put that in perspective, it was suggested further that most of the important public policy legislative initiatives of the past twenty years were passed in similar climates of panic, frustration and misinformation. Throughout, there never has been room for philosopher kings in the context of such fierce legislative battles, including revenue sharing, C.E.T.A. and others. That view was not unanimously accepted by the workshop. Many participants felt that a more rational approach was required because that public deserved better.

In this context, the workshop heard the views of a leading official from a national voluntary organization whose representative expressed a sense of betrayal during the "synfuels fever" legislative period. Not only did public groups feel closed out of the process, they were convinced that a crash synfuels program was quite irrelevant to the immediate problem of gasoline lines. The "moral equivalent of war" had suddenly become real war, according to the public interest representative and many others like them. They felt that the democratic process had somehow malfunctioned because of the combination of the executive branch's erratic leadership on this particular energy policy issue and congressional hysteria.

The final session was devoted to a search for solutions to the kinds of problems of governance that had been unearthed during the first three sessions. A consensus was reached that both the legislative and executive branches of the U.S. government had become unhinged in 1979 in the face of public hysteria over gasoline lines. Perceiving that bold actions were necessary, the executive branch, the Congress, the media and the public, played various roles in the decisionmaking contest but in retrospect, the Energy Security Act was passed not as a result of public pressure, informed by the media, but as a result of what Congress throught the public wanted.

There was discussion about better ways to prevent the political process from malfunctioning in the future. Some questions posed were:

Are new institutional reforms needed to prevent Congress from becoming stampeded?

Are there better ways of communicating with the public on the nature of a problem?

It was agreed that such questions were valid since, after all, the synfuels program was designed to cope with potential energy problems of the early '90s, not the problems of the summer of 1979, yet politicians were able to say "Yes, we did something."

One of the central paradoxes—and disagreements—of the workshop received substantial discussion at this stage. It was evidenced in the assertion that only irrational pressures could have forced the Congress to act, therefore the process in the end worked successfully because an important new law was passed. Put in a different way, today, so many well organized and financed interest groups exist in the nation, a common external impetus (e.g., gasoline lines) is the sine qua non of legislative action. To pursue a more rational course, in other words, would have produced no Energy Security Act at all.

It was suggested that the executive branch, preferably the President using the "bully pulpit," has the principal responsibility to educate the public on complex issues so that all participants in the political process can perform in a more rational manner. Uniquely, his role is to prepare the public for a problem, be it water or food or energy, and then to seek political solutions. But former White House aides dismissed that notion, explaining that no president can afford to do that on numerous issues, in part because too many immediate problems must be dealt with. A better approach would be for the President to surround himself with individuals capable of peering beyond the near horizon to approaching problems and preparing the groundwork for grass roots to education. In the case of synfuels, the President failed to perform that role in 1979 and 1980. As a result, the traditional political process—education, debate, solution and consensus—never fully developed. By the time the synfuels issue rose to prominence, earlier presidential initiatives to educate the public had been diluted.

Others at the workshop dismissed the importance of a strong federal role in educating the public, preferring to let that responsibility rest with the "free market." Still others stated that the media's role tends to be overrated in that if an idea is repeated with enough frequency, the public will believe it whether or not it is true. Furthermore, it was agreed that the media, which otherwise should be credited with good efforts in informing the public on energy, in this case failed to report and analyze the

unusual situation presented by synfuels in sufficient detail. Normally, the President proposes and the Congress disposes. The reverse occurred in the case of the Energy Security Act and the public was not fully informed. A stronger media role might have altered the process considerably.

It was agreed that the new administration will soon be faced with a simiar test—natural gas deregulation. By any standard, it will be a divisive battle and the outcome will be a function, in all likelihood, of the ability of the executive branch to explain fully its intentions and objectives and the costs and benefits to the public.

It was suggested that in the future, the executive branch would be wise to establish task forces designated to study developing issues, distribute the findings widely so that the media can report to the public in detailed and substantive fashion. Then the kind of disassociation between the problem and the solution that characterized the synfuels experience in 1979-1980 might occur less frequently in the future.

". . . Every age confutes old errors and begets new."—Thomas Fuller.●

DEEP DRAFT NAVIGATION

● Mr. ABDNOR. Mr. President, yesterday, Senators STAFFORD, RANDOLPH, MOYNIHAN, and I introduced in the Senate amendments to titles V and X of S. 1739, which we believed would serve as a basis for a broad consensus on those titles among all Senators.

Mr. President, the language which was submitted and appears in part II of the CONGRESSIONAL RECORD for August 9 was intended to implement an agreement which Senators STAFFORD, RANDOLPH, MOYNIHAN, and I had reached during a meeting earlier this week.

I regret to inform my colleagues that in reading the amendment's language it is clear to me that there are unintentional technical errors which do not reflect my understanding of our agreement.

Unfortunately, as we approach the end of the Senate's business today it is not possible to reach all the parties so that we may together confirm what I believe to be unfortunate and honest errors in drafting the amendment's language.

As soon as the Senate reconvenes in September, however, I will see to it that amendment language is made available and printed in the RECORD which accurately reflects the consensus reached at our meeting.

For the information and guidance of those interested, I ask that the outline which served as the basis of Senators STAFFORD, RANDOLPH, MOYNIHAN, and my agreement be printed in the RECORD.

The material follows:

TITLE X—DEEP DRAFT NAVIGATION

May 24, 1984 proposal of Senators STAFFORD, ABDNOR, MOYNIHAN, and BENTSEN:

Projects Deepened to 45 feet or less: 70% Federal, 30% non-Federal, with the 30% paid during construction.

Projects Deepened to more than 45 feet: 100% non-Federal.

A 90% Federal Loan Guarantee is available for the non-Federal share of all projects.

Changes to above proposal necessary to provide broad consensus:

1. Projects less than 20 feet deep remain 100% Federal.

2. Give projects greater than 45 feet a second option involving cost sharing.

This option would be 50-50 cost sharing with half of the non-Federal share paid during construction.

This option would be limited to 5 years of eligibility to insure that ports do not "wait" for Federal money.

The Port of Baltimore would be given credit for expenditures already made for disposal areas, but otherwise would get no special treatment, thus eliminating the policy differences between Baltimore and Norfolk.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Ms. Terri L. Sneider, of the staff of Senator MCCLURE, to participate in a conference in Taipei, Taiwan, sponsored by Tunghai University from August 12-19, 1984.

The committee has determined that participation by Ms. Sneider in the conference in Taipei, Taiwan, at the expense of Tunghai University, to discuss United States-Taiwan relations is in the interest of the Senate of the United States.

The select committee has received a request for a determination under rule 35 which would permit Mr. J. Terry Emerson of the staff of Senator GOLDWATER to participate in a conference in Taipei, Taiwan, sponsored by the Freedom Council, from August 15-20, 1984.

The committee has determined that participation by Mr. Emerson in the conference in Taipei, Taiwan, at the expense of the Freedom Council, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.●

ORDER OF PROCEDURE ON WEDNESDAY, SEPTEMBER 5

Mr. BAKER. Now, Mr. President, I ask unanimous consent that when the Senate convenes at noon on September 5, after the recognition of the two leaders under the standing order, the distinguished Senator from Wisconsin [Mr. PROXMIRE] be recognized on a special order of not to exceed 15 minutes, to be followed by a period for the transaction of routine morning business not to extend past 1 p.m., with statements limited therein to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CERTAIN ACTION DURING ADJOURNMENT OF THE SENATE

Mr. BAKER. Mr. President, the request I am about to put, I believe, has been submitted to the minority leader, and I hope there will be no objection. I believe there will not be.

I ask unanimous consent that during the adjournment of the Senate, messages from the President of the United States and the House of Representatives may be received by the Secretary of the Senate and appropriately referred, and that the Vice President, the President pro tempore, and the acting President pro tempore be authorized to sign duly enrolled bills and joint resolutions.

I further ask unanimous consent that during the adjournment of the Senate, committees may be authorized to file report on Monday, August 27, between 10 a.m. and 2 p.m.

I ask unanimous consent that when the Senate reconvenes, the reading of the Journal be dispensed with, that no resolutions come over under the rule, and that the call of the calendar be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I have already provided for the time for transaction of routine morning business, in an order previously entered, and a special order in favor of Senator PROXMIRE.

I add to my request that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, that completes my folder of matters to be dealt with, and I inquire of the minority leader if there is anything further he has.

Mr. BYRD. Mr. President, I do not have anything further. I thank the majority leader.

Mr. BAKER. I thank the minority leader.

APPRECIATION TO THE PRESENT OCCUPANT OF THE CHAIR

Mr. BAKER. Mr. President, the present occupant of the chair, the distinguished Senator from Nevada [Mr. HECHT] has served today beyond the call of duty, so to speak. He has been in the Chair since 5 p.m., almost 3 hours ago. He has performed with exceptional skill and dedication.

I must confess we had problems in providing a presiding officer because of matters that were, I am sure, beyond the control of Senators who might otherwise have been scheduled to preside. But the Senator from Nevada agreed under these circumstances to take not double duty but triple duty.

I take this opportunity to express my appreciation to him for a job well done.

The PRESIDING OFFICER. The Chair appreciates the remarks of the majority leader.

ADJOURNMENT UNTIL WEDNESDAY, SEPTEMBER 5, 1984

Mr. BAKER. Mr. President, knowing of no other business to transact and seeing no other Senator seeking recognition, I now move, in accordance with the provisions of House Concurrent Resolution 351, that the Senate stand in adjournment until the hour of 12 noon, Wednesday, September 5, 1984.

The motion was agreed to; and, at 7:39 p.m., the Senate adjourned until Wednesday, September 5, 1984, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate August 10, 1984:

DEPARTMENT OF STATE

Robert D. Stuart, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

COPYRIGHT ROYALTY TRIBUNAL

Mario F. Aguero, of New York, to be a Commissioner of the Copyright Royalty Tribunal for the term of seven years from September 27, 1984, reappointment.

CORPORATION FOR PUBLIC BROADCASTING

Lloyd Kaiser, of Pennsylvania, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 1, 1989, vice James T. Hackett, term expired.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Rosalie Gaull Silberman, of California, to be a member of the Equal Employment Opportunity Commission for the remainder of the term expiring July 1, 1985, vice Cathie A. Shattuck, resigned.

IN THE COAST GUARD

The following Regular officers of the U.S. Coast Guard for promotion to the grade of lieutenant (junior grade):

Stanley A. Gold
James W. Rice III
Spencer L. Byrum
Michael J. Foley
John C. Owens
Richard G. Brunke
David R. Littlejohn
Felton R. Jones
Lloyd A. Guthrie
Michael T. deBettencourt
Marvin L. Evans
Jimmy C. Robinson
Kimberly J. Davis
Benjamin B. Clough
Richard T. Gromlich
Michael A. Harris
Keith G. Curran
Robert W. Jackmore
Robert L. Berrigan
Mark R. Higgins
Kristy L. Ciarlariello
Robert V. Fogel
Laurence W. Fishler
Richard D. Belisle
David H. Gordner
John C. O'Dell
Karl L. Schultz
Bruce L. Toney
Terry A. Boyd
Janelle L. Oveson
Thomas C. Hickman
Lurilla J. Lee
Todd Gentile
Harry G. MacGregor
David K. Almond
Marica L. Daniell
Robert P. Forgit
Eugene Gray
John J. Jennings
Brian K. Wright
Thomas D. Wade
Gilbert E. Teal
Leon J. Alexandrou
James E. Rendon
Helen L. Holtzman
Angela Dennis
Terry D. Gilbreath
Roderick L. Smith
Liam J. Slein
John J. Macaluso
Joseph F. Ryan
Donald F. Karol
Douglas C. Cochran, Jr.
Patrick H. Knowles
John M. Senyard
Andreas M. Sager
James B. McPherson
Ronald J. Evans
Kevin F. Coradeschi
Stephen M. Wheeler
David Y. Patlak
Leonard L. Ritter
Frank W. Polk
Kenneth A. Ramsdell
Terrence M. Murphy
Frank M. Reed
Stuart B. Bills
Leonard W. Allen III
Edmund L. Brown
Daniel B. Abel
Lincoln D. Stroh
Matthew E. Cutts
Stephen C. Sweyko
Keith A. Taylor
James W. Seeman
Frederick Q. Tucher
Patrick J. Galvin
Jean A. Stimson
Glenn A. Ryerson
Maura S. Vassar
Paul E. Wiedenhoeft
William H. Timbs, Jr.
Jeffrey G. Anderson
Andrew N. Czapowskyj
Edwin B. Thiedeman
Kenneth K. Moore
Matthew D. Bliven
Scott Burlingame
Vincent Wilczynski
Christopher W. Hopper
Richard K. Murphy
Robert F. Ellis
Kirk E. Hiles
Peter M. Hoffman
Arthur D. Webber
Robert M. Pyle
Kevin H. Miller
Richard H. Schlatter, Jr.
Jon V. Turban
John P. Philbin
Stanley J. Carson
Karl H. Calvo
Robert M. Diehl
Sheldon B. Blue
Steven S. Lowry
Scott P. Larochelle
Todd R. Pellmann
Michael A. Tekesky
Robert S. Lentz
Thomas M. Cullen
Gerard R. Dostie
James F. Ferguson
James A. Sweet
Robert F. Finley
Michael L. Humphreys
Keith J. Patterson
John L. Sturtz
Brian J. Marvin
Sarah J. Shores
Paul D. Larzelere
James B. Robbins
Kenneth D. Norris
Paul J. Roden
Paul L. Humphreys
Mark L. Porvaznik
Charles Jager
Daniel J. Kingston
Randy C. Scott
Eric J. Mosher
Mary K. Jager
Peter J. Bergeron
Bryan J. Seale
Peter J. Zohorsky
Douglas J. Smith
Susan F. Daignault
Anthony J. Palazzetti
Thomas J. Vitullo
Scott B. Beeson
Scott W. Robert
Robert H. Randolph
George W. Solewin
Alan M. Marsilio
Steven L. Koska
Nicolas Guerrero
Jennifer E. Lay
Christopher E. Roberts
Michael W. Snively
Gregg R. Fondacabe
Nicholas J. Stagliano
Kenneth C. Hricz
Thomas A. Tazelaar
Brad A. Robinson
David J. Swatland
Norbert F. Tencza
Joseph C. Sinnett
Jeffrey W. Baldwin
Dale G. Ferrell
Michael J. Baca
Eric D. Hultmark
Bradley R. Lee
Michael F. Leonard
James J. O'Connor
Paul A. Steward
James B. Kidwell
Jacqueline A. Ball
Geoffrey T. Merrell
Paul T. Ferguson
David W. Harper
Paul F. Guinee
Gregory A. Bartolett
Bernard T. Moreland
Mathew J. Hermann
Rebecca A. Smith
Edward P. Nagle
Charles V. Strangfeld
Robert F. Kelly
Steven L. Hudson
Daphne Reese
Lisa R. Tamblingson
Richard J. Berard
Edward P. Seebald
Orlando A. Arenas
Kenneth R. Armstrong
Robert S. Walters

The following regular officers of the U.S. Coast Guard of the Permanent Commissioned Teaching Staff of the Coast Guard Academy for promotion to the grades indicated:

To be commander

Wayne R. Gronlund
Benjamin B. Peterson

To be lieutenant commander

Willaim A. Henrickson

The following licensed officer of the U.S. Merchant Marine to be a permanent commissioned officer in the Regular Coast Guard in the grade of lieutenant:

Danny Ellis

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a) title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Billy C. Bearden, [redacted]
Maj. Eugene T. Beasley, [redacted]
Maj. Perrin C. Bryant, [redacted]
Maj. Michael J. Dahlem, [redacted]
Maj. Jerry M. Durden, [redacted]
Maj. Robert D. Edwards, [redacted]
Maj. William M. Fox, [redacted]
Maj. Henry A. J. Housch, Jr., [redacted]
Maj. Enrique J. Lanz, [redacted]
Maj. Warren D. Looper, Jr., [redacted]
Maj. William B. Lynch, [redacted]
Maj. Juan M. Masini, [redacted]
Maj. William R. Simmons, [redacted]
Maj. Robert E. Smith, [redacted]
Maj. Henry C. Varnadore III, [redacted]
Maj. David R. Wilson, [redacted]

LEGAL

Maj. Robert R. Durden, [redacted]

CHAPLAIN

Maj. Joseph A. Skaff, [redacted]

MEDICAL CORPS

Maj. Alan J. Hay, [redacted]
Maj. Joseph M. Long, [redacted]

NURSE CORPS

Maj. Janice G. Urtel, [redacted]

DENTAL CORPS

Maj. William F. Dudley, Jr., [redacted]

IN THE AIR FORCE

The following officer for appointment in the Regular Air Force under the provision of section 531, title 10, United States Code, provided that in no case shall the following officer be appointed in a grade higher than captain:

LINE OF THE AIR FORCE

Sterrett, James L., [redacted]

IN THE ARMY

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, section 624:

MEDICAL SERVICE CORPS

To be colonel

Cammarata, Frank A., [redacted]

ARMY

To be lieutenant colonel

Hunter, Richard W., [redacted]

ARMY

To be major

Hunsaker, Kim D., [redacted]
Witt, William A., III, [redacted]

CHAPLAIN

To be major

Frey, Neil E., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be major

Bice, William S., Jr., xxx-xx-xxxx
Carroll, Mark S., xxx-xx-xxxx
Peters, Joseph E., xxx-xx-xxxx

ARMY NURSE CORPS

To be major

Lambert, Clinton E., Jr., xxx-xx-xxxx

MEDICAL CORPS

To be major

Jones, Lee A., xxx-xx-xxxx
Rock, Paul B., xxx-xx-xxxx

DENTAL CORPS

To be major

Hogans, William, xxx-xx-xxxx

IN THE ARMY

The following-named officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, sections 3366, 3367, and 3370:

DENTAL CORPS

To be colonel

Battle, Joseph J., xxx-xx-xxxx
Dowdy, Joe H., xxx-xx-xxxx
Tuggle, Dewey H., xxx-xx-xxxx

MEDICAL CORPS

To be colonel

Longmire, Atkinson, xxx-xx-xxxx
Osman, Mark R., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

Sedinger, James D., xxx-xx-xxxx
White, Jerry D., xxx-xx-xxxx

ARMY NURSE CORPS

To be lieutenant colonel

Prussack, Louise, xxx-xx-xxxx
Sullivan, Kathleen, xxx-xx-xxxx
Vanwagner, Marcia M., xxx-xx-xxxx
White, Dorthy L., xxx-xx-xxxx

DENTAL CORPS

To be lieutenant colonel

D'Amico, Anthony J., xxx-xx-xxxx
Helman, Gary M., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Camp, Edmond W., xxx-xx-xxxx
French, Thomas N., xxx-xx-xxxx
McDonald, William B., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

Dishman, Michael B., xxx-xx-xxxx
Dunlap, Elijah T., xxx-xx-xxxx
Figueroa, Juan B., xxx-xx-xxxx
Hickey, John K., Jr., xxx-xx-xxxx
Miller, Gordon, xxx-xx-xxxx
Ratner, Solomon S., xxx-xx-xxxx
Skelton, John T., xxx-xx-xxxx
Whitwell, James F., xxx-xx-xxxx

The following-named officers for appointment in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, Sections 593 and 3353:

MEDICAL CORPS

To be colonel

Daniels, Robert S., xxx-xx-xxxx
Olson, Donald R., xxx-xx-xxxx
Raia, Theodore J., Jr., xxx-xx-xxxx

MEDICAL CORPS

To be lieutenant colonel

Allen, Max M., Jr., xxx-xx-xxxx
Cashman, Thomas, xxx-xx-xxxx
Coley, Silas B., Jr., xxx-xx-xxxx
Constable, George R., xxx-xx-xxxx
Crary, Paul D., xxx-xx-xxxx
Ewing, David, xxx-xx-xxxx
Feramisco, James L., xxx-xx-xxxx
Goodman, David, xxx-xx-xxxx
Lara, Henry, xxx-xx-xxxx
Murphy, Joseph P., xxx-xx-xxxx
McMullen, Joseph E., xxx-xx-xxxx
Petoyan, Arthur S., xxx-xx-xxxx
Reiley, Carlton, xxx-xx-xxxx
Rengachary, Setti, xxx-xx-xxxx
Robbins, Thomas W., xxx-xx-xxxx
Strong, Leroy, xxx-xx-xxxx
Studt, Ward B., xxx-xx-xxxx
Tipton, Dale L., xxx-xx-xxxx
Vasallo, Paulino O., xxx-xx-xxxx
Villanueva, Thelma, xxx-xx-xxxx

The following-named Army National Guard officers for promotion in the Reserve of the Army of the United States, under the provisions of title 10, United States Code, section 3385:

ARMY PROMOTION LIST

To be colonel

Backman, Richard W., xxx-xx-xxxx
Cameron, John E., Jr., xxx-xx-xxxx
Cline, Wayne L., xxx-xx-xxxx
Coxe, Raymond L., xxx-xx-xxxx
Davis, John E., xxx-xx-xxxx
Durbin, Paul G., xxx-xx-xxxx
Enzor, Burney H., xxx-xx-xxxx
Gale, Darrel D., xxx-xx-xxxx
Getchell, Wallace I., xxx-xx-xxxx
Grass, Nathan L., xxx-xx-xxxx
Harrison, Robert L., xxx-xx-xxxx
Higgins, Ross C., xxx-xx-xxxx
Holden, James D., xxx-xx-xxxx
Jacoby, Thomas G., xxx-xx-xxxx
Klynoot, Eugene P., xxx-xx-xxxx
Martin, Allen L., xxx-xx-xxxx
Martin, James R., xxx-xx-xxxx
Mirtz, Benjamin F., xxx-xx-xxxx
Moore, William E., xxx-xx-xxxx
Mueller, Richard F., xxx-xx-xxxx
Peay, Edward L., xxx-xx-xxxx
Schulte, Thomas D., xxx-xx-xxxx
Smith, La Ralle R., xxx-xx-xxxx
Swanson, John, xxx-xx-xxxx
Swenson, Zack, xxx-xx-xxxx
Williams, Joe M., xxx-xx-xxxx
Williams, Ray W., xxx-xx-xxxx

MEDICAL CORPS

To be colonel

Bachhuber, Michael, xxx-xx-xxxx
Clark, Charles R., xxx-xx-xxxx
Prosser, Robert L., xxx-xx-xxxx
Schmidt, William C., xxx-xx-xxxx
Smith, Lionel F. L., xxx-xx-xxxx

ARMY PROMOTION LIST

To be lieutenant colonel

Avery, James C., xxx-xx-xxxx
Bache, William H., xxx-xx-xxxx
Barziloski, Robert, xxx-xx-xxxx
Bedard, James V., xxx-xx-xxxx
Bierl, Russell V., xxx-xx-xxxx
Bodouin, Jeffrey L., xxx-xx-xxxx
Boyle, Tony E., xxx-xx-xxxx
Brandon, James B., xxx-xx-xxxx
Brown, Johnny D., xxx-xx-xxxx
Burns, Charles F., xxx-xx-xxxx
Bussell, Jerry L., xxx-xx-xxxx
Casey, William M., xxx-xx-xxxx
Cataline, John M., xxx-xx-xxxx
Clark, Thomas W., xxx-xx-xxxx
Cook, Allen E., xxx-xx-xxxx
Creel, John E., xxx-xx-xxxx
Doane, Robert D., xxx-xx-xxxx
Donnellan, John T., xxx-xx-xxxx
Douglas, Charles G., xxx-xx-xxxx
Eldridge, Farrell W., xxx-xx-xxxx
Enders, Donald R., xxx-xx-xxxx
Forster, Alan L., xxx-xx-xxxx
Frederiksen, Michael, xxx-xx-xxxx
Gowan, Richard S., xxx-xx-xxxx
Grantham, Everett C., xxx-xx-xxxx
Hanson, Darrell E., xxx-xx-xxxx
Hartman, Dennis R., xxx-xx-xxxx
Haskell, Larry J., xxx-xx-xxxx
Heikkila, Dennis L., xxx-xx-xxxx
Hill, Lonnie E., Jr., xxx-xx-xxxx
Hoehne, Kurt H., xxx-xx-xxxx
Hoskins, Gail E., xxx-xx-xxxx
Kavanagh, Dennis D., xxx-xx-xxxx
Kiefer, Michael A., xxx-xx-xxxx
Kiley, William P., xxx-xx-xxxx
Kirchhofer, Jack D., xxx-xx-xxxx
Kon, Noboru, xxx-xx-xxxx
Larkin, Thomas W., xxx-xx-xxxx
Lawrence, Ronald K., xxx-xx-xxxx
Mauch, Bartley G., xxx-xx-xxxx
McDougal, Haze A., III, xxx-xx-xxxx
Miller, Robert G., xxx-xx-xxxx
Monk, Robert A., xxx-xx-xxxx
Monroe, Duncan A., xxx-xx-xxxx
Mueller, Donald W., xxx-xx-xxxx
Pang, Norman M. W., xxx-xx-xxxx
Parrack, Robert A., xxx-xx-xxxx
Pastorek, Andrew B., xxx-xx-xxxx
Pilsbury, Arthur N., xxx-xx-xxxx
Rabin, Arno xxx-xx-xxxx
Riegler, David A., xxx-xx-xxxx
Ring, Reginald C., xxx-xx-xxxx
Sharp, Gary R., xxx-xx-xxxx
Smith, Charles S., Jr., xxx-xx-xxxx
Smith, Raymond E., xxx-xx-xxxx
Thomas, George D., xxx-xx-xxxx
Tomcik, Dennis C., xxx-xx-xxxx
Treese, Charles W., xxx-xx-xxxx
Walker, James E., xxx-xx-xxxx
Williams, Jesse, Jr. xxx-xx-xxxx

ARMY NURSE CORPS

To be lieutenant colonel

Horncastle, Linda L., xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be lieutenant colonel

Hayes, Robert J., xxx-xx-xxxx
Robeson, Robert B., xxx-xx-xxxx

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for permanent appointment to the grade of lieutenant colonel under provisions of Title 10, U.S. Code, Section 5912:

Affourtit, Thomas D., xx...
Akin, Michael G., xx...
Alderson, Richard L., xx...
Andres, Russell A., Jr., xx...
Andrews, David L., xx...
Anton, George E. xxxx
Arning, James N., xxxx
Ashcroft, Jeremiah J., II, xx...
Atwater, Charles B., Jr., xx...
Baca, Michael A., xx...
Backus, Teryl L., xx...
Barr, John M., II, xx...
Baumgardner, Fred W. D., xx...
Beaghler, Michael J., xx...
Black, Donald L., xx...
Blazek, Richard E., xx...
Bosshard, Steven A., xx...
Boudreaux, Al C., xx...
Bowen, Shirley L., xx...
Brown, Robert D., xx...
Brown, Will S., III, xx...
Bruno, Gary L., xx...
Brust, Kenneth E., xx...
Bullard, Roger H., xx...
Burgess, Duncan H., xx...

Buttrill, William S., XX...
Calman, Anthony S., XX...
Carlstrand, Robert G., XX...
Casey, Edmond R., XX...
Casey, William M., XX...
Chandler, Thomas E., Jr., XX...
Chappell, Clyde C., XX...
Clark, Barry W., XX...
Codrea, John E., XX...
Colapietro, Dominic P., XX...
Constantino, Thomas L., XX...
Corrigan, Robert M., XX...
Cressman, Edward H., XX...
Cross, Jerald L., XX...
Dearborn, James W., XX...
Demmler, Harvey G., XX...
Demosthenes, Theodore A., XX...
Detrick, Scott C., Jr., XX...
Donnell, Leroy R., Jr., XXXX
Dowd, Robert M., XX...
Drew, Dennis E., XX...
Edwards, Jerry K., XX...
Erickson, Stanton R., XX...
Evanko, Steven P., XX...
Felter, Alfred T., XX...
Fisher, Larry W., XX...
Ford, Rodney A., Jr. XXXX
Foster, Kenneth L., Jr., XX...
Fox, George W., III, XX...
Franklin, William J., XX...
Garske, Emil W., XX...
Glazer, Stuart A., XX...
Glenn, Jimmie W., XX...
Glueck, William J., XX...
Graham, James F., XX...
Graham, John A., XX...
Greene, Stephen D., XX...
Gregory, John R., XX...
Gresslin, William D., XX...
Grieve, William G., XX...
Griffin, Paul S., XX...
Grimes, Peter, XX...
Hall, John, H., Jr., XX...
Hamilton, Thomas B., Jr., XX...
Harley, Robison D., XX...
Harrell, Mason D., Jr., XX...
Harrison, James K., XX...
Hazell, David J., XX...
Heckman, Stephen C., XX...
Heyne, James S., XX...
Hickey, Michael C., Jr., XX...
Holloman, Hugh J., XX...
Horne, Edward A., XX...
Hoyle, Robert A., XX...
Huilinger, Craig H., XX...
Humbard, Robert E., XX...
Ira, David E., XX...
Jackson, Jackie C., XX...
Jackson, Robert E., XX...
Jensen, Gary R., XX...
Johnson, Randall A., XX...
Johnson, Richard C., XX...
Johnson, Richard W., XX...
Johnson, Thomas A., XX...
Jones, Robert D., XX...
Keaveney, Mark D., XX...
Kiang, Lindsey C. Y., XX...
Kleintop, Charles T., XX...
Klemmer, Grover R., XX...
Kline, Hibberd V., III, XX...
Kopp, William J., XX...
Kuklok, Kevin B., XX...
Kuzmick, James J., XX...
Kyle, Robert E., XX...
Larson, Michael T., XX...
Larson, Ronald W., XX...
Leslie, James L., XX...
Lopata, Edward J., XX...
Lyman, Richard E., XX...
Mabey, Peter J., XX...
Maguire, Daniel M., XX...
Mahacek, Jim P., XX...
Malone, Susan L., XX...
Marshall, Wayne F., XX...
Martin, Thomas A., XX...
McCarthy, John J., Jr., XX...
McCarthy, Thomas L., XX...
McCorkle, Hugh J., Jr., XX...
McGovern, James F., XX...
McNeese, Robert B., Jr., XX...
McVey, Robert B., XX...
Michaels, Charles E., XXXX
Millberry, Robert D., XX...
Morris, Samuel A., XX...
Mullowney, Keith L., XX...
Murphy, Michael J., XX...
Murphy, William M., XX...
Namie, George E., XX...
Neumann, Gary A., XX...
Nighswonger, Benjamin L., XX...
Nordlund, David C., XX...
O'Reilly, Arthur M., XX...
Osajda, Michael C., XX...
Oseguera, Palma M. O., XX...
Pearce, Carolee J., XX...
Perriguey, Charles D., Jr., XX...
Philpott, Paul M., XX...
Power, Brian J., XX...
Price, Melvin L., XX...
Punaro, Arnold L., XX...
Ragsdale, Duncan E., Jr., XX...
Raine, Ronald M., XX...
Rettig, John A., XX...
Reynolds, Raymond B., Jr., XX...
Roberts, Darryl F., XX...
Rosser, Richard C., Jr., XX...
Rowe, Lawrence R., XX...
Rueb, Randall W., XX...
Sandberg, James R., XX...
Sanders, William E., Jr., XX...
Schmidt, Roger W., XX...
Schnack, David B., XX...
Schroeder, Clifton P., XX...
Schutt, Herbert R., Jr., XX...
Scott, John R., XX...
Seabrook, John T., XX...
Sharpsteen, Lila J., XX...
Shuck, Richard N., XX...
Siegel, James R., XX...
Simon, David S., XX...
Simpson, Albert C., XX...
Sluka, William J., XX...
Snow, Larry N., XX...
Spruell, Robert W., XX...
Staley, John A., Jr. XXXX
Stanek, William C., XX...
Stec, Francis M., XX...
Steckel, Leslie T., XX...
Steele, Pierce R., XX...
Stouffer, Mark K., XX...
Stowe, Floyd H., II, XX...
Strehl, Charles H., Jr., XX...
Sutton, Timothy D., XX...
Sweatman, Michael R., XX...
Taylor, Gregory D., XX...
Tepper, James J., XX...
Thompson, Lawrence J., XX...
Tillett, Samuel E., XX...
Timperlake, Edward T., XX...
Titterud, William F., XX...
Tortorici, James E., XX...
Traynor, Andrew F., Jr., XX...
Vanhorne, Richard F., XX...
Vida, Thomas E., XX...
Vogel, Michael J., XX...
Waldner, Richard E., XX...
Walsh, James P., XX...
Wardlow, Lynn D., XX...
Whitaker, Robert L., XX...
White, Timothy R., XX...
Whitehill, Robert P., XX...
Whitehurst, Cornelius B., XX...
Wilimek, Joseph W., XX...
Wilkins, Robert R., Jr., XX...
Withers, Robert D., XX...
Wolff, Paul R., XX...
Woods, Thomas G., XX...
Yates, David C., XX...
Yorck, David C., XX...
Zeigler, John E., XXXX
Zimmer, Ivan P., XX...

IN THE NAVY

The following-named commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of captain in the staff corps, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

MEDICAL CORPS

Aguila, Honorato M.
Ahrens, Mario E.
Ansell, Burness F., Jr.
Atienza, Fernando, Coral, Jr.
Bradley, Vincent D., Jr.
Broadhead, Daniel David
Castelli, John Baptist, Jr.
Clark, Thomas Alan
Clubb, Robert James
Cotton, John Bert
Daspit, Charles Phillip
Deck, David H.
Dinan, John Thomas, Jr.
Endicott, James Nesbit
Essex, Francis Xavier
Flynn, Michael Burnett
Gay, Thomas Arthur
Gershman, Lewis Charles
Gunn, Charles G., Jr.
Hess, James Brock
Hopewell, William James, III
Ivey, Louis A.
Jackson, Arthur Charles, Jr.
Jackson, Bruce Waldo
Kazarian, Kirk Krikor
Kliefoth, Arthur B., III
Knowles, James Barron
Long, Harry Joseph, III
Lowell, William Grayson
Mahalak, Lawrence Warren
Maruyama, Frank Shihashi
McKay, Hunter Albert
Meyer, Charles Aloysius, Jr.
Meyer, Robert Carl
Michaels, John Francis, Jr.
Morris, Thomas Owen, III
Mutty, Lawrence Barry
Nevel, William George
Newcron, Sheldon Lionel
Nobrega, Fred Thomas
Nutt, Richard Leverne
Payne, Gillis Lavelle, Jr.
Perry, Herbert Spencer
Puls, Jerry L.
Putcha, Suryanarayan Murphy
Randolph, Robert P.
Ransome, Joseph Rodman L., Jr.
Rathbun, Lawrence Arden., Jr.
Reaves, Leonard
Repass, Rex Lee
Roberts, Robert Reuel R.
Rosen, Arvin Dean
Sayre, Malcolm M.
Schoendorf, Judson Raymond
Snead, Ronald Wilson
Tannebaum, Ira R.
Tanowitz, Herbert B.
Tartalia, Clifford Lyman
Travers, Henry
Tredway, Donald Ray
Underhill, Thurlow Reed
Vargo, James Dennis
Vincent, William Charles
Ward, Clarence Fenimore, Jr.
Wolski, Eugene J.
Wyre, Harry Wilmer, Jr.

SUPPLY CORPS

Bindon, Rodney Burton
Birindelli, James Benson
Brooks, James Arthur
Cardinale, Michael Allan

Cecil, Robert Downing
Crates, Robert Cameron
Drinkwater, Myron Dale
Fox, George Earle, Jr.
Grasser, Eugene Albert, Jr.
Hagen, Thomas B.
Hall, Lyle Ross
Hammond, Robert Hans
Harold, Elliotte Maurice, Jr.
Haywood, Herbert Hopkins
Henderson, Paul Alexander
Hitt, William Howell
Huffman, James Curtis
Jackson, Robert Franklin
Johnson, Donald Leroy
Johnson, James Arthur
Juhl, Gordon Erik
Keister, Richard Ronald
Kennedy, Troy Wayne
Lovell, Franklin Arthur, Jr.
Magrogan, Willian Francis, Jr.
McGiffin, John Girvin, III
Mortrud, David Lloyd
Price, Larry Speers
Railey, Randolph Miller
Ramsey, Wiley Frederick
Robbins, Donald T.
Rodine, Robert L.
Sawyer, Richard Parker, Jr.
Stegemann, John David
Storz, Erwin Fred
Swanson, Bert Theodore
Tindall, Thomas Clyde, Jr.
Trandum, William Irving
Vaughan, Woodrow Wilson, Jr.
Williams, Ulysses Jacob C.

SUPPLY CORPS (TAR)

Canfield, Thomas J.

CHAPLAIN CORPS

Baldwin, Robert Richard, III
Boys, William Earl
Cato, Phillip Carlyle
Hodges, Robert West
Kaiser, William Gerhard
Knight, Stephen Ferrick, II
Loeffler, Henry Kenneth
Predmore, Lyle Vern
Richter, Loren William
Schroeder, David William
Steinbruck, John Frederick
Stewart, William Andrew, Jr.
Zimmerman, John Curtis

CIVIL ENGINEER CORPS

Ankrum, George Theodore
Bollman, Leslie Fohs
Cornwell, David Willard
Cullerton, Richard Charles
Gallagher, Thomas Eugene
Harrigan, James Kevin
Kane, John Vincent, III
Klauss, William Uwe
Laton, Richard William
Mott, John Kneeland
Mullinix, Larry Eugene
Price, Richard Hoyt
Reese, Joseph Walter
Russell, William H.
Tandy, David Jay
Trinyl, John Richard

JUDGE ADVOCATE GENERAL'S CORPS

Campell, Lawrence Weaver
Cardinal, James
Decker, David Royal
Dick, Charles H., Jr.
Dupuis, Charles Thomas
Farrell, Vincent Depaul
Fuller, Lee Mervin, Jr.
Fuller, Robert Armstrong
Gavin, Donald John
Gerard, Kenneth J.
Glass, Fred Stephen
Glassman, Stephen Charles
Granahan, Thomas Francis
Johnson, Sterling, Jr.
Kamps, William John
Kupner, Robert Legier
Levine, Robert
Locke, Robert Lee
Molans, James Anthony
Mullins, Ralph Wilmer
Murphy, Frank Morrill, III
Noren, Richard Carl
Oliver, Robert Godfrey
O'Rourke, Andrew Patrick
Rayton, Michael Robert
Richardson, Delroy Moody
Serino, Robert Bernard
Siegel, Jay M.
Walker, Joseph McCabe
Warren, Russell Earl, Jr.
Warren, Walter Emory
Wheeler, Matthew J., Jr.
Wied, Colin W.

DENTAL CORPS

Akimoto, Nobuhiko John
Beatty, James Frederick
Birtoil, Robert Franklin, Jr.
Bolen, Richard Kell
Boltz, Roger Howard
Bridegman, Harold Edward
Dashiell, Earle Stewart, Jr.
Dodrill, David Eugene
Emmanuele, Roland Clement
Hayes, Samuel Earl
Hillman, Mark Jay
Jack, Robert William
Jacobson, Albert Page
Nagel, Norman John
Nicols, Joseph James, Jr.
Nossaman, Jerry Max
Perdigon, Gustave Joseph, III
Poe, Oliver Conrad
Ruwwe, George Robert
Ruyl, James Peter
Snyder, Richard Charles
Swanson, Keith Sabin

MEDICAL SERVICE CORPS

Eng, Weylin Gay
Hughes, Herbert Howard
Knapke, Frank Bernard, Jr.
Maddox, Michael Lee
Melchior, Robert Charles

NURSE CORPS

Frazier, Zina Mirsky
Rusnak, Martha Anna
Sayner, Nancy Caerol
Tiedeman, Mary Elizabeth

IN THE NAVY

The following-named lieutenant commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of commander in the staff corps, as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

MEDICAL CORPS

Allen, Robert G., Jr.
Arana, Adalberto, Jr.
Bailey, Philip James
Bailey, William J.
Benjamin, Stanley Bernard
Buonanno, Aldo Antonio
Burnett, Robert J.
Burnette, Douglas George, Jr.
Carter, James F.
Chang, Eleanor M.H.
Chionglo, Margarita Tan
Coates, Michael L.
Colletti, Patrick Joseph
Colosi, Nicholas J.
Colvin, Donald B.
Cock, Timothy G.
Cowan, Bryan D.
Cruz, Jose S.
Cushman, Austin R.
Damico, Theodore A.
Devera, Erlinda Ramos
Ebert, Edward L.
Edmunds, Elizabeth Helena
Elkins, Thomas E.
Franklin, Ivan D.
Freeman, Louie Donell
Gangoy, Leovigildo Cabrera
Gieb, Randal Boyd
Gierson, Eugene D.
Ginchereau, Eugene Hugh
Green, Lawrence E.
Hagler, James R.
Harris, Curtis N.
Hein, Douglas P
Hill, Robert B.
Ilardi, Frank Joseph
Janzen, William Roy
Joiner, Charles R.
Just, Samuel Victor
Khan, Fehmida M.B.
Lacuna, Belen Borbon
Lee, Taurin Pyongkap
Lemoncelli, Gary L.
Lentz, Meredith R.
Mann, William Patrick
Mask, Billy Howard
McAll, Mark J.
McCann, Louis S., Jr.
McNulty, John S.
Meshier, William Thomas
Mocnik, Jack Johnny, Jr.
Mutia, Jose P.
Novelly, Norman J.
O'Brien, William F.
Oxler, Steven Jay
Pamintuan, Helen Padolina
Pearce, Holton T., Jr.
Perez, Romeo P.
Prickett, David Clinton, Jr.
Preett, Richard Kepley
Rechtine, Glenn R., II.
Richmond, John Dwight
Rigtrup, Edward D.
Rowell, Donald H.
Roy, Dennis R.
Russo, Ronald F.
Sanfelipe, Asela Reyes
Sokol, Gerald H.
Stitt, Van J., Jr.
Stombaugh, Dana D.
Strauss, Samuel
Verross, William E.
Weed, John C., Jr.
Wilson, Donald V.
Wilson, Warren Timothy
Yurth, Daniel Allen

SUPPLY CORPS

Aldridge, Philip P.
Allen, Samuel Alphonse, Jr.
Bocchino, David Louis
Bradley, Richard Edward
Brooke, Frederick Charles
Brown, Gardner Lombard, Jr.
Burke, Dennis Patrick
Callaway, Peter Gly
Clark, Gerald D.
Clark, Thomas Carlyle
Coates, Daniel Thomas
Coffey, James B.
Delaney, Thomas Francis, III
Delappa, John Edward
Dobbert, Clarence F.
Downie, Robert H.
Finch, Alvin
Frampton, Walter C., Jr.
Gilbert, Jack Allen
Gordon, James Peter
Grealish, Kent Michael
Grimes, David Michael
Harrington, Michael Goodwin
Harris, Richard Allison, Jr.

Havey, Patrick Joseph
Hayes, Reginald Stanley
Hayes, Robert Porter
Heleniak, James Frank
Henninger, Ernest Henry
Holloway, James M., Jr.
Hornbrook, William Ross
Hurley, Patrick Elbert
Janda, Charles T.
Jenkins, Walter William
Johnson, William Alfred
Jones, George B., Jr.
Kamin, Michael Joseph
Keeton, Ronald James
Kilroy, Clark Edward
Kirby, Thomas Daniel, Jr.
Klase, Kenneth Allen
Koelsch, James Peter
Kroncke, William Wendell
Larson, David Louis
Lee, Arthur Chafee
Long, George Conrad
Madge, Norman William
March, Earle Bovell, Jr.
Mayo, Thomas Joseph
McLaughlin, Wayne Allen
Miner, Kenneth Harold, Jr.
Mitchell, Kent Douglass
Pew, Curtis Ernst
Phillips, Bradford Grant
Quijada, Edward Joseph
Rich, Lyle Vernon
Rigg, David L.
Schmitt, Paul Wheatley
Shaffer, John Samuel
Sides, Stephen Lloyd
Stahnke, William Emil
Steinkrauss, Mark Albert
Stolle, John Richard
Stough, John Rutherford, Jr.
Tamaki, Kris Kazumi
Thomes, James Karl
Valentine, Christine Ruth De
Weisbrot, Richard Gary
Williams, Richard Louis
Williamson, Joseph Edward
Winslow, Dennis Maurice
Wong, Frederick Garry
Wood, Stephen Joseph
Young, David Allen

SUPPLY CORPS. (TAR)

Putnam, Stephen J.
Rowland, Curtis A.
Tutunjian, Stephen J., Jr.

CHAPLAIN CORPS

Griffeth, Noel Vernon
Henderson, Frank Martin
Kalamaras, Sam J.
McGrath, Thomas Bernard

CIVIL ENGINEER CORPS

Bolt, Bernard Lee
Booth, John David
Brown, John Andre
Chacey, Kenneth Adair
Cosgrove, Robert Michael
Deluca, John, Jr.
Dombrowski, Roger Alan
Falcone, Francis Emidio
Ibach, William Andrew
Jacobson, Carl Edmund
Johnson, Wallace Ray
Kallberg, Keith Thomas
Keller, William Joseph, Jr.
Key, Thomas Scott
Mcauley, Dennis James
McCluskey, Hugh Joseph, Jr.
Michalski, Robert
Morgan, John Randall
Prather, Royace Houston
Raderer, Norman D.
Rogers, James Graves, III
Selvidge, Ross Stanley
Shern, John William
Slaughter, James T., II
Sletten, Robert Selmer
Spann, Stephen Allison
Stephens, Warren Keith
Vigil, Samuel Alexander
Vogt, John Fredric
Walley, James Marvin, Jr.
Watts, Donald Francis
Yellin, Samuel Alexander

JUDGE ADVOCATE GENERAL'S CORPS

August, Raymond Swartz
Barnett, William Ralph
Bloxom, Richard Ralph
Cooper, James Reynolds
Coppins, Cray Jenings, Jr.
Cox, Joseph Brinson, Jr.
Daniel, William Jackson, III
Fox, Victor
Gammage, Robert A.
Jones, Thomas L.
Jordan, Charles R.
Kessel, Glenn Roger
Lancaster, Harold M.
Lee, William J.
Mattson, Michael V.
Maurer, Roy Joseph
Mcauley, David
Nowak, Michael Stanley
Oliver, Russel Ray
Opacki, Dennis George
Paulson, David Wayne
Perry, Spence William
Pettus, Ellis Lamar
Porter, Charles Alexander, Jr.
Pries, William Edward
Sweeney, Anthony Joseph, III
Tuohy, John Patrick
Tuthill, John E.
Wezelman, Stanley J.
Woodley, Seaton M., III
Wubbenhorst, Peter Robert

DENTAL CORPS

Bailey, John H.
Bishop, Donald W., Jr.
Brockhouse, Robert Thayer, Jr.
Cranford, Reginald L.
Daubenspeck, David Grant
Dodger Richard C.
Furuya, Lincoln Aketomo
Getz, Marshall, Salagar
Goldstein, Joel C.
Kerr, Gerald Neil
Lee, Raymond J.
Mancino, Richard Anthony
Meares, James W.
Morlock, Frederick Bowler
Rawls, Douglas Sullivan
Roland, Harry F.
Rose, Clifford H.
Sawyer, Ronald George
Stimmel, Harry M., III
Taft, David N.
Waynewood, Freeman Lee
Wiliams, Thomas M
Wolff, Peter U.
Yue, William M.

MEDICAL SERVICE CORPS

Bermensolo, Betina, M.
Childress, Carl Wayne
Giesey, Sharon, Veda
Johnson, Douglas Lee
Longacre, Don Thomas
Meyer, Kenneth Galen
O'Donnell, Brian Michael
Shipp, Melvin Douglas
Sibilla, Loren Wayne
Singer, Fredric Lester
Solbjor, Phillip D.
West, Jerry Dean
Wight, Peter Craige

NURSE CORPS

Anderson, Sandra Varano
Applegate, Yseldah Hall
Boyle, Marylou Olsen
Campbell, Pamela Margaruite
Cannon, Margaret Ann
Crowe, Margaret Allyn
Duddles, Diane Lynn
Featherkile, April Reiners
Fillmore, Lila Jean
Ford, Janet
Gallagher, Paula Ruth
Gotch, Merry Ann
Holler, Ann Flynn
Ladner, Kathleen Ann
McFarland, Linda Kay
O' Byrne, Carole Ann
Patterson, Claire Judith
Pollard, Alexandra Garrison
Roderick, Sandra Ann
Schrobo, Bernice Reavis
Scott, Kathleen Ann
Sheehan, Renee Grev
Twombly, Maureen
Williams, Reggie Arthur

IN THE NAVY

The following-named Navy Enlisted Commissioning Program candidates to be appointed permanent ensign in the line or staff corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Bache, Roger W.
Beam, Paul E.
Brodie, Alan C.
Chase, Bruce E.
Dick, Robert C.
Fisher, Ann L.
Gilleon, Gary R.
Gladney, Aron L.
Hemphrey, Gary L.
Hudspeth, Randy J.
LaSota, Charles S.
Lindsey, Danial A.
Maldia, Leopoldo C.
Marker, Steven J.
Maser, Thomas J.
Mock, Daniel M.
Olivier, Joseph T.
Pasadilla, Magno O.
Perry, George D.
Poole, James A.
Purcell, Harold D.
Rogers, William A.
Selander, Laree
Walls, Larry M.
Whitcomb, Clifford A.
Ybarra, Ramon.

Willie E. Everett, chief warrant officer, W-4, U.S. Navy, to be appointed permanent chief warrant officer, W-2, in the U.S. Navy, pursuant to title 10, United States Code, section 555.

Danny D. Dean, Navy enlisted candidate, to be appointed permanent chief warrant officer, W-2, in the U.S. Navy, pursuant to title 10, United States Code, section 555.

The following-named medical college graduates to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Ocamb, Harold D.
Santiago, Fernando
Verbruggen, Hugo C. J.
Williams, Paul C.

Julian S. Chestnut, commander, U.S. Navy, to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

Kathleen C. Chew, commander, U.S. Navy, to be appointed permanent commander in the line of the U.S. Naval Reserve, pur-

suant to title 10, United States Code, section 593.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. James E. Moore, Jr., [redacted], U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Edward A. Partain, [redacted], U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Louis C. Menetrey, [redacted], age 54, U.S. Army.

DEPARTMENT OF DEFENSE

Richard E. Carver, of Illinois, to be an Assistant Secretary of the Air Force, vice Russell D. Hale, resigned.

CONFIRMATION

Executive nomination confirmed by the Senate August 10, 1984:

DEPARTMENT OF THE INTERIOR

Robert N. Broadbent, of Nevada, to be an Assistant Secretary of the Interior.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

HOUSE OF REPRESENTATIVES—*Friday, August 10, 1984*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We thank You, gracious God, that we do not walk the roads of life alone, but Your spirit accompanies us and gives us strength. At times of wonder and worry, at moments of frustration or anger, Your still small voice calls us to reflection and peace. Our hearts and souls are comforted by the reality of Your life-giving presence, and the confidence which flows from Your spirit encourages and renews us. May Your blessing of faith and hope and love be with us and all Your people this day and evermore. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3787. An act to amend the National Trails System Act, by adding the California Trail to the study list, and for other purposes; and

H.R. 4596. An act to amend section 1601(d) of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street, Waterloo, NY.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5604) entitled "An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5712) entitled "An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 5, 6, 19, 23, 24, 29, 32, 34, 36, 37, 42, 44, 45, 47, 55, 63, 64, 73, 77, 79, 87, 89, 101, 103, 108, 113, 115, 119, 122, 125, 127, 145, 147, 148, and 149 to the above-entitled bill.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 2436. An act to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes; and

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 through 1989.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1841) entitled "An act to promote research and development, encourage innovation, stimulate trade, and make necessary and appropriate amendments to the antitrust, patent, and copyright laws," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THURMOND, Mr. MATHIAS, Mr. HATCH, Mr. DOLE, Mr. BIDEN, Mr. METZENBAUM, and Mr. LEAHY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 9. An act to designate components of the National Wilderness Preservation System in the State of Florida;

H.R. 1437. An act entitled the "California Wilderness Act of 1983";

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 4209. An act to amend section 15 of the Small Business Act;

H.R. 5297. An act to amend the Federal Aviation Act of 1958 to terminate certain functions of the Civil Aeronautics Board, to transfer certain functions of the Board to the Secretary of Transportation, and for other purposes; and

H.R. 5618. An act to amend title 38, United State Code, to revise and improve Veterans' Administration health programs, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 5297) "An act to amend the Federal Aviation Act of 1958 to terminate certain functions of the Civil Aeronautics Board, to transfer certain functions of the Board to the Secretary of Transportation, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PACKWOOD, Mr. GOLDWATER, Mrs. KASSEBAUM, Mr. HOLLINGS, and Mr. EXON to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4209) "An act to amend section 15 of the Small Business Act," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WEICKER, Mr. BOSCHWITZ, Mr. GORTON, Mr. BUMPERS, and Mr. DIXON from the Small Business Committee; Mr. GOLDWATER, Mr. QUAYLE, Mr. WILSON, Mr. NUNN, and Mr. LEVIN from the Armed Services Committee to be the conferees on the part of the Senate.

The message also announced that the Senate agrees with an amendment to the amendment of the House to a joint resolution of the Senate of the following title:

S.J. Res. 25. Joint resolution redesignating the Saint Croix Island National Monument in the State of Maine as the "Saint Croix Island International Historic Site."

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 598. An act to authorize a land conveyance from the Department of Agriculture to Payson, AZ;

S. 648. An act to facilitate the exchange of certain lands in South Carolina;

S. 806. An act to provide for a plan to reimburse the Okefenokee Rural Electric Membership Corporation for the costs incurred in installing electrical service to the Cumberland Island National Seashore;

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, CO, and for other purposes;

S. 1790. An act to authorize the Secretary of the Interior to enter into a contract or cooperative agreement with the Art Barn Association to assist in the preservation and interpretation of the Art Barn and Pierce Mill located in Rock Creek Park within the District of Columbia;

S. 1770. An act to extend the lease term of Federal oil and gas lease numbered U-39711;

S. 1859. An act for the transfer of certain interests in lands in Dona Ana County, NM, to New Mexico State University, Las Cruces, NM;

S. 1868. An act to add $2,000,000 to the budget ceiling for new acquisitions at Sleeping Bear Dunes National Lakeshore;

S. 1889. An act to amend the Act authorizing the establishment of the Congaree Swamp National Monument to provide that at such time as the principal visitor center is established, such center shall be designated as the "Harry R.E. Hampton Visitor Center"; and

S. 2036. An act to require the Secretary of the Interior to convey to the city of

Brigham City, UT, certain land and improvements in Box Elder County, UT;

S. 2125. An act to designate certain national forest system lands in the State of Arkansas for inclusion in the National Wilderness Preservation System and for other purposes;

S. 2155. An act to designate certain national forest system lands in the State of Utah for inclusion in the National Wilderness Preservation System to release other forest lands for multiple use management, and for other purposes;

S. 2157. An act to clarify the treatment of mineral materials on public lands;

S. 2732. An act to amend the Wild and Scenic Rivers Act to permit the control of the lamprey eel in the Pere Marquette River and to designate a portion of the AuSable River, Michigan, as a component of the National Wild and Scenic Rivers System; and

S. Con. Res. 136. Concurrent resolution to correct technical errors in the enrollment of the bill S. 1546.

REQUEST TO MAKE IN ORDER CONSIDERATION OF CONFERENCE REPORT AND AMENDMENTS IN DISAGREEMENT ON H.R. 6040, SECOND SUPPLEMENTAL APPROPRIATION ACT, 1984, SUBJECT TO AVAILABILITY.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it shall be in order, the provisions of section 303(a) of Public Law 93-344 and clause 2 of rule XXVIII to the contrary notwithstanding, to consider the conference report and amendments in disagreement on the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes, subject to the availability of said conference report and amendments in disagreement for at least 1 hour, and that said conference report and amendments in disagreement be considered as having been read when called up for consideration.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MILLER of California. I object, Mr. Speaker.

The SPEAKER. Objection is heard.

THE RECLAMATION SAFETY OF DAMS ACT AMENDMENTS OF 1984

Mr. UDALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1652) to amend the Reclamation Safety of Dams Act of 1978, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 3, strike out "That" and insert "That this Act may be cited as "The Reclamation Safety of Dams Act Amendments of 1984" and that".

Page 1, strike out all after line 4 over to and including line 7 on page 2 and insert:

(1) In subsection 4(b), strike "Costs" and insert the following in lieu thereof: "With respect to the $100,000,000 authorized to be appropriated in the Reclamation Safety of Dams Act of 1978, costs".

(2) After section 4(b), add the following new subsections:

"(c) With respect to the additional $650,000,000 authorized to be appropriated in The Reclamation Safety of Dams Act Amendments of 1984, costs incurred in the modification of structures under this Act, the cause of which results from new hydrologic or seismic data or changes in state-of-the-art criteria deemed necessary for safety purposes, shall be reimbursed to the extent provided in this subsection.

"(1) Fifteen percent of such costs shall be allocated to the authorized purposes of the structure, except that in the case of Jackson Lake Dam, Minidoka Project, Idaho-Wyoming, such costs shall be allocated in accordance with the allocation of operation and maintenance charges.

"(2) Costs allocated to irrigation water service and capable of being repaid by the irrigation water users shall be reimbursed within 50 years of the year in which the work undertaken pursuant to this Act is substantially complete. Costs allocated to irrigation water service which are beyond the water users' ability to pay shall be reimbursed in accordance with existing law.

"(3) Costs allocated to recreation or fish and wildlife enhancement shall be reimbursed in accordance with the Federal Water Project Recreation Act (79 Stat. 213), as amended.

"(4) Costs allocated to the purpose of municipal, industrial, and miscellaneous water service, commercial power, and the portion of recreation and fish and wildlife enhancement costs reimbursable under the Federal Water Project Recreation Act, shall be repaid within 50 years with interest. The interest rate used shall be determined by the Secretary of the Treasury, taking into consideration average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the applicable reimbursement period during the month preceding the fiscal year in which the costs are incurred. To the extent that more than one interest rate is determined pursuant to the preceding sentence, the Secretary of the Treasury shall establish an interest rate at the weighted average of the rates so determined.

"(d) The Secretary is authorized to negotiate appropriate contracts with project beneficiaries providing for the return of reimbursable costs under this Act: *Provided, however,* That no contract entered into pursuant to this Act shall be deemed to be a new or amended contract for the purposes of section 203(a) of Public Law 97-293.".

Page 2, line 8, strike out "(2)" and insert "(3)".

Page 2, line 19, strike out "(3)" and insert "(4)".

Page 3, line 6, after "Texas," insert "and Foss Dam, Oklahoma,".

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

Mr. SOLOMON. Mr. Speaker, reserving the right to object, I may not object, but I would like to enter into a brief colloquy concerning the Senate amendments that the gentleman from Arizona is speaking about.

Mr. UDALL. If the gentleman would yield, I would be glad to answer any questions he might have.

Mr. SOLOMON. Mr. Speaker, I will not object to the passage of this bill because of my respect for you and your sincere concerns over the structural safety of reclamation dams. The repair of these dams is rightfully a high priority and I am in complete agreement with my colleagues on the committee that we should move forward with this bill. I reserved the right to object because of my concern over who should pay for the safety modifications on these projects. I am pleased that the U.S. Senate saw fit to include a reimbursable provision and to link that provision to repayment at current market rates. These two provisions are important precedents in reclamation law and I will work to expand these actions in the future. These precedents go a long way to eliminating undue favoritism for the beneficiaries of the reclamation program, at the expense of the American taxpayer. As I have stated many times before, dam safety is a recognized cost of doing business for water and power users around the country and there is absolutely no reason why we should exclude the users of reclamation dams.

The Senate compromise, which I strongly endorse, will require that a certain percentage of the costs for dam safety be allocated among the various recipients of water and hydroelectric power supplied by these dams and repaid in a manner requiring market rate payments. This will mean a tremendous savings to the American taxpayer. The Senate amendment establishes a formula that closely reflects the cost to the Treasury of funding water project construction on a reimbursable basis over the long term. This formula reflects the actual cost to the Treasury of borrowing to finance dam safety expenditures.

I am very aware of the hard work of my colleagues, including Mr. UDALL, Mr. CHENEY, Mr. RUDD, and Mr. MCCAIN to see that work is promptly initiated on important dam safety repairs. I have never intended to delay this important work and my amendment would not have had this effect. In respect to the chairman and my other friends on the Interior Committee I will not object to the bill.

However, I promise to continue my work in this area in order to ease the burden on the Federal Treasury and to further improve the management of America's natural resources.

Mr. UDALL. If the gentleman will yield, a settlement was made in the Senate, and the Senator from Ohio, Mr. METZENBAUM, and the distinguished chairman of the Interior Committee, Mr. MCCLURE, and myself, Sen-

ator GOLDWATER and others, worked out a compromise that has the idea the gentleman had, not the precise figures, but has the concept of cost sharing in it.

I must say that the gentleman, who is a responsible and effective Member of the House, has had something to do with this. This contains a partial victory in the gentleman's continuing fight to get cost sharing into these water projects. The Metzenbaum amendment is in the Senate amendment, as the Senator from Ohio agreed to.

We all had to give a good deal on this to get this compromise and I hope the gentleman will let us conclude this action today.

Mr. Speaker, on March 20, the House passed H.R. 1652, a bill to authorize repairs and safety modifications at dams owned and operated by the Bureau of Reclamation. The legislation authorizes funds to make corrections at more than 50 Federal dams, to enable those structures to withstand predicted earthquakes and to pass storm flows safely.

When the legislation was debated in the House, most of the discussion centered on the question of who should pay the costs of the repairs? The committee position held that the U.S. Government should pay the costs, since most of the required repairs are due to faulty design. Others in the House argued that project beneficiaries should be responsible for repaying all the costs of repairs—this was the 100-percent reimbursable approach.

By a narrow margin, the House adopted the amendment proposed by the gentleman from Texas, the subcommittee chairman. That amendment said that costs of repairs should be borne by the United States, but costs attributable to additional benefits, such as increased storage, that result from the repair work, should be paid for by the project beneficiaries.

The Senate amendment before us today eliminates the House additional benefits test and substitutes a requirement that project beneficiaries pay 15 percent of the costs of the dam repairs.

I continue to believe that primary responsibility for repairing these unsafe dams rests with the Federal Government. The United States designed the dams and the United States built them. If those structures are deemed to be inadequate to withstand predictable seismic events, or recognized storm flows, then the United States should bear the costs of making them safe.

I believe that it is very different to talk about cost sharing at existing dams, rather than new dams. The project beneficiaries already paid for the dam once. They thought they were buying a safe, stable structure, and they agreed to terms that repaid those initial capital costs. It seems unfair to come back 20 or so years later and say, "We made a mistake * * * the storm flows will be larger than we thought, you need to pay us another $10 or $15 or $20 million to make your dam safe."

In spite of my strong feelings on this issue, I can appreciate the compromise reached by the Senate. I know that this agreement is the result of many hours of hard work by Members from different regions of the country. And I recognize that there is a genuine difference of opinion on the issue. So I will accept the changes made by the Senate, and I urge my colleagues that have dams in their States and districts to do the same.

The Senate amendment strikes a balance between the House passed bill and the 100-percent reimbursable costs position advocated by some in the House and the Senate. Neither side gets all of what it wanted, and that is the nature of the compromise. Mr. Speaker, I urge the adoption of H.R. 1652 as amended by the Senate.

Mr. SOLOMON. I thank the gentleman.

Mr. CHENEY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Wyoming.

Mr. CHENEY. I thank the gentleman for yielding.

Mr. Speaker, let me simply endorse the views expressed by the gentleman from Arizona [Mr. UDALL], the chairman of the committee. This is an important piece of legislation.

I did not totally agree, obviously, with the amendment of the gentleman from New York when it came through, but he has made a major contribution to the bill. The bill has been altered in significant respects to reflect his principles.

Mr. Speaker, I support passage of the dam safety legislation as amended by the Senate. I was an original cosponsor of dam safety legislation in the House. The bill I supported stood for the fundamental principle that the Federal Government should bear the cost of repairing the unsafe Federal dams.

When the bill was before the House, Water and Power Subcommittee, I supported an amendment to increase the authorization ceiling by an additional $100 million, in order to make certain that the Bureau of Reclamation had sufficient funds to repair Jackson Lake Dam, in my home State of Wyoming, if it should decide that repairs to the dam were the best way to proceed. This provision is in the compromise version of the legislation before us today.

When the bill was before the full House, the administration and I supported a compromise amendment to the legislation which would have required local reimbursement only of certain possible new benefits from dam safety repairs. I felt that this was a fair approach.

In the compromise version of the legislation sent to us by the Senate, the bill provides instead that local interests would be required to pay some 15 percent of dam safety repair costs in instances where such costs are reimbursable. This approach should still require the Federal Government to bear almost all repair costs for major facilities in Wyoming, according to the Bureau of Reclamation.

In view of the very substantial congressional support for requiring 100 percent local reimbursement of dam safety costs, I believe I can support the Senate compromise despite my preference for the House approach.

Mr. LUJAN. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding.

Mr. Speaker, I would ask the gentleman not to object to this. This is something that is badly needed throughout the country. We have some problems, as the gentleman knows, with safety of dams. As long as it has the cost-sharing provisons, and I agree with the gentleman that there ought to be some cost-sharing provisions, I would hope that he would not press his objection.

Mr. SOLOMON. Let me just say, Mr. Speaker, that certainly I do not think any of us want to stand in the way of the dam safety act bill that is before us. We know that there could be serious problems with these dams, and certainly I come from an area in the Adirondack Mountains in New York State where we have similar problems that the gentleman has.

But I do think that we have got to get back to this policy of pay-as-you-go. I think that this is at least a step in the right direction. I appreciate the gentleman's concern from these affected areas, and because of that I will not object and I withdraw my reservation.

● Mr. McNULTY. Mr. Speaker, I am pleased to rise in support of this much needed and sensible legislation, the Reclamation Safety of Dams Act.

This legislation raises the authorization for appropriations in the original act by an additional $650 million. The bill would also provide the Secretary authority to perform safety modification work on seven dams in the Pacific Northwest region. These dams were incorporated into reclamation projects by acts of Congress, however, title was never secured by the Federal Government.

One of the dams covered by this bill has sluice gates that are not operable. One of the dams covered by this bill has got a powerhouse so dangerous that the Bureau of Reclamation told its employees to stay away from it. One of the dams in this bill has got metal overflow tubes that have been rusted away. And one of the newest dams owned by the United States and the Colorado River has a concrete spillway with a right angle turn in it, and at the elbow of that turn the action of the water and tiny bubbles popping in that area have eroded away altogether the cement.

Now, all of these things are not a matter of finding fault or attributing blame. The job of the Congress is to address those problems and to address them sensibly. Here, we are addressing the repair of old dams. We have fought in the past over cost sharing, but here we are providing for cost sharing. This bill provides for the repair of old dams, some of which go back 50 and 60 and 70 years ago. What we have said here is that where the Federal design failure has caused the dam to be unsafe, repairs will be the responsibility of the Federal Government, just like the repair of a defective product is not the responsibility of the local shopowner, it is the responsibility of the manufacturer. In addition, where the repair work involves new and additional economic benefits, those benefits will be paid for by the users.

The sums authorized here will repair approximately 50 dams. This bill will bring all the Burec dams up to the Burec standards for structural safety. This sum is modest when you consider the preventative maintenance it will provide. By comparison, look at the costs of one single dam failure. Look at the Teton Dam. As a result of that failure, 11 lives were lost and claims against the United States totaled more than $350 million. And Teton was a relatively rural area.

In closing, this legislation is absolutely critical, not just to the West that is entirely dependent upon it, but to the entire economy of this country that has reaped benefits decade after decade as a result of wise development of water resources in the arid West that has ultimately resulted in the growth of this Nation's economy. It is a critical and important piece of legislation and I urge my colleagues to support it.●

● Mr. McCAIN. Mr. Speaker, I want to say just a few words in strong support of H.R. 1652, the Reclamation Safety of Dams Act.

While the bill now pending final congressional approval does impose a 15-percent cost-sharing requirement, it is entirely in keeping with the administration's, as well as Congress', case-by-case, project-by-project philosophy. The moneys contained in this legislation will provide the necessary funding to make structural repairs to some 50 federally built dams.

Mr. Speaker, this legislation is an investment in our country's future. It will prevent another catastrophe like the Teton Dam collapse in 1976, and more importantly, it illustrates that the Congress of the United States can act in a responsible and responsive manner before a national tragedy occurs.

Finally, Mr. Speaker, I want to comment on the many long hours of negotiation and compromise that has brought us to where we are today. Chairman UDALL, Congressman CHENEY, Congressman KAZEN, and numerous staff members deserve a great deal of credit for their dedication and perseverance in seeing the enactment by this Congress of the Reclamation Safety of Dams Act.●

● Mrs. VUCANOVICH. Mr. Speaker, I rise in strong support of the safety of dams bill. H.R. 1652, the Reclamation Safety of Dams Act amendments, passed the House on March 20. The other body approved the bill yesterday with some modifications to the cost-sharing provisions. Given the importance of this bill, I believe we should move quickly in passing this legislation.

The cost-sharing provisions added by the other body are a fair compromise. We now have a situation where project beneficiaries will pay for 15 percent of the repair costs—and, I note, this provision will apply even where the Federal Government is responsible for the repairs. The bill already provided for cost sharing when additional benefits are created such as increased flood control or water supply.

In my district alone, there are three dams that have been determined to be unsafe and will be repaired under the Safety of Dams Program. We should all be aware that to delay is to take the chance that we will have a dam failure, similar to the Teton Dam failure in Idaho—for which the Federal Government was liable. The cost of delay is significantly more than the funds authorized by this bill—the failure to Teton Dam alone cost the Federal Government, and thus the American taxpayers, more than half the cost of this entire bill.

I therefore urge my colleagues to join me in concurring with the Senate amendments to H.R. 1652 so we can get on with this much-needed program.●

Mr. SOLOMON. Mr. Speaker, I withdraw my reservation of objection.

Mr. UDALL. Mr. Speaker, I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate amendments to the bill, H.R. 1652.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

ARIZONA WILDERNESS ACT OF 1984

Mr. UDALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4707) to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Arizona Wilderness Act of 1984".

TITLE I

SEC. 101. (a) In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), the following lands in the State of Arizona are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System:

(1) certain lands in the Prescott National Forest, which comprise approximately five thousand four hundred and twenty acres, as generally depicted on a map entitled "Apache Creek Wilderness—Proposed", dated February 1984, and which shall be known as the Apache Creek Wilderness;

(2) certain lands in the Prescott National Forest, which comprise approximately fourteen thousand nine hundred and fifty acres, as generally depicted on a map entitled "Cedar Bench Wilderness—Proposed", dated August 1984, and which shall be known as the Cedar Bench Wilderness;

(3) certain lands in the Apache-Sitgreaves National Forest, which comprise approximately eleven thousand and eighty acres, as generally depicted on a map entitled "Bear Wallow Wilderness—Proposed", dated March 1984, and which shall be known as the Bear Wallow Wilderness;

(4) certain lands in the Prescott National Forest, which comprise approximately twenty-six thousand and thirty acres, as generally depicted on a map entitled "Castle Creek Wilderness—Proposed", dated August 1984, and which shall be known as the Castle Creek Wilderness;

(5) certain lands in the Coronado National Forest, which comprise approximately sixty-nine thousand seven hundred acres, as generally depicted on a map entitled "Chiricahua Wilderness—Proposed", dated March 1984, and which are hereby incorporated in and shall be deemed part of the Chiricahua Wilderness, as designated Public Law 88-577;

(6) certain lands in the Coconino National Forest, which comprise approximately eleven thousand five hundred and fifty acres, as generally depicted on a map entitled "Fossil Springs Wilderness—Proposed",

dated April 1984, and which shall be known as the Fossil Springs Wilderness;

(7) certain lands in the Tonto National Forest, which comprise approximately fifty-three thousand five hundred acres, as generally depicted on a map entitled "Four Peaks Wilderness—Proposed", dated April 1984, and which shall be known as the Four Peaks Wilderness;

(8) certain lands in the Coronado National Forest, which comprise approximately twenty-three thousand six hundred acres, as generally depicted on a map entitled "Galiuro Wilderness Additions—Proposed", dated April 1984, and which are hereby incorporated in and shall be deemed a part of the Galiuro Wilderness as designated by Public Law 88-577;

(9) certain lands in the Prescott National Forest, which comprise approximately nine thousand eight hundred acres, as generally depicted on a map entitled "Granite Mountain Wilderness—Proposed", dated April 1984, and which shall be known as Granite Mountain Wilderness;

(10) certain lands in the Tonto National Forest, which comprise approximately thirty-six thousand seven hundred and eighty acres, as generally depicted on a map entitled "Hellsgate Wilderness—Proposed", dated August 1984, and which shall be known as the Hellsgate Wilderness;

(11) certain lands in the Prescott National Forest which comprise approximately seven thousand six hundred acres, as generally depicted on a map entitled "Juniper Mesa Wilderness—Proposed", dated February 1984, and which shall be known as the Juniper Mesa Wilderness;

(12) certain lands in the Kaibab and Coconino National Forests, which comprise approximately six thousand five hundred and ten acres, as generally depicted on a map entitled "Kendrick Mountain Wilderness—Proposed", dated February 1984, and which shall be known as Kendrick Mountain Wilderness;

(13) certain lands in the Tonto National Forest, which comprise approximately forty-six thousand six hundred and seventy acres, as generally depicted on a map entitled "Mazatzal Wilderness Additions—Proposed", dated August 1984, and which are hereby incorporated and shall be deemed a part of the Mazatzal Wilderness as designated by Public Law 88-577: *Provided*, That within the lands added to the Mazatzal Wilderness by this Act, the provisions of the Wilderness Act shall not be construed to prevent the installation and maintenance of hydrologic, meteorologic, or telecommunications facilities, or any combination of the foregoing, or limited motorized access to such facilities when nonmotorized access means are not reasonably available or when time is of the essence, subject to such conditions as the Secretary deems desirable, where such facilities or access are essential to flood warning, flood control, and water reservoir operation purposes;

(14) certain lands in the Coronado National Forest, which comprise approximately twenty thousand one hundred and ninety acres, as generally depicted on a map entitled "Miller Peak Wilderness—Proposed", dated February 1984, and which shall be known as the Miller Peak Wilderness;

(15) certain lands in the Coronado National Forest, which comprise approximately twenty-five thousand two hundred and sixty acres, as generally depicted on a map entitled "Mt. Wrightson Wilderness—Proposed", dated February 1984, and which shall be known as the Mt. Wrightson Wilderness;

(16) certain lands in the Coconino National Forest, which comprise approximately eighteen thousand one hundred and fifty acres, as generally depicted on a map entitled "Munds Mountain Wilderness—Proposed", dated August 1984, and which shall be known as the Munds Mountain Wilderness;

(17) certain lands in the Coronado National Forest, which comprise approximately seven thousand four hundred and twenty acres, as generally depicted on a map entitled "Pajarita Wilderness—Proposed", dated March 1984, and which shall be known as the Pajarita Wilderness;

(18) certain lands in the Coconino National Forest, which comprise approximately forty-three thousand nine hundred and fifty acres, as generally depicted on a map entitled "Red Rock-Secret Mountain Wilderness—Proposed", dated April 1984, and which shall be known as the Red Rock-Secret Mountain Wilderness;

(19) certain lands in the Coronado National Forest, which comprise approximately thirty-eight thousand five hundred and ninety acres, as generally depicted on a map entitled "Rincon Mountain Wilderness—Proposed", dated February 1984, and which shall be known as the Rincon Mountain Wilderness;

(20) certain lands in the Tonto National Forest, which comprise approximately eighteen thousand nine hundred and fifty acres, as generally depicted on a map entitled "Salome Wilderness—Proposed", dated August 1984, and which shall be known as the Salome Wilderness;

(21) certain lands in the Tonto National Forest, which comprise approximately thirty-two thousand eight hundred acres, as generally depicted on a map entitled "Salt River Canyon Wilderness—Proposed", dated April 1984, and which shall be known as the Salt River Canyon Wilderness;

(22) certain lands in the Coconino National Forest, which comprise approximately eighteen thousand two hundred acres, as generally depicted on a map entitled "Kachina Peaks Wilderness—Proposed", dated August 1984, and which shall be known as the Kachina Peaks Wilderness;

(23) certain lands in the Coronado National Forest, which comprise approximately twenty-six thousand seven hundred and eighty acres, as generally depicted on a map entitled "Santa Teresa Wilderness—Proposed", dated February 1984, and which shall be known as the Santa Teresa Wilderness; the governmental agency having jurisdictional authority may authorize limited access to the area, for private and administrative purposes, from U.S. Route 70 along Black Rock Wash to the vicinity of Black Rock;

(24) certain lands in the Tonto National Forest, which comprise approximately thirty-five thousand six hundred and forty acres, as generally depicted on a map entitled "Superstition Wilderness Additions—Proposed", dated August 1984, and which are hereby incorporated in and shall be deemed to be a part of the Superstition Wilderness as designated by Public Law 88-577;

(25) certain lands in the Coconino National Forest and Prescott National Forest, which comprise approximately eight thousand one hundred and eighty acres, as generally depicted on a map entitled "Sycamore Canyon Wilderness Additions—Proposed", dated April 1984, and which are hereby incorporated in and shall be deemed a part of the Sycamore Canyon Wilderness as designated by Public Law 92-241;

(26) certain lands in the Coconino National Forest, which comprise approximately thirteen thousand six hundred acres, as generally depicted on a map entitled "West Clear Creek Wilderness—Proposed", dated April 1984, and which shall be known as the West Clear Creek Wilderness;

(27) certain lands in the Coconino National Forest, which comprise approximately six thousand seven hundred acres, as generally depicted on a map entitled "Wet Beaver Wilderness—Proposed", dated February 1984, and which shall be known as the Wet Beaver Wilderness;

(29) certain lands in the Prescott National Forest, which comprise approximately five thousand six hundred acres, as generally depicted on a map entitled "Woodchute Wilderness—Proposed", dated August 1984, and which shall be known as the Woodchute Wilderness.

(29) certain lands in the Coconino National Forest, which compromise approximately ten thousand one hundred and forty acres, as generally depicted on a map entitled "Strawberry Crater Wilderness—Proposed", dated April 1984, and which shall be known as Strawberry Crater Wilderness;

(30) certain lands in the Apache-Sitgreaves National Forest, which comprise approximately five thousand two hundred acres, as generally depicted on a map entitled "Escudilla—Proposed Wilderness", dated April 1984, and which shall be known as Escudilla Wilderness.

(b) Subject to valid existing rights, the wilderness areas designated under this section shall be administered by the Secretary of Agriculture (hereinafter in this title referred to as the "Secretary") in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of enactment of this Act.

(c) As soon as practicable after enactment of this Act, the Secretary shall file a map and a legal description of each wilderness area designated under this section with the Committee on Interior and Insular Affairs of the United States House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. Such map and description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in such legal description and map may be made. Such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, United States Department of Agriculture.

(d) The Congress does not intend that designation of wilderness areas in the State of Arizona lead to the creation of protective perimeters or buffer zones around each wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within a wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(e)(1) As provided in paragraph (6) of section 4(d) of the Wilderness Act, nothing in this Act or in the Wilderness Act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from Arizona State water laws.

(2) As provided in paragraph (7) of section 4(d) of the Wilderness Act, nothing in this Act or in the Wilderness Act shall be construed as affecting the jurisdiction or re-

sponsibilities of the State of Arizona with respect to wildlife and fish in the national forests located in the State.

(f)(1) Grazing of livestock in wilderness areas established by this title, where established prior to the date of the enactment of this Act, shall be administered in accordance with section 4(d)(4) of the Wilderness Act and section 108 of Public Law 96-560.

(2) The Secretary is directed to review all policies, practices, and regulations of the Department of Agriculture regarding livestock grazing in national forest wilderness areas in Arizona in order to insure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas, as such intent is expressed in this Act.

(3) Not later than one year after the date of the enactment of this Act, and at least every five years thereafter, the Secretary of Agriculture shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a report detailing the progress made by the Forest Service in carrying out the provisions of paragraphs (1) and (2) of this section.

SEC. 102. (a) In furtherance of the purposes of the Wilderness Act, the Secretary of Agriculture shall review the following as to their suitability or nonsuitability for preservation as wilderness and shall submit his recommendations to the President:

(1) certain lands in the Coronado National Forest, which comprise approximately eight hundred fifty acres, as generally depicted on a map entitled "Bunk Robinson Wilderness Study Area Additions—Proposed", dated February 1984, and which are hereby incorporated in the Bunk Robinson Wilderness Study Area as designated by Public Law 96-550;

(2) certain lands in the Coronado National Forest, which comprise approximately five thousand and eighty acres, as generally depicted on a map entitled "Whitemire Canyon Study Area Additions—Proposed", dated February 1984, and which are hereby incorporated in the Whitmire Canyon Wilderness Study Area as designated by Public Law 96-550; and

(2) certain lands in the Coronado National Forest, which comprise approximately sixty-two thousand acres, as generally depicted on a map entitled "Mount Graham Wilderness Study Area", dated August, 1984, and which shall be known as the Mount Graham Wilderness Study Area.

With respect to the areas named in paragraphs (1) and (2); the President shall submit his recommendations to the United States House of Representatives and the United States Senate no later than January 1, 1986.

(b) Subject to valid existing rights, the wilderness study areas designated by this section shall, until Congress determines otherwise, be administered by the Secretary so as to maintain their presently existing wilderness character and potential for inclusion in the National Wilderness Preservation System.

SEC. 103. (a) The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II);

(2) The Congress has made its own review and examination of national forest system roadless areas in Arizona and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to national forest system lands in States other than Arizona, such statement shall not be subject to judicial review with respect to national forest system lands in the State of Arizona;

(2) with respect to the national forest system lands in the State of Arizona which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), except those lands designated for wilderness study upon enactment of this Act, that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Arizona reviewed in such final environmental statement or referred to in subsection (d) and not designated wilderness or wilderness study upon enactment of this Act shall be managed for multiple use in accordance with land management plans purusant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Arizona are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Argiculture shall not conduct any further statewide roadless area review and evaluation of national forest system lands in the State of Arizona for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an "amendment" to a plan.

(d) The provisions of this section shall also apply to national forest system roadless lands in the State of Arizona which are less than five thosand acres in size.

SEC. 104. Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274) is amended by inserting the following after paragraph (50):

"(51) VERDE, ARIZONA.—The segment from the boundary between national forest and private land in sections 26 and 27, township 13 north, range 5 east, Gila Salt River meridian, downstream to the confluence with Red Creek, as generally depicted on a map entitled 'Verde River—Wild and Scenic River', dated March 1984, which is on file and available for public inspection in the Office of the Chief, Forest Service, United States Department of Agriculture; to be administered by the Secretary of Agriculture. This designation shall not prevent water users receiving Central Arizona Project water allocations from diverting that water through an exchange agreement with downstream water users in accordance with Arizona water law. After consultation with State and local governments and the interested public and within two years after the date of enactment of this paragraph, the Secretary shall take such action as is required under subsection (b) of this section.".

SEC. 105. There are added to the Chiricahua National Monument, in the State of Arizona, established by Proclamation Numbered 1692 of April 18, 1924 (43 Stat. 1946) certain lands in the Coronado National Forest which comprise approximately eight hundred and fifty acres as generally depicted on the map entitled "Bonita Creek Watershed", dated May 1984, retained by the United State Park Service, Washington, D.C. The area added by this paragraph shall be administered by the National Park Service as wilderness.

TITLE II

SEC. 201. The Congress finds that—

(1) the Aravaipa Canyon, situated in the Galiuro Mountains in the Sonoran desert region of southern Arizona, is a primitive place of great natural beauty that, due to the rare presence of a perennial stream, supports an extraordinary abundance and diversity of native plant, fish, and wildlife, making it a resource of national significance; and

(2) the Aravaipa Canyon should, together with certain adjoining public lands, be incorporated within the national wilderness preservation system in order to provide for the preservation and protection of this relatively undisturbed but fragile complex of desert, riparian and aquatic ecosystems, and the native plant, fish, and wildlife communities dependent on it, as well as to protect and preserve the area's great scenic, geologic, and historical values, to a greater degree than would be possible in the absence of wilderness designation.

SEC. 202. In furtherance of the purposes of the Wilderness Act of 1964 (78 Stat. 890, 16 U.S.C. 1131 et seq.) and consistent with the policies and provisions of the Federal Land Policy and Management Act of 1976 (90 Stat. 2743; 43 U.S.C. 1701 et seq.), certain public lands in Graham and Pinal Counties, Arizona, which comprise approximately six thousand six hundred and seventy acres, as generally depicted on a map entitled "Aravaipa Canyon Wilderness—Proposed" and dated May 1980, are hereby designated as the Aravaipa Canyon Wilderness and, therefore, as a component of the national wilderness preservation system.

SEC. 203. Subject to valid existing rights, the Aravaipa Canyon Wilderness shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness. For purposes of this title, any references in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act and any reference to the Secretary of Agriculture with regard to administration of such areas shall be deemed to be a reference to the Secretary of the Interior, and any reference to wilderness areas designated by the Wilderness Act or designated national forest wilderness areas shall be deemed to be a reference to the Aravaipa Canyon Wilderness. For purposes of this title, the reference to national forest rules and regulations in the second sentence of section 4(d)(3) of the Wilderness Act shall be deemed to be a reference to rules and regulations applicable to public lands, as defined in section 103(e) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701, 1702).

SEC. 204. As soon as practicable after this Act takes effect, the Secretary of the Interior shall file a map and a legal description of the Aravaipa Canyon Wilderness with the Committee on Energy and Natural Resources of the United States Senate and with the Committee on Interior and Insular Affairs of the United States House of Representatives, and such map and description shall have the same force and effect as if included in this Act: *Provided*, That correction of clerical and typographical errors in the legal description and map may be made. The map and legal description shall be on file and available for public inspection in the offices of the Bureau of Land Management, Department of the Interior.

SEC. 205. Except as further provided in this section, the Aravaipa Primitive Area designations of January 16, 1969, and April 28, 1971, are hereby revoked.

TITLE III

SEC. 301. (a) In furtherance of the purposes of the Wilderness Act, the following lands are hereby designated as wilderness and therefore, as components of the National Wilderness Preservation System.

(1) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately six thousand five hundred acres, as generally depicted on a map entitled "Cottonwood Point Wilderness—Proposed", dated May 1983, and which shall be known as the Cottonwood Point Wilderness;

(2) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately thirty-six thousand three hundred acres, as generally depicted on a map entitled "Grand Wash Cliffs Wilderness—Proposed", dated May 1983, and which shall be known as the Grand Wash Cliffs Wilderness;

(3) certain lands in the Kaibab National Forest and in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately seventy-seven thousand one hundred acres, as generally depicted on a map entitled "Kanab Creek Wilderness—Proposed", dated May 1983, and which shall be known as the Kanab Creek Wilderness;

(4) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately fourteen thousand six hundred acres, as generally depicted on a map entitled "Mt. Logan Wilderness—Proposed", dated May 1983, and which shall be known as the Mount Logal Wilderness;

(5) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately seven thousand nine hundred acres, as generally depicted on a map entitled "Mt. Trumbull Wilderness—Proposed", dated May 1983, and which shall be known as the Mount Trumbull Wilderness;

(6) certain lands in the Arizona Strip District of the Bureau of Land Management, Arizona, which comprise approximately eighty-four thousand seven hundred acres, as generally depicted on a map entitled "Paiute Wilderness—Proposed", dated May 1983, and which shall be known as the Paiute Wilderness;

(7) certain lands in the Arizona Strip District, Arizona, and in the Cedar City District, Utah, of the Bureau of Land Management, which comprise approximately one hundred and ten thousand acres, as generally depicted on a map entitled "Paria Canyon-Vermilion Cliffs Wilderness—Proposed", dated May 1983, and which shall be known as the Paria Canyon-Vermilion Cliffs Wilderness;

(8) certain lands in the Kaibab National Forest, Arizona, which comprise approximately forty thousand six hundred acres, as generally depicted on a map entitled "Saddle Mountain Wilderness—Proposed", dated May 1983, and which shall be known as the Saddle Mountain Wilderness; and

(9) certain lands in the Arizona Strip District, Arizona, and in the Cedar City District, Utah, of the Bureau of Land Management which comprise approximately nineteen thousand six hundred acres, as generally depicted on a map entitled "Beaver Dam Mountains Wilderness—Proposed", dated May 1983, and which shall be known as the Beaver Dam Mountains Wilderness;

(b) The previous classifications of the Paiute Primitive Area and the Paria Canyon Primitive Area are hereby abolished.

SEC. 302. (a) Subject to valid existing rights, each wilderness area designated by this title shall be administered by the appropriate Secretary in accordance with the provisions of the Wilderness Act: *Provided:*, That any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary who has administered jurisdiction over the area.

(b) Within the wilderness areas designated by this title, the grazing of livestock, where established prior to the date of enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary concerned deems necessary, as long as such regulations, policies, and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent in expressed in the Wilderness Act.

SEC. 303. As soon as practicable after enactment of this Act, a map and a legal description on each wilderness area designated by this title shall be filed by the Secretary concerned with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives, and each such map and description shall have the same force and effect as if included in this Act: *Provided:* That correction of clerical and typographical errors in each such legal description and map may be made by the Secretary concerned subsequently to such filings. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture or in the Office of the Director of the Bureau of Land Management, Department of the Interior, as is appropriate.

SEC. 304. The Congress hereby finds and directs that lands in the Arizona Strip District of the Bureau of Land Management, Arizona, and those portions of the Starvation Point Wilderness Study Area (UT-040-057) and Paria Canyon Instant Study Area and contiguous Utah units in the Cedar City District of the Bureau of Land Management, Utah, not designated as wilderness by this Act have been adequately studied for wilderness designation pursuant to section 603 of the Federal Land Policy and Management Act (Public Law 94-579), and are no longer subject to the requirement of Section 603(c) of the Federal Land Policy and Management Act pertaining to the management of wilderness study areas in a manner that does not impair the suitability of such areas for preservation as wilderness.

TITLE IV

SEC. 401. If any provision of this Act or the application thereof is held invalid, the remainder of the Act and the application thereof shall not be affected thereby.

Mr. UDALL (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER. Is there objection to the initial request of the gentleman from Arizona?

Mr. LUJAN. Reserving the right to object, Mr. Speaker, I take this opportunity simply to ask the gentleman to give us a little background as to what is in this legislation, if he would, please.

□ 1010

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Speaker, it gives me great pleasure today to ask the House to give final approval to H.R. 4707, the Arizona Wilderness Act. This omnibus legislation has just been considered by the Senate, and I urge my colleagues to accept the Senate amendment without change.

If we pass this bill today and the President then signs it, Arizona will have proudly contributed more than 1 million additional acres to the national wilderness preservation system and the great bulk of the controversy over which forest lands in our State should be managed as wilderness will be terminated.

Mr. Speaker, the House approved H.R. 4707 by an overwhelming margin in April. Since that time, I have worked closely with Senator BARRY

GOLDWATER to refine and modify the House proposal to further accommodate the concerns of ranchers, miners, conservationists and others. I want to express my deepest appreciation and respect for the truly superb job Senator GOLDWATER and his staff have done on this legislation. If there is a better example of a wilderness bill which is the product of bipartisan cooperation, and which has been built from the bottom up by those citizens most directly affected by its provisions, then I don't know what that bill is. I also want to thank Senator DECONCINI and his staff for their excellent cooperation and steadfast support in seeing to it that this job gets done. And finally, I want to thank my Arizona colleagues on this side of the Capitol, especially Representatives JIM MCNULTY and JOHN MCCAIN for their tireless and invaluable efforts.

Mr. Speaker, in most important respects the amended bill closely tracks the bill passed by the House. Title I designates as wilderness 658,580 acres of national forest lands south of the Grand Canyon. One area—the proposed Sheridan Mountain Wilderness—has been dropped from the House bill. Two areas—Strawberry Crater and Escudilla Mountain—have been added. For the following areas the bill inserts final acreage calculations prepared by the Forest Service, but does not change the actual boundaries originally approved by the House—Bear Wallow, Chiricahua Additions, Kendrick Mountain, Miller Peak, Mount Wrightson, Pajarita, Rincon Mountain, Santa Teresa and the Bunk Robinson Wilderness Study Area. This is also the case with the Saddle Mountain Wilderness designated in title III. The Red Rock-Secret Mountain boundaries are those passed by the Senate and are only slightly different from the House boundaries, although the acreage calculation has been substantially reduced. The name of the Arnold Mesa Wilderness has been changed to the Cedar Bench Wilderness and the San Francisco Peaks Wilderness has been changed to Kachina Peaks to reflect the deep Hopi religious significance of the area. Although the acreage calculation has not changed, the map has been slightly altered to permit a narrow, underground utility corridor for possible observatory development on top of the mountain. Also, the Senate has amended language regarding access across a road near the Santa Teresa Wilderness. Representative NCNULTY will address this subject, and I fully concur in his remarks.

Title I retains all the important management directives contained in the original House bill. Most importantly, the Senate has agreed to the House provisions dealing with the grazing rights of ranchers with allotments in wilderness.

The language releasing Forest Service lands not designated as wilderness is the formula that Representative JOHN SEIBERLING, Senator JAMES MCCLURE and I were able to work out this spring and which ended a lengthy controversy that had held up enactment of the RARE II bills for many years. This language has now become the standard formula for all statewide Forest Service wilderness bills. I would note here that in Arizona, the release language applies equally to Forest Service lands not designated as wilderness north of the Grand Canyon on the so-called Arizona Strip, as well as to such lands elsewhere in the state. It does not, of course, apply to the Blue Range Primitive Area, which retains its present status.

Title I also retains without change the designation of a 39.5-mile segment of the Verde River as a component of the Wild and Scenic Rivers System. I am especially proud of this provision, not only because it is the first addition to the system in more than 4 years, but also because it is the very first time that a desert river has been so favored.

Finally, title I adds a small 850-acre parcel called the Bonita Creek area to the existing Chiricahua National Monument, which is managed by the National Park Service. This will integrate an important and sensitive watershed into protective status, and I wish to thank Senator DECONCINI for bringing this issue to our attention.

Title III designates as wilderness 6,670 acres of the beautiful Aravaipa Canyon, which is managed by the Bureau of Land Management. This title remains unchanged from the House bill. Title III designates as wilderness about 396,000 acres of BLM and Forest Service land on the Arizona Strip. This model of cooperation between conservationists, business and industry groups remains identical to the House provisions, except the previous references to release of Forest Service lands on the strip have been deleted so as not to conflict with the release language provisions covering all undesignated forest lands throughout Arizona, including those on the strip.

Mr. Speaker, this is a day that many people thought would be a long time coming in Arizona, indeed a day that some said would never come. But Arizonans throughout the State, of widely differing political views and economic interests, rallied to work out their differences to produce a bill that is in everybody's interests. I am very proud to support their efforts here today.

Mr. LUJAN. Mr. Speaker, I thank the gentleman for that explanation.

I understand the entire Arizona delegation on both sides of the Capitol have in essence agreed to this legislation?

Mr. UDALL. Not in every respect. There are some differences, but Senator GOLDWATER and the Senate delegation, the Governor, the gentleman from Arizona [Mr. MCCAIN], and I are all in agreement on all provisions.

● Mr. MCNULTY. Mr. Speaker, with regards to the provision for access across Black Rock Wash road to the Santa Theresa Wilderness Area, I offer the following historical information which resulted in inclusion of the provision. It is the intention of this provision that the Forest Service retains all jurisdiction over the Santa Theresa Wilderness and that the access provision applies only to the right of way across Black Rock Wash road.

The Black Rock Wash road provides the most reasonable vehicular access to the vicinity of the proposed wilderness. In addition, the road is vital to several ranching families in the area. The road traverses lands known as the San Carlos Mineral Strip which are held in trust by the United States for the benefit of the San Carlos Apache Tribe as described by the Executive orders of November 9, 1871 and December 14, 1872, the act of June 10, 1896 (29 Stat. 321,360), orders of the Secretary of the Interior dated June 17, 1963 and January 16, 1969, and judgment of the U.S. District Court for the District of Arizona, dates April 11, 1978, in *State of Arizona* v. *Rogers C. B. Morton, the United States of America and the San Carlos Tribe of Indians,* No. Civ. 74-696,m PHX-WPC.

No right of way pursuant to Federal law has been acquired. Although the lands were once opened to entry pursuant to the mineral entry laws of the United States, no rights of way were acquired during that period. All of these lands were closed to entry by Secretarial Order of March 30, 1931 and September 9, 1934.

The State of Arizona, the United States and local ranchers have been permitted access across this land by the tribe. In 1978, the tribe offered to formalize that access by the issuance of permits to the State, to the ranchers, their agents and representatives, and to the United States. The permits proposed by the tribe for the States and the United States were to be for governmental administrative purposes and not for general public access.

It is recommended that the parties formalize this access by issuance and acceptance of tribal access permits.

It is also recommended that a joint permit system be established between the San Carlos Apache Tribe and other Federal departments to govern public access to the area. The area is remote and difficult to protect from vandalism. It is believed that this method of limited access to be in the best interest of protecting the wilderness area, the governments and per-

sons having real property interests in the area.●

Mr. LUJAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the initial request of the gentleman from Arizona?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all members may have 5 legislative days in which to revise and extend their remarks on the legislation just adopted.

The SPEAKER. Is these objection to the request of the gentleman from Arizona?

There was no objection.

ESTABLISHING A STATE MINING AND MINERAL RESOURCES RESEARCH INSTITUTE PROGRAM

Mr. UDALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4214) to establish a State Mining and Mineral Resources Research Institute Program, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

AUTHORIZATION OF STATE ALLOTMENTS TO INSTITUTES

SECTION 1. (a)(1) There are authorized to be appropriated to the Secretary of the Interior (hereafter in this Act referred to as the "Secretary") funds adequate to provide for each participating State $300,000 for the fiscal year ending September 30, 1985, and $400,000 to each participating State for each fiscal year thereafter for a total of five years, to assist the States in carrying on the work of a competent and qualified mining and mineral resources research institute or center (hereafter in this Act referred to as the "institute") at one public college or university in the State which meets the eligibility criteria established in section 10.

(2)(A) Funds appropriated under this section shall be made available for grants to be matched on a basis of no less than one and one-half non-Federal dollars for each Federal dollar during the fiscal years ending September 30, 1985, and September 30, 1986, and no less than two non-Federal dollars for each Federal dollar during the fiscal years ending September 30, 1989.

(B) If there is more than one such eligible college or university in a State, funds appropriated under this Act shall, in the absence of a designation to the contrary by act of the legislature of the State, be granted to one such college or university designated by the Governor of the State.

(C) Where a State does not have a public college or university eligible under section 10, the Committee on Mining and Mineral Resources Research establishment in section 9 (hereafter in this Act referred to as the "Committee") may allocate the State's allotment to one private college or university which it determines to be eligible under such section.

(b) It shall be the duty of each institute to plan and conduct, or arrange for a component or components of the college or university with which it is affiliated to conduct, research, investigations, demonstrations, and experiments of either, or both, a basic or practical nature in relation to mining and mineral resources, and to provide for the training of mineral engineers and scientists through such research, investigations, demonstrations, and experiments. The subject of such research, investigation, demonstration, experiment, and training may include exploration; extraction; processing; development; production of mineral resources; mining and mineral technology; supply and demand for minerals; conservation and best use of available supplies of minerals; the economic, legal, social, engineering, recreational, biological, geographic, ecological, and other aspects of mining, mineral resources, and mineral reclamation. Such research, investigation, demonstration, experiment and training shall consider the interrelationship with the natural environment, the varying conditions and needs of the respective States, and mining and mineral resources research projects being conducted by agencies of the Federal and State Governments and other institutes.

RESEARCH FUNDS TO INSTITUTES

SEC. 2. (a) There is authorized to be appropriated to the Secretary $10,000,000 for the fiscal year ending September 30, 1985. This amount shall be increased by $1,000,000 for each fiscal year thereafter for four additional years, which shall remain available until expended. Such funds when appropriated shall be made available to institutes to meet the necessary expenses for purposes of—

(1) specific mineral research and demonstration projects of broad application, which could not otherwise be undertaken, including the expenses of planning and coordinating regional mining and mineral resources research projects by two or more institutes; and

(2) research into any aspects of mining and mineral resources problems related to the mission of the Department of the Interior, which are deemed by the Committee to be desirable and are not otherwise being studied.

(b) Each application for funds under subsection (a) of this section shall state, among other things, the nature of the project to be undertaken; the period during which it will be pursued; the qualifications of the personnel who will direct and conduct it; the estimated costs; the importance of the project to the Nation, region, or State concerned; its relation to other known research projects theretofore pursued or being pursued; the extent to which the proposed project will provide opportunity for the training of mining and mineral engineers and scientists; and the extent of participation by nongovernmental sources in the project.

(c) The Committee shall review all such funding applications and recommend to the Secretary the use of the institutes, insofar as practicable, to perform special research. Recommendations shall be made without regard to the race, religion, or sex of the personnel who will conduct and direct the research, and on the basis of the facilities available in relation to the particular needs of the research project; special geographic, geologic, or climatic conditions within the immediate vicinity of the institute; any other special requirements of the research project; and the extent to which such project will provide an opportunity for training individuals as mineral engineers and scientists. The Committee shall recommend to the Secretary the designation and utilization of such portions of the funds authorized to be appropriated by this section as it deems appropriate for the purpose of providing scholarships, graduate fellowships, and postdoctoral fellowships.

(d) No funds shall be made available under subsection (a) of this section except for a project approved by the Secretary and all funds shall be made available upon the basis of merit of the project, the need for the knowledge which it is expected to produce when completed, and the opportunity it provides for the training of individuals as mineral engineers and scientists.

(e) No funds made available under this section shall be applied to the acquisition by purchase or lease of any land or interests therein, or the rental, purchase, construction, preservation, or repair of any building.

FUNDING CRITERIA

SEC. 3. (a) Funds available to institutes under sections 1 and 2 of this act shall be paid at such times and in such amounts during each fiscal year as determined by the Secretary, and upon vouchers approved by him. Each institute shall—

(1) set forth its plan to provide for the training of individuals as mineral engineers and scientists under a curriculum appropriate to the field of mineral resources and mineral engineering and related fields;

(2) set forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available for purposes of this Act, and in no case supplant such funds; and

(3) have an officer appointed by its governing authority who shall receive and account for all funds paid under the provisions of this Act and shall make an annual report to the Secretary on or before the first day of September of each year, on work accomplished and the status of projects underway, together with a detailed statement of the amounts received under any provisions of this Act during the preceding fiscal year, and of its disbursements on schedules prescribed by the Secretary.

If any of the funds received by the authorized receiving officer of any institute under the provisions of this Act shall by any action or contingency be found by the Secretary to have been improperly diminished, lost, or misapplied, such funds shall be replaced by the State concerned and until so replaced no subsequent appropriation shall be allotted or paid to any institute of such State.

(b) The institutes are authorized and encouraged to plan and conduct programs under this Act in cooperation with each other and with such other agencies and individuals as may contribute to the solution of the mining and mineral resources problems involved. Moneys appropriated pursuant to this Act shall be available for paying the necessary expenses of planning, coordinating, and conducting such cooperative research.

DUTIES OF THE SECRETARY

SEC. 4. (a) The Secretary shall administer this Act and, after full consultation with other interested Federal agencies, shall prescribe such rules and regulations as may be

necessary to carry out its provisions. The Secretary shall furnish such advice and assistance as will best promote the purposes of this Act, shall participate in coordinating research initiated under this Act by the institutes, shall indicate to them such lines of inquiry that seem most important, and shall encourage and assist in the establishment and maintenance of cooperation by and between the institutes and between them and other research organizations, the United States Department of the Interior, and other Federal establishments.

(b) On or before the first day of July in each year beginning after the date of enactment of this Act, the Secretary shall ascertain whether the requirements of section 3(a) have been met as to each institute and State.

(c) The Secretary shall make an annual report to the Congress of the receipts, expenditures, and work of the institutes in all States under the provisions of this Act. The Secretary's report shall indicate whether any portion of an appropriation available for allotment to any State has been withheld and, if so, the reason therefor.

AUTONOMY

SEC. 5. Nothing in this Act shall be construed to impair or modify the legal relationship existing between any of the colleges or universities under whose direction an institute is established and the government of the State in which it is located, and nothing in this Act shall in any way be construed to authorize Federal control or direction of education at any college or university.

MISCELLANEOUS PROVISIONS

SEC. 6. (a) The Secretary shall obtain the continuing advice and cooperation of all agencies of the Federal Government concerned with mining and mineral resources, of State and local governments, and of private institutions and individuals to assure that the programs authorized by this Act will supplement and not be redundant with respect to established mining and minerals research programs, and to stimulate research in otherwise neglected areas, and to contribute to a comprehensive nationswide program of mining and minerals research, with due regard for the protection and conservation of the environment. The Secretary shall make generally available information and reports on projects completed, in progress, or planned under the provisions of this Act, in addition to any direct publication of information by the institutes themselves.

(b) Nothing in this Act is intended to give or shall be construed as giving the Secretary any authority over minng and mineral resources research conducted by any agency of the Federal Government, or as repealing or diminishing existing authorities or responsibilities of any agency of the Federal Government to plan and conduct, contract for, or assist in research in its area of responsibility and concern with regard to mining and mineral resources.

(c) No research, demonstration, or experiment shall be carried out under this Act by an institute financed by grants under this Act, unless all uses, products, processes, patents, and other developments resulting therefrom, with such exception or limitation, if any, as the Secretary may find necessary in the public interest, are made available promptly to the general public. Patentable inventions shall be governed by the provisions of Public Law 96-517. Nothing contained in this section shall deprive the owner of any background patent relating to any such activities of any rights which that owner may have under that patent.

(d) There are authorized to be appropriated after September 30, 1984, such sums as are necessary for the printing and publishing of the results of activities carred out by institutes under this Act and for administrative planning and direction, but such appropriations shall not exceed $1,000,000 in any single fiscal year.

CENTER FOR CATALOGING

SEC. 7. Secretary shall establish a center for cataloging current and projected scientific research in all fields of mining and mineral resources. Each Federal agency doing mining and mineral resources shall cooperate by providing the cataloging center with information on work underway or scheduled by it. The cataloging center shall classify and maintain for public use a catalog of mining and mineral resources research and investigation projects in progress or scheduled by all Federal agencies and by such non-Federal agencies of government, colleges, universities, private institutions, firms, and individuals as may make such information available.

INTERAGENCY COOPERATION

SEC. 8. The President shall, by such means as he deems appropriate, clarify agency responsibility for Federal mining and mineral resources research and provide for interagency coordination of such research, including the research authorized by this Act. Such coordination shall include—

(1) continuing review of the adequacy of the Government-wide program in mining and mineral resources research;

(2) identification and elimination of duplication and overlap between agency programs;

(3) identification of technical needs in various mining and mineral resources research categories;

(4) recommendations with respect to allocation of technical effort among Federal agencies;

(5) review of technical manpower needs, and findings concerning management policies to improve the quality of the Government-wide research effort; and

(6) actions to facilitate interagency communication at management levels.

COMMITTEE

SEC. 9. (a) The Secretary shall appoint a Committee on Mining and Mineral Resources Research composed of—

(1) the Assistant Secretary of the Interior responsible for minerals and mining research, or his delegate;

(2) the Director, Bureau of Mines, or his delegate;

(3) the Director, United States Geological Survey, or his delegate;

(4) the Director of the National Science Foundation, or his delegate;

(5) the President, National Academy of Sciences, or his delegate;

(6) the President, National Academy of Engineering, or his delegate; and

(7) not more than six other persons who are knowledgeable in the fields of mining and mineral resources research, including two university administrators involved in the conduct of programs authorized by section 301 of the Surface Mining Control and Reclamation Act of 1977, two representatives from the mining industry, a working miner, and a representative from the conservation community. In making these six appointments, the Secretary shall consult with interested groups.

(b) The Committee shall consult with, and make recommendations to, the Secretary on all matters relating to mining and mineral resources research and the determinations that are required to be made under this Act. The Secretary shall consult with, and consider recommendations of, such Committee in such matters.

(c) Committee members, other than officers or employees of Federal, State, or local governments, shall be, for each day (including traveltime) during which they are performing Committee business, paid at a rate fixed by the Secretary but not excess of the daily equivalent of the maximum rate of pay for grade GS-18 of the General Schedule under section 5332 of title 5 of the United States Code, and shall be fully reimbursed for travel, subsistence, and related expenses.

(d) The Committee shall be jointly chaired by the Assistant Secretary of the Interior responsible for minerals and mining and a person to be elected by the Committee from among the members referred to in paragraphs (5), (6), and (7) of subsection (a) of this section.

(e) The Committee shall develop a national plan for research in mining and mineral resources, considering ongoing efforts in the universities, the Federal Government, and the private sector, and shall formulate and recommend a program to implement the plan utilizing resources provided for under this Act. The Committee shall submit such plan to the Secretary, the President, and the Congress on or before March 1, 1986, and shall update the plan annually thereafter.

(f) Section 10 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Committee.

ELIGIBILITY CRITERIA

SEC. 10. (a) The Committee shall determine the eligibility of a college or university to participate as a mining and mineral resources research institute under this Act using criteria which include—

(1) the presence of a substantial program of graduate instruction and research in mining or mineral extraction or closely related fields which has a demonstrated history of achievement;

(2) evidence of institutional commitment for the purposes of this Act;

(3) evidence that such institution has or can obtain significant industrial cooperation in activities within the scope of this Act; and

(4) the presence of an engineering program in mining or minerals extraction that is accredited by the Accreditation Board for Engineering and Technology, or evidence of equivalent institutional capability as determined by the Committee.

(b) Notwithstanding the provisions of subsection (a), those colleges or universities which, on the date of enactment of this Act, have a mining or mineral resources research institute program which has been found to be eligible pursuant to title III of the Surface Mining Control and Reclamation Act of 1977 (91 Stat. 445) shall continue to be eligible pursuant to this Act for a period of four fiscal years beginning October 1, 1984.

Mr. UDALL (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER. Is there objection to the initial request of the gentleman from Arizona?

Mr. LUJAN. Mr. Speaker, reserving the right to object, I do so again simply to ask the gentleman to give us a little synopsis of what is in the legislation.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Speaker, this legislation reauthorizes funds for the minerals institutes at the various higher education institutions around the country. It is a very popular and effective program and has the support of the mining industry, as well as strong support in the House and Senate.

Mr. LUJAN. Mr. Speaker, I might say to the gentleman that I think it is very good legislation and we ought to move ahead with it.

● Mrs. VUCANOVICH. Mr. Speaker, I rise in strong support of the Mining and Mineral Resources Research Institute bill.

The program authorized by this legislation provides significant benefits to both the minerals industry and to the Nation. The institutes provide individuals to the industry who are trained in a wide range of disciplines relating to mining. They also make research available which is of great value to the industry for improving and maximizing recovery of minerals needed for our domestic supply and national security.

The bill authorizes funds for the institutes, but it also requires matching of Federal dollars. In this way, Federal funds are used to encourage State and private investment. Given the importance of our efforts as a Nation to achieve independence from unstable foreign sources of minerals and energy, I am entirely convinced that the Federal Government does have a responsibility to promote research and development of new mining technologies.

I must note, I find it ironic that we are considering this legislation in the same week as the Superfund reauthorization which, if passed, will tax copper at a time when our domestic industry is struggling to compete both at home and in the world market. Let me emphasize that our minerals industry needs the support of the kind embodied in the Minerals Institute bill, not the kind of counterproductive and harmful tax provisions contained in the Superfund legislation.

I urge my colleagues to join me in supporting our minerals industry and voting to reauthorize the Minerals Research Program.●

Mr. LUJAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the initial request of the gentleman from Arizona?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just adopted.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

REQUEST TO MAKE IN ORDER ON TODAY UNDER SUSPENSION OF THE RULES H.R. 1437, CALIFORNIA WILDERNESS ACT OF 1983

Mr. UDALL. Mr. Speaker, I ask unanimous consent that the Speaker may recognize the Committee on Interior and Insular Affairs for the purpose of moving to suspend the rules and pass H.R. 1437, as amended by the Senate.

Mr. Speaker, this is the California Wilderness bill. It has been worked out with the California delegation, but it ought to go on suspension. We are unable to pass it by unanimous consent, so I ask unanimous consent that it be in order today to move to suspend the rules and pass the California wilderness bill.

The SPEAKER. The Chair would ask the gentleman to withdraw that request so the Chair may have a conversation with the gentleman with regard to it.

Mr. UDALL. Mr. Speaker, I withdraw my last request.

The SPEAKER. The request is withdrawn.

CONFERENCE REPORT ON H.R. 6040, SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1984

Mr. WHITTEN submitted the following conference report and statement on the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 98-977)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 10, 14, 21, 44, 53, 54, 56, 78, 79, 83, 91, 97, 108, 122, 123, 125, 126, 127, 128, 133, 134, 150, 172, 189, 190, 192, 193, 194, 197, 200, 206, and 216.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 15, 17, 24, 25, 29, 31, 33, 34, 37, 38, 41, 42, 46, 57, 64, 65, 68, 69, 70, 71, 72, 74, 88, 89, 90, 93, 95, 98, 100, 102, 105, 109, 112, 113, 114, 115, 120, 121, 137, 139, 140, 142, 169, 173, 174, 176, 177, 182, 191, 196, 198, 202, 203, 204, and 207, and agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$12,000,000*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$12,000,000*; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$9,255,000*; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$7,882,000*; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *$4,936,000, of which $3,855,000 is*; and the Senate agree to the same.

Amendment numbered 59:

That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$70,000,000*; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$70,000,000*; and the Senate agree to the same.

Amendment numbered 73:

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows:

GENERAL PROVISION

The language "without the approval of the Committees on Appropriations" contained in "Title IV, General Provisions, Section 409" in Public Law 98-371 is hereby repealed.

And the Senate agree to the same.

Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,370,000*; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the sum proposed in said amendment insert: *$6,630,000*; and the Senate agree to the same.

Amendment numbered 86:

That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$27,000,000*; and the Senate agree to the same.

Amendment numbered 101:

That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

DEPARTMENT OF EDUCATION

And the Senate agree to the same.

Amendment numbered 141:

That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$25,000,000*; and the Senate agree to the same.

Amendment numbered 175:

That the House recede from its disagreement to the amendment of the Senate numbered 175, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended as follows: In lieu of the sum named in said amendment insert: *$975,000*; and the Senate agree to the same.

Amendment numbered 178:

That the House recede from its disagreement to the amendment of the Senate numbered 178, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$161,330,000*; and the Senate agree to the same.

Amendment numbered 179:

That the House recede from its disagreement to the amendment of the Senate numbered 179, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$198,410,000*; and the Senate agree to the same.

Amendment numbered 180:

That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$8,920,000*; and the Senate agree to the same.

Amendment numbered 181:

That the House recede from its disagreement to the amendment of the Senate numbered 181, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$102,050,000*; and the Senate agree to the same.

Amendment numbered 183:

That the House recede from its disagreement to the amendment of the Senate numbered 183, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$7,240,000*; and the Senate agree to the same.

Amendment numbered 184:

That the House recede from its disagreement to the amendment of the Senate numbered 184, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,590,000*; and the Senate agree to the same.

Amendment numbered 185:

That the House recede from its disagreement to the amendment of the Senate numbered 185, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$6,950,000*; and the Senate agree to the same.

Amendment numbered 186:

That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$13,900,000*; and the Senate agree to the same.

Amendment numbered 187:

That the House recede from its disagreement to the amendment of the Senate numbered 187, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$15,750,000*; and the Senate agree to the same.

Amendment numbered 188:

That the House recede from its disagreement to the amendment of the Senate numbered 188, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendments, amended to read as follows: *$1,500,000 and in addition;* and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 3, 4, 6, 9, 11, 13, 16, 20, 22, 23, 26, 27, 28, 30, 32, 35, 36, 39, 40, 43, 45, 47, 48, 49, 50, 51, 52, 55, 58, 61, 62, 63, 66, 67, 76, 77, 81, 82, 84, 85, 87, 92, 94, 96, 99, 103, 104, 106, 107, 110, 111, 116, 117, 118, 119, 124, 129, 130, 131, 132, 135, 136, 138, 143, 144, 145, 146, 147, 148, 149, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 170, 171, 195, 199, 201, 205, 208, 209, 210, 211, 212, 213, 214, and 215.

JAMIE L. WHITTEN,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
NEAL SMITH,
J.P. ADDABBO,
CLARENCE D. LONG,
SIDNEY R. YATES,
EDWARD R. ROYBAL,
TOM BEVILL,
WILLIAM LEHMAN,
JULIAN C. DIXON,
VIC FAZIO,
W.G. HEFNER,
SILVIO O. CONTE,
JOSEPH M. McDADE,
JACK EDWARDS,
JOHN T. MYERS,
CLARENCE MILLER,
LAWRENCE COUGHLIN,
JACK F. KEMP,
Managers on the Part of the House.

MARK O. HATFIELD,
TED STEVENS,
L.P. WEICKER, JR.,
JAMES A. McCLURE,
THAD COCHRAN,
MARK ANDREWS,
JAMES ABDNOR,
ROBERT KASTEN,
MACK MATTINGLY,
WARREN B. RUDMAN,
JOHN C. STENNIS,
DANIEL K. INOUYE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6040), making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I

CHAPTER I

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

BUILDINGS AND FACILITIES

Amendment No. 1: Appropriates $50,200,000 for buildings and facilities of the Agricultural Research Service as proposed by the House instead of $49,000,000 as proposed by the Senate.

The conference agreement includes $49,000,000 for the Children's Nutrition Research Center within the Texas Medical Center in Houston, Texas, and $1,200,000 for additional construction at the South Central Agricultural Research Center in Lane, Oklahoma.

AGRICULTURAL MARKETING SERVICE

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that during fiscal year 1984 the Secretary of Agriculture may not implement any amendment to a marketing order applicable to a fruit, vegetable, nut or specialty crop, unless each such amendment thereto is submitted to a separate vote.

The House bill contained a similar provision which provided that none of the funds appropriated or made available for fiscal year 1984 may be used by the Secretary to implement any amendment to a marketing order applicable to a fruit or vegetable.

The conference agreement ensures that growers will have an opportunity to vote on each proposed amendment separately, without that amendment being linked to any other consideration.

FEDERAL CROP INSURANCE CORPORATION

SUBSCRIPTION TO CAPITAL STOCK

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

SUBSCRIPTION TO CAPITAL STOCK

To enable the Secretary of the Treasury to subscribe and pay for additional capital stock of the Federal Crop Insurance Corporation, as provided in section 504(a) of the Federal Crop Insurance Act (7 U.S.C. 1504), $50,000,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $50,000,000 to enable the Secretary of the Treasury to subscribe and pay for additional capital stock of the Federal Crop Insurance Corporation. The House bill provided $25,000,000 for the purchase of additional capital stock and the Senate bill provided that $100,000,000 shall be available to be borrowed from the Treasury for use by the Federal Crop Insurance Corporation. Both the House bill and the Senate amendment provide funds to be used for the payment of indemnities.

FARMERS HOME ADMINISTRATION

AGRICULTURAL CREDIT INSURANCE FUND

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: , *and guaranteed operating loans, $150,000,000, to remain available until September 30, 1985*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $150,000,000 for guaranteed operating loans as proposed by the House instead of $650,000,000 as proposed by the Senate. The conference agreement provides that the funds shall remain available until September 30, 1985, as proposed by the Senate.

The funds provided by the conference agreement will be used primarily for the refinancing of existing indebtedness. The conferees intend to provide additional funds for this purpose in the 1985 Agriculture Appropriation Bill.

Amendment No. 5: Deletes House language providing $150,000,000 for guaranteed operating loans. These funds are provided in Amendment No. 4.

RURAL HOUSING PRESERVATION GRANTS

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert the following: *"$15,000,000"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $15,000,000 for rural housing preservation grants instead of $30,000,000 as proposed by the Senate.

RURAL HEALTH CENTER FINANCING

The conferees concur in the Senate report language concerning rural health center financing.

SOIL CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

Amendment No. 7: Appropriates $12,000,000 for emergency conservation measures instead of $5,000,000 as proposed by the House and $15,000,000 as proposed by the Senate.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

EMERGENCY CONSERVATION PROGRAM

Amendment No. 8: Appropriates $12,000,000 for the emergency conservation program instead of $8,000,000 as proposed by the House and $15,000,000 as proposed by the Senate.

1985 WHEAT PROGRAM

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

1985 WHEAT PROGRAM

Notwithstanding any other provision of law, in carrying out acreage limitation and land diversion programs for the 1985 crop of wheat, the Secretary shall permit all or any part of the acreage diverted from production under such programs by participating producers to be devoted to grazing except during five of the principal growing months, as determined for each State by the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement include the language of the Senate amendment relating to the grazing provisions of the 1985 wheat program.

RELATED AGENCIES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

BUILDINGS AND FACILITIES

Amendment No. 10: Appropriates $13,867,000 as proposed by the House instead of $14,867,000 as proposed by the Senate. The conferees agree that $1,000,000 should be made available from unobligated funds.

CHAPTER II

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "economic development assistance programs", $26,000,000 to remain available until expended, pursuant to 42 U.S.C. 3151(f) of which $7,000,000 is for a grant to the Institute for Technology Development in the State of Mississippi, and of which $19,000,000 is for a grant to Boston University in the State of Massachusetts, for the construction and related costs of the university engineering and technical training center.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH AND FACILITIES

Amendment No. 12: Appropriates $9,255,000 instead of $9,330,000 as proposed by the Senate and $5,725,000 as proposed by the House.

The conferees have provided for the following programs:

Regional ocean service centers	$500,000
Consolidation and restoration of facilities at the Great Lakes Environmental Laboratory	350,000
Building expansion at Wallops Island	1,200,000
Four NOMAD weather data buoys around Hawaii	875,000
Pribilof Islands upgrading of facilities and Convention compliance expenses	2,800,000
Assist in the movement of the AEGIR from Hawaii to the Virgin Islands	280,000
Submersible research dives in Long Island Sound in cooperation with the University of Connecticut	450,000
Colorado River Basin gauges	1,000,000
Temporary moorage of the CHAPMAN for two years at Pascagoula, Mississippi	(1)
Support of the Year of the Ocean Foundation to be used for symposia, meetings, public education activities and research	750,000
National Coastal Resources Research and Development Institute	250,000
National Undersea Research Program at the University of North Carolina at Wilmington	800,000
Total	9,255,000

[1] $75,000 to be absorbed by NOAA.

The conferees agree that NOAA shall conduct a study in-house to determine the best location for a regional ocean service center in the Great Lakes region.

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that makes available $750,000 to the Year of the Ocean Foundation, of which $250,000 shall be made available contingent upon a matching fund basis from private sources.

Amendment No. 14: Deletes language proposed by the Senate which earmarked $800,000 for program enhancement at the National Oceanic and Atmospheric Administration Undersea Research Program at the University of North Carolina at Wilmington. Funds for this activity are included in amendment numbered 12.

NATIONAL BUREAU OF STANDARDS

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

Amendment No. 15: Appropriates $4,900,000 as proposed by the Senate instead of $2,000,000 as proposed by the House.

RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATIONS AND TRAINING

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and proposed by said amendment, insert the following:

For an additional amount for "Operations and training", $2,500,000, to remain available until expended: Provided, That these funds shall be made available to the "Association for the Preservation of the Yacht, Potomac" only when matched by an additional $2,500,000 in contributions from State or local governments or private sources. In addition, for the acquisition and preconversion costs for a training vessel to be used at the State University of New York

Maritime College, $8,500,000, to remain available until expended, of which not to exceed $1,000,000 shall be used for preconversion costs: Provided further, That these funds shall be made available for obligation six months following the enactment of this Act only if a suitable surplus vessel has not been made available to the State University of New York Maritime College: Provided further, That upon the bona fide sale, approved by the Maritime Administration, of the current schoolship utilized by the State University of New York Maritime College, the proceeds of such sale shall be applied by the Maritime Administration toward the rehabilitation of the schoolship acquisition provided for herein.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

DEPARTMENT OF JUSTICE

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

Amendment No. 17: Appropriates $449,000 as proposed by the Senate instead of $527,000 as proposed by the House.

Although the conference agreement does not include the funds proposed by the House for 12 additional positions to meet the Commission's increased workload, the conferees are agreed that these positions are necessary and should be filled as soon as possible with the funds provided for these positions in title II of H.R. 5712, the Department of Justice and Related Agencies Appropriation Act, 1985, as enacted into law.

GENERAL LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

Amendment No. 18: Appropriates $7,882,000 instead of $7,156,000 as proposed by the House and $8,341,000 as proposed by the Senate.

The conference agreement provides $1,126,000 and 14 positions for the Civil Division to handle immigration enforcement; $5,290,000 and 33 positions to defend the United States in litigation associated with the bond default by the Washington Public Power Supply System (WPPSS); $566,000 for payment of additional GSA Standard Level User Charges for additional space to house new employees; and $900,000 for increased litigation expenses including $450,000 to reimburse the Department of Justice for payments made to private litigants in the case of *New Mexico ex rel Reynolds* v. *Aamodt.*

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

(Transfer of Funds)

Amendment No. 19: Appropriates $4,936,000 of which $3,855,000 is to be derived by transfer instead of $3,500,000 which was to be derived by transfer as proposed by the House, and $8,000,000 of which $3,855,000 was to be derived by transfer as proposed by the Senate.

The conference agreement includes $1,100,000 for relocation of the District of Columbia U.S. Attorney's Office. The conferees are agreed that before any of these funds are obligated for this purpose, the Department of Justice shall submit a reprogramming proposal in accordance with the reprogramming procedures of the House and Senate Appropriations Committees.

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *Provided, That $1,100,000 shall remain available until September 30, 1985, for the United States Attorney's office in the District of Columbia for the purpose of relocating, renovating, installing equipment, and renting space: Provided further, That $1,436,000 shall be available until September 30, 1985, for the purpose of paying salaries and expenses of employees supporting the District of Columbia Superior Court*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks $1,100,000 for relocating the District of Columbia United States Attorney's Office and $1,436,000 for salaries and expenses of employees of the District of Columbia Superior Court. The House had earmarked $1,100,000 for the first item only. The Senate had earmarked $4,164,000 for the first item and $1,436,000 for the second item.

SUPPORT OF UNITED STATES PRISONERS

Amendment No. 21: Appropriates $5,000,000 for the Cooperative Agreement Program as proposed by the House and stricken by the Senate.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts language clarifying the authority for the Cooperative Agreement Program. This language permits funds to be spent on work camps and less secure or remote jail facilities of State and local governments in exchange for space for housing Federal prisoners in already constructed State or local jail facilities near Federal courthouses.

INTERAGENCY LAW ENFORCEMENT

ORGANIZED CRIME DRUG ENFORCEMENT

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which deletes House language extending the availability of $10,692,000 for purchase of ADP and telecommunications equipment until September 30, 1985, and inserts language to accomplish this purpose and to extend the availability of $7,773,000 for undercover operations until September 30, 1985.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

Amendment No. 24: Appropriates $15,760,000 as proposed by the Senate instead of $6,160,000 as proposed by the House. Although the conference agreement does not include the funds proposed by the House for the 150 correctional officer positions for existing Federal correctional institutions, the conferees are agreed that these positions are necessary and should be filled as soon as possible with the funds provided for these positions in title II of H.R. 5712, the Department of Justice and Related Agencies Appropriation Act, 1985 as enacted into law.

Amendment No. 25: Deletes language proposed by the House which would have transferred $3,900,000 from Federal Prison System, "Buildings and Facilities" to the "Salaries and Expenses" account.

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts language extending the availability of $8,500,000 until September 30, 1985.

NATIONAL INSTITUTE OF CORRECTIONS

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$3,300,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes $300,000 to conduct followup studies on the study entitled, "Review of District of Columbia Prison Operations at Lorton, Virginia". The conferees are agreed that the provision of these funds for such studies is not to be construed as a commitment on the part of the Federal Government to assume the responsibility for funding and operating the District of Columbia Prison at Lorton, Virginia, or otherwise assuming the responsibility for housing prisoners under the jurisdiction of the District of Columbia.

GENERAL PROVISION

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts language authorizing the Attorney General to receive and administer gifts of money, personal property and services for the purpose of hosting the meeting of the General Assembly of the International Criminal Police Organization (INTERPOL) in the United States in September and October 1985.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

Amendment No. 29: Appropriates $279,000 as proposed by the Senate instead of $5,175,000 as proposed by the House.

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which extends the availability of $3,500,000 in this account until September 30, 1985.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD

Amendment No. 31: Appropriates $17,140,000 as proposed by the Senate instead of $7,140,000 as proposed by the House.

The conference agreement includes $10,000,000 to allow the Department of State to purchase properties abroad which the Department currently leases or to purchase additional properties abroad for United States embasssy operations. The conferees are agreed that none of these funds are to be used for any project included in the fiscal year 1985 budget request for this account. The conferees are further agreed that before any of these funds are obligated, the Department shall submit a reprogramming proposal for the use of these funds in accordance with the reprogramming procedures of the House and Senate Appropriations Committees.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which extends the availability of $3,000,000 in this account until September 30, 1985.

PAYMENT TO THE FOREIGN SERVICE

RETIREMENT AND DISABILITY FUND

Amendment No. 33: Appropriates $5,399,000 as proposed by the Senate instead of $4,628,000 as proposed by the House.

RELATED AGENCIES

Amendment No. 34: Inserts a new heading as proposed by the Senate.

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that inserts language into the bill which makes available until September 30, 1985, to the Board for International Broadcasting, the fiscal year 1984 exchange rate gains that were placed in reserve or which would be placed in reserve pursuant to the Board for International Broadcasting Act of 1973, as amended.

CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $220,000 for the Christopher Columbus Quincentenary Jubilee Commission.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

BANKRUPTCY COURTS, SALARIES AND EXPENSES

Amendment No. 37: Appropriates $2,500,000 as proposed by the Senate instead of $2,545,000 as proposed by the House.

CHAPTER III—DEPARTMENT OF DEFENSE—MILITARY OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, NAVY

Amendment No. 38: Appropriates $107,400,000 as proposed by the Senate instead of $105,400,000 as proposed by the House. The conferees agree that $2,000,000 of this appropriation shall be used to establish a recruiting depot and a Naval Reserve Training Center in accordance with the direction contained in the Senate report.

OPERATION AND MAINTENANCE, AIR FORCE

Amendment No. 39: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which increases the amount available within the Operation and Maintenance, Air Force appropriation that can be used for emergencies and extraordinary expenses to a new level of $5,020,000.

GENERAL PROVISIONS

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

Section 781 of the Department of Defense Appropriation Act, 1984 (Public Law 98-212), is hereby amended by inserting the following language at the end of the provision: "This limitation shall apply only to ejection seats procured for installation on aircraft produced or assembled in the United States."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 41: Changes the effective date for excluding of funded travel of dependent students in the continental United States from July 30 to August 31, 1984, as proposed by the Senate.

Amendment No. 42: Deletes the House language, as proposed by the Senate, which could have disallowed funded travel in the continental United States of dependent students of Department of Defense civilian personnel stationed overseas.

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the department of Defense from storing petroleum or petroleum products in non-U.S. vessels.

Amendment No. 44: Restores House language deleted by the Senate which provides a $300,000 grant to the Highland Falls-Fort Montgomery, New York school district.

The conferees emphasize that this special grant is not a precedent and will not be approved again in the future. This exception has been made in view of the severe economic impact of military dependents on the school district involved for which inadequate federal assistance is available through established programs. The Administration must offer a plan to the Congress which addresses the plight of all local school districts that are not now receiving adequate assistance.

Amendment No. 45: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendement of the Senate which provides full funding of the U.S.S. Missouri reactivation program with fiscal year 1984 savings.

Amendment No. 46: Deletes House language, as proposed by the Senate, which would have prohibited the Department of Defense from diverting cargo for any consolidation or reduction of the number of ports of call for certain shipments on Military Sealift Command vessels.

The House included a general provision which would have prohibited the Department of Defense from diverting cargo for any consolidation or reduction of the number of ports of call for certain shipments on Military Sealift Command vessels. While the Senate deleted the provision, it included report language directing that the Department take such steps as may be necessary and practicable to ensure fair and reasonable participation for all four port ranges in cargoes reserved to U.S.-flag vessels.

In a letter dated August 8, 1984, the Secretary of Defense indicated that the Department is no longer diverting cargo from ports of call as objected to by both the House and Senate. The Secretary further states that the "Congress will be consulted prior to taking any further action on this matter." Based upon these assurances, the managers agree to delete the provision proposed by the House. However, the Department should clearly understand that it is the intent of the managers that no diversion of Military Sealift Command cargo take place for any purpose prior to receiving clear Congresssional endorsement of any such proposal.

Amendment No. 47: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which includes language that makes $64,200,000 of the amounts in "Aircraft Procurement, Air Force, 1984/1986" available for the purchase of at least thirty-two B-707 aircraft. The Air Force would remove engines and other components from these aircraft and install them on Air National Guard and Air Force Reserve KC-135 tanker aircraft. The Air Force is directed to purchase as many B-707 aircraft as possible over the 32 and to retain the engines and other components as spares only for Air National Guard and Air Force Reserve KC-135 tanker aircraft.

CHAPTER IV

ENERGY AND WATER DEVELOPMENT

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

CONSTRUCTION, GENERAL

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing for the construction, operation, maintenance and training of personnel of the hydroelectric project authorized pursuant to section 101 of Public Law 96-205.

GENERAL PROVISION

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $2,000,000 to pay for flood damages resulting from equipment malfunction and subsequent operation of the W. G. Huxtable Pumping Station in Arkansas.

The conferees agree with the House and Senate Report language regarding planning assistance to New York State authorized by Section 214 of Public Law 89-298; the Northeast Water Supply Study; the Indian River County, Fla., San Lorenzo River, Calif., and Moss Landing Harbor, Calif. studies; the Manteo (Shallowbag) Bay, N.C. project; the Revere Beach, Mass. project; the Shotgun Cove, Alaska project; and Little Calumet River, Ind. project; the Savannah River Basin, S.C. study; the Wyoming Valley Local Protection Project, Pa.; the Willow Creek Lake, Oreg. project; the Portsmouth Harbor, Piscataqua River, N.H. project; and the Lakeshore Road, Manistee County, Mich. project.

The conferees are aware of the urgency and magnitude of the flood problem at Jackson, Mississippi. Although initial effort was directed to this area, the flood problems throughout the entire Pearl River Basin must be taken into account with the purpose of reviewing basinwide alternatives with local interests to insure a viable, locally supported project. The conferees, therefore, direct the Corps of Engineers to use $300,000 of available funds to continue studies of the upper Pearl River Basin, concurrent with the Jackson investigations, with a view toward minimizing the impacts on rural residents and examining the potential for providing flood control measures in the Carthage-Leake County area.

From within available funds, the Corps of Engineers should make $160,000 available to continue the Valley Creek study in the Birmingham, Ala. area under the Warrior River and Tributaries authority.

The conferees believe that the Planning Assistance to States program provided by section 22 of Public Law 93-251, as amended, is an appropriate program under which to undertake cooperative studies with States

to assess water supplies and water quality conditions to assist in identifying remedial needs of the region. Accordingly, the conferees direct that, pursuant to the authority provided by section 22, up to $275,000 be allocated within available funds for a cooperative study with the State of South Carolina and the U.S. Geological Survey to assess the impact of saltwater intrusion into the South Carolina aquifers at Hilton Head Island.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

CONSTRUCTION PROGRAM

Amendment No. 50: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate relating to the Yakima River Basin Water Enhancement Project.

ADMINISTRATIVE PROVISION

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate providing that $6,000,000 allocated to flood control work on the Gila River Channel, within the Wellton-Mohawk Irrigation and Drainage District, Gila Project, Arizona, shall be nonreimbursable and nonreturnable under Federal reclamation law.

DEPARTMENT OF ENERGY

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

The conferees agree with the Senate Report language directing the Department of Energy to allocate from unobligated balances $1,500,000 to continue ongoing efforts in gas-cooled reactor spent fuel research and $2,000,000 to complete drilling for the Fenton Hill geothermal reservoir.

INDEPENDENT AGENCIES

FUNDS APPROPRIATED TO THE PRESIDENT

APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate appropriating $5,000,000 for Appalachian Regional Development Programs.

The conferees have included $2,500,000 for economic development activities in Aliceville, Ala., and $2,500,000 for economic development activities in Northern Mississippi.

Funds previously appropriated which are referred to on page 81 of House Report No. 98-866 are to be applied to Corridor V.

CHAPTER V

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Amendment No. 53: Restores language proposed by the House and stricken by the Senate appropriating $15,000,000 in annual contract authority and $150,000,000 in budget authority in the annual contributions for assisted housing account for the section 235 homeownership assistance program.

ENVIRONMENTAL PROTECTION AGENCY

Amendment No. 54: Appropriates $3,000,000 for research and development as proposed by the House, instead of $4,500,000 as proposed by the Senate. The conference agreement includes $1,000,000 for research at the center being established for hazardous waste management, and an additional $2,000,000 for acid rain research. This supplemental funding will provide a total of $5,500,000 for this activity.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

ABATEMENT, CONTROL, AND COMPLIANCE

For an additional amount for "Abatement, control, and compliance", $63,000,000, to remain available until expended. Of this amount, $50,000,000 shall be available for the purposes of the Asbestos School Hazards Abatement Act of 1984 (including up to ten percent for administrative expenses as provided for in said Act): Provided, That this sum shall not be available for asbestos removal projects until the Environmental Protection Agency develops comprehensive guidelines to classify and evaluate asbestos hazards and appropriate abatement options. And of this amount, $13,000,000 shall be available to the City of Akron, Ohio, to refinance the bond debt of the recycle energy system of such city: Provided further, That such sum may not exceed sixty percent of such debt: Provided further, That the facilities of such recycle energy system shall be made available to the Federal government as a laboratory facility for municipal waste to energy research.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees believe that in addition to providing Federal funding support for school asbestos abatement, it is essential for EPA to develop more practical guidance to assist school officials in assessing hazards and evaluating appropriate abatement responses. These guidelines should help to ensure that Federal assistance is directed to schools with the most serious problems and only for abatement projects that cost effectively reduce asbestos hazards. In addition, these guidelines should assist states in developing realistic priority lists limited to schools with serious asbestos problems.

The committee of conference reemphasizes the importance of developing contractor certification and training procedures, as expressed in the Senate report. Apparently, some removal projects are being done by unqualified contractors with the result that workers are unknowingly exposed to dangerous levels and schools left with higher asbestos exposures levels after removal. EPA is urged to explore promising means to help states and school officials assure that contractor personnel are qualified to conduct safe and effective abatement projects.

The conferees support EPA's use of up to 10 percent of these funds for administrative expenses, as authorized in legislation. These funds may also be used for developing the minimum cleanup standards and procedures which EPA was directed to develop by the conference report on the 1985 HUD-Independent Agencies Act. To assure that students and teachers are not exposed to higher asbestos levels after poor quality removal projects, it is essential for EPA to develop basic standards and procedures for acceptable cleanup.

The conferees also recommend $13,000,000 for the City of Akron, Ohio for refinancing up to 60 percent of the bond debt of the recycle energy system. This is to assure the continued success of that innovative energy project. Bill language has been included to assure that the Federal government shall have access to the Akron facility as a laboratory for municipal waste to energy research.

Amendment No. 56: Restores language proposed by the House and stricken by the Senate limiting the capacity of the San Diego/Tijuana wastewater treatment plant to 30,000,000 gallons per day.

The conferees believe that Federal funding should be limited only to the design and construction of a treatment plant which meets the *emergency* public health problems in the waters in and around San Diego. This action is recommended with full awareness that the long-term problem is much greater in scope. The conferees believe that these larger issues and the long-term problem must be addressed through a cooperative effort involving the City of San Diego, the State of California, the Department of State and the government of Mexico. The conferees understand that as additional treatment needs arise, plant capacity can be expanded in a modular fashion, without sacrificing economies of scale.

Amendment No 57: Includes language substituted by the Senate to make funds immediately available for planning and design for the wastewater treatment plant at San Diego. The availability of funds for construction of this treatment plant would remain subject to the President's certification to the Congress of acceptable reimbursement from Mexico.

COUNCIL ON ENVIRONMENTAL QUALITY

Amendment No. 58: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Of the amounts appropriated under this heading in Public Law 98-181, $175,000 shall be available for the necessary expenses of the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91-190), the Environmental Quality Improvement Act of 1970 (Public Law 91-224), and Reorganization Plan No. 1 of 1977, to remain available until September 30, 1985.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $175,000 from funds previously appropriated, for general operating expenses of the Council, to remain available through fiscal year 1985. The conferees agree that these funds are to be used to expand NEPA oversight activities and to strengthen the technical and scientific expertise of the Council.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Amendment No. 59: Appropriates $70,000,000 for the emergency food and shelter program, instead of $60,000,000 as proposed by the House and $120,000,000 as proposed by the Senate.

Amendment No. 60: Requires that a grant for $70,000,000 be awarded to the national board within thirty days after enactment, instead of $60,000,000 as proposed by the House and $120,000,000 as proposed by the Senate.

Amendment Nos. 61 and 62: Reported in technical disagreement. The managers on the part of the House will offer motions to recede and concur in the amendments of the Senate permitting units of local government to participate in the emergency food and shelter program.

The conferees agree that the National Board has discretion in limiting expendi-

tures on rehabilitation work and utility payments. The conferees urge the National Board to review and evaluate data other than unemployment data in making allocation decisions. The conferees note that the National Board should perform this data review in a timely manner in order to expedite the process.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Amendment No. 63: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

The National Aeronautics and Space Adminstration is authorized, notwithstanding any other provision of law, to acquire for and otherwise take such actions as the Administrator deems necessary to provide to the National Science Foundation, on a reimbursable basis, a Class VI Computer, with accompaning peripheral equipment as requested by the Foundation. NASA is further authorized to lease as a replacement on a two year basis, a compatible upgraded computer, with such peripheral equipment as it deems necessary to conduct requisite research operations. $13,000,000 is appropriated only for this purpose and shall remain available until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

NATIONAL INSTITUTE OF BUILDING SCIENCES

Amendment No. 64: Inserts center heading as proposed by the Senate.

Amendment No. 65: Inserts language proposed by the Senate appropriating $250,000 for payment to the National Institute of Building Sciences.

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate establishing a trust fund, the interest of which will be available to the National Institute of Building Sciences and appropriating $5,000,000 for such fund. While this funding mechanism will provide the Institute financial stability and will encourage matching non-Federal contributions, the conferees wish to make clear their strong intent to closely monitor the activities and operations of the Institute. To encourage management improvements the conferees direct the Institute to submit quarterly financial reports and operational plans to the Committees on Appropriations, in addition to the legislatively mandated annual report. Furthermore, the conferees note that although this trust fund will expire in five years, the Congress reserves the right to rescind this appropriation, at any time, should the Institute fail to comply with these requirements, or if it functions in a manner inconsistent with its authorization Act. The conferees also reaffirm that no further appropriations for the Institute will be considered during the life of the trust fund.

NATIONAL SCIENCE FOUNDATION

Amendment No. 67: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which authorizes the National Science Foundation to acquire, through transfer from the National Aeronautics and Space Administration, a class VI computer and appropriates $1,500,000 for that purpose.

NEIGHBORHOOD REINVESTMENT CORPORATION

Amendment No. 68: Inserts language proposed by the Senate appropriating $500,000 for the Neighborhood Reinvestment Corporation.

VETERANS' ADMINISTRATION

Amendment No. 69: Appropriates $284,900,000 for compensation and pensions as proposed by the Senate, instead of $154,900,000 as proposed by the House.

Amendment No. 70: Appropriates $82,200,000 for readjustment benefits as proposed by the Senate, instead of $52,200,000 as proposed by the House.

Amendment No. 71: Increases the limitation on travel expenses in fiscal year 1984 by $1,000,000 as proposed by the Senate, instead of $2,000,000 as proposed by the House.

The conferees are in agreement with not increasing the funding or staffing for the in-house component of the readjustment counseling program in fiscal year 1984. Because of the lateness in the fiscal year, increased funding or staffing for the in-house Vet Center progam is not required. The conferees are also in agreement that the Veterans Administration should begin taking such administrative planning actions as are necessary to fully implement the expanded fiscal year 1985 Vet Center program on October 1, 1984.

Amendment No. 72: Appropriates $100,000,000 for the loan guaranty revolving fund as proposed by the Senate, instead of $260,000,000 as proposed by the House.

GENERAL PROVISION

Amendment No. 73: Restores language proposed by the House and stricken by the Senate amended to repeal the language "without the approval of the Committees on Appropriations" in connection with Title IV, General Provisions, Section 409 which restricts the use of personnel compensation and benefit funds.

The committee of conference notes that language included in the 1985 HUD-Independent Agencies Appropriation Act which "caps" various NASA program dollar activities and provides for increases in such "caps" with the approval of the Committees on Appropriations could be construed as being unconstitutional. To ensure that these "caps" are retained with a "relief" mechanism, the conferees are in receipt of a letter, dated August 9, 1984, from the National Aeronautics and Space Administration which states that NASA will not expend any funds above the ceilings identified by the Committees in the conference report accompanying NASA's annual appropriation Act. For fiscal year 1985, such "caps" are stated in the conference report (H. Rept. 98-867).

The conferees agree that this agreement in no way limits the Congress from establishing legislative caps in special circumstances such as on total program costs. The conferees also intend that any language carried in the 1985 HUD-Independent Agencies Appropriation Act containing the phrase "without the approval of the Committees on Appropriations" is not severable from the overall limitation and should be interpreted as an indivisible phrase.

CHAPTER VI

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Amendment No. 74: Appropriates $44,141,000 for management of lands and resources as proposed by the Senate instead of $43,960,000 as proposed by the House.

Amendment No. 75: Appropriates $1,370,000 for construction and access instead of providing no funding as proposed by the House and $1,700,000 as proposed by the Senate.

The managers agree that no funds are provided for removal and storage of one T-hangar, and for construction of a fuel storage shed.

Amendment No. 76: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $4,500,000, to remain available until expended, for expenses necessary to carry out the provisions of section 11 of Public Law 93-531, as amended, including administrative expenses and acquisition of lands or waters, or interest therein.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amendment provides $4,500,000 for equalization payments for land exchanges to implement the provisions of the Navajo and Hopi Relocation Act. The managers agreed to delete the Senate provision for exempting land exchanges from provisions of 16 U.S.C. 469a-2; 16 U.S.C. 470; and 16 U.S.C. 470aa, et seq. which pertain to the National Historic Preservation Act and other cultural resources acts.

Amendment No. 77: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides a corrected legal description for lands to be transferred to the University of Alaska under Public Law 97-406 and otherwise facilitates the transfer.

U.S. FISH AND WILDLIFE SERVICE

Amendment No. 78: Appropriates $1,785,000 for resource management as proposed by the House instead of $1,608,000 as proposed by the Senate.

The managers have not provided funds that were requested for necessary costs to close 7 fish hatcheries. The managers will address hatchery funding in the 1985 appropriations bill.

Amendment No. 79: Restores language providing funds for pine vole research as proposed by the House.

Amendment No. 80: Appropriates $6,630,000 for construction and anadromous fish instead of providing no funding as proposed by the House and $7,880,000 as proposed by the Senate.

Funds are provided in the amount of $5,380,000 for construction of an Alaskan operations and research vessel and $1,250,000 for completion of the Gainesville National Research Facility.

Amendment No. 81: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $10,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, for the acquisition of land or waters, or interest therein, in the Atchafalaya Basin, Louisiana, in accordance with statutory authority applicable to the United States Fish and Wildlife

Service, including the Fish and Wildlife Act of 1956.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers agree to delete language relating funding to the establishment of a National Wildlife Refuge within the Atchafalaya Basin.

NATIONAL PARK SERVICE

Amendment No. 82: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that $180,000 of 1984 funds that would otherwise have lapsed will remain available until September 30, 1985, including $150,000 to augment protection, maintenance and operations at New River Gorge National River, W. Va., and $30,000 for the South Point Hawaii Complex, as proposed by the Senate.

The managers agree that the designation of the Georgia O'Keefe homestead as a national historic site is repealed as requested by Georgia O'Keefe.

Amendment No. 83: Deletes Senate language providing for establishing and funding a National Outdoor Recreation Resources Review Commission, with the understanding that the Senate intends to include similar language in its fiscal year 1985 appropriations bill. As the fiscal year 1985 appropriations bill proceeds through Senate floor action and consideration by the conference committee, the managers will review the progress made by the appropriate authorizing committees. The managers urge the appropriate authorizing committees to complete action to authorize the establishment of a National Outdoor Recreation Resources Review Commission at the earliest available opportunity.

Amendment No. 84: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $22,653,000 for "Construction" instead of $5,653,000 as proposed by the House and $22,000,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Included in the allowance is $5,000,000 for rehabilitating and upgrading the Hawaiian Volcano Observatory, including $200,000 to rehabilitate a portion of the old observatory for Park Service use, $17,000,000 for construction of a revetment and breakwater necessary to protect the El Morro Castle at the San Juan National Historic Site, $153,000 to design a visitor contact facility at Johnstown Flood National Monument, and $500,000 to restore the "F" course golf course at East Potomac Park.

GEOLOGICAL SURVEY

Amendment No. 85: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides $30,000,000, of which $17,000,000 is by transfer, for Barrow Area Gas Operation, Exploration and Development, instead of no funds as proposed by the House.

This action provides funds necessary to complete the implementation of the Barrow Gas Field Transfer Act of 1984 (Public Law 98-366). In addition to providing for the payment of $30,000,000 to the North Slope Borough to assist with the operational, training, and maintenance needs associated with the transfer, the act requires that the U.S. Geological Survey transfer to the North Slope Borough title to the natural gas contained in the east and south Barrow gas fields and at the Walakpa discovery site, all surface facilities, rolling stock, sand and gravel, and the surface and subsurface estates.

The managers are encouraged by the Survey's expressed desire to complete this transfer in as short a time frame as possible, and expect quarterly reports on the progress towards this goal.

BUREAU OF INDIAN AFFAIRS

Amendment No. 86: Appropriates $27,000,000 for operation of Indian programs instead of $34,650,000 as proposed by the House and $25,600,000 as proposed by the Senate.

The increase over the amount proposed by the Senate consists of $50,000 for the Northwest Indian Fish Commission and $1,350,000 for fire suppression costs.

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert: *: Provided, That for fiscal year 1984, no more than $19,700,000 in total may be obligated or expended for any activities related to automatic data processing operations: Provided further, That the act making Supplemental Appropriations for fiscal year 1983 (Public Law 98-63: 97 Stat. at 326 and 327) is amended under the heading "Bureau of Indian Affairs" and the subheading "Operation of Indian Programs" as follows:*

(1) delete the words "no more than 15.25 acres, excluding roads" and insert in lieu thereof: "30 acres, excluding roads as described in the Memorandum of Understanding dated June, 1984 between the Alaska Area Native Health Service and the Department of Education of the State of Alaska. Such description shall be published in the Federal Register by the Secretary of the Interior".

(2) delete the first sentence in the second undesignated paragraph and insert in lieu thereof:

"No final conveyance of any title, interest, or right shall be made unless the State of Alaska has executed an agreement by October 1, 1984 to begin operating a Mount Edgecumbe boarding school facility no later than September 30, 1985, and does in fact open such a facility for school operations by September 30, 1985. To assist the State of Alaska in opening such a facility, and notwithstanding the provisions of title 31 U.S.C. 6308, the $22,000,000 appropriated under this heading for use by the State of Alaska in renovating the Mount Edgecumbe school shall be made immediately available, in full, to the State of Alaska upon the execution of the aforementioned agreement, but such funds shall only be expended for facilities to be located within the lands conveyed by this statute. A failure on the part of the State of Alaska to begin operating a Mount Edgecumbe boarding school facility no later than September 30, 1985 shall cause the interim conveyance made under this heading to terminate.".

(3) insert before the period at the end of the third sentence of the third undesignated paragraph the following: "if the State of Alaska opens a Mount Edgecumbe boarding school facility for school operations by September 30, 1985; if the State of Alaska does not open such a facility for school operations by September 30, 1985, then the interim conveyance terminates as of October 1, 1985, and all interest in the lands covered by the interim conveyance, together with all improvements thereon, revert to the United States": Provided further, That of the unobligated balances in "Construction," $856,405 is hereby transferred to "Operation of Indian programs".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers agree that the funds transferred from the construction account are funds for renovation of the *North Star III*, to support the operation of the *North Star III*.

The managers further agree that amounts provided for pay costs may be used to supplement the amounts otherwise available for: the operation of the *North Star III;* general assistance grants; and automatic data processing (ADP) activities, not to exceed a total ADP program level of $19,700,000.

Amendment No. 88: Provides no additional authority for the revolving fund for loans as proposed by the Senate instead of $5,000,000 as proposed by the House.

Amendment No. 89: Provides no additional authority for the Indian loan guaranty and insurance fund as proposed by the Senate instead of $6,000,000 as proposed by the House.

TERRITORIAL AND INTERNATIONAL AFFAIRS

Amendment No. 90: Inserts subheading under Administration of Territories as proposed by the Senate.

Amendment No. 91: Appropriates $2,440,000 for Territorial and International Affairs as proposed by the House instead of $1,984,000 as proposed by the Senate.

Amendment No. 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment:

In lieu of the matter inserted by said amendment, insert: *, and $250,000 to be derived by transfer from unobligated balances of grants to the judiciary in American Samoa for compensation and expenses.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers have not agreed to transfer $264,000 appropriated for supplemental food for Bikini, to reimburse the EPA Superfund for costs related to cleanup of hazardous waste sites in the Trust Territory. Instead, a supplemental appropriation has been provided for this purpose.

Amendment No. 93: Appropriates $2,000,000 for Trust Territory of the Pacific Islands as proposed by the Senate.

FOREST SERVICE

Amendment No. 94: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate regarding allocation of Forest Service forest highway money.

The managers expect the Forest Service to use the $615,000 that is available as a result of the sale of the Blythe Skating Arena at Squaw Valley, California to acquire tracts of land along the Truckee River in the Tahoe National Forest.

DEPARTMENT OF ENERGY

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

Amendment No. 95: Appropriates $2,948,000 for fossil energy research and development as proposed by the Senate in-

stead of $15,000,000 as proposed by the House. The amount provided is to meet necessary program direction costs of fossil energy research and development's energy technology centers. The Managers have carefully considered and have decided that rather than refurbishing the equipment and operation of the Consolidated Edison 4.8 Mw fuel cell demonstration, efforts should be concentrated on the more advanced 11 Mw fuel cell development. The Managers look forward to the early commercialization of fuel cell technology to maintain this country's position in the forefront of technology development.

ECONOMIC REGULATION

Amendment No. 96: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $1,395,000 for Economic Regulation instead of $3,000,000 as proposed by the House and $2,700,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This appropriation provides the amount needed for Economic Regulation to meet necessary contract and administrative costs for the balance of fiscal year 1984. The revised distribution of funds (including the 1984 pay supplemental) to Economic Regulation programs follows:

Compliance	$17,500,000
Fuels conversion	1,731,000
Petroleum operations	2,038,000
Program administration	867,000
Hearings and Appeals	5,100,000
Emergency preparedness	5,064,000
Total	32,300,000

STRATEGIC PETROLEUM RESERVE

Amendment No. 97: Appropriates $459,190,000 for the Strategic Petroleum Reserve as proposed by the House instead of $447,190,000 as proposed by the Senate.

The managers have agreed to provide the fiscal year 1985 budget request of $459,190,000 for on-budget planning and storage facility development of the Strategic Petroleum Reserve. This action has been taken on the fiscal year 1984 Supplemental Bill to assure no disruption as work continues into fiscal year 1985. The managers recognize that the Department is now reexamining the requirements for SPR distribution capabilities and selection of cost effective measures for improving the physical accessibility of the market to SPR oil, and that certain expenses in this regard which were not included in the fiscal year 1985 budget justification may be incurred during fiscal year 1985. The managers concur in this action with the assurance that there will be no significant deviation from the original planning and construction program outlined in the justification.

The managers are encouraged by the Department's willingness to promote cost savings through certain management initiatives, and have agreed to offset budget authority in future appropriations acts by the amount of the actual savings achieved during fiscal year 1985.

Amendment No. 98: Deletes Department of Energy administrative provision as proposed by the Senate instead of including language to maintain not less than 280 full-time equivalent Federal employees for the Economic Regulatory Administration as proposed by the House.

Amendment No. 99: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which eliminates personnel floors established in section 303 of the Supplemental Appropriations Act, 1982 (Public Law 97-257) as it relates to the Economic Regulatory Administration and the Energy Information Administration. In a letter to the Honorable Sidney R. Yates, Chairman of the Subcommittee on Interior and Related Agencies, dated August 8, 1984, Secretary of Energy Donald P. Hodel wrote the following:

"Let me assure you that removal of the personnel floors for fiscal year 1985 will not adversely affect program accomplishment and that adequate staffing levels will be maintained to carry out enacted programs effectively. I am committed to allocating sufficient resources to these programs for effective mission accomplishment.

"I believe that anticipated Economic Regulatory Administration programs can be accomplished with a staffing level of about 260 full-time equivalents. The planned Energy Information Administration workload can be accomplished with a staffing level of about 490 full-time equivalents. If the floors are repealed, I plan to allocate approximately these staffing levels to these functions. The staffing levels can be achieved through normal hiring and attrition. We anticipate use of reduction-in-force procedures only if missions and skills adjustments require changes in staffing."

Based on the assurances from the Secretary of Energy that this action will not have an adverse impact on carrying out EIA and ERA activities, the managers have agreed to remove these personnel floors. the House and Senate Committees on Appropriations do expect to continue to receive monthly employment reports.

INDIAN HEALTH SERVICE

Amendment No. 100: Deletes language establishing full-time equivalent personnel floors for the Indian Health Service as proposed by the Senate.

The managers remain opposed to the imposition of personnel ceilings on the Indian Health Service, which could impair the ability of the Service to effectively utilize the funds appropriated by the Congress to carry out Indian health programs. The managers have however, agreed to delete this language based on a memorandum dated July 27, 1984, from the Office of the Secretary, Health and Human Services, which exempts the Indian Health Service from any personnel ceilings through September 30, 1984.

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

Amendment No. 101: Restores the matter stricken by said amendment amended to read as follows:

DEPARTMENT OF EDUCATION

Amendment No. 102: Appropriates no funds for Indian education as proposed by the Senate instead of $3,572,000 as proposed by the House.

Amendment No. 103: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendent as follows:

In lieu of the matter proposed by said amendment insert:

GENERAL PROVISIONS

None of the funds appropriated herein or for fiscal year 1985 from the Land and Water Conservation Fund for the Bureau of Land Management or the Forest Service shall be obligated for the acquisition of lands or waters, or interests therein unless and until the seller has been offered, and has rejected, an exchange, pursuant to current authorities, for specific lands of comparable value (within plus or minus 25 per centum) and utility, if such potential exchange lands are available within the boundary of the same State as the lands to be acquired: Provided, That condemnations, declarations of taking, or the acquisition of scenic, conservation, or development easements shall not be subject to this provision: Provided further, That acquisition of tracts of lands of less than 40 acres shall not be subject to this provision.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers urge the agencies to work in good faith and with good judgment to not undermine the effectiveness of this section. The bill language has been prepared so as to not place an undue administrative burden on these agencies and the managers will consider revisions in the future if they are determined to be needed.

Amendment No. 104: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which amends section 306(b)(2) of the Indian Elementary and Secondary School Assistance Act of 1972, to change the maintenance of fiscal effort of any local educational agency from not less than 100 per centum to not less that 90 per centum which will allow for the continuation of grants to small and rural schools. In addition, the language states that the Secretary may waive this requirement for exceptional circumstances for one year only. It is the understanding of the managers and the Department of Education that this policy will be applicable to the 1984/1985 school year as well as future years.

CHAPTER VII

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

Amendment No. 105: Appropriates $21,700,000 for Job Corps renovation and repair as proposed by the Senate, instead of $25,000,000 as proposed by the House.

Amendment No. 106: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment appropriating $5,117,000 for job training for migrant and seasonal farmworkers.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

Amendment No. 107: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment appropriating $750,000 (and 20 positions) to improve data collection related to the service sector of the economy and providing for extended availability of the funds.

PENSION BENEFIT GUARANTY CORPORATION

The conferees are aware that the Pension Benefit Guaranty Corporation has taken the most restrictive interpretation with respect to nonforfeitability and contract provisions related to the accrual of pension period credits. This has the effect of rendering negotiated contract provisions inoperative. Particularly in those cases where the action of such agencies as the Internal Rev-

enue Service have arguably contributed to the termination of the involved plan or influenced the timing of same to an extent that prejudices individual plan participants, this interpretation is not justified. In these cases, these provisions should be interpreted less restrictively. The conferees believe that the Pension Benefit Guaranty Corporation should review all cases under its jurisdiction in light of this provision, insofar as it relates to eligibility.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CENTERS FOR DISEASE CONTROL

DISEASE CONTROL

Amendment No. 108: Appropriates $1,750,000 for activities associated with Acquired Immune Deficiency Syndrome (AIDS) as proposed by the House, instead of $3,200,000 as proposed by the Senate.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH

Amendment No. 109: Appropriates $1,175,000 for the Alcohol, Drug Abuse and Mental Health Administration for research activities related to Acquired Immune Deficiency Syndrome (AIDS) as proposed by the Senate. The House bill included no similar provision.

SOCIAL SECURITY ADMINISTRATION

REFUGEE AND ENTRANT ASSISTANCE

Amendment No. 110: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate which clarifies the levels of funding available for refuge and entrant assistance under the fiscal year 1984 Continuing Resolution. The House bill included no similar provision.

Amendment No. 111: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate which extends the availability of fiscal year 1984 "targeted assistance" funds through September 30, 1985. The House bill included no similar provision.

OFFICE OF HUMAN DEVELOPMENT SERVICES

FAMILY SOCIAL SERVICES

Amendment No. 112: Appropriates $60,000,000 as proposed by the Senate instead of $43,200,000 as proposed by the House.

Amendment No. 113: Earmarks $43,200,000 for foster care as proposed by the Senate instead of $38,300,000 as proposed by the House.

Amendment No. 114: Earmarks $16,800,000 for adoption assistance as proposed by the Senate instead of $4,900,000 as proposed by the House.

DEVELOPMENTAL DISABILITIES ASSISTANCE

Amendment No. 115: Appropriates $387,000 for part B of the Developmental Disabilities Assistance and Bill of Rights Act as proposed by the Senate. the House bill includes no funds for this purpose.

WORK INCENTIVES

Amendment No. 116: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which amends the Social Security Act by extending certain deadlines in the Work Incentives (WIN) demonstration program and by requiring a study of the allocation formula.

DEPARTMENT OF EDUCATION

COMPENSATORY EDUCATION FOR THE DISADVANTAGED

Amendment No. 117: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate which appropriates $750,000 for carrying out section 418 of the Higher Education Act.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

Amendment No. 118: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate which redesignates the last two sentences of section 5(c) of the Act of September 30, 1950 as subsection 5(h), effective December 8, 1983.

The conferees are aware of the situation in Bourne, Massachusetts, where a decline of 46 federally connected students is likely to result in a loss of $600,000 in federal aid, nearly 60% of the previous year's Impact Aid payment. The Department is directed to look into this matter to see what can be done to resolve this most serious fiscal year 1984 problem, and to report back to the Congress promptly on potential administrative remedies.

Amendment No. 119: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate which appropriates $15,000,000 for payments under section 7 of the Act of September 30, 1950. The House bill includes no funds for this purpose.

EDUCATION FOR THE HANDICAPPED

Amendment No. 120: Appropriates $1,200,000 for regional resource centers as proposed by the Senate. The House bill includes no funds for this purpose.

STUDENT FINANCIAL ASSISTANCE

Amendment No. 121: Deletes language proposed by the House which would have transferred $10,000,000 from "Higher education" to "Student financial assistance".

Amendment No. 122: Deletes appropriation of $353,000,000 proposed by the Senate for subpart 1 of Part A of title IV of the Higher Education Act.

HIGHER EDUCATION

Amendment No. 123: Deletes language proposed by the Senate concerning an amount previously appropriated for part B of title IX of the Higher Education Act. The conferees are agreed that the Secretary should follow the intent of Congress regarding this matter as expressed in the Joint Explanatory Statement of the Committee of Conference on the 1984 supplemental appropriation bill H.R. 3959.

SPECIAL INSTITUTIONS

HOWARD UNIVERSITY

Amendment No. 124: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate which transfers $5,000,000 from the Department of Education "Office for Civil Rights" to "Howard University".

RELATED AGENCIES

CORPORATION FOR PUBLIC BROADCASTING

PUBLIC BROADCASTING FUND

Amendment No. 125: Appropriates $7,500,000 for fiscal year 1984 as proposed by the House, instead of $15,000,000 as proposed by the Senate.

Amendment No. 126: Appropriates $20,500,000 for fiscal year 1985 as proposed by the House, instead of $23,000,000 as proposed by the Senate.

Amendment No. 127: Appropriates $29,500,000 for fiscal year 1986 as proposed by the House, instead of $32,000,000 as proposed by the Senate.

GENERAL PROVISION

NATIONAL HEALTH SERVICE CORPS

Amendment No. 128: Deletes language proposed by the Senate related to the National Health Service Corps. The House bill included no similar provision.

CHAPTER VIII—LEGISLATIVE BRANCH

SENATE

Amendment Nos. 129 and 130: Reported in technical disagreement. Inasmuch as the amendments relate solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer motions to recede and concur in the Senate amendments 129 and 130.

HOUSE OF REPRESENTATIVES

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

Amendment No. 131: Reported in technical disagreement. The managers on the part of the House will move to recede and concur with the amendment of the Senate which provides the customary gratuity to the widow of Representative Carl D. Perkins.

JOINT ITEMS—CONTINGENT EXPENSES OF THE SENATE

JOINT COMMITTEE ON INAUGURAL CEREMONIES OF 1985

Amendment No. 132: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert *"$786,000"*.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Of the $786,000 to remain available until September 30, 1985, for the construction of facilities, security, and other expenses of the Joint Committee on Inaugural Ceremonies of 1985, $80,000 is provided for the direct expenses of the Joint Committee, $110,000 is provided for the expenses of the Senate Sergeant at Arms, and $596,000 is for the reimbursable expenses of the Architect of the Capitol. In connection with the cost estimates received from the Architect of the Capitol, $22,400 is allowed for contingencies, $10,000 is provided for temporary use of security devices, and no funds are provided for additional administratives expenses. The conferees believe that, to the extent that the facilities construction will be performed under contract, the Architect of the Capitol should advertise for proposals to obtain the best possible price from qualified bidders.

OFFICE OF TECHNOLOGY ASSESSMENT

SALARIES AND EXPENSES

Amendment No. 133: Deletes language proposed by the Senate regarding certain duties of the Director of the Office of Technology Assessment. The conferees have been advised by OTA that this language is not necessary at this time.

ARCHITECT OF THE CAPITOL

CAPITOL GROUNDS

Amendment No. 134: Deletes language proposed by the Senate regarding decorative adjustments in the Senate chamber. Instead, the conferees direct that the Architect of the Capitol, within available funds, expedite the installation of symoblic stars for the four most recently admitted States not represented on the ceiling and walls of the Senate chamber.

CAPITOL GROUNDS

Amendment No. 135: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which extends the availability of $230,000 appropriated in P.L. 98-51 to the Architect of the Capitol, "Capitol Grounds", for the resurfacing of the East Plaza. The Committee of Conference notes that these funds are extended only for the specific purpose originally appropriated, but directs that the resurfacing project shall be delayed pending resolution of questions concerning the landscaping of the East Plaza grounds.

SENATE OFFICE BUILDINGS

Amendment No. 136: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in that Senate amendment.

LIBRARY BUILDING AND GROUNDS STRUCTURAL AND MECHANICAL CARE

Amendment No. 137: Appropriates $81,500,000 for "Structural and mechanical care, Library buildings and grounds", as proposed by the Senate instead of $500,000 as proposed by the House.

Amendment No. 138: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which places a limitation of $81,000,000 on the cost of the restoration and renovation of the Jefferson and Adams buildings of the Library of Congress with the proviso that such funds shall be available for obligation without regard to section 3709 of the revised statutes, as amended. The conferees are in agreement with the cost method, reporting and scheduling requirements for this project as set out in Senate Report 98-570 and direct that all such reports and schedules be submitted to House and Senate Committees on Appropriations. The conferees further note that, under the selected cost method "B", the construction items identified for in-house performance are: alterations for interim occupancy; signage; data cabling; CATV; electronic security and life safety; and art restoration, as proposed in Item 4 of the Architect of the Capitol Fiscal Year 1984 Supplemental Request for the Restoration and Renovation of the Library of Congress Thomas Jefferson Building and the John Adams Building . . . Supplementary Information . . . Febuary 1984.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

Amendment No. 139: Deletes language proposed by the House and stricken by the Senate making the availability of funds appropriated for the construction of a mass book deacidification facility subject to enactment of authorizing legislation.

CHAPTER IX

MILITARY CONSTRUCTION

MILITARY CONSTRUCTION, ARMY

Amendment No. 140: Deletes $4,000,000 proposed by the House for planning and design of Brooke Army Medical Center, Texas. The conferees for this project approved the use of design funds through a general provision as indicated in Amendment 144.

MILITARY CONSTRUCTION, NAVY

Amendment No. 141: Appropriates $25,000,000 for construction of a fuel pier at Naval Station Keflavik, Iceland, instead of $5,000,000 as proposed by the House and $30,000,000 as proposed by the Senate. These funds are provided contingent upon the Department meeting the conditions specified in the House report.

MILITARY CONSTRUCTION, AIR FORCE

The amount of $49,000,000 has been provided for RDF facilities at Ras Banas, Egypt. These funds are provided contingent upon the Department meeting the conditions specified in the House report with the exception of the provision on the percentage of U.S. funds to be subcontracted to U.S. firms. The conferees direct that the Department maximize to the extent possible the subcontracting of U.S. construction funds to U.S. firms. The Secretary of Defense is to submit verification that all these conditions have been met prior to award of a construction contract and obligation of these funds.

GENERAL PROVISIONS

Amendment No. 142: Deletes language proposed by the House directing the design within 30 days of the bill's enactment of a 695-bed hospital at Brooke Army Medical Center, Texas. This amendment is described under Amendment 144.

Amendment No. 143: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires the award of construction contracts over $5,000,000 in the United States territories in the Pacific and on Kwajelein Island to U.S. firms, if the lowest responsive U.S. bid is within 20 percent of the low foreign bid.

Amendment No. 144: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Notwithstanding any other provision of law, funds appropriated for the design of the renovation of and addition to Brooke Army Medical Center at Fort Sam Houston, Texas, are also available for the design of a replacement facility.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Fiscal Year 1985 Military Construction Authorization bill (H.R. 5604) contains a provision requiring the Secretary of the Army to enter into a contract for the design of replacement facilities at Brooke Army Medical Center, including a hospital facility of not less than 450 beds, within 120 days of its enactment. The conferees have deleted a similar provision from this bill and fully expect the Secretary of the Army to comply with the applicable provision of the Fiscal Year 1985 Military Construction Authorization bill and to make previously appropriated funds available for the design of the replacement facility.

Amendment No. 145: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows the Secretary of Defense to transfer funds in the Military Construction, Defense Agencies account to other military construction accounts.

Amendment No. 146: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows for the transfer of funds from the Military Family Housing Management account to the Family Housing account of each Service.

Amendment No. 147: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Notwithstanding any other provision of law, the Secretary of the Navy may utilize part of the funds from the sale of property at the Naval Base, Port Hueneme, California, as specified in section 812 of Public Law 98-115, to build replacement facilities.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Navy is to proceed immediately to finalize the land transfer at Port Hueneme, California as specified in section 812 of the Fiscal Year 1984 Military Construction Authorization Act. The Committees are to be informed on the progress being made to resolve the payment for this property. Final disposition of the property is to be settled no later than October 1, 1984. The project for the replacement of warehouse facilities is to be proposed to the committee through a reprogramming request.

CHAPTER X

DEPARTMENT OF TRANSPORTATION

COAST GUARD

Amendment No. 148: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate prohibiting the use of funds to reduce the Coast Guard's polar icebreaker fleet below five vessels.

URBAN MASS TRANSPORTATION ADMINISTRATION

Amendment No. 149: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate broadening the eligibility of certain Urban Mass Transportation Administration funds reserved for commuter rail purposes to include bus and bus related facilities.

RELATED AGENCY

INTERSTATE COMMERCE COMMISSION

Amendment No. 150: Deletes language proposed by the Senate rescinding $1,200,000 from Interstate Commerce Commission, Salaries and expenses.

CHAPTER XI

DEPARTMENT OF THE TREASURY

U.S. CUSTOMS SERVICE

Amendment No. 151: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate

transferring $3,000,000 to the Customs Service from the Secret Service.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF FEDERAL PROCUREMENT POLICY

Amendment No. 152: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to waive the travel limitation for the Office of Federal Procurement Policy.

INDEPENDENT AGENCIES

OFFICE OF PERSONNEL MANAGEMENT

REVOLVING FUND

Amendment No. 153: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate changing a legal citation.

ADMINISTRATIVE PROVISIONS

Amendment No. 154: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate modifying the law regarding the payment of retirement benefits.

CHAPTER XII—FOREIGN ASSISTANCE

Amendment No. 155: Reported in true disagreement.

Amendment No. 156: Reported in true disagreement.

Amendment No. 157: Reported in true disagreement.

Amendment No. 158: Reported in true disagreement.

Amendment No. 159: Reported in true disagreement.

Amendment No. 160: Reported in true disagreement.

Amendment No. 161: Reported in true disagreement.

Amendment No. 162: Reported in true disagreement.

Amendment No. 163: Reported in true disagreement.

Amendment No. 164: Reported in true disagreement.

Amendment No. 165: Reported in true disagreement.

CHAPTER XIII—DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

Amendment No. 166: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

CHAPTER XIII

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

For an additional amount for "Governmental direction and support", $250,000, which shall be derived from the earnings of the applicable retirement funds, to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: Provided, That notwithstanding any other provision of law, the District of Columbia Retirement Board shall transfer to the District of Columbia $748,000 from the District of Columbia Police Officers and Fire Fighters' Retirement Fund and $1,199,000 from the District of Columbia Teachers' Retirement Fund in conformity with appropriation transfers contained in this Act: Provided further, That all budget requests and justifications for the District of Columbia government shall start with the amounts appropriated in the most recently enacted appropriation act and then explain changes from those amounts to the current budget request.

ECONOMIC DEVELOPMENT AND REGULATION

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Economic development and regulation", $3,912,300, of which $1,313,000 shall be derived by transfer from the appropriation "Human support services" and $2,563,300 shall be derived by transfer from the appropriation "Public works": Provided, That notwithstanding the provision regarding the calculation of repayments by the District of Columbia Housing Finance Agency under the heading "Economic development and regulation" in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 820, 821; Public Law 98-125), for the fiscal year ending September 30, 1984, the District of Columbia Housing Finance Agency established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative cost plus interest at a rate of 4 percent per annum for a term of fifteen years, with a deferrral of payments for the first four years.

PUBLIC SAFETY AND JUSTICE

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Public safety and justice", $4,318,000 of which $967,000 shall be payable from the revenue sharing trust fund: Provided, That $246,000 of this appropriation shall be derived by transfer from the appropriation "Governmental direction and support", $15,000 shall be derived by transfer from the appropriation "Economic development and regulation", $2,815,000 shall be derived by transfer from the appropriation "Public education system", and $479,000 shall be derived by transfer from the appropriation "Human support services".

HUMAN SUPPORT SERVICES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for Human support services", $15,181,000, of which $287,000 shall be derived by transfer from the appropriation "Economic development and regulation", and $437,000 shall be derived by transfer from the appropriation "Public education system".

PUBLIC WORKS

(TRANSFER OF FUNDS)

For an additional amount for "Public works", $4,926,300, of which $611,000 shall be derived by transfer from the appropriation "Governmental direction and support", $97,300 shall be derived by transfer from the appropriation "Economic development and regulation", $3,660,000 shall be derived by transfer from the appropriation "Public education system", and $558,000 shall be derived by transfer from the appropriation "Human support services".

ADJUSTMENTS

In addition to the reduction in authorized appropriations and expenditures within object class 30A (energy) required by Public Law 98-125 (97 Stat. 823), the Mayor is authorized and directed to further reduce authorized appropriations and expenditures for the fiscal year ending September 30, 1984, in the amount of $12,000,300 within one or several of the various appropriation headings in the District of Columbia Appropriation Act, 1984, approved October 13, 1983, (Public Law 98-125), as amended by this Act: Provided, That notwithstanding the provision regarding reductions within object class 13 under the heading "Adjustments" in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 823; Public Law 98-125), the Mayor shall not be required to reduce authorized appropriations and expenditures within object class 13 (additional gross pay) in the amount of $361,800 for the fiscal year ending September 30, 1984: Provided further, That the Mayor is authorized and directed to further reduce authorized appropriations and expenditures as follows: $210,800 from "Governmental direction and support", $57,000 from "Economic development and regulation", and $94,000 from "Human support services".

WASHINGTON CONVENTION CENTER FUND

For the "Washington Convention Center", $6,072,000: Proivided, That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual convention center audit.

CAPITAL OUTLAY

For an additional amount for "Capital outlay", $14,663,000: Provided, That $827,000 shall be available for project management and $788,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

(RESCISSION)

Of the funds appropriated for "Washington Convention Center Enterprise Fund" for fiscal year 1984, by the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 824; Public Law 98-125), $9,617,000 are rescinded.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have amended the Senate amendment, which inserts a new chapter for the District of Columbia, to reflect transfers of funds rather than rescissions and appropriations, as requested by the District and proposed by the Senate. The effect of the conference action is to provide new budget authority totaling $49,434,400 consisting of $34,771,400 in operating expenses and $14,663,000 for capital outlay. In addition, the conferees recommend a rescission of $9,617,000. The increase of $34,771,400 in operating expenses includes $13,443,400 from transfers and $12,000,300 to be financed from unspecified reductions the Mayor is required to make. The balance of $9,327,700 reflects the net increase in budget authority recommended by the conferees and will be funded entirely from increases in local revenue collections. The House bill did not reflect any of the District government's supplemental requests because the estimates were in the formulation stage when the House approved the bill.

Governmental Direction and Support.—The conference action transfers $250,000, as proposed by the Senate, from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board. The conferees have approved language requested subsequent to Senate action on the bill providing for the transfer of $748,000 from the Police and Fire Fighters' Retirement Fund and $1,199,000 from the Teachers' Retirement Fund to the District of Columbia in conformity with appropriation transfers contained in this Act. There transfers from the two retirement funds are possible due to an overpayment to the Board by the District during fiscal year 1984. The District was notified of this overpayment by the Board's counsel on August 2, 1984.

Budget requests and justifications.—The conferees have added language requiring that all budget requests and justifications for the District of Columbia government start with the amounts appropriated in the most recently enacted appropriation act and than explain with some clarity the changes from those amounts to the current budget request. The justifications prepared to explain the fiscal year 1984 supplemental were lacking not only because they did not include a general overview but also the "original budget" column included three appropriation accounts which started with amounts that were somewhere between the previous appropriation and the revised request with no explanation of the discrepancy. In addition, the financial plan had two columns, one for the original budget and one for the revised budget, but for some reason there was no column to show the change although there was plenty of space on the page for such a column. These omissions or lapses result in wasted time not only by the Committees but also by District employees who have to answer the questions which could and should have been answered very simply by including adequate information in the justifications. The conferees wish to place District officials on notice that beginning with the fiscal year 1986 budget, the committees will not hold any hearings until the justifications meet the Committees requirements, and hearings will not be held just for the agencies whose budgets are in order. A delay by the Committees in holding hearings could result in the District being included in a stop-gap funding measure at the previous year's spending levels with no allowance for new programs. District officials are being placed on notice at this time so they will have adequate time to properly prepare their justification material.

Economic Development and Regulation.—The conference agreement provides an additional $3,912,300 of which $1,313,000 is transferred from the Human Support Services appropriation title and $2,563,300 is transferred from the Public Works appropriation title, as proposed by the Senate.

Public Safety and Justice.—The conference action provides an additional $4,318,000, of which $967,000 is payable from the revenue sharing trust fund. Of this appropriation, $246,000 is transferred from the Governmental Direction and Support appropriation title; $15,000 is transferred from the Economic Development and Regulation appropriation title; $2,815,000 is transferred from the Public Education System appropriation title and $479,000 from the Human Support Services appropriation title.

Human Support Services.—The conference action provides an additional $15,181,000 of which $287,000 is derived by transfer from the Economic Development and Regulation appropriation title and $437,000 is transferred from the Public Education System appropriation title, as proposed by the Senate.

Public Works.—The conference agreement provides an additional $4,926,300 for the Public Works appropriation title as proposed by the Senate. Of this amount, $611,000 is derived by transfer from Governmental Direction and Support, $97,300 is transferred from the Economic Development and Regulation appropriation title, $3,660,000 is transferred from the Human Support Services appropriation title.

Repayment of General Fund Deficit.—The conferees have not approved the District's request to reduce $8,129,000 from the $15 approved in the regular annual appropriation bill for repayment of the District's general fund deficit which totaled $279,411,000 as of September 30, 1983. The conferees expect the general fund deficit to be reduced by the full $15 million in fiscal year 1984 and note the Mayor's assurance, which he gave during hearings when he testified before the House Committee on Appropriations on the fiscal year 1985 budget, that this would be done.

Adjustments.—The conference action requires the Mayor to reduce authorized appropriations and expenditures during fiscal year 1984 by $12,000,300 instead of $3,871,300 as proposed by the Senate. The increase of $8,129,000 above the Senate proposal will allow the District to reduce its general fund deficit by $15 million. The conferees have deleted language proposed by the Senate exempting certain programs from these reductions. This will allow the Mayor greater flexibility in making the required savings.

Washington Convention Center Fund.—The conference action transfers the Washington Convention Center from an enterprise fund entity to a separate appropriation title within the general fund as proposed by the Senate. A total of $6,072,000 is provided for the Washington Convention Center fund and $9,617,000 is rescinded from the Washington Convention Center Enterprise Fund.

Capital Outlay.—The conference action provides $14,663,000 in additional capital outlay authority as proposed by the Senate.

TITLE II

INCREASED PAY COSTS FOR THE FISCAL YEAR 1984

LEGISLATIVE BRANCH

SENATE

Amendment No. 167: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

ARCHITECT OF THE CAPITOL

SENATE OFFICE BUILDINGS

Amendment No. 168: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

Amendment No. 169: Deletes an appropriation of $347,000 proposed by the House and stricken by the Senate.

COURTS OF APPEALS, DISTRICT COURTS AND OTHER JUDICIAL SERVICES

(TRANSFER OF FUNDS)

SALARIES OF JUDGES

Amendment No. 170: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which deletes an appropriation of $3,625,000 to be derived by transfer and inserts an appropriation of $3,775,000 to be derived by transfer.

SALARIES OF SUPPORTING PERSONNEL

Amendment No. 171: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which deletes an appropriation of $1,000,000 to be derived by transfer and inserts an appropriation of $2,500,000 to be derived by transfer.

DEPARTMENT OF AGRICULTURE

Amendment No. 172: Appropriates $50,000 for the Office of the Secretary as proposed by the House instead of $99,000 as proposed by the Senate.

Amendment No. 173: Deletes the appropriation of $495,000 for the Federal Crop Insurance Corporation as proposed by the Senate.

Amendment No. 174: Appropriates $5,112,000 for salaries and expenses of the Food Safety and Inspection Service as proposed by the Senate instead of $4,362,000 as proposed by the House.

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

Amendment No. 175: Appropriates $975,000 instead of $1,948,000 as proposed by the House and no funds as proposed by the Senate.

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, NAVY

Amendment No. 176: Appropriates $244,630,000 as proposed by the Senate instead of $234,630,000 as proposed by the House.

Amendment No. 177: Transfers $30,000,000 from Retired Pay, Defense, 1984 as proposed by the Senate instead of $40,000,000 as proposed by the House.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

Amendment No. 178: Appropriates $161,330,000 instead of $149,530,000 as proposed by the House and $173,130,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, NAVY

Amendment No. 179: Appropriates $198,410,000 instead of $186,110,000 as proposed by the House and $210,710,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, MARINE CORPS

Amendment No. 180: Appropriates $8,920,000 instead of $8,320,000 as proposed by the House and $9,520,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, AIR FORCE

Amendment No. 181: Appropriates $102,050,000 instead of $95,000,000 as proposed by the House and $109,100,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

Amendment No. 182: Appropriates $80,862,000 as proposed by the Senate instead of $92,630,000 as proposed by the House.

OPERATION AND MAINTENANCE, ARMY RESERVE

Amendment No. 183: Appropriates $7,240,000 instead of $6,740,000 as proposed by the House and $7,740,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, NAVY RESERVE

Amendment No. 184: Appropriates $1,590,000 instead of $1,490,000 as proposed by the House and $1,690,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

Amendment No. 185: Appropriates $6,950,000 instead of $6,500,000 as proposed by the House and $7,400,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

Amendment No. 186: Appropriates $13,900,000 instead of $12,950,000 as proposed by the House and $14,850,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

Amendment No. 187: Appropriates $15,750,000 instead of $14,700,000 as proposed by the House and $16,800,000 as proposed by the Senate.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

Amendment No. 188: Restores the matter stricken by said amendment, amended to read as follows: *$1,500,000 and in addition,*

This amendment provides $1,500,000 for increased pay costs for the Indian Health Service instead of $3,400,000 as proposed by the House and no funds as proposed by the Senate.

CENTERS FOR DISEASE CONTROL

Amendment No. 189: Provides that $4,235,000 for the cost of the Federal pay raise at the Centers for Disease Control be derived by transfer from "Health Resources and Services" as proposed by the House. The Senate bill proposed $4,235,000 as a new appropriation.

HEALTH RESOURCES AND SERVICES REPROGRAMMING

The House and Senate reports have both provided for the reprogramming of funds no longer required for the National Health Services Corps to other activities. The House report (H. Rept. 98-916) provides for the reprogramming of $16,167,000 while the Senate report (S. Rept. 98-570) provides for the reprogramming of $17,498,000. The conferees now understand that $22,848,000 is available and have agreed that these funds be reprogrammed or transferred as follows: $14,350,000 to community health centers; $3,601,000 for pay costs at the Health Resources and Services Administration; $4,235,000 for pay costs at the Centers for Disease Control; $332,000 for pay costs at other agencies of the Department of Health and Human Services; $330,000 to the nursing loan repayment program.

ASSISTANT SECRETARY FOR HEALTH

Amendment No. 190: Deletes appropriation of $1,084,000 for "Public Health Service Management" proposed by the Senate. The conferees have agreed that these costs should be absorbed within currently available funds as proposed by the House. The conferees are further agreed that the Department should submit its plans as to how it will absorb the additional pay costs as a reprogramming request prior to taking any action thereon.

DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

Amendment No. 191: Appropriates $4,242,000 for surveys, investigations, and research as proposed by the Senate.

The managers agree that the Geological Survey should receive the same consideration as other agencies in the Department of the Interior and, therefore, have provided fifty percent of their increased pay costs.

OFFICE OF THE SECRETARY

Amendment No. 192: Deletes funds for departmental management as proposed by the House instead of providing $200,000 in new appropriations and $300,000 by transfer as proposed by the Senate.

OFFICE OF THE SOLICITOR

Amendment No. 193: Deletes $220,000 for salaries and expenses proposed by the Senate amendment.

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 194: Deletes $387,000 for salaries and expenses proposed by the Senate amendment.

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

Amendment No. 195: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$35,000,000, of which $1,200,000 shall be derived by transfer from the unobligated balances of "Interstate Commerce Commission, Salaries and expenses," and of which $3,800,000 shall be derived by transfer from the unobligated balances of "Civil Aeronautics Board, Payments to air carriers";*

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

ENVIRONMENTAL PROTECTION AGENCY

Amendment No. 196: Appropriates $4,900,000 for salaries and expenses as proposed by the Senate, instead of $4,500,000 as proposed by the House.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Amendment No. 197: Appropriates $17,582,000 for research and program management as proposed by the House, instead of $20,000,000 as proposed by the Senate.

Amendment No. 198: Provides an increase of $2,000,000 in the travel limitation as proposed by the Senate, instead of $1,500,000 as proposed by the House.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 199: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $3,900,000 of which $2,000,000 is to be derived by transfer from the Disaster Loan Fund instead of an appropriation of $1,900,000 as proposed by the House.

VETERANS' ADMINISTRATION

Amendment No. 200: Deletes language proposed by the Senate appropriating $1,000,000 for general operating expenses.

Amendment No. 201: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

"Construction, minor projects", an increase of $334,000 in the limitation on the expenses of the Office of Construction;

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

Amendment No. 202: Appropriates $2,640,000 as proposed by the Senate instead of $3,240,000 as proposed by the House.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

Amendment No. 203: Appropriates $1,900,000 as proposed by the Senate instead of $1,453,000 as proposed by the House.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Amendment No. 204: Inserts center heading as proposed by the Senate.

Amendment No. 205: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *$2,131,000, of which not to exceed $400,000 shall be derived from "State and local assistance", and of which not to exceed $307,000 shall be derived from "Emergency planning and assistance"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are concerned that individuals with the Federal Emergency Management Agency are in violation of Section 406 of the general provisions of the 1984 HUD-Independent Agencies Act which states:

"SEC. 406. None of the funds provided in this Act to any Department or Agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment, with the exception of the Secretary of the Department of Housing and Urban Development, who, under title 5, U.S.C. Sec. 101, is exempted from such limitation."

The conferees wish to reiterate that none of the funds in this or any other Act may be used to provide for the transportation of any officer or employee of the Federal Emergency Management Agency between his or her office and domicile in any government-owned or leased vehicle.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

Amendment No. 206: Deletes $2,100,000 for salaries and expenses as proposed by the Senate.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

Amendment No. 207: Appropriates $1,000,000 as proposed by the Senate instead of $1,320,000 as proposed by the House.

TITLE III

GENERAL PROVISIONS

Amendment No. 208: Reported in disagreement.

Amendment No. 209: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment insert the following: *303(a).*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $8,500,000 for the acquisition of not more than 1,000 acres of land for fish and wildlife mitigation purposes associated with the Bonneville Lock and Dam, Second Powerhouse, Washington and Oregon project.

FEDERAL COMMUNICATIONS COMMISSION

Amendment No. 210: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

SEC. 304. No funds appropriated by this or any other Act to the Federal Communications Commission may be used to implement the Commission's decision adopted on July 26, 1984, in Docket GEN 83-1009 as it applies to television licenses, prior to April 1, 1985, or for 60 days after the Commission's reconsideration of its decision in this matter, whichever is later. The term "implement" shall include but not be limited to processing, review, approval, or acquisition of any interest in or the transfer or assignment of television licenses.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees note that there is great concern in Congress over the possible impact of changing the limitation on the number of television stations individuals and corporations may own. The conferees direct the Federal Communications Commission to proceed cautiously in this area, to consider all potential alternatives, and to consult with the Committees on Appropriations, the Judiciary Committees, the Senate Commerce Committee, and the House Energy and Commerce Committee prior to taking any further action.

Amendment No. 211: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which is a sense of the Congress provision related to agricultural credit.

Amendment No. 212: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate extending the time period for which air traffic controller reemployed annuitants may be paid without dual compensation penalty from December 31, 1984, to December 31, 1985. The conferees note that Section 5532 (f)(2) requires the FAA administrator to determine that there is an "unusual shortage" of air traffic controllers for this provision to take effect. The conferees expect the FAA administrator to certify and justify in writing to the Committees on Appropriations that there is an "unusual shortage" of air traffic controllers before the authority provided by this amendment is exercised.

The conferees also believe that the FAA should take every reasonable step to improve the procedures by which air traffic controllers are trained and brought to a fully-qualified status. In this regard, FAA should recognize that an ideal pool of aviation talent will emerge from the airway science curriculum program. FAA is instructed to review its recruitment and training process to make the best use of these graduates, and, as appropriate, speed their entry into the aviation system.

LEGAL SERVICES CORPORATION

Amendment No. 213: Reported in technical disagreement. The managers of the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts language that amends, upon enactment of H.R. 5712, the first proviso under the heading "Legal Services Corporation, Payment to the Legal Services Corporation." The amendment clarifies and narrows the scope of the provision which prohibits the denial of the awarding of a grant to a grantee or contractor as a result of activities which during fiscal year 1984 have been found by an independent hearing officer appointed by the President of the Corporation not to constitute grounds for a denial of refunding.

Amendment No. 214: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 308. (a) The Congress finds that—

(1) the export of American poultry meat products has reduced our Nation's annual trade deficit by over $275,000,000 but has declined for two straight years;

(2) an even more drastic decline in the exports of American shell eggs has occurred over the same period of time and many foreign markets have been completely lost;

(3) the decline of such exports is largely a result of the use of unfair trade subsidies for poultry and egg exports by countries of the European Economic Community and Brazil;

(4) the United States has been engaged for almost three years in negotiations with such countries to end the use of such subsidies but has been unable to make substantial progress in ending such subsidies; and

(5) further negotiations to end the use of such subsidies are expected to be held in October 1984.

(b) It is the sense of the Congress that—

(1) the President should use all practicable means to necessitate an end to the use of unfair trade subsidies for poultry and egg exports by countries of the European Economic Community and Brazil in order to permit American producers to compete more fairly in international markets and to avoid the imposition of such subsidies by the United States.

(2) the President should use all of the authorities available, including the Commodity Credit Corporation, to move U.S. agricultural products in world trade at competitive prices.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement incorporates the text of the Senate amendment and adds language calling for the sale of U.S. agricultural commodities in world trade at competitive prices.

Amendment No. 215: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts language that directs the Secretary of Commerce to submit, within thirty days of the enactment of this Act, to the appropriate committees of the Congress, a report specifying a proposal to meet the funding obligations of the Fisherman's Guarantee Fund.

TITLE IV

UNITED STATES SCHOLARSHIP PROGRAM FOR DEVELOPING COUNTRIES ACT

Amendment No. 216: Deletes language proposed by the Senate which would have authorized an undergraduate scholarship program designed to bring students from developing countries to the United States for study at American institutions of higher education.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority recommended by the Committee on Conference, with comparisons to the budget estimates, and the House and Senate bills follow:

Budget estimates of new (obligational) authority ..	[1] $6,343,780,170
House bill	5,384,624,400
Senate bill	6,983,228,070
Conference agreement	[2] 5,817,318,000
Conference agreement compared with:	
Budget estimates of new (obligational) authority	−526,462,170
House bill	+432,693,600
Senate bill	−1,165,910,070

[1] Includes $43,417,000 of budget estimates not considered by the House.

[2] Reflects House position for amounts in true disagreement.

JAMIE L. WHITTEN,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
NEAL SMITH,
J.P. ADDABBO,
CLARENCE D. LONG,
SIDNEY R. YATES,
EDWARD R. ROYBAL,
TOM BEVILL,
WILLIAM LEHMAN,
JULIAN C. DIXON,
VIC FAZIO,
W.G. HEFNER,
SILVIO O. CONTE,
JOSEPH M. McDADE,
JACK EDWARDS,
JOHN T. MYERS,
CLARENCE MILLER,
LAWRENCE COUGHLIN,
JACK KEMP,
Managers on the Part of the House.

MARK O. HATFIELD,
TED STEVENS,
L.P. WEICKER, JR.,
JAMES A. McCLURE,
THAD COCHRAN,
MARK ANDREWS,
JAMES ABDNOR,
ROBERT KASTEN,
MACK MATTINGLY,
WARREN B. RUDMAN,
JOHN C. STENNIS,
DANIEL K. INOUYE,
Managers on the Part of the Senate.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL 5 P.M., AUGUST 31, 1984, TO FILE SUNDRY COMMITTEE REPORTS

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until 5 p.m. on August 31, 1984, to file committee reports on the following bills: H.R. 5938, Record Rental Amendment of 1984; H.R. 5644, Supreme Court Mandatory Appellate Jurisdiction Reform Act of 1984; H.R. 5479, a bill to amend the Equal Access to Justice Act (relating to attorneys' fees awards against the United States); and H.R. 5645, Federal Court Civil Priorities Act.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

APPOINTMENTS AS MEMBERS OF DELEGATION TO ATTEND CONFERENCE OF THE INTERPARLIAMENTARY UNION AT GENEVA, SWITZERLAND

The SPEAKER. Pursuant to the provisions of 22 U.S.C. 276a–1, the Chair appoints as members of the delegation to attend the Conference of the Interparliamentary Union to be held in Geneva, Switzerland, on September 24 through September 29, 1984, the following Members on the part of the House:

Mr. PEPPER of Florida, chairman;
Mr. HAMILTON of Indiana, vice chairman;
Mr. SAM B. HALL, Jr. of Texas;
Mr. KILDEE of Michigan;
Ms. OAKAR of Ohio;
Mr. MICA of Florida;
Mr. HARRISON of Pennsylvania;
Mr. HYDE of Illinois;
Mr. ROTH of Wisconsin;
Mr. MCGRATH of New York;
Mr. BATEMAN of Virginia; and
Mr. BOEHLERT of New York;

INTRODUCTION OF BUDGET BREACH PROPOSAL

(Mr. RAY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RAY. Mr. Speaker, I recently made a speech on the floor of the House of Representatives outlining the frustrations which I have felt as a freshman Member with the budget procedures that we have.

I came to the Congress with a commitment to work as hard as I could to return this country to some sane spending practices. Many of my freshman colleagues also had spending reductions right at the top of their list of legislative priorities, and they have felt the same frustrations that I have.

Therefore, Mr. Speaker, I am introducing a bill today, along with my colleagues, the gentleman from Georgia [Mr. JENKINS] and the gentleman from Georgia [Mr. DARDEN], which I think will focus on some constructive changes in the House budget process, and I hope all of my colleagues will take a good look at this legislation.

Mr. Speaker, it is bad enough that we refuse to come to serious grips with our own irresponsibility, and that we cannot bring ourselves to have a broad enough viewpoint so that we can look beyond the political needs of the moment.

But it is even worse that we structure the procedures of the Congress in such a way that we don't stand up and face the music with the American people when we violate the budget limits which we set for ourselves.

If the spending bills which we are passing are really important enough to justify asking our children and grandchildren to pay for them, then we should not be afraid to stand up and tell the American people that we are breaching our own budget, and why we are doing so.

But we don't do that, Mr. Speaker. Instead we cloud up what we are doing in continuing resolutions and supplemental appropriations. We lump our spending bills together in Christmas tree type packages where highly popular bills are tied together with measures which would have no chance whatever if they were left to stand on their own.

We go through the symbolic routine of setting ceilings for each of the appropriations subcommittees which report out spending bills, but these ceilings don't mean anything.

In the first place, if the Congress decides to proceed with the business of spending the people's money without even making those ceilings public, they are perfectly free to do so. In fact, the House has approved 9 out of the 13 spending bills we are scheduled to consider this fiscal year, and none of the Members—except those on the Appropriations Committee—have any idea of what the subcommittee ceilings are.

The distinguished committee chairman assures us that these ceilings have been set, and that his committee is operating within them. He is one of the leaders of this body, and I am sure that what he says is true. But I fail to see why the rest of us in the House, and the American public should not be told the details of the spending blueprint that we are operating under.

Second, even if the spending ceilings for each of the individual subcommittees are set and published, they can be completely and totally ignored. If the Appropriations Committee chooses to bring a spending bill to the floor in spite of the fact that it breaches the spending ceiling which they have published for that subcommittee, then no Member of the House can even raise a point of order against the measure.

Mr. Speaker, we can do better than this. The least we can do for the American people, who are being asked to pay the bill for our extravagence is to postpone our spending bills until we have published these guidelines for all the world to see.

Third, when we breach these guidelines, we should at least have the courage to stand up and admit it to the American people. The proposal I am introducing today is not one of those ambitious freeze proposals that we hear a lot about in the media. Often these proposals make for good reading in the evening paper, but don't work when you place them into the real world.

My bill proposes two very simple improvements in our budget process. They are easy to understand, and they will give that process the accountability that the American people are entitled to.

The first part would simply require the House Appropriations Committee to set spending ceilings for each of their subcommittees and to publish those guidelines for the fiscal year before they can bring any spending bill to the House floor. There is simply no reason why the taxpayers and the American public and the rest of the Congress should be kept ignorant of the subcommittee spending ceilings under which we are operating.

Now, Mr. Speaker, I am well aware that the Appropriations Committee has a very good excuse for not publishing any subcommittee guidelines for fiscal year 1985. The House and Senate budget conferees have failed to agree on an overall spending ceiling for fiscal year 1985. Therefore, the Appropriations Committee has nothing to divide up among its various subcommittees.

My bill would require the Appropriations Committee to go back to the most recently passed overall spending ceiling, and use it as the basis for setting the subcommittee ceilings for the present fiscal year.

In other words, if my bill had been in effect at the first of this year, the Appropriations Committee would not have been allowed to bring any of the spending bills for this fiscal year to the floor until they had gone back and taken the overall spending ceiling which was set for fiscal year 1984, and divided that sum among its various subcommittees. When those individual spending ceilings were published, then they could freely bring the bills to the floor.

Members will notice that the language of my bill requires that the Appropriations Committee set and publish individual subcommittee spending

ceilings based on the most recently passed overall spending ceiling.

Let me take a moment to explain how that would work under our present situation. As I stated earlier, we have already passed 9 of our 13 spending bills even though the subcommittee ceilings have not been published.

Under my bill, we would be presently operating under a set of spending ceilings for the subcommittees which would be based on the overall spending ceiling that was passed for fiscal year 1984.

Now let's assume that the Congress would finally adopt an overall spending ceiling for fiscal year 1985.

At that point, the Appropriations Committee would have to set another set of subcommittee ceilings based on the newly adopted overall spending ceiling. They would take this new ceiling, and subtract the amount that the House has spent up until this time. Then they would divide what is left among the four remaining subcommittees. After these new guidelines are set and published, then we could proceed with the rest of the spending bills.

Mr. Speaker, it is not my intention in this bill to be unreasonably rigid and inflexible. If either chamber wants to waive this requirement, they can do so, but it will take a two-thirds vote to proceed with a spending bill if spending ceilings for the subcommittees have not been set and published.

In my judgment, the first portion of my bill would do two positive things. In the first place, it would give us a clear set of guidelines that we could apply to each and every spending bill that we consider. The American people would also have a clear yardstick to judge us by, and we owe them that.

Second, I think it would bring some badly needed pressure to bear on the budget committees in both bodies to expedite the passage of an overall spending ceiling.

Now, let me move to the second part of my proposal.

Mr. Speaker, it does no good to set up a procedure which requires these subcommittee ceilings to be published before we can consider spending bills unless we also do something to put some teeth into these ceilings.

The rules under which we presently operate allow the Appropriations Committee to ignore the ceilings that they have set for their own subcommittees whenever they want to. They can bring bills to the floor which breach these ceilings, and no other House Member can even raise a point of order to protest this breach.

I think we should change that, and my bill would do so in a simple and straightforward manner.

It simply provides that any Member of the House or Senate can raise and make a point of order any time a spending bill breaches the ceiling which has been published for that subcommittee. Once the point of order has been raised, there would have to a be a vote on whether or not to allow that breach before the spending bill, itself, could be considered.

The benefits which we would derive from this are clear. We could not breach these ceilings without at least standing up in front of the people who have to pay the bills and admitting that we have done so.

Mr. Speaker, I urge my colleagues to support this measure. It is by no means a complete solution. It is not all that we could do or should do.

I would like to see us put an end to these end of the session Christmas tree type bills which tie spending proposals together in politically attractive packages that are so complicated, we often aren't sure what we are approving.

We waste hundreds of hours every year on this floor talking about matters that are of fairly minor importance. Then, at the end of the year, we storm through with a hectic rush of bills which spend huge amounts of money at a pace which is to rapid that Members can barely keep up with what we are doing.

We can do better, and we must do better. Every single dollar that we toss away in Washington has been earned by someone. I sometimes think that we forget that. It isn't monopoly money or some kind of play money, it is the people's money.

These are not dollars that grow on some money tree. They are dollars which are not being used for college educations, mortgage payments, and the thousands of other things that the people who earned them would like to spend them on. They are not being used for these purposes because we have taken them in the form of taxes.

It is there money, it is not our money—and we need to treat it accordingly.

Mr. Speaker, I am not here demagoging this issue. I am trying to be constructive, and take us part of the way toward where we ought to be. I urge my colleagues to support this legislation.

SARAH DOHERTY CONQUERS MOUNT RAINIER, DESPITE HANDICAP

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, I rise to being to the attention of my colleagues the marvelous accomplishment of a former constituent of mine, who, despite an oftentimes totally disabling handicap, literally climbed to heights previously unequaled by a disabled woman. While the Nation sat glued in front of its television set for the past 10 days watching the Olympic games and watching the spectacular achievements of the U.S. teams, I did not want the singular accomplishment of one very remarkable woman to go unnoticed or unheralded.

I salute Sarah Doherty on her accomplishment. But more than just the singular example of reaching the top of Mount Rainier. I salute Sarah for what her accomplishment means to the millions of disabled Americans like Sarah who refuse to recognize the limitation society so often places on them. Sarah has dramatically shown the world that no individual can be defined by a physical handicap.

Sarah Doherty, 24, formerly of Taunton, MA, and now a resident of Seattle, WA, last week became the first woman with only one leg to successfully climb the 14,410-foot Mt. Rainier in Washington. Having lost a leg in an automobile accident 11 years ago, Sarah now works as an occupational therapist in Seattle. As an occupational therapist, Sarah is trained to assist other disabled people in coming to terms with their handicap, and then overcoming what society oftentimes perceives as physically handicapped individual's limitations. Certainly, both in deed and example, Sarah has become a living, walking, and breathing example, of what one person can do through a combination of determination, perseverance, and faith.

REAGAN ADMINISTRATION DEMONSTRATES UNFAIRNESS IN TWO MORE INSTANCES

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the President has always had trouble playing fair throughout his whole administration, and now he appears to be doing it one more time—actually two more times.

He is using this rush toward adjournment, in which we are trying to accommodate Republican Members so they can get to the Republican convention, to try to stuff more money in the pipeline for El Salvador, although there is already $50 million there and we do not need any emergency money.

And he is also trying to use the rush to shut off GERALDINE FERRARO's franking privileges so she cannot answer her mail for the next month and a half. The law clearly states that any Member can use their frank outside their district to respond to solicited requests. That is what is happening, and they are saying, no, she can't respond. The law doesn't say the Member can't follow up on the correspondence; it only says the correspondence must be solicited.

However, the Republicans are not changing the banking law for GEORGE BUSH. I think it is time for Republicans to play fair.

Mr. Speaker, if BUSH franks, FERRARO franks. That should be the rule and we should go back to fairness on both sides during the conduct of this campaign.

□ 1020

LET FERRARO USE THE "FRANK"

(Ms. MIKULSKI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MIKULSKI. Mr. Speaker, last night, I found out that some of my Republican colleagues are once again stooping to low blow politics.

They want to stop GERRY FERRARO from using her franking privileges to respond to thousands of letters she has received from all over the country on her issue positions.

They want to deny the American people the right to get a postcard or letter back from GERRY FERRARO on the questions that they have asked her.

They want to deny the American people the right to know where FERRARO stands on the legislative issues.

We think the American people have a right to know where FERRARO stands on medicare solvency. We happen to think the people have a right to know where GERALDINE FERRARO stands on bringing the human rights around the globe and we think the people have a right to know how GERALDINE FERRARO intends to solve the Federal deficit.

People have a right to know where GERRY FERRARO stands on the issues. GEORGE BUSH can use his frank to respond to letters from around the country.

GERRY FERRARO is now a national leader and she should be able to do the same.

Come on, guys, the people have a right to know. What is good enough for GEORGE should be good enough for GERRY.

COMPARING REPUBLICAN AND DEMOCRATIC COMMITTEE RATIOS

(Mr. WILLIAMS of Montana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS of Montana. Mr. Speaker, the members of the minority have used these 1-minute speeches in the past to complain about what they call the unfairness of the ratio of Democrats to Republicans on the various House committees. In other words, the Republicans charge that they are underrepresented on the committees in comparison to the ratio of Republicans to Democrats in this House.

We Democrats are sensitive to fairness. It has long been the linchpin of our political beliefs. Thus, I have just completed a review comparing the present ratios with those in effect when the Republicans were last in a majority in this House.

My analysis clearly demonstrates that when the Republicans were in control, the ratios were nowhere near as fair as they are in this Congress.

Those interested in a detailed look at those ratio comparisons will find them in today's Extensions of Remarks.

The Republicans have been pleading about unfair treatment. It is interesting campaign rhetoric, but the facts prove that during those few times, a third of a century ago, when the Republicans were last in control of this House, they were blatantly unfair concerning committee representation.

DISABILITY BILL UPDATE

(Mr. PICKLE asked and was given permission to address the House for 1 minute.)

Mr. PICKLE. Mr. Speaker, as we now rush off for the August recess I ask the Members to remember that our work here is not finished. Particularly, I remind them that when we return, Congress must take action to end the chaos that has befallen our Social Security Disability Insurance Program.

The conferees for the disability reform bill have not reached any final agreement. We have made some progress, but we are hung up primarily on the question of medical improvement and administrative acquiescence to Federal court decisions.

Mr. Speaker, I am afraid that the Social Security disability bill has become a forgotten stepchild. It is being forced to take a backseat while we take care of everyone else.

But while we delay, the disability program is suffering. It is no longer a national program controlled by the Congress. Today it is being run by the courts and the States. Unless we enact this disability bill the entire disability insurance program will come tumbling down on our shoulders.

Under the present policies of the administration the program has become a national scandal of tragic proportions.

By reason of Federal court order or State executive action, some 29 States are no longer administering the program in compliance with the guidelines of the Department of Health and Human Services. Over 175,000 cases are now clogging our Federal court dockets, filed by totally disabled beneficiaries who were thrown off the rolls.

The administration's policies are directly responsible for this administrative chaos, judicial abuse, and human misery.

The administration continues to ignore the law as interpreted by our Federal courts and to oppose the legislation we passed by a vote of 410 to 1. Despite our sincere, continuous, and vigorous efforts to reach a compromise, the Senate conferees remain intransigent in their support of this administration's policies. At a time when both the administration and the Senate are clamoring for new and higher benefits for our elderly, I would hope they could change their position and accord basic justice to our totally disabled workers.

When we return we must ensure that this does happen. If we fail we will have permitted tragic injustice and we will have little to be proud of when we face the voters in November.

A MOST SUCCESSFUL LAW ENFORCEMENT OPERATION

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, I rise today to call special attention to one of the most successful law enforcement operations now in place in the United States.

In the southwestern part of my district, there is a 1-mile stretch of highway connecting the Delaware Memorial Bridge with the New Jersey State Turnpike. For years this stretch has been known as "Cocaine Alley," because it was a major thoroughfare for drug traffickers driving from Florida to the Northeast.

Today, I think it's fair to consider renaming this highway from "Cocaine Alley" to "Jailhouse Road," because prison is exactly where many of these drug traffickers are now winding up.

Under the leadership of Salem County prosecutor Frank Hoerst and New Jersey State Police superintendent, Clinton Pagano, a highly sophisticated program has been set up to intercept these drug smugglers as they cross the bridge. The results of this drug operation have been staggering.

In 1983, the State police seized 80 pounds of cocaine along this highway with a street value of some $3 million. In the first 4 months of 1984 alone, the police have seized a phenomenal 244 pounds of cocaine valued in excess of $9 million, along with increased quantities of marijuana and other drugs.

The New Jersey State Police are now averaging one major bust every other day along Cocaine Alley, and the Salem County prosecutor's office has achieved an incredible 99 percent success rate in prosecuting those persons caught trafficking in drugs.

This isn't a hit or miss operation. It's the result of a sophisticated intelligence operation which combines the resources of the State police and the county prosecutor's office, as well as the FBI, Drug Enforcement Administration, Customs and Immigrations Services and the Internal Revenue Service.

The Salem County drug operation is now regarded as the model program for the entire country in the area of automobile stops. The county prosecutor's office and State police are currently working with law enforcement officials across the Nation to pass along their expertise, so that similar programs can be set up in other States.

Colonel Pagano, Prosecutor Hoerst and the many people working for them deserve full credit for developing and implementing this highly successful law enforcement program. They have made a major contribution to our efforts to stem drug trafficking in the United States, and to get the pushers behind bars where they belong.

STEPHEN J. BOLLINGER (1948-84), ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

(Mr. BOLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BOLAND. Mr. Speaker, I would like to pay special tribute to Mr. Stephen J. Bollinger, a remarkable man whose contributions in the areas of community planning and development affected millions of Americans. I had the pleasure of working with Steve in his capacity as Assistant Secretary for Community Planning and Development at the Department of Housing and Urban Development. He distinguished himself in that post by his leadership, hard work, enthusiasm, and his humor.

Steve Bollinger leaves a legacy in communities across this Nation and he will be remembered fondly by his friends, coworkers, and associates. I will remember him for his special way of bringing people together, of inspiring them to the task at hand, and for getting the job done well.

Secretary Samuel R. Pierce's remarks in tribute to Steve have previously been included in the RECORD. At this point, I would like to insert two additional tributes—a letter from the President and the beautiful and moving remarks given by his eight-year-old daughter Megan at the memorial service:

THE WHITE HOUSE,
Washington, June 19, 1984.

Mrs. STEVE BOLLINGER,
Brooklandville, MD.

DEAR LIN: Nancy and I offer our heartfelt sympathy on Steve's death. Although no words are adequate to ease the pain of your loss, the closeness of your family and friends and the nearness of God's loving arms will sustain you at this time of sorrow.

While it isn't given to us to fully understand the portion of sorrow that is meted out to us, we do have the assurance of Our Lord that not even a sparrow can fall without His knowledge and care. We are certain that God is watching over Steve now and that he is in the Lord's safekeeping.

Steve's assistance to the principles and goals of this Administration was invaluable, earning him the admiration of all who knew him. He will be sorely missed.

With our deepest sympathy,

RONALD REAGAN.

Megan Bollinger

My Dad.
Stephen J. Bollinger was my Dad.
I love him very much.
He said when I die don't be sad,
I need to rest anyway.
We are trying to be brave.
He was a great man and I am proud of him.
He always made us laugh.
He was the best Dad in the world.

GEORGE McGOVERN AND RONALD REAGAN: "THE MORE THINGS CHANGE, THE MORE THEY OUGHT TO REMAIN THE SAME" DEPARTMENT

(Mr. WALGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALGREN. Mr. Speaker, I think these comments follow in the line of the more things change, the more they ought to remain the same department.

There is a lot of talk in the press and public of the present economic recovery. The difficulty, of course, is that this recovery is being fueled by red ink and Federal deficits that are at least three times larger than any previous deficit run up in any similar period in our history.

I think we should remember that the American public literally laughed George McGovern off the political stage in 1972 when he proposed to stimulate the economy by simply giving everybody $1,000. How ironic that Ronald Reagan's deficits do the same thing.

If you divide our population of some 200 million into the $200 billion deficit Reaganomics has given us last year, you come out with $1,000 for every man, woman, and child in America.

Ronald Reagan's deficits literally gives everybody $1,000.

In fairness we should at least remember that George McGovern proposed that we give $1,000 to everyone. Ronald Reagan's programs gives $8,000 to some people and only $250 to others. But we shouldn't worry. It's the overall effect that counts in economics and we can expect the same result in the future from both Mr. Reagan's program and Mr. McGovern's proposal.

Except for one thing. At least George McGovern suggested that we do it only once. Ronald Reagan's program has put in place tax and spending programs that produce $200 billion deficits year after year. And the only end in sight is when giving people money that does not exist will bring our economy to a crashing halt. The American public's reaction to Reaganomics should be no different than our reaction was to George McGovern's proposal.

LITTLE LEAGUE WORLD SERIES, ANOTHER GREAT ATHLETIC EVENT

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, very soon now the Olympics of 1984 will have come to a glorious conclusion with all the dividends of international good will that one would expect of that spectacle, but almost as soon as the last athlete has left the Los Angeles area, there will begin another international sports event in the United States, one that occurs every year and one which has just as much to do with international good will as the Olympiad, which only happens once every 4 years.

□ 1030

I am speaking, of course, of the Little League World Series which takes place every year in Williamsport, PA. At the culmination of a summer full of contests all over the world, in the Far East and the Near East, and in the Middle East and in the Western Hemisphere, and all over the world, young athletes compete for the privilege and the right to come to Williamsport, PA, for the real World Series at hand, because the World Series that takes place in the United States is not international in scope except for Canada.

Here is a grand opportunity for us to reaffirm what we have just learned in the Olympics, that kids and youngsters competing in athletics give us our best hope for understanding among nations.

I salute the authors of the program and those who put it into effect every year in Williamsport.

SECRETARY LEHMAN PROTECTS THE TAXPAYERS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, I commend Navy Secretary John Lehman for his new tough policy on defense procurement. After hearing of $500 hammers and $50 bolts, it is good to see that the Secretary of the Navy is doing something to protect the taxpayer.

Secretary Lehman suspended deliveries of both the Phoenix missile and the F/A-18, the tail assemblies of which were found to crack under stress. Then he insisted that all modifications to these systems will have to be made at the contractor's expense. Both suppliers, Hughes and McDonnell Douglas, later agreed to this.

In the face of the relentless Soviet buildup, we cannot afford to field weapons that cannot fully exploit our advantages in technology. Nor can we afford to pay for cost overruns, unnecessary spec buying and contractor error or fraud. Secretary Lehman realizes this. It is too bad few others in the Defense Department seem to.

PATRIOTIC SPIRIT AT THE OLYMPICS

(Mr. NIELSON of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NIELSON of Utah. Mr. Speaker, 2 weeks ago tomorrow I had the opportunity to attend the opening ceremonies at the Olympics in Los Angeles. I have attended many outstanding patriotic programs and religious pageants, including the Passion Play, but I have never participated in a more moving event.

I was thrilled to see Rafer Johnson light the Olympic torch, to see the flags of all the countries in the stands and to watch the fine athletes enter the stadium. It was especially gratifying when the crowd gave a hearty welcome, especially to China, to Yugoslavia, and to Romania.

Peter Uberoth and his committee, the city of Los Angeles, and the thousands of volunteers are to be congratulated.

On a personal note, I was also very pleased to see my wife's second cousin, Peter Vidmar, win two gold medals and one silver medal in gymnastics and I congratulate him.

CONGRATULATIONS, BOBBY WEAVER, GOLD MEDALIST

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, the city of Easton, PA, in the great Lehigh Valley of Pennsylvania, my congressional district, is home to yet a new world champion. You have all heard of Larry Holmes, the world heavyweight champion. He's from Easton. We now have world champion Bobby Weaver, the 105-pound freestyle champion Olympic gold medalist.

Bobby Weaver now lives with his wife and child in Bethlehem, PA. He grew up in Easton and went to high school at Easton High where he was an outstanding wrestler. His family lives in Easton. He was a star wrestler at Blair Academy and then at Lehigh University in Bethlehem, PA. He is a four-time AAU champion.

Bobby Weaver represents the new Easton, PA. Yes; we have had problems. But by the skill and energy and hard work of the citizens of Easton, the city is on the move and no better representation of Easton is evident today than the 105-pound gold medalist at the Olympics, Bobby Weaver.

I had the pleasure of seeing his great victory by a pin over his Japanese opponent in the finals last night. I hope my House colleagues had that same pleasure. I offer my heartiest congratulations to Bobby Weaver and to the members of his family.

MS. FERRARO'S USE OF THE FRANK

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, a few other speakers have complained about the Franking Commission's decision not to grant Ms. FERRARO extra special privilege under her frank. They said that we did not allow her to send a letter or a postcard to people who had written her.

They are wrong.

She can write either a letter or a postcard. But she was greedy. She wanted to spray both letters and postcards all over the United States. In fact, she can do both, but only if her second shot is in a batch of less than 500.

Actually, she was asking for a special privilege, for the ability to double dip into the Treasury to respond twice to letters generated solely because she was seeking another office. Those letters do not really even relate to House service at all.

Most of our constituents believe our franking laws are too loose already. Many of them will see this request as an abuse of an abuse. I personally thought the request was outrageous.

She would be well advised to stop looking for new ways to stretch our laws, and instead get going with the campaign.

MRS. VIRGINIA HUNT BOYD

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, a long-time friend of mine, Mrs. Virginia Hunt Boyd of Mayfield, KY, died last Friday, August 3, at age 50 in Mayfield.

The wife of Curtis James Boyd, this outstanding, highly respected and popular western Kentuckian was considered a super person by those who knew her.

She was not an elected official, not a business or corporate giant, but those of us who knew this very attractive and personable lady realize Virginia Hunt Boyd was special.

Virginia Boyd loved her country, her State, and her hometown.

She was interested in and a supporter of good government and worked diligently for her church, First United Methodist Church of Mayfield. Virginia Boyd's death is a significant loss for my hometown of Mayfield.

In addition to her husband, Virginia Boyd is also survived by her mother, Mrs. Dorothy Hunt of Mayfield; three sons: Curtis James Boyd, Jr., Thomas Jefferson Boyd II, and Herbert Hunt Boyd, of Mayfield; and two brothers, Herbie Hunt and David Hunt, both of Memphis, TN.

My wife Carol and I extend our sympathy to the family of Virginia Hunt Boyd.

AGRICULTURE EXPORT COMMISSION

(Mr. WATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATKINS. Mr. Speaker, I rise today to support the resolution adopted by the House calling for an Agricultural Export Commission. I applaud this action because today we are faced across this great land of ours with the largest trade deficits ever recorded in the history of our country.

Yet agriculture today is falling on its face. We have greater farm credit, greater farm foreclosures, and yet we cannot market our products abroad.

I salute the House action but I say that we must take more steps to resolve our problems in American agriculture today.

On June 7 I called on the White House to establish a White House Conference on International Trade. I think the White House and Congress must work together. We must try to work to resolve the problems we have in international trade and regain the leadership role in international trade just as we lead in the Olympics. We have won the gold and led the world in athletic competition, but the United States must lead the world in international trade if we are to market the quality of life for our children and grandchildren.

We are all concerned about the domestic deficits. I am here to say to my colleagues, just as terrible, just as bad on the economy is the fact we are going to turn into a debtor Nation in less than 6 months. We must do everything possible to increase our foreign exports.

I know my friend from New York disagrees, but I understand we disagree on a lot of things.

THE OPEN GATE

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Mr. Speaker, Monday, August 6, was a special day for Cobb County, GA. As a result of over 3 years of hard work by the entire community, Cobb County now has a new modern building to serve as a shelter for abused children. This center, known as the Open Gate, is located in the same building with the County Department of Family and Children Services.

Since 1980, there has been an average of 600 cases of child abuse per year reported in Cobb County, GA. Because of child abuse, about 200 children per year are placed in foster homes in Cobb County. Although foster homes are usually available, placing a child in the right home to meet his or her specific needs is difficult. However, as a result of a bold plan and much hard work by the community, Cobb County now has the Open Gate, a center where an abused child can be housed temporarily. The building will be able to provide shelter for up to 12 children and 2 infants. It is staffed by in-house parents with backup parents on weekends. Here the child can receive medical attention from a professional staff that is available and equipped 24 hours a day to meet the needs of children suffering from violence or trauma.

This project was made possible by caring people from all walks of life. Homemakers, attorneys, law enforcement personnel, real estate and insurance executives, elected officials, physicians and businessmen all participated. Groups such as the Junior League played a leading role. And the project would not have been possible were it not for the eight local financial institutions who helped finance the project. No Federal money went into this building. It is owned by a nonprofit corporation. And while we will seek in the future to use every available resource, we can always say that the center was begun as a community project. A community effort to meet a community need.

Mr. Speaker, I want to congratulate all those who contributed their time, efforts and money to the Open Gate, and to ask my colleagues to join with me in pledging their continued support to deal with the very serious problem of child abuse.

CROOKED STATISTICS MAKE SLANTED STORY

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, the Indianapolis Star said on its editorial page last week that last year in this great country of ours: You were officially poor if you were married, had two children, and made just under $200 a week. The Census Bureau supports this claim, adding that the poverty rate rose from 15 percent in 1982 to 15.2 percent in 1983.

The Star pointed out that the Speaker of this House took this information to mean, and I quote him here: "Under Reagan, the poor are getting poorer." It seems, Mr. Speaker, there are those among us who don't want President Reagan reelected.

We shouldn't forget the antipoverty advocates overlook those benefits like Medicare, public housing, school lunches, and food stamps. Consider these and we'll watch the poverty rate drop by 5 percent.

I agree with the Star editorial, poverty groups protest including these benefits as income, and so they are not counted. Multiplying the poor with crooked statistics may be good politics by some standards—but only if you can convince enough people that $200 a week plus these additional benefits is poverty.

□ 1040

APPOINTMENT OF ADDITIONAL CONFEREE ON S. 1841, THE JOINT RESEARCH AND DEVELOPMENT ACT OF 1984

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint an additional conferee to the conference committee on the Senate bill (S. 1841) the Joint Research and Development Act of 1984.

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from Californiz? The Chair hears none, and without objection, appoints the additional conferee: Mr. GREGG.

There was no objection.

SUPERFUND EXPANSION AND PROTECTION ACT OF 1984

The SPEAKER pro tempore. Pursuant to House Resolution 570 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5640).

□ 1042

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5640) to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, with Mr. MINISH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, August 9, 1984, an amendment deleting title II had been agreed to.

The Clerk will designate title III.

The text of title III is as follows:

TITLE III—MISCELLANEOUS PROVISIONS

CITIZENS SUITS

SEC. 301. Title I is amended by adding the following new section at the end thereof:

"CITIZENS' SUITS

"SEC. 116. (a) Except as provided in subsection (b) or (c) of this section, any person may commence a civil action on his own behalf—

"(1)(A) against any person (including (i) the United States, and (ii) any other governmental instrumentality or agency, to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any requirement which has become effective pursuant to this Act; or

"(B) against any person, including the United States and any other governmental instrumentality or agency, to the extent permitted by the eleventh amendment to the Constitution who has contributed or who is contributing to the past or present disposal of any hazardous substance or pollutant or contaminant from a facility if such disposal may present an imminent and substantial endangerment to health or the environment; or

"(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this Act which is not discretionary with the Administrator.

Any action under paragraph (1) of this subsection shall be brought in the district court for the district in which the alleged violation occurred (in the case of an action under paragraph (1)(A)) or in which the disposal occurred (in the case of an action under paragraph (1)(B)). Any action brought under paragraph (2) of this subsection may be brought in the Distict Court of the District of Columbia. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such requirement or to order the Administrator to perform such act or duty as the case may be, to immediately restrain any person contributing to the endangerment referred to in paragraph (1)(B), to order such person to take such other action as may be necessary, or both, to order the Administrator to perform the act or duty referred to in paragraph (2), as the case may be, or to apply any appropriate civil penalties under this Act.

"(b)(1) No action may be commenced under subsection (a)(1) of this section prior to sixty days after the plaintiff has given notice of the violation or disposal (A) to the Administrator; (B) to the State in which the

alleged violation or disposal occurs; and (C) to any alleged violator or person who contributed or is contributing to the disposal.

"(2) No action may be commenced under subparagraph (A) of subsection (a)(1) with respect to any violation referred to in such subparagraph if—

"(A) the Administrator has commenced and is diligently prosecuting an action under section 106 with respect to such violation; or

"(B) the Administrator or the State is taking response action under the section 104 with respect to such violation.

"(3) No action may be commenced under subparagraph (B) of subsection (a)(1) with respect to any endangerment referred to in such subparagraph (B) if—

"(A) the Administrator has commenced and is diligently prosecuting an action under section 106, or under section 7003 of the Solid Waste Disposal Act, with respect to such endangerment;

"(B) the Administrator or the State is taking response action under section 104 with respect to such endangerment; or

"(C) the Administrator has entered into a consent decree under section 106 or 107 pursuant to which any responsible party is taking response action with respect to such endangerment.

"(c) No action may be commenced under paragraph (2) of subsection (a) prior to sixty days after the plaintiff has given notice to the Administrator that he will commence such action. Notice under this subsection shall be given in such manner as the Administrator shall prescribe by regulation.

"(d) The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attorney and expert witness fees) to the prevailing or the substantially prevailing party whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

"(e) Nothing is this Act shall restrict or expand any right which any person (or class or persons) may have under any Federal or State statute or common law to seek enforcement of any standard or requirement relating to hazardous substances, or pollutants or contaminants, or to seek any other relief (including relief against the Administrator or a State agency).

"(f) In any action under this section the Administrator, if not a party, may intervene as a matter of right.

"(g)(1) Subparagraph (B) of subsection (a)(1) shall apply to the disposal of a pollutant or contaminant only if the pollutant or contaminant has been specifically identified by the Administrator in a response action under this Act at such facility or at any other facility.

"(2) Following each response action at a facility under this Act, the Administrator shall specifically identify the pollutants and contaminants with respect to which the action was taken.

"(3) It shall be an affirmative defense in an action under subparagraph (B) of subsection (a)(1) if the defendant establishes by a preponderance of the evidence that the disposal referred to in such subparagraph (B) was a federally permitted release as defined in section 101(10) (except that for purposes of this section, the phrase 'permit application' in subparagraph (C) shall not apply).

"(h) As used in this Act, the term 'disposal' means the discharge, deposit, injection, dumping, spilling, leaking, treating, storing, or placing of any hazardous substance or pollutant or contaminants into or on any land or water, except that such term shall not include any activity referred to in subparagraph (A,) (B), (C) or (D) of section 101(22).".

COMMENCEMENT OF DRILLING FLUIDS, ETC., STUDY

SEC. 302. The Administrator of the Environmental Protection Agency shall commence the study required under section 8002(m) of the Solid Waste Disposal Act not later than six months after the date of the enactment of this Act.

AMENDMENT OFFERED BY MR. FLORIO

Mr. FLORIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLORIO: Page 49, line 1, strike out "Administrator" and substitute "United States".

Page 46, line 15, strike out ", without regard to the amount in controversy or the citizenship of the parties,".

Page 50, after line 5, insert:

TRANSPORTATION OF HAZARDOUS MATERIALS

SEC. 303. Section 306 is amended by inserting "and regulated" after "listed" in each place it appears in subsections (a) and (b).

Mr. FLORIO (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FLORIO. Mr. Chairman, once again, this amendment was suggested by our colleagues on the Judiciary Committee. It is intended to clarify the intent of the legislation that the Attorney General of the United States shall represent the Environmental Protection Agency when the agency brings actions against those who have violated the law. I urge my colleagues to support this helpful clarifying amendment.

I would also like to take this opportunity to clarify another issue which has been raised concerning the standing requirements which apply to title III of the legislation.

There are two basic elements in the concept of standing. The first is rooted in the case and controversy requirement of the Constitution and or course cannot be modified by this or any other legislation.

The second aspect of standing involves considerations regarding the purposes of the legislation at issue which are not necessarily required by the Constitution.

The clear purpose of title III is to permit citizens to bring suits in the capacity of private attorneys general. Two types of suits are permitted: Suits against the Government for failure to fulfill a statutory mandate or requirement and suits against private responsible party to enjoin imminent and substantial endangerment to human health or the environment. Under the legislation, citizens affected by the policies, procedures, regulations or activities covered by the Comprehensive Environmental Response, Compensation and Liability Act, as well as groups or organizations that represent such individuals' general interests and State or local governments would have standing to sue. Under the legislation, injury of a generalized nature, suffered by all or by a large class of persons would create standing to sue.

All of our major Federal environmental laws contain such citizens' suit provisions, which have become an integral part of the enforcement of such important legal requirements. The Superfund law is virtually the only major environmental law which currently omits such provisions.

I urge my colleagues to support the amendments I have offered to improve this significant and necessary title of the legislation.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from New York.

Mr. LENT. I thank the gentleman.

Can the gentleman tell us whether this has been cleared, this particular amendment, with any of the staff of the House Committee on the Judiciary?

Mr. FLORIO. The answer is yes; that the staff has made these recommendations and in fact it is because of the concerns of some of the Judiciary staff that we made these changes.

Mr. DAUB. Mr. Chairman, would the gentleman yield?

Mr. FLORIO. Certainly.

Mr. DAUB. What is the gentleman trying to accomplish? Since we have not seen this amendment, could we have a little further explanation of what the gentleman is attempting to accomplish?

Mr. FLORIO. Certainly. I regard this as a clarifying amendment. For example, there was some ambiguity as to whether the Attorney General shall continue, as he does now, to represent the EPA when the agency brings actions against those who violated the law.

There is no question in my mind that was no intent to change the litigating responsibility of the Justice Department but in order to make it absolutely clear, these clarifying amendments were incorporated into this amendment in accordance with the concerns of the staff of the Committee on the Judiciary.

Mr. DAUB. I thank the gentleman for his explanation. I do appreciate the effort being made by the language. I want to underscore the fact again we had not seen this amendment; we did not know it was in existence and we wanted to make that point.

Mr. FLORIO. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Is there any further debate on the amendment?

The question is on the amendment offered by the gentleman from New Jersey [Mr. FLORIO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SAWYER

Mr. SAWYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAWYER: Page 45, strike out line 8 and all that follows through page 49, line 24.

Redesignate all succeeding sections accordingly.

Mr. SAWYER. Mr. Chairman, this amendment is to strike out the so-called citizens' action provision of section 301, title III. The citizens' actions or citizens' suits is a misnomer because it does not even require the person to be a citizen. An alien is equally able in that the only designated requirement for standing is person.

This is an innovation in the whole judicial system of the United States. I am aware of no other place in the law either under State law or under Federal law where a person who is not injured, who sustains no injuries, is not even in the proximity, not even in the same State, can bring an action in the status of what we call in law an officious intermedler. Officious intermedlers have normally been condemned in law and given no standing.

Under this section any person who decides that somebody is violating one of the waste disposal laws or that any contamination is resulting, from his action, no matter where, no matter whether he is in any way affected, can go to the district court, in that State, bring a suit to have it stopped if they give the EPA [the Environmental Protection Agency], the State involved and the violator 60 days' notice.

If action is not taken by any one of those receiving notice either because he sees no merit to the claim, the person, can bring a lawsuit, and get whatever remedy can be ordered, either a cleanup order, an injunction order or whatever, and more importantly then, get reasonable attorneys' fees and expert witness fees.

Now, if any of you recall back when a certain New York law firm used to invest in one share of stock of every company on every exchange and then scrutinize the annual reports, ferreting out things on which they thought shareholders' actions could be brought and file a derivative action against the officers and directors. That firm literally made millions of dollars for themselves in the form of reasonable attorney's fees. Fortunately the practice was finally stopped. That is what, we are going to recreate here.

We are offering an open invitation to lawyers from all over the United States to team up with expert witnesses, and notify people all over the country that they are in violation of the laws relating to toxic substances. The expert will ferret out reasons to bring the lawsuit, not because he cares about the violation but there are to be awarded attorney's fees and expert witness fees if he prevails or even substantially prevails.

□ 1050

And do not think you are not creating a brandnew growth industry. I know of no lawsuit where a person who is uninjured, no injury to himself or even in proximity to his property can bring an action to become a self-enforcer of the law. It would be like notifying the Attorney General of the United States that someone is in violation of the law and if the Attorney General, after checking it, does not prosecute, you become a private prosecutor, arrest, indict and prosecute, and send to jail the individual. Nowhere in our law does such exist.

I think this is a horrendous precedent to create in a statute to clean up toxic waste dumps. And I intend, if we get rid of a couple of these anomalies, to vote for the bill.

I cannot tolerate seeing the jurisprudence of the United States damaged by allowing parties who have no interest, and are strictly officious intermeddlers to bring lawsuits to get rewarded with attorney's fees and costs and expert witness fees. I will tell the Members in advance what is going to happen. You are going to create the biggest growth industry you have ever seen. The EPA will be so busy responding to these notices within 60 days it will not have time to do its clean up. You are going to have suits proliferating for the purpose of getting attorney's fees and expert witness fees for people who have no injury or no interest in the matter other than that.

I ask support of the amendment.

Mr. FLORIO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this is a very important part of this legislation.

First of all, it is virtually identical to language that this House approved in the RCRA bill last November, providing citizens with the opportunity to initiate action to compel the agency to perform responsibilities that the agency is required to perform, but has not performed.

As a practical matter, what we are saying is that in those instances where the agency is not acting, after due notice to act, there should be the right of American citizens to go to court to force that agency to act.

I would suggest to my colleagues that we have good examples of where this right is absolutely required. For example, the national contingency plan, which is in the initial Superfund, was late by a year and the agency only published that plan spelling out standards for cleanup after a lawsuit was brought by citizens.

The national priority list, ranking the hazardous waste sites, was only published a year and a half after due because citizens were able to go to court to force that to happen.

The agency designed to deal with toxic substances [ATSDR] was only created 2 years after it was supposed to be created under the Superfund law, and only after various organizations went to court in order to force the issue.

What we are saying is that this provision is quite similar to what is in every other environmental law, including RCRA, and we think it is so absolutely essential. To strike this provision is to reenforce the tendency of agencies, in this particular case, EPA, to drag their feet and not to go forward in accordance with statutory deadlines.

What we are saying is that there is not any point in putting the deadlines in the bill that we put in 4 years ago, or that we would put in now, if there is no enforcement mechanism. I think the people of this Nation know what has happened to the EPA in the past 3 years and they just say, "We don't care about this congressionally mandated standard or deadline," because nothing happens.

To address this problem, citizens should have the right to go to court, after notice to the agency that they should perform as Congress has told them, to get an order to enforce the requirements of the law.

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from Michigan.

Mr. SAWYER. I thank the gentleman for yielding.

What you are overlooking is that there are people who are in the proximity who are being damaged or endangered by it who have State court actions available to do something privately. But here, you are giving anybody in the United States the right to start and maintain a suit with no injury or no threat of injury.

Where in the jurisprudence, the entire jurisprudence of the United States do we permit any person, who is not injured or endangered or exposed to an injury, to go into court and get relief? Can the gentleman answer me that, just that one question?

Mr. FLORIO. I will be happy to.

The fact of the matter is that the court suits that have already been undertaken indicate that citizens' suits serve a very useful purpose. And it is appropriate for us to provide a codification of such a right in Superfund so that citizens are able to ensure that

the law is being enforced with respect to the Superfund program. That does not seem to be a radical concept.

The fact of the matter is that Ms. Burford and Ms. Lavelle, simply said, "No; we are not going to abide by the terms of the law." And there was nothing that anyone—any citizen—could do.

My point is that is should be clear and unequivocal that when the Congress says that an agency is required to perform a certain function, within a certain timeframe, that the law should allow citizens to go to court to ensure that the agency carry out its statutory functions.

Mr. SAWYER. If the gentleman will yield further, you might as well give the Attorney General of the United States notice that if he does not prosecute someone then you allow any individual in the country to initiate and conduct a Federal prosecution.

Mr. FLORIO. Reclaiming my time, Mr. Chairman, we are not talking about prosecutorial discretion. We are talking about a statutorily mandated obligation that is not being performed by those that—we assume—have some duty to perform their responsibilities.

Mr. SAWYER. If the gentleman will yield further, the gentleman has not answered the question I asked. Is there any place that the gentleman knows of in the jurisprudence of the United States or of any State where a person who is uninjured, unendangered, and has no interest in the matter, has the right to go into court and enforce something against another person?

Mr. FLORIO. Yes; in the House passed RCRA reauthorization bill, H.R. 2867 there is virtually identical language to this provision providing citizens with the opportunity to compel the clean up of hazardous waste sites where EPA fails to act within a reasonable period of time.

Mr. SAWYER. Only if they are injured. Never, never, anywhere in our jurisprudence do we allow an officious intermeddler to go in and enforce something and collect his attorney's fees and costs.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. FLORIO] has expired.

(By unanimous consent, Mr. FLORIO was allowed to proceed for 1 additional minute.)

Mr. FLORIO. The gentleman is talking about personal injury and compensation. This is not the cause of action.

What we are talking about is the capability of obtaining an order to compel officials to comply with their responsibilities. We are not talking about personal injury awards of damages.

Mr. SAWYER. Well, if the gentleman will yield further, just let me repeat that nowhere in the jurisprudence of this country or of any State does a private individual have a right to go into court and get relief—from what I do not know—against another individual when he has no standing and no injury and no endangerment. Nowhere.

I can assure the gentleman because I just had it checked by the Library of Congress, Law Division, to find out. There is no such action.

To create this kind of an action and to allow attorney's fees and expert witness fees, you are going to induce a plague of entrepreneurious lawyers running all over the country suiting everybody and you will soon bury EPA and States with these 60-day running notices on 2,700 dumps around the country that you are going to create havoc.

Mr. DAUB. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I will not use all of my 5 minutes.

I wanted first to associate myself with the point that the gentleman from Michigan [Mr. SAWYER] is making with respect to the absence, to my knowledge, in any of the laws of our country of any other kind of remedy like this or potential for cause of action.

I had the great privilege, while in Nebraska as a lay person in industry, to be appointed by our then Governor in Nebraska and serve on the Environmental Control Board in the State of Nebraska. I had the opportunity to work specifically with RCRA and to learn all about the ins and outs of how it is applied and what cause of actions are about and how we work together in the Government and in business and industry to try to solve these serious problems of toxic waste cleanup of dump sites and the hazards that have been for too long neglected by our country.

I am trying to find a way to support this legislation on final passage. But, indeed, if amendments like the one currently before us are defeated, then it becomes very difficult for me to give my support. Certainly, the gentleman from Michigan was successful in moving this bill forward substantially by his effort yesterday to strike title II. And any other effort to play with that will cause a great number of us to be unable, I know, to support the bill on final passage.

My point on this particular amendment is this: The result will be, if it should become law, that people totally unconnected in other States, let alone a neighbor who lives right next door to a site that is not on the National Priority List, simply filing suit, suing the EPA to get that site on the list.

□ 1100

And what will happen, I submit to my colleagues—well, let me ask you a rhetorical question, to make my point: Why are the environmentalists so intent upon diluting, if you will, polluting, the statutory effort of this country that we will be reducing in fact our efforts to clean up and enforce this very serious situation?

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. DAUB. I yield to the gentleman from New Jersey, the major sponsor of this legislation.

Mr. FLORIO. I thank the gentleman for yielding.

The question was asked before as to other provisions in the law that are similar to this. The Federal Water Pollution Control Act, the Safe Drinking Water Act, the Clean Air Act, and the Solid Waste Disposal Act have provisions identical to this.

Mr. DAUB. Would the gentleman say, then, that someone from Iowa can sue in Nebraska in those courts and/or bring a cause of action in the Federal court in Iowa about a problem that exists over in Nebraska?

Mr. FLORIO. We are not talking about State courts. We are talking about Federal courts. The answer is that if in fact EPA has not discharged one of its mandated statutory obligations, the answer is that someone can sue.

Mr. DAUB. The gentleman has made our point, and we appreciate it.

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I think in the light of this morning's consideration of the bill, H.R. 5640, many of us are looking now very hopefully at a piece of legislation that may indeed be supportable, and we are very happy to see some progress in that direction. I support the amendment that is before the Committee of the Whole at this time because it is one other area in which I maintain a great deal of concern about the bill.

Let me take you back a couple of years to a place called Hamilton, OH, which happens to be my home, and within a couple blocks of my office in Hamilton, OH, is one of the Superfund clean up sites referred to as the Chem-Dyne site, one of the earlier ones to receive priority attention throughout the Nation once the EPA finally got around to starting to operate under the Superfund law. There were a lot of difficulties involved in dealing with that matter. There was a lot of litigation in the State courts involving State government, municipal government; there was a trusteeship established, which was related to a bankruptcy that later occurred; there was a lot of complications. And the lawyers, I suppose, loved it because there was enough money for their fees. But

there was not enough money to clean up a very dangerous situation.

This is my concern about the provision that is in the bill at section 301 providing for the citizen suits. They have proven to be a problem in some areas as well as a blessing. The concept, however, of having somebody interfere with the functioning of Government once you set up a governmental agency like the EPA, to carry out a task in the public interest and to protect the public interest and welfare and health, and then anyone from anywhere can come in and question the judgment of EPA, let us say, as to the priorities of sites on the priority listing, for example, you could have 100 lawsuits going on at the same time questioning whether EPA has appropriately prioritized these various sites, all of which may require attention and immediate attention and be very important but somebody has to prioritize them.

The EPA, the Government, has to take that task upon itself. It cannot perform that task with any number of private citizens who are not even related to the site in any way by way of damages or anything, litigating about it, saying, "You did not do it right, EPA; this site ought to be higher on the list, or that one ought to be lower on the list."

That is no way to govern. It may be the liberal way to govern, but I do not believe it is the way to get anything accomplished. And what we want in the way of cleanup of hazardous waste sites is to get as much progress accomplished as quickly as possible in the cleanup of these sites. Anything less than that is unacceptable.

Everyone who has spoken on this bill has said that, everyone agrees on that; it is unacceptable for us to enact laws that are going to slow down the cleanup of these hazardous waste sites, and I am afraid that is exactly what section 301 will do. The amendment of the gentleman from Michigan [Mr. SAWYER] to strike section 301 from the bill is a very constructive amendment. It would have the effect of allowing the cleanups to proceed in an orderly fashion. But if we here in the Congress create governmental mechanisms and then say we distrust them and we refuse to exercise the oversight that we should be exercising to make sure that they do operate right, and then we turn around and say citizens can bring lawsuits all over the country to do it, we are making a terrible mistake—and we are laughable.

I urge support of the amendment.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think we have here a basic misunderstanding about the language of title III, section 301, and section 116. I would like the committee to understand what is the current law and how the provisions that this amendment would strike might differ from that.

First of all, lines 15 through 20, at page 45 of the bill, are identical to the Federal Water Pollution Control Act, the Clean Air Act and to RCRA and other provisions of Federal environmental and safety laws. That simply says that a person may sue the Administrator of EPA and officers of the United States acting with regard to this statute to require them to carry out requirements of the act. So if there is any objection taken by any Member with regard to this section, the objection is taken rather late. It is a modest section which has been in the law with regard to clean water and clean air, in the case of clean water for almost 12 years and in the case of clean air, for better than 14 years.

Section 116(a)(2) is a similar provision which has been in the law with regard to the Clean Water Act and with regard to the Clean Air Act for approximately the same periods of time that I mentioned before.

With regard to section 116(a)(1)(B), lines 21 and following, on page 46, that is essentially a new section. But it should be observed that this is a very modest section and it permits persons to file suits against the United States and other governmental instrumentalities or agencies only to the extent permitted by the 11th amendment and it permits them to sue operators of dumpsites for clean up but prevail only where it can be established that there is a substantial and imminent endangerment to health or the environment.

Now, I cannot observe why a citizen who might be a neighbor to this facility who might be genuinely concerned about the peril that a dumpsite would impose on him or those who are dear to him, why we should honor an amendment which will strike the ability of that citizen to go in and to address the question in court. The citizen who would go into court under this particular provision must do so to establish that there is an imminent and substantial endangerment to health and environment.

Now, the argument has been made that this would permit a citizen who is some distance off from the site to go in and to complain to the court, and that might very well be a very good point, and I think it is one which should be addressed.

Let us take the Ogallala Aquifer. The Ogallala Aquifer starts somewhere around the Canadian border and flows clear down to the Texas border, a distance of probably 2,000 miles. Pollution which could enter from a source up near the Canadian border could flow through this subsurface river clear down and affect persons in probably seven or eight States. I see no reason why any person in those seven or eight States ought not be able to address the question.

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I will, in just 1 minute. I want to make my point here.

Mr. SAWYER. But the gentleman is missing the point.

Mr. DINGELL. Well, all right, I will yield to the gentleman. What is it he wishes to say?

□ 1110

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. SAWYER. I thank the gentleman for yielding.

The person that is on the aquifer, he is in some danger, he is endangered even if he lives three States away. But what about a person who lives in Connecticut in the pollution of the Ogallala Aquifer, which is what you are talking about in this act.

Mr. DINGELL. Let us address that question. The gentleman wants to deal with somebody who is off the aquifer, and who is in Connecticut, complaining about pollution of the Ogallala Aquifer, he ought then craft his amendment to deal with that; he does not.

I am trying to explain why the amendment of the gentleman is bad. Now, the gentleman is a lawyer, he is a member of the Judiciary Committee, he has the respect of everybody, including this particular Member of this body, for his talents and abilities. I think he has the capability of drafting a proper amendment to deal with this.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DINGELL] has expired.

(By unanimous consent, Mr. DINGELL was allowed to proceed for 5 additional minutes.)

Mr. DINGELL. Let us take another case the gentleman can address. In the area of Riverside, CA, Stringfellow, one of the worst sources of pollution of the kinds that this bill would address, is now polluting the water supply, potentially, of about 500,000 Californians.

Now, the gentleman says somebody not in the immediate environs would be able to go in and complain. That is correct. A guy would not have to be a next door neighbor under the citizens' suit provisions here, to go in and complain about imminent endangerment to the public health. He could be 50 or 100 miles away. One of them might be the President of the United States, whose ranch, I am told, draws water from that particular aquifer.

I simply would observe that the amendment, I am sure, is offered in the best of good faith, but it is not offered on the basis of a really deep and

careful review of the circumstances which have triggered the concerns of the committees which have brought this particular legislation to the House.

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. SAWYER. First of all, the gentleman points out the Clean Air Act and the Clean Water Act and says that these provisions have been there for 20 years but you only refer to ones giving suits against the EPA, and nondiscretionary. What you are talking about is a mandamus suit; that has always been available.

Mr. DINGELL. The gentleman is misrepresenting what I have said. I have made it very plain that the provisions with regard to section 116(a)(1)(A) and (2) are something which have been in the law for a long time. I have made the point that the provisions of section 116(a)(1)(B), about which the gentleman is now complaining, are new. But I have pointed out the reasons why those new provisions have validity.

The gentleman complains that somebody from Connecticut can sue over pollution of the Ogallala Aquifer. That may very well be true. I happen to think if the gentleman complains about that, he ought to draft his amendment to deal with that narrow circumstance, instead of waging a full-scale attack.

Let me go a little further and try and respond. The standing under this section, standing to sue, is exactly the same as section 7002 of the Solid Waste Disposal Act, that is RCRA; section 20 of the Toxic Substances Control Act; section 1449 of the Safe Drinking Water Act; section 304 of the Clean Air Act; and also provisions of the Clean Water Act. I just want the gentleman to understand, his complaint, which he makes broadcast against the citizen suit provisions, attacks not only sections which have been in the law for a long time, but a new section which permits a person who can demonstrate imminent and substantial endangerment to the public health and environment. That is why I am constrained to oppose the amendment of the gentleman.

Now, if the gentleman wants to change his amendment to deal with the problem where a person has no standing or no complaint, then I am fully prepared to discuss it with him. But the gentleman's amendment goes to far.

I yield to the gentleman.

Mr. SAWYER. I thank the gentleman for yielding.

What this is doing is creating a cause of action on behalf of someone who is noninjured, who is not threatened with injury, who does not even live in the area. To allow him to collect reasonable attorney's fees and expert witness fees. You are going to have entrepreneurs, lawyers, and expert witnesses deluging EPA with these 60-day notices and starting suits all over the country to collect reasonable attorney's fees and expert witness fees. There is no other standing required.

Mr. DINGELL. The gentleman is a good enough lawyer to have read the law to know that the witness fees and the costs of the litigation and the attorneys fees only come into play if you prevail.

Mr. SAWYER. Or substantially prevail

Mr. DINGELL. No, no, no, no.

Mr. SAWYER. Yes; it says; substantially prevails.

Mr. DINGELL. Prevailing and substantially prevailing, I am not sure what the difference is. Is it like being pregnant or substantially pregnant. I think the practical intent is the same, what that means is you have simply got to get a judgment which would indicate that fault in fact on the part of the defendant was there. The gentleman very well understands this. I think we have to understand that in the case of the Clean Air Act, the Clean Air Act goes significantly beyond the rather modest provisions that are being attacked by the amendment.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. KINDNESS. I thank the gentleman for yielding.

I want to thank the gentleman for the care and precision with which he has delineated his endorsement of the language in lines 15 to 20, subsection 1A and subsection 2, as having been enacted into law previously. The language in lines 12 to 14, I think is what gives us the problem.

I wonder if the gentleman would have any comment as to why, whether, or how there might be affected the words "any person." That is a rather broad concept.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DINGELL] has again expired.

(On request of Mr. DAUB and by unanimous consent, Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I again yield to the gentleman.

Mr. KINDNESS. The gentleman was quite correct about the lines to which he referred.

Mr. DINGELL. I am not sure that I have any objection to having any person defined in there. I do not see any objection. That is now in the Clean Air Act; that is now in the other statutes that I have alluded to, and it is a provision which is, I think, one which has worked well.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. DAUB. I thank the gentleman for yielding.

When language in the main committee print is so defective, I would like the gentleman, if I could ask, what your construction would be on this hypothetical: That I work for company A in Connecticut, and I know that company B in California has some toxic waste in a dump site out there. We are both selling the same product. Hypothetically, I want to do economic harm or injury to that company, my competitor, and really hang him up and harass him. Hypothetically, I am not worried about the environment in this case; I am simply, under the definition of what is in the bill unless this amendment carries, able, because of selfish economic reasons, to bring that action and simply tie him up and put him through the hoops.

Mr. DINGELL. Well, I can concede that in theory that event could occur. I would simply observe that the amendment which is crafted here to strike the provisions of the section to which I allude and which the gentleman alludes to, goes well beyond dealing with that particular case. If the gentleman wishes to address that particular question, I would be delighted to support a carefully done and properly drawn amendment.

But I would observe this: If that is a reason for endorsing this, if the hypothetical situation mentioned by my good friend is the basis for endorsing an amendment to strike the entirety of this section, including provisions relating to well-established law that has been on the books for many years, it is really not a justifiable reason.

I would hope that my colleagues, if they are really concerned about this kind of thing, would come forward. The committee will be more than happy to consider amendments which would deal with their specific concerns and prevent the kind of abuse they are talking about.

I do not foresee this kind of thing occurring very often, and I do see that there is a possibility of the court, on its own initiative, addressing that kind of behavior, because the courts not infrequently do so.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. FLORIO. To reinforce the point that the chairman is making, under the hypotheticals that some are suggesting, someone is going to bring a virtually frivolous suit, then they would have no ability, one would

think, to show an imminent and substantial endangerment.

Likewise, if one is going to make the argument that someone else made that well, is someone not going to just do this to incur attorney's fees and costs. Well, as the chairman has indicated, one cannot do that unless one prevails, and substantially prevails, and under the hypothetical the case is virtually frivolous and the plaintiff is not going to prevail. So there really is no inducement.

We can throw all of those arguments out, and it comes down to the point that has been made, that there are some very valuable, remedial actions that can be undertaken, and there have been in the past, under other environmental statutes, to induce officials to do what it is that we, the Congress, say they should have done and have not done.

So I think that the gentleman's point is one that is very valid.

□ 1120

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DINGELL] has expired.

(On request of Mr. DAUB and by unanimous consent, Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. DAUB. If the gentleman would be kind enough to yield further, I appreciate the last gentleman's point and I think maybe we all might be at a point where we see some problem with the language, and since there seems to be a concession that there is some defect in the actual language before the House, it would seem most appropriate, indeed, since we are trying to pass this bill, to do a lot of the other good things that are in it, for the gentleman's amendment to be accepted and then an amendment from the committee offered to reinstate in more precise terms this effort that they are undertaking.

Mr. DINGELL. I want to thank the gentleman, but with all respect, I want to differ with him. I would say that we have an excellent bill. If the gentleman wants to perfect it further, the committee would be delighted to consider those things. I would urge the committee to reject the amendment.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my good friend, the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding.

Mr. Speaker, in order to pursue further what we were on a little while ago, the language in the bill allows any person to take these actions. In the Clean Water Act, for example, it is "any citizen," and then "citizen" is defined in subsection (g) thusly:

For the purposes of this section, the term "citizen" means a person or persons having an interest which is or may be adversely affected.

If such language were to be included in section 301 in the introductory language, would that satisfy the gentleman's concerns there?

Mr. DINGELL. If the gentleman would permit, I would observe that our committee does not deal with the Clean Water Act and we are very careful to try and stay out of that particular line of work. It makes the Committee on Public Works unhappy.

Our committee has traditionally drafted this legislation. We have done so in clean air and we have done so in RCRA by dealing with the question of "persons." I do not see that there is a startling difference between person and citizen, excepting insofar as perhaps an alien might find that he was affronted, and I rather think that if an alien is a lawful resident, and the gentleman will remember his views on this matter, he ought to achieve certain basic protections of the laws of the United States and ought not be treated differently.

With regard to person, the gentleman added to that the question of the individual who would litigate showing that they were in some way affected by this matter. I do not have any real objection to considering a properly drawn amendment which would deal with that particular point, but I do not think that is a significant ground for rejecting the language of the committee bill.

Mr. KINDNESS. If the gentleman would yield further, and would perhaps allow me to point out the definition of "person" in the original Superfund legislation, a person means an individual, firm, corporation, association, partnership, consortium, joint venture, commercial entity, United States Government, State, municipality, commission, political subdivision of a State or any interstate body.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DINGELL] has again expired.

(By unanimous consent, Mr. DINGELL was allowed to proceed for 1 additional minute.)

Mr. DINGELL. Mr. Speaker, I would just observe to the gentleman, I am very willing to consider that. The distinguished chairman of the subcommittee has spoken to me and he is willing to consider that. After we have rejected the amendment, we will be delighted to sit with the gentleman and try and see what we can draft.

Mr. KINDNESS. If that does occur, I really think we ought to proceed to that, because the language of the bill is awfully wide open.

Mr. DINGELL. I have never wanted to give up a fair advantage.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. Yes; I would yield to the gentleman from New Jersey.

Mr. FLORIO. I thank the gentleman for yielding.

Mr. Chairman, I would just, in response to the gentleman's recommendation, say that I would be prepared to accept, in the hope that this amendment will be defeated, language in the general nature of what the gentleman from Ohio has just suggested. I would be pleased to accept that.

Mr. DINGELL. Our staffs would be willing to work with the gentleman to try and achieve that end.

Mr. SAWYER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. If I have any time left, I would be delighted to yield to my dear friend, the gentleman from Michigan.

Mr. SAWYER. I thank the gentleman for yielding.

Mr. Speaker, can the gentleman state for me precisely what now is the language suggested that he is willing to accept?

Mr. DINGELL. As soon as we have that better nailed down, we will be delighted to, especially after we have defeated this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. SAWYER].

The question was taken; and on a division (demanded by Mr. SAWYER) there were—ayes 10, noes 11.

Mr. SAWYER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 364]

ANSWERED "PRESENT"—385

Ackerman	Bliley	Carr
Addabbo	Boehlert	Chandler
Akaka	Boggs	Chappell
Albosta	Boland	Chappie
Anderson	Boner	Cheney
Andrews (NC)	Bonior	Clay
Andrews (TX)	Bonker	Clinger
Annunzio	Borski	Coats
Anthony	Bosco	Coelho
Applegate	Boxer	Coleman (MO)
Archer	Breaux	Coleman (TX)
Aspin	Britt	Collins
AuCoin	Broomfield	Conable
Barnard	Brown (CA)	Conte
Barnes	Brown (CO)	Conyers
Bartlett	Broyhill	Cooper
Bates	Bryant	Corcoran
Bedell	Burton (CA)	Coughlin
Bennett	Burton (IN)	Courter
Berman	Byron	Coyne
Bevill	Campbell	Craig
Biaggi	Carney	Crane, Daniel
Bilirakis	Carper	Crane, Philip

Crockett
Daniel
Dannemeyer
Darden
Daschle
Daub
Davis
de la Garza
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edgar
Edwards (AL)
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Erlenborn
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fiedler
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Fowler
Frank
Franklin
Frenzel
Frost
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Gramm
Green
Gregg
Guarini
Gunderson
Hall (IN)
Hall (OH)
Hall, Ralph
Hamilton
Hammerschmidt
Hance
Hansen (UT)
Harkin
Harrison
Hartnett
Hawkins
Hayes
Hefner
Hertel
Hiler
Hillis
Holt
Hopkins
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kazen
Kemp
Kennelly
Kildee
Kindness
Kleczka
Kogovsek
Kolter
Kostmayer
Kramer
LaFalce
Lagomarsino
Lantos
Latta
Leach
Leath
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (FL)
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McDade
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Nelson
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Owens
Oxley
Packard
Panetta
Parris
Pashayan
Patman
Patterson
Paul
Pease
Penny
Pepper
Petri
Pickle
Porter
Price
Quillen
Rahall
Rangel
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Rudd
Russo
Sabo
Savage
Sawyer
Schaefer
Schneider
Schroeder
Schulze
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Smith, Robert
Snowe
Solarz
Solomon
Spence
St Germain
Staggers
Stangeland
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Udall
Valentine
Vander Jagt
Vandergriff
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Winn
Wirth
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

□ 1140

The CHAIRMAN. Three hundred eighty-five Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Michigan [Mr. SAWYER] for a recorded vote.

Does the gentleman from Michigan insist upon his demand for a recorded vote?

Mr. SAWYER. Yes, Mr. Chairman.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 141, noes 248, not voting 43, as follows:

[Roll No. 365]

AYES—141

Applegate
Archer
Barnard
Bartlett
Bereuter
Bevill
Biaggi
Bilirakis
Bliley
Bosco
Broomfield
Brown (CO)
Broyhill
Burton (IN)
Byron
Campbell
Carney
Chandler
Chappell
Chappie
Cheney
Coats
Conable
Corcoran
Craig
Crane, Daniel
Crane, Philip
Daniel
Dannemeyer
Darden
Daub
DeWine
Dickinson
Dreier
Duncan
Edwards (AL)
Edwards (OK)
Emerson
Erdreich
Erlenborn
Flippo
Foley
Franklin
Frenzel
Gekas
Gingrich
Gradison
Gunderson
Hammerschmidt
Hansen (UT)
Hartnett
Hefner
Hiler
Hillis
Hopkins
Huckaby
Hunter
Hutto
Hyde
Ireland
Jenkins
Jones (NC)
Kazen
Kemp
Kindness
Kramer
Latta
Leath
Lewis (FL)
Livingston
Lloyd
Loeffler
Lott
Luken
Lungren
Mack
Marlenee
Mazzoli
McCain
McCandless
McCollum
Michel
Miller (OH)
Mollohan
Montgomery
Moore
Moorhead
Morrison (WA)
Murphy
Myers
Nichols
Nielson
O'Brien
Olin
Oxley
Packard
Parris
Pashayan
Paul
Quillen
Ray
Roberts
Robinson
Rogers
Rowland
Rudd
Sawyer
Schaefer
Schulze
Shaw
Shumway
Shuster
Siljander
Sisisky
Skeen
Smith (NE)
Smith, Denny
Smith, Robert
Solomon
Spence
Stangeland
Stenholm
Stratton
Sundquist
Tallon
Tauke
Taylor
Thomas (CA)
Valentine
Vander Jagt
Vandergriff
Vucanovich
Walker
Whitehurst
Whittaker
Winn
Wylie
Yates
Young (AK)
Young (MO)
Zschau

NOES—248

Ackerman
Addabbo
Akaka
Albosta
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Aspin
AuCoin
Barnes
Bates
Bedell
Bennett
Boehlert
Boggs
Boland
Boner
Bonior
Bonker
Borski
Boxer
Breaux
Britt
Brown (CA)
Bryant
Burton (CA)
Carper
Carr
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
D'Amours
Daschle
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Eckart
Edgar
Edwards (CA)
English
Evans (IA)
Evans (IL)
Fascell
Fazio
Feighan
Fiedler
Fields
Fish
Florio
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank
Frost
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gramm
Green
Gregg
Guarini
Hall (IN)
Hall (OH)
Hall, Ralph
Hamilton
Hance
Harkin
Harrison
Hawkins
Hayes
Hertel
Holt
Horton
Hoyer
Hubbard
Hughes
Jacobs
Jeffords
Johnson
Jones (OK)
Jones (TN)
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kleczka
Kogovsek
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Leach
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Long (LA)
Lowry (WA)
Lundine
MacKay
Madigan
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
McCloskey
McDade
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Mikulski
Miller (CA)
Mineta
Minish
Mitchell
Moakley
Molinari
Moody
Morrison (CT)
Mrazek
Murtha
Natcher
Nelson
Nowak
Oakar
Oberstar
Obey
Ortiz
Ottinger
Owens
Panetta
Patman
Patterson
Pease
Penny
Pepper
Petri
Pickle
Porter
Price
Rahall
Rangel
Ratchford
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Rodino
Roe
Roemer
Rose
Rostenkowski
Roth
Roukema
Roybal
Russo
Sabo
Savage
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sensenbrenner
Sharp
Sikorski
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Studds
Swift
Synar
Tauzin
Thomas (GA)
Torres
Torricelli
Udall
Vento
Volkmer
Walgren
Watkins
Weaver
Weber
Weiss
Wheat
Whitley
Whitten
Williams (MT)
Williams (OH)
Wirth
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (FL)

NOT VOTING—43

Alexander
Badham
Bateman
Beilenson
Berman
Bethune
Boucher
Brooks
Clarke
Early
Ferraro
Fuqua
Garcia
Gaydos
Gore
Gray
Hall, Sam
Hansen (ID)
Hatcher
Heftel
Hightower
Howard
Lewis (CA)
Lipinski
Long (MD)
Lowery (CA)
Lujan
Marriott
Martin (NC)
McCurdy
McEwen
Neal
Pritchard
Pursell
Shannon
Shelby
Simon
Snyder
Towns
Traxler
Waxman
Wilson
Wright

□ 1150

The clerk announced the following pairs:

On this note:

Mr. Snyder for, with Mr. Howard against.

Mr. Lewis of California for, with Mr. Fuqua against.

Mr. McEwen for, with Mr. Garcia against.

Mr. Badham for, with Mr. Towns against.

Mr. KASICH changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FLORIO

Mr. FLORIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLORIO: Page 46, after line 7, insert: "For purposes of this section, only a person who has an interest which is or may be adversely affected may bring action under subsection (a)(1)(B).".

Mr. FLORIO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FLORIO. Mr. Chairman, this amendment is offered in the spirit of compromise. I would like to pay recognition to the gentleman from Michigan [Mr. SAWYER] and the others who have assisted us in drafting this amendment which will limit the authority of this section 116(a)(1)(B) in order to deal with the concerns that some had expressed about the hypothetically disinterested persons. The language is fairly clear and provides that only a person who has an interest in or may be adversely affected, may bring an action under this provision.

Mr. DAUB. Will the gentleman yield?

Mr. FLORIO. I am happy to yield to the gentleman from Nebraska.

Mr. DAUB. I appreciate the gentleman offering this amendment. It is as the distinguished chairman of the subcommittee, the gentleman from New Jersey, Mr. FLORIO, said, an effort to take the point that was raised by the Sawyer amendment. He must be given high marks in the same spirit and within the same kind of logic in which he was successful in offering the same motion yesterday to strike title II, to be sure we tightened down the language of what the words "any person" currently means, as they may be subject to suit by someone not connected or placed at risk or endangered by various kinds of damages that could flow from a toxic waste dump site.

So I would like the gentleman to yield, if he would, to the gentleman from Michigan, Mr. DINGELL, for the purposes of a question. Would the gentleman from Michigan, who very much helped us to frame this compromise, answer this question: With respect to section A, do you see some need in conference to take a good look at the words "any person" to avoid the construction that another agency of Government, not connected to the purposes of the Superfund, may be at risk in terms of someone not connected filing a suit?

Mr. DINGELL. Will the gentleman yield?

Mr. FLORIO. I am happy to yield.

Mr. DINGELL. We will take a careful look at that matter when we go to conference.

Mr. DAUB. I thank the gentleman.

Mr. SHAW. Will the gentleman yield?

Mr. FLORIO. I am happy to yield.

Mr. SHAW. I would like to compliment the gentleman from New Jersey for his hard work in bringing this particular bill to the floor. I think one thing, though, that is obvious to many of the Members is that there are some problems in this bill. I think many of the problems could have been avoided had this bill gone to the Judiciary Committee. Instead, we find ourselves making changes here on the floor that should have been and could very well have been accomplished in the Judiciary Committee.

I would like to compliment you for recognizing the problem which has been brought to us by the gentleman from Michigan, Mr. SAWYER, and express my personal appreciation on behalf of the people of south Florida for working out a compromise on a most important bill. I think it is a bill in itself that, if we can clean up a few other provisions, will make a very important piece of legislation for the entire country.

Mr. FLORIO. I thank the gentleman.

Mr. DAUB. Will the gentleman yield one more time?

Mr. FLORIO. I am happy to yield.

Mr. DAUB. I want also to add for purposes of legislative intent, if I might, that our effort in accepting this amendment goes to tightening down the intent, that it is not just any intent in section B. We are talking about establishing a direct relationship with the danger or the endangerment. It is not just anyone with an unconnected interest.

Mr. DINGELL. Will the gentleman yield?

Mr. FLORIO. I am happy to yield to the gentleman from Michigan.

Mr. DINGELL. I just wanted to say to my colleagues on the Republican side, the gentleman from Ohio [Mr. KINDNESS], the gentleman from Nebraska [Mr. DAUB], and of course my good friend from Michigan [Mr. SAWYER], that they have all proceeded in a very gentlemanly way, and I want to commend them for their fine participation in working out a compromise which I believe benefits the bill.

Mr. DAUB. Could I get an answer to my question? I would like to get an answer for the RECORD to my question. Is that not what we are trying to do?

Mr. FLORIO. What we are attempting to do is provide the opportunity for individuals who can show an imminent and substantial endangerment to have the opportunity to compel the cleanup of a site.

Mr. DAUB. I thank the gentleman.

Mr. SAWYER. Will the gentleman yield?

Mr. FLORIO. I am happy to yield.

Mr. SAWYER. In response to the gentleman from Michigan, Mr. DINGELL, I just want to say it was a pleasure dealing with such a reasonable negotiator. I certainly appreciate his cooperativeness in accepting a change that I think cures a large part of the problem that concerned me about that so-called citizens action, and I thank the gentleman for yielding.

Mr. KINDNESS. Will the gentleman yield?

Mr. FLORIO. I am happy to yield to the gentleman from Ohio.

Mr. KINDNESS. I thank the gentleman for yielding.

I just want to express my thanks to the gentleman from New Jersey for dealing with this matter in the way it was accomplished, and the gentleman from Michigan, Mr. DINGELL, has been very helpful in working it out. I think we have done a constructive change here which will really help the bill to be a lot more acceptable to others, and I appreciate the cooperation of the gentlemen on that side.

Mr. FLORIO. I thank the gentleman very much and yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FLORIO].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DAUB. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 391, noes 0, not voting 41, as follows:

[Roll No. 366]

AYES—391

Ackerman	Bereuter	Brown (CA)
Addabbo	Berman	Brown (CO)
Akaka	Bevill	Broyhill
Albosta	Biaggi	Bryant
Anderson	Bilirakis	Burton (CA)
Andrews (NC)	Bliley	Burton (IN)
Andrews (TX)	Boehlert	Byron
Annunzio	Boggs	Campbell
Anthony	Boland	Carney
Applegate	Boner	Carper
Archer	Bonior	Carr
Aspin	Bonker	Chandler
AuCoin	Borski	Chappell
Barnard	Bosco	Chappie
Barnes	Boucher	Cheney
Bartlett	Boxer	Clay
Bates	Breaux	Clinger
Bedell	Britt	Coats
Bennett	Broomfield	Coleman (MO)

Coleman (TX)	Hightower	Mrazek
Collins	Hiler	Murphy
Conable	Hillis	Murtha
Conte	Holt	Myers
Conyers	Hopkins	Natcher
Cooper	Horton	Nelson
Coughlin	Hoyer	Nichols
Courter	Hubbard	Nielson
Coyne	Huckaby	Nowak
Craig	Hughes	O'Brien
Crane, Daniel	Hunter	Oakar
Crane, Philip	Hutto	Oberstar
Crockett	Ireland	Obey
D'Amours	Jacobs	Olin
Daniel	Jenkins	Ortiz
Dannemeyer	Johnson	Ottinger
Darden	Jones (NC)	Owens
Daschle	Jones (OK)	Oxley
Daub	Jones (TN)	Packard
Davis	Kaptur	Panetta
de la Garza	Kasich	Parris
Dellums	Kastenmeier	Pashayan
Derrick	Kazen	Patman
DeWine	Kemp	Patterson
Dickinson	Kennelly	Pease
Dicks	Kildee	Penny
Dingell	Kindness	Pepper
Dixon	Kleczka	Petri
Donnelly	Kogovsek	Pickle
Dorgan	Kolter	Porter
Dowdy	Kostmayer	Price
Downey	Kramer	Quillen
Dreier	LaFalce	Rahall
Duncan	Lagomarsino	Rangel
Durbin	Lantos	Ratchford
Dwyer	Latta	Ray
Dymally	Leach	Regula
Dyson	Leath	Reid
Eckart	Lehman (CA)	Richardson
Edgar	Lehman (FL)	Ridge
Edwards (AL)	Leland	Rinaldo
Edwards (CA)	Lent	Ritter
Edwards (OK)	Levin	Roberts
Emerson	Levine	Robinson
English	Levitas	Rodino
Erdreich	Lewis (CA)	Roe
Erlenborn	Lewis (FL)	Roemer
Evans (IA)	Livingston	Rogers
Evans (IL)	Lloyd	Rose
Fascell	Loeffler	Rostenkowski
Fazio	Long (LA)	Roth
Feighan	Long (MD)	Roukema
Fiedler	Lott	Rowland
Fields	Lowry (WA)	Roybal
Fish	Lujan	Rudd
Flippo	Luken	Russo
Florio	Lundine	Sabo
Foglietta	Lungren	Savage
Foley	Mack	Sawyer
Ford (MI)	MacKay	Schaefer
Ford (TN)	Madigan	Scheuer
Fowler	Markey	Schneider
Frank	Marlenee	Schroeder
Franklin	Martin (IL)	Schulze
Frenzel	Martin (NY)	Schumer
Frost	Martinez	Seiberling
Gaydos	Matsui	Sensenbrenner
Gejdenson	Mavroules	Sharp
Gekas	Mazzoli	Shaw
Gephardt	McCain	Shumway
Gilman	McCandless	Shuster
Gingrich	McCloskey	Sikorski
Glickman	McCollum	Siljander
Gonzalez	McDade	Sisisky
Goodling	McGrath	Skeen
Gore	McHugh	Skelton
Gradison	McKernan	Slattery
Gramm	McKinney	Smith (FL)
Green	McNulty	Smith (IA)
Gregg	Mica	Smith (NE)
Guarini	Michel	Smith (NJ)
Gunderson	Mikulski	Smith, Denny
Hall (IN)	Miller (CA)	Smith, Robert
Hall (OH)	Miller (OH)	Snowe
Hall, Ralph	Mineta	Solarz
Hamilton	Minish	Solomon
Hammerschmidt	Mitchell	Spence
Hance	Moakley	Spratt
Hansen (UT)	Molinari	St Germain
Harkin	Mollohan	Staggers
Harrison	Montgomery	Stangeland
Hartnett	Moody	Stark
Hawkins	Moore	Stenholm
Hayes	Moorhead	Stokes
Hefner	Morrison (CT)	Stratton
Hertel	Morrison (WA)	Studds
Stump	Vento	Winn
Sundquist	Volkmer	Wirth
Swift	Vucanovich	Wise
Synar	Walgren	Wolf
Tallon	Walker	Wolpe
Tauke	Watkins	Wortley
Tauzin	Weaver	Wyden
Taylor	Weber	Wylie
Thomas (CA)	Weiss	Yates
Thomas (GA)	Wheat	Yatron
Torres	Whitehurst	Young (AK)
Torricelli	Whitley	Young (FL)
Udall	Whittaker	Young (MO)
Valentine	Whitten	Zschau
Vander Jagt	Williams (MT)	
Vandergriff	Williams (OH)	

NOT VOTING—41

Alexander	Gray	Neal
Badham	Hall, Sam	Paul
Bateman	Hansen (ID)	Pritchard
Beilenson	Hatcher	Pursell
Bethune	Heftel	Shannon
Brooks	Howard	Shelby
Clarke	Hyde	Simon
Coelho	Jeffords	Snyder
Corcoran	Lipinski	Towns
Early	Lowery (CA)	Traxler
Ferraro	Marriott	Waxman
Fuqua	Martin (NC)	Wilson
Garcia	McCurdy	Wright
Gibbons	McEwen	

□ 1210

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to title III?

AMENDMENT OFFERED BY MR. MOLINARI

Mr. MOLINARI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOLINARI: Page 50, after line 5, insert:

NOTICE BY FEDERAL AGENCIES

SEC. 303. Section 107(g) is amended by inserting "(1)" after "(g)" and by adding the following new paragraph at the end thereof:

"(2)(A) After the effective date of regulations under this paragraph, whenever any agency or instrumentality of the United States enters into any contract for the sale of real property which is owned by the United States and on which any Federally regulated hazardous waste was disposed of or stored for one year or more, the head of such agency or instrumentality shall include in such contract notice of the type and quantity of such hazardous waste and notice of the time at which such storage, or disposal took place. Such notice shall be provided in such form and manner as may be provided in regulations promulgated by the Administrator. As promptly as practicable after the date of the enactment of this paragraph, and after consultation with the Administration, the Administrator shall promulgate regulations regarding the notice required to be provided under this section.

"(B) In the case of any real property owned by the United States on which any hazardous waste was stored for one year or more or disposed of, each deed entered into for the transfer of such property by the United States to any other person or entity shall contain a convenant warranting that all remedial action necessary to protect human health and the environment with respect to any such waste remaining on the property has been taken prior to the date of such transfer.

"(C) As used in this paragraph, the term 'Federally regulated hazardous waste' means any hazardous waste (within the meaning of section 3001 of the Solid Waste Disposal Act) which is—

"(i) listed or identified under section 3001 of the Solid Waste Disposal Act; and

"(ii) required to be treated, stored, or disposed of in a facility which is operating pursuant to a permit issued under section 3005 of such Act (or pursuant to interim status under section 3005(e) of such Act).".

Make the necessary conforming changes in the table of contents.

Mr. MOLINARI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

● Mr. MOLINARI. Mr. Speaker, as we now know, one of the biggest generators of hazardous waste is the Federal Government. An inventory conducted by the EPA, under the auspices of Superfund, identified 517 Federal facilities as potential uncontrollable hazardous waste sites. It has been estimated that if Federal facilities were included in the national priorities list, out of the top 100 sites on that list, 40 would be owned by the Federal Govenment. The major portion of these federal sites are owned and operated by DOD and exempt from EPA oversight.

The President has recently issued an Executive order directing Federal holding agencies to review their property and turn over their surplus to GSA for sale. Due to this initiative, Federal land sales for 1983 totalled $195 million as compared to $82 million in 1982. Anticipated sales for 1984 is about $250 million. The bulk of that real estate comes from DOD: 55 percent of the number of properties and 72 percent of the acreage currently excessed for sale.

My point is, whether or not the Federal property up for sale is owned by DOD, DOE, or another agency, the Government should be absolutely certain that the property poses no risk to the prospective buyer. If the Government has any doubt about the quality of that property, it should not sell the property.

My amendment will mandate that certainty. It will first require a notification in the contract of the type and quantity of any hazardous waste previously stored for 1 year or more, or disposed of on that property. Second, my amendment will require that every deed of sale contain a convenant warranting that all remedial action necessary to protect human health and the environment has been taken prior to the date of transfer.

I believe that these requirements and the potential liability they pose to the Federal Government will operate to ensure responsible management of hazardous wastes on Federal properties. The onus should be on the Feder-

al Government, armed with the mechanisms and expertise necessary to detect contamination, to determine the state of the property prior to its sale and inform a prospective buyer of any possible risks. Certainly an average buyer will not be able to perceive a risk. The buyer may inherit a liability which far exceeds the original price of the property.●

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman from New Jersey.

Mr. FLORIO. I thank the gentleman for yielding.

Mr. Chairman, I think the notification requirements in this amendment are fair, and I would be pleased to accept the amendment.

Mr. MOLINARI. I thank the gentleman.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. MOLINARI. I yield to the gentleman from New York.

Mr. LENT. I thank the gentleman for yielding.

Mr. Chairman, we have also looked this amendment over.

The amendment offered, as I understand it, is simply an attempt to ensure that the Federal Government acts responsibly when it sells or conveys land that has been contaminated by the disposal of hazardous waste.

Mr. MOLINARI. Basically it just does two things. It requires a provision in a contract outlining what hazardous waste activity occurred at that site and the cleanup actions. In the deed there would be a convenant guaranteeing in the future that the Federal Government would back up that cleanup.

Mr. LENT. I thank the gentleman for his amendment.

Mr. MOLINARI. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MOLINARI].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title III?

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If there are no further amendments, the Clerk will designate title IV.

The text of title IV is as follows:

TITLE IV—REGULATION OF UNDERGROUND STORAGE TANKS

DEFINITIONS

SEC. 401. For purposes of this title—

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "person" means an individual, firm, corporation, association, partnership, consortium, joint venture, commercial entity, United States Government, State, municipality, commission, political subdivision of a State, or any interstate body.

(3) The term "owner or operator" means, when used in connection with an underground storage tank, any person owning or operating such tank.

(4) The term "release" means any spilling, leaking, emitting, discharging, escaping, leaching, or disposing from the underground storage tank into the ground.

(5) The term "hazardous substance" means (A) any substance designated, pursuant to section 311(b)(2)(A) of the Federal Water Pollution Control Act, (B) any element, compound, mixture, solution, or substance designated pursuant to section 102 of this Act, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act (but not including any waste the regulation of which under the Solid Waste Disposal Act has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of the Federal Water Pollution Control Act, (E) any hazardous air pollutant listed under section 112 of the Clean Air Act, (F) any imminently hazardous chemical substance or mixture with respect to which the Administrator has taken action, pursuant to section 7 of the Toxic Substances Control Act, and (G) any petroleum product or any fraction thereof. The term does not include natural gas, natural gas liquids, propane, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas.

(6) The term "underground storage tank" means any one or combination of tanks, including underground pipes connected thereto, which is used to contain an accumulation of hazardous substances if any portion of the tank volume is partially or totally beneath the surface of the ground. Such term does not include—

(A) farm or residential tanks of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes,

(B) tanks used for storing heating oil for consumptive use on the premises where stored,

(C) residential septic tanks,

(D) pipeline facilities regulated under the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1671 et seq.), or

(E) surface impoundments, pits, ponds, lagoons, or basins.

NOTIFICATION

SEC. 402. (a)(1) Whenever any person has (during the applicable period) supplied any hazardous substance to 100 or more sites at which there is located an underground storage tank which is, or has been used for the storage of any hazardous substance, the person supplying such hazardous substance shall notify the State or local agency or department designated pursuant to subsection (b)(1) of the existence of any tank located at such site which is, or has been used for the storage of any hazardous substance. For purposes of this paragraph, the applicable period shall be the calendar year immediately preceding the calendar year in which this title was enacted.

(2) The Administrator shall promulgate regulations not later than 8 months after the date of the enactment of this title regarding the providing of notice under this section which is sufficient to obtain information concerning underground storage tanks which are, or have been, used for the storage of any hazardous substance and which are not located at a site referred to in paragraph (1). In promulgating such regulations, the Administrator shall take into account the effect on small business.

(3) Notice under paragraph (1) this subsection shall be provided within 12 months after the date of the enactment of this title. Notice under paragraph (2) this subsection shall be provided within 12 months after the promulgation of regulations under paragraph (2).

(4) Notice under paragraph (1) or (6) of this subsection shall specify the age, size, type, location, and uses of such tanks and any current or previous releases and corrective action. In the case of any underground storage tank used for storing any hazardous substance prior to the date of enactment of this title but taken out of operation before such date (but after January 1, 1974), unless the tank has been removed from the ground, notice under paragraph (1) or (2) of this subsection shall specify the date the tank was taken out of operation, the age of the tank on the date taken out of operation, the size, type, and location of the tank, and the type and quantity of substances left stored in such tank on the date taken out of operation.

(5) Notice under this subsection shall not be required in the case of any tank for which notice was given pursuant to section 103(c) of the Comprehensive Environmental Response, Compensation and Liability Act of 1984.

(6) Any owner or operator which installs or brings into use an underground storage tank after the date of the enactment of this Act, shall (within 6 months after such installation or bringing into use) notify the designated State or local agency or department within thirty days of installation or use.

(b)(1) Within ninety days after the enactment of this title, the Governor of each State shall designate the appropriate State agency or department or local agencies or departments to receive the notifications under subsection (a). If a Governor chooses not to designate a State agency or department or local agencies or departments, the notification under subsection (a) shall be submitted to the Administrator of the United States Environmental Protection Agency.

(2) Within one hundred and eighty days after the enactment of this title, the Administrator, in consultation with State and local officials designated pursuant to subsection (b)(1), shall prescribe in greater detail the form of the notice and the information to be included in the notifications under subsection (a).

(c) If the notification under subsections (a)(1) and (2) are submitted to a designated State or local agency or department, the State shall compile the submitted information into a comprehensive inventory and furnish such inventory to the Administrator within eighteen months after enactment of this title.

RELEASE DETECTION, PREVENTION, AND CORRECTION REGULATIONS

SEC. 403. Not later than nine months after the date of the enactment of the Superfund Expansion and Protection Act of 1984, the Administrator shall complete a survey of underground storage tanks used for the storage of hazardous substances. Such survey shall include an assessment of the ages, types, and locations of such tanks (including the climate of the locations), their susceptibility to corrosion, and the relationship between the foregoing factors and the likelihood of releases from underground storage tanks. Not later than twenty-seven months after the date of the enactment of the Superfund Expansion and Protection Act of 1984, the Administrator, after opportunity for public comment, shall promulgate release detection, prevention and correction regulations, applicable to all owners and op-

erators of underground storage tanks used for storing hazardous substances, as may be necessary to protect human health and the environment. The Administrator may conduct any survey necessary for the development of such regulations. Such regulations shall include, but need not be limited to, requirements respecting—

(1) maintaining a leak detection or inventory system and performing tank testing necessary to identify releases of a hazardous substance from the underground storage tank;

(2) maintaining records of any leak detection or inventory system or tank testing;

(3) reporting of any releases of a hazardous substance and corrective action taken in response to a release from an underground storage tank;

(4) standards of performance for new underground storage tanks which shall include, but not be limited to—

(A) design, construction, location and installation requirements adequate to prevent or minimize any release of hazardous substances into the environment;

(B) a requirement that piping systems be equipped with leak detection systems; and

(C) a requirement that each tank be equipped with a leak detection system;

(5) taking corrective action in response to a release or threatened release of a hazardous substance from an underground storage tank as may be necessary to protect human health and the environment;

(6) the closure of tanks in order to prevent any future release of a hazardous substance into the environment; and

(7) maintaining such evidence of financial responsibility as the Administrator determines to be feasible and as may be necessary for taking necessary corrective action and for compensation for bodily injury and property damage to third parties caused by releases of a hazardous substance from an underground storage tank.

The regulations under paragraph (5) shall include testing, where determined appropriate by the Administrator, of drinking water which is potentially contaminated by a release of a hazardous substance from an underground storage tank.

(b) In issuing regulations under this section, the Administrator shall take into consideration factors which affect tank integrity, including climate, soil conditions, hydrogeology, tank type, water table, precipitation, and compatibility of the hazardous substance and the material which the tank is made of.

(c) Until the effective date of the regulations promulgated by the Administrator under subsection (a) and after 180 days after the date of the enactment of this title, no person may install or begin using an underground storage tank for the purpose of storing hazardous substances unless such tank, of either single or double wall construction, is cathodically protected against corrosion, constructed of a noncorrosive material, steel clad with a noncorrosive material which would prevent corrosion for the operational life of the tank, or contained in a manner designed to prevent the release or threatened release of any stored hazardous substance and unless in all cases the material used in the construction or lining of the tank is compatible with the substance to be stored.

APPROVAL OF STATE PROGRAMS

SEC. 404. (a) Any State may submit an underground storage tank release detection, prevention, and correction program for review and approval by the Administrator. The State shall demonstrate that the State program is equivalent to the Federal program under section 403 and provides for adequate enforcement of compliance with such requirements. A State's new tank standards shall be no less stringent than the performance standards promulgated by the Administrator pursuant to section 403(a)(4).

(b)(1) Within 120 days of the date of receipt of a proposed State program, the Administrator shall, after notice and opportunity for public comment, make a determination whether the State's program is equivalent to the Federal program under section 403 and provides for adequate enforcement of compliance with such requirements.

(2) If the Administrator determines that a State program is equivalent to the Federal program under section 403 and provides for adequate enforcement of compliance with such requirements, he shall approve the State program and the State shall have primary enforcement responsibility with respect to requirements related to control of underground storage tanks used to store hazardous substances.

(c) Whenever the Administrator determines after public hearing that a State is not administering and enforcing a program authorized under this title in accordance with the requirements of section 403, he shall so notify the State, and, if appropriate action is not taken within 120 days, the Administrator shall withdraw authorization of such program and enforce the requirements of this title.

INSPECTIONS, MONITORING AND TESTING

SEC. 405. (a) For the purposes of developing or assisting in the development of any regulation or enforcing the provisions of this title, any owner or operator of an underground storage tank used for storing hazardous substances shall, upon request of any officer, employer or representative of the Environmental Protection Agency, duly designated by the Administrator, or upon request of any duly designated officer, employee or representatives of a State with an approved program, furnish information relating to such tanks or contents and permit such person at all reasonable times to have access to, and to copy all records relating to such tanks and to conduct such monitoring or testing as such officer deems necessary. For the purposes of developing or assisting in the development of any regulation or enforcing the provisions of this title, such officers, employees or representatives are authorized—

(1) to enter at reasonable times any establishment or other place where an underground storage tank is located;

(2) to inspect and obtain samples from any person of any such hazardous substances and conduct monitoring or testing of the tanks, contents, or surrounding soils. Each such inspection shall be commenced and completed with reasonable promptness.

(b)(1) Any records, reports, or information obtained from any person under this section shall be available to the public, except that upon a showing satisfactory to the Administrator (or the State, as the case may be) by any person that records, reports, or information, or particular part thereof, to which the Administrator (or the State, as the case may be) or any officer, employee or representative thereof has access under this section if made public, would divulge information entitled to protection under section 1905 of title 18 of the United States Code, such information or particular portion thereof shall be considered confidential in accordance with the purposes of that section, except that such record, report, document, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this title, or when relevant in any proceeding under this title.

(2) Any person not subject to the provisions of section 1905 of title 18 of the United States Code who knowingly and willfully divulges or discloses any information entitled to protection under this subsection shall, upon conviction, be subject to a fine of not more than $5,000 or to imprisonment not to exceed one year, or both.

(3) In submitting data under this title, a person required to provide such data may—

(A) designate the data which such person believes is entitled to protection under this subsection, and

(B) submit such designated data separately from other data submitted under this title.

A designation under this paragraph shall be made in writing and in such manner as the Administrator may prescribe.

(4) Notwithstanding any limitation contained in this section or any other provision of law, all information reported to, or otherwise obtained by, the Administrator (or any representative of the Administrator) under this title shall be made available, upon written request of any duly authorized committee of the Congress, to such committee (including records, reports, or information obtained by representatives of the Environmental Protection Agency).

FEDERAL ENFORCEMENT

SEC. 406. (a)(1) Except as provided in paragraph (2), whenever on the basis of any information the Administrator determines that any person is in violation of any requirement of this title, the Administrator may issue an order requiring compliance immediately or within a specified time period or the Administrator may commence a civil action in the United States district court in which the violation occurred for appropriate relief, including a temporary or permanent injunction.

(2) In the case of a violation of any requirement of this title where such violation occurs in a State with a program approved under section 404, the Administrator shall give notice to the State in which such violation has occurred prior to issuing an order or commencing a civil action under this section. If the State fails to take appropriate action within 120 days after receipt of such notice, the Administrator shall issue an order under paragraph (1) requiring compliance with such State program.

(3) If such violator fails to comply with the order within the time specified in the order, he shall be liable for a civil penalty of not more than $25,000 for each day of continued noncompliance.

(b) Any order shall become final unless, no later than thirty days after the order is served, the person or persons named therein request a public hearing. Upon such request the Administrator shall promptly conduct a public hearing. In connection with any proceeding under this section the Administrator may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and may promulgate rules for discovery procedures.

(c) Any order issued under this section shall state with reasonable specificity the nature of the violation and specify a time for compliance and assess a penalty, if any, which the Administrator determines is rea-

sonable taking into account the seriousness of the violation and any good faith efforts to comply with the applicable requirements.

(d)(1) Any owner or operator who knowingly fails to notify, or submits false information, pursuant to section 402(a) shall be subject to a civil penalty not to exceed $25,000 for each tank for which notification is not given or false information submitted.

(2) Any owner or operator of an underground storage tank used for storing a hazardous substance who fails to comply with regulations promulgated by the Administrator under this title or with a State program approved pursuant to section 404, shall be subject to a civil penalty not to exceed $25,000 for each tank and for each day of violation.

(3) Any owner or operator of an underground storage tank used for storing hazardous substances who fails to comply with the provisions of section 403(b) shall be subject to a civil penalty not to exceed $25,000 for each tank and for each day of violation.

FEDERAL FACILITIES

SEC. 407. (a) Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government having jurisdiction over any underground storage tank and used for the purpose of storing hazardous substances, shall be subject to and comply with all Federal, State, interstate, and local requirements, both substantive and procedural respecting construction, installation, operation, testing, corrective action, removal, and closure of underground storage tanks in the same manner, and to the same extent, as any person is subject to such requirements, including payment of reasonable service charges.

(b) Neither the United States, nor any agent, employee, or officer thereof, shall be immune or exempt from any process or sanction of any State or Federal court with respect to the enforcement of any injunctive relief under this title. The President may exempt any underground storage tanks of any department, agency, or instrumentality in the executive branch from compliance with a requirement of this title if he determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriated funds unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of one year, but additional exemptions may be granted for periods not to exceed one year upon the President's making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with his reason for granting each such exemption.

STATE AUTHORITY

SEC. 408. Nothing in the title shall preclude or deny any right of any State or political subdivision thereof to adopt or enforce any regulation, requirement, or standard of performance respecting underground storage tanks used to store hazardous substances that is more stringent than a regulation, requirement, or standard of performance in effect under this title.

STUDY OF EXEMPTED UNDERGROUND STORAGE TANKS

SEC. 409. Not later than thirty six months after the date of enactment of this title, the Administrator shall complete a study regarding the tanks excluded under section 401(4)(A) and (B). Such study shall include estimates of the number and location of such tanks and an analysis of the extent to which there may be releases or threatened releases from such tanks into the environment. Upon completion of the study, the Administrator shall submit a report to the President and to the Congress containing the results of the study and recommendations respecting whether or not such tanks should be subject to the preceding provisions of this title.

AMENDMENT OFFERED BY MR. FLORIO

Mr. FLORIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLORIO: Page 62, line 11, strike out "Administrator" and substitute "United States".

Page 64, line 23, strike out "State or".

Mr. FLORIO (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FLORIO. Mr. Chairman, this is an amendment that is a clarifying amendment that has been suggested again in consultation with the staff of the Committee on the Judiciary. In effect, the amendment makes it clear that the violations of provisions of this legislation by the Federal Government shall be pursued in the Federal courts rather than the State courts. That is all that the amendment does.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. FLORIO. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, the amendment has been duly noted. It is agreeable to this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FLORIO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SYNAR

Mr. SYNAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SYNAR: On page 52, beginning at line 9, subparagraph (D) is amended to read as follows:

"(D) pipeline facilities regulated under the Natural Gas Pipeline Safety Act of 1968, as amended, (49 U.S.C. 1671 et seq.), or the Hazardous Liquid Pipeline Safety Act of 1979, as amended, (49 U.S.C.-2001 et seq.), or"

Mr. SYNAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SYNAR. Mr. Chairman, my amendment is a simple one, which I believe has the support of my distinguished colleagues, the chairman and ranking minority member of the subcommittee.

The amendment simply clarifies the committee's intent to exempt from EPA regulation those oil pipelines which are already regulated by the Transportation Department under the Hazardous Liquid Pipeline Safety Act of 1979.

The legislation itself specifically exempts natural gas pipelines already subject to regulation by DOT under the Natural Gas Pipeline Safety Act of 1968. This amendment will simply add to the statutory language itself a specific exemption for oil pipelines, as the committee intended, and as is confirmed in the committee's report.

I want to assure my colleagues that this amendment in no way allows any regulatory gap to exist. I understand that any natural gas or oil pipeline which is not subject to regulation under either of these two acts will fall within the scope of the underground storage facility provisions of this bill.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. SYNAR. I yield to the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, this is essentially a technical amendment. I am pleased to support it.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. SYNAR. I yield to the gentleman from New York.

Mr. LENT. I thank the gentleman for yielding.

Mr. Chairman, as I understand it, what the gentleman is saying here is that under title IV pipeline facilities that are already regulated under the Hazardous Liquid Pipeline Safety Act need not be double regulated under the terms of the Superfund legislation.

Mr. SYNAR. That is correct.

Mr. LENT. Mr. Chairman, although I do support this amendment because double regulation would obviously not make any sense, I am troubled by a recent GAO report which revealed that leaks from these supposedly regulated pipelines are both frequent and dangerous, and this is an issue which our committee may need to address in the future. Nevertheless, I am going to be supporting the amendment offered by the gentleman from Oklahoma.

Mr. SYNAR. I thank the gentleman.

Mr. Chairman, I might also mention that I share the gentleman's concern. And, as he knows, there are various committees within Energy and Commerce looking at the present at the implementation of these rules and enforcement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. SYNAR].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title IV?

AMENDMENT OFFERED BY MR. MINETA

Mr. MINETA. Mr. Chairman, I offer my amendment No. 66.

The Clerk read as follows:

Amendment offered by Mr. MINETA: Page 52, line 1, strike out the period and insert in lieu thereof the following:

and any underground pipes connected to any one or combination of tanks which is used to contain an accumulation of hazardous substances and which is above the surface of the ground.".

Page 52, line 13, strike out the period and insert in lieu thereof a comma.

Page 52, after line 13, insert the following:

or any underground pipes connected to any such tank, pipeline, impoundment, pit, pond, lagoon, or basin.

Page 56, line 20, strike out the semicolon and insert in lieu thereof the following:

, including at a minimum a requirement that each tank (other than a storage tank for petroleum, including crude oil or any fraction thereof which is not specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980) provide—

(i) a primary level of containment which is impervious to each substance which is to be contained and is not subject to physical or chemical deterioration by any such substance over the useful life of the tank, and

(ii) a secondary level of containment which is not subject to structural weakening as a result of contact with any substance released from the primary level of containment and is capable of storing any such released substance for the maximum period of time anticipated for the recovery of such substance;

Page 58, line 18, strike out "equivalent" and all that follows through the period on line 23 and insert in lieu thereof the following:

no less stringent than the Federal program under section 403 and provides for adequate enforcement of compliance with such requirements.

Page 59, line 1, strike out "equivalent to" and insert in lieu thereof "no less stringent than".

Page 59, line 5, strike out "equivalent to" and insert in lieu thereof "no less stringent than".

Mr. MINETA (during the reading). Mr. Chairman, I ask unamimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MINETA. Mr. Chairman, the amendment I am proposing at this time combines the features of three amendments I have previously discussed offering to title IV. I believe these amendments have wide support, and in order to expedite the proceedings I have combined these amendments into one.

As my colleagues have heard, I am deeply concerned about the problems of leaking underground storage tanks, and in particular those holding toxic or cancer-causing chemicals. I have this concern because there are hundreds of such tanks in my area, and according to one survey more than 80 percent of them are leaking.

Faced with this problem, the fire chiefs of Santa Clara County drafted a model ordinance, which has since been adopted by the county and the cities in my area. This work was also the model for a newly adopted California State law.

The main part of my amendment today is to write into the Superfund law the key provision of that local and State effort; namely, that any underground tank holding toxic chemicals or waste must be a double tank within a tank, that is, an inner tank that actually holds the chemical, and an outer safety tank to hold any leaks.

This amendment applies only to new tanks installed pursuant to regulations to be issued by EPA. This amendment does not, I repeat not, apply to tanks holding gasoline or gasoline products.

We developed this law and it is in effect in Santa Clara County and by the State of California. It is needed at the Federal level and it works in Santa Clara County and in the State of California.

Another part of my amendment would revise the definition of underground tanks and pipes now in H.R. 5640. This amendment would bring within that definition all underground pipes carrying regulated substances, even if the actual tank is above ground.

Most typically, this would be a tank behind a factory or workplace, with underground pipes connecting that pipe to the building itself. Such pipes are often the source of leaks, and we should regulate them regardless of whether the tank itself is above or below ground.

I believe this is largely a technical correction, which is completely consistent with the intent of the bill as it came from committee.

Lastly, my amendment would make absolutely clear that in no circumstances can a State adopt a regulatory program or standard less stringent than the Federal standards. The bill now before us makes clear that States can be more stringent, but I also want to make explicit that they can be no less stringent as well.

I believe this third provision is also largely a technical correction.

In all, this amendment is a balanced package that strengthens and improves an already excellent piece of work. This amendment is supported by the environmental community, and I know of no opposition to it. My colleagues from California Mr. EDWARDS and Mr. ZSCHAU join me in urging support for this amendment and I move its adoption.

Thank you very much.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from Nebraska.

Mr. DAUB. Does that as well apply to diesel? Is that included in the exemption for gasoline?

Mr. MINETA. That is correct. Gasoline and gasoline related products.

Mr. DAUB. I thank the gentleman.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Did I understand the gentleman to say that the new tanks to be covered under the legislation would have to be double walled tanks? We had the understanding on this side that the gentleman's amendment dealt with piping that was connected to the tanks and not the tanks themselves. There are many ways to develop safe storage tanks without necessarily going to double walls. Could the gentleman please clarify that point?

Mr. MINETA. The amendment applies to new tanks, not to existing tanks, but to new tanks that are installed pursuant to the new regulations that would be coming from EPA.

Mr. RITTER. If the gentleman will yield further, we on this side of the aisle are not familiar with this amendment, and our understanding was that the gentleman was dealing with piping that was interconnected to the storage tanks themselves.

Again, I reiterate that there are a number of ways to provide safe tank storage that do not necessarily imply double walls. For example, sacrificial corrosion elements that corrode preferentially, as opposed to having the tank corrode, would qualify, I believe, as a safe storage tank.

Now, this is a very technical amendment that the gentleman has addressed here, but it does change the whole philosophy of what we have been trying to do in protecting the health and well being of citizens by regulating underground storage tanks.

Mr. MINETA. Well, let me just reiterate that it was my understanding that there have been discussions at the staff level and that at that level it was clear what the intent of the amendment was and that there was no objection to it. I just note that as an explanatory statement.

Mr. RITTER. It is very different than what our staff had been informed of previously.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman from Nebraska.

Mr. DAUB. Is this not the amendment that was accepted in Public Works, although it appears the Public Works and Transportation Committee has so far had little impact on this legislation?

Mr. MINETA. Yes, that is correct. This is the same amendment.

Mr. DAUB. It was not adopted by any other committee; is that correct?

The CHAIRMAN. The time of the gentleman from California [Mr. MINETA] has expired.

(On request of Mr. RITTER and by unanimous consent, Mr. MINETA was allowed to proceed for 3 additional minutes.)

Mr. DAUB. If the gentleman will continue to yield, this amendment was not accepted or adopted by any of the other committees in the sequential referral; is that correct?

Mr. MINETA. That is correct, because at the time this bill was dealt with by the Energy and Commerce Committee, this amendment was not offered.

Mr. DAUB. We had certainly been very interested in the amendment we thought you were going to offer relative to piping and safety, and that sort of thing, but we had not been on this side aware that this amencment was going to be offered, nor have we seen it here.

□ 1230

Mr. MINETA. What this is is three separate amendments that have been combined into one. Those amendments were the same ones we had at the Public Works and Transportation Committee at the time the first amendment was accepted at the Public Works and Transportation Committee.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman.

Mr. RITTER. We do not have at this desk a copy of this combined amendment. Now I see what is happening. The piping amendment has been put together with the two tank amendments. Your saying that the piping amendment is also encompassed by this particular amendment. This very technical feature was not considered in our entire discussion of this matter in the Energy and Commerce Committee, from where the protection against leaking underground storage tanks emerged.

The gentleman from Ohio [Mr. ECKART] and myself along with the chairman, worked diligently to build this section on protection against leaking underground storage tanks, to build a protection against gasoline, in ground water and as it later came out, hazardous liquids in ground water, but there is no engineering rationale behind mandating from the Federal Government a double-walled tank for certain kinds of waste. It depends also upon the characteristic of the tank, if it is single walled, as to whether or not it is, in its engineering structure and corrosion resistance capable of sustaining the liquids without leakage.

I suggest that the gentleman, if he would consider this, withdraw the amendment at this time, let us talk about it between our respective staffs, and see whether or not we can come to some agreement on the kind of language the gentleman would like to see. I understand his problem in Santa Clara County. I understand the problem of Silicon Valley of exposure to leaks from underground storage tanks, but there is no compelling reason to mandate a double-walled tank.

Mr. MINETA. Well, that is the point of the whole approach here, as we have seen in the county ordinance.

The CHAIRMAN. The time of the gentleman from California [Mr. MINETA] has expired.

(By unanimous consent, Mr. MINETA was allowed to proceed for 3 additional minutes.)

Mr. MINETA. Our whole approach in Santa Clara County and I believe in the State of California has been that because of the history of the leaks from these highly corrosive chemicals and toxic materials that even though the tank itself may be penetrated, that there would be the safety of having the outer-wall tank. That this in effect would be a cheaper way to deal with it than to allow something to leak and try to then have remedial action.

I believe that this is the approach that the Public Works Committee dealt with when we were having our discussion under joint referral.

I yield to the gentleman from Pennsylvania.

Mr. RITTER. Those organizations who could financially benefit from an amendment such as this, some 50 organizations, are opposed to the idea of mandating double-wall tanks because the mandate is not technically correct.

Let me just give the gentleman a hypothetical case.

Mr. MINETA. If I could reclaim my time to that extent, I do not understand, when the gentleman says those organizations are opposed, could I ask what organizations are opposed?

Mr. RITTER. As I understand it, the organizations that constitute the storage tank production community do not necessarily feel that this is the way to go. If the gentleman would just yield for a moment.

Mr. MINETA. Again, if I could reclaim my time to be able to respond to that, the amendment is carefully drafted because I believe the organization that the gentleman is referring to does not object to this amendment, and that is why I have specifically put in a provision exempting the petroleum products and petroleum industry.

Mr. RITTER. I am not talking about the petroleum products and the petroleum industry; if the gentleman would yield, one can suggest a hypothetical case where a regular carbon steel tank is surrounded by another carbon steel tank. There is no preferential corrosion paths other than through the tanks themselves and what can happen is a corrosive liquid could perforate one tank and then perforate the next tank. It is not necessarily a solution to the problem of certain corrosive liquids to have two tanks. You may need a special kind of a tank to prevent the corrosion of a certain kind of liquid as found in the Santa Clara County technological environment.

Mr. MINETA. If I might reclaim my time, I am just using our county as an example of the problem that developed, and how that county and that State then responded to the issue.

But I believe that in terms of the problem, it is one that is being replicated across this country, and so, I just cite it as a problem and how it was dealt with in our area. I do not hold this out as just the only place where this is occurring.

Mr. RITTER. Our concern here is we really have not seen the amendment in its entirety. We only saw the part on pipes.

The CHAIRMAN. The time of the gentleman from California [Mr. MINETA] has expired.

(On request of Mr. ECKART and by unanimous consent, Mr. MINETA was allowed to proceed for 5 additional minutes.)

Mr. MINETA. I yield to the gentleman from New York [Mr. LENT].

Mr. LENT. I thank the gentleman for yielding.

I understand that the staffs are trying to work out a compromise. I was going to suggest to the gentleman that he might want to temporarily withdraw his amendment so that the committee might proceed while the language is being worked out.

Mr. MINETA. Mr. Chairman, given the fact that we are close to finishing title IV, I would like to be protected in terms of being able to offer this amendment, if in case we are not able to resolve the language problems by the time we come to the end of title IV. Is there any way that I might still be protected?

Mr. Chairman, what I will do is to ask unanimous consent than that I be able to offer this amendment at the appropriate time.

The CHAIRMAN. Is the gentleman asking to withdraw the amendment?

Mr. MINETA. I will ask unanimous consent to withdraw the amendment, and ask unanimous consent also to be able to offer the amendment at the appropriate, later time.

The CHAIRMAN. While title IV is pending?

Mr. MINETA. Mr. Chairman, I will withdraw.

My unanimous consent request, and given the fact that I still have some time remaining, will yield to the gentleman from Ohio [Mr. ECKART].

PARLIAMENTARY INQUIRY

Mr. ECKART. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ECKART. Mr. Chairman, I would like to, I do not know if I can do it on the gentleman from California's time, offer an amendment to this amendment. Do I need to see my own recognition for that?

The CHAIRMAN. That is permissible.

Mr. ECKART. Then, Mr. Chairman, I have an amendment to the desk.

The CHAIRMAN. The gentleman has to seek his own time.

Mr. ECKART. I have to seek my own time? Then I will wait until the gentleman concludes to seek my own time.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. MINETA. I yield to the gentleman.

Mr. DAUB. It sounds to me like we are going to be able to work this out with that opportunity to consider the amendments, so I will not make any further points on the gentleman's amendment unless, I could say, that I do want to, at one point when the amendment to the amendment is disposed of, speak about the issue of the storage of some material that may be toxic but it may not be corrosive, and get further understanding from the gentleman with respect to the exceptions that he has indicated he has in his amendment.

Mr. MINETA. Mr. Chairman, I yield back the balance of my time.

□ 1240

AMENDMENT OFFERED BY MR. ECKART TO THE AMENDMENT OFFERED BY MR. MINETA

Mr. ECKART. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ECKART to the amendment offered by Mr. MINETA: Page 2, line 10, of Mineta amendment after "a secondary level" add "or method".

Mr. ECKART (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. KINDNESS. Mr. Chairman, reserving the right to object, it is very short. Perhaps it could be read.

Mr. ECKART. Mr. Chairman, if the gentleman will allow, I can explain it. I just hastily wrote it. I will read it for the gentleman from Ohio if that is permissible.

Mr. KINDNESS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ECKART. I thank the gentleman from Ohio [Mr. KINDNESS] for allowing this amendment which we hastily worked out to accommodate the gentleman from Pennsylvania's objections.

I would draw your attention to the amendment offered by the gentleman from California [Mr. MINETA] as originally drafted.

Page 2, subparagraph (ii). Under my amendment, that would now read: a secondary level or method of containment which will result in the control of any substance released from the primary level of containment and is capable of storing any such released substance for the maximum period of time anticipated for the recovery of such substance.

The language that I would add would have the effect of establishing an alternative method of containment, but not the mandating of double-walled tanks, which was the point of objection in the earlier colloquy, and still have, however, the assured environmental result of controlling any substance that may have been released from primary containment.

I believe this deals with the environmental objectives of my friend, the gentleman from California, and handles the questions raised by my friends from Nebraska and Pennsylvania.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I would be happy to yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I would just like to reiterate that the second part of the amendment still talks about a secondary level of containment. Just for the legislative history, I would point out that we are in agreement that this does not mandate two tanks.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I yield to my friend, the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman for his insight and his legislative skill. I think this amendment perfects my objections to where we were headed with the intent of the main amendment. I commend the gentleman and appreciate his effort.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I yield to the gentleman from New York.

Mr. LENT. I thank the gentleman for yielding.

Mr. Chairman, I also want to commend the gentleman from Ohio for offering this amendment to the amendment.

I particularly want to point out that this amendment now provides, as I understand it, that underground pipes that are under connection to the tanks themselves would be covered by this legislation. Is that correct?

Mr. ECKART. That is correct. My amendment to the amendment in no way deals with what appears to be fairly unanimous agreement on dealing with the piping problem, which was overlooked in our subcommittee.

Mr. KENT. I support the amendment to the amendment and urge my colleagues to adopt it.

Mr. GORE. Mr. Chairman, I want to speak in strong support of this amendment, I want to compliment my colleague, the gentleman from California [Mr. MINETA] for his initiative in addressing this matter, and I want to compliment my colleague, the gentleman from Ohio [Mr. ECKART] for his legislative and draftsmanship skills in getting us over the opposition that had developed to one part of the amendment.

Mr. Chairman, I rise in strong support of the amendment

Almost one-half of the population of the United States depends on ground water supplies for drinking water. This is particularly true of individuals living in rural areas such as the residents of the Sixth district of Tennessee, which I represent.

The gentleman from California's [Mr. MINETA] amendment strengthens an already well crafted provision in the bill, title IV, which addresses the growing hazard of ground water contamination from underground storage tanks.

In particular, I would call attention to and support the portion of the gentleman's amendment that would include within the definition of underground pipes and tanks those pipes which run underground, but are connected to above ground tanks containing regulated substances. Only the portion of the pipe that is undergound would be affected by this amendment.

As currently written, title IV only covers underground piping if it is connected to an underground tank. Since it is common to have an above ground tank connected to below ground piping, especially when the fluid is a nonflammable highly toxic chemical of the type that poses a serious health hazard if it contaminates ground water, this additional loophole should be addressed.

I commend my colleague again, and ask for strong support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ECKART] to the amendment offered by the gentleman from California [Mr. MINETA].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentle-

man from California [Mr. MINETA], as amended.

The amendment, as amended, was agreed to.

Mr. DAUB. Mr. Chairman, I move to strike the last word.

I would like to enter into a colloquy briefly with the author of the main amendment now before the body.

I had the opportunity to be involved in private industry before I came to this body, in the livestock feed and manufacturing business, and we would deal with some chemicals that would end up, when combined, in what could be a corrosive form, but when they were separated and held within their tanks above or below ground, were not in a corrosive condition.

I am wondering if the gentleman would agree that, if not in conference, then certainly in the promulgation of the regulations to this particular provision, that flexibility ought to occur with respect to the question of whether or not the storage could lead to corrosion that would lead to the leak, as distinguished from those liquids that are chemicals that could be toxic in other forms when stored?

Mr. MINETA. Mr. Chairman, if the gentleman would yield, I believe addressing that kind of issue ought to be done during the regulatory process before the promulgation of the rules by the EPA, because corrosion is not only from within a cylinder, but it could be, as well, from the outside.

So I think we have to have those kinds of issues addressed at that time by the EPA, and I would hope that is what we could have done.

Mr. DAUB. I want to say to my friend that taking his local ordinance and the work of his State, and bringing very carefully constructed language as a result of those local concerns to this body, to be included in the legislation, is something that the gentleman's constituencies ought to be grateful for, and I commend the gentleman for the effort he is making today.

Mr. MINETA. I thank my friend, the gentleman from Nebraska, for his help in this effort.

The CHAIRMAN. Are there further amendments to title IV?

PARLIAMENTARY INQUIRY

Mr. FLORIO. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FLORIO. Mr. Chairman, we have now concluded title IV; is that correct?

THE CHAIRMAN. That is correct.

Amendments would still be in order if a new title were defeated.

AMENDMENT OFFERED BY MR. MORRISON OF CONNECTICUT

Mr. MORRISON of Connecticut. Mr. Chairman, I offer an amendment.

Mr. SAWYER. Mr. Chairman, I reserve a point of order against the amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRISON of Connecticut: page 66, after line 9, insert:

LIABILITY FOR CERTAIN DAMAGES

SEC. 501. (a) If an individual is exposed to a hazardous substance from a facility where disposal of such hazardous substance occurred, the following persons shall be liable to such individual (or his dependent) for damages which are compensable under this section and which are caused by such exposure.

(1) any person who owned or operated the facility at the time of such disposal or thereafter (other than a person who owned or operated the facility only after termination of such exposure);

(2) any person who generated the hazardous substance to which the injury individual was exposed; and

(3) any person who transported such hazardous substance to the facilty where such exposure occurred.

The plaintiff shall have the burden of proving by a preponderance of the evidence that damages were caused by exposure to the hazardous substance. The liability of each person referred to in paragraphs (1) through (3) shall be strict and joint and several.

(b) In any case in which—

(1) more than one person generated a hazardous substance of the type to which an individual was exposed and which caused damages to such individual which are compensable under this section; and

(2) a hazardous substance of that type from each such generator was disposed of at the facility where such individual's exposure occurred.

each such generator shall be liable to such individual (or his dependents) under this section for such damages except for a generator who establishes by a preponderance of the evidence that no hazardous substance generated by him resulted in such exposure.

(c) In any case in which—

(1) more than one percent transported a hazardous substance of the type to which an individual was exposed and which caused damages to such individual which are are compensable under this section; and

(B) a hazardous substance of that type was transported by each such transporter to the facility where such individual's exposure occurred and subsequently disposed of at such facility,

each such transporter shall be liable to such individual (or his dependents) under this section for such damages except for a transporter who establishes by a preponderance of the evidence that no hazardous substance transported by him resulted in such exposure.

(3) if the defendant establishes by a preponderance of the evidence that the defendant's responsibility for the damages is limited, he shall be liable only for the portion of such damages attributed to such defendant.

(d) In an action under this section, any defendant may join other parties in accordance with applicable rules.

(e) Following an adjudication of joint and several liability in an action under this section the court shall apportion damages among parties held jointly and severally liable. In apportioning the damages the court may consider, among other factors—

(1) the amount of hazardous substances involved;

(2) the degree of toxicity of the hazardous substances involved;

(3) the degree of involvement by the parties in the generation, transportation, treatment, storage, or disposal of the hazardous substances, taking into account the characteristics of such hazardous sustances;

(4) the degree of cooperation by the parties with Federal, State, or local officials to prevent any harm to public health or the environment; and

(5) the amount of damages which should justly be attributed to other potentially liable parties who are not, and could not be brought before the court.

(f) There shall be no liability under this section for any defendant in an action under this section who can estalish by a preponderance of the evidence that the exposure to a hazardous substance, or the damage resulting from such exposure, which forms the basis of such action was caused solely by—

(1) an act of God;

(2) an act of war;

(3) an act or omission of third party other than an employee or agent of the defendant, or than one whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant (except where the sole contractual arrangement arises from a published tariff and acceptance for carriage by a common carrier by rail), if the defendant establishes by a preponderance of the evidence that (A) he exercised due care with respect to the hazardous substance concerned, taking into consideration the characteristics of such hazardous substance, in light of all relevant facts and circumstances, and (B) he took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such acts or omissions; or

(4) any combination of the foregoing subparagraphs.

There shall be no liability for any transporter referral to in subsection (a)(3) if that transporter establishes by a preponderance of the evidence that he has complied fully with Federal and State laws regarding transportation of hazardous substances.

(g) After adjudication of liability and recovery of damages in any action under this section, any defendant held liable for damages in an action under this section may bring a separate action in the United States district court to require any other person referred to in paragraphs (1), (2), or (3) of subsection (b) to contribute to payment of such damages, except that, if such defendant is held liable (in an action under this section) for damages to any individual who, by reason of subsection (r), may not recover any amount under this action from an employer, employer's insurance carrier, or fellow employee, such defendant may not bring a separate action under this section for contribution against that employer, employer's insurance carrier, or fellow employee.

(h) Toxicological profiles prepared under section 104(i) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 and the hazardous substance exposure evaluations prepared under section 104(l) of such Act shall be admissable in evidence in an action under this section.

(i) If a plaintiff who recovers any amount in an action under this section by reason of exposure to a hazardous substance has obtained any emergency relief under section 104(1) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 by reason of the same exposure, or if the Administator has provided any emergency relocation or provided any alternative drinking water supplies to such plaintiff under any authority of such Act by reason of such exposure, the plaintiff shall be required to reimburse the Hazardous Substance Superfund for any amount reflecting the costs of such relief, relocation, or drinking water supplies which the plaintiff recovered in the action under this section.

(j) Any action under this section may be maintained in the United States district court in which either the plaintiff or defendant resides or in which the defendant's principal place of business is located.

(k) In issuing any final order in any action under this section, the court may award attorneys' fees to the prevailing party and costs of litigation (including expert witness fees) whenever the court determines such award is appropriate. No attorneys' fees shall be collected from recovery of any plaintiff expect pursuant to this subsection.

(l) Nothing in this section shall be construed to preempt, or otherwise affect, any provision of State law regarding liability for damages in connection with any hazardous substance.

(m)(1) No action may be brought by any individual under this section after the end of a three-year period beginning on the later of the following—

(A) the date the individual knew (or reasonably should have known) that the injury, illness, or death or other expense was caused by the hazardous substance concerned; or

(B) the date of the enactment of this Act.

(2) The time limitation described in paragraph (1) shall not begin to run—

(A) against a minor, until that minor reaches eighteen years of age or has had a legal representative appointed; or

(B) against an incompetent individual, until that individual becomes competent or has had a legal representative appointed.

(n) No action may be brought under this section for any damages if such damages were incurred more than 5 years before the date of the enactment of this Act.

(o) No action may be brought by an individual under this section for any damages if, prior to the date of the enactment of this Act, the statute of limitations has expired for any cause of action which (but for such expiration) would have been available to such individual under any other authority of law for recovery of the same damages and if the rights of such individual under such other authority of law (including the applicable statute of limitations) are equivalent to such individual's rights under this section.

(p) The United States shall not be liable for damages under this section, either directly or through indemnification, in any action brought under this section or under section 1346(b) of title 28 of the United States Code. A State or local government shall not be liable under this section in an action brought under this section.

(q) No employee or employee's spouse, dependent, relative, or legal representative who may assert a claim against the employee's employer under a State or Federal worker's compensation law based on the employee's workplace exposure to a hazardous substance shall be entitled to recover any amount under this section from the employee's employer, such employer's insurance carrier or a fellow employee based on that exposure.

(r) No person may bring separate actions in both the courts of any State and the courts of the United States for damages compensable under this section which result from exposure to a hazardous substance.

(s)(1) No individual who has recovered any amount in an action under this section with respect to damages caused by exposure to any hazardous substance shall be prohibited from recovering from the same defendant or defendants an additional amount under this section if—

(A) such individual establishes (in a subsequent action under this section) that—

(i) personal injury, illness, or death which becomes manifest after the prior action was caused by such exposure, and

(ii) such personal injury, illness, or death was not known, and reasonably could not have been known (on the basis of the facts and circumstances regarding the disposal of the hazardous substance concerned) at the time the prior action was brought under this section, and

(B) such individual did not receive damages compensable under this section in anticipation that such personal injury, illness, or death would be discovered.

(2) An individual who previously brought suit in State or Federal court under any other authority of law for damages compensable under this section which were caused by exposure to any hazardous substance may not bring an action under this section for the same damages caused by the same exposure if judgment on the merits was entered or amicable settlement was completed in the prior suit in State or Federal court.

(t) A person liable under this section thereby consents to personal jurisdiction in the district of disposal of the hazardous substance concerned.

(u) For purposes of this section—

(1) The terms "damages compensable under this section" and "damages" mean:

(A) Any medical expenses, rehabilitation costs, or burial expenses due to personal injury, illness, or death.

(B) Any loss of income or profits or any impairment or loss of earning capacity due to personal injury, illness, or death.

(C) Any pain and suffering which results from personal injury, illness, or death.

(D) Any economic loss and any damages to property, including real and signficant diminution in value.

Pain and suffering shall not be treated as damages or damages compensable under this section for an individual to the extent that such pain and suffering results from such individual's fear of experiencing his own physical injury, illness, or death where such individual has not experienced any such physical injury, illness, or death or from such individual's fear of another person's personal injury, illness or death where such other person has not experienced any such physical injury, illness, or death.

(2) The term "medical costs" means the costs of all appropriate medical, surgical, hospital, nursing care, ambulance, and other related services, drugs, medicines, as appropriate for both diagnosis and treatment, and any rehabilitative programs within the scope of section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723).

(3) The term "dependent" refers only to the dependent of a deceased individual. Such term means, with respect to such deceased individual, the individual or individuals referred to in section 8110 of title 5 of the United States Code.

(4) The terms "Administrator", act of God", "hazardous substance", and "facility" shall have the same meaning when used in this section as when used in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. The term "hazardous substance" also means two or more hazardous substances as defined in the preceding sentence and includes any mixture or combination of hazardous substances as defined in the preceding sentence.

(5) The term "disposal", and related terms such as "disposed of", when used with respect to a hazardous substance, mean the discharge, deposit, injection, dumping, spilling, leaking, storing, treating, or placing of any hazardous substance into or on land or water, except that such terms shall not include activities referred to in subparagraphs (B) through (D) of section 101(22) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

(v) If a hazardous substance which caused the injury was not a hazardous substance at the time a person referred to in paragraph (1) (2) or (3) was involved, there shall be no liability on the part of such person under this section.

Mr. MORRISON of Connecticut (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

Mr. SAWYER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk continued to read the amendment.

□ 1250

Mr. FLORIO (during the reading). Mr. Chairman, if I might get the concurrence of the other side, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The gentleman from Connecticut [Mr. MORRISON] will be recognized for 5 minutes in support of his amendment.

POINT OF ORDER

Mr. SAWYER. Mr. Chairman, I have a point of order on the amendment.

The CHAIRMAN. Does the gentleman reserve a point of order, or does he wish to raise the point of order at this time?

Mr. SAWYER. Mr. Chairman, I have a point of order, and I wish to insist on it.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SAWYER. Mr. Chairman, this amendment which is now being offered is not germane to the purpose of

the bill as it now stands, and under Deschler's Procedure, chapter 28, section 1.2, it is the bill, as amended.

The amendment and the bill which it is amending is aimed at cleaning up dumpsites, and this, on the other hand, attempts to create an entirely new Federal action on behalf of persons seeking damages and create various Federal tort liabilities for individuals seeking damages.

Also in considering the point of germaneness of this amendment, the jurisdiction of committees should also be one of the considerations, and obviously this section is exclusively within the jurisdiction of the Committee on the Judiciary. Under section 1.4 of chapter 28 of Deschler's Procedure, that is another consideration.

Mr. Chairman, taking those two together, I think it is perfectly obvious that this is now nongermane to the act as it now stands.

Mr. MORRISON of Connecticut. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. MORRISON of Connecticut. Mr. Chairman, this amendment adds a new title to the bill. The amendment is designed to do several things. First, it is designed to protect human health and the environment by establishing liability where improper disposal of hazardous waste has injured an individual. When there is liability, those who are in charge of disposal will do so properly to avoid the liability.

Second, the amendment is designed to provide actual relief where people are harmed by hazardous waste. The amendment builds on the cleanup program we have in place, which is designed to force private parties to pay for the cleanup, and forces the same private parties to pay for the injuries they have caused.

Third, the amendment is designed to recover amounts that have been paid out from Superfund. When there is exposure to a hazardous substance, Superfund will relocate individuals as we have seen in Times Beach, MO. Under this amendment the fund would be reimbursed for that expense from any recovery of a relocated individual from a private party.

The test of germaneness of a new title is whether the amendment is germane to the bill as a whole. The bill in this case has many provisions which accomplish the same purpose as this amendment by the same method.

There is no question that this amendment relates to the subject under consideration. The subject of this bill is hazardous waste, how we deal with it, and the liability of those who have improperly disposed of it. The whole purpose of the Superfund is to clean up hazardous waste sites to eliminate the threat they pose to people and the environment. The bill contains provisions giving individuals the right to go against private parties to ensure safe disposal of waste. Where people are harmed under Superfund, they have a right to get money from the fund to eliminate the harm.

The amendment clearly relates to the same subject. People are being harmed by hazardous waste and we are providing a recourse in this amendment.

The clearest test of germaneness is whether the fundamental purpose of an amendment relates to the fundamental purpose of the bill to which it is offered. Under the precedents, in ruling on this question the Chair must compare the stated purpose of the bill with the purpose of the amendment. (106 CONGRESSIONAL RECORD 5655, 86th Cong., 2d sess., Mar. 15, 1960.)

Section 3 of the bill, the findings and objectives section, states very clearly what the fundamental purpose of the bill is. It says in subsection (5), "establish new Federal liability standards for injuries suffered by exposed individuals." This explicit statement of purpose is demonstrated throughout the bill.

Under title I, under strict, joint and several liability responsible parties will be forced to pay for several kinds of damages to private citizens. Under section 101(23) of CERCLA, responsible parties would be forced to pay for all kinds of damages to the person or property of those affected by hazardous waste. The same kind of relief for individuals would be available under section 112 of the bill, health effects studies.

There should be no question that the fundamental purpose of this amendment is related to the fundamental purpose of the bill.

In order to be germane, an amendment must not only have the same end as the matter sought to be amended, but must contemplate a method of achieving that end that is closely allied to the method encompassed in the bill. (116 CONGRESSIONAL RECORD 28165, 91st Cong., 2d sess., Aug. 11, 1970.) This bill is a very broad and diverse one which seeks to accomplish the goal of cleaning up and regulating hazardous substance in diverse ways. Title I of the bill dramatically restructures the Superfund Program under CERCLA. Title III provides citizens the right to go against the Government and private parties to eliminate hazardous waste problems. Title IV creates a program to control underground tanks containing hazardous substances.

The aim of this amendment is closely allied to the methods of controlling the improper disposal of hazardous waste that are contained in the bill. The bill establishes the liability of polluters for the damage they have caused. This amendment simply expands on the liability of those polluters. There are ample precedents that such an approach is germane. For example, an amendment was held germane which added a new title providing a program to assist public schools in the elimination of racial segregation was held germane to a bill containing diverse titles on the general subject of education, including provisions concerning the implementation of court orders and the use of Federal funds to achieve desegregation. (117 CONGRESSIONAL RECORD 3923-29, 92d Cong., 1st sess., Nov. 4, 1971.)

Mr. Chairman, there should be no question about the germaneness of this amendment. It meets all the tests, and I urge the Chair to rule that it is germane.

Mr. FLORIO. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from New Jersey.

Mr. FLORIO. Mr. Chairman, the essence of germaneness is the fact that the provision in the gentleman's amendment provides for reimbursement back to the fund out of any awards that are granted pursuant to the cause of action so as to reimburse the fund, thereby making the connection clear and unequivocal.

Mr. BROYHILL. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BROYHILL. Mr. Chairman, the gentleman's amendment should be ruled out of order as a nongermane amendment to the bill.

Mr. Chairman, the precedents of the House provide that in determining the issue of germaneness of an amendment, the Chair considers the relationship of the amendment to the bill, as modified by the Committee of the Whole. And that is found in Deschler's chapter 28, section 1.2.

The bill before the committee, H.R. 5640, as amended, makes several amendments to Superfund, which is a program established by the Congress back in 1980 for the cleanup of abandoned toxic waste sites. The bill, as amended, makes several changes in that law to accelerate the cleanup process at these sites. Examples include setting mandatory schedules for the cleanup of these sites and mandatory cleanup standards to be applied by the EPA Administrator in cleaning up these sites.

Thus the fundamental purpose of the bill before the committee is the cleanup of these sites.

Now, the amendment that is offered by the gentleman has a vastly different purpose. It seeks to provide access to the Federal courts by individuals who claim they have been injured as a result of exposure to toxic wastes.

Whether the creation of a new Federal cause of action is a good or bad idea is not relevant for purposes of determining the germaneness of the amendment. Rather, the precedents indicate that germaneness must be determined on the basis of the relationship of the amendment to the bill before the committee.

The creation of a new Federal tort system incorporating the concept of strict joint and several liability is a new concept which the gentleman seeks to add to a bill that does not presently address that issue. As I have already stated, Mr. Chairman, the bill's purpose is to clean up toxic waste sites, not to set up a victim's compensation system.

Finally, Mr. Chairman, the amendment should be ruled out of order as nongermane because it seeks to add a provision to the bill which is within the jurisdiction of the Judiciary Committee, a committee which has had no opportunity to consider this important issue. The precedents of the House provide that in the determining germaneness, committee jurisdiction over the subject matter of an amendment is a relevant test in determining the germaneness of an amendment. That is also found in Deschler's, chapter 28, section 4.1.

Mr. Chairman, this amendment makes fundamental changes in the tort law of this country by creating a Federal cause of action with strict joint and several liability. Such an amendment is clearly within the jurisdiction of the Committee on the Judiciary.

Mr. Chairman, based on this precedent, as well as those I have already cited, the gentleman's amendment should be ruled as nongermane to H.R. 5640.

□ 1300

Mr. KINDNESS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. KINDNESS. Mr. Chairman, I rise in response to a point that has been raised here for the Chair's consideration, that the amendment includes provisions which are related to the general purpose of the bill.

I believe the precedents of the House would establish that where such a tieback is created for the purpose of establishing germaneness, it is the main purpose of the amendment that has to be considered by the Chair in determining whether the amendment is in order. If that is the case here that such language is relied upon is not anything but a burden to the main purpose of the amendment, it appears and that is offered in that form for the purpose of attempting to evade the clear nongermaneness argument related to the committee of jurisdiction.

I think the Committee of the Whole yesterday made a decision about the committee jurisdiction perhaps, but at any rate, I would certainly hope that the Chair today would rule on the basis that the Committee on the Judiciary is the committee that would have jurisdiction over this subject matter.

I would point to the top of page 3 of the amendment, the inserted language here, as an example of why that needs to be done, why we have a committee structure that attempts to deal with some degree of specialization in these various subject areas that are affected, and certainly in this case there is some drafting here that was done quickly, I would say almost irresponsibly, with language resulting from it that is not understandable. It is an illustration of why we must have rules by which we live in this House and committee jurisdiction has something to do with that in this case very importantly.

I think the nongermaneness of this amendment is evident on its face, particularly by looking at the copy that has been presented with its interlineations and marginal entries. That is a very difficult way to attempt to deal with some very complicated subject matter, but it really illustrates how nongermane the amendment is and I would urge that the amendment be ruled out of order.

Mr. ECKART. Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. ECKART. Mr. Chairman, one of the fundamental principles by which the Chair is guided is the intent of the committee, properly recited by my friend, the gentleman from Ohio.

I would point out to the Chair that when the amendment offered by my friend, the gentleman from Michigan, was agreed to by the committee, they neglected to strike one of the most fundamental parts of the bill which clearly and most directly delineates the intention of the Committee of the Whole House. That is the findings, and I would draw the attention of the Chair to the findings which have since been approved by the Committee of the Whole relevant to findings numbers 4, 5, and 7, which clearly state the intent of this committee to preserve the right of individuals to seek recovery.

Second, I would draw the attention of the Chair to section 110, 112, and 114, which when interrelated with the basic proposition upon which the bill is based and that is the right to clean up dumps and for the citizens affected through the Federal Government or individually to recoup the costs of that.

I would remind the Chair and my colleagues here that that was the predication upon which the Times Beach cleanup took place and which is preserved intact in the balance of this legislation; so therefore, based on the purposes, the earlier determination of this full committee that it is one of the fundamental purposes of this bill to allow citizens to have the right to recover, we did not amend that, despite the fact that that intention and that opportunity was available, with the health effects study in section 112 pursuing supervisions in earlier sections in title I still remaining, notwithstanding that this is an ancillary cause, I believe the basic thrust is still preserved in the balance of the bill.

This amendment should be in order.

Mr. DAUB. Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The gentleman from Nebraska is recognized.

Mr. DAUB. Mr. Chairman, I have two points that I would like to make to the Chair; first in response to the gentleman who just spoke. The findings section is a technical provision that does not go to the essence of the bill. As a matter of fact, under the rule, you could not have gone back and asserted the deletion of title II to include the findings clause in the first place. That would not have been in order. So the argument is specious.

Now let me make my main point to the Chair with respect to the task of determining whether or not to sustain the point of order of the gentleman from Michigan.

Relative to germaneness, one must take a look at the draft of the proposed text which is before the Committee, and indeed if one recalls the debate on title II, which was stricken, the Parliamentarian will have no doubt clearly in mind that subsection (a) on the first page under 4, that on page 2 of the amendment the addition of the words "except for a generator who establishes by a preponderance of the evidence that no hazardous substance generated by him results in such exposure," that on page 3 much of it including subsection (b) and section (e), that on page 4 of the amendment sections 2, 3, and 4, and indeed section (h) on page 5, particularly with respect to toxicological profiles being admissible, none of these general provisions in this amendment proposed were contained in the same way in title II.

Therefore, I assert that in fact this Committee would have to go back to the Rules Committee to make this effort germane and in order at this point in time.

The CHAIRMAN [Mr. MINISH]. The Chair is prepared to rule.

The test of germaneness of an amendment adding a separate or new title to the bill is its relationship to the portion of the bill read, as perfected by amendments.

The bill title I provides several new uses of the Superfund for removal and remedial actions and titles I, and III of the bill together contemplate in more general terms compensatory forms of relief, either through private suits or under section 101 of CERCLA through a broad definition of remedial actions which under existing law cover potential compensation for relocation cost, to replace drinking water supplies and any emergency assistance under the Disaster Relief Act of 1974.

Title III of the bill has already been broadened by the amendment of the gentleman from New York [Mr. MOLINARI] which relates to deed covenants in surplus property conveyances. Other aspects of the text before the Committee relate to the jurisdiction of other committees.

The Chair might say that even as modified, there are provisions in title 3 that deal with other committee jurisdiction including the Judiciary Committee. As amended there are other provisions in the text before us that deal with other than cleanup issues.

Both the proponents and the opponents of the point of order have made some valid points, but the Chair feels the bill is still broad enough to support the germaneness of the amendment.

The Chair rules that the point of order will be overruled.

Mr. FLORIO. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Mr. MINISH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5640) to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, had come to no resolution thereon.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF CONFERENCE REPORT ON H.R. 6040, SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1984

Mr. LONG of Louisiana, from the Committee on Rules, submitted a privileged report (Rept. No. 98-979) on the resolution (H. Res. 572) waiving certain points of order against consideration of the conference report and amendments reported from conference in disagreement on the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes, which was referred to the House Calendar and ordered to be printed.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF CONFERENCE REPORT ON H.R. 6040, SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1984

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 572 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 572

Resolved, That upon the adoption of this resolution it shall be in order, clause 2 of Rule XXVIII to the contrary notwithstanding, to consider the conference report and amendments reported from conference in disagreement on the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes.

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. LONG] is recognized for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield the customary 30 minutes to the minority, for purposes of debate only, to the gentleman from Ohio [Mr. LATTA], and pending that, I yield myself such time as I may consume.

□ 1310

Mr. Speaker, House Resolution 572 waives clause 2 of rule XXVIII against consideration of the conference report and amendments reported in disagreement on H.R. 6040, a bill making further supplemental appropriations for fiscal year 1984. Clause 2 of rule XXVIII provides that a conference committee report may not be considered in the House until the third day after that report and the accompanying statement are filed and printed in the CONGRESSIONAL RECORD and 2 hours after the report and statement have been available to Members. Since the conference report on H.R. 6040 was just filed a few hours ago, this rule must be waived to allow consideration of this supplemental appropriations bill today.

Mr. Speaker, I am sure Members are aware of the situation. The House passed H.R. 6040 on August 1. The Senate passed the bill 2 days ago, on August 8, with some 200 amendments, including amendments to add additional funding in fiscal year 1984 for the Government of El Salvador. Because the bill contains additional appropriations for the Food Stamp Program, which will experience a funding shortfall by Labor Day, it is necessary for Congress to act on this legislation prior to recessing for the Republican Convention and the Labor Day district work period.

Late last night, the House-Senate conferees agreed to report back to their respective Houses in partial disagreement, so that the controversial issues involved can be resolved by action of full membership of the House and of the Senate.

This rule simply allows the House to proceed to consideration of this measure, notwithstanding the fact that the conference report has not laid over for 3 days. The consideration of the conference report and amendments in disagreement will proceed under the regular rules of the House. The House will vote first on the conference report and then will dispose of each amendment reported in disagreement by a vote on a motion by the chairman of the Appropriations Committee.

Mr. Speaker, there is no question that the House must resolve the issues involved in this legislation before we recess. This rule allows the House to work its will in a timely fashion. I urge my colleagues to adopt this rule so that we may proceed to the consideration of the conference report on H.R. 6040.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in the Rules Committee meeting both the chairman and the ranking Republican member of the Committee on Appropriations agreed in requesting this rule. The Rules Committee gave them what they asked.

The rule waives the requirement that conference reports be available for 3 days before being considered on the House floor.

In this case the conferees just worked out this agreement late last night and early this morning.

However, one thing is clear and that is that the conference report is expensive. According to information provided to the Rules Committee this conference agreement provides a total of $5,817,318,000. This is $432,693,600 more than the House-passed version.

Mr. Speaker, the rule merely gives the House the right to consider the bill without the 3-day layover. I support the rule for this reason but certainly will not support the bill itself as the amount provided is excessive. The amounts provided for herein are as follows:

Second supplemental appropriations bill, 1984—selected major items

Food stamps	$700,000,000
Public Law 480	175,000,000
DOD—Operation and maintenance	275,900,000
HUD—Assisted housing	150,000,000
EPA—Superfund	50,000,000
FEMA—Emergency food and shelter	70,000,000
Veterans programs	485,688,000
Loan defaults	(100,000,000)
Compensation and pensions	(284,900,000)
Readjustment benefits	(82,200,000)
Strategic petroleum reserve	459,190,000
Social services block grants	25,000,000
Family social services	60,000,000

Rehabilitation services and handicapped research	34,200,000
Corporation for Public Broadcasting (1984/5/6)	57,500,000
Payment to Civil Service Retirement and Disability Fund	238,081,000
Agency for International Development	195,095,000
Increased pay costs	2,087,932,000
Department of Defense	(1,576,482,000)
Civilian agencies	(511,450,000)
Bill totals:	
House-passed	5,384,624,400
Senate-passed	6,983,228,070
Conference agreement	5,817,318,000
Compared to:	
House-passed	+432,693,600
Senate-passed	−1,165,910,070

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. CONTE.]

(Mr. CONTE asked and was given permission to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, I rise in support of this resolution, which makes in order the consideration of the second supplemental appropriation bill for fiscal 1984.

I hope it is clear to all Members that the only question before the House is: Shall the House consider the supplemental? The rule does not waive points of order or otherwise affect the consideration of the conference report. The rule only waives the 3-day rule so that this conference agreement can come before the House for action.

The conference agreement contains the recommendations of the conferees on 216 individual amendments. The supplemental contains funds for food stamps, veterans' benefits, and pensions, and civil service retirement.

The Food Stamp Program is effectively out of money. There is not enough money to make the allocations to food stamp recipients for the month of September.

The three veterans' programs funded in the bill are very close to running out of money—veterans' compensation and pensions, veterans' readjustment benefits, and the veterans' loan guarantee fund.

And the bill contains funds for the Federal pay raise that went into effect last January, and to pay the civil service retirement and disability fund for the additional personnel benefits that must be paid because of that pay raise, which took effect under existing law.

When we vote on the rule, we are not voting on the supplemental or on any of the individual programs in it. We are simply voting to bring the bill before the House for its consideration.

I will vote "yes" and I urge my colleagues to do likewise.

Mr. LATTA. Mr. Speaker, I have no further requests for time.

Mr. LONG of Louisiana. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1437, CALIFORNIA WILDERNESS ACT OF 1983

Mr. LONG of Louisiana, from the Committee on Rules, submitted a privileged report (Rept. No. 98-980) on the resolution (H. Res. 573) providing for the consideration of the bill (H.R. 1437), the California Wilderness Act of 1983, in the House, without intervening motion, and the Senate amendment thereto, which was referred to the House Calendar and ordered to be printed.

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report and amendments reported in disagreement on H.R. 6040, and that I may include extraneous and tabular matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CONFERENCE REPORT ON H.R. 6040, SECOND SUPPLEMENTAL APPROPRIATIONS ACT, 1984

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H.R. 6040) making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes; and pending that request, I ask unanimous consent that such conference report and all amendments in disagreement be considered as having been read.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. Pursuant to the unanimous-consent agreement, the conference report is considered as having been read.

(For conference report and statement, see earlier proceedings of the House of today, Friday, Aug. 10, 1984.)

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I present the conference report on the second supplemental appropriation bill. As my colleagues know, the Senate added 216 amendments, increased the amount of appropriations over the House bill by $1,600,000,000. The Senate bill was over the President's request and over the 302 budget allocation.

The conference report we bring you today has corrected much of that. The bill totals are as follows:

President's request	$6,343,780,170
House passed	5,384,624,400
Senate passed	6,983,228,070
Conference agreement	5,817,318,000
Compared to:	
President's request	−526,426,170
House passed	+432,693,600
Senate passed	−1,165,910,070

Mr. Speaker, to reach this agreement we were in session until after midnight last night.

Major items in the bill are:

Food stamps	$700,000,000
Public Law 480	175,000,000
DOD—operation and maintenance	275,900,000
HUD—assisted housing	150,000,000
EPA—Superfund	50,000,000
FEMA—emergency food and shelter	70,000,000
Veterans programs	485,688,000
(Loan defaults)	(100,000,000)
(Compensation and pensions)	(284,900,000)
(Readjustment benefits)	(82,200,000)
Strategic petroleum reserve	459,190,000
Social services block grants	25,000,000
Family social services	60,000,000
Rehabilitation services and handicapped research	34,200,000
Corporation for Public Broadcasting (1984/5/6)	57,500,000
Payment to civil service retirement and disability fund	238,081,000
Agency for International Development	195,095,000
Increased pay costs	2,087,932,000
Department of Defense	(1,576,482,000)
Civilian agencies	(511,450,000)

It is essential that these funds be made available for the remainder of the fiscal year for entitlement programs and others will be exhausted early in September. Here we provide funds until the new fiscal year which begins October 1, 1984.

As this list shows, funds provided here reach every part of the United States and touch the lives of most of our people. As I have pointed out many times, whatever our situation, whatever our debts and obligations, it is imperative that we look after our country, its protection and development—that we look after the well being and health of our people and their education.

In my own area, I point out that we provide for assistance on the gulf coast, provide further study of plans to provide flood protection in the Pearl River Watershed which to a great degree surrounds our State Capital of Jackson.

The conferees included $2,500,000 for economic development activities in my area of Mississippi for the Appalachian Regional Development Programs.

Details in other areas and on other programs will be developed in the discussion and debate.

Mr. Speaker, we have only 18 more working days until October 1, the beginning of the new fiscal year. Many of the programs provided for here will run out of funds early in September; thus it is imperative that we act now.

We bring you a good bill, under the President's request by $526 million, under the Senate bill by $1,165,910,000, and under the section 302(a) allocation.

I urge your support.

□ 1320

Mr. Speaker, I reserve the balance of my time.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support the conference report on H.R. 6040, the second supplemental appropriations bill for fiscal 1984. The House passed the supplemental on August 1. The Senate followed on August 8, just 2 days ago. We went to conference yesterday, at 5:30 in the afternoon, and finished around midnight.

There were 216 individual Senate amendments. And while there were several difficult issues in the conference, most of the disagreements were settled quickly.

I can say to the House that your conferees did a good job. I can recommend that you support the conference report. There were two areas where we could not agree, but these issues will come up as separate amendments following the vote on the conference report.

However, I know that there will be disagreement with some of the conference agreement. When we bring an appropriation bill to the floor, Members look at the individual items, and I understand that. But I also hope that Members understand the position of the conferees, who must look at the bill as a whole, and who must make compromises with the other body in order to reach agreement in conference.

The conference report totals $5.8 billion in new budget authority. This is $535 million under the committee's allocation of discretionary budget authority, $526 million under the budget, $433 million over the House bill, and $1.2 billion under the Senate bill.

These are the totals. However, if you look within these totals, you will find that we were dealing with four different sets of issues.

First, the bill contains $3.5 billion for payments which are mandatory under existing law: $700 million for food stamps; $285 million for veterans' compensation and pensions; $82 million for veterans readjustment benefits; $100 million for the veterans loan fund; $238 million for civil service retirement; and $2 billion for the costs of the Federal pay raise which went into effect last January.

These mandatory appropriations were not a major issue in conference, but they are part of the bill you will vote on.

Second, the bill contains $1.2 billion for six significant items where the administration had requested funds: Titles I and III of Public Law 480, DOD O&M, the EPA Superfund, the Strategic Petroleum Reserve, Military Construction, the FAA, and the FRA. These items were not a major issue in conference, and the total for the items is now $18 million over the House bill.

Taken together, the mandatory programs and the major programs where the administration has requested funds now total $4.7 billion, or 80 percent of the bill.

Third, the conferees considered $463 million in 11 major programs areas where funds had been added over the budget by the House. The conference agreement reduces these areas by $12 million.

Finally, the conferees considered $557 million in six program areas where funds had been added by the Senate. The conference agreement reduces these items by $202 million.

Mr. Speaker, that is the supplemental. I supported the bill in the House, and I will do so again today, because I believe that most of the funds are necessary and justified.

It is not perfect, but nothing is, at least around here.

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Yes, I yield to the gentleman from Virginia.

Mr. WHITEHURST. With respect to last night's conference action on the supplemental appropriations bill for fiscal year 1984, is it true that the conferees were silent on the Lake Gaston pipeline issue?

Mr. CONTE. Yes. Mr. Speaker, the gentleman is absolutely right.

The House report had language, the Senate report did not, and the conference report is silent on the issue.

Mr. WHITEHURST. Mr. Speaker, I thank the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, let me explain some of the sections:

ENERGY AND WATER DEVELOPMENT

Mr. Speaker, chapter IV provides supplemental appropriations for energy and water development. There were only a few items in this chapter that generated any controversy. The conferees agreed to accept Senate amendments providing $8 million for a hydroelectric project on the Nanpil River in Ponape, $2 million for flood damages near Mariana, AR, that occurred during May and June 1983, $8.5 million for the acquisition of wildlife mitigation land associated with the Bonneville lock and dam project, language making nonreimbursable some $6 million for the Gila project in Arizona, and language relating to the construction of the Yakima River Basin water enhancement project in the State of Washington.

The statement of managers reiterates the language contained in the House and Senate committee reports relating to a number of projects, including the Revere Beach project in Massachusetts.

One of the more controversial projects discussed by the conferees was the proposed Lake Gaston pipeline to Virginia Beach, VA. The House report had contained language requiring additional studies prior to the construction of this project, while the Senate report had not imposed such requirements. The question of the adequacy of the studies that have already been performed is the subject of litigation between North Carolina and Virginia in Federal court. Because of the pendency of this litigation, the conferees decided to remain silent on this dispute in the conference agreement.

For the Appalachian Regional Development Programs, the conferees agreed to accept the Senate amendment providing $5 million for this purpose. The agreement indicates that $2.5 million of these funds are to be used for activities in Aliceville, AL, located in the district of our distinguished subcommittee chairman, Mr. BEVILL, and $2.5 million to be used in northern Mississippi. In addition, language is contained in the statement of managers indicating that certain funds appropriated in the fiscal year 1985 energy and water development bill for the Appalachian Regional Highway Program are to be used for corridor V, which is primarily in Alabama.

Finally, the conferees agreed to delete a Senate amendment providing $2.1 million in supplemental funding for the Nuclear Regulatory Commission.

HUD-INDEPENDENT AGENCIES

Chapter V contains the recommended levels of funding for the Department of Housing and Urban Development and independent agencies. In the housing area, the managers have agreed to include $150 million for the section 235 Homeownership Assistance Program as it has been restructured in the Housing and Urban-Rural Recovery Act to help low-and moderate-income families achieve homeownership. We have also recommended $500,000 for the Neighborhood Reinvestment Corporation's Baltimore Mutual Housing Demonstration Program.

For the Environmental Protection Agency, the conferees have agreed to

recommend $3 million for research and development; this amount includes $1 million for the establishment of a center for hazardous waste management, and an additional $2 million to complete funding of the Acid Rain National Lake Survey. We have also provided $50 million for the Asbestos School Hazards Abatement Act of 1984. We have included language making these funds available when EPA has developed comprehensive guidelines to classify and evaluate asbestos hazards and appropriate abatement alternatives. I believe that the recommendations made by the conferees represent an important Federal commitment to assist schoolchildren and employees across this country in school districts in which asbestos poses a significant health threat.

We have also provided to EPA $5 million for the design and planning of a wastewater treatment plant in the San Diego area to meet an emergency public health problem.

For the Federal Emergency Management Agency, the managers recommended $70 million for the Emergency Food and Shelter Program. We have recommended $5.25 million for the National Institute of Building Sciences to establish a trust fund, the interest of which will be available when matched by non-Federal contributions for the next 5 years. And, we have provided $1.5 million to the National Science Foundation for the class VI computer which will be acquired by transfer from NASA.

For the veterans loan guarantee fund, we have recommended $100 million to pay for claims by financial institutions for veterans housing loan defaults. We have recommended $284.9 million for veterans compensations and pensions to provide continued income support to more than 4.2 million veterans. For veterans readjustment benefits, we recommended $82.2 million to cover tuition payments and stipends.

INTERIOR AND RELATED AGENCIES

As it left the House, this bill contained some $633 million in fiscal year 1984 program supplementals for the Department of the Interior and related agencies. The other body added $19 million for a variety of programs including $1.7 million for the Bureau of Land Management to construct a replacement warehouse in Alaska; $4.5 million for equalization payments for land exchanges to implement provisions of the Navajo and Hopi Relocation Act; $5.3 million for construction of a Fish and Wildlife Service research and operations vessel; $10 million for public land acquisition in the Atchafalya Basin; and $17 million for the construction of a revetment and breakwater to protect El Morro Castle in Puerto Rico.

Mr. Speaker, we have reached agreement on each of the 36 items which had been in disagreement, and have reported program supplementals totaling $10 million above the Senate-passed levels, and $29 million over the House-passed levels. The $662.8 million recommended in chapter VI would provide funds for fire suppression and firefighting services, unemployment compensation claims for separated agency employees, several high-priority construction projects and land acquisitions, operation of Indian programs and for the development of additional permanent storage capacity for the strategic petroleum reserve.

I am pleased to say that we were able to compromise on a number of items contained within the Fish and Wildlife Service and Department of Energy accounts. The conferees have agreed to delete the Senate's provision of $123,000 in closure costs for the Senecaville and Berkshire National Fish Hatcheries. The Berkshire hatchery has been an integral part of the Connecticut River Atlantic Salmon Restoration Program for over a decade. The kelt reconstitution technology developed at this facility has developed from the point of being purely experimental to what is now the most reliable source of proven, sea-run Atlantic salmon eggs. I am pleased that we have denied the administration's proposal to close this important facility in fiscal year 1984, and that my colleagues in the House have agreed to provide over $100,000 in the fiscal year 1985 Interior bill for continued operation of the Berkshire Hatchery.

I am also particularly pleased by the conference agreement to provide $469.19 million for the strategic petroleum reserve. By providing these funds in the fiscal year 1984 second supplemental, the Congress will ensure that adequate amounts are available for the Department of Energy to make contract awards for major construction projects in a timely manner during the development of phase III storage capacity.

Of the $662.8 million recommended in this chapter, the managers have agreed to provide $6.05 million over the House-passed level for the Bureau of Land Management. Of this amount, $181,000 is to reimburse the State of California for firefighting expenses incurred in previous years; $1.37 million to construct a replacement warehouse facility in Fairbanks, AK; and $4.5 million for equalization payments for land exchanges to implement provisions of the Navajo and Hopi Relocation Act.

For the Fish and Wildlife Service, the managers have agreed to recommend $1.785 million, the House-passed level, for resources management; $5.38 million for construction of an Alaskan operations and research vessel; $1.25 million for the completion of the Gainesville National Research Laboratory; and $10 million from the land and water conservation fund for the acquisition of land or waters in the Atchafalya Basin of Louisiana.

The conferees have recommended $6.1 million for operation of the National Park System, and have included language which extends the availability of fiscal year 1984 funds for operations at New River Gorge National River in West Virginia and for the South Point Hawaii complex. We have recommended $22.653 million in the construction account for the rehabilitation of the Hawaiian Volcano Observatory, the construction of a revetment and breakwater to protect El Morro Castle, the design of a visitor center at the Johnstown Flood National Monument, and the restoration of the "F" golf course at East Potomac Park. And, we have included $30 million for land acquisition and State assistance to accelerate acquisitions for the Appalachian Trail and in the States of North Carolina, Michigan, Florida, and California.

For the Bureau of Indian Affairs, the managers recommend $27 million for the operation of Indian programs. We recommend the House-passed level of $2.44 million for territorial and international affairs, and $2 million for the Trust Territory of the Pacific Islands.

In the area of energy, we have provided $30 million, of which $17 million is by transfer, to the Geological Survey for Barrow area gas operation, exploration, and development, and $2.948 million to the Department of Energy to meet necessary program direction costs of fossil energy research and development's energy technology centers.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION

The House-passed supplementals for the Department of Labor, Health and Human Services and Education totaled $227,969,000. The Senate-passed program supplementals totaled $627,798,000. The administration requests were $58,200,000.

The results of the conference will make available a total of $260,848,000, $32,879,000 over the House-passed and $366,950,000 below the Senate-passed amounts.

The major item of difference was Pell grants. The Senate had included $353 million to cover the anticipated shortfall in the fiscal year 1983 and fiscal year 1984 appropriations. The House did not include that amount in this bill, but has included it in the House-passed fiscal year 1985 Labor-HHS appropriations bill. Due as much as anything to the large amounts by which the total Senate bill exceeded the administration request, as well as concerns relating to the current budget ceilings, the conferees agreed to address this shortfall in the fiscal

year 1985 Labor-HHS appropriations bill, and deleted the $353 million included by the Senate in this supplemental.

With respect to other items in conference, in the Department of Labor, the House receded to the Senate on the three items, and provided the following:

Job Corps Capital Improvement (millions)	$21.7
Migrant and seasonal farmworkers (millions)	5.117
Bureau of Labor Statistics, Service Sector Survey	750,000

With respect to items in conference in the Department of Health and Human Services, the House receded to the Senate on the supplemental amount for Foster Care and Adoption Assistance, $60 million. These are entitlement programs, and the Senate based its figures on the latest Congressional Budget Office estimates.

The conference agreement on other items in conference in this Department include the following:

Centers for Disease Control [AIDS]	$1,750,000
Alcohol, Drug Abuse and Mental Health [AIDS]	1,175,000
Developmental Disabilities, University Affiliated Facilities	387,000

In addition, the conferees agreed to Senate bill language for refugee assistance, clarifying the intent of Congress about the funding levels for refugee programs under the fiscal year 1984 continuing resolution, and language extending the Work Incentives [WIN] Demonstration Programs.

In the Department of Education the agreement on Pell grants was mentioned earlier. In addition, the conference agreement provides $15 million for impact aid disaster assistance, which was requested by the administration after the House had passed the supplemental, and was included by the Senate.

For Howard University, the conferees provided $11 million, including $5 million by transfer, as proposed by the Senate, instead of the straight $11 million appropriation proposed by the House.

Other education items on which agreement was reached include:

Chapter 1, College Assistance Migrant Program [CAMP]	$750,000
Education for the Handicapped, regional resource centers (millions)	1.2

In addition, under impact aid, there is conference report language directing the Department of Education to seek an administrative solution to the most serious impact aid situation facing the Bourne, MA, School District.

For related agencies, the conferees agreed on the House figure for the Corporation for Public Broadcasting, $57.5 million, for supplemental appropriations for the fiscal years 1984–86. This is an account funded 2 years in advance, which explains why fiscal year 1986 is being addressed in a fiscal year 1984 supplemental.

Finally, there were a number of supplementals on which both the House- and Senate-passed versions of the supplemental were agreed, and so were not in conference, but which are contained in the conference agreement. These include:

Title XX, Social Service Block Grant (millions)	$25
Older Americans, support services, and home delivered meals (millions)	15
National Institutes of Health (AIDS) (millions)	6.55
Ellender Fellowships (Close-up)	500,000
Vocational Rehabilitation, basic State grants (millions)	33.9
Helen Keller Center	300,000
Gallaudet College (millions)	2
ACTION (millions)	6.269

In title II, pay supplementals, the conference agreement contains $26,576,000, as passed by the House, compared with the administration request of $81,580,000, and the Senate-passed amount of $31,895,000.

TRANSPORTATION AND RELATED AGENCIES

Mr. Speaker, chapter X of the second supplemental contains funding for the Department of Transportation and Related Agencies. Most of the major items in this chapter were identical in the House and Senate bills, and therefore were not involved in our conference discussions. These included appropriations for the liquidation of Federal loan guarantees under the Aircraft Purchase Loan Guarantee Program, the Rail Service Assistance Program, the Railroad Rehabilitation and Improvement Financing Program, and loans to Amtrak. In addition, funds were contained in the House and Senate bills for Conrail labor protection payments and the liquidation of payments for property transferred to Conrail in 1976, in settlement of the Conrail property valuation litigation. A pay supplemental of $714,000 for the Civil Aeronautics Board was also contained in both the House and Senate bills.

With regard to the items that were considered in conference, the conferees agreed to accept a Senate amendment relating to the polar icebreaker capability of the Coast Guard. That language prohibits the Coast Guard from reducing the number of icebreakers below five, and will prevent the immediate decommissioning of the icebreaker *Westwind*.

Under the Urban Mass Transportation Administration, the conferees agreed to accept Senate language permitting unobligated section 5 transit operating funds appropriated for commuter rail purposes to be used for bus and bus-related facilities. This provision was included for the benefit of a transit system in New Jersey, and I understand that the chairman of the authorizing committee, the gentleman from New Jersey, Mr. HOWARD, does not object to the inclusion of this legislative language in the final bill.

The conferees agreed to drop a rescission of $1.2 million from the ICC's salaries and expenses account that had been included in the Senate bill. The conferees did agree, however, to transfer $1.2 million from this account to the FAA for additional funding for operations. A total of $35 million was provided for FAA operations, including $3.8 million from unexpended balances in the CAB's payments to air carriers account in addition to the $1.2 million from the ICC.

Also under the FAA, we included language that had been added by the Senate extending the time period for which air traffic controller re-employed annuitants may be paid at higher than normal compensation rates for another year, from December 31, 1984, to December 31, 1985. This language is needed to retain a number of air traffic controllers who would otherwise retire, and whose experience is necessary to maintain staffing levels within the air traffic control system. We have included language in the Statement of Managers requiring the FAA Administrator to provide written certification to the Congress of the necessity of these higher than normal compensation rates.

The Senate added four noncontroversial amendments to this chapter of the second supplemental, and struck one House provision.

Amendment No. 151 transfers $3 million from the Secret Service to the U.S. Customs Service. In this fiscal year, the Secret Service has an $11.5 million surplus due to an overestimate for Presidential candidate protection. For the Office of Federal Procurement Policy, an increase in the spending limitation is provided for this agency to carry out additional procurement coordination efforts.

Amendment No. 208 is a provision that was added on the floor of the House. Numbered as section 303 of the House-passed bill, this amendment is designed to ensure that the Postal Service Reorganization Act of 1970 is implemented as the Congress intended.

This provision prohibits the Postal Service from imposing an unfair, unilateral action before the process is complete and before an agreement is reached: the two-tier pay scale. The amendment deals only with the process of negotiations, not the issues under consideration.

Mr. BOLAND. Mr. Speaker, I would like to mention one item in chapter V of the conference report. The conferees recommend $50,000,000 for school asbestos abatement, as proposed by the Senate. We also included language to require EPA to develop practical

guidance to help schools assess hazards and what they should do about them. Schools definitely need the money—but they need help in managing these exceedingly complex problems just as badly.

Across the country there is panic over asbestos, and it's human nature for parents to want to play it safe and insist on total removal. In many cases, however, simple containment or encapsulation measures would be the best approach. And this is the root of the problem, because experience so far with school removal projects has been disastrous. Much of the time, projects to remove asbestos are actually increasing exposures and health risks for students, teachers and workers—the cure is only making the problem worse. And most people do not realize this risk.

Removing asbestos clearly is an expensive and technically difficult job. Many large established contractors won't even bid on the work—so schools are often victimized by small, untrained contractors who don't protect their workers, who do sloppy cleanup jobs, and who leave the problem worse than they found it. It's sometimes difficult to get objective, independent opinions on an issue that is this emotional—but I want to share with you the views of an expert who has excellent experience and credibility in this whole area. His name is Dr. Robert N. Sawyer. He is an M.D. and an engineer and on the medical faculty at Mount Sinai and the University of Pennsylvania. He first raised the asbestos-in-schools problem to EPA's attention in 1978, and he was a consultant to EPA and a principal author of EPA's first school asbestos technical assistance manual. He currently serves on the Secretary of Education's Task Force on Asbestos.

In 1 research project, Dr. Sawyer took over 500 air samples during 40 removal projects in schools and other buildings and he is convinced that dangerously high exposures are the rule not the exception. He estimates that possible 80 percent of school removal projects are of poor quality and produce higher exposures and greater risks afterward. Dr. Sawyer emphasizes the need for better evaluation of the hazards, technical guidance on abatement options, and guidelines for worker protection cleanup standards. Dr. Sawyer also notes that the demand for school ripouts already far exceed the supply of qualified contractors—so that adding $50,000,000 is likely to reduce the odds of a good cleanup. I have a lot of confidence in Dr. Sawyer's judgment—and his views give me pause over the unrecognized adverse effects of this funding.

Given the serious concerns that have been raised, it seems to me that in addition to Federal funding, schools need technical assistance in several areas. They need:

First, a methodology and criteria to assess the hazards so that money can be targetted to the schools with real problems.

Second, specific guidelines to help decide which abatement method is appropriate.

Third, procedures for contractor certification or training to assure safe, high quality work, and

Fourth, minimum cleanup standards to assure that problems are not aggravated by abatement efforts.

None of these ingredients are now in place. The language we added in conference will assure that the most critical safeguards are developed by EPA to help schools and to make absolutely sure that removal projects do not increase asbestos exposures for school occupants and workers.

● Mr. BIAGGI. Mr. Speaker, I rise today to indicate my full support of this conference report to the Second Supplemental Appropriation Act of 1984. I wish to specifically express my support for the retention of my amendment passed by the House in the conference report to provide $15 million in additional funds for two key programs under the Older Americans Act.

The two programs are title III-B supportive services which would receive $10 million under my amendment—and title III C-2—the National Home Delivered Meals Program which would be provided with an additional $5 million under my amendment.

Both programs deserve this increase. In the case of title III-B it has not seen an increase in its appropriated funds since 1980—this despite the fact that it is expected to provide such critical services as transportation—legal services and information and referral. In the case of I & R as it is called—this is becoming an increasingly active area because of the new DRG system under medicare. As my colleague from Maine, Ms. SNOWE, has pointed out we have seen dramatic increases in the number of elderly persons being referred to area agencies on aging elderly persons who are being discharged earlier from hospitals because of DRG's for this and the other pressures on III-B this modest increase is entirely warranted.

In the case of title III C-2—the need is also great. This $5 million increase in funds would raise appropriations to $67 million just under the authorization level of $68.3 million. This is as dramatic a testimony as anything about the effectiveness of this program. What other Federal program is within almost 100 percent of its authorization in actual appropriation.

It is estimated that as many as 1 million additional meals for the homebound elderly will be provided under my amendment. The meals that are served by this program are genuinely going to the neediest of our elderly. Research that I have done in my capacity as chairman of the Human Services Subcommittee of the House Select Committee on Aging indicates that the average age of a home delivered meals recipient is 78 with more than 65 percent of these people have incomes under $6,000. In addition, in a survey I did of more than 1,200 projects, I found that 82 percent of them cited increased demand for home delivered meals in the past year with 78 percent having increased waiting lists. The average waiting list has now grown to 299.

The issue here is clear. These are moneys that are needed—fully defensible—and more importantly cost effective in nature. The home delivered meal that is provided can and does make the difference between a person remaining at home as compared to being put in a nursing home. The other supportive services provided by title III-B in and of themselves provide dignity and self-sufficiency for millions of elderly.

Earlier this week the House passed H.R. 4785, the Older Americans Act Amendments of 1984. The bill reauthorizes and expands all programs under the Older Americans Act for 3 additional years. Significant increases in authorizations were provided for title III B under an amendment I authored when the bill was before the House Education and Labor Committee. Adoption of this conference report today will truly complement that effort and more importantly help millions of senior citizens.

Let me conclude by paying tribute to the most distinguished chairman of the Labor—Health and Human Services Subcommittee on Appropriations, the gentleman from Kentucky [Mr. NATCHER]. His leadership and advocacy for senior citizens is enormous—and just as important to me is the fact that his word is as good as gold. This amendment represents the completion of a commitment made last September when the Labor—Health and Human Services appropriations bill for fiscal year 1984 was before the House. I am pleased it was able to be fulfilled in this manner.●

● Mr. FRENZEL. Mr. Speaker, this $6.8 billion bill is a half billion higher than when it left the House. It was too high then, and it is much too high now.

Supplemental appropriations are often necessary to cover emergencies or unpredictable events or conventions. In this House, they have become routine procedure. The committee uses supplementals to rocket up spending for accounts which are perfectly predictable.

Entitlements and mandatory items are routinely underfunded in regular

appropriation so that pet discretionary programs can get fat raises. Then the entitlements are picked up in so-called emergency supplementals. It is a spending two step which annually fleeces the taxpayer more than is really necessary.

This supplemental is the same old thing. Most of it should not have been needed in the first place, if the budget process had been followed fairly.

I shall vote against it.

When the House considers the Kemp-Murtha amendment to provide $70 million to support the fledgling Duarte government in El Salvador, I shall vote aye.

Both parties have agreed that the popularly elected democracy in El Salvador needs help to resist attacks from the insurgent left and from the right. This House should not renege on that pledge and let the small country founder.

I expect the amendment to pass handsomely.●

Mr. CONTE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 312, nays 85, not voting 35, as follows:

[Roll No. 367]

YEAS—312

Ackerman	Boner	Coleman (MO)
Addabbo	Bonior	Coleman (TX)
Akaka	Bonker	Collins
Albosta	Borski	Conte
Anderson	Bosco	Conyers
Andrews (NC)	Boucher	Cooper
Andrews (TX)	Boxer	Corcoran
Annunzio	Breaux	Coughlin
Anthony	Britt	Coyne
Applegate	Broomfield	Crockett
Aspin	Brown (CA)	D'Amours
Barnard	Bryant	Daniel
Barnes	Burton (CA)	Darden
Bates	Byron	Davis
Bedell	Campbell	de la Garza
Beilenson	Carney	Dellums
Bennett	Carper	Derrick
Bereuter	Carr	Dickinson
Berman	Chandler	Dicks
Bevill	Chappell	Dingell
Biaggi	Chappie	Dixon
Bliley	Clay	Donnelly
Boehlert	Clinger	Dowdy
Boggs	Coats	Downey
Boland	Coelho	Duncan
Durbin	LaFalce	Ridge
Dwyer	Lantos	Rinaldo
Dymally	Leath	Robinson
Dyson	Lehman (CA)	Rodino
Eckart	Lehman (FL)	Roe
Edwards (AL)	Leland	Roemer
Edwards (CA)	Lent	Rogers
Emerson	Levin	Rose
English	Levine	Rostenkowski
Erdreich	Levitas	Roth
Erlenborn	Livingston	Roukema
Evans (IL)	Lloyd	Rowland
Fascell	Long (LA)	Roybal
Fazio	Lott	Rudd
Feighan	Lowery (CA)	Sabo
Fiedler	Lowry (WA)	Savage
Fish	Lujan	Sawyer
Flippo	Luken	Scheuer
Florio	Lundine	Schneider
Foglietta	Madigan	Schumer
Foley	Markey	Seiberling
Ford (MI)	Martin (NY)	Sharp
Fowler	Matsui	Shaw
Frank	Mavroules	Sikorski
Franklin	Mazzoli	Sisisky
Frost	McCain	Skelton
Gaydos	McCloskey	Smith (FL)
Gejdenson	McDade	Smith (IA)
Gibbons	McHugh	Smith (NE)
Gilman	McKernan	Smith (NJ)
Glickman	McKinney	Snowe
Gore	McNulty	Solarz
Gramm	Mica	Spratt
Gray	Michel	St Germain
Green	Mikulski	Staggers
Gregg	Miller (CA)	Stangeland
Guarini	Miller (OH)	Stark
Gunderson	Mineta	Stenholm
Hall (IN)	Minish	Stokes
Hall (OH)	Mitchell	Stratton
Hall, Ralph	Moakley	Studds
Hamilton	Molinari	Sundquist
Hammerschmidt	Mollohan	Swift
Hance	Montgomery	Synar
Harkin	Moody	Tallon
Harrison	Moore	Tauzin
Hawkins	Morrison (CT)	Taylor
Hayes	Morrison (WA)	Thomas (GA)
Hefner	Mrazek	Torres
Heftel	Murphy	Torricelli
Hightower	Murtha	Udall
Hillis	Myers	Valentine
Holt	Natcher	Vander Jagt
Hopkins	Nelson	Vento
Horton	Nichols	Volkmer
Hoyer	Nowak	Walgren
Huckaby	O'Brien	Watkins
Hughes	Oakar	Waxman
Hunter	Oberstar	Weber
Hutto	Ortiz	Weiss
Hyde	Ottinger	Wheat
Ireland	Owens	Whitehurst
Jacobs	Packard	Whitley
Jenkins	Panetta	Whitten
Johnson	Parris	Williams (MT)
Jones (NC)	Patman	Williams (OH)
Jones (OK)	Pease	Wilson
Jones (TN)	Pepper	Winn
Kaptur	Petri	Wirth
Kasich	Pickle	Wise
Kastenmeier	Porter	Wolf
Kazen	Price	Wolpe
Kemp	Rahall	Wortley
Kennelly	Rangel	Wylie
Kildee	Ratchford	Yates
Kleczka	Ray	Yatron
Kogovsek	Regula	Young (AK)
Kolter	Reid	Young (FL)
Kostmayer	Richardson	Young (MO)

NAYS—85

Archer	Daschle	Gradison
AuCoin	Daub	Hansen (ID)
Bartlett	DeWine	Hansen (UT)
Bilirakis	Dorgan	Hartnett
Brown (CO)	Dreier	Hertel
Broyhill	Edgar	Hiler
Burton (IN)	Edwards (OK)	Hubbard
Cheney	Evans (IA)	Kindness
Conable	Fields	Kramer
Courter	Frenzel	Lagomarsino
Craig	Gekas	Latta
Crane, Daniel	Gingrich	Leach
Crane, Philip	Gonzalez	Lewis (CA)
Dannemeyer	Goodling	Lewis (FL)
Loeffler	Pashayan	Smith, Denny
Long (MD)	Paul	Solomon
Lungren	Penny	Spence
Mack	Ritter	Stump
MacKay	Roberts	Tauke
Marlenee	Russo	Thomas (CA)
Martin (IL)	Schaefer	Vandergriff
McCandless	Schroeder	Vucanovich
McCollum	Schulze	Walker
McGrath	Sensenbrenner	Weaver
Moorhead	Shumway	Whittaker
Nielson	Shuster	Wyden
Obey	Siljander	Zschau
Olin	Skeen	
Oxley	Slattery	

NOT VOTING—35

Alexander	Hall, Sam	Pritchard
Badham	Hatcher	Pursell
Bateman	Howard	Quillen
Bethune	Jeffords	Shannon
Brooks	Lipinski	Shelby
Clarke	Marriott	Simon
Early	Martin (NC)	Smith, Robert
Ferraro	Martinez	Snyder
Ford (TN)	McCurdy	Towns
Fuqua	McEwen	Traxler
Garcia	Neal	Wright
Gephardt	Patterson	

□ 1340

Ms. KAPTUR and Mr. KASICH changed their votes from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. BARNARD). The Clerk will designate the first amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 2: Page 2, strike out all after line 22 over to and including line 4 on page 3 and insert:

None of the funds appropriated or made available under this or any other Act for fiscal year 1984 may be used by the Secretary of Agriculture to implement any amendment to an order applicable to a fruit, vegetable, nut or specialty crop issued pursuant to section 8c of the Agricultural Adjustment Act, as amended and reenacted by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c), unless each such amendment thereto is submitted to a separate vote.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that Senate amendments numbered 2, 13, 22, 23, 26, 28, 30, 32, 35, 36, 39, 43, 45, 47, 48, 49, 50, 51, 52, 61, 62, 66, 67, 77, 82, 85, 94, 99, 104, 106, 107, 110, 111, 116, 117, 118, 119, 124, 129, 130, 131, 135, 136, 138, 143, 145, 146, 148, 149, 151, 152, 153, 154, 167, 168, 170, 171, 199, 211, 212, 213, and 215 be considered en bloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. CONTE. Mr. Speaker, reserving the right to object, I have always gone along—in fact this was my idea way back—to consider these amendments en bloc, but I am approached by the leadership here that there is some concern about reaching a ceiling on 302(b), and the Budget Committee is getting into this act, and not knowing

of the uncertainty, at this point I will object until we get this straightened out.

The SPEAKER pro tempore. Objection is heard.

The Clerk will report the motion.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment read as follows:

Senate amendment No. 3: Page 3, strike out lines 6 to 10, inclusive, and insert:

FEDERAL CROP INSURANCE CORPORATION FUNDS

BORROWING AUTHORITY

For emergency borrowing authority as authorized by section 516(d) of the Federal Crop Insurance Act, as amended (Public Law 96-365), $100,000,000 shall be available to the Federal Crop Insurance Corporation.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 3, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

SUBSCRIPTION TO CAPITAL STOCK

To enable the Secretary of the Treasury to subscribe and pay for additional capital stock of the federal Crop Insurance Corporation, as provided in section 504(a) of the Federal Crop Insurance Act (7 U.S.C. 1504), $50,000,000.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 4: Page 4, line 5, after "$25,000,000" insert "; and guaranteed operating loans, $650,000,000, to remain available until September 30, 1985: *Provided,* That operating loans shall be available for the refinancing of existing indebtedness, as provided under section 312(a)(7) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1942(a)(7))".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "; and guaranteed operating loans, $150,000,000, to remain available until September 30, 1985".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 6: Page 4, after line 6, insert:

RURAL HOUSING PRESERVATION GRANTS

For grants for rural housing preservation, as authorized by section 522 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181), $30,000,000, to remain available until September 30, 1985.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert the following: "$15,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 9: Page 4, after line 20, insert:

1985 WHEAT PROGRAM

Section 107B(e) of the Agricultural Act of 1949 (7 U.S.C. 1445b-1(e)) is amended by adding at the end thereof the following new paragraph:

"(9) Notwithstanding any other provision of this subsection, in carrying out acreage limitation and land diversion programs for the 1985 crop of wheat, the Secretary shall permit all or any part of the acreage diverted from production under such programs by participating producers to be devoted to grazing except during five of the principal growing months, as determined for each State by the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

1985 WHEAT PROGRAM

Notwithstanding any other provision of law, in carrying out acreage limitation and land diversion programs for the 1985 crop of wheat, the Secretary shall permit all or any part of the acreage diverted from production under such programs by participating producers to be devoted to grazing except during five of the principal growing months, as determined for each State by the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 11: Page 6, after line 7, insert:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "Economic development assistance programs", $26,000,000, to remain available until expended, pursuant to 42 U.S.C. 3151(f) of which $7,000,000 is for a grant to the Institute for Technology Development in the State of Mississippi, and of which $19,000,000 is for a grant to Boston University for the construction and related costs of the university engineering and technical training center.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "Economic development assistance programs", $26,000,000 to remain available until expended, pursuant to 42 U.S.C. 3151(f) of which $7,000,000 is for a grant to the Institute for Technology Development in the State of Mississippi, and of which $19,000,000 is for a grant to Boston University in the State of Massachusetts, for the construction and related costs of the university engineering and technical training center.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 13: Page 6, line 10, after "expended" insert ": *Provided,* That $750,000 shall be made available to the Year of the Ocean Foundation, of which $250,000 shall be made available contingent on a matching fund basis from private sources".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 13, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 16: Page 6, strike out lines 20 to 25, inclusive, and insert:

For the acquisition and preconversion costs for a training vessel to be used at the State University of New York Maritime College, $8,500,000, to remain available until expended, of which not to exceed $1,000,000 shall be used for preconversion costs: *Provided,* That these funds shall be made available for obligation six months following the enactment of this Act only if a suitable surplus vessel has not been made available to the State University of New York Maritime Academy.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein with an amendment, as follows: In lieu of the matter stricken and proposed by said amendment, insert the following:

For an additional amount for "Operations and training", $2,500,000, to remain available until expended: *Provided,* That these funds shall be made available to the "Association for the Preservation of the Yacht, Potomac" only when matched by an additional $2,500,000 in contributions from State or local governments or private sources. In addition, for the acquisition and preconversion costs for a training vessel to be used at the State University of New York Maritime College, $8,500,000, to remain available until expended, of which not to exceed $1,000,000 shall be used for preconversion costs: *Provided,* That these funds shall be made available for obligation six months following the enactment of this Act only if a suitable surplus vessel has not been made available to the State University of New York Maritime College: *Provided further,* that all appropriate federal agencies are hereby authorized and shall expedite making any vessel of this class available which is declared surplus by a federal agency and that upon the bona fide sale, approved by the Maritime Administration, of the current schoolship utilized by the State University of New York Maritime College, the proceeds of such sale shall be applied by the Maritime Administration toward the rehabilitation of the schoolship acquisition provided for herein.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 20: Page 8, line 14, strike out all after "ers" " down to and including "1985" in line 16 and insert *": Provided,* That $4,164,000 shall remain available until September 30, 1985 for the United States Attorney's office in the District of Columbia for the purpose of relocating, renovating, installing equipment, and renting space: *Provided further,* That $1,436,000 shall be available until September 30, 1984, for the purpose of paying salaries and expenses of employees supporting the District of Columbia Superior Court".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: ": *Provided,* That $1,100,000 shall remain available until September 30, 1985, for the United States Attorney's office in the District of Columbia for the purpose of relocating, renovating, installing equipment, and renting space: *Provided further,* That $1,436,000 shall be available until September 30, 1985, for the purpose of paying salaries and expenses of employees supporting the District of Columbia Superior Court".

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

□ 1350

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 22: Page 8, after line 23, insert:

In addition to the amount made available in the appropriation under this head, the language governing the Cooperative Agreement Program for fiscal years 1982, 1983, 1984, 1985, and hereafter is amended to permit State and local jail systems to renovate, construct, and equip facilities that will house non-Federal prisoners: *Provided,* That such expenditure is made under agreements with State and local jail systems which make space of equal or greater value available to house Federal prisoners than would otherwise have been provided under the conditions established by the relevant appropriations Acts.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 22, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 23: Page 9, strike out lines 10, 11, and 12 and insert "Of funds available under the above head, $10,692,000 for purchase of automated data processing and telecommunication equipment and $7,773,000 for undercover operations shall remain available until September 30, 1985.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 23, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 26: Page 9, line 19, after "Facilities" " insert ", of which $8,500,00 shall be available until September 30, 1985".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 26, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 27: Page 9, line 22, strike out "$3,000,000" and insert "$300,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 27 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$3,300,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 28: Page 9, after line 22, insert:

GENERAL PROVISION

Notwithstanding the provisions of 31 U.S.C. 1342, the Attorney General is hereby authorized to accept, receive, hold, and administer on behalf of the United States, gifts of money, personal property, and services, for the purpose of hosting the meeting of the General Assembly of the International Criminal Police Organization (INTERPOL) in the United States in September and October, 1985. All moneys received for this purpose shall be credited to the appropriation "Salaries and expenses, general legal activities" notwithstanding 31 U.S.C. 3302. The Attorney General is further authorized to use otherwise available funds from the appropriation "Salaries and expenses, general legal activities" for fiscal years 1984, 1985, and 1986 as he deems necessary, to pay expenses of hosting such General As-

sembly meeting, including but not limited to reception and representation expenses. The authority of the Attorney General under this section shall continue through September 30, 1986.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 28, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 30: Page 10, line 9, after "activities" " insert ": *Provided*, That of the funds appropriated under this heading in Public Law 97-275, $3,500,000 shall remain available until September 30, 1985".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 30, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 32: Page 10, line 14, after "expended" insert: ": *Provided*, That of the funds appropriated under this heading in Public Law 97-275, $3,000,000 shall remain available until September 30, 1985".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 32, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment read as follows:

Senate amendment No. 35: Page 10, after line 18, insert:

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

Notwithstanding section 8(b) of the Board for International Broadcasting Act of 1973, as amended, the amounts placed in reserve, or which would be placed in reserve, in fiscal year 1984 pursuant to that section, shall be available to the Board for carrying out that Act until September 30, 1985.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 35, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 36: Page 10, after line 18, insert:

CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION

For necessary expenses for the Christopher Columbus Quincentenary Jubilee Commission as authorized by the Christopher Columbus Quincentenary Jubilee Act, $220,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 36, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 39: Page 12, line 15, after "$41,200,000" insert ", and in addition, the amount available under this heading that can be used for emergencies and extraordinary expenses is increased to $5,020,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 39, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 40: Page 13, after line 19, insert:

Section 781 of the Department of Defense Appropriation Act, 1984 (Public Law 98-212), is hereby amended by inserting the following language at the end of the provision: "This limitation shall apply only to ejection seats procured for installation on aircraft produced in the United States.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 40 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

Section 781 of the Department of Defense Appropriation Act, 1984 (Public Law 98-212), is hereby amended by inserting the following language at the end of the provision: "This limitation shall apply only to ejection seats procured for installation on aircraft produced or assembled in the United States."

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 43: Page 14, after line 6, insert:

None of the funds available to the Department of Defense may be used for the floating storage of petroleum or petroleum products except in vessels of or belonging to the United States.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 43, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 45: Page 14, after line 23, insert:

An additional $336,200,000 shall be available for the battleship *Missouri* reactivation from amounts appropriated in "Shipbuilding and Conversion, Navy, 1984/1988".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 45, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 47: Page 15, after line 4, insert:

Of the amounts available for "Aircraft Procurement, Air Force, 1984/1986", $64,200,000 shall be available only for the purchase of at least thirty-two B-707 aircraft.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 47, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 48: Page 15, after line 5, insert:

DEPARTMENT OF DEFENSE
DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS—CIVIL
CONSTRUCTION, GENERAL

For an additional amount for "Construction, general", to enable the Secretary of the Army, acting through the Chief of Engineers, pursuant to Public Law 98-213, to be agent for and to allow the construction, operation, maintenance and training of personnel of the hydroelectric project authorized pursuant to section 101 of Public Law 96-205, $8,000,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 48, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 49: Page 15, after line 5, insert:

GENERAL PROVISION

Notwithstanding any other provision of law, there is hereby appropriated this sum of $2,000,000, to remain available until expended, to pay for flood damages (not to exceed $2,000,000) resulting from equipment malfunction and subsequent operation of the W.G. Huxtable Pumping Station, St. Francis River, near Marianna, Arkansas, during May and June 1983.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 49, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 50: Page 15, after line 12, insert:

If the State of Washington, the Yakima Indian Nation, or any other entity, public or private, prior to an authorization or the providing of an appropriation of funds to the Secretary of the Interior to construct the Yakima River Basin Water Enhancement Project (hereinafter, Yakima Enhancement Project), shares in the costs of or constructs any physical element of that project, including any reregulating dam or fish passage facility, and conveys the same to the United States, the costs incurred by the State, the Yakima Indian Nation, or any other entity in the construction of such elements shall be credited to the total amount of any costs to be borne by the State, the Yakima Indian Nation, or any other entity as contributions toward payment of the cost of the Yakima Enhancement Project; except that no such credit shall be given for any element constructed by the State, the Yakima Indian Nation, or any other entity unless the element has been approved by the Secretary of the Interior prior to its construction. The Secretary shall grant such approval, when requested by the State, the Yakima Indian Nation, or other entity, if the Secretary determines that the element proposed for construction would be an integral part of the Yakima Enhancement Project. The Secretary is authorized to accept title to any reregulating dam or fish passage facility his passage facility constructed by the State, the Yakima Indian Nation, or any other entity, pursuant to this section, without giving compensation therefor, and thereafter to operate and maintain such facilities. Any such facility shall be operated by the Secretary in a manner consistent with the treaty rights of the Yakima Indian Nation, Federal reclamation law, and water rights established pursuant to State law, including the valid contract rights of irrigation users. The Secretary of the Interior shall negotiate and enter into agreements for the payment of operation and maintenance costs pursuant to Federal reclamation law and other applicable law: *Provided*, That operation and maintenance costs related to anadromous fish, including costs at facilities in the Yakima River Basin authorized to be constructed by the Secretary of the Interior, which are in excess of present obligations, as determined by the Secretary, shall be nonreimbursable and nonreturnable.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 50, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 51: Page 15, after line 12, insert:

ADMINISTRATIVE PROVISION

A sum of $6,000,000 allocated to flood control work on the Gila River Channel, within the Wellton-Mohawk Irrigation and Drainage District, Gila Project, Arizona, shall be nonreimbursable and nonreturnable under Federal reclamation law.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 51, and concur therein.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 30 minutes.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. I thank the gentleman.

Mr. Speaker, I would like to enter into a colloquy with the distinguished chairman of the Energy and Water Subcommittee, the gentleman from Alabama [Mr. BEVILL].

Mr. Speaker, my question is this. The House included language in its fiscal year 1984 supplemental report directing that none of the funds available to the Corps of Engineers be used relative to the transfer of water from the Roanoke River Basin to the James River Basin until the corps has made an environmental impact study and both the corps and EPA determine from such study that there will be no damage to fish and wildlife and no detrimental affect on the environment. It is my understanding that since the Senate did not challenge this position in its report that the Department is to follow the recommendations made by the House. Is that correct?

Mr. BEVILL. Mr. Speaker, if the gentleman will yield. The gentleman from North Carolina is correct.

Mr. HEFNER. I thank the gentleman for his support on this issue, and I assure him and the Members of the House that I will work with the chairman to ensure that the Corps of Engineers and EPA do a thorough environmental impact study and report their findings to both the citizens of North Carolina and those of Virginia.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 52: Page 15, after line 12, insert:

INDEPENDENT AGENCIES

FUNDS APPROPRIATED TO THE PRESIDENT APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS

For an additional amount to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, $5,000,000 to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 52, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 55: Page 17, after line 23, insert:

ABATEMENT, CONTROL, AND COMPLIANCE

For an additional amount for "Abatement, control, and compliance", $50,000,000, to remain available until expended: *Provided*, That this amount shall be available for the purposes of the Asbestos School Hazards Abatement Act of 1984.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein with an amendment, as follows: In lieu of

the matter proposed by said amendment, insert the following:

ABATEMENT, CONTROL, AND COMPLIANCE

For an additional amount for "Abatement, control, and compliance", $63,000,000, to remain available until expended. Of this amount, $50,000,00 shall be available for the purposes of the Asbestos School Hazards Abatement Act of 1984 (including up to ten percent for administrative expenses as provided for in said Act): *Provided*, That this sum shall not be available for asbestos removal projects until the Environmental Protection Agency develops comprehensive guidelines to classify and evaluate asbestos hazards and appropriate abatement options. And of this amount, $13,000,000 shall be available to the City of Akron, Ohio, to refinance the bond debt of the recycle energy system of such city: *Provided*, That such sum may not exceed sixty percent of such debt: *Provided further*, That the facilities of such recycle energy system shall be made available to the Federal Government as a laboratory facility for municipal waste to energy research.

Mr. LIVINGSTON (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

POINT OF ORDER

Mr. LIVINGSTON. Mr. Speaker, I make a point of order that the amendment in the motion is not germane to the Senate amendment.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. LIVINGSTON. Mr. Speaker, the Senate amendment provided $5 million for abatement, control, and compliance, to remain available until expended for the purposes of the Asbestos School Hazards Abatement Act of 1984.

The amendment in the motion not only provides funds for the same product as the Senate amendment, but goes far beyond the scope of the Senate amendment by earmarking $13 million for the city of Akron, OH, to refinance the bond debt of the recycle energy system of that city.

A motion to recede and concur in a Senate amendment with an amendment must be germane to the Senate amendment. This amendment introduces a new and wholly unrelated purpose and subject into the Senate amendment. There is no relationship whatever between the subject and purpose of the original Senate amendment, which is asbestos hazards, and the bond debt of the city of Akron for its recycle energy system.

Mr. Speaker, I ask for a ruling.

□ 1400

The SPEAKER pro tempore. Does the gentleman from Mississippi [Mr. WHITTEN] wish to respond to the point of order?

Mr. WHITTEN. I have no comment, Mr. Speaker.

The SPEAKER pro tempore (Mr. BERNARD). The Chair is prepared to rule.

The proposed amendment is not germane to the Senate amendment. Therefore, the Chair sustains the point of order.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Chairman, I offer a substitute motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ABATEMENT, CONTROL, AND COMPLIANCE

For an additional amount for "Abatement, control, and compliance", $50,000,000 to remain available until expended: *Provided*, That this amount shall be available for the purpose of the Asbestos School Hazards Abatement Act of 1984 (including up to ten per cent for administrative expenses as provided for in said Act): *Provided further*, That this sum shall not be available for asbestos removal projects until the Environmental Protection Agency develops comprehensive guidelines to classify and evaluate asbestos and appropriate abatement options.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 58: Page 18, after line 24, insert:

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Of the amounts appropriated under this heading in Public Law 98-181, $350,000 shall be available for the necessary expenses of the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91-190), the Environmental Quality Improvement Act of 1970 (Public Law 91-224), and Reorganization Plan No. 1 of 1977, to remain available until September 30, 1985.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 58 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

Of the amounts appropriated under this heading in Public Law 98-181, $175,000 shall be available for the necessary expenses of the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91-190), the Environmental Quality Improvement Act of 1970 (Public Law 91-224), and Reorganization Plan No. 1 of 1977, to remain available until September 30, 1985.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 61: Page 20, line 8, after "organizations" insert "and through units of local government".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 61, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 62: Page 20, line 13, after "organization's" insert "or unit of local government's".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 62, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 63: Page 21, after line 4, insert:

The National Aeronautics and Space Administration is authorized, notwithstanding any other provision of law, to acquire for and otherwise take such actions as the Administrator deems necessary to provide to the National Science Foundation, on a fully reimbursable basis, a Class VI Computer, with accompanying peripheral equipment as requested by the Foundation, NASA is further authorized to lease as a replacement on a two year basis, a compatible upgraded computer, with such peripheral equipment as it deems necessary to conduct requisite research operations. $13,000,000 is appropriated for this purpose and shall remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 63 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

The National Aeronautics and Space Administration is authorized, notwithstanding any other provision of law, to acquire for and otherwise take such actions as the Administrator deems necessary to provide to the National Science Foundation, on a reimbursable basis, a class VI Computer, with accompanying peripheral equipment as requested by the Foundation. NASA is further authorized to lease as a replacement on a two-year basis, a compatible upgraded computer, with such peripheral equipment as it deems necessary to conduct requisite research operations. $13,000,000 is appropriated only for this purpose and shall remain available until expended.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 66: Page 21, after line 11, insert:

TRUST FUND

There is appropriated out of funds not otherwise appropriated, the sum of $5,000,000 to a "National Institute of Building Sciences Trust Fund" which is hereby established in the Treasury of the United States: *Provided,* That the Secretary shall invest such funds in United States Treasury special issue securities at a fixed rate of 10 per centum per annum that such interest shall be credited to the Trust Fund on a quarterly basis, and that the Secretary shall make quarterly disbursements from such interest to the National Institute of Building Sciences: *Provided further,* That the total amount of such payment during any fiscal year may not exceed $500,000 or the amount equivalent to non-federal funds received by the Institute during the preceding fiscal year, whichever is less: *Provided further,* That any amount of interest not used for any such annual payment shall be paid into the general fund of the Treasury: *Provided further,* That the appropriation of $5,000,000 made in this paragraph shall revert to the Treasury, on October 1, 1989, and the National Institute of Building Sciences Trust Fund shall terminate following the final quarterly disbursement of interest provided for in this paragraph.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 66, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 67: Page 21, after line 11, insert:

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

The National Science Foundation is authorized to receive, from the National Aeronautics and Space Administration, a Class VI Computer, with such accompanying peripheral equipment as NASA makes available, and, upon receipt, to transfer said computer and peripheral equipment to an institution of higher education under such terms as it deems appropriate. The Foundation is directed to reimburse NASA for the costs of such transfer. Funds in the amount of $1,500,000 are appropriated for this purpose and shall remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 67, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 76: Page 23, after line 9, insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $4,500,000, to remain available until expended, for expenses necessary to carry out the provisions of sections 205 and 206 of Public Law 94-579, as amended, in support of Public Law 93-531, as amended, including administrative expenses and acquisition of lands or waters, or interest therein: *Provided,* That hereafter any transfer or exchange of lands made to implement the provisions of Public Law 93-531 shall be made notwithstanding the provisions of 16 U.S.C. 469a—2; 16 U.S.C. 470; and 16 U.S.C. 470aa, et seq.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 76 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

LAND ACQUISITION

For an additional amount of "Land acquisition", $4,500,000, to remain available until expended, for expenses necessary to carry out the provisions of section 11 of Public Law 93-531, as amended, including administrative expenses and acquisition of lands or waters, or interest therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent at this time that Senate amendments numbered 77, 82, 85, 94, 99, 104, 106, 107, 110, 111, 116, 117, 118, 119, 124, 129, 130, 131, 135, 136, 138, 143, 145, 146, 148, 149, 151, 152, 153, 154, 167, 168, 170, 171, 199, 211, 212, 213, and 215 be considered en bloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendments considered en bloc are as follows:

Senate amendment No. 77: Page 23, after line 9, insert:

ADMINISTRATIVE PROVISION

The first section of the Educational Mining Act of 1982 (96 Stat. 2031), is amended by deleting the phrase "comprising approximately seventy-six acres", and by amending the land description to read "That portion of Mineral Survey 2407, Alaska, situated in Sections 8 and 9, Township 2 North, Range 1 East, Fairbanks Meridan, Alaska, as depicted on the Supplemental Plat of Sections 8 and 9 that was accepted for the Director, Bureau of Land Management, on March 24, 1983, comprising approximately 59.59 acres."

Notwithstanding the provisions of section 906(f)(2) of the Alaska National Interest Lands Conservation Act (94 Stat. 2440), the State of Alaska may relinquish its selection, under section 6(b) of the Alaska Statehood Act (72 Stat. 340), of the public lands described in the Educational Mining Act of 1982, as amended by this Act.

Notwithstanding the provisions of section 2 of the Educational Mining Act of 1982, within 30 days of the date of receipt by the Secretary of the Interior of the State of Alaska's relinquishment of its selection, under section 6(b) of the Alaska Statehood Act (72 Stat. 340), of the lands described in the Educational Mining Act of 1982, as amended by this Act, or the date of the enactment of this Act or the date upon which all the requirements of the Educational Mining Act of 1982 are satisified, whichever occurs last, the Secretary of the Interior is directed to convey to the University of Alaska whatever right, title and interest the United States has in the approximately 59.59 acres of land described in the Educational Mining Act of 1982.

Senate amendment No. 82: Page 23, line 18, after "$6,100,000" insert ": *Provided,* That of the funds appropriated under this heading in Public Law 98-146, and unobligated as of September 30, 1984, $180,000 shall remain available for obligation until September 30, 1985, of which $30,000 is to be made available for the operation, maintenance and protection of the several archaeological and historic sites at South Point on the Big Island of Hawaii, as authorized by subsection 2(e) of the Act of August 21, 1935 (49 Stat. 666), and of which $150,000 is to be made available for the operation and maintenance of the New River Gorge National River: *Provided further,* That section 3 of the Act entitled "An Act to improve the administration of the Historic Sites, Buildings and Antiquities Act of 1935 (49 Stat. 666)", approved September 8, 1980 (Public Law 96-344), is repealed.

Senate amendment No. 85: Page 24, after line 5, insert:

GEOLOGICAL SURVEY

BARROW AREA GAS OPERATION, EXPLORATION, AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of Public Law 98-366, $30,000,000, of which $17,000,000 shall be derived by transfer from "Exploration of the National Petroleum Reserve in Alaska", to remain available until expended.

Senate amendment No. 94: Page 25, after line 20, insert:

ADMINISTRATIVE PROVISION

Notwithstanding section 202(a) of title 23, United Stated Code, the Secretary of Transportation shall, after making the transfer provided by section 204(g) of title 23, United States Code, on October 1, 1984, allocate $30,000,000 from the authorization for forest highways provided for the fiscal year ending September 30, 1985, by section 105(a)(6) of the Surface Transportation Act of 1982 and, on October 1, 1985, allocate $33,000,000 from the authorization for forest highways provided for the fiscal year ending September 30, 1986, by section 105(a)(6) of the Surface Transportation Assistance Act of 1982, in the same percentage as the amounts allocated for expenditure in each State and the Commonwealth of Puerto Rico from funds authorized for forest highways for the fiscal year ending June 30, 1958, adjusted to (1) eliminate the 0.003,243,547 per centum for the State of Iowa, because of the conveyance of all national forest lands in Iowa to the State by deed executed May 26, 1964, and (2) redistribute the above percentage formerly apportioned to the State of Iowa for the other participating States on a proportional basis. The remaining funds authorized to be appropriated for forest highways for the fiscal years ending September 30, 1985, and September 30, 1986, shall be allocated pursuant to section 202(a) of title 23, United States Code.

Senate amendment No. 99: Page 26, line 12, after "1985" insert "None of the funds made available by this or any other Act may be used to implement section 303 of the Supplemental Appropriations Act, 1982 (Public Law 97-257) as it relates to the Economic Regulatory Administration and the Energy Information Administration".

Senate amendment No. 104: Page 27, after line 26, insert:

Section 306(b)(2) of the Indian Elementary and Secondary School Assistance Act, Public Law 92-318 (20 U.S.C. 241ee(b)(2)) is amended to read as follows:

"(2) No payments shall be made under this title to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with regulations of the Secretary of Education) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than 90 per centum of such combined fiscal effort for that purpose for the second preceding fiscal year. In addition, the Secretary may waive this requirement for exceptional circumstances for one year only.".

Senate amendment No. 106: Page 28, after line 9, insert:

For an additional amount for migrant and seasonal farmworker programs authorized by section 402 of the Job Training Partnership Act, notwithstanding the provisions of section 3(a)(3)(A) and 402(f) of the Act, $5,117,000, to be available for obligation for the period July 1, 1984 through June 30, 1985: *Provided*, That funding provided herein shall be distributed to the States so that each State's total program year 1984 allocation is at least equal to its annualized allocation for the period October 1, 1983 through June 30, 1984.

Senate amendment No. 107: Page 28, after line 14, insert:

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", for enhancing service sector activities, $750,000 to remain available until September 30, 1985.

Senate amendment No. 110: Page 29, after line 7, insert:

SOCIAL SECURITY ADMINISTRATION

OFFICE OF REFUGEE RESETTLEMENT REFUGEE AND ENTRANT ASSISTANCE

For purposes of section 101(c) of Public Law 98-151, the current rate for refugee and entrant assistance activities for fiscal year 1984 is $541,761,000, of which not less than $71,700,000 shall be available for social services (exclusive of targeted assistance), and not less than $77,500,000 shall be available for targeted assistance.

Senate amendment No. 111: Page 29, after line 7, insert:

Funds available for refugee and entrant targeted assitance activities under section 101(c) of Public Law 98-151 shall remain available through September 30, 1985.

Senate amendment No. 116: Page 29, after line 22, insert:

WORK INCENTIVES

Section 445(b)(1) of the Social Security Act is amended by striking out "June 30, 1984," and inserting in lieu thereof "June 30, 1985,".

Section 445(b)(1)(E) of such Act is amended by striking out "prime sponsors under the Comprehensive Employment and Training Act of 1973," and inserting in lieu thereof "service delivery under the Job Training Partnership Act.".

Section 445(d) of such Act is amended by inserting before the period at the end of the first sentence the following: ", except that in the case of a State which has submitted a letter of application on or before June 30, 1984, such program may continue in force until June 30, 1987".

Section 445(e) of such Act is amended by striking out the third sentence and inserting in lieu theroof the following new sentence: "The second evaluation shall be conducted three years from the date of the Secretary's approval of the demonstration program.".

Section 445(f) of such Act is amended by adding the following new paragraph:

"(3) The Secretary of Health and Human Services shall conduct, in consultation with the States, a thorough study of tthe allocation formula described in paragraph (1) of this subsection and report to Congress no later than April 1, 1985, on the findings of this study with recommendations, if appropriate, for modifying the allocation formula to take into account State performance and to provide for the equitable distribution of funds.".

These provisions shall become effective on the date of the enactment of this Act.

Senate amendment No. 117: Page 30, after line 1, insert:

COMPENSATORY EDUCATION FOR THE DISADVANTAGED

For an additional amount for carrying out section 418 of the Higher Education Act, $750,000.

Senate amendment No. 118: Page 30, after line 5, insert:

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

The last two sentences of section 5(c) of the Act of September 30, 1950 (Public Law 874 Eighty-first Congress) (as added by section 23 of Public Law 98-211) are redesignated as subsection (h) of section 5 of that Act. This amendment shall be effective December 8, 1983.

Senate amendment No. 119: Page 30, after line 5, insert:

For an additional amount for "School assistance in federally affected areas," $15,000,000 which shall remain available until expended and shall be for payments under section 7 of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13): *Provided*, That no payments shall be made under section 7 of said Act to any local educational agency whose need for assistance under that section fails to exceed the lesser of $10,000 or 5 per centum of the district's current operating expenditures during the fiscal year preceding the one in which the disaster occurred: *Provided further*, That all funds appropriated in fiscal year 1984 under this heading for section 7 of said Act may be used for disasters occurring after October 1, 1983.

Senate amendment No. 124: Page 31, line 8, after "expended" insert ": *Provided*, That $5,000,000 of the foregoing amount shall be derived by transfer from Department of Education "Office for Civil Rights".".

Senate amendment No. 129: Page 32, after line 5, insert:

SENATE

SALARIES, OFFICERS AND EMPLOYEES

OFFICE OF THE VICE PRESIDENT

For an additional amount for "Office of the Vice President", $10,000.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For an additional amount for "Offices of the Majority and Minority Whips", $100,000.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For an additional amount for "Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority", $14,000.

ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

For an additional amount for "Administrative, clerical, and legislative assistance to Senators", $94,000.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For an additional amount for "Office of the Sergeant at Arms and Doorkeeper", $100,000.

CONTINGENT EXPENSES OF THE SENATE

SENATE POLICY COMMITTEES

For an additional amount for "Senate Policy Committees", $100,000

SECRETARY OF THE SENATE

For an additional amount for "Secretary of the Senate", $55,000.

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For an additional amount for "Sergeant at Arms and Doorkeeper of the Senate", $1,652,000.

MISCELLANEOUS ITEMS

For an additional amount for "Miscellaneous Items", $130,000.

Senate amendment No. 130: Page 32, after line 5, insert:

ADMINISTRATIVE PROVISION

SEC. 1. (a) Subject to the approval of the Senate Committee on Rules and Administration, the Architect of the Capitol shall have authority to borrow (and be accountable for), from time to time, from the appropriation account, within the contingent fund of the Senate, for "Miscellaneous Items", such amount as he may determine necessary to carry out the provisions of the joint resolution entitled "Joint Resolution transferring the management of the Senate Restaurants to the Architect of the Capitol, and for other purposes", approved July 6, 1961, as amended (40 U.S.C. 174j-1 through 174j-8), and resolutions of the Senate amendatory thereof or supplementary thereto.

(b) Any such loan authorized pursuant to subsection (a) of this section shall be for such amount and for such period as the Senate Committee on Rules and Administration shall prescribe, and shall be made by the Secretary of the Senate to the Architect of the Capitol upon a voucher approved by the Chairman of the Senate Committee on Rules and Administration.

(c) All proceeds from the repayment of any such loan shall be deposited in the appropriation account, within the contingent fund of the Senate, for "Miscellaneous Items", shall be credited to the fiscal year during which such loan was made, and shall thereafter be available for the same purposes for which the amount loaned was initially appropriated.

Senate amendment No. 131: Page 32, line 12, after "$72,600." insert "For payment to Verna J. Perkins, widow of Carl D. Perkins, late a Representative from the State of Kentucky, $72,600.".

Senate amendment No. 135: Page 34, line 13, after "$200,000" insert ": *Provided*, That the paragraph under this heading in Public Law 98-51 is amended by striking out "$10,000" and inserting in lieu thereof "$240,000" ".

Senate amendment No. 136: Page 34, after line 13, insert:

SENATE OFFICE BUILDINGS

For an additional amount for "Senate office buildings", $7,000,000 to remain available until expended.

Senate amendment No. 138: Page 34, line 20, after "expanded" insert ": *Provided*, That not to exceed $81,000,000 of this amount shall be for the renovation and restoration of the Jefferson and Adams Buildings of the Library of Congress and that funds available under this proviso shall be available for obligation without regard to section 3709 of the revised statutes, as amended".

Senate amendment No. 143: Page 35, after line 23, insert:

None of the funds appropriated by this or any other Act for military construction in the United States territories and possessions in the Pacific and on Kwajalein Island, may be used to award any contract estimated by the Government to exceed $5,000,000 to a foreign contractor: *Provided*, That this paragraph shall not be applicable to contract awards for which the lowest responsive bid of a United States contractor exceeds the lowest responsive bid of a foreign contractor by greater than 20 per centum. *Provided further*, That the Secretary of Defense may waive the applicability of this section when he determines that such a waiver is in the public interest.

Senate amendment No. 145: Page 35, after line 23, insert:

The appropriation, "Military Construction, Defense Agencies 1984/1988" (Public Law 98-116) is amended by inserting the following after *"Provided,"*: "That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided further,"*.

Senate amendment No. 146: Page 35, after line 23, insert:

Unexpended balances in the Military Family Housing Management Account established pursuant to section 2831 of title 10, United States Code, as well as any additional amounts which would otherwise be transferred to the Military Family Housing Management Account during fiscal year 1984, shall be transferred to the appropriations for Family Housing provided in the fiscal year 1984 Military Construction Appropriation Act, Public Law 98-116, October 11, 1983, as determined by the Secretary of Defense, based on the sources from which the funds were derived, and shall be available for the same purposes, and for the same time period, as the appropriation to which they have been transferred.

Senate amendment No. 148: Page 36, line 7, after "pay" " insert ": *Provided*, That none of the funds appropriated under this or any other Act may be used to take any measure to reduce below five vessels the polar icebreaker fleet operated by the Coast Guard.".

Senate amendment No. 149: Page 38, after line 3, insert:

URBAN MASS TRANSPORTATION ADMINISTRATION

The last sentence of section 5(a)(3)(A) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end thereof the following: ", except that such sums may also be available for expenditure for bus and bus related facilities if there are no commuter rail or fixed guideway systems in operation and attributable to the urbanized area in the fiscal year of apportionment".

Senate amendment No. 151: Page 38, after line 15, insert:

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses, United States Customs Service," $3,000,000, to be derived by transfer from "Salaries and expenses, United States Secret Service", to remain available until expended.

Senate amendment No. 152: Page 38, after line 21, insert:

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

OFFICE OF FEDERAL PROCUREMENT POLICY

Notwithstanding the limitation on expenses for travel contained in the House passed bill (H.R. 4139) and carried forward by Public Law 93-151, expenses for travel within the level of existing resources, such amounts as are necessary are hereby authorized.

Senate amendment No. 153: Page 40, line 18, strike out "1304(e)(1)(i)(ii)" and insert "4109(d)(1)".

Senate amendment No. 154: Page 40, after line 25, insert:

ADMINISTRATIVE PROVISIONS

Section 301(a)(3) of the Omnibus Budget Reconciliation Act of 1982 (5 U.S.C. 8340 note) is amended by adding at the end thereof the following new sentence: "If the percentage increase in the price index for fiscal year 1985 (as determined by the Office of Personnel Management under section 8340(b) of title 5, United States Code) is less than the assumed increase in the price index for that year, then the increase in the annuity or retired or retainer pay of an early retiree under paragraph (1) taking effect in that fiscal year shall be equal to the percentage increase in the price index for that year (as so determined).".

Section 8344(d) of title 5, United States Code, is amended by striking out "in the same amount on termination of the employment," and inserting in lieu thereof "on termination of the employment in the amount equal to the sum of the amount of the annuity the member was receiving immediately before the commencement of the employment and the amount of the increases which would have been made in the amount of the annuity under section 8340 of this title during the period of the employment if the annuity had been payable during that period,".

Senate amendment No. 167: Page 44, after line 19 insert:

SENATE

"Salaries, officers and employees", $6,752,000;

"Office of the Legislature Counsel of the Senate", $38,000;

"Senate Policy Committees", $86,000;

"Inquiries and investigations", $1,218,000;

Senate amendment No. 168: Page 45, after line 16, insert " "Senate office buildings", $300,000;".

Senate amendment No. 170: Page 46, line 20, strike out all after "judges"," down to and including "Courts" " in line 22 and insert "$3,775,000, of which $3,625,000 shall be derived by transfer from "Expenses of Operation and Maintenance of the Courts" and $150,000 shall be derived by transfer from "Space and Facilities" ".

Senate amendment No. 171: Page 46, line 23, strike out all after "personnel"," down to and including "ers" " in line 25, and insert "$2,500,000, of which $1,000,000 shall be derived by transfer from "Fees of Jurors and Commissioners" and $1,500,000 shall be derived by transfer from "Space and Facilities" ".

Senate amendment No. 199: Page 63, line 20, strike out "$1,900,000" and insert "$3,900,000, of which $2,000,000 shall be derived by transfer from the "Disaster loan fund" ".

Senate amendment No. 211: Page 68, after line 3, insert:

SEC. 305. (a) The Congress finds and declares that—

(1) the competing credit demands by State and local governments, agriculture, business, and consumers, aggravated by massive Federal debt financing and increasing credit demands by foreign governments, continue to cause serious economic disruption in rural America;

(2) the United States has a vital interest in protecting the economic health of American farmers;

(3) the American farmer has been caught in an unprecedented credit squeeze;

(4) monetary and fiscal policies have substantially caused real interest rates to remain at two or three times historic levels of such rates;

(5) high real interest rates have dramatically increased the value of the dollar to the detriment of farmers who devote at least one out of three acres of land to production for export;

(6) the average value of an acre of farm land fell this year for the third year in a row, the longest sustained decline since the Great Depression;

(7) the total amount of debt owed by American farmers is $203,800,000;

(8) last year Brazil, Mexico, Argentina, and Venezuela held $260,000,000,000 in external debt and the interest payments on these loans alone totaled more than $20,000,000,000;

(9) The Governments of Brazil, Mexico, Argentina, and Venezuela have been successful in securing postponements in debt and principal repayments, favorable renegotiations, new loan guarantees, and other special arrangements through private negotiations, assistance from the United States Government, and the International Monetary Fund; and

(10) American farmers have been unsuccessful in obtaining as favorable special treatment from private banks or the Federal Government.

(b) Is is therefore the sense of the Congress that—

(1) the President, in cooperation with the Board of Governors of the Federal Reserve System, should exercise appropriate authority to assure that an adequate flow of credit be available to American farmers at reasonable rates and that American farmers be treated no less favorably than foreign borrowers with comparable levels of risk, and

(2) the President, in cooperation with the Board of Governors of the Federal Reserve System, should take noninflationary actions necessary to reduce interest rates which are currently at levels abnormally above the historic real cost of money.

Senate amendment No. 212: Page 68, after line 3, insert:

SEC. 306. Section 5532(f)(2) of title V, Untied States Code, is amended by striking "December 31, 1984" and inserting "December 31, 1985" in lieu thereof.

Senate amendment No. 213: Page 68, after line 3, insert:

SEC. 307. Upon the enactment of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1985, the first provision under the heading "Legal Services Corporation, Payment to the Legal Services Corporation", in title II of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1985, is amended to read as follows: *"Provided,* That the funds appropriated in this paragraph shall be expended in accordance with the provisions under the heading 'Legal Services Corporation, Payment to the Legal Services Corporation' contained in Public Law 98-166 except that 'fiscal year 1984', wherever it appears in such provisions, shall be construed as 'fiscal year 1985', 'fiscal year 1983', wherever it appears in such provisions, shall be construed as 'fiscal year 1984'; 'January 1, 1984' shall be construed as 'January 1, 1985'; '$6.50' shall be construed as '$7.61'; and '$13' shall be construed as '$13.57'; and shall not be denied to any grantee or contractor which received funding from the Corporation in fiscal year 1984 as a result of activities which during fiscal year 1984 have been found by an independent hearing officer appointed by the President of the Corporation not to constitute grounds for a denial of refunding:".

Senate amendment No. 215: Page 68, after line 3, insert:

SEC. 309. The Secretary of Commerce is directed to submit, within thirty days of the date of enactment of this Act, to the appropriate committees of the Congress a report specifying a proposal to meet the funding obligations of the Fishermen's Guarantee Fund.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendments of the Senate numbered 77, 82, 85, 94, 99, 104, 106, 107, 110, 111, 116, 117, 118, 119, 124, 129, 130, 131, 135, 136, 138, 143, 145, 146, 148, 149, 151, 152, 153, 154, 167, 168, 170, 171, 199, 211, 212, 213, and 215 and concur therein.

The motion was agreed to.

● Mr. LEHMAN of Florida. Mr. Speaker, I rise in support of the motion to recede and concur with Senate amendment numbered 212. This amendment is generally referred to as the "no annuity offset provision" of the Air Traffic Control Revitalization Act. It allows eligible reemployed annuitants to receive their full salaries without an annuity offset. To be eligible, a reemployed annuitant must have retired or applied for retirement prior to August 3, 1981—the date of the controller's strike—and must perform duties in the operation of the air traffic control system at a tower or center or train others to perform such duties. The provisions is scheduled by law to terminate on December 31, 1984. The Senate amendment would extend this termination date to December 31, 1985.

I am advised by the FAA that there are 113 reemployed annuitants covered by this provision. Of these, 102 are full time and 11 are part time. The current total annual salary plus annuity for full-time reemployed annuitants ranges up to $93,437.

In view of the high compensation being paid these personnel, the conferees included language in the statement of managers requiring the FAA Administrator to certify in writing that there is an "unusual shortage" of air traffic controllers before the extended authority is exercised. This certification should also include a justification for the use of this authority and an explanation of why such an "unusual shortage" exists, when such shortage will be alleviated and the means by which this will be accomplished.●

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 81: Page 23, after line 14, insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $10,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, for the acquistion of land or waters, or interest therein, in the Atchafalaya Basin, Louisiana, in accordance with statutory authority applicable to the United States Fish and Wildlife Services, including the Fish and Wildlife Act of 1956 and legislation to establish a National Wildlife Refuge within the Atchafalaya Basin if enacted.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 81 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $10,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, for the acquisition of land or waters, or interest therein, in the Atchafalaya Basin, Louisiana, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, including the Fish and Wildlife Act of 1956.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 84: Page 23, line 21, strike out "$5,653,000" and insert "$22,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 84 and concur therein with an amendment, as follows: in lieu of the sum proposed by said amendment insert "$22,653,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 87: Page 24, line 14, strike out all after "$34,650,000" down to and including "operations" in line 17 and insert ": *Provided,* That the Act making Supplemental Appropriations for fiscal year 1983 (Public Law 98-63: 97 Stat. at 326 and 327) is amended under the heading "Bureau

of Indian Affairs" and the subheading "Operations of Indian Programs" as follows:

(1) delete the words "no more than 15.25 acres, excluding roads" and insert in lieu thereof: "30 acres, excluding roads as described in the Memorandum of Understanding dated June, 1984 between the Alaska Area Native Health Service and the Department of Education of the State of Alaska. Such description shall be published in the Federal Register by the Secretary of the Interior".

(2) delete the first sentence in the second undesignated paragraph and insert in lieu thereof:

"No final conveyance of any title, interest, or right shall be made unless the State of Alaska has executed an agreement by October 1, 1984 to begin operating a Mount Edgecumbe boarding school facility no later than September 30, 1985, and does in fact open such a facility for school operations by September 30, 1985. To assist the State of Alaska in opening such a facility, and notwithstanding the provisions of title 31 U.S.C. 6308, the $22,000,000 appropriated under this heading for use by the State of Alaska in renovating the Mount Edgecumbe school shall be made immediately available, in full, to the State of Alaska upon the execution of the aforementioned agreement, but such funds shall only be expended for facilities to be located within the lands conveyed by this statute. A failure on the part of the State of Alaska to begin operating a Mount Edgecumbe boarding school facility no later than September 30, 1985 shall cause the interim conveyance made under this heading to terminate.".

(3) insert before the period at the end of the third sentence of the third undesignated paragraph the following: "if the State of Alaska opens a Mount Edgecumbe boarding school facility for school operations by September 30, 1985; if the State of Alaska does not open such a facility for school operations by September 30, then the interim conveyance terminates as of October 1, 1985, and all interest in the lands covered by the interim conveyance, together with all improvements thereon, revert to the United States".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert:

: *Provided*, That for fiscal year 1984, no more than $19,700,000 in total may be obligated or expended for any activities related to automatic data processing operations: *Provided further*, That the act making Supplemental Appropriations for fiscal year 1983 (Public Law 98-63: 97 Stat. at 326 and 327) is amended under the heading "Bureau of Indian Affairs" and the subheading "Operation of Indian Programs" as follows:

(1) delete the words "no more than 15.25 acres, excluding roads" and insert in lieu thereof "30 acres, excluding roads as described in the Memorandum of Understanding dated June, 1984 between the Alaska Area Native Health Service and the Department of Education of the State of Alaska. Such description shall be published in the Federal Register by the Secretary of the Interior".

(2) delete the first sentence in the second undesignated paragraph and insert in lieu thereof:

"No final conveyence of any title, interest, or right shall be made unless the State of Alaska has executed an agreement by October 1, 1984 to begin operating a Mount Edgecumbe boarding school facility no later than September 30, 1985, and does in fact open such a facility for school operations by September 30, 1985. To assist the State of Alaska in opening such a facility, and notwithstanding the provisions of title 31 U.S.C. 6308, the $22,000,000 appropriated under this heading for use by the State of Alaska in renovating the Mount Edgecumbe school shall be made immediately available, in full, to the State of Alaska upon the execution of the aforementioned agreement, but such funds shall only be expended for facilities to be located within the lands conveyed by this statue. A failure on the part of the State of Alaska to begin operating a Mount Edgecumbe boarding school facility no later than September 30, 1985 shall cause the interim conveyance made under this heading to terminate.".

(3) insert before the period at the end of the third sentence of the third undesignated paragraph the following: "if the State of Alaska opens a Mount Edgecumbe boarding school facility for school operations by September 30, 1985; if the State of Alaska does not open such a facility for school operations by September 30, 1985; if the State of Alaska does not open such a facility for school operations by September 30, 1985, then the interim conveyance terminates as of October 1, 1985, and all interest in the lands covered by the interim conveyence, together with all improvements thereon, revert to the United States": *Provided further*, That of the unobligated balances in "Construction," $856,405 is hereby transferred to "Operation of Indian programs.".

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 92: Page 25, line 10, after "$2,440,000" insert "; and $250,000 to be derived by transfer from unobligated balances of grants to the judiciary in American Samoa for compensation and expenses, and $264,000 to be derived by transfer from operation grants in 'Trust Territory of the Pacific Islands' ".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 92 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert: ", and $250,000 to be derived by transfer from unobligated balances of grants to the judiciary in American Samoa for compensation and expenses".

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 30 minutes in support of his motion.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to my colleague, the gentleman from Massachusetts.

Mr. BOLAND. I thank the gentleman for yielding.

Mr. MILLER of California. Mr. Speaker, will the gentleman from Massachusetts yield?

Mr. BOLAND. I am pleased to yield to my distinguished friend from California.

Mr. MILLER of California. I thank the gentleman for yielding.

Chairman BOLAND, it is my understanding that this legislation contains funds to be allocated by the Environmental Protection Agency for the abatement of asbestos hazards in schools. It is my further understanding that this provision would require the EPA to develop comprehensive guidelines to classify and evaluate asbestos hazards and appropriate abatement options before such funds may be expended.

Mr. BOLAND. The gentleman is correct.

Mr. MILLER of California. I would like to clarify with the gentleman that the committee intends the EPA to improve its technical assistance efforts so as to enable school administrators to make appropriate judgments regarding abatement activities. As I read this language it is my understanding that the committee does not in any way intend to delay the availability of funds to schools for abatement activities or to eliminate local flexibility with regard to abatement decisions.

Mr. BOLAND. The gentleman is correct. The committee recognizes the asbestos hazards vary widely from school to school. It is the committee's intent to require EPA to improve the quality of the guidance and technical assistance it is currently providing school districts. Schools must be better equipped to evaluate asbestos hazards and the abatement options available if they are to control asbestos hazards in a manner that protects the health and safety of school occupants and workers. It is the committee's intention that the EPA undertake efforts to improve technical assistance in this area expeditiously and that this requirement not delay unnecessary the allocation to schools of abatement funds contained in this bill.

I compliment the gentleman from California for the great effort he has made in this area and for his interest

in Federal support for safe and effective abatement of asbestos in schools.

Mr. MILLER of California. I thank the gentleman for his remarks, and for the clarification.

Mr. WHITTEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 96: Page 26, line 3, strike out "$3,000,000" and insert "$2,700,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 96 and concur therein with an amendment, as follows: in lieu of the sum proposed by said amendment insert "$1,395,000".

The motion was agreed to.

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The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 103: Page 27, strike out line 26, insert:

GENERAL PROVISIONS

None of the funds herein or hereafter appropriated from the Land and Water Conservation Fund for the Bureau of Land Management or the Forest Service shall be obligated for the acquisition of lands or waters, or interests therein unless and until the seller has been offered, and has rejected, an exchange, pursuant to current authorities, for specific lands of comparable value (within plus or minus 25 per centum) and utility, if such potential exchange lands are available within the boundary of the same State as the lands to be acquired: *Provided*, That condemnations, declarations of taking, or the acquisition of scenic, conservation, or development easements shall not be subject to this provision: *Provided further*, That acquisition of tracts of lands of less than 40 acres shall not be subject to this provision.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 103 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

GENERAL PROVISIONS

None of the funds appropriated herein or for fiscal year 1985 from the Land or Water Conservation Fund for the Bureau of Land Management or the Forest Service shall be obligated for the acquisition of lands or waters, or interests therein unless and until the seller has been offered, and has rejected, an exchange, pursuant to current authorities, for specific lands of comparable value (within plus or minus 25 per centum) and utility, if such potential exchange lands are available within the boundary of the same State as the lands to be acquired: *Provided*, That condemnations, declarations of taking, or the acquisition of scenic, conservation, or development easements shall not be subject to this provision: *Provided further*, That acquisition of tracts of lands of less than 40 acres shall not be subject to this provision.

The motion was agreed to.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 132: Page 33, after line 4, insert:

CONTINGENT EXPENSES OF THE SENATE

JOINT COMMITTEE ON INAUGURAL CEREMONIES OF 1985

For construction of platform and seating stands and for salaries and expenses of conducting the inaugural ceremonies of the President and Vice President of the United States, January 21, 1985, in accordance with such program as may be adopted by the joint committee authorized by Senate Concurrent Resolution 122, Ninety-eighth Congress, agreed to June 29, 1984, $937,000, to remain available until September 30, 1985.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 132 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$786,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 144: Page 35, after line 23, insert:

Notwithstanding any other provision of law, funds appropriated for the design of the renovation of and addition to Brooke Army Medical Center at Fort Sam Houston, Texas, are also available for the design of a replacement facility. The Secretary of the Army shall enter into a contract for the design of this replacement facility not later than one hundred and eighty days after the date of enactment of this Act.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 144 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

Notwithstanding any other provision of law, funds appropriated for the design of the renovation of and addition to Brooke Army Medical Center at Fort Sam Houston, Texas, are also available for the design of a replacement facility.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 147: Page 35, after line 23, insert:

None of the funds appropriated in this Act for Military Construction, Navy may be obligated unless the Secretary of the Navy executes the real estate transaction required by section 812 of Public Law 89-115 prior to September 30, 1984.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disageement to the amendment of the Senate numbered 147 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

Notwithstanding any other provision of law, the Secretary of the Navy may utilize part of the funds from the sale of property at the Naval Base, Port Hueneme, California, as specified in section 812 of Public Law 98-115, to build replacement facilities.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

Mr. WHITTEN. Mr. Speaker, I yield to the gentleman from Maryland [Mr. LONG] to continue the motions.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 155: Page 41, strike out lines 2 to 15, inclusive.

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House insist on its disagreement to the amendment of the Senate numbered 155.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 156: Page 41, after line 15, insert:

FOREIGN ASSISTANCE MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in portion of the increased capital stock, as authorized by the International Financial Institutions Act, $30,000,000 for the General Capital Increase, as authorized by section 39 of the Bretton Woods Agreements Act, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable portion of the United States share of increases in capital stock in an amount not to exceed $369,999,991.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For repayment to the International Development Association by the Secretary of the Treasury, $150,000,000, for the United States contribution to the sixth replenishment, to remain available until expended.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury for the United States share of the increase of the resources of the Fund for Special Operations, $79,500,000 to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States contribution to the increases in resources of the Asian Development Fund, $47,116,170, to remain available until expended.

DEPARTMENT OF STATE

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For an additional amount for "International Organizations and Programs", $42,050,000: *Provided*, That of this amount $40,000,000 shall be available only for payment to the International Fund for Agricultural Development: *Provided further*, That of this amount $2,050,000 shall be available only for payment to the International Atomic Energy Agency: *Provided further*, That of the amount made available for the International Atomic Energy Agency under this chapter and the funds made available for the International Atomic Energy Agency in Public Law 98-151, not less than $7,000,000 shall be available only for the safeguards program.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House recede from its disagreement to the amendment of the Senate numbered 156 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

DEPARTMENT OF STATE

INTERNATIONAL ORGANIZATIONS AND PROGRAM

For an additional amount for "International organizations and programs", $1,000,000: *Provided*, That this amount shall be available only for payment to the International Atomic Energy Agency: *Provided further*, That of the amount made available for the International Atomic Energy Agency under this chapter and the funds made available for the International Atomic Energy Agency in Public Law 98-151, not less than $7,000,000 shall be available only for the safeguards program.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 157: Page 41, line 19, strike out "$3,895,000" and insert "$4,083,000".

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House recede from its disagreement to the amendment of the Senate numbered 157, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 158: Page 41, after line 19, insert:

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International disaster assistance", $7,000,000: *Provided:* That this sum shall be available only for emergency inland transportation associated with food relief in Africa.

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House recede from its disagreement to the amendment of the Senate numbered 158 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International disaster assistance", $16,000,000: *Provided*, That this sum shall be available only for emergency inland transportation associated with food relief efforts in Africa.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland [Mr. LONG].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 159: Page 41, line 22, strike out ", to remain available until September 30, 1985".

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House insist on its disagreement to the amendment of the Senate numbered 159.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 160: Page 41, line 25, strike out all after "Fund"," over to and including "expended" in line 24 on page 42, and insert "$70,000,000: *Provided*, That of this amount $10,000,000, to remain available until expended, shall be available only to carry out the provisions of the Clement J. Zablocki Outpatient Facility Act (Public Law 98-266), and that this sum shall be transferred to the Agency for International Development, for "American schools and hospitals abroad": *Provided further*, That of this amount $60,000,000, to remain available until March 31, 1985, shall be available only for the Dominican Republic".

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House recede from its disagreement to the amendment of the Senate numbered 160 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $50,000,000 to be available only for the Dominican Republic and to remain available until March 31, 1985.

CLEMENT J. ZABLOCKI MEMORIAL OUTPATIENT FACILITY IN POLAND

For an additional amount for the "Economic Support Fund", to carry out Public Law 98-266, $10,000,000 to remain available until expended.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the

gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland [Mr. LONG].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 161: Page 43, strike out lines 1 to 4, inclusive.

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House recede from its disagreement to the amendment of the Senate numbered 161, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 162: Page 43, after line 4, insert:

HOUSING AND OTHER CREDIT GUARANTY PROGRAMS

Pursuant to section 223(e)(1) of the Foreign Assistance Act of 1961, as amended, $40,000,000 to remain available until expended and to be credited to the revolving fund account created by section 223(b).

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House insist on its disagreement to the amendment of the Senate numbered 162.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 163: Page 43, line 8, strike out "$9,650,000" and insert "$7,650,000, to remain available until March 31, 1985".

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House recede from its disagreement to the amendment of the Senate numbered 163, and concur therein

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 164: Page 43, strike out all after line 12 over to and including line 10 on page 44 and insert:

CENTRAL AMERICA DEMOCRACY, PEACE AND DEVELOPMENT INITIATIVE

For expenses necessary to enable the President to carry out the provisions of the Central America Democracy, Peace and Development Initiative Act of 1984, the Foreign Assistance Act of 1961, as amended, and for other purposes, for assistance for Central American countries, to remain available until March 31, 1985, in addition to amounts otherwise made available for such purposes:

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

For an additional amount for "Agriculture, and rural development, and nutrition, Development Assistance", $100,000,000.

POPULATION

For an additional amount for "Population, Development Assistance", $5,000,000.

HEALTH

For an additional amount for "Health, Development Assistance", $18,000,000.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

For an additional amount for "Education and human resources development, Development Assistance", $10,000,000: *Provided*, That of this amount not less than $2,000,000 shall be available only for the International Student Exchange Program.

ENERGY AND SELECTED DEVELOPMENT ACTIVITIES

For an additional amount for "Energy and selected development activities, Development Assistance", $30,000,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $290,500,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "Operating expenses of the Agency for International Development", $2,489,000: *Provided*, That not less than $727,000 shall be available only for the activities of the Inspector General's office.

INDEPENDENT AGENCY

PEACE CORPS

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612), $2,000,000.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE PROGRAM

For an additional amount for "Military assistance", $197,300,000, notwithstanding the limitations and restrictions contained in section 101(b) of Public Law 98-151.

GENERAL PROVISIONS

Funds may be made available for development assistance for fiscal year 1984 for Guatemala notwithstanding the provisions of Public Law 98-151.

Funds under this chapter are made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House recede from its disagreement to the amendment of the Senate numbered 164 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE

MILITARY ASSISTANCE PROGRAM

For an additional amount for "Military assistance", $64,750,000, to remain available until September 30, 1985, to be allocated only as follows notwithstanding any other provision of law: El Salvador, $40,000,000; Costa Rica, $7,850,000: Honduras, $10,000,000; Panama, $2,500,000: Regional Military Training Center, $3,100,000; and Panama Canal Area Military Schools, $1,300,000: *Provided*, That no fund may be obligated or expended for Costa Rica until a written request for these funds is received from the President of Costa Rica: *Provided further*, That no funds may be obligated or expended for Costa Rica that would result in an expansion of existing security forces or the introduction of new weapons systems.

ECONOMIC SUPPORT FUND

For an additional amount of the "Economic Support Fund", $105,000,000, to remain available until September 30, 1985, to be allocated as follows notwithstanding any other provision of law, Costa Rica, $60,000,000; El Salvador, $25,000,000: *Provided*, That any of these funds which are placed in the Central Reserve Bank of El Salvador shall be maintained in a separate account and not commingled with any other funds; Honduras, $20,000.000.

INDEPENDENT AGENCY

PEACE CORPS

For an additional amount for "Peace Corps", $1,000,000, to remain available until September 30, 1985.

The SPEAKER pro tempore. The gentleman from Maryland [Mr. LONG] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Maryland [Mr. LONG].

Mr. LONG of Maryland. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, I rise to urge that we consider, for El Salvador, $40 million in supplementary military aid. This would provide approximately $1 million a day for the remainder of the fiscal year, and that is three times the current pay-out of $7.5 million a month. Surely that is an adequate amount for the remainder of the fiscal year. It will provide for the tactical mobility that the Salvadoran Army requires and provide for any extraordinary needs incurred between now and September 30.

Less than 2 weeks ago, I publicly announced that I would recommend, as Chairman of Foreign Operations, Military Aid to El Salvador that was almost identical to the request of the administration. Beginning October 1, over $123 million in military aid will be available to El Salvador. That amount would approximate current spending levels for fiscal year 1984. However, the administration would change that formula, by almost doubling the current level today.

In the first 10 months of the fiscal year, the amount of military aid to El Salvador has been $125.7 million; $20 million of that was made available on May 24, when the nuns' case was decided. Another $61.7 million was made available only 7 weeks ago, when the

urgent supplemental—which I supported—passed.

Now, in the last 45 days of the fiscal year, the administration wants another $116 million in military aid, nearly double current levels. How could they possibly use that much money effectively in so little time?

What happened to this administration's talk about not throwing money at problems?

What happened to this administration's talk about balanced budgets and fiscal responsibility?

An additional $116 million in military aid, and another $290 in economic aid—which is more that double what we have already appropriated—would mean that aid to El Salvador has increased over 200 percent since 1983. And we cannot even agree to increase American defense spending 7.5 percent.

What the House sent out was a fair and moderate bill that increased foreign aid by $230 million, but the administration's bill increased aid by $1 billion. And $430 alone is in Central American aid.

There must be a limit to the fiscal irresponsiblity that the administration talks about but does more to perpetuate than any one else.

In March, 1981, the administration projected that the fiscal year 1984 deficit would be a mere $500 million—in fact it is $180 billion.

The administration wanted to save money—but look at what they have cut: From 1982-1985, child nutrition has been cut 28 percent—$5 billion; guaranteed student loans have been cut 27 percent—$3.8 billion; AFDC—cut 13 percent—$4.8 billion; Community Service block grants 39 percent—$1 billion; and the administration has requested further cuts fiscal year 1985 that total $18.9 billion Yet, while we cannot properly take care of our own domestic needs, and face huge budget deficits that threaten to keep interests rates high, this administration would throw away another billion dollars.

We need not do this. We can be fiscally responsible. And we must not cave in to the ridiculous notion that if we do not pass this money we are deserting President Duarte of El Salvador.

I have met with Mr. Duarte as much as any Member of this Chamber and I admire what he was done since taking office. And for that reason I was pleased to see the money that has been made available, the $20 million on May 24, and the $61.7 million on July 26. And I was happy that my subcommittee, at my urging, voted recommend $123 million beginning October 1.

But what does it do for Mr. Duarte to turn around and give him $116 million in military aid and $290 million in economic aid, earmarked for fiscal year 1984, when there is only a few weeks remaining in the year?

We have tried to be prudent; we have tried to be fair; we have made a good-faith effort just as President Duarte has made a good faith effort, and we have voted aid to his country. But what we are asked here today goes way beyond any good faith effort; we are being asked to act irresponsibly with the taxpayer's money. And I for one, who considers himself a warm supporter of Mr. Duarte, must hold the line and say no.

□ 1420

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman.

Mr. STRATTON. I took the floor several weeks ago following the return of the Armed Services Committee from a visit to El Salvador and Nicaragua and pointed out that we have a new, very dynamic President in the Republic of El Salvador in Mr. Duarte. He is taking charge of the military. He is revising the military. He is eliminating the death squads. He has transferred those that he believes are not supportive of the Government.

The gentleman from Maryland says that we have already provided this money and that money and some other money. The point is that Mr. Duarte has got to get military aid if he is going to provide the kind of military protection for the economic effects that we have provided.

Mr. LONG of Maryland. I did not yield to the gentleman for a long speech.

The SPEAKER pro tempore. The time of the gentleman from Maryland [Mr. LONG] has again expired.

Mr. CONTE. Mr. Speaker, I yield 8 minutes to the gentleman from New York [Mr. KEMP].

Mr. KEMP. Mr. Speaker, I am somewhat surprised that my friend, the chairman of the Subcommittee on Foreign Operations, would make this case on the side of so-called fiscal responsibility. I do not think anybody in this Chamber does not want to find places to reduce spending, and of course I stand second to none in that regard.

But what does the gentleman from Maryland think the case would be in terms of fiscal responsibility if we lose the chance to build a democratic system in El Salvador and throughout Central America? What would be the cost to America? What would be the cost to the United States of having a guerrilla victory in El Salvador?

Mr. Speaker, most of the bipartisan spirit that we achieved in foreign aid programs over the past couple of years has been due to those in this Chamber who would like to build up the center of the political system, not just throughout Central America but particularly in El Salvador.

We found in the election of Napoleon Duarte a chance for a true democrat to come to power and work on those economic and social and political, and yes, security needs for that emerging democracy.

Is it perfect? To be sure, it is not.

It was my privilege to serve on the Kissinger Commission with the gentleman from Michigan [Mr. BROOMFIELD], the gentleman from Maryland [Mr. BARNES], and JIM WRIGHT, and a bipartisan group of members of both parties, including labor union members such as Lane Kirkland, Robert Strauss, the former chairman of the Democratic National Committee, Henry Cisneros, the mayor of San Antonio, and Carlos Alejandro Diaz, professor of economic development at Yale University. What emerged from the bipartisan effort was the conviction that if, over the next 2 years, that is fiscal years 1984 and 1985, we have a program to enhance the capability of the Duarte government to deal with the social conditions, the economic conditions, and the security conditions, we would have a chance, just a chance, mind you, of not only seeing Duarte's freely elected government succeed but of giving peace and democracy a chance. And I would suggest to you that the Long amendment is woefully inadequate to come anywhere near the bipartisan recommendations of the Kissinger Commission for El Salvador.

Let me give you some of the facts at my disposal which suggest that the chairman somewhat misstated, if you do not mind me saying, Dr. LONG, the amount of money that is available in El Salvador to spend between now and the start of fiscal year 1985.

It is true that the chairman of the subcommittee has provided a near total commitment to the President's request for security assistance for fiscal year 1985 and I applaud him for that effort. But the issue is the moneys that are now available to buy the helicopters, to buy the medical-evacuation equipment, to buy trucks and to provide the tactical mobility on the ground to give the El Salvadoran troops the ability to respond to the guerrilla activities that are taking place in El Salvador as the extreme left tries to destabilize the government and that emerging democracy.

The goal of the extreme left is to destabilize El Salvador, and in order to respond to the attacks by the guerrillas out in the field the El Salvador troops need the capability and the mobility to move throughout the country to those areas with a quick response time.

Now, ladies and gentleman, let me tell you, they have 23 helicopters, 16 of which are available to move troops.

They are trying to buy some more and we must provide them some modern equipment to enhance the capability of government forces to respond. This money that the chairman says they have already received has all been obligated for 1984. There is little money left for 1984. If they are to buy helicopters and trucks, if they are to buy medevac equipment, if they are to buy the communications equipment to give them the ability to respond quickly to a challenge, they must have this additional money in this supplemental.

I plan to offer an amendment if this Long amendment should go down to defeat, which I hope it does. I think there will be a strong bipartisan support on the floor for the amendment offered by the gentleman from Pennsylvania, Mr. MURTHA, and myself in furtherance of the Broomfield-Murtha authorization bill which passed in May. The purpose of our amendment will be to provide $70 million of security assistance to El Salvador, plus another $65 million, for a total of $135 million for military assistance to the whole region. That would include Panama, that would include Honduras, and that would include Costa Rica—which does not even have an army.

I ask my colleagues, in order to get to a position where we can provide some of the money that were recommended by the Jackson plan, as built and shaped into a bipartisan consensus by the Kissinger Commission, we must vote down the Long amendment, and then move to consider the Murtha-Kemp amendment which would provide the following:

□ 1430

The $70 million for development assistance, $290 million for economic assistance for the whole region, $2 million for the full funding of the Peace Corps, $140 million for military assistance for the whole region, of which $70 million is earmarked for El Salvador.

Ladies and gentlemen, the administration requested $240 million for military aid for El Salvador, pursuant to the Kissinger Commission recommendations for 1984. To date, we have appropriated $125 million. We are only asking, Mr. MURTHA and myself, for another $70 million to allow them to buy the communications equipment, the helicopters, the trucks, the medical support and logistics are supplies to permit the El Salvador army to fight in the field, with some change of success.

It seems to me it would be a mistake simply to take the $40 million for El Salvador, with no additional money for Honduras Panama, and put such restrictions on Costa Rica that they probably count not even spend the money because it would be such a slap in the face to that democracy that we call the jewel of democracies in Central America.

And I ask my colleagues: Is it really the intent of this body to emasculate the opportunity for this tiny little democracy to improve the lives of the people of El Salvador?

I want to make one last point. The issue is not just a signal that we are going to be sending to Central America, my friends; the issue is not just security assistance to El Salvador.

I just made a call to President Jose Napoleon Duarte to ask him how important this was to him. He said:

Mr. KEMP, the security assistance is critical but this is a vital political signal to our country as we build our Government's ability and deal not only more effectively with the extreme left but also with the extreme right.

Everyone who has gone to El Salvador from the U.S. Congress in the last 2 years has said, "Mr. Duarte, if you win we are going to help you in a partnership to build democracy in El Salvador."

He won the election. He was inaugurated and since his inauguration there has not been one vote on the floor of the House manifesting that partnership that we said would be there if he should be inaugurated as the new President and helped make the reforms we asked of him.

I ask my colleagues, I ask my colleagues on a bipartisan basis to please not pull the rug out from under that fledgling government's opportunity for building up the strength of democracy in El Salvador, do not turn your back on those other countries, do not turn your back on the Kissinger Commission and the economic assistance critical to building up the hopes for prosperity in Central America. Let us not walk away from Mr. Duarte when he and his people need us most; let us give him a chance.

But more than Duarte, let us give democracy a chance in Central America by voting down the Long amendment, then enacting the Kemp-Murtha amendment.

Mr. LONG of Maryland. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I guess it is always gratifying for Members of Congress to play on the broad stage of world events and use apocalyptic terms and phrases and pictures. But we are talking about an appropriation bill.

This bill contains numbers. And I would like to suggest to you what the numbers are that we are talking about, to refute the impression that would be left by the gentleman from New York that somehow we are destroying the assistance program for El Salvador.

Some very simple facts: This bill is 212 percent above 1981 for Central America, 212 percent. For El Salvador this bill is 257 percent above 1981. It is 58 percent above fiscal 1983, and this is a fiscal 1984 bill which we are dealing with.

I do not believe that a 58-percent increase in aid to El Salvador in 1 fiscal year is destroying our ability to help El Salvador, Mr. Duarte or any other politician you want to name in that country.

The fact is we have 50 days left in this fiscal year. At the present time our aid program to El Salvador is spending out at the rate of about $12 million a month.

Chairman Long's amendment would provide $40 million which is almost double the present spend-out rate per month. It provides you over half a million dollars a day. That ain't hay.

I would suggest to you that you recognize that the issue is not whether we like Mr. Duarte or not. I think all of us feel that he is the best shot that we have to preserve a Government in El Salvador which can promote the ideals of democracy and prevent right and left from destroying the country and the region.

The issue is very simply: How much is enough?

Mr. KEMP was very clever in his assertion that this House has not voted any additional assistance for Mr. Duarte since he was elected. But I want to tell you that that is a sleight of hand. This House did vote immediately after Mr. Duarte's election, we did vote to give him an additional amount of money.

He came up here and impressed everybody: All of the newspapers were filled with the stories. You know that because Mr. Duarte won the election we did provide a very large additional pot of money for him to use in this fiscal year.

What is happening here is this: If the administration gets this amount today, then they will be able to say 7, 8 months from now, "Now look," even though our subcommittee just provided for the fiscal 1985 bill virtually all the money that they wanted they will then be able to say, "Gee whiz, even though you provided everything we asked for in 1985, you are below your spend-out rate for 1984. So now we have to come in with another supplemental."

That is the way you will continually ratchet up this bill. I ask you to keep in mind, this bill does not emasculate our aid program to Central America or El Salvador. It is 257 percent above 1981 and 56 percent above 1983 and I think that is quite enough.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. BROOMFIELD. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to the amendment being proposed by the gentleman from Maryland, and in support of the amendment that will be offered by the gentlemen from New York, Mr. KEMP and Mr. MURTHA.

Mr. LAGOMARSINO. Mr. Speaker, my colleagues, I rise in strong support of the Kemp amendment that will be offered if the Long amendment fails, and in opposition to the Long amendment.

In May we voted to authorize the fund and conditions recommended by the Jackson plan for Central America. And I think we must follow through.

Earlier this week José Napoleon Duarte, elected President of El Salvador, sent a letter to President Reagan expressing his desire for increased assistance to his country.

He said in that letter:

I understand that the U.S. Congress is presently debating the Jackson plan. Because that debate will so profoundly affect my country and the region, I am writing to express to you my belief that passage of this aid is vital. We in Central America are confronting many problems simultaneously—underdeveloped economies, fragile democratic structures, and hostile forces seeking to impose their solutions by force of arms.

We are prepared to shoulder fully our responsibilities to assure the economic well being, freedom and peace of our nations. We do not ask for U.S. combat troops. We know that we must act decisively to strengthen further democracy, human rights and free enterprise.

I hope the American Congress will promptly enact the supplemental legislation this year and the legislation for next year not only for my own country, but for the entire Central American region.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from New York.

Mr. KEMP. I thank the gentleman for yielding.

Mr. Speaker, I want to congratulate the gentleman on his statement. What Mr. MURTHA and I are trying to do by opposing the Long amendment is to give the House a chance to support, on a bipartisan basis, an adequate and prudent response to the needs of Central America.

What we tried to do, I would say to my friend from California, is shape a prudent and responsible amendment that comes in under the Senate numbers, yet comes in higher than the inadequate Long numbers, and provides what most liberals and many of us on the more conservative side of this issue have long wanted, more economic and development assistance for El Salvador and Central America plus needed security assistance. Under the Long amendment, there would be inadequate security assistance and next to nothing for the economy.

□ 1440

But let me just say one other word to my friend from California.

I called the President of El Salvador, Mr. Duarte, just a few moments ago just to talk about whether the situation was as urgent as some of us think it is. He said, "Congressman, the far left, the guerrilla left, is planning a fall campaign for one purpose alone: to destroy our chances of establishing democracy for El Salvador."

Yes, the money planned for 1985 will be important, but we need this money now for the very things that we have all said that we supported, economic security assistance to our friends and allies in Central America and to help prevent a Communist victory in El Salvador.

Mr. LONG of Maryland. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I would hope that we would adopt the Long amendment to provide the $40 million. I am not happy with that amount. I think it is excessive for the purposes and the commitments which need to be met over the next 45 days in El Salvador.

This Congress has been more than generous with the Government in El Salvador, recognizing the mission apparently that it believes that can be carried out.

To suggest that this Congress ought to simply let loose its purse strings between now and the end of the fiscal year and again in the new fiscal year in 1985, because José Napoleon Duarte has been elected President, I think is a very bad mistake.

I happen to believe that one of the strengths that President Duarte has in his effort to change that society, and he has made rather remarkable strides in the reductions of the death squads, and in trying to put some of the economy back together, is the strength that the U.S. Congress is looking over his shoulder. Not simply to open the floodgates.

If my colleagues will review American history, you will see that we have done this before. We get an election, we get all excited about a personality and based upon a foreign policy and based upon personality, we open the floodgates. What do we find? We come back with stories of corruption, we come back with stories where people have lied to us, we come back with stories where goals that we have set have not been met.

I think we ought to be prudent. This is a society that tragically has had a history of violence, a history of violence within its political system for years and years and years.

Now we have a ray of hope. That ray of hope ought to be encouraged and that ray of hope ought to be guided. I think the way we can do that is so that we provide him the leverage of understanding that we are watching, that we have sent notice to the left and the right, that we have sent notice that what we expect is a growth and a change in that society.

But you do not just do that by simply opening up the floodgates of the U.S. Treasury at a time that is most difficult for us.

Mr. LONG of Maryland. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. SHANNON].

Mr. SHANNON. Mr. Speaker, I want to remind the Members of the House that it is only the House of Representatives which has prevented this policy that the President has been trying to pursue in Central America from getting carried away. It is only this institution that has provided any restraint and any discretion and any incentive for the military of El Salvador to reform itself, to clean up its act.

If we here today say that we are no longer going to require that kind of restraint, we are no longer going to require that the military be kept on a short leash, then I think we are going to regret it.

If we let it go now and if we say once again, I remind my colleagues this is the fourth time this year that this institution has approved additional military funding for El Salvador; if we increase it one more time, then what incentive is there going to be for the military to stop the death squad activities; what incentive is there going to be for those who want to seek continued military support in the next fiscal year, to make some progress in the next 2 or 3 or 4 months? There will be none.

That is the point that we have to face today. This is an extravagant request for military assistance. It is sure to increase the killing; it is sure to increase the bloodshed; it is sure to increase the level of the war; it is sure to hamper efforts to bring about a negotiated settlement. It is a mistake which we will regret.

So, let us not once again in one generation in this country blunder our way into a tragic mistake. Let us not once again nickel and dime our way into direct intervention in a war. That is what is happening today. You cannot justify it by saying it is just a little money, it is just for a short period of time.

It is a lot of money for a country the size of El Salvador. And it is a short period of time for a lot of money. It is going to intensify the volume of the war and we cannot let that happen.

We have been prudent in the past. Let us be prudent today. Let us live up to our responsibilities and keep this policy from getting out of hand.

Mr. CONTE. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. KEMP].

Mr. KEMP. Mr. Speaker, I just take the time to ask the gentleman from Massachusetts, if he knows that the language in this bill and accepted on both sides of the aisle is the language presented to the other body by the Senator from Massachusetts [Mr. KENNEDY]. This language is strong, it ties the money down and it is as fully restrictive as we have ever put on aid to El Salvador.

Will the gentleman accept the Kennedy language?

Mr. SHANNON. If the gentleman will yield, I say to the gentleman, I do not care who presented this language in the other body.

I think an increase in military assistance is a disaster.

Mr. CONTE. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. I thank my distinguished colleague from Massachusetts for yielding time to me. It is very generous of him to do so from his side of the aisle. I really appreciate it.

Mr. Speaker, George Bernard Shaw once asked a very proper lady of his time if she would go to bed with him for $1 million.

She said "Of course," she would.

And then he asked, "Would you go to bed for $2?"

She drew herself up and said, "What do you think I am?"

He said, "We have already established that fact. We are now haggling over the price."

I tell that story to remind the Members on my side of the aisle that $40 million is haggling for the price. The fact is that we have given El Salvador $62 million, plus $19 million: for a total of $81 million in the course of roughly the last 2 months; since Mr. Duarte has become President.

He has more than enough to spend until October 1, the beginning of the new fiscal year.

Three years ago, the administration told us that the war would last from 1 to 2 years. At the time, Salvadoran security forces numbered just over 10,000, and the guerrillas less than 5,000. Today, we are now told—after the United States has sent nearly $1 billion dollars in U.S. economic and military aid—we are told the war can be expected to last another 3 to 5 years. The guerrillas are now 9,000 to 12,000 strong, and they effectively control nearly one-third of El Salvador.

Even larger sums of military aid have not brought us any closer to peace. The path provided by the administration will not bring us to the end of the tunnel.

I urge my colleagues to cast their vote with and for the people of El Salvador; I urge you to vote for peace and to support the aid levels approved by the House last week.

I urge you to vote down both the Long and the Kemp amendments.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, we have heard a great deal about how much money El Salvador is getting under the chairman's amendment.

We have heard that it is opening the floodgates. We have heard that it is a great deal of money. We have heard that there is no restraint, even with the meager amount that Chairman LONG is recommending to this House.

However, I venture to say that it is Kemp-Murtha, rather than this chairman's amendment, which is actually in order; Kemp-Murtha is what is needed. It is consistent with the edict of the bipartisan Kissinger Commission, which said in essence: "The worst possible policy for El Salvador is to provide just enough aid to keep the war going, but too little to wage it successfully."

Now I rise in support of the Kemp-Murtha amendment, Mr. Speaker, and against the Long amendment, because regardless of how large an amount of money is set aside for El Salvador in the Long amendment as alleged by the gentleman from Wisconsin, if you aggregated everything that El Salvador has gotten since 1946, that nation has only been given, in economic and military assistance, a total amount of around $1 billion.

□ 1450

Now, that sounds like a lot of money; Mr. Speaker, I do not begrudge that fact. However, in comparison to the aid programs provided on a yearly basis to some countries we assist each year, it is a very meager amount. We give $2.6 billion a year to the country of Israel. We give about $2 billion a year to the country of Egypt. We give $750 million a year to the country of Turkey. So when you say that we are spending a great deal of money on Central America; when you say that we are spending a tremendous amount of money in El Salvador; you must also realize that we have only spent a billion dollars in economic and military aid over a space of almost 40 years. Well, Mr. Speaker, I would beg to differ with the people who espouse that point of view. When compared to other nations of interest to the United States, we have spent very little on El Salvador.

The fact is that since 1982, we have consistently cut the President's requests. In 1982, we cut his request from $117 million in military aid to $82 million; in 1983, we cut his request from $136 million to $81 million in military aid for El Salvador; in 1984, we cut his request from about $248 million—it is going up because the war has been accelerated by the Marxist insurgents, to $107 million.

Mr. OBEY. Mr. Speaker, will the gentleman yield on that point?

Mr. LIVINGSTON. I yield to the gentleman from Wisconsin.

Mr. OBEY. I would like to point out that even without the House subcommittee action on the supplemental, the overall foreign aid bill is 51 percent above the 1981 levels. Can the gentleman name another domestic appropriation bill which is 51 percent above 1981 levels?

Mr. LIVINGSTON. Well, the gentleman makes a point. However, there is a war going on down in El Salvador, and the gentleman from Massachusetts, who spoke just before me, said that this was too much money to spend and that we should unilaterally withdraw our funds and our support from that little country that has gone to the polling places three times in the last 2 years to elect their own constituent assembly, their own president, and their own constitution.

Mr. OBEY. Will the gentleman yield on that?

Mr. LIVINGSTON. No. I would like to just finish my point.

The country of El Salvador is participating in a democracy, and they are extremely beleaguered and hard-pressed to maintain that democracy under the threat of constant violence committed from without by an armed malevolent force that is blowing up their powerplants, their bridges, and their whole transportation system, and killing off their political leaders, their religious leaders, and their industrial and union leaders.

Mr. OBEY. Will the gentleman yield on that point?

Mr. LIVINGSTON. No. I have very little time. The gentleman can seek his own time.

I would simply sum it up by saying that in relation to the amount of assistance that this country provides other nations throughout the world, particularly those countries in the Middle East, we are neglecting our responsibilities by not paying more attention to those poor little neighbors of ours on this same continent in Central America.

The fact is that those folks are facing an onslaught of immense proportion, and yet we have only supplied a billion dollars since 1946, as compared with $2.6 billion for Israel in this year alone, as well as tens of billions of dollars for the Middle East over the last 40 years.

Mr. OBEY. Did the gentleman say "only a billion"?

Mr. LIVINGSTON. Only a billion since 1946, as opposed to $2.6 billion for Israel in a single year.

Mr. OBEY. Only a billion.

Mr. LIVINGSTON. $2 billion for Egypt alone in this particular year.

The SPEAKER pro tempore. The time of the gentleman from Louisiana [Mr. LIVINGSTON] has expired.

Mr. CONTE. Mr. Speaker, I yield 30 additional seconds to the gentleman from Louisiana.

Mr. LIVINGSTON. I thank the gentleman, and I will simply sum up and point out, Mr. Speaker, that we are not providing sufficient assistance for these countries under the Long amendment. I would urge support for the Murtha-Kemp amendment.

Mr. LONG of Maryland. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, I want to say to the previous speaker that we have spent $1 billion since 1947 but most of it in the last 3 years.

But once again the administration is pursuing what I consider the immoral tactic of linking food assistance to the hungry with military aid to El Salvador, and the two issues are not related, should not be put in the same legislative package. That was the position of the House when we first passed the supplemental appropriation.

I urge my colleagues to join me in remaining firm. I agree with the spirit of what Chairman LONG is trying to do. But for nearly 4 years this administration has been pursuing a policy of military escalation in El Salvador as the answer, the only answer to economic, social and political problems of the region. The results of this policy speak for themselves. Tens of thousands of civilians in El Salvador have been killed and a flood of half a million more have sought sanctuary in our country.

As recently as the end of March, the Under Secretary of Defense for Policy, Fred Ikle, testified that as much as half of the guerrillas' weapons in El Salvador are acquired from the United States.

From the very arms shipments that are paid for by our American people through these spending measures there is something very desperately wrong when we give to both sides of the conflict. Our neighbors to the south agree and urge us to abandon the dangerous military approach and try the Contadora process instead. But this President on just about every level does not believe in joining in dialog, only military solutions. Congress has already approved more than $100 million of our taxpayers' money to El Salvador this year. Let us not compound the damage already done. The American taxpayers have had it, and they want us to act and end our foreign aid practices.

In addition, how can we give additional aid to the Defense Minister Vides Cassanova who was allegedly engaged in a coverup of the murders of the American missionaries. Our aid has enough blood on its hands.

Mr. LONG of Maryland. Mr. Speaker, I yield 4 minutes to the gentleman from Maryland [Mr. BARNES].

Mr. BARNES. I thank the distinguished chairman for yielding to me.

Mr. Speaker, I want to commend the chairman of the subcommittee for crafting what is a very reasonable and very responsible amendment that brings together I think a majority, ought to bring together a majority in this House of Members on both sides of the aisle who are looking for a compromise between the House position on this issue, which was zero, and the Senate position on this issue, which was $116.7 million.

The authorization, you remember when we passed the Broomfield amendment earlier this year over a very tough debate here in this House, a very close vote, the authorization for the supplemental this year was for $47 million. The chairman has come forward with an amendment today of $40 million, a little under the authorization, the substitute which I understand will be offered by the gentleman from New York would be $70 million, $23 million over the authorization, so we are looking at Chairman LONG's amendment as being right in line with what the House did just a couple of months ago when we adopted the authorization bill, the Broomfield amendment, which was supported by the Reagan administration, which passed this House on a very, very close vote.

It has been suggested that if you do not vote for the full amount, the $116 million, or at least the Kemp amendment, the Kemp amendment which is $70 million, you are somehow not doing what the National Bipartisan Commission on Central America, the Kissinger Commission, said you ought to do.

Well, as anybody who has read the Kissinger Commission report knows, the Commission was careful to say that it did not know how much military aid was necessary to provide for El Salvador. It noted how much the Pentagon has asked for, but it did not say that the Congress should appropriate that amount. It simply noted that that is how much the Pentagon had asked for.

So there is no recommendation from the Kissinger Commission as to how much money you should vote for this afternoon, whether you should vote for Chairman LONG's amendment or the Kemp amendment. The Kissinger Commission is silent on that issue. But the Long amendment is a very reasonable one. It calls for $40 million. There is still $10 million in appropriated funds that have been unobligated, it is sitting there, it can be obligated. That is the total, the $10 million from Chairman LONG, the $10 million from unobligated funds that is still there, of $50 million for the remainder of this fiscal year. Well, today is August 10. There are 50 days left in this fiscal year. If you vote for Chairman LONG's amendment, you are providing $1 million a day in military assistance to El Salvador. So when some of our friends in the Republican Party stand here on the floor and say you are selling out democracy in Central America, well, that is just nonsense. It is a perfectly reasonable and responsible amendment that any Member of this House ought to be able to vote for.

I say to my friends principally on the Democratic side who do not want to vote for anything, who want to vote for zero and who have said they are going to vote against the Long amendment and they are going to vote against the Kemp amendment because they do not think we ought to provide any more military assistance, the administration has been to the well again and again this year, that is true, they have, but this is the best you are going to get. You are not going to get lower than $40 million.

So I would urge my colleagues who want the lowest figure possible to vote with the chairman, to vote with Chairman LONG. It is a lot more than many of us wanted. I had a discussion with the chairman earlier and I urged a lower figure, and the chairman earlier had been standing by the House position, which was zero. I understand your concern. But this is the best you are going to get.

□ 1500

There ought to be a responsible, moderate majority in this House that will vote to give this $40 million. That is a million bucks a day for the remainder of this fiscal year. It is a reasonable amendment; vote for Chairman LONG.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. I thank the gentleman for yielding me this time.

Mr. Speaker, I would like to make two points that I think have perhaps been overlooked. One is that there is a lot of figures that have been bandied around here about how much El Salvador has gotten and how it has not gotten, but the fact of the matter is that for a very long time, the distinguished chairman from Maryland refused to provide any kind of military help. It was going down the drain. It was useless.

The second point that I would like to make is that the new leadership in El Salvador under President Duarte, who is the commander in chief of the military down there, has only been in office for a little more than a month and a half. What the President told our Armed Services Committee when

we visited there, in the paper this morning, the front page of the Washington Post, it said that there was a honeymoon with Congress as a result of Mr. Duarte's leadership, but the President told us that the honeymoon was only 12 hours long. Where was the money that he needed? Not just the money for the economy, but the money to handle the military threat.

It is an open secret, as General Gorman has already indicated here on Capitol Hill, that the guerrillas are planning a Tet-type offensive to be carried out this fall. What we need here is not money that has been appropriated or impounded or whatever, it is money to buy helicopters, to buy communication equipment and to buy ammunition.

In fact, we were amazed at the effectiveness of the El Salvador military when that dam was blown up, they got in there very quickly because they had 23 overaged helicopters, and the President said, we need some modern helicopters, and I do not think this $40 or $50 million is going to be enough to stem that Tet-type offensive.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman.

Mr. KEMP. I thank the gentleman for yielding.

I would like to congratulate the gentleman on his comments, and remind my colleagues that when the El Salvador troops met the challenge of the attack on the dam, they actually had to go out and commandeer private trucks. They do not have enough trucks to move their troops into those areas under challenge. This money, Mr. BARNES from Maryland said they got $1 million a day. Ladies and gentlemen, they do not have the trucks, they do not have the helicopters, and they do not have the ammunition. The gentleman from Maryland has sat on the Kissinger Commission and listened to the problem and now says they got $1 million a day.

If you believe that, you are going to sink democracy in El Salvador thanks to the gentleman from Maryland.

Mr. STRATTON. I support the Murtha amendment and the Kemp amendment. I think this is the kind of thing that can bring an end to that Tet-type offensive.

Mr. LONG of Maryland. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. I thank the gentleman for yielding me this time.

Mr. Chairman and my colleagues, I rise in reluctant support of the Long amendment and in vehement opposition to the Kemp amendment which may follow if the Long amendment is defeated.

I cannot, for the life of me, understand what the rush to provide this additional money to El Salvador in the context of this particular supplemental appropriation is all about. A supplemental appropriation bill is designed to provide resources which were unanticipated on an emergency basis in a situation where the recipient of those resources needs them immediately. Whatever else you may want to say about El Salvador, it does not apply to this particular bill at this time.

We have already, for fiscal 1984, given them $126 million. In this House, we have authorized $132 million for the beginning of the next fiscal year which starts on October 1. There is $50 million which is still in the pipeline in military equipment which has not been delivered to El Salvador but which is en route.

If the Kemp amendment were to be adopted, none of the military equipment which would be purchased with that money would probably reach El Salvador before the beginning of the fiscal year on October 1. When the fiscal year arrives on October 1, El Salvador will be eligible for another $132 million.

Some people may say, OK, even if there is not an emergency, even if a supplemental appropriation is designed to deal with emergency requests, El Salvador can use the money anyway. Let me tell you something: Just as you cannot solve problems at home by throwing money at them, you cannot solve problems abroad by throwing money at them either.

In the last 4 years we have been given the Government in El Salvador more than 10 times as much military assistance as the guerrillas have received in support from Cuba and Nicaragua. Yet in spite of that, the guerrillas are doing better today than they did 4 years ago. Why is it? It is not because we have not given enough military assistance to El Salvador; we have given them 10 times as much as the guerrillas have received. It is because the main problems confronting the Government of El Salvador have much more to do with ineffective leadership, with inadequate motivation, with corruption, with the existence of death squads, and indiscriminate killings on the part of the security forces.

We could give them all the money in the world, and it would make relatively little difference unless they get their own act in order. Now we know they have a President in El Salvador, Jose Napoleon Duarte, who wants to get his act in order. He is committed to the things in which we believe, in democracy and decency. He wants to get rid of the death squads, and if he can do that, then I think we ought to give them all the aid they can use and more. But he has not demonstrated that yet, and I think therefore, it would be premature to give them all this extra money now.

I urge a vote for the Long amendment on the ground that it is the lesser of the two evils.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MARTIN].

Mr. MARTIN of New York. I thank the gentleman for yielding to me at this time.

Mr. Chairman, I listened with interest to the words of the majority leader of this House, JIM WRIGHT. He gave one of his usual great speeches, and when he spoke about giving a transfusion to a friend, he said you do not give it a half pint at a time.

I think it was a great speech. I think it was appropriate then, and I think it is appropriate now. Unfortunately we hear all too often people talking about the administration's policy in Central America or President Reagan's policy in Central America.

It is not just one administration or one individual, it is America's policy in Central America.

I got off the phone 15 minutes ago with Lane Kirkland. As a member of the Kissinger Commission, he had a lot to do with putting together what our policy was going to be in Central America. We did not speak in terms of the amendment here, but of one in the Senate and how he supports the increased economic and military aid for El Salvador. He said, to use his own words, "Let us give democracy a chance."

This was not Ronald Reagan; this was Lane Kirkland. If that is not a cross-section of America, I do not know what is. But I would hope that we can try to keep politics out of this situation. My colleague from New York [Mr. STRATTON] spoke about a recent trip that the Investigations Subcommittee of Armed Services took to El Salvador. I was with him on that trip. I encourage the Members to read our report. It is not the administration's report; it certainly is not a Republican report. As a matter of fact, there were, I believe, six Democrats and two Republicans.

We agreed, after talking with President Duarte, that he is making every effort to make democracy flourish. I said to him, "You did a great job when you were in Washington; you explained a lot of things, and answered a lot of questions people had on their minds." And I said, "I really think you are headed in the right direction." He reponded, "I appreciate your kind comments, but we have seen no action since then."

As the majority leader, said, if you have a friend who needs a transfusion, do you give it a half pint at a time? For some of the people in this Chamber whose constituents might think that El Salvador is a faraway place, with a strange-sounding name, I have news for you: If you leave Washington

and fly to New Orleans, and then go from New Orleans to El Salvador, the second flight is a lot shorter.

□ 1510

As a matter of fact, you can walk it in 14 days, and people are doing it every day because of what is going on down there. If you want to test it, go to one of your local restaurants right here in Washington and order a nice dinner, and then sneak up to the kitchen and yell, "Green Card!" Tragically, it is probably going to be the most orderly evacuation since Dunkirk. A lot of those people have fled here from Central America, having given up hope in their homelands. We now have an elected government, a democracy, in El Salvador. It deserves our support.

They have 23 helicopters. Big deal. I will bet that this morning in the New York metropolitan area more helicopters than that took off, just to tell commuters what the traffic was on the Throg's Neck Bridge and the Long Island Expressway. Salvadorans are trying to defend democracy with what they have, and they deserve our support. Listen to Lane Kirkland. Let us give democracy a chance.

Mr. LONG of Maryland. Mr. Speaker, may I inquire of the Chair how much time we have remaining?

The SPEAKER pro tempore. The gentleman from Maryland [Mr. LONG] has 7 minutes remaining, and the gentleman from Massachusetts [Mr. CONTE] has 5½ minutes remaining.

Mr. LONG of Maryland. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MCHUGH].

Mr. MCHUGH. I thank the gentleman for yielding this time to me.

Mr. Speaker, I urge my colleagues to support the amendment offered by the gentleman from Maryland [Mr. LONG]. The issue is not whether we support Mr. Duarte; we all support Mr. Duarte's goals of stabilizing and reforming Salvadoran society. When we were faced, just a few months ago, with a supplemental request, I spoke in favor of that supplemental request because I believe, as I am sure most of us believe, that it is important for Mr. Duarte to have adequate resources to achieve those goals, goals which many of us have been urging upon that government for some time.

But that is not the issue before us. The issue we are facing today, with only 7 weeks to go in the fiscal year, is how much additional financial help is it appropriate and responsible to provide to the Government of El Salvador to the other governments in Central America. That is the issue. In considering that issue, I urge my colleagues to look carefully at the financial support Congress has already provided.

This year Congress has provided about $600 million to Central America for military and economic assistance. A significant portion was provided in a continuing resolution designed to cover the entire fiscal year. Thereafter, and at the administration's request, Congress supplemental that with an urgent supplemental appropriation bringing the total support to about $600 million.

We have before us now a decision brought on by the administration's third request, and specifying a choice between the amendment of the gentleman from Maryland [Mr. LONG], which would provide another $171 million in economic and military assistance for Central America, and the amendment of the gentleman from New York [Mr. KEMP], which as I understand it, would provide another $500 million for Central America in economic and military assistance.

Seven weeks are left in the fiscal year. Does it make sense to pump $500 million more into Central America, after we have provided $600 million already? In effect, this amounts to a second foreign aid bill; it should not be seen as a supplemental appropriation. It is important for us to understand the difference.

It is important also to look carefully at the particular sums requested by the administration this year and those provided by Congress. The administration requested $230 million in economic support funds for fiscal year 1984 at the beginning of the year. Congress provided $230 million. Congress was hardly stingy. It met the initial request. Now, with only 7 weeks to go in the fiscal year, 290 million additional dollars are called for in the Kemp amendment. That is more than Congress provided in response for the administration request for the entire year.

Is that appropriate or responsible with 7 weeks to go in the fiscal year? I do not think so.

What about development assistance? I am a strong supporter of assistance for economic development, as most of my colleagues know. We had a request from the administration at the beginning of the year for $113 million in development assistance for Central America. Congress responded by appropriating $116.9 million in development assistance more than the Administration requested. Now, with 7 weeks remaining in the fiscal year, we are faced with an amendment by Mr. Kemp to provide an additional $73 million in aid.

Is that appropriate or responsible? Will it be used effectively? How can it be used effectively?

Earlier this year there was a GAO report which said that since 1980 Congress has provided $516 million in development assistance for Central America. As of March of this year, $364 million of that aid was still in the pipeline. Are we, 7 weeks before the end of the fiscal year, with as much as $364 million still in the pipeline, going to pump $73 million more of development assistance into Central America?

Even the most strenuous advocate of development assistance cannot justify such a waste of resources. It is not a question of whether we support President Duarte and his goals of stability and reform. Of course we do. It is a question of what is a responsible expenditure of funds with 7 weeks to go in the fiscal year.

Military assistance for El Salvador is one element of a sound policy in importance in Central America. So long as the government is committed to meeting the legislative needs of its people and is making progress in mending those needs. Because I believe President Duarte is so committed, and deserves a fair chance, I spoke in favor of some aid the last time it was before the House. However, the fact is that the administration requested at the beginning of this fiscal year $85 million in military aid for El Salvador, and subsequently asked for an urgent supplemental appropriation. In response, Congress has provided a total of $126 million of military assistance. Now, with 7 weeks to go in the fiscal year, they want $70 million more and, in fact, the administration actually requested $117 million more.

This is not a question of whether you support President Duarte. It is a question of the sound use of U.S. resources. We are not against President Duarte and his avowed goals. We are not against democracy in Central America. We are not against a reasonable investment which would serve United States' interest in Central America. Congress has demonstrated its support for all of these. But, this is a question of what is sound appropriations policy at the end of a fiscal year.

Pumping this much money into Central America, including El Salvador, under these circumstances is unwise and irresponsible. On that basis, I ask my colleagues, I implore my colleagues, to support the amendment offered by the gentleman from Maryland [Mr. LONG] and, if necessary to reject the Kemp amendment.

Mr. CONTE. Mr. Speaker, I yield 5½ minutes to my good friend, "Semper Fidelis" the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. I thank the gentleman for yielding this time to me.

Mr. Speaker, let me set the stage and talk about the problem we have here as I see it.

The other body has passed several times substantially more money. The House has authorized substantially more money. We have come to some sort of an agreement with the other body, hopefully, that $70 million would be an adequate figure to fund El Salvador.

Why do we want $70 million? We talk about wanting to keep a string on, we want to make sure that President Duarte does what we are interested in. We are concerned that if we give him too much money he will go out and do the wrong thing.

I am not sure that that is the way we should run our policy. I am sure of this: That I would not want to be in a foxhole waiting for the Congress to debate sending down helicopters and ammunition and trucks if I were in a firefight. If we have intelligence reports that indicate we might have a heavy rebel activity this fall, that means that they have to step up their activity—I am talking about Government activity—in order to offset that.

For instance, one of the basic policies of the military is that if you want to keep them from having a strong rebel activity, we are going to have to have all kinds of patrols, we are going to have to have increased military activity on our side.

What kind of equipment are we using? We are charging the Government of El Salvador substantial amounts of money for old equipment. We have equipment that is 20 years old. The Huey helicopter is 20 years old. I rode in a helicopter up to a radio tower where they have to keep backing down—when I say backing down, they flew down and flew back up again—because of the humidity and the hot weather. As we went out into the field, we heard about the shortage of bullets, the shortage of ammunition, and so forth. That is not true now. It is not true because the Congress has acted responsible.

Every time we get ourselves into a position where they start to increase their military activity in order to control the rebels, we should not say back here we are going to pull back because, in my estimation, it is the worst type of thing we could do. We hamstring the Duarte administration to the point where they cannot act effectively.

One of the basic tenets of fighting a guerrilla is to try to have the flexibility and the equipment necessary in order to fight on several fronts.

□ 1520

These guerrillas are well coordinated. They have communications, very, very good communication between their units, and if they are in a firefight they will start another activity someplace else in order to draw off Government forces from the activity if they think they are being routed in one area.

You cannot do this with simple equipment. I think we proved in Vietnam the impossibility of operating effectively in that type of an environment.

They are doing it themselves. The United States is not doing the fighting. They, El Salvador troops are doing the fighting. The United States is giving them what they need in order to fight rebel incursions in their country.

Now, have they lived up to what we asked them to do? I can remember the first time that I was down in El Salvador. We had to have an armed guard with us. We had to travel with bullet proof glass in the windows and had to travel in convoy. It has gotten better since that time.

The area we flew out into, there was so much guerrilla activity that we could not even land. In the subsequent time since we went back it has gotten better.

The first time I was down there we had so many bodyguards around us, if somebody had thrown a firecracker in a parking lot there would have been a major war going on between the bodyguards guarding the people who were inside the reception.

The last time I went down this did not happen. The activity has decreased.

Why has it decreased? The activity has decreased because the military have reformed themselves. They are no longer on a seven or eight or nine to five schedule. They are working on Saturday and Sunday and they are doing the things we insisted they should do.

If they do that kind of activity, certainly we should not try to reduce the amount of ammunition, supplies, helicopters, trucks and medical supplies that we are sending to them.

It is a matter of how much money is available. The Senate has voted substantially more money. The House has authorized more money and it seems to me, and I congratulate the chairman on coming up with a figure of $40 million, it is a matter of the difference between $40 million and $70 million and certainly we should err on the side of more money, rather than less.

So I have to strongly urge the House to defeat the $40 million in this amendment and vote for the $70 million which will be offered after this amendment is defeated.

Mr. BROOMFIELD. Mr. Speaker, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Speaker, I want to compliment the gentleman from Pennsylvania. Once again he has shown his statemanlike attitude on a very critical problem. I agree what he said in his statement, if we are going to err we ought to err on the side of giving them adequate money. I think that is the most important thing today to remember. The amendment before us at the present time is not adequate.

Mr. LONG of Maryland. Mr. Speaker, I yield myself 2 minutes.

In closing, Mr. Speaker, one thing we have got to get clear, we are not being stingy with El Salvador. We had $64.8 million in the last continuing resolution 1 year ago and another $61.75 million this last spring in the urgent supplemental. That is $126 million so far this year.

Now we are proposing to spend a lot more than that on a monthly rate for the balance of this year. The question is, Is it needed? What we really need in Central America and El Salvador is a military that is willing to get out there and fight. The truth is they are not willing to fight. They do not have officers that are willing to fight and everybody down there will admit it. These officers are not chosen for their willingness to fight, yet, that is what we must have in El Salvador. It will do no good to throw a lot of weapons at them. We have given tremendous quantities of weapons to El Salvador. We did the same thing in Vietnam a number of years ago. We dumped weapons on them and those same guns are now finding their way all over Central America being used against the people that we are trying to support.

So I urge that we support the Long amendment and turn down the Kemp substitute.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from Maryland [Mr. LONG].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. OBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

Mr. SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 57, nays 340, not voting 35, as follows:

[Roll No. 368]

YEAS—57

Akaka	Guarini	Ottinger
Anderson	Hamilton	Pease
Barnes	Harrison	Pickle
Bedell	Hoyer	Ratchford
Bryant	Hughes	Reid
Carper	Jenkins	Schneider
Coleman (TX)	Kastenmeier	Schulze
D'Amours	Kleczka	Sharp
Derrick	Leach	Slattery
Dicks	Lehman (FL)	Smith (IA)
Durbin	Levin	Solarz
Dwyer	Long (MD)	Spratt
Evans (IA)	Lundine	Synar
Foley	MacKay	Tauke
Ford (MI)	Mazzoli	Udall
Frost	McHugh	Volkmer
Gejdenson	Natcher	Walgren
Glickman	Nowak	Whitten
Gonzalez	Obey	Yatron

NAYS—340

Ackerman	Applegate	Bellenson
Addabbo	Archer	Bennett
Albosta	Aspin	Bereuter
Andrews (NC)	AuCoin	Berman
Andrews (TX)	Barnard	Bevill
Annunzio	Bartlett	Biaggi
Anthony	Bates	Bilirakis

Bliley	Gray	Mollohan
Boehlert	Green	Montgomery
Boggs	Gregg	Moody
Boland	Gunderson	Moore
Boner	Hall (IN)	Moorhead
Bonior	Hall (OH)	Morrison (CT)
Bonker	Hall, Ralph	Morrison (WA)
Borski	Hammerschmidt	Mrazek
Bosco	Hance	Murphy
Boxer	Hansen (ID)	Murtha
Breaux	Hansen (UT)	Myers
Britt	Harkin	Nelson
Broomfield	Hartnett	Nichols
Brown (CA)	Hawkins	Nielson
Brown (CO)	Hayes	O'Brien
Broyhill	Hefner	Oakar
Burton (CA)	Heftel	Oberstar
Burton (IN)	Hertel	Olin
Byron	Hightower	Ortiz
Campbell	Hiler	Owens
Carney	Hillis	Oxley
Carr	Holt	Packard
Chandler	Hopkins	Panetta
Chappell	Horton	Parris
Chappie	Hubbard	Pashayan
Cheney	Huckaby	Patman
Clay	Hunter	Patterson
Clinger	Hutto	Paul
Coats	Hyde	Penny
Coelho	Ireland	Pepper
Coleman (MO)	Jacobs	Petri
Collins	Johnson	Porter
Conable	Jones (NC)	Price
Conte	Jones (OK)	Rahall
Conyers	Jones (TN)	Rangel
Cooper	Kaptur	Ray
Corcoran	Kasich	Regula
Coughlin	Kazen	Richardson
Courter	Kemp	Ridge
Craig	Kennelly	Rinaldo
Crane, Daniel	Kildee	Ritter
Crane, Philip	Kindness	Roberts
Crockett	Kogovsek	Robinson
Daniel	Kolter	Rodino
Dannemeyer	Kostmayer	Roe
Darden	Kramer	Roemer
Daschle	LaFalce	Rogers
Daub	Lagomarsino	Rose
Davis	Lantos	Rostenkowski
Dellums	Latta	Roth
DeWine	Leath	Roukema
Dickinson	Lehman (CA)	Rowland
Dingell	Leland	Roybal
Dixon	Lent	Russo
Donnelly	Levine	Sabo
Dorgan	Levitas	Savage
Dowdy	Lewis (CA)	Sawyer
Downey	Lewis (FL)	Schaefer
Dreier	Livingston	Scheuer
Duncan	Lloyd	Schroeder
Dymally	Loeffler	Schumer
Dyson	Long (LA)	Seiberling
Eckart	Lott	Sensenbrenner
Edgar	Lowery (CA)	Shannon
Edwards (AL)	Lowry (WA)	Shaw
Edwards (CA)	Lujan	Shumway
Edwards (OK)	Luken	Shuster
Emerson	Lungren	Sikorski
English	Mack	Siljander
Erdreich	Madigan	Sisisky
Erlenborn	Markey	Skeen
Evans (IL)	Marlenee	Smith (FL)
Fascell	Martin (IL)	Smith (NE)
Fazio	Martin (NY)	Smith (NJ)
Feighan	Martinez	Smith, Denny
Fiedler	Matsui	Snowe
Fields	Mavroules	Solomon
Fish	McCain	Spence
Flippo	McCandless	St Germain
Florio	McCloskey	Staggers
Foglietta	McCollum	Stangeland
Ford (TN)	McDade	Stark
Fowler	McGrath	Stenholm
Frank	McKernan	Stokes
Franklin	McKinney	Stratton
Frenzel	McNulty	Studds
Gaydos	Mica	Stump
Gekas	Michel	Sundquist
Gephardt	Mikulski	Swift
Gibbons	Miller (CA)	Tallon
Gilman	Miller (OH)	Tauzin
Gingrich	Mineta	Taylor
Goodling	Minish	Thomas (CA)
Gore	Mitchell	Thomas (GA)
Gradison	Moakley	Torres
Gramm	Molinari	Torricelli
Valentine	Wheat	Wolpe
Vander Jagt	Whitehurst	Wortley
Vandergriff	Whitley	Wyden
Vento	Whittaker	Wylie
Vucanovich	Williams (MT)	Yates
Walker	Williams (OH)	Young (AK)
Watkins	Wilson	Young (FL)
Waxman	Winn	Young (MO)
Weaver	Wirth	Zschau
Weber	Wise	
Weiss	Wolf	

NOT VOTING—35

Alexander	Garcia	Pursell
Badham	Hall, Sam	Quillen
Bateman	Hatcher	Rudd
Bethune	Howard	Shelby
Boucher	Jeffords	Simon
Brooks	Lipinski	Skelton
Clarke	Marriott	Smith, Robert
Coyne	Martin (NC)	Snyder
de la Garza	McCurdy	Towns
Early	McEwen	Traxler
Ferraro	Neal	Wright
Fuqua	Pritchard	

□ 1540

Messrs. ROYBAL, STANGELAND, VANDERGRIFF, YATES, PATTERSON, ANDREWS of North Carolina, FAZIO, BONIOR of Michigan, and LUKEN, Mrs. SCHROEDER, and Messrs. HERTEL of Michigan, MINETA, McNULTY, DINGELL, and BATES changed their votes from "yea" to "nay."

Mr. HUGHES changed his vote from "nay" to "yea."

So the motion was rejected.

The result of the vote was announced as above recorded.

MOTION OFFERED BY MR. KEMP

Mr. KEMP. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. KEMP moves that the House recede from its disagreement to the amendment of the Senate numbered 164 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

CENTRAL AMERICA DEMOCRACY, PEACE AND DEVELOPMENT INITIATIVE

For expenses necessary to enable the President to carry out the provisions of the Central America Democracy, Peace and Development Initiative Act of 1984, the Foreign Assistance Act of 1961, as amended, and for other purposes, for assistance for Central American countries, to remain available until March 31, 1985, in addition to amounts otherwise made available for such purposes:

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

For an additional amount for "Agriculture, rural development, and nutrition, Development Assistance", $10,000,000.

HEALTH

For an additional amount for "Health, Development Assistance", $18,000,000.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

For an additional amount for "Education and human resources development, Development Assistance", $10,000,000: Provided, That of this amount not less than $2,000,000 shall be available only for the International Student Exchange Program.

ENERGY AND SELECTED DEVELOPMENT ACTIVITIES

For an additional amount for "Energy and selected development activities, Development Assistance", $30,000,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $290,500,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "Operating expenses of the Agency for International Development", $2,489,000: Provided, That not less than $727,000 shall be available only for the activities of the Inspector General's office.

INDEPENDENT AGENCY

PEACE CORPS

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612), $2,000,000.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE PROGRAM

For an additional amount for "Military assistance", $140,000,000, notwithstanding the limitations and restrictions contained in section 101(b) of Public Law 98-151: *Provided*, That not more than $70,000,000 of the funds made available by this paragraph shall be for El Salvador.

GENERAL PROVISIONS

Funds under this chapter are made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

Mr. KEMP (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. KEMP] will be recognized for 30 minutes and the gentleman from Maryland [Mr. LONG] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. KEMP].

Mr. KEMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to say to my colleagues that this is not going to take the full hour. I know there is impatience in the Chamber and everyone wants to dispose of this issue quickly. It has been fully debated and been a health discussion. I do not plan to take the full 30 minutes allotted to me.

But Mr. Speaker, I know my colleagues understand the fact that there are those who are totally opposed to any assistance, there are those of us who think that this assistance comes at a very critical time in the history of the very fragile democracy that is emerging in El Salvador and throughout Central America. Not many minds will be changed but this is a critical vote for the future of this hemisphere.

Mr. LIVINGSTON. Mr Speaker, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, in the interest of brevity, I rise in strong support of the Kemp-Murtha amendment.

Mr. Speaker, I rise in strong support of the Murtha-Kemp amendment, which basically seeks to implement the recommendations of the bipartisan Kissinger Commission on Central America and the Reagan administration. In that same spirit of bipartisanship, we are proposing a compromise on military assistance to Central America, generally, and El Salvador, specifically. Both would receive substantially less than I would like, but substantially more than provided in the House-passed bill.

The Central American region is vitally important to the national security of all Americans. It is partially for this reason that the Soviet Union has sought to expand its presence and increase its influence there, with the assistance of Marxist, totalitarian governments in Cuba and Nicaragua. Our policy, on the other hand, is aimed at promoting democracy and equitable economic growth in a secure climate. That policy is working, but if it is to continue working, this Congress must provide the President with the wherewithal to reach the goals we all support. Unfortunately, freedom is never free. It never comes cheap.

Failure to pass the supplemental economic assistance provision would jeopardize the strategy we are pursuing. The overall economic decline in Central America, in which we have made such progress so far, would recur. In Costa Rica—a secure democracy that faces problems from economic stress—the economic stabilization would be severely hurt. The momentum toward economic recovery in El Salvador would also be reversed, dealing a new setback to private sector confidence and to the ability of the Duarte government to show economic progress which is reinforcing the democratization process and ending the violence. Similar adverse consequences would follow in Panama, Honduras, and Guatemala if these funds are not approved. In those countries, we are at various stages of trying to encourage and facilitate democratic rule. And we are having success.

The economic aid comprises the bulk of this assistance now before us, but there is also an equally important component of military aid. And we should remember that without military aid to provide a security shield against the economic terrorism and sabotage of the Marxist guerrilla, no economic development can take place.

Failure to provide this military assistance—which again, is less than the President's request—would risk continuation of a military stalemate in El Salvador. It would also lead to regional uncertainty of U.S. resolve. Without the aid provided in this amendment, we cannot help the Durate, democratically elected, government end the battlefield stalemate with the Communist rebels who would rule by bullet instead of ballot. We would not be able to provide the needed mobility, firepower, training and other capabilities to help move the conflict toward a peaceful resolution. As the bipartisan Kissinger-Jackson commission said "The worst possible policy for El Salvador is to provide just enough aid to keep the war going, but too little to wage it successfully."

The House-passed bill cut the military assistance for Central America by over 70 percent, and we simply must restore some of that today. Recent intelligence evidence has shown conclusively that the Communists continue to funnel arms and ammunition through Nicaragua to Communist guerrillas in El Salvador, so it would be a tragic mistake if we failed to provide similar aid to President Duarte to defend his country. He has made such tremendous progress in improving human rights and reestablishing democracy; we cannot and must not let him down.

Mr. Speaker, I cannot say it any better than the Republicans and Democrats on the Bipartisan Commission who put it this way:

> The Commission has concluded that the security interests of the United States are importantly engaged in Central America; that these interests require a significantly larger program of military assistance, as well as greatly expanded support for economic growth and social reform; that there must be an end to the massive violation of human rights if security is to be achieved in Central America; and that external support of the insurgency must be neutralized for the same purpose.

Let's support the Murtha-Kemp amendment and get this job done.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong support of the Kemp-Murtha amendment and urge my colleagues to support it.

Mr. Speaker, I rise in strong support of the Kemp amendment concerning military aid to El Salvador.

In May, this body voted to authorize the funds and conditions recommended by the Jackson plan for Central America. Having approved the terms of the Jackson plan, we cannot now stop halfway. As the National Bipartisan Commission on Central America reported, "There is no logical argument for giving some aid but not enough." The Commission recommendations are just as valid now as they were when they were issued in January, and the urgency to act is even greater. The Jackson plan report states, "The Commission recommends that the United States Provide to El Salvador—subject to the conditions we specify later in this chapter—significantly increased levels of military aid as quickly as possible. . . ."

This House established the necessary conditions for that military aid, and we have seen with Jose Napoleon Duarte, the newly elected President of El Salvador, a commitment to carry out the reforms and conditions which we all seek and support.

In past years, the Congress has failed to approve fully the administration's requests for military assistance to El Salvador. As a result, we have reached the point where the Salvadorans are trying to play catch-up in meeting the needs for the defense of their country. The moneys represented in this request today are not some extravagance that can be easily dismissed. The request represents much-needed equipment to enhance the mobility and communications of the Salvadoran Army.

Critics complain that there has been no successful interdiction of weapons coming into El Salvador from Nicaragua. But the Salvadoran military's ability to interdict weapons has been severely limited because they lack the communications, air and naval craft and intelligence equipment to implement such a program. The newly released intelligence with photos, maps and documents provide compelling evidence of the unceasing supply operation and control of the Salvadoran guerrillas from Nicaragua. The funds in this bill represent the money needed to provide the Salvadorans with the equipment they need to start intercepting the incoming flow of arms from Nicaragua.

It is particularly vital at this time to demonstrate to the Salvadorans that we support their commitment to democracy and to give President Duarte the opportunity to solidify his position in carrying out the reforms we all support. The threat of a fall guerrilla offensive still hangs over El Salvador. Approval of these funds would provide a great psychological boost even if they were not all available in time to confront the fall guerrilla offensive.

Mr. Speaker, much has been said about the position of church groups on the question of assistance to El Salvador, particularly military aid.

I attach and recommend to my colleagues an article from this morning's L.A. Times by Joan Frawley, a contributing editor of the National Catholic Register, entitled: "A New Era in El Salvador? Bishops Give Duarte A chance to Achieve Reforms Peacefully."

Ms. Frawley points out the bishops of El Salvador have become disillusoned by the actions of the guerrillas, their confidence in President Duarte and that they "continue to support

U.S. economic and military assistance as long as the insurgents receive outside help."

I urge my colleagues to support the Kemp amendment and to oppose the Long amendment.

A NEW ERA IN EL SALVADOR?

(By Joan Frawley)

The murder of an archbishop and four churchwomen earned recent Salvadoran governments a reputation as murderous and "nun-killing." And today leftist guerrillas and many U.S. human-rights groups argue that El Salvador's new president, Jose Napoleon Duarte—who has wielded nominal power in the past—can't change that poor record. But El Salvador's bishops disagree: Their confidence in the current government signals a new era in church-state relations and a quiet dissent from the guerrillas' agenda.

This new episcopal optimism—that necessary economic and social reforms can be achieved through peaceful means—argues against the observers, and U.S. Catholic activists, who continue to focus on a dated image of Salvador's spiritual shepherds pitted against a brutal power structure. The position of the hierachy should force Americans to see that something new really is happening in El Salvador.

The bishops' stepped-up criticism of the left should be seen in the context of their past role in raising the political consciousness of a nation that is 98% Roman Catholic. Though once a pillar of the status quo, they began to reassess their ties to the landed elite in the wake of Vatican II and the 1968 Latin American bishops' conference in Medellin, Colombia, that called for a "preferential option for the poor" and a new way of analyzing social injustice through the Gospel message.

In a country where the gap between rich and poor was Latin America's most extreme, the results were predictable. In the 1970s many priests helped organize Salvadoran workers and *campesinos* into mass organizations whose membes first agitated for political and economic reforms and later (following the killing of their leaders) went underground or into the mountains to join the insurgents or form their own guerrilla movement.

The outspoken support that these mass organizations had received from Oscar Romero, appointed archbishop of San Salvador in 1977, was crucial to their early development. Some elements, including some leaders, were openly Marxist, but Romero tolerated their use of Marxism as a tool for scientific analysis while rejecting an atheistic or materialistic view of man's purpose on Earth. Then, in a 1978 pastoral letter, he took the church a step further: Citing a papal encyclical that recognized the need for armed struggle "where there is manifest longstanding tyranny which would do great damage to fundamental personal rights and dangerous harm to the common good," he endorsed "the legitimate right of insurrectional violence."

Today four factors contribute to the church's withdrawal of support for armed struggle: the 1982 and '84 elections, the successful efforts of previous governments to nationalize the banks and implement land reform, the rebels' tactic of economic sabotage, and a growing disenchantment with the Sandinista revolution next door in Nicaragua.

While church leaders will continue to press Duarte's government to broaden economic reforms and punish death-squad supporters, they also voice growing concern about the rebels' strategy of disrupting agricultural production and destroying public transportation, power plants, factories and bridges. It is not the army but the poor and small farmers who suffer from this crippling of the economy.

Essentially the hierarchy now believes that the guerrillas want to grab power without popular consent. Indeed, the recent adoption of forced recruitment to increase rebel ranks suggests that their movement has lost much of its appeal, though it remains militarily strong.

The bishops' disillusionment with the left is not the only fruit of the elections or the rebels' controversial tactics. The Sandinista revolution, once viewed as the hope of all Central Americans, is now seen by Salvador's spiritual leaders as a case study of a democratic movement confiscated by an armed Marxist party. And if they have any doubts about how they might fare under a revolution controlled by the left, they need only witness present church-state relations in Nicaragua, highlighted by the recent expulsion of 10 priests loyal to Managua's Archbishop Miguel Obando y Bravo, a critic of the regime.

Further, the fact that the overthrow of the Somoza regime did not signal the end of war in Nicaragua, but only the beginning of a different kind of conflict, has increased the hierarchy's uneasiness with the Sandinista revolution—and, by extension, the Salvadoran insurgents.

An estimated 40,000 Salvadorans have died in civil violence since 1980. As El Salvador's leaders emerge from a decade of ideological confusion, their first priority must be to nurture dialogue as the best hope of attaining a just peace.

To this end San Salvador's Archbishop Arturo Rivera y Damas and Bishop Marco Revelo of Santa Ana took part in a national peace commission that sought to identify points of agreement between the government and democractic rebel elements. And while the hierarchy applies itself to the task of national reconciliation, Rivera and his colleagues continue to support U.S. economic and military assistance as long as the insurgents receive outside help, provided the assistance is conditioned on human-rights improvements.

Critics of the heirarchy's new strategy say that the bishops' optimism will soon be soured by the hardball politics of the right wing or the military. The bishops acknowledge the risks, but they argue that Salvadoran politics are not static. The Duarte government presents new possibilities that the church is obligated to explore.

(Joan Frawley, a contributing editor of the National Catholic Register, has just returned from a tour of El Salvador.)

Mr. BROOMFIELD. Mr. Speaker, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Speaker, I, too, join in support of the Kemp-Murtha proposal.

Mr. Speaker, I support the amendment to the supplemental appropriations bill before us. However, I regret that it does not provide full funding of the President's request for El Salvador. There are many reasons why we should support our friends and allies to the south.

In recent months, the people of El Salvador elected a new President, Mr. Jose Napoleon Duarte. After a hard-fought campaign, the democratic process triumphed. Already, Mr. Duarte has begun to move his country along the road to democracy. He has already made progress in the human rights area. The activities of the death squads have been dramatically reduced. Military violence against civilians has sharply dropped. President Duarte has made progress in gaining control of the army. He is working hard to rebuild the economy. I believe that all of us would agree that he is a man in whom we have confidence. Let us give him the military and economic aid which will be sufficient to allow him to succeed. Let us not cut him off at the pass before he has a chance to prove himself. He, like all of us, believes in democracy and freedom. We owe him our support.

Just the other day, we saw some of the most convincing evidence yet that the Sandinistas are providing war material to the guerrillas in El Salvador.

Nicaragua is clearly trying to export its revolution to El Salvador. Commandante Ortega ia trying to destabilize the new Duarte government. By cutting off aid to the anti-Sandinista Contras. the Congress has opened up the back door to more guerrilla activity in El Salvador. When the activities of the Contras come to an end. Nicaragua will be ready to focus all of its resources toward the Salvadoran Government. Without more American help, President Duarte will be unable to control the security situation in his own country. The guerrillas will grow in strength and will continue to destroy the Salvadoran economy and violate the human rights of Salvadoran citizens. At that point, the Salvadoran Government could lose control and the Communists could win with bullets what they know they could not win at the ballot box.

President Duarte faces many challenges. He has appealed for our help and assistance. We can help carry out the programs which he has promised to his people. We can help him move his country along the road to peace and economic development. We can help him establish democratic rule in that nation.

Giving El Salvador too little assistance will let that fragile nation bleed to death before our very eyes. Giving insufficient funding to El Salvador will almost guarantee a future Marxist-Leninist regime. These are weighty issues. All of us should carefully weigh our decision here today. I know that many of you share my deep concerns about Central America. Now is the time to help El Salvador, President Duarte, and democracy in Central America. The future of that lovely land, which lies so near to our south-

ern border, is in our hands. I call upon all of my colleagues to vote in support of the amendment.

Mr. KEMP. Mr. Speaker, I offered this motion with my good friend from Pennsylvania [Mr. MURTHA] in hopes of reaching a prudent and responsible course for the conduct of our economic and development assistance, plus our security assistance in Central America.

This is something that has been worked out with both sides of the aisle. It has been fully debated. There are those who do not want any, not one single penny more in Central America.

I think many of us on both sides of the aisle recognize that the work of the Kissinger Commission over a period of 6 months in a bipartisan manner predicated upon the idea that we shall begin in 1984 with a higher level of funding for security and economic assistance with this supplemental.

I want to remind my colleagues that this supplemental has been pending since last February and since last February there has been progress in El Salvador, there has been progress in democracy and progress in security throughout Central America. I would suggest that this is a prudent and responsible approach to providing the necessary economic, social, and political support to the emerging Duarte government in El Salvador and I ask my colleagues, please do not pull the rug out from underneath Duarte, but what is even more important, please give democracy a chance in El Salvador and in Central America.

I thank my colleagues for this support for my amendment.

Mr. Speaker, I reserve the balance of my time.

Mr. LONG of Maryland. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, a few moments ago we were told by one speaker on this side of the aisle that if we were going to err, we ought to err on the side of giving enough money. I wish I had heard those same voices use those words when were dealing with appropriations on this House floor to feed hungry people or to provide medical research for our people. We have had votes to cut appropriation bills across the board.

We have had votes in this House on across-the-board amendments which have cut our ability to educate our own kids, to feed our own poor and to shelter our own elderly. But when it comes to military budgets or when it comes to military foreign aid, the motto of this Congress and this administration seems to be open sesame.

□ 1550

What we are being told is that despite the fact that we are providing 56 percent more money this year than last year for El Salvador, that it is not enough. We are being told that a 420-percent increase—I repeat that—a 420-percent increase in grant military assistance since this administration took over in 1981 is not enough. We are being told by the authors of this amendment that it is not enough to increase all military aid programs by 97 percent since this administration took office. We are being told that is not enough.

I suggest it is enough. I suggest there is no responsible reason to provide $50 million a day in additional spending in a supplemental in the remaining 50 days of this fiscal year.

I urge the Members to vote "no".

Mr. KEMP. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. Mr. Speaker, unlike some of my colleagues on this side of the aisle, I support the concept of conditionality and I have supported the conditions that we have in the past applied to this assistance. In my opinion, it is inappropriate behavior by elected representatives of the people to shell out taxpayer dollars without spelling out conditions.

And I want my colleagues to understand that the Kemp amendment includes the conditions that were added in the Senate by Senator KENNEDY.

But the concept of conditionality works only if we respond as promised when the conditions are met. Conditionality is a simple approach: the carrot and the stick. If we use the stick we have to be prepared to offer the carrot.

We have set out conditions and El Salvador has met those conditions. Land reform, military reform, political reform, convictions, elections, transforming an aristocracy into a democracy. They have done all of that and now they need our help.

A liberal, social reformer, an enemy of the death squads, a friend of the people has been elected president of El Salvador. He is appealing to us to help him save that new democracy. The Government of El Salvador is short of ammunition. It needs our help. President Duarte needs our help and we ought to give it to him.

Mr. LONG of Maryland. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am, of course, in some ways discouraged. But, I do feel very strongly that we were successful in cutting this military appropriation to El Salvador from $116 million to $70 million, the level which the gentleman from New York is now offering.

I think, in a sense, I earned my pay for the day.

So, I say nothing more—but let democracy in action take place.

Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I simply wanted to say that I rise in support of the pending amendment.

I do not think we are being inconsistent at all. We have had two traunches on this matter already for fiscal 1984, and this is the third.

I ask my colleagues this: How would you like to try to run a government under the conditions that President Duarte fares with not knowing from 1 minute to the next exactly what kind of help his country is going to get or how much.

We handle this in two "traunches" to wait for various matters to settle out. One of those things was to get Duarte elected. Well, he got elected. He put his life on the line. The people in El Salvador put their lives on the line. We need to give the man a chance.

The administration requested $117 million in this appropriation request. It has been cut to $70 million. It does not satisfy those who want zero. It does not satisfy those who want $117 million. But it is a good compromise.

I thank the gentleman. I think we ought to support it.

Mr. LONG of Maryland. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I want to thank my distinguished colleague, the gentleman from Maryland, who has worked very, very hard as chairman of the subcommittee. I think he deserves all of our gratitude for the work that he has done in attempting to bring about peace in El Salvador.

Mr. Speaker, this is not just a matter for those of us who have the privilege to serve in this Chamber. The American people are watching, especially those of us on this side of the aisle, to see whether we have any sense of integrity when we say that we want to bring the fighting and the killing in El Salvador to an end.

We have provided in the last 60 days $81 million in military assistance to the Government of El Salvador. To provide more at this point is not to help Napoleon Duarte, it is to undercut him, to make him irrelevant, and to give the military a blank check.

How many more times will this body be asked to send military aid to El Salvador? How many more dollars will we provide?

Will we ever see the light at the end of tunnel in El Salvador? How long can we believe that more guns, more helicopters and more weapons will bring about a peaceful resolution to that country's civil war?

In June, Salvadorans went to the polls in record numbers and elected Napoleon Duarte president of their country. The vote they cast was a vote for peace, a vote for an end to the violence that has filled the countryside and streets of El Salvador. It was a

vote for an end to a war during which 40,000 of their brothers, sisters, mothers, fathers, and children all civilians, met their deaths at the hands of the death squads and the security forces.

It was not a vote for more military assistance; it was not a vote to prolong the war, to expand the killing, and to unleash further bloodshed.

Let us listen to the people of America and to the people of El Salvador and vote to defeat the Kemp amendment.

Mr. LONG of Maryland. Mr. Speaker, I yield back the balance of my time.

● Mr. FEIGHAN. Mr. Speaker, I rise in strong opposition to the supplemental request for more military aid to El Salvador.

This House has already approved $126.5 million in military aid to El Salvador this year—A 50-percent increase over last year's levels, and more than 20 times the amount appropriated in 1980. This amendment would add another $70 million for guns to El Salvador—All to be spent in the next 2 months.

Supporters of this additional aid have argued that we must approve more money in order to demonstrate our support for the new President of El Salvador, Napoleon Duarte. Three years ago, when the House passed the first large increases in military assistance to El Salvador, we heard similar reasoning. Section 728 of that bill contained a paragraph that seems especially relevant today:

> The United States also welcomes the continuing efforts of President Duarte and his supporters in the Government of El Salvador to establish greater control over the activities of the members of the armed forces and government security forces. The Congress finds that it is in the interest of the United States to cooperate with the Duarte Government in putting an end to violence in El Salvador by extreme elements among both the insurgents and the security forces, and in establishing a unified command and control of all governemt forces.

Saying that, Congress proceeded to send more and more military aid to El Salvador, largely without meaningful conditions. And, as we all know, Duarte was not able to rein in the security forces, and the violence did not end. Extremists of the left and the right continue to hold El Salvador hostage to terror.

I sincerely hope that Mr. Duarte can muster the forces needed to break that stranglehold, and I know that he is going to do everything in his power to derail the death squads, defeat the guerrillas, and develop a new type of society in El Salvador. In fact, I am pleased to note recent press reports indicating that death squad violence may be decreasing.

But Mr. Duarte, courageous and popular as he is, cannot secceed on his own. He knows that, and we know that. To accomplish real reforms and achieve real peace, he will need leverage with those elements in the Salvadoran security forces who have the power to control the violence, but don't want to. And the only way Duarte can secure that clout is if he can convince the military, and convince the security forces. That U.S. aid will stop if death squad killings continue. It's important to remember, I think, that no verdicts were returned in the nuns' trial until Congress explicitly tied 30 percent of our military aid to the completion of the court proceedings.

Mr. Speaker, our policy to El Salvador should not be dependent on the election of a single individual. If Roberto D'Aubuisson had won the May elections, you can bet that this House would have attached air-tight conditions to any military aid to El Salvador—and rightfully so. As the Kissinger Commisson has pointed out, conditions on military aid to El Salvador should be "seriously enforced." Without these, El Salvador—whether it is headed by Duarte, D'Aubuisson, or anyone else—will not be the free, democratic and developed society that we all want to see. The sooner we realize this truth, the better off we—and more important, the people of El Salvador—will be.●

● Mr. BONKER. Mr. Speaker, as consideration of the fiscal year 1984 urgent supplemental appropriations legislation continues, I wish to go on record in opposition to the provision of any additional military aid for El Salvador in this fiscal year. El Salvador is already slated to receive $126 million in military aid this year, but the Senate, spurred on by the Reagan administration, is now seeking $116.7 million in supplemental security assistance. The House has so far resisted this proposal, which would bring the total military aid level up to $243.5 million.

During House action in early May on the fiscal year 1984 supplemental and fiscal year 1985 foreign assistance authorization legislation, I strongly supported the committee bill, which contained no additional military money for El Salvador this year. I also voted twice against the Broomfield amendment that restored the Reagan administration's funding requests for Central America.

On May 24, the House voted 267 to 154 to approve some $62 million in supplemental fiscal year 1984 military aid for El Salvador, $30 million of which was actually new money. That vote, coming on the same day as the announcement that the murderers of the American lay workers had been convicted, was viewed by myself and many of my colleagues as a unique, good will gesture to the newly elected President of that country. While in Washington that week, President Duarte promised to take a number of concrete steps to improve the human rights situation. Among these were the establishment of several presidential commissions to investigate the death squads and to curb human rights abuses, and the initiation of a national dialog to broaden the political process, including peace talks with the guerrillas.

Now, barely 3 months later, the administration is again pushing for what would amount to about a 100-percent increase over the level approved in May in security assistance for El Salvador. This would also mean that El Salvador would receive in 2 months close to double the level of military aid provided in the first 10 months of this fiscal year. Moreover, according to chairman of the Appropriations Foreign Operations Subcommittee, there is still some $50 million in the pipeline.

Three months may hardly be a sufficient amount of time to determine whether President Duarte is fulfilling his commitments; however, very little progress—some would argue no progress—has been made in the establishment of the presidential commission or in fostering a national dialog. Mr. Speaker, in my view, this is not the time for the Congress to approve any additional military aid for that country.

Military aid to El Salvador

	Millions
Authorized FY 1984	$64.8
CR FY 1984	64.8
May 24, 1984 urgent supplement	62.0
May 24, 1984 total	126.8
August 10, 1984 urgent supplemental	116.7
Total FY 1984 supplemental ($116.7 plus $62)	178.7
Total FY 1984 ($178.7 plus $64.8)	243.5●

● Mrs. SCHNEIDER. Mr. Speaker, I deplore the situation that results in bills such as this coming before the House. I feel that such votes, while within the bounds of acceptable parliamentary procedure, do not provide an acceptable vehicle for me to represent either my conscience or the wishes of my constituents. The inclusion of so many disparate programs in a single bill is unnecessary. It results in ensuring that military aid is provided to a country which has not yet shown an ability to guarantee the even-handed administration of justice. I can only hope that eventually I will find that my concerns are unnecessary and that the military assistance included in this bill will be used in a manner that will bring about a genuine peace in El Salvador.

The House has considered providing additional military aid to El Salvador in a number of ways in recent years. I have been consistent in my opposition to providing such military aid until concrete evidence of progress in human rights is forthcoming. When the House last considered military aid to El Salvador, I voted against it. In the intervening months I have viewed

with some optimism the playing out of democratic processes in that country and I am heartened by the apparent improvement in the judicial system that has occurred. Nevertheless, I am still concerned that we have had insufficient time to accurately judge the progress being made on these fronts. Unfortunately, because of parliamentary maneuvering, we are not given a straightforward opportunity to vote against military aid to El Salvador and at the same time provide supplementary funding for a number of important humanitarian programs.

I oppose the $117 million in military funding for El Salvador provided for in the Senate version of the supplemental appropriation. In an attempt to provide a level of funding that might be acceptable to the Senate—and at the same time prevent a deadlock that would end funding for a number of very important programs—I support a proposal to provide approximately a third of the amount requested by the Senate.

Should that proposal fail, I will be forced to vote for the supplemental appropriation in spite of the fact that 5 percent of the nearly $2.5 billion in the bill provides funding for the military programs that I oppose. I must vote this way in order to continue a number of important programs, including compensation for veterans, training for migrant workers, $50 million to reduce the asbestos hazard in public schools, funds for the Peace Corps in Central America, funding for NOAA, and nearly $700 million to assist in the feeding of those unable to provide adequately for themselves.

Mr. Speaker, this situation poses a difficult moral choice that would be unnecessary if we were allowed to vote on these matters on their individual merits. By linking necessary budgetary increases and humanitarian programs with questionable military aid to foreign countries, we do a disservice to ourselves and to our constitutents.●

● Mr. GARCIA. Mr. Speaker, the President's request for an additional $117 million for military aid for El Salvador for this year is an excellent example of his inability to understand necessary limits in determining aid for not only that nation but for the entire region.

The constant flow of money for arms will not bring about stability in El Salvador. It will not end the conflict that has afflicted the Salvadoran people for the past 4 years. Neither will it enhance our own interests. Every time the President gets some support for his program, he ups the ante.

The White House will probably get most of its request for El Salvador for fiscal year 1985. They have already gotten $126 million for military aid for fiscal year 1984. I understand that there is $50 million of military assistance for this year that has not been used. There are only 2 more months left in fiscal year 1984. If the Salvadoran armed forces are as desperate for funds as the President has indicated, why haven't they been able to absorb the $50 million?

What is even more perplexing, is that the undue emphasis on the military detracts from the positive momentum of the Duarte government. Most of us are willing to back President Duarte in his effort to improve the situation in El Salvador. But the White House is stretching our patience and good will. I remain opposed to military aid in principle, and I certainly feel that an additional $117 million of assistance this year or any portion of that amount is counterproductive.

Negotiations are the key to solving the crisis in El Salvador. The Contadora nations have continuously stressed this, as have many of us in this body. I put additional military aid in the same category as additional aid for the Contras. It will not secure our Nation's interests in the region. It will only serve to undermine our goal of fostering democracy throughout Central America.

We are not helping President Duarte or any other of the democratic forces in Central America by placing such a disproportionate emphasis on military aid. The potential for regional conflagration is increased in correlation with the increased emphasis on the military. The cost in lives and tax dollars is also greatly exaggerated by this increase.

I remind my colleagues that in 1980 there was a great deal of concern over $5 million in military aid for El Salvador. It has become readily apparent—tens of thousands of lives and hundreds of millions of dollars later—just how legitimate that concern was. Enough is enough. There should be no more military assistance for El Salvador this year.●

Mr. KEMP. Mr. Speaker, I have no further requests for time.

The chairman of the distinguished Foreign Relations Committee has said it very eloquently.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The Speaker pro tempore (Mr. FOWLER). The question is on the motion offered by the gentleman from New York [Mr. KEMP].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. KEMP. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 234, nays 161, answered "present" 1, not voting 36, as follows:

[Roll No. 369]

YEAS—234

Andrews (NC)	Gradison	Olin
Andrews (TX)	Gramm	Ortiz
Annunzio	Green	Oxley
Archer	Gregg	Packard
Aspin	Guarini	Parris
Barnard	Gunderson	Pashayan
Bartlett	Hall, Ralph	Patman
Bennett	Hamilton	Pepper
Bereuter	Hammerschmidt	Petri
Bevill	Hance	Pickle
Biaggi	Hansen (ID)	Porter
Bilirakis	Hansen (UT)	Price
Bliley	Hartnett	Ray
Boehlert	Hefner	Regula
Boggs	Hightower	Reid
Boland	Hiler	Ridge
Boner	Hillis	Rinaldo
Breaux	Holt	Ritter
Britt	Horton	Roberts
Broomfield	Hubbard	Robinson
Brown (CO)	Huckaby	Roemer
Broyhill	Hunter	Rogers
Burton (IN)	Hutto	Rose
Byron	Hyde	Roth
Campbell	Ireland	Rowland
Carney	Jenkins	Sawyer
Chandler	Johnson	Schaefer
Chappell	Jones (OK)	Schneider
Chappie	Kasich	Sensenbrenner
Cheney	Kazen	Sharp
Clinger	Kemp	Shaw
Coats	Kindness	Shumway
Coleman (MO)	Kramer	Shuster
Conable	LaFalce	Siljander
Cooper	Lagomarsino	Sisisky
Corcoran	Latta	Skeen
Coughlin	Leath	Slattery
Courter	Lent	Smith (FL)
Craig	Levitas	Smith (NE)
Crane, Daniel	Lewis (CA)	Smith (NJ)
Crane, Philip	Lewis (FL)	Smith, Denny
Daniel	Livingston	Snowe
Dannemeyer	Lloyd	Solomon
Darden	Loeffler	Spence
Daub	Long (LA)	Spratt
Davis	Lott	Stangeland
Derrick	Lowery (CA)	Stenholm
DeWine	Lujan	Stratton
Dickinson	Lungren	Stump
Dowdy	Mack	Sundquist
Dreier	MacKay	Tallon
Duncan	Madigan	Tauke
Dwyer	Marlenee	Tauzin
Dyson	Martin (IL)	Taylor
Edwards (AL)	Martin (NY)	Thomas (CA)
Edwards (OK)	McCain	Thomas (GA)
Emerson	McCandless	Udall
English	McCollum	Valentine
Erdreich	McDade	Vander Jagt
Erlenborn	McGrath	Vandergriff
Evans (IA)	McKernan	Vucanovich
Fascell	McKinney	Walker
Fiedler	Mica	Watkins
Fields	Michel	Weber
Fish	Minish	Whitehurst
Flippo	Molinari	Whitley
Fowler	Mollohan	Williams (OH)
Franklin	Montgomery	Wilson
Frenzel	Moore	Winn
Frost	Moorhead	Wise
Gaydos	Morrison (WA)	Wolf
Gekas	Murtha	Wortley
Gibbons	Myers	Wright
Gilman	Nelson	Wylie
Gingrich	Nichols	Young (AK)
Glickman	Nielson	Young (FL)
Goodling	Nowak	Young (MO)
Gore	O'Brien	Zschau

NAYS—161

Ackerman	Berman	Coleman (TX)
Addabbo	Bonior	Collins
Akaka	Bonker	Conte
Albosta	Borski	Conyers
Anderson	Bosco	Crockett
Anthony	Boxer	D'Amours
Applegate	Brown (CA)	Daschle
AuCoin	Burton (CA)	Dellums
Barnes	Carper	Dicks
Bates	Carr	Dingell
Bedell	Clay	Dixon
Beilenson	Coelho	Donnelly

Dorgan	Leach	Richardson
Downey	Lehman (CA)	Rodino
Durbin	Lehman (FL)	Roe
Dymally	Leland	Rostenkowski
Eckart	Levin	Roukema
Edgar	Levine	Roybal
Edwards (CA)	Long (MD)	Russo
Evans (IL)	Lowry (WA)	Sabo
Fazio	Luken	Savage
Feighan	Lundine	Scheuer
Florio	Markey	Schroeder
Foglietta	Martinez	Schulze
Foley	Matsui	Schumer
Ford (MI)	Mavroules	Seiberling
Ford (TN)	Mazzoli	Shannon
Frank	McCloskey	Sikorski
Gejdenson	McHugh	Smith (IA)
Gonzalez	McNulty	Solarz
Gray	Mikulski	St Germain
Hall (IN)	Miller (CA)	Staggers
Hall (OH)	Miller (OH)	Stark
Harkin	Mineta	Stokes
Harrison	Mitchell	Studds
Hawkins	Moakley	Swift
Hayes	Moody	Synar
Heftel	Morrison (CT)	Torres
Hertel	Mrazek	Torricelli
Hopkins	Murphy	Vento
Hoyer	Natcher	Volkmer
Hughes	Oakar	Walgren
Jacobs	Oberstar	Waxman
Jones (NC)	Obey	Weaver
Jones (TN)	Ottinger	Weiss
Kaptur	Owens	Wheat
Kastenmeier	Panetta	Whitten
Kennelly	Patterson	Williams (MT)
Kildee	Paul	Wirth
Kleczka	Pease	Wolpe
Kogovsek	Penny	Wyden
Kolter	Rahall	Yates
Kostmayer	Rangel	Yatron
Lantos	Ratchford	

ANSWERED "PRESENT"—1

Bryant

NOT VOTING—36

Alexander	Garcia	Pritchard
Badham	Gephardt	Pursell
Bateman	Hall, Sam	Quillen
Bethune	Hatcher	Rudd
Boucher	Howard	Shelby
Brooks	Jeffords	Simon
Clarke	Lipinski	Skelton
Coyne	Marriott	Smith, Robert
de la Garza	Martin (NC)	Snyder
Early	McCurdy	Towns
Ferraro	McEwen	Traxler
Fuqua	Neal	Whittaker

□ 1610

The Clerk announced the following pairs:

On this vote:

Mr. Sam B. Hall, Jr., for, with Mr. Bryant against.

Mr. Fuqua for, with Mr. Howard against.

Mr. Skelton for, with Mr. Towns against.

Mr. McEwen for, with Mr. Garcia against.

Mr. Whittaker for, with Mr. Traxler against.

Mr. GONZALES changed his vote from "yea" to "nay."

Mr. BRYANT. Mr. Speaker, I have a live pair with the gentleman from Texas [Mr. SAM B. HALL, JR.]. If he had been present, he would have voted "yea." I, therefore, for purposes of executing this pair only, change my vote from "no" to "present."

Mr. BRYANT changed his vote from "nay" to "present."

So the motion was agreed to.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. KEMP. Mr. Speaker, I ask unanimous consent that all Members may have an additional 5 days in which to revise and extend their remarks on the Kemp-Murtha amendment.

The SPEAKER pro tempore (Mr. FOWLER). Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 165: Page 44, after line 13, insert:

None of the funds appropriated in this Act for the purpose of providing military assistance to the Government of El Salvador shall be available after October 1, 1984, for obligation or expenditure unless the President has, by that date, prepared and transmitted to the Congress a report stating his determination that the Government of El Salvador has demonstrated progress towards free elections, land reform, freedom of association, the establishment of the rule of law and an effective judicial system, and the termination of the activities of the so-called death squads, including vigorous action against members of such squads who are guilty of crimes and prosecution to the extent possible of such members who are past offenders.

MOTION OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LONG of Maryland moves that the House recede from its disagreement to the amendment of the Senate numbered 165, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 166: Page 44, after line 13, insert:

CHAPTER XIII

DISTRICT OF COLUMBIA

DIVISION OF EXPENSES

GOVERNMENTAL DIRECTION AND SUPPORT

(INCLUDING RESCISSION)

Of the funds appropriated for "Governmental direction and support" for the fiscal year ending September 30, 1984, by the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 820; Public Law 98-125), $1,068,000 are rescinded: *Provided*, That the limitation on the amount of funds available to the District of Columbia Retirement Board in the fiscal year ending September 30, 1984, from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board is increased by $250,000.

ECONOMIC DEVELOPMENT AND REGULATION

(INCLUDING RESCISSION)

For an additional amount for "Economic development and regulation," $3,457,000, which includes a rescission of $351,000, an increase of $3,738,000 resulting from Reorganization Plan Numbered 1, 2, and 3 of 1983, effective March 31, 1983, and a further increase of $70,000: *Provided*, That notwithstanding the provision regarding the calculation of repayments by the District of Columbia Housing Finance Agency under the heading "Economic development and regulation" in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 820, 821; Public Law 98-125), for the fiscal year ending September 30, 1984, the District of Columbia Housing Finance Agency established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the General Fund an amount equal to the appropriated administrative cost plus interest at a rate of 4 percent per annum for a term of fifteen years, with a deferral of payments for the first four years.

PUBLIC SAFETY AND JUSTICE

For an additional amount for "Public safety and justice," $4,318,000.

PUBLIC EDUCATION SYSTEM

(RESCISSION)

Of the funds appropriated for "Public education system" for the fiscal year ending September 30, 1984, by the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 821; Public Law 98-125), $6,912,000 are rescinded. This includes a rescission of $6,799,000 for the District of Columbia Teachers' Retirement Fund and a rescission of $113,000 for the School Transit Subsidy.

HUMAN SUPPORT SERVICES

(INCLUDING RESCISSION)

For an additional amount for "Human support services," $12,739,000. This includes an increase of $14,050,000, a rescission of $1,240,600 as a result of Reorganization Plans Numbered 1, 2, and 3 of 1983, effective March 31, 1983, and a further rescission of $70,000.

PUBLIC WORKS

(INCLUDING RESCISSION)

For an additional amount for "Public works," $2,361,900. This includes an increase of $4,857,000 and a rescission of $2,495,100 as a result of Reorganization Plans Numbered 1, 2, and 3 of 1983, effective March 31, 1983, and Reorganization Plan No. 4 of 1983, effective March 1, 1984

REPAYMENT OF GENERAL FUND DEFICIT

Notwithstanding the provision regarding repayment of the General Fund deficit under the heading "Repayment of General Fund deficit" in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 823; Public Law 98-125), for the fiscal year ending September 30, 1984, $6,871,000 are appropriated for the purpose of reducing the General Fund accumulated deficit.

ADJUSTMENTS

In addition to the reduction in authorized appropriations and expenditures within object class 30A (energy), the Mayor shall make a reduction for the fiscal year ending September 30, 1984, in authorized appropriations and expenditures in the amount of $3,871,300 within one or several of the various appropriation headings in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 823; Public Law 98-125), as amended by this Act: *Provided*, That the following programs shall not be affected by this reduction: (1) the Roving Leader Program, (2) the city-wide

and Ward 8 Home Purchase Assistance Program, (3) Department of Employment Services' job training and job subsidy programs, (4) the School Transit Subsidy, (5) General Public Assistance, (6) Medicaid and Medical Charities, (7) substance abuse treatment programs, (8) the Tuberculosis Clinic, and (9) the Mental Retardation and Development Program: *Provided further,* That, notwithstanding the provision regarding reductions within object class 13 under the heading "Adjustments" in the District of Columbia Appropriation Act, 1984, approved October 13, 1,983 (97 Stat. 823; Public Law 98-125), the Mayor shall not be required to reduce authorized appropriations and expenditures within object class 13 (additional gross pay) in the amount of $361,800 for the fiscal year ending September 30, 1984.

WASHINGTON CONVENTION CENTER

(NEW TITLE WITHIN THE GENERAL FUND)

For the "Washington Convention Center," $6,072,000: *Provided,* That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the auditor of the District of Columbia for all reasonable costs for performance of the annual convention center audit.

CAPITAL OUTLAY

For an additional amount for "Capital outlay," $14,663,000. This includes an increase of $827,000 for "Project management" and an increase of $788,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

(RESCISSION)

Of the funds appropriated for "Washington Convention Center Enterprise Fund" for the fiscal year ending September 30, 1984, approved October 13, 1983 (97 Stat. 824; Public Law 98-125), $9,617,000 are rescinded.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 166 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

CHAPTER XIII

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

For an additional amount for "Governmental direction and support", $250,000, which shall be derived from the earnings of the applicable retirement funds, to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: *Provided,* That notwithstanding any other provision of law, the District of Columbia Retirement Board shall transfer to the District of Columbia $748,000 from the District of Columbia Police Officers and Fire Fighters' Retirement Fund and $1,199,000 from the District of Columbia Teachers' Retirement Fund in conformity with appropriation transfers contained in this Act: *Provided further,* That all budget requests and justifications for the District of Columbia government shall start with the amounts appropriated in the most recently enacted appropriation act and then explain changes from those amounts to the current budget request.

ECONOMIC DEVELOPMENT AND REGULATION

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Economic development and regulation", $3,912,330, of which $1,313,000 shall be derived by transfer from the appropriation "Human support services" and $2,563,300 shall be derived by transfer from the appropriation "Public works": *Provided,* That notwithstanding the provision regarding the calculation of repayments by the District of Columbia Housing Finance Agency under the heading "Economic development and regulation" in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 820, 821; Public Law 98-125), for the fiscal year ending September 30, 1984, the District of Columbia Housing Finance Agency established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the agency's annual audited financial statement to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative cost plus interest at a rate of 4 percent per annum for a term of fifteen years, with a deferral of payments for the first four years.

PUBLIC SAFETY AND JUSTICE

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Public safety and justice", $4,318,000 of which $967,000 shall be payable from the revenue sharing trust fund: *Provided,* That $246,000 of this appropriation shall be derived by transfer from the appropriation "Governmental direction and support", $15,000 shall be derived by transfer from the appropriation "Economic development and regulation", $2,815,000 shall be derived by transfer from the appropriation "Public education system", and $479,000 shall be derived by transfer from the appropriation "Human support services".

HUMAN SUPPORT SERVICES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Human support services", $15,181,000, of which $287,000 shall be derived by transfer from the appropriation "Economic development and regulation", and $437,000 shall be derived by transfer from the appropriation "Public education system".

PUBLIC WORKS

(TRANSFER OF FUNDS)

For an additional amount for "Public works", $4,926,300, of which $611,000 shall be derived by transfer from the appropriation "Governmental direction and support", $97,300 shall be derived by transfer from the appropriation "Economic development and regulation", $3,660,000 shall be derived by transfer from the appropriation "Public education system", and $558,000 shall be derived by transfer from the appropriation "Human support services".

ADJUSTMENTS

In addition to the reduction in authorized appropriations and expenditures within object class 30A (energy) required by Public Law 98-125 (97 Stat. 823), the Mayor is authorized and directed to further reduce authorized appropriations and expenditures for the fiscal year ending September 30, 1984, in the amount of $12,000,300 within one or several of the various appropriation headings in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (Public Law 98-125), as amended by this Act: Provided, That notwithstanding the provision regarding reductions within object class 13 under the heading "Adjustments" in the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 823; Public Law 98-125), the Mayor shall not be required to reduce authorized appropriations and expenditures within object class 13 (additional gross pay) in the amount of $361,800 for the fiscal year ending September 30, 1984: Provided further, That the Mayor is authorized and directed to further reduce authorized appropriations and expenditures as follows: $210,800 from "Governmental direction and support", $57,000 from "Economic development and regulation", and $94,000 from "Human support services".

WASHINGTON CONVENTION CENTER FUND

For the "Washington Convention Center", $6,072,000: Provided, That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual convention center audit.

CAPITAL OUTLAY

For an additional amount for "Capital outlay", $14,663,000: Provided, That $827,000 shall be available for project management and $788,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

(RESCISSION)

Of the funds appropriated for "Washington Convention Center Enterprise Fund" for fiscal year 1984, by the District of Columbia Appropriation Act, 1984, approved October 13, 1983 (97 Stat. 824; Public Law 98-125), $9,617,000 are rescinded.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is in the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 195: Page 61, line 8, strike out "$38,000,000" and insert "$30,000,000, together with $5,000,000 to be derived by transfer from unobligated balances of 'Emergency Relief' and $5,000,000 of appropriations to liquidate contract au-

thority to be transferred from Federal Aid Highways".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 195 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$35,000,000, of which $1,200,000 shall be derived by transfer from the unobligated balances of 'Interstate Commerce Commission, Salaries and expenses', and of which $3,800,000 shall be derived by transfer from the unobligated balances of 'Civil Aeronautics Board, Payments to air carriers';".

Mr. CONTE (during the reading) Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 201: Page 63, after line 23, insert:

"Construction, minor projects", an increase of $668,000 in the limitation on the expenses of the Office of Construction;

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 201 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

"Construction, minor projects", an increase of $334,000 in the limitation on the expenses of the Office of Construction;

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 205: Page 65, line 2, strike out "$1,514,000" and insert "$2,838,000, of which not to exceed $800,000 shall be derived from "State and local assistance", and of which not to exceed $614,000 shall be derived from "Emergency planning assistance" ".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 205 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$2,131,000, of which not to exceed $400,000 shall be derived from "State and local assistance", and of which not to exceed $307,000 shall be derived from "Emergency planning and assistance" ".

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 208: Page 67, strike out all after line 21 over to and including line 3 on page 68.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 208.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

Mr. WHITTEN. Mr. Speaker, I have no requests for time.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

(Mrs. SCHROEDER asked and was given permission to revise and extend her remarks.)

Mrs. SCHROEDER. I thank the gentleman for yielding this time to me.

Mr. Speaker, the House should hold firm on the Conte amendment which prohibits the Postal Service from unilaterally restructuring its employee pay scheme, which is set through collective bargaining. This amendment prevents Postmaster General William F. Bolger from cutting the pay of new employees by 23 percent. The Postal Service announced this plan on the day the old collective bargaining agreement ran out. There is no doubt that this move was an attempt by the Postmaster General to bust the postal unions.

The Conte amendment does not set pay. All it does is require the Postal Service to follow the law and engage in good faith collective bargaining with its employees. It's that simple. The Postal Reorganization Act of 1970 set collective bargaining as the way that wages would be set for postal workers. If agreement cannot be reached, arbitration must be used. There is no right to strike. The procedures are clear and they are fair. The Postal Service ought to follow the law.

In this year's contract negotiations, the Postal Service has crossed the line from being a tough bargainer to being an unfair employer. The Postal Service has hired a union busting law firm to set negotiating policy. It has unilaterly attempted to establish a two-tier wage system, with new hires getting 23 percent less. Postmaster General Bolger has mounted his soapbox to declare that postal workers, who average $23,000 a year, are overpaid. And, to rub it in, Mr. Bolger told the Washington Post last Sunday that he is underpaid because he makes only $82,900 a year.

Although Congress no longer sets postal rates, we still set the law under which the U.S. Postal Service must operate. The Postal Service has no right to violate the law requiring collective bargaining.

Mr. CONTE. I thank the gentlewoman from Colorado for her great contribution.

Mr. Speaker, I yield myself such time as I may consume.

Mr. ADDABBO. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New York.

Mr. ADDABBO. I thank the gentleman for yielding.

Mr. Speaker, the House should stand by the amendment offered by the gentleman from Massachusetts [Mr. CONTE].

All this does is require the Post Office to enforce existing law and not to change regulations. There are negotiations going on which follow the normal procedure, and that is what should be done. That is why this should be done. That is why this amendment becomes so important, for the Post Office to continue existing law.

Mr. WHITTEN. Mr. Speaker. I yield such time as he may consume to the gentleman from Massachusetts. [Mr. BOLAND].

Mr. BOLAND. I thank the gentleman.

Mr. Speaker, I rise in support of the amendment offered by the gentleman from Massachusetts.

Mr. Speaker, as a member of the conference of the 1984 supplemental appropriations bill, I strongly support-

ed the House position on the Conte amendment to preserve neutrality in the ongoing factfinding and arbitration process involving the U.S. Postal Service and over 500,000 to its employees.

The Conte amendment prohibts the use of appropriated funds to implement unilateral changes in pay and benefits pending the outcome of the statutory procedures set forth under the Postal Reorganization Act. The sole purpose of this amendment is preserve neutrality and the status quo. No party may do anything to effect compensation changes except by reaching mutual agreement or by implementing the award of the statutory arbitration board.

Mr. Speaker, Congress should not become involved in postal contract negotiations. In fact, the Conte amendment does not do that. The amendment is designed to prohibit the Postal Service from imposing an unfair, unilateral action before an agreement is reached or the impasse mechanism are exhausted. This amendment deals only with the process of negotiations, not the issues under consideration.

Our colleague Congressman UDALL, the principal author of the Postal Reorganization Act, has said on this issue: "It was the intent of the 1970 law to require that no changes in wages and working conditions should be established before the Postal Service and the union either reach agreement on a new contract or the impasse procedure has been fully exhausted."

Mr. Speaker, adoption of the Conte amendment is Congress way of reconfirming the intent of the 1970 law passed by Congress. This amendment just mandates that the U.S. Postal Service live up to this law. It would prohibit the Postal Service from using any appropriations to implement the two-tier pay system, reduced annual leave, and reduced sick leave for new employees.

Therefore, Mr. Speaker, I continue to strongly support the position of the House conferees on the Conte amendment.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to my good friend, the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. I appreciate my friend from Massachusetts yielding to me.

Mr. Speaker, I rise in support of the amendment offered by the gentleman from Massachusetts [Mr. CONTE] and commend the gentleman for his advocacy on this issue.

The point here is one of fairness. The U.S. Postal Service provides a unique and vital service to this Nation and, thus, the Postal Service and its employees are covered by a unique set of laws that are encompassed in the Postal Service Reorganization Act of 1970.

Key among the provisions of this act are the rights of the postal workers to bargain collectively and the prohibition against strikes by postal workers. The law also provides the framework for the settlement of disputes and the intent of the law is clearly to prevent unilateral action by either side.

The Conte amendment underscores this intent. We expect the postal worker to stay on the job during any contract negotiations. They, in turn, expect us to protect their right to have their grievances negotiated in good faith.

These mutual expectations are addressed in the postal laws and should be respected. I urge the House to insist on the Conte amendment to assure that they are.

I thank the gentleman again for his courage.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to my good friend, the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank the gentleman from Massachusetts for yielding.

Again, I want to join others in congratulating him on his leadership on this issue. I was pleased to rise and speak on behalf of this amendment when the House adopted it when the bill was on the floor of the House.

I would urge the House to strongly support the gentleman from Massachusetts and the House's position in this amendment because, as has been pointed out, it simply retains the parties in status quo during the period of time that they are in arbitration.

□ 1620

Unlike private-sector employees, the public employees cannot walk off, and we do not want them to walk off, have a job action, or strike. As a result, I think it is important that we adopt the gentleman's language, and I am in strong support of our retaining and rejecting the Senate's position.

Mr. Speaker, I rise in strong support of affirming the position of the House in true disagreement with the Senate on the Conte amendment prohibiting the Postal Service from restructuring employee compensation levels.

The Conte amendment, which passed the House by voice vote last week, essentially restates congressional intent by protecting the collective bargaining rights of postal workers. Two weeks ago, the Postal Service unilaterally decided that employees hired after August 4, 1984, would take a 23-percent cut in salary. The Postal Service refused to bargain on this pay cut and, instead, has informed postal employee organizations that "* * * we will implement, effective the next payroll period, the pay schedule, annual leave, and sick leave benefits for new employees contained in that final offer."

This amendment takes no sides in the negotiations between the Postal Service and the unions which represent postal employees. Instead, the amendment protects those employees not yet hired by the Postal Service from the arbitrary, and unreasonable actions of the Postal Service. Additionally, the amendment serves a warning to the Postal Service that the Congress will not tolerate self-serving interpretations of the law.

The actions of the Postal Service are threatening a cooperative labor-management atmosphere at the Postal Service that has resulted in the U.S. Postal Service being the most efficient and productive postal system in the world. The Conte amendment is neither a prolabor nor a promanagement vote. Instead it is an absolutely essential statement by the Congress that arbitrariness in the collective bargaining is not only violative of congressional intent, it also will not be tolerated by the Congress who worked long and hard to craft a fair bargaining process in the Postal Reorganization Act of 1970.

I urge my colleagues to overwhelmingly endorse the House's position on this amendment.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise in strong support of the gentleman's amendment, and I commend the gentleman from Massachusetts [Mr. CONTE] for bringing the measure to the floor at this time, a very critical time during some very important negotiations. The Conte amendment to the conference report on H.R. 6040, the supplemental appropriations bill, prohibits the use of appropriated funds to implement unilateral changes in pay and benefits pending the outcome of the statutory procedures set forth under the Postal Reorganization Act. It will send what I believe to be, that which is currently most needed by the management of the U.S. Postal Service [USPS]: A strong, unabashed signal that they must follow the law.

The Postal Service Reorganization Act of 1970 grants the postal workers the right to bargain collectively. This law is designed to protect the public interest in that it provides for an orderly and fair process to negotiate union agreements. If an existing contract expires and the parties involved are at an impasse, then a 45-day factfinding period begins. If the issues are still not resolved at this point, then negotiations are referred to a three-member arbitration board to conclude a binding agreement.

At no point, Mr Speaker, does the Reorganization Act allow postal workers or management, to ignore the process that it so clearly sets down. We

expect our postal employees to refrain from striking or any job actions. Likewise, we also expect management to work with labor to resolve difficulties.

With the current negotiations heading for the binding arbitration stage, this is not the time to create ill will. Both parties are going to have to work hard at accepting the agreement that will be handed down to them. If morale is damaged now, it will be that much harder to heal any wounds later.

The Conte amendment that was unanimously adopted by the House just over a week ago, is designed to prohibit the Postal Service from imposing, unilateral action before an agreement is reached. However, news reports point out that the Postal Service announced that new employees will be paid about 24 percent less than those already on the employee roles.

Such a move would circumvent the spirit of sound and fair management/employee relations. In order to preserve neutrality and the status quo in the bargaining process, I urge my colleagues to support this amendment.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. FORD], the chairman of the Committee on Post Office and Civil Service.

Mr. FORD of Michigan. Mr. Speaker, as the chairman of the committee with jurisdiction over authorizing legislation for the Post Office, I urge in the strongest possible terms that we accept this limitation on expenditures known as the Conte amendment.

For about 14 years now, since 1970, we have had a lawful process on the books written by some of us here. I was one of those who participated, along with President Nixon's people. It could not be called a prolabor or an antilabor solution that we reached. If we would go back and look at the debates, we would find that there was so much of an agreement that there was never an argument in the committee or on this floor about those provisions governing what happens if the bargaining between the 500,000 employees of the Post Office and management breaks, down, if there is an impasse.

We provided a piece of machinery, and we said, "You will go through these steps, and then you will abide and you will both be bound by what those steps produce." For the first time since that has been on the books, postal management, for reasons that escape me, has taken this action. I do not think the Postmaster General would have done this without serious interference from people who never should have been meddling in this process in the first place.

In any event, what has happened now is provocative and foolish and threatends the continued daily operation of the Postal Service, which this year will carry 130 billion pieces of mail if we let it function the way it is supposed to.

All the Conte amendment does is to say, "Don't do anything foolish. Wait and let the rules work the way they are supposed to work. Don't try to take advantage of each other."

I would call on all the postal workers, if this amendment is adopted, to observe the fact that Congress has asked them to hold the status quo, and I would ask that managment would respond in kind by going back through the process the way they should and not provoke untoward action by anyone.

Mr. Speaker, the sole purpose of the Conte amendment is to preserve the integrity of the statutory factfinding and arbitration process which, if allowed to work, will resolve the present collective bargaining impasse between the U.S. Postal Service and the unions representing over 500,000 postal employees.

As we all know, these negotiations have been troubled from the start, and the existing contracts expired at midnight on July 20 with no new agreement having been reached and numerous controversial issues outstanding.

Title 39 of the United States Code prescribes an orderly, fair, and peaceful process for resolving postal bargaining disputes such as this. I regret to report, however, that one party to the dispute—Postal Service management—is not adhering to this process.

Instead of pursuing its goals peacefully, through the statutory factfinding and arbitration process, Postal Service management on July 25 unilaterally implemented a new pay and benefits system for incoming employees.

Private-sector labor law is clear: When impasse is reached, management may implement its final offer. The union, however, has the concomitant right to strike, thus ensuring parity of bargaining power. In this case, though, the unilateral action destroys parity. The postal unions are barred from striking. The act's factfinding and arbitration compensation procedures exist not merely as a substitute for private sector labor's right to strike, but also as a substitute for private sector management's right to unilateral implementation.

I believe that the unilateral changes that the Postal Service intends to implement are illegal under the Postal Reorganization Act. When the act passed, it was my understanding, the understanding of the committee, and the understanding of the Congress that, if any disputes remained upon the expiration of any collective bargaining agreement, all parties would be required to respect the status quo pending exhaustion of the dispute resolution machinery established by section 1207 of title 39.

The Conte amendment restores the status quo and ensures neutrality while the statutory process works its will. The Postal Service may not use any funds made available to it under any act—including the Postal Reorganization Act—to implement compensation changes except in accordance with a negotiated agreement or an arbitration award.

I urge support for the House position on the Conte amendment.

Mr. CONTE. Mr. Speaker, I thank the gentleman from Michigan [Mr. FORD].

Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House conferees by a vote of 15 to 1 agreed to hold firm on this provision. During the conference late last night, the Senator from Alaska offered a substitute amendment, a sense of the Congress resolution. This substitute was unacceptable to the House.

I hope the House will now insist on its position.

Throughout the short life of this provision there has been a lot of confusion, the misunderstanding, and a few misleading statements about this funding prohibition.

Essentially, this amendment is designed to ensure that the Postal Service Reorganization Act of 1970 is implemented as the Congress intended. The law provides for a specific, orderly and fair procedure to establish a collective bargaining agreement for some 600,000 postal workers.

I'm sure that Members are familiar with the current stalemate in employee contract negotiations. The latest union contract expired on July 20, 1984; 600,000 unionized employees are now working without a collective-bargaining agreement. At the end of the negotiation process, both sides were still miles apart from reaching common ground. However, the specific issues involved in the negotiations are not the reason for this provision. In 1970, the Congress attempted to depoliticize, as much as possible, the workings of the Postal Service. The problem now is not with the particular issues or demands under negotiation, but with an abuse of the process as provided in the law.

The Postal Service Reorganization Act of 1970 grants the postal workers the right to bargain collectively. Designed to protect the public interest, the law provides for an orderly and fair process to negotiate union contract agreements. If an existing contract expires and the parties involved are at an impasse, then a 45-day factfinding period begins. If the issues are still not resolved at this point, the negotiations are referred to a three-member arbitration board to conclude a binding agreement.

In return for this right to bargain collectively, we expect postal employees to refrain from strikes or any job actions. The experience in 1970 should remind members of the reason for this prohibition.

Recent news reports about unilateral moves by the U.S. Postal Service are disturbing to many Members of Congress, including myself; 2 weeks ago, the Postal Service announced that newly hired employees would be paid about 23 percent less than current workers. With the negotiations heading for the binding arbitration stage, the Postal Service has decided to impose one of its demands, subverting the process povided in the Reorganization Act. This is unfair and a breach of the agreement reached by Congress in the 1970 Reorganization Act.

This amendment is designed to prohibit the Postal Service from imposing this unfair, unilateral action before an agreement is reached. The amendment deals only with the process of negotiations, not the issues under consideration. It says that there can be restructuring of the employees compensation practices until there is a negotiated agreement as provided by the law. If there are changes to be made in employee compensation, let those changes develop as a result of the negotiation process designed by Congress and in effect for 14 years.

Let me emphasize to the House, the amendment is not an attempt to take sides in the dispute, but an effort to make sure that the procedures mandated by the Congress are followed during this negotiation. The Congress has an obligation to insure that the spirit and intent of the law is fullfilled. Postal workers are Federal employees and should have all the rights and protections reserved for them by the law, nothing more or nothing less.

I urge my colleagues to insist on the House-passed position.

The SPEAKER pro tempore. Does the gentleman from Mississippi [Mr. WHITTEN] seek time?

Mr. WHITTEN. Yes; Mr. Speaker.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. ROYBAL], the chairman of the subcommittee which deals with this subject.

Mr. ROYBAL. Mr. Speaker, what this amendment actually does is just restore the language that was deleted by the other body, the language that was passed by the House, language that I think should be restored.

The language reads:

None of the funds made available to the U.S. Postal Service under this or any other Act may be used to restore employee compensation practices as in effect under the most recently effective collective bargaining under section 1206 of title 39, United States Code, except in accordance with the result of procedures set forth in section 1207 of such title.

This merely puts back in place the language and makes it possible for the Postal Service to continue its present employment procedures, not to make any changes until such time as a final determination is made either by arbitration or by any other means.

Mr. Speaker, I urge my colleagues to support the motion offered by the chairman of the committee.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I would call attention to the fact that in the beginning I got unanimous consent for all Members to revise and extend their remarks on this bill or any amendment thereto.

Mr. Speaker, I yield such time as he may consume to my colleague, the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Speaker, I rise in strong support of the motion to insist on disagreement to the Senate amendment regarding the prohibition on the use of funds by the U.S. Postal Service for the purpose of restructuring employee compensation practices and I ask unanimous consent to revise and extend my remarks.

Mr. Speaker, the Postal Services Reorganization Act of 1970 grants postal employees the right to bargain collectively and establishes an orderly procedure for the renewal of contract agreements. On July 20, 1984, the latest union contract expired and renewal negotiations appear to be headed toward binding arbitration as provided in the 1970 Reorganization Act.

The House language became necessary when the Postal Service announced that new employees hired after August 4, 1984, would be paid at 23 percent less than current employees. This unilateral restructuring of the employee compensation system undermines the entire collective bargaining procedure set up by the Congress. The House language is in no way intended to prejudice either side in the current contract negotiations. It is designed merely to assure that employee wages and other compensation matters are decided through negotiation and not imposition. Congress developed the collective-bargaining process for postal workers. It is the duty of Congress to make certain that process works.

When Congress denied postal employees the right to strike, we promised them an orderly and fair process to resolve contract disputes. The arbitrary action by the Postal Service cuts into the heart of that promise and leaves the employees with little incentive to live up to their side of the bargain.

I urge Members to support the motion and I commend my colleague from Massachusetts for his leadership on this important issue.

Mr. BARNES. Mr. Speaker I rise in strong support of the amendment of the gentleman from Massachusetts [Mr. CONTE] for a number of compelling reasons:

First, we have to play by the rules. This amendment simply asks the Postmaster General to play by the rules as set forth in the Postal Reorganization Act. The rules say that Postal Service must bargain collectively with its employees. If the parties cannot agree, the rules provide a reasonable process for resolving the dispute. When the Postmaster General of the United States announces that he regards the rules as an impediment to his plans for the Postal Service—and when the Postmaster General puts his plans above the law—Congress must respond.

Second, maintain effective postal operations. The issue before us is not whether postal employees should be paid at one level or another. Employees rightfully regard the Postmaster General's action to implement a two-tiered system as a breach of faith. At a time when the Postal Service operates at a surplus and postal employee productivity is second to none, such a breach of faith makes no sense. I sincerely hope that those who interpret the Postmaster General's action as an effort to provoke confrontation with postal employees have misinterpreted the Postmaster General's intentions. Nevertheless, I believe that the gentleman's amendment will encourage the Postmaster General to take steps to avoid confrontation.

Third, no one wants to disrupt or impair postal operations right before a Presidential election. If we invite the consequences of the Postmaster General's proposal, if we allow postal delivery to be disrupted, we are playing a very dangerous game of economic and political roulette. I am sure that my colleagues understand that this is a game without winners. If we allow the Postmaster General to play this game, our economy will lose and the taxpayers will lose. Equally important, we should not let the Postmaster General's intransigence have any direct bearing upon the 1984 election.

Fourth, collective bargaining and sound management. The Postmaster General has expressed his distaste for the collective-bargaining process. He regards it as an impediment to effective management of the Postal Service.

The Postmaster General believes that the reasons that required Congress to enact collective-bargaining laws no longer apply. But those reasons do apply. It's just as true today as it was 50 years ago that it's better to resolve conflict between an employer and his or her employees peacefully

and reasonably. It will be ironic indeed, if the Postmaster General's actions catalyze the kind of reaction that collective bargaining has enabled us to prevent.

I urge Members to support the gentleman's amendment, because in the final analysis no one in this Chamber who has any understanding of business in our country believes that it's either fair or responsible to ask employees to work side by side—doing the same work—when one group earns one fourth less pay.

Time and again this body has gone on record on the principle of equal pay for equal work. This instance is no exception, because we understand all too well that schemes that cook up wage differentials such as this one offer us a recipe for madness.

Mr. FOGLIETTA. Mr. Speaker, I rise in strong support of the Conte amendment, and urge my colleagues to reaffirm the House's original position on this important issue.

The facts are clear. The Postal Service and the Postal Unions are at an impasse in their contract talks, and the Postal Service has gone ahead and unilaterally implemented a policy that is one of the main issues of contention—a 23-percent wage rate cut for new employees.

In the private sector, when management imposes its last offer, labor has the right to strike. In the public sector, however, we resolve the conflict through binding arbitration, as the law specifically requires. Just as the public employees do not have the right to strike, public-sector management does not have the right to impose its offer.

When the House first considered this issue during debate on the supplemental appropriation bill, it had the wisdom to include language prohibiting the Postal Service from acting unilaterally and destroying the carefully crafted balance of power that the law creates. It's really the only fair thing to do.

This is not a vote on whether or not you like the current wage scale for postal employees, or even whether you necessarily support the Postal Unions on this point of disagreement. In reality, this is a vote for the process, and for fairness. I urge my colleagues to stick with the equitable position that we first took on this issue, by insisting on the House position.

Mr. MORRISON of Connecticut. Mr. Speaker, I rise in support of the Conte amendment which restores to H.R. 6040, the urgent supplemental, the orginal language passed by the House of Representatives when it voted on this bill.

This amendment, the language of which was deleted in the other body, prohibits the Postal Service from using appropriated funds to implement its unilaterally imposed two-tier salary system. It precludes funds for an action that is possibly illegal and certainly devastating to the morale of postal workers, a group of workers deserving praise and respect, not union-busting threats and criticisms of employee pay and benefit levels.

Mr. Speaker, when Congress passed the Postal Reorganization Act in 1970 it expected that labor disputes remaining on the expiration date of any collective-bargaining agreement would be resolved within the confines of the dispute resolution procedures established in section 1270 of that act. I believe that the unilateral changes that the Postal Service intends to implement are, at worst, illegal under the act, and at best, clearly contrary to the intent of Congress when it passed the legislation.

Private sector labor law is clear: when impasse is reached, management may implement its final offer. The union, however, has the concomitant right to strike, thus insuring parity of bargaining power. In this case, though, the unilateral action destroys parity. The postal unions are barred from striking. The act's factfinding and arbitration procedures exist not merely as a substitute for private sector labor's right to strike, but also as a substitute for private sector management's right to unilateral implementation.

I believe that the unilateral changes that the Postal Service intends to implement are illegal under the Postal Reorganization Act. When the act was passed, it was my understanding, the understanding of the committee, and the understanding of the Congress that, if any disputes remained upon the expiration of any collective-bargaining agreement, all parties would be required to respect the status quo pending exhaustion of the disput resolution machinery established by section 1207.

The provisions of the act that bar the right to strike and establish the fact-finding and arbitrary procedures were meant to be as much a control on management as on labor. The act consciously traded away rights usually enjoyed by labor in return for fair and just practices by management.

Mr. Speaker, support of the Senate language more than condones the action taken by the Postal Service, it applauds and rewards it. I do not think that this Congress should be in the practice of offering such rewards.

I urge this body to vote for the Conte amendment to send a message to the management of the Postal Service that we respect the law and so should it.

● Mr. GARCIA. Mr. Speaker, the gentleman from Massachusetts introduced an amendment regarding the contract talks between the U.S. Postal Service and employee unions that puts into perspective the importance of good-faith efforts in the collective bargaining process.

The implementation of a two-tiered pay and benefits system is a clear rejection of the fair play and integrity intended by Congress between employees and management as outlined in the 1970 Postal Reorganization Act. The Postal Service is bullying its employees. The action was unilateral; that is, employees have no way to fight back. they are left with no recourse.

It is not my intention, nor was it the intention of the gentleman from Massachusetts, to take sides in these negotiations. What this amendment does, what I insist upon, as do many of my colleagues, is a return to fairness in contract talks—no more, no less.

The Chairman of the Post Office and Civil Service Committee, Mr. Ford, put it clearly in a letter he sent to Postmaster General Bolger when he said, "Whatever is achieved by this action is being purchased at the cost of a generation of ill will and devastated morale."

I strongly urge my colleagues to support this amendment. It is by no means a partisan issue. It is a question of justice. It is a question of living up to the spirit of the law as well as the letter.●

● Mr. DYMALLY. Mr. Speaker, I rise in strong support of the Hoyer-Conte amendment. The amendment would prohibit the postmaster from using funds in this supplemental to enact a two-tier pay system within the Postal Service. Under the Postal Reorganization Act, procedures were set in place for resolving disputes between postal workers and management. Without this amendment, the postmaster would carry through plans already announced to unilaterally lower wages and benefits for a new postal workers by 23 percent, thus creating a two-class system within the Postal Service. I believe that in 1970 the Congress set in place a workable system for negotiating contracts and wage disputes. As all of your know, postal workers are not allowed to strike to gain their rights. Their only recourse is the system we have set up for negotiating disputes.

We must not allow the postmaster to ignore the system set up by Congress to deal with matters of this sort. The issue of the two-tier system was brought up in the course of negotiations to renew the Postal Service workers contract which expired on July 21. That issue, and indeed the new contract itself, have not yet been settled. It is premature to say the least for the postmaster to announce that as of August 4 of this year new hires will come in at a much lower wage than others who are now doing the same work as the new hires would do. His action ignores the process this

Congress set in place, it ignores the right of workers to bargain for fair treatment, and it cuts against a belief that many of us hold strongly—that people who do equal work should get equal pay. I think we must uphold the Hoyer-Conte amendment. We must do it if we really believe that the laws Congress sets in place should be followed—even by other Government officials. And we must do it if we believe that employees deserve the chance to negotiate for a fair wage.●

● Mr. LELAND. Mr. Speaker, I rise in support of the amendment offered by my colleague Mr. CONTE.

As chairman of the Subcommittee on Postal Personnel and Modernization I strongly oppose the action taken by the Postal Service's Board of Governors and Postmaster General to unilaterally impose pay for further hires of the Postal Service. This action by the Postal Service does not conform to the statutory standard of good faith, the standard in all collective bargaining.

When this body passed the Postal Reorganization Act of 1970 it set up a process of collective bargaining which was to be a bilateral process between the U.S. Postal Service and the Postal Unions, clearly intending that these parties were to be equal partners in the process. The clear intention of the act was that the status quo, that is, the contract provisions that the employees are presently working under, should remain in effect until the parties have come to agreement on the terms of a new contract.

It is the responsibility of this body to see that the U.S. Postal Service complies with both the letter and spirit of the law. This amendment will require the U.S. Postal Service to comply with the mandate and intent of the Postal Reorganization Act, which is to maintain the status quo until the arbitration process is completed. I urge my colleagues to support this amendment.●

● Mr. ALBOSTA. Mr. Speaker, the U.S. Postal Service announced on July 25 that it was unilaterally imposing a reduction in pay and benefits, on the order of 23 percent, for new employees and a freeze for all other worker's pay. The Postmaster General took this action in spite of the fact that the lack of an agreement between the parties in the time provided under the Postal Reorganization Act had already triggered the mandatory arbitration process required by the Act.

The Postal Service contends that it has the legal right to implement its last proposals, or final offer, since the parties have reached an impasse. This would be true, and fair, and logical if the postal workers were not forbidden by law from striking. Since they are forbidden to strike, the act provides an automatic arbitration process. The Congress intended that this process would be used in the event of a stalemate in bargaining.

Postal Management and all Members of Congress must realize that our constituents depend on a reliable Postal Service—and we do have the best in the world. Our constituents also have more direct contact with Postal employees than with any other Federal employees—including their Representatives in Congress.

The arbitration process in the Postal Reorganization Act was designed to insure the continued reliable operation of the Postal Service through a process where impartiality is the rule. The employees, who are spread throughout the country, need to be assured that impartiality and objectivity will prevail in settling disagreements that are not settled through primary contract negotiations.

I am concerned that the Postal Service's losing sight of that can only result in strained long-term relations between the employees and the Postal Service management. Since so much of the mission of the U.S. Postal Service consists of direct service to the public in every city, town, and village, I urge both sides to place their faith in the arbitration process and proceed in good faith with one another.●

Mr. WHITTEN. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 378, nays 1, not voting 53, as follows:

[Roll No. 370]

YEAS—378

Ackerman	Bennett	Brown (CA)
Addabbo	Bereuter	Brown (CO)
Akaka	Berman	Broyhill
Albosta	Bevill	Bryant
Anderson	Biaggi	Burton (CA)
Andrews (NC)	Bilirakis	Burton (IN)
Andrews (TX)	Bliley	Byron
Annunzio	Boehlert	Campbell
Anthony	Boggs	Carney
Applegate	Boland	Carper
Archer	Boner	Carr
Aspin	Bonior	Chandler
AuCoin	Bonker	Chappell
Barnard	Borski	Chappie
Barnes	Bosco	Cheney
Bartlett	Boxer	Clay
Bates	Breaux	Clinger
Bedell	Britt	Coats
Beilenson	Broomfield	Coelho
Coleman (MO)	Hillis	Nichols
Coleman (TX)	Holt	Nielson
Collins	Hopkins	O'Brien
Conable	Horton	Oakar
Conte	Hoyer	Oberstar
Conyers	Hubbard	Obey
Cooper	Huckaby	Olin
Corcoran	Hughes	Ortiz
Coughlin	Hunter	Ottinger
Courter	Hutto	Owens
Crane, Daniel	Hyde	Oxley
Crane, Philip	Ireland	Packard
Crockett	Jacobs	Panetta
D'Amours	Jenkins	Parris
Daniel	Johnson	Pashayan
Dannemeyer	Jones (NC)	Patman
Darden	Jones (OK)	Patterson
Daschle	Jones (TN)	Pease
Daub	Kaptur	Penny
Dellums	Kasich	Pepper
Derrick	Kastenmeier	Petri
DeWine	Kazen	Pickle
Dickinson	Kemp	Porter
Dicks	Kennelly	Price
Dingell	Kildee	Rahall
Donnelly	Kindness	Rangel
Dorgan	Kleczka	Ratchford
Dowdy	Kogovsek	Ray
Downey	Kolter	Regula
Dreier	Kostmayer	Reid
Duncan	Kramer	Richardson
Durbin	LaFalce	Ridge
Dwyer	Lagomarsino	Rinaldo
Dymally	Lantos	Ritter
Dyson	Latta	Roberts
Eckart	Leach	Robinson
Edgar	Lehman (CA)	Roe
Edwards (AL)	Leland	Roemer
Edwards (CA)	Lent	Rogers
Edwards (OK)	Levin	Rose
Emerson	Levine	Rostenkowski
English	Levitas	Roth
Erdreich	Lewis (CA)	Roukema
Evans (IA)	Lewis (FL)	Rowland
Evans (IL)	Livingston	Roybal
Fascell	Lloyd	Russo
Fazio	Loeffler	Sabo
Feighan	Long (LA)	Savage
Fiedler	Long (MD)	Sawyer
Fields	Lowery (CA)	Schaefer
Fish	Lowry (WA)	Scheuer
Flippo	Lujan	Schneider
Florio	Luken	Schroeder
Foglietta	Lungren	Schulze
Foley	Mack	Schumer
Ford (MI)	MacKay	Seiberling
Ford (TN)	Madigan	Sensenbrenner
Fowler	Markey	Sharp
Frank	Marlenee	Shaw
Franklin	Martin (IL)	Shuster
Frost	Martin (NY)	Sikorski
Gaydos	Martinez	Sisisky
Gejdenson	Matsui	Skeen
Gekas	Mavroules	Slattery
Gibbons	Mazzoli	Smith (FL)
Gilman	McCain	Smith (IA)
Gingrich	McCandless	Smith (NE)
Glickman	McCloskey	Smith (NJ)
Gonzalez	McCollum	Smith, Denny
Goodling	McDade	Snowe
Gore	McGrath	Solarz
Gradison	McHugh	Solomon
Gramm	McKernan	Spence
Gray	McKinney	Spratt
Green	McNulty	St Germain
Gregg	Mica	Staggers
Guarini	Mikulski	Stangeland
Gunderson	Miller (CA)	Stark
Hall (IN)	Miller (OH)	Stenholm
Hall (OH)	Mineta	Stokes
Hall, Ralph	Minish	Stratton
Hamilton	Mitchell	Studds
Hammerschmidt	Moakley	Stump
Hance	Molinari	Sundquist
Hansen (ID)	Mollohan	Swift
Hansen (UT)	Montgomery	Synar
Harkin	Moody	Tallon
Harrison	Moore	Tauke
Hartnett	Morrison (CT)	Tauzin
Hawkins	Morrison (WA)	Taylor
Hayes	Mrazek	Thomas (CA)
Hefner	Murphy	Thomas (GA)
Heftel	Murtha	Torres
Hertel	Myers	Torricelli
Hightower	Natcher	Udall
Hiler	Nelson	Valentine

Vander Jagt	Wheat	Wolpe
Vandergriff	Whitehurst	Wortley
Vento	Whitley	Wright
Volkmer	Whitten	Wyden
Vucanovich	Williams (MT)	Wylie
Walgren	Williams (OH)	Yates
Watkins	Wilson	Yatron
Waxman	Winn	Young (AK)
Weaver	Wirth	Young (FL)
Weber	Wise	Young (MO)
Weiss	Wolf	Zschau

NAYS—1

Paul

NOT VOTING—53

Alexander	Gephardt	Pritchard
Badham	Hall, Sam	Pursell
Bateman	Hatcher	Quillen
Bethune	Howard	Rodino
Boucher	Jeffords	Rudd
Brooks	Leath	Shannon
Clarke	Lehman (FL)	Shelby
Coyne	Lipinski	Shumway
Craig	Lott	Siljander
Davis	Lundine	Simon
de la Garza	Marriott	Skelton
Dixon	Martin (NC)	Smith, Robert
Early	McCurdy	Snyder
Erlenborn	McEwen	Towns
Ferraro	Michel	Traxler
Frenzel	Moorhead	Walker
Fuqua	Neal	Whittaker
Garcia	Nowak	

□ 1640

Mr. ECKART and Mr. STUMP changed their votes from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 209: Page 68, after line 3, insert:

SEC. 303. The project for Bonneville Lock Dam, Second Powerhouse, Washington and Oregon, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to acquire in the Steigerwald Lake Wetlands Area, Clark County, Washington, not more than 1,000 acres of land at an estimated cost of $8,500,000 for the fish and wildlife mitigation purposes associated with this project. The Secretary is further authorized to undertake initial development of such lands and convey without monetary consideration the lands to Department of Interior, United States Fish and Wildlife Service for operation and maintenance.

An additional amount of $8,500,000, to remain available until expended, is hereby appropriated for "Construction, general", Corps of Engineer—Civil, Department of the Army to carry out the provisions of this section.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 209 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert the following: "303(a)".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 210: Page 68, after line 3, insert:

SEC. 304. No funds appropriated by this or any other Act to the Federal Communications Commission may be used prior to June 30, 1985, to implement the Commission's decision adopted on July 26, 1984, in Docket GEN 83-1009 as it applies to television licenses. The term "implement" shall include but not be limited to processing, review, approval, or acquisition of any interest in or the transfer or assignment of television licenses.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 210 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

SEC. 304. No funds appropriated by this or any other Act to the Federal Communications Commission may be used to implement the Commission's decision adopted on July 26, 1984, in Docket GEN 83-1009 as it applies to television licenses, prior to April 1, 1985, or for 60 days after the Commission's reconsideration of its decision in this matter, whichever is later. The term "implement" shall include but not be limited to processing, review, approval, or acquisition of any interest in or the transfer or assignment of television licenses.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The amendment reads as follows:

Senate amendment No. 214: Page 68, after line 3, insert:

SEC. 308. (a) The Congress finds that—

(1) the export of American poultry meat products has reduced our Nation's annual trade deficit by over $275,000,000 but has declined for two straight years;

(2) an even more drastic decline in the exports of American shell eggs has occurred over the same period of time and many foreign markets have been completely lost;

(3) the decline of such exports is largely a result of the use of unfair trade subsidies for poultry and egg exports by countries of the European Economic Community and Brazil;

(4) the United States has been engaged for almost three years in negotiations with such countries to end the use of such subsidies but has been unable to make substantial progress in ending such subsidies; and subsidies are expected to be held in October 1984.

(b) It is the sense of the Congress that the President should use all practicable means to negotiate an end to the use of unfair trade subsidies for poultry and egg exports by countries of the European Economic Community and Brazil in order to permit American producers to compete more fairly in international markets and to avoid the imposition of such subsidies by the United States.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 214 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SEC. 308. (a) The Congress finds that—

(1) the export of American poultry meat products has reduced our Nation's annual trade deficit by over $275,000,000 but has declined for two straight years;

(2) an even more drastic decline in the exports of American shell eggs has occurred over the same period of time and many foreign markets have been completely lost;

(3) the decline of such exports is largely a result of the use of unfair trade subsidies for poultry and egg exports by countries of the European Economic Community and Brazil;

(4) the United States has been engaged for almost three years in negotiations with such countries to end the use of such subsidies but has been unable to make substantial progress in ending such subsidies; and

(5) further negotiations to end the use of such subsidies are expected to be held in October 1984.

(b) It is the sense of the Congress that—

(1) the President should use all practicable means to necessitate an end to the use of unfair trade subsidies for poultry and egg exports by countries of the European Economic Community and Brazil in order to permit American producers to compete more fairly in international markets and to avoid the imposition of such subsidies by the United States.

(2) the President should use all of the authorities available, including the Commodity Credit Corporation, to move U.S. agricultural products in world trade at competitive prices.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro temproe. Is there objection to the request of the gentleman from Massachusetts [Mr. CONTE]?

There was no objection.

The SPEAKER pro temproe. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed,

with amendments in which the concurrence of the House is requested, bills of the House of the following titles.

H.R. 71. An act to authorize and direct the Secretary of the Interior to engage in a special study of the potential for groundwater recharge in the High Plains States, and for other purposes; and

H.R. 2175 An act to amend the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 109. Concurrent resolution expressing the sense of the Congress that the Federal Government take immediate steps to support a national STORM program.

ADJOURNMENT OF THE HOUSE AND SENATE FROM FRIDAY, AUGUST 10, 1984, TO WEDNESDAY, SEPTEMBER 5, 1984

Mr. WRIGHT. Mr. Speaker, I send to the desk a privileged concurrent resolution (H. Con. Res. 351) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 351

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Friday, August 10, 1984, they stand adjourned until 12 o'clock meridian on Wednesday, September 5, 1984, or until 12 o'clock meridian on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the majority leader of the Senate, acting jointly after consultation with the minority leader of the House and the minority leader of the Senate, Shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 5, 1984

Mr. WRIGHT. Mr. Speaker; I ask unanimous consent that the business in order on calendar Wednesday, September 5, 1984, may be dispensed with.

The Speaker pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES, NOTWITHSTANDING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, September 5, 1984, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. WRIGHT asked and was given permission to address the House for 1 minute.)

Mr. WRIGHT. Mr. Speaker, I seek this time simply in order that we may have some understanding generally as to what our purpose is for the remainder of the day.

During this period while we await Senate action on the supplemental appropriation which has just been passed in the House, we will take up the Superfund bill and we will try to conclude it tonight.

It is my understanding that there will be a unanimous-consent request asked by the gentleman from New Jersey [Mr. FLORIO] and agreed to by the gentleman from Michigan [Mr. DINGELL] and by Members on the minority side, which would limit debate to 2 hours on all, save the tax section of the bill, and limit debate on the tax section to an additional 1 hour.

In any event, when we adjourn tonight, we will adjourn until September 5.

When we return on September 5, that is assuming of course that the Senate agrees or action is completed this evening on the supplemental appropriation bill; in the event that a snag were to occur there, of course, we would have to be in session again tomorrow. I do not anticipate that. We expect to adjourn this evening.

But when we come back on September 5 there will be votes. I do not know what they will be. The program for the week of September 5 will be announced later.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. PICKLE. I thank the gentleman for yielding.

Mr. Speaker, with respect to the possible motion that might be made for a limitation of debate, would that include a limitation with respect to the title V or that section of the bill pertaining to the Ways and Means jurisdiction?

Mr. WRIGHT. That is allowed a separate time.

The first unanimous-consent request will be exclusive of title V which is the tax title. Then a separate unanimous-consent request, if I understand it correctly, will be made concerning that.

Mr. PICKLE. By that does the gentleman mean the title V, the Ways and Means jurisdiction?

Mr. WRIGHT. As I understand it, that section is already limited under the rule to 30 minutes.

Mr. PICKLE. There is no intent to change that limitation?

Mr. WRIGHT. Mr. Speaker, no intent will lie in the unanimous-consent request, or any other motion, to change that.

Whatever motion or unanimous-consent request is made, if I understand correctly, will apply to all other titles of the bill exclusive of and up to that time.

Mr. PICKLE. I understand.

Mr. Speaker, I thank the gentleman.

□ 1650

FURTHER LEGISLATIVE PROGRAM

(Mr. LUJAN asked and was given permission to address the House for 1 minute.)

Mr. LUJAN. Mr. Speaker, I take this time to ask the majority leader, if I may, what will happen about the California Wilderness?

Could the majority leader advise us if he has any information as to whether there is going to be an attempt tonight to bring up the California Wilderness bill after we finish with Superfund?

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

I think I am speaking of the agreement that has been reached by all parties to the effect that the California Wilderness bill will not be considered until we return in September.

Mr. LUJAN. I thank the gentleman.

FURTHER LEGISLATIVE PROGRAM

(Mr. FRENZEL asked and was given permission to address the house for 1 minute.)

Mr. FRENZEL. Mr. Speaker, will the distinguished majority leader tell us whether other bills may be considered this evening. The gentleman, as I understand it, has ruled out the California Wilderness bill.

There are a number of other bills pending. I think the Members would like to be able to adjust their schedules.

Is it just to be Superfund tonight?

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Texas.

Mr. WRIGHT. I thank the gentleman for yielding.

The leadership does not have any other plans. I would not want to foreclose absolutely everything. But the only other thing that would be brought up might be something brought up under unanimous consent.

Mr. FRENZEL. I thank the gentleman.

I was thinking specifically of the pharmaceutical bill for which a rule was passed this week. That will not be brought up.

Mr. WRIGHT. It is the intention of the leadership that that will not come up until September.

Mr. FRENZEL. I thank the distinguished majority leader.

A TRIBUTE TO ALBERT P. BARRY

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Speaker most of us who serve in the House have had reason in the past 4 years to call on the Deputy Assistant Secretary of Defense for House Affairs, Albert P. Barry, for assistance. He has never failed to be prompt and as helpful as was humanly possible when I have turned to him for help or advice. Al is leaving the Pentagon today to return to the private sector and I know he will be missed up here.

Al has served on the Hill in a variety of roles—a Senate staffer, a liaison officer for his beloved Marine Corps, manager of congressional relations for a defense contractor and finally as an advisor to the Secretary of Defense on the legislative branch—all of this following a distinguished military career including two tours in the Republic of Vietman.

Those of us who have known Al Barry well during his service on the Hill, and there are many of us on both sides of the aisle, have learned to respect this energy and tenacity. In his work for this administration he has always worked hard to help us deliver the best for the Department of Defense and the taxpayer. I hope his efforts this year to assist us in authorizing and appropriating in a proper manner to serve the needs of national defense do not go unrewarded.

I wish him the very best as he embarks upon a new and challenging phase of his life.

SUPERFUND EXPANSION AND PROTECTION ACT OF 1984

The SPEAKER pro tempore. Pursuant to House Resolution 570 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, (H.R. 5640).

□ 1654

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5640) to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, with Mr. MINISH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose early today, pending was an amendment offered by the gentleman from Connecticut [Mr. MORRISON]

The Chair recognizes the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. Mr. Chairman, the amendment which I have offered is an attempt to solve a problem that very much needs to be solved, in my opinion, and in the opinion of many Members of this House. That is to give to those who have been injured by exposure to hazardous waste with an effective remedy to collect damages from those who were responsible for the depositing of those wastes.

Now, the House had before it in the bill itself title II, which attempted to solve that problem. Some of us, including myself, felt that as that was drafted it was too broad and had a number of problems which would not solve the problem without creating other unacceptable problems. That, I think, led to the close, but decisive vote, on the Sawyer amendment which caused that provision to be removed.

We have been attempting over the short period of time since that defeat of that portion of the bill to craft an amendment which would solve the problem.

I think that the amendment that I have offered is a good one and that would in large measure be an acceptable form of Federal cause of action.

However, because of the time pressures that we are under in the passage of this Superfund legislation and because of the fact that this portion of the legislation was hastily drawn and did not have the full consideration of the Judiciary Committee, as well as the Committee on Energy and Commerce, I believe that it is not appropriate to press for a vote on this amendment at this time.

In order to accommodate the passage of the Superfund legislation itself, which is the preminent and most important business before the House at this time, I will ask unanimous consent that my amendment be withdrawn, without prejudice.

Mr. Speaker, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

AMENDMENT OFFERED BY MR. LEVITAS

Mr. LEVITAS. Mr. Chairman, I offer an amendment.

PARLIAMENTARY INQUIRY

Mr. BREAUX. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BREAUX. Mr. Chairman, I would just question from the timing standpoint. I have an amendment that is printed in the RECORD and I am wondering and want to make sure that the amendment of the gentleman from Georgia, being offered at this time, does not prevent mine from being offered following his.

The CHAIRMAN. The Chair will advise the gentleman from Louisiana [Mr. BREAUX] that he is unable to rule until he sees the two amendments.

Mr. BREAUX. Mr. Chairman, if an amendment is to be offered which would create a new title following completion of title IV, would it be in order to offer that amendment following the amendment of the gentleman from Georgia?

The CHAIRMAN. The Chair will advise the gentleman that that is correct.

Mr. BREAUX. I thank the Chair.

The CHAIRMAN. The clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LEVITAS: Immediately after Title IV of the bill add the following:

TITLE V—ADMINISTRATIVE RECOVERY OF MEDICAL AND RELOCATION EXPENSES

RECOVERY OF MEDICAL AND RELOCATION EXPENSES

SEC. 501. The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by adding at the end thereof the following new title:

"TITLE IV—MEDICAL AND RELOCATION EXPENSES

"DEFINITIONS

"SEC. 401. (a) For purposes of this title:

"(1) The term 'applicant' means any person who applies for compensation under this title.

"(2) The term 'medical costs' means the costs of all appropriate medical, surgical, hospital, nursing care, ambulance, and other related services, drugs, medicines, as appropriate for both diagnosis and treatment, and any rehabilitative programs within the scope of section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723);

"(3) The term 'physical injury or illness' includes, but is not limited to, any physical injury or illness which is caused by exposure to a hazardous substance, pollutant, or contaminant prior to birth. Such term does not include mental distress, fright, or emotional disturbance.

"(4) The term 'dependent' means with respect to any deceased person the individual or individuals referred to in section 8110 of title 5 of the United States Code.

"(5) The terms 'treatment', 'storage', and 'disposal' have the same meaning as provided by section 1004 of the Solid Waste Disposal Act.

"(b) For purposes of this title, the terms 'hazardous substance', 'pollutant or contaminant', 'transport', and 'transportation' shall have the meanings provided in title I of this Act.

"APPLICATION FOR RELIEF

"SEC. 402. Any individual who alleges that he has sustained injury for which relief is payable under this title may file an application for such relief with the Administrator. Such application shall be in such form, and shall be filed in such manner, as the Administrator shall, by rule, provide. Such rule shall be issued within 180 days after the date of the enactment of this title.

"AWARD OF RELIEF

"SEC. 403. (a) If an individual establishes by a preponderance of the evidence that he has suffered a physical injury or illness which was caused by exposure to a hazardous substance, pollutant, or contaminant—

"(1) from a facility or site at or from which such substance was stored, treated, recycled, disposed of, or migrated, or

"(2) during transportation to such a facility or site,

the Administrator shall pay relief undr this title to such individual.

"(b) If a dependent of any deceased individual establishes to the satisfaction of the Administrator that the death of such deceased individual was caused by any exposure referred to in subsection (a), the Administrator shall pay relief under this title to such dependent.

"AMOUNT OF RELIEF

"SEC. 404. (a)(1) Relief under this title to any individual who has suffered a physical injury or illness shall consist of—

"(A) a payment or reimbursement for all medical costs incurred in connection with the physical injury, illness, or death concerned;

"(B) a monthly payment in an amount equal to the injured, ill, or deceased individual's monthly earnings which are lost (as estimated by the Administrator) by reason of the physical injury, illness, or death during the one-year period following such injury, illness, or death; and

"(C) reimbursement for—

"(i) expenses incurred by an individual in obtaining alternative water supplies, or

"(ii) reasonable costs of transportation, lodging, and meals for not more than three trips to locate a new residence, and reasonable moving costs, where such individual's exposure (or potential exposure) to a hazardous substance, pollutant, or contaminant caused or significantly contributed to such costs.

Payment under subparagraph (B) shall not exceed $1,000 per month.

"(2) Relief under this title to the dependents of any individual shall be equal to the amount specified in paragraph (1), except that such relief shall include the reasonable expenses of burial. The Administrator shall promulgate rules regarding the equitable allocation of relief payable under this title to dependents where there are two or more dependents.

"(b) The Administrator shall compute the amount of relief to be awarded to any applicant under this title and determine the method, terms, and time of payment.

"(c)(1) Any payment made pursuant to this title shall, for purposes of section 111(a) of this Act, be considered a payment of governmental response costs incurred pursuant to section 104 of this Act and shall be charged against the Hazardous Substance Response Trust Fund established under subtitle B of title II of this Act. Claims against such fund which are in excess of the total amount provided under paragraph (2) for purposes of this title shall become valid and shall be paid in the same manner as provided in section 111(e)(1) of this Act.

"(2) Not more than 12 per centum of the amount appropriated or credited to the Hazardous Substance Response Trust Fund for any fiscal year may be used for purposes of this title.

"(3) No payment shall be made pursuant to this title except to the extent and in such amounts as are provided in advance in appropriations Acts.

"PROCEDURE FOR DETERMINATION

"SEC. 405. (a) The Administrator shall, by regulation, prescribe procedures for determining claims under this title. The Administrator may consult with the Secretary of Health and Human Services in prescribing such procedures.

"(b)(1) In determining any claim under this title, if an individual (or his dependent) who is an applicant provides information sufficient to enable the Administrator to find that—

"(A) the individuals suffered any physical injury, illness, or death;

"(B) the individual was exposed to a hazardous substance, pollutant, or contaminant—

"(i) from a facility or site at or from which such substance was treated, recycled, stored, disposed, or migrated; or

"(ii) during transportation to such facility or site; and

"(C) exposure to such hazardous substance, pollutant, or contaminant was at such levels and for such duration as to be reasonably likely to cause or significantly contribute to death or to a physical injury or illness of the type suffered by the applicant.

such injury, illness, or death shall be presumed to have been caused by such exposure.

"(2) A presumption established as provided in paragraph (1) shall be overcome if the Administrator determines, on the basis of any information available to him, that it is reasonably certain that the exposure referred to in paragraph (1) did not cause, or significantly contribute to, the individual's physical injury, illness, or death.

"(c) For purposes of making a determination respecting payment of any claim filed under this title, any information which tends to establish that exposure to the hazardous substance, pollutant, or contaminant in question causes or contributes to death, or to physical injury or illness of the type or class allegedly suffered by an individual, shall be considered relevant to the issues of causation, including but not limited to the following:

"(1) An increase in the incidence of such injury or illness, or an increase in the incidence of death, in the exposed population above that which is otherwise probable.

"(2) Epidemiological studies.

"(3) Animal studies.

"(4) Tissue culture studies.

"(5) Micro-organism culture studies.

"(6) Laboratory and toxicologic studies.

"(7) Immunological studies.

"(8) Toxicology profiles prepared under section 104(i)(2) of this Act.

"(9) Health effects studies prepared under section 104(l) of this Act.

"(d) In making a determination under this title, the Administrator shall require such medical tests or examinations of the applicant as may be necessary to confirm the diagnosis or determination of physical injury or illness. The Administrator may also undertake such other investigations and require the production of such other information as he deems appropriate for purposes of making such determination.

"(e)(1) If requested by the claimant, the Administrator shall conduct a hearing with respect to any claim which has been denied, in whole or in part. Such hearing shall be conducted in the same manner as hearings conducted with respect to disability insurance benefits under section 223 of the Social Security Act.

"(2) In any proceeding under this title, the owner or operator of any facility or site which is alleged to have been the source of the exposure on which a claim under this title is based, or the person transporting any hazardous substance, pollutant, or contaminant to such facility or site (in the case of a claim based on exposure during transportation), shall be notified of the proceeding, but shall have no right to participate in the proceeding.

"(3) The Administrator shall award to each claimant who prevails in a proceeding under this subsection the costs of any representation by attorney or otherwise which is necessary for such claimant's participation in the proceeding and the cost of any expert witness fees incurred by such claimant.

"SUBROGATION

"SEC. 406. (a)(1) Except as provided in paragraph (2), whenever a payment is made under this title to any applicant the United States shall be subrogated to the rights of such applicant under any other provision of law (including title II of the Superfund Expansion and Protetion Act of 1980) for thefull amout of such payment and shall be entitled to recover all administrative and adjudicative costs and attorneys fees incurred by the United States by reason of the applicant's claim.

"(2) The United States shall not have any right of subrogation under paragraph (1) with respect to any payment under this title for any physical injury or illness which was caused by exposure to a hazardous substance or pollutant or contaminant, if no part of such exposure occurred after the date which is 20 years before the date of enactment of this title or if the defendant would not have been liable under applicable State law at the time of exposure.

"(b) The Attorney General shall take such steps as may be necessary to protect or enforce any rights of subrogation under this section.

"(c) Any amount recovered by the United States under this section shall be deposited in the Hazardous Substance Response Trust Fund.

"JUDICIAL REVIEW

"SEC. 407. (a) Any claimant adversely affected or aggrieved by any fianl determination of the Administrator under this title may obtain a review of such determination in accordance with the provisions of chapter 7 of title 5, United States Code, by filing a written petition within sixty days following the issuance of such final determination in

a district court of the United States for the district within which—

"(1) such person resides or conducts business; or

"(2) the physical injury, illness, or death, or other expense which formed the basis for a claim relating to such final determination is alleged to have been caused.

"(b) A determination made by the Administrator with respect to entitlement to benefits for injuries, illness, or death or other expense shall costitute a final administrative determination for the purpose of judicial review under this section.

"ADDITIONAL RECOVERY

"SEC. 408. (a) No individual who has recovered any amount under this title with respect to exposure to any hazardous substance, pollutant, or contaminant shall be prohibited from recovering an additional amount under this title at a subsequent time if such individual establishes (in accordance with the procedures under this title) that an additional physical injury or illness was caused by such exposure and that such additional physical injury or illness was not known to the individual at the time the prior application was made under this title.

"(b) Nothing in this title shall preclude an individual or dependent who has recovered any amount under this title with respect to exposure to any hazardous substance, pollutant, or contaminant from recovering in an action in court for amounts in excess of any amount paid under this title for a physical injury, illness, or death or for any damage not compensable under this title.

"COLLATERAL RECOVERY

"SEC. 409. The amount payable under this title to any applicant shall be reduced by the total of the compensation for costs for which relief may be paid under section 404(a) which is paid to the applicant by reason of the same physical injury or illness or death from any other source, including compensation (as described is section 404) paid—

"(1) pursuant to any administrative or judicial proceeding under State law,

"(2) pursuant to any consent decree under State law or any other binding settlement,

"(3) under any governmental program (including medicaid or medicare) which the injured, ill, or deceased individual was required to participate in, or

"(4) pursuant to any other insurance policy or program.

"LIMITATIONS

"SEC. 410. No application may be filed by an individual under this title after the end of the six-year period beginning on the later of (1) the date the claimant knew of the injury's cause association with the hazardous substance for which relief is payable under this title or (2) the date of enactment of this title. No application may be filed under this title by a dependent of a deceased individual if such deceased individual would have been barred by the preceding sentence."

"WORKER'S COMPENSATION

"SEC. 411. No employee, or employee's spouse, dependent, relative, or legal representative, who may assert a claim against the employee's employer under a State or Federal workers' compensation law based on the employee's workplace exposure to a hazardous substance, pollutant, or contaminant shall be entitiled to recover any amount under this title based on that exposure.".

Renumber the remaining titles accordingly.

Mr. LEVITAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

(Mr. LEVITAS asked and was given permission to revise and extend his remarks.)

(By unanimous consent Mr. LEVITAS was allowed to proceed for an additional 5 minutes.)

The CHAIRMAN. The gentleman from Georgia [Mr. LEVITAS] is recognized for 10 minutes in support of his amendment.

Mr. FLORIO. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from New Jersey.

Mr. FLORIO. I thank the gentleman for yielding.

Mr. Chairman, I would ask unanimous consent that all and any amendments thereto debate on the gentleman's amendment be limited to 45 minutes, to be divided equally between the proponents and opponents.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. CHENEY. Mr. Chairman, reserving the right to object, the minority may well be able to reach a consensus in terms of the agreement that has been suggested by the majority leader and the gentleman of the majority, but we are not there yet.

I would be constrained to object unless the gentleman perhaps would withdraw his request at this time and we will try to work out an arrangement on this side.

Mr. FLORIO. Mr. Chairman, I withdraw my unanimous-consent request.

Mr. LEVITAS. Mr. Chairman, the amendment I am proposing would amend the bill to create a new title V in the Superfund.

The purpose of the new title is to provide an administrative mechanism for compensating those individuals who are harmed in various ways because of exposure to hazardous waste at abandoned dumpsites and other similar situations.

When the original Superfund bill was passed the question of victims' compensation was turned over to a task force created by section 301(e) of the Superfund law. That task force, composed of 12 members, has now submitted their findings to Congress. They concluded that while there currently exists personal injury compensation mechanisms for toxic exposure under State causes of action, there are serious barriers that will likely permit compensation for only a few highly selected cases.

This Commission, which this Congress created also recommended that there be established an administrative remedy. They concluded that this remedy is necessary in order to provide for small claims involving a multiplicity of torts, exposures, victims, and damage problems.

□ 1700

In their report they recommended a 2-tiered system of compensation for victims. One tier relying on the State tort law and the other tier relying on the administrative type system for victims whose injuries or losses were too small to make it worthwhile for a lawyer to take it into court, given the expensive and complex type of litigation involved. These people need to have redress because they have real losses and they are basically low and middle income individuals.

My amendment carries out the purpose of 301(e) task force.

The present system of tort laws, and other types of compensation frequently fail to provide relief to many individuals for a variety of reasons. This new title V, the "Administrative Recovery of Medical and Relocation Expenses," would respond to this shortfall or deficiency.

Mr. Chairman, for several years now the Committee on Public Works and Transportation's Subcommittee on Investigations and Oversight, which I chair, has been examining the problems associated with the improper and often illegal disposal of hazardous wastes. One of the problems that our oversight has highlighted is the problem faced by people who live near these waste sites. In some instances these people are not even aware that they live near these waste sites until something happens—there is a fire or an explosion, or drums corrode and the chemicals leach out emitting fumes that are caustic in nature and create general nuisance conditions, and often even more.

During our review, we have had numerous days of hearings during which we have heard testimony from some of the people who live near some of these sites. We have heard about the problems they face, the onset of the various types of illnesses, neurological disorders, genetic deformities, disfunctions, difficulty in breathing, to name just a few.

It was highlighted time and time again that there was a problem for people who suffered real injury but who had no practical recourse to the courts because their claims were too small or they could not find the people who created the problem because the responsible parties had either absconded or were bankrupt. These individuals were suffering real loss but had no means of redress.

In short Mr. Chairman, we have heard testimony from victims—victims of exposure to hazardous waste sites.

These people have illnesses. These people have medical bills. And these people have fear.

They fear for their well-being, and they fear for their future. They fear for their children's well-being and their children's future. Frequently we have found that they are faced with losses—both material losses and emotional losses. For some, the situation is so acute that their lives have been shattered in terms of any dreams or hopes they had for the future.

Now as you know, this victim's compensation issue is a controversial one. Our hearings, and those held by other committees and subcommittees of the House, have heard similar stories. And the story is that for the sizable situation, wherein there are numerous parties claiming substantial injury, and there is so much evidence that one can trip over it, for these situations, the existing tort law situation is usually effective. Law suits for damages are filed, and awards are made.

But this is not always the case. And most of the testimony we received indicated that many cases, where the potential claims are small, never go forward, for the costs of litigating them far exceed the expected award.

They are not substantial enough, nor the type of cases, that attract legal counsel, since attorneys who handle the cases do so on a contingent fee basis. Consequently, the one person cases, or the small group, or the handful of people who live in the wrong place by no choice of their own and have only "mild" problems, can obtain no help or remedy.

We heard testimony from citizens in New Jersey, who had to mobilize in a protest group in order to get anyone to pay attention to their plight.

We heard about the sick children and from their parents, some of whom testified, of their illnesses due to their living in the area where dioxin was found in Missouri. We heard testimony from individuals who had the misfortune to live downwind of a lead smelter so that their children, who go to a nearby playground have been exposed to high concentrations of lead. Some have learning disabilities, a common problem when young children are exposed to lead. And others had excessive levels of toxic lead in their blood, a very dangerous and health threatening situation.

We heard testimony from people who live at Times Beach and people who lived at other localities near hazardous waste sites. They told us of their problems and their fears and the problem that they had no recourse to the court and no recourse in any other forum.

Now, I acknowledge the fact, Mr. Chairman, that this is a highly controversial matter. But the fact of the matter is that it is one which deserves our attention. If you do not deal with this matter now, you will simply be acknowledging that there are people who are being harmed and then wash your hands of the blood. The administrative remedy in my amendment can easily deal with the problems that have been identified by Congress in its hearings and that were addressed by the 301(e) task force. This amendment is in response to that.

Let me make one other vital point, Mr. Chairman. The Superfund law itself permits compensation for property damage. Property damage can be compensated. Individuals who suffer harm from the same poisons cannot. And that seems to be a rather ironic situation. Think about it. Think about it. Here you have this house, this home, and that has been the subject of leaching from the hazardous waste site nearby, and the lawn on that house has withered, the trees have shriveled up, the people may even have to move because of the smell, and they can get compensated for their house, for their lawn, and for their tree. But that little blue-eyed, curly haired girl in the house, the 5-year-old who is sick, cannot receive compensation for her medical expenses even though she has been injured by the poisons from the same hazardous waste site. If you do not adopt my amendment tonight, you will say that is the way we want it—we want to compensate for the trees on their lawn but not for the injuries to the people in the house. It is this that we are trying to address.

Mr. Chairman, what I am proposing today is to amend the Superfund law to establish an administrative remedy within the Environmental Protection Agency, for making payments from the Superfund law's trust fund to those who meet the criteria and qualifications of this amendment. It would provide relief and assistance to those who have suffered tangible harm, that is measurable.

This amendment provides an administrative remedy to compensate individuals for medical costs, and certain other limited, related tangible costs resulting from exposure to hazardous wastes, including death. This amendment provides that if an individual can establish by a preponderance of evidence that he has suffered physical injury or illness which was caused by exposure to a hazardous substance from a waste site or facility then that individual shall obtain financial relief.

If an individual can show that he has had his livelihood curtailed, that is income has been curtailed, that he has suffered sensory or mental impairment or limitations due to neurological damages that can stem from exposure to hazardous chemicals, then that individual shall receive relief, and shall be paid from the fund.

However, in order to prevent this program from becoming a new retirement program, and to protect it from abuses, compensation for lost income is to be paid for no more than 1 year, and it cannot be for more than $12,000 to any applicant.

I think it is also important to note that this amendment, will not pay funds to individuals who have intangible damages—that is, people who have illnesses stemming from fear or anxiety, and who want to claim damages to to "pain and suffering." These people have to continue to seek their compensation for these types of damages or harm through the courts, under traditional tort law.

But for those who can meet the certain tests of this section, relief for tangible harm shall be granted. Among and included in the relief payable under this amendment are:

Payment or reimbursement for all medical costs that an individual incurs in this instance;

A monthly payment of up to a maximum of $1,000 per month, for up to 12 months;

Reimbursement for the cost of obtaining alternative water supplies and for having to relocate an individual's home, if that became necessary. The latter, however, is limited to moving costs, and the travel costs with locating a new residence.

Also, there is a provision which would bar employees of the owners of the hazardous waste site and employees of the transportation company transporting the hazardous waste—who are otherwise covered through their employer by worker's compensation—from filing under this program.

This title has several criteria for ensuring that this is not simply an open door for relief to anyone for any reason. The presumption that does exist in this amendment is narrow. In fact, in order for a person to be able to receive an award of compensation under this provision, that individual or applicant must show several things.

First, that individual must show that they have suffered a physical injury or personal injury—that there is some sort of illness.

The claimant must show that they were exposed to hazardous wastes from a waste site. That is, if they don't live near a waste site, or they were never near one, and they were not there for any reasonable period of time, then they would not qualify.

There must also be enough evidence available to establish "a reasonable likelihood" that exposure to the types of wastes that are present at the site in question can cause or at least "significantly contribute" to the type of harm suffered by the victim.

In other words, you have to have an illness or injury, you have to have lived near or adjacent to the waste site involved, you have to have hazardous chemicals present, and these hazard-

ous chemicals have to be of a nature that can cause the type injury or harm that the claimant is asserting. The only presumption under this system is, that if all of these criteria are met, then the individual is eligible for an award—but even here, that award can be precluded if there is evidence of some strength to the contrary.

Further, as I noted previously, the presumption of causation, even if all the several criteria are met, can be overcome if the Administrator determines on the basis of available information, that the exposure did not cause the harm.

This amendment also provides some guidance to the Administrator on the type of information that can be considered relevant for the purposes of determining causation. The information would include such things as increases in the incidence of illness, injury or death around the waste site; epidemiological studies; animal studies; and other technical and medical studies. It would also include the toxicology profiles that are to be prepared under another provision of this bill, and it would include the health effect studies that can be petitioned by citizens under yet another section of the bill.

The amendment would also provide the authority to the Administrator to conduct any other tests and investigations he feels may be necessary in order to have enough information for making an award or determination on an award, with respect to the amount, or the possible denial.

If someone is denied an award, they can request a hearing on the matter, and if they prevail on such a hearing they can also be compensated for their legal and related costs in pursuing the hearing.

In order to ensure that there may be an opportunity to recover some of these costs, the United States is subrogated to the rights of any claimant that receives a payment and can recover all costs from the responsible parties.

Further, any individual who suffers any additional injury or illness may seek additional compensation under this provision and they're going to be free to bring suit against any liable party for any additional unreimburse or unpaid claims.

This amendment also places a statute of limitation on the time an individual has to file a claim under this title. This time is limited to the later of one, the date when the claimant first became aware that his or her injury stemmed from contact with the hazardous substance or two the date of enactment of this subtitle. This second date will assure that those persons who became aware of this association more than 6 years before enactment will still have time to file.

There have been many points that have circulated around the floor of this House today as a basis for opposing this amendment. Some said it creates a new Black Lung Program. Well, I assure you it does not. The Black Lung Program is a program that is an entitlement program. This is not an entitlement program. We are talking about a modest amount of redress which is capped—loss of earnings cannot exceed $12,000. Everything that is recovered by a claimant from any other public or private source must be offset against it. It does not inure to the benefit of survivors beyond what is in the original award. It does not, as some people have said, create irrebutable presumptions. There are rebuttable presumptions. It does not establish a fault system so the companies that may have contributed to the hazardous waste site will not have a finding of fault made against them.

It was originally structured to utilize the services of the Social Security Disability Program. That has been taken out, and the administrative recovery will be handled exclusively within the Environmental Protection Agency. It does not compensate for intangible harm or mental suffering. It is only actual and real losses and medical expenses that will be dealt with. And, again, these will be off-set by any other reimbursement the claimant has received.

The individual who has suffered would have to come in and make a showing that they lived near or in proximity to a hazardous waste site and that they are suffering from a particular type of illness associated with the types of chemicals in that hazardous waste site. At that point, a rebuttable presumption would be created that there was a causal link between their illness and the particular site, and they would qualify for this limited and modest but very vital, recovery. The persons involved could recover their medical expenses, a minimal amount of loss of earnings that they actually incurred, and the recovery of relocation expenses if they were forced to move from their home.

This modest recovery could still be denied if the Administrator upon receiving information from any source felt that a case that there was a linkage between the illness and between the hazardous waste site was not established.

Now, it seems to me that the argument that there is no 100-percent certainty of causation is a specious argument. There is not a 100-percent certainty of most of these things we do in this world. But when it comes to making decisions, we have to make them based upon the best evidence available. And, where there is a substantial likelihood of some connection, we must take action. That is particularly true in the case of individuals who have suffered harm and individuals who have suffered medical expenses from these poisonous sites that have been abandoned around our country.

If we do nothing here, we are saying to the American people we do not care. We will spend the money from the trust fund to compensate for dead trees but we will not spend money from the trust fund to help make whole, in a small way, these poor or low-income or middle-income blue-collar people who live around these sites and have been victimized as innocent victims of the presence of these hazardous waste sites.

Now, I suggest to you, my friends, that this system, this particular system, is one which is modest in nature.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LEVITAS] has expired.

(By unanimous consent, Mr. LEVITAS was allowed to proceed for 1 additional minute.)

Mr. LEVITAS. Mr. Chairman, let me conclude by saying that we have tried to get the best evidence that we could in order to support the approximate anticipated cost, and that evidence, which I will put into the RECORD, compiled from statistics supplied by the Mitre Agency for the Environmental Protection Agency, American Cancer Society, the National Center for Health Statistics, the Health Care Financing Administration and the Bureau of the Census. These figures indicate a cost of approximately $740 million. This amendment is supported by the coalition of all environmental groups, the National Audubon Society, the Sierra Club Citizens Action, Clean Water Action Project, Environmental Defense Fund, Environmental Policy Institute, and others, which I will include as part of the RECORD. It is an important matter. It is important for the environment. It is important for the people of America. I urge my colleagues to support this amendment.

ESTIMATED MEDICAL COSTS AND LOSS-OF-EARNINGS FOR VICTIMS OF HAZARDOUS WASTE SITES

ESTIMATED MEDICAL COSTS

EPA estimates that approximately 10 million people [1] live around current National Priority List (NPL) sites where there have been known releases to drinking water supplies. There are presently over 500 NPL sites; a reasonable estimate is that this number will double over the next five years of the Superfund authorization. This means that in five years 20 million people will be potentially exposed to hazardous waste pollution. For the purposes of computation we assume that an average of 15 million people will be potentially exposed over the next 5 years.

[1] Footnotes at end of article.

The rate of new cancer cases of all types in 1983 was .00325.[2]

(15 million)×(.00325)=48,750 is the potential number of cancer victims in the five-year life of Superfund. Average annual medical costs per cancer case vary from $250-$15,000[3] depending on type of cancer. If we take $5,000 as an average medical bill and assume that 30%[4] of all health care expenses are out-of-pocket and uninsured, then $1,500 is an average annual cancer medical bill uncompensated by any other program. Over 5 years, estimated medical costs are: (48,750×($1500)×(5)=$366 million.

ESTIMATED LOSS OF EARNINGS PAYMENTS

Of the average number of potential victims in the next 5 years, 64%[5] of the population is employable. (48,750)×(.64)=31,200.

If we assume that all of these employable victims receive the maximum $12,000 for loss of earnings, then total loss of earnings equals: (31,200)×(12,000)=$374 million.

Total medical costs (assuming severe and expensive cases) and monthly payments are estimated to be: $366 million+$374 million=$740 million.

SOURCES

[1] Data developed by Mitre, Hazard Ranking Scores for the Environmental Protection Agency.
[2] American Cancer Society.
[3] National Center for Health Statistics.
[4] National Health Accounts, Health Care Financing Administration.
[5] Statistical Abstract, Bureau of the Census.

GROUPS SUPPORTING LEVITAS VICTIMS' COMP AMENDMENT

Citizens Action.
Clean Water Action Project.
Environmental Defense Fund.
Environmental Policy Institute.
Environmental Safety.
Isaac Walton League of America.
National Audubon Society.
National Resources Defense Council.
National Wildlife Federation.
Sierra.
American Public Health Association.
International Association of Machinists & Aerospace Workers.
International Ladies Garment Workers Union.
Industrial Union Department—AFL-CIO.
National Council of Senior Citizens.
UAW.
Union of American Hebrew Congregations.
United States Public Interest Research Group.

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, RAYBURN HOUSE OFFICE BUILDING,
Washington, DC, August 9, 1984.

Hon. ELLIOTT H. LEVITAS,
House of Representatives,
Washington, DC.

DEAR ELLIOTT: Based on our conversation last night, I am writing to express support for the two amendments that you will be offering to H.R. 5640, the Superfund Expansion and Protection Act of 1984.

I definitely support your initiative in providing for administrative recovery of medical and relocation costs through creation of Subtitle C of Title II. This approach will provide a more convenient solution for claims filed by injured parties while easing the burden on the court system.

The second amendment, which amends Section 104, provides the dual benefits of accelerated cleanups with added resources. It would also give private industry the opportunity to demonstrate its commitment to the cleanup of hazardous waste sites.

I believe the two amendments that you are proposing substantially strengthen H.R. 5640. I will be pleased to support them on the Floor.

Every best wish.

Sincerely,

JAMES J. HOWARD,
Chairman.

Mr. KINDNESS. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from Ohio.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LEVITAS] has expired.

(On request of Mr. KINDNESS and by unanimous consent, Mr. LEVITAS was allowed to proceed for 2 additional minutes.)

Mr. KINDNESS. I thank the gentleman for yielding. I will admit to not having had much time to read the content of the gentleman's amendment, and I am wondering—I have noticed that the bill would provide an administrative remedy for certain loss of earnings up to 12 months following the incident. What happens after that point in time? Is the amount that is awarded here administratively offset against any future lawsuit against other parties?

Mr. LEVITAS. Any amount that would be recovered from other sources, such as insurance, workman's compensation program, or any other source would be offset against the amounts recoverable under my amendment.

Mr. KINDNESS. In the other words, the Government would be able to recover insurance payments that had been made, for example, to the individual?

Mr. LEVITAS. Yes. This is not intended to be cumulative. It is intended to be a basic net.

I might add, this provision of my amendment also protects the fund itself by giving the United States the right of subrogation where that might be feasible. But in many instances, of course, as the gentleman knows, you cannot find the people. And also I would point out—and this is an important point—that any person who would be qualified to receiving workmen's compensation, for example, an employee of a recycling plant or an operator of a hazardous waste site or an employee of a transportation company hazardous material, would not qualify to be an applicant under this legislation. It is only the innocent bystanders who are not covered by workmen's compensation or other programs who are qualified.

□ 1710

Mr. KINDNESS. Now, if the individual was such an innocent bystander, and there is the question of the loss of life, as I understand the gentleman's amendment, the earnings loss to survivors that could be administratively provided, would be limited to 12 months, and that would be limited to no more than $1,000 per month.

Mr. LEVITAS. The reason for that, if I might say to my good friend from Ohio, that we are not trying to set up a mechanism to make a person whole as a result of this situation. The tort system will have to provide for that.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LEVITAS] has expired.

(On request of Mr. DAUB and by unanimous consent, Mr. LEVITAS was allowed to proceed for 3 additional minutes.)

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman.

Mr. DAUB. As I understand the gentleman's amendment, and please correct me, a little bit better than a billion dollars of the sum that will hopefully be in the trust fund will be devoted to victims compensation, as your amendment would have it?

Mr. LEVITAS. Not more than 12 percent of the Superfund can be used for this purpose, and I will tell you how I got the figure, if you are interested.

Six percent of the Superfund can be used to compensate people for property losses such as their homes or their trees or their lawn, and I just figure human beings were maybe worth twice as much as a tree.

I yield to the gentleman.

Mr. DAUB. Well, I could not agree with the gentleman more.

So then if it is 12 percent, the function would be that we would be setting aside for victims compensation better than $1 billion of the $10 billion that we hope to have in the bill as we are currently debating it, is that correct?

Mr. LEVITAS. Up to approximately $1 billion.

Mr. DAUB. I think it would be about $1,224,000,000. Now, if the gentleman would answer the next question, would an injury from creosote by a transporter of it on an old railroad tie on the way to a fireplace or a backyard, since creosote is defined as a hazardous substance, also entitle the victim to injury the same as it would someone who was taking that creosote to a dump site?

Mr. LEVITAS. If the individual, if an individual, was injured as a result of the release of the hazardous chemical, and was exposed to that and was not an employee of the company that made the release, then that individual would have recourse under this as an applicant for recovery of the minimum benefits. But I would suggest that that individual the gentleman just described—more likely than not—would be suing the company that made the

release, and therefore, would not come under the provision.

I yield further to the gentleman.

Mr. DAUB. To add a lighter vein, I noticed the gentleman said hazardous chemical. I was in the industry; I would like to refer to it, at least from my point of view, as a hazardous substance. When I was a boy back in Nebraska, a pot was a place I sat and grass was something I cut. Of course, those words when we are using them, mean something different today, and I would like to indicate that some things, when we use the word "chemical," they may be a hazardous substance, but they in fact may not fall in that category.

I thank the gentleman for clarifying his amendment for the record.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman.

Mr. LENT. I would just like to ask the gentleman about this entire question of what the cost of this fund might be or the cost of this provision.

My understanding is that there is some 22,000 hazardous waste sites in the United States. If we were to assume that there are just three claimants per site, which is a very conservative estimate, given the ease with which claims can be advanced and proved under this bill.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LEVITAS] has again expired.

(On request of Mr. LENT and by unanimous consent, Mr. LEVITAS was allowed to proceed for 3 additional minutes.)

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I continue to yield to the gentleman.

Mr. LENT. That could be some 66,000 claims. Now, taking a conservative estimate, if the lifetime medical expenses relating to an uninsured victim's disease were $100,000, and the cost of providing an alternate water supply under this bill could be $80,000, the lost income for 1 year were to be $12,000 attorney's fees and expert witnesses fees approximately $80,000, that comes to $272,000 per claimant, times 66,000 claimants. I just wonder, the so-called limit for awards under this program is 12 percent of the fund, as the gentleman has indicated.

But, let us not kid ourselves, if there are additional "victims" who have not received compensation, we reach this 12-percent limit, does the gentleman for 1 minute think that this Congress would not vote additional dipping into this fund, which is ostensibly there to clean up the hazardous waste in this country?

Mr. LEVITAS. Let me, first of all, respond to the gentleman that his calculations and the information I have received based on figures from the Mitre Corp., Environmental Protection Agency, National Center for Health Statistics, and others do not coincide. This estimate is a cost of approximately $1 billion; a little less than $1 billion.

Let me say to the gentleman that the logic of this position is that if we place a cap, as I do, at 12 percent on the fund, and the gentleman says, "But suppose there are victims out there who would exceed that?", the way this legislation is written, is that they would not be covered, and they would have to wait until the next cycle of appropriation.

The gentleman argues to me and says, "But this Congress is compassionate."

The CHAIRMAN. The time of the gentleman form Georgia [Mr. LEVITAS] has again expired.

(On request of Mr. LENT and by unanimous consent, Mr. LEVITAS was allowed to proceed for 2 additional minutes.)

Mr. LEVITAS. "The Congress is compassionate; it would not stand by and see these people go by and be uncompensated."

I would say to the gentleman if that is true, then I find it difficult to believe that this Congress would stand by silently and not compensate the victims up to the 12-percent figure.

What the gentleman is implying is that we would do nothing. I just cannot imagine that we will provide for property damage from the trust fund and not for real human physical losses.

I yield to the gentleman.

Mr. LENT. I am not implying to the contrary that the Congress would do nothing. I think that once the 12-percent cap were reached, it would be the inclination of the Congress to dip further into this fund which we are setting up for the purpose of cleaning up hazardous waste and instead a more substantial share of that fund would be utilized for compensating so-called victims.

Mr. LEVITAS. Let me say this to the gentleman: The gentleman from Michigan, Mr. SAWYER, in his arguments yesterday, made the point that the tort system, the State tort system is adequate for many cases. The 301(e) task force concluded the same thing and agreed with him. But they also concluded that there are people who fall through the cracks of the system; the people who do not have big enough claims to warrant the expert witnesses and the cost in court. It is those people that this modest, limited, narrowly drawn provision will address and will not just simply write off all together. It is they—not the vast number of large claims that the gentleman is suggesting. The large claims will be handled by the tort system. It is those who cannot find their way into court, who are abandoned, in effect, that we are trying to address with this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. PICKLE. Mr Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to comment briefly on the amendment of the gentleman from Georgia. Earlier his amendment would have required reference of many of these cases to the offices of Social Security. As I understood it, the gentleman has removed all aspects from the measure and this would apply separate and apart to damages an individual might have, and would not be routed through the Social Security offices. We have a chaotic condition in Social Security now.

The gentleman has removed that, as I understand it, from his amendment.

□ 1720

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I thank the gentleman for yielding.

That has been removed. The matter that the gentleman brought to my attention was addressed. I discussed it with our staff, and our staff took the matter up with the staff of the Subcommittee on Social Security.

Mr. PICKLE. Mr. Chairman, I thank the gentleman for removing the Social Security.

Mr. RITTER. Mr. Chairman, will the gentleman in the well yield on that very point of the Social Security Administration?

Mr. PICKLE. I will yield when I get to the end of my time. At the end of my presentation, I will be happy to yield to the gentleman, but I want to make a statement about the status of the Social Security Program. I will yield to the gentleman, if I get additional time, when I have concluded.

Mr. Chairman, I would have risen in strong opposition to the original amendment by the gentleman from Georgia, which would have put a crushing burden on the Social Security Administration and on disability State agencies, by allowing claims under this act to be processed through those offices. As chairman of the Subcommittee on Social Security, I can assure you that this is not a task they are prepared to take on. Far from it. In fact, right now, we have 29 out of 50 State agencies refusing to administer the Social Security Disability Program until we get our disability legislation through. Until H.R. 3755 is agreed to in conference—and I regret to say we are still stalled in conference—the disability program will be in chaos. There is just no way the Social Security Administration can handle

any new responsibility in this area right now, or in the foreseeable future.

We have all had complaints from our constituents about the problems they've had dealing with Social Security offices or the disability program. This amendment would have required SSA to divert valuable time and resources to this new task of determining claims under Superfund, and would make the existing problems 10 times worse. This amendment would have performed a great disservice to the elderly and disabled of this Nation who depend on Social Security to determine their claims and pay their benefits promptly. I must say I still have reservations about the gentleman's amendment even in its present form. And I am glad he has removed all references about the Social Security agency.

However, we cannot take any pride in the tragic condition of our Social Security Disability Insurance Program.

This administration has steadfastly refused to manage this program in accordance with the law as set forth by our Federal circuit courts. As a direct result of this refusal to broadly apply the law, we do not have a uniform, National Disability Insurance Program. Some 29 States are no longer administering this program in compliance with the guidelines of the Department of Health and Human Services.

In addition over 175,000 former beneficiaries have been forced to appeal to the Federal courts to reverse this administration's decision to drop them from the disability rolls. They represent the largest class of cases on the already overcrowded Federal court dockets. In court after court, Federal judges have condemned this policy. In short the administration's refusal to acknowledge the authority of our courts of law has resulted in administrative chaos, abuse of the judicial process, and human misery without end.

In addition to rejecting the medical improvement standard required by the the courts, the administration has refused to support our legislation which spells out the appropriate medical improvement standard. Instead they have sought legislation to shut off appeals and to remove cases already pending in Federal court. They seek to treat only symptoms, leaving the underlying problem to fester and rot. This is a course of action which can only result in greater tragedy.

These are several major areas of fundamental disagreement between our House bill and the Senate proposal supported by the administration. First, the administration would place a burden of proof entirely on the disabled beneficiary to establish that there has been no improvement in his/her medical condition. This is an inappropriate and unreasonable burden and it would force the whole disability evaluation process to become adversarial. Every person called in for a review would be forced to hire an attorney right away. This would wreck the entire administrative process.

Second, the administration would have us include in the bill's effective date a provision to prohibit cases from being heard by the Federal courts, even where the case was currently being heard by the judge. Such an attempt to remove from Federal courts cases which are already pending, seriously interferes with matters properly in the domain of the judiciary. We cannot accept such an interference.

Third, the administration seeks congressional approval for its current policy of "nonacquiescing". The administration refuses to broadly apply to all Americans the protection of the law which our Federal courts are providing to litigants who have the resources to seek appellate relief. I say to you, Congress cannot accept the proposition that the executive branch can pick and choose the laws it will follow.

Recognizing the magnitude of the tragedy before us, the House conferees have pushed vigorously for action. At our insistance we have met with the Senate. We have continually suggested avenues of compromise and have made offers to bring this conference to a successful close. The administration has spurned all attempts to resolve this impasse, and so the Senate conferees are as yet unyielding on the key points concerning a medical improvement standard and administrative acquiescence to Federal court decisions.

To fail to address these issues would amount to a ratification of the injustice which has plagued the disability program for the past 3 years.

And so, I remind the Members that while we can and should rejoice in the growing financial health of our Social Security system, and as we try to respond to a renewed call for ever higher benefits for the elderly, we first have a duty to provide equity and the protection of the law to those among us who are totally disabled. With the continued strong support of my colleagues I believe we can prevail upon the administration and the Senate conferees to join us in enacting the legislation we passed 410 to 1. To do less would be a tragedy, I urge your redoubled efforts in this regard.

Mr. Chairman, does the gentleman from Pennsylvania wish to ask me questions now?

Mr. RITTER. Mr. Chairman, I think I will take my own time to make my comments because they would be somewhat out of context at this time. But I appreciate the gentleman from Texas getting back to me.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PICKLE] has expired.

(On request of Mr. CONABLE, and by unanimous consent, Mr. PICKLE was allowed to proceed for 1 additional minute.)

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I understand the gentleman has been making a point on disability. I hope we can resolve that, too. I think it should be resolved. I know the gentleman has been very earnest in his desire to get a resolution of the issue, and I would like to thank him for his patience on it. I hope his efforts will be treated with success soon.

Mr. PICKLE. Mr. Chairman, I appreciate the gentleman's attitude. We have given to the other body what we think is a very reasonable and fair compromise. Now, of course, the other body thinks it has done that, too.

But I say to the gentleman that what we have offered is the bottom line. It can be resolved on the basis of our last offer. They ought to do this so we can get this very inhumane problem behind us. I hope we can do it within the next few days, even tonight, if possible.

Mr. CONABLE. Mr. Chairman, I understand what the gentleman is saying, and I agree with the thrust of his remarks.

Mr. RITTER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Georgia [Mr. LEVITAS].

Mr. Chairman, I would like to just point out a few details about this victims' compensation amendment that Members may not be familiar with.

First of all, it is a 13-page document that is chock full of a variety of very interesting features. For one, up until this morning the organization which was to have processed the victims' compensation claims was the Social Security Administration. Indeed it was the Social Security disability group within SSA, a group which we know to be, as the gentleman from Texas has eloquently stated, deluged with continuing disability reviews.

As of this time, now that the disability group within the Social Security Administration has been deleted from the 13-page document, there is no administrative organization to carry out the extraordinarily ambitious goals of this victims' compensation amendment.

We are all interested in satisfying the legitimate claims of injured parties, and I do not think that is a question here, nor is the argument about reimbursing a person's loss or the loss of a tree relevant. What the real problem is and what goes to the root problem of this amendment is that it speaks to injury caused by exposure to a hazardous substance, pollutant, or

contaminant. It speaks to the paying of damages for these injuries.

The problem—and this is the problem we have faced from the beginning in dealing with victims' compensation—is that these causal relationships are extremely weak. We cannot and we have not been able to do the job in a rational, scientific way in linking claimed injuries to the hazardous waste sites.

Let me just quote from this amendment for a moment. An individual has to establish by a preponderance of evidence that he has suffered physical injury or illness, and one of the claims made by this amendment is that it establishes an administrative procedure which avoids complex litigation. Well, I can tell the Members that the "establishing by a preponderance of evidence that physical injury or illness was caused by exposure to a hazardous substance, pollutant, or contaminant" is going to need some very extensive legal work.

□ 1730

It is not a straightforward matter, given the history in these cases, so this amendment is not really a victim's victim's compensation amendment, but perhaps a lawyer's or a litigant's compensation amendment.

There is language here that says, "if an individual establishes to the satisfaction of the Administrator that the death of such deceased individual was caused by any exposure referred to in subsection (a) * * *." This is not an easy task for the Administrator. To this day we do not have procedures that are sufficient to establish these causes. How in the world is the Administrator, simply because he is told to do so, about to establish these kinds of causes?

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. RITTER. I will in just a moment.

Here is a portion of the bill which says, "if an applicant provides information sufficient to enable the Administrator to find that harm has occurred," he will be able to establish a claim.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 2 additional minutes.)

Mr. RITTER. This problem is, what is sufficient information? We do not know what "sufficient" information is.

Then there is a "presumption" in this amendment which is extremely powerful. This amendment presumes that the injury, illness, or death, is caused by exposure, if the applicant provides information sufficient to enable the EPA to make such a determination.

First of all, the EPA is not a collection of doctors and health scientists and epidemiologists. They are mostly environmental scientists, environmental engineers and lawyers whose skills are geared to cleaning up the environment, as opposed to establishing difficult health and human damage links. They simply do not have this kind of expertise.

Then what this bill says—this is really a critical point—the bill says, well, let HHS do it. Let the Social Security Administration do it. Let them do it under the procedures that are relegated to the disability program, and then this morning this procedural heart is pulled out from the amendment the monumental task of establishing who has got a good case and who does not is left up in the air. This amendment does not in any way speak to how the program will be carried out.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 1 additional minute.)

Mr. RITTER. This amendment is flawed. There is such a preponderance of tasks that are just not doable given the current state of the art. For me, the problem is not really a function of cost. If we could provide a system which would actually help the people I would be for it, but the amendment is not doable. It talks about compensating those "reasonably likely" to have been injured by an exposure from a facility or site where a hazardous substance was.

"Reasonable likelihood" is not anything that we are familiar with in the law. The definition of a "facility" is extraordinarily broad. Let me just tell you what a facility is—a facility is defined to mean any building, structure, installation, equipment, pipe, pipeline, well, pit, pond, lagoon.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

(By unanimous consent, Mr. RITTER was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, I have asked for 2 additional minutes, because I do want to yield to my colleague, the gentleman from Georgia.

You can be living next to a drug store that has hazardous substances. You can be living next to a supplier of chemicals that has hazardous substances. If you get sick, you can claim that the drug store owner was responsible for your illness. The way the bill is drafted a case could be made!

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. RITTER. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, I thank the gentleman for yielding.

I just want to point out that as a result of the adoption of the Sawyer amendment yesterday, there is no system in this bill to compensate victims who have been injured by association with hazardous waste substances.

Mr. RITTER. If I can reclaim my time——

Mr. LEVITAS. Let me just finish this point.

Yesterday, Members supported the Sawyer amendment on the theory that there were adequate remedies in the State courts without the presumptions in the Federal cause of action. Those Members cannot take an inconsistent position today.

Mr. RITTER. Mr. Chairman, my position is consistent. I did not support the Sawyer amendment.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I would like to begin by expressing great affection and respect to the author of the amendment. He is a dear friend of mine. He is a valuable Member of the body. I hope that my denunciation of the amendment will not indicate any lack of affection or respect for the gentleman from Georgia, for whom I have the highest regard.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Georgia.

I am very sympathetic to the situation the gentleman is trying to address. Individuals suffering from toxic chemicals released from Superfund sites potentially represent a significant public health problem. I want to remind my colleagues, however, that there are different types of programs which protect and promote public health. There are preventative public health programs, like the Safe Drinking Water Act and Superfund. And there are public health care programs like Medicare, Medicaid, and the gentleman's amendment.

The preventative programs are intended to keep hundreds of millions of Americans from developing medical problems. The health care programs are intended to take care of those relative few who have, unfortunately, become ill.

The Superfund Program is intended to prevent millions of Americans from becoming ill due to exposure to hazardous substances. As has been well documented, the cost will come to much more than the $10.2 billion that are raised in H.R. 5640. In fact, as Chairman ROSTENKOWSKI stated before the Rules Committee, H.R. 5640 is merely a downpayment to address the abandoned waste problem this Nation faces.

Now the gentleman comes along with an amendment which, initially, will consume 12 percent of the fund. It

will eventually consume much more. And if my colleagues have any question about this, let me remind them that the only way we know that a Superfund site has affected the health of a community is that medical experts find an increase in illness in the community. That means that instead of finding three illnesses in an area, as expected as the result of smoking or drinking or other lifestyle factors, there are five illnesses in the area. The problem is we have no way to identify which of the illnesses are due to lifestyle and which are due to the hazardous wastes. So in fairness, we will compensate all five illnesses.

My friends, we are all exposed to hazardous substances regularly. What we have here, then, is a prescription for a national health insurance program to cover all the major illnesses in this Nation.

I think my colleagues are all clear that I am a staunch supporter of national health insurance. But this type of health care program does not belong on the most important health preventative program this Congress has crafted. Linking the two will destroy the intent of Superfund, which is to keep millions of Americans from ever facing the horror of illness caused by hazardous waste.

Mr. Chairman, I think we ought to take a look at what it is the committee is trying to do with the legislation before us. The committee is trying to clean up hazardous waste sites around the country as expeditiously as possible and to abate an ongoing and serious peril, not only to the people who live in the immediate area, but the people whose water supply, environment and health from contamination of the entire country is being adversely affected. We want to protect the public health and prevent persons from being afflicted with a serious health problem.

What is at stake here is a meaningful program to clean up. It is not a victim's compensation program, although a carefully crafted program of that nature may be appropriate.

The bill has in it $10 billion. The amendment would earmark 12 percent of that sum annually for victims' compensation.

The question that is before the committee today is a simple one. Do you want cleanup at the earliest possible minute or do you want to initiate a new program without any hearings, on this amendment, without any scrutiny as to cost, as to benefits, as to who shall be compensated, as to who shall administer the program, as to the relationship to insurance programs, and most importantly, as to who shall pay.

The amendment which I have been reading has the Administrator of EPA as the administrator of the program. Now, if there is an overburdened agency in Washington, it is the EPA, and if there is one with no experience whatsoever with victims' compensation, that is the agency. It is not the Department of Labor, the Social Security Administration, or any of the other agencies in Washington, such as HHS, that have traditionally dealt with this type of program, such as the Black Lung Program, which would administer the program. He undoubtedly would have to contract the program out. That is a prospect and a cost that scares me. EPA just does not have the resources or the know-how to conduct this broad and ill-defined program.

Now, there are some other concerns I think we ought to look at. If as the gentleman from New York [Mr. LENT] observed, three people in the area of every one of the 22,000 sites put in claims, that is 66,000 persons who will have a claim. If you take only the thousand dollars a month that each of them may draw—not including additional sums for burial expenses, moving expenses, relocation expenses, expenses for new homes, the cost of meals and lodging and travel, doctor's care and burial expenses that could be involved in this—you will find that you will have $66 million per month, or $790 million a year going out of the clean up fund for this sweeping program.

Now, with a 12-percent ceiling on this, what will happen? There will be a tremendous rush to the office of the Administrator of EPA. You will find that the funds are going to be depleted. At the end of the 12 percent, what is going to happen? A large number of deserving people are going to be standing there at the gate and they are going to be told, "The moneys are all gone. You do not qualify. We have already compensated all who beat you through the office door of the administrator of EPA."

Then what is the Congress going to do? The Congress, with probably the same amount of hearings and attention we have given to this particular proposal, is going to say, "Well, we will take another 12 percent from that fund and we will proceed to compensate the next group that has need of having compensation from these funds that are collected with so much difficulty."

□ 1740

Now remember, these hazardous waste sites are evoking a response from the Congress that is one of the strongest that I have ever seen. Here we have before us a situation of 22,000 sites dripping every manner of poison and hazardous substance into the environment and threatening the well-being of present and future generations of people. I want to help victims who are truly in need. I want to know more about that need and what should be done for them. But this amendment which has not been properly considered, is not the way.

Now, if there is need for a program of this kind, I think it can properly be estabished by proper hearings and by proper efforts to deal with the issue on the basis of careful and thorough and attentive consideration to the problem. I would gladly help toward that end.

And I would urge that that should be the course that the Congress should take in addressing the problem rather than permitting this event to simply go forward with an amendment offered in the best of good intentions I am sure, and offered in the best of good intentions I am sure, and offered in the best of good faith, but one which is mischievous because it raids a fund which is desperately needed for more important purposes and one which will have to be addressed again and again and again because the money here is not enough to accomplish our basic purposes of cleanup.

Regrettable, I urge defeat of this amendment so we can move quickly to the most essential goal of cleanup now.

Mr. Chairman, I yield back the balance of my time.

Mr. BROYHILL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to this amendment. It is not often that I am opposing the gentleman from Georgia. He is usually an ally of mine on a number of issues. But on this one I find that he is wrong.

There are a number of areas of concern that I have and I appreciate the attention of the Members. I would like to document them as quickly as I can.

I am concerned in this amendment that the gentleman has offered that claims can be made and granted without sufficient scrutiny as to their validity.

I do not find in this amendment, and I have had an opportunity this afternoon to read it over two or three times, I do not find any provision for any objective factfinding such as being able to interrograte the persons who make these allegations, or any provisions for cross-examination.

Now, there is a requirement in the bill for a Social Security type hearing. But that is the only kind of procedure, and I think it is rather curious to read on, that in that hearing the person who might later be sued for reimbursement from the fund has absolutely no right to participate in that hearing.

Let me move on, let me look, just for a moment, at the legal standard that is provided for in this bill. I am not a lawyer and I asked some of the lawyers around here as to the meaning of it.

"Compensation will be paid if the claimant's exposure was"—listen to

this term—"reasonably likely to contribute to the injury."

Now what is that standard? Is it known in law? I have been advised by competent attorneys that that standard is not known in law.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman repeat that again? The language says what?

Mr. BROYHILL. "Reasonably likely." Is the gentleman familiar with that term in law?

Mr. DAUB. Mr. Chairman, I practiced a lot of tort law in my day and would have difficulty defending against such a standard if I were in court.

Mr. BROYHILL. If I could say to the Members, the gentleman from Nebraska well knows, there are many substances that are reasonably likely to contribute to some ailment.

For example, we heard this week that the eating of eggs may contribute to eczema in children. You read that report that came out of the New England Journal of Medicine.

Now that is "reasonably likely." But what I am saying is this is a very lax legal standard.

Also, compensation will be awarded to those that are exposed to a hazardous substance from a facility or site. Now this is very important, and I want people's attention to this, because most people perhaps have the impression that we are talking about the release of a substance from a hazardous waste facility, one of these big waste dumps.

That is not what we are talking about. Because as I understand, the facility has the same meaning as Public Law 96-510, and under that, facility means, listen to this, any building, any structure, any installation, any equipment, any pipe or pipeline including any pipe into a sewer or publicly owned treatment works, any well, any pit, any pond, any lagoon, any impoundment, any ditch, any landfill, any storage container, any motor vehicle, any rolling stock, any aircraft. Now this is extremely broad.

Mr. DAUB. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding.

Mr. Chairman, I was studying the same point earlier and I looked at the language on the first page of my good friend, Mr. LEVITAS' authorship because he and I have affection for one another and I do appreciate, from a discussion on this same kind of amendment in our Public Works Committee, the attempt he is making.

When it says subsection 3 of 401 the term "physical injury includes but is not limited to illness which is caused by exposure to a hazardous substance," then go to the bottom of page 2, it says: "If an individual", I underline the word "individual," "establishes by the preponderance of the evidence that he has suffered a physical injury or illness."

Then we go to the gentleman's point, a facility or site, but the word "release" which the gentleman just mentioned, release of a substance is a real problem.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

(On request of Mr. DAUB and by unanimous consent, Mr. BROYHILL was allowed to proceed for an additional 3 minutes.)

Mr. DAUB. Mr. Chairman, will the gentleman yield further?

Mr. BROYHILL. I yield to the gentleman from Nebraska.

Mr. DAUB. I thank the gentleman for yielding.

Mr. Chairman, if you go to subsection 101 of title I under the hazardous substance release and look at subsection 9, we talk about a facility. Then we go over to the next page at subsection 22 and under the word "release" the exemption under B: emissions from an automobile engine or exhaust if from a motor vehicle.

Well, I submit on an example like lead, which is hazardous in gasoline, which creates car fumes and we all know about the mental retardation and mental illness that we have seen just recently being talked about in the press by the Secretary of Transportation under the proposed ban of leads in gasolines because of the illness that it causes, the word "release" is not in a position to exclude, under the draftsmanship that the gentleman from Georgia has included.

So I think it is the same point that the gentleman is making.

Mr. Chairman, would the gentleman agree?

Mr. BROYHILL. Mr. Chairman, I agree with that statement.

Mr. LEVITAS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Georgia.

Mr. LEVITAS. I thank the gentleman for yielding.

Mr. Chairman, as my friend from North Carolina said, he and I are frequently standing shoulder to shoulder. On this occasion, unfortunately, we have a slight disagreement.

The gentleman from North Carolina is wrong in his position on this occasion. I just regret that.

But I would like to make two points: Mr. Chairman, one is that this amendment is not something that just came out of the blue. There were hearings on this before the Public Works and Transportation Committee and before the Energy and Commerce Committee. The 301(e) task force called for this type of remedy and it is not just something that was fashioned out of the thin air.

There is a need for it. I would also like to say to my good friend from Nebraska, who is a very hard working member of our committee and contributes greatly, that the language that he cited on the bottom of page 1 was included to make certain that an unborn fetus would also be covered if the pollutants that the mother took in somehow or other affected the unborn child.

That was the only purpose for putting that language in—to make certain that the concerns that so many people have about the unborn would not be neglected in this particular piece of legislation.

I wish the gentleman from Illinois [Mr. HYDE], were here so he could help us make that point and the significance of it.

Mr. BROYHILL. Mr. Chairman, I would like to complete right now if I could, and sit down.

Mr. Chairman, let me just say I agree with the gentleman from Michigan [Mr. DINGELL] who made the statement a few moments ago that the purpose of this bill is to expand the Superfund program. There may be some argument over how much to expand it, but I think all of us agree that it needs to be expanded.

What I am concerned about with the program here is it would just divert the fund from what its intention is.

Mr. LENT. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I would like to elaborate on some of the objections which have been brought forward with respect to this amendment offered by the gentleman from Georgia.

It is true that compensation under the terms of this bill would be awarded to those exposed to a hazardous substance from a "facility" or "a site."

□ 1750

And these two terms are, as the gentleman from North Carolina indicated, very, very, broadly defined in the bill.

The definition is so broad that compensation would have to be awarded for injuries suffered from exposure to asbestos or to formaldehyde or from drinking water from lead pipes. As we know, there are many communities, such as the city of Boston which take their drinking water from lead pipes. So that the claims for injuries, real or alleged, could likely run into the billions.

The awards procedure in this bill is retroactive for 20 years. The awards procedure applies to the dependents of

any deceased individuals. This opens the fund to an unknown number of claims on behalf of those who are already dead. This would also mean a huge drain on the fund which is supposed to be dedicated to the cleaning up of hazardous waste sites.

It was pointed out earlier that the fund awards payments to those "reasonably likely" to have been injured by exposure to a facility or site where the disposal occurred. Disposal is defined very broadly and includes the "discharge, deposit, injection, dumping, spilling, leaking, or placing of any solid or hazardous waste into or on any land or water."

The fund also compensates those reasonably likely to have been injured by exposure from a facility or site where a hazardous substance was "treated, recycled, stored, or migrated from."

Mr. Chairman, this is an incredibly broad array of pathway exposures, particularly when coupled with the expansive definition of facility and site being undefined.

In addition to the hazardous substances which are listed, there is also compensation for exposure to any "pollutant or contaminant." Now, "a pollutant or contaminant" is a very broad term and it could be any chemical or compound, including salt, vinegar, or the chemicals used to keep swimming pools clean. It would include any suspected carcinogen. Remember, that the standard of proof, under the terms of the bill, is reasonably likely to contribute to the injury and any substance which cause an acute reaction.

There is one last point I would like to make on the issue of subrogation. I urge my colleagues not to ignore the subrogation provisions in this amendment. Subrogation allows the Government to sue an allegedly responsible party and collect reimbursement for all of the money paid to a claimant. The standard of proof required of the Government in these reimbursement actions is the same as the claimant's lack standard of proof.

The defendant in a subrogation action does not stand a chance. Not only does he have to pay the medical expenses, the loss wages, the cost of alternative water supply, but also the claimant's attorney's fees, the medical expert who may have performed expensive studies, and arguably the litigation costs of the Government. This is on top of the defendant's own litigation costs.

I suspect that the enactment of this proposal will result in a very sharp increase in the number of bankruptcies in this country.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. LENT. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I would like to just respond to a point that the gentleman from Georgia made. He stated that there were substantial hearings in the Energy and Commerce Committee, on which I serve, and on the Committee on Public Works and Transportation, on which he serves. Yes, we had hearings on the issue, on the subject, and, of course, the subject was not one on which we could find consensus and agreement.

But I would like to say that we have never ever held a single hearing on this 13-page document which constitutes a new piece of legislation, a new entitlement program, an extremely billion-dollar level program. As of this morning that program was lodged in the Social Security Administration.

Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I rise to strongly support this amendment, an amendment that promises something concrete and tangible to the victims of this country, those victims who have been cast off during the current Superfund program. This amendment states that Superfund protection must go beyond payment to a tree in your yard. It must also pay for the damage to the health of people that live in the homes, that live near the sites, for the lives that are lost, for the health which is lost, for the jobs and the income which are lost for families.

Believe it or not, some people consider this a radical idea to reimburse people for their medical expenses and lost wages.

Some people say that it is unreasonable by demanding a system that will compensate people for their out-of-pocket expenses for medical care. I contend that this is the most reasonable to address the problems created by soaring medical costs incurred by victims of hazardous waste exposure, because they were unlucky enough to live near a hazardous waste site.

If those Americans who happen to reside in one of the 540 communities which contain a priority waste site in their neighborhoods were all watching C-Span right now; and if we could line the galleries with those sons and daughters, brothers and parents whose bodies have been polluted by drinking contaminated water or by living on polluted land, then I think the tone of the debate today would be a little bit different.

I think that the people who have suffered at the hand of toxic chemicals would be appalled by the thought that we put compensation for a tree ahead of compensation for their health.

I also think that these people would find this amendment very sensible and very welcome. A proposal that offers them timely, but limited relief for their medical bills and lost wages which is long overdue.

If these victims were watching, they would have seen this body debate provisions which enable them to go to Federal court and to try and obtain some compensation. I think that these provisions are necessary since they will help many victims.

But they have been deleted. There are no provisions in here for a Federal cause of action now.

The real tragedy is that not everyone can go to trial even if we allowed them to. Not everyone has the time or the finances or the case to make it worth their while to prosecute an action at trial. A $50,000 case, a $100,000 case. What if it were just a poor person that lost $10,000 in out-of-pocket medical expenses? Are they going to be able to go to Federal court? Not under this bill. Are they going to able to go to State court? Perhaps. But it will take so much in legal fees that they will have a right without a remedy. And they will be able to execute it.

In fact, I have constituents in Woburn, which was once the No. 1 hazardous waste site in the United States, who began their case in 1979 in State court and who have still not made it through the courthouse door.

Litigation may be the only adequate remedy for those unfortunate Americans who have suffered severe damages, or for those people who have the patience and possess the substantial financial resources necessary to undertake litigation in State court, but the sad fact is that most people do not need large judgments 5 years down the road, although they may be entitled to them. The great majority, the vast majority, the overwhelming majority of people who have been affected by hazardous waste exposure need timely relief and they need it now.

Most victims who would be watching in the galleries are not out to get rich, although it is the claim of some opponents of this bill. They are not out to bankrupt corporate America, although that is what we are hearing today. They just want their fair compensation.

The CHAIRMAN. The Chair will remind the gentleman from Massachusetts that he is not to refer to those present in the galleries or the television audience.

They just want their fair compensation. Simple reimbursement for out-of-pocket medical expenses and for lost wages.

And contrary to popular belief, many of these victims are not anxious to go through the trouble and the expense of hiring a battery of lawyers and experts to try their case. All they desire is a simple, understandable

system where they can turn to for some timely and limited compensation.

This amendment would create such a system. It would provide timely compensation to those people who have suffered so much and received so little.

The amendment would correct a mistake this Congress made 4 years ago when we created Superfund. At that time, we rejected provisions creating a victim's compensation system out of deference to more study of the issue.

□ 1800

That study has been done by the section 301(e) study group, a collection of legal experts charged with reviewing "the adequacy of existing common law statutory remedies," and to evaluate the "nature of the barriers to recovery."

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MARKEY] has expired.

(By unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. MARKEY. That study group concluded that the current system of common law remedy is inadequate, and the barriers to recovery are, in most cases, insurmountable for ordinary people.

In the face of those barriers, the study group recommended an administrative system that would remove some of the burden on victims and on the court system to go to trial. This amendment was drawn from the study group's recommendations, with the hope that Congress will not again turn its back on the innocent victims of hazardous wastes.

This amendment would create a Federal administrative system which could provide victims compensation from the Fund for medical bills and lost income. A potential victim would have to demonstrate before an administrative law judge that he or she was exposed to hazardous waste and has suffered an injury. In addition, a victim must convince that administrative judge that there is a reasonable likelihood that such exposure caused the injury. If the victim satisfies the administrative law judge that his or her claim is valid, then they can receive compensation for all out-of-pocket medical expenses and limited lost income.

To help the victim demonstrate the reasonable likelihood, they could use health effects documents and other studies that could buttress the claim.

Before I conclude, I want to caution my colleagues that this is not an entitlement program, as earlier drafts of similar amendments may have suggested. This amendment clearly states that payments can be made only from amounts appropriated to the hazardous substance Superfund and any award for relief is subject to advance appropriations and subject to the availability of adequate funds.

I got a call a couple of months ago from a father of a child who lived near the Woburn hazardous waste site, a father whose child was born without any ears. Now, what do you say to a father like that? What do you say to a family that has had to incur unbelievable medical expenses? "No, there is no relief for you, no, you cannot go into Federal court, no, there is no help from the chemical companies to help you in your compensation"?

What we have here is a historic opportunity, a historic opportunity to say to victims of hazardous waste that we will give them a remedy, a remedy that allows them to receive just compensation.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MARKEY] has again expired.

(On request of Mr. DAUB and by unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I would like to ask the gentleman from Massachusetts what he plans to do for the person who has perhaps lost his legs in an automobile accident where it was a hit and run and there was no insurance in the case. Is not the situation at least as sympathetic as the one he has just mentioned? Isn't it a more substantiated case of harm? What about someone who was not born with ears who did not live near a hazardous waste dump?

Mr. MARKEY. What we are talking about here is creating a connection between, in fact, exposure to the illegal dumping of hazardous waste, and, in fact, some subsequent injury which has been incurred by an individual. If there could be in fact some connection between a drug company or some medical malpractice with a doctor and the child has been born with no ears in these other insurances, they ought to be able to and under common law can collect.

Mr. RITTER. If I may reclaim my time, the gentleman knows full well and has been through this many times and has seen the paucity of evidence linking human health damages to hazardous waste sites.

Mr. MARKEY. The point of the matter is this: We are not contending that any of these cases ought to be decided one way or the other, only that victims ought to have an alternative vehicle, an alternative forum which gives them their day in court.

Mr. RITTER. If I may reclaim my time——

Mr. MARKEY. It is my time. The gentleman is now speaking on my time.

I contend that without this kind of system that the hundreds of thousands of people who potentially have been exposed across this country will never see a day in court, will never have any remedy. No one from my communities has ever received a nickel from their exposure. And I dare say that we could count on one hand the number of people in our country who have, in fact, been able to receive relief. That, in spite of insurmountable evidence that, in fact, across this country hundreds and thousands of families have been adversely affected by their health. We need this kind of an amendment.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MARKEY] has again expired.

(On request of Mr. RITTER and by unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Pennsylvania.

Mr. RITTER. The gentleman talks about insurmountable evidence. The problem with this whole victims compensation area in that the evidence is not only not insurmountable, but it is extremely tenuous. We do not have it. What the gentleman is proposing is to create a fund for compensating victims whose cause of damage is extremely tenuous as opposed to, say, creating a fund for victims who have been mugged in the street, who have lost their wallet and perhaps their health as a result, whose cause of damage is far more substantiated.

The gentleman also talks about the system for carrying out a victims compensation program. But as of this morning, the entire system that this amendment was built around, which was the Social Security Administration Disability Program, was removed. Today, this moment, the system for adjudicating, the system for evaluating is now the EPA Administrator, who as the gentleman from Michigan so eloquently stated, is one of the most overloaded public servents in our town.

Mr. MARKEY. I want to reclaim my time. If we do not put this system in place, there is, in fact, no relief we offer to victims of hazardous waste exposure.

Mr. RITTER. What system? That is the point.

Mr. MARKEY. And what we have said is this, we put ourselves in the ironic situation where we will put up money to clean hazardous waste sites. Why? Because they affect people's health and happiness adversely, but yet when we turn and look at the consequences of it, we in fact do not offer any remedy whatsoever because we give them the illusory promise that

somehow or another the State court will give them protection. In fact, the reality is that that is not the case in this country. Victims of this kind of exposure to hazardous waste have no relief. If you are mugged, you can go to the police, you can have that person arrested. If you have some kind of car accident, you can take that case to court and there is right now a body of law that you can use to protect yourself. Because this is a new area of law in this country that has not yet developed the proper amount of sophistication and scientific validation that has reached a point where in fact there are court cases that give people protection, hundreds and thousands of people across this country go without protection.

What we are saying is that in view of the reality of the situation, we establish this administrative law tribunal, we give them this kind of protection, we put up the kind of funding that gives families money to protect them against being ravished financially by their inadvertent exposure to hazardous waste over which they have no control whatsoever.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MARKEY] has again expired.

Mr. RITTER. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. MARKEY] be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ECKART. Mr. Chairman, reserving the right to object—and I shall not object—I would just like to say that we have a number of other speakers and a timetable, hopefully, for completion of this bill.

I will withdraw my objection on the understanding that we can proceed in a timely and propitious manner.

Mr. D'AMOURS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr Chairman, I first of all want to pay tribute to the gentleman from Georgia for having brought this amendment to our attention. I think sometimes in the process of the excitement of passing on something as important as a Superfund bill, as expensive as a Superfund bill, we sometimes tend to lose track of what we are doing. The reason we are cleaning up these toxic waste dumps, full of chemical pollution, is because they are hurting people.

I do not serve on the Commerce Committee nor on the Public Works Committee, but I do have constituents in New Hampshire, Mr. Chairman, who have been and are being harmed because they happen to live close to toxic waste dumps.

Now, all the gentleman from Georgia, in this amendment, seeks to do is to give them a fair chance at some kind of remedy. They cannot go to court because they cannot afford the enormous cost, toxicological reports, and the like, of preparing a case. They cannot go to court because they cannot wait for the 2, 3, 4, or more years that a court-litigated case might take. They cannot go to court because they may live next to a toxic waste dump that has been closed and abandoned, and no one has any idea or can prove who, in fact, they should be suing.

All the amendment of the gentleman from Georgia does is to give these people a chance to recoup their costs, to recoup some of their costs, to recoup their medical expenses, because they cannot affort to pay them. They happen to be people of sometimes very, very meager and modest means. We are trying in this amendment to give the people who have been poisoned, whose children have leukemia, who themselves have been hurt and are ill because they happen to live next to a toxic waste dump some remedy which they otherwise would not have.

Now, let me say that I have heard that 12 percent is too much money. I do not serve on the committee. I do not know whether 12 percent is a little too much or maybe not enough money. But I do know that nobody here is coming forth with any alternative that they think would be the proper amount of money. And I think that if they are going to make that claim, then they should tell us what amount of money we should be spending, if they think this is too much. They certainly should not say we are going to destroy the fund entirely if you cannot prove that this is not too much money. That is not a fair burden to put upon the proponents of the fund.

□ 1810

Those people who fear that these expenses are going to consume the entire Superfund, I would say first, it clearly is not an entitlement program, and secondly, the rights of the people who are recompensed under the fund are subrogated to the U.S. Government. The U.S. Government can take their place and recover these costs plus the fund is paid for any other payments these people might have access to. Lest you think we are going to bankrupt the United States of America by this, remember that 86 percent of all Americans are insured privately. That money is going to help to pay for some of these expenses.

If we do not think that we are talking about people with serious illness or injury in this debate, then we are missing the point. We are going to spend a lot of money cleaning up toxic waste, a lot of that money is going to go to contractors whose business it is to clean up these sites. A lot of that money is going to go to bureaucrats. All we are suggesting is that some of that money should go for the purpose to which that whole concept is directed and that is to protect human life, to protect human health, to give some access to fairness, and to recompense the people who have, through no fault of their own, been harmed.

The CHAIRMAN. The time of the gentleman from New Hampshire [Mr. D'AMOURS] has expired.

(On request of Mr. RITTER and by unanimous consent, Mr. D'AMOURS was allowed to proceed for 2 additional minutes.)

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. D'AMOURS. I yield to the gentleman.

Mr. RITTER. I thank the gentleman for yielding.

I personally do not have a problem with the money part of this. Many of us do not have a problem with the money part of this, but is the gentleman aware that now that in the Social Security Administration has been removed there are no procedures, no administrative organization within this 13-page document that are capable of administering a massive new program with massive numbers of claimants. You are talking about substantial new program and the heart of the amendment which was the Social Security Administration's disability organization, the agency responsible for carrying out the claims process, has been lifted out. The procedural part of administering this massive new program has been given to the EPA Administrator.

There is no way on God's good Earth that this gentleman, whether he is a Republican or a Democrat appointee has the capability to go through with this program. Simply put, this amendment lacks a structure to carry it out!

Mr. D'AMOURS. I would reclaim my time and say that the gentleman from Georgia [Mr. LEVITAS] has been very careful to delegate this authority to the Administrator of the EPA and we leave it to his discretion and judgment and hopefully, perhaps with our assistance, to find a way to do this.

It is always easy to criticize and to find reasons not to do something. I think it is our responsibility to find a way to accomplish this purpose. Let us find out whether the EPA Administrator can do it. I do not know any reason why the Administrator of EPA could not set forth a system patterned on other systems already in existence in the Federal Government to accomplish this end. I would rather assume that he can and give people justice, than assume that he cannot and deprive them of justice.

Mr. MOLINARI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not use the 5 minutes. I will try to be very brief, because I know time is very precious on the passage of this bill.

I should like to say that I rise in support of the amendment and one thing that I think should be mentioned. I have been asking repeatedly tonight about the question of the natural resources or property damage claims. I am advised that that has been struck so that there is no fund, no portion of the Superfund that can be paid in the future, as the committee print is now, for any property damage or natural resource claims.

So, for those of us like myself, who sat back and though about, well, 12 percent plus 6 percent is 18 percent, it is not so. It is 12 percent as a cap, that is a maximum. There is no 6 percent, there is no claims for property damage. I support this amendment.

Mr. DAUB. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will be very brief for two reasons, first, because I have great affection for the author of the amendment. He and I serve on the committee together, we have been through most of this debate together in Public Works where the amendment in its original form was not accepted. Second, because I have already made part of my case. That is that the drafting of the section that deals with how we establish who can take advantage of the fund in the event there is an injury is so vague and so general and so subject to misinterpretation, that I am afraid that the litigation would be so protracted from our lack of being specific, that we would not get very far.

I want to say to the gentleman from Massachusetts who spoke earlier that this attempt is not radical and that this attempt is not unreasonable. It is not radical when you look back at the history of the black lung bill, and it, indeed, is not unreasonable when you take a look at what Chairman JONES of the Budget Committee has said about the bill that is in front of us.

In his fact sheet, when he examined the financial and monetary impact on our budget process, the Energy and Commerce portion of the bill was estimated to have $6.4 billion in revenues but $8 billion in outlays. The Ways and Means portion of the bill was estimated by Mr. JONES and the Budget Committee to have net revenues under the language of the bill of $5.8 billion, but estimated outlays would be $8.1.

So I say to my colleagues that, indeed, it is not a matter of being unreasonable; it is sort of the way we act around here all the time.

I would like lastly to call to my colleagues' attention the very well-written editorial in the New York Times of August 9, where it talks about, and I quote:

A lawyer's dream of paradise is said to be that everyone is resurrected and sues to claim his property back from his descendants. The House risks creating a close terrestrial equivalent in its revision of the Superfund law regulating the cleanup of abandoned toxic dump sites.

I go further, and skipping some of the credit they give to Mr. FLORIO, who deserves the credit they give him, to the point of creating money for interest provisions for victims' problems. They say, and I quote:

No matter how valid the claims of some victims, the diversion of money from the Superfund would detract from its prime purpose of cleaning up as many dumps as quickly as possible. Each dump site holds different wastes, and it would take a major medical study to determine who had been harmed. Even more important than compensating victims of past, hard-to-prove negligence is avoiding the creation of new victims.

I further quote:

Victims' interests are in any case already provided for in most State tort laws. A commission appointed by Congress under the present Superfund law decided that State laws are working well, at least for the larger claims. It specifically recommended against creating a Federal cause of action, as the new bill does.

Compensation is an issue separable from cleanup, and until medical science gives a clearer picture of health around toxic dumps, or state laws are found clearly deficient, there is little need for change. If the House sets high priority on expunging toxic dumps, it has to insure that the expanded Superfund is dedicated to that cause alone.

I ask my colleagues to vote this amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. LEVITAS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DAUB. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 159, noes 200, not voting 73, as follows:

[Roll No. 371]

AYES—159

Ackerman	Boxer	Dwyer
Akaka	Britt	Dymally
Albosta	Brown (CA)	Eckart
Anderson	Burton (CA)	Edgar
Annunzio	Carr	Edwards (CA)
Applegate	Clay	Evans (IA)
Aspin	Coelho	Evans (IL)
AuCoin	Collins	Fazio
Barnes	Conte	Feighan
Bates	Conyers	Fish
Beilenson	Cooper	Florio
Bennett	D'Amours	Foglietta
Berman	Dellums	Ford (TN)
Bilirakis	Donnelly	Fowler
Boehlert	Dowdy	Frank
Boland	Downey	Frost
Bonker	Durbin	Gaydos
Gejdenson	McHugh	Savage
Gilman	McKernan	Scheuer
Glickman	McNulty	Schneider
Gonzalez	Mica	Schroeder
Gray	Mikulski	Schumer
Gregg	Miller (CA)	Seiberling
Guarini	Mineta	Sensenbrenner
Hall (IN)	Minish	Sikorski
Hall (OH)	Mitchell	Smith (IA)
Harkin	Moakley	Smith (NJ)
Hayes	Molinari	Snowe
Heftel	Moody	Solarz
Hertel	Morrison (CT)	Solomon
Hoyer	Mrazek	St Germain
Jacobs	Murphy	Stark
Kastenmeier	Oakar	Stokes
Kennelly	Oberstar	Studds
Kildee	Obey	Sundquist
Kleczka	Ortiz	Thomas (GA)
Kogovsek	Owens	Torres
Kolter	Panetta	Torricelli
Kostmayer	Patterson	Vandergriff
LaFalce	Penny	Vento
Lantos	Petri	Volkmer
Latta	Price	Waxman
Leach	Rahall	Weaver
Lehman (CA)	Rangel	Weber
Leland	Ratchford	Weiss
Levitas	Reid	Wheat
Long (MD)	Richardson	Williams (MT)
Lowry (WA)	Rinaldo	Wirth
Markey	Rodino	Wolpe
Martinez	Roe	Wyden
Matsui	Roybal	Yates
Mavroules	Russo	Yatron
McDade	Sabo	Young (MO)

NOES—200

Andrews (NC)	Foley	Mazzoli
Andrews (TX)	Ford (MI)	McCain
Anthony	Frenzel	McCandless
Archer	Gekas	McCloskey
Barnard	Gibbons	McCollum
Bartlett	Gingrich	McGrath
Bereuter	Goodling	McKinney
Bevill	Gore	Michel
Biaggi	Gradison	Miller (OH)
Bliley	Gramm	Mollohan
Bonior	Green	Montgomery
Borski	Gunderson	Moore
Breaux	Hall, Ralph	Morrison (WA)
Broomfield	Hamilton	Murtha
Brown (CO)	Hammerschmidt	Myers
Broyhill	Hance	Natcher
Bryant	Hansen (ID)	Nelson
Byron	Hansen (UT)	Nielson
Carney	Harrison	O'Brien
Carper	Hefner	Olin
Chandler	Hightower	Ottinger
Chappell	Hiler	Oxley
Chappie	Holt	Packard
Cheney	Hopkins	Parris
Clinger	Horton	Pashayan
Coats	Hubbard	Patman
Coleman (MO)	Huckaby	Paul
Coleman (TX)	Hughes	Pease
Conable	Hunter	Pepper
Corcoran	Hutto	Pickle
Coughlin	Hyde	Porter
Courter	Ireland	Ray
Craig	Jenkins	Regula
Crane, Daniel	Johnson	Ridge
Crane, Philip	Jones (NC)	Ritter
Crockett	Jones (OK)	Roberts
Daniel	Jones (TN)	Robinson
Dannemeyer	Kasich	Roemer
Darden	Kazen	Rogers
Daub	Kemp	Roth
Derrick	Kindness	Roukema
DeWine	Kramer	Rowland
Dickinson	Lagomarsino	Sawyer
Dicks	Lent	Schaefer
Dingell	Levin	Schulze
Dorgan	Lewis (CA)	Sharp
Dreier	Lewis (FL)	Shaw
Duncan	Livingston	Shumway
Dyson	Lloyd	Shuster
Edwards (AL)	Long (LA)	Siljander
Edwards (OK)	Lowery (CA)	Sisisky
Emerson	Lujan	Skeen
English	Luken	Slattery
Erdreich	Lungren	Smith (NE)
Fiedler	Mack	Smith, Denny
Fields	Madigan	Spence
Flippo	Martin (IL)	Spratt

Staggers	Thomas (CA)	Winn
Stangeland	Valentine	Wise
Stenholm	Vander Jagt	Wolf
Stratton	Vucanovich	Wortley
Stump	Walgren	Wright
Swift	Walker	Wylie
Synar	Watkins	Young (AK)
Tallon	Whitley	Young (FL)
Tauzin	Whitten	Zschau
Taylor	Wilson	

NOT VOTING—73

Addabbo	Garcia	Neal
Alexander	Gephardt	Nichols
Badham	Hall, Sam	Nowak
Bateman	Hartnett	Pritchard
Bedell	Hatcher	Pursell
Bethune	Hawkins	Quillen
Boggs	Hillis	Rose
Boner	Howard	Rostenkowski
Bosco	Jeffords	Rudd
Boucher	Kaptur	Shannon
Brooks	Leath	Shelby
Burton (IN)	Lehman (FL)	Simon
Campbell	Levine	Skelton
Clarke	Lipinski	Smith (FL)
Coyne	Loeffler	Smith, Robert
Daschle	Lott	Snyder
Davis	Lundine	Tauke
de la Garza	MacKay	Towns
Dixon	Marlenee	Traxler
Early	Marriott	Udall
Erlenborn	Martin (NC)	Whitehurst
Fascell	Martin (NY)	Whittaker
Ferraro	McCurdy	Williams (OH)
Franklin	McEwen	
Fuqua	Moorhead	

□ 1830

Mr. WILSON and Mrs. LLOYD changed their votes from "aye" to "no."

Mr. MATSUI and Mr. RUSSO changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BREAUX

Mr. BREAUX. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BREAUX:
—Add a new title V as follows and redesignate the existing title V as title VI:

TITLE V—OIL POLLUTION LIABILITY AND COMPENSATION

Subtitle A—Short Title and Definitions

SEC. 501. (a) Subtitles A-D may be cited as the "Comprehensive Oil Pollution Liability and Compensation Act."

(b) For the purposes of this Act, the term—

(1) "barrel" means forty-two United States gallons at sixty degrees Fahrenheit;

(2) "claim" means a demand in writing for a sum certain;

(3) "cleanup costs" means costs of reasonable measures taken, after an incident has occurred, to prevent, minimize, or mitigate oil pollution from that incident;

(4) "discharge" means any emission, intentional or unintentional, and includes spilling, leaking, pumping, pouring, emptying, or dumping;

(5) "facility" means a structure, or group of structures, which is either—

(A) located, in whole or in part, on the outer Continental Shelf and used for the purposes of exploring for, drilling for, producing, storing, handling, transferring, processing, or transporting oil produced from the outer Continental Shelf, or

(B) licensed under the Deepwater Port Act of 1974;

(6) "foreign claimant" means any person residing in a foreign country, the government of a foreign country, or any agency or political subdivision thereof, who asserts a claim;

(7) "guarantor" means the person, other than the responsible party, who provides evidence of financial responsibility for a responsible party;

(8) "incident" means any occurrence or series of occurrences having the same origin, involving one or more vessels, facilities, or any combination thereof, which causes, or poses a substantial threat, of oil pollution;

(9) "inland oil barge" means a non-self-propelled vessel, carrying oil in bulk as cargo or in residue from cargo and certificated to operate only on the internal waters of the United States while operating in such waters;

(10) "internal waters of the United States" means those waters of the United States lying inside the baseline from which the territorial sea is measured and those waters outside that baseline which are a part of the Gulf Intracoastal Waterway;

(11) "lessee" means a person holding a leasehold interest in an oil and gas lease on submerged lands of the outer Continental Shelf granted or maintained under the Outer Continental Shelf Lands Act;

(12) "licensee" means a person holding a license issued under the Deepwater Port Act of 1974;

(13) "mobile offshore drilling unit" means every watercraft or other contrivance (other than a public vessel of the United States) capable of use as a means of transportation on water and as a means of drilling for oil on the outer Continental Shelf;

(14) "natural resources" means living nonliving resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Fishery Conservation and Management Act of 1976), any State or local government, or any foreign government;

(15) "navigable waters" means the waters of the United States, including the territorial sea;

(16) "oil" means petroleum, including crude oil or any fraction or residue therefrom;

(17) "oil pollution" means—

(A) the presence of oil which has been discharged from a vessel or facility in quantities which the President has determined may be harmful pursuant to paragraph (4) of subsection (b) of section 311 of the Federal Water Pollution Control Act—

(i) in or on the navigable waters or on land within the United States immediately adjacent thereto; or

(ii) in or on the waters of the contiguous zone established by the United States under article 24 of the Convention on the Territorial Sea and the Contiguous Zone; or

(B) the presence of oil (other than natural seepage) in or on the waters of the high seas outside the territorial limits of the United States—

(i) when discharged in connection with activities conducted under the Outer Continental Shelf Lands Act;

(ii) when discharged from a deepwater port licensed under the Deepwater Port Act of 1974 or from a vessel transiting to or from a deepwater port and located in a safety zone of a deepwater port licensed under such Act;

(iii) causing injury to or loss of natural resources belonging to, appertaining to, or under the exclusive management authority of, the United States; or

(iv) when discharged, prior to being brought ashore in a port in the United States, from a ship that received oil at the terminal of the pipeline constructed under the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.) for transportation to a port in the United States; or

(C) the presence of oil (other than natural seepage) in or on the territorial sea, internal waters, or adjacent shoreline, of a foreign country, in a case where damages are recoverable by a foreign claimant under section 503(b)(6) of this title;

(18) "operator" means—

(A) in the case of a vessel, a charterer by demise or any other person, except the owner, who is responsible for the operation, manning, victualing, and supplying of the vessel; or

(B) in the case of a pipeline, any person, except the owner, who is responsible for the operation of such pipeline by agreement with the owner;

(19) "outer Continental Shelf" has the meaning set forth in subsection (a) of section 2 of the Outer Continental Shelf Lands Act;

(20) "owner" means, in the case of a vessel or a pipeline, any person holding title to, or in the absence of title, any other indicia of ownership of, the vessel or pipeline, whether by lease, permit, contract, license, or other form of agreement, except that such term does not include a person who, without participating in the management or operation of a vessel or a pipeline, holds indicia of ownership primarily to protect his security interest in the vessel or pipeline;

(21) "permittee" means a person holding an authorization, license, or permit for geological exploration issued under section 11 of the Outer Continental Shelf Lands Act;

(22) "person" means an individual, firm, corporation, association, partnership, consortium, joint venture, or any other commercial, legal, or governmental entity;

(23) "public vessel" means a vessel which—

(A) is owned or chartered by demise, and operated by (i) the United States, (ii) a State or political subdivision thereof, or (iii) a foreign government, and

(B) is not engaged in commercial service;

(24) "removal costs" means—

(A) costs incurred under subsection (c), (d), or (l) of section 311 of Federal Water Pollution Control Act, section 5 of the Intervention on the High Seas Act, or subsection (b) of section 18 of the Deepwater Port Act of 1974, and

(B) cleanup costs, other than the costs described in subparagraph (A);

(25) "responsible party" means—

(A) with respect to a vessel or a pipeline, the owner or operator of such vessel or pipeline;

(B) with respect to a facility (other than a deepwater port or pipeline), the lessee or permittee of the area in which such facility is located, or the holder of a right of use and easement granted under the Outer Continental Shelf Lands Act for the area in which such facility is located where such holder is a different person than the lessee or permittee; and

(C) with respect to a deepwater port, the licensee;

(26) "Secretary" means the Secretary of Transportation;

(27) "ship" means a vessel (other than an inland oil barge) carrying oil in bulk as cargo or in residue from cargo;

(28) "Trust Fund" means the fund established by Subtitle B of this Act;

(29) "United States" and "State" include the several States of the United States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Marianas, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States;

(30) "United States claimant" means any person residing in the United States, the Government of the United States or any agency thereof, or the government of a State or a political subdivision thereof, who asserts a claim; and

(31) "vessel" means every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water.

COORDINATION WITH INTERNATIONAL CONVENTIONS

SEC. 502. On and after the first date on which both the International Convention of Civil Liability for Oil Pollution Damage and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage are in force with respect to the United States, this title shall not apply with respect to damage arising out of or directly resulting from oil pollution or a substantial threat of oil pollution to the extent this title is inconsistent with such conventions and subtitle D of this Act.

DAMAGES AND CLAIMANTS

SEC. 503. (a) Claims for damages for economic loss, incurred on or after the effective date of this section and arising out of or directly resulting from oil pollution or the substantial threat of oil pollution, may be asserted for—

(1) removal costs;

(2) injury to, or destruction of, real or personal property;

(3) injury to, or destruction of, natural resources, including reasonable cost incurred by the trustee of the damaged resources in assessing both short-term and long-term injury to, or destruction of, the damaged resources, preparing a restoration and acquisition plan with respect to the damaged resources, and restoring or acquiring the equivalent of the damaged resources;

(4) loss of subsistence use of natural resources;

(5) loss of profits or impairment of earning capacity due to injury or destruction of real or personal property or natural resources to the extent that such damages were sustained during the two-year period beginning on the date the claimant first suffered such loss; and

(6) loss of tax revenue for a period of one year due to injury to real or personal property.

(b)(1) A claim may be asserted under paragraph (1) of subsection (a) by any claimant, except that the responsible party with respect to a vessel or facility involved in an incident may assert such a claim only if he can show that he is entitled to a defense to liability under section 504(c) of this title or, if not entitled to such a defense to liability, that he is entitled to a limitation of liability under section 504(b) of this title, in which case the claim may be asserted only to the extent that the sum of the removal costs incurred by the responsible party plus the amounts paid by the responsible party or by the guarantor on behalf of the responsible party for claims asserted under subsection (a) of this section exceeds the amount to which the total of the liability under section 504(a) and removal costs incurred by, or on behalf of, the responsible party is limited under section 504(b).

(2) A claim may be asserted under paragraphs (2) and (4) of subsection (a) by any United States claimant, if the property involved is owned or leased, or the natural resource involved is utilized, by the claimant.

(3) A claim may be asserted under paragraph (3) of subsection (a) by the President, as trustee for natural resources over which the United States Government has sovereign rights or exercise exclusive management authority, or by the Governor of any State for natural resources within the boundary of the State belonging to, managed by, controlled by, or appertaining to the State. Compensation paid under this paragraph may be used only for assessing both short-term and long-term injury to, or destruction of, the damaged resources, preparing a restoration and acquisition plan with respect to the damaged resources, and restoring or acquiring the equivalent of the damaged resources.

(4) A claim may be asserted under paragraph (5) of subsection (a) by any United States claimant if the claimant derives at least 25 per centum of his earnings from activities which utilize the property or natural resource or, if such activities are seasonal in nature, 25 per centum of the claimant's earnings during the season in which such activities took place.

(5) A claim may be asserted under paragraph (6) of subsection (a) by any State or political subdivision thereof.

(6) Except as otherwise provided in this paragraph, a claim may be asserted under paragraphs (2), (3), (4), and (5) of subsection (a) by a foreign claimant to the same extent that a United States claimant may assert a claim if—

(A) the oil pollution occurred in the waters, including the territorial sea, or adjacent shoreline of a foreign country of which the claimant is a resident;

(B) the claimant is not otherwise compensated for his loss;

(C) the oil was discharged from a vessel located within the navigable waters, was discharged in connection with activities conducted under the Outer Continental Shelf Lands Act, or was discharged from a deepwater port licensed under the Deepwater Port Act of 1974 or a vessel transitting to or from a deepwater port and located in a safety zone of a deepwater port under such Act; and

(D) recovery is authorized by a treaty or an executive agreement between the United States and the foreign country of which the claimant is a resident, or the Secretary of State, in consultation with the Attorney General and other appropriate officials, certifies that such country provides a comparable remedy for United States claimants.

In the case of any oil pollution involving oil that has been transported through the pipeline constructed under the provisions of the Trans-Alaska Pipeline Authorization Act, has been loaded on a vessel for transportation to a port in the United States, and is discharged from such vessel before being unloaded in that port, a claim may be asserted by a resident of Canada without regard to subparagraphs (A), (C), and (D) of this paragraph, to the same extent that a United States claimant may assert a claim.

(7) A claim may be asserted under any paragraph of subsection (a), by the Attorney General, on his own motion or at the request of the Secretary, on behalf of any group of United States claimants who may assert a claim under this subsection.

(c) If the Attorney General fails to act under paragraph (7) of subsection (b) within sixty days after the date on which the Secretary designates a source under section 506, any member of a group may assert a claim for damages on behalf of that group. Failure of the Attorney General to act shall have no bearing on any claim for damages asserted under this section.

LIABILITY

SEC. 504. (a)(1) Subject to paragraph (2) of this subsection and subsections (b) and (c) of this section, the responsible party with respect to a facility or a vessel (other than a public vessel) that is the source of oil pollution, or poses a substantial threat of oil pollution in circumstances that justify the incurrence of the type of costs described in section 501(b)(24)(A) of this title, shall be jointly, severally, and strictly liable for all damages for which a claim may be asserted under section 503.

(2)(A) Except as provided in subparagraph (B) of this paragraph, in any case in which a mobile offshore drilling unit is being used as a facility and is the source of oil pollution originating on or above the surface of the water or poses the substantial threat of such oil pollution, such unit shall be deemed to be a vessel which is a ship for purposes of this title.

(B) To the extent that damages for which claims may be asserted under section 503 from any incident described in subparagraph (A) exceed the amount for which the responsible party is liable under subparagraph (A) (as such amount may be limited under subsection (b)(2) of this section), the mobile offshore drilling unit shall be deemed to be a facility covered by subsection (b)(4) of this section, except that for purposes of applying subsection (b)(4) the amount specified in such subsection shall be reduced by the amount for which the responsible party with respect to a ship is liable under subparagraph (A) of this paragraph.

(C) In the case of any incident described in subparagraph (A) which is caused primarily by willful misconduct or gross negligence within the privity or knowledge of both the owner or operator of the mobile offshore drilling unit and the lessee or permittee of the area, or holder of a right of use or easement for the area, in which such unit is located; or which is caused primarily by a violation within the privity or knowledge of both such owner or operator and such lessee or permittee or holder of applicable safety, construction, or operating standards or regulations of the United States; or with respect to which both such owner or operator and such lessee or permittee or holder fail or refuse to report the incident where required by law or to provide all reasonable cooperation and assistance requested by the responsible Federal official in furtherance of cleanup activities, such owner or operator and such lessee or permittee or holder shall be jointly, severally, and strictly liable (without limitation under subsection (b)) for all loss for which a claim may be asserted under section 503 of this title.

(b) Except when the incident is caused primarily by willful misconduct or gross negligence within the privity or knowledge of a responsible party, or is caused primarily by

a violation within the privity or knowledge of a responsible party of applicable safety, construction, or operating standards or regulations of the United States; and except when a responsible party fails or refuses to report the incident where required by law or to provide all reasonable cooperation and assistance requested by the responsible Federal official in furtherance of cleanup activities, the total of the liability under subsection (a) of this section and any removal costs incurred by, or on behalf of, such responsible party shall be limited to—

(1) in the case of a vessel other than a ship or an inland oil barge, $150 per gross ton;

(2) in the case of a ship, $1,000,000 or $400 per gross ton, whichever is greater (but not to exceed $40,000,000);

(3) in the case of an inland oil barge, $150,000 or $150 per gross ton; whichever is greater; or

(4) in the case of a facility, $50,000,000.

The Secretary shall, from time to time, report to Congress on the desirability of adjusting the limitations of liability specified in this subsection.

(c)(1) Except when the responsible party has failed or refused to report an incident where required by law, there shall be no liability under subsection (a) of this section if such responsible party proves that the incident—

(A) resulted from an act of war, hostilities, civil war, insurrection, or a natural phenomenon of an exceptional, inevitable, and irresistible character, or

(B) was wholly caused by an act or omission of a person other than—

(i) a responsible party;

(ii) an employee or agent of a responsible party; or

(iii) one whose act or omission occurs in connection with a contractual relationship with a responsible party.

(2) There shall be no liability under subsection (a) of this section—

(A) as to particular claimant, where the incident or economic loss is caused, in whole or in part, by the gross negligence or willful misconduct of that claimant; or

(B) as to a particular claimant, to the extent that the incident or economic loss is caused by the negligence of that claimant.

(d)(1) Except as provided in subtitle B the Trust Fund shall be liable for damages for which claims may be asserted under section 503 of this title and which are presented under this title, to the extent that the loss is not otherwise compensated.

(2) Except for the removal costs specified in section 501(b)(24)(A) of this title, there shall be no liability under paragraph (1) of this subsection—

(A) where the incident is caused wholly by an act of war, hostilities, civil war, or insurrection;

(B) as to a particular claimant, where the incident or the economic loss is caused, in whole or in part, by the gross negligence or willful misconduct of that claimant; or

(C) as to a particular claimant, to the extent that the incident or the economic loss is caused by the negligence of that claimant.

(e)(1) In addition to the damages for which claims may be asserted under section 503 of this title, and without regard to any limitation of liability provided in subsection (b) of this section, the responsible party with respect to a facility or vessel, or his guarantor (subject to the guarantor's limitation set forth in subsection (d) of section 505 of this title), shall be liable to the claimant for interest on the amount paid in satisfaction of the claim for the period from the date upon which the claim was presented to the responsible party or guarantor to the date upon which the claimant is paid, inclusive, less the period, if any, from the date upon which the responsible party or guarantor shall offer to the claimant an amount equal to or greater than that finally paid in satisfaction of the claim to the date upon which the claimant shall accept that amount, inclusive. However, if the responsible party or guarantor shall offer to the claimant, within sixty days of the date upon which the claim was presented, or of the date upon which advertising was commenced pursuant to section 506 of this title, whichever is later, an amount equal to or greater than that finally paid in satisfaction of the claim, the responsible party or guarantor shall be liable for the interest provided in this paragraph only from the date the offer was accepted by the claimant to the date upon which payment is made to the claimant, inclusive.

(2) The interest provided in paragraph (1) shall be calculated at the average of the highest rate for commercial and finance company paper of maturities of one hundred and eighty days or less obtaining on each of the days included within the period for which interest must be paid to the claimant, as published in the Federal Reserve bulletin.

(f)(1) A responsible party with respect to a facility or vessel may not transfer the liability imposed under this section to any other person.

(2) Nothing in paragraph (1) of this subsection shall preclude an agreement whereby a person who, by an agreement with a responsible party with respect to a facility utilized in activities under the Outer Continental Shelf Lands Act, is engaged in such activities, agrees to indemnify the responsible party for the liability imposed under subsection (a) of this section. Nothing in paragraph (1) of this subsection shall preclude an agreement whereby a person who owns or operates a towing vessel, by an agreement with a responsible party with respect to a non-self-propelled vessel, agrees to indemnify the responsible party for the liability imposed under subsection (a) of this section.

(g) Nothing in this title shall bar a cause of action that a responsible party subject to liability under this section or a guarantor has or would have by reason of subrogation or otherwise against any person.

(h) To the extent that it is in conflict with, or otherwise inconsistent with, any other law relating to liability or the limitation thereof, this section supersedes such other law.

FINANCIAL RESPONSIBILITY

SEC. 505. (a)(1) The responsible party with respect to each vessel (except a public vessel or a non-self-propelled vessel that does not carry oil as cargo or fuel) over three hundred gross tons that uses a facility or the navigable waters shall establish and maintain, in accordance with regulations promulgated by the Secretary, evidence of financial responsibility sufficient to satisfy the maximum liability under section 504 of this title to which the responsible party would be exposed in a case where he would be entitled to limit his liability in accordance with subsection (b) of section 504 of this title. In cases where a responsible party owns or operates more than one vessel subject to this subsection, evidence of financial responsibility need be established only to meet the maximum liability applicable to the largest of such vessels.

(2) The Secretary of the Treasury shall withhold or revoke the clearance required by section 4197 of the Revised Statutes of the United States of any vessel subject to this Subsection that does not have the certification required under this subsection or the regulations issued hereunder.

(3) The Secretary of the department in which the Coast Guard is operating may (A) deny entry to any facility, to any port or place in the United States, or to the navigable waters, or (B) detain at the facility or at the port or place in the United States, any vessel subject to this subsection that, upon request, does not produce the certification required under this subsection or regulations issued hereunder.

(b) The responsible party with respect to each facility shall establish and maintain, in accordance with regulations issued by the Secretary, evidence of financial responsibility sufficient to satisfy the maximum amount of liability to which the responsible party would be exposed in a case where he would be entitled to limit his liability in accordance with subsection (b) of section 504 of this title. In cases where the responsible party is responsible for more than one facility subject to this subsection, evidence of financial responsibility need be established only to meet the maximum liability applicable to one such facility.

(c) Financial responsibility under this section may be established by any one, or by any combination, of the following methods acceptable to the Secretary: evidence of insurance, surety bond, qualification as a self-insurer, or other evidence of financial responsibility. Any bond filed shall be issued by a bonding company authorized to do business in the United States.

(d) Any claim authorized by section 503(a) of this title may be asserted directly against any guarantor providing evidence of financial responsibility as required under this section for any responsible party with respect to a facility or vessel. In defending against such a claim, the guarantor may invoke all rights and defenses which would be available to the responsible party under this title. He may also invoke the defense that the incident was caused by the willful misconduct of the responsible party, but he may not invoke any other defense that he might be entitled to invoke in proceedings brought by the responsible party against him.

(e) Nothing in this title shall impose liability with respect to an incident on any guarantor for damages or removal costs which exceeds in the aggregate the amount of financial responsibility which that guarantor has provided for each responsible party. Nothing in this subsection shall be construed to limit any other statutory, contractual, or common law liability of a guarantor to any responsible party for whom such guarantor provides evidence of financial responsibility including, but not limited to, the liability of such guarantor for negotiating in bad faith a settlement of any claim.

DESIGNATION AND ADVERTISEMENT

SEC. 506. (a)(1) When the Secretary receives information of an incident that involves oil pollution, he shall, where possible and appropriate, designate the source or sources of the oil pollution and shall immediately notify the responsible party and the guarantor, if known, of that designation.

(2) When a source designated is a vessel or facility, and the responsible party or guar-

antor fails to inform the Secretary, within five days after receiving notification of the designation, of his denial of the designation, the responsible party or guarantor, as required by regulations promulgated by the Secretary, shall advertise the designation and the procedures by which claims may be presented to such responsible party or guarantor. If advertisement is not otherwise made in accordance with this paragraph, the Secretary shall, as he finds necessary, and at the expense of the responsible party or the guarantor involved, advertise the designation and the procedures by which claims may be presented to that responsible party or guarantor.

(b) In a case where—

(1) the responsible party and the guarantor both deny a designation in accordance with paragraph (2) of subsection (a) of this section,

(2) the source of the discharge was a public vessel, or

(3) the Secretary is unable to designate the source or sources of the discharge under paragaph (1) of subsection (a) of this section,

the Secretary shall, in accordance with section 507 of this title, advertise or otherwise notify potential claimants of the procedures by which claims may be presented to the Trust Fund.

(c) Advertisement under subsection (a) shall commence no later than fifteen days from the date of the designation made thereunder and shall continue for a period of no less than thirty days.

CLAIMS SETTLEMENT

SEC. 507. (a) Except as provided in subsection (b) of this section, all claims shall be presented to the responsible party or guarantor designated under section 506(a) of this title.

(b) Claims may be presented to the Trust Fund—

(1) where the Secretary has advertised or otherwise notified claimants in accordance with section 506(b) of this title; or

(2) where the responsible party may assert a claim under section 503(b)(1) of this title.

(c) In the case of a claim presented in accordance with subsection (a) of this section, and in which—

(1) each person to whom the claim is presented denies all liability for the claim, for any reason, or

(2) the claim is not settled by any person by payment within sixty days of the date upon which (A) the claim was presented, or (B) advertising was commenced pursuant to section 506(a)(2) of this title, whichever is later,

the claimant may elect to commence an action in court against the responsible party or guarantor or to present the claim to the Trust Fund, that election to be irrevocable and exclusive.

(d) In the case of a claim presented in accordance with subsection (a) of this section, where full and adequate compensation is unavailable, either because the claim exceeds a limit of liability invoked under section 504 of this title or because the responsible party and his guarantor are financially incapable of meeting their obligations in full, a claim for the uncompensated damages may be presented to the Trust Fund.

(e) In the case of a claim which has been presented to any person under subsection (a) of this section and which is being presented to the Trust Fund under subsection (c) or (d) of this section, that person, at the request of the claimant, shall transmit the claim and supporting documents to the Trust Fund. The Secretary may, by regulation, prescribe the documents to be so transmitted and the terms under which they are to be transmitted.

(f)(1) The Secretary, in consultation with the Trust Fund, shall establish procedures and standards for the prompt appraisal and settlement of claims against the Trust Fund.

(2) The Trust Fund may use the facilities and services of private insurance and claims adjusting organizations or State agencies in processing claims against the Trust Fund and may contract for those facilities and services.

(3) To the extent necessitated by extraordinary circumstances, where the services of private organizations or State agencies are inadequate, the Trust Fund may use Federal personnel, on a reimbursable basis, to process claims against the Trust Fund.

(g) Any claimant, or any other person suffering legal wrong because of, or adversely affected or aggrieved by, a final determination of the Trust Fund with respect to a claim, may bring an action for judicial review of the determination. Such action shall be brought under section 509 and shall be the exclusive judicial remedy with respect to such final determination of the Trust Fund. Such an action shall be filed not later than thirty days after the Trust Fund issues notification of the final determination. Venue for any such action shall lie in any district wherein the claimant resides, in addition to any district described in section 509(b). The final determination of the Trust Fund shall not be held unlawful or set aside unless the reviewing court finds such determination to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

ACTIONS TO ENFORCE LIABILITY

SEC. 508. (a)(1) In any action brought under this title against a responsible party or guarantor, both the plaintiff and defendant shall serve a copy of the complaint and all subsequent pleadings therein upon the Trust Fund at the same time those pleadings are served upon the opposing parties.

(2) The Trust Fund may intervene as a party as a matter of right in any action in which a complaint has been served upon it under paragraph (1) of this subsection.

(3) In any action to which the Trust Fund is a party, if the responsible party or his guarantor admits liability under this title, the Trust Fund shall be dismissed therefrom to the extent of the admitted liability.

(4) If the Trust Fund has been served a copy of the complaint and all subsequent pleadings in an action referred to in paragraph (1) of this subsection, the Trust Fund shall be bound by any judgment entered therein, whether or not the Trust Fund was a party to the action.

(5) If neither the plaintiff nor the defendant serves a copy of the complaint and all subsequent pleadings upon the Trust Fund in an action referred to in paragraph (1) of this subsection, the limitation of liability otherwise permitted by subsection (b) of section 504 of this title is not available to the defendant, and the plaintiff shall not recover from the Trust Fund any sums not paid by the defendant.

(b) In any action brought against the Trust Fund, the plaintiff may join any responsible party or his guarantor, and the Trust Fund may implead any person, who is or may be liable to the Trust Fund.

(c) No claim may be presented, nor may any action be commenced for damages recoverable under this title, unless that claim is presented to, or that action is commenced against a responsible party or his guarantor or against the Trust Fund, as to their respective liabilities, within three years from the date of discovery of the economic loss for which a claim may be asserted under subsection (a) of section 503 of this title, or within six years of the date of the incident which resulted in that loss, whichever is earlier.

(d) Any person, including the Trust Fund, who compensates any claimant for an economic loss, compensable under section 503, shall be subrogated to all rights, claims, and causes of action which that claimant has under this title.

(e) In any claim or action by the Trust Fund against any responsible party or guarantor under subsection (d), the Trust Fund shall recover—

(1) for a claim presented to the Trust Fund (where there has been a denial of source designation) under section 507(b)(1), or (where there has been denial of liability) under section 507(c)(1)—

(A) subject only to the limitation of liability to which the defendant is entitled under section 504(b), the amount the Trust Fund has paid to the claimant, without reduction;

(B) interest on that amount, at the rate calculated in accordance with section 504(e), from the date upon which the claim was presented by the claimant to the defendant to the date upon which the Trust Fund is paid by the defendant, inclusive, less the period, if any, from the date upon which the Trust Fund shall offer to the claimant the amount finally paid by the Trust Fund to the claimant in satisfaction of the claim against the Trust Fund to the date upon which the claimant shall accept that offer, inclusive;

(C) all costs incurred by the Trust Fund by reason of the claim, both of the claimant against the Trust Fund and the Trust Fund against the defendant, including, but not limited to, processing costs, investigating costs, court costs, and attorney's fees; and

(2) for a claim presented to the Trust Fund under section 507(c)(2)—

(A) in which the amount the Trust Fund has paid to the claimant exceeds the largest amount, if any, the defendant offered to the claimant in satisfaction of the claim of the claimant against the defendant—

(i) subject to dispute by the defendant as to any excess over the amount offered to the claimant by the defendant, the amount the Trust Fund has paid to the claimant;

(ii) interest, at the rate calculated in accordance with section 504(e), for the period specified in paragraph (1)(B) of this subsection; and

(iii) all costs incurred by the Trust Fund by reason of the claim of the Trust Fund against the defendant, including, but not limited to, processing costs, investigating costs, court costs, and attorney's fees; or

(B) in which the amount the Trust Fund has paid to the claimant is less than or equal to the largest amount the defendant offered to the claimant in satisfaction of the claim of the claimant against the defendant—

(i) the amount the Trust Fund has paid to the claimant, without reduction;

(ii) interest, at the rate calculated in accordance with section 504(e), from the date upon which the claim was presented by the claimant to the defendant to the date upon which the defendant offered to the claimant the largest amount referred to in this subclause, except that if the defendant ten-

dered the offer of the largest amount referred to in this subparagraph within sixty days after the date upon which the claim of the claimant was either presented to the defendant or advertising was commenced under section 506, the defendant shall not be liable for interest for that period; and

(iii) interest from the date upon which the claim of the Trust Fund against the defendant was presented to the defendant to the date upon which the Trust Fund is paid, inclusive, less the period, if any, from the date upon which the defendant shall offer to the Trust Fund the amount finally paid to the Trust Fund in satisfaction of the claim of the Trust Fund to the date upon which the Trust Fund shall accept that offer, inclusive.

(f) The Trust Fund shall pay over to the claimant that portion of any interest the Trust Fund shall recover, under subsections (e)(1) and (e)(2)(A) for the period from the date upon which the claim of the claimant was presented to the defendant to the date upon which the claimant was paid by the Trust Fund, inclusive, less the period from the date upon which the Trust Fund offered to the claimant the amount finally paid to the claimant in satisfaction of the claim to the date upon which the claimant shall accept that offer, inclusive.

(g) The Trust Fund is entitled to recover for all interest and costs specified in subsection (e) without regard to any limitation of liability to which the defendant may otherwise be entitled.

JURISDICTION AND VENUE

SEC. 509. (a) The United States district courts shall have exclusive original jurisdiction over all controversies arising under subtitles A, B, and C of this Act, without regard to the citizenship of the parties or the amount in controversy.

(b) Unless otherwise provided in this Act, venue shall lie in any district wherein the injury complained of occurred, or wherein the defendant resides, may be found, or has his principal office. For purposes of this section, the Trust Fund shall reside in the District of Columbia.

RELATIONSHIP TO OTHER LAW

SEC. 510. (a) Except as provided in this title—

(1) no action may be brought in any court of the United States, or of any State or political subdivision thereof, for an economic loss compensable under this title,

(2) no person may be required to contribute to any fund, the purpose of which is to compensate for damages for an economic loss described in section 503(a), except that, for a period of three years beginning on the effective date of this section, any State which on the effective date of this section has in effect a statute that requires such contributions may continue to require such contributions within the limits established by such statue as those limits exist on such date, and

(3) no person may be required to establish or maintain evidence of financial responsibility relating to the satisfaction of a claim compensable under this title.

(b) Nothing in this Act shall preclude any State from imposing a tax or fee upon any person or upon oil in order to finance the purchase and prepositioning of oil pollution cleanup and removal equipment or to finance other preparations for responding to a discharge of oil which affects such State.

(c) Nothing in subsection (a) shall prohibit an action by the Trust Fund under any other provision of law to recover compensation paid under this title.

PENALTIES

SEC. 511. Any person who, after notice and an opportunity for a hearing, is found to have failed to comply with the requirements of section 505 of this title or the regulations issued thereunder or with any denial or detention order shall be liable to the United States for a civil penalty, not to exceed $10,000 for each violation. The amount of the civil penalty shall be assessed by the Secretary by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the prohibited acts committed and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require. The Secretary may compromise, modify, or remit with or without conditions, any civil penalty which is subject to imposition or which has been imposed under this section. If any person fails to pay an assessment of a civil penalty after it has become final, the Secretary may refer the matter to the Attorney General for collection.

AUTHORIZATION OF APPROPRIATIONS

SEC. 512. There are authorized to be appropriated for those fiscal years which begin on or after October 1, 1984, such sums as may be necessary to carry out this Act.

Subtitle B—Comprehensive Oil Pollution Liability Trust Fund

ESTABLISHMENT OF THE COMPREHENSIVE OIL POLLUTION LIABILITY TRUST FUND

SEC. 513. (a) The Comprehensive Oil Pollution Liability Trust Fund is established as a nonprofit corporate entity. The Trust Fund shall consist of—

(1) fees paid into the Trust Fund under section 514,

(2) amounts recovered or collected on behalf of the Trust Fund under Subtitle A of this Act, and

(3) amounts transferred to the Trust Fund under sections 521(f) and 521(g) of this Act.

(b) The Trust Fund shall be administered by a Board of Directors under regulations prescribed by the Secretary.

(c)(1) The Board of Directors shall consist of nine voting directors appointed by the Secretary as follows—

(A) three shall be representatives of persons who are liable for fees imposed under this title;

(B) three shall be individuals (including, but not limited to, representatives of any State or political subdivision thereof) who are potential claimants under paragraph (2), (4), or (5) of section 503(b) of this Act; and

(C) three shall be individuals from the general public, who are not eligible for appointment under subparagraph (A), and who have particular expertise, knowledge, and experience in the field of oil spill liability and compensation (including, but not limited to, environmental or labor representatives or guarantors).

(2) Not more than five voting directors shall be members of any one political party. All directors shall be citizens of the United States.

(3) The term of office of each director shall be six years, except that of the directors first appointed three shall be appointed for terms of two years, three shall be appointed for terms of four years, and three shall be appointed for terms of six years. Any director appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of that term.

(4) The Secretary or his delegate shall serve as a nonvoting member of the Board of Directors.

(5) The levels of compensation of the Board of Directors shall be fixed initially by the Secretary and may be adjusted from time to time upon recommendation by the Board of Directors and concurrence of the Secretary. Any member of the Board of Directors who is an officer or employee of the United States, and any other member of the Board of Directors who is prohibited by the terms of his employment from receiving additional compensation, shall receive no additional compensation on account of that member's service on the Board of Directors.

(6) Any director may be removed from office by the Secretary only for neglect of duty, malfeasance in office, or incompetence, or if the director no longer qualifies to be a director under paragraph (1).

(7) The Board of Directors shall meet at least once a year. A majority of the voting members of the Board of Directors shall constitute a quorum, and any action by the Board of Directors shall be effected by majority vote of the voting members of the Board of Directors.

(8) All meetings of the Board of Directors held to conduct official business of the Trust Fund shall be open to public observation and shall be preceded by reasonable public notice. The Board of Directors may close a meeting if the meeting is likely to disclose—

(A) information the premature disclosure of which would be likely to lead to speculation in investments of the Trust Fund; or

(B) information which is likely to adversely affect financial or securities markets or institutions.

(9) The determination to close any meeting of the Board of Directors for any of the purposes specified in subparagraphs (A) and (B) of paragraph (7) shall be made in a meeting of the Board of Directors open to public observation preceded by reasonable notice. The Board of Directors shall prepare minutes of any meeting which is closed to the public and such minutes shall be made promptly available to the public, except for those portions thereof which, in the judgment of the Board of Directors, may be withheld under the provisions of subparagraphs (A) and (B) of paragraph (7).

(d)(1) The Board of Directors shall appoint a chief executive officer of the Trust Fund who shall be responsible for the administration of the Trust Fund.

(2) The Board of Directors shall—

(A) establish the offices and appoint the officers of the Trust Fund and define their duties;

(B) fix the compensation of individual officer positions and categories of other employees of the Trust Fund taking into consideration the rates of compensation in effect under the Executive Schedule and the General Schedule prescribed by subchapters II and III of chapter 53 of title 5, United States Code for comparable positions or categories. If the Board of Directors determines that is is necessary to fix the compensation of any officer position or category of other positions at a rate or rates in excess of that prescribed for level I of the Executive Schedule under section 5312 of title 5, the Board of Directors may transmit to the Secretary its recommendations with respect to the rates of compensation it deems advisable for such positions and categories. Such recommendations shall become effective at the beginning of the first pay period which begins after the thirtieth day

following the transmittal of such recommendations unless the Secretary has specifically disapproved such recommendation and notified the Board of Directors to such effect; and

(C) provide a system of organization to fix responsibility and promote efficiency.

(3) Except as specifically provided herein, directors, officers, and employees of the Trust Fund shall not be subject to any law of the United States relating to governmental employment.

(4) The chief executive officer shall appoint such employees as may be necessary for the transaction of the Trust Fund's business to, and may discharge such employees from, positions established in accordance with this section.

(5) No political test or qualification shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, and employees of the Trust Fund, except as provided in subsection (c)(1) of this section.

(6) The Board of Directors may provide for reimbursement of directors, officers, and employees for travel expenses and per diem.

(e) The Trust Fund and its income and property shall be exempt from all taxation now or hereafter imposed by the United States, or by any State, county, municipality, or local taxing authority, except that—

(1) any real property owned in fee by the Trust fund shall be subject to State, territorial, county, municipal, or other local taxation to the same extent, according to its value, as other similarly situated and used real property, without discrimination in the valuation, classification, or assessment thereof; and

(2) the Trust Fund and its employees shall be subject to any nondiscriminatory payroll and employment taxes intended to finance benefits based upon employment (such as social security and unemployment benefits) to the same extent as any privately owned corporation.

(f) The Trust Fund shall have the power to sue and be sued in its own name and to exercise all other lawful powers necessarily or reasonable related to the establishment of the Trust Fund and the exercise of its functions and duties under this Act.

(g)(1) The Trust Fund shall have an independent annual audit prepared in accordance with generally accepted accounting principles.

(2) Not later than one hundred and twenty days after the end of each fiscal year of the Trust Fund, the Trust Fund shall submit to the Congress and the Secretary an annual report containing the audit prepared under paragraph (1) and information regarding the organization, procedures, and activities of the Trust Fund during the preceding fiscal year.

(h) The principal office of the Trust Fund shall be located in the District of Columbia.

(i) Except to the extent expressly provided herein, the Trust Fund shall not be deemed to be an agency of the United States or an instrumentality of the United States.

(j) This title shall be considered the articles of incorporation for the Trust Fund.

FUND COLLECTIONS

SEC. 514. (a) A fee of 1.3 cents a barrel shall be paid into the Trust Fund by the owner of—

(1) oil received at a United States refinery;

(2) oil entered into the United States for consumption, use, or warehousing; and

(3) oil produced from a well located in the United States which is used in or exported from the United States.

(b) The Secretary, in consultation with the Trust Fund, shall by regulation establish procedures for the collection of the fee imposed by subsection (a).

(c) The fee imposed by subsection (a) shall only be in effect during those times when the amount in the Trust Fund (including the value of any securities held by the Trust Fund pursuant to section 515(b)) is less than $200,000,000.

(d) No fee shall be collected under this section with respect to any oil if the person who would be liable for the fee established that a prior fee has been imposed by this section with respect to that oil.

(e) The Trust Fund may bring an action in the district court of the United States for the collection of any fee required to be paid under this section.

(f) Any person who fails to collect or pay any fee as required by this section shall be liable for a civil penalty not to exceed $10,000, to be assessed by the Secretary of Transportation, in addition to the fee required to be collected or paid and the interest on such fee in an amount equal to the amount such fee would have earned if collected or paid when due and invested in accordance with subsection (b) of section 515. Upon the failure of any person so liable to pay any penalty, fee, or interest upon demand, the Attorney General may, at the request of the Secretary of Transportation, bring an action in the name of the Fund against that person for such amount.

TRUST FUND DISBURSEMENT AND INVESTMENT

SEC. 515. (a) The Trust Fund shall be available, subject to appropriations, for the purposes of—

(1) immediate payment of removal costs described in section 501(b)(24)(A) and of reasonable costs incurred by the trustee under section 503(a)(3) in assessing damaged natural resources and preparing a restoration and acquisition plan with respect to the damaged natural resources;

(2) the payment of claims under Subtitle A of this Act for damage which is not otherwise compensated;

(3) the costs of administration of this Act; and

(4) the payment of initial and annual contributions to the International Fund in accordance with section 525 of this Act.

(b) All sums not needed for purposes of subsection (a) shall be invested prudently in income producing securities approved by the Secretary in accordance with regulations issued by the Secretary. Income from these securities shall be added to the principal of the Trust Fund, except that whenever the amount in the Trust Fund (including the value of such securities) exceeds $300,000,000, the amount of any income from such securities shall be rebated, subject to appropriations, on a pro rata basis to the owners of the oil who contributed fees to the Trust Fund. If any owner no longer exists or income cannot otherwise be rebated after due diligence to do so, the income shall be retained by the Trust Fund.

LIMITATION ON PAYMENT OF CLAIMS BY THE TRUST FUND

SEC. 516. (a) No amount in the trust Fund may be used to pay any claim, other than a claim for removal costs, to the extent that the payment of that claim would reduce the amount in the Trust Fund to an amount less than $30,000,000.

(b) If at any time the Trust Fund is unable by reason of subsection (a) to pay all of the claims, other than for removal costs, payable at that time, those claims shall, to the extent permitted under subsection (a), be paid in full in the order in which they were finally determined. Subject to approval of the Secretary, the Trust Fund may borrow amounts from any commercial credit source, at the best available terms, for purposes of paying such claims in such order.

(c) The liability of the Trust Fund under this Act with respect to one incident shall not exceed $100,000,000. If the Trust Fund is unable by reason of the preceding sentence to pay all claims with respect to the incident, the claims shall be reduced proportionately.

ANNUAL AUDIT REVIEW

SEC. 517. The Comptroller General shall review the audit required by section 513(g)(1) and shall submit a report of its review to Congress.

COORDINATION WITH OTHER PROVISIONS OF THIS ACT

SEC. 518. (a) If any provision of this Act provides that the balance in any fund (hereinafter in this subsection referred to as the "transferor fund") is to be transferred to the Trust Fund, any claim which arises before October 1, 1984 (to the extent such claim would have been payable out of the transferor fund), shall be payable, subject to appropriations, out of the Trust Fund notwithstanding any of the limitations imposed by this title.

(b)(1) If the Secretary or his delegate determines that there is a TAP fund deficit, the fee imposed by section 514(a) on oil first transported through the Trans-Alaska Pipeline after the date of such determination shall be increased by 2 cents per barrel until the total amount of the increased fee equals such deficit.

(2) For purposes of paragraph (1) of this subsection, the term "TAP fund deficit" means the excess (if any) of—

(A) the amount certified by the Secretary of the Interior as the total amount of the claims outstanding against the Trans-Alaska Pipeline Liability Fund under section 521(b)(2) of this Act, over

(B) the total amount of the assets of the Trans-Alaska Pipeline Liability Fund as of the effective date of this section.

DEFINITIONS AND SPECIAL RULES

SEC. 519. (a) For purposes of this title, the term "United States" includes the outer Continental Shelf and any foreign trade zone of the United States.

(b) In the case of any United States refinery which produces natural gasoline from natural gas, the gasoline so produced shall be treated as received at the refinery at the time so produced.

(c) In the case of a fraction of a barrel, the fee imposed by section 514(a) of this title shall be the same fraction of the amount of the fee imposed on a whole barrel.

Subtitle C—Regulations, Effective Dates, and Savings Provisions

EFFECTIVE DATES

SEC. 520. (a) This section, section 501, section 502, section 512, subtitle B (other than section 514 (a), (c), (d), (e), and (f), section 515, and section 516), section 522, and each provision subtitle A that authorizes the promulgation of regulations shall be effective on the date of the enactment of this Act.

(b) Subtitle D shall take effect on the first date on which both the International Convention on Civil Liability for Oil Pollution

Damage and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage are in force with respect to the United States.

(c) All other provisions of subtitles A through D and the regulations issued thereunder, shall be effective on the one hundred and eightieth day after the date of enactment of this Act, except that the penalty prescribed by section 511 for failure to comply with the requirements of section 505 or the regulations issued thereunder shall not be effective until the ninetieth day after issuance of those regulations of the two hundred and seventieth day after the date of enactment of this Act, whichever is earlier.

(d) Any regulation respecting financial responsibility, issued pursuant to any provision of law repealed by section 521 of this title, and in effect on the day immediately preceding the effective date of section 521 of this title shall remain in force until superseded by regulations issued under subtitle A of this Act.

CONFORMING AMENDMENTS

SEC. 521. (a) The first sentence of subsection (b) of section 204 of the Trans-Alaska Pipeline Authorization Act (43 U.S.C 1653(b); 87 Stat. 586) is amended by inserting "in the State of Alaska" after "any area" and by inserting "related to the trans-Alaska oil pipeline" after "any activities". Such subsection is further amended by inserting at the end thereof the following new sentence: "This subsection shall not apply to removal costs resulting from oil pollution as that term is defined in section 501(b) of the Comprehensive Oil Pollution Liability and Compensation Act.".

(b)(1) Subsection (c) of section 204 of the Trans-Alaska Pipeline Authorization Act is repealed. All assets of the Trans-Alaska Pipeline Liability Fund, as of the effective date of this section, except for assets equal to the total amount of claims certified by the Secretary under paragraph (2) of this subsection, shall be rebated, subject to appropriations, directly to the operator of the trans-Alaska oil pipeline for payment on a pro rata basis to the owners of the oil at the time it was loaded on the vessel. The Comprehensive Oil Pollution Liability Trust Fund shall assume all liability incurred by the Trans-Alaska Pipeline Liability Fund under terms of subsection (c) of section 204 of the Trans-Alaska Pipeline Authorization Act, and shall assume all liability incurred by the officers or trustees in the execution of their duties involving the Trans-Alaska Pipeline Liability Fund, other than the liability of those officers or trustees for gross negligence or willful misconduct.

(2) The Secretary of the Interior shall certify to the Secretary of the Treasury the total amount of the claims outstanding against the Trans-Alaska Pipeline Liability Fund not later than one hundred and eighty days after the effective date of this section. In the event that the total amount of the actual claims settled is less than the total amount of the outstanding claims certified, the difference between these amounts shall be rebated directly to the operator of the trans-Alaska oil pipeline for payment, on a pro rata basis, to the owners of the oil at the time it was loaded on the vessel.

(c) Section 17 of the Intervention on the High Seas Act (33 U.S.C. 1486; 88 Stat. 10) is amended to read as follows:

"SEC. 17. The fund established under Subtitle B of the Comprehensive Oil Pollution Liability and Compensation Act shall be available to the Secretary for actions and activities relating to oil pollution (as defined in section 501(b) of that Act) taken under section 5 of this Act. The fund established under section 311(k) of the Federal Water Pollution Control Act shall be available for actions and activities relating to other pollution taken under section 5 of this Act.".

(d) Section 31 of the Federal Water Pollution Control Act is amended as follows:

(1) Subsection (a) is amended by striking out the period at the end of paragraph (17) and inserting in lieu thereof a semicolon and the following new paragraph:

"(18) 'person in charge' means the individual immediately responsible for the operation of a vessel or facility.".

(2) Paragraph (5) of subsection (b) is amended in the last sentence by inserting after "person" the following: "or his employer".

(3) Subparagraph (A) of paragraph (6) of subsection (b) is amended—

(A) in the first and second sentences, by striking out "or person in charge" each place it appears and inserting in lieu thereof "person in charge, or employer of such person in charge"; and

(B) in the third sentence, by striking out "the owner or operator" and inserting in lieu thereof "whoever being".

(4) Subparagraph (B) of paragraph (6) of subsection (b) is amended in the first and second sentences by striking out "or person in charge" each place it appears and inserting in lieu thereof "person in charge, or employer of such person in charge".

(5) Subsection (c)(2)(H) is amended by striking out "from the fund established under subsection (k) of this section for the reasonable costs incurred in such removal" and inserting in lieu thereof the following: "for the reasonable costs incurred in such removal (i) from the fund established under section 513 of the Comprehensive Oil Pollution Liability and Compensation Act in the case of any discharge from a vessel of petroleum, including crude oil or any fraction or residue therefrom, or from a facility (as defined by subtitle A of such Act or (ii) from the fund established under subsection (k) of this section in any other case".

(6)(A) Subsection (d) is amended by inserting immediately before the last sentence the following: "Any expense incurred under this subsection or under the Intervention on the High Seas Act (or the convention defined in section 2(3) thereof) as the result of the discharge or imminent discharge from a vessel of petroleum, including crude oil or any fraction or residue therefrom, shall be reimbursed from the fund established under section 513 of the Comprehensive Oil Pollution Liability and Compensation Act.".

(B) Subsection (d) is further amended by striking out "Any" in the last sentence and inserting in lieu thereof "Any other".

(7) Subsection (f)(1) is amended by inserting "(other than petroleum, including crude oil or any fraction or residue therefrom)" after "oil" the first place it appears and by striking out "carrying oil" and inserting in lieu thereof "carrying such oil".

(8) Subsection (f)(3) is amended by inserting "(other than a facility as defined by section 501(b) of the Comprehensive Oil Pollution Liability and Compensation Act)" after "facility" the first place it appears.

(9)(A) The first sentence of subsection (g) is amended by inserting "(other than petroleum, including crude oil or any fraction or residue therefrom)" after "oil" the second place it appears, by inserting "(other than a facility as defined in section 501(b) of the Comprehensive Oil Pollution Liability and Compensation Act)" after "facility" the first place it appears.

(B) The second sentence of subsection (g) is amended by inserting "(other than a facility as defined in section 501(b) of the Comprehensive Oil Pollution Liability and Compensation Act)" after "facility" the second place it appears.

(C) The third sentence of subsection (g) is amended by inserting "such" before "oil" the first place it appears and by striking out "carrying oil" and inserting in lieu thereof "carrying such oil".

(10)(A) Subsection (i)(1) is amended by inserting "(other than a facility as defined in section 501(b) of the Comprehensive Oil Pollution Liability and Compensation Act)" after "facility" the second place it appears.

(B) Subsection (i)(2) is repealed and paragraph (3) of subsection (i) (and all references thereto) is redesignated as paragraph (2).

(11) Subsection (p)(1) is amended by inserting "(other than petroleum, including crude oil or any fraction or residue therefrom)" after "oil" the first place it appears.

(e) The Deepwater Port Act of 1974 (33 U.S.C. 1501 et seq.; 88 Stat. 2126) is amended as follows:

(1) Section 4(c)(1) is amended by striking out "section 18(l) of this Act" and inserting in lieu thereof "section 505 of the Comprehensive Oil Pollution Liability and Compensation Act".

(2) Subsections (b), (d), (e), (f), (g), (h), (i), (j), (l), and (n) of section 18 are repealed.

(3) Paragraph (3) of subsection (c) of section 18 is amended by striking out "Deepwater Port Liability Fund established pursuant to subsection (f) of this section." and inserting in lieu thereof "fund established under subtitle B of the Comprehensive Oil Pollution Liability and Compensation Act.".

(4) Subsection (k) of section 18 is amended to read as follows:

"(k) This section shall not be interpreted to preclude any State from imposing additional requirements, not inconsistent with the provisions of the Comprehensive Oil Pollution Liability and Compensation Act, for any discharge of oil from a deepwater port or a vessel within any safety zone.".

(5) Subsections (c), (k), and (m) of section 18 are redesignated as subsections (b), (c), and (d), respectively.

(f) Any amounts remaining in the Deepwater Port Liability Fund established by section 18(f) of the Deepwater Port Act of 1974 shall, subject to appropriations, be deposited in the Comprehensive Oil Pollution Liability Trust Fund established by subtitle B of this Act. The Trust Fund shall assume all liability incurred by the Deepwater Port Liability Fund under the Deepwater Port Act of 1974.

(g) Title III of the Outer Continental Shelf Lands Act Amendments of 1978 (Public Law 95-372) is repealed. Any amounts remaining in the Offshore Oil Pollution Compensation Fund established under section 302 of that title shall, subject to appropriations, be deposited in the Comprehensive Oil Pollution Liability Trust Fund established by subtitle B of this Act. The Trust Fund shall assume all liability incurred by the Offshore Oil Pollution Compensation Fund under title III of the Outer Continental Shelf Lands Act Amendments of 1978.

SEPARABILITY

SEC. 522. In any provision of this Act or the applicability thereof is held invalid, the

remainder of this Act shall not be affected thereby.

Subtitle D—Implementation of Conventions

RECOGNITION OF THE INTERNATIONAL FUND

SEC. 523. The International Oil Pollution Compensation Fund (hereinafter in this title referred to as the "International Fund") established by article 2 of the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage (hereinafter in this title referred to as the "International Fund Convention") is recognized under the laws of the United States as a legal person and shall have the capacity under the laws of the United States to contract, to acquire and dispose of real and personal property, and to institute and be a party to legal proceedings. The Director of the International Fund is recognized as the legal representative of the International Fund. The Director shall be deemed to have appointed irrevocably the Secretary of State his agent for service of process in any action against the International Fund in any court in the United States.

SERVICE OF PROCESS AND INTERVENTION

SEC. 524. (a) In any action brought in a court in the United States against the owner of a ship or his guarantor under the International Convention of Civil Liability for Oil Pollution Damage (hereinafter in this title referred to as the "Civil Liability Convention"), the plaintiff or defendant, as the case may be, shall serve a copy of the complaint and any subsequent pleading therein upon the International Fund and the Comprehensive Oil Pollution Liability Trust Fund at the same time the complaint or other pleading is served upon the opposing parties.

(b) The International Fund may intervene as a party as a matter of right in any action brought in a court in the United States against the owner of a ship or his guarantor under the Civil Liability Convention.

(c) If the International Fund has been served a copy of the complaint and all subsequent pleadings in an action referred to in subsection (a) of this section, the International Fund shall be bound by any judgment entered therein, whether or not the International Fund was a party to the action.

EXEMPTION FROM TAXATION

SEC. 525. The International Fund and its assets shall be exempt from all direct taxation in the United States.

PAYMENT OF CONTRIBUTIONS

SEC. 526. The amount of any initial or annual contribution to the International Fund which is required to be made under article 10 of the International Fund Convention by any person with respect to oil received in any port, terminal installation, or other installation located in the United States shall be paid to the International Fund by the Comprehensive Oil Pollution Liability Trust Fund. Before the International Fund Convention enters into force with respect to the United States, the President shall make, and deposit with the Secretary-General of the International Maritime Organization, a declaration under article 14 of the International Fund Convention that the United States assumes the obligation to pay contributions under article 10 of such Convention in respect of oil received within the territory of the United States and that such amount will be paid from the Comprehensive Oil Pollution Liability-Trust Fund.

JURISDICTION OF DISTRICT COURTS

SEC. 527. (1) The United States district courts shall have exclusive original jurisdiction of—

(1) all controversies arising in the territory, including the territorial sea, of the United States under the Civil Liability Convention or the International Fund Convention, and

(2) all controversies arising outside of the territory, including the territorial sea, of the United States under the Civil Liability Convention or the International Fund Convention, from an incident which causes damage in the territory of the United States, including the territorial sea,

without regard to the citizenship of the parties or the amount in controversy.

(b) Venue shall lie in any district wherein the injury complained of occurred, or wherein the defendant resides, may be found, or has his principal office. For purposes of this subsection, the International Fund shall reside in the District of Columbia.

RECOGNITION OF JUDGMENTS

SEC. 528. Any final judgment of a court of any nation which is a party to the Civil Liability Convention or the International Fund Convention in an action for compensation under either such convention shall be recognized by any court of the United States or of a State when that judgment has become enforceable in such nation and is no longer subject to ordinary forms of review, except where—

(1) the judgment was obtained by fraud; or

(2) the defendant was not given reasonable notice and a fair opportunity to present his case.

FINANCIAL RESPONSIBILITY

SEC. 529. (a) The owner of each ship which is documented under the laws of the United States and is carrying more than two thousand tons of oil in bulk of cargo shall establish and maintain, in accordance with regulations promulgated by the Secretary, evidence of financial responsibility in amounts sufficient to cover the maximum liability of such owner for pollution damage arising from one incident under the Civil Liability Convention. The Secretary shall issue a certification to each such owner who complies with this paragraph, in the form and manner required by the Civil Liability Convention.

(b) With respect to any ship owned by the United States, the Secretary shall issue a certificate stating that the ship is owned by the United States and that the ship's liability is covered within the limits of liability prescribed by the Civil Liability Convention.

(c) The owner of each ship (other than a ship to which subsection (a) or (b) applies), wherever registered, which is carrying more than two thousand tons of oil in bulk as cargo and which enters or leaves a port or offshore terminal in the United States (including the territorial seas) shall establish and maintain, in accordance with regulations promulgated by the Secretary, evidence of financial responsibility in amounts sufficient to cover the maximum liability of such owner for pollution damage arising from one incident under the Civil Liability Convention. The owner of a ship which is registered in, or flying the flag of, a nation which is a party to the Civil Liability Convention shall be considered to have met the requirements of this paragraph if the ship is carrying a certificate issued by such nation attesting that insurance or other financial security is in force which meets the requirements of such Convention.

(d) The Secretary of the Treasury shall withhold or revoke the clearance required by section 4197 of the Revised Statutes of the United States of any ship which does not have a certificate showing compliance with the requirements of financial responsibility under subsection (a) or (c) of this section.

(e) The Secretary of the department in which the Coast Guard is operating may (1) deny entry to any facility, to any port or place in the United States, or to the navigable waters, or (2) detain at the facility or at the port or place in the United States, any vessel subject to this section that, upon request, does not produce the certificate required under this section or regulations issued hereunder.

(f) Any person who, after notice and an opportunity for a hearing, is found to have failed to comply with the requirements of this section or the regulations issued under this section or with any denial or detention order shall be liable to the United States for a civil penalty, not to exceed $10,000 for each violation. The amount of the civil penalty shall be assessed by the Secretary by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the prohibited acts committed and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require. The Secretary may compromise, modify, or remit with or without conditions any civil penalty which is subject to imposition or which has been imposed under this subsection. If any person fails to pay an assessment of a civil penalty after it has become final, the Secretary may refer the matter to the Attorney General for collection.

WAIVER OF SOVEREIGN IMMUNITY

SEC. 530. The United States waives all defenses based on its status as a sovereign State with respect to any controversy arising under the Civil Liability Convention or the International Fund Convention relating to any ship owned by the United States and used for commercial purposes.

DEFINITION OF FRANC

SEC. 531. Notwithstanding any provision of the Civil Liability Convention or the International Fund Convention to the contrary, one franc equals one-fifteenth of a special drawing right, as defined by the International Monetary Fund, for purposes of applying such conventions.

RULES AND REGULATIONS

SEC. 532. The Secretary may issue such rules and regulations as are necessary to implement the Civil Liability Convention and the International Fund Convention.

Mr. BREAUX (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BREAUX. Mr. Chairman, I would say about this amendment that the amendment clearly speaks for itself.

The second phrase that comes to mind is that silence is golden.

This amendment simply adds another title to the Superfund legislation. That title consists of legislation that has previously passed the House on two separate occasions and has been adopted by the Senate on one separate occasion.

The administration has testified in favor of the legislation.

I would be remiss if I did not add the names of Chairman WALTER JONES and Chairman BIAGGI of our Merchant Marine and Fisheries Committee; Congressman STUDDS and Congressman SNYDER and Congressman YOUNG of Alaska, and also the members of the Public Works Committee who have done so much in bringing this legislation to the floor.

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Without it, the Superfund does not cover oil spills except in a very limited way. This covers oil spills with the addition of this amendment.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, I rise in support of this amendment for an oil spill provision.

It has been nearly a decade now that I and others in the House have been working for legislation which would establish a general system of liability and compensation for damages caused by oil pollution. The need is well known for a uniform law to protect property and natural resources, particularly along the coastline of our Nation. I can assure you that in this regard it is a critical concern to my State of Alaska, which has more coastline than the lower 48.

Last session, the Merchant Marine and Fisheries Committee worked on legislation which resulted in the introduction of H.R. 3278, which provides for cleanup and for the compensation of damaged parties. Many of the provisions included were important to the States. These include no preemption on the use of a State's cleanup fund, recovery for loss or damage to natural resources including subsistence use, adequate cleanup, and the proper transition between all the current Federal laws we have and the proposal. In addition, it contains provisions to exclude natural seepage from coverage and include the implementation of recently negotiated international conventions dealing with liability and a compensation fund.

I am disappointed that the rebate from the TAPS fund and the private fund set up by this amendment have been made subject to the appropriations process. Each of the funds is a private fund and I fear that this provision requiring Congress to appropriate money out of a private fund without compensation will not pass a constitutional test. However, neither one of these provisions is sufficient reason for us not to take action today.

Final adoption of comprehensive oil spill legislation has been delayed for too long. The legislation is needed to unify and simplify the law in this area and to provide a greater benefit to those who would be victimized by oil spills while easing the burden of those who would be regulated by any number of existing Federal and State statutes.

I commend the gentleman for offering this important amendment and urge my colleagues to support it.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from New York, the chairman of the subcommittee.

Mr. BIAGGI. Mr. Chairman, I am in strong support of this amendment. Enactment of a comprehensive oil pollution liability and compensation act is long overdue.

This legislation had its genesis in 1976—right after the disastrous *Argo Merchant* grounding off Cape Cod. Fortunately, the oil dispersed at sea, and little environmental damage to our coastline resulted. This opened our eyes, and a two-pronged effort was developed within the committee I chaired, the Subcommittee on Coast Guard and Navigation.

One effort was directed at tanker safety which resulted in the enactment of the Port Safety and Tank Vessel Act of 1978. Recognizing that human error cannot ever be eliminated, I proposed a comprehensive oil pollution liability and compensation scheme for those who become victimized by oil spills. On September 12, 1977, during the 95th Congress, by a recorded vote of 332 to 59, the House passed H.R. 6803, but it was not acted upon by the Senate.

During the 96th Congress, in September 1980, I was able to bring a similar bill to the House floor. H.R. 85 was passed by a recorded vote of 288 to 11. However, it failed of enactment due to two other areas of environmental concern—spills of hazardous substances and abandoned hazardous waste dump sites. Though I felt that the oil pollution and hazardous substances pollution issues should be handled separately, they were joined into one bill. The Senate then took the most important hazardous substances spill provisions from the amended H.R. 85, that contained both oil and hazardous substances provisions, and combined them with the hazardous waste dump site provisions of H.R. 7020. In a spirit of compromise and in the national interest, I agreed to support the revised version of H.R. 7020 that did not contain my oil spill provisions. During the waning days of the 96th Congress, H.R. 7020 was adopted by the Congress and signed into law on December 11, 1980 as Public Law 96-510.

During the next Congress, the 97th, I again introduced a comprehensive oil pollution liability and compensation bill in the form of H.R. 85. I used the same number to remind my colleagues of the promise made to move on oil pollution right after hazardous substances pollution legislation was in place. Since January 1981, the Honorable GERRY STUDDS, the new chairman of the Subcommittee on Coast Guard and Navigation, moved rapidly and effectively and, by May 1981 he was able to get this legislation reported to the House. Due to pressing problems within other committees having joint jurisdiction, this legislation was not acted upon.

I want to compliment the gentleman from Massachusetts—the Honorable GERRY STUDDS—for never giving up the fight to see to the enactment of this landmark legislation. He continued the leadership role in oil pollution compensation. In his zeal to see to its enactment, he has agreed to a number of compromises that I believe should be acceptable to all interested parties.

Once again, during the early days of this Congress, legislation was introduced in the form of H.R. 2222, a bill similar to prior bills. This served as the original focus of committee consideration that led to a compromise measure in the form of H.R. 3278. It is our best effort. It is an acceptable compromise. It is what is before us today.

For many years, this legislation had strong administration support. About 3 years ago, however, the administration reversed its position and opposed the legislation, for reasons that were incomprehensible to those of us familiar with the subject. Fortunately, the administration has now seen the light and is again in strong support of this legislation.

I have briefly discussed the history of this legislation so that Members will know that it has been long and carefully considered. That extensive study has resulted in the amendment we are now considering. The amendment is consistent with the bill that was reported out unanimously by the Merchant Marine and Fisheries Committee just over 1 year ago and which is the end product of over 10 years of work by several committees in both Houses of Congress.

We now have an excellent chance to complete that work and provide the Nation with a comprehensive system of liability and compensation for damage caused by oil pollution. We have an opportunity to ensure that those who suffer economic loss as a result of oil pollution will be adequately compensated. We also have, through this legislation, an opportunity to encourage a high standard of

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care in oil-related operations and to make sure that those responsible for pollution will be held responsible for the costs of cleanup and compensation of victims.

This long overdue legislation deserves the strong support of all Members.

Mr. HUTTO. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from Florida.

Mr. HUTTO. As you know, many of the States have their own oilspill funds and in our Merchant Marine and Fisheries Committee, when this legislation was passed, there was some protection for the State fund for a period of time. Can the gentleman from Louisiana tell me if his amendment provides for that kind of protection?

Mr. BREAUX. I will say that the gentleman from Florida is correct and this is the same provision as was passed out of the Merchant Marine and Fisheries Committee.

Mr. LENT. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I join in commending the gentleman from Louisiana for his leadership in introducing this amendment.

Mr. Chairman, as a strong supporter and cosponsor of legislation to provide a comprehensive system of liability and compensation for oilspill damage and removal costs, I rise in support of this amendment.

This legislation is long overdue. The House has passed it twice in the past, and the Senate also has acted favorably on a similar pollution protection measure. I hope we are headed for success this year.

The need for a comprehensive system of liability and compensation for damage caused by oil pollution is clear. Several separate Federal funds presently exist to deal with catastrophic oilspills, and a hodgepodge of State and Federal laws governing spills has resulted in legal and procedural uncertainties, lack of timely compensation and many unreimbursed cleanup expenses.

Mr. Chairman, we can delay no longer on this important legislation. I hope that this, the 98th Congress, will be marked as one which successfully responded to the pressing need for comprehensive oil pollution liability legislation. I urge that the amendment be approved.

Mr. STUDDS. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Chairman, I rise in strong support of the amendment.

The amendment offered by the gentleman from Louisiana has a long history, the details of which I will not recount here today. Suffice it to say that the work product represented by the amendment reflects a decade of effort to balance the interests of those who might someday be responsible for spilling oil and those who might someday suffer economic loss as the result of such a spill. I have participated in the debate surrounding this legislation since 1974, when competing oil liability bills were introduced by the gentleman from New York [Mr. BIAGGI] and myself. I have heard objections from time to time about particular parts of the bill from environmentalists, State governments, administration witnesses, and the oil industry. Those objections were always based, however, on the feeling that the legislation could—from their perspective—be improved. But no witness—I repeat, no witness—has ever proven the case, or even really attempted to prove the case, that this legislation would leave us less well off than we are today.

Current oil pollution liability and compensation laws are duplicative, inequitable, bureaucratically wasteful, and riddled with loopholes so wide you could steer a Liberian tanker right through them.

If this amendment is so good, the question arises as to why it has not yet become law. There are a number of answers to that question, not the least of which has been jurisdictional complications in the other body. But the most basic reason, I think, is that over the past few years, many have become complacent about the threat posed by oilspill pollution damage. The Tanker Safety Act of 1978, put forward by our committee, has helped reduce oil pollution in U.S. waters by 50 percent since the end of the last decade. There has also been a major, understandable shift in focus to the extraordinary threat to health and the environment posed by spills or leaks of hazardous substances. But complacency with respect to oilspills is a mistake. The recent spill along the Texas gulf coast should serve as a reminder that the threat of catastrophic damage to areas dependent on tourism, or to parts of the coast which serve as spawning grounds or shellfish beds, does exist. It is worth recalling that claims stemming from the grounding of the *Amoco Cadiz* off the French coast in 1978 have reached several billion dollars.

The amendment offered by the gentleman from Louisiana reflects the work of a coalition determined to increase protection for those who live and work along the coasts, while treating equitably those whose responsibility it is to produce and transport oil. We were determined, as well, to develop an approach that would be administratively efficient, and that would balance in a fair manner the differing responsibilities of the Federal and State governments, while encompassing the need for an international perspective on these issues, as well. I believe that we have succeeded—through the efforts of Representatives whose constituencies are as diverse as those of the gentleman from Louisiana, the gentleman from Alaska, the gentleman from North Carolina, the gentleman from New York [Mr. BIAGGI] and myself. I believe that this effort deserves the support of the House, and I am hopeful that it will at long last prevail in the other body, as well.

For the purpose of establishing a clear record with respect to the scope and purpose of the amendment offered by Mr. BREAUX, I would like to point out that the amendment will improve upon current law in the following respects:

First, it guarantees that those suffering economic loss as the result of an oil spill from a vessel or offshore facility will be quickly and fairly compensated for the loss, whether or not the spiller accepts liability or admits negligence in connection with the discharge of oil;

Second, it imposes a concept of strict liability on those producing or transporting oil in order to encourage a high standard of care in oil-related operations, and makes certain that those responsible for pollution will be held primarily responsible for the cost;

Third, it encourages prompt and complete cleanup of oil spills from vessels or offshore facilities, including relatively chronic pollution, such as that caused by tar balls;

Fourth, it reduces the cost to the taxpayer of cleaning up oil spills by creating an industry-financed fund to be available to reimburse the Government for cleanup activities not otherwise compensated;

Fifth, it simplifies and reduces Federal administrative costs by eliminating three single-purpose oil pollution liability funds presently in existence and replacing them with a single fund;

Sixth, it establishes a clear and predictable legal and regulatory framework within which actual or potential claimants, spillers, and insurers will be able to make decisions relevant to oil pollution matters;

Seventh, it encourages the United States to participate in efforts to amend and improve international standards of oil pollution liability and compensation; and

Eighth, it eliminates certain provisions of the Outer Continental Shelf Lands Act Amendments of 1978 which distort traditional methods of allocating pollution liability within the offshore oil production industry.

Approximately 11,000 oil pollution incidents occur in U.S. waters every year, spilling from 10 to 14 million gallons of petroleum into the marine environment. Many of these spills are so small that no Federal response is war-

ranted, and no damages are caused. Since 1972, however, the Coast Guard has responded to approximately 10,000 spills, totaling more than 38,000,000 gallons of oil.

The Coast Guard's response is authorized by the Federal Water Pollution Control Act [FWPCA]. The fund created by section 311(k) of that act consists of appropriated money used to finance cleanup activities. Theoretically, the Coast Guard can recover its expenditures by taking legal action, or by negotiating informally with those responsible for the pollution. Unfortunately, cost recovery efforts have been hampered by the limits on liability which are contained in FWPCA, by the unknown source of some spills, and by the delays, compromises, and procedural problems associated with most formal legal actions. Since the 311(k) fund was created, the Coast Guard has spent almost $125 million cleaning up oilspills, but has been able to recover only $54 million.

The difficulty of recovering cleanup costs had led to a reluctance on the part of the Coast Guard to commit section 311(k) money to clean up oil spills in other than dramatic or emergency situations.

Many State officials have complained about the difficulty of getting Federal funds to assist in local cleanup operations, and several States have, as a result, developed their own revenue sources for responding to pollution incidents. Under the amendment, Federal cleanup efforts would be reimbursed by the trust fund, which is financed not by the taxpayer, but by a 1.3 cent a barrel fee imposed on oil. If the person responsible for the spill cannot be found, or is able to limit his liability, the trust fund, not the taxpayer, would be available to pick up the bill. Present law, however, does not provide any assurance that those suffering economic loss as the result of an oil spill will be able to receive compensation for their loss.

Claimants other than the Federal Government are now in a particularly bad position. Unless they are able to prove that the spill resulted from negligence on the part of the owner or operator, no recovery of damages is likely. Even if negligence is proven, individual claimants may not be able to recover for damages to natural resources, due to common law interpretations of those damages for which compensation may be required. In any event, prolonged legal wrangling is almost inevitable with respect to any substantial spill in which the extent of fault and the scope of damages are not clear cut.

Under the amendment, all claimants, whether governmental or individual, will have the option of negotiating with the spiller or of submitting a claim to the newly created trust fund. In all except the most extreme circumstances, a claimant will be able to recover in full for a broad list of clearly spelled out damages. He will be able to recover, moreover, regardless of whether the negligence of the responsible party resulted in the oil pollution incident. There will also be a guarantee, through the requirement that a potential spiller possess adequate insurance, or other evidence of financial responsibility, that the person liable for damages will have the resources necessary to compensate claimants or, by subrogation, the trust fund, for damages and costs incurred.

The system established by the amendment will permit claimants to have a clear understanding of their rights, and a guarantee that their claims will be promptly and fairly considered. The oil transportation and offshore production industries will know, in advance, the potential pollution liability to which they may be exposed, and will be required to have insurance or financial guarantees to cover that cost. The Federal taxpayers will be spared administrative and pollution cleanup costs they are currently required to bear, and all concerned will have the benefit of operating under uniform standards of liability, damage definitions, insurance requirements, and claims settlement procedures.

This legislation also provides for the coordination of the Federal and State governmental approaches to the problem of oil spill liability. Unlike previous versions of this legislation, the amendment only prescribes pollution liability rules for vessels and offshore facilities. All vessels are included because of the interstate nature of the waterborne petroleum transportation trade, and because spills into the navigable waters may likely cause damage in more than 1 State. In addition, facilities which operate beyond State jurisdiction, on the Outer Continental Shelf, or pursuant to a license issued under the Deepwater Port Act, are also clearly a Federal responsibility. Facilities located wholly on land or in State waters are not included within the scope of this bill.

This legislation will prohibit State governments from imposing financial responsibility requirements or liability limits which exceed those spelled out in the amendment, for those vessels and facilities covered by the bill. In addition, State governments will be prohibited from requiring any person to contribute to a fund whose purpose is to compensate for an economic loss described in section 503(a) of the amendment, subject to a 3½-year grace period for those States with existing tax or fee mechanisms of this type. In addition, State and local courts would no longer have jurisdiction over lawsuits for an economic loss compensable under subtitle A. Beyond these limitations, however, State governments will be permitted to establish whatever mechanisms and procedures they wish to protect themselves from oil pollution damage, such as a State cleanup and compensation fund financed by appropriations from the State general treasury.

In return for yielding a measure of their regulatory and taxing authority, States will receive a guarantee of greater Federal cooperation in responding to many oilspills, and an enormously increased level of protection for themselves and for their citizens from pollution incidents which are either catastrophic in scope, or for which existing legal remedies are inadequate.

This amendment is predicated on the assumption that oil spills will continue to occur. Inevitably, some of those spills will result in significant damage to personal property or natural resources, and expenses to those charged with the responsibility for removing or containing the oil.

No witness who has testified before our committee over the past 9 years has questioned the fundamental equity of adopting a standard of strict pollution liability for those who produce, and transport, oil. The inadequacy of present law and the need for legislation of this type has been recognized by a broad range of groups, including the administration, the oil industry, the shipping and barge industries, fishermen, most State governments, environmentalists, and the insurance industry. Disagreements persist about the precise scope and language of certain provisions in the bill, but the text of the amendment reflects compromises and understandings worked out not just this year, but over the course of the last decade by those convinced of the need for this type of measure. Committee members remain willing to work with other congressional committees, with the administration, and with the public to guarantee the enactment of a broadly acceptable and effective comprehensive oil pollution liability bill.

Mr. CARPER. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from Delaware.

Mr. CARPER. Mr. Chairman, I rise to add my support for the amendment offered by the gentleman from Louisiana. It is unfortunate that his motivation for offering this amendment has been misinterpreted by those who support a strong Superfund bill. This amendment is not a weakening addition to the bill, but rather is a significant piece of legislation providing for the cleanup of oil spills on our navigable waters.

This amendment recognizes that people who inhabit our coastal areas and live along our waterways deserve to be protected from catastrophic oil

spills, and deserve to be compensated for damages which result from those spills. In this spirit, the amendment provides for prompt and equitable means of compensating those suffering damage or economic loss as a result of an oil pollution incident. This language provides an incentive for careful transportation, production and storage of oil by holding those responsible for handling oil strictly liable for pollution emanating from their vessels or facilities. Furthermore, this legislation encourages prompt reporting and cleaning up of oil pollution. Finally, Mr. BREAUX's amendment unifies the complex patchwork of State, Federal and international oil pollution liability and compensation statutes to assure compensation to the victims of oil pollution and create a more rational climate for the oil and insurance industries. In short, this is the kind of amendment that supporters of the Superfund program should enthusiastically embrace.

I urge my colleagues to disregard environmental newsletters which urge a no vote on this amendment on the presumption that it would adversely affect the provisions of the Superfund bill. I honestly believe they misunderstood the intent and effect of this language. as a supporter of this Superfund bill, I will vote for this amendment which goes a long way toward providing an effective response to oil spills in our valuable waters. I urge my colleagues to do likewise.

I also rise in support of H.R. 5640. People in my State of Delaware and across this country see their land, their water, and even their air becoming increasingly soured by wastes which we have carelessly spread across the landscape.

For me, the threat of our policyless management of toxic wastes hits close to home. My house in New Castle County, DE is located between two priority sites identified by the Environmental Protection Agency. One of those sites is No. 2 on the priority list. Wellwater in the area is contaminated, and my neighbors bear feelings of anger and fear as they wonder what will happen to their health and property. These People and thousands like them across this Nation need forceful Federal aid in cleaning up the mess and they need effective means to recover their losses.

Our response to date has been embarassingly inadequate—funds are short and the effort applied to the task has been abysmal. Only 6 of the 546 sites currently on the EPA's priority list have been cleaned up so far—and those 546 sites are only the tip of a looming iceberg of sites needing immediate attention. EPA expects this list to grow to 2,200 within a few years. Indeed, there may be more than 20,000 toxic waste sites out there. That pretty much assures each of us a personal and parochial interest in the hazardous waste threat.

Despite the universality of this problem, however, I do not advocate an irresponsible, knee-jerk response by Congress. Fortunately, this bill is a carefully crafted, well-conceived answer to a critical and immediate need.

Many of my colleagues question the current EPA's ability and willingness to effectively spend the 10.2 billion authorized whether or not we want to spend this money. We must spend it. I felt this legislation provides enough direction and leverage to force a heretofore reluctant EPA to face this critical toxic pollution threat head on.

On behalf of the thousand who have personally felt the effects of toxic exposure and on behalf of the thousands more who will certainly meet the same fate if we do not act responsibly, I will vote for this worthwhile and necessary legislation. I urge my colleague to do likewise.

● Mr. JONES of North Carolina. Mr. Chairman, I rise in strong support of the amendment.

This is the fifth Congress in which our Committee on Merchant Marine and Fisheries has attempted to enact a comprehensive oilspill liability and compensation bill. It is proper to offer this legislation as an amendment to Superfund because the purposes of the two are identical, except that our amendment applies to oil, while Superfund is concerned mostly with hazardous substances.

Approval of this amendment will further broaden the strong support that already exists for Superfund, and make the enactment of H.R. 5640 even more important to our country.

The provisions of the Breaux amendment were approved unanimously by our committee last August. They reflect an approach that has been accepted, in general terms, by the oil industry, environmentalists, the shipping industry, State governments, fishermen, the Coast Guard, and the Reagan administration. Differences over detail within a coalition this broad are obviously certain to exist, but they provide no cause for failing to approve this long-delayed and much-needed measure.

This amendment is fair to industry, fair to those who may suffer economic loss as the result of an oilspill, and fair to the Federal taxpayer. It will reduce bureaucracy, while providing more complete protection from oil-spills. A nearly identical bill has twice before passed the House, and I hope the pending amendment will be approved with overwhelming support today.

There are several Members who have worked diligently for a decade to obtain passage of oilspill liability and compensation legislation. They include Mr. BIAGGI, Mr. STUDDS, Mr. YOUNG, and, of course, Mr. BREAUX. They deserve special commendation.

In offering this amendment, we mean no slight to any committee. In addition to the Merchant Marine and Fisheries Committee, the Public Works Committee and the Ways and Means Committee have contributed to the evolution of oilspill legislation over the years.

In deciding your vote, remember that only by approving the pending amendment, will we have any chance at all this year to compensate innocent victims of oilspills like the one in Texas. There will be no other chance this year to approve this much-needed legislation.

I urge your support for this amendment.●

● Mr. FIELDS. Mr. Chairman, I rise in support of the amendment by Mr. BREAUX that contains the comprehensive oil spill liability and compensation provisions.

This amendment includes the text of H.R. 3278, reported by the Merchant Marine and Fisheries Committee, which provides for the prompt and equitable compensation of those who suffer damage or economic loss from oil spills. It is a rational approach to this problem which allows those injured to gain relief, yet provides an environment in which the petroleum and related industries can operate successfully. The recent spill off the coast of Texas from the tanker *Alvenus* shows us how vulnerable we can be. This provision will provide us the protection we need to take effective action in the case of a spill.

Mr. Chairman, I encourage my colleagues to support the inclusion of this amendment in H.R. 5640.●

● Mr. PRITCHARD. Mr. Chairman, I join in supporting this amendment to include oil spill liability and compensation legislation in H.R. 5640.

The proposed amendment would essentially be the text of H.R. 3278 as reported by the Merchant Marine and Fisheries Committee last year. The main purpose of the amendment is to provide a prompt and equitable means of compensating U.S. citizens suffering damage or economic loss as a result of oil spills from vessels, OCS oil facilities, and deepwater ports. It unifies the various existing State and Federal laws pertaining to oil pollution liability and compensation in spills from those sources. It also sets the stage for harmonizing U.S. law with important principles of international law if the United States should join the two principal treaties applicable to oil spills from vessels. Thus, by this amendment, compensation will be assured to victims of oil spills and a stable, legal system will be created in which the oil-related industries and insurance industries can plan their operations.

The Merchant Marine and Fisheries Committee has recommended legisla-

tion in the past to prevent pollution damage of our coastal and marine environment, which Congress has ultimately adopted. This proposed oil spill amendment is a logical complement to these prior preventive measures and to the hazardous substances liability provisions in H.R. 5640. The oil spill provisions have been developed over the past decade by our committee and other committees in Congress.

The oil industry and environmental groups all support a comprehensive oil spill liability and compensation system for the United States. And, just recently, Secretary Dole indicated in testimony before our committee that the administration has changed its position and now supports the concept of a comprehensive oil spill liability and compensation system. This amendment would provide a great improvement over the fragmented and confusing collection of laws which now applies—inadequately, in most cases—to liability and compensation for oil pollution incidents.

The dramatic incidents of the *Torrey Canyon*, the *Santa Barbara* platform blowout, *Argo Merchant, Amoco Cadiz*, and more recently, the British tanker *Alvenus*, demonstrate the potential for extensive oil pollution damage to the property and natural resources along the coastline of our Nation.

Adopting this oilspill amendment will provide the opportunity to finally achieve this needed legislation, which has been delayed for too long. I urge my colleagues to approve this amendment. Thank you.●

● Mr. DAVIS. Mr. Chairman, I rise in support of this amendment to create a comprehensive system for oil pollution liability and compensation.

As the ranking minority member of the Coast Guard and Navigation Subcommittee, I can assure you that our committee has been working long and hard to achieve a measure such as this. Earlier this Congress, we reported a bill, H.R. 3278, that has a domestic liability and compensation program as well as provisions to implement the International Civil Liability and Fund Conventions just recently negotiated.

The amendment offered today essentially contains the provisions in H.R. 3278. Specifically, it consolidates the existing funds under the Deepwater Ports Act, the Outer Continental Shelf Lands Act, the Trans-Alaska Pipeline Act, and certain portions of the Federal Water Pollution Control Act Fund; sets up a single trust fund to provide for cleanup and compensation; establishes minimum and maximum limits of legal liability for various categories of vessels and facilities; allows existing State oil pollution cleanup and compensation funds to remain in existence; and contains language to implement the international conventions once they are ratified and enter into force for the United States.

Mr. Chairman, this amendment brings us closer to achieving the goal of a domestic law that deals comprehensively with oil spill liability and compensation. I urge my colleagues to support the amendment, and commend all of those who have worked so hard to bring this provision before us today.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. BREAUX].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title V?

If not, the Clerk will designate title VI.

The text of title VI is as follows:

TITLE VI—AMENDMENTS OF THE INTERNAL REVENUE CODE OF 1954

SEC. 501. SHORT TITLE.

This title may be cited as the "Superfund Revenue Act of 1984".

SEC. 502. INCREASE IN TAX ON PETROLEUM.

(a) INCREASE IN TAX.—Subsections (a) and (b) of section 4611 of the Internal Revenue Code of 1954 (relating to environmental tax on petroleum) are each amended by striking out "0.79 cent" and inserting in lieu thereof "7.86 cents".

(b) TERMINATION OF TAX—

(1) Subsection (d) of section 4611 of such Code (relating to termination) is amended to read as follows:

"(d) TERMINATION.—The tax imposed by this section shall not apply after September 30, 1990."

(2) Section 303 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is repealed.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1985.

SEC. 503. INCREASE IN TAX ON CERTAIN CHEMICALS.

(a) INCREASE IN RATE OF TAX; ADDITIONAL CHEMICALS TAXED.—Subsection (b) of section 4661 of the Internal Revenue Code of 1954 (relating to amount of tax imposed on certain chemicals) is amended by striking out the table contained in such subsection and inserting in lieu thereof the following:

"In the case of:	The tax (before any inflation adjustment) is the following amount per ton: Sales during 1985	Sales during 1986	Sales during 1987	Sales during 1988 and thereafter until the termination date
Organic substances:				
Acetylene	$29.91	$30.00	$30.00	$30.00
Benzene	6.60	8.80	9.90	13.20
Butadiene	9.79	13.05	14.69	19.58
Butane	4.87	5.60	6.30	8.40
Butylene	5.15	6.87	7.73	10.30
Coal-derived light oils	5.02	6.69	7.53	10.04
Coal tars	1.78	2.37	2.67	3.56
Ethylene	6.89	9.19	10.33	13.78
Methane	3.44	3.44	3.44	4.00
Napthalene	6.89	9.19	10.33	13.78
Propylene	5.87	7.83	8.80	11.74
Toluene	5.19	6.92	7.78	10.38
Xylene (before 1989)	10.65	14.05	16.75	22.35
Xylene (after 1988)				15.40
Inorganic substances:				
Aluminum sulfate	3.52	4.69	5.28	7.04
Aluminum phosphide	30.00	30.00	30.00	30.00
Ammonia	2.64	3.52	3.96	5.28
Antimony	30.00	30.00	30.00	30.00
Antimony trioxide	30.00	30.00	30.00	30.00
Arsenic	30.00	30.00	30.00	30.00
Arsenic trioxide	12.97	17.29	19.46	25.94
Asbestos	5.76	7.68	8.64	11.52
Barium sulfide	7.13	9.51	10.70	14.26
Bromine	9.73	12.97	14.59	19.46
Cadmium	30.00	30.00	30.00	30.00
Chlorine	3.05	4.07	4.57	6.10
Chromite	1.52	1.52	1.52	1.70
Chromium	30.00	30.00	30.00	30.00
Cobalt	30.00	30.00	30.00	30.00
Copper	23.60	30.00	30.00	30.00
Cupric oxide	30.00	30.00	30.00	30.00
Cupric sulfate	23.18	30.00	30.00	30.00
Cuprous oxide	30.00	30.00	30.00	30.00
Hydrochloric acid	0.94	1.25	1.41	1.88
Hydrogen fluoride	23.50	30.00	30.00	30.00
Lead	8.27	11.03	12.41	16.54
Lithium carbonate	30.00	30.00	30.00	30.00
Manganese	22.69	30.00	30.00	30.00
Mercury	30.00	30.00	30.00	30.00
Nickel	30.00	30.00	30.00	30.00
Nitric acid	3.05	4.07	4.57	6.10
Phosphoric acid	7.65	10.20	11.48	15.30
Phosphorous	6.65	6.65	6.65	6.65
Potassium dichromate	15.03	20.04	22.54	30.00
Potassium hydroxide	9.83	13.11	14.75	19.66
Selenium	30.00	30.00	30.00	30.00
Sodium dichromate	18.48	24.64	27.72	30.00
Sodium hydroxide	2.82	3.76	4.23	5.64
Stannic chloride	30.00	30.00	30.00	30.00
Stannous chloride	30.00	30.00	30.00	30.00
Sulfuric acid	0.78	1.04	1.17	1.56
Uranium oxide	30.00	30.00	30.00	30.00
Vandium	30.00	30.00	30.00	30.00
Zinc	12.48	16.64	18.72	24.96
Zinc chloride	10.55	14.07	15.83	21.10
Zinc oxide	14.43	19.24	21.65	28.86
Zinc sulfate	8.30	11.07	12.45	16.60."

(b) INFLATION ADJUSTMENTS IN AMOUNT OF TAX.—Section 4661 of such Code is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) INFLATION ADJUSTMENTS IN AMOUNT OF TAX.—

"(1) IN GENERAL.—In the case of any taxable chemical sold in a calendar year after 1985, the amount of the tax imposed by subsection (a) shall be the amount determined under subsection (b) increased by the applicable inflation adjustment for such calendar year.

"(2) APPLICABLE INFLATION ADJUSTMENT.—

"(A) IN GENERAL.—In the case of a taxable chemical, the applicable inflation adjustment for the calendar year is the percentage (if any) by which—

"(i) the applicable price index for the preceding calendar year, exceeds

"(ii) the applicable price index for 1984.

"(B) APPLICABLE PRICE INDEX.—For purposes of subparagraph (A), the applicable price index for any calendar year is the average for the months in the 12-month period ending on September 30 of such calendar year of—

"(i) in the case of organic substances, the producer price index for basic organic chemicals as published by the Secretary of Labor, or

"(ii) in the case of inorganic substances, the producer price index for basic inorganic chemicals as published by the Secretary of Labor.

"(3) ROUNDING.—If any increase determined under paragraph (1) is not a multiple of 1 cent, such increase shall be rounded to the nearest multiple of 1 cent (or if the increase determined under paragraph (1) is a multiple of ½ of 1 cent, such increase shall be increased to the next higher multiple of 1 cent)."

(c) EXEMPTION FOR EXPORTS OF TAXABLE CHEMICALS.—

(1) Section 4662 of such Code (relating to definitions and special rules) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) EXEMPTION FOR EXPORTS OF TAXABLE CHEMICALS.—

"(1) TAX-FREE SALES.—

"(A) IN GENERAL.—No tax shall be imposed under section 4661 on the sale by the manufacturer or producer of any taxable chemical for export, or for resale by the purchaser to a second purchaser for export.

"(B) PROOF OF EXPORT REQUIRED.—Rules similar to the rules of section 4221(b) shall apply for purposes of subparagraph (A).

"(2) CREDIT OR REFUND WHERE TAX PAID.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), if—

"(i) tax under section 4661 was paid with respect to any taxable chemical, and

"(ii) such chemical was exported by any person,

credit or refund (without interest) of such tax shall be allowed or made to the person who paid such tax.

"(B) CONDITION TO ALLOWANCE.—No credit or refund shall be allowed or made under subparagraph (A) unless the person who paid the tax establishes that he—

"(i) has repaid or agreed to repay the amount of the tax to the person who exported the taxable chemical, or

"(ii) has obtained the written consent of such exporter to the allowance of the credit or the making of the refund.

"(3) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection."

(2) Paragraph (1) of section 4662(d) of such Code (relating to refund or credit for certain uses) is amended—

(A) by striking out "the sale of which by such person would be taxable under such section" and inserting in lieu thereof "which is a taxable chemical", and

(B) by striking out "imposed by such section on the other substance manufactured or produced" and inserting in lieu thereof "imposed by such section on the other substance manufactured or produced (or which would have been imposed by such section on such other substance but for subsection (e) of this section)".

(d) SPECIAL RULES FOR CERTAIN CHEMICALS.—

(1) REPEAL OF EXEMPTION FOR CHEMICALS DERIVED FROM COAL.—Paragraph (4) of section 4662(b) of such Code (relating to exemption for substances derived from coal) is hereby repealed.

(2) EXEMPTION FOR PHOSPHORIC ACID USED IN PRODUCING FERTILIZER.—Subparagraph (A) of section 4662(b)(2) of such Code is amended by striking out "sulfuric acid," and inserting in lieu thereof "sulfuric acid, phosphoric acid,".

(3) EXEMPTION FOR CERTAIN SUBSTANCES HAVING TRANSITORY PRESENCE DURING EXTRACTING PROCESS.—Clause (i) of section 4662(b)(6)(B) of such Code (relating to substance having transitory presence during extracting process) is amended to read as follows:

"(i) any taxable chemical which is a metal or metallic compound, and".

(4) SPECIAL RULE FOR XYLENE.—Subsection (b) of section 4662 of such Code (relating to exceptions; other special rules) is amended by adding at the end thereof the following new paragraph:

"(7) SPECIAL RULE FOR XYLENE.—Except in the case of any substance imported into the United States or exported from the United States, the term 'xylene' does not include any separated isomer of xylene."

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on January 1, 1985.

(2) REPEAL OF TAX ON XYLENE FOR PERIODS BEFORE 1985.—

(A) PERIOD AFTER ENACTMENT.—Effective during the period beginning on the date of the enactment of this Act and ending on December 31, 1984, no tax shall be imposed by section 4661 of the Internal Revenue Code of 1954 on the sale or use of xylene.

(B) REFUND OF TAX PREVIOUSLY IMPOSED.—In the case of any tax imposed by section 4661 of such Code on the sale or use of xylene before the date of the enactment of this Act, such tax (including interest, additions to tax, and additional amounts) shall not be assessed, and if assessed, the assessment shall be abated, and if collected shall be credited or refunded (with interest) as an overpayment.

(C) WAIVER OF STATUTE OF LIMITATIONS.—If on the date of the enactment of this Act (or at any time within 1 year after such date of enactment) refund or credit of any overpayment of tax resulting from the application of subparagraph (B) is barred by any law or rule of law, refund or credit of such overpayment shall, nevertheless, be made or allowed if claim therefor is filed before the date 1 year after the date of the enactment of this Act.

(D) XYLENE TO INCLUDE ISOMERS.—For purposes of this paragraph, the term "xylene" shall include any isomer of xylene whether or not separated.

(3) SPECIAL RULE FOR CERTAIN EMPLOYEE-OWNED CHEMICAL PLANTS.—

(A) IN GENERAL.—In the case of any organic substance manufactured or produced at a qualified employee-owned chemical plant—

(i) the table contained in section 4661(b) of the Internal Revenue Code of 1954 (as in effect on the day before the date of the enactment of this Act) shall remain in effect during calendar years 1985, 1986, and 1987, and

(ii) the amendments made by subsections (a) and (b) of this section shall take effect on January 1, 1988.

(B) QUALIFIED EMPLOYEE-OWNED CHEMICAL PLANT.—For purposes of subparagraph (A), the term "qualified employee-owned chemical plant" means any facility for the manufacture or production of taxable chemicals which is owned by a qualified employee-owned corporation and which was operated by such corporation on August 1, 1984.

(C) Qualified employee-owned corporation.—For purposes of subparagraph (B)—

(i) IN GENERAL.—The term "qualified employee-owned corporation" means any corporation headquartered in Odessa, Texas, if—

(I) during December 1983, there was an employee buy-out of substantially all of the common stock of such corporation,

(II) as of August 1, 1984, such corporation had at least 100 employees who were stockholders in such corporation, and

(III) as of August 1, 1984, substantially all of the common stock of such corporation was owned by employees, officers, or directors of such corporation (or their spouses).

(ii) SUBSIDIARIES INCLUDED.—The term "qualified employee-owned corporation" includes any corporation which—

(I) is a wholly owned subsidiary of a corporation meeting the requirements of clause (i), and

(II) was such a subsidiary on August 1, 1984.

SEC. 504. HAZARDOUS SUBSTANCE SUPERFUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1954 (relating to establishment of trust funds) is amended by adding at the end thereof the following new section:

"SEC. 9505. HAZARDOUS SUBSTANCE SUPERFUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'Hazardous Substance Superfund' (hereinafter in this section referred to as the 'Superfund'), consisting of such amounts as may be—

"(1) appropriated to the Superfund as provided in this section,

"(2) appropriated to the Superfund pursuant to section 504(b) of the Superfund Revenue Act of 1984, or

"(3) credited to the Superfund as provided in section 9602(b).

"(b) TRANSFERS TO SUPERFUND.—There are hereby appropriated to the Superfund amounts equivalent to—

"(1) the taxes received in the Treasury under section 4611 or 4661 (relating to taxes on petroleum and certain chemicals),

"(2) amounts recovered on behalf of the Superfund under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (hereinafter in this section referred to as 'CERCLA'),

"(3) all moneys recovered or collected under section 311(b)(6)(B) of the Clean Water Act,

"(4) penalties assessed under title I of CERCLA, and

"(5) punitive damages under section 107(c)(3) of CERCLA.

"(c) EXPENDITURES FROM SUPERFUND.—Amounts in the Superfund shall be available only for purposes of making expenditures—

"(1) to carry out the purposes of paragraphs (1), (2), and (4) of section 111(a) of CERCLA as in effect on the effective date of the Superfund Protection and Expansion Act of 1984, or

"(2) hereafter authorized by a law which authorizes the expenditure out of the Superfund for a general purpose covered by paragraphs (1), (2), and (4) of such section 111(a) (as so in effect).

"(d) AUTHORITY TO BORROW.—

"(1) IN GENERAL.—There are authorized to be appropriated to the Superfund, as repayable advances, such sums as may be necessary to carry out the purposes of the Superfund.

"(2) LIMITATIONS ON ADVANCES TO SUPERFUND.—

"(A) AGGREGATE ADVANCES.—The maximum aggregate amount of repayable advances to the Superfund which is outstanding at any one time shall not exceed an amount which the Secretary estimates will be equal to the sum of the amounts described in paragraph (1) of subsection (b) which will be transferred to the Superfund during the following 12 months.

"(B) ADVANCES FOR PAYMENT OF RESPONSE COSTS.—No amount may be advanced after March 31, 1988, to the Superfund except for the purpose of paying response costs described in paragraph (1), (2), or (4) of section 111(a) of CERCLA which are incurred incident to a spill the effects of which the Secretary determines to be catastrophic.

"(C) FINAL REPAYMENT.—No advance shall be made to the Superfund after September 30, 1990, and all advances to such Fund shall be repaid on or before such date.

"(3) REPAYMENT OF ADVANCES.—

"(A) IN GENERAL.—Advances made pursuant to this subsection shall be repaid, and interest on such advances shall be paid, to the general fund of the Treasury when the Secretary determines that moneys are available for such purposes in the Superfund (or when required by paragraph (2)(C)).

"(B) RATE OF INTEREST.—Interest on advances made pursuant to this subsection shall be at a rate determined by the Secretary of the Treasury (as of the close of the calendar month preceding the month in which the advance is made) to be equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the anticipated period during which the advance will be outstanding and shall be compounded annually.

"(e) ESTABLISHMENT OF SEPARATE ACCOUNT FOR LEAKING UNDERGROUND STORAGE TANKS, ETC.—

"(1) CREATION OF ACCOUNT.—There is established in the Superfund a separate account to be known as the 'Leaking Underground Storage Tank Account' (hereinafter in this subsection referred to as the 'Account') consisting of such amounts as may be—

"(A) appropriated to the Account pursuant to section 504(b) of the Superfund Revenue Act of 1984,

"(B) transferred to the Account as provided in paragraph (2), or

"(C) credited to the Account as provided in section 9602(b).

"(2) TRANSFERS TO ACCOUNT.—The Secretary of the Treasury shall transfer to the Account from the Superfund amounts equivalent to the amounts described in paragraphs (2), (3), (4), and (5) of subsection (b) which would not be so described but for the amendments made by sections 101 and 102 of the Superfund Expansion and Protection Act of 1984.

"(3) EXPENDITURES FROM ACCOUNT.—

"(A) IN GENERAL.—Amounts in the Account shall be available for expenditures which may be made from the Superfund under subsection (c) solely by reason of the amendments described in paragraph (2). Any expenditure which may be made from the Account (determined without regard to subparagraph (B)) may be made only from the Account.

"(B) EXPENDITURE LIMITATION.—The aggregate amount of expenditures which may be made from the Account after September 30, 1985, and before October 1, 1990, shall not exceed the sum of—

"(i) $850,000,000, plus

"(ii) the aggregate of the amounts described in subparagraphs (B) and (C) of paragraph (1) which are transferred or credited to the Account during such period.

"(4) REPAYABLE ADVANCES.—

"(A) AUTHORIZATION OF TRANSFERS.—The Secretary may transfer, as repayable advances, to the Account from other amounts in the Superfund, such sums as may, from time to time, be necessary to make the expenditures described in paragraph (3).

"(B) REPAYMENT OF ADVANCES.—Advances made to the Account pursuant to this paragraph shall be repaid, and interest on such advances shall be paid, to the Superfund, when the Secretary of the Treasury determines that moneys are available for such purposes in the Account (or when required pursuant to subparagraph (D)).

"(C) RATE OF INTEREST.—The interest on advances made pursuant to this paragraph shall be at rates determined under the rules of subparagraph (B) of subsection (d)(3) and shall be compounded annually.

"(D) LIMITATIONS ON ADVANCES.—Rules similar to the rules of subparagraphs (B) and (C) of subsection (d)(2) shall apply for purposes of this paragraph.

"(f) LIABILITY OF UNITED STATES LIMITED TO AMOUNT IN TRUST FUND.—

"(1) GENERAL RULE.—Any claim filed against the Superfund may be paid only out of the Superfund.

"(2) COORDINATION WITH OTHER PROVISIONS.—Nothing in CERCLA or the Superfund Expansion and Protection Act of 1984 (or in any amendment made by either of such Acts) shall authorize the payment by the United States Government of any amount with respect to any such claim out of any source other than the Superfund.

"(3) ORDER IN WHICH UNPAID CLAIMS ARE TO BE PAID.—If at any time the Superfund is unable (by reason of paragraph (1)) to pay all of the claims payable out of the Superfund at such time, such claims shall, to the extent permitted under paragraph (1), be paid in full in the order in which they were finally determined.

"(4) APPLICATION TO ACCOUNT.—Rules similar to the rules of paragraphs (2) and (3) shall apply to the Leaking Underground Storage Tank Account."

(b) AUTHORIZATION OF APPROPRIATIONS, ETC.—

(1) IN GENERAL.—There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the Hazardous Substance Superfund for fiscal year—

(A) 1986, $421,000,000,
(B) 1987, $421,000,000,
(C) 1988, $496,000,000,
(D) 1989, $496,000,000, and
(E) 1990, $496,000,000,

plus for each fiscal year an amount equal to so much of the aggregate amount authorized to be appropriated under this paragraph (and paragraph (2) of section 221(b) of the Hazardous Substance Response Act of 1980, as in effect before its repeal) as has not been appropriated before the beginning of the fiscal year involved.

(2) LEAKING UNDERGROUND STORAGE TANK ACCOUNT.—Of the amount appropriated under paragraph (1), not more than $850,000,000 may be appropriated to the Leaking Underground Storage Tank Account of the Hazardous Substance Superfund.

(c) CONFORMING AMENDMENTS.—

(1) Subtitle B of the Hazardous Substance Response Revenue Act of 1980 (relating to establishment of Hazardous Substance Reponse Trust Fund) is hereby repealed.

(2) Paragraph (11) of section 101 of the comprehensive Environmental Response, compensation, and Liability Act of 1980 is amended to read as follows:

"(11) 'Fund' or 'Trust Fund' means the Hazardous substance Superfund established by section 9505 of the Internal Revenue Code of 1954;".

(d) CLERICAL AMENDMENT.—The table of sections for subchapter A of chapter 98 of such code is amended by adding at the end thereof the following new item:

"Sec. 9505. Hazardous Substance Superfund."

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on January 1, 1985.

(2) SUPERFUND TREATED AS CONTINUATION OF OLD TRUST FUND.—The Hazardous Substance Superfund established by the amendments made by this section shall be treated for all purposes of law as a continuation of the Hazardous Substance Response Trust Fund established by section 221 of the Hazardous Substance Response Revenue Act of 1980. Any reference in any law to the Hazardous Substance Response Trust Fund established by such section 221 shall be deemed to include (wherever appropriate) a reference to the Hazardous Substance Superfund established by the amendments made by this section.

SEC. 505. REPEAL OF POST-CLOSURE TAX AND TRUST FUND.

(a) REPEAL OF TAX.—

(1) Subchapter C of chapter 38 of the Internal Revenue Code of 1954 (relating to tax on hazardous wastes) is hereby repealed.

(2) The table of subchapters for such chapter 38 is amended by striking out the item relating to subchapter C.

(b) REPEAL OF TRUST FUND.—Section 232 of the Hazardous Substance Response Revenue Act of 1980 is hereby repealed.

(c) TECHNICAL AMENDMENT.—Sections 107(k) and 111(j) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 are hereby repealed.

(d)EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1983.

SEC. 506. INCREASE IN TAX IF WASTE-END TAX NOT ENACTED.

(a) INCREASE IN TAX.—

(1) TAX ON PETROLEUM.—Subsections (a) and (b) of section 4611 of the Internal Revenue Code of 1954 (relating to environmental tax on petroleum), as amended by section 502, are each amended by striking out "7.86 cents" and inserting in lieu thereof "9.65 cents".

(2) TAX ON CERTAIN CHEMICALS.—Subsection (b) of section 4661 of such Code (relating to amount of tax imposed on certain chemicals), as amended by section 503, is amended by striking out the table contained in such subsection and inserting in lieu thereof the following:

"In the case of:	The tax (before any inflation adjustment) is the following amount per ton:		
	Sales during 1987	Sales during 1988 and 1989	Sales after 1989 and before the termination date
Organic substances:			
Acetylene	$35.00	$35.00	$35.00
Benzene	13.20	15.40	17.60
Butadiene	19.58	22.84	26.11
Butane	8.40	9.80	11.20
Butylene	10.30	12.02	13.73
Coal-derived light oils	10.04	11.71	13.39
Coal tars	3.56	4.15	4.75
Ethylene	13.78	16.08	18.37
Methane	4.00	4.67	5.33
Napthalene	13.78	16.08	18.37
Propylene	11.74	13.70	15.65
Toluene	10.38	12.11	13.84
Xylene	21.30	21.77	20.53
Inorganic substances:			
Aluminum sulfate	7.04	8.40	9.35
Aluminum phosphide	35.00	35.00	35.00
Ammonia	5.28	6.16	7.04
Antimony	35.00	35.00	35.00
Antimony trioxide	35.00	35.00	35.00
Arsenic	35.00	35.00	35.00
Arsenic trioxide	25.94	30.26	34.59
Asbestos	11.52	13.44	15.36
Barium sulfide	14.26	16.64	19.01
Bromine	19.46	22.70	25.95

"In the case of:	The tax (before any inflation adjustment) is the following amount per ton: Sales during 1987	Sales during 1988 and 1989	Sales after 1989 and before the termination date
Cadmium	35.00	35.00	35.00
Chlorine	6.10	7.12	8.13
Chromite	1.76	1.98	2.27
Chromium	35.00	35.00	35.00
Cobalt	35.00	35.00	35.00
Copper	35.00	35.00	35.00
Cupric oxide	35.00	35.00	35.00
Cupric sulfate	35.00	35.00	35.00
Cuprous oxide	35.00	35.00	35.00
Hydrochloric acid	1.88	2.19	2.51
Hydrogen fluoride	35.00	35.00	35.00
Lead	16.54	19.30	22.05
Lithium carbonate	35.00	35.00	35.00
Manganese	35.00	35.00	35.00
Mercury	35.00	35.00	35.00
Nickel	35.00	35.00	35.00
Nitric acid	6.10	7.12	8.13
Phosphoric acid	15.30	17.85	20.40
Phosphorous	7.59	7.59	7.59
Potassium dichromate	30.06	35.00	35.00
Potassium hydroxide	19.66	22.94	26.21
Selenium	35.00	35.00	35.00
Sodium dichromate	35.00	35.00	35.00
Sodium hydroxide	5.64	6.58	7.52
Starnnic chloride	35.00	35.00	35.00
Starnnous chloride	35.00	35.00	35.00
Sulfuric acid	1.56	1.82	2.08
Uranium oxide	35.00	35.00	35.00
Vanadium	35.00	35.00	35.00
Zinc	24.96	29.12	33.28
Zinc chloride	21.10	24.62	28.13
Zinc oxide	28.86	33.67	35.00
Zinc sulfate	16.60	19.37	22.13."

(3) INCREASED TAXES TO TAKE EFFECT ONLY IF WASTE-END TAX NOT ENACTED.—The amendments made by this subsection—

(A) shall take effect only if a Federal waste-end tax is not enacted before July 1, 1986, and

(B) if such tax is not enacted before July 1, 1986, shall take effect on January 1, 1987.

(b) STUDY OF WASTE-END TAX.—

(1) IN GENERAL.—The Secretary of the Treasury (in consultation with the Environmental Protection Agency and the International Trade Commission) shall conduct a study of various proposals for a Federal waste-end tax (and their probable trade and other economic effects) in order to develop a proposal for such a tax which is designed to discourage the disposal of hazardous wastes in environmentally unsound manners and to accomplish this result with maximum administrative feasibility.

(2) REPORT.—Not later than April 1, 1985, the Secretary of the Treasury shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the study conducted under paragraph (1) together with a proposal in legislative form for a Federal waste-end tax.

(c) FEDERAL WASTE-END TAX.—For purposes of this section, the term "Federal waste-end tax" means any Federal excise tax imposed with respect to the disposal of hazardous substances.

SEC. 507. STUDY OF ECONOMIC IMPACT OF TAX ON CERTAIN CHEMICALS.

(a) GENERAL RULE.—The Secretary of the Treasury (in consultation with the International Trade Commission) shall conduct a study on—

(1) the trade and other economic effects of the tax imposed by section 4661 of the Internal Revenue Code of 1954, and

(2) the feasibility and desirability of imposing a tax on imported derivatives of substances subject to the tax imposed by such section 4661.

Such study shall develop the methodology for selecting the list of substances which would be subject to the tax referred to in paragraph (2) and the means of making such a tax compatible with international trade agreements.

(b) REPORT.—Not later than April 1, 1985, the Secretary of the Treasury shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the study conducted under subsection (a).

TECHNICAL AMENDMENT OFFERED BY MR. FOWLER

Mr. FOWLER. Mr. Chairman, I offer a technical amendment to title VI, and I ask unanimous consent for its consideration at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. FOWLER: Page 73, strike out lines 9 and 10 and substitute: "(i) barium sulfide, or any other taxable chemical which is a metal or metallic compound, and".

Mr. FOWLER. Mr. Chairman, present law allows an exemption from the Superfund tax for certain, otherwise taxable chemicals, that have only a transitory existence during the extracting process. The Committee on Ways and Means agreed to continue this exemption of present law. However, in the drafting process one substance, barium sulfide, was inadvertently dropped from the bill. This amendment merely continues present law by adding barium sulfide back into the listed substances exempt from the tax if found only in transitory form.

Mr. NIELSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. I yield to the gentleman from Utah.

Mr. NIELSON of Utah. I understood the only amendments to title V would be the one by Representative CONABLE.

Mr. FOWLER. I will say to the gentleman that this was done by unanimous consent. It was a technical amendment because it was a drafting problem.

Mr. NIELSON of Utah. Would the gentleman consider dropping copper in the same sort of spirit?

Mr. FOWLER. The gentleman will have to ask the gentleman from New York who agreed.

Mr. NIELSON of Utah. We were told that we could not mess with any of those names or any of those chemicals or any of the compounds in this title.

Mr. FOWLER. I say to the gentleman, with all due respect, he can ask unanimous consent. But this was a drafting problem. It was dropped from the text. It was not a new addition.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. FOWLER].

The amendment was agreed to.

● Mr. FLORIO. Mr. Chairman, I am aware that there are those who have problems with the tax provisions of the bill. It is a difficult task to put together an equitable tax system for Superfund, as I know as the author of this bill, and I want to commend the Ways and Means Committee for its work.

If inequities are discovered in the tax system, I am sure my colleagues on the Ways and Means Committee will work to eliminate those inequities. I will work with them to ensure an equitable system, and we should be able to resolve any problems. I have heard from many more including a major producer of aluminum sulfate, that we need to fine tune the tax system.

As we meet with the other body in conference, and I hope they act quickly as they say they will, we will perfect the system.●

AMENDMENT OFFERED BY MR. CONABLE

Mr. CONABLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONABLE: Page 66, line 25, after "after" strike out "September 30, 1990." and insert "September 30, 1986".

The CHAIRMAN. Pursuant to House Resolution 570, the gentleman from New York [Mr. CONABLE] will be recognized for 15 minutes, and a Member opposed will be recognized for 15 minutes.

The Chair recognizes the gentleman from New York [Mr. CONABLE].

Mr. CONABLE. Mr. Chairman, I rise in support of the amendment, and I yield myself such time as I may consume.

Mr. MICHEL. Mr. Chairman, will the gentleman yield to me?

Mr. CONABLE. I yield to the distinguished minority leader.

Mr. MICHEL. Mr. Chairman, I would ask the Chair for order because the gentleman has consented not to use the half hour or so that he is entitled to and desires to move along expeditiously. I think we have general accord and agreement between the two sides to move very swiftly here. I think the gentleman's amendment is a very significant and important one and ought to be heard if the Members will please give him their attention so that we can move on.

Mr. CONABLE. I thank the gentleman for his comments.

I see no reason why we need to discuss this amendment at great length. I think it is generally understood. But to be sure the Members present understand the reasons back of such an amendment, I expect to use about 5 minutes of my time to explain it.

Mr. Chairman, H.R. 5640 provides for a series of excise taxes starting January 1, 1985, and ending September 30, 1990. My amendment is simple. It would change the ending date for those taxes to September 30, 1986.

The amendment does not affect any substantive aspect of the bill, other than the funding mechanism. It

merely shortens the mechanism's lifespan. But that is easily adjustable.

After the entire program has been in effect for 1½ years the 99th Congress can decide whether it wants the Superfund to continue as it is, or whether it wants to make some alterations. If this bill lives up to the expectations of its advocates, then no corrections will be needed and the program can be kept in place with another simple date change. If, however, H.R. 5640 falls short of its advance billing—a development which I believe is far more likely—then the next Congress can make the appropriate adjustments and the work of cleaning up toxic wastes—which we all agree is necessary—can proceed apace.

That seems to me to be a reasonable way to deal with this legislation, under the circumstances we face. I think H.R. 5640 is a terrible bill. It also is obvious that we really do not have to do anything about the Superfund now, because the current program runs to September 30 of next year.

But H.R. 5640 is here today for political reasons we cannot control, and we have to do the best we can under these understandable, if lamentable, conditions.

Therefore, in light of the great uncertainties surrounding this bill, I strongly recommend that we put the funding mechanism in place for a relatively short period of time, and thus force the next Congress to reexamine that in the light of both practical experience and new information which will be made available within the next year.

□ 1850

Nine different studies on toxic waste disposal issues are now underway. Results will be coming in over the next few months. The bill itself calls for a report on a waste-end tax to be made available next April. So let us acknowledge the political reality we have to confront the issue now and do so in a legislatively realistic way. We can authorize the program, warts and all, with the understanding it must be reviewed when we have more useful knowledge at hand.

It is important to bear in mind that this amendment would allow 18 full months of experience under H.R. 5640. It also would assure additional Superfund revenue, for fiscal 1986, of $1.2 billion, not counting any added money coming in from general revenues. So it cannot be said with accuracy the amendment would kill the bill.

When any of us get together to discuss this bill in a group, on either side of the political aisle, the complaints about it are likely to outnumber the expressions of satisfaction.

I think most of us consider it a bad piece of legislation, yet we realize that most of us probably will vote for it out of political necessity.

Against that background my amendment should have broad appeal. It will allow the Members to vote for the program even though you are unhappy about it with the comforting knowledge that its funding flaws will not live on in infamy unless the next Congress so decides.

Mr. Chairman, I reserve the balance of my time.

Mr. DOWNEY of New York. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from New York [Mr. DOWNEY] is recognized for 15 minutes.

Mr. DOWNEY of New York. Mr. Chairman, it is not my intention to use but 5 of those minutes. I hear the jet engines whirring in my ear as well.

But this is a critical amendment and it is one that we need to spend just a moment examining. We have decided that everyone, without question, recognizes that the problem of cleaning up toxic waste sites will take longer than 2 years. It will probably take longer than 5 years. It will probably take 10 or 20 years.

Why then would we want to terminate the funding for the cleanup after two? Clearly, we would not.

What we have decided in our title in Ways and Means is to provide for a gradually increasing tax to finance the cleanup of toxic waste sites. These toxic waste sites have been studied to death and we will continue to do even more study. Indeed, under title IV of the bill we anticipate that there will be additional study and that in the outyears, the years in which the gentleman from New York [Mr. CONABLE], my friend, would provide no tax, we will be needing the money to do the cleanup.

So at the very time that we need the money, the money will not be there.

I urge my colleagues, those of you who are supporters of Superfund, understand that this is a process that is going to take a long time. Do not think that we have not studied it. This problem has been studied to death.

The gentleman from New Jersey to whom I am about to yield will address that question.

We need a 5-year funding cycle. I urge my colleagues to oppose the Conable amendment.

Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. FLORIO].

Mr. FLORIO. Mr. Chairman, this is the environmental vote of the year. A vote for this amendment is a message to all those who live around hazardous waste sites that the Government is not serious about cleanup.

The purpose of Superfund is to establish a fund and a cleanup program that will last over several years. Cleaning up hazardous waste sites does not occur overnight; it takes time, planning, contracts, and construction work.

Look at the example of the last several years. Only six sites cleaned up in the course of 4 years. Imagine what the result would have been if the taxes had expired 18 months after the original Superfund had been put in place.

How is EPA going to make plans to cleanup if we only give them enough money for a short period of time? Should they make plans to have a program of cleanup for only sites that can be accomplished with the limited funding we give them? Should they make plans and let contracts assuming they will have funding for the full 5 years?

I see in this amendment an attempt to provide the appearance of dealing with hazardous waste sites without the substance. The tax issues involved here are not new. These issues have been debated for years, and considered by all the committee. Some industries may not like the fact that they have to pay for the problems they have caused, but somebody has to pay.

This amendment means that we will be here next year debating the very same issues, and we will have no more useful information. One justification for the amendment is the EPA studies which will not be completed until this fall. But we have already seen preliminary drafts of these studies and the administration has participated actively in our consideration of this bill.

As for the concern that we have not given adequate consideration to a waste-end tax and should revisit the issue next year, that result is exactly what the Ways and Means Committee has provided for in title V of the bill. The chairman of the Ways and Means Committee has assured me that he is in earnest in his requirement that the Treasury Department report back on how a waste-end tax system can work. I have confidence in the chairman and his desire to see a waste-end tax put in place if it can work.

I do not believe that we need this amendment. The Congress can come back at any point if we believe it is necessary to change the tax system.

I have suspicions about what is behind this amendment. I know that there are those who would like this issue to go away this year. They would like to say they are for the environment this year when in fact they are opposed to cleaning up our environment.

Let us fulfill our commitment to the American people to clean up these sites which threaten our health. I urge my colleagues to vote "no" on this amendment.

Mr. CONABLE. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I think on both sides of the aisle we understand that more money is needed for this cleanup. It is going to take a long time.

However, we also know that this bill has been put together in a way that is going to require considerable review if we are to have a competitive society and an effective way of cleaning up these wastes.

We have a number of studies coming in at the end of this year. We should have the advantage of them, if we were not moving so precipitously for political reasons.

I think everyone will vote for this bill with a good deal more comfortable mind if in fact we have not locked ourselves into what is quite possibly an unfair and an anticompetitive tax for a period of 5 years.

I hope my amendment will have the serious consideration of all those of good will who want to see this program go forward, but in a fair and effective way.

● Mr. PICKLE. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York. I think that this is an important piece of legislation that we are considering today to clean up the toxic waste dumps which are endangering the health and environment of countless communities throughout America, but I am concerned that we have moved too quickly in determining how to pay for this process.

This is a tremendous undertaking, Mr. Chairman, and we would be wise to exercise some caution. Last week, the Ways and Means Committee was given the task of coming up with $10.2 billion in revenues to finance this bill. It was by no means an easy task to do in the short time that we had available, Mr. Chairman, and I don't think that any of us were totally satisfied with the final actions that were taken.

All of us recognized the need to provide taxes for this vital cleanup effort, but some of us were concerned that we might be asking too few to shoulder too much of the burden. There was some feeling on the committee that we needed to spread the burden and impose a tax upon parties responsible for the disposal of these toxic wastes.

The idea of a waste-end tax was appealing to most everyone as a way to raise additional revenue. Companies liked the idea, the environmental groups liked it, and many members of the committee liked it. A waste-end tax, Mr. Chairman, would tax those who actually dispose the hazardous wastes that we're trying to clean up with this legislation. It makes good policy sense and good commonsense to levy such a tax to supplement the existing feedstock tax system. There were some technical problems with the waste-end tax, however, and the staff said they would need more time, so we amended the bill to provide for a study, instead.

We are making some changes in the way that we tax the chemical feedstocks in this bill, as well, although I'm not sure we know exactly what effect that will have. Raising $10.2 billion is a monumental task, Mr. Chairman, and Ways and Means performed its committee responsibility and amended the bill, but we cannot be fully confident that the tax provisions we enact here today will raise the revenues we say they will.

I think we would be wise, Mr. Chairman, to revisit this issue in 2 years, when we have had some experience in levying and collecting these taxes, and try to deal with the matter in a more rational and fair manner. This amendment would not slow down the pace of hazardous waste cleanup, and it would not lower the level of funding. Passing this amendment would be an exercise of prudence, Mr. Chairman, because it would allow us to make more intelligent analyses so that we can be confident that we will raise the revenues we say we will raise.●

Mr. DOWNEY of New York. Mr. Chairman, I yield back the balance of my time.

Mr. CONABLE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. CONABLE].

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CONABLE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 142, noes 205, not voting 85, as follows:

[Roll No. 372]

AYES—142

Albosta	Fields	Lungren
Applegate	Frenzel	Mack
Archer	Gaydos	Madigan
Barnard	Gekas	Martin (IL)
Bartlett	Gingrich	McCandless
Bereuter	Goodling	McCollum
Bliley	Gradison	Michel
Bosco	Gramm	Miller (OH)
Breaux	Gregg	Mollohan
Broomfield	Hammerschmidt	Montgomery
Brown (CO)	Hansen (UT)	Morrison (WA)
Broyhill	Hightower	Murphy
Byron	Hiler	Nielson
Carney	Holt	O'Brien
Carper	Hopkins	Olin
Chandler	Horton	Oxley
Chappie	Hubbard	Packard
Cheney	Huckaby	Parris
Clinger	Hunter	Pashayan
Coats	Hutto	Patman
Coleman (MO)	Hyde	Patterson
Conable	Ireland	Paul
Corcoran	Johnson	Pickle
Craig	Jones (NC)	Porter
Crane, Philip	Jones (OK)	Ray
Daniel	Kasich	Roberts
Dannemeyer	Kemp	Robinson
Darden	Kindness	Roth
Daub	Kramer	Roukema
DeWine	Latta	Sawyer
Dickinson	Levitas	Schaefer
Dreier	Lewis (CA)	Schulze
Duncan	Livingston	Shaw
Edwards (AL)	Lloyd	Shumway
Edwards (OK)	Long (LA)	Shuster
Emerson	Lowery (CA)	Siljander
English	Lujan	Sisisky
Evans (IA)	Luken	Skeen
Smith (NE)	Tauzin	Whitten
Smith, Denny	Taylor	Winn
Solomon	Thomas (CA)	Wolf
Spence	Valentine	Wortley
Stangeland	Vander Jagt	Wylie
Stenholm	Vandergriff	Yatron
Stratton	Volkmer	Young (AK)
Stump	Vucanovich	Young (FL)
Sundquist	Walker	
Tallon	Watkins	

NOES—205

Ackerman	Gonzalez	Obey
Akaka	Gore	Ortiz
Anderson	Gray	Owens
Andrews (NC)	Green	Panetta
Andrews (TX)	Guarini	Pease
Annunzio	Gunderson	Penny
Anthony	Hall (IN)	Pepper
Aspin	Hall (OH)	Petri
AuCoin	Hall, Ralph	Price
Barnes	Hamilton	Rahall
Bates	Hance	Rangel
Beilenson	Harkin	Ratchford
Bennett	Harrison	Regula
Berman	Hayes	Reid
Bevill	Hefner	Richardson
Biaggi	Heftel	Ridge
Billrakis	Hertel	Rinaldo
Boehlert	Hoyer	Ritter
Bonior	Hughes	Rodino
Bonker	Jacobs	Roe
Borski	Jenkins	Roemer
Boxer	Jones (TN)	Rowland
Britt	Kastenmeier	Roybal
Brown (CA)	Kazen	Russo
Bryant	Kennelly	Sabo
Burton (CA)	Kildee	Scheuer
Chappell	Kleczka	Schneider
Clay	Kogovsek	Schumer
Coelho	Kolter	Seiberling
Coleman (TX)	Kostmayer	Sensenbrenner
Collins	LaFalce	Sharp
Conte	Lagomarsino	Sikorski
Conyers	Lantos	Slattery
Cooper	Leach	Smith (IA)
Coughlin	Lehman (CA)	Smith (NJ)
Courter	Leland	Snowe
D'Amours	Lent	Solarz
Dellums	Levin	Spratt
Dicks	Lewis (FL)	St Germain
Dingell	Long (MD)	Staggers
Donnelly	Lowry (WA)	Stark
Dowdy	Markey	Stokes
Downey	Martinez	Studds
Durbin	Matsui	Swift
Dwyer	Mavroules	Synar
Dymally	Mazzoli	Thomas (GA)
Dyson	McCloskey	Torres
Eckart	McDade	Torricelli
Edgar	McGrath	Vento
Edwards (CA)	McHugh	Walgren
Erdreich	McKernan	Waxman
Evans (IL)	McNulty	Weaver
Fazio	Mica	Weber
Feighan	Mikulski	Weiss
Fiedler	Miller (CA)	Wheat
Fish	Mineta	Whitley
Flippo	Minish	Williams (MT)
Florio	Mitchell	Williams (OH)
Foglietta	Molinari	Wilson
Foley	Moody	Wirth
Ford (MI)	Moore	Wise
Ford (TN)	Morrison (CT)	Wolpe
Fowler	Mrazek	Wright
Frank	Murtha	Wyden
Frost	Myers	Yates
Gejdenson	Natcher	Young (MO)
Gibbons	Nelson	Zschau
Gilman	Oakar	
Glickman	Oberstar	

NOT VOTING—85

Addabbo	Campbell	Early
Alexander	Carr	Erlenborn
Badham	Clarke	Fascell
Bateman	Coyne	Ferraro
Bedell	Crane, Daniel	Franklin
Bethune	Crockett	Fuqua
Boggs	Daschle	Garcia
Boland	Davis	Gephardt
Boner	de la Garza	Hall, Sam
Boucher	Derrick	Hansen (ID)
Brooks	Dixon	Hartnett
Burton (IN)	Dorgan	Hatcher

Hawkins	McCain	Savage
Hillis	McCurdy	Schroeder
Howard	McEwen	Shannon
Jeffords	McKinney	Shelby
Kaptur	Moakley	Simon
Leath	Moorhead	Skelton
Lehman (FL)	Neal	Smith (FL)
Levine	Nichols	Smith, Robert
Lipinski	Nowak	Snyder
Loeffler	Ottinger	Tauke
Lott	Pritchard	Towns
Lundine	Pursell	Traxler
MacKay	Quillen	Udall
Marlenee	Rogers	Whitehurst
Marriott	Rose	Whittaker
Martin (NC)	Rostenkowski	
Martin (NY)	Rudd	

□ 1910

The Clerk announced the following pairs:

On this vote:

Mr. McEwen for, with Mr. Addabbo against.

Mr. Rudd for, with Mr. Shannon against.

Mr. Lott for, with Ms. Kaptur against.

Mr. Quillen for, with Mr. Derrick against.

Mr. Whitehurst for, with Mr. Howard against.

Mr. Martin of New York for, with Mr. Fuqua against.

Mr. Whittaker for, with Mr. Garcia against.

Mr. Daniel B. Crane for, with Mr. Towns against.

Mr. Bateman for, with Mr. MacKay against.

Mr. McCain for, with Mr. Skelton against.

Mr. Badham for, with Mr. Dixon against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. HUGHES. Mr. Chairman, I rise in support of H.R. 5640, the Superfund Expansion and Protection Act. I wish to commend the many Members of Congress who have been involved in developing this legislation, especially Chairman JOHN DINGELL and ranking member JIM BROYHILL of the Energy and Commerce Committee; Chairman JIM FLORIO and ranking member NORMAN LENT of the Commerce, Transportation and Tourism Subcommittee; and Chairman DAN ROSTENKOWSKI and ranking member BARBER CONABLE of the Ways and Means Committee. These Members and many others have done an outstanding job in drafting this Superfund legislation, and I congratulate their efforts.

Mr. Chairman, when Congress first voted to establish the Superfund Program in 1980, it was a major accomplishment for our country. With this program, we set in place a responsible mechanism for cleaning up the thousands of toxic waste disposal sites which have been discovered across the country, and for restoring the damage caused by these hazardous wastes.

At the same time, we sent a strong signal to industry that the days of reckless pollution are over, and that industry cannot operate in an environmentally unsound manner with impunity. Finally, we delivered a message of hope to the citizens of this country that they, their children and their grandchildren do not have to live in fear of contaminated water or poisoned soil.

Today, we have an opportunity to build on this effort by reauthorizing the Superfund Program for another 5 years and increasing its resources to $10.2 billion. This is a wise investment for our country and I would urge my colleagues to support this legislation.

The magnitude of the toxic waste disposal problem is difficult to comprehend. The Environmental Protection Agency has already identified some 17,000 dangerous waste dumps in the United States, with more sites being discovered at the rate of about 1,000 every 6 months. It is expected to cost more than $10 billion just to clean up the top 10 percent of sites on the Superfund list. This is an effort which could take decades to complete, even with the additional resources provided in this legislation. In view of the enormity of this task, it is essential that we move forward with this clean-up program, starting with a reauthorization of the Superfund.

When properly implemented, the Superfund Program can make a major difference. A good example of this is our recent experience with the Price's Pit Landfill in Atlantic County, NJ. Just 1 year ago, we faced a major crisis in Atlantic City—the Nation's most popular tourist resort. Pollution from an abandoned landfill known as Price's Pit had contaminated a portion of the well field which provides Atlantic City's drinking water. With the closing of the contaminated wells, Atlantic City faced a potential water shortage during the summer months when demand was at its highest.

Fortunately, we were able to utilize the resources of the Superfund Program to relocate the well field and avoid a water shortage in Atlantic City. At the same time, efforts are now underway to clean up the landfill itself, and remove whatever long-term threats may have existed to public health and safety in the area. I regret that the EPA was not able to move faster in responding to the Price's Pit problem. On balance, though, I believe this is a good example of what the Superfund Program can do when it is put to work.

Unfortunately, Price's Pit is one of the few toxic landfills in the country where significant progress has been made in alleviating the problem. In New Jersey alone, we now have 85 sites on the Federal Superfund priority list, with as many as 900 additional sites awaiting possible inclusion to the list. Although many of these sites are undergoing planning studies, there is very little remedial work actually underway. This situation is basically the same elsewhere around the country. The Superfund list keeps growing longer and longer, and the backlog in cleanup efforts increases week by week.

I believe the approach taken in this legislation for financing the cleanup program is the proper one, since it puts most of the financial burden on those who caused the pollution in the first place. In fact, some 87 percent of the costs of the Superfund Program will be financed through taxes on chemical feedstocks and crude oil. In addition, this legislation sets mandatory timetables for cleaning up hazardous waste sites, and sets strict liability standards for those who are found responsible for the pollution. Indeed my only major concern about the legislation is over some aspect of the liability standards which I hope to see modified during the amending process.

Mr. Chairman, we have no greater responsibility in Government than to protect the health and safety of our citizens wherever possible. The Superfund Program is a critical part of this effort, and I would strongly urge my colleagues to support the reauthorization of this program.

● Mr. FLORIO. Mr. Chairman, I would like to compliment Mr. MINISH, who presided over the Committee of the Whole during the debate on Superfund. This has been a long and difficult debate over a vital piece of legislation. It is through the efforts of Mr. MINISH as Chairman that we have produced the strong legislation that we have, and fulfilled the commitment we have made to pass legislation in the House that will clean up abandoned hazardous waste sites around the country.

I am pleased that Mr. MINISH agreed to serve as Chairman because I know of his strong commitment to a clear environment and his dedication to legislation which will clean up hazardous wastes. His leadership has been of vital importance to the passage of this bill today.●

● Mr. MOODY. Mr. Chairman, I would like to take this opportunity to expand my remarks concerning my Federal facilities floor amendment to the Superfund reauthorization bill.

My amendment is identical to a bill, H.R. 4760, I introduced this year and that received the bipartisan support of 66 of my colleagues. It is designed to handle a glaring omission in present practice of Superfund implementation by EPA. There are 519 uncontrolled hazardous waste sites in this country which are not monitored by the EPA. These sites are located in every State and in 275 congressional districts.

You may well ask: What makes these sites different from other hazardous waste sites? All of these sites are owned or operated by the Federal Government. Although Superfund and other pollution control laws require uniform compliance by federally and privately owned facilities, it is a little known fact that procedural noncompliance by Federal sites is rampant—it

is the rule rather than the exception. In effect, Federal facilities are omitted from compliance.

Federal agencies knowingly disregard the intent of Superfund through their use of Memoranda of Understanding. The Department of Justice and EPA have a longstanding blanket policy of never taking court action against noncomplying Federal agencies. Agencies maintaining polluting facilities have no incentive to rectify deficiencies or to negotiate seriously because regulatory authorities have rendered themselves powerless to compel compliance by administrative or judicial action. For example, EPA and the Department of Defense have a Memorandum of Understanding releasing EPA from cleanup responsibility for hazardous releases on DOD sites.

DOD maintains that its own cleanup program, the Installation Restoration Program, adequately handles their hazardous wastesite problems. Since the program began in 1975, a total of 11 remedial actions (cleanups) have been completed—all of them since 1981. As of June 30, 1984, of 460 DOD facilities requiring assessment, while two-thirds (307) had completed preliminary "Phase I" assessment, only 41 (9 percent) had made it through the "Phase II" field survey stage (similar to the EPA "RI/FS" process), and a mere 28 facilities—less than 7 percent—had progressed to the remedial action stage "Phase IV," with 17 cleanups underway and 11 completed. This record certainly does not show an active commitment to priority cleanup of DOD hazardous wastesites.

The danger potential of these Federal hazardous wastesites is mounting as delays in cleanup continue. In 1982, a contractor—Risk Science International [RSI]—to U.S. Chamber of Commerce attempted to compare the hazard potentials of certain DOD sites to those of the highest hazard private sites listed on the National Priorities List. RSI calibrated the Air Force's site scoring protocol against the MITRE protocol—which is the hazard ranking system used by EPA for private sites—and then estimated the scores and ranks that the Air Force's top 100 sites of concern might get under the MITRE scoring. This analysis concluded that all 100 of the Air Force's top 100 sites would have scored above the NPL cutoff score and thus would have merited inclusion on the NPL. And 33 of the Air Force's top 100 sites, located at 9 separate Air Force installations in 8 States, would have been included among the top 40 NPL sites.

While the level of danger at these Federal facilities has been established, the realization of this fact is compounded by the sheer number of Federal hazardous wastesites. As previously mentioned, there are 519 Federal installations. However, there are probably at least 1,100 to 1,400 individual Federal facility hazardous waste sites at the 519 Federal installations. These numbers are derived as follows: There is an average of 2.5 to 3 hazardous waste sites per DOD installation, at best, a conservative estimate by the DOD; DOD installations constitute 80 percent of those Federal installations; and assume 1 site per non-DOD Federal installation.

The goals of this amendment are to: treat Federal hazardous waste sites equally with privately owned sites and establish a process to ensure effective compliance by Federal sites with Superfund. It specifically would:

First establish a system of EPA and public notification of hazardous substance releases from federally owned or operated sites.

Second, require the EPA Administrator to establish a publicly accessible "Federal Agency Hazardous Waste Compliance Docket" containing information on the known nature and extent of environmental contamination, response actions taken, et cetera, at each federally owned or operated Federal facility;

Third, give EPA the responsibility to ensure that a preliminary assessment is conducted at each Federal Superfund facility;

Fourth, require EPA, where appropriate, to perform a hazard ranking on such facilities in order to prioritize them;

Fifth require EPA, where appropriate, to include such facilities on the NPL;

Sixth, require the Federal agency, in consultation with the EPA Administrator, to commence a remedial investigation and feasibility study ("RI/FS") within 6 months after inclusion of a facility which it owns on the NPL;

Seventh, require the EPA Administrator, within 90 days after completion of an RI/FS, to enter into an interagency agreement with the concerned Federal agency head, providing for the commencement of remedial action at the facility within 6 months, and, to the maximum extent practicable, to complete such remedial action within 2 years of the date of the agreement;

Eighth, require the Federal agency to explain in writing to the Administrator, if the remedial action is not completed within 2 years, an explanation of why such action was not completed;

Ninth, require each agency to submit annual reports to Congress concerning its progress in implementing the requirements of the amendment;

Tenth, reaffirm the unavailability of fund money to pay for the cleanup of federally owned or operated sites;

Eleventh, require the EPA Administrator to bring a section 106 abatement action against any agency which fails or refuses to comply with any requirement of the amendment;

Twelfth, reaffirm that all guidelines, rules, regulations, procedures, and criteria applicable to private facilities under Superfund—except those relating to bonding, insurance and financial responsibility—are also applicable to federally owned or operated facilities in the same manner and to the same extent.

My amendment will complement and enhance the reauthorization of Superfund by specifically closing a dangerous loophole that allows the exemption of federally owned or operated hazardous waste sites from compliance under the same standards experienced by private industry.●

● Mr. SYNAR. Mr. Chairman, the House is now considering H.R. 5640, the Superfund Reauthorization Act. I strongly support expansion and reauthorization of this critical hazardous waste cleanup program.

As chairman of the Government Operations Subcommittee on Environment, Energy and Natural Resources, I have been active in overseeing this program and other matters related to the growing problems of hazardous and toxic waste disposal. As my colleagues know, EPA has estimated there are over 20,000 hazardous waste sites in this country, thousands of which may pose threats to public health and safety and the environment, and which will require cleanup. Clearly then, this situation does represent a ticking timebomb, and we must vigorously pursue this cleanup program. Because of this, there is little disagreement that Superfund not only must be reauthorized but must be greatly expanded in its size.

The legislation before us accomplishes those dual goals. However, I do have concerns over several issues related to the legislation.

First, I am disappointed that the Ways and Means Committee failed to include in the revenue portion of the bill a waste-end tax on those who dispose of hazardous and toxic wastes. I have supported such a program in the past and would have supported an amendment to authorize such a tax, had we had the opportunity to consider it.

Such a program should have replaced the automatic tax increase on petroleum, effective in 1987, which is contained in the legislation now before us. Obviously, it is my hope that the requirements in the bill for study of this matter and submission of recommendations to Congress on implementation of such a tax will provide us the basis on which to act in the 99th Congress.

H.R. 5640 as considered by the House also contained an untested Federal cause of action. I am not unsympathetic to the concept of establishing

a Federal cause of action for victims of toxic exposure. However, I have serious concerns over the wisdom of including these provisions in the Superfund reauthorization bill. First, the legislation should have been referred to the House Judiciary Committee for consideration and revision. These provisions represent an entirely new area of Federal tort law and I strongly believe it should have been subjected to close scrutiny by the appropriate committee of jurisdiction. Second, a Federal cause of action does not have to be linked with the Superfund reauthorization bill and, in my view, should not be linked. The purpose of the Superfund Program was, and is, to clean up hazardous and toxic waste sites. Should Congress decide to establish a Federal cause of action, it should do so as a separate measure and only after careful and deliberate consideration by the appropriate committees of Congress. I believe there are extraordinary potential pitfalls associated with precipitous action in this area. Accordingly, I supported the amendment to delete the Federal cause of action provisions from H.R. 5640.

For these, and other, reasons I also am compelled to oppose the amendment offered by our colleague from Georgia, Mr. LEVITAS, to permit up to 12 percent of the Superfund trust fund to be used to pay medical and other costs to victims of toxic exposure. Superfund was designed to clean up hazardous and toxic wastesites, and it should remain a program to do only that. Congress is always free to consider proposals to establish a victims compensation fund. However, much-needed cleanup revenues should not be drained off for any other purpose. This is particularly true in light of the fact that the number of potential claimants on such a fund is enormous. There could be extraordinary pressures on Congress to substantially expand the fund in the future, thereby draining even more trust fund revenues away from critical cleanup actions.

Even above and beyond these specific concerns, the legislation is not flawless. It is, however, important to move ahead with reauthorization of the program to ensure adequate funds and much-needed continuity to the program. Accordingly, I intend to support the measure. EPA has been slow in pursuing cleanup of serious hazardous waste sites around the country. Hopefully, this legislation will provide the impetus and the funds necessary for more vigorous implementation of the program.

The Senate has an opportunity and a responsibility to act on this issue in the weeks ahead. It is my hope that they will do so, in order to complete action on this important reauthorization prior to adjournment of the 98th Congress.●

● Mr. FRENZEL. Mr. Chairman, I have already said, repeatedly, that this bill is a poor one. It has been improved a bit, but it has a long way to go.

Despite my strong objections, I shall vote to send this bill forward in the hope that it can be repaired along the way.

The cleanup need is great, and the bill deserves a chance.

Without improvement, it still doesn't deserve enactment.●

● Mr. FEIGHAN. Mr. Chairman, the problem of leaking hazardous waste dumps is an environmental tragedy that affects all regions of the country. To help combat that problem, I rise in strong support of H.R. 5640, the "Superfund Expansion and Protection Act of 1984."

The Environmental Protection Agency's recent failure in the area of toxic waste is a national scandal. Not a single hazardous waste case was handed to the Department of Justice during the entire time that Anne Burford was EPA Administrator. Not one case, despite the presence of over 2,000 open dumpsites, over 16,000 abandoned dumpsites, and another 26,000 industrial storage or disposal sites throughout the United States. In Ohio alone, we have over 500 sites requiring immediate attention.

Cleaning up the millions of tons of toxic wastes that threaten the health and safety of Americans should be among the highest environmental priorities of our country. Yet the EPA for 3 years has acted as though the problem will solve itself. Clearly it will not.

That is why we must pass H.R. 5640, which reauthorizes and greatly strengthens the Superfund law. Superfund seeks to remedy serious threats to public health by providing for cleanup of abandoned hazardous waste dumps. It contains several important provisions:

Increases the funds available for cleanup from $1.6 billion to over $10 billion, still short of the $16 billion EPA estimates will be needed;

Provides a stringent mandatory schedule for preliminary assessment of potential sites, studies, plans, and cleanups at priority sites;

Permits citizens to petition EPA for preliminary assessment of potential sites, studies of health effects if people are exposed to hazardous chemicals, and replacement of drinking water or relocation if there is a significant risk to health; and

Permits citizens to sue to force private parties to stop any imminent and substantial endangerment to health or the environment, and to force EPA to do its job under the law.

Mr. Chairman, we cannot afford half-measures in our battle to cleanup the toxic waste dumps that are infecting our Nation. Passing H.R. 5640 is the least that we can do to revitalize Superfund. I urge all of my colleagues to support this important legislation.●

● Mr. BONKER. Mr. Chairman, I strongly urge my colleagues to support H.R. 5640, the Superfund Expansion and Protection Act. Toxic wastes present the most serious environmental problem our Nation faces. The cost, both in terms of human health and dollars, mushrooms each day we wait to take action.

Under this administration, only one Superfund site has been fully cleaned. The Environmental Protection Agency budget and its enforcement efforts have been slashed. This same administration now says Congress should wait for more study before strengthening and reauthorizing this most important of environmental laws.

The distinguished chairman of the subcommittee, Mr. FLORIO, has pointed out that EPA did wait to take action on the now famous Stringfellow site in California. The result of that delay, we now learn through a study conducted for the Office of Technology Assessment, is that the highly dangerous pesticide wastes are migrating and are expected to pollute the drinking water of 500,000 southern Californians.

There are few, if any, Members of this House who do not represent districts containing hazardous wastesites. While each of the projected 22,000 sites across the United States may not yet be a Stringfellow, many are ticking timebombs. We know that a site left untended may cost 10 times as much to clean later as it costs to clean now. Any Member who votes against this measure to save funds today buys the promise of vastly increased and necessary expenditures tomorrow.

In purely human terms, we cannot wait. The gentleman from New York [Mr. LAFALCE], who represents the Love Canal area, knows what waiting means. He pressed to protect residents in that area who waited for studies that initially indicated little danger and later spelled out the grave consequences.

My own district in southwest Washington State has a long list of EPA tallied and potentially dangerous sites that have yet to be comprehensively evaluated to determine the level of danger. Time and time again, the answer I receive in the field is, "There simply isn't the money." Cleanup at sites that have been evaluated at times is painfully slow. Each Member of this House can request a list of sites in his or her district from EPA. If this legislation fails, such lists will contain tomorrow's Love Canals.

What this legislation does is straightforward. It increases the current $1.6 billion Superfund Program to $10.2 billion for fiscal years 1986 through 1990. Of this amount, $7.9 billion will come from taxes on basic

chemicals and crude oil. The bill increases citizen rights by establishing clear liability. Citizens will also be able to sue EPA if the agency fails to carry out provisions of this act. I expect that the House will pass this crucial legislation today. I urge the Senate to do the same, and urge the President to sign the bill.

Critics of the bill have claimed that bringing this legislation to the floor in an election year is politically motivated, and in this sense they are correct: The American public has stated time and again that cleaning up toxic wastes is a No. 1 priority. At no time are Members more aware of their constituents' priorities than when an election approaches.

More importantly, the problems posed by toxic wastes in this Nation cannot wait for the artificial date of an election to pass.●

● Mr. COOPER. Mr. Speaker, I rise today in strong support of the amendment to H.R. 5640, the Superfund Expansion and Protection Act, that would identify and clean up superfund sites at Federal facilities in the same manner as privately owned sites. I compliment my colleagues on this excellent amendment, and on this through examination of the problem of hazardous wates.

If passed today, this amendment would eliminate a double standard that gives the Federal Government a free hand to carelessly poison the environment without regard for the public health. For example, for years the citizens of Hamblen County, TN, have enjoyed the benefits of Cherokee Lake, not knowing that the Hoslton River Ammunition Plant upstream does not have to comply with Federal pollution regulations. Farther down the same river at Oak Ridge, the home of this country's first plant has been releasing toxic chemicals into the water. This amendment would stop these dangerous practices.

When Federal agencies exempt themselves from pollution control you have a situation where any Federal agency is a potential timebomb that can endanger the public health. It's a double standard that's about the same as having the fox guard the henhouse.

This law would make sure that all hazardous wastesites—Government owned and privately owned—would be cleaned up if they endanger the public health. When the public health is concerned, no one should be above the law, and that includes Federal agencies whose primary duty is to protect the public.

This is a sensible and fair amendment, and I encourage each of my colleagues to support it.●

The CHAIRMAN. Are there further amendments? If not, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Mr. MINISH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5640) to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, pursuant to House Resolution 570, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole?

If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. CONABLE

Mr. CONABLE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. CONABLE. Irretrievably, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CONABLE moves to recommit the bill, H.R. 5640, to the Committee on Ways and Means.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit offered by Mr. CONABLE.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FLORIO. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 323, noes 33, not voting 76, as follows:

[Roll No. 373]

AYES—323

Ackerman	Anderson	Annunzio
Akaka	Andrews (NC)	Anthony
Albosta	Andrews (TX)	Applegate
Aspin	Goodling	Moody
AuCoin	Gore	Moore
Barnard	Gradison	Morrison (CT)
Barnes	Gramm	Morrison (WA)
Bates	Gray	Mrazek
Beilenson	Green	Murphy
Bennett	Gregg	Murtha
Bereuter	Guarini	Myers
Berman	Gunderson	Natcher
Bevill	Hall (IN)	Nelson
Biaggi	Hall (OH)	O'Brien
Bilirakis	Hall, Ralph	Oakar
Boehlert	Hamilton	Oberstar
Boland	Hance	Obey
Bonior	Harkin	Ortiz
Bonker	Harrison	Owens
Borski	Hayes	Oxley
Bosco	Hefner	Packard
Boxer	Heftel	Panetta
Breaux	Hertel	Parris
Britt	Hightower	Pashayan
Broomfield	Hiler	Patman
Brown (CA)	Holt	Patterson
Brown (CO)	Hopkins	Pease
Bryant	Horton	Penny
Burton (CA)	Hoyer	Pepper
Byron	Hubbard	Petri
Carney	Huckaby	Pickle
Carper	Hughes	Porter
Carr	Hutto	Price
Chandler	Ireland	Rahall
Chappell	Jacobs	Rangel
Chappie	Jenkins	Ratchford
Clay	Johnson	Ray
Clinger	Jones (NC)	Regula
Coats	Jones (OK)	Reid
Coelho	Jones (TN)	Richardson
Coleman (MO)	Kasich	Ridge
Coleman (TX)	Kastenmeier	Rinaldo
Collins	Kazen	Ritter
Conte	Kennelly	Rodino
Conyers	Kildee	Roe
Cooper	Kindness	Roemer
Coughlin	Kleczka	Roth
Courter	Kogovsek	Roukema
D'Amours	Kolter	Rowland
Darden	Kostmayer	Roybal
Daschle	Kramer	Russo
Daub	LaFalce	Sabo
Dellums	Lagomarsino	Savage
DeWine	Lantos	Sawyer
Dickinson	Latta	Schaefer
Dicks	Leach	Scheuer
Dingell	Lehman (CA)	Schneider
Donnelly	Leland	Schulze
Dowdy	Lent	Schumer
Downey	Levin	Seiberling
Dreier	Levitas	Sensenbrenner
Duncan	Lewis (FL)	Sharp
Durbin	Livingston	Shaw
Dwyer	Lloyd	Shuster
Dymally	Long (LA)	Sikorski
Dyson	Long (MD)	Siljander
Eckart	Lowery (CA)	Sisisky
Edgar	Lowry (WA)	Skeen
Edwards (AL)	Lujan	Slattery
Edwards (CA)	Luken	Smith (IA)
Emerson	Lungren	Smith (NE)
Erdreich	Madigan	Smith (NJ)
Evans (IA)	Markey	Snowe
Evans (IL)	Martin (IL)	Solarz
Fazio	Martinez	Solomon
Feighan	Matsui	Spence
Fiedler	Mavroules	Spratt
Fields	Mazzoli	St Germain
Fish	McCandless	Staggers
Flippo	McCloskey	Stangeland
Florio	McCollum	Stark
Foglietta	McDade	Stenholm
Foley	McGrath	Stokes
Ford (MI)	McHugh	Stratton
Ford (TN)	McKernan	Studds
Fowler	McKinney	Swift
Frank	McNulty	Synar
Franklin	Mica	Tallon
Frenzel	Michel	Tauzin
Frost	Mikulski	Thomas (CA)
Gaydos	Miller (CA)	Thomas (GA)
Gejdenson	Miller (OH)	Torres
Gekas	Mineta	Torricelli
Gephardt	Minish	Valentine
Gibbons	Mitchell	Vander Jagt
Gilman	Moakley	Vandergriff
Gingrich	Molinari	Vento
Glickman	Mollohan	Volkmer
Gonzalez	Montgomery	Walgren

Walker	Williams (MT)	Wright
Watkins	Williams (OH)	Wyden
Waxman	Wilson	Wylie
Weaver	Winn	Yates
Weber	Wirth	Yatron
Weiss	Wise	Young (FL)
Wheat	Wolf	Young (MO)
Whitley	Wolpe	Zschau
Whitten	Wortley	

NOES—33

Archer	Edwards (OK)	Olin
Bartlett	English	Paul
Bliley	Hammerschmidt	Roberts
Broyhill	Hansen (ID)	Robinson
Cheney	Hansen (UT)	Shumway
Conable	Hunter	Smith, Denny
Corcoran	Hyde	Stump
Craig	Kemp	Sundquist
Crane, Philip	Lewis (CA)	Taylor
Daniel	Mack	Vucanovich
Dannemeyer	Nielson	Young (AK)

NOT VOTING—76

Addabbo	Garcia	Nichols
Alexander	Hall, Sam	Nowak
Badham	Hartnett	Ottinger
Bateman	Hatcher	Pritchard
Bedell	Hawkins	Pursell
Bethune	Hillis	Quillen
Boggs	Howard	Rogers
Boner	Jeffords	Rose
Boucher	Kaptur	Rostenkowski
Brooks	Leath	Rudd
Burton (IN)	Lehman (FL)	Schroeder
Campbell	Levine	Shannon
Clarke	Lipinski	Shelby
Coyne	Loeffler	Simon
Crane, Daniel	Lott	Skelton
Crockett	Lundine	Smith (FL)
Davis	MacKay	Smith, Robert
de la Garza	Marlenee	Snyder
Derrick	Marriott	Tauke
Dixon	Martin (NC)	Towns
Dorgan	Martin (NY)	Traxler
Early	McCain	Udall
Erlenborn	McCurdy	Whitehurst
Fascell	McEwen	Whittaker
Ferraro	Moorhead	
Fuqua	Neal	

□ 1920

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment joint and concurrent resolutions of the House of the following titles:

H.J. Res. 587. Joint Resolution designating the month of August 1984 as "Ostomy Awareness Month";

H.J. Res. 600. Joint Resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States;

H. Con Res. 349. Concurrent resolution authorizing changes in the enrollment of House Joint Resolution 600; and

H. Con Res. 351. Concurrent resolution providing for a conditional adjournment of the two Houses from August 10, 1984, until September 5, 1984.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6040) "An Act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes.".

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 3, 4, 6, 9, 11, 16, 20, 27, 40, 55, 58, 63, 76, 81, 84, 87, 92, 96, 103, 132, 144, 147, 156, 158, 160, 164, 166, 195, 201, 205, 209, 210, and 214 to the above-entitled bill.

The message also announced that the Senate recedes from its amendments numbered 155, 159, 162, and 208 to the above-entitled bill.

□ 1930

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 5640, SUPERFUND EXPANSION AND PROTECTION ACT OF 1984

Mr. DINGELL. Mr. Speaker, I ask unanimouns consent that in the engrossment of the bill (H.R. 5640) the clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matters therein, on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. MICHEL. Mr. Speaker, reserving the right to object, would the gentleman also include in that a request for 5 days on the Conable amendment?

Mr. DINGELL. Mr. Speaker, if the gentleman will yield, I would certainly include that, and it is my view that the Conable amendment would have been included in my unanimous-consent request.

Mr. MICHEL. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION FOR INCLUSION OF CORRESPONDENCE RELATIVE TO H.R. 5640, SUPERFUND EXPANSION AND PROTECTION ACT OF 1984

Mr. DINGELL. Mr. Speaker, the rule on H.R. 5640 provided for the linkage between RCRA and the Superfund legislation. Because of understandings with our good friends and colleagues on the minority side and because of a letter which I received, along with my good friend and colleague, the distinguished gentleman from North Carolina [Mr. BROYHILL], from our colleagues on the Senate side, Senator STAFFORD, Senator RANDOLPH, and Senator CHAFEE, I will not make that request.

I ask unanimous consent, however, Mr. Speaker, that in view of the commitments on the part of the Senate to pass Superfund legislation during this session that I be permitted to insert the correspondence between me and my distinguished colleagues.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The correspondence referred to is as follows:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, August 7, 1984.

Hon. CLAUDE PEPPER,
Chairman, Committee on Rules, House of Representatives, the Capitol, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to request a hearing before the Rules Committee at the earliest opportunity on H.R. 5640, the Superfund Expansion and Protection Act of 1984.

H.R. 5640 was referred jointly to the Committees on Energy and Commerce, Public Works and Transportation, and Ways and Means. The legislation was ordered reported by the Committee on Energy and Commerce on June 21 by a vote of 38 to 3 and the Committee's report (H. Rept. 98-890, Part I, copy enclosed) was filed in the House on July 16. On July 31, the Committee on Public Works and Transportation was discharged from further consideration of the bill. On August 2, the Committee on Ways and Means ordered the bill favorably reported to the House, with an amendment, by a vote of 37 to 5. The legislation is now presented to the Rules Committee for its consideration under the timetable agreed to with the leadership by the Committees of jurisdiction.

H.R. 5640 is cosponsored by more than 100 Members of Congress and enjoys broad bipartisan support in the House. The fundamental purpose of the legislation is to accelerate the monumental and critical national task of cleaning up the thousands of toxic waste dumpsites that pollute our land and water and threaten the health of our citizens. Preventing further serious adverse health and environmental problems arising from unsafe hazardous chemical waste sites remains the number one environmental problem confronting the nation during this decade.

Unfortunately, as scores of congressional hearings have documented, four years after

its enactment the Superfund program has fallen far short of the expectations and goals of the original legislation. Many of the problems were a result of program mismanagement during the first three years of its existence which, in turn, resulted in replacement of most of the Environmental Protection Agency's top officials. Today, only six of the most dangerous sites have been cleaned up by the Superfund, and the EPA expects to identify a total of more than 2,200 dangerous sites over the next several years. While new leadership at the Agency has improved program management, the cleanup effort is seriously underfunded and the ineffectiveness of the program to date has produced a crisis of public confidence in our national ability to cope with the toxic dump problem, as well as reinforced the fears of those of our citizens living in the vicinity of hazardous waste sites.

Legislation to reauthorize and strengthen the Superfund program and establish a sorely needed avenue of judicial relief for persons injured by chemicals leaching from toxic waste sites into our land, air and drinking water is urgently needed. Enactment of legislation in advance of scheduled expiration of the program next year is essential to create the stable, predictable environment that is vital to sound program planning, administration and management. In short, enactment of H.R. 5640 prior to the adjournment of the 98th Congress is critically necessary to place the Superfund program on a sound and effective footing and rebuild public confidence in our national cleanup effort.

Therefore, I respectfully request that the Committee on Rules grant a modified open rule for the consideration of H.R. 5640 which affords fair opportunity for debate and amendment under expeditious and orderly procedures. I request that the rule provide for three hours of general debate, with one hour each to be controlled by the Committees of Energy and Commerce, Public Works and Transportation, and Ways and Means, and with the time allotted to each Committee to be divided equally between the Chairman and Ranking Minority Member of such Committee. I further request that the rule make in order as original text for purposes of amendment a Committee Print of August 7 which reflects H.R. 5640 as reported by the Committee on Energy and Commerce but incorporating Title V as adopted by the Committee on Ways and Means. I also request that the Committee on Rules make in order only those amendments printed in the Congressional Record of Wednesday, August 8, 1984, and that the bill be read for amendment by title.

The Committee on Ways and Means has requested a closed rule for consideration of Title V of H.R. 5640. On behalf of the Committee on Energy and Commerce, I am constrained to oppose this request. Although H.R. 5640 was not divided for reference among the committees of jurisdiction, the Committee on Energy and Commerce, in the spirit of comity, did not consider amendments to those sections of Title V which amend the Internal Revenue Code. Instead, the Committee followed a procedure whereby Members made motions embodying revenue recommendations with respect to H.R. 5640. Those motions agreed to by the Committee were included in the report of the Committee (H. Rept. 98-890, Part I, pp. 76-83) and transmitted to the Committee on Ways and Means as recommendations.

The Committee on Energy and Commerce agreed that those recommendations not incorporated in the version of H.R. 5640 approved by the Committee on Ways and Means would be brought to the attention of the Committee on Rules, with the request that the Rules Committee make in order Floor amendments reflecting such recommendations. The Committee on Rules was advised of the procedure followed by the Energy and Commerce Committee by letter dated July 27, 1984 (copy enclosed).

Accordingly, I respectfully request that the Committee on Rules grant a rule making in order the following amendments to Title V: An amendment allowing the termination of taxes when the balance of unobligated funds in the Superfund trust fund reaches certain levels; an amendment providing for reduced taxation of recycled metals; and an amendment providing for certain import taxes relating to chemical feedstocks.

In addition to these amendments, I also request that two other amendments be made in order to the tax provisions of Title V. These amendments would restore tax provisions in H.R. 5640 which were important to certain Members of the Committee but which the Committee on Ways and Means eliminated entirely in its amendment to Title V. The amendments are: An amendment exempting copper from the list of taxable feedstock chemicals and metals; and an amendment providing for taxation of the disposal of hazardous substances.

I also request that the Rules Committee make in order amendments to the authorizing provisions of Title V of the legislation, which are within the jurisdiction of the Committee on Energy and Commerce.

On November 3, 1983, the House overwhelmingly approved H.R. 2867, the Hazardous Waste Control and Enforcement Act of 1983. That legislation reauthorizes and strengthens the hazardous waste regulatory program, which requires safe handling of hazardous wastes from the point of generation through final disposal and is designed to prevent a recurrence of the past unsafe disposal practices that created the very problems addressed by the Superfund program and H.R. 5640. The two programs are interdependent and address the prospective and retrospective aspects of the toxic waste problem. Indeed, S.757, the counterpart to H.R. 2867 passed by the Senate only two weeks ago, contains significant amendments to the existing Superfund law and addresses the dangers, also addressed in H.R. 5640, posed by leaking underground gasoline storage tanks.

The Congress now has a unique and compelling window of opportunity within which to address the full spectrum of the interrelated hazardous waste problems by considering together bills amending both organic statutes. It would be unfortunate, indeed, if the Congress were to abandon the opportunity—and the challenge—to forge a comprehensive, integrated national policy on the hazardous waste issue and continue its record of progress in the effort to bring the nation's most dangerous environmental problem under control. Therefore, I request also that the rule provide that following passage of H.R. 5640 by the House, it shall be in order to proceed to the consideration of the Senate amendments to H.R. 2867, the Hazardous Waste Control and Enforcement Act of 1983; to amend the Senate amendments with a substitute containing the texts of H.R. 2867 and H.R. 5640 as passed by the House; and to move to request a conference with the Senate.

Mr. Chairman, H.R. 5640 is critically important environmental legislation, and I greatly appreciate the action you have taken in promptly scheduling a hearing before your Committee on this measure. Expeditious action by the Rules Committee will provide the House with the opportunity to consider this vital legislation prior to the August recess and facilitate its enactment into law prior to the adjournment of the 98th Congress.

With warm regards,

Sincerely,

JOHN D. DINGELL,
Chairman.

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND
PUBLIC WORKS,
Washington, DC, August 9, 1984.

Hon. JOHN D. DINGELL,
Chairman;
Hon. JAMES T. BROYHILL,
Ranking Minority Member, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR JOHN AND JIM: We are writing to urge that you do not link reauthorization of Superfund to reauthorization of the Resource Conervation and Recovery Act (RCRA). A move to connect the two bills will unnecessarily complicate matters and will delay final action on the RCRA bill.

As members of the Senate who are committed to seeing an strong Superfund bill enacted this year, we are in the process of marking up such a bill in the Committee on Environment and Public Works. It is our intention to complete markup in early September.

Bills to reauthorize and strengthen RCRA have already been passed in both chambers and are ready to be dealt with in conference. These bills are important measures in their own right and enactment of RCRA amendments should not be delayed. In the interest of assuring enactment of both RCRA and Superfund this year in our mutual efforts to protect human health and the environment, we urge you to refrain from attaching Superfund to RCRA.

Good luck with Superfund. We look forward to working with you.

Sincerely yours,

ROBERT T. STAFFORD,
Chairman.
JENNINGS RANDOLPH,
Ranking Minority Member.
JOHN H. CHAFEE,
U.S. Senator.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, August 10, 1984.

Hon. ROBERT T. STAFFORD,
Chairman;
Hon. JENNINGS RANDOLPH,
Ranking Minority Member;
Hon. JOHN H. CHAFEE,
U.S. Senator,
Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR BOB, JENNINGS, AND JOHN: Thank you for your letter of August 9 urging Congressman Broyhill and me not to link reauthorization of Superfund to the reauthorization of the Resource Conservation and Recovery Act (RCRA).

I am pleased that you, too, are committed to seeing a strong Superfund bill enacted this year. I am concerned, however, that our efforts may be stymied by the limited time remaining in this legislative session and the determined opposition of the Administra-

tion. It would be unfortunate, indeed, if legislation to accelerate the toxic dump cleanup effort under an expanded and strengthened Superfund program were to fall victim to election year pressures.

As you know, the House passed its RCRA bill on November 3, 1983. The Senate followed suit on July 24, 1984, almost nine months later. Superfund legislation has already cleared four House Committees and passed overwhelmingly in the House. The House stands prepared to go to conference on this critical measure as soon as the Senate acts. While I am pleased that you intend to complete markup in the Senate Environment and Public Works Committee in early September, I am sure you can understand my concern that time and the Administration may conspire to prevent enactment of strengthened Superfund legislation this year.

Nevertheless, based on your assurances that enactment of both the RCRA and Superfund bills will be accomplished this year if these measures are not linked by the House, I will not press this course of action. I look forward to prompt passage of Superfund legislation by the Senate so that we may achieve our mutual goals.

Best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman.

APPOINTMENT OF CONFEREES ON H.R. 2867, HAZARDOUS WASTE CONTROL AND ENFORCEMENT ACT OF 1983

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2867) to amend the Solid Waste Disposal Act to authorize appropriations for the fiscal years 1984 through 1986, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

The Chair hears none, and, without objection, appoints the following conferees:

For consideration of the House bill and the Senate amendments except for section 28(c) of the Senate amendment: Mr. DINGELL, Mr. FLORIO, Ms. MIKULSKI, and Messrs. TAUZIN, ECKART, DOWDY of Mississippi, BROYHILL, LENT, and RITTER.

Solely for consideration of section 28(c) and modifications thereof committed to conference: Messrs. ROSTENKOWSKI, GIBBONS, PICKLE, CONABLE, and DUNCAN.

Solely for consideration of sections 29 and 45 of the Senate amendment and modifications thereof committed to conference: Messrs. WAXMAN, SCHEUER, and MADIGAN.

Solely for consideration of section 3 of the House bill and modifications thereof committed to conference: Mr. SHELBY.

Solely for consideration section 5 of the House bill and modifications thereof committed to conference: Mr. BREAUX.

There was no objection.

ADOLESCENT FAMILY LIFE DEMONSTRATION PROGRAM EXTENSION

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2616) to extend the Adolescent Family Life Demonstration Program, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. MADIGAN. Mr. Speaker, I reserve the right to object.

Mr. DINGELL. Mr. Speaker, will the gentleman from Illinois yield to me?

Mr. MADIGAN. I am happy to yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Speaker, I wish to assure my dear friend, the gentleman from Illinois, that the amendment in the nature of a substitute which will be offered represents exactly the provisions of H.R. 5600; simple extensions of title X and title XX of the Public Health Service Act, and reauthorization of the Preventive Health and Health Services block grant.

Mr. MADIGAN. Mr. Speaker, under my reservation, I would ask the gentleman from Michigan if that represents the exact language that was in the bill as it passed the House of Representatives.

Mr. DINGELL. That is correct, exactly that language.

Mr. MADIGAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2616

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2010(a) of the Public Health Service Act is amended by striking out "and" after "1983," and by inserting before the period a comma and "$30,000,000 for the fiscal year ending September 30, 1985, $30,000,000 for the fiscal year ending September 30, 1986, and $30,000,000 for the fiscal year ending September 30, 1987".

(b) Section 2001(a)(5) of such Act is amended to read as follows:

"(5) pregnancy and childbirth among unmarried adolescents, particularly young adolescents, often results in severe adverse health, social, and economic consequences, including: a higher percentage of pregnancy and childbirth complications; a higher incidence of low birth weight babies; a higher frequency of developmental disabilities; higher infant mortality and morbidity; a greater likelihood that an adolescent marriage will end in divorce; a decreased likelihood of completing schooling; and higher risks of unemployment and welfare dependency; and therefore, education, training, and job search services are important for adolescent parents;".

(c) Section 2001(b)(3) of such Act is amended by inserting "both" before "for pregnant adolescents" in the matter preceding subparagraph (A).

(d) Section 2002(a)(4)(H) of such Act is amended by striking out "and referral to such services".

(e) Section 2008(g) of such Act is repealed.

MOTION OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DINGELL moves to strike all after the enacting clause of the Senate bill, S. 2616, and to insert in lieu thereof the provisions of H.R. 5600, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An Act to revise and extend the programs of assistance under titles X and XX of the Public Health Service Act."

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 2616

Mr. DINGELL. Mr. Speaker, pursuant to clause 1 of rule XX and by direction of the Committee on Energy and Commerce, I move to take from the Speaker's table the Senate bill, S. 2616, with the House amendments thereto, insist on the House amendments, and request a conference with the Senate thereon.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. DINGELL].

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. DINGELL, WAXMAN, SCHEUER, BROYHILL, and MADIGAN.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 5297, CIVIL AERONAUTICS BOARD SUNSET ACT OF 1984

Mr. MINETA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5297) to amend the Federal Aviation Act of 1958 to terminate certain functions of the Civil Aeronautics Board, to transfer certain functions of the Board to the Secretary of Transportation, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. WALKER. Mr. Speaker, reserving the right to object, has this been cleared with the minority?

Mr. MINETA. Mr. Speaker, if the gentleman will yield, yes, it has been cleared with the minority. The gentleman from Arkansas [Mr. HAMMERSCHMIDT] and the gentleman from Kentucky [Mr. SYNDER] are both aware of it. They are aware of the request, as well as the naming of the conferees.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

The Chair hears none, and, without objection, appoints the following conferees: Messrs. MINETA, ANDERSON, ROE, SNYDER, and HAMMERSCHMIDT.

There was no objection.

REQUEST FOR PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL 5 P.M., FRIDAY, AUGUST 17, 1984, TO FILE REPORT ON H.R. 6031, MONEY LAUNDERING PENALTIES ACT OF 1984

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary have until 5 p.m., Friday, August 17, 1984, to file its report on the bill, H.R. 6031, the Money Laundering Penalties Act of 1984.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. OXLEY. Mr. Speaker, reserving the right to object, has this been cleared with the minority?

Mr. HUGHES. Mr. Speaker, will the gentleman yield?

Mr. OXLEY. I yield to the gentleman from New Jersey.

Mr. HUGHES. Yes. All we are asking to do is file the report.

Mr. OXLEY. Has it been cleared?

Mr. HUGHES. All we are doing is filing our report.

Mr. OXLEY. The question is, has it been cleared?

Mr. HUGHES. Mr. Speaker, all we are asking to do is file a report on a bill that was reported unanimously and that is part of the omnibus crime package that the President wants.

Mr. OXLEY. Mr. Speaker, I will ask, has it been cleared with the gentleman from New York [Mr. FISH] or any of the members of the Committee on the Judiciary?

Mr. HUGHES. I have not talked with any of the members. That is because I have never been questioned about filing a report.

Mr. OXLEY. Further reserving the right to object, Mr. Speaker, if I could, I will ask the gentleman just to suspend until we can get that cleared, and he can bring it up in a few minutes.

The SPEAKER pro tempore. The request is withdrawn.

AMENDING CONDITIONS OF A GRANT OF CERTAIN LANDS TO THE TOWN OF OLATHE, CO

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1547) to amend the conditions of a grant of certain lands to the town of Olathe, CO, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1547

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to grant certain lands to the town of Olathe, Colorado, for the protection of its water supply", approved March 3, 1919 (40 Stat. 1317), is amended by—

(1) striking out "to have and to hold said lands for the purpose of the protection of the reservoirs and water supply pipelines and waterworks system of said town";

(2) striking out *"And provided further,* That title to the land shall revert to the United States should the same or any part thereof be sold or cease to be used for the purposes herein provided."; and

(3) adding at the end thereof the following: *"And provided further,* That in the event that the lands or any part thereof are sold or otherwise alienated by the town of Olathe on or before January 1, 1994, except as a consequence of a judgment at law or equity to recover sums owed by the town pursuant to a mortgage, sale to trustee, or similar agreement entered into by the town in order to secure funds for public purposes, directly related to repair, maintenance, or modernization of the reservoirs, water supply pipelines, or waterworks system of the town, the proceeds of such sale (excluding the value of any improvements made by the town) or the fair market value of the lands or part thereof (excluding the value of any improvements made by the town) at the time of such sale or alienation, whichever amount is greater, shall be paid to the United States by the town.".

Mr. SEIBERLING. Mr. Speaker, this Senate-passed bill is essentially identical to one sponsored by the gentleman from Colorado [Mr. KOGOVSEK] which passed the House on May 17, 1983. It would change the terms under which the town of Olathe, CO, now holds certain lands which it obtained from the United States pursuant to a 1919 act of Congress.

The act permitted the town to buy the surface estate in about 640 acres which the town wanted for its reservoir and water supply system. The minerals were reserved to the United States. The purchase price was set at $1.25 per acre and the town was required to take the lands subject to a reverter clause which provides that the lands will revert to the United States if the town attempts to sell the lands or uses them for any other purpose.

The town has constructed and maintained a system of water storage and delivery using these lands. Until recently, this was the sole source of domestic water for the town. Now the town participates in a local water authority which furnishes treated domestic water to several communities, but it wants to retain the water rights which are based on maintenance and use of the reservoir and supply system built on the lands obtained under the 1919 act. Those rights currently are their backup water supply, and also are a valuable asset to the town.

The identical House and Senate bills would amend the 1919 act by removing the explicit limitations on use of the land and the reverter clause. The bill would insert new language providing that the town could immediately pledge the lands to raise money for repair and maintenance of the water system but until 1994 would have to forfeit to the United States any profit from a sale of the lands, to the extent that the proceeds—or the fair market value—might exceed the value of the improvements made by the town. The practical effect, of course, would be to deprive the town of any incentive for selling the lands for at least 10 years. This balances the equities and is the same compromise the House approved last year.

Mr. Speaker, I do not understand why the Senate has chosen to send us the Senate bill, since it is really the same as the bill we passed last year. They could have dealt with the House bill. However, I think that the important thing is that the town of Olathe be assisted in the way that either the House or Senate bills would assist them, so that they can go ahead and improve their water system. Therefore, I urge passage of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

REQUIRING THE SECRETARY OF THE INTERIOR TO CONVEY CERTAIN LANDS AND IMPROVEMENTS TO THE CITY OF BRIGHAM CITY, UT

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2036) to require the Secretary of the Interior to convey to the city of Brigham City, UT, certain land and improvements in Box Elder County, UT, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2036

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1719), when the Secretary of the Interior ceases to use the remaining Federal property at the Intermountain Indian Boarding School for Indian school purposes he shall publish the legal description of such property in the Federal Register, and shall convey, by quitclaim deed and without consideration, to the city of Brigham City, Utah, all right, title, and interest of the United States in and to such land, including any improvements thereon.

Mr. SEIBERLING. Mr. Speaker, this Senate-passed bill is similar to a bill sponsored by the gentleman from Utah [Mr. HANSEN] which was the subject of a hearing in the Subcommittee on Public Lands and National Parks earlier this year. It would provide for the transfer to the city of Brigham City, UT, of certain properties which have been used by the Bureau of Indian Affairs for a boarding school for Indian students from several States. the BIA is closing that school, and it will not be used in the coming school year.

The school facilities involved evidently are in need of fairly extensive renovation and repairs, and the BIA has decided that it would not make sense for them to retain the property once the school is closed. This bill would provide for transfer of the property to the city.

At our hearing, the city presented some good arguments in favor of this transfer. In particular, the history of the property is that it was purchased by the city in 1942, and was donated to the Federal Government for use as an Army hospital. The city paid for and installed the essential public services for the property including electrical power, water and sewer lines, and access roads. So, the city has had a long involvement with the property and they want to be able to continue to have it used for the benefit of the city and its citizens.

At our hearing, the administration testified that they had no objection to the proposed legislation. The school is closed, and while there was some debate over whether it should have been closed, I understand that that too is a settled matter. So, I think we should go ahead now and pass this bill, as the Senate has already done; that way the Federal Government can transfer the property as soon as possible, which will minimize further Federal expenses for maintenance, security, and the like. I urge approval of the bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ELIMINATING REQUIREMENT THAT A PORTION OF THE BALTIMORE-WASHINGTON PARKWAY IN MARYLAND BE CONVEYED TO THE STATE OF MARYLAND

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 5531) to eliminate the requirement that the portion of the Baltimore-Washington Parkway located in the State of Maryland be conveyed to the State of Maryland upon completion of the reconstruction of the parkway authorized by the Federal-Aid Highway Act of 1970.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

H.R. 5531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding subsection (b) of section 146 of the Federal-Aid Highway Act of 1970 and any agreement entered into under such subsection, the Secretary of the Interior shall not be required to convey to the State of Maryland any portion of the Baltimore-Washington Parkway located in the State of Maryland and the State of Maryland shall not be required to accept conveyance of any such portion. Funds authorized by such section may be expended without regard to any requirement of such an agreement that such portion of the Baltimore-Washington Parkway be conveyed to the State of Maryland.

Mr. SEIBERLING. Mr. Speaker, H.R. 5531 would delete the requirement in the Federal-Aid Highway Act of 1970 that the Secretary of the Interior convey to the State of Maryland a 19-mile section of the parkway under the Secretary's jurisdiction.

The Federal-Aid Highway Act of 1970 authorized $65 million to reconstruct the 19-mile portion of the Baltimore-Washington Parkway known as the Gladys Noon Spellman Parkway. However, the expenditure of funds was contingent upon an agreement that no funds would be expended until the State of Maryland had agreed to accept conveyance of it. An agreement to this effect was signed on June 9, 1970. The State of Maryland has subsequently notified the National Park Service that the State will not accept conveyance of this 19-mile segment of the parkway. Meanwhile, no major repairs have been done during this period, and the parkway needs rehabilitation.

Mr. Speaker, since no funds may be expended by the National Park Service until the limitation in the 1970 act is lifted, and since this segment of highway is in need of repair, I would urge my colleagues to support this legislation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1797, THE TRAPPER BILL

Mr. HARKIN. Mr. Speaker, I ask unanimous consent to remove my name from the list of cosponsors of H.R. 1797, the Trapper bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 518

Mr. BROWN of Colorado. Mr. Chairman, I ask unanimous consent that the name of the gentleman from Texas [Mr. VANDERGRIFF] be removed as a cosponsor of House Resolution 518.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

CONGRATULATIONS TO GOLD MEDAL WINNER ROWDY GAINES

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. NICHOLS. Mr. Speaker, it is with great pride that I wish to congratulate a recent gold medal winner in the 1984 Summer Olympic Games, Rowdy Gaines, who has compiled an incredible record, during his illustrious swimming career. While a student at Auburn University, Rowdy held the world record in the 100 and 200 meter freestyles, and was a 22-time all-American. During 1980, Rowdy was named the World Swimmer of the Year, and was favored to win four gold medals in the Moscow Olympics if the United States had not boycotted the event.

One year later, Rowdy went on to be named the outstanding athlete in the Southeastern Conference, and also the recipient of the prestigious Cliff Hare Award which states, "Athletics makes men strong, study makes men wise, and character makes men great." This quote described Rowdy Gaines perfectly because he was not only a great athlete, but also a great student and person.

In 1982, Rowdy Gaines was named one of the top five student-athletes in the entire NCAA, and throughout his college career was a spokesman for the American Leukemia and Cancer Society.

The August 13 issue of Sports Illustrated had this to say about Rowdy Gaines:

> The American male swimmer most torn by the '80 boycott was Rowdy Gaines, now 25, who almost certainly would have won two individual and three relay gold medals in Moscow. Gaines crashed mentally in '82 and '83, losing all confidence in his free-style sprinting. Before the July 31 100, his first Olympic final, Gaines was still having doubts. "I was prepared not to win," he would say later. "Afterward I was going to say I was real honored and proud to swim against the guy who won. I was going to say I was proud of my career."
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> After a calming afternoon talk with Caulkins—"I was bouncing off the walls; she's so soothing," Gaines said—he went to the pool. He'd been given one piece of advice by his longtime coach, Richard Quick. "I'd noticed that the starter in the men's events had been pulling a pretty quick trigger," said Quick. "I told Rowdy to get right down on the blocks and make sure he wasn't rolling back." Indeed, the starter, a Panamanian, had been harshly criticized at other international meets for failing to give swimmers time to set themselves. When the eight finalists in the 100 free lined up, the Panamanian again fired too soon.
>
> Gaines, using a sprint-type start, caught the gun perfectly. His two top rivals, U.S. trials champion Heath and Mark Stockwell of Australia, didn't. "It wasn't a fair start," Stockwell would say later. "I thought the starter would call everybody back." But he didn't. Heath, a poor starter under the best of circumstances, was hopelessly behind before even hitting the water. Stockwell closed to within a foot of Gaines at the 50, but then watched Gaines pull away. He finished in 49.80, his best time in three years, with Stockwell almost half a second back.
>
> Gaines was in disbelief. He grabbed his head with his hands. He was smiling, laughing, peeling off layers of joy. He knew he'd made the right decision, staying with swimming. Whatever he'd been through, this was worth it.
>
> Australia filed a protest over the start, but it was disallowed. Stockwell spoke bitterly. "Do they think that they can change the rules here in America in order to win, or what?" he asked. "I'm trying to be a good sport about this, but I really am disgusted."
>
> Appreciation for Gaines soon overwhelmed any ill feelings. "Rowdy shouldn't be tainted by this," said Gambril. "He didn't shoot the gun." Stockwell, embarrassed by his earlier remarks, apologized to Gaines and said he wished there had been no protest. Before the 4 × 100 free relay later in the week, he would show Gaines a few break-dancing moves. On the 100 victory stand Gaines was still overwhelmed. During the national anthem he was struggling just to move his mouth. "I was trying to sing it. . . I was just shakin' up there. The words wouldn't come out," he said.
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> Gaines earned his second and third gold medals with strong anchor legs in the 400-free and 400-medley relays. And the emotions continued to swell. Free relay gold medalist Matt Biondi, 18, whom Gaines said he "hadn't even heard of" until the Olympic trials, called Gaines the idol he most hopes to live up to. "Rowdy's just been so helpful to me since the trials," Biondi said. "You wouldn't believe it."

Mr. Speaker, our Nation is blessed with many great athletes, and I am proud of each one who has participated in these 1984 Summer Olympic Games. Rowdy Gaines will retire from swimming following these games, and I wish for him continued success in life, and may he be a shining example to all of those young people throughout our Nation and world, who will one day "Go for the Gold" and be Olympic champions.

GENEVA INTERPARLIAMENTARY CONFERENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 60 minutes.

GENERAL LEAVE

Mr. PEPPER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material pertaining to this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PEPPER. Mr. Speaker, I have requested this special order so that Members of the House who attended a recent meeting of the Interparliamentary Union can report on the accomplishments of that meeting.

Eight Members of the U.S. Congress, including 5 Members of this body, were active participants in the 71st Interparliamentary Conference held in Geneva, Switzerland, the first week of April. Congress was well represented by distinguished Representatives HAWKINS, HALL, HUBBARD, HYDE, and BOEHLERT as well as Senators STAFFORD, BURDICK, and DECONCINI. Besides the representation from our Congress, 439 members of Parliaments from 89 different countries attended the meeting in Geneva. The conference was also closely followed by international organizations such as the United Nations agencies.

The delegates from the United States were particularly forceful and eloquent at this IPU meeting in presenting views of the American people on a number of important international matters, such as arms control and disarmament, population and employment. All five of the House Members intervened during the plenary debates and committee deliberations of the IPU. Early during the session, Representatives BOEHLERT and HUBBARD made important points on the matter of arms control and disarmament. Senator BURDICK and Representative HUBBARD stressed the need for certain measures in the population area. Toward the end of the plenary sessions, Representative HAWKINS outlined proposals for concrete international attention to employment problems. So that other Members of this body can appreciate the fine presentations, I insert the formal plenary speeches at the end of this special order.

Besides the formal plenary debate, U.S. delegates were active in the established study committees. Representatives HALL and HYDE worked on the Political Committee dealing with the difficult matters of the Mideast situation and arms control and disarmament. Representative HALL and Senator DECONCINI were intensely active in the subcommittee that worked on drafting a resolution on the arms control issue. And both Representative HUBBARD and Senator BURDICK worked in the Economic Committee where the population issue was under consideration.

Geneva is the headquarters for the IPU secretariat and is also the home base of many international organizations. The U.S. delegation was very privileged to receive much information on the multilateral negotiations and operations currently being conducted in Geneva. As the United States continues to participate in international affairs through the many established institutions, it is increasingly impor-

tant that our positions become clearer and that we make maximal use of the machinery available for promoting international peace and prosperity and the other worthy international goals we do support.

In this regard, our own participation in the IPU is ever more important as we continue to see criticism of international organizations and international behavior. For it is in the IPU that many of the international differences are sorted out and where others can grow to appreciate, if they do not already, the commitment of our people to positive, beneficial changes in international life. U.S. representatives can also give support for improving international mechanisms by strong participation in the IPU.

From the statements of our delegates to the IPU Geneva meeting and from reports I have received on their activity in and around the assembly hall there, I see that our country was well served.

I urge more of our colleagues to consider the process of international dialog that the IPU provides. The IPU is a unique international forum for debate. It is through the IPU that greater international understanding is possible. I think we should give great credit to the Members of this Chamber who attended the recent meeting in Geneva.

The speeches follow:

STATEMENT OF REPRESENTATIVE SHERWOOD L. BOEHLERT

ARMS CONTROLS AND DISARMAMENT

Fellow parliamentarians; there is a decided frustration as, once again, we take up the subject of arms control and disarmament. Interparliamentary conferences have focused on this crucial area of concern for decades. Yet progress is painfully slow. There is a great deal of eloquent talk, but unfortunately very little meaningful action.

I often fear that at some future date we may look back and conclude that our present verbal battles had very little consequence while the explosives were rapidly prepositioned and the brush fires started that led to world conflagration.

This frightening prospect makes it urgent that our discussions focus directly and insistently on necessary actions and not be bogged down in idle rhetorical exchanges. The world situation is too precarious for us to become self-satisfied when we score debating points.

The people of the United States realize the urgency of the present predicament. In our Congress, we have intensely debated nuclear weapons control and reduction proposals. In the House of Representatives, where I serve, approval was given to a nuclear freeze resolution, one calling upon the United States and the U.S.S.R. to conclude an agreement which is mutual and verifiable. While a freezing of our respective nuclear arsenals at present levels was the stated immediate goal of the legislation, our longer range objective is clearly a mutual reduction in these weapons with the hope and expectation that such action will make the world safer for us all.

Across our land there is a healthy debate on the freeze issue as well as widespread public concern about the lack of disarmament progress.

We have national support for moving ahead with the specific arms negotiations that are underway. In all of them there are prospects for tangible accomplishments, some of which could be realized very soon. The United States is very willing to press negotiations. We are also ready to resume the Strategic Arms Reduction Talks and the Intermediate Range Nuclear Forces Talks with the Soviet Union. It is up to the Soviet Union to return to these talks.

The tensions between the United States and the Soviet Union in particular must be placed in the conference arena. A meeting between the leaders of these countries to sort out their differences is long overdue. How can this reality be ignored?

Speaking as one member of our representative parliament, but confident of my colleagues' widespread support for the proposal, an early summit between the leaders of our two superpowers would have a calming influence on an unsteady world. If a journey of a thousand miles starts with the first step, an agreement of global value in the area of arms control and disarmament must commence with an exchange of initial words between our leaders.

Think about it, when was the last time the leaders of the United States and the U.S.S.R. met? The precise date, time and place are of little consequence for purposes of this discussion. What is important to realize is that it was far too long ago. That must change.

It is disappointing, even frightening, to acknowledge that for the 15-month period during which Mr. Andropov was the leader of the U.S.S.R. and Mr. Reagan was the leader of the United States, the two never met. Common sense leads one to conclude that was wrong. Reason dictates corrective action is in order.

The American people have a tradition of lending our creativity and resources toward peacemaking where conflict exists and peacekeeping where that is required. We are proud of the many occasions where our influence has stopped violence. We are particularly saddened when, as with recent efforts concerning Lebanon, or dedication, as part of a multinational group, has not succeeded in halting the bloodshed. Regularly we are contributing our people and our budget to various peace maintenance forces, such as with multinational forces in Cyprus and the Sinai.

Nations now engaged in conflict need to draw back. This meeing has decided, through approval of a supplementary item, to draw particular attention to the situation of warfare between Iran and Iraq and give strong impetus to a peace settlement between those two warring states. First, that war is more than a regional conflict; it holds a global threat that should alarm all of us into action. Second, and even more unsettling in my mind, the means now being employed by both sides undermine the fundamental design of world order.

The most disturbing evidence that lethal chemical weapons are being used and further developed should cause particular chills here in this city where in 1925 a protocol was written to ban use of such weapons. Also undermining world order are the violations of Geneva conventions when young children are forced into suicidal military assaults. If the authority of these Geneva agreements cannot be maintained, then how secure will we ever be with the many agreements we would like to see negotiated in the future.

While the current conflict between Iraq and Iran must be stopped, we should not neglect the other areas of tension that could quickly devolve into armed combat. The parties in Stockholm, at the Conference on Disarmament in Europe, have to move beyond rhetorical debate to prevent accidents in Europe and induce greater confidence. A successful conclusion of the Mutual Balanced Force Reduction Talks—so possible—would further create more stable conditions for Europe. Elsewhere, such as on the Korean peninsula, violent terrorism must not lead to broader military conflict nor be condoned.

Nor can we tolerate the continued, unilateral occupation of Afghanistan, despite clear disapproval throughout the world.

More broadly, there needs to be more persuasion that the world will not become more secure by the spread of armaments. Here we should point to how necessary it is that countries less economically well off—that spend scarcer resources on armaments—need to enforce their own arms reduction measures. Since almost 80 percent of world arms transfers are imports by developing countries, it is entirely appropriate that attention and concern be directed at the need for arms restraint not only by nuclear powers.

This meeting in Geneva—a city so associated with the pursuit of peace and improvement of mankind—is such a unique opportunity for us parliamentarians to press the world in desirable directions. We should do what we can to give impetus to negotiations for conflict settlement, arms reductions and security building. And we should take back to our own parliaments renewed dedication to find our own national means to support these undertakings.

STATEMENT OF REPRESENTATIVE CARROLL HUBBARD, JR.

ARMS CONTROL AND DISARMAMENT

Fellow parliamentarians, it should be apparent to all that global peace and security can only be assured through the improvement of world trust and confidence. Words on paper are not sufficient. We look for the evidence to support these words.

The Soviet Union continues to undermine world trust as it continues to occupy Afghanistan, and its aggression in that unhappy country is manifested by over one hundred thousand Soviet combat troops, thousands of dead and millions of refugees.

We in the United States, moreover, are not impressed with calls from Warsaw Pact representatives for "declarations" concerning strategic doctrine and tactics. Certain draft resolutions and statements in this very conference, as well as at the Stockholm meeting of the Conference on Disarmament in Europe, contain such wasted rhetoric.

Perhaps we are too practical in the United States—we look for definite concreteness. We want numerical reductions in arms asenals and accurate reports on military levels so we can make reductions real. Above all, we want verification that what the signatories to any agreement say they intend to do, they in fact will do.

In certain areas, such as concerning chemical warfare preparation and Central European force reductions, the United States and the Soviet Union may be approaching common understanding. This could make for real arms control and reduction.

In other areas, our positions are still far apart. Consider the Intermediate Nuclear Forces discussions, for example, talks so im-

portant to European and ultimately world peace. The Soviet side insists on refusing to acknowledge its steady buildup for nearly a decade of SS-20 nucler missiles directed toward western Europe and would have the world believe that NATO has just started a nuclear arms race. Worse than this fabrication, the Soviet Union bullies its way by insisting on preconditions for further talks about intermediate range missiles.

As I clearly heard in the statements in this chamber this morning, the world is very tired of the verbal sparring between major powers and is persistent in its demand for movement.

Such movement can be done—this month, even today—in fact, across the street from this meeting hall where the United Nations Conference on Disarmament sits. There the United States is urging a complete chemical weapons ban.

Geneva could see renewed negotiations on reducing strategic nuclear weapons and theater nuclear forces. The Inter-parliamentary Union should use all its influence to see that these and the other substantive negotiations move ahead.

STATEMENT OF SENATOR QUENTIN N. BURDICK

POPULATION IN THE CONTEXT OF RESOURCES AND DEVELOPMENT

Mr. President and colleagues, population growth and the problems it can cause for economic and human development demand our urgent attention. We can take our pick of population statistics, and they all tell an alarming story. I am particularly impressed by the speed at which population growth is gaining on us, even with some encouraging changes in recent growth patterns. In the year 1800, the world reached its first one billion in population; it took 130 years to add the second billion by 1930; the world now has 4.6 billion people, and is adding another billion every 12 years or less. Indeed, the population on earth today is witnessing and living through a "population revolution" that is putting mankind into a new relationship with the resources upon which human life depends.

Between now and the year 2000, 90 percent of this rapid growth will be in developing nations, putting further strains on economies and natural resources that are the least able to absorb them.

What do todays rates of growth mean? They mean tremendous strains on economic and natural resources. They mean enormous increases in demand for education, health and social services. They mean a burgeoning population in the job-formation years, usually in areas that do not have commensurate growth in jobs; we are already seeing consequences such as social unrest and greatly intensified pressures for migration in many countries.

When this kind of growth occurs in areas with large populations at the poverty level and below, it can mean that any gains in economic development are eradicated by sheer growth in numbers of people. Serious, even irreversible, damage is done to the agricultural base and other natural resources. We are now seeing extensive deforestation, serious soil erosion, and the spread of desert-like conditions all around the world as a result of the combination of poverty and population growth.

This year, the nations of the world will assemble in Mexico City for the International Conference on Population. The purpose will be to assess the situation since the United Nations Conference on Population held ten years ago in Bucharest. There are indeed signs of progress over the decade. Since that time, some 60 of the less developed countries, with well over three quarters of the developing world's population, have adopted policies that address population growth. Most developing countries have learned just how detrimental overly rapid population growth is to their other objectives of economic development and substainable resources productivity. They have requested ever increasing assistance to make family planning program available. In many countries, including most of the developing countries in some region, declines in rates of growth are evident.

It now seems clear that, given free choice, policies that make family planning information and techniques available, and such advances as lower infant mortality, better health and a measure of economic progress, people are indeed likely to freely choose smaller families.

However, despite these good signs, there is no cause for complacency. We must recognize the need for continued concern and intensified efforts—and the role of parliamentarians in dealing with these problems. Although the growth rates in many areas are showing declines, this is by no means universal. In too many places the cycle of high growth, poverty, high infant mortality, starvation and poor health continues. And there is a new risk in the progress that has been made: there are some things that the very success of population programs to date is being used as an argument in some quarters against continuing them, or for cutting back. This is the opposite conclusion from the one that we should reach if we are to learn from the experience of the past ten years.

I am proud to say the United States policy has been one of strong commitment for the past 20 years to voluntary family planning programs. I want to stress the word voluntary, for that is the keystone of our policy. To date, the U.S. population assistance has represented about one-half of all external resources available to population programs. The U.S. Congress has played a key role in assuring this continuing commitment.

Progress in stemming too-rapid population growth depends on the personal decisions of billions of individuals. We at this Conference represent these individuals, and the welfare of all people depends on their decisions. We must all strive to assure that these decisions are truly voluntary, which means based on the best information, together with adequate access to appropriate options for family planning.

I would urge that this conference resolve to acknowledge the interdependence of population policies and successful economic development. I believe we should take note of the detrimental effects of poverty and population pressure on the resources that sustain life. I would further urge strong support for the 1984 International Conference on Population in Mexico, and the efforts of nations at that conference to maintain momentum in the progress so far in dealing with population growth. Finally, I would urge that we each play a role in our respective national governments in maintaining high priority for population and development policies designed to assure that family size is truly a matter of personal choice.

STATEMENT OF CONGRESSMAN CARROLL HUBBARD, JR.

POPULATION IN THE CONTEXT OF RESOURCES AND DEVELOPMENT

Mr. President and colleagues it is clear that few delegates at this Conference doubt the urgency of the problems presented by population growth. Even at the medium projections of the United Nations, world population is not expected to stablilize until it reaches 10.5 billion around the year 2075.

The implications of this kind of growth, and the causes of it, are very complex. They involve an interrelated web of economic, social, geographic, demographic and other factors. These interrelationships are at best poorly understood. However, we can certainly say that the rapidly increasing numbers of human beings under almost any scenario for the future mean that vastly increased productivity in food and fuel resources will be required. Staggering new requirements for health, education and other services will be evident.

Ninety percent of the growth in human numbers between now and the turn of the century will be in developing countries, where the combination of poverty and population increases are already putting destructive pressure on natural resources. Ironically, a poverty-stricken population will often be forced to destroy tomorrow's resources just in order to survive day to day. Gains in economic development may often be outstripped by population growth, leaving people no better—or worse—off. Already, on two continents, per capita food production is declining.

Serious problems with loss of forests, spread of desertification, soil erosion, and resulting migrations to cities and across national borders have occurred as a result of population pressure.

Deforestation is evident in large areas on all of the continents; 25 years ago, forests covered one-fourth of the earth; today they cover one-fifth; and by the year 2000, if present trends continue, they will cover only one-sixth. The human dimensions of this problem are profound. In Nepal, India, Africa, and other areas, many villagers must now walk up to 8 hours to collect firewood which used to be nearby. A result of this extensive deforestation is serious erosion, loss of whole villages, and disastrous flooding in downstream areas.

Desertification is occurring throughout the world, and also presents the greatest problem when it occurs as a result of population pressure and poverty. Currently, more 51 million acres of land are estimated to be reduced to near uselessness every year through desertification.

Soil erosion is also a problem in most areas of the world as a result of ever-increasing demand for food production; These are losses that a rapidly growing world population cannot afford. Moreover, these resource problems do have solutions, but the hardest hit nations cannot afford them. Poorly designed irrigation systems cause soil degradation, but proper design techniques are known. Reforestation programs do have a high priority in many areas, but they are expensive. Desertification and soil erosion can be stopped by good land management and the right agricultural practices. Unfortunately, it is exactly the areas that cannot afford these solutions that need them the most.

All of the world's nations have a stake in improving these resource dilemmas. The developing countries have shown many indica-

tions that they desire to reduce population growth. In the past ten years, over 60 developing countries with the great majority of population in developing areas have adopted population policies, and requested family planning assistance and education.

The United States has a solid record of strong commitment to population assistance under a policy that aids voluntary family planning programs. The United States Congress, I might note, has played a crucial role in assuring this commitment. Our record on development assistance is equally good. What all of the world's governments must do better is to devote the utmost human ingenuity to wise management of existing resources—especially those under pressure from excessive population growth and poverty.

High priority for assistance to voluntary population assistance, coupled with strong efforts to stop the destruction of resources in problem-stricken areas are essential to human welfare everywhere. I urge delegates to this Conference to make every effort to assure the subject of population growth high priority in our respective parliaments and governments.

STATEMENT OF CONGRESSMAN AUGUSTUS F. HAWKINS

WORLDWIDE FULL EMPLOYMENT

Fellow parliamentarians, it has been said a true statesman should not belong to any country. Unfortunately, that is not realistic. While I argue the greatness of my own country—as all of you do of yours, can we not agree that there is no limit or freeze on greatness in a world of social change and technological development. Let me therefore propose as one substantial move towards improvement, that of full employment of our human and material resources.

If the "developed" countries are to adequately provide higher standards of living for their own people and those less fortunate and thus lessen world tensions, it is necessary to maximize economic growth in the developed countries to achieve their fullest capacity. Without improvement in conditions in such developed countries, their ability to assist world growth will be minimized.

However, recent history has not been so favorable and encouraging in the face of nuclear threats, a population explosion, and—may I add—the recurring threats of worldwide recessions.

Without condemning others, let me suggest by way of illustration that I believe none of the developed countries have yet achieved their full potential in economic performance. This is best evidenced in our toleration of high levels of poverty and unemployment not in line with our tremendous resources and capabilities, or our needs or those of the peoples of the world.

At the same time, not only have we found it necessary to increase outlays in an arms race but we have cut back on domestic social programs and in addition, under budget constraints, have actually reduced foreign assistance in real dollars in many programs.

In the post World War II period, the USA and virtually all other countries have experienced recurring recessions and an equal number of inadequate recoveries. Of the last several world-wide recessions, each has tended to be deeper and longer and to send shock waves to other countries of the world in terms of interest rates, trade competition and budget deficits. This leads me to emphasize the very great threat this pattern of recurring recessions poses to the world—pulling us each time nearer the brink of economic disaster.

In terms of social values, these recurring recessions in the industrialized countries, together with their impacts on less developed countries, have a profound human dimension. They have resulted in more poverty, illiteracy, neglect of health care, and social unrest throughout the entire world.

Mass unemployment and poverty—whatever their causes or for whatever reason—in the face of widespread, unmet human needs, constitute the great moral tragedy of our times, not only for those upon whom this fate is imposed but likewise for those of us who permit or impose these conditions.

A great jurist, the American Justice Louis Brandeis, in one of his court opinions wrote these words as if he could have been addressing us as Parliamentarians: "If we would lead by the light of reason, we must let our minds be bold."

Boldness in this context requires only that we leave this Conference committed to rethink what we brought to this gathering and to act in implementing the eloquent words and beautiful thoughts we expressed.

Not least among these should be a recommitment to the right of all who are able, willing, and seeking work to full opportunity for useful paid employment at fair wages and regardless of where they live.

And, furthermore, we must seek on a world-wide basis to translate this right into practical reality through practicable polices and programs to promote full employment opportunity, maximum production, and adequate incomes and balanced growth.

Too often in the industrialized nations we have restricted growth as a means of fighting inflation thereby creating unemployment, excess interest rates, scarcities of goods and services, unwarranted trade restrictions and social tensions among people forced to compete with each other. This approach is wrong on economic grounds and is morally indefensible.

It is not enough that we leave this Conference with good expressions of intent to achieve peace and wipe out poverty, illiteracy, ill-health, and discrimination throughout the world. We must also be committed to achieving these goals in our own country and shaping concrete programs to share our prosperity with others. At all costs we must avoid another world-wide recession which potentially could be catastrophic and set the stage for World War III.

It is essential that we achieve and maintain a vigorous economic growth. And at the same time, let us not overlook the social aspects of human development that economic growth, social justice, and moral respect can bring about.

Peoples everywhere seek security, self-expression, and human dignity. They will not and should not be denied. After all, "world brotherhood is not so wild a dream as those who profit from postponing it pretend." Let us be bold and act with courage and wisdom.

Mr. Speaker, I yield to the able gentleman from Kentucky.

Mr. HUBBARD. Mr. Speaker, I would like to commend my distinguished colleague from Florida, Representative CLAUDE PEPPER, for requesting this special order to recognize an event held early this spring which demonstrated the ability of representatives from many different nations to work together toward finding solutions to some of the most complex problems facing our world today.

I speak, of course, of the 71st Conference of the Interparliamentary Union held the week of April 2, 1984, in Geneva, Switzerland. I had the extreme honor and pleasure to be chosen as one of the U.S. representatives to participate in this event, and I want to take this opportunity to share with my colleagues some of the results of this important and worthwhile international meeting.

The Interparliamentary Union offers a unique opportunity for participants from around the globe to discuss matters of worldwide concern and importance on a friendly and relaxed basis unavailable in any other international forum. It is at a meeting of the Conference of the Interparliamentary Union, for example, that the delegates from both North and South Korea are able to directly interact with one another, as are the representatives from the Soviet Union and the United States. Not even the United Nations can boast of such accomplishments.

And it is that very atmosphere free from much of the tension associated with international negotiations that enables delegates of the Interparliamentary Union to discuss such critical matters as arms control and disarmament, world population problems, and the conflict in the Mideast. National groups debated these issues first in plenary sessions and then delegates drafted final resolutions during committee consideration. At its final plenary session, the 71st Conference of the Interparliamentary Union approved three final resolutions on the respective issues.

As a member of the U.S. delegation, I also had the opportunity to learn more about the various international organizations which operate in Geneva, Switzerland. The American delegation received briefings from the Deputy Chief of the U.S. Mission on the United States role in these international organizations, which include the World Health Organization and the United Nations High Commissioner on Refugees. In addition, we listened to the U.S. Ambassador to the United Nations Conference of Disarmament explain the various undertakings of that body, which represents the largest forum for arms control negotiations. Finally, it was during this Interparliamentary Union meeting in Geneva that the U.S. delegation announced formally that it would present to the Conference on Disarmament a draft treaty to ban chemical weapons development and production.

In closing, let me again repeat how valuable were the experience that I gained as a member of the U.S. delegation to the 71st Interparliamentary Union Conference.

My wife, Carol and I are hopeful that our friendships formed in April with so many of the delegates from

the participating nations will help to improve our country's diplomatic ties and ultimately lead to world peace.

Mr. PEPPER. Mr. Speaker, may I add that I want to commend in the warmest way the excellent record that was made at this conference in Geneva by the distinguished gentleman from Kentucky [Mr. HUBBARD] now speaking. He did a splendid job for our country at that time.

● Mr. HALL of Ohio. Mr. Speaker, the recent meeting of the Interparliamentary Union, held in Geneva in early April, was extremely important, particularly at this time. With the precarious situation in the Persian Gulf and Mideast area and the tensions that remain between the United States and the Soviet Union, any efforts that produce dialog and negotiation of differences should receive our wholehearted support.

The IPU is very unique in this day precisely because it brings together many representatives from nations that otherwise would simply maintain and fortify their hostility toward one another. At least in the IPU there are opportunities to air differences in a face-to-face manner and attempt to find some approaches for resolution of conflicts; 102 nations are members of the IPU. Most send delegations that are dedicated to discussing the pressing international problems and to searching for positive means to solve these problems.

At the recent meeting in Geneva, I was particularly active in the political committee where the arms control and disarmament issues were intensively considered. In drafting committees, Senator DECONCINI and I spent many hours in negotiations with representatives from the Soviet Union and from other Warsaw Pact, NATO and nonaligned countries. During these drafting efforts, we worked out positions concerning several arms control issues, including nuclear nonproliferation and weapons control and reduction. The final resolution gave particular support to the special Stockholm conference on disarmament that has just recently commenced and which holds certain prospects for increasing confidence and security in Europe.

In our discussions and negotiations, conflicting points of view were frequently expressed. Also, attempts were made to gain unilateral advantages. For example, a delegate from the Soviet Union did attempt to place the international community on record against the NATO decision on missile deployment in Europe. From the results of this Soviet attempt—the motion was defeated—it appears that the majority of the world, including the nonaligned, hope that mutual, coordinated arms reduction measures will be implemented and that neither side will gain unilateral advantage over the other.

During our stay in Geneva, the U.S. Government formally announced its intention to press for an international treaty banning chemical weapons development and production. A U.S. draft treaty proposal has been introduced in the Conference on Disarmament that meets in Geneva.

During the spring IPU meeting, we carefully reviewed the several ongoing negotiations, in Vienna on mutual and balanced forces reduction, in Stockholm under the provisions of the Helsinki Final Act and in Geneva. These undertakings should receive continued international support and prodding so they will achieve success. The IPU keeps the world's attention focused and alert. It also provides a forum for searching for new ideas and for new ways that countries can work together to promote peaceful processes for conflict resolution.

I was very honored when the Speaker appointed me to participate at the Geneva IPU conference. This meeting gave insights into the problems we face in the world. It has further convinced me of the need for greater efforts for international cooperation and more coordinated international action.●

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL 5 P.M., FRIDAY, AUGUST 17, 1984, TO FILE REPORT ON H.R. 6031, THE MONEY LAUNDERING PENALTIES ACT OF 1984

Mr. HUGHES. Mr. Speaker, I renew my unanimous-consent request that the Committee on the Judiciary have permission to file its report on the bill, H.R. 6031, the Money Laundering Penalties Act of 1984, until 5 p.m., Friday, August 17, 1984.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. MICHEL. Reserving the right to object, Mr. Speaker, and I shall not object, I want to make it clear that we not establish any precedent here of considering legislative requests or legislative business after special orders have once commenced.

Having made that point, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

REINTRODUCTION OF THE KEMP-KASTEN FAIR AND SIMPLE TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. KEMP] is recognized for 30 minutes.

● Mr. KEMP. Mr. Speaker, today, Senator BOB KASTEN and I, together with many colleagues, are introducing a new and improved version of a tax reform bill called the fair and simple tax [FAST]—a comprehensive proposal to simplify the Income Tax Code, broaden the tax base, and increase incentives.

The fair and simple tax is unique in combining the simplicity of a flat income tax on taxable income with a progressive tax base. The plan eliminates many tax preferences or loopholes and imposes a flat tax rate, but also provides generous protection for families with children, home owners, workers, senior citizens, and the poor. We double and index the personal exemption for everyone, increase the standard deduction, and institute a new exclusion for 20 percent of wages at low and middle incomes.

When Senator KASTEN and I first introduced this bill last April, I said:

> My colleagues and I do not claim that this bill is the last word in tax policy. If we can find ways to improve upon it, either on the individual or corporate side, we will. Rather it is a first word, a way to restart debate in Congress on proper tax policy.

We have solicited comments on our bill from a broad range of American taxpayers and citizens—very encouraging comments on the whole, I am happy to say. As promised, over the past several months we have worked out ways to improve it. There may be still further modifications in the future. We intend to keep this the best tax reform legislation in the Congress, in terms of simplicity, fairness, efficiency, and especially economic incentives.

ABOLISHING THE 96-PERCENT BRACKET FOR SENIOR CITIZENS

We are excited about many of the changes in our new bill. In addition to making several technical corrections, the current version of the bill aims especially to remove disincentives in current law which disproportionately affect our Nation's senior citizens.

First, our bill increases the total size of exemptions for the elderly and the blind from $2,000 to $4,000 each, and the exemptions are indexed to keep their full value. The original bill maintained the figure at $2,000.

Second, taxpayers may exclude 20 percent of the first $10,000, single, or $15,000, joint return, of any income from taxation, regardless of its source. A similar provision was in our original bill. It is designed to protect those who live mostly from savings income rather than wages which receives a 20-percent exclusion under our bill up to about $40,000.

Third, one of the most exciting features of our new bill is its abolition of what Forbes magazine has called "the 96 percent bracket" for America's senior citizens. That is, under current

law an ill-conceived combination of Federal programs results in marginal tax rates on the elderly which can range from 80 percent to more than 100 percent.

These high tax rates under current law are caused by an interaction of the following factors:

The so-called retirement test reduces Social Security benefits by 50 cents for every $1 above $6,960 a year of income earned by those between the ages of 65 and 70. This creates, in effect, a 50 percent marginal tax rate on earned income.

An unfortunately designed feature in the 1983 Social Security Amendments effectively raises the Federal marginal tax rate by 50 percent above what it would otherwise be. According to a complicated formula, this provision adds 50 cents in Social Security benefits to a taxpayer's tax base for every dollar of income earned above a certain income threshold. In addition, this threshold provision instituted a "back door" tax on supposedly tax-exempt municipal bonds owned by the elderly, the retired, and survivors. To give an example, if a taxpayer is in the 30 percent Federal income tax bracket under current law, the threshold method can effectively raise the marginal income tax rate to 45 percent.

Such workers must pay ordinary Federal, State, and local income and payroll taxes.

Our bill abolishes this "96 percent bracket" for senior citizens in the following way:

We phase out the retirement test by cutting the benefit reduction from 50 to 25 cents on a dollar immediately, and zero reduction after 5 years.

We change the taxation of Social Security benefits in a manner designed to raise about the same amount of revenue from the same income group, but without substantially increasing their marginal tax rates. The first $7,000 (single)/$10,500 (joint return) of Social Security benefits is excluded from tax, and no more than half of total benefits may be taxed. According to the U.S. Treasury, this would result in raising about the same amount of revenue and taxing approximately the same higher income taxpayers.

We abolish back door taxation of tax-exempt bonds.

This combination of improvements would reduce that "96 percent tax bracket" on middle income senior citizens to below 30 percent, or by almost three-quarters.

Other important changes in our new bill are listed on an attached sheet.

With its simplicity, protection for families, the poor, and senior citizens, and its increased incentives to work, save, and invest, we believe that the fair and simple tax is a plan which families across the country can embrace.

ADDITIONAL CHANGES IN THE NEW "FAIR AND SIMPLE TAX" (FAST) ACT

In addition to technical corrections and improvements aimed at senior citizens, other changes in the second version of Kemp-Kasten include:

First, indexing the earned income credit—received by low-income working single heads of household—for inflation.

Second, indexing the 20-percent exclusion of the first $10,000/$15,000 of nonemployment income for inflation. The exclusion for wages is already indexed.

Third, phasing out the limitation on capital losses over 10 years, and subjecting capital losses to the alternative minimum tax.

Allowing deductibility of capital losses is a matter of simple fairness: If the Government claims a share of any capital gain, it should permit a taxpayer to account for capital losses on a symmetrical basis. If gains are taxed in full; if gains are only partly taxable, they should be only partly deductible.

Subjecting capital losses to the alternative minimum tax, meanwhile, effectively prevents high bracket taxpayers from using this provision to avoid paying tax by systematically realizing losses to reduce taxable gains.

Fourth, repealing the deductibility of interest expense for consumer expenses, other than residential property and loans solely for educational purposes. Business-related interest such as rental property is also unaffected. The first version of Kemp-Kasten permitted deductibility of any interest expense.

Fifth, maintain current law in exempting employer-provided medical and life insurance premiums, as well as benefits paid out of those premiums, from tax. While there is an argument for taxing these, we believe there is also an argument for encouraging private rather than public provision of medical care and family security.

THE KEMP-KASTEN "FAIR AND SIMPLE TAX" (FAST)

GENERAL DESCRIPTION

INDIVIDUAL INCOME TAX

Reduced rate of 25 percent is applied to the following tax base:

Eliminate most deductions, credits, exemptions, exclusions, except:

Personal allowances: personal exemption doubled to $2,000; elderly and blind receive additional $2,000 exemption; and zero bracket amounts (standard deduction) increased to $2,700 single-head of household, $3,500 joint return.

New exclusion for employment income: 20 percent exclusion of gross wage/salary/self-employment income up to the Social Security wage base ($39,300 in 1985); phased out so that no exclusion is allowed on income greater than about $100,000. If a taxpayer's employment income is less than $10,000 ($15,000 for a joint return), all gross income below that level qualifies for the 20 percent exclusion.

Deductions retained: Charitable contributions; interest on loans for residential property and education; real property taxes; medical expenses above 10 percent of adjusted gross income; and ordinary business expenses.

Indexing for inflation: Personal exemption, zero bracket amounts, earned income credit, employment income exclusion, capital basis

Treatment of capital gains and losses: Full taxation of gains, full deduction of loss phased-in over 10 years, with basis indexed from the date of enactment; taxpayer option during 10-year transition period: 25 percent exclusion of gains and losses (18.75 percent rate) without indexing; and current homeowner's rollover and one-time exclusion retained.

Current treatment retained: Retirement annuities (IRA's, Keoghs [H.R. 10], Social Security [improved treatment], et cetera); military and veterans benefits; employer-provided benefits; foreign source income; earned income credit (slightly modified); general obligation tax-exempt bonds; employee business expenses and moving expenses.

CORPORATE INCOME TAX

Reduced rate of 30 percent applied to the following tax base:

Eliminate most deductions, credits, exemptions, except: Deductions above, if applicable; ordinary business expenses; current-law capital cost recovery (ACRS or "10-5-3") small business provisions: 15 percent tax rate up to $50,000 of taxable income and expensing for up to $10,000 of business property; capital gains rate cut from 28 to 20 percent; and foreign income tax credit.

COMPARISON OF KEMP-KASTEN WITH BRADLEY-GEPHARDT

Since introducing the fair and simple tax, we have received many requests for examples of how various taxpayers would fare under the proposal. And many people, ranging from private citizens to Senator BILL BRADLEY and Congressman RICHARD GEPHARDT, have also asked us how the plan would compare with an alternative tax reform proposal: the Bradley-Gephardt bill. We would like to satisfy those requests now.

For the sake of easy comparison, we have decided simply to adopt the examples provided by Senator BRADLEY and Congressman GEPHARDT in explaining their own bill. Our examples are the same, with just two exceptions.

First, the treatment of home mortgage interest in the Bradley-Gephardt examples did not seem realistic. In general, mortgage lenders use a rule of thumb which says that a family can comfortably afford a house worth

about 2 or 2½ times its annual gross income, and that the owner's equity in the house should be about 20 to 25 percent.

Using this rule of thumb, the mortgage interest deductions claimed by taxpayers in the examples provided by Senator BRADLEY and Congressman GEPHARDT seem unrealistically low. Families of four earning about the median income were assumed to have mortgage interest payments of only $250 a month. Several examples implied that taxpayers with annual incomes of $120,000 a year were living in homes worth $50,000. Other examples implied that taxpayers with incomes of $1 million a year, who were otherwise taking advantage of fairly sophisticated tax loopholes, were either living in $100,000 houses or else ignoring the tax benefits of homeownership.

In adopting the Bradley-Gephardt examples, we have simply assumed that any houses are worth twice a taxpayer's annual income—not including temporary income such as capital gains; that the mortgage is 75 percent the value of the house; and that the mortgage interest rate is 12 percent. All three assumptions are rather conservative.

The second difference does not affect the numbers much at all, but we consider it an important one simply on principle. Not 1 of the 15 or so examples provided by Senator BRADLEY and Congressman GEPHARDT depicted a traditional family with only one breadwinner. While retaining some two-earner couples for the sake of comparison, in our examples, we mostly show traditional families, even where it makes little or no difference.

We feel strongly that this represents, not only the way millions of American families live, but also the way many more millions would like to live. In too many cases today, both parents work because they are forced to, not because they want to leave their children in someone else's care. We believe that the Tax Code should not hinder parents who are struggling to raise their families. In fact, one of the features of Kemp-Kasten of which we are proudest is that it is a pro-family bill.

For example, compare the different tax treatment of child care in our bill, the Bradley-Gephardt plan, and current law. Current law provides a child care credit. Bradley-Gephardt repeals the credit but allows the deduction of child care expenses in connection with earning a second income. However, under both current law and Bradley-Gephardt, there is only a $1,000 personal exemption for each dependent child. Under current law the exemption is indexed for inflation; Bradley-Gephardt repeals indexing. (If the personal exemption had been indexed for inflation since it was $600 in 1948, it would have to be more than $2,500 today).

Our bill takes a different approach. We also eliminate the child care credit, but instead double the personal exemption to $2,000. The additional tax reduction due to the increased personal exemption is worth $500 a year under our plan for a family with two children. This compares with $400 for the child care credit under current law and $280 for the Bradley-Gephardt deduction. (This assumes a $30,000 family with two children and $2,000 in child care expenses.)

What is even more important, only Kemp-Kasten provides this relief to all families with children, not just two-earner families. Any other approach implies that the effort of the parent who stays at home to care for the children is worth less than if he or she worked outside the home. Our bill says that the work of a parent who raises the children at home is just as valuable as if he or she went to work elsewhere. The same reasoning is behind our using the traditional one-earner family in most examples.

Apart from these two exceptions, we have omitted one example because we found it impossible to duplicate the Bradley-Gephardt numbers or determine the assumptions on which it was made.

While these examples are not exhaustive, or even necessarily the ones we would have chosen to show our bill off to best advantage, they serve two purposes. First, they make it easier for interested parties to compare both plans to current law, than if we had devised completely new examples. Second, by using examples not of our choosing, we think this provides a challenge for testing the merits of the fair and simple tax—a challenge which we believe it meets.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Married taxpayer No. 1]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income: Salary	$15,000	$15,000	$15,000
Less: Wage exclusion			3,000
Plus:			
Employer paid health		1,200	
Employer paid life insurance		150	
Equals: Adjusted gross income	15,000	16,350	12,000
Less: Exemptions	4,000	5,200	8,000
Equals: Taxable income	11,000	11,150	4,000
Memo: Zero-bracket amount	(3,400)	(6,000)	(3,500)
Income tax	[1] 959	[2] 721	[3] 125
Additional payroll tax		190	
Total tax compared with current law	959	911	125
Marginal tax rate (percent)	14	14	20

[1] From 1984 tax law tables.
[2] Taxable income less $6,000 zero-bracket amount times 14 percent.
[3] Taxable income less $3,500 zero-bracket amount times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Single taxpayer No. 1]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income: Salary	$15,000	$15,000	$15,000
Less: Wage exclusion			3,000
Plus:			
Employer paid health		1,200	
Employer paid life insurance		150	
Equals: Adjusted gross income	15,000	16,350	12,000
Less: Exemptions	1,000	1,600	2,000
Equals: Taxable income	14,000	14,750	10,000
Memo: Zero-bracket amount	(2,300)	(3,000)	(2,700)
Income tax	[1] 1,801	[2] 1,645	[3] 1,825
Additional payroll tax		190	
Total tax compared with current law	1,801	1,845	1,825
Marginal tax rate (percent)	20	14	20

[1] From 1984 tax law tables.
[2] Taxable income less $3,000 ZBA times 14 percent.
[3] Taxable income less $2,700 ZBA times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Married taxpayer No. 2]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income: Salary	$30,000	$30,000	$30,000
Less: Wage exclusion			6,000
Plus:			
Employer paid health		1,200	
Employer paid life insurance		300	
Equals: Adjusted gross income	30,000	31,500	24,000
Less: Exemptions	4,000	5,200	8,000
Equals: Taxable income	26,000	26,300	16,000
Memo: Zero-bracket amount	(3,400)	(6,000)	(3,500)
Income tax	[1] 3,815	[2] 2,842	[3] 3,125
Additional payroll tax		212	
Total tax compared with current law	3,815	3,054	3,125
Marginal tax rate (percent)	25	14	20

[1] From 1984 tax law tables.
[2] Taxable income less $6,000 ZBA times 14 percent.
[3] Taxable income less $3,500 ZBA times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Single taxpayer No. 2]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income: Salary	$30,000	$30,000	$30,000
Less: Wage exclusion			6,000
Plus:			
Employer paid health		1,200	
Employer paid life insurance		300	
Equals: Adjusted gross income	30,000	31,500	24,000
Less: Exemptions	1,000	1,600	2,000
Equals: Taxable income	29,000	29,900	22,000
Memo: Zero-bracket amount	(2,300)	(3,000)	(2,700)
Income tax	[1] 5,773	[2] 4,546	[3] 4,825
Additional payroll tax		212	
Total tax compared with current law	5,773	4,758	4,825
Marginal tax rate (percent)	34	26	20

[1] From 1984 tax law tables.
[2] Taxable income less $3,000 ZBA times 14 percent.
[3] Taxable income less $2,700 ZBA times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Married taxpayer No. 3]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income: Salary	$30,000	$30,000	$30,000
Less: Wage exclusion			6,000
Plus:			
Employer paid health		1,200	
Employer paid life insurance		300	
Equals: Adjusted gross income	30,000	31,500	24,000

BRADLEY-GEPHARDT PROVIDED EXAMPLE—Continued

[Married taxpayer No. 3]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Itemized deductions:			
Mortgage interest	5,400	5,400	5,400
Property tax	1,000	1,000	1,000
Sales tax	400		
Income tax	1,000	1,000	
Charity	500	500	500
Total	8,300	7,900	6,900
Less: Zero-bracket amount	3,400	6,000	3,500
Equals: Excess itemized deductions	4,900	1,900	3,400
Adusted gross income	30,000	31,500	24,000
Less:			
Exemptions	4,000	5,200	8,000
Excess itemized deductions	4,900	1,900	3,400
Equals: taxable income	21,100	24,400	12,600
Memo: Zero-bracket amount	(3,400)	(6,000)	(3,500)
Income tax	[1] 2,695	[2] 2,576	[3] 2,275
Additional payroll tax		212	
Total tax compared with current law	2,695	2,788	2,275
Marginal tax rate (percent)	22	14	20

[1] From 1984 tax law tables.
[2] Taxable income less $6,000 ZBA times 14 percent.
[3] Taxable income less $3,500 ZBA times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Married taxpayer No. 10 [SIC]]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income: Salary	$30,000	$30,000	$30,000
Less: Wage exclusion			6,000
Plus:			
Employer paid health		1,200	
Employer paid life insurance		300	
Equals: Adjusted gross income	30,000	31,500	24,000
Itemized deductions:			
Mortgage interest	5,400	5,400	5,400
Property tax	1,500	1,500	1,500
Sales tax	400		
Income tax	1,000	1,000	
Charity	500	500	500
Total	8,800	8,400	7,400
Less: Zero-bracket amount	3,400	6,000	3,500
Equals: Excess itemized deductions	5,400	2,400	3,900
Adusted gross income	30,000	31,500	24,000
Less:			
Exemptions	4,000	5,200	8,000
Excess itemized deductions	5,400	2,400	3,900
Equals: taxable income	20,600	23,900	12,100
Memo: Zero-bracket amount	(3,400)	(6,000)	(3,500)
Income tax	[1] 2,585	[2] 2,506	[3] 2,150
Additional payroll tax		212	
Total tax compared with current law	2,585	2,718	2,150
Marginal tax rate (percent)	22	14	20

[1] From 1984 tax law tables.
[2] Taxable income less $6,000 ZBA times 14 percent.
[3] Taxable income less $3,500 ZBA times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Single taxpayer No. 3]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income: Salary	$30,000	$30,000	$30,000
Less: Wage exclusion			6,000
Plus:			
Employer paid health		1,200	
Employer paid life insurance		300	
Equals: Adjusted gross income	30,000	31,500	24,000
Itemized deductions:			
Mortgage interest	5,400	5,400	5,400
Property tax	1,000	1,000	1,000
Sales tax	250		
Income tax	1,200	1,200	
Charity	500	500	500
Total	8,350	8,100	6,900

BRADLEY-GEPHARDT PROVIDED EXAMPLE—Continued

[Single taxpayer No. 3]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Less: Zero-bracket amount	2,300	3,000	2,700
Equals: Excess itemized deductions	6,050	5,100	4,200
Adusted gross income	30,000	31,500	24,000
Less:			
Exemptions	1,000	1,600	2,000
Excess itemized deductions	6,050	5,100	4,200
Equals: taxable income	22,950	24,800	17,800
Memo: Zero-bracket amount	(2,300)	(3,000)	(2,700)
Income tax	[1] 3,972	[2] 3,832	[3] 3,775
Additional payroll tax		212	
Total tax compared with current law	3,972	4,044	3,775
Marginal tax rate (percent)	26	26	20

[1] From 1984 tax law tables.
[2] Taxable income less $3,000 ZBA times 14 percent.
[3] Taxable income less $2,700 ZBA times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Married taxpayer No. 4]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income:			
Salary	$60,000	$60,000	$60,000
Dividends	200	200	200
Less:			
Dividend exclusion	200	—	—
Two earner couple deduction	2,000	—	
Wage exclusion	—	—	11,773
Plus:			
Employer paid health	—	1,200	—
Employer paid life insurance	—	600	—
Equals: Adjusted gross income	58,000	62,000	48,427
Itemized deductions:			
Mortgage interest	10,800	10,800	10,800
Property tax	2,000	2,000	2,000
Sales tax	800	—	—
Income tax	2,400	2,400	—
Charity	1,500	1,500	1,500
Total	17,500	16,700	14,300
Less: Zero-bracket amount	3,400	6,000	3,500
Equals: Excess itemized deductions	14,100	10,700	10,800
Adjusted gross income	58,000	62,000	48,427
Less:			
Exemptions	4,000	5,200	8,000
Excess itemized deductions	14,100	10,700	10,800
Child care deduction	—	3,000	—
Equals: Taxable income	39,900	43,100	29,627
Memo: Zero-bracket amount	(3,400)	(6,000)	(3,500)
Income tax before credit	[1] 7,825	[2] 7,834	[3] 6,532
Child care credit	—600	—	—
Additional payroll tax	—	—	—
Total tax compared with current law	7,225	7,834	6,532
Marginal tax rate (percent)	33	26	20

[1] From 1984 tax law tables.
[2] Taxable income less $6,000 ZBA times 14 percent, plus surtax (12 percent of AGI over $40,000).
[3] Taxable income less $3,500 ZBA times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Single taxpayer No. 4]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income:			
Salary	$60,000	$60,000	$60,000
Dividends	100	100	100
Total	60,100	60,100	60,100
Less:			
Dividend exclusion	100	—	—
Wage exclusion	—	—	5,273
Plus:			
Employer paid health	—	1,200	—
Employer paid life insurance	—	60	—
Equals: Adjusted gross income	60,000	61,900	54,827

BRADLEY-GEPHARDT PROVIDED EXAMPLE—Continued

[Single taxpayer No. 4]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Itemized deductions:			
Mortgage interest	10,800	10,800	10,800
Property tax	2,000	2,000	2,000
Sales tax	700	—	—
Income tax	3,000	3,000	—
Charity	1,500	1,500	1,500
Total	18,000	17,300	14,300
Less: Zero-bracket amount	2,300	3,000	2,700
Equals: Excess itemized deductions	15,700	14,300	11,600
Adjusted gross income	60,000	61,900	54,827
Less:			
Exemptions	1,000	1,600	2,000
Excess itemized deductions	15,700	14,300	11,600
Equals: Taxable income	43,300	46,000	41,227
Memo: Zero-bracket amount	(2,300)	(3,000)	(2,700)
Income tax	[1] 11,075	[2] 11,424	[3] 9,632
Additional payroll tax	—	—	—
Total tax compared with current law	11,075	11,424	9,632
Marginal tax rate (percent)	42	30	28

[1] From 1984 tax law tables.
[2] Taxable income * * * times 14 percent.
[3] Taxable income * * * times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Married taxpayer No. 5]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income:			
Salary	$60,000	$60,000	$60,000
Long-term capital gains	40,000	40,000	40,000
Interest and dividends	20,000	20,000	20,000
Less:			
Capital gain exclusion	24,000		10,000
Dividend exclusion	200		
Wage exclusion			5,273
Plus:			
Employer-paid health		1,200	
Employer-paid life		600	
Equals: Adjusted gross income	95,800	121,800	104,727
Itemized deductions:			
Mortgage interest	14,400	14,400	14,400
Other interest	5,000	2,500	2,500
Property tax	3,000	3,000	3,000
Sales tax	1,200		
Income tax	7,000	7,000	
Total	35,600	31,900	24,900
Less: Zero-bracket amount	3,400	6,000	3,500
Equals: Excess deductions	32,200	25,900	21,400
Adjusted gross income	95,800	121,800	104,727
Less:			
Exemptions	4,000	5,200	8,000
Excess deductions	32,200	25,900	21,400
Equals: Taxable income	59,600	90,700	75,327
Income tax (and total tax)	[1] 15,016	[2] 24,786	[3] 17,957
Marginal tax rate (percent):			
Ordinary income	38	30	28/25
Capital gains	15.2	30	[4] 18.8

[1] From 1984 tax law tables.
[2] Taxable income less $6,000 ZBA times 14 percent, plus surtax (12 percent of AGI from $40,000 to $65,000, and 16 percent of AGI in excess of $65,000).
[3] Taxable income less $3,500 ZBA times 25 percent.
[4] Assumes temporary option permitting 25 percent exclusion of capital gain without indexing.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Single taxpayer No. 5]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income:			
Salary	$60,000	$60,000	$60,000
Long-term capital gains	40,000	40,000	40,000
Interest and dividends	20,000	20,000	20,000

BRADLEY-GEPHARDT PROVIDED EXAMPLE—Continued

[Single taxpayer No. 5]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Less:			
Capital gain exclusion	24,000	.....	10,000
Dividend exclusion	100	.....	.....
Wage exclusion	.....	.....	5,273
Plus:			
Employer paid health	.....	1,200	.....
Employer paid life	.....	600	.....
Equals: Adjusted gross income	95,900	121,800	104,727
Itemized deductions:			
Mortgage interest	14,400	14,400	14,400
Other interest	5,000	2,500	2,500
Property tax	3,000	3,000	3,000
Sales tax	1,000	.....	.....
Income tax	7,500	7,500	.....
Charity	5,000	5,000	5,000
Total	35,900	32,400	24,900
Less: Zero-bracket amount	2,300	3,000	2,700
Equals: Excess deductions	33,600	29,400	22,200
Adjusted gross income	95,900	121,800	104,727
Less:			
Exemptions	1,000	1,600	2,000
Excess deductions	33,600	29,400	22,200
Equals: Taxable income	61,300	90,800	80,527
Income tax (and total tax)	[1] 18,995	[2] 27,280	[3] 19,457
Marginal tax rate (percent):			
Ordinary income	48	30	28/25
Capital gains	19.2	30	[4] 18.8

[1] From 1984 tax law tables.
[2] Taxable income less $3,000 ZBA times 14 percent, plus surtax (12 percent of AGI from $25,000 to $37,500, and 16 percent of AGI in excess of $37,500).
[3] Taxable income less $2,700 ZBA times 25 percent.
[4] Assumes temporary option permitting 25 percent exclusion of capital gain without indexing.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Married taxpayer No. 6]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income:			
Salary	$60,000	$60,000	$60,000
Interest and dividends	60,000	60,000	60,000
Less:			
Dividend exclusion	200	.....	.....
Net interest exclusion	900	.....	.....
Wage exclusion	.....	.....	5,273
Plus:			
Employer paid health	.....	1,200	.....
Equals: Adjusted gross income	118,900	121,800	114,727
Itemized deductions:			
Mortgage interest	21,600	21,600	21,600
Other interest	5,000	2,500	2,500
Property tax	3,000	3,000	3,000
Sales tax	1,200	.....	.....
Income tax	7,000	7,000	.....
Charity	5,000	5,000	5,000
Total	42,800	39,100	32,100
Less:			
Zero-bracket amount	3,400	6,000	3,500
Excess deductions	39,400	33,100	28,600
Adjusted gross income	118,900	121,800	114,727
Less:			
Exemptions	4,000	5,200	8,000
Excess deductions	39,400	33,100	28,600
Equals: Taxable income	75,500	83,500	78,127
Income tax (also total tax)	[1] 21,678	[2] 23,778	[3] 18,657
Marginal tax rate (percent):			
Ordinary income	42	30	28/25
Capital gains	16.8	30	[4] 18.8

[1] From 1984 tax law tables.
[2] Taxable income less $6,000 ZBA times 14 percent, plus surtax (12 percent of AGI from $40,000 to $65,000, and 16 percent of AGI in excess of $65,000).
[3] Taxable income less $3,500 ZBA times 25 percent.
[4] Assumes temporary option permitting 25 percent exclusion of capital gain without indexing.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Single taxpayer No. 6]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income:			
Salary	$60,000	$60,000	$60,000
Interest and dividends	60,000	60,000	60,000
Less:			
Dividend exclusion	100	.....	.....
Net interest exclusion	450	.....	.....
Wages exclusion	.....	.....	5,273
Plus:			
Employer paid health	.....	1,200	.....
Employer paid life	.....	600	.....
Equals: Adjusted gross income	119,450	121,800	114,727
Itemized deductions:			
Mortgage interest	21,600	21,600	21,600
Other interest	5,000	2,500	2,500
Property tax	3,000	3,000	3,000
Sales tax	1,000	.....	.....
Income tax	7,500	7,500	.....
Charity	5,000	5,000	5,000
Total	43,100	39,600	32,100
Less: Zero-bracket amount	2,300	3,000	2,700
Equals: Excess deductions	40,800	36,600	29,400
Adjusted gross income	119,400	121,800	114,727
Less:			
Exemptions	1,000	1,600	2,000
Excess deductions	40,800	36,600	29,400
Equals: Taxable income	77,650	83,600	83,327
Income tax (and total tax)	[1] 26,843	[2] 26,272	[3] 20,157
Marginal tax rate (percent):			
Ordinary income	48	30	28/25
Capital gains	19.2	30	18.8

[1] From 1984 tax law tables.
[2] Taxable income less $3,000 ZBA times 14 percent, plus surtax (12 percent of AGI from $25,000 to $37,500, and 16 percent of AGI in excess of $37,500).
[3] Taxable income less $2,700 ZBA times 25 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Married taxpayer No. 7]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income:			
Salary	$200,000	$200,000	$200,000
Long-term capital gains	400,000	400,000	400,000
Interest and dividends	400,000	400,000	400,000
Less:			
Capital gains exclusion	240,000	.....	.....
Dividend exclusion	200	.....	.....
Net interest exclusion	900	.....	.....
Plus:			
Employer paid health	.....	1,200	.....
Employer paid life	.....	2,000	.....
Equals: Adjusted gross income	758,900	1,003,200	1,000,000
Itemized deductions:			
Mortgage interest	108,000	108,000	108,000
Other interest	100,000	50,000	50,000
Property tax	10,000	10,000	10,000
Sales tax	4,000	.....	.....
Income tax	100,000	100,000	.....
Charity	50,000	50,000	50,000
Total	372,000	268,000	218,000
Less: Zero-bracket amount	3,400	6,000	3,500
Equals: Excess deductions	368,600	262,000	214,500
Adjusted gross income	758,900	1,003,200	1,000,000
Less:			
Exemptions	4,000	5,200	8,000
Excess deductions	368,600	262,00	214,500
Equals: Taxable income	386,300	736,000	777,500
Income tax (and total tax)	[1] 174,550	[2] 263,312	[3] 193,500
Marginal tax rate (percent):			
Ordinary income	50	30	25
Capital gains	20	30	[4] 25

[1] From 1984 tax law tables.
[2] Taxable income less $6,000 ZBA times 14 percent, plus surtax (12 percent of AGI from $40,000 to $65,000, and 16 percent of AGI in excess of $65,000).
[3] Taxable income less $3,500 ZBA times 25 percent.
[4] After 10-year transition, taxpayer does not have option to exclude 25 percent of capital gain without indexing, which makes the rate 18.8 percent.

BRADLEY-GEPHARDT PROVIDED EXAMPLE

[Married taxpayer No. 6]

	1984 law	Bradley-Gephardt	Kemp-Kasten
Income:			
Salary	$200,000	$200,000	$200,000
Interest and dividends	800,000	800,000	800,000
Less:			
Dividend exclusion	200	.....	.....
Net interest exclusion	900	.....	.....
Wages exclusion	.....	.....	.....
Plus:			
Employer paid health	.....	1,200	.....
Employer paid life insurance	.....	2,000	.....
Equals: Adjusted gross income	998,900	1,003,200	1,000,000
Itemized deductions:			
Mortgage interest	180,000	180,000	180,000
Other interest	100,000	50,000	50,000
Property tax	10,000	10,000	10,000
Sales tax	4,000	.....	.....
Income tax	100,000	100,000	.....
Charity	50,000	50,000	50,000
Total	444,000	390,000	290,000
Less: Zero-bracket amount	3,400	6,000	3,500
Equals: Excess Itemized deductions	440,600	384,000	286,500
Adjusted gross income	998,900	1,003,200	1,000,000
Less:			
Exemptions	4,000	5,200	8,000
Excess itemized deductions	440,600	384,000	286,500
Equals: Taxable income	554,300	614,000	705,500
Memo: Zero-bracket amount	(3,400)	(6,000)	(3,500)
Income tax	[1] 258,550	[2] 238,232	[3] 175,500
Additional payroll tax	.....	.....	.....
Total tax compared with current law	258,550	238,232	175,500
Marginal tax rate (percent):			
Ordinary income	50	30	25
Capital gains	20	30	18.8

[1] From 1984 tax law tables.
[2] Taxable income less $6,000 ZBA times 14 percent, plus surtax (12 percent of AGI from $40,000 to $65,000, and 16 percent of AGI in excess of $65,000).
[3] Taxable income less $3,500 ZBA times 25 percent.●

SOVIET DAY OF SHAME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, on August 21, the people of Czechoslovakia and Americans of Czechoslovakian descent will commemorate the 16th anniversary of the 1968 invasion of Czechoslovakia by the Soviet Union.

On this day of Soviet shame, over 500,000 soldiers were sent by the Communists to the peace-loving Czech nation in order to suppress all moves toward freedom, liberty, and self-determination. This unprovoked act by the Soviet Union serves as a bitter and grotesque reminder to the world that there is no place for human freedom and human dignity in the ideology of the barbaric Soviet authorities in the Kremlin.

Today, Soviet brutality and inhumanity still rule in the captive nation of Czechoslovakia, and we, as Americans, must be persistent in our support for the Czechoslovakians' continuing efforts to achieve self-determination and freedom from outside domination.

At this point in the RECORD, I would like to share with my colleagues excerpts from an article by Mark Brandenburg, appearing in the April 23,

1984, edition of "The New Republic," which outline these efforts of the people of Czechoslovakia to break the yoke of oppression. The article follows:

UNDER THE ICE—CZECHOSLOVAKIA'S STIRRINGS OF REFORM

(By Mark Brandenburg)

Czechoslovakia today may be compared to a lake permanently covered by a thick layer of ice. On the surface nothing stirs. But under the ice things are on the move. In the West this subglacial movement is known, if at all, by the label "Charter 77." Charter 77 is often thought of as a dissident political organization. This it is not, and cannot be. The original Charter Declaration on January 1, 1977, proclaimed a "free, informal, open community of people of different convictions, different faiths, and different professions" united to work for the respect of human and civil rights. It emphasized that "Charter 77 is not an organization" and "does not form the basis of any oppositional political activity." Of course, these disclaimers were partly tactical, since to form *any* independent organization ("political" or not) is a crime in Czechoslovakia's lawbook. But there are more than sufficient reasons why Charter 77 has not in practice built the kind of organization that its Polish cousin, KOR, developed before August 1980. "KOR began where the Charter leaves off," one Chartist told me.

From the start, the Chartists were fiercely and systematically persecuted. Détente did not help to protect them as it helped to protect leading KOR members until 1980. Czechoslovakia's hard currency debt has never been so large as to provide a significant lever for the West. In the fall of 1979 the playwright Vaclav Havel and four other members of the Committee for the Defense of the Unjustly Prosecuted were themselves unjustly prosecuted and summarily convicted despite worldwide protests. Havel was released from prison only last year, seriously ill. He described to me the oppressive police surveillance under which he now lives: the threat of a house search hanging over him whenever he sits down at the typewriter; the knowledge that every visitor is photographed and every conversation is bugged; secret policemen following him wherever he goes—even into the sauna.

In the most recent example of Husak's justice, a 31-year-old worker, Jiri Wolf, was condemned to six years' imprisonment for "subversion." His offense: writing a letter to the Austrian Embassy about prison conditions. This is the longest sentence yet given to a Chartist and follows a previous sentence of three and a half years.

"Why bother to make trouble for yourself by saying these things out loud?" the philosopher and former Charter spokesman Ladislav Hejdanek was asked by his factory work-mates. "We all know them anyway." This lack of active support from the industrial working class—not to mention the prosperous agricultural workers—is the second reason Charter cannot follow the path of KOR.

A third, grave liability is the lack of protection from the Church. Since the Stalinist period, the majority Catholic Church has been persecuted, broken, and corrupted to an appalling degree. In the early 1950s all of its monastic orders were simply dissolved: some eight thousand of the country's twelve thousand monks disappeared into labor camps. Bishops, priests, and theologians were imprisoned for up to fifteen years. The minority Protestant Churches were co-opted or coerced.

Since then, all the clergy in Czechoslovakia have been, in effect, employees of the Communist state. Their salaries are paid by the government, which has a veto on all Church appointments. If a priest displeases the state by preaching "political" sermons, or simply by attracting too many young people to Church, he is forbidden to practice his vocation. That is why the man the Vatican appointed as Bishop of Hradec Kralove had to work as a milkman. In Poland the Catholic Church plays a great, independent role. In East Germany the Protestant hierarchy can do something to shield unofficial peace activists. But in Czechoslovakia the churches are crippled, and the most courageous priests are simply banned from the pulpit.

In these conditions it is a miracle that the Charter has survived at all—like a candle burning underwater. It has done so thanks to the extraordinary fortitude of people like Vaclav Benda, a Catholic intellectual who, emerging from four years' imprisonment, has once again taken up the job of Charter spokesperson (one of three), despite illness and reprisals against himself and his children. Benda, a stout, bearded man in his mid-30s, admits that the ranks of the thousand-odd signatories of the Charter have been depleted by emigration, imprisonment, and sometimes resignation. Nonetheless, the eight-year-old Charter can claim to be the longest-lived human rights movement in Eastern Europe, and he quotes his first spokesman, Jan Patocka: "This is not a battle but a war." The Chartists, he says, have served as the "front line," behind which hundreds of newcomers have quietly joined the ranks of nonconformity.

Who knows how many people are seated at their typewriters every evening, typing out a manuscript with ten carbon copies, for *samizdat* distribution? Judging by the quantity of *samizdat* I saw in my visit, it must be hundreds, if not thousands. After 1968 the Czech lands became what Milan Kundera called a "literary Biafra." Virtually all the best contemporary Czech writers are published only in *samizdat.* And besides the *samizdat,* there are unofficial seminars and discussion groups. For obvious reasons of secrecy, no one person has an overview of this miniature counterculture; but its main concerns are visible.

The Chartists are trying to salvage Czech history from the regime of forgetting. In the study of a former professor of literature, I noticed a fine bust of Thomas Masaryk, President of the pre-war Czechoslovakian Republic. He explained that the bust was commissioned for his university in 1947. After the Communist takeover in 1984 it could not be exhibited. "So I am keeping it in trust until it can be returned to its proper place." Only recently, he told me, the citizens of Nove Mesto woke up one morning to find their statue of Masaryk gone from the main square. "The spot was already half paved over." Another blow for the President of forgetting. But wherever I went, in private flats I found busts of Thomas Masaryk.

The Czechs are intensely proud of their inter-war democracy, which they justly claim was unique in Central and Eastern Europe. Yet the counterculture is distinguished by a fiercely self-critical approach to that history. "We regard the expulsion of the Sudeten Germans in 1945 (under Benes) as the first act of totalitarianism in our country," one passionate Czech told me. To most Western observers, the three national tragedies of Czechoslovakia—1938 (Munich), 1948 (Communist coup), and 1968 (Warsaw Pact invasion)—seem to have been events beyond the Czech's control: our fault in 1938, the Russians' (and ours') in 1948, the Russians' in 1968. But they ask: What could Masaryk, Benes, or Dubcek have done to prevent it?

Predictably, the closer the event the fiercer the controversy, so 1968 is the subject of fierce polemics between Chartists. Ex-party members are the tightest single group within the Charter, and many of them still cherish the hope of 1968: that change must come through the party. Consequently, these self-styled "Eurocommunists" insist on the necessity of "dialogue" with the Communists in power—their former comrades. However, as one ex-Communist wryly remarked, "the only 'dialogue' I have is with my interrogator." "Please don't imagine I have any illusions about the dialogue," Dr. Jiri Hajek, Dubcek's foreign minister in 1968, hastened to assure me. He no longer expects any major political results from talking to the party; but he does think this dialogue would be a stimulus and example to society at large.

Non- and anti-Communist Chartists call these residual hopes residual illusions. But they do not yet have any alternative political strategy. Where the Eurocommunists think in terms of power and diplomacy, they think in terms of metaphysics and theology. The difference is nicely illustrated by the underground (or subglacial) debate about peace. On this issue the range of opinion among Chartists is as wide as in the West. I met both passionate Reaganauts and passionate supporters of Western "peace movements." But whereas the Eurocommunists, like Western peaceniks, pose direct political questions—what is to be done? which argument will persuade whom?—the non-Communists argue at a deeper level.

Of course, the Chartists see that a Czech Solidarity is as likely as a fire under ice. But they also see that the development of the *samizdat* counterculture and the growing alienation of private opinion, combined with economic and political stagnation, have begun at least to make the ice mushy on the underside. If ever a real thaw comes—from above? after change in Moscow?—they will be ready with their busts of Thomas Masaryk, their editions of Franz Kafka, and their memorials to Jan Palach. They know from their own experience in 1968, and from the Polish experience in 1980-81, how suddenly a country which seems atomized, apathetic, and broken, can be transformed into an articulate, united civil society. How "private opinion" can become public opinion. How a nation can stand on its feet again. And for this they are working and waiting, under the ice.

In commemoration of the Soviet day of shame, I join with Americans of Czechoslovakian descent in the 11th Congressional District of Illinois which I am honored to represent, and all over this Nation, as we pause to pay tribute to the brave men, women, and children of Czechoslovakia who must daily live under this persecution, and we renew our strong commitment to the rights of the Czechoslovak people in their efforts to determine the course of their own destiny free from Communist domination.●

THE CASE FOR A COMPREHENSIVE EMPLOYMENT STRATEGY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

● Mr. STARK. Mr. Speaker, the good news of America's recovery from the 1981 recession has obscured the bad news that 8.5 million American workers are still on the economic sidelines—fully 7.5 percent of the work force. Further, based on the July 1984 estimates of the Bureau of Labor Statistics, nearly 1.3 million people are discouraged workers who want to work but have given up trying to secure employment because of consistent failure in finding another job.

The drop in unemployment we have experienced since the 1981 recession has still left most manufacturing industries—smokestack industries—far from the prerecession unemployment levels. The current modest recovery masks the ever-increasing shift in the industrial base of America away from many areas of the traditional manufacturing sector of our economy toward an expanding high-tech-oriented service sector. We have a long way to go to meet the goal of a truly full employment economy.

When discussing unemployment in the United States today, a distinction must be made between cyclical and structural unemployment. Cyclical unemployment is "normal" unemployment resulting from an economic downturn. The new "structurally unemployed"—the growing ranks of skilled, middle class workers whose jobs have been wiped out by imports, obsolescence, and the restructuring of American industry—are those who remain unemployed even when the economy is in recovery.

While a recovery will tend to reduce or "solve" the cyclical unemployment problem, it does little or nothing for the structurally unemployed—the middle-aged and older workers stuck with obsolescent job skills. And the structural unemployment problem is getting worse. For example, a 1981 study at the Carnegie-Mellon University concludes that by 1990 the use of cybernetics alone could cut the manufacturing work force by 3.8 million, a figure corroborated by researchers at the Arthur D. Little consulting firm.

Several solutions have been proposed by both economists and employment policy planners alike to reduce both types of unemployment: targeted jobs tax credits, a subminimum wage, the Job Training Partnership Act, creating individual training accounts, and a public works program, among others.

Another idea is my proposed H.R. 5748, the "Unemployment Insurance and Adjustment Assistance Act of 1984". This bill would provide for 3-year demonstration projects in two States of provisions under which unemployed individuals could elect to receive training, education, and relocation assistance in lieu of certain extended or other additional unemployment compensation benefits.

Unemployment insurance is often inadequate for the growing number of Americans who are displaced from their traditional jobs by the robotization of our manufacturing sector (estimated to reach at least 10-15 million people by the year 2000, according to Pat Choate, a policy analyst with TRW, Inc.). A continued extension of Federal Supplemental Compensation and other unemployment insurance benefits are shots of painkiller, but do little for the vast majority of those workers who are willing and able to participate in programs to help them find jobs.

For millions of Americans, the current unemployment insurance system (far from being the "prepaid vacation for freeloaders" that President Reagan claimed—in an interview with the Sacramento Bee, April 28, 1966—while Governor of California and has consistently upheld in his policy actions since his inauguration) provides a meager allowance that disguises the fact that they—and their government—need to design a comprehensive employment strategy. The development of a viable, cohesive, and coordinated total labor adjustment policy is essential to the future not only of these workers, but to the economic survival of the United States.

The Business-Higher Education Forum addressed this point in a newly published report ("The New Manufacturing: America's Race To Automate", June 1984) wherein its authors observed that, "to insure that America's workers—the Nation's single most valuable economic resource—are adequately trained and educated, the United States must develop and implement a national strategy for education, training and retraining at all levels."

Among the issues which must be addressed in creating a comprehensive labor adjustment policy are:

1. Large distortions in international exchange rates.

2. New technologies to make American industries more competitive.

3. A "fair" trade policy for U.S. exporters and for foreign imports into the United States.

4. The unemployment caused by a more technologically oriented economy.

5. The matching of new skills and occupations with emerging jobs in rapidly developing computer-based industrial and service sectors.

6. The creation of education, training, and retraining programs focused more to future job market needs than to those of the past.

It is in these last three areas where I believe the House Ways and Means Subcommittee on Public Assistance and Unemployment Compensation can play a leading role. We do not have the luxury of addressing these issues as if they existed in a vacuum, each a distinct problem in and of itself. This has historically been the way we address unemployment. By new problems must be responded to in new ways. We cannot afford to have Ways and Means look at one aspect, hoping Education and Labor covers a second, while neither adequately addresses the total unemployment picture.

By the latest Census Bureau estimates, 15.2 percent of Americans were living in poverty in 1983—a disturbing jump of 0.2 percent over the previous year. To break the cycle of poverty and unemployment, we must enact legislation which coordinates extended unemployment insurance with retraining and relocation programs, and we must do it now. A massive program of retraining, education, and relocation must be undertaken to get these new generations of unemployed workers back on their feet again.

Clearly, the economy now is creating new jobs, but not necessarily requiring the same skills possessed by the currently unemployed nor located in the same regions where large numbers of structurally unemployed workers live. While it is true that a certain percentage of the jobs lost to high-tech modernization might be regained, a majority of those getting a new occupation will be working for substantially less pay in a service oriented job. We must also face up to the sobering fact that some jobs are gone forever.

It is to this reality that we must orient our policymaking vision. Hopefully, the Congress will have the clarity of perception and foresight to solve this critical problem facing not only American workers, but the Nation as a whole. One of the most secure ways to accomplish this is through the rigorous application of a program of training, education, and relocaton assistance for those workers who opt to utilize this comprehensive labor adustment strategy.●

TRIBUTE TO SENIOR COMPANION PROGRAM IN KENTUCKY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. HUBBARD] is recognized for 5 minutes.

Mr. HUBBARD. Mr. Speaker, I rise today in tribute to the Senior Companion Program in Kentucky. I am pleased to have this opportunity to salute the 3,500 low-income men and women over age 60 who act as senior companions to other senior citizens with special needs for the purpose of providing them with unique and special services.

These dedicated individuals selflessly volunteer their time to provide assistance to others by arranging transportation for elderly citizens, by helping them to prepare meals, by reminding them to take medication, and by assisting elderly patients during their periods of hospitalization as well as when they are discharged to their homes.

Perhaps most importantly, however, the volunteers in the Senior Companions Program provide invaluable companionship and friendship to their elderly clients, and gain for themselves the satisfaction that comes with helping the less fortunate.

I am especially pleased at this time to recognize the Senior Companions of the Audubon Area Community Services, Inc., who serve the counties of Christian, Daviess, Henderson, Hopkins, Lyon, McLean, Muhlenberg, Ohio, Trigg, Union, and Webster, in the First Congressional District of Kentucky. In 1983-84, this exemplary program supported 109 volunteers serving 402 clients with a total of 92,040 service-hours.

On August 27, 1984, the Audubon Area Community Services 1984 Volunteer Recognition Day Luncheon will be held in Owensboro, KY, as part of the local celebration to honor the senior participants in the program as well as the service and success of individual county projects.

Although the Congress will be in recess on August 27, I want to take this opportunity today to commend our Senior Companions in Kentucky for the fine services they provide to their fellow senior citizens. It is, indeed, an honor and a pleasure for me to recognize their outstanding work, and I wish them continuing success in the coming years.

ALCOHOL ABUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 60 minutes.

● Mr. BROWN of California. Mr. Speaker, alcohol abuse is prevalent in our society, yet far too few people understand either the dangers or causes. Few people worry about those people involved in "drinking contests" until they are found dead the next morning, having "slept it off"; few realize that consuming merely two beers within an hour—for a man of average weight—may cause a 25-percent impairment in driving ability; few are aware that for a sizable minority alcohol is addictive; and few women know that fetal alcohol syndrome is the third most common cause of birth defects.

Scientifically we know many of the dangers of alcohol abuse, but what makes some people more susceptible than others? Some of it is due, no doubt, to cultural and religious backgrounds. There are many Seventh-day Adventists and Mormons in my district, and I have long admired both religions' commitment to better health, including abstaining from alcohol. Both organizations actively promote alcohol education. For the Adventists, the basic priniciples regarding the nature and danger of alcohol were revealed to the church more then 100 years ago through Ellen G. White, whom the church considers divinely inspired. The truth of her revelations are now being confirmed by science and research.

More than 150 years ago, Joseph Smith, the prophet and founder of the Church of Jesus Christ of Latter-day Saints, received what believing members of their church regard as a revelation from God known as "The Word of Wisdom." The Word of Wisdom enjoins the use of alcoholic beverages, tobacco, and other harmful substances.

At this time, I would like to insert two letters I received from Francis A. Soper of the Seventh-day Adventists and Richard P. Lindsay of the Church of Jesus Christ of Latter-day Saints regarding their churches' position on alcohol consumption, and the health benefits they derive from adhering to these convictions.

GENERAL CONFERENCE OF
SEVENTH-DAY ADVENTISTS,
Washington, DC, June 28, 1984.

Congressman GEORGE BROWN,
Rayburn Building—Office 2256,
Washington, DC.

DEAR CONGRESSMAN BROWN: This letter is being written in response to a suggestion by our mutual friend William Plymat that I convey to you an idea of the contribution Seventh-day Adventists have made through the years on alcohol education. I'm writing this from Andrews University while teaching a graduate course in our Seminary to help train our church pastors to make a contribution in this very subject in their respective communities when they complete their courses.

From their very beginning Seventh-day Adventists have been active in various phases of healthful living, both for their own adherence and for the community in general. They consider the human body and mind to be the temple of the Holy Spirit, to be held sacred and protected from inroads of unhealthy practices or habits.

For this basic reason, the church has ever been active in educational programs to encourage the nonuse of alcohol and other drugs. The nonuse of alcohol is a matter of church fellowship. No one is accepted into church membership if it is known that he is an alcohol user.

Basic principles regarding the nature and danger of alcohol were revealed to the church more than a hundred years ago through Ellen G. White, whom the church considers divinely inspired. The truth of her revelations are now being confirmed by science and research.

For church adherence, continuing efforts are put forth to establish members in these convictions, beginning at a very early age, even in elementary school. School temperance chapters are active at each educational level, sponsoring projects and programs for student initiative. Visual aids, films, and literature are provided for this purpose. Students are also organized and instructed how to present educational programs in other schools and community groups, to encourage further a positive life-style.

The church has as one of its major organizational units the Department of Health and Temperance to oversee and direct this phase of its ministry worldwide.

In a major continuing outreach to the public regarding alcohol education, the chruch has produced several documentary films such as, "Just One," "Verdict at 1:32," and "Crutch for All Seasons." These have been used in many countries and translated into major languages.

Publications too are a major part of the contributions Seventh-day Adventists have played in alcohol education. Particularly outstanding is Listen magazine, a colorful monthly, especially youth slanted, portraying the positive-alternative life-style in a contemporary format. This journal is used as curriculum-aid material in some 30,000 schoolrooms across the country. For the elementary level is the The Winner. It's evident these days that pressures toward the use of alcohol (we don't agree with such words as "misuse" and "abuse" since these words intimate that there is a use of alcohol that's perfectly safe) begin now at a very early age. Other types of literature in the form of books, brochures, and charts are also widely used.

In many areas the church has actively initiated or supported efforts to deal with the drunk-driver problem and has cooperated to develop measures to restrict, control, or regulate alcoholic beverages.

The church is increasingly becoming involved in helping alcoholics. Several of our health-care centers are sponsoring treatment facilities, cooperating with community health agencies. Also, a chain of treatment clinics is being established for the express purpose of aiding the victims of alcohol.

In addition, the church has taken considerable intitiative in sponsoring national and international organizations to further educational and research programs on alcoholism and drug problems, such as the International Commission of the Prevention of Alcoholism (ICPA), which has organized four world congresses on the subject and is looking forward to a fifth one to be held in Rio de Janeiro this August. Several countries have national committees as affiliates of the ICPA. These hold annual seminars to train leaders and educators in the prevention field.

All in all, Seventh-day Adventists have through the years made a major contribution to alcohol education, both in the church and outside its church ranks, in the strong conviction that sober people make better citizens of this world and of the next and can live much better and safer lives for themselves, their families, their community, and their country.

I trust, Congressman Brown, that this is along the line you had in mind in talking with Mr. Plymat.

Sincerely,

FRANCIS A. SOPER,
Associate Director.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, PUBLIC COMMUNICATIONS DEPARTMENT,

Salt Lake City, UT, June 29, 1984.

Hon. GEORGE E. BROWN, JR.,
Rayburn Building,
Washington, DC.

DEAR CONGRESSMAN BROWN: We are writing this letter to share with you the history and position of The Church of Jesus Christ of Latter-day Saints (Mormon) concerning the consumption of alcoholic beverages.

More than 150 years ago, in February 1833, Joseph Smith, the prophet and founder of The Church of Jesus Christ of Latter-day Saints, received what believing members of our church regard as a revelation from God known as "The Word of Wisdom." This revelation outlines a health code which faithful Mormons have followed since that time.

The Word of Wisdom enjoins the use of alcoholic beverages, tobacco, and other harmful substances. It contains this promise to all who follow it:

"And all saints who remember to keep and do these sayings, walking in obedience to the commandments, shall receive health in their navel and marrow to their bones;

"And shall find wisdom and great treasures of knowledge, even hidden treasures;

"And shall run and not be weary, and shall walk and not faint." (Doctrine and Covenants 89:18-20)

While not all members of our church observe this health code, the majority do. The results of this are reflected, at least in part, in Utah statistics concerning the leading causes of death. In Utah, Mormons constitute approximately 70 percent of the state's population. While these statistics do not reflect religious affiliation or the level of religiosity, they are, nonetheless, noteworthy.

According to death rate statistics published in the Statistical Abstract of the United States—1982-83, Utah ranked: 48th in diseases of heart, 50th in malignant neoplasms, 49th in cerebrovascular diseases, 31st in accidents, 49th in pulmonary diseases, 42nd in pneumonia/flu, 39th in liver disease and cirrhosis, and 49th in arteriosclerosis.

Concerning the use of alcohol, Utah consistently ranks at or near the bottom in per capita consumption.

For example, according to a February, 1984 report of the Alcohol Epidemiologic Data System (AEDS), Utah was 50th among the states in per capita consumption in gallons of absolute alcohol for the four-year period 1979-1982.

The Church of Jesus Christ of Latter-day Saints has gone on record with the following recommended deterrents to the tragic impact on homes and family relationships resulting from alcohol abuse:

1. Promote further restrictions on the sale and distribution of alcoholic beverages;

2. Maintain and/or reinstitute the 21-year age requirement for legal sale or consumption of alcoholic beverages;

3. Promote restriction of the allowable modes and population targets of beverage alcohol advertising, especially for minors;

4. Legislatively discourage the profit-motive associated with the manufacture and sale of alcoholic beverages;

5. Provide a more strict enforcement of laws designed to discourage or restrict alcohol use, particularly those relating to liquor sales and driving under the influence;

6. Promote creative family-centered educational opportunities directed at the prevention of alcohol abuse. Abstinence should be included as a positive alternative in abuse prevention;

7. Promote the development of social priorities which will strengthen the place of families in the community and allow or encourage parents to assume rightful responsibility for their children.

We are pleased to respond to your request for us to express our views on this most important issue.

Yours sincerely,

RICHARD P. LINDSAY, Ph.D.,
Managing Director.

Unfortunately, most of us do not have the moral fiber to abstain entirely from alcohol. So the question still remains: Why are some people more susceptible to alcoholism than others? Some of the answers are contained in a recent article by William N. Plymat, Sr., executive director of the American Council on Alcohol Problems, in its spring publication, The American Issue. Mr. Plymat's years of study have brought him to the conclusion that a comprehensive program utilizing successful approaches such as those used by Alcoholics Anonymous, aversion conditioning, and nutritional therapy has the best chance of success.

Incorporated into this approach must be an understanding of our biological susceptibility. We know that alcoholism is a disease, but Mr. Plymat informs us of other biological factors important to our understanding of alcoholism. Genetic background, liver damage, and immaturity of the hypothalamus, among other factors, may contribute to one's level of susceptibility to alcohol. I commend to my colleagues Mr. Plymat's article, which is of importance to our understanding of a health problem costing society more than $100 billion annually:

[From the American Issue, April-June, 1984]

ALCOHOLISM—WHAT IS IT? WHAT ARE ITS CAUSES? WHAT CAN BE DONE TO ARREST IT?

(By William N. Plymat, Sr.)

Over a period of several decades I have observed, studied, and researched the problem of alcoholism. During those years my understanding of alcoholism evolved as I accumulated new facts and opinions. I have often spoken and written on the subject, yet on each such occasion I have had some new piece to fit into the puzzle. Today I view alcoholism as a condition about which a great deal is known, yet for which there is no agreed-upon definition, no agreed-upon cause, and no agreed-upon cure. There is general agreement, however, with regard to symptoms and consequences.

Alcoholism can be measured by the volume of alcohol consumed and consequent physical damage to major organs of the body, and by patterns of behavior destructive to one's relationships and profession. We know that most alcoholics experience "blackouts," loss of memory with regard to periods of time when others saw nothing amiss in the individual's conduct. Alcoholics, for example, may encounter friends who remark, "What a time we had last night." The friend may describe events that transpired of which the alcoholic has absolutely no recollection. In fact, at that moment the alcoholic may be desperately trying to remember where he parked his car. We also know that a majority of alcoholics are employed during most of their drinking career, and therefore that alcoholism is not totally debilitating during all phases of its development. Alcoholism is progressive, usually requiring ten or more years of increasingly heavy consumption before complete disfunction results.

We know that there are various types of alcoholics—those who consume large quantities of alcohol within short time periods each day, those who have relatively low blood alcohol levels 16 hours a day, and those who may remain abstinent for months before a week-long "bender."

IS IT A DISEASE?

Alcoholism is now widely accepted as a disease or illness, and has been defined as such by the medical profession. Yet doctors usually stop short of declaring alcoholism to be either a disease of the mind or body. The safest opinion is that it is both. The notion that alcoholism arises from lack of will power, irresponsibility, etc., has become passe. Yet if alcoholism is a disease, what is its cause? Diseases, by definition, must have causes.

CHARACTER DEFECTS

Alcoholics Anonymous, the oldest and most widely recognized method of recovery, stresses the ten common character defects observed in alcoholics. Since AA has been a genuine source of sobriety for thousands, it is easy to reach the conclusion that AA's form of "head shrinking" goes to the heart of the problem. AA is effective, for some, but its success may be due to the fact that its group process taps inate human strengths, rather than to any accuracy of diagnosis. Alcoholism may have little to do with character defects. The "psychopathic" defects observed in alcoholics may be symptoms, not causes. Certainly the alcoholic's "stinking thinking," as defined by AA, is real. But that thinking maybe a consequence of repeated efforts to rationalize behavior caused by other factors.

PHYSIOLOGICAL CAUSATION

It has been observed that alcoholism "runs in families," that children of alcoholic parents, raised in foster homes without knowledge of their genetic inheritance, often develop similar problem-drinking patterns. It has been documented that certain ethnic groups—Native Americans, the Irish and Scandinavians—have disproportionate susceptibility to alcoholism, while other populations—Orientals and Arabs for instance—experience negligible addiction potential. Some of these observations have been questioned by members of the various ethnic groups. They feel unfairly stigmatized, and point to cultural differences, socio-economic conditions, etc., to account for their population's alcohol problems. It is true that there are greater differences between individuals than between groups of any kind, yet the ethnic connection is supported by studies of individuals with particular ethnic backgrounds who are transplanted to other cultures.

I feel that physiology is the most likely cause of alcoholism, at least in the majority of cases. But scientific findings point in many different directions. Perhaps, since there are various alcoholic types—as defined by drinking behavior—there may be equivalent types of causation.

THE HYPOTHALAMUS

Dr. Jorge Valles, MD, was once director of research and treatment programs for the Veterans Hospital in Houston. He also served as Clinical Assistant Professor of Psychiatry at Baylor University's College of

Medicine. In his book, "From Social Drinking to Alcoholism," he contends that alcohol addiction is largely due to the sensitivity of the hypothalamus, the portion of the brain that controls the autonomic nervous system. He also states that the hypothalamus is immature until approximately the age of 21, and that teenagers run a higher risk of addiction the earlier they begin drinking. The hypothalamus hypothesis may explain the "instant alcoholic," the individual who enters into an addictive consumption pattern with the very first drink.

HYPERINSULINISM

E. M. Abrahamson, MD, and A. W. Pezet are authors of the book, "Body, Mind and Sugar." They propose that alcoholism may be linked to the body's over production of insulin. They note that there are few diabetic alcoholics and that the symptoms of a hangover are similar to those of hyperinsulinism in its most definitive forms. Grassroots observation largely confirms the sugar connection. In at least 40% of recovered alcoholics a pronounced craving for sweets develops following sobriety.

THE DAMAGED LIVER

It has been observed that social drinkers, with no previous alcoholic pattern, frequently become alcoholics following liver damage from hepatitis or toxic exposure to a chemical such as carbon tetrachloride. In laboratory experiments mice were offered liquid diets of water and diluted alcohol. Control groups preferred water. Mice with damaged livers preferred alcohol. We know that cirrhosis of the liver is a common cause of death in alcoholics and that the onset of the disease is directly related to the quantity of alcohol consumed over a period of years. Since alcoholism is often preceded by years of progressively heavy social drinking, perhaps the final descent into addiction is directly related to cumulative liver damage.

INHERITED KIDNEYS

Research has discovered at least one biological mechanism that directly corresponds to observations of ethnic susceptibility. It is known that different ethnic groups "process" water differently. Races long resident in desert climates have kidneys that minimize the loss of fluid, while races bred in wet tropical or temperate zones pass liquid more quickly. In experiments with desert and arctic foxes it was found that alcohol intake had demonstrably different effects. Desert foxes quickly became sleepy, a defense against dehydration. Arctic foxes, accustomed to plentiful water supplies, behaved as though alcohol were an irritant. The diuretic action of alcohol caused a "revolving door" increase in liquid consumption. This theory is supported by observation of social drinking. A few drinks will make non-alcoholics sleepy, while the same dosage seems to arouse thirst mechanism of alcoholics. There seems to be more at work than mere alcoholic tolerance. Certainly heavy drinkers have developed higher intoxication thresholds. They have learned to "hold their liquor." Yet there is a wide range of tolerance to the sedative action of alcohol.

OTHER FACTORS

It has been documented that the incidence of color blindness in alcoholics is greater than in the general population. Similarly, an unusually large proportion of alcoholics have blood type A. Compared with control groups, alcoholics have been found to have abnormalities in adrenal gland function and regulation of blood pressure. There are fewer bald male alcoholics than should be expected given the general prevalence of baldness. Liver enzymes differ, as do the end products of amino acid digestion. These unconnected discoveries cannot easily be fitted into a clear pattern of alcoholism causation, but they lend credence to the belief widely held by researchers that several, perhaps many, biological differences exist between alcoholics and their social-drinking or abstaining counterparts. It is likewise uncertain whether these differences are causes or consequences of alcoholism. Since they are statistically significant distinctions, mere coincidence can be ruled out.

ADDICTION

There is no question that alcohol is an addictive drug. Pharmachologically, alcohol is a depressant and shares many of the attributes of the minor tranquilizers—Valium for instance—and the major sedatives—the barbiturates. Alcohol addiction is similar to heroin addiction. Increasingly large doses are required to attain intoxication. Withdrawal is accompanied by hallucinations and extreme physical discomfort, and in extreme cases life-threatening convulsions. Large doses of both drugs depress respiration resulting in death. Clearly, the depressant actions of alcohol are equivalent to the actions of other chemicals knows to be physically addicting. everyone knows that a person of strong moral fiber may become "hooked" on a physically addictive drug.

Complete physical addiction, however, may only be an extreme form of the disease. The threshold at which one may be said to be alcoholic is considerably below that at which delirium tremens occur. Alcohol dysfunction, in terms of inability to maintain family relationships and professional performance, occurs at levels far below those that require hospital-ward detoxification.

Drug addiction involves psychological as well as physical dependence. It is possible to become addicted to marijuana, for example, even though the drug possesses no physical-dependence properties. The perimeters of psychological dependence include various degrees of distress, unease, agitation, and anxiety when the drug is removed. All these are features of alcohol dependence.

Thus, it is possible that many alcoholics suffer none of the character defects outlined by AA. They may belong to none of the susceptible ethnic groups. They may have normal sugar metabolism, normal hypothalmic insensitivity, and may trace their ancestry to a dry climate. In short, they may fit none of the stereotypes. They may merely react compulsively and addictively to the pleasurable physical and emotional sensations that result from the effect of alcohol on the brain.

People take psychoactive drugs because the effects are perceived as pleasurable, stimulating, or in some way rewarding to the psyche. There is a natural motivation to repeat behavior that results in pleasure, and this motivation is linked to the subconscious mind. While Freud was investigating the causes of aberrant behavior, searching for obscure youthful experiences to account for adult traumas, Pavlov was discovering the "conditioned reflex." Today, psychologists are divided into one or another discipline. Freudian psychiatrists delve exhaustively into the reasons for emotional maladies, probing often for years into the illusory roots of mental disorders. The behaviorists are not much concerned with discovering the deep-seated mysteries of the mind. Their objective is to effect a beneficial change in behavior, which they believe can be accomplished by negating the harmful "learned" response.

The Freudian question, "Why do you hate your mother?" has little if anything to do with alcoholism. The conditioned-reflex approach is much more pertinent to recovery from abusive behavior. Alcoholics may consciously admit to a realization that alcohol is killing them without being able to erase the subconscious programming that perpetuates their drinking behavior. Increasingly it is being recognized the behaviorists have better tools to arrest this disease process.

FINDING SOBRIETY

There are countless facilities that offer recovery programs for alcoholics. Insurance companies that provide employee group benefits recognized long ago that by funding alcoholism programs they could ultimately reduce medical claims. The sooner an alcoholic can be "cured" the less the insurance company will pay out in the long run to treat the consequences of prolonged drinking. This sensible attitude on the part of insurance companies has led to creation of hospital units that specialize in detoxification and counseling. In addition, there are hundreds of tax-supported public institutions that attempt to deal, often inadequately, with alcoholism in their communities.

Most alcoholism programs rely heavily on some variation on the Alcoholics Anonymous theme. AA stresses the "12 Steps" to spiritual redirection, a system that ignores biological causation and deals only with the individual's desire to recover. It is recovery via role model, with the recovered alcoholic saying to the unrecovered, "You can do it because I did." This peer process is effective because the example of those who've succeeded demonstrates to the alcoholic that recovery is possible, something he was not previously prepared to accept.

When AA principles are applied by doctors, nurses, and counselors the effects are scarcely the same. The alcoholic believes, justifiably, that the therapist lacks a real understanding of what living with alcoholism is all about. The "jawboning" that comprises most alcoholism programs is hopelessly inadequate, yet that is all that is generally available in most parts of the country. Some hospitals can point to limited success, but generally the figures are not encouraging.

I investigated one publicly funded alcoholism hospital program in my own community and found that in one year there were 1623 admissions. Of these, 547 were new admissions. The remaining two-thirds were readmissions, with an incredible 514 of those individuals having already been through the mill at least four times previously. The hospital had no records to show the long-term success rate of its program.

Some public, tax-supported institutions may be even worse. Those entering hospital programs often have employers and families who are supportive, and insurance to cover the cost. The individual has considerable motivation to succeed, and it is likely that whatever success is achieved is due to those outside influences. The patient or "client" at a public facility is, in effect, a charity case. The chances for recovery range from slim to none.

The "revolving door" syndrome is a sad commentary on the inadequacies of the medical and social service professions. The hospital program I investigated had treated one patient no less than 47 times, and while

that person could be "dried out" for 30 days at a time, no lasting recovery was achieved.

It is essential that both private and public institutions begin to investigate the handful of recovery programs with demonstrable success rates. The best programs are those that recognize the biological mechanisms and make effective use of scientific principles.

AVERSION THERAPY

If it is true that alcoholism is a drug addiction involving a subconscious conditioned reflex, and if the biological-genetic-hereditary mechanisms are valid, then successful intervention requires a treatment modality that encompasses relevant behavior modification techniques.

Aversion therapy is one such method. It has been employed successfully for nearly fifty years by the Schick-Shadel Hospital in Seattle, and in recent years by two companion hospitals in Santa Barbara and Fort Worth operated by Schick Laboratories; which have treated over 30,000 patients. New patients at the Schick-Shadel Hospitals receive a complete medical "workup." If detoxification is required the treatment process is delayed until the patient is entirely drug free. Medical services are provided to begin correcting malnutrition and other debilitating effects of addiction. These services are similar to, though generally more comprehensive, than those employed by most hospital programs.

When the patient is ready to begin the counterconditioning regimen he is introduced to "Duffy's Tavern," a room in which he can order his favorite drinks. The walls are lined with scores of liquor bottles. Wine and beer are available along with expensive champagne. Whatever the alcoholic is accustomed to drinking, he can get it at "Duffy's."

However, before ordering his first libation the alcoholic receives an injection of emetine, a nausea inducing drug. He is instructed to smell the fragrance of the drink in his hand, imprint the taste on his pallet, and swallow. As the drink reaches the stomach it is automatically sent back the way it came, into a basin in front of the patient. The wave of nausea is brief, but it has a significant impact on the subconscious mind. Conditioned reflexes are being reprogrammed, cancelled out, and replaced with new subconscious associations.

The idea of aversion conditioning is difficult for some to accept, because it defies conventional logic. The fact is that conditioned reflexes have nothing to do with logic. Why, one may ask, does a hangover not serve to imprint negative associations on the subconscious. The answer is that a hangover is a "next-day phenomenon" removed in time from the positively associated state of intoxication immediately resulting from the drinking episode. The hangover is a function of the conscious mind.

At "Duffy's Tavern" the process is repeated with a variety of the patient's preferred alcoholic beverages until the aversion reflex is sufficiently strong to deter drinking in the post-treatment environment. The pro-alcohol conditioned reflex is built and strengthened over a period of years, so the five days spent at "Duffy's Tavern" cannot entirely obliterate it. Yet the anti-alcohol associations are more immediately fixed in the subconscious mind. The patient who decides to drink again can break through the aversion, but the fact is that many individuals simply lose the desire to drink.

The Schick-Shadel Hospital program also includes sodium pentothal interviews, a deep-sleep therapy that allows for the implanting of suggestions that operate in a fashion akin to post-hypnotic suggestions. Pentothal is another method of reaching the subconscious, where the real desire to drink is lodged.

Another feature of the Schick-Shadel program, and one whose impact should not be overlooked is the orientation lecture delivered by the medical director of each hospital. In that lecture the physican outlines many of the biological mechanism theories I've described in this article. Almost without exception the receiving of this information by the patient is an arresting, revealing experience. Watching the faces of patients seated in the hospital lecture hall, one can witness a remarkable transformation. Their expressions range from shock and astonishment to nodding agreement with ideas they'd long held, things they'd suspected about themselves but never heard expressed.

During these lectures, the patient realizes for the first time that he is not a "bad person." He attains a new awareness, one that is clearly therapeutic. Guilt reinforces hopelessness, and the divesting of guilt, if combined with a workable alternative, allows self-forgiveness and positive motivation. One of the accomplishments of the Schick-Shadel program is a renewed sense of selfworth. That leads to good feelings, and the conditioned reflex mechanism requires that behavior resulting in good feelings be repeated.

The Schick-Shadel hospitals employed an independent research organization to conduct follow-up interviews with a random sample of their patients. Those who had been treated at Schick-Shadel from 13 to 24 months previously were found to have a 72% rate of success, as measured by continuous total abstinence.

NUTRITIONAL THERAPY

While the Schick-Shadel treatment procedure has been copied, other modalities have been introduced that offer hope for success. Operating on the hypoglycemia/hyperinsulinism theory, the Health Recovery Center of Minneapolis has adopted a dietary program. This organization maintains that a carefully monitored diet can largely overcome the compulsion to drink. It is possible that this one element of treatment may be entirely successful with a large percentge of patients. I believe that almost any regimen based on theories of biological causation will result in a much higher success rate than methods that rely on traditional counseling techniques.

What is needed, I feel, is collaboration on the part of those in the recovery field to jointly evaluate a range of treatment techniques. If nutritional therapy is somewhat successful, which I believe it to be, and if aversion conditioning is likewise efficacious, then a combination of the two elements may be doubly successful. Similarly, other procedures, based on biological mechanisms, should be fully explored and integrated into a truly comprehensive program.

Alcoholism has far too long been regarded as a malady of the mind and sprit. It is difficult for us, even knowing that biological factors may be chiefly responsible, to divest ourselves of the feeling that alcoholism results from some sort of negative spirituality.

According to a counter-culture slogan, "You are what you eat." Those of us who've not tasted the bitter fruit of addiction can never quite tumble to the truths of its profound, mysterious control over reason, logic, and spirituality. We can, however, strive not to judge others by our standards. We can instead reach out and embrace the things that work—religion, compassion, scientific discovery—and put them to work.●

THE CENTRAL AMERICAN DILEMMA—A CONFLUENCE OF QUAGMIRES

(Mr. LIVINGSTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LIVINGSTON. Mr. Speaker, I hope my colleagues will give careful attention to the following speech on Central America by Warren C. de Brueys, managing director of the Metropolitan Crime Commission of New Orleans. His thoughful analysis of the Marxist threat in Nicaragua and El Salvador reflect his extensive experience in Latin America in both government service and the private sector.

President Reagan's foreign assistance requests for Central America are designed to defeat this threat, and I commend Mr. de Brueys on his efforts to clearly outline the need for the President's programs, which I strongly support.

The speech follows:

THE CENTRAL AMERICAN DILEMMA—A CONFLUENCE OF QUAGMIRES

(By Warren C. de Brueys)

Not many people in authority in Central America, or, indeed, in many areas of Latin America, wear white hats. Corruption in Government and its attendant inequities, including oppression, have been commonplace in Central America for decades. I don't mean to say none exists in this country. We have our share. The difference lies primarily in the dimensions and flagrancy of that problem. In Central America, the problem is aggravated by immature political systems, nurtured by an abundance of illiteracy and poverty, with a resultant great disparity in the distribution of wealth and privilege—in short, a political and social quagmire!

That political and social quagmire, indeed, has and does constitute a serious and persistent problem. It is one which we in America, for the most part, had ignored for decades. By "we" I would include our Government, represented by both Democratic and Republican Administrations, and, to a significant degree, our churches. However, these injustices and inequities were not ignored by the Marxists. In fact, they are the substance on which the Marxist (Communist) system breeds.

To the quagmire of political and social injustice add the deceptive and clandestine invasion of Cuban-trained Marxists, who exploit the resentment of victims of oppression and indoctrinate them with an intense hatred of the power structure as well as against the "Yankee Imperialist." Utilizing that widespread resentment directed against the Government, they foment open rebellion, providing in the process the weapons of war, as well as training in terrorism and sabotage. In essence, this constitutes another quagmire—a Quagmire of Marxist Deception, Conspiracy and Violence!

As the conditions referred to above exist in superabundance in both Nicaragua and El Salvador, it may well be said that the

Central American problem is a Confluence of Quagmires that won't be solved unless we deal effectively to eliminate both quagmires. If we deal with but one or the other, we will not have solved the dilemma.

Generally speaking, the majority of Americans, through media and other sources, have discovered only the quagmire of corruption and social injustice. This is understandable for the Marxist conspiracy is like an iceberg—even when it surfaces that which is visible and obvious represents but a fraction of what is concealed. Accordingly, people of sensitivity and concern in this country have been exposed to a plethora of news accounts and stories of oppression and injustice in Central America. Church leaders and certain church entities with approval of the church hierarchy, whatever its form depending on the particular church, have voiced their concerns to the Congress and to the Presidency. And this is, in my opinion, a form of democracy in action. However, what concerns me greatly, particularly as a Christian, is that many of these representatives of religious groups have not only publicly expressed objections to our Government's policy vis-a-vis the Central American issue, but have in ever-growing momentum continued to pressure our current administration to change its Central American policy.

This is most unfortunate in my opinion for the opinion of this important segment of our society is based on but a partial knowledge and understanding of the totality of the Central American dilemma. If that pressure grows, it could have dire consequences for our national security, with a grossly adverse impact on the future lifestyle of not only ourselves, but our children and our children's children.

It is for that reason that I would endeavor to fill that hiatus—that lack of information concerning Marxist methodology, deception and Marxist involvement in Central America, about which most Americans have but superficial or no knowledge. While I do not profess to have all the answers by virtue of my more than 29 years of experience as a Special Agent of the FBI, including lengthy investigative, supervisory and executive responsibilities, I do submit that these years of experience have given me insight into Marxist deception and conspiracy not generally known to, or understood by most Americans. I might add that in addition to the aforementioned experience, I have resided in Latin America for a period of more than seven years. Additionally, I was among a small group of FBI Agents assigned by Presidential order to a special assignment in the Dominican Republic during the revolutionary crisis in that country in 1965/66.

By virtue of these many years of exposure to Communist conspiracy and/or Marxist methodology, I understand quite clearly when I hear a concerned Christian worker or missionary who served in Central America say: "Marxists are not a problem. We are working with them. They are compatible with our effort." I am quite certain those statements are true. What most people fail to apprehend, and particularly those Americans who make those comments, is that what they hear, see and perceive does not represent the total picture of Marxist intent. That is, in the initial stages of the Marxist plan to topple a government, or even in the first few years after toppling a government, Marxists will utilize every tactic necessary to help them succeed in consolidating full and exclusive power. One such tactic is, of course, to accommodate with mass organizations, such as religious groups, educational institutions, unions, etc., even if there exists latent ideological conflict with the Marxist interest. Such accommodation endures only so long as it meets Marxists needs.

Moscow-oriented Marxists have been entrenched in nations throughout the world for decades. They seek out the oppressed; befriend them; sell them the Marxist doctrine; and, when possible, recruit them into the "Party". Or where it is appropriate to their needs, they will cleverly co-opt the help of people outside of the Party and inculcate them in a fervent hatred against the power structure opposing them, as well as against the "Yankee Imperialists."

For the more zealous of those who are recruited there is the reward for instruction in Russia, or in Cuba, in doctrine, military training and terrorism. Their's (the Marxists), is the task of fomenting revolution in a targeted country. Their "army of trained agents" provide the weapons of war and rebellion as well as the oversight. Their "invasion" of the targeted nation is a continuing one with a constant flow of Marxist revolutionaries under assumed names entering and leaving the country, backed up by a constant flow of smuggled weapons. Strangely enough, because Marxists invade nations clandestinely, there is no hue and cry by the media or other nations against this hostile intrusion into the affairs of unstable nations.

However, the very moment that Marxists once feel that their power has been consolidated, they immediately begin to restrict and eventually eliminate freedoms, such as the right to speak, the right to vote, the right to public assembly, the right to join unions, and the right to complain against the government in power. All of these rights are methodically and deliberately taken away from the citizens on a time schedule.

As concerns the church, Marxists usually see to it that a government mechanism is formed that has the power to control religious groups. The head of that particular agency of Marxist-controlled government almost immediately begins to impose regulations designed to restrict the activities of any given church to activities within the four walls of that institution. The church is usually denied the right to use any of the communication systems, whether it be radio, TV, or the press. Also, the dissemination of religious material is placed under strict control. In essence, the intent of the newly established Marxist government is to reduce the influence and the activities of any given church ultimately to that of a museum piece.

In the process of implementing this restriction of freedoms, and in the elimination of all vestiges of democracy, forcefully if necessary, once substantially entrenched in power, it has demonstrated no hesitancy in eliminating individuals who represent an immediate impediment to their ends and their goals.

And those who pose less critical forms of impediments to the Marxist goals, will likely be incarcerated. If such instances involve members of the clergy who are not natives of the country then under Marxist control, they will require them to give total allegiance to their regulations. If there is reluctance on the part of alien clergy members to be obedient to Marxist regulations, they usually pressure such members of the clergy to leave the country. The ultimate result is the total inculcation of youth and older people in the nation into Marxist doctrine, and Marxist obedience. As an example of what we can expect to happen if Marxist power is consolidated in third world countries like El Salvador, or Nicaragua, consider what happened in Cuba.

On January 1, 1984, it was exactly 25 years ago that Fidel Castro came to power in Cuba by virtue of a revolution, which, incidentally, was aided and abetted by quite a number of American business people. However it was two or three years later before Fidel Castro openly admitted that he was a Marxist. In the interim, Marxist methodology was deliberately implemented in all facets of the restructuring of the Cuban governing system.

At first, businesses were systematically expropriated, usually commencing with financial institutions and public utilities. Opposition leaders were jailed or "sent to the wall" to be executed by a firing squad. Controls were instituted on the media. Eventually private property other than one place of residence was expropriated. Political parties were eventually eliminated, as were independent labor unions and a free press. However, perhaps the broadest program implemented by the Marxists in Cuba, in due time, was that program designed to inculcate youth in Marxist ideology from the cradle up.

The task of rearing children, in effect, became that of the State, as parents were placed in labor groups to work in the cane fields. The first and continuing message of the Marxists in the inculcation of children and youth is the basic Marxist tenet that "there is no God," and "religion is the opiate of the people." Children were and are taught to give greater loyalty to the State than to their parents or family.

Neighborhood "spy" groups (known as "Revolutionary Defense Committees") complemented a large militia. Any criticism voiced by any family member, or neighborhood resident was to be reported immediately to a representative of the State. According to information furnished by hundreds of Cubans interviewed some 20 or so years ago, such criticism of the State resulted in some instances in a diminution of certain benefits or favors, or if the criticism were deemed something of a more disturbing nature, it might result in more oppressive action including incarceration.

Since 1/1/59 some 5 million children have been born in Cuba. They represent one half of Cuba's ten million population. Practically all have been brainwashed in Marxist doctrine. Almost none of these 5 million youths have had any opportunity to embrace, or even to hear theological beliefs expressed. In essence, the regime has in its 25 years of operation produced something close to five million new atheists, or agnostics. The church in Cuba, very similar to the one in Russia, generally speaking, has become a museum piece. Of course, the older Cubans, those born before January 1, 1959, who were believers, whether their faith be Judaic, or Christian, are undoubtedly still believers, but their activities are tightly controlled and restricted.

In a recent publication of the U.S. News and World Report late last year, we are told that Cuba has two hundred thousand persons in its armed forces. To demonstrate its international character, the article states that at least 120,000 of the 200,000-person army have served overseas in places such as Angola and Ethiopia. The same article states there were about 8,000 of these troops in Nicaragua. Cuba's territorial militia numbers more than one half million.

To further inculcate its children, Cuban Marxists utilize that faction of the Communist Party, known as the "Pioneers" which numbers approximately two million. At the age of 14 these teenagers become members of the Union of Young Communists. The membership of that group now numbers approximately 500,000. At the age of 28 those who excel enter into the Communist Party proper, which numbers approximately one half million in Cuba.

In short, there is no room for any other ideology and there is certainly no room for theology in Cuba. The only thought that takes precedence and has any acceptance is Marxism. Part and parcel of Marxist teaching is the hatred of the "Yankee Imperialists" who live in the "Great Colossus of the North." This country (the U.S.A.) for years has been described to young Communists and the young Cubans as a perennial threat to the safety and the security of the Cuban nation. They are taught to hate the Government of the United States and its people in general. Because of the evangelistic fervor inculcated into the hearts and minds of Marxists, Cuban youth must share in the exportation of their doctrine and their revolution to other nations.

The problem created by the Marxist's enslavement of millions of people in Cuba alone, though devastating enough, would be more bearable (and I can't say tolerable because I believe it's intolerable), if the problems were limited to Cuba. However, inbred into every Marxist and particularly Cuban Marxists is the accompanying commitment, or requirement to export the Marxist revolution to other nations. The most fervent of the Marxist recruits become active revolutionaries and/or terrorists, who will help to "liberate" other nations.

Hence, it is not difficult to understand that in Nicaragua, the nine top commanders of the military government had all received military training in Cuba. Additionally, of the 3-man Junta that governs Nicaragua, two are Cuban-trained Marxists. One is Sergio Ramirez Mercado, a writer; the other is Daniel Ortega, the Co-ordinator of the Junta. The third member is Rafael Cordoba Rivas, the Junta's Moderator who belongs to the anti-Somoza Conservative Party. Daniel Ortega's brother, Humberto, a Marxist, is Minister of Defense. Both Daniel and Humberto represent the pivotal power center in Nicaragua.

Nicaragua was a logical target for a Cuban-Marxist-led rebellion. The protracted and oppressive government of Anastasio Somoza in Nicaragua created a fertile field for the growth of Marxism. It is very important to emphasize that the Sandinista National Liberation Front (FSLN), as was to be expected, included many altruistic and patriotic Nicaraguans who were not Communists. However, because of the training and the astuteness of Marxists who were guiding the revolutionary movement in Nicaragua, these people made certain that the leadership of FSLN was directed by Marxists and that that organization would be Marxist-dominated. Consider some of the facts which is common knowledge and which is supported by statements received from a past Nicaraguan official who recently defected from that government:

Prior to the overthrow of the Somoza regime in Nicaragua, and immediately thereafter, the FSLN, or the Sandinista group in power, agreed that there would be free elections held within 6 months after the Sandinistas came to power. The Marxist-controlled Sandinista group agreed to establish a democratic government in Nicaragua. It agreed that there should be freedom of the press, free unions, freedom of religion, and respect for human rights. Many other promises were made. However, within approximately two months after the Marxist-controlled Sandinista group took over the power of government in Nicaragua, the Marxist-controlled Nicaraguan government began to impose rather effective restrictions on the press, later imposing a complete censorship.

In less than a year, TV in Nicaragua was nationalized. Independent radio stations were censored, ransacked, or destroyed. Owners and directors of such radio stations were beaten by what is called in Nicaragua "turbas." The latter represents government controlled mobs who act on government instructions and with government protection. The same recent defector tells us that police never intervene when these mobs destroy property or beat someone.

The promise to set elections some 6 months after the Sandinistas came to power was not kept. Rather, elections were set to take place in 1985. The obvious reasons for this was to give to the FSLN and the Marxist-controlled government time to consolidate its power and be assured of being elected when the event took place. As a matter of fact, not too many months ago on national TV one of the news networks reported scenes from Nicaragua reflecting Cuban teachers teaching children in the rural areas of Nicaragua. You may be certain that those Cuban teachers were inculcating the children and youth of Nicaragua in Marxist doctrine. One of the many reasons for this feverish effort was to get maximum support prior to an election.

Not long after the Sandinistas came to power, the Marxist-controlled government of Nicaragua managed to pass decrees precluding any political parties other than the FSLN to have meetings or to pass out propaganda. Some of the political parties that were thus intimidated included the Conservative Party, the Social Democratic Party and the Liberal Party in Nicaragua. On the other hand, the Sandinista Party (FSLN) is being supported by State resources and they are constantly running a campaign to promote that Government's party's position. The other political partyies, as I have indicated, are denied that right.

However, the Sandinista Government did not stop with the attempted impeding of the other political parties. It took more definitive action last year and declared some of the other parties illegal. Those declared illegal included the Democratic Conservative Party and the Nicaraguan Democratic Party. Leaders of both of these parties have been expelled according to the defected Nicaraguan Consul in New Orleans. Hence, it appears that the Marxist timetable in Nicaragua for the acquisition of total power is lagging somewhat since it is taking that government about four years to legally eliminate opposition parties.

The defected Nicaraguan consul in New Orleans recently commented that after the Sandinistas came to power, the Marxists' controlled Sandinista Government, formed a vary large government union known as the Sandinista Center of Workers. Leaders of free unions were jailed. Workers lost their right to strike and to bargain. Every time the Marxist-controlled government of Nicaragua expropriated a business, or business entity, the government union became stronger. This is the result of the Marxist-controlled government's requirement that government-owned or government controlled businesses must be staffed with people belonging to the government union.

In Nicaraqua about 90 percent of the people are, at least, nominally Catholic. True to the methodology of Marxists used in Cuba, the Marxist-controlled government of Nicaragua set about the task of minimizing the power of the church. One method used, according to former Nicaraguan consul, Agustin Alfaro, was to endeavor to discredit the church. The tactic they used was to have a female call upon Monsignor Carballo who heads Radio Catolica (Catholic Radio) in Nicaragua. He is also the Assistant to the Nicaraguan Bishop, Miguel Obando y Bravo. Father Carballo was informed by that female that she was having trouble with her marriage and asked Father Carballo to come to her home for a visit. He did so. While there, having lunch with that woman, a man came into the room with a gun, allegedly the woman's lover. The latter had both the Monsignor and the woman undress at gunpoint. Once that was accomplished, he forced them out into the street where approximately 200 people and newsmen were waiting. Needless to say that matter was given extreme publicity in an effort to discredit the Catholic Church in Nicaragua. As in Cuba, Marxist methodology will be implemented constantly to reduce the effectiveness of the church in general, Catholic or Protestant, or even Synagogues, so that eventually they are but meeting places for the elderly with no outside influence on the public in general. This was done successfully in Cuba.

The resentment of the people of Nicaragua against the deposed regime of the late Dictator Anastasio Somoza was both deep and widespread. Many Nicaraguans joined in the overthrow of that regime. However, as is the case, wherever Marxists are entrenched and involved in the overthrow of a government, they, as past masters of deception, are able to consolidate the forces of opposition against a government, provide them with the weapons they need to carry out the task and they are usually the only group that is able to fill a vacuum created by the overthrow of government. This is true because through long training they already have a plan to implement once a government is toppled. Accordingly, in Nicaragua, this is precisely what happened. However, it appeared that the people of Nicaragua were so unified in wanting freedom against the backdrop of years of oppression by Somoza, that many soon recognized that their revolution was stolen from them by the Marxists. Accordingly, you have significant forces of opposion to the Nicaraguan regime, primarily lead by a former revolutionary, Eden Pastor.

However, it is Marxist methodology to rigidly oppose any reduction of thier power. They are trained to use every tool at their disposal to indoctrinate the masses in Marxist ideology and to gain public support. Accordingly, when things do not go well for them they are willing to make concessions to use the interim provided to indoctrinate as many people as possible as future supporters and at the same time they endeavor to eliminate opposing forces through whatever power they have accumulated.

I have already spoken of some of the methods that they have implemented to eliminate signifiant opposition. If they succeed in Nicaragua, they will institute a totally authoritarian government there. Once that occurs you may rest assured that the same methods employed in Cuba will be

fully implemented in Nicaragua, starting with the assumption by the State of the task of rearing children and indoctrinating them fully and exclusively in Marxist beliefs.

Without the military assistance of the United States given to the current government of El Salvador, the amassed power of the Marxist forces supported primarily by the Soviet surrogate in this hemisphere, Cuba, will overwhelm the military forces of the present government of El Salvador.

You may be equally certain that if Nicaragua and El Salvador are taken over totally by a Marxist-controlled cadre, it is conceivable that in less than a decade Guatemala, Costa Rica, Honduras and Panama will be unable to withstand the subversive onslaught and they will succumb to Marxist control. In my opinion this is not merely a possibility but a probability. It constitutes a real and present threat not only to the security of the United States as a nation, but to the welfare of each of us and our children and our children's children.

To the 10 million Cubans the bulk of whom are totally Marxists will be added an approximately 25 million Central Americans, all of whom within a decade by virtue of their Marxist brainwashing will have lost all democratic liberties and will have been totally indoctrinated with a Marxist fervor to export their revolution and to "liberate" other governments. The Marxists' next targets must logically be Mexico and/or the United States.

I can assure you that if we permit the convert armies of subversive Marxists to carry out warfare in a clandestine fashion within Central American nations with continued impunity, the reality of a Soviet block of Central American nations totalling over 25 million people will definitely come to pass. When that event takes place, you may be certain our lifestyle in this country will undergo radical changes. I say this because you may be assured that we in the U.S.A., probably more specifically we in the Southern portion of the United States, will see an intensification of terrorism and hijacking unlike any we may have experienced in the past.

In this country, we have witnessed in the past decade various forms of terrorism inflicted upon us by Marxist-type orgranizations, principally those that are Puerto Rican in origin. All of the latter groups have had Cuban linkages. While to some degree we have been able to cope with the aforementioned forms of terrorism in some of our larger cities and Puerto Rico, we must bear in mind that the Puerto Rican groups stem from anti-American types that number less than 4 percent in the Commonwealth of Puerto Rico.

Think of the magnitude of the difference in intensity of the hatred and terrorist attacks directed against us when we have millions of people (some 35 million if we include Cuba and all the Central American countries) living in a Marxist monolithic block south of our southern borders. You may be sure that amongst those 35 million there will be a staggeringly large number of those people who will be so violently anti-American as a result of teachings received from Marxists that terrorism and hijacking will become quite commonplace in our country.

Frankly, I see a definite analogy that exists today in the Central American problem as I believe existed some 47 years or so ago when Hitler sent his troops into the Rhineland in violation of the Treaty of Versailles. This does not come from reading any History books, but it comes from memory and the impressions of that event those many years ago. I recall at the time that as a result of that event and some additional events taken by Hitler in a military fashion, Anthony Eden of Great Britain sought to have the Parliament agree to military action against Hitler to stop him. Of course, he did not have his way. And of course, had he had his way, there would have been a loss of lives.

On the other hand, by the final decision of the Parliament to follow the dictates of Neville Chamberlain, the British had what they called "Peace in our Times." The cost they and all of the free world paid, of course, was the swift growth of the military power of Hitler and the consolidation of that power by continued violations of the Versailles Treaty and other treaties. This license gave Hitler the ultimate power to launch World War II on 9/1/39, when he entered into Poland with the blitzkrieg. The ultimate result of not having taken action in 1936 is that instead of losing perhaps hundreds or thousands in a military action, the world suffered or sustained losses that numbered in multi-millions, the result of World War II.

I believe the above analogy is totally valid. Furthermore, problems in Nicaragua and El Salvador long ceased to be internal problems. They ceased to be internal problems and become an international problem when hordes of clandestine Marxist-indoctrinated military and paramilitary people entered those nations many years ago bent on fomenting revolution. Cuban-trained Marxists capitalized on the resentment and discontent that existed in both of those countries. They supplied the people that they were able to recruit with the weapons needed to overthrow their governments. When one considers that the origin of this "clandestine" invasion, is Cuba, the Soviet surrogate in our hemisphere, it is just amazing that most people in the world, and particularly the media, ignore this invasion of sovereignty. However, when a country like the United States belatedly takes action for the security of our own nation, it is viewed by the media, and many in the world, as being the aggressor. In fact, the contrary is true. There is no question that the Cuban-lead Marxist threat is real and menacing. Without U.S. opposition they can subjugate nations with impunity. They are able to manipulate world-opinion through lies and deception. In this sense, they are far superior to us.

Whatever mistakes this and other administrations may have made in the past what is needed now is to take definitive action in helping the duly elected Government in El Salvador, however defective it may be, in removing the foreign interlopers. To this extent they should be provided with all the financial and military equipment they need to get the job done. This assistance should have very definite strings tied to it. The requisite should be that there would be free elections within the year after the revolution is put down. There should be an insistance that there be established in that country the beginnings of institutionalized democracy. We should be willing to spend the funds necessary to insure that the masses of the people are educated. Our presence should be as limited as possible. But there should be some form of oversight to insure that the agreement that is made is carried out by both the present and subsequently elected governments.

The duly elected government, under conditions that are totally fair, would receive our aid and support to continue in the manner deemed appropriate to institutionalize democracy in that country and to educate the masses.

This is not just mere whim, as we had an analagous situation in 1965 and 1966 when the United States in cooperation with the Organization of American States put down a revolution in the Dominican Republic. There was ample evidence at that time that this revolution had been nurtured and supported by Peking-oriented, Moscow-oriented, and Havana-oriented Communists. Once the revolution was put down, a process was instituted for an interim government to function for a period of time until free elections were held.

Those free elections took place and the gentleman that won that election was Joaquin Balaguer who stayed in power over a series of terms until about 3 years or so ago. At that time the opposition party won the election and the gentleman that is President in the Dominican Republic now has functioned in that capacity since his election some two or three years ago. This is just another valid demonstration that democracy can be restored to a nation if we deal with the problem fairly and pragmatically.

To fail to deal forcefully with the Marxist threat in Nicaragua and El Salvador is to invite the existence of a block of Marxist nations to our south totalling more than 35 million people, including Cuba. I've already spelled out what I felt would be the result of that terrible situation as concerns our lifestyle and the security of ourselves and our children. I can only hope that these experiences and information which I shared with you will awaken in Americans the recognition that the danger of which I speak is no myth.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BADHAM (at the request of Mr. MICHEL), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. OXLEY) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 30 minutes, today.

Mr. WALKER, for 60 minutes, today.

(The following Members (at the request of Mr. DONNELLY) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. STARK, for 6 minutes, today.

Mr. HUBBARD, for 6 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. LIVINGSTON, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,576.25.

Mr. BOLAND, to revise and extend his remarks just prior to the vote on the conference report on H.R. 6040.

Mr. BARNES, immediately before the last vote.

Mr. FOGLIETTA, immediately before the last vote.

Mr. BROWN of California, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,182.

Mr. HUGHES, preceding the motion to recommit H.R. 5640 in the House today.

Mr. MORRISON of Connecticut on H.R. 6040 immediately prior to vote on amendment No. 208 (Conte amendment).

(The following Members (at the request of Mr. OXLEY) and to include extraneous matter:)

Mr. CHANDLER.
Mr. BROYHILL.
Mr. DAUB.
Mr. DREIER of California.
Mr. WILLIAMS.
Mr. HYDE.
Mr. LAGOMARSINO in three instances.
Mr. RITTER.
Mr. LEACH of Iowa in three instances.
Mr. CONTE in two instances.
Mr. YOUNG of Alaska.
Mr. BROOMFIELD.
Mr. TAYLOR.
Mr. PAUL.
Mr. MCCANDLESS.
Mr. HARTNETT.
Mr. YOUNG of Florida in two instances.
Mrs. VUCANOVICH.
Mr. GEKAS.
Mr. PORTER.
Mr. DENNY SMITH.
Mr. SHUMWAY.
Mr. BEREUTER.
Mr. KEMP in four instances.
Mr. FRENZEL in five instances.
Mrs. JOHNSON.
Mr. PHILIP M. CRANE.
Mr. WALKER.
Mr. MCKERNAN.
Mr. COURTER.

(The following Members (at the request of Mr. DONNELLY) and to include extraneous matter:)

Mr. DERRICK.
Mr. CONYERS in two instances.
Mr. OBERSTAR.
Mr. COELHO.
Mr. EDGAR.
Mr. SMITH of Florida.
Mr. LAFALCE.
Mrs. BURTON of California.
Mr. HIGHTOWER.
Mr. DORGAN.
Mr. TOWNS.
Ms. OAKAR.
Mr. GARCIA.
Mr. WILLIAMS of Montana.
Mr. MONTGOMERY.
Mr. DELLUMS.
Mr. ANTHONY.
Ms. MIKULSKI.
Mr. EDWARDS of California.
Mr. ROWLAND.
Mr. WILSON.
Mr. DIXON.
Mr. LANTOS in five instances.
Mr. ANDREWS of Texas.
Mr. STARK in two instances.
Mr. DONNELLY.
Mr. WEISS.
Mr. CARR.
Mr. KOSTMAYER.
Mr. HOYER in two instances.
Mr. FOGLIETTA.
Mr. DOWNEY of New York.
Mr. HOWARD.
Mr. MORRISON of Connecticut.
Mr. WAXMAN.
Mrs. LLOYD.
Mr. MCCLOSKEY.
Mr. STOKES.
Mr. MOODY.
Mrs. COLLINS.
Mr. FEIGHAN.
Mr. ROYBAL.
Mr. DICKS.
Mr. PATTERSON in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 648. An act to facilitate the exchange of certain lands in South Carolina; to the Committee on Energy and Commerce.

S. 1790. An act to authorize the Secretary of the Interior to enter into a contract or cooperative agreement with the Art Barn Association to assist in the preservation and interpretation of the Art Barn and Pierce Mill located in Rock Creek Park within the District of Columbia; to the Committee on Interior and Insular Affairs.

S. 1859. An act for the transfer of certain interests in lands in Dona Ana County, NM, to New Mexico State University, Las Cruces, NM; to the Committee on Interior and Insular Affairs.

S. 1868. An act to add $2,000,000 to the budget ceiling for new acquisitions at Sleeping Bear Dunes National Lakeshore; to the Committee on Interior and Insular Affairs.

S. 1889. An act to amend the Act authorizing the establishment of the Congaree Swamp National Monument to provide that at such time as the principal visitor center is established, such center shall be designated as the "Harry R. E. Hampton Visitor Center"; to the Committee on Interior and Insular Affairs.

S. 2125. An act to designate certain national forest system lands in the State of Arkansas for inclusion in the National Wilderness Preservation System, and for other purposes; to the Committee on Interior and Insular Affairs and Agriculture.

S. 2155. An act to designate certain national forest system lands in the State of Utah for inclusion in the National Wilderness Preservation System to release other forest lands for multiple use management, and for other purpose; to the Committee on Interior and Insular Affairs and Agriculture.

S. 2157. An act to clarify the treatment of mineral materials on public lands; to the Committee on Interior and Insular Affairs.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following title:

S. 2820. An act to name the Federal Building in MaAlester, OK, the "Carl ALbert Federal Building";

S.J. Res. 248. Joint resolution designating August 21, 1984, as "Hawaii Statehood Silver Jubilee Day";

S.J. Res. 302. Joint resolution to designate the month of September 1984 as "National Sewing Month"; and

S.J. Res. 338. Joint resolution to congratulate the athletes of the U.S. Olympic team for their performance and achievements in the 1984 winter Olympic games in Sarajevo, Yugoslavia, and the 1984 summer Olympic games in Los Angeles, CA.

ADJOURNMENT

Mr. HUGHES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of House Concurrent Resolution 351 of the 98th Congress, the House stands adjourned until 12 o'clock meridian, Wednesday, September 5, 1984.

Thereupon (at 7 o'clock and 48 minutes p.m.), pursuant to House Concurrent Resolution 351, the House adjourned until Wednesday, September 5, 1984, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3882. A letter from the Director, Office of Management and Budget, transmitting a cumulative report on rescissions and deferrals of budget authority, pursuant to Public Law 93-344, section 1014(e) (H. Doc. No. 98-245); to the Committee on Appropriations and ordered to be printed.

3883. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of offer to Canada for defense articles estimated to cost in excess of $50 million (Transmittal No. 84-62), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

3884. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of offer to the United Kingdom for defense articles estimated to cost in excess of $50 million (Transmittal No. 84-64), pursuant to 10

U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

3885. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter of offer to Denmark for defense articles estimated to cost in excess of $50 million (Transmittal No. 84-65), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

3886. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter of offer to Italy for defense articles estimated to cost in excess of $50 million (Transmittal No. 84-63), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

3887. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of offer to Canada for defense articles and services estimated to cost $57 million (Transmittal No. 84-62), pursuant to AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 95 Stat. 1520); to the Committee on Foreign Affairs.

3888. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter of offer to Italy for defense articles and services estimated to cost $200 million (Transmittal No. 84-63), pursuant to AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 95 Stat. 1520); to the Committee on Foreign Affairs.

3889. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter of offer to Denmark for defense articles and services estimated to cost $210 million (Transmittal No. 84-65), pursuant to AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 95 Stat. 1520); to the Committee on Foreign Affairs.

3890. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of offer to the United Kingdom for defense articles and services estimated to cost $151 million (Transmittal No. 84-64), pursuant to AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 95 Stat. 1520); to the Committee on Foreign Affairs.

3891. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

3892. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a copy of the original report of political contributions for Robert D. Stuart, Ambassador-designate to Norway, pursuant to Public Law 96-465, section 304(b)(2); to the Committee on Foreign Affairs.

3893. A letter from the Governor, Farm Credit Administration, transmitting a report on FCA's activities under the Freedom of Information Act during 1983, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3894. A letter from the Inspector General, Department of Housing and Urban Development, transmitting notification of a new computer matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3895. A letter from the Secretary to the Board, Railroad Retirement Board, transmitting notification of a new computer matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3896. A letter from the Secretary of the Interior, transmitting the fifth annual report on the status of implementation of the Redwood National Park Expansion Act, pursuant to Public Law 95-250, section 104(a); to the Committee on Interior and Insular Affairs.

3897. A letter from the Assistant Attorney General, Office of Legislative and Intergovernmental Affairs, Department of Justice, transmitting a draft of proposed legislation to strengthen and make more efficient the operations of the U.S. Bureau of Prisons; to the Committee on the Judiciary.

3898. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army, on Iowa-Cedar River Basin, IA and MN, together with other pertinent reports; to the Committee on Public Works and Transportation.

3899. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers on the Delaware estuary salinity intrusion study, Delaware, New Jersey, and Pennsylvania, which is in response to a resolution adopted by the House Committee on Public Works; to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3194. A bill to provide for the protection of any historic shipwreck or historic structure located on the seabed or in the subsoil of the lands beneath navigable waters within the boundaries of the United States, with amendments (Rept. No. 98-887, Pt II). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee of conference. Conference report on H.R. 6040 (Rept. No. 98-977). Ordered to be printed.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 572. Resolution waiving certain points of order against consideration of the conference report and the amendments in disagreement to the conference report on H.R. 6040, a bill making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes. (Rept. No. 98-979). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 573. Resolution providing for the consideration of H.R. 1437, a bill entitled the "California Wilderness Act of 1983", and Senate amendment thereto (Rept. No. 98-980). Referred to the House Calendar.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 5336. A bill to provide for increased participation by the United States in the International Development Association (Rept. No. 98-981). Referred to the Committee of the Whole House on the State of the Union.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 639. A bill to revise and reinstate the Renegotiation Act of 1951 (Rept. No. 98-982). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McKERNAN (for himself and Mr. FRANK):

H.R. 6145. A bill to amend title 5 of the United States Code regarding the authority of the special counsel; to the Committee on Post Office and Civil Service.

By Mr. MICA:

H.R. 6146. A bill to preclude States from taking into account, under the unitary taxing method, the income of a corporation's foreign affiliates; to the Committee on the Judiciary.

By Mr. CONYERS:

H.R. 6147. A bill to amend the Federal Election Campaign Act of 1971 to provide for voter registration for Federal elections on all regular business days and at the polls on election day; to the Committee on House Administration.

By Mr. ANDREWS of Texas:

H.R. 6148. A bill to restrict fraudulent, misleading, deceptive, and unscrupulous practices in the health spa industry; to the Committee on Energy and Commerce.

By Mr. BEDELL:

H.R. 6149. A bill to expand the rights of civil servants who report waste, fraud, and mismanagement; to the Committee on Post Office and Civil Service.

By Mr. CARPER:

H.R. 6150. A bill to amend the Internal Revenue Code of 1954 to increase and limit the amount of the expenses for household and dependent care services necessary for gainful employment which may be taken into account for computing a tax credit; to the Committee on Ways and Means.

By Mr. COYNE:

H.R. 6151. A bill to amend the Federal Water Pollution Control Act to permit the Administrator of the Environmental Protection Agency to change a State's priority list of wastewater construction projects if the administrator determines that Federal funds for such projects have not been equitably distributed within such State; to the Committee on Public Works and Transportation.

By Mr. CRAIG (for himself, Mr. MARLENEE, Mr. HANSEN of Idaho, Mr. LUJAN, and Mr. LOEFFLER):

H.R. 6152. A bill to amend the Land and Water Conservation Fund Act of 1965 to provide for insect and plant pest control on public lands; to the Committee on Interior and Insular Affairs.

By Mr. ERLENBORN:

H.R. 6153. A bill to improve the operation of the chapter 1 program authorized under the Education Consolidation and Improvement Act of 1981, to improve the effectiveness of migrant education programs, to provide for use of the most recent available decennial census information, and for other purposes; to the Committee on Education and Labor.

By Mr. FEIGHAN:

H.R. 6154. A bill to suspend the duties on circular knitting machines designed for sweater or garment length knitting until

the close of December 31, 1989; to the Committee on Ways and Means.

By Mr. FRANK:

H.R. 6155. A bill to limit telephone access charges on local governments; to the Committee on Energy and Commerce.

By Mr. GARCIA (for himself, Mr. SCHUMER, Mr. MCKINNEY, and Mr. ASPIN):

H.R. 6156. A bill to amend the Housing and Community Development Act of 1974 to clarify the prohibition on the use of urban development action grants for the relocation of business operations; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GEKAS:

H.R. 6157. A bill to amend the Internal Revenue Code of 1954 to provide that the $10,000,000 exclusion of capital expenditures where there is an urban development action grant shall apply whether the grant was made before or after the issuance of bonds; to the Committee on Ways and Means.

By Mr. HARTNETT:

H.R. 6158. A bill to provide that the Secretary of the Army and the Secretary of the Air Force may authorize certain Reserve officers who are employed as military technicians to be retained in an active status until age 60; to the Committee on Armed Services.

By Mr. HOYER (for himself, Mr. BARNES, and Mrs. HOLT):

H.R. 6159. A bill to permit the Secretary of the Army to authorize the delivery of water from the District of Columbia water system to water systems in the Metropolitan Washington area in Maryland, and the purchase of water for the District of Columbia water system from certain systems; to the Committee on Public Works and Transportation.

By Mr. HUGHES:

H.R. 6160. A bill to amend chapter 207 of title 18, United States Code, with respect to pretrial services; to the Committee on the Judiciary.

By Mr. JEFFORDS:

H.R. 6161. A bill to amend the Agricultural Marketing Agreement Act of 1937, as amended, for the purpose of facilitating the handling of milk in a market; to the Committee on Agriculture.

By Mrs. JOHNSON:

H.R. 6162. A bill to amend the Social Security Act to provide for the conduct of pilot and demonstration projects to test whether requiring programs for the provision of education and vocational training for caretaker parents with preschool children under the AFDC program will assist them in leaving the AFDC rolls quickly and in securing gainful long-term employment at earnings levels sufficient to maintain their families without subsidies; to the Committee on Ways and Means.

By Mr. KASTENMEIER (for himself, Mrs. SCHROEDER, Mr. MOORHEAD, and Mr. HYDE):

H.R. 6163. A bill to amend title 28, United States Code, with respect to the places where court shall be held in certain judicial districts, and for other purposes; to the Committee on the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. SYNAR, Mr. GLICKMAN, Mr. MORRISON of Connecticut, Mr. KINDNESS, Mr. SAWYER, Mr. SAM B. HALL, JR., Mr. SENSENBRENNER, Mr. CROCKETT, Mr. ROSE, Mr. OXLEY, Mr. STANGELAND, Mr. LONG of Louisiana, Mr. FOWLER, Mr. D'AMOURS, Mr. STENHOLM, Mr. WILSON, Mr. ROBERTS, Mr. GINGRICH, Mr. JENKINS, Mr. RITTER, Mr. BARNARD, Mr. LEWIS of California, Mr. RALPH M. HALL, and Mr. HARTNETT):

H.R. 6164. A bill to amend title 17, United States Code, with respect to the Copyright Royalty Tribunal and cable transmissions; to the Committee on the Judiciary.

By Mr. KEMP (for himself, Mr. WHITEHURST, Mr. RITTER, Mr. BETHUNE, Mr. DREIER of California, Mr. MCEWEN, Mr. LIVINGSTON, Mr. CRAIG, Mr. HARTNETT, Mr. GRAMM, Mr. MACK, Mr. DENNY SMITH, Mr. PACKARD, Mr. LOTT, Mr. GINGRICH, Mr. COATS, Mr. WEBER, Mr. LUNGREN, Mr. WALKER, Mrs. VUCANOVICH, Mr. GREGG, Mr. HILER, Mr. HYDE, Mr. MOORE, Mr. KINDNESS, Mr. SILJANDER, Mr. COURTER, Mr. DAUB, Mr. BROWN of Colorado, Mr. SCHAEFER, Mr. MCCOLLUM, Mr. DANNEMEYER, Mr. BURTON of Indiana, Mr. ROTH, Mr. MCCANDLESS, Mr. LUJAN, Mr. BLILEY, Mr. CORCORAN, Mr. MCKERNAN, and Mr. DEWINE):

H.R. 6165. A bill to reduce tax rates in a manner that is fair to all taxpayers and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Ways and Means.

By Mr. KOGOVSEK:

H.R. 6166. A bill to declare that certain land formerly used as a site for a school for the Ute Mountain Ute Indian Tribe is held in trust by the United States for the benefit of such Indian tribe and is part of the Ute Mountain Ute Indian Reservation; to the Committee on Interior and Insular Affairs.

H.R. 6167. A bill to amend the Mineral Leasing Act of 1920 to establish a comprehensive program of oil shale leasing; to the Committee on Interior and Insular Affairs.

By Mr. LAFALCE:

H.R. 6168. A bill to require the Board of Governors of the Federal Reserve System to impose limitations on the number of days a depository institution may restrict the availability of funds which are deposited by check; to the Committee on Banking, Finance and Urban Affairs.

H.R. 6169. A bill to amend the Internal Revenue Code of 1954 with respect to the limitation on the amount of private activity bonds which may be issued in a State; to the Committee on Ways and Means.

By Mr. LUNGREN (for himself and Mr. BADHAM:)

H.R. 6170. A bill to regulate the transfer of funds for humanitarian purposes to nationals of the Socialist Republic of Vietnam; to the Committee on Foreign Affairs.

By Mr. MARLENEE:

H.R. 6171. A bill to amend the Internal Revenue Code of 1954 to restrict to 10 percent the maximum rate of interest with respect to certain underpayments of individual income tax where a notice of deficiency was not timely sent; to the Committee on Ways and Means.

By Mr. MATSUI (for himself, Mr. PICKLE, Mr. JACOBS, Mr. FORD of Tennessee, Mr. JENKINS, Mr. GEPHARDT, Mr. HEFTEL of Hawaii, Mr. FOWLER, Mr. HANCE, Mr. ANTHONY, Mr. FLIPPO, Mr. DORGAN, Mrs. KENNELLY, Mr. DUNCAN, Mr. VANDER JAGT, Mr. MARTIN of North Carolina, Mr. CAMPBELL, and Mr. HARKIN):

H.R. 6172. A bill to amend the Internal Revenue Code of 1954 to clarify the application of the imputed interest and interest accrual rules in the case of sales of residences, farms, and real property held for trade, business or investment purposes; to the Committee on Ways and Means.

By Mr. MOLLOHAN:

H.R. 6173. A bill to amend title 38, United States Code, to extend prescription drug benefits to all veterans receiving nonservice-connected disability pensions; to the Committee on Veterans' Affairs.

By Mr. NIELSON of Utah:

H.R. 6174. A bill to modify the boundary of the Uinta National Forest, UT, and for other purposes; to the Committee on Interior and Insular Affairs.

By Ms. OAKAR (for herself, Mrs. HALL of Indiana, Mr. LELAND, Mr. BOSCO, Mr. MCCLOSKEY, Mr. MITCHELL, Mr. GARCIA, and Mr. OWENS):

H.R. 6175. A bill to amend the Defense Department Overseas Teachers Pay and Personnel Practices Act; to the Committee on Post Office and Civil Service.

By Mr. OWENS:

H.R. 6176. A bill to amend the Internal Revenue Code of 1954 to deny the depreciation deduction with respect to multifamily rental housing for any year for which such housing does not meet health and safety standards, and for other purposes; to the Committee on Ways and Means.

By Mr. OWENS (for himself, Mr. ANDREWS of North Carolina, Mr. JEFFORDS, Mr. SHARP, and Mr. OTTINGER):

H.R. 6177. A bill to amend the Low-Income Home Energy Assistance Act of 1981 to authorize appropriations for fiscal years 1985 through 1988, and for other purposes; jointly to the Committees on Energy and Commerce and Education and Labor.

By Mr. PICKLE (for himself and Mr. ROSTENKOWSKI):

H.R. 6178. A bill to establish the Social Security Administration as an independent agency, headed by a Social Security Board, which shall be responsible for the administration of titles II and XVI of the Social Security Act; to the Committee on Ways and Means.

By Mr. RAY:

H.R. 6179. A bill to amend the Congressional Budget Act of 1974 to strengthen the congressional budget process; to the Committee on Rules.

By Mr. STARK:

H.R. 6180. A bill to amend the Internal Revenue Code of 1954 to prohibit the issuance in bearer form of securities which are interests in Treasury obligations; to the Committee on Ways and Means.

By Mrs. VUCANOVICH:

H.R. 6181. A bill to modify the boundary of the Humboldt National Forest in the State of Nevada, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WHEAT:

H.R. 6182. A bill to amend the Internal Revenue Code of 1954 to provide tax incentives for economic development in certain areas designated as enterprise zones; to the Committee on Ways and Means.

By Mr. WISE (for himself, Mr. STAGGERS, Mr. MOLLOHAN, and Mr. RAHALL):

H.R. 6183. A bill to waive certain requirements of section 103A of the Internal Revenue Code of 1954 with respect to certain veterans' mortgage obligations; to the Committee on Ways and Means.

By Mr. BRYANT:

H.J. Res. 640. Joint resolution designating the week of November 4–10, 1984, as "National Royal Ambassadors Week"; to the Committee on Post Office and Civil Service.

By Mr. VANDERGRIFF:

H.J. Res. 641. Joint resolution proposing an amendment to the Constitution with respect to the right to life, except in cases of rape, incest, and life endangerment; to the Committee on the Judiciary.

By Mr. WRIGHT:

H. Con. Res. 351. Concurrent resolution providing for the adjournment of the House and Senate from August 10, 1984, to September 5, 1984; considered and agreed to.

By Ms. MIKULSKI (for herself and Mr. STARK):

H. Res. 574. Resolution expressing the sense of the House of Representatives that professional sports teams should be discouraged from relocating from communities that have supported and grown to depend on them, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. SCHNEIDER:

H. Res. 575. Resolution to congratulate the U.S. athletes who have participated in the games of XXIII Olympiad and urge enactment of H.R. 5490 or legislation affirming a comprehensive interpretation of title IX of the 1972 Education Amendments, title VI of the 1964 Civil Rights Act, section 504 of the 1973 Rehabilitation Act and the Age Discrimination Act of 1975; jointly, to the Committees on Education and Labor and the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KASTENMEIER:

H.R. 6184. A bill for the relief of Mr. and Mrs. Joseph S. Fok; to the Committee on the Judiciary.

By Mr. PATTERSON:

H.R. 6185. A bill for the relief of Michael James Hastie; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 242: Mr. GRAMM.

H.R. 499: Mr. MCNULTY.

H.R. 656: Mr. RINALDO.

H.R. 960: Mr. BADHAM, Mr. ECKART, Mr. GARCIA, Mr. MCKERNAN, Mr. NEAL, Mr. REGULA, Mr, SYNAR, Mr. THOMAS of Georgia, Mr. WHITEHURST, Mr. YOUNG of Missouri, Mr. EARLY, Mr. DEWINE, Mr. HARRISON, Mr. VALENTINE, and Mr. YOUNG of Florida.

H.R. 1676: Mrs. KENNELLY.

H.R. 2093: Mr. BATES.

H.R. 2124: Mr. ANDREWS of North Carolina.

H.R. 2151: Mr. DREIER of California.

H.R. 2742: Mr. MORRISON of Connecticut and Mr. GREEN.

H.R. 2743: Mr. SMITH of Florida.

H.R. 2996: Mr. PATTERSON, Mr. THOMAS of Georgia, and Mr. MATSUI.

H.R. 3010: Mr. PACKARD.

H.R. 3024: Mr. LEWIS of Florida.

H.R. 3091: Mr. ASPIN, Mr. JACOBS, Mr. WALGREN, Mr. MACKAY, Mr. YOUNG of Florida, Mr. OLIN, and Mr. ROBERTS.

H.R. 3750: Mr. FUQUA and Mrs. LLOYD.

H.R. 3799: Mr. GRAMM.

H.R. 3880: Mr. SIKORSKI and Mr. RALPH M. HALL.

H.R. 3999: Mr. MOLINARI, Mr. MARKEY, Mr. MCNULTY, Mr. MARTINEZ, Mr. UDALL, Mr. BARNES, Mrs. HOLT, Ms. MIKULSKI, and Mr. SIKORSKI.

H.R. 4097: Mr. WEAVER, Mr. MINETA, and Mrs. KENNELLY.

H.R. 4175: Mr. HILLIS, and Mr. BIAGGI.

H.R. 4358: Ms. MIKULSKI and Mr. DOWNEY of New York.

H.R. 4440: Mr. MATSUI, Mr. SWIFT, and Mr. WILLIAMS of Montana.

H.R. 4501: Mr. MCNULTY.

H.R. 4684: Mr. CARPER, Mr. LUNDINE, Ms. SNOWE, Mr. NELSON of Florida, Mr. LEVIN of Michigan, Mr. SCHEUER, Mr. TORRICELLI, Mr. MOODY, Mr. COOPER, Mr. PENNY, and Mr. WISE.

H.R. 4923: Mr. DURBIN and Mr. CARPER.

H.R. 4966: Mr. DYSON.

H.R. 5107: Mr. STAGGERS, Mr. MORRISON of Connecticut, and Mr. ASPIN.

H.R. 5206: Mr. TRAXLER, Mr. CARR, Mr. ALBOSTA, Mr. SLATTERY, Mr. BONIOR of Michigan, and Mr. VOLKMER.

H.R. 5300: Mr. OBERSTAR, Mr. OLIN, and Mr. EMERSON.

H.R. 5341: Mr. BEILENSON and Mr. GEJDENSON.

H.R. 5377: Mr. PURSELL, Mr. FLORIO, Mr. BARTLETT, Mr. EDWARDS of Oklahoma, and Mr. SYNAR.

H.R. 5479: Mr. MCKINNEY.

H.R. 5492: Mr. SHANNON.

H.R. 5541: Mr. SIKORSKI, Mr. MCCLOSKY, and Mr. SOLARZ.

H.R. 5569: Mr. TORRICELLI, Mr. SIKORSKI, Mr. OLIN, and Mr. BIAGGI.

H.R. 5582: Mr. FAUNTROY.

H.R. 5605: Mr. BEDELL, Mr. COELHO, Mr. MARTINEZ, Mr. BEVILL, Mr. WILLIAMS of Montana, Mr. BRITT, Mr. HARKIN, Mr. FAZIO, and Mr. KOLTER.

H.R. 5677: Mr. SCHEUER.

H.R. 5749: Mr. FAUNTROY, Mr. VENTO, Mr. SWIFT, Mr. FRANK, Mr. RAHALL, Mr. HOWARD, and Mr. BIAGGI.

H.R. 5791: Mr. LEHMAN of Florida and Mr. GEPHARDT.

H.R. 5800: Mr. BIAGGI, Mr. CONYERS, Mr. CORRADA, Mr. CROCKETT, Mr. DIXON, Mr. DOWNEY of New York, Mr. DUNCAN, Mr. FAUNTROY, Mr. FISH, Mr. FOWLER, Mr. FRANK, Mr. FRENZEL, Mr. FLIPPO, Mr. FORD of Tennessee, Mr. GREEN, Mrs. HALL of Indiana, Mr. MATSUI, Mr. SOLARZ, Mr. STOKES, Mr. SCHEUER, Mr. OTTINGER, and Mr. GEPHARDT.

H.R. 5823: Mr. WILLIAMS of Montana and Mr. ST GERMAIN.

H.R. 5906: Mr. SAVAGE.

H.R. 5920: Mrs. HALL of Indiana, Mr. HYDE, Mr. GONZALEZ, Mr. KOLTER, and Mr. PENNY.

H.R. 5922: Mr. WON PAT, Mr. LIPINSKI, Mr. SEIBERLING, Mr. REID, Mr. MITCHELL, Mr. BERMAN, Mr. CROCKETT, Mr. BEDELL, Mr. GORE, Mr. OWENS, Mr. SIMON, Mr. BRITT, Mr. HARKIN, Mr. MORRISON of Connecticut, Mrs. HALL of Indiana, and Ms. KAPTUR.

H.R. 5937: Mr. WAXMAN and Mr. MRAZEK.

H.R. 5952: Mr. SAVAGE.

H.R. 5967: Mr. RICHARDSON, Mr. WEISS, Mr. LEHMAN of Florida, Mr. ROYBAL, Mr. OWENS, Mr. CLAY, Mr. MRAZEK, Ms. KAPTUR, Mrs. HALL of Indiana, Mr. MITCHELL, and Mr. COOPER.

H.R. 5988: Mr. RUDD, Mr. MCNULTY, Mr. STUMP, and Mr. UDALL.

H.R. 6020: Mr. WHITEHURST, Mr. KINDNESS, Mr. DENNY SMITH, Mr. DUNCAN, Mr. EMERSON, Mr. YOUNG of Alaska, Mr. BROWN of California, Mr. MILLER of Ohio, Mr. BADHAM, Mr. LAGOMARSINO, and Mr. MONTGOMERY.

H.R. 6021: Mr. CHENEY, Mr. LANTOS, Mrs. VUCANOVICH, Mr. PATTERSON, Mr. WYDEN, Mr. BARTLETT, Mr. STANGELAND, Mr. MARLENEE, Mr. BOSCO, Mr. ERDREICH, Mr. LOWERY of California, Mr. PRITCHARD, Mrs. BOGGS, and Mr. WISE.

H.R. 6045: Mr. OTTINGER, and Mr. SCHEUER.

H.R. 6066: Mr. CLARKE, Mr. WYDEN, Mr. COOPER, Mr. KOGOVSEK, Mr. LAFALCE, Mr. KILDEE, Mr. HOYER, and Ms. KAPTUR.

H.R. 6067: Mrs. BOXER and Mr. EDWARDS of California.

H.R. 6069 Mr. GEKAS and Mr. WEBER.

H.R. 6076: Mr. TAUKE, Mr. GORE, and Mr. SWIFT.

H.R. 6079: Mr. CLINGER.

H.R. 6080: Mr. DIXON.

H.R. 6082: Mr. MOLLOHAN.

H.R. 6113: Mr. STANGELAND.

H.R. 6134: Mr. BRYANT and Mr. WAXMAN.

H.J. Res. 206: Mr. SCHAEFER.

H.J. Res. 441: Mr. SCHEUER and Mr. HOWARD.

H.J. Res. 482: Mr. FUQUA, Mr. DUNCAN, Mr. GLICKMAN, and Mr. BATES.

H.J. Res. 489: Mr. MORRISON of Washington, Mr. DINGELL, Mr. VANDER JAGT, Mr. QUILLEN, Mr. WEAVER, Mr. KEMP, Ms. FERRARO, Mr. HUBBARD, Mr. ROEMER, Mr. LEHMAN of California, Mr. LOWERY of California, Mr. BOUCHER, Mr. IRELAND, Mr. GEKAS, Mr. GIBBONS, Mr. SAVAGE, Mr. BATES, and Mr. PHILIP M. CRANE.

H.J. Res. 496: Mr. MCCOLLUM, Mr. WYLIE, Mr. YOUNG of Alaska, Mr. LEWIS of California, Mr. DEWINE, and Mr. ROGERS.

H.J. Res. 499: Mr. KLECZKA, Mr. HARKIN, Mr. ANNUNZIO, Mr. BEREUTER, and Ms. FIEDLER.

H.J. Res. 512: Mr. HIGHTOWER, Mr. HAMILTON, Mr. MCCLOSKEY, Mr. WILLIAMS of Ohio, Mr. O'BRIEN, Mr. ANNUNZIO, Mrs. LLOYD, Mr. JENKINS, Mr. KOSTMAYER, Mr. HEFNER, Mr. ALBOSTA, Mr. LATTA, Mr. CHANDLER, Mr. GONZALEZ, Mr. JONES of Tennessee, Mr. SISISKY, Mr. RUSSO, Mr. LEATH of Texas, Mr. EDWARDS of California, Mr. HUTTO, Mr. BOLAND, Mr. BETHUNE, Mr. PEPPER, and Mr. ASPIN.

H.J. Res. 522: Mr. BLILEY, Mr. BURTON of Indiana, Mr. DAUB, Mr. KOLTER, Mr. RITTER, Mr. RUDD, and Mr. WINN.

H.J. Res. 528: Mr. EDWARDS of Alabama.

H.J. Res. 545: Mr. COELHO, Mr. BEREUTER, Mr. MAZZOLI, Mr. PATTERSON, Mr. GINGRICH, Mr. OBERSTAR, Mr. TRAXLER, Mr. MARRIOTT, Mr. THOMAS of Georgia, Mr. SPRATT, Mr. MARTIN of New York, Mr. YOUNG of Alaska, Mr. DENNY SMITH, Mr. DERRICK, Mr. VALENTINE, Mr. RAHALL, Mr. DURBIN, Mr. EVANS of Iowa, Mr. SOLARZ, Mr. SNYDER, Mr. SISISKY, Mr. SHARP, Mr. GEJDENSON, Mr. RIDGE, Mr. ANTHONY, Mr. BEILENSON, Mr. GUARINI, Mr. ROSE, Mr. JENKINS, Mr. JONES of North Carolina, Mr. HEFNER, Mr. ANDREWS of North Carolina, Ms. SNOWE, and Mr. JEFFORDS.

H.J. Res. 589: Mr. CHAPPIE, Mr. DYMALLY, Mr. APPLEGATE, Mr. MORRISON of Washington, Mr. MARTINEZ, Mr. MCCLOSKEY, Mr. BARTLETT, Mr. SHAW, Mr. VENTO, Mr. MCEWEN, Mr. ROYBAL, Mr. CONYERS, Mr. COOPER, and Mr. DINGELL.

H.J. Res. 591: Mr. MOODY, Mr. COUGHLIN, Mr. MADIGAN, Mr. MARTINEZ, Mr. KEMP, Mr. CHANDLER, Mr. MINISH, Mr. LIVINGSTON, Mr. HARKIN, Mr. BERMAN, Mr. VENTO, Mr. GREEN, Mr. JONES of Tennessee, Mr. MARTIN of North Carolina, Mr. DAUB, Mr. ADDABBO, Mr. GEPHARDT, Mr. VANDERGRIFF, Mr. TAUZIN, Mr. WHITTEN, Mr. WEBER, Mr. LIPINSKI, and Mr. ANTHONY.

H.J. Res. 595: Mr. ANDERSON, Mr. BARNARD, Mr. BARNES, Mr. BENNETT, Mr. BONER of Tennessee, Mr. COELHO, Mr. COYNE, Mr.

DELLUMS, Mr. DERRICK, Mr. DIXON, Mr. DOWDY of Mississippi, Mr. DYSON, Mr. EMERSON, Mr. ENGLISH, Mr. FAUNTROY, Ms. FERRARO, Mr. HEFNER, Mr. HERTEL of Michigan, Mr. KOGOVSEK, Mr. KOSTMAYER, Mr. LELAND, Mr. LEVINE of California, Mr. LIPINSKI, Mr. LUNGREN, Mr. MARKEY, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MINETA, Mr. MRAZEK, Mr. MURPHY, Mr. PANETTA, Mr. PRICE, Mr. ROSE, Mrs. ROUKEMA, Mr. RUDD, Mr. SABO, Mrs. SCHNEIDER, Mr. SHAW, Mr. SILJANDER, Mr. SMITH of Florida, Mr. DENNY SMITH, Mr. TALLON, Mr. TAUZIN, Mr. TORRICELLI, Mrs. VUCANOVICH, Mr. WAXMAN, Mr. WEBER, Mr. WHITTAKER, Mr. WON PAT, Mr. YATRON, and Mr. YOUNG of Alaska.

H.J. Res. 602: Mr. MARTINEZ.

H.J. Res. 605: Mr. TAUKE, Mr. NOWAK, Mr. SEIBERLING, Mr. WYLIE, Mr. MCHUGH, Mr. HOYER, Mr. SCHEUER, Mr. PEPPER, Mr. FLORIO, Mr. LIPINSKI, Mr. CONTE, Mr. ADDABBO, Mr. ERDREICH, Mr. SCHUMER, Mr. OBERSTAR, Mr. DORGAN, Mr. KASTENMEIER, Mr. SHANNON, Mr. BURTON of Indiana, Mr. DELLUMS, Mr. BADHAM, Mr. MOAKLEY, Mr. OLIN, Mr. LEHMAN of Florida, Mr. WILLIAMS of Ohio, Mr. MATSUI, Mr. WALGREN, Mr. RICHARDSON, Mr. SAM B. HALL, JR., Mr. REGULA, Mr. QUILLEN, Mr. FAUNTROY, Mr. HUTTO, Mr. BEVILL, Mr. UDALL, Mrs. JOHNSON, Mr. WORTLEY, Mr. GORE, Mr. ROSE, Mr. PETRI, Mr. SMITH of New Jersey, Mr. STOKES, Mr. HUGHES, Mr. GLICKMAN, Ms. KAPTUR, Mr. RITTER, Mr. FOGLIETTA, Mr. OWENS, Mr. BOEHLERT, Mr. YOUNG of Missouri, Mr. KILDEE, Mr. BILIRAKIS, Mr. VENTO, Mr. LUJAN, Mr. LENT, Mr. DANIEL B. CRANE, Mr. BEILENSON, Mr. SWIFT, Mr. MCKINNEY, Mr. HOWARD, Mr. KOGOVSEK, Mrs. BOXER, Mr. SABO, Mr. SAWYER, Mrs. BURTON of California, Mr. ECKART, Mr. YOUNG of Florida, Mr. WEAVER, Mr. GREGG, Mr. LONG of Maryland, Mr. MARRIOTT, Mr. GUNDERSON, Mr. GUARINI, Mr. BOUCHER, Mr. EDWARDS of California, Mr. WYDEN, and Mr. BATES.

H.J. Res. 610: Mr. HERTEL, Mr. SOLARZ, Mrs. LLOYD, and Mr. FAZIO.

H.J. Res. 622: Mr. SKEEN, and Mr. FRENZEL.

H.J. Res. 624: Mr. FISH, Mr. RATCHFORD, and Mr. WEISS.

H.J. Res. 630: Mr. BIAGGI, Mr. CROCKETT, Mr. VANDERGRIFF, and Mr. GUARINI.

H.J. Res. 637: Mr. BONER of Tennessee, Mr. FOWLER, Mr. HAWKINS, Ms. KAPTUR, Mr. BARNARD, Mr. STENHOLM, Mr. GRAY, Mr. DERRICK, Mr. ADDABBO, Mr. ROE, Mr. HATCHER, Mr. MITCHELL, Mr. FRANK, Mr. BARNES, Mr. FUQUA, Mr. LEVIN of Michigan, Mr. LUKEN, Mr. GREEN, Mr. SAVAGE, Mr. BIAGGI, and Mr. WEISS.

H. Con. Res. 265: Mr. PETRI.

H. Con. Res. 308: Mr. BEREUTER.

H. Con. Res. 311: Mr. PATTERSON, Mr. SHUSTER, Mr. CHAPPIE, Mr. SILJANDER, Mr. DENNY SMITH, Mr. HANSEN of Utah, Mr. KASICH, and Mr. TAUZIN.

H. Con. Res. 312: Mr. FAZIO.

H. Con. Res. 322: Mr. NELSON of Florida, Mr. OWENS, and Mr. BONIOR of Michigan.

H. Con. Res. 336: Mr. ADDABBO, Mr. AKAKA, Mr. BARNES, Mr. CLAY, Mr. DELLUMS, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FOGLIETTA, Mr. FRANK, Mrs. HALL of Indiana, Mr. HAWKINS, Ms. KAPTUR, Mr. LELAND, Mr. MITCHELL, Mr. MRAZEK, Mr. OWENS, Mrs. SCHROEDER, Mr. SCHUMER, Mr. STOKES, Mr. UDALL, and Mr. WEISS.

H. Con. Res. 339: Mr. HARTNETT, Mr. HUTTO, Mr. FUQUA, Mr. RICHARDSON, Mr. HOYER, Mr. ZSCHAU, Mr. STOKES, Mr. RUDD, Mr. GORE, Mr. BLILEY, Mr. TORRICELLI, Mr. KOGOVSEK, Mr. STUMP, Mr. FRANK, Mr. LAGOMARSINO, Mr. WILLIAMS of Ohio, Mr. BADHAM, Mr. GEKAS, Mr. EVANS of Iowa, Mr. MCKINNEY, and Mr. CORRADA.

H. Con. Res. 341: Mr. EDWARDS of California, Mr. GEKAS, and Ms. SNOWE.

H. Con. Res. 344: Mr. SYNAR.

H. Con. Res. 345: Mr. FRENZEL, Mr. DIXON, Mr. STARK, Mr. BEILENSON, Mr. JEFFORDS, Mr. LEHMAN of Florida, and Mr. LUNDINE.

H. Con. Res. 346: Mr. BARNARD, Mr. EVANS of Iowa, Mr. PEASE, Mr. HARKIN, Ms. KAPTUR, and Mr. OTTINGER.

H. Con. Res. 347: Mr. SMITH of Florida, Mr. DYSON, Mr. WALGREN, Mrs. BOXER, and Mr. LELAND.

H. Res. 430: Mr. AKAKA, Mr. DASCHLE, Mr. HALL of Ohio, Mr. MINISH, Mr. STARK, and Mr. THOMAS of Georgia.

H. Res. 518: Mr. DUNCAN, Mr. COATS, Mrs. SCHNEIDER, Mr. SOLOMON, Mr. O'BRIEN, Mr. STANGELAND, Mr. SKEEN, Mr. SHAW, Mr. FRANKLIN, Mr. EVANS of Iowa, Mr. ZSCHAU, Ms. FIEDLER, Mr. BILIRAKIS, Mr. HOPKINS, Mr. MCKINNEY, Mr. BADHAM, Mr. STUMP, Mr. LIVINGSTON, Mrs. JOHNSON, and Mr. PHILIP M. CRANE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1797: Mr. HARKIN.

H. Res. 518: Mr. VANDERGRIFF.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5244

By Mr. WOLPE:

(Amendment to the amendment offered by Mr. Fuqua)

—Page 3, after line 14, insert the following new paragraph:

(5) No project shall receive assistance under this title which has previously received assistance from the Energy Security Reserve.

(Amendment to the amendment offered by Mr. Fuqua)

—Page 1, amend lines 14 through 17 to read as follows:

(b)(1)(A) In assisting any project under this title, the Secretary shall make only one award and shall not award more than 50 percent of the estimate of the total costs of the project made by the Secretary at the time such award is made.

(Amendment to the amendment offered by Mr. Fuqua)

—Page 2, lines 2 through 17, amend paragraph (2) to read as follows:

(2) No project shall receive Federal assistance under this title in a total amount exceeding $300,000,000.

EXTENSIONS OF REMARKS

MY HAT'S OFF TO THE WILD BUNCH

HON. PATRICIA SCHROEDER
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mrs. SCHROEDER. Mr. Speaker, I rise today to salute the efforts of "The Wild Bunch," a group of people dedicated to rescuing wild horses and burros which might otherwise be slaughtered. They work long, hard hours for little pay and little recognition. So that everyone may know of their hard efforts, I have inserted the following article printed by the Empire magazine of the Denver Post.

THE WILD BUNCH
(By Stephen Singular)

Snow has been falling this June morning on a ranch in the South Park area of Colorado. Eight men and women and one child have been trying for ninety minutes to catch a black mare named Mariah in a large corral. The adults are tired and cold and frustrated, but they don't know much about quitting.

The ranch is where the National Organization of Wild American Horses (NOWAH) keeps some of the burros and horses that the U.S. military or the Bureau of Land Management has ordered removed from its land. In 1981, 648 wild burros on the China Lake Naval Weapons Center in California were deemed a nuisance and a safety hazard by the Navy and were shot to death. This action motivated NOWAH, the Fund for Animals, and the American Humane Association to develop a plan for removing the remaining four thousand to six thousand burros from China Lake and finding them permanent homes. Eleven hundred wild horses also were roaming the weapons center, which lacks the vegetation to support such a large population. NOWAH and the Fund for Animals have become involved in rescuing 680 of the creatures, taking them off the land and finding people to adopt them. The groups also work with the Navy to manage the herd that has stayed at the center.

The corral at the ranch is divided by a fence. Suddenly, Mariah charges it, ramming it with her forelegs and knocking over a red-headed woman who had been leaning against the fenceboards. Brenda Bainbridge jumps up quickly, scowls with determination at the horse, and says, "I'll get that sonbitch if he comes near me."

The men and women in the corral make up the core of NOWAH, whose headquarters is in Bailey. If they weren't willing to feed and care for these difficult and sometimes dangerous creatures, the Navy could kill them or sell them to slaughterhouses, where they would be turned into dog food. In the past, large numbers of wild horses have been shipped abroad and eaten by Europeans. Most of the wild horses and burros remaining in the West are on BLM land. Since the early 1970s, the BLM has been subject to more stringent laws than the military and has been prevented from selling horses outright for slaughter. But there is an amendment before the U.S. Congress that would allow the selling of "excess" horses living on government land to begin again. Groups like NOWAH think that the wild animals should be turned into pets, not pet food.

NOWAH has a nationwide membership in the thousands (yearly dues are $18), but the bulk of the work is done by the people who are trying to get hold of Mariah this morning. They want to use her and a couple of other horses to round up thirty burros to send to Parker, Colorado, for adoption. It is midweek, but the NOWAH members have taken time off from work to find the burros a home. Barbara Edgar, the secretary and sole paid employee of the organization, estimates that each of the folks in the corral devotes about twenty hours a week to NOWAH, which is $15,000 in debt. Although the group is a couple of months late on the thousand-dollar-a-month rent they pay for this ranch, the landlord has been patient. One of their biggest financial backers, a woman in Denver, sends NOWAH thirty dollars a month.

Barbara hasn't been paid for nine weeks, either. "Sometimes," she says, "you suffer from burn-out doing this. Our kids complain that we don't have time for them because of the work with the animals. So you stop and question your priorities." And then, she adds, you keep working with the critters, no matter how mad they make you, just for the privilege of keeping these symbols of the Old West at home on the open range.

When they arrived at the ranch this morning, Mariah was running in a pasture near the corral, leading a pack of horses across the snow-covered terrain, their manes and tails flying. From a distance they looked like they were in the backstretch at the Kentucky Derby. Hearing their hooves rumble the earth is a thrill. Mariah, once wild, was broken several years ago. On this cold morning, that hardly matters: When the weather changes and she gets with a group of wild horses, she has as much hell left in her nine-year-old body as any of them.

Tom Edgar, Mariah's owner and Barbara's husband, spent the first thirty minutes this morning chasing the horse on foot. Then Ron Zaidlicz, the president of NOWAH, and Dick Nichols, whose finger was broken by a burro a few days before, saddled their mounts and herded Mariah and her pack into the corral. Now, with Mariah surrounded by fence, it looks as if the chase is over and Tom can just walk up and get her on a lead rope. But the mare is still full of beans.

Brenda Bainbridge leads her three-year-old daughter, Chantelle, to a corner of the corral, wipes her hands on her worn chaps, and walks back toward the horse, fierce concentation in her eyes. A small woman with confident movements, Brenda has won many riding awards and knows her way around a horse. Chantelle, wrapped in a pink coat, shivers as she watches from the corner and cries for her mother.

They form a semicircle around Mariah and back her into a corner of the corral. The other horses have drifted several yards away, all of them breathing hard after running behind this mare for the past hour and a half. The men and women close in tighter, talking to Mariah, reaching out with their hands, almost close enough to touch her. She snorts, bucks, and suddenly breaks through the human barrier. Bodies turn to the side to keep from being trampled. The men and women chase Mariah as she and three wild horses run straight toward the far fence, backing Chantelle farther into the corner. They pin her against the wall of a shed, the girl's pink coat disappearing behind the legs of the huge, pawing animals.

"Oh!" Zaidlicz yells, momentarily frozen. "The little one!"

The adults had forgotten that the child was in the corral with them. There is a moment of silent terror; everyone is afraid to move. But these are horse people and know that animals react badly to fear. First Brenda and then the others walk toward the horses as if nothing were wrong. They talk to them, gently and calmly, trying to get Mariah's attention. The mare whinnies, stomps her leg, then turns and leads the other horses away from Chantelle, who is swept up by her mother and taken to safety.

A few minutes later Mariah is tricked into running into a stall, where the adults are finally able to put a rope on her. She is saddled, the men climb aboard their horses, and ride off to round up the burros. They had gathered at 7 a.m., it is now 10:30, and the work they had come to do is about to begin. It will go on through much of the afternoon. The following Saturday, they will spend another day finding families for the burros in Parker. In the past couple of years, they have run between 2,500 and 3,000 animals through this ranch, trying to get them a home. The animals they can't immediately place stay at the ranch. A lot of people like to talk about the need for preserving wildlife; some of them give money to this cause. But dealing with fiery horses and bull-headed burros is hard work. Last April a horse fell on Art Clarke, one of the men standing near the corral, and broke his pelvis. Zaidlicz recently was bitten by a burro. "You ain't been bit," he says, "until you been bit by a burro." Tom Edgar doesn't ride enough to stay in shape, and his stride shows it.

None of them minds the labor or injuries very much. (For relaxation, this bunch goes to Cheyenne and races bucking horses they borrow from the rodeo.) They have the kind of quiet satisfaction, the sense of humor, and the general lightness of spirit that come from doing something you don't have to do, or aren't paid for doing. It comes from doing something more.

"It's a lot of work," says Tom Edgar, who works for AT&T in Denver, "but it gets in your blood. Sometimes I think Barbara and I are crazy, having grandkids and doing this. We've thought of getting out, but what can you do?"

"Everyone," says Zaidlicz, a veterinarian who treats only horses, burros, and mules,

"would like to do this full time, but you can't make a living at it."

"All you have to do is give a damn," says Dick Nichols, a mechanic for Frontier Airlines. "Your job becomes an avocation and the animals become a full-time job. If our organization goes down the tubes, I don't know who will pick up up where we left off. They'd have to go back to shootin' 'em."

In the early 1800s, there were an estimated two million wild horses in the West. Their ancestors, which had come to America with Columbus and subsequent explorers, were from choice Andalusian breeding stock, the elite of the Spanish equine world. Over time many escaped and became mustangs (from the Spanish mesteños), forming free-roaming herds on the plains. Burros also came across the ocean; some of them escaped from Western miners, breeding into wild herds. As the land was settled, the horses began to be used for labor—in front of plows or behind cattle—and the number of mustangs fell dramatically. When trucks and tractors began to appear, the animals were turned out to pasture and wild herds began to form again. They grew until the 1930s, when the domestic pet industry took off and Spot had to be fed. In 1934, 100,000 wild horses were rounded up by mustangers and put into cans.

This solution not only solved the dog food problem but also kept horses from competing with ranch cattle for open range. This range land often was government property, leased to ranchers who had no use for wild horses; they thought of them not as descendants of an noble and ancient breed but as many nags hurting their business. By the early 1950s, only about 17,000 mustangs and burros still were running wild in the West.

While driving to work one morning about three decades ago, Velma Johnston, a Reno, Nevada, secretary, saw a truck jammed with bloody wild horses being taken to a rendering plant. She pulled off the road and vomited. That was the beginning of a crusade that in 1959 would result in a piece of legislation designed to prevent mustangers from using planes and trucks in roundups and from poisoning watering holes. By that time, Johnston had become well-known as Wild Horse Annie—her horse-protection group is called Wild Horse Organized Assistance, or WHOA!—and the bill was commonly referred to as the Wild Horse Annie Act. In 1971, after intense lobbying by Annie and her cohorts, Congress passed a second bill, which placed wild horses and burros living on federal land under the ownership of the federal government. The bill also prohibited the government from selling wild horses or even their carcasses.

Under the law, the BLM was to devise a long-term plan to keep the number of wild horses and burros at around 17,000. But while the agency was devising its plan and conducting research, the herds expanded. By 1980, the BLM estimated that 64,000 wild horses and burros were back on the range. (Herd numbers are bitterly contested by horse-protection people, who contend that the BLM inflates the figures to justify killing more animals.) These large herds upset not only ranchers but some environmentalists as well. In certain areas in the West, like California's Death Valley National Monument, burros live on an ecologically fragile landscape. Too many free-roaming animals could destroy the place.

To reduce the herds, the BLM developed an adoption program. For $25 to $140, depending on transportation costs, you could adopt a wild horse or burro from their various centers in Wyoming, Nevada and other western states. The program was reasonably priced, the idea was a novelty, and the recession of the late seventies had not yet hit. In some places, there were long waiting lists of families wanting to adopt. Since 1972, the BLM has found homes for 1,464 horses in Colorado alone. NOWAH, which has no financial connections with the BLM, has worked with the agency to place some of these animals.

In 1979, the BLM provided most of the financing for the National Academy of Sciences to undertake a series of studies on the issue of these wild animals in the West. The research was divided among several universities and took a couple of years to complete. Frederic Wagner, associate dean of the College of Natural Resources at Utah State University in Logan, chaired the committee that oversaw this research. Two of the studies' most controversial questions concerned getting an accurate count of the wild animals and determining if they do, as ranchers charge, compete with cattle and overgraze some areas.

"We found that, depending on the terrain, the BLM was undercounting the number of animals," says Wagner. "There are, in fact, more burros and wild horses than their methods had shown. In some places, especially where there is heavy vegetation, the undercount is substantial."

On the other hand, Wagner says, "We asked the BLM to show us areas of serious overuse by horses and burros. We weren't shown any. If they exist, we didn't see them."

At the time of the research, Wagner concluded that a kind of delicate balance finally had been achieved among the ranchers, animal protectionists, environmentalists, and the government in this longstanding range war. "Our general view," he says, "was that horse and burro management was reasonably in hand. Everything was working smoothly until 1980."

By 1980, if people still had an extra hundred dollars, many were deciding that they didn't want to put it into a wild horse. One of President Reagan's first acts in office was to cut the BLM's funds for managing wild horses and burros by about 20 percent. To make up for this lost money, the BLM raised its adoption prices. A horse that could have gone for as little as $25 in the seventies suddenly had a flat adoption fee of $200. The idea was not only to bring in more money, but also to keep slaughterhouses from taking large numbers of animals that were up for adoption. As a result of the fee rise, demand for the animals almost dried up, but the BLM kept rounding up "excess" horses and burros to keep them off the open range. Then the agency was faced with the prospect of feeding the animals indefinitely. By next month, 3,000 animals will be living in government corrals at a feed cost of $150,000 a month.

By 1983 the BLM had lowered the adoption prices, to $125 for a horse and $75 for a burro. More of the animals were being adopted, but the problems hadn't been solved. Rumors flourished that the BLM would have to kill the animals that it couldn't find homes for. Humane groups across the country threatened to sue the government if it began putting down horses and burros. A moratorium on the destruction of healthy animals was declared by the BLM.

In 1983, Sens. James McClure of Idaho, Malcolm Wallop of Wyoming, and Mark Hatfield of Oregon fashioned an amendment to the Wild Horse Act, which would allow the BLM to auction off animals (primarily old horses) the agency couldn't find homes for. An auction could only take place after the horses and burros had been offered without charge to "appropriate animal protection entities." The BLM, which supports the amendment, estimates that this would mean selling 10 percent of the creatures they round up each year, or about 700 animals. Protectionist groups contend that they simply don't have the resources to handle large numbers of the horses and burros, and that the BLM could end up selling as many as 3,500 animals a year. Passage of the amendment, they believe, would reopen the way for widespread use of horses for pet—or human—food. The legislation is pending in the Senate.

"We are the number one antagonist against the amendment," says Lois Mast, president of the Humane Federation of Wyoming. "The passage of it would mean the elimination of three thousand wild horses in our state. Our position is that there is an alternative to killing the horses. Sterilizing the animals and turning them loose again is a lot cheaper than rounding them up and feeding them. We'd also like to see a prairie park system, where the horses and burros would be free to roam. Humane organizations just don't have the resources to handle all these animals. The responsibility for this belongs not to the humane societies but to the whole public.

"We were amazed at the support we got for the horses from senators in the East. They said, 'Look at what has happened to our wildlife heritage in the East. Don't let that happen in the West.'"

"There are now 60,300 animals out there," says John Boyles, chief of the BLM's division of wild horses and burros in Washington. "To castrate the herds, you would have to round up and physically handle half of these animals. The cost of that would be prohibitive, plus all the stress that comes from running and capturing the animals. Horses also have a harem structure. One stallion mates with six or eight females. That makes it even more complex. Sterilization is not really a feasible alternative, once you get down and examine it.

"If Congress passed the amendment, it would give us a mechanism for disposing of animals we can't find homes for. And we could use the money that comes from selling them to help the horses that we will continue to manage. If the bill doesn't pass, we will have to go ahead with the destruction program which the law says we can use for excess animals. You have to control the animals and you do that by removing them."

Under the 1971 law, the BLM's goal was to maintain a herd of around 17,000 animals. They have raised that target in the past few years to 25,000. This means that by 1990, when the BLM hopes to have carried out its long-term wild horse and burro plans, 35,000 more animals must be removed from the range.

The thought dismays some horse-protection people, most of whom remain unwavering in their belief that the BLM has inflated the number of animals roaming freely in the West. They also think that the horses and burros should be left to run where they please, an essential part of what the West still has to offer.

At the NOWAH ranch, some burros have been separated from the horses and herded into a corral; thirty of the best ones are being selected for the trip to Parker. For

the most part, farmers and ranchers want nothing to do with the animals. They most often end up in the Denver suburbs of Lakewood, Arvada, or Castle Rock, where they become pets for people with an acre of land or maybe just an open back yard. Ron Zaidlicz says that most of the people who compete in the unusual sport of running with a burro in tow have gotten their animals from adoption programs.

NOWAH and the Fund for Animals are the only non-government national organizations that take large numbers of horses and burros and attempt to find homes for them. NOWAH has plans to ship packs to Kansas and Michigan. Seventeen people in Parker are committed to adopting one of these burros each, at $85 a head, but NOWAH will take twice that many to town. When people see the critters, they tend to want one. Unbroken horses are harder to farm out.

"We got involved with NOWAH after we got a burro," says Tom Edgar, standing inside the corral and watching the animals. "They're like big babies. When I come home at night, our burro sees me get out of the car and starts braying."

Edgar, Ron Zaidlicz, and Myron Morrow, who has a drywall business in Bailey, are in a holding pen, deciding which burros go to Parker and which return to the pasture. Ron is the group's founder and leader, and he has the final say on the fate of each animal. The others acknowledge that he is the only one among them who doesn't get weary of this work. Some of them admit that if it weren't for Ron's enthusiasm, the program might not go on.

Art Clarke, who is still recovering from his broken pelvis, is gingerly riding his horse and herding inside the corral. Art's wife Diana, Barbara Edgar, and Brenda Bainbridge are gathered near the gate, making sure that the culled burros find their way back out to pasture. All the men have beards or mustaches and rough hands; they joke about who will be the next one to be badly hurt. The women don't find much humor in that.

"You better let a woman do that!" Diana calls, when the men have trouble getting a burro into one of the pens. She is small, with dark hair and bright, mischievous eyes. The men and women carry on a steady banter about which sex can best handle a horse and make a burro behave.

"Ahh," Dick Nichols says, waving his hand at her.

The women smile at each other and finish their cigarettes. Diana and Brenda mount up and ride into the corral, cutting their horses around the burros with authority. With more people working, the tedious task of separating the animals goes more smoothly. The sun has come out with a surprising rush of warmth; except for the distant snow-covered pastures, it could be midsummer in the mountains.

Barbara stands near the gatepost and lights another smoke. She and Tom moved out West from Chicago fourteen years ago. "When I was growing up in Chicago, I never thought when I got to be a grandmother I'd be involved with wild horses in Colorado," she says, smiling at a handsome jack that doesn't want to do what the folks in the corral think it should. Male burros are called "jacks"; females are "jennies." But if somebody doesn't do something, they'll end killing them again. That's what keeps me going. That, or letters I get in the office, where people say they love having a pet. With the fellas, part of what they like is the chance to come out and play cowboy."

The work is nearing an end. Ron and Dick drift over and, in the time-honored tradition of ranch hands taking a rest, lean against the fence, staring at the animals and talking. They complain mostly about dollars and the govenment, another rural tradition.

"We're good at handling burros and horses," Ron says. "The only real problem is money."

"You don't see any financiers here," Dick says. "We're lousy beggars. We don't have the technique yet."

"Prior to the Reagan administration," says Ron, "the government just went along with the programs. Now they're not interested in solving the problems but in eliminating the animals. I don't believe there's an overabundance of wild animals. You could drive through Nevada all day and never see a wild horse. The government's acting like people in Nevada are eating horses."

Zaidlicz is asked what the proper management role for the government should be. He also mentions castration but adds that there does need to be a small reduction plan, especially for the older horses that no one wants. He thinks that if the BLM gave away the animals, the agency could get rid of them more easily and wouldn't have to feed them indefinitely; things would come out about the same financially.

"It's almost like a self-destruction problem," Dick says. "When the government was having the most problems with money, they raised their prices and made it worse. We're not down on the government. It's not that. It's just very frustrating."

Zaidlicz would like to see a BLM adoption center near Bailey, similar to the ones at Rock Springs, Wyoming, and Omaha, Nebraska. NOWAH has experience handling the animals and Zaidlicz feels that they could work closely with the BLM and find homes for a large number of the horses and burros. Thus far, the BLM hasn't gone for the idea.

Recently, though, the agency offered Zaidlicz an alternative. In the past, NOWAH has had to pay the adoption fees before bringing the animals to the ranch and trying to find them a home—and getting their investment back. In mid-July the BLM told Zaidlicz the agency had 2,500 "excess" animals that NOWAH could have for just the cost of transportation to Colorado. Zaidlicz is accepting the offer, a few animals at a time. He asked the BLM for financial support in this endeavor but wasn't successful.

"They would rather see us do it with our own funds," he says. "But it is the first time they have really looked to us for help."

Like the Edgars, Zaidlicz is from Chicago. After veterinary school, he decided to come West because he was fascinated by wild horses. He wanted a government job working with the beasts; when he couldn't find one, he started NOWAH. "I didn't think it would go this far," he says. Zaidlicz is a handsome man who looks like more than a weekend cowboy. You have the feeling that he is proud of that bruise on his arm, where the burro bit him.

"We used to get rid of sixty or seventy animals a week," he says, "but now it's slowed down. The novelty's worn off. The pressure's on us to take another 2,500 burros this winter. We'll take all we can. If we don't take them, they'll go to auction."

Nearby, a burro that has been culled from the herd is braying loudly, insistently. Burros have been called "desert canaries," but there is nothing birdlike about their song. It grabs you, shoots right into your flesh.

"BLM land," Zaidlicz is saying, "is public land the cattlemen and sheepherders want to use to make money. The politicians in Washington represent these people. It all comes down to politics and money. The cattle and sheep people have votes and the horses and burros don't."

The burro is braying again. It's a terrible sound, really, because it's so desperate, the cry of a creature that more than anything in the world seems to want to tell you what it thinks and feels about its existence. The burro keeps on braying, with more and more determination and fury. If the beast could talk, you know exactly what it would tell you about finding a home.●

THE NEED FOR MEDICARE REFORM IN 1985

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. DOWNEY of New York. Mr. Speaker, next year we will be celebrating the 20th anniversary of the enactment of medicare legislation and that is truly cause for celebration. With the enactment of medicare, we as a nation built a new structure on the foundation of the social security system which had been created three decades earlier. We built a structure that was a concrete sign of our commitment to our senior citizens to provide them with a secure future in their retirement years.

Next year, Congress will face a considerably more difficult task than simply celebrating the inauguration of one of our most important social programs. For the fact is, Mr. Speaker, there are serious problems undermining the structure which was created 20 years ago. These problems are most clearly seen in what has been called the financing crisis of the medicare system.

The financing crisis can be viewed from two perspectives: that of the system as a whole, and that of the elderly beneficiaries. In terms of the medicare system, we have seen that health care costs have been doubling every 5 years. This is a cost escalation that clearly cannot be maintained in the future. At the present time, medicare and medicaid represent a sizeable share of the Federal budget; in fiscal year 1984, medicare and medicaid cost $82 billion, or about 10 percent of the budget, and by fiscal year 1989, the cost of the two programs is projected to increase by 45 percent to $135 billion. The effect of this increase on the Federal budget deficit is clear to see. Although it is not as readily apparent, there will be a serious effect on the working population whose payroll taxes fund the medicare program. The workers of this country cannot afford

to have these taxes increased any further.

From the perspective of the elderly beneficiaries of medicare, we can also see a sharp increase in the costs they pay for health care. The Select Committee on Aging, of which I am a member, reports that at present the average elderly person pays out of his or her own pocket $1,500 per year for health care, despite the existence of medicare. This represents a 122 percent increase over the past 6 years. Elderly Americans are now using about 15 percent of their annual income to meet their health care needs, and by the year 2000, that share is projected to be 19 percent.

The Select Committee on Aging points out that this means that the elderly will be using more of their income on health care than they were before medicare was enacted. This is a burden which few can afford to bear. The elderly face pressure from three directions: reductions in their medicare and medicaid benefits, the overall increase in health care costs and the strain that this places on their budgets for food and shelter.

The cost increases affect the elderly beneficiaries in a number of ways. Certain types of health services are not presently covered by medicare, therefore, the cost of these services has to be met by the individual. In the past years, the premiums beneficiaries pay have increased dramatically. Furthermore, the deductibles have also increased, as has the coinsurance portion of the program. Added to these aspects of the program itself is the increase in physicians' fees above the usual and customary base which medicare uses to determine reimbursement. Many people see this as the single greatest problem facing medicare beneficiaries.

Mr. Speaker, it is clear that Congress will have much to consider when it begins the task of solving the medicare system's financial problems. I think that we must be receptive to various approaches and I hope that we do not close off any options for improvement. The most obvious approach is to improve the health of the population in general by paying greater attention to preventive medicine and reducing the incidence of illness in the entire population. Besides being a worthy goal in itself, a more healthy population would reduce the strain on the system's resources. Another approach would be to increase the supply of alternative health services where they are appropriate. By providing recourse to a wide variety of health care services, medicare may be able to hold down costs.

Since its inception, medicare has been searching for ways to improve administrative controls and this approach has met with some success. We need to explore further administrative savings and encourage broader planning to reduce costs. Recently, a great deal of attention has been given to stimulating greater cost consciousness on the part of medicare beneficiaries, by establishing a voucher system. Although this approach has been controversial, we need to explore it further, and see whether it can be modified so that it suits the needs of our elderly citizens. Finally, physicians and hospitals must be encouraged more to hold down their own costs; several attempts to reduce costs in this way have been tried. We must continue to look for an effective cost containment program.

Mr. Speaker, this seems like an overwhelming task, but I am sure that we are capable of meeting the challenge. I am confident that this Nation can provide our elderly citizens with first rate health care at a price that they can afford and which will not place an even greater strain on the Federal budget.●

NO FIRST USE OF NUCLEAR WEAPONS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. WEISS. Mr. Speaker, as the superpowers continue to prepare for war and as tensions between them escalate, a bold initiative to bridge the differences between the United States and the Soviet Union is needed now more than ever. The United States renunication of the first use of nuclear weapons would be such an initiative.

To reduce the likelihood of nuclear holocaust and to encourage arms reductions by both the United States and the Soviet Union, I have introduced House Joint Resolution 393, which calls upon our Government to renounce the first use of nuclear weapons.

The following is testimony I presented on this subject to the House Foreign Affairs Committee for a hearing on current arms control issues:

STATEMENT OF REPRESENTATIVE TED WEISS BEFORE HOUSE FOREIGN AFFAIRS COMMITTEE JULY 25, 1984

I would like to commend Chairman Dante Fascell and the House Foreign Affairs Committee for holding today's hearing on arms control policy.

I am presenting testimony today on an issue I have been concerned with for many years—adoption by the United States of a pledge to renounce the first use of nuclear weapons. In the 98th Congress, I have introduced House Joint Resolution 393, which calls upon our government to adopt such a policy. Joining me in cosponsoring H.J. Res. 393 are 46 of our colleagues in the House.

August 6 of this year will mark the 39th anniversary of the first use of the atomic bomb. In one short moment, Hiroshima was reduced to ashes and at least 100,000 lives were lost. As a 19-year-old in the U.S. Army, I had the chance to visit Hiroshima before it was rebuilt and to witness the terrible destruction. Imagine that devastation spread worldwide; that is the direction in which we seem determined to head.

As tensions between the two global superpowers continue to escalate during the Reagan Administration, it is more essential than ever that the United States formally renounce the first use of nuclear weapons.

The Soviets renounced first use in June 1982. A mutual no first use pledge would reduce fears of nuclear war on both sides and could break the current stalemate in arms control talks and superpower relations.

Since the late 1940s, the United States and our NATO allies have based their common defense on the declared strategy of initiating nuclear war if our conventional—or non-nuclear—forces should be threatened with defeat.

The crude atomic bombs of the 1940s have been followed by many thousands of sophisticated and highly destructive warheads. U.S. nuclear monopoly has been replaced by nuclear parity between the superpowers. Yet, the Western deterrent to Soviet aggression has remained nuclear-based. Every Western nuclear strategy has been based on U.S willingness to be the first to use nuclear weapons to defend Europe.

Though morally questionable, the first use of nuclear weapons may have been militarily feasible at the time when it was adopted and when our adversary did not possess nuclear weapons to any significant extent. But now that the superpowers' nuclear arsenals are essentially equivalent, first use by either side will inevitably call for a nuclear reply and will escalate until total nuclear war is unleashed.

Former President Jimmy Carter and his defense secretary, Harold Brown, questioned whether a nuclear exchange could remain limited. In July 1977, President Carter expressed this doubt when he said: ". . . the first use of atomic weapons might very well lead to a rapid and uncontrolled escalation in the use of even more powerful weapons with possibly a worldwide holocaust resulting."

McGeorge Bundy, George Kennan, Robert McNamara and Gerard Smith—four former officials who helped shape U.S. nuclear policy—have stated without equivocation that the "only clearly definable firebreak against the worldwide disaster of general nuclear war is the one that stands between all other kinds of conflict and any use whatsoever of nuclear weapons." Field Marshal Lord Carver, former chief of the British Defense Staff, dismisses first use as "either a bluff or a suicide pact."

Undaunted, we still maintain a first use policy. Proponents argue that the threat of first use remains an effective deterrent to Soviet aggression while strengthening the Atlantic alliance. They add it would be too costly for NATO to achieve parity with the Warsaw Pact's conventional forces.

The evidence disputes these arguments, however. During the late 1940s, America's nuclear monopoly did not prevent the Soviets from consolidating their control over Eastern Europe. Nor did it deter the Soviet Union from attempting to cut off West Berlin's life-line in 1948.

The likely results of a first strike by the United States should hardly be reassuring to our European allies. Now that the Soviets have a sufficient number of warheads to destroy America as a functioning society, there is substantial doubt in both the East

and West that the U.S. would "trade Boston to defend Bonn."

Even a limited nuclear exchange would probably mean the devastation of Europe. Each superpower would refrain from attacking the other's homeland to allow an opportunity to prevent the conflict from escalating to a global war. If the U.S. were to respond to Soviet aggression with nuclear weapons, presumably, they would be launched against targets in Eastern Europe. The Soviets would respond by launching their nuclear weapons against Western Europe.

To reassure our NATO allies, the U.S. decided to deploy Pershing 2 and ground-launched cruise missiles in Western Europe. But the deployment has proven to be more of a problem than the ailment it sought to cure. Massive public demonstrations in Western Europe against the deployment has shown that nuclear deterrence frightens more than it assures. Furthermore, Denmark's refusal to deploy cruise missiles on its soil poses an additional threat to NATO unity.

Finally, the cost of strengthening NATO's conventional deterrence would amount to less than $100 billion over a period of six years, according to one estimate, an expense the allies could reasonably handle.

The most promising—and economical—way of achieving conventional balance is through arms control. Since 1973, NATO and the Warsaw Pact have been engaged in such an effort at the Mutual and Balanced Force Reduction (MBFR) talks in Vienna. An agreement in Vienna could include limits on the number of Soviet forces and an annual quota on ground and air inspections to increase advance warning of possible mobilization for attack. Such an accord would stabilize the East-West military confrontation in Europe and reduce the possibility that the confrontation could lead to war.

By shifting from a nuclear to a conventional deterrent, NATO would not abandon its survivable second strike nuclear capability. Under this revised strategy, nuclear weapons would only deter the use of nuclear weapons by the Soviet Union.

A no first use policy would strengthen the internal health of the Atlantic Alliance. By raising the nuclear threshold, it could help ease tensions with the Soviet Union and open the path to serious reduction of nuclear weapons by both superpowers.

Nuclear weapons have not been used since 1945. To insure that nuclear weapons will never be used again, we must recognize that it makes no sense to hold these weapons for any other purpose than for the prevention of their use.●

SUPERFUND: THE JOB IS NOT COMPLETE

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. HARKIN. Mr. Speaker, in 1980 Congress created a $1.6 billion Superfund to clean up the Nation's worst abandoned hazardous waste sites. Nearly 4 years into the 5-year program, only six sites have been cleaned up. A significant reason for this abominable record is the reign of Anne Burford as the Administrator of EPA. Mrs. Burford slashed the Agency's budget and drove away many dedicated environmental experts. It is tragic that these actions have done such a disservice to the American people, who care so strongly about the dangers of hazardous wastes.

The mismanagement of the Superfund Program under Mrs. Burford was scandalous, and I am somewhat reassured that there is at least a more positive tone at EPA under Administrator William Ruckelshaus. But it is clear that better management alone is not enough. The magnitude of the problem is much greater than previously believed. The current $1.6 billion Superfund is sufficient to clean up less than 10 percent of the sites EPA expects will qualify for cleanup. EPA estimates that when the 17,000 sites now known to exist throughout the country are evaluated, the current National Priority List of Superfund sites will increase from 546 to 2,200. Furthermore, EPA estimates total cleanup costs of from $8 billion to $16 billion, while the General Accounting Office puts the cost at $26 billion and the Office of Technology Assessment says that costs could run as high as $40 billion.

We have before us H.R. 5640, an extension of the Superfund Program to increase the size of the fund to $10.2 billion over 5 years and provide badly needed rejuvenation to the program. I urge my colleagues to vote for H.R. 5640, and I also urge you to take a few minutes to read the following article from Outdoor America, the magazine of the Izaak Walton League. The article clearly lays out the critical importance of the hazardous waste problem and the urgency of strengthening and significantly expanding the Superfund Program.

FULFILLING THE PROMISE OF SUPERFUND

(By Marchant Wentworth)

The John Swift Co. went out of business in 1972. But it left its own kind of legacy. Before going under, the company buried decaying valves contaminated with carbon tetrachloride near its Canton, Conn., factory and at the town dump. To make some extra money, the company also invited truckers for miles around to toss their chemical discards down a sluiceway out back. Five years later, traces of two powerful industrial solvents that are known carcinogens—carbon tetrachloride and trichloroethylene—began showing up in nearby wells. Local health officals, concerned about the possible threat to public health, searched for those responsible for the dumping to get help paying for the growing cost of cleanup. But they were unable to locate any of the officials of the defunct company.

In 1974, Ventron, a New Jersey chemical company, decided that rather than meet federal pollution standards, it would simply close down. When an unsuspecting realtor bought the property for $90,000 an acre and began to tear down the buildings, he ran into big trouble. Wetting down the buildings for demolition, he discovered mercury—lots of it. Mercury vapor from chemical production had gathered on the ceilings and walls of the building. Now, years later, this mercury poured forth in silver steams from the timbers in concentrations of over 120,000 parts per million (ppm)—more than 760 times the amount the Environmental Protection Agency says is a lethal dose. For its part, Ventron disclaimed any responsibility for the mess and wants the state of New Jersey to pay for the cleanup.

An investigation of the corporate records revealed that Ventron was a subsidiary of Velsicol, a Chicago-based chemical and pesticide manufacturer that had a sordid history all its own. In 1964, Velsicol created a pesticide dump in Toone, Tenn. Three years and 250,000 drums of waste later, the neighbors' well water started to smell like chemicals. Finally, in 1972, after five years of complaints, the state ordered Velsicol's leaking dump closed. Unfortunately, closing the dump did nothing to help the water. In March 1978, the U.S. EPA found that the well water contained over 2,400 times the amount of carbon tetrachloride considered safe. Tragically, no one took the trouble to tell the residents about the threat to their health. It wasn't until six months later, while attending a congressional hearing in Washington, D.C., that they learned the water they'd been drinking for years could be giving them cancer.

The Superfund legislation originally held the promise of beginning to put an end to these chemical horror stories. Enacted in 1980, the legislation established a $1.6 billion fund to pay for the cleanup of abandoned hazardous waste dumps around the country. But now, four years later, the promise of Superfund has been sadly unfulfilled. Bureaucratic delays, cutbacks in enforcement and charges of political favoritism have seriously undermined the Superfund program.

The original idea behind Superfund was simple. Create a special federal trust fund from a tax on the chemical industry to pay for cleanup of abandoned hazardous waste sites. Then link this fund with strong legal authority that would not only enable EPA to recover damages from those parties responsible for the dumping but would also encourage present hazardous waste handlers to clean up their act to avoid dumping lawsuits. The result was supposed to be a short-lived program to enable EPA to act quickly to protect human health and the environment from chemical abuse.

But the program ran into problems right from the start. The National Contingency Plan, a set of key regulations intended to guide the program, was delayed. Only after the Environmental Defense Fund sued EPA was the agency forced to finally release the needed regulations—more than 18 months after the date originally mandated by the legislation. In February 1981, the Reagan administration proposed a $50 million cut in the Superfund program. Later that same year, EPA Administrator Anne Gorsuch disbanded the agency's Office of Enforcement and ordered the regional offices to cease issuing orders for the cleanup of hazardous waste sites unless they received approval from Washington. Finally, allegations of political tampering with the program led to the resignations of Superfund head Rita Lavelle and then Gorsuch herself and further set the Superfund program off course.

One result of this confusion is that during the four years since enactment of Superfund, EPA has completed cleanup of only six hazardous waste dumpsites. During this same period, in an effort to downplay the extent of the problem, EPA was slow to investigate the existence of new dumps. Now

it appears that the number of dangerous dumps is even greater than EPA originally thought.

In March 1979, EPA estimated that there could be 1,200 to 2,000 dumps leaking chemicals into our soil and water. However, five years later, EPA Administrator William Ruckelshaus admitted to Congress that there could be between 17,000 and 22,000 dumps around the country that could pose problems for human health and the environment—over 10 times the original estimate.

The full magnitude of the problem is still unclear. So far, EPA has evaluated only 7,100 of these sites to determine which chemicals are present and what sort of threat they pose to the surrounding environment. The condition of the rest remains unknown.

But what is clear is that the present Superfund is completely inadequate to deal with the new dimensions of the problem. Of the 7,100 sites that have been evaluated, 2,200 were found to be in need of urgent attention. Yet, under the present legislation, only 546 sites are eligible to receive Superfund dollars. And, to date, cleanup has begun on only 315 of them. As a result, it could take decades to decontaminate our nation's abandoned dumpsites.

As if the problem weren't bad enough, critics charge that EPA's weak regulations may be actually multiplying the number of leaking dumpsites around the country—sites that an already overloaded Superfund eventually will be forced to deal with.

Superfund was originally intended to be only one part of the nation's hazardous waste management policy to clean up old abandoned dumps. To control and reform present waste management practices. Congress enacted the Resource Conservation and Recovery Act (RCRA) in 1976 which, for the first time established what was supposed to be a "cradle-to-grave" system to track and monitor hazardous waste during each step of its journey. Each landfill and treatment facility was to receive a federal permit after passing rigorous standards that would prevent the dangerous leaking dumps of the past. In addition, those who generate and haul hazardous waste were required to report what chemicals they handled and where they disposed of them.

Here again, delays in producing regulations, efforts to weaken existing regulations and poor enforcement combined to cripple the program. For example, consistently low funding levels and mismanagement resulted in delays in releasing the crucial regulations governing the operations of landfills. To deal with the huge backlog of permit applications from landfill operators, EPA developed weak "interim" permits that had numerous loopholes. In addition, EPA loosened the regulations requiring landfill operators to monitor their sites to warn of any leakage from the facility. This meant that if a leak occurred, no one would know until after the contamination had already become apparent. Adding another regulatory insult to environmental injury, the agency, in February 1982, under pressure from industry, lifted the regulatory ban on liquids in landfills. In the three weeks before the ban was reinstated due to public pressure, an estimated 220,000 gallons of poisonous liquids were poured into landfills, many of which were already known to leak.

In February 1984, the Congressional Office of Technology Assessment was asked by Congress to analyze the effectiveness of EPA's regulatory program. Their report confirmed conservationists' fears when they said: "RCRA groundwater protection standards are not likely to prevent land disposal sites from becoming uncontrolled sites that will require cleanup under Superfund."

To further compound EPA's difficulty in managing hazardous waste, the nation's output of toxic waste appears to be growing rapidly. According to one estimate, after World War II, the United States produced about 1 billion pounds of hazardous waste each year. By 1980, EPA estimated that the amount of toxic waste generated each year had jumped to 80 billion pounds. By 1983, EPA acknowledged that even this figure was too low; according to the agency's best estimate, the nation's annual hazardous generation was 320 billion pounds—four times the earlier number.

Legislation introduced in Congress should go a long way toward correcting some of the abuses of the past. A growing coalition in the House, led by past Superfund champion Rep. James Florio (D-N.J.), has introduced a new version of Superfund—H.R. 5640—which would boost the money in the fund from the present $1.6 billion to $9.0 billion over a five-year period. In addition, the legislation would strengthen the liability sections of the act, regulate leaking underground storage tanks and place EPA on a strict clean-up schedule.

The bill was approved unanimously in Rep. Florio's Commerce, Transportation and Tourism Subcommittee on May 26. In an unusual move, Speaker Thomas P. "Tip" O'Neil forged an effective compromise between the other congressional committees that have an interest in Superfund. This will enable legislation to be considered on the House floor in early August—just weeks before the Republican convention. Supporters hope that this tactic will keep the issue in the public eye and encourage House Republicans to take a strong stand on the issue. On the Senate side, the chairman of the Senate Committee on Environment and Public Works and "father" of the original Superfund, Sen. Robert Stafford (R-Vt.), has vowed to have a Superfund measure through his committee and approved by the Senate this year. The result could be that Superfund could arrive on President Reagan's desk before the election.

On the regulatory side of things, an improved Resource Conservation and Recovery Act was approved by an overwhelming majority in the House earlier this year. A similarly strengthened measure was approved by the Senate Environment Committee and was awaiting action on the floor of the Senate at press time. These bills would toughen groundwater protection requirements and tighten standards on burning hazardous waste. Most observers believe that bill could come before the President by the end of the summer.

But even this new legislation will not really attack the central problem: the need to phase out landfills entirely. Because land disposal has been cheap in the past, American industries have been slow to realize the benefits of reducing and recycling the waste they produce. Now, with the real price of land disposal becoming apparent, there are signs that basic attitudes are beginning to change. The 3M Corp., for example, has been operating its "3P" Program (Profit from Pollution Prevention) since 1975. Through product reformulation, equipment redesign and chemical recovery, the company has eliminated 75,000 tons of air pollutants, 500 million gallons of polluted waste water and 2,900 tons of sludge per year. The company estimates that it has saved more than $20 million during the first three years of operation. Similarly, other companies are exploring waste treatment processes that detoxify wastes and solidify them so they're less likely to migrate into water supplies.

In the end, it is clear that the real solutions will come not from Washington but from those fundamental changes in the way we dispose of our hazardous waste. Until we discover how to encourage these changes, we may be trapped into a costly and perpetual clean-up campaign.●

FISH CANCER EPIDEMIC

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. HERTEL of Michigan. Mr. Speaker, there is a sinister phenomenon which is lurking at the periphery of our knowledge of the environment. This phenomenon has been described as an epidemic of cancer in fish. In numerous regions of the country the incidence of tumors and cancers in lower animals is abnormally high. Ordinarily lower animals such as fish, frogs, snakes, and invertebrates do get cancer, but that incidence is usually low, less than 1 percent. In many areas where the problem has been observed, the fish cancer rates approach 100 percent.

Preliminary indications show a strong correlation between these fish cancer epidemics and chemical contamination of the environment. The fish are sentinels warning us about dangerous carcinogens present in our environment. Let me emphasize that there is absolutely no proof that eating contaminated fish causes harm to humans. However, there are indications that other species have been affected. A study conducted in Wisconsin's Green Bay area has shown that cormorants, birds which feed on the area's chemically contaminated fish, have developed a rate of birth defects 50 times higher than comparable bird populations.

There are a lot of important questions this problem poses. It has the experts baffled and creates serious policy questions. On September 21, 1983, the Subcommittee on Fisheries, Wildlife Conservation, and the Environment conducted a hearing on this matter. I salute the chairman for his interest in this subject. The testimony of the experts of the hearing was indeed disturbing and I recommend it, particularly the insight of Dr. John Harshbarger of the Smithsonian Institution and Dr. John Black of the Roswell Park Memorial Institute in Buffalo, NY.

This hearing has literally raised more questions than it answered. No one is quite sure what to do about this situation. One thing is certain, the

problem of epidemic rates of cancer in fish is not decreasing. Every available indicator shows this problem is increasing in the incidence rates, the number of sites, and the types of species. The measure I am introducing today is a first step to address the myriad of questions this epidemic poses.

Finally I would like to personally thank three individuals who brought this matter to my attention and literally the attention of the Nation. Bo Vito, Steve Kay, and Ted Turner of the Cable News Network have done a truly outstanding service to the Nation and their sustained interest has resulted in increased awareness of the problem, in both the scientific community and among policymakers.

Besides the broadcast media, there has been considerable coverage of this fish cancer epidemic in the print media. I have produced a number of these articles which clearly delineate the scope and magnitude of this problem.

[From Newsweek Magazine Feb. 20, 1984, U.S. Edition]

A CANCER EPIDEMIC IN FISH

(By Sharon Begley, Mary Hager, and John Carey)

On the surface, the nation's waters look better than ever. Twelve years into the Clean Water Act, noxious bubbles are the exception rather than the rule, and fish have returned to once polluted waters. But all is not well. Hints of a cancer "epidemic" in fish are emerging from New York harbor, Puget Sound and waters in between, and biological sleuths are rounding up the usual suspects: "There's fairly good evidence that chemicals in the water are the cause," says biologist John Harshbarger of the Smithsonian Institution. The extent of the problem is unknown: many polluted waters, such as San Francisco Bay and the Mississippi delta, have not been investigated. The suspicion, according to Paul C. Baumann of the U.S. Fish and Wildlife Service, is that fish in these waters are also succumbing to chemicals.

Water pollution didn't start yesterday, and neither did cancer in fish. In the mid 1970s scientists noted unusually high rates of tumors in fish from Michigan's Torch Lake and New York's Hudson River, for instance. "But no one cared," says David Leddy of Michigan Technological University. "It was considered an oddity, but that's as for as it went." Now the spark of scientific interest is catching fire and more biologists are seeking—and finding—worrisome cancer rates in fish from just about every polluted body of water they examine. The most seriously affected fish feed on the bottom, where chemicals concentrate and enter the animals' food chain. At recent congressional hearings, researchers reported on six species of fish from five bodies of water that have alarming cancer rates:

In the Hudson, William Dey and Thomas Peck of Ecological Analysts Inc., find that more than 80 percent of the Atlantic tomcod older than two years have liver tumors.

Fully 30 percent of the bullheads in New York's Buffalo River have skin or liver tumors, reports John Black of Roswell Park Memorial Institute; so do nearly 80 percent of the bullheads that reach the age of three in Ohio's Black RIver, according to Baumann.

In the inner harbor of Everett, Wash., more than two-thirds of the English sole were found to have seriously damaged, often cancerous, livers. In other parts of Puget Sound and its tributaries, sediments contain more than 360 kinds of automatic hydrocarbons, industrial chemicals that include known human carcinogens. The closer that flatfish such as rock sole live to the source of such contaminants, the higher their cancer rate, reports Donald Malins of Scattle's Northwest and Alaska Fisheries Center.

In Michigan's 2,660-acre Torch Lake, some 25 percent of which is filled with tailings from a nearby copper mine, every sauger caught has a liver tumor, as do many walleyed pike, finds David Leddy. And the once plentiful sauger is now so rare that "you can go your whole life without seeing one," he says.

Because such findings, however alarming, are circumstantial at best, scientists have traded in their sampling nets for test tubes to determine unambiguously whether the many carcinogens in water—rather than a virus, for instance—are behind the cancers. In one experiment, John Black scooped up sediments from the Buffalo River and extracted and concentrated the chemicals. He then either painted fishes' skin with the mixture or fed it to them. The painted bullheads developed tumors like those of wild fish after a year; 8 of 10 bullheads fed the chemicals suffered damaged livers including tumors.

Stress: Still, the data do not necessarily mean that, with fish succumbing to cancer, man is next. In the Hudson, for instance, Dey finds that striped bass do not get tumors as the tomcod do, suggesting that other factors—stress or a genetic predisposition, for instance—are at work. Nevertheless, lab experiments show that cancers strike fish in the same organs—and often after exposure to the same chemical—as they do mammals. A "cancer census" by the National Cancer Institute suggests that such similarities hold outside the labs, too. Rates of human cancer near highly polluted sites—including those with diseased fish—often rise above the national average. "This probably means that humans in those areas are exposed to many of the same carcinogens that fish are exposed to," says Harshbarger.

And people will keep being exposed. Many pollutants dumped into waters over the years settle to the bottom, where they are nearly impossible to remove. Waiting for nature to deposit more sediment and literally cover up the problem may be the only feasible solution. Although major commercial fisheries, regularly take fish from the ocean and do not seem to be affected, consumers have little way of knowing where a fish came from—and eating fillets from contaminated waters is not recommended. Because fish concentrate pollutants such as PCB's in their tissues, eating a one-pound fish from Lake Ontario is equivalent to drinking as much as 1.5 million quarts of that polluted water. Nor are government regulators exactly playing white knights—although the Environmental Protection Agency is under court order to set effluent standards for toxic substances from industry, only two-thirds of them have been issued. The contaminated waters and cancer stricken fish will be around for a while, it seems, and if the fish are trying to tell us something, as scientists believe, one can only hope that their message is not that of the silent canary in the coal mine.

FISHING FOR TROUBLE

A CANCER EPIDEMIC IN FISH IS WARNING US: "YOU MAY BE NEXT"

(By Virginia Morell)

During the early 1970s, Ron Sonstegard, a biologist at Canada's McMaster University, took a series of fishing trips across the Great Lakes Basin. Using a large boat fitted with commercial fishing gear, he and his crew sailed from Lake Superior through lakes Michigan, Huron, Erie and Ontario into the St. Lawrence river. Like any other fisherman, he rose at dawn, set his nets for each day's catch, then trawled the waters and sweated with his crew to haul in the harvest. But Sonstegard was not interested so much in the quantity as the quality of his catch: specifically, how many of the fish he netted were suffering from tumors, how many were dying from cancer?

What he found dismayed him. He examined thousands of bottom-dwelling fish from the lakes and their tributaries, and discovered that every species was afflicted with tumors, many of them malignant. Tumors swelled the gonads of carp; skin lesions and tumorus growths festered on suckers; grotesque tumors covered the mouths and heads of bullheads.

The incidence of tumors and cancers struck Sonstegard as abnormally high. It has been known for some time that lower animals—fish, snakes, frogs, lizards, invertebrates—do get cancer. The incidence of the disease in these animals, however, is usually quite low—far less than one percent of the population in most species. Cancer and precancerous tumors in Sonstegard's catches so exceeded this range (in some varieties of carp, for example, 100 percent of the male fish over six years had gonadal tumors and were sterile) that the disease could be considered epidemic.

To confirm his suspicion that the gonadal tumors resulted from environmental pollutants, Sonstegard examined museum and university collections of fish. In specimens collected prior to 1940, gonadal tumors and cancers were nonexistent. "It made sense that the fish caught before 1940 were cancer free, as it has only been in the postwar era that we have introduced a host of chemicals—DDT, PCB, dioxin, industrial wastes, herbicides, pesticides—into the environment," he says. "It would appear that as the number of chemicals in the waterways increased, so did the frequency of tumors in the fish. In essence, the fish are like sentinels sending out an early warning about the presence of dangerous carcinogens in the environment."

Sonstegard is not the only biologist to discover such a major outbreak of tumors in fish. Nor are the Great Lakes the only bodies of water harboring increased numbers of the diseased animals. In the last decade, biologists sampling waterways across North America and in industrialized areas overseas found similar problems (see map of U.S. sites on page 43):

John Black of the Roswell Park Memorial Institute in Buffalo, New York, discovered that bullheads in the Buffalo River, which drains into Lake Erie, suffered from high rates of liver cancer. Worse, all the sauger (a pike-perch) in Torch Lake, Michigan, had also developed the disease. Other scientists reported that 90 percent of the tomcod in

New York's Hudson River were similarly afflicted.

On the Black River, just west of Cleveland, Paul Baumann of the U.S. Fish and Wildlife Service found 30 percent of the brown bullheads infected with liver tumors. In fish more than two years of age, the total reached 80 percent when microscopically discovered cancerous and pre-cancerous liver conditions were included.

In the waters of Puget Sound, near Seattle and Tacoma, Donald Malins, working at the National Oceanic and Atmospheric Administration laboratories, discovered that more than 70 percent of the bottom-dwelling English sole and some of the flounder suffered from serious liver diseases, and 12 percent had malignant liver tumors.

Like Sonstegard, these researchers are certain that environmental pollutants explain the cancers. "Hundreds and possibly thousands of lethal chemicals have been dumped and still seep into Tacoma's Commencement Bay," says Malins. "Wherever we find high rates of these pollutants in the bottom sediments, we also find fish with high rates of tumors. The evidence linking the two is very solid."

This is not the first time that fish have alerted people to potential health problems. In the early 1960s, a worldwide epidemic of liver cancer occurred in hatchery-raised rainbow trout. Scientists investigating the epidemic discovered that a mold growing on peanuts used in trout food produced aflatoxins—one of the most potent carcinogens yet found. Aflatoxins—which grow on improperly stored or damaged grains and are linked to human liver cancers—have since been controlled by the Food and Drug Administration.

Until the trout episode, few scientists considered fish as models for what may happen to people exposed to carcinogens. Fish, so the thinking went, inhabit a very different environment, are extremely mobile and are not mammals. Very little was known about their pathology, as compared to an animal like the laboratory rat. "But cancers are generalized responses that are exhibited by many lower animals, some as primitive as flatworms," says John Harshbarger, director of the Smithsonian Institution's Registry of Tumors in Lower Animals. The registry was created in 1966, shortly after the lesson of the aflatoxins. Scientists worldwide send tumor-ridden fish, frogs, salamanders, slugs and snakes to the registry for examination and classification.

In the last ten years, Harshbarger has noted a growing interest among scientists from heavily industrialized countries in the increasing frequency of liver tumors and other liver ailments in fish. Fish, like people and other mammals, are sensitive to liver diseases because they use their livers to metabolize and eliminate toxic chemicals which have invaded their systems.

Saying exactly which pollutants are responsible for the tumors, however, presents a problem. The great number and variety of chemicals (hydrocarbons, organic waste materials) fouling the sites makes it nearly impossible to establish specific cause-and-effect relationships. For example, more than 30,000 chemical compounds are produced in the Great Lakes Basin, and hundreds of new compounds are added each year. In addition, surface runoff from agricultural, industrial and urban sites further contaminates these lakes and their tributaries.

Statistically, the link between chemical wastes and the fish cancers appears to be indisputable. When Paul Baumann discovered grossly cancer-ridden fish in Ohio's Black River, he also found river sediments heavy with coal tar, creosote and other chemicals produced as by-products of steel manufacturing. Just upstream from the greatest incidence of afflicted fish, near the town of Lorain, sits a U.S. Steel Corporation steel and coking plant. The connection between the fish cancers and the steel mill seemed probable, and U.S. Steel (while never admitting that the chemicals were theirs) offered to dredge 1,600 feet of river bottom and place the sludge in a landfill on its property.

But statistics alone have seldom forced an industry to clean up its act. In an effort to silence critics skeptical of a relationship between pollutants in the Buffalo River and the fish cancers he was documenting, researcher John Black painted sediments from the river bottom on a laboratory colony of brown bullheads. "I knew that polynuclear aromatic hydrocarbons [PAH—waste products from the manufacturing of such products as steel and synfuels] were numerous in the river, and that they had already been linked with skin cancers in man and other mammals. So every day we would take the fish out of the water tanks and paint them with the sediments. Within 12 months, all of the surviving fish had pronounced neoplasms—small nodules that are a first indication of cancer."

Black also painted the same polluted sediments on mice, causing skin cancer almost immediately in these animals. In another test, he fed a colony of bullheads a diet contaminated with bottom sediment extracts, which produced liver lesions. "The fish in the river are in the first line of insult—they are constantly exposed to these chemicals," explains Black. "They absorb them through their skin and gills, ingest them through the food chain and come into direct contact with the polluted sediments. They are like the caged canaries used by early coal miners to warn of the unseen hazards of methane gas. The fish are warning us about the hazards of their environment."

It is, however, unclear what specific hazards humans face from these carcinogens. Obviously, a recreational fisherman who reels in a grossly deformed or tumor-laden fish is certain to be unhappy with his catch. Unfortunately, the cancers and thus the chemicals in the fish are often not apparent. Living in such heavily polluted waters, the fish become reservoirs of deadly toxins, carrying the chemicals in their fatty tissues. But does eating the fish or swimming in or drinking from the polluted waterways cause cancer in people? Some scientists give a definite yes, pointing to cancer maps issued by the National Cancer Institute in 1973. In five of the countries where the occurrence of fish tumors is exceedingly high, the human mortality rate from all cancers is higher than the U.S. average.

Yet, according to Dr. Richard Adamson, Director of Cancer Cause and Prevention at the National Cancer Institute, it is impossible to draw a one-to-one correlation between the two sets of statistics. "Is there any meaning in it?" he asks rhetorically. "No one knows. Personally, I would not eat any fish that I knew came from those areas. It would also be prudent not to draw on those lakes and rivers for a water supply, or to swim in them. I do think the fish are useful as early and reliable indicators of carcinogens in the environment, and their high rates of cancer are a cause for concern. But you cannot extrapolate from their incidences of cancer to those in human populations; there are too many variables involved."

In Canada, where Sonstegard has done most of his work, the population along the Great Lakes shore is relatively small and shows no signs of abnormally high cancer rates. But the fish he caught those first summers of his research have continued to haunt him. "I am not an alarmist," he says. "My work is just part of ongoing toxicology studies. But I wanted to know what these pollutants might ultimately mean to our drinking water supplies, and how they might affect people who were eating the fish."

A clue came from his work with salmon from the Great Lakes. Although tumors were not apparent in many of these salmon, they were heavily afflicted with other liver, thyroid and reproductive problems. Nearly 100 percent of the coho salmon Sonstegard sampled in Lake Erie had goiters. They also lacked secondary sex characteristics, were unusually small and had to be repeatedly stocked as 75 percent of their embryos died.

Sonstegard fed coho slamon from the Great Lakes to laboratory rats. Within two months, the rats had developed the same liver, thyroid and reproductive problems as the fish. "We may know very little about the pathology of fish as it relates to humans; but we do know a great deal about man and rats. So we can understand the rat's response to eating the fish. But what do we say to the people who are eating the fish? They are participating in a major experiment that none of us could ever ethically conduct."

Sonstegard has calculated that the amount of toxic chemicals encountered in eating a single one-pound fish from Lake Ontario is equivalent to drinking 1.5 million liters (400,000 gallons) of the lake's water. Many families of fishermen include the fish as a regular part of their diet. Sonstegard has turned his attention to these families and has just initiated a study to monitor their health. "It has really come full circle," he observes. "We went from studying the effects of the pollutants on the fish to the effects of the fish on man, and all because of what we have done to the fish in the first place. It is the fish's response that has alerted us to our own danger."

[From Omni, May 1984]

CANCER FISH

LIFE

(By Peter J. Ognibene)

Outwardly, they looked like regular saugers and walleyes, the usual catch of the day from Torch Lake, on Michigan's Upper Peninsula. But inside they were carrying the heritage of a careless industrial society; their internal organs were riddled with tumors. In some of them, the liver—reddish tan in a healthy fish—had turned a strange, pale yellow. The anglers who fished Torch Lake may have suspected they were looking at more than a few sick fish, but they could not have known what scientists now fear; that those fish were just a few of many, the first ominous signs of a massive epidemic threatening our rivers and lakes.

Although the Michigan Department of Public Health warned people not to eat the fish, and reporter Barbra Swift of the Daily Mining Gazette, in nearby Houghton, wrote extensively about Torch Lake, it was not until Cable News Network correspondent Bob Vito filed the story that it was brought to national attention.

"I was having a cup of coffee in a small town up there," explains Vito, "and I started talking to one of the local fishermen about another story I was working on. He nodded and said, 'Well, if you really want a big story, just walk to that lake over there: The fish all have cancer.' "

Although the cancer epidemic among fish in Torch Lake came as news to the nation, it was an old story to John C. Harshbarger, director of the Smithsonian Institution's Registry of Tumors in Lower Animals. Harshbarger had first been alerted to the problem in 1973, when a graduate student in Houghton sent him fish specimens from Torch Lake. "We didn't just wake up one day and say, 'Aha! This is what's happening,' " Harshbarger remarks. "We've been building a database over the years."

After extensive research Harshbarger and three colleagues published their findings in the October 1982 issue of The Journal of the National Cancer Institute. That information, coupled with recent experimental efforts, such as those conducted by John J. Black, a coauthor of the Torch Lake study, leave little doubt that chemical carcinogens are to blame for the tumors.

A senior cancer-research specialist at the Roswell Park Institute, in Buffalo, New York, Black traced the source of tumors in bullheads in the Buffalo River. He condensed sediment from the riverbed and painted the extract on the skin of laboratory fish. He also administrated the same extract to mice. Cancerous lesions appeared on both species.

"Fish are in the first line of insult," says Black. "They are prisoners of their environment and may be constantly exposed to pollutants, often at relatively high concentrations."

Though widespread, fish cancer is not a uniform phenomenon nationwide. It is most prevalent in waters that receive heavy doses of such industrial chemicals as the aromatic hydrocarbons derived from coal, petroleum, and other fossil fuels. Three prominent examples:

In Seattle's Duwamish River, 25 percent of the English sole and starry flounder have liver cancer.

In the Black River, near Lorain, Ohio, almost every brown bullhead older than three years has liver tumors.

In New York's Hudson River, tomcod have the biggest and worst-looking liver cancers of fish at any of the locations," says Harshbarger.

This mass of evidence led Representative John B. Breaux, the Louisiana Democrat who chairs the House subcommittee on fisheries, to remark at a congressional hearing last fall: "What we are witnessing, whether we recognize it or not, is a natural population—a natural biological indicator, if you will—that is trying to show us there is something very, very wrong with the environment."

Already the carcinogens that have been detected in fish appear to be working their way up the food chain, particularly in areas with heavy industrial runoff, such as Wisconsin's Lower Fox River, some 200 miles south of Torch Lake.

The Lower Fox, which begins at Lake Winnebago and empties into Green Bay, carries a higher percentage of effluence from pulp and paper mills than any other river in the United States. In 1977 the federal government outlawed the use of polychlorinated biphenyls, or PCBs, in the manufacturing of paper and other products. But although PCB levels in the Lower Fox are steadily decreasing, the problem remains because these deadly chemicals become more concentrated as they ascend the food chain. "A human would have to drink Great Lakes water for about one thousand years," says Black, "to equal the amount of PCB that is in a one-pound serving of a fish contaminated with PCB at five parts per million."

The Wisconsin Division of Health has explicitly warned children and women of childbearing age not to eat anything taken from the Lower Fox or Green Bay. That warning may reduce some of the danger facing local citizens, but it can do nothing for the cormorants and other fish-eating birds that depend on those waters. Once nearly wiped out by the now-banned pesticide DDT, these birds had been making a comeback along the river and bay. Now they are starting to suffer from the effects of PCBs and other toxic chemicals. According to a joint federal/state study published last summer birth defects and other abnormalities among these birds run 50 times greater than normal.

In spite of the warning posed by these sentinels, the Reagan administration has all but dumped the problem onto the states. To make matters worse, it also has been trying to cut or even terminate funding for the laboratories that have taken the lead in studying fish cancer. Legislation being prepared by Representative Dennis M. Hertel, a Michigan Democrat, would compel the government to take a more active role in eliminating this deadly pollution. It would not be the first time the government took heed of a warning.

When scientists traced cancer in hatchery trout to aflatoxins produced by a peanut mold in the fish food, the FDA established standards for aflatoxins in such human foods as peanut butter. "Today, aflatoxins are recognized as extremely potent carcinogens," says Harshbarger. "The FDA standards have undoubtedly prevented many human cancers."●

HONORING OLYMPIC GOLD MEDAL WINNER STEVE FRASER FROM ANN ARBOR, MI

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. PURSELL. Mr. Speaker, on August 2, I made a floor statement honoring Steve Fraser, from Ann Arbor, MI, for being the first American to win an Olympic Gold Medal in Greco-Roman wrestling. Today, I would like to expand that statement by entering in the RECORD an article from the Detroit News on August 3, which further states what a fine athlete Steve Fraser is. His dedication to achieving his Olympic goals is an example for all of us. The article follows:

[From the Detroit News, Aug. 3, 1984]

ANCIENT GOALS TURN TO GOLD FOR WRESTLER FRASER

(By Jerry Green)

ANAHEIM, CA.—Wrestler Steve Fraser set his Olympic goals long ago, and those goals turned into gold—Olympic gold.

Fraser, the sheriff's deputy from Ann Arbor, won the gold medal in Greco-Roman wrestling Tuesday night, a sport that dates back to the original Olympic Games of ancient Greece.

It was the first time an American had won any medal in this sport, dominated in the other Games by the Soviets, Bulgarians, Greeks and Turks.

Fraser defeated Ilie Matei of Romania in the 90-kilo—198 pounds—classification in a very tight match at the Anaheim Convention Center. Then amid chants of "USA, USA, USA," Fraser walked around the area taking a champion's tribute from the fans.

"I don't know what it's done for the country," Fraser said moments later. "I'm just happy to be part of it. We've been ready for it for quite a time. We needed a push.

"I'm just thrilled to be the first medal winner. I set my goals a long time ago. Olympic goals. I feel that all the struggles and rough training and sacrifices have been worth it."

The score of this six-minute final match was 1-1. But Fraser was awarded the victory and the gold because the rules say the last man scoring a point is the winner if the points are even. Fraser took Matei down 41 seconds before the end of the match for his point. Matei had scored a point in the first round.

Greco-Roman wrestling, which the Egyptians actually invented, is a sport that isn't well-known in America. It differs from freestyle wrestling in that the combatants cannot grab an opponent below the waist. They are forbidden to use the leg holds of other wrestlers, so the wrestlers grapple high, without tackling, bumping shoulders, trying to grab arms and legs to drop the opponent.

"I took him down with a headlock," said Fraser, "and came around behind."

Fraser is 31 years old and a graduate of the University of Michigan. He has been wrestling since he was in the eighth grade in Hazel Park, across the line from his boyhood hometown of Ferndale.

A coach grabbed a headlock on him at school.

"Frank Stagg at Webb Junior High," Fraser said with the Olympic gold medal dangling around his neck. "He put a sleephold on me and said, 'You're going to practice.' With the hold he had on me, I had to go."

Fraser has been wrestling ever since.

It has been tough to keep going in Greco-Roman wrestling. Fraser toils in the community work program of the Washtenaw County Sheriff's Department.●

SALUTING THE 71ST NATIONAL CONVENTION OF THE KNIGHTS OF LITHUANIA

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. LIPINSKI. Mr. Speaker, I would like to take note of the fact the 71st National Convention of the Knights of Lithuania, hosted by Council 36 of Chicago, will take place at the Hilton Hotel in Chicago from August 22 through 26, 1984.

The Knights of Lithuania, a national organization, adheres to Catholic philosophy and precepts, furthering among its members a deeper under-

standing and fervent practice of the Catholic faith. The Knights urge its members to practice responsible American citizenship, participation in public affairs, and to exercise their rights of good citizenship at election time. It fosters growth in Lithuanian ethnic community awareness and encourages active participation in Lithuanian community affairs.

Further goals of the Knights include the ideal of instilling in its members an attachment to Lithuania, the land of their ancestors and a knowledge, appreciation, and love of the Lithuanian language, customs, and culture. The Knights of Lithuania promotes educational and cultural advancement among its members and all Lithuanians. Its goal remains to unit the Lithuanian youth living in the United States, and encourage the preservation of Lithuanian culture and to always seek freedom for the people of Lithuania.

I would like to highlight the attendees of the coming convention. National officers attending the convention are: Rev. Anthony Jurgelaitis, spiritual adviser, Providence, RI; Loretta Stukas, president, Watchung, NJ; Elsie Kosmisky, first vice president, Frackville, PA; Elinor Sluzas, second vice president, Dayton, OH; Frank Petrauskas, third vice president, Syracuse, NY; Nancy Miro, recording secretary, Bridgeport, CT; Helen Skudra, financial secretary, Highland, ID; Alphonse Trainis, treasurer, Fairfield, CT; Anthony Radzevich, trustee, Amsterdam, NY; Paul Binkis, Jr., trustee, Chicago, IL; John Narusis, legal adviser, Crystal Lake, IL.

National committee chairmen include: Dr. Jack J. Stukas, Lithuanian affairs, Watchung, NJ; Anna Klizas Wargo, Lithuanian cultural, St. Clair, PA; Magdalena Smailis, ritual, Dearborn Heights, MI; William Piacentini, scholarship, Cranston, RI; Longinas Svelnis, archives, Needham, MA; Mary Ann Lapera, public relations, Plymouth Meeting, PA; Dr. Algirdas Budreckis, Lithuanian language promotion, Quincy, MA; and Frances Petkus, Lithuanian Catholic religious aid coordinator, Dayton, OH.

Aldona Ryan, Centerville, OH, is editor-in-chief of VYTIS, the official publication of the Knights of Lithuania, published monthly.

District presidents attending are: Algerd Brazis, Justice, IL; Mid-American District; Thomas Bruzga, DuBois, PA, Mid-Central District; Albert Jaritis, South Boston, MA, New England District; and Larry Janonis, Bronx, NY, Mid-Atlantic District.

The convention committee members are: The Honorable Josephine Dauzvardis, consul general of Lithuania in Chicago, honorary chairwoman; John L. Paukstis, chairman, Chicago, IL; Ann Marie Kassel, cochairperson, Downers Grove, IL; Mary F. Kincius, cochairperson, Chicago, IL; Bruce Neberieza, cochairperson, Chicago, IL; and Evelyn Ozelis, cochairperson, Chicago, IL.

Other committee members include: Scottie Zukas, secretary, Chicago, IL; Edward Valskis, treasurer, Chicago, IL; Lucille Kilkus, juniors program, Chicago, IL; Ann Marie Kassel, registration, Downers Grove, IL; Ruth Kazlauskas, publicity, Chicago, IL; Stanley Pieza, special events, North Judson, ID; Ausra Padalino, preconvention activities coordinator, Chicago, IL; Ralph Gaking, Sportsman Park chairman, Chicago, IL; Mary Kincius, Chicago tour chairperson, Chicago, IL; Denise Vaikutis, dinner/theatre party chairperson, LaGrange, IL; Vincent Samaska, golf outing chairman, Chicago, IL; Ona Naureckas, cultural room chairman, Lemont, IL; Loretta Gestautas, evening at St. George's chairperson, Chicago, IL; Faustas Strolia, cultural evening cochairperson, Oak Forest, IL; Frank Zapolis, Evergreen Park, IL; Sabina Klatt, Chicago, IL; John L. Paukstis, convention banquet chairman, Chicago, IL; David Gaidas, farewell luncheon chairman, Chicago, IL; Frank Svelnis, transportation coordinator, Oak Lawn, IL; Theresa Balciunas, decorations committee, Kenosha, WI; and Jerome Jankus, sergeant at arms, Chicago, IL.

I welcome all convention attendees to my home city of Chicago and wish to all a pleasant and productive visit. I would like to introduce into today's CONGRESSIONAL RECORD an article which traces the history of the Lithuanians.

OUR HISTORY IN BRIEF

(By Aldona Ryan)

There have been Lithuanians in America from almost the beginning of its history. A few Lithuanians served in the Army under George Washington. During the Civil War, there were quite a few Lithuanians in the Union Army.

Great numbers of Lithuanians arrived in the United States around 1863 after the insurrection against the Czar. In the early 1900's there was another surge of Lithuanian immigrants.

These people were hardworking laborers who loved their newfound freedom. They prospered and their communities grew. They remembered their homeland and they dreamed of restoring full freedom to Lithuania and its people.

They built churches and formed societies and progressed in their ways. But, as they grew older, they began to worry about the future of their Lithuanian children in America.

So it was that, on April 9, 1912, a society known as "The Hope of the Lithuanians" held a meeting at Orchard Lake, Michigan to discuss and make plans for organizing their young people. Many more meetings were held.

The same year (1912) the American Lithuanian Roman Catholic Alliance held their convention in Boston. A flag maker from Lawrence, Mass, was one of the delegates. He was Mykolas Norkunas. He had black, curly hair, hazel eyes and a forceful manner. Another delegate was Stasys Bugnavicius of Lewinstown, Maine. These two men made an appeal to the convention which resulted in action. The Alliance would begin the task of organizing the Lithuanian youth in the United States.

Norkunas immediately began a campaign by publishing appeals. Every Lithuanian newspaper in the country carried the news. Again, many more meetings were held.

On April 27, 1913, a "constituting convention" was held in the parish hall in Lawrence, Mass. A constitution and By-Laws were proposed by Norkunas, Bugnavicius and Father Jusaitis. They decided to call the new group "The Lithuanian Falcons" and they elected the first slate of officers with Norkunas as president. Then it was agreed to refer their actions to the Lithuanian Roman Catholic Alliance of America for approval.

At the convention of the Alliance that summer in 1913, the Rev. Father Kaupas pointed out that the historic symbol of Lithuania was the knight and therefore very suitable for a youth organization. The name "The Lithuanian Falcons" was dropped and the new society became "The Knights of Lithuania." They decided that their theme would be "For God and Country".

In the first year of its existence, twelve councils were formed with a membership of 700. Among the students who were active leaders of the Knights of Lithuania at that time were such notables as Ignas Sakalas, Aleksandras Aleksis, Leonard Simutis and Peter Dauzvardis.

In July of 1914, the second convention was held in Brockton, Mass. Father Gustaitis, a noted poet and author, revealed he was writing the words of a Knights of Lithuania anthem. That year it was decided to use the colors of the Lithuanian flag—red, green and yellow—as the colors of their official flag. It was also decided to establish a youth section in the daily newspaper DRAUGAS for communication purposes.

A system of degrees was established whereby hard work would result in official merit. President Norkunas was the first recipient of an Honorary Degree.

The organization grew by leaps and bounds. When the third convention assembled in July 1915 in St. George's Church in Chicago, there were forty delegates representing a membership of 3000.

The official anthem with words by Father Gustaitis and music composed by Professor Aleksis was adopted.

An official magazine called the VYTIS was established. Leonard Simutis was named its manager. By 1917, VYTIS had reached a circulation of 4000.

The 1918 convention was held in Cleveland, Ohio. More than seventy delegates attended.

By 1921, there were 102 councils and over 5000 members. The largest and most active group was C-25 in Cleveland. By-laws for Junior Departments were written that year—60 years ago.

Then, the national organization became cumbersome and the councils were divided into districts.

During the years of its existence, the Knights of Lithuania sponsored thousands of activities. They gave countless causes hard-earned funds. They paid for the printing of books. They established choirs and drama groups and dance groups. They were interested in all facets of their heritage and traditions. They studied the history of Lithuania and the Lithuanian language.

They were supreme in letterwriting campaigns for the freedom of Lithuania and its people. Many Lithuanian writers and poets got their beginnings in VYTIS magazine. Junior and Senior councils were established.

At this time, councils now exist from New England to Florida to California. The realization that our future is in our youth is still of great importance.●

A NEW BRACERO PROGRAM

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. FRANK. Mr. Speaker, when the House debated the Mazzoli immigration bill earlier this year I argued strenuously against the adoption of the guest worker amendment. In my view this amendment undermines the entire logic of the bill. The amendment would legalize precisely the situation this bill seeks to remedy, in which a large work force in this country is made up of what are essentially second-class citizens.

The Bureau for Social Science Research has prepared what seems to me an excellent analysis of the amendment, comparing it to the discredited bracero program of the fifties. I ask that it be made a part of the RECORD, and I would ask my colleagues to carefully consider the implications of such a guest worker program. I hope to see the House pass a conference report which contains no such provision.

PANETTA AMENDMENT: A NEW BRACERO PROGRAM

The Panetta amendment in the House version of the Simpson-Mazzoli bill is the latest in a long series of strategems by Western growers to ensure a continuing supply of foreign workers—legal or illegal. Faced with the possibility of losing their illegal aliens, proponents of the amendment would recreate a watered-down version of the ill-fated "Bracero" program of the Fifties.

Its purpose is the same—to provide agricultural growers with an assured supply of foreign labor. The source of labor, Mexican "braceros," is the same although we now use a more tasteful term, "guest workers," to describe them. And the consequences of the proposed legislation are likely to be the same or worse.

Before embracing a new "bracero" program, it may be instructive to review the findings of a blue-ribbon panel appointed by then Secretary of Labor, James T. Mitchell to assess the experiences under the old Mexican farm labor program (P.L. 78). The Panel found that the first objective of the legislation—to obtain foreign workers to meet the needs of U.S. growers had been met. In 1958, over 400,000 "braceros" had been brought in. However, the second objective—to assure that domestic workers would not be adversely affected—was not realized. Indeed, it was felt that the two goals were inherently contradictory.

More specifically, the Panel found that despite intensive efforts by the Department of Labor to prevent adverse effects, domestic workers had been displaced; users of Mexican nationals made only token efforts to obtain U.S. workers. Wage levels were lower than would have prevailed in the absence of foreign labor; studies showed that wages paid to domestic workers by growers who used "braceros" was significantly lower than those paid by non-users

Now, twenty years after its demise, the consensus is that the "bracero" program hurt U.S. farm workers and failed to protect adequately the Mexican nationals. In the face of this, the Panetta amendment proposes to re-create a much weaker "look-alike" program that does not afford even the limited protections of the old "bracero" program. For Mexican nationals, these provisions included a written contract that stipulated the "bracero's" wages and working conditions; a minimum period of employment; free transportation, insurance and housing which met government standards; and meals at reasonable cost. Employers using Mexican nationals were required to offer equivalent benefits to domestic workers. It was also necessary for the Department of Labor to certify that there was a shortage of domestic labor and that the use of foreign labor would not adversely affect U.S. workers. The Panetta amendment is either silent on all of these counts, addresses them in general and ambiguous terms or provides for inferior conditions. By comparison, the old "bracero" program was a workers' utopia.

Supporters of the amendment maintain that their proposal is superior to the "bracero" program because it would permit the guest workers, if dissatisfied, to seek other farm employment—or even join a union. Picture, if you can, a foreign worker, unfamiliar with our language and laws, bargaining with managers of corporate farms and growers' associations. As for joining a union, he has only to remember that entry into U.S. was at the behest of his employer and that visas are available first to persons by name on the employer's petition. Under these circumstances, the probability of a dissatisfied guest being invited back is close to zero.

Central to the implementation of a foreign worker program, is the issue of the availability of domestic labor. Before the importation spigot can be turned on, a determination that U.S. workers are not available is required. However, the supply of labor is not a fixed condition ("inelastic" is the economists' term). It responds to incentives and disincentives. In this context, it is not difficult for growers to see to it that the number of domestic workers is inadequate.

It is asserted that U.S. workers will not accept hot, tiring field work; yet many do. Agriculture is not the only industry involving arduous, unpleasant tasks. Sanitation workers collect garbage in all kinds of weather. Foundry workers attend blast furnaces. The great equalizer is wages and conditions of employment. The Department of Labor Panel concluded that shortages of domestic labor could be eliminated if satisfactory wages and working conditions were offered and if the farm labor market operated on a more rational basis. However, with the escape hatch provided by the Panetta amendment, it is unlikely that growers will offer the conditions necessary to attract domestic workers or retain newly legalized aliens.

With the Panetta amendment, we would have an immigration bill that attempts to prevent the displacement of U.S workers by stemming the flow of illegal aliens through our permeable border, while admitting a new crop of foreign guests that will crowd out employment opportunities for domestic workers and newly legalized aliens. When one door is shut, another is opened. If the same ingenuity were used to develop a rational farm labor market based on a domestic labor supply, there would be no need for imported labor.

Like P.L. 78, the Panetta amendment puts the government in a no-win situation. To the degree that it is successful in providing alien labor, it jeopardizes the interests of U.S. workers. If the past is any guide, it is not difficult to predict the consequences of such a policy.●

THE POPULATION CRISIS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. OTTINGER. Mr. Speaker, I recently testified before the Subcommittee on Census and Population of the Post Office and Civil Service Committee on H.R. 2491, the Global Resources, Environment, and Population Act of 1983, which I introduced on April 12, 1983. It is critically important that we develop a population policy in this country in relation to our environment and resources. In light of the recent pronouncements by certain members of the U.S. delegation at the World Population Conference in Mexico City, that population explosions are not necessarily a problem for developing nations, I would like to share my comments on this subject with my colleagues.

No problem is more fundamental to society than restraining the burgeoning growth of world population. Global population is expected to rise from 4.7 billion today to at least 6.4 billion by the close of the century. Over 90 percent of this increase will occur in the less developed countries. By the year 2000, 8 of every 10 people will live in those countries, most of them in congested urban areas. As I am sure you are aware, the World Bank earlier this month released a world development report in which it was projected that global population figures will double—to 10 billion—by the year 2050. Most of this dramatic increase will come in developing Third World nations. The report correctly concludes that if measures are not enacted to address this increase in world population, the economic development of these nations, as a result, the economies of all nations, will be stifled.

Sadly, as the gravity of these problems grow, so does the reticence of the Reagan administration and Congress to face them with the necessary diligence and energy. It is our task here to form the alliances needed to address this fundamental threat to world stability.

The bleak prospects abroad should not blind us to our own domestic prob-

lems resulting from a lack of foresight regarding demographic changes and population growth. While our birth rate has dropped, the American population continues—and will continue—to grow. Today's population of 236 million will reach at least 260 million by the turn of the century. At the present growth rate of 1 percent, the United States will add the equivalent of a new California every decade and a new Washington, DC, each year. Such growth will force decisions over the use of our own resources. It will complicate already controversial choices over the quality of our environment. Yet it will reduce the number of alternatives available to us.

We have already experienced many of these difficult problems: Our parks system is overcrowded; the Adirondack lakes in my own home State of New York have been left lifeless by acid rain and other pollutants; asbestos workers and coal miners are among those who have died prematurely because of pollution where they work. Urban industrial centers in the North have shown a steady decline in employment and population with no vehicle in place to accommodate these changes. The Sun Belt States have witnessed a tremendous influx of population and development, yet have not adequately prepared to meet these new challenges.

Demographic changes may be as damaging as sheer growth. The rising population in the Southwest strains scarce water resources. The steady aging of the population forces changes in the character and distribution of many services. The unanticipated influx of immigrants taxes the capacities of host communities, and pits new arrivals against established residents.

Last year, I introduced H.R. 2491, the Global Resources, Environment and Population Act. Forty of my colleagues have joined to cosponsor this legislation. H.R. 2941 addresses the overwhelming impact that population growth and demographic changes have in shaping our Nation, our economy, our programs and policies, and our resources. H.R. 2491, would establish a Federal commission which, for the first time, would be charged to:

Give our National Government the capacity to more accurately forecast and effectively respond to short- and long-term trends in the relationship between population, resources, and the environment;

Establish a national population policy with the goal of population stabilization by voluntary means; and

Provide for interagency efforts to collect, monitor, and coordinate demographic information and analysis, and to integrate this knowledge into programs and policies at all levels of Government.

It is important to note what this legislation does not do. This bill does not mandate intrusive proposals for population control. It does not become involved in controversial birth control issues. It does, however, reaffirm the basic right to all individuals to decide family planning issues freely and responsibly.

The purpose of this legislation is not new. In 1938, Congress first recognized the value of a national population policy of stabilization. The National Resources Subcommittee on Population Problems recommended in its report to President Franklin D. Roosevelt that appropriate legislative and administrative actions be taken to shape broad national policies regarding our population problems and that transition from an increasing to a stationary or decreasing population may on the whole be a benefit to the life of the Nation. That was almost 50 years ago.

In 1972, the National Commission on Population growth and the American future recommended that organizational changes be undertaken to improve the Federal Government's capacity to develop and implement population-related programs, and to evaluate the interaction between public policies, programs, and population trends.

In 1974, the United Nations declared World Population Year, and the United States joined with other countries in endorsing the World Population Plan of Action, a formal agreement calling for each nation to adopt its own population policy. The United States still has not honored this commitment, despite the fact that we urge population stabilization on underdeveloped countries and help pay for its implementation with our taxpayers' dollars. America clearly has a policy of "Do what I say—not what I do." For American diplomacy to succeed in these troubled times, it must acquire credibility by showing that the United States is prepared to tackle at home those problems we ask others to address abroad.

More recently, the House Select Committee on Population did a fine job of bringing out the ramifications of population impacts on our Nation's foreign policies. The committee recommended that Congress consider mechanisms for improving the ability of the Federal Government to develop alternative policies and programs to plan for future population change and to assess the short-term costs and benefits of each.

And so, it must be said that although the substance of my proposal sounds familiar, the urgency for taking action remains.

In 1980, the President's Council on Environment Quality [CEQ] and the U.S. Department of State released the "Global 2000 Report." This report was the result of a 3-year interagency study of U.S. Government projections of United States and world population, resources, and environment. It concluded that a continuation of then current trends would lead to a world in the year 2000 that would be more crowded, more polluted, less stable ecologically, and more vulnerable to disruption than the world we live in now.

The follow-up report, "Global Future: Time to Act," in 1981 proposed a series of specific actions to meet the problems described in the earlier report. To improve the U.S. capacity to respond to global resource, environmental, and population issues, the report recommended that the responsibility for developing and coordinating U.S. policy on these issues be centralized in one agency, preferably in the Executive Office of the President. The report further states:

> Coordinated development of policy is absolutely essential. All the pieces must be evaluated and brought together in a coherent whole—a job attempted in this report for the first round, but one that must be continued, expanded, and made a permanent, high priority part of Government operations.

Ignoring population growth and change will not stop these forces from reshaping our lives and our children's futures. Only conscious efforts at every level of Government to understand them and plan ahead will make a difference. To persist in overlooking the many ways in which demographic changes affect the allocation of resources, goods, and services is to risk their waste and ineffectual distribution in times of mounting scarcity.

I urge my colleagues to support this legislation, if we are to have a future for our children and grandchildren.●

HISTORY TRIED TO HIDE THEIR RESCUE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. PHILIP M. CRANE. Mr. Speaker, today I hosted an informal morning coffee in the Capitol that provided Members of Congress with an opportunity to meet with and pay tribute to some of our war heroes from World War II; 40 years ago today, a mission sparkplugged by the OSS evacuated by air some 250 downed American airmen who were being hidden in the mountains of Yugoslavia by the Chetnik forces of Gen. Draza Mihailovich. Not only did we gather to commemorate this historic event, but also to honor a forgotten hero that risked his life to save the lives of more than 500 American servicemen.

In April of this year, I sponsored a bipartisan bill, H.R. 5396, that called for the establishment of a monument

in Washington, DC, in recognition of the role that General Mihailovich played in saving the lives of more than 500 of these airmen. This much needed legislation still requires additional cosponsors.

I urge every patriot to read the following article by David Martin and Thomas K. Ford, Jr., that describes the dramatic airlift operation and the role that General Mihailovich played in saving American lives.

HISTORY TRIED TO HIDE THEIR RESCUE: HOW 432 U.S. AIRMEN ELUDED AXIS

For a number of veterans of the Office of Strategic Services and the U.S. Army Air Force, today is a very special anniversary marking their rescue 40 years ago in "Operation Halyard."

Some 250 American airmen who had been shot down over Yugoslavia on their way back from raids on Axis oil installations and communications in Romania were evacuated by three waves of C-47s from a makeshift airfield only 80 miles from Belgrade, in what was probably the largest and most daring operation of its kind anywhere in Axis-occupied Europe during the whole of World War II.

Through this and subsequent evacuations from secret airfields in the heart of Axis-occupied Yugoslavia, the Halyard mission accounted for 432 airmen rescued and returned to combat duty. (The OSS forces were a forerunner of this country's Central Intelligence Agency.)

The airmen who were evacuated had been saved from the Axis by the forces of Gen. Draza Mihailovich, the Yugoslav resistance leader who had initially been supported by Britain and the United States, but who had been abandoned in early 1944 in favor of Marshal Tito and his communist partisans.

The central facts about the rescue were not made public at the time, even though security played no role once the Halyard team had completed its mission.

On March 29, 1948, President Harry S. Truman, on the recommendation of Gen. Dwight D. Eisenhower, awarded the Legion of Merit in the Degree of Chief Commander to Gen. Mihailovich in recognition of his services to the Allied cause. Among other things, President Truman's citation said of Gen. Mihailovich: "Through the undaunted efforts of his troops, many United States airmen were rescued and returned safely to friendly control."

But for the first and only time in American history, the award of the Legion of Merit was classified and kept secret. The facts about it were not made public until Rep. Edward J. Derwinski of Illinois intervened in 1967—almost 20 years later—to oblige the State Department to make public the text of President Truman's citation.

In 1974, the airmen petitioned Congress for permission to erect a monument on public land by way of expressing their gratitude to the man who had saved their lives. Legislation to this end has been introduced in every session of Congress since. It has had as many as 90 co-sponsors in the House. Hearings have been held on it, and it twice has passed the Senate by voice vote. It has been approved by the AFL-CIO, by the convention of the American Legion, and by the Senate Rules Committee. But each time it has been flagged down by the Department of State, with the argument that the Yugoslav communist government might not like it. The rescued airmen, whose ranks are becoming thinner with each passing year, persist in their effort because they feel they owe an inescapable moral debt to Gen. Mihailovich.

The story of the rescue of the American airmen is well worth telling for many reasons—not the least of which is that its telling will end the virtual blackout on the story which has resulted from our sensitivities about the feelings of the Tito and post-Tito governments. Beyond this, it is an inspiring story of how American persistence and American ingenuity finally prevailed against seemingly hopeless obstacles.

During the war there were two competitive resistance movements in Yugoslavia—the "Chetnik" movement led by Gen. Mihailovich, a gifted officer of the Royal Yugoslav Army, and the "Partisan" movement, led by Josip Broz Tito, who had been a leader of the communist underground in Yugoslavia during the '30s.

The British and the American initially supported Gen. Mihailovich. But in late 1943, Prime Minister Churchill, on the basis of the biased and inaccurate intelligence, and against the recommendations of all the 40-odd British and American officers who had been attached to Gen. Mihailovich, decided to withdraw support from him and throw Britain's full support to the communist forces led by Marshal Tito.

The justification put out at the time was that the Partisans were fighting the Germans, whereas the Chetniks were allegedly collaborating with them. President Roosevelt, with considerable reluctance, went along with this decision because it had been agreed that Mr. Churchill would have prime say in all matters related to the Balkans.

At the time the rescued airmen were evacuated from Yugoslavia, Gen. Mihailovich had been receiving no support from the Allies for months, while the Partisan forces had been receiving massive shipments of arms and ammunition which they were using for repeated attacks against the Chetnik positions. The policy of abandoning Gen. Mihailovich and the charges of collaboration with the enemy simply wouldn't have made sense if the press had published the story of the rescue of 432 American airmen by the forces of Gen. Mihailovich.

This, one of the tightest censorships of World War II was imposed, in both Britain and America.

The Ploesti oil complex in Romania was Hitler's most important source of oil during the World War II. Shortly after the Allies installed themselves in Italy in the fall of 1943, they embarked on a sustained campaign of bombing directed against Ploesti. During the first part of 1944, many hundreds of Allied sorties were flown from Italian bases against the Ploesti fields, The casualties were heavy. Since the route home led across Serbia (Yugoslavia's largest state), and since Serbia were solidly under the control of Gen. Mihailovich until the entry of the Soviet Red Army in September 1944, hundreds of American airmen who were forced to bail out over Yugoslavia found themselves being picked up by the Chetniks. In this way they became eyewitnesses to one of the most bitterly disputed issues of World War II: was Gen. Mihailovich a collaborator, and should we have abandoned him? The airmen formed some very strong opinions on this matter.

It might be argued that what one or two or three or four airmen observed in Yugoslavia during a brief sojourn with Chetnik forces would not disprove the charge that there was widespread collaboration between the Chetniks and the Germans. But when 500 American airmen drop in unexpectedly on Chetnik forces all through Yugoslavia; when many of them are rescued in pitched battles with the Germans; when sources of Chetnik villages are executed in public reprisals by the Germans because of their failure to turn over American airmen who had parachuted to safety, when all of the airmen praise the sacrificial efforts made by the Chetniks in rescuing them, caring for them, concealing them, and giving them medical treatment if they were wounded; when they report that they were given complete freedom of movement during sojourns in Chetnik territory which sometimes lasted four to six months, that they witnessed countless clashes between German and Chetnik forces and saw absolutely no evidence of collaboration—all of this testimony creates an intelligence mosaic so panoramic and so detailed that its validity is beyond any reasonable challenge.

The overwhelming majority of the airmen who were evacuated from Gen. Mihailovich's territory had nothing but praise for the attention the Chetniks lavished on them. William T. Emmett, the Air Force Intelligence officer responsible for interviewing rescued airmen who were evacuated from Chetnik-held territory, told a commission of inquiry of New York in June 1946 that of more than 200 rescued airmen he debriefed not a single one reported an instance of airmen being turned over to the Germans of maltreatment or of collaboration between the Chetniks and the Germans.

When the tail end of the British mission was evacuted from Yugosalavia on May 31, 1943, Capt. George Musulin, the last of the American liaison officers with Gen. Mihailovich, was evacuated with them, as well as some 40 Ameircan airmen who had been forced down at various points in Yugoslavia and assembled at the makeshift airfield near Pranjani.

Shortly after this evacuation, the British, whose radio link was still receiving Gen. Mihailovich's transmissions, began to get message after message informing them that the Chetniks had rescued many American airmen and urging that arrangements be made to evacuate them by air. However, for some reason, these messages were never passed on to the 15th Air Force, as Gen. Mihailovich had requested. Impatient over failure to receive a reply to the messages transmitted via the British radio link, Gen. Mihailovich in early July began to send messages directly to Yugoslav Ambassador Constantin Fotitch, in Washington.

These messages, which were sent in the clear—uncoded—were picked up by RCA and delivered to Mr. Fotitch, who paid for them at the rate of 16 cents a word. Several of the telegrams contained long lists of names and serial numbers of rescued airmen, and included messages to their families. The longest, received on Aug. 4, conveyed messages from more than 100 airmen. Sometimes Ambassador Fotitch would notify the airmen's families that their sons were safe in Yugoslavia 48 hours after they were shot down.

This was the only "service" of its kind that existed in any occupied country during World War II.

By mid-July, despite British objections, the decision had been made to send in an Air Crew Rescue Unit, under the command of Capt. Musulin. (He was told that, because of the strongly negative British attitude, the matter had been bucked all the way up to the president, and that it was Mr. Roose-

velt personally who made the decision to send in the Air Crew Rescue Unit.) But when the unit sought to go into Yugoslavia, it encountered a whole series of exasperating delays.

Five successive sorties, attempted on the basis of arrangements made by the British radio link, ended in failure. For some mysterious reason, the target area always seemed to elude them.

Capt. Musulin stops short of using the word "sabotage" in speaking about his seven unsuccessful efforts to take the Air Crew Rescue Unit into Yugoslavia when the British radio link was handling communications. But he could not help feeling that "something was rotten in Denmark," and that the failure had more than a little to do with the pro-Tito bias of the clique of British officers who were running Yugoslav operations.

A message finally sent via an "all American" link led to the successful launching of the Halyard Mission.

On Aug. 2, 1944, using the new all American link, the Halyard mission carried out a successful sortie—on the first attempt. Apart from Capt. Musulin, the other two members of the Halyard mission team were Michael Rajacich, who had joined OSS for hazardous duty after being told he was too old to be drafted, and Arthur Jibilian, a featherweight radio operator recruited from the Navy, who had seen earlier service in Yugoslavia on the Partisan side. They parachuted into the area designated through the "All-American" radio link, and hardly were they out of their harnesses when the peasant woman on whose property they had landed came charging up. Not stopping to notice her chicken coop, which had been demolished when the trio landed, she bestowed repeated kisses on the Americans, called them "liberators"—she apparently thought it was part of a parachute invasion—and insisted they have something to eat. Capt. Musulin gave her 15,000 dinars—about $10—to cover the cost of her chicken coop, and she directed them to the nearby Chetnik unit.

The trio set off along the road in the direction indicated by the old woman, and around a bend they ran bang into a group of Chetniks. There were cheers and more kisses. Some of the Chetniks who knew Capt. Musulin from his previous stay with Gen. Mihailovich actually wept for joy; although Capt. Musulin emphasized that they were to attach no diplomatic significance to his arrival, the Chetniks could not help believing that it meant the return of Allied backing.

Some of the American airmen almost wept for joy, too. They informed the mission that there were roughly 250 airmen in the district, of whom 26 were sick and wounded. The Chetnik peasants had been wonderful to them. The airmen told the mission how the peasants had given them their own beds, and had themselves slept on the floor; and how they had insisted on the airmen eating first while they themselves ate what was left.

But despite the kindness of the peasants, all of the airmen were fed up with waiting. They knew that the Chetniks had been sending out repeated signals, and they had not been able to understand why the Allied authorities had not acted sooner.

That day the mission held a council of war with a committee of several airmen and representatives of the Chetnik command. The airmen were divided into six groups of 40 to 50 men, each quartered in a separate village, each under the command of its own officer, to minimize the danger if the Germans were to stage a surprise attack.

Each group was assigned to a definite wave of aircraft: they were not to report to the field until shortly before the assigned wave was due.

Chetnik officers who participated in the evacuation operation are divided on why the Germans failed to attack. Some felt the Germans had a fairly good idea of what was going on but were too dispirited at that time to attack an army of 10,000 determined Chetniks. Others felt that the extraordinary security measures taken by the Chetniks completely baffled German intelligence.

The first evacuation was scheduled for the night of Aug. 9. At 11 o'clock the first wave of four C-47s arrived. The ground crew flashed the letters of the day. The aircraft flashed back. The gooseneck flares, improvised out of oil cans, were lit. And the aircraft came in.

The C-47s took off half an hour later. Before they did, the airmen who were being evacuated bade goodbye to those who had rescued them and cared for them. They took off their shoes, they took off their jackets and some of them even their socks and their shirts, and left them with their benefactors. The planes took off to the cheers of the assembled peasants.

At 8 o'clock the next morning, a wave of six C-47s came in with a fighter cover of 20 P-51s.

Half an hour later, another flight of C-47s with a fighter cover of 20, came in for the balance of the airmen. When the roll call for the last aircraft was taken, one airman was missing. The C-47 was just taxiing up for the takeoff, when the missing airman came stumbling onto the field. He had been overindulging in rakia, the potent Serbian plum brandy.

Capt. Nick Lalich, who came in on the first aircraft on the night of Aug. 9, took over as commanding officer of the Halyard Mission when Capt. Musulin returned to Italy under orders on the evening of Aug. 26. With every passing day, new batches of rescued airmen kept arriving at Pranjani. One week after the big evacuation of Aug. 9-10, there was another small evacuation. Gen. Mihailovich arrived at Pranjani on Aug. 20, and helped plan subsequent evacuations. On the nights of Aug. 26 and 27, another 58 American airmen were evacuated.

In exchange for the more than 300 American airmen turned over by Gen. Mihailovich up to the end of August, the Chetniks received 1½ tons of medical supplies—one-half of an aircraft load. In certain British and American circles at Bari, there was much opposition to sending in even this small quantity.

In early September the Partisan "Serb Lika Brigade" broke through on Gen. Mihailovich's weak southern flank, bypassing the German garrisons at Visegrad, Uzice, and Pozhega, and made straight for the Chetnik headquarters at Pranjani. On Sept. 9, Gen. Mihailovich broke camp and moved northward through the region of Semberija to Bosnia.

On Sept. 17 the Air Crew Rescue Unit evacuated 20-odd American airmen from an airstrip near Koceljevo, on the Valjevo-Shabac highway. While a battle between Partisans and Chetniks was raging no more than four miles away, two DC-3s came in with a cover of six fighters, and took off the American airmen.

The mission traveled with Gen. Mihailovich up into East Bosnia, where they established contact with his commanders, Pop Sava and Pop Milosh. Towards the end of October another evacuation of American airmen took place from an airstrip at Boljanich, eight miles east of Doboy, under the projection of the troops of Pop Sava and Pop Milosh.

Continuing his travels to Chetnick headquarters, Capt. Lalich picked up another nine airmen near Visegrad, seven more airmen, all of whom were injured, near Srendnje, 20 kilometers north of Sarajevo and a few other points, Capt. Lalich, with the 24 airmen he had accumulated by that time, decided to return to the airstrip at Boljanich.

On Dec. 10, the day before they left Srednje for Boljanich, the villagers staged a big dance in honor of Gen. Mihailovich and the Americans. People came from as far as Sarajevo to attend the celebration. Gen Mihailovich made a speech and led the kolo. The following day Gen. Mihailovich and Capt. Lalich shook hands for the last time. To the amazement of all the Americans, Gen. Mihailovich appeared optimistic.

"The Allies have made a mistake," he said. "But some day they will come back to us."

Before he made this statement, Gen Mihailovich had refused an Amercian offer to be evacuated to safety in Italy—because he considered it a compelling moral duty to remain with his people.

Gen. Mihailovich headed south into the Sandijak, and Capt. Lalich, with his wounded airman on horses, headed north for Boljanich under Chetnik escort. The final evacuation took place from Boljanich airstrip on Dec. 27. At that time reports had arrived of the rescue of several groups of airmen in other parts of Serbia. In the view of the diplomatic impossibility of continuing evalcuations from Chetnik territory, the Chetnik command agreed to forward these airmen to Partisan units.

What happened to Gen. Mihailovich after he collaborated with the Americans in arranging the evacuation of the 432 rescued airmen?

The Red Army had entered Yugoslavia from Bulgaria at the end of September. The Mihailovich forces collaborated with the Red Army in the capture of a number of major centers—but it soon became apparent that the communist forces, both Soviet and Yugoslav, were committed to destruction of the Chetnik army. In hit merciless pincer onslaught, the Chetniks suffered fearful casualties.

Gen. Mihailovich and some of his unit held out in the mountains of Yugoslavia for another year and a half, but the odds were hopelessly against them. On March 25, 1946, the Belgrade press proudly announced that Gen. Mihailovich had been captured. On June 10, 1946, he was brought to trial.

After a typical Moscow show trial which excluded all evidence for the defense and whose blatant unfairness was editorially condemned by every major paper in the Free World, Gen. Mihailovich was executed on July 15.

When the news of Gen. Mihailovich's capture appeared in the press, the American airmen who had been rescued by him established contact with each other and organized a "National Committee of American Airmen to Aid Gen. Mihailovich and the Serbian People." The airmen made a commitment to present the truth as they saw it. In late April 1946, a delegation of 23 airmen representing the national organization flew to Washington in a specially chartered

plane which they baptized for the occasion "Mission for Mihailovich."

In meetings with Under-Secretary of State Dean Acheson, as well as several score senators and representatives, they urged that the United States intercede on behalf of Gen. Mihailovich and asked that they be permitted to testify as witnesses for the defense. When the Belgrade government rejected the State Department's request that the airmen be permitted to testify, the airmen sought to have their evidence transmitted to the Yugoslav court by presenting it to the "Commission of Inquiry in the Case of Draza Mihailovich," a body consisting of four of the nation's most distinguished jurists.

The 600 pages of sworn testimony taken by the commission were transmitted to Gen. Mihailovich's counsel by the Department of State—but the court refused to accept the evidence, on the ground that there was so much evidence of Gen. Mihailovich's guilt that there was no point in taking any evidence for the defense!

Some of the American airmen who were rescued proposed at the time that a monument to Gen. Mihailovich be erected in Washington in gratitude for his having saved the lives of 500 American airmen. Time passed—and nothing seemed to have come of the idea.

Thirty years later the surviving airmen organized themselves into the "National Committee of American Airmen Rescued by Gen. Mihailovich" and petitioned Congress for permission to erect such a memorial on public ground.

Forty years later they are still waiting.●

APPEAL RIGHTS OF VETERANS

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. KOSTMAYER. Mr. Speaker, one of the major veterans issues confronting the Congress has been the question of granting veterans appeal rights in the Federal court system.

For some reason, the law continues to treat veterans as second-class citizens and denies veterans and their spouses who have lost disability or other claims with the Veterans' Administration the right to take their cases to court. This is one of the most critical rights afforded citizens in our country, and it is a right granted claimants in other areas, most prominently those appealing Social Security disability claims.

Our goal should be to ensure the most equitable consideration of claims filed by veterans. It is for this reason that I have cosponsored legislation that would accomplish this goal by giving the veteran access to the Federal court system, and through that, a fresh look at his claim.

I am pleased to inform my colleagues, Mr. Speaker, that the American Legion, Department of Pennsylvania at its convention in Hershey, PA, last month approved a resolution supporting judicial review and urging the Congress to approve the legislation which I have cosponsored. The Senate has already approved a similar bill (S. 636).

Mr. Speaker, veterans who have fought to protect the constitutional rights of every American are being denied the basic right to due process when dealing with the Veterans' Administration. I urge along with the Pennsylvania American Legion the termination of this dual system of justice, and a guarantee to all veterans of the same rights and privileges enjoyed by all Americans when dealing with other agencies of government.

Mr. Speaker, I ask that the Pennsylvania Legion's resolution be reprinted at this point in the RECORD.

RESOLUTION

Whereas: Under interpretation of existing law, there is no redress of claims by any veteran in the Courts of the United States and this interpretation has been reiterated in a recent Federal Court decision denying rights of Viet Nam veterans to access to the Federal Courts on actions against the United States for disabilities deemed to have occurred by exposure to Agent Orange; and

Whereas: Existing law does not afford any veteran judicial review from a decision of the Veterans Administration denying benefits to any veteran inasmuch as the determination by the Veterans Administration is conclusive both as to law and fact and thus a veteran has no access to the Court for redress of an error made by the Veterans Administration; and

Whereas: Despite the good faith deemed to exist in the Veterans Administration in making decisions as to claims of veterans there can be no doubt that there are errors made by the Veterans Administration and that the providing for judicial review will provide some basis for the correcting of injustices that may be accorded because of mistakes made; and

Whereas: It is deemed that the view that veteran's benefits are mere gratuities and that veterans have no interest in or right to such benefit is not a tenable position; and

Whereas: Justice and equity demand that the claims of veterans be considered with compassion, fairness and efficiency and that all veterans are entitled to receive from their government every benefit and service to which they may be entitled under law; and

Whereas: The United States Senate unanimously has passed and sent to the House a bill in the form of Senate Bill 636 by amending and adding the same to House Bill 2936 which would provide limited judicial review for those veterans aggrieved by an adverse decisioin of the Veterans Administration; and

Whereas: Similar legislation is pending in the House of Representatives; and

Whereas: It is deemed that the scope of review as embodied in S-636 will go a long way toward bringing about fundamental fairness to veteran claimants in providing limited access to Courts for judicial review and said Bill fairly meets any objections expressed against the according of such rights; now, therefore be it

Resolved: That The American Legion, Department of Pennsylvania, in regular convention assembled in Hershey, Pa., July 11-14, 1984, that:

FIRST: The American Legion, Department of Pennsylvania, support the enactment of legislation for limited judicial review as is embodied in Senate Bill S-636 and as reported to the United States Senate Bill S-636 and as reported to the United States Senate in Report No. 98-130 and that The American Legion, Department of Pennsylvania, recommend to the national organization for adoption at the National Convention in Salt Lake City, Utah, September 3, 4, 5, 1984, a resolution supporting judicial review.●

UNJUSTIFIED ATTACK ON RIGHT OF CONGRESS TO LEGISLATE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. FRANK. Mr. Speaker, while we were in recess last month, a very unjustified attack on the right of the Congress to legislate came from the Administrative Office of the U.S. Courts. This attack took the form of a unilateral determination by the Office that part of an act of Congress was unconstitutional, and therefore could be ignored.

The Chairman of the House Committee on the Judiciary, the gentleman from New Jersey [Mr. RODINO], acted to vindicate the prerogatives of Congress in a forceful letter to Chief Justice Burger. The Chairman's vigorous efforts put an end to this particular defiance of congressional will, and the Congress is indebted to him for that.

Mr. Speaker, I believe that the letter sent by the Chairman of the Judiciary Committee, Mr. RODINE, to Chief Justice Burger, is an excellent exposition of the functioning of the separate branches in our system, and I ask that it be printed here.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, July 12, 1984.

Hon. WARREN E. BURGER,
Chief Justice of the United States, Supreme Court of the United States, Washington, DC.

DEAR MR. CHIEF JUSTICE: I am in receipt today of a most disturbing letter from Mr. William F. Foley, Director of the Administrative Office of the United States Courts, concerning the "Bankruptcy Amendments and Federal Judgeship Act of 1984" (H.R. 5174), which was signed into law on July 10, 1984 by the President. Mr. Foley's letter encloses a July 11 Administrative Office memorandum advising all federal judges that the extension and transition provisions of this law, which were designed by the Congress, on an emergency basis, to insure the orderly and continuing function of the nation's bankruptcy system, will not be obeyed by the Administrative Office, and he directs federal judges not to follow these provisions of the new statute.

Contrary to express sections of the new law, Mr. Foley advises in his memorandum that current bankruptcy judges will not be paid, that the jurisdictional sections of the extension provisions will not be followed,

and that magistrates will be appointed to handle bankruptcy cases.

I have privately communicated to you and the rest of the Judicial Conference on prior occasions my concerns about the separation of powers problems created by certain, albeit well-meaning, but institutionally inappropriate pronouncements on the part of the Administrative Office of the United States Courts.

Institutionally, this matter is particularly troublesome to me. The validity of this provision of the new statute, and several other provisions, including that which establishes a new bankruptcy court system, will probably be challenged in the federal courts, and ultimately, reviewed by the Supreme Court.

While the legal issue posed by this and other provisions of the statute are serious ones, I have grave reservations about the appropriateness of the Administrative Office issuing a specific directive to disobey a federal law and what amounts to an advisory constitutional opinion regarding a matter that will come before the federal judiciary for decision. Given the Administrative Office's role as an arm of the Judicial Conference, the advisory opinion and directive raise considerable doubt in the public's perception about the chances of receiving an impartial adjudication on the merits of this issue in the federal courts. Much confusion is created since the Director of the Administrative Office is appointed by the Supreme Court and operates "under the supervision and direction of the Judicial Conference of the United States" (28 U.S.C. § 604).

Until such time as they may be judicially declared invalid, legislative enactments must be followed not only by the citizens of this country, but also its public officials. Failure to do so is a failure to obey the law, and on the part of a public official, is also failure to obey an oath of office.

The statutory function of the Administrative Office is the performance of purely clerical duties, such as gathering caseload statistics and supervising administrative matters relating to the clerks' offices and other clerical and administrative personnel of the courts. The Administrative Office has no authority to render a judicial decision challenging Congress' legislative authority. Arguable constitutional issues are to be determined under appropriate judicial procedures upon being raised by a proper party in an adversary case under our judicial system, and certainly may not be decided by the Administrative Office whose duties, pursuant to statute, are purely ministerial ones.

Moreover, Congress did not enact the extension provisions without thought or research. Case law indicated that the provisions could be constitutionally permissible on an emergency basis. Furthermore, under the separation of powers principles and comity among the separate branches of government, an act performed by the legislative or executive department is presumed in proper exercise of authority conferred by the Constitution. The Administrative Office's actions in disobedience of the legislatively enacted scheme has served and serves only to create additional turmoil, which is precisely what the extension provisions were intended by the Congress to avoid.

As Chairman of the House Committee on the Judiciary, who has spent a lifetime defending the independence of our federal judicial branch, I intend to be no less vigorous in defense of the perogative of the legislative branch of government.

I want to impart to you the gravity and seriousness with which I view these actions and I believe the Judicial Conference should immediately inform the Administrative Office of the United States Courts of its duties, which are the same as all of our citizens, to obey the laws as enacted.

It may be necessary to hold hearings in this matter in fulfillment of our legislative oversight responsibility over the statutes creating both the Administrative Office and the Judicial Conference, and I would like your assurance that all documentation concerning the decision leading to the Administrative Office's memoranda be preserved.

Sincerely,

PETER W. RODINO, JR.,
Chairman.●

HAS LABOR LAW FAILED?

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. EDWARDS of California. Mr. Speaker, I am please to insert in the RECORD today the testimony which Mr. William B. Gould, professor of law at Stanford University, presented at joint hearings of the Subcommittee on Labor-Management Relations and the Subcommittee on Manpower and Housing. Professor Gould has done extensive research on American labor law, and I know that my colleagues will find his comments both interesting and enlightening.

HAS FEDERAL LABOR LAW FAILED?

(By William B. Gould, Charles A Beardsley Professor of Law, Stanford Law School, Stanford, CA)

The National Labor Relations Act, at least as defined by the National Labor Relations Board and sometimes the Supreme Court, has hardly made good upon its promises during this past half century of its existence. Evidence for this proposition mounts continuously—and it does so in a number of areas of the law.

The first major area relates to recognition disputes. Ever since 1935 the statute has promoted the concept of free collective bargaining between employees and representatives of their own choosing and employers. The second problem area relates to the fact that the collective bargaining process is intended by statute to be wide open and robust and free of governmental interference or any kind of dictates by outsiders. But in both respects the approach undertaken by the Board and the courts in interpreting the statute not only leaves much to be desired but hardly makes good upon the policies which the statute purports to incorporate.

Although I am of the view that public policy which supports the existence of trade unionism and the collective bargaining process is good and sound—I confess that my attitudes toward both existing law and policy matters have been influenced by this judgment there are many forms of trade union behavior with which I disagree vehemently. In this connection, I have expressed my views of the unlawfulness and undesirability of work stoppages in breach of collective bargaining agreements and the need for effective remedies to deal with such,[1] not only in the United States but in other industrialized countries.[2] Similarly, while viewing trade union representations as desirable for all of our nation's people and supporting the political coalition of minorities and unions, I have condemned the frequently irresponsible and unlawful behavior of the labor movement in the employment discrimination arena.[3]

Finally, it is by no means clear that labor law reform, even where it is legitimately needed, will expand the scope of union representation of the workforce. I recognize that this is a difficult admission for a labor lawyer to make. At this time, I am disinclined to accept the view that the present decline of organized labor is primarily attributable to the labor market and the rate of unemployment. After all, we have witnessed a steady decline during a 31 year period in which the economy has experienced many rises and falls. The shift of jobs into the unorganized terrain of white collar and professional employees and the emergency of new high tech industries in my part of the nation in particular, however, seems to have presented new challenges which have caught the labor movement unaware or in an excessively self-satisfied state. Some of labor's difficulties are attributable to these factors.

But the fact is that union bashing appears to be in style politically in 1984 and there has been an inevitable spillover of some of these attitudes into administrative and judicial decisions. It is to these matters which I address myself now.

Nowhere is this point more vividly demonstrated than in the area relating to representation or recognition disputes. The NLRA through Section 9 provides a preferred method for the resolution of such disputes, i.e., the secret ballot box election conducted by the Board itself. The difficulty is that all too frequently employer campaigns, sometimes involving unlawful coercion, intimidation and unlawful promises of benefit, make it impossible to conduct a valid election in which employee free choice can be realized. Over the past five years the Board and the courts have struggled with the question of whether a bargaining order can be issued which would compel the employer to bargain with the union in the absence of a finding that the union possessed a majority of the authorization cards. All too frequently the union is not able to accumulate a majority in the appropriate unit because the employer's unfair labor practices are so successful that the organizational campaign is nipped in the bud long before the majority status can be evidenced in any sense of the words.

My concern with the line of cases that have emerged in this area takes two forms. The first is that a majority of the new Reagan Board, and now the Court of Appeals for the District of Columbia as well, has taken an unduly narrow and restrictive view of the statute and concluded that nonmajority bargaining orders are inconsistent with the statutory scheme. Second, what-

[1] E.g. Could, On Labor Injunctions Pending Arbitration: Recasting Buffalo Forge, 30 Stanford L. Rev. 533 (1978); Gould, On Labor Injunctions, Unions and the Judges; The Boys Market Case, 1970 Supreme Court Review 215.

[2] Could, Taft-Hartley Comes to Great Britain: Observations on the Industrial Relations Act of 1971, 81 Yale L.J. 1421 (1972).

[3] Gould, Black Workers in White Unions: Job Discrimination in the United States (1977).

ever the outcome of this particular debate, the purposes of the statute are not likely to be realized. That is to say, even if the courts ultimately agree with my view of the statute and the view expounded in the dissenting opinions of Judge Wald and Board Member Zimmerman, the result will not be appreciably different. For a lengthy unfair labor practice proceeding and judicial review of the Board's bargaining order will ensue over the questions of (1) whether the unfair labor practices are sufficiently "pervasive" or "outrageous," so as to warrant the order and (2) whether the union has enough authorization cards so that it can be said that it is sufficiently close to majority status to presume that majority status could have been obtained in the absence of illegality. The answers to these questions are often likely to be uncertain and thus to induce litigation and delay during which the union institutional and bargaining viability is dissipated.

The legal debate here stems from *NLRB v. Gissel* 395 U.S. 575 (1969) where the Court, seemingly was approval, noted a first category of unfair labor practices which could be characterized as "outrageous" or "Pervasive" and which could warrant a bargaining order without a finding of a need for inquiry into majority status on the basis of authorization cards for other evidence. Hedging initially when confronted with the issue in 1979, two years later a majority of the Board ultimately took the position that a bargaining order could be warranted under the statute in Conair Corp. 261 NLRB No. 178 (1982) and explicitly authorized a nonmajority bargaining order approach in certain cases. The Board had been of the view that such cases can be identified on the basis of the unfair labor practices gravity, extent, timing and constant repetition, although it has been noted that recidivism is not a prerequisite for a nonmajority status bargaining order. Said the Board in Conair:

"Of paramount significance . . . is the fact that, but for Respondent's unlawful conduct, its employees would have an opportunity to express openly their opinions about unionism and to resolve the representation debate by making a free and uncoerced majority choice in a Board-conducted election. Respondent, by the massive and numerous violations above, has destroyed any opportunity for free and open debate of the representation question. Our dissenting colleagues' attempt to cloak their tolerance of Respondent's actions in a defense of majoritarian principle. We reject that masquerade."

In a 2-1 vote the Court of Appeals reversed the Board in Conair. Said Judge Ginsberg for the majority:

"Nonmajority bargaining orders pose this dilemma: if the Board lacks authority to issue them, employers who offend the law most egregiously will escape the most stringent remedy in the NLRB's arsenal; if the Board has the authority and exercises it to sanction patent and incessant employer unfair labor practices, employees may be saddled for a prolonged period with the union not enjoying majority support. Absent a card majority the Board cannot estimate with any degree of reliability how the employees would have responded in a free election. . . .

. . . We recognize the appeal of the position that a nonmajority bargaining order may be the only potentially effective means to check an employer's unlawful conduct designed to nip a union's organizing campaign in the bud. Nevertheless, we believe that the statutory gap we face is too deep for an agency of court to fill. A fundamental policy choice is at stake: Is it ever appropriate to substitute an agency's 'big (even if good) brother' judgment for a majority of employee's expressed choice of a bargaining representative? That basic decision, we believe, should be left to Congress, as the organ of government accountable to the people for establishing the main lines of our national labor relations policy."

A majority of the Board in Gourmet Foods, Inc. 270 NLRB No. 113 (1982) has taken much the same view. The Board's view now is that a nonmajority bargaining order is not within its remedial discretion and that inevitably the Board's inquiry into whether a "reasonable possibility" or "a reasonable basis" exist to believe that majority status would have been obtained involves excessive guesswork and speculation. Moreover, this Board seriously questioned whether such an order would be an effective remedy, in the sense that it could permit employees to combat the "lingering effects of massive unfair labor practices."

I am of the view that the dissenting rationale articulated by Judge Wald for the Court of Appeals of the District of Columbia and Member Zimmerman of the NLRB is the more persuasive of the two sides of the debate. But the fact is that the Board's opinion in *Gourmet Foods* in particular raises concerns to which Congress ought to properly adjust itself. Would such an order combat lingering unfair labor practices and establish an ongoing relationship? In my judgment, this ought to be the overriding focus of any remedy devised under our national labor law. Viewed from this vantage point, I rather doubt that the nonmajority bargaining order will be as effective as its proponents may contend. I take this position for a number of reasons, some of which have been alluded to by the new Board majority itself—but not because employee interest in the union, as demonstrated through authorization cards rather than elections, will undercut the union's viability, as the majority in *Gourmet Foods* seems to suggest.

In the first place, the vagueness about the standards are bound to produce litigation—particularly as they relate to the circumstances under which authorization cards are sufficiently close to a majority to engage in the condemned speculation. This in turn produces delay not only because of the relatively lengthy duration of unfair labor practice proceedings compared to the handling of representation matters, but also because of the judicial review of administrative orders. I quite agree with Professor Weiler's view that the American labor law approach to the recognition issue is fundamentally flawed inasmuch as it proceeds upon the assumption that a political process environment for the resolution of recognition issues can adequately test employee free choice in the industrial context in a manner similar to political elections.[4] The subordinate and unequal position in which most employees find themselves renders the political analogy irrelevant. Contrary to the Reagan Board's assumptions expressed in *Gourmet Foods*, the assessement of employee support, whether it takes place under authorization cards or secret ballot box election, will always necessarily be imperfect. A labor law aimed at promoting collective bargaining and its growth must opt for procedures which are the least conducive to manipulation by the new breed of sophisticated anti-union consultants.

But even when authorization cards are used, as Professor Weiler advocates, my belief is that this will simply advance the time when anti-union employer propaganda is used to an earlier stage of the campaign. In any event, the long delay involved with judicial review of unfair labor practice proceedings, based upon cards or refusals to bargain after certification, will undermine union solidarity and cohesiveness and make it unlikely that the union will be viable. For the wrong reasons therefore, the Board's *Gourmet Foods* opinion is right to assume the "lingering effects of unfair labor practices" will remain intact.

The answer to this problem, it seems to me, is to be found in a number of areas. In the first place, Board orders ought to be self-enforcing in the absence of a showing by the employer that a stay is necessary in order to avoid irreparable harm. This would mean that employees would be reinstated, bargaining would take place, and further employer anti-union conduct would risk contempt penalties, while the matter is being litigated on appeal. This is similar in some aspects to proposals advanced seven years ago in 1977 at the time of the debate about the Labor Reform Bill and its passage by the House of Representatives.

It is interesting to note that both Canada and Japan, with their own unfair labor practice systems, have taken this approach. As Professor Weiler has argued, it may be that the larger percentage of the work force represented by the unions in Canada is attributable to these kinds of differences in the labor law. As I have written elsewhere, the Japanese, with their own statutory scheme of unfair labor practices imposed in large part by the MacArthur Occupation, have devised something thus far alien to American labor law and more effective than what our own system offers.[5] This is the enforcement of administrative orders while the matter is being appealed.

The Japanese have had the same problem with administrative delays with their own Labor Relations Commission that we have had with our Labor Board. But both the Canadians and the Japanese have recognized that the collective bargaining process simply cannot flourish while lengthy appeals are pending in the courts. For some reason America is thus far unable to accept this proposition.

I am not certain that dealing with the matter of judicial review is enough, however. The Supreme Court has interpreted the National Labor Relations Act and its Taft-Hartley amendments to preclude the imposition of contract terms by the Board even when an unlawful refusal of the bargain has been found and where there is a need for the imposition of some or all of the terms that would go into a collective bargaining agreement so as to give the union viability of which employer illegality has deprived it.[6] The Board has rejected the "make whole" approach propounded by the unions in Excello [7] which, while articulated in the

[4] See Weiler, *Promises to Keep: Securing Workers' Rights to Self-Organization Under the NLRA* 96 Harv. L. Rev. 1769 (1983).

[5] It is interesting to note that Japanese administrative orders provide for back pay pending judicial review. See W. Gould, *Japan's Reshaping of American Labor Law*, pp. 84–89 (1984).

[6] *H.K. Porter Co. v. NLRB*, 397 U.S. 99 (1970).

[7] 185 NLRB 107 (1970), Reserved and remanded to the Board *sub nom*, International Union, *UAW v. NLRB*, 449 F.2d 1046 (D.C. Cir. 1971).

form of a rationale for compensation, was put forward as a vehicle to make collective bargaining flourish.

The "first contract arbitration" approach where the agency imposes a contract upon a fledgling union employer relationship when it goes through collective bargaining unsuccessfully the first time, has been tried in British Columbia. The difficulty appears to be that, frequently, the second time the same problems arise with the employers who have violated the statute the first time around. No contract is negotiated. This seems like an exercise in futility unless the process is carried one step further. That is to say, where unlawful employer conduct has made the negotiation of an agreement unlikely or remote, it may be that the Board should have discretion to impose some or all contract terms which would make the collective bargaining process flourish, whether it is the first, second or third time around. In contrast to the "make whole" remedy, the Board should have discretion to impose terms which are unrelated to compensation, i.e., checkoff, union security clauses and grievance arbitration machinery where such are deemed vital to an effective and constructive relationship between labor and management.

After all, the primary concern of the law ought to be to devise the procedures and remedies which make it likely that collective bargaining and harmonious labor-management relations will flourish. If a union cannot negotiate a contract regardless of the speed with which employees are reinstated and bargaining orders imposed, this bodes poorly for the environment where the statute is designed to produce respect for the statute itself. Adherence to our hostility towards governmental interference in the collective bargaining process becomes somewhat absurd when the policy means that there will be no collective bargaining process.

This brings me to the second major concern that I have with the administration of the National Labor Relations Act today. For while the Act and the Board and Court decisions extol the virtues of the process and the automony which the parties ought to have in resolving their own problems, the fact of the matter is that Supreme Court interpretations of the Act—interpretations which I regard as erroneous under existing law—have undermined the very autonomy which the statute purports to promote. Here I have in mind in particular the Supreme Court's decision of three years ago dealing with the duty to bargain over partial closures, *First National Maintenance v. NLRB.*[8]

It is to be recalled that the Court held in that case that partial closures of businesses were not a mandatory subject of bargaining within the meaning of the Act and that therefore at least in the circumstances of that case, the employer's unilateral action was lawful. Earlier the Board had stressed the fact that employees and employers have an investment of sorts in the business—the employee through "years of his working life, accumulating seniority, accruing pension rights, and developing skills that may or may not be salable to another employer."[9] Indeed the Court itself, in *Ford Motor Co. v. NLRB* 441 U.S. 448 (1979), had held that employers were obligated to bargain with unions about cafeteria food prices that would be charged to workers. Thus it would have seemed in a situation where the workers' very jobs were at stake the matter would have been bargainable at the very least. This is particularly true in light of Supreme Court procedures,[10] in addition to the *H. K. Porter* admonition against governmental interference through the imposition of contract terms which, collectively encourage the bargaining process to work its way as a matter of public policy.

But the Court, by a 7-2 vote, was not to allow recognition of the same policy in this case. While the Court in *First National Maintenance* recognized that partial closures would have a "direct impact on employment, since jobs were inexorably eliminated by the termination," the management "focus" was upon the profitability of a business venture which was "wholly apart from the employment relationship." Thus management prerogatives overrode any right to bargain about jobs.

The Court was able to find that the benefit for the employees and their interest in employment and the labor-mangement relationship did not outweigh the "burden" that bargaining would impose upon the employer. This was so because of the employer's interest in speed, flexibility and secrecy. The decision can be criticized on a number of grounds and I have done so.[11]

In *Otis Elevator Company II* 269 NLRB No. 162 (1984) the Reagan Board has extended the holding of nonbargainability in *First National Maintenance.*[12] In the former case a relocation not prompted by labor cost considerations which triggered layoffs was not within the scope of bargaining, said the Board, regardless of ". . . its effect on employees [or on] . . . a union's ability to offer alternatives." What is significant here and in *First National Maintenance* is that a statute concerned with promoting a dialogue through collective bargaining resulted in no bargaining as interpreted by the Court—simply unilateral imposition of management's position. The idea appears to be that mature labor-management relationships which seem at least consonant with the purposes of the statue are deemed to be inadequate or inappropriate for the problem in dispute. This has been decided for the parties by the Court and the Board themselves. In my judgment, the opinions are hardly reconcilable with labor law policy. The opinions are grounded on abstract notions about management prerogatives which have sometimes woven their way into other earlier Court decisions—but which are in no way recognized by the statute itself.

Another example of this approach is the Court's recent decision in *NLRB* v. *Bildisco & Bildisco* —— U.S. —— (Feb. 22, 1984 [13] Here the majority of the Court, over Justice Brennan's strong dissent, concluded that a collective bargaining agreement cannot be enforced against an employer that has petitioned for bankruptcy. As Justice Brennan noted in dissent, there is no provision of the bankruptcy code which provides that an employer may terminate its collective bargaining agreement under such circumstances. And on the contrary, there is an explicit provision in the National Labor Relations Act itself, section 8(d), which obligates an employer not to terminate or modify the agreement. Thus *Bildisco* ignored both the policy of autonomous self-regulation through collective bargaining and, indeed, the explicit language of the state itself.

What is all the more perilous about the Court's decisions in *First National Maintenance* and *Bildisco* is that they deprive workers and their unions of the collective bargaining process and the fruits thereof precisely at a time when job security interests are most vital. Moreover, the erosioin of job security interest has been facilitated by the Reagan Board again in *Milwaukee Spring Division II* 268 NLRB No. 87. (1984) where relocatiion of work to non-union facilities has been deemed to be consistent with the NLRA.

The fact there will be litigation about the meaning of *First National Maintenance* and indeed *Bildisco* for years to come highlights a third deficiency of labor law which has proved particularly troublesome in this country. As I have previously written, "the court of appeals have frequently made it difficult for employees who seek to improve their working conditions through protest and concerned activities to known when their conduct falls within the protection of the statute and when it does not. This is because the courts have insisted that more than one employee be involved in the concerted activity as a prerequisite for finding that it is concerted and thus protected under the Act. To some extent Justice Brennan's opinion for the majority in *NLRB* v. *City Disposal System, Inc.*, —— U.S. —— (March 21, 1984) has undercut this position by its conclusion "that [it] does [not] appear that Congress intended to have this general protection withdrawn in situations in which a single employee, acting alone, participates in an internal aspect of a collective process." The Court's *City Disposal* opinion may also have undercut part of the Reagan Board's reasoning in the recent *Meyers Industries, Inc* 268 NLRB No. 73 (1984) decision which reversed previous authority protecting a single employee's against conditions of employment which are designed to benefit all employees. In *Meyers Industries,* the Board stated that it would require that the activity be engaged in "with or on the authority of other employees, and not solely by and on behalf of the employee himself."

Whatever the impact of City Disposal Systems, a narrow reading of the law is both pernicious and ludicrous. The average workers (let alone their lawyers), particularly those not represented by a union and without the benefits of collective bargaining, will have no way to protest under a statute which protects self-help. Is the worker's activity to be protected if the evidence can be introduced before administrative law judge to the effect that the employee contracted others and had discussions with others? Should the employee's testimony to the effect that he was seeking to benefit himself and not others be dispositive or in any way relevant? Affirmative answers to these ques-

[8] 452 U.S. 656 (1981).

[9] *Ozark Trailers Inc.* 161 NLRB 561 (1966).

[10] *American Ship Building Co. v. NLRB* 380 U.S. 300 (1965); *NLRB v. Insurance Agents International Union* 361 U.S. 477 (1960); *NLRB v. American National Insurance Co.* 343 U.S. 395 (1952).

[11] "Gould, *The Supreme Court's Labor and Employment Docket in the 1980 Term: Justice Brennan's Term* 53 University of Colorado L. Rev. 1, 6-18 (1981).

[12] Cf. Bob's *Big Boy Family Restaurants* 264 NLRB No. 178 (1982).

[13] Gould, *Recent Developments Under the National Labor Relations Act: The Board and the Circuit Courts* 14 University of California, Davis L. Rev. 497 (1981). See generally Cox, *The right to Engage in Concerted Activities,* 26 Indiana L.J. 319 (1951).

tions impose an obligation upon average workers to engage in lawyer-like pleadings and behavior. This hardly seems to be consistent with the idea of labor law designed to eliminate the inequality in bargaining power to which the Court referred just a few months ago in *City Disposal* and a process designated to put lay people at ease.

CONCLUSION

American labor law has failed to implement basic policy objectives enshrined in the NLRA itself. The Reagan Board has made this situation go from bad to worse. Its rejection of nonmajority bargaining orders, though the statute does not prohibit them (and its policies encouraging collective bargaining actually promote them!) is vivid and dramatic testimony for this proposition.

But the Act is in need of amendments as it relates to representation disputes. Congress should take the lead in enacting a law which provides for expeditious judicial review and the selective imposition of contract terms where the duty to bargain in good faith is not met and a contract is not bargained voluntarily.

In the job security arena, the Court's opinions involving plant closures and bankruptcy are the principal villains. Congress seems interested in the bankruptcy issue in a broader context than labor disputes. It should also reverse the Court on plant closures. If the NLRA sanctioned collective bargaining under such circumstances, the impetus for plant closure legislation and consequent inflexible notice requirements would diminish.

And finally, under a statute designed to protect workers who speak up in protest against working conditions with or without a union, is it not the ultimate irony to require workers to plead their involvement with other employees in order to obtain the statute's protection? Perhaps Justice Brennan's City Disposal opinion declaring single employee protest to be within the ambit of the statute has made such approaches relics of the past. The coming months of Board and judicial activity will determine whether Congressional action is necessary here.

It is necessary elsewhere. In the arena of recognition and job security, labor law has failed us increasingly with each passing year—yea, even each month in 1984. It is hardly radical ideology to say that Congress ought to amend the statute so as to make it comport with the idea of dialogue and not monologue.

Surely the Republic will be more wisely served if labor and capital are encouraged to coexit peaceably. The present tread, I fear, is in the opposite direction.●

SOVIET JEWRY LEGAL ADVOCACY CENTER

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thurdsay, August 9, 1984

● Mr. FRANK. Mr. Speaker, the Soviet Jewry Legal Advocacy Center in Boston does important work defending the rights of refuseniks in the U.S.S.R. I would like to enter into the RECORD the excellent legal brief which Donna Artz, the legal director, prepared on behalf of Alexander Yakir.

It speaks for itself:

PROSECUTION OF ALEXANDER YAKIR

I. INTRODUCTION

This brief in behalf of Alexander Yakir, a citizen of the State of Israel, residing at Profsoyuznaya ul. 96-5-35, Moscow, U.S.S.R. 117485, seeks to prevent his prosecution, conviction and sentencing by demonstrating that the charge of draft evasion has been selectively and improperly applied to him in retaliation for the repeated application for emigration visas sought by Alexander and his family.

II. STATEMENT OF FACTS

Alexander Yakir and his parents Yevgeny and Rimma first appled to emigrate in October 1973. They are probably the only refuseniks denied visas to emigrate because of their family name. Alexander's paternal grandfather and great uncle, Maurice and Iona Yakir, were Soviet military generals executed during the Stalinist purge of 1937. Alexander's paternal grandmother, Isabella Yakir, was deported to Siberia for twenty years of hard labor for being the wife of "an enemy of the people." His maternal grandfather also perished in one of the Stalinist purges. It was not until Khrushchev's "secret speech" about Stalin's crimes that Yevgeny and Rimma Yakir were permitted to live in Moscow and receive their doctorates in mechanical engineering and mathematical-computer engineering, respectively. Alexander, their only child, was born on October 15, 1956.

The official reason given by OVIR for the rpeated refusal of the Yakirs' visas is the so-called "secret classification" of Rimma's work, which she had left in June, 1973. (In 1979 her Institute informed her that it had not in any way obstructed her emigration.)

Alexander received his university engineering degree in June, 1977. In April of that year he became a citizen of Israel and applied himself, without his parents, for an exit visa, which was soon thereafter denied. In 1981, Alexander was accepted for admission as a transfer student by Brandeis University in Waltham, Massachusetts, to which he had applied in order to study Hebrew, Jewish studies and computer science. Since the time in which he became eligible for conscription, at age 18, he has not attempted to evade the military authorities. After finishing higher educational training, he worked as an elevator operator, lifeguard, and archaeological assistant (being unable, as a refusenik, to find work as an engineer).

In the late 1970's, the Yakir family became well-known refuseniks with many friends and supporters in the West, including Senators Dole, Eagleton, Gradison, Metzenbaum and DeConcini.

On June 18, 1984, Alexander was arrested. His father Yevgeny, prohibited from visiting his son in a Moscow jail, was informed that Alexander's case would be transferred to a court at the end of June for initiation of criminal proceedings against Alexander for violation of Article 80 of the R.S.F.S.R. Criminal Code.

If Alexander, the grandson of Maurice Yakir, is convicted and sentenced to prison, he will be at least the fifth Yakir in less than fifty years to be persecuted by Soviet authorities because of his religion.

III. LEGAL ARGUMENT

A. CRIMINAL CODE ARTICLE 80 CANNOT BE APPLIED TO ALEXANDER YAKIR

The prosecution will attempt to prove that at and/or up to the time of his arrest in June, 1984, Alexander Yakir had violated Article 80 of the R.S.F.S.R. Criminal Code, which in paragraph 1 punishes evasion of regular calls to active military service by a term of one to three years imprisonment, and in paragraph 2 applies the more serious punishment of one to five years imprisonment for evasion by e.g. forgery or "any other deception," without defining "Deception."

Neither of these paragraphs of Article 80 can properly be applied to Alexander Yakir, for the reasons discussed below.

1. Only Soviet citizens are obligated to serve in the U.S.S.R. armed forces

Article 63 of the Constitution of the U.S.S.R. states that military service in the ranks of the Armed Forces of the U.S.S.R. is an honorable duty of Soviet Citizens. Articles 1, 2 and 3 of the U.S.S.R. Law on Universal Military Service (1967) similarly refer to military service as the duty and obligation of "U.S.S.R. citizens." It is a basic premise of the military systems of most if not all nations that only persons who are citizens of that nation are required to serve in the national armed forces.

Alexander Yakir first applied to emigrate to Israel with his family in 1973. In 1977 he applied by himself because in that year he became a citizen of the State of Israel.

The U.S.S.R. Law on Universal Military Service makes no provision for conscription of persons of dual or foreign citizenship. The U.S.S.R. Law on U.S.S.R. Citizenship (1978) does provide, in Article 17, for renunciation of Soviet citizenship. Although that law refuses in Article 8 to recognize dual citizenship, such as dual Soviet and Israeli citizenship, dual citizenship was a recognized concept in Soviet law in 1967, at the time of the enactment of the military law See Chkheidze, "The Course of International Law" (Nuka Publishing House, 1967). Therefore, because there is no provision for conscription of dual citizens in the 1967 Law on Universal Military Service, the duty is not applicable to persons who claim dual or foreign citizenship.

Since 1977, when he became an Israeli citizen, Alexander Yakir has no longer been subject to the Soviet draft.

2. Only persons aged 18-27 are subject to the Soviet draft

Article 10 of the U.S.S.R. Law on Universal Military Service requires call-up for active duty of male citizens who are 18 years old. The maximum age is 26, or up to the time a male citizen turns 27. This upper limit is set by Article 37, which provides that draftees with deferments "as well as those who for various reasons were not drafted into the U.S.S.R. Armed Forces within the established periods, are to be called up for active duty before they turn 27."

Alexander Yakir turned 27 on October 15, 1983 and therefore has not since that date been liable for active duty.

3. Persons eligible for an educational deferment are not evading the draft

Article 35(a) of the U.S.S.R. Law on Universal Military Service provides that draft deferments for continuation of education are granted to students in daytime (non-correspondence) higher schools such as universities. In 1981, Alexander Yakir applied for and was accepted to continue his education at Brandeis University in Waltham, Massachusetts. He has sought to emigrate from the U.S.S.R. for that purpose. Because he is eligible for an educational deferment, he has not evaded active military call-up.

4. The limitations period applicable to Criminal Code Article 80 has lapsed

Article 80 of the R.S. F.S.R. Criminal Code provides for terms of one to three, and one to five years, depending on the severity of the violation. Article 48 of the same Code provides periods of limitations for instituting criminal proceedings, stating in relevant part:

. . . (2) three years from the day of committing a crime for which, under the present Code, deprivation of freedom of not more than two years . . . may be assigned

. . . (5) five years from the day of commiting a crime for which, under the present Code, deprivation of freedom for a term not exceeding five years may be assigned . . .

The prosecution cannot prove that Alexander Yakir has violated paragraph 2 of Article 80, which provides for a term not exceeding five years. Even if it could prove such a violation, criminal proceedings under that paragraph (and, similarly, paragraph 1, if it could prove such a violation) cannot now be instituted against Alexander Yakir.

Alexander Yakir first became eligible for the draft when he turned 18 on October 15, 1974, over nine years ago. Even if the prosecution argues that he became eligible for the draft when he received his university degree in June 1977, that was seven years ago. The limitations period applicable to both paragraphs of Article 80 has therefore lapsed.

B. THE PROSECUTION CANNOT PROVE THE ELEMENTS OF CRIMINAL CODE ARTICLE 80 WERE VIOLATED BY ALEXANDER YAKIR

Alexander Yakir cannot be convicted of draft evasion because Article 80 cannot be applied to him, as shown above. Moreover, in order to convict a person subject to Article 80, the prosecution must prove that:

(a) a regular call to active military service has been made to the individual;

(b) the individual has evaded that call; and

(c) the individual has intentionally (or negligently) evaded the call.

Elements (a) and (b) are based on the language of Article 80 of the R.S.F.S.R. Criminal Code (see note 1). Element (c) is based on Articles 3 and 8 of the same Code, which provide that persons are subject to criminal responsibility and punishment only if they intentionally commit a socially dangerous act, that is: if the person who commits it is conscious of the socially dangerous character of his action or omission to act, forsees it socially dangerous consequences, and desires those consequences or consciously permits them to occur. (Article 8).

Alexander Yakir has not intended to evade the draft. He has not been in hiding since either 1974 or 1977. He has not intended, foreseen or desired to commit a socially dangerous act. His only intention has been to emigrate from the U.S.S.R. to study in the United States and/or reside permanently in Israel.

Moreover, Yakir considers himself an Israeli citizen. He believes that military conscription is not applicable to persons of dual or foreign citizenship. Consequently, he had no subjective intent to violate Article 80. Thus, the prosecution cannot prove that he has violated Article 80.

IV. CONCLUSION

Because Criminal Code Article 80 does not apply to Alexander Yakir and violation of that Article cannot be proven against him, he should be released from imprisonment and not brought to trial. His arrest, and his trial, conviction and sentencing if they take place, are evidence of the retaliation against Alexander and his parents by Soviet authorities. The selection of this 28 year old youth for prosecution is undoubtedly due to his exercise of his rights under international law to emigrate and to change his nationality. See the Universal Declaration of Human Rights, Articles 2 and 15(2); the International Covenant on Civil and Political Rights, Article 12(2); and the Helsinki Final Act. Like his family members Maurice, Iona and Isabella Yakir, Alexander Yakir has been selected for persecution by Soviet authorities, to be made an example of for other Soviet Jews.

For the reasons stated herein, Alexander Yakir should be released from imprisonment and, with his parents Yevgeny and Rimma Yakir, granted an exit visa.●

JOHN HYZNY RECEIVES THE PATRIOT OF THE YEAR AWARD

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. LIPINSKI. Mr. Speaker, on June 22d, John Hyzny was awarded the Nick Fryziuk Patriot of the Year Award in the Fifth Congressional District of Illinois. The Patriot of the Year Award is presented to the individual or individuals whose sense of Americanism and patriotism have been exhibited through years of dedication and service in the community.

Mr. Hyzny, who is a lifelong resident of the Southwest Side, has been a strong proponent in the belief that individuals should take an active part in civic and community affairs.

John serves on several committees which are dedicated to making the neighborhood a better place to live. He has always extended his personal help and the use of his facilities to the many organizations of his community.

Mr. Hyzny has received other awards before the Patriot of the Year Award, including the Ray McDonald Community Achievement Award, for his efforts in behalf of charitable and other worthy endeavors. I was extremely proud to award the Nick Fryziuk Patriot of the Year Award to John Hyzny.

I know I join the residents of the Fifth Congressional District in paying tribute to John Hyzny for his work, and I would like to introduce into today's CONGRESSIONAL RECORD a newspaper article honoring John Hyzny upon his receipt of the Nick Fryziuk Patriot of the Year Award.

[From the Midway Sentinel, June 1984]

BISHOP ABRAMOWICZ AND JOHN HYZNY TO BE HONORED AT LUNCHEON

Congressman William O. Lipinski has announced that Bishop Alfred Abramowicz and John Hzyny will be honored at this year's Patriot of the Year Luncheon to be held at 12 noon on June 22 at the Rhine V.F.W. Post, 5858 Archer Ave.

According to Lipinski, this luncheon will serve to recognize and honor two outstanding individuals for their dedication and devotion to community, civic and humanitarian endeavors.

Two distinct and coveted awards will be presented at this year's luncheon. John Hzyny, as a resident of the 23rd Ward community, will receive the "Nick Fryziuk Patriot of the Year Award" while Bishop Abramowicz will be honored with the "Stanley Piekarz Minuteman of the Year Award."

Bishop Abramowicz who was ordained a priest in 1943 and named Auxiliary Bishop of Chicago in 1968 has played an integral role in the number of humanitarian programs throughout the community, most notably the food and medical supply drive for the citizens of Poland. He is also co-chairman for the National Committee of the "National Czestochowa Trust Appeal" and is currently serving on a commission investigating the refugee problems in Thailand and Africa.

John Hyzny, who is a lifelong resident of the Southwest side, has been an active member of the Midway Kiwanis Club, Lech Walesa Triangle Committee, Vittum Park Civic League and various other neighborhood organizations. During the past year, Johnny, as chairman of the "Have a Heart for Keith" committee, has been raising funds to help defray the costs of a heart transplant needed by Keith Stanislawski, a 12 year old Chicago Lawn boy who is suffering from cardiac myopathy, a virus that causes deterioration of the heart muscles. Keith recently received his new heart on May 23 and is currently recovering in a Pittsburgh hospital.

Anyone interested in attending the awards luncheon is asked to call Jim Laski at 767-1720 no later than June 19. The price of the luncheon is $8 and can be paid in advance or at the door.●

REAGAN'S POWER PLAN IS JUST SACRILEGIOUS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. LEVINE of California. Mr. Speaker, in a recent column, William Safire exposed the contradictory nature of the administration's position on the equal access legislation approved by Congress.

It has always been this administration's position that local school boards should be making the decisions about the administration of our public schools. Yet, as Mr. Safire—an outspoken defender of this administration's policies—points out, this so-called equal access bill will instead "lead to a major flow of power to the Federal Government, and a loss of local control of schools by neighborhood parents."

Mr. Safire goes on to say, "Sold as 'pro-religion,' the anything-goes-after-school bill is anti-family, anti-neighborhood, anti-values."

I commend Mr. Safire's column to my colleagues. It is a compelling and cogent argument that Congress should

reconsider its approval of this dangerous bill.

[From the New York Times, Monday, July 30, 1984]

REAGAN'S POWER PLAY IS JUST SACRILEGIOUS

(By William Safire)

At the urging of President Reagan, Congress has passed a law that strips local school boards of the right to bar far-out religious cults, Communists, black-power separatists and the Ku Klux Klan from using public school facilities after school hours.

Under this startling "equal access" act, the government in Washington—and not the neighborhood school board—assumes the right to dictate the use of facilities built with the funds of local taxpayers.

Can this power-grab by Washington be what Reagan intended when he endorsed the equal-access legislation put forward by the religious right advocating the use of schools for religious clubs?

Hardly. In his zeal to "return God to the classroom," the president bought the notion that religion could be an extracurricular activity, like drama clubs and bands. He was not troubled that this would transfer some religious observance away from the neighborhood church and into the school; worse, he was unconcerned about the consequences of his undermining of local power.

As Stuart Taylor Jr. of the New York Times has noticed, it could lead to a major flow of power to the federal government, and a loss of local control of schools by neighborhood parents. Congress could not open classrooms to use by religious groups without equal access to all religions, from Moonies to sexologists; it could not rip away local ability to bar religious groups without extending such protection to political groups, and many of those groups, from Trotskyites to neo-Nazis, will be obnoxious to local taxpayers.

Some civil libertarians are pleased at this federal dictation to localities to open school facilities to all; I'm one libertarian who believes that locally elected school boards should continue to be free to decide whether schoolrooms are to be used by teachers to educate students or used by students to radicalize one another.

This is the most unthinking decision of the Reagan election campaign, second in stupidity only to the denial of post-candidacy Secret Service protection to Jesse Jackson. Reagan's Washington-knows-best school power-grab is an abandonment of a central conservative principle: that in a diverse society, power to govern in everyday matters is best left to the elected officials closest to the people.

In years past, Washington has taken away the rights of states to set the voting age—that, at least, was done by the 26th Amendment, ratified by three-fourths of the states. More recently, Reagan signed a bill to penalize states that dare to vary from Congress' idea of what the drinking age should be; states that cling to their constitutional authority now lose federal highway funds.

Such centralization of power was long a liberal Democratic habit. Sometimes a national sense of justice must override local preference, as in civil rights, but we should have learned that any imposition of the "national will" on localities is a wrenching act that should be limited to what cannot be achieved after years of persuasion.

Good causes make bad law: The hope for the religious inspiration of youth, no less than the fear of the drunken driver, should not be permitted to nationalize our federal system.

That system, Reagan has forgotten, respects diversity and encourages local control. In both the local-access and drinking-age cases, the president has put the popularity of the "national" cause (religion and sobriety) ahead of the principle of letting states and neighborhoods make their own decisions. Populism has triumphed over conservatism.

Liberals who have yearned for an activist president now see how uncheckable activism can erode the separation of church and state. The religious right, which embraced such unconservative activism to get its foot in the door of public schools now sees how it has kicked the door down to permit the Atheists Club, the Pot & Booze Society—not to mention the Ronald Reagan Gay Rights Marching Band—to use school facilities in defiance of local wishes.

The bill now on the president's desk for signature—legislation he called for, his Department of Education lobbied for, and his campaign ads have been touting as part of his personal platform—is an unprincipled abomination.

Sold as "pro-religion," the any thing-goes-after-school bill is anti-family, anti-neighborhood, anti-values. He should admit his mistake and back off.●

THE LYNCHBURG HERITAGE TRAIL

HON. JAMES R. (JIM) OLIN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. OLIN. Mr. Speaker, the Lynchburg Heritage Trail, was created by Don Harris, Scoutmaster, Boy Scout Troop 19; his wife, Carole, the Central District Scouting coordinator; and Floyd Andrus, Assistant Scoutmaster, Troop 19. These leaders of Troop 19, who collectively have been involved as adult leaders in Scouting for about 64 years, were searching for a way to introduce the members of their troop to the history of the city of Lynchburg. What began as a troop project, however, became a project of much greater significance when it was endorsed by the Blue Ridge Mountain Council, Boy Scouts of America, as part of the historic, wilderness and heritage trail concept. National recognition was bestowed on the trail when it was declared a fourth place winner—there were over 300 entries—in the 1983 Colgate-Palmolive "Help Young America" contest. Widespread community support resulted in a Lynchburg City Council proclamation designating November 19, 1983, as "The Lynchburg Heritage Trail Day."

One of the biggest problems faced by Don, Carole, and Floyd was deciding which sites to include on the trail. Their objective was to acquaint interested persons and groups with as much of Lynchburg's heritage as possible in a minimum hiking distance. What evolved was a 10-mile trail winding through the city. Those who hike its entire length are exposed to the broad spectrum of Lynchburg's past.

Lynchburg's history officially began in 1757 when John Lynch began operating a ferry across the James River. A town grew up and prospered along the river and on the hills overlooking Lynch's ferry. In 1786 the Virginia General Assembly granted Lynch a charter for the town, and a 45-acre tract was divided into half-acre lots.

Appropriately enough, the Lynchburg Heritage Trail begins at the South River Meeting House. Lynch and others prominent in the early history of the city were Quakers. John Lynch donated the land on which the South River Meeting House now stands for the erection of a church building. The first log building was erected in 1757. The stone structure, now standing, was completed in 1798.

Time does not permit me to elaborate on the 52 sites whose history has been carefully researched for trail hikers. Some of the most familiar are the Old Courthouse (1855), part of the Lynchburg Museum System; Point of Honor (1806), built by Patrick Henry's personal physician and also part of the Lynchburg Museum System; the Western Hotel (1815), where Thomas Jefferson is reported to have been a frequent guest; the Miller-Claytor House (1890), reportedly the spot where Thomas Jefferson ate a tomato, then called a love apple, to prove it was nonpoisonous; the Academy of Music (1905) and the home of Anne Spencer, the internationally renowed poet.

Thanks to the generosity of Mr. George T. Stewart and First Colony Life Insurance Co., a detailed brochure has been produced which provides hikers with the history surrounding these and other less well-known sites. Scouters who can satisfactorily answer a specified number of questions qualify for the Lynchburg Heritage Trail Medal. Whether you are a Scout, working to earn a medal, or an individual interested in the history of Lynchburg, a hike along the trail will make you agree with Thomas Jefferson that Lynchburg is a most interesting spot.

Lynchburg, known by many as the City of Seven Hills, is now preparing for the official celebration of its bicentennial in 1986. It is very fitting that the creators of the Lynchburg Heritage Trail have dedicated the trail to Lynchburg's bicentennial with the hope of inspiring and instructing "both young and old with fact, not fancy and * * * to intrigue perhaps a few into investigating further our heritage in community, State, Nation, and world."

I commend Don and Carole Harris and Floyd Andrus for their dedication to a most worthwhile project and for the superlative manner in which the

project moved from conception to completion. Since the trail was introduced in April 1982, over 300 hikers have been exposed to the rich heritage of the city of Lynchburg. The bicentennial celebration in 1986 will be enhanced by the existence of the trail.●

WHY THE ACLU IS GAMBLING WITH ROE

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. TAUKE. Mr. Speaker, yesterday, the Washington Times ran the following article by Steven Valentine regarding the American Civil Liberties Union's [ACLU] suit filed against three significant changes in the State of Illinois' abortion statute. Mr. Valentine offers an interesting perspective, and I commend this essay to the attention of my colleagues.

WHY THE ACLU IS GAMBLING WITH ROE

The American Civil Liberties Union has filed a lawsuit in Chicago that demonstrates dramatically the extremes to which the pro-abortion movement seeks to push the U.S. Supreme Court's 1973 Roe vs. Wade decision. But the ACLU case, Keith vs. Daley, may also turn out to be the means by which Roe vs. Wade is significantly restricted, or even reversed, by the court.

Overriding the veto of Gov. James Thompson, the Illinois General Assembly recently enacted three significant changes in its abortion law.

First, under the new statute, physicians who abort unborn children who may be viable must use the procedure that is safest for both the mother and the child.

Second, doctors must tell expectant mothers who seek abortions about the availability of medication to relieve the pain that the viable unborn child may feel during the operation. And third, the new law prohibits abortionists from performing sex-selection abortions.

None of the three amendments to the Illinois abortion law violates the Supreme Court's Roe v. Wade ruling. After all, Roe says that women have a right to abort (empty from their wombs) unborn children, not to ensure that they will die in the process. And the humane act of at least relieving the pain of the unborn as they are aborted does not prevent women from having abortions. Finally, Roe gave women the right to decide whether to give birth to a child, not what kind of child.

Yet the ACLU believed so strongly that these Illinois amendments threaten Roe vs. Wade that it found five local abortionist physicians to bring a lawsuit in federal court seeking to have the offending provisions declared unconstitutional. Why?

The "viability" issue is a gravely serious problem for the abortion industry. Not only is the point in pregnancy at which the unborn child would be "viable" outside the mother's womb getting earlier as technology advances, but by definition a "viable" unborn child who is only aborted (emptied from the womb) might live. Until recently, most late-term pregnancies have been ended by fetal expulsion procedures that sometimes result in live births. To avoid this "unwanted" outcome, abortionists lately have been turning to a relatively new method of abortion by which the unborn child is dismembered by a knife while inside the womb, then removed part by part.

The new post-viability provision of the Illinois law, then, is designed effectively to prohibit this grotesque, feticidal method of abortion. Taken in conjunction with earlier viability, the prospect of losing this abortion method scares pro-abortion doctors, and hence their compatriots at the ACLU. They want the federal courts to say that *Roe vs. Wade* really means not only a right to an abortion, but a right to a dead child, too.

Fetal pain is an aspect of the abortion issue that President Reagan has done much to bring before the public. Almost any objective observer who looked at the medical facts would agree that, at least at some point in gestation, the unborn child is capable of feeling pain. And any of the methods of abortion now in prevalent use, therefore, may cause incalculable pain to the unborn children who are the targets. Recognizing these facts, and the reality that abortion is legal by direction of the Supreme Court, the Illinois General Assembly took a humane step. It provided that doctors must show the same humane consideration toward doomed unborn children that is asked for dogs and cats who are "put to sleep."

The fetal pain issue, too, scares the abortion industry and its friends at the ACLU. It tends to humanize the unborn child. Perhaps worse yet, from their perspective, requiring doctors to tell expectant mothers that their babies might feel excruciating pain when they are aborted might lead to a sharp drop in the number of abortions. Thus, by its lawsuit, the ACLU seeks to have the federal courts say that *Roe vs. Wade* forbids Illinois to invade the "privacy" of the "physician-patient relationship" by trying to alleviate fetal pain.

Information released recently by the National Academy of Sciences indicates that as many as 60,000 newborn Chinese girls are killed each year because their parents prefer boys. The shocking NAS report describes in gory detail the methods by which baby girls are killed. For example, some expectant Chinese parents keep a water bucket by the maternity bed in which to drown the little girls as soon as they are born.

Sex-selective abortion in America is the moral equivalent of sex-selective infanticide in China. Amniocentesis, and other prenatal genetic screening procedures, are becoming more widely used each year as parents seek to avoid the births of "defective" children. Virtually all these tests have to be undertaken quite late in pregnancy, and the wait for the results is usually several weeks. A by-product of amniocentesis, as well as most of these other tests, is revelation of the sex of the unborn child. Thus, even if the child is genetically "normal," the mother can choose a late-term, extremely painful (for the child) abortion if she finds that the child is not of the desired sex. Every known barometer of the practice indicates that, by an overwhelming margin, it is the female unborn babies who get aborted.

No known studies indicate how widespread the practice of sex-selective abortion is in America. But it is significant enough to be discussed and debated in the legal and medical journals. Obviously the Illinois General Assembly is convinced that it is a problem. And the abortion industry, with the ACLU by its side, is worried about the implications of the Illinois ban on sex-selective abortion.

But it is not sex-selective abortion per se that is the problem for the pro-abortion side. It is two other considerations.

First, if *Roe vs. Wade* is to be the pure, unencumbered right to abortion (and feticide) that they seek, then no state legislature is to be permitted to presume to tell any woman which are legitimate reasons for having an abortion.

Second, and perhaps more important, if the sex-selection statute in Illinois is upheld in the federal courts, then it will be established that *Roe vs. Wade* does not mean that women have the right to choose which kinds of unborn children should be permitted to live until their natural birth.

In short, might the next step for states like Illinois be to ban genetic abortions where tests show that the unborn child has Down's syndrome, spina bifida, or some other malady? That is what may really scare the abortion industry and the ACLU.

Thus, in *Keith* vs. *Daley*, the abortionists and the ACLU seek to preserve and expand the *Roe* vs. *Wade* "right to an abortion." But the new Illinois law is a state statute. And if the U.S. District Court strikes it down (it already has issued a temporary restraining order), then Illinois has a right of appeal to the U.S. Court of Appeals for the Seventh Circuit and ultimately to the U.S. Supreme Court.

By the time the case reaches the Supreme Court, is argued, briefed, and considered. President Reagan's re-election, coupled with vacancies on the high bench, might provide the margin by which it could be used to reverse *Roe* vs. *Wade* altogether. Five of the six pro-*Roe* Justices are now older than 75. And two of the three anti-*Roe* are under 60.

Even if the composition of the court when *Keith* vs. *Daley* reaches it is not such that *Roe* vs. *Wade* can be reversed, it will provide a means by which to win significant restrictions on the abortion "right." Do a majority of the Justices really mean to say that *Roe* vs. *Wade* means a right to feticide? An effective right to cause the unborn child pain as it is aborted? A right to sex-selection abortion?

Thanks to the new ACLU lawsuit, we may find out.●

AN EDITORIAL VIEWPOINT ON THE ADMINISTRATION'S POPULATION CONTROL EFFORTS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BEREUTER. Mr. Speaker, yesterday's editorial in the Omaha World Herald has a message for all of us—and sends a strong message to the White House. The editorial addresses the administration's effort to link its opposition to abortion with U.S. policy of supporting international family planning. In one word, the World Herald thinks that policy is: "Wrong."

As a Member of Congress who is also morally opposed to abortion, I find myself in agreement with the views of the editorialist. I insert the text of the editorial in the RECORD.

[From Omaha World Herald, Aug. 8, 1984]

REAGAN POLICY THREATENS POPULATION CONTROL EFFORTS

The Reagan administration is wrong in attempting to link its opposition to abortion with the U.S. policy of supporting international family planning efforts. The new policy should be reconsidered.

In previous years, the United States was a strong and responsible supporter of family planning around the world, and it has contributed generously to programs for population control in Third World countries.

Now, however, the United States has adopted a position that could reduce family planning services in some of the most heavily populated parts of the world.

If Reagan had merely cut off funds used directly for abortion, that would have been one thing. There is precedent for restricting the use of U.S. tax funds to finance abortions. And abortion is "a very minor issue in the totality of population discussions," said Rafael Salas, executive director of the United Nations Fund for Population Activities.

But the new policy is so broad that it could make it harder for people to get other family planning services in some countries where they are needed the worst. Countries that promote abortion could lose U.S. family planning aid unless the abortion programs were handled through a separate account. Private agencies that perform or promote abortions would receive no family planning aid.

The U.S. policy was announced just before the start of the U.N. International Conference on Population in Mexico City. In the past, the United States has taken a leadership role at such conferences.

This time, U.S. delegates are spending more time fending off criticism and defending the Reagan position in the face of fearsome projections of what could happen if the birthrate is not stabilized.

The administration's threat to hold international family planning assistance hostage as a statement against abortion is deplorable. And, if it means fewer family planning services for people in overpopulated Third World countries, it also would be tragic.●

THE OBSTETRIC CARE INFORMATION ACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation that would provide all women of childbearing age the right to have access to information about obstetric care that could have potentially harmful effects upon their own health as well as their children.

This bill, the Obstetric Care Information Act, requires that States, as a condition of receipt of maternal and child health funds provided under title V of the Social Security Act, assure that women have access to this kind of obstetric information. This bill further requires the Food and Drug Administration to disseminate information on potentially harmful obstetric drugs and devices for pregnant women and their children.

Mr. Speaker, since the end of World War II, increasing numbers of obstetricians are using a wide range of obstetric drugs before and during the birth of children. Many valid questions have been raised as to the necessity and risks of administering these drugs to pregnant women. There have been a number of cases where children whose mothers were treated with selected obstetric drugs were born with mental disabilities. While in many instances, the use of certain types of drugs are necessary during pregnancy, the potential risk involved to both the mother and the newborn in taking these drugs should warrant both caution and close consideration on the part of parents and doctors alike.

A 1979 report by the General Accounting Office which examined this problem revealed that Federal attention on the impact of current obstetric practices has been limited. One of the more disturbing elements of the GAO report was that since the early 1960's, several obstetric drugs, such as sparteine sulfate, had been reported as having adverse effects on newborns. Yet, it was not until 1979 that action was taken by the FDA to remove this drug from the market.

The GAO also pointed out an April 1977 case of a child that was delivered by elective induction who had suffered brain damage. This damage more than likely could be traced to the use of injected Pitocin during elective induction of labor. After this case was brought to the attention of the FDA, they convened their Fertility and Maternal Health Drugs Advisory Committee, which recommended the labeling of two common obstetric drugs, Pitocin and Syntocinon, for possible harmful effects. This recommendation was, in fact, implemented,

The tremendous lag time, as typified by the FDA action in this matter, illustrates the problem. Clearly, warning labels are not enough. My bill would go one step further by providing women with more comprehensive information so that they can make intelligent and informed choices about both obstetric drugs and procedures that may have serious consequences for their future and the future of their children. In reviewing this information, many parents will realize that certain procedures and drugs are unnecessary and there are alternative procedures available to them to assure a healthy and risk-free pregnancy.

For the benefit of my colleagues, I am inserting the text of the Obstetric Care Information Act into the RECORD and urge them to join me in supporting this important legislative initiative.

H.R. 6129

A bill to amend title V of the Social Security Act to require States to provide women during and after pregnancy with access to their medical records and current information on obstetrical procedures and to amend the Federal Food, Drug, and Cosmetic Act to require the dissemination of information on the effects and risks of drugs and devices on the health of pregnant and parturient women and of prospective and developing children.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Obstetric Care Information Act".

ACCESS OF PREGNANT AND POST PARTUM WOMEN TO THEIR (AND THEIR INFANTS') MEDICAL RECORDS AND PROVISION OF CURRENT INFORMATION REGARDING OBSTETRICALLY-RELATED DRUGS AND PROCEDURES

SEC. 2. (a) Section 505(2) of the Social Security Act (42 U.S.C. 705(2)) is amended (1) by striking out "and" at the end of subparagraph (D), (2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof a semicolon, and (3) by inserting after subparagraph (E) the following new subparagraphs:

"(F) the State has a law under which any health care practitioner or provider of services (as defined in section 1861(u)) who furnishes health services in the State to a woman during pregnancy or parturition must provide the woman, upon her request, with—

"(i) the opportunity to inspect and copy any medical records with the practitioner or provider maintains relating to the condition or treatment of the woman and her infant during the pregnancy, parturition, and post partum, and

"(ii) a reasonable explanation of any portion of such medical record which is not comprehensible to a layperson,

and under which there are appropriate procedures (as determined by the Secretary) to ensure the provision of the opportunity for inspection and explanation specified in clauses (i) and (ii); and

"(G) the State has a law under which any health care practitioner or provider of services (as defined in section 1861(u)) in the State who performs a medical procedure on, or administers a drug or medical device to, a woman during pregnancy or parturition must (except under emergency and other extraordinary circumstances established by the Secretary)—

"(i) inform the woman, before performing the procedure or administering the drug or device, of the side effects, risks, contraindications, and effectiveness, with respect to the health of the woman and of her prospective children, of the procedure, of not performing the procedure or administering the drug or device, and of performing other medically recognized procedures (and of administering other drugs or devices) instead of the procedure, drug, or device involved, and

"(ii) after being so informed, receive her consent to the perfomance of the procedure or administration of the drug or device.".

(b)(1) Except as otherwise provided in paragraph (2), the amendments made by the subsection (a) shall apply to allotments to States for fiscal years beginning with fiscal year 1986.

(2) In the case of any State which the Secretary of Health and Human Services determines requires State legislation in order to provide the assurances described in subparagraphs (F) and (G) of section 505(2) of the Social Security Act, such assurances shall not be required until the first fiscal year beginning after the date of the first regular session of the State legislature that begins after the date of the enactment of this Act.

INFORMATION FOR PREGNANT WOMEN ON SIDE EFFECTS, RISKS, CONTRAINDICATIONS, AND EFFECTIVENESS OF DRUGS AND DEVICES

SEC. 3. (a) Section 502 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 352) is amended by adding after paragraph (t) the following new paragraph:

"(u)(1) If it is a drug or device distributed or offered for sale in any State and intended for the use of any woman during pregnancy or parturition, unless its label or a written insert accompanying the drug bears an explanation, meeting guidelines established by the Secretary under subparagraph (2), of the side effects, risks, contraindications, and effectiveness of the drug or device on the health of women during pregnancy and parturition and on the health of prospective and developing children.

"(2) The Secretary shall, by regulation, establish guidelines with respect to the explanation of the side effects, risks, contraindications, and effectiveness of drugs and devices intended for the use of women during pregnancy or parturition.".

(b)(1) Subparagraph (1) of section 503(u) of the Federal Food, Drug, and Cosmetic Act (added by subsection (a) of this section) shall only apply to drugs distributed in commerce on or after the first day of the sixth month beginning after the date of the enactment of this Act.

(2) The Secretary of Health and Human Services shall establish the guidelines required under section 503(u)(2) of the Federal Food, Drug, and Cosmetic Act (added by subsection (a) of this section) not later than the first day of the third month beginning after the date of the enactment of this Act.●

TOXICS AND MINORITIES: THE SPREADING DANGER

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. CONYERS. Mr. Speaker, hazardous substances, both in the workplace and in our communities, impact disproportionately on blacks and other minorities, a condition clearly reflected in their disparate disease and death rates.

These dangers, however, are not confined to minorities and indeed threaten this country's human and environmental health as well as its economic viability.

Currently, there are more than 22,000 hazardous waste sits which pose grave dangers to human health. It may cost as much as $40 billion to clean up these ticking time bombs.

There is a common misconception that the safeguarding of occupational and environmental health is incompatible with economic growth. This belief is contradicted by the experiences in countries such as Japan, Sweden, and West Germany as well as the United States. The Japanese Government, for instance, estimates that 20 percent of its economic growth since the recession in 1974 is attributable to technologies mandated by envionmental regulation.

The old adage that an "ounce of prevention is worth a pound of cure" is eminently applicable. Congress must now begin to create a system of financial incentives for the abatement of inherently hazardous technologies and the development of newer safer technologies.

In a recent article, published in USA Today magazine, I go into these matters further.

The article follows:

DEALING WITH OCCUPATIONAL AND ENVIRONMENTAL DANGERS

(By John Conyers, Jr.)

("In a recent Justice Department survey, the public rated industries responsible for polluting the air, water, food, and workplaces with chemicals which will cause cancer and other life-threatening diseases to be as reprehensible as murderers and rapists.")

Through the 1950's, much of the sociological literature on poverty attributed the economic plight of blacks and other minorities to what it said was inherent laziness and intellectual inferiority. This deflected attention from the virtually insurmountable walls of segregation which blocked social and economic mobility. Today, the same thinking is used to explain away discrepancies in health, particularly in cancer and mortality rates.

The over-all rate of increase in cancer among blacks is twice that of whites; the disparity is as much as 15-fold with some of the more dangerous cancers, including cancer of the colon and rectum. Hypertension kills blacks 15 times more frequently than whites. In the workplace, blacks have a 37% higher risk of occupationally induced disease and a 20% higher death rate from occupationally related diseases.

Just as in the 1950's, blacks today are being told that their problems are largely self-inflicted, that their poor health is a manifestation of immoderate lifestyle habits. Such blame-the-victim strategies—which receive tacit, if not explicit, support from the current policies of the American Cancer Society and the National Cancer Institute—serve to divert attention from the fact that blacks are the targets of a disproportionate toxic threat both in the workplace, where they are assigned the dirtiest and most hazardous jobs, and in their homes, which tend to be situated in the most polluted communities.

The comparative statistics on environmental and occupational factors are chilling. Black children in the inner city suffer from lead poisoning, a primary cause of learning disability, at a rate five times that of white children. DDT contamination of black Americans is some three times greater than that of white Americans. In June, 1983, the General Accounting Office (GAO) found that 75% of hazardous waste sites studied were situated in predominantly black communities. Steel industry studies have shown that black coke plant workers have twice the expected cancer-death rate and eight times the expected lung cancer rate. This disparity is explainable by job patterns: 89% of black workers labor at the coke ovens—the most hazardous part of the industry—as compared with only 32% of their white coworkers. In the laundry and dry-cleaning industry, blacks' death rate from all causes is double that of whites. Other industries in which blacks incur highly disproportionate rates of chronic disease and death include rubber, chromate, petrochemical, and mining.

Coupled with the disproportionate exposure to toxics in the workplace and environment is a significantly lower survival rate from cancer among black Americans, a reflection of the second-class health care available to ethnic minorities in the U.S.

The Reagan Administration has displayed remarkable insensitivity to the health concerns of blacks, quite apart from more general public health concerns. Since taking office, the Administration has successfully developed a strategy for dealing with laws that it does not like. Rather than going to Congress to repeal the health and safety mandates that it opposes, the Administration blocks enforcement of existing laws by dismantling the Federal regulatory apparatus while inviting excessive and often behind-the-scenes influence from those industries it supposedly regulates.

In the Occupational Safety and Health Administration (OSHA), for example, where the chief administrator was recruited from a top executive position in a firm with repeated OSHA violations, citations for workplace violations have fallen 49% since the last year of the Carter Administration, follow-up inspections by 55%, and fines by 77%. OSHA also has attempted to block the adoption of standards for use of 116 suspect carcinogens, despite documentation of the need to do so by their own scientists. Regulations for one of these substances, ethylene oxide—a carcinogen which has induced a multitude of miscarriages in hospital workers—were withdrawn after an ex parte meeting between the manufacturers and OSHA officials.

More recently, OSHA has preempted state initiatives for meaningful right-to-know laws, replacing them with Federal standards more protective of alleged trade-industry secrets than of worker health from undisclosed hazards. The Reaganite philosophy of returning powers to the states applies only when convenient.

At the Environmental Protection Agency (EPA), massive public and Congressional outcry toppled the Burford administration, whose penchant for taking polluters to lunch, rather than to court, had become standard operating procedure. Even today, despite modest improvements under the Ruckelshaus administration, thousands of hazardous waste violaters go unchecked, lead still remains in gasoline, and problems of contamination of the nation's food with EDB (ethylene dibromide) are resolved by protecting particular economic interests, rather than public health interests.

THE SPREADING DANGER

Although the impact of the failure to control hazardous runaway technologies is most acutely reflected in the disproportionate disease and death rates of black Americans, the spreading danger of uncontrolled toxics in our air, water, food, and workplaces will eventually heed no boundaries.

It only takes one gallon of industrial solvent to contaminate 20,000,000 gallons of drinking water. Yet, of the 230,000,000,000

pounds of dangerous waste generated each year, at least 90% is disposed of improperly and unsafely, since very few of the 50,000 hazardous waste sites in this country are monitored to any degree.

A recent GAO survey of six industrial states discovered that four of every five major waste-water dischargers have been violating pollution control standards during a period in which EPA enforcements activity dropped 40%. Americans certainly would not tolerate a fatal jumbo-jet crash every single day for an entire year, yet over 100,000 workers die each year from preventable ocupationally induced cancer and other diseases. Inaction is complicity.

The most effective strategy by which the Reagan Administraiton and industry have sold the massive regulatory rollback has been to charge that overburdensome environmental and occupational safety and health regulations have stunted the economy, created unemployment, and triggered hyperinflation. Such propositions are not only self-serving, but wrong.

Apart from protecting lives and the inhabitability of communities, health and safety regulations in the U.S., as in numerous other countries, have spurred far greater economic benefits than losses. These benefits accrue from the "technology forcing" effects of regulation, including process and product substitution; reuse recovery and recycling technologies; appropriate disposal technologies; and improved efficiency resulting from industrial process revamping.

As documented in Richard Grossman and Richard Kazis' *Fear At Work: Job Blackmail, Labor, and the Environment*, more than 100,000 jobs have been created as a result of clean air laws and more than 200,000 jobs from clean water regulations. Had the Reagan EPA maintained compliance timetables, more than 520,000 jobs would have been created through sundry pollution abatement technologies. By contrast, since 1971, fewer than 3,000 workers a year have lost their jobs due to health and safety regulations, and, in most instances, job loss occurred in industries which were technologically obsolete and uncompetitive. Past studies by the Council of Environmental Quality have shown that health and safety regulations have reduced unemployment by 0.4% and increased the GNP by at least $9,300,000,000.

The experiences of Japan and Sweden are also illustrative. During its recession in 1974, Japan employed stringent pollution control legislation to boost construction and engineering and hence restimulate the economy; 20% of its economic growth since that time is attributable to environmental regulation. Sweden used similar measures in 1970 when faced with economic recession. The government introduced strict pollution control legislation and offered industries cash grants of up to 75% for the purchase of pollution abatement technologies. Japan and Sweden are now major exporters of pollution control equipment and technological know-how.

Ciba-Geigy, a Swiss chemical company, with little capital investment, reduced up to 50% of its pollution effluent and saved an estimated $400,000 a year. By revamping its manufacturing process, closing efficiency loopholes, and recycling its water and solvents, it has saved not only money, but energy as well.

Moreover, the short-term economic benefits of regulation derived from new technological stimulation do not take into account the avoidance of massive, but delayed, costs of future disease and environmental degradation. Take hazardous waste as an example. In February, 1983, the EPA conservatively estimated the clean-up costs for 22,000 priority hazardous waste sites would be $16,000,000,000. The total national bill for dealing with the hazardous waste problem is $40,000,000,000, minimally. Michigan estimates that it will need $70,000,000 just to determine the extent of groundwater contamination. Proper disposal of chemicals dumped in Love Canal in the first instance would have cost less than $2,000,000, as contrasted with the anticipated costs in terms of cleanup, relocation, and medical fees of more than $100,000,000. Residents have filed suits for more than $2,000,000,000 in damages. By and large, these extraordinary costs, which exclude the costs of pain, suffering, and medical fees (*i.e.*, 200,000 environmental and occupational induced cancers annually at an average medical cost of $25,000 for each cancer), have impacted disproportionately on minorities and the working classes.

WHERE DO WE GO FROM HERE?

We have become a society highly reliant on technologies which have developed faster than our social means to control the threats they pose to our very existence. The regulatory decisionmaking process has, particularly under the Reagan Administration, become vested in the hands of a small, but very powerful, segment of our society—a network of industries with a limited ethos of responsibility, one in which virtually all results are measured on the annual balance sheet.

In a recent Justice Department survey, the public rated industries responsible for polluting the air, water, food, and workplaces with chemicals which will cause cancer and other life-threatening diseases to be as reprehensible as murderers and rapists. Congress must now respond to this groundswell of concern, first by reasserting its aggressive oversight role to ensure that, minimally, existing health and safety laws are being enforced despite the Administration's lack of understanding of the need to do so. The same problems which were exposed in the EPA, currently faster in OSHA and other Federal regulatory agencies. Vigorous Congressional investigation is long overdue.

Congress must also begin to bolster regulations with a system of market pressures and financial incentives in the form of tax breaks and cash grants to firms investing in occupational and environmental pollution abatement technologies. This can be coupled with financial disincentives for the continued use of inherently hazardous processes and products. Enacting pollution-victim compensation legislation which would provide individuals living in polluted communities with special relief when medical examiners determine that their cause of illness may be pollution-related would be one important method. Revenues for this compensation system could be raised through taxation of pollution sources forcing industries to internalize the costs of pollution which they have traditionally imposed on their workers and communities. If it can be demonstrated that the illness has been caused by a specific company, that company must pay the cost of compensation. Pollution-source taxation should also be further developed to increase funding for pollution cleanup under the now clearly inadequate superfund law. In the incidence of foreseeable illness or death resulting from exposure to substances where inherent dangers were suppressed, severe criminal penalties should be imposed. This could be facilitated through Congressional passage of white-collar crime legislation.

For every hazardous product and process in existence today, there is potentially a safer alternative. A comprehensive system of financial incentives and financial/criminal disincentives, together with a coalition of labor, minorities, environmentalists, and concerned citizens, can act as the catalyst for the ushering in of a new generation of technologies which will stimulate the economy and protect our health.●

ON SOCIAL SECURITY COST-OF-LIVING INCREASES

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. PORTER. Mr. Speaker, I commend to my colleagues a recent editorial in the Chicago Tribune on the recent proposed cost-of-living increases for social security retirement:

[From the Chicago Tribune, Aug. 5, 1984]

SOCIAL SECURITY POLITICS

It's not as blatant as the vote-buying schemes that pockmark Chicago's history. It will cost mega-times more. And it's not likely to work. But it's no coincidence that President Reagan and members of Congress are tripping all over each other in their haste to increase Social Security payments to senior citizens—who vote in larger proportion than other groups—just before the election.

That little something extra the politicians plan to give the elderly is going to cost about $5 billion next year. And unlike the penny-ante Chicago-style handouts, it's going to keep on costing year after year, if most members of Congress have their way.

The problem for the politicians is that the elderly who might feel moved to thank their benefactors in the way they like best—in the election booth—might not be quite sure whom to thank. That's a mistake in strategy a Chicago pol would never make.

President Reagan nabbed the first headline. In his press conference last week, he said he would ask Congress to guarantee Social Security recipients a cost-of-living raise, even if they are not entitled to one by current law. Social Security rules now provide increases only when the inflation rate is over 3 percent a year; it is now projected to be about 2.8 percent. Mr. Reagan's move was obviously intended to counter Democrat charges that he would cut back Social Security and Medicare if re-elected.

But members of Congress also want to make political points with the elderly. Two days after President Reagan's announcement, before his administration could submit a proposal to Congress, the Senate voted 86 to 3 to waive the 3-percent threshold and guarantee a raise in Social Security benefits. The House is expected to do the same shortly. But members of Congrsss want to be sure they get credit for the move. Rep. Jim Wright (D., Tex.) held a news conference to protest that the President knew Congress intended to grant the increase and tried to make it seem like his idea.

While the politicians are scrambling to take credit for increasing benefits, what they aren't saying is that their actions will also increase Social Security taxes for at least 7 million to 8 million workers. Current law says that any time benefits go up, so must the base wage rate on which Social Security taxes are calculated. Unlike the increase in benefits, which is figured on the cost of living, the boost in wage rate is based on the growth in average wages.

Without an increase in benefits, the maximum wage on which Social Security taxes are levied would remain at $37,800 for 1985. Although the amount it will jump with a benefit increase isn't fixed as yet, it is expected to be about 4 percent, bringing the maximum to an estimated $39,300. Figuring in the tax increase already scheduled for next year, that means the maximum Social Security tax paid by top wage-earners would jump from $2,532 this year to about $2,770, an increase of more than 9 percent.

About 40 million people now get Social Security benefits. The increase will mean about $21 more a month for the average retired couple who now receive $700, and $13 more for the average single person who gets $430. The politicians, of course, are counting on their gratitude at the polls exceeding the wrath of the wage-earners who will be forced to ante up because of the largess—if the recipients can decide who really merits their thanks.

But Social Security—and particularly its companion program Medicare—are still held together by baling wire, string and wishful thinking. Those who really care about the elderly would serve them best by avoiding political actions that put the system in further jeopardy.●

WHY GUARDING AGAINST THE IMPROBABLE MAKES SENSE

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. LEVINE of California. Mr. Speaker, the Los Angeles Times recently published a compelling analysis of the need to retain existing worst case analysis.

Worst case analysis is used to anticipate and prepare for unexpected and unintended environmental disasters. Worst case analysis helped prepare us to deal with such disasters or near disasters as the Santa Barbara oilspill, the Torrey Canyon oilspill, and Three Mile Island.

Yet, the Council on Environmental Quality, under pressure from the Reagan administration, is now seeking to change the protections afforded by these worse case studies.

I commend Mr. Yost's article to my colleagues. It is an important article about the administration's latest assault on our environment.

WHY GUARDING AGAINST THE IMPROBABLE MAKES SENSE

(By Nicholas C. Yost)

President Reagan's Council on Environmental Quality is considering measures that could diminish the protection given the public by existing requirements for "worst-case" analyses of actions with potentially catastrophic consequences. Under present law, when the federal government prepares environmental-impact statements on its major proposals, it must look at what could happen in a worst-case situation. The removal of these protections would be both unwise and possibly illegal.

Many of the major environmental calamities in relatively recent times have involved the unintended, and indeed improbable, consequences of technology. Offshore drilling was not supposed to cause the costly 1969 oil spill in the Santa Barbara Channel. The supertanker Torrey Canyon was not supposed to spill thousands of gallons of crude oil off the coasts of the British Isles. Three Mile Island was not supposed to be the site of the worst commercial nuclear accident in our history. The Love Canal was not supposed to poison peoples' homes. But all occurred.

Worse-case analysis is the analytical method used to anticipate and forestall such improbable but potentially severe consequences. The full range of potential effects is examined, including the worst possible ones, with the probability or improbability of their occurrence in mind. What would happen if the San Onofre nuclear plant melted down or if a tanker laden with liquefied naturual gas foundered off Point Conception? What implication would a major earthquake have for a toxic-disposal site? These are the sorts of questions that worse-case analysis addresses.

The council's existing regulations, which apply to all federal agencies, specify that for actions having the potential for severe ecological consequences the agency must undertake a worst-case analysis as part of the environmental-impact statement required by the National Environmental Policy Act.

The basic rationale is simple—if any agency would like to do something that might have severe consequences, it must at least determine the worst that might happen before it plunges ahead. The agency is not barred from proceeding, but it must do so aware of the possible consequences, and with the public informed—not an unreasonable requirement.

The Administration initially proposed to limit worst-case analyses to situations in which near-catastrophic effects appear probable. But if probability were made a prerequisite for such analysis the worst-case requirement would be gutted. It is precisely for this improbable but potentially catastrophic situation that worst-case analysis is needed. If a catastrophic effect is probable, such as a 60% chance that a nuclear installation would melt down within 10 years, nobody in his right mind would dream of going forward. It is where the potential effect is improbable but catastrophic that worst-case analysis is needed. Faced with congressional and public criticism, the President's council has now backed away from its initial proposal, but continues its commitment to changing existing protections.

An alert public must continue to insist on adequate means of worst-case analysis. We do not site nuclear power plants in downtown Washington or Los Angeles, not because of what *will* happen but because of what *could* happen. The safety record of nuclear power plants has, after all, not been a bad one in terms of actual health effects. Nobody, as the nuclear industry is fond of saying, died at Three Mile Island. Nevertheless, we would all, I suspect, be leery about putting a nuclear power plant in the middle of a city. Because the potential for catastrophic effect, however improbable, deters the reasonable person from assuming a risk that can be avoided by remote siting.

Administration spokespersons term worst-case analyses remote or speculative. It would be more useful to distinguish between two kinds of remote consequences. There are some kinds of environmental effects that are of tangential concern. For instance, a proposal that produces noise on a remote and uninhabited isle does have an environmental effect, but who cares? No one is disturbed. The courts have quite properly exercised a "rule of reason" and deferred to the judgment of the agency involved not to bother with this sort of remote effect.

Quite different from that sort of remote effect is the type of situation that applies in worst-case situations with potentially catastrophic consequences in which complete and public analysis is necessary. Once informed, both the public and government decision-makers can act to protect against the catastrophic contingency.

Reagan's Council on Environmental Quality should abandon its ill-advised effort to tamper with this proven and useful means of alerting and protecting the public.

(Nicholas C. Yost, senior attorney with the Washington office of the Los Angeles' Center for Law in the Public Interest, was general counsel for the Council on Environmental Quality in the Carter Administration.)●

A CONGRESSIONAL SALUTE TO MARINELAND, ON ITS 30TH ANNIVERSARY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. ANDERSON. Mr. Speaker, 1984 marks the 30th anniversary of Marineland, CA's first aquatic theme park. As one who has enjoyed Marineland for all of these three decades, I would like to take this opportunity to commend and congratulate all of those who over the years have helped make this such a special place.

Located in Rancho Palos Verdes, Marineland first opened its doors on August 28, 1954. Today, it is recognized as not only one of California's prime tourist attractions but also as one of the world's finest facilities in the area of animal husbandry and research.

This year, Marineland will house over 4,000 mammals and fish. Many of these are included in various sea shows which offer viewers not only a fascinating, but also educational look at aquatic life.

For instance, the Dolphin Community Petting Pool gives everyone the chance to play ball, hand-feed and even listen to dolphin chatter below the water surface with the aid of underwater hydrophones.

Or, you could be one of only a few to get a handshake or a kiss from their killer whales, Orky and Corky. Orky,

who weights 7 tons, and Corky, who weighs 4 tons, are the only breeding killer whales in captivity.

Another unique feature at Marineland is their "Baja Reef." This is the world's only swim-through aquarium. Swimmers are supplied with a swim suit, diver's wetsuit, snorkel, fins and mask for only a small fee. You can be sure that those who take advantage of this attraction will never forget this experience of swimming side-by-side with over 1,000 tropical fish and sharks.

Simply put, Mr. Speaker, Marineland is one of those magical places which many only dream about. With each visit, my family and I gain greater knowledge and a better understanding of marine life.

My wife, Lee, joins me in congratulating Marineland's fine staff on this special occasion. We know that Marineland will continue to provide its guests with the utmost in hospitality and entertainment in the years to come.●

DESTROYING MYTHS ABOUT FAMILY VIOLENCES

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. PATTERSON. Mr. Speaker, there is a major epidemic sweeping our Nation. It affects rich and poor, young and old, public figure and private citizen alike. It is called family violence. We must examine the scope of this disease, treat it and contain it. Family violence must not be allowed to threaten the lives of future generations.

Every year, millions become victims of some form of intrafamily violence. Reported cases involve spouse, elder, child and sibling. For many, family violence has become an everyday reality. To them, it is no surprise that 65 percent of reported homicides involve family members.

Family violence is not a distinction shared only by lower economic classes. It does not confine itself to individuals without education, nor is it a trait unique to ethnic minorities. It is endemic to the whole of our society.

Those who cite statistics that family violence is common among poor minority families forget that these groups are far more likely to notify social service agencies or the police for help than their wealthy counterparts. A battered woman from a wealthy family can afford to hide her wounds in the care of a private physician and to seek shelter in a secluded hotel. The abused poor, on the other hand, rely on whatever free clinics and emergency shelters are available.

In 1983, it is estimated that over 2 million spouses were physically abused. While it is suspected that only 1 in 10 cases was actually reported, it is a well-known fact that most victims are women. According to FBI reports, a woman is battered every 18 seconds in the United States.

Wife assault is so pervasive that one-half of all wives experience some form of spouse-inflicted violence during their marriage. One shocking study by the National Commission on Causes and Prevention of Violence revealed that one-fifth of all Americans approve of slapping one's spouse on "appropriate occasions." Surprising to some, approval of this practice increases with income and education.

It is also no secret that child abuse knows no socioeconomic boundaries. It afflicts even the best of families. Last year, over 1 million child abuse and neglect reports were processed by child protective service agencies nationwide. From 1976, when information first became available, until 1982, there was a 123-percent increase in the number of cases reported.

So startling are the facts about child abuse that we shudder to think of ways to remove the pain from the lives of its young victims. We know that the most frequently reported form of child maltreatment is neglect which in combination with other abuses accounts for 63 percent of all reported cases. We are shocked by estimates that 1 in 4 girls and at least 1 in 10 boys are victims of sexual abuse. When we learn that the average age of abused children is only 7 and in 85 percent of all cases the perpetrators are the child's biological parents, we realize we must act.

Like in cases of child neglect, senior citizens often face peril in the home. While our seniors can expect to enjoy a long life, sadly, many have become the victims of elder abuse. Last year, over 600,000 cases were reported—the average victim being a 75-year-old woman in frail health. Astonishingly, we learn that 84 percent of elder abusers are relatives.

It is no wonder that police are reluctant to intervene in family disputes; 25 percent of police fatalities and 40 percent of police injuries occur while investigating domestic quarrels. A Chicago study concluded that police receive more calls involving family conflict than for any other criminal incident, including murders, rapes, nonfamily assaults, robberies and muggings combined.

Experts may disagree on statistics about domestic violence, but they agree that physical, emotional, and sexual abuse are eroding the strength of the family and the fiber of society. Yet, in our great and compassionate country, we have 3,000 shelters for the humane treatment of animals but only 700 shelters for battered women and children.

Clearly, it is time for us to declare an end to family violence. We must garner the support of each and every community to help families escape the torment associated with battery and abuse. With House passage of H.R. 1904, the child abuse and protection amendments, we have designated funds for family counseling and protective services and for more emergency shelters to achieve this goal. But our efforts remain an ineffective gesture unless the Senate acts quickly to forward our resolve.

As much as I believe we must mold Federal policy to eradicate the fear and solitude associated with domestic violence, I do not believe we can accomplish this goal without help. I am pleased that in many parts of the country, private and public sector organizations are helping. In conjunction with the private sector, four major police departments have developed successful domestic intervention programs. Each has had marked results in reducing the recurrence of family violence and in avoiding injury to police officers. Largely a result of new education techniques, these programs are models for broader application.

In Newark, NJ, for example, the police department now includes sociological and psychological study of family violence and intervention procedures in its academy curriculum. It has also given a new emphasis to calls for help in family crises. Once regarded as the least important of all incoming calls, today, domestic trouble calls are given top priority. Now, police officers not only inform victims of their rights, but carefully explain available legal alternatives.

Since 1980, other innovative approaches have been tried. In my home State of California, and in 16 others, a Children's Trust Fund has been established. This special fund is used to finance State and local child abuse prevention programs which were historically unavailable to families. In 1983, the California Children's Trust Fund collected over $4 million from a small surcharge on birth certificates and a voluntary income tax check-off. Revenues collected were used to promote healthy family relationships by establishing programs to educate adults about their role as parents and to teach children how to recognize the difference between the signs of affection and the warnings of abuse.

We all know that treatment for victims of family violence is costly. But the human toll is even greater. Psychiatric care for one abused, emotionally disturbed child costs over $100,000 a year. The deep-rooted effects are even more difficult to measure, for abused children often become delinquent teenagers and abusive adults. In over 50 percent of child abuse cases, adult-

inflictors were themselves abused as children. Thus, continues the vicious cycle in heartbreaking proportions.

We must break this cycle. We can no longer condone this violence which tears our families apart and weakens our society. We must set a clear national policy of protection and care for children, spouses, parents, and seniors; whether they suffer abuse in the home or assault on the street. I urge my colleagues to join me in this difficult, but critical endeavor.●

SALUTE TO U.S. OLYMPIANS

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. PACKARD. Mr. Speaker, Americans have been viewing historic activities in recent days during the XXIII Olympic games being staged in Los Angeles. American athletes are reaching new heights with superhuman efforts and perfect scores.

Amidst this tremendous pride in our country, we should pause for a moment to fully appreciate what our athletes are accomplishing on the playing fields and auditoriums in these modern Olympics.

While our young men and women, like Steve Hegg of Dana Point who won a gold medal in cycling, have recorded golden achievements in many areas of competition, I would like to commend these young athletes from my 43d Congressional District in California, specifically those swimmers on our U.S. team who are also members of the world-famous Mission Viejo Natadores.

One young man in particular, Greg Louganis, has distinguished himself in these Olympics games. Greg, at the age of 24, has achieved unequaled status in the diving world. In the recent 3-meter diving preliminaries, he scored five perfect scores of 10. In the finals, held last night, Greg came back to score four more perfect scores on his way to a gold medal.

And we expect even greater achievements from this young man before the diving competitions have been completed.

Greg Louganis is just one member of an outstanding swimming program in Mission Viejo, yet he is representative of the world-class quality that the people of the 43d District have come to expect from their athletes, especially the Natadores.

That expectation is due, in part, to the excellent record these athletes have achieved, including many world championships for the past decade. But our respect for these athletes goes even further than just medals or championship titles.

Our respect, as the elected leaders of this Nation, centers around the spirit of these young men and women. They do not just represent the community of Mission Viejo or the 43d District or even California. They represent America, and our respect comes from their abilities to represent the ideals and spirit of America.●

SUPPORT FOR CONGRESSMAN BROOKS' BILL TO REGULATE ARMOR-PIERCING AMMUNITION

HON. FREDERICK C. BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BOUCHER. Mr. Speaker, I rise today in strong support of H.R. 5845, as introduced by the gentleman from Texas [Mr. BROOKS] and cosponsored by more than 200 Members of the House of Representatives with the support from Members of the leadership on both sides of the aisle. H.R. 5845, the Law Enforcement Officers Protection Act of 1984 would regulate the manufacture and importation of armor-piercing ammunition.

This legislation is the product of more that 3 years of work by the U.S. Treasury and Justice Departments and has the support of all major police fraternal organizations and sportsmen's groups.

Moreover, it is my understanding that the companion bill in the other body, as introduced by Senator THURMOND, S. 2766, has more than 90 sponsors. Mr. Speaker, H.R. 5845 and S. 2766 have wide bipartisan support in both Houses and should be brought to the floor of the House for prompt passage in the form of H.R. 5845.

Unfortunately, recent developments threaten to undo the delicate balance that has been struck on this most controversial issue. The full Judiciary Committee reported out H.R. 6067, which includes a number of controversial provisions.

Mr. Speaker, very shortly the Members of this body will be presented with a choice. The gentleman from Texas [Mr. BROOKS] has stated that he intends to offer his bill, H.R. 5845, as a substitute to H.R. 6067, if and when H.R. 6067 reaches the floor.

I endorse the approach of the gentleman from Texas, and I intend to support H.R. 5845 as the best vehicle for providing the protections needed by our Nation's law enforcement community while not infringing on the rights of law-abiding gun owners and sportsmen.●

GIVING SENIORS A CUSHION AGAINST INFLATION

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. PATTERSON. Mr. Speaker, over the past 4 years, older Americans have unjustly been the target of our most difficult budget decisions. Whatever we have done to keep President Reagan's cuts from going into effect, we have not always been successful. Now we find ourselves on a merry-go-round of promises, and it is hard to figure out who has really been on the side of our seniors all along.

A few weeks ago, the President said he thought seniors deserved to receive a social security cost-of-living adjustment, whether inflation was below the 3 percent trigger amount or not. This is a welcome pronouncement.

This is an entirely different tune than the one President Reagan sang at the budget negotiating table early in 1983, in 1982, and in 1981. In the midst of our Social Security financing rescue efforts, it was President Reagan who insisted that seniors forfeit their cost-of-living increase, give up their minimum benefit and succumb to rigorous review to determine eligibility for disability benefits.

But, I agree with the President this time. I believe our seniors deserve a cost-of-living increase this year and every year. I have held consistently to this view since long before I was elected to Congress in 1974.

Many of our House colleagues share my belief. Through diligence we dispelled the rumors which frightened seniors into believing that Social Security was going down the tubes and the only way to save it was to take the bread off the meal tables of our seniors. Even confronting the most pessimistic of predictions, we haven't changed our minds to gain popularity. We have held steadfast to our responsibility of improving the livelihood of senior citizens.

This week, the House passed legislation to provide Federal funds for the Older Americans Act well above the President's request. In spite of his objections, local communities will continue to provide nutrition services, transportation, legal advice, and job opportunities for senior citizens. This was the mandate of the first White House Conference on the Aging almost 20 years ago, and it continues to be our objective today.

Seniors on a fixed income have a tough time, and it is up to us to help give them a cushion against inflation. This was the promise Congress made in 1972 when the annual cost-of-living increase was first passed. Now and for tomorrow, we must keep this promise

and amend Federal law so that even when inflation is not so high as to worry wage earners, but high enough to scare seniors trying to make ends meet, seniors do not come up short.

As a cosponsor of H.R. 6019, I urge rapid action to give Social Security recipients a cost-of-living increase this year. I am delighted that the Ways and Means Committee will be holding hearings to pursue this issue with the Social Security Administration in early September. Like many of our colleagues who have not flip-flopped in our commitment to seniors, nor looked at them to solve our budget deficit problems, I want to give seniors a raise this year. Let's work together to achieve this goal.●

TRIBUTE TO VICKI ROPER

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. LEVINE of California. Mr. Speaker, I rise to bring to the attention of my colleagues the unique accomplishments of a distinguished teacher, Vicki Roper. Vicki was recently named Teacher of the Year in the State of Idaho, for 1983–84.

While I have never before risen on the floor to bring to the attention of my colleagues the recognition of a recipient of an award given by an institution in Idaho, which is somewhat removed from my congressional district, I take this opportunity because I have known Vicki for approximately 17 years and have always felt that she is an extraordinary human being.

A newspaper article in the Idaho Education Association Reporter, February 1984, aptly summarizes much of Vicki's personality and skill and I ask unanimous consent to insert a copy of that article at this point.

The article follows:

IDAHO TEACHER OF THE YEAR RECOGNIZED

(By Terry Gilbert, IEA Region 4 Director)

The first thing one notices about Vicki Roper, Idaho's Teacher of the Year for 1983–84, is her smile. Warm. Caring.

And, then as the Wendell special education teacher speaks, one notices her hands. They talk, too. She uses signing with her students, and how her hands represent the teacher. Reaching out. Communicating with her fingers.

One might look at Vicki Roper in her classroom, her dark brown hair neatly combed, her room alive with color, and think one is looking at the stereotypical Idaho teacher.

The impression is misleading.

First, Vicki's interest in becoming a teacher was born in another culture, even though she is a Twin Falls native. After graduating from Twin Falls High School in 1967, she enrolled at Harvard. Then through Project Friendship, she found herself in Peru teaching blind students and Peruvian girls in a Catholic reformatory, her first experience with children limited by nature or circumstances.

"The little blind Indian kids spoke Quechua. I spoke Spanish. Yet because they were blind, they were very sensitive and open to learning. My interactions with those blind students told me I liked working with children. I enjoyed the quality of communication with them. There was a lot of nonverbal communication," she said, expressively gesturing with her hands.

"I feel I'm more effective now. If I really do have values, I must demonstrate them in my own backyard to my own children," she said referring to her students.

Vicki's first value in her life and teaching is honesty. "The kids can smell a rat faster than anyone," she observes. "I have to take inventory of myself every day. Sometimes I must be brutally, painfully honest with myself."

But Vicki's sense of self-honesty did not come easily. After her schooling at Harvard, she enrolled at the University of Idaho to take education courses. She comments that Terry Armstrong of the education department there chewed tobacco. "So did I," she said with a broad smile.

Still with the U of I program, she student taught in Portland, Ore, with potential dropouts, students limited once again.

"We were helping them learn responsibility," which Vicki identifies as another major value in her teaching. At the same time, she admits she was working through her own life with no real sense of direction in those early years.

With her special education students now, she teaches a strong sense of reponsibility. "Responsibility for herself," she says seated below a clearly printed class instruction sheet which lists simple straightforward rules. However, if her students violate a rule ("Follow instruction"), they must stand against the classroom wall for one minute.

"I've had to stand against the wall myself for breaking classroom rules—three times, one already this year," she says smiling.

Her story is interrupted when five of her students come through the door from music class. They gather around her to tell her of their experience. She looks at each one intently as he or she speaks. Undivided attention. Finally she points out it is time to catch the bus so they file out waving and saying goodbye to their teacher.

"A good teacher is a model, especially here, but everywhere. I model the behavior I want."

Vicki's sense of values in life and teaching have deeply impressed her aide, 28-year-old Kathy McDevitt. "The thing that really comes across in Vicki's room is the positive classroom atmosphere. There are a lot of smiles in this room and good feelings."

Kathy continues, "There are so many things taught in school like confidence, in tackling a problem. Relationships, How to get along in the world. Liking yourself. Those are things Vicki does."

"I have learned from Vicki myself. Especially techniques in getting through to people. If something is not working, she has taught me to change my approach," Kathy said.

To submit material for the teacher of the year award, Vicki had to write her philosophy of teaching. She recounts some of that philosophy. "A good teacher must have the ability to respond," she says. "She shouldn't meet students with a lot of preconceptions or misconceptions that try to assess each teaching interaction with a focus on what that student's doing right now. What part are they doing right so I can praise them?"

"I think I was guilty in the past of doing the opposite, yet the things I knew to be good involved being positive."

Vicki believes in basic skills. "Basic skills need to be mastered, almost overlearned," she said. Her room, with splashes of color, tidy bulletin boards, and orderly desks each with an Idaho potato bank in the upper left hand corner, reveals her philosophy that to acquire basic skills, one needs the proper setting.

But basic skills encompass more than reading, writing, and arithmetic for her. "Maybe that's why I like special education," she said, "because it is legitimate for me to work on social skills, communication skills here."

"If people are unable to communicate in a positive way with human beings, it doesn't matter if they can add and subtract."

"Following instructions, accepting feedback, disagreeing appropriately . . . these are basic skills, too," she said.

Then the conversation slips back to Vicki Roper, as a human, a developing human. "In the old days, I remember taking a personality profile where I scored high in being self-reliant. I was too proud then to rely on others. I wanted to look good, to be perfect. I wouldn't risk trying."

"Now I know I don't have to be perfect. I'm not too proud to ask for help, I rely on other people and a higher power," she commented.

"Life is really exciting for me. There is so much variety and so many challenges in teaching special education. Anything and everything kids need to learn, we help them."

"If teaching is not fun for the teacher, teaching is the worst job in the world," she said. "I can't forget teaching is fun. I have to laugh with my students."

So, when one gets to know Vicki Roper as more than Idaho's Teacher of the Year, one is struck in a positive way by her humaneness.

One senses that Vicki Roper has met her personal crucibles and emerged strong, creative, resourceful and very positive. And, one feels that eight special education students are fortunate, indeed, to have her as their teacher.●

A CONGRESSIONAL SALUTE TO CAPT. WILLIAM W. EDEL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. ANDERSON. Mr. Speaker, Capt. William W. Edel, who served his country with distinction as a naval chaplain in both world wars, celebrated his 90th birthday this year on March 16.

Captain Edel, a painter, poet, playwright, and designer, designed the Mariner's Cross, a golden cross overlying a compass rose. This emblem with the addition of the "Tablets of Law" is now the official emblem of the Chaplain Corps.

He stressed ecumenism during his 30 years of active duty and designed the three-way altar—three separate altars; Catholic, Protestant, and Jewish,

which can be swiveled on a vertical axle in seconds—first used at the Sampson Naval Training Station in New York during World War II. He also designed a chapel complex at the naval station in Norfolk, VA, which comprises a Protestant chapel and a Catholic chapel connected by the chaplain's offices—the first time Catholic and Protestant chapels were built on the same property. In 1944, at Sampson Naval Training Center, he held world communion Sunday services, serving 7,500 communicants with the help of 18 chaplains and 20 clergymen.

Between the wars Captain Edel served in China and in the Samoan Islands, where he was superintendent of education to the Government of American Samoa. When he left Samoa he was presented with the treasured Kaval bowl, in which the treaty that transferred the Manua Islands to the United States was ratified, by the islands' high chief. Returning to Samoa in 1978, the retired chaplain gave the bowl to the museum at Pago Pago, where it occupies the place of honor.

Captain Edel retired from the Navy in 1946 to assume the presidency of his alma mater, Dickinson College. He guided Dickinson through the vast post-war expansion until his second retirement in 1959. Upon his retirement a professional chair in the humanities was endowed and named for him. Apparently finding retirement too quiet, he again offered to serve his country, accepting a special appointment in the U.S. State Department.

My wife Lee and I join with William Edel's wife Joscelyne, his son Guy Nixon, and daughters Edna Louise McWhorter, Mary Virginia Denman and Wilma McGrath, his grandchildren and great-grandchildren in wishing him many more years of fruitful and pleasant retirement after serving his country so well.●

PLANS TO TOUR DALLAS ASSASSINATION SITES ASSAILED

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. FEIGHAN. Mr. Speaker, 21 years ago, President John Fitzgerald Kennedy was assassinated while driving in a motorcade in Dallas, TX. This year, the Republican National Convention will meet in the same city. I am appalled by the announcement that officially sponsored tours of sites linked with Lee Harvey Oswald and the assassination of President Kennedy will be given every day of the GOP Convention. A reservation form describes the sights that will be enjoyed by those who sign up for the $15 Kennedy tours. The motorcade route from Love Field to Dealy Plaza will be retraced, and then tour participants will drive on to Parkland Memorial Hospital—the emergency entrance. Other highlights include the assassin's home, the roominghouse where he lived, and the Texas Theater where Oswald shot the police officer.

These jaunts are totally tasteless and coldhearted. They should have no place at a national party convention. The frivolous nature of the tours is emphasized by its place on the schedule below the trip to Southfork Ranch. On that trip, delegates who fork over $16 will be able to loll on the chaise lounge where the Ewing family sun bathes or sit in the chair where J.R. commands the breakfast table.

The memory of President Kennedy's tragic death deserves better than this. I cannot help but be saddened by the scheduling of this daily exercise in grand guignol at the Republican Convention. I can only hope that party officials will have the good sense and taste to remove their official seal of approval, or, better still, cancel these gruesome tours.●

MARY LOU RETTON

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. FIELDS. Mr. Speaker, with the 1984 Summer Olympic Games about to successfully conclude, I feel it's time to reflect upon the many exciting and memorable athletic performances that took place in Los Angeles during the last 2 weeks.

While our Olympic team will long be remembered as one of our best, the accomplishments of a few of our athletes were both historic and unforgettable.

One of those unforgettable performances was given by an extraordinarily talented and vivacious young lady from Fairmont, WV—Mary Lou Retton.

While West Virginia is home for this very talented gymnast, I am proud that for the last 2 years Mary Lou lived and trained under the guidance of her coach Bela Karolyi in Houston, TX.

We Houstonians are pleased to have "adopted" Mary Lou and take great pride in her historic accomplishments.

Up until a week ago, no American woman had ever won an individual gymnastic medal of any kind.

Today, all America and the World knows that Mary Lou Retton is the Olympic gold medal winner in the women's individual all-around gymnastic championship.

In addition to this medal, Mary Lou won a silver medal in the vault, bronze medals in the uneven bars and in floor exercise and placed fourth in the balance beam. These efforts represent a remarkable achievement for a truly remarkable young lady.

As the sponsor of the Olympic Checkoff Act, I have had the opportunity and privilege to meet a number of our outstanding Olympic athletes.

I look forward to the chance to meet Mary Lou Retton to congratulate her not only on her outstanding athletic achievements but for representing the United States with such distinction.

I am sure all Americans would join with me in wishing one of our newest Olympic heroes—Mary Lou Retton—the very best in the future. We look forward to many more thrilling performances in the years ahead.●

CHILD WELFARE LEGISLATION

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. CAMPBELL. Mr. Speaker, I am introducing legislation today on behalf of the administration which provides for an extension of two provisions of the Adoption Assistance and Child Welfare Amendments of 1980 (Public Law 96-272) which expire on September 30, 1984. The first provision, which would be extended for 1 year under the bill, provides States the flexibility to transfer funds allocated to them for foster care under title IV-E to use for child welfare services under title IV-B of the Social Security Act. The intent as written in present law is to encourage the use of Federal funds for preventive services and for family unification.

The second provision of the bill provides for a 1-year extension of the authority for States to claim Federal matching funds for children who are placed in foster care under a voluntary placement provision.

Both of these provisions are included in the 1980 child welfare and foster care legislation which was intended to be an incentive to encourage States to improve services to children and families. This would continue the practice of current law allowing the States of claim matching funds for children placed in foster care under voluntary placement agreements and to transfer title IV-E foster care funds to child welfare services.●

SALUTE TO BIRMINGHAM MALL MILERS

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. ERDREICH. Mr. Speaker, on Saturday, August 18, more than 1,000

people will gather in Birmingham, AL, to observe their first anniversary of having spent the past year working to achieve and maintain good health. These people, many of whom are elderly, are known as the "Mall Milers," and have walked around the 1-mile interior of Birmingham's Eastwood Mall for 1 year.

We all know the importance of regular exercise to our health. Indeed, this is certainly a form of preventive medicine that can be effective for everyone's health

The "Mall Milers" have been promoted by Eastwood Mall, the East End Memorial Hospital and Health Centers, and a store operated by the hospital that is possibly the only one of its kind in the Nation that is dedicated to health and wellness. In addition to offering a variety of health maintenance items, the Wellness Store is also involved in promoting personal health and encouraging changes in life habits to maintain that health.

East End Memorial Hospital and Eastwood Mall sponsor the "Mall Milers," offering free tee-shirts to those competing 25 miles around the mall. The Wellness Store has posted charts to enable walkers to log their miles and record their progress, and also offers registration forms for health education classes sponsored by East End Memorial Hospital and free health literature on a variety of general health and wellness topics.

I would like to commend East End Memorial Hospital for its involvement in encouraging these wellness activities, and also Eastwood Mall, for proving its inside perimeter as a sheltered exercise track for the "Mall Milers." We all salute the "Mall Milers," who, through their efforts to get healthy and stay healthy, have given new meaning to the saying "an ounce of prevention is worth a pound of cure."●

PLIGHT OF SOVIET JEWS

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. SIKORSKI. Mr. Speaker, as a participant in the Union of Councils for Soviet Jews Call to Conscience Vigil, I would like to call to your attention the plight of Tashpulat and Lelia Katanov, and their two sons Igor, age 15, and German, age 12. Thank you for this opportunity to speak on their behalf.

The Katanov family, like so many other Soviet Jews trying to leave the Soviet Union, are classified as refuseniks. The term refusenik is an international word which describes a Soviet Jew who, having been consistently refused permission to emigrate to Israel, is harassed by the KGB, usually dismissed from work, and lives in fear of arrest and trumped-up charges which could result in imprisonment.

Tashpulat first applied for a visa to emigrate to Israel on June 28, 1979, but was refused permission on August 25, 1979. Both Tashpulat, technician, and Lelia, economist, were immediately fired from their jobs, cutting them off from their sole source of income. When Tashpulat applied for a second time, he was once again denied permission to emigrate, without reason or explanation from Soviet authorities.

The Katanov family suffers from another dilemma. As with all Jewish refusenik families, there is concern that as Igor (age 15) gets close to finishing high school, he will become eligible for the military draft. If he refuses to serve, he could be imprisoned for up to 3 years. However, after being in the military for the required term, he could then be detained indefinitely on the grounds of knowing military secrets.

I need not remind you of the horror stories that have befallen Soviet Jews seeking to emigrate. As Members of the U.S. House of Representatives, we must raise our voices in support of the plight of the Katanov family and other refuseniks who have been denied their fundamental freedoms.●

LEGISLATION TO PROVIDE A GOLD MEDAL TO JAN SCRUGGS, PRESIDENT OF THE VIETNAM VETERANS MEMORIAL FUND

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mrs. VUCANOVICH. Mr. Speaker, today, I am honored to offer this bill which acknowledges the efforts of a determined man, who helped raise a monument dedicated to those who gave their lives, those who served and returned, and those who remain missing in action as a result of the Vietnam war.

On behalf of the friends of his mother, Louise Scruggs, who lives in the great State of Nevada, I am proud to introduce this bill. My fellow colleagues, it is my sincere hope that you will join me in honoring Mr. Jan C. Scruggs with a Congressional Gold Medal recognizing him for his work as president of the Vietnam Veterans Memorial Fund.

As a result of Mr. Scrugg's effort, today, the Vietnam War Memorial stands as a tribute to those who served in Vietnam. Their sacrifices remain uncalculable, and the Vietnam War Memorial is but a small extension of our gratitude. Without the memorial, though, something essential would be missing, especially to the many families, friends, and loved ones affected by the war. Jan Scruggs fully understood this as he set about raising the funds and collecting the talent necessary to honor his fellow Vietnam veterans.

By recognizing Mr. Scruggs for his accomplishment we not only express our appreciation for a job well done, but we help reinforce the belief that one person can indeed make a difference. Jan C. Scruggs took a personal conviction, and with the help of many other devoted individuals, made the Vietnam War Memorial a reality.

I hope that my fellow colleagues will join with me on this important legislation.●

ADVENTURE IN SCIENCE PROGRAM

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BARNES. Mr. Speaker, I would like to call to your attention to the excellent work being done by Adventure in Science, a nonprofit, all-volunteer educational group which is aimed at increasing the mathematical and scientific knowledge of elementary and secondary school students. I am proud to have an organization of such devotion to the education of today's youth in my district of Montgomery County, MD.

The program was started some 25 years ago in the basement of Mr. Ralph Nash. Mr. Nash's deep concern over what he believed to be an inadequate level of scientific education in the schools, initiated a program that has since helped numerous children gain needed knowledge. Mr. Nash says the key to teaching is listening to the students. He believes that learning is accomplished through participation and bases his instruction on this principle.

Adventure in Science's approach is a healthy combination of brief explanations, group discussions and individually paced work for each student. The students gain a thorough understanding of ideas by conducting simple experiments. It is this kind of hands on experience that creates a memorable impact.

In today's world of high technology it is important for young people to build and maintain a storehouse of scientific knowledge in order to contribute to and shape the progress of this great Nation in the future. The Adventure in Science program should stand as a paradigm for similar efforts to stimulate the scientific curiosity of children who will become the technological leaders of tomorrow.●

SHIP TO BE NAMED AFTER MEDAL OF HONOR WINNER EUGENE OBREGON

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. TORRES. Mr. Speaker, on September 8, the Marine Corps will be christening a ship in honor of Eugene Obregon, a Medal of Honor winner from my district. This honor is very fitting for a man whose military career, although brief, was distinguished in every respect. The memory of Eugene Obregon has lived on because he demonstrated his bravery in the highest possible manner; he died in action while saving another man's life.

Eugene Obregon entered the Marines in September 1948, when the Korean war was only 2 years old. After serving a year at Camp Pendleton and Yermo with high honors, he was transferred to Korea. Several months later, Obregon distinguished himself in a battle in which another marine, Bert Johnson, fell wounded. As enemy troops advanced, Obregon placed his own body in front of Johnson's and fired Johnson's carbine. Obregon fired until he was killed by enemy fire but because of his bravery, Johnson survived.

In addition to the Medal of Honor, Obregon received the Korean Service Medal and National Defense Medal posthumously. Parks in East Los Angeles were named after him. In 1966, Obregon School opened in Pico Rivera.

Obregon's mother, Mrs. Henrietta Obregon of Pico Rivera has been overwhelmed with pride as her son has received many posthumous honors. The naming of the ship has made all the awards much more meaningful.

The ship, which is being built by the Waterman Steamship Corp. in San Diego, will be 1 of 13 named after deceased Medal of Honor winners. The ship will be used to carry equipment and supplies for a marine amphibious brigade that will be positioned at different locations in the world in order to respond rapidly to global contingencies.

This christening keeps alive the memory of a man of whom we should all be proud. This honor commemorates a man who gave his life for his fellow marines and for his country. May this christening be a lasting memorial for Eugene Obregon, a man who had a brief but a most distinguished military career.●

EDWARD FEIGHAN COMMENDS HARRIET WEISMAN

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. FEIGHAN. Mr. Speaker, Mrs. Harriet Weisman, a registered nurse with the Veterans' Administration Medical Center in Brecksville, OH, has received a $3,000 cash award given to Federal employess for disclosing wasteful practices in the Veterans' Administration Home Oxygen Program. Her persistence in pointing out abuses resulted in audits disclosing $670,000 in program costs that could be avoided at 11 VA facilities through better management practices and procedures.

Mr. Speaker, Mrs. Weisman had to overcome some obstacles before her suggestions were accepted on a VA-wide basis. When she and two fellow coworkers suggested improvements in the Home Oxygen Program at the Brecksville medical facility, they each received a small cash award. However, the central office disapproved the suggestion for VA-wide application. Mrs. Weisman persisted in her effort, and refused to take "no" for an answer. She wrote to President Reagan and other officials in the administration urging them to take appropriate action on her cost-saving suggestions. This determination paid off when attention was finally focused on the program.

Mr. Speaker, my distinguished colleague, Congresswoman SCHROEDER, has introduced H.R. 5646, a bill to extend the awards program indefinitely. On August 7, 1984, Mr. Frank S. Sato, Inspector General, Veterans' Administration, testified before the Subcommittee on Civil Service in support of that legislation. Mrs. Weisman accompanied Mr. Sato in support of H.R. 5646. This program should be continued so that others like Mrs. Weisman will be able to follow her example. I am pleased to commend her for her efforts.●

SUPERFUND RESPONSE

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. KOSTMAYER. Mr. Speaker, I would like to address a point that is gaining increased importance as the Superfund program matures. Specifically, I am concerned with the quality of treatment, storage and disposal facilities [TSD] used for onsite and offsite Superfund response actions. Such TSD's should be required to have final RCRA permits; interim status facilities are not adequate.

It makes no sense at all to simply move wastes around in a game of musical dumps. Requiring full RCRA permits for Superfund response actions not only makes good environmental sense, it also would promote cooperation on the part of responsible parties. They would have the greatest possible assurance that they would pay once for a response action and not be subject to subsequent cost recovery liability because wastes were not treated, stored, or disposed of in the manner required by RCRA—which represents the state of the art in TSD methodology.

Such an assurance will also promote public acceptability of Superfund response actions. People need to know that a problem has been solved and not simply held in abeyance or moved around.

Mr. Speaker, for the sake of discussion, I would like to have printed in the RECORD an amendment that would accomplish this objective. I recognize that the amendment's effect and operation would raise different considerations for onsite versus off-site Superfund operations and for removal versus remedial responses, and I believe these considerations may need to be explored. The amendment to H.R. 5640 follows:

Not later than six months after enactment of this Act all treatment, storage and disposal of hazardous waste pursuant to a response action taken under authority of this Act shall only be done at a treatment, storage and disposal facility which has received a permit pursuant to section 3005(c) of the Resource Conservation and Recovery Act.

More fundamental, perhaps, is the sad fact that EPA has not progressed very far in implementing RCRA even though Congress gave it the responsibility to do so 8 long years ago. I understand EPA has to date approved only one or two facilities under RCRA. Thus, we in Congress are effectively hamstrung from requiring Superfund responses to be handled at RCRA facilities because EPA has failed to ensure that enough landfills exist that meet the standards of section 3005(c).

EPA must do better. The problem of Superfund response is just one more good reason why.●

DORAN FAMILY COMMENDED FOR HONORABLE SERVICE

HON. THOMAS J. RIDGE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. RIDGE. Mr. Speaker, today I wish to commend the Doran family of New Castle, PA, which is part of the 21st Congressional District. Seven of eight Doran brothers served their

country in World War II, and one of those brothers also served in Korea.

Francis, David, Robert, John, Regis, Edward, and William Doran are to be commended for their honorable service to their country. Three of the brothers were injured during their tour of duty, Regis aboard a ship in the Pacific, Robert in a tank accident, and Francis shortly before the war ended. Regis also survived the sinking of two ships. Francis and John took part in the valiant D-day invasion of France.

The Doran family deserves recognition for patriotism, and I am proud to represent them in the U.S. House of Representatives.●

TRIBUTE TO ENGINE & LADDER CO. 52

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. WEISS. Mr. Speaker, when Engine & Ladder Co. 52 first began fighting fires in the Bronx, its resources were a steam fire engine, a ladder truck, several teams of horses and a crew of 12.

Now 45 firefighters strong and equipped with more up-to-date tools of the trade, Engine & Ladder Co. 52 will celebrate its 100th anniversary on August 26, 1984. Throughout the years of changing personnel and technology, this team of first responders has served its community well and with distinction.

I have the privilege of representing the community to which these firefighters belong. Engine & Ladder Co. 52, housed in a building on the site of the original firehouse, is a special group of individuals. The evidence is in their actions.

It was their idea to make the 100th anniversay celebration a neighborhood affair. Among the activities the members have planned are a centennial run, a parade, a fire prevention essay and poster contest, firehouse tours, and the establishment of a minimuseum.

Engine & Ladder Co. 52's character is revealed in another gesture. The net proceeds of all contributions to support these celebration activities have been pledged to the New York Firefighters Burn Center, the Widows and Orphan Fund, and the Kingsdale Volunteer Ambulance Corps.

Committed, dedicated, professional, brave. These are words easily attributable to firefighters all over. But they seem especially appropriate for this Bronx fire company.

I am proud to join with my collegues in Congress and with the members of the community in extending hearty congratulations to the firefighters of Engine & Ladder Co. 52 on the historical occasion of their 100th anniversary.●

INTERNATIONAL DEBT

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BONKER. Mr. Speaker, yesterday, Mr. Paul Volcker, chairman of the Federal Reserve System, testified before the House Foreign Affairs Committee, which is conducting a series of hearings on problems of the international debt.

He concluded by stating there are grounds for encouragement, noting that "the record and the prospects do not justify a sense of despair," but neither is there a basis for complacency. The FRS Chairman said what others have shared with the committee: "The threat to international financial stability remains real."

Yesterday morning's Washington Post carried an editorial on the same subject with the observation that some debtor nations are "coping routinely with their debts." The difference, according to the editorial, is the fiscal policies and economic growth occurring in Asia and certain Eastern bloc countries which helped to avert a crisis that has been all too common in Latin American countries.

The editorial is a timely reminder that not all debtor nations are experiencing a crisis, and I include it in the RECORD for the benefit of my colleagues.

The editorial follows:

DEBTORS WHO AREN'T IN TROUBLE

Foreign debts threaten the stability of a number of developing countries—but by no means a majority of them. The countries that are coping routinely with their debts, and see no risk of collapsing under them, are more typical of the Third World. Here in the United States the scale of some of the Latin American debts has generated sweeping proposals for global renegotiation and general reform of the international financial system. Before you join that crusade, you might want to consider the long list of countries that aren't in trouble.

South Korea, to take a conspicuous example, owes as much money as Argentina does. But unlike Argentina, it does not go through near-defaults and last-minute rescues as each quarterly payment comes due. Its ability to pay is not a topic of constant anxious speculation among other governments. One reason is that the South Korean government moved rapidly and decisively in 1980, when the price of oil soared, to adjust to that new reality. The generals then running Argentina did not. Instead, as the costs of delay mounted, they turned their attention to the Falkland Islands.

Fast reactions make a difference. Indonesia is, like Mexico, a major exporter of oil. When the price of oil started to drop in 1981, Indonesia promptly shifted policy in response. Mexico, approaching a presidential election, did not—chiefly because the incumbent wanted to step off the stage in a blaze of prosperity and leave the consequences to his successor. He didn't quite make it.

India has a pretty substantial foreign debt, for a country in which the per capita economic output is $260 a year. But it has generally relied on sources such as the World Bank that lend for long periods at fixed rates. Unlike Brazil, it made little use of commercial bank loans at floating rates. When the United States started squeezing its money supply to fight inflation, the interest rate on Brazil's debt shot up over 15 percent a year. India's never reached 5 percent.

The pattern of dangerously high debt payments is not general and worldwide. It is now limited to a rather small group of countries—the richest and most rapidly industrializing Latin American economies. They had ready access to commercial bank credit, as poorer countries did not. For political reasons they were apprehensive about foreign investment in their factories and resources, and they turned instead to the banks for capital.

These countries are exceedingly important to the United States and to the world. They are the vanguard of formerly undeveloped countries moving toward high productivity and high standards of living. Americans have every reason to give them support as they recover their financial balance. But Mexico's situation is different from Brazil's and Brazil's is very different from Argentina's. Each is a special case. The idea of a world debt crisis suppressing all Third World economies alike is, fortunately, a myth.●

TRIBUTE TO REAR ADM. EDWARD A. RODGERS

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 10, 1984

● Mr. McKERNAN. Mr. Speaker, I rise today to recognize Rear Adm. Edward A. Rodgers, who retires this year after two decades as superintendent of the Maine Maritime Academy. In the years since assuming command, he has distinguished himself through his commitment to excellence and service to the State Maritime Academy system. He leaves his successor, Rear Adm. Sayre A. Swarztrauber, with an institution he can be proud to lead.

The Maine Maritime Academy is recognized today as one of this Nation's leading maritime training institutions, a reputation which is, to a large extent, due to the tireless efforts of Admiral Rodgers. Since 1964, he has been instrumental in the physical expansion of the academy and in the development of a curriculum which continues to superbly prepare academy graduates to face the challenges as officers in the U.S. merchant marine.

Mr. Speaker, Admiral Rodgers' service, however, has not been limited to the Maine Maritime Academy. He has served as president of the Higher Education Council of Maine, president of

the Educational Conference Board of Maine, and as a member of both the Committee on Continuing Education and the American Association of State Colleges and Universities. His outstanding leadership and service have helped assure quality higher education for future generations.

I believe that the most critical factor, the key to our maritime strength, is the caliber of our maritime manpower. The Federal/State maritime training partnership established by Congress represents one of the most effective ways to ensure the strength of our merchant marine. Through the leadership of Admiral Rodgers, this partnership remains close and mutually beneficial. His unstinting efforts have truly earned him the distinction as the dean of superintendents of the State Maritime Academy school system.

As a Representative from the State of Maine and as a member of the Merchant Marine and Fisheries Committee, I would like to take this opportunity to congratulate him for his many years of service and to wish him "fair winds and following seas" on the course which lies ahead.●

PRIME MINISTER ADAMS AND THE CBI

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. DYMALLY. Mr. Speaker, I would like to insert into the CONGRESSIONAL RECORD the text of the news story, dated August 7, 1984, detailing the views of Prime Minister Tom Adams of Barbados on the Caribbean Basin Initiative. Prime Minister Adams, formerly a strong supporter of the CBI, now takes a different view. The quote follows:

Barbados Prime Minister Tom Adams has warned the United States that its apparent policy of trying to impose its will on the Caribbean could end up with America alienating its friends in the region.

The Nation newspaper (of Barbados) today said that Adams criticized the United States for its policy on the convention tax in the Caribbean Basin Initiative (CBI), a Washington-sponsored trade and aid agreement, and for its attitude toward stalemated double taxation negotiations with Barbados.

. . . Adams told the 39th annual meeting of the American Bar Association in Chicago that the ambivalence displayed in the taxation treaty negotiations was reflected in other policies and it could end up diluting the potentialities of the CBI.

Adams, himself a lawyer, was particularly critical of the demand which the United States is making on Caribbean countries to exchange information on business activities of Americans in the region before those countries could benefit from the convention tax.

He charged that the United States was threatening to cut off trade preferences if the Caribbean did not agree to exchanges of information, "in a manner unknown to our laws and alien in some cases to our constitutions."

Such action, he said, would "only serve to alienate friends in the Caribbean."●

THE 125TH ANNIVERSARY OF OIL DISCOVERY IN PENNSYLVANIA BY "COLONEL" EDWIN L. DRAKE

HON. THOMAS J. RIDGE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. RIDGE. Mr. Speaker, today, I draw the attention of my colleagues to the 125th anniversary of an event that dramatically affected the course of our Nation's history. Without realizing the impact the event would have on our Nation and the world, "Colonel" Edwin L. Drake struck oil after drilling the first oil well on August 27, 1859. The farmland which produced the first dependable source of oil is located one-half mile south of Titusville, PA, now part of the 21st Congressional District.

Drilling the first oil well took more than a year to complete, since the work was suspended during the winter months. In the days of the Pennsylvania Rock Oil Co., the benefits of oil as an energy and as a lubricant were not known. Crude oil had been collected as it bubbled up from streams, but it was Colonel Drake who first had the revolutionary idea of using some of the drilling techniques which had been developed for retrieving salt.

One Saturday in August, the men suspended their activity at a depth of 69 feet from the surface and went home with no thought of any major accomplishment. But a man who had followed their progress happened to be passing by and saw that oil was floating in the top of the pipe. He immediately sent a boy to run and spread the news. At that time, there had been no way to ensure a continuous supply of oil, so the discovery marked the birth of the oil industry.

Edwin Drake persisted despite difficulties which he encountered and even though he could not have perceived the importance of his actions. Oil carried us through the industrial revolution and the industrial boom, and at this point in our history, we are apparently standing on the edge of a new information era. Although we are now experiencing an uncertainty about what lies ahead for our basic industries, we can be confident about our ability to deal with these difficulties as we have faced many others throughout our history. We have moved far beyond solving the problems that Edwin Drake encountered in 1859, but his ingenuity and persistence still serve as an example for us in 1984.●

WASTEFUL YEAR-END SPENDING

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. GORE. Mr. Speaker, today I am here to offer a solution to a problem that has been haunting this Government and the taxpayers that must bear the burden of wasteful spending and the huge deficit it produces. The orderly budgetary process of this Government is being crippled by wasteful year-end spending by Federal programs and agencies. Billions of dollars are being spent on unnecessary projects and purchases during the end of every fiscal year. Federal agencies have been operating under a use-it-or-lose-it policy which reflects a fear that their budget will be cut the following year unless all funds are expended.

This practice could not be more clearly illustrated than by a recent hearing of my Science and Technology Subcommittee on Investigations and Oversight on management practices within the Federal Emergency Management Agency. We discovered that FEMA spent 50 percent of it's entire appropriation in the last quarter of fiscal year 1982. In fiscal year 1983 FEMA spent 70 percent of its appropriations in the last quarter. More alarming, however, was the dubious purpose of this wreckless year-end spree. We discovered that the Associate Director of FEMA spent appropriated money for a number of personal items, including two leased automobiles and a renovation of a dormitory into a personal residence at the FEMA training center in Emmitsburg, MD, that cost the taxpayers approximately $366,000.

Mr. Speaker, this is only one example of what has become an all to frequent practice by agencies throughout the Federal Government.

The legislation that I am introducing addresses the problem in a realistic manner. The main feature of my proposal limits spending to 25 percent of the total appropriation in the last quarter of any fiscal year. To ensure this, the bill would have general applicability to all obligational authority available and planned for use in a fiscal year, thereby basing the limitation on the agencies, financial plans for each fiscal year and covering all uses, not just contractual services. It would allow the Director of the Office of Management and Budget to authorize exceptions to avoid serious disruption to the execution of a program, thereby allowing some executive flexibility; but it would require that all departures from the obligations be reported to Congress.

Personal attention and vigorous management policies of the OMB to

Federal agencies have not been enough. Prevention of waste and inefficiency in Federal programs must be a top priority of this Congress. It is our obligation as elected representatives of this country to institute controls which eliminate waste. This bill is a sound step in that direction.

H.R. 6131

A bill to require that not more than one-fourth of the budget authority of any department or agency of the executive branch may be obligated during the last quarter of a fiscal year

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1512 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(e)(1) In exercising his apportionment authority under this section, the Director of the Office of Management and Budget shall assure that not more than 25 percent of the total budget authority available to and planned for use by each agency for each such fiscal year may be obligated during the last three calendar months of each fiscal year. Upon his determination that full compliance with the requirements of this paragraph would seriously disrupt the execution of any agency program, the Director may authorize such departures from these requirements as are necessary to avoid the disruption.

"(2) The Director shall keep the Congress fully informed of actions taken pursuant to paragraph (1) for each covered fiscal year. The Director shall also report to the Congress all departures from the percentage requirements of paragraph (1), as authorized therein, and the reasons for such departures.

"(3) Any reserves established or other actions taken in connection with the apportionment process solely for the purpose of satisfying the requirements of paragraph (1) shall be exempt from subsection (c)(1) of this section and from sections 1012(a) and 1013(a) of the Impoundment Control Act of 1974. Nothing herein affects the authority of the Comptroller General under section 1015 of the Impoundment Control Act to report a reserve or deferral to the Congress if he concludes that the exemption provision of this subparagraph is not applicable.".●

SEARCH AND RESCUE SATELLITES SAVING LIVES AROUND THE GLOBE

HON. HAROLD L. VOLKMER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. VOLKMER. Mr. Speaker, I would like to tell you about a satellite program that this Nation participates in with the Soviet Union, which reportedly is responsible for saving the lives of as many as 233 people worldwide. These satellites are capable of detecting distress signals emitted from emergency locations at sea, in the air, or in the wilderness.

The International Search and Rescue Satellite-Aided Tracking [SARSAT] Program, in which the United States has one satellite and the Soviet Union has two, has saved the lives of eight people since May of this year.

Let me highlight the recent incidents. On February 2, six fishermen had abandoned their 23-foot fishing boat during high winds and damaging waves. They emitted a distress signal, which was detected at the Toulouse, France, Mission Control Center, and a search plane was dispatched. The plane was able to locate the fishermen within 4½ miles of where their ship had sunk, very close to the location predicted by the Mission Control Center.

On March 30, the satellites detected signals from a 25-foot sailboat off the coast of Monterey. Airliners passing overhead verified the signals, which were emitted from an emergency positioning-indicating radio beacon, and the Coast Guard was thus able to locate the sailboat, rescuing a lone passenger.

A third incident occurred on May 19 in the Atlantic Ocean off the Azores. One sailor was rescued from a 19-foot disabled Canadian vessel.

In all three instances, signals were detected by both the United States and Soviet satellites. These instances illustrate the value and importance of the International Search and Rescue Satellite Program as a peaceful use of outer space. The SARSAT Program is just one example of the benefits that accrue to us and to the whole world from our Civilian Space Program.●

20 YEARS AFTER THE CIVIL RIGHTS ACT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. RANGEL. Mr. Speaker, I rise to remind my colleagues that 1984 is the 20th anniversary of the Civil Rights Act of 1964.

After generations of hardship and struggle, black Americans were finally accorded full citizenship rights with the full support of President Lyndon B. Johnson. As a people and as a nation, we were made worthy of our constitutional ideals by that stroke of a pen. Millions of black Americans had marched and sat in during years of sacrifice prior to that moment 20 years ago.

Mr. Speaker, I offer the attached article from the Knoxville Journal for inclusion into the CONGRESSIONAL RECORD.

TWO DECADES AGO, BLACKS STOOD TALL AS THE NATION'S SEGREGATION LAWS FELL

(By Matt Nauman)

The Rev. W.T. Crutcher remembers the sit-in at Walgreen's lunch counter more than two decades ago.

"The waiters refused to serve us. They cut the lights out at the lunch counter and shut it down," Mr. Crutcher recalled Friday. "Of course, we stayed there."

It was like that back in 1960.

Knoxville College students and others staged sitdowns at Gay Street lunch counters. While blacks sat quietly, either reading or doing homework, white workers quickly posted "Temporarily Closed" signs.

It was 20 years ago this month that President Lyndon Johnson signed the most comprehensive civil rights bill since Reconstruction.

"We've have come now to a kind of testing," Johnson told Americans listening to radio or watching television.

"We must not fail."

Roy Wilkins then executive secretary of the National Association for the Advancement of Colored People, called that 1964 legislation "the Magna Carta of human rights."

America was a turbulent, changing nation in the early 1960s.

A storybook presidency ended in assassination. Men were suddenly flying in space. The United States had entered the war in Vietnam.

Black Americans, who demanded the same rights as white Americans, were opposed by the likes of Lester Maddox, George Wallace and Bull Connor.

"I'll use ax handles. I'll use guns, my fists, my customers—this property belongs to me," Maddox said after he used a pistol to chase away three blacks who pulled into the parking lot of his Atlanta restaurant.

That was on July 3, 1964—less than two days after Johnson's signature turned the 1964 Civil Rights Act from a controversial piece of legislation to the law of the land.

Knoxville avoided the bloody violence that stained much of the South.

Mr. Crutcher thinks a supportive community and strong mayor deserve the credit for relative calm of civil rights protests in Knoxville.

John J. Duncan Jr. was Knoxville's mayor at the time. He's now the area's congressman.

"He gave us all protection," Mr. Crutcher said. "That was the reason there was no violence. He told us to let him know we were going to sit in and he'd have police there. That was unusual for the South."

Knoxville was making progress before 1964. In fact, Duncan was given the Citizenship Award of the Knoxville Roundtable of National Conference of Christians and Jews in 1962 for his work for integration.

Duncan flew to New York in 1960 with Dr. James A. Colston, then president of Knoxville College, two KC students and representatives of the Chamber of Commerce to discuss desegregation of chain store lunchrooms with store officials.

Duncan also was one of the founding members of Committee for Peaceful and Orderly Desegregation, a group of Knoxville business, church and political leaders formed in May 1963.

Though there were sit-ins and protest marches, desegregation went rather smoothly here.

"We got through rather nicely here. There were a lot of personal threats, but no overt acts," Mr. Crutcher said, "Finally, we had to boycott the downtown stores. That was the straw that broke the camel's back."

The boycott succeeded as two or three businesses a day decided to change policy, Mr. Crutcher said.

After the passage of the Civil Rights Act in 1964, more doors opened for blacks in Knoxville.

"Even after we got the lunch counters open, we still had the theaters and hospitals," Mr. Crutcher said. "The Civil Rights Act helped us in that right."

Earlier this week, Atlanta Mayor Andrew Young described his city thusly: "It's not a segregated town. It's just not an integrated town."

That true for much of the rest of the nation.

Blacks and whites work together and go to school together. But generally the two races don't live together, socialize together or worship together.

"You're always going to have that," Mr. Crutcher said. "But it's so much different, so much improved from what it was."

"As far as athletics, you have far more integration now than they've ever been. And I don't know any of the white churches that would not except a black member today. And vice versa. Most people just go where they're comfortable."

Looking back, the pastor of Mount Olive Baptist Church for the past 49 years is pleased with what has been accomplished.

"We figured it was just something we had to do," Mr. Crutcher said. "Conditions are improving, though never enough."●

ASSOCIATION FOR RETARDED CITIZENS-SOUTHWEST

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. DYMALLY. Mr. Speaker, I would like to express my deep appreciation and congratulations to the Association for Retarded Citizens-Southwest for its impeccable humanitarian efforts in assisting and improving the lives of the mentally retarded in the southwest portion of Los Angeles County.

Since its incorporation on November 2, 1959, the association has provided critical educational, job-training, social, and recreational benefits and activities to mentally retarded individuals throughout the vast South Bay communities. The association has offered many programs and established numerous centers to see that these programs are carried out. For example, the Association for Retarded Citizens recently established a work training center called Southwest Industries, which has given mentally retarded young adults the opportunity to earn money, develop work skills, and mature both socially and emotionally in a working environment. In addition, the association has constructed work activity centers in both Gardena and Rancho Palos Verdes which have provided training to the severely mentally retarded in day-to-day living, arts and crafts, fine and gross motor exercises, and adaptive and physical education. Finally, the association has provided residential services to the mentally retarded and has offered leisure time activities such as a bowling league, the friendship dance, and adult social club, various field trips, and the South Bay area Special Olympics.

The indefatigable efforts of the Association for Retarded Citizens-Southwest is possibly unsurpassed by any other similar association. Its commitment is clearly expressed in the following statement that it submitted to me: "As advocates for all mentally retarded citizens, ARC-Southwest believes that all people have the right to pursue a full life, the right to become a productive part of the community, and the right to share in meaningful daily experiences."

In closing, I wish to say that I cannot think of a more commendable endeavor than assisting the less fortunate. I thank the Association for Retarded Citizens for giving retarded citizens a chance to become an integral and valuable part of our society. The humanitarian zeal of the organization merits the congratulations and respect of Congress and the American people. I hope that the association's dedicated personnel continue their outstanding service to the mentally retarded in the future.●

WHY THE ACLU IS GAMBLING WITH ROE

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. SMITH of New Jersey. Mr. Speaker, I am pleased to share with my colleagues an article published in the Washington Times today entitled, "Why the ACLU is Gambling with Roe." This article is, in my opinion, one of the most succinct, informative, and revealing statements on the subject of legalized abortion and the effect it now has on the unborn child—an aspect of abortion which the President himself has brought before the American people. Mr. Speaker, the Illinois General Assembly, mentioned in the article for its recent reforms in that State's abortion law, is to be applauded for its courageous steps toward protecting the rights and interests of our unborn children. I wish to call to the attention of every Member of this body and every citizen of the United States the poignant message contained in this most commendable piece of journalism. Please, read this article. It is particularly necessary that we in Congress, responsible for shaping this Nation's laws, are aware of the situation confronting millions of the defenseless unborn.

[From the Washington Times, Aug. 8, 1984]

WHY THE ACLU IS GAMBLING WITH ROE

(By Steven R. Valentine)

The American Civil Liberties Union has filed a lawsuit in Chicago that demonstrates dramatically the extremes to which the pro-abortion movement seeks to push the U.S. Supreme Court's 1973 *Roe vs. Wade* decision. But the ACLU case, *Keith vs. Daley*, may also turn out to be the means by which *Roe vs. Wade* is significantly restricted, or even reversed by the court.

Overriding the veto of Gov. James Thompson, the Illinois General Assembly recently enacted three significant changes in its abortion law.

First, under the new statute, physicians who abort unborn children who may be viable must use the procedure that is safest for both the mother *and* the child.

Second, doctors must tell expectant mothers who seek abortions about the availability of medication to relieve the pain that the viable unborn child may feel during the operation. And third, the new law prohibits abortionists from performing sex-selection abortions.

None of the three amendments to the Illinois abortion law violates the Supreme Court's *Roe vs. Wade* ruling. After all, *Roe* says that women have a right to *abort* (empty from their wombs) unborn children, not to ensure that they will die in the process. And the humane act of at least relieving the pain of the unborn as they are aborted does not prevent women from having abortions. Finally, *Roe* gave women the right to decide whether to give birth to a child, not *what kind* of child.

Yet the ACLU believed so strongly that these Illinois amendments threaten *Roe vs. Wade* that it found five local abortionist physicians to bring a lawsuit in federal court seeking to have the offending provisions declared unconstitutional. Why?

The "viability" issue is a gravely serious problem for the abortion industry. Not only is the point in pregnancy at which the unborn child would be "viable" outside the mother's womb getting earlier as technology advances, but by definition a "viable" unborn child who is only aborted (emptied from the womb) might live. Until recently, most late-term pregnancies have been ended by fetal expulsion procedures that sometimes result in live births. To avoid this "unwanted" outcome, abortionists lately have been turning to a relatively new method of abortion by which the unborn child is dismembered by a knife while inside the womb, then removed part by part.

The new post-viability provision of the Illinois law, then, is designed effectively to prohibit this grotesque, feticidal method of abortion. Taken in conjunction with earlier viability, the prospect of losing this abortion method scares pro-abortion doctors, and hence their compatriots at the ACLU. They want the federal courts to say that *Roe vs. Wade* really means not only a right to an abortion, but a right to a dead child, too.

Fetal pain is an aspect of the abortion issue that President Reagan has done much to bring before the public. Almost any objective observer who looked at the medical facts would agree that, at least at some point in gestation, the unborn child is capable of feeling pain. And any of the methods of abortion now in prevalent use, therefore, may cause incalculable pain to the unborn children who are the targets. Recognizing these facts, and the reality that abortion is legal by direction of the Supreme Court, the Illinois General Assembly took a humane step. It provided that doctors must show the same humane consideration toward doomed unborn children that is asked for dogs and cats who are "put to sleep."

The fetal pain issue, too, scares the abortion industry and its friends at the ACLU. It

tends to humanize the unborn child. Perhaps worse yet, from their perspective, requiring doctors to tell expectant mothers that their babies might feel excruciating pain when they are aborted might lead to a sharp drop in the number of abortions. Thus, by its lawsuit, the ACLU seeks to have the federal courts say that Roe vs. Wade forbids Illinois to invade the "privacy" of the "physician-patient relationship" by trying to alleviate fetal pain.

Information released recently by the National Academy of Sciences indicates that as many as 60,000 newborn Chinese girls are killed each year because their parents prefer boys. The shocking NAS report describes in gory detail the methods by which baby girls are killed. For example, some expectant Chinese parents keep a water bucket by the maternity bed in which to drown the little girls as soon as they are born.

Sex-selective abortion in America is the moral equivalent of sex-selective infanticide in China. Amniocentesis, and other prenatal genetic screening procedures, are becoming more widely used each year as parents seek to avoid the births of "defective" children Virtually all these tests have to be undertaken quite late in pregnancy, and the wait for the results is usually several weeks. A by product of amniocentesis, as well as most of these other tests, is revelation of the sex of the unborn child. Thus, even if the child is genetically "normal," the mother can choose a late-term, extremely painful (for the child) abortion if she finds that the child is not of the desired sex. Every known barometer of the practice indicates that, by an overwhelming margin, it is the female unborn babies who get aborted.

No known studies indicate how widespread the practice of sex-selective abortion is in America. But it is significant enough to be discussed and debated in the legal and medical journals. Obviously the Illinois General Assembly is convinced that it is a problem. And the abortion industry, with the ACLU by its side, is worried about the implications of the Illinois ban on sex-selective abortion.

But it is not sex-selective abortion per se that is the problem for the pro-abortion side. It is two other considerations.

First, if Roe vs. Wade is to be the pure, unencumbered right to abortion (and feticide) that they seek, then no state legislature is to be permitted to presume to tell any woman which are legitimate reasons for having an abortion.

Second, and perhaps more important, if the sex-selective statute in Illinois is upheld in the federal courts, then it will be established that Roe vs. Wade does not mean that women have the right to choose which kinds of unborn children should be permitted to live until their natural birth.

In short, might the next step for states like Illinois be to ban genetic abortions where tests show that the unborn child has Down's syndrome, spina bifida, or some other malady? That is what may really scare the abortion industry and the ACLU.

Thus, in Keith vs. Daley, the abortionists and the ACLU seek to preserve and expand the Roe vs. Wade "right to an abortion." But the new Illinois law is a state statute. And if the U.S. District Court strikes it down (it already has issued a temporary restraining order), then Illinois has a right of appeal to the U.S. Court of Appeals for the Seventh Circuit, and, ultimately, to the U.S. Supreme Court.

By the time the case reaches the Supreme Court, is argued, briefed, and considered, President Reagan's re-election, coupled with vacancies on the high bench, might provide the margin by which it could be used to reverse Roe vs. Wade altogether. Five of the six pro-Roe Justices are now older than 75. And two of the three anti-Roe are under 60.

Even if the composition of the court when Keith vs. Daley reaches it is not such that Roe vs Wade can be reversed, it will provide a means by which to win significant restrictions on the abortion "right." Do a majority of the Justices really mean to say that Roe vs. Wade means a right to feticide? An effective right to cause the unborn child pain as it is aborted? A right to sex-selective abortion?

Thanks to the new ACLU lawsuit, we may find out.●

TRIBUTE TO ERNEST L. CUTTING II

HON. JUDD GREGG

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. GREGG. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues an incredible man, a man who, despite considerable adversity, has displayed courage and vitality that we all should admire.

Ernest L. Cutting II has served the town of Sunapee, NH, in a variety of ways for many years and has earned the respect of its citizens. I believe you will agree with me that his accomplishments are truly outstanding when you consider Ernie's story.

Before I share his entire story with you, let me take a moment and highlight Ernie's activities. For 23 years he worked for the George Smith Construction Co., installing much of the water and sewer pipe in Sunapee. As superintendent of the town's water and sewer department, he had responsibility for the entire system and knew every detail.

Mr. Cutting currently serves as a selectman from Sunapee. Town government is highly valued in New Hampshire and the responsibilities entrusted to the men and women who hold his office are many. Although financial reimbursement is minimal and the job is technically designated part time, there never seems to be enough hours in the day to handle all the problems from potholes to police cars. The job can be discouraging, as it can be a thankless job. It can also be exhausting, yet consider the fact that Ernie Cutting has served for 18 years, 40 hours a week, despite a variety of illnesses.

Diabetes claimed Ernie's eyesight. Subsequently, he suffered kidney failure and lived on with the aid of a dialysis machine. In 1976 he underwent a successful kidney transplant. Then a problem developed in his legs that resulted in amputation. This condition did not stop Ernie, for he learned to walk with two prosthetic legs. Most recently, while in the hospital for a stomach and ear ailment, another setback occurred, a heart attack. With each illness Ernie found a way to compensate: Blindness sharpened his hearing and concentration, lessened mobility increased his determination. People seek him out for advice and, during his recent hospital stay, he continued to help administer the town while on his back in bed.

Mr. Cutting is home now and I hope you will join me in saluting Ernest L. Cutting II for his unswerving dedication and determination. He certainly is a shining example, especially, to those of us in public service.●

THE BROADCAST STATION OWNERSHIP ACT OF 1984

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. LELAND. Mr. Speaker, I am today introducing, in conjunction with Mr. DINGELL, chairman of the Energy and Commerce Committee, and Mr. WIRTH, chairman of the Subcommittee on Telecommunications, Consumer Protection and Finance, the Broadcast Station Ownership Act of 1984. This legislation is intended to promote competition in the broadcasting industry, preserve diversity of viewpoints by assuring diversity of ownership of broadcast properties and promote opportunities for ownership by small businesses and minorities of broadcast properties.

In 1953, the Federal Communications Commission [FCC] adopted a multiple broadcast station ownership rule, the 7-7-7 rule, limiting the number of radio and television stations any one entity may own to seven AM radio stations, seven FM radio stations, and seven television stations, no more than five of which can be VHF. The rules were intended to "promote diversification . . . of program and service viewpoints as well as to prevent any undue concentration of economic power contrary to the public interest."

The FCC's proposed elimination of the 7-7-7 rule has been the subject of extensive and well-founded criticism. If carried out, the elimination of the rule would seriously undermine the Commission's historic commitment to ensuring diversity of ownership. Such a change would have a devastating impact on the level of ownership of broadcast properties by small businesses and minorities. The elimination of ownership limits would encourage the three major networks and other large broadcast companies to expand their ownership interests greatly. The consolidation of station ownership into fewer hands would work to reverse the

diversity of viewpoints the 7-7-7 rule has fostered.

The Broadcast Station Ownership Act of 1984 codifies restrictions on ownership of multiple broadcast stations. It is fair and balanced legislation. It reflects the changed circumstances that have occurred in the 31 years since the Commission first adopted the 7-7-7 rule, but preserves this Nation's historic commitment to diversity of ownership of broadcasting properties.

Under the legislation, television station ownership would be limited by a market reach index. Television station ownership would be allowed in any combination of stations that reaches a maximum of 30 percent of the Nation's households. No more than 25 percent of this reach could be through ownership of VHF television stations.

The legislation also includes a flexible numerical ownership limit for both television and radio. The numerical limit is based on a point system that assigns a value to a broadcast station based on the size of the market the station serves. An individual or group owner would be prohibited from owning multiple stations with a combined value of more than 100 points. The 100-point limitation would apply separately to each of the three broadcast media; i.e. 100 points for television, 100 points for AM stations and 100 points for FM stations. Television ownership would be subject to an "either/or" test. Ownership of additional television stations would be prohibited when an owner reaches the audience penetration threshold or the numerical limit, whichever is reached first. For radio, because of the difficulty of determining audience reach, only the numerical limit, not the percentage reach measure, would apply.

Under the point system, ownership of a broadcast station in 1 of the 10 largest markets would be valued at 10 points, stations in markets 11-20 would be valued at 9 points, and stations in markets 21-50 would be valued at 8 points. Ownership of a broadcast station in the smallest markets, below market 50, would be valued at 7 points.

The point system would allow for an increase from the existing seven-station limitation. Theoretically, an individual or group owner could own a television, AM radio, and FM radio station in each of the 10 largest markets. The legislation also would permit ownershihp of up to 14 television, 14 AM radio and 14 FM radio if the stations in question were in smaller markets. Thus, the legislation effectively creates a sliding multiple ownership limit of from 10 to 14 stations. For example, a broadcaster could own 11 stations, with 5 in the top 10 markets, 3 in markets 11-20, 2 in markets 21-50, and 1 in a market below 50.

The combination of a market reach cap in conjunction with a flexible numerical limit relieves many of the problems associated with a strict numerical limit. There is something inherently irrational about equating ownership of a television station in New York City, the Nation's largest television market, with ownership of a station in Glendive, MT, the Nation's smallest. This legislation moves away from that approach, and allows owners greater flexibility in purchasing broadcast properties.

One major problem portended by the proposed elimination of the rule is the threat of a significant increase in purchase prices for broadcast stations, particularly those in major markets. Such a price increase would be particularly significant for minorities because prices for broadcast facilities in the large urban areas, where most minorities reside, are already prohibitive for all but a few minority owned corporations.

In an effort to increase the level of minority ownership of broadcast properties, the legislation also provides an incentive for investments in minority owned and controlled broadcast stations. Where an individual or group owns a 49-percent or less interest in a station or stations owned by a minority or members of a minority group, the ceiling limit for television audience penetration would be raised 5 percent (creating a maximum ceiling of 35 percent penetration) and the numerical limitation would be raised by 20 points (to 120 points).

Under this provision, no owner would be penalized for not investing in a minority controlled station or compelled to invest in a minority controlled corporation. Investors would, however, be given a substantial incentive to voluntarily invest in ventures with minority group members.

Mr. Speaker, the Broadcast Station Ownership Act represents a thoughtful and moderate approach to a complex issue. I urge my colleagues to support this legislation.●

CENTENNIAL CELEBRATION OF BIKUR CHOLIM-SHEVETH ACHIM

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. MORRISON of Connecticut. Mr. Speaker, it gives me great pleasure to recognize the centennial celebration of a synagogue in New Haven, CT, Bikur Cholim-Sheveth Achim. Bikur Cholim-Sheveth Achim was formed from two separate synagogues, Bikur Cholim and Sheveth Achim, each of which was independently established in New Haven in 1884.

After 1884, as the Jewish population in New Haven rose, both congregations thrived and attracted many new members. Each synagogue developed congregations marked by a sense of community and religious devotion. Bikur Cholim, an orthodox congregation, had a lively membership and an excellent religious school. Sheveth Achim, a chasidic synagogue, was a leader of the New Haven Jewish community. After the Depression, however, membeship in both synagogues began to decline. Because of inadequate funds, social and economic dislocation, and family migration, the two congregations considered the possibility of merging.

Negotiators from both synagogues completed the merger in 1949, with an agreement to use the chasidic service in the new synagogue, but to list the orthodox congregation first in the new name. Since the amalgamation, Bikur Cholim-Sheveth Achim has enjoyed a wide membership and has played a prominent role in the New Haven Jewish community. Its various organizations and religious school, including a Hebrew high school, have helped maintain it as a center of Jewish activity in New Haven.

I am delighted to be able to congratulate the president, Dr. David Fisher, and all the members of Bikur Cholim-Sheveth Achim on the occasion of the 100th anniversary of the founding of their synagogue.●

CRITICAL ISSUES FOR CONGRESSIONAL ACTION

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. HUBBARD. Mr. Speaker, I have received the excellent July 30 letter to me from my constituent, Harold R. Toney, Jr., a certified public accountant in Madisonville, KY. Harold Toney has written to me regarding his need to communicate his thoughts about some of the important economic issues that are facing America. These issues require congressional action, Mr. Speaker, and are the cause of great concern to Harold Toney and countless others across the Nation.

I believe my colleagues will be interested in his timely comments about the recommendations of the President's private sector survey on cost control—the Grace Commission—the need to lower the Federal deficit, and the wasteful spending of our taxpayers' dollars.

I would like to share Harold Toney's letter, which follows:

JULY 30, 1984.

Hon. CARROLL HUBBARD,
Madisonville, KY.

DEAR SIR: Let me open this correspondence by saying that I sincerely appreciate the opportunity to communicate with you. I am 33 years old, married with one child, a

certified public accountant, and consider myself a representation of middle income America. I have recently felt the need to communicate with you regarding some of the economic issues facing our nation.

As I study the reports I receive from the media concerning the federal budget deficit, inadequate control over defense contract spending, Mr. W. R. Grace's study and evaluation of the efficiency of the federal government, and the apparent failing of the social security system, I am extremely concerned. Some of these issues have been around a long time and I have sat back and not expressed any opinion at all. I have never written you before. Myself and many other Americans through our own fault have left the job totally up to you and the other members of Congress. Our expressions and opinions were made when we went to the polls to vote. I do not feel that voting is enough. I feel that the ideas and opinions conveyed to you in this letter, if any, represent the vast majority of middle income Americans.

Upon examining the issues of the aforementioned paragraph, I find it difficult to entirely separate them with regard to finding possible solutions. Let me say that I do not have the solutions, only the opinion of middle income Americans on what we think should be done.

I feel that there is an overwhelming lack of concern regarding the federal budget deficit by members of Congress. After all, the federal government does possess the power to print money. I do not blame the federal government entirely for this situation. I mostly blame the people of this country for allowing themselves to become so dependent upon social support. I understand that social programs account for a tremendous portion of our national budget. Social services have gotten totally out of control in this country. Too many people have come to rely on social security as their primary source of retirement income. What are the answers? Then there is the trade off between increasing taxes or cutting spending or both.

President Reagan has gained much popularity over the past 3½ years because he did manage to get a tax decrease through Congress. I feel for the first time in history someone has realized that tax decreases encourage people to work harder, earn more money, work more efficiently, spend more money which stimulates economic growth and provides more jobs, and last but not least, expect less from their federal government. Spending cuts and governmental waste must first be dealt with before any consideration of a tax increase. Mr. Grace's study and evalution of government efficiency should receive a close examination and an appropriate implementation as soon as possible. The defense budget is probably not too high but effective cost controls are inadequate. I assume that Mr. Grace's report contains this. I believe that Mr. Reagan was totally justified in having the study done. I do not believe that the members of Congress are independent enough to always vote the way that they would like to.

Our troubled social security system must be made solvent. If there must be a tax increase, the increase should be restricted to the social security fund but only in equal dollar cuts of spending from that fund. Programs must be cut to a reasonable level if our system is to service its original intention, supplemental retirement income. I was amazed to learn the number of federal social programs available to Americans. I ask you, Is this what Congress intended for a system to become? I know this is not a popular issue because you would probably lose votes either way you voted if a major piece of legislation were introduced on this subject. I have a deep respect for the senior citizens of this country. I do not believe it is their portion of benefits that has the system in financial trouble. The endless list of additional programs which never had appropriations in the beginning are the root of the problem.

There is much more that I would like to say but I will not concentrate your thoughts on more issues at this time. I would appreciate the opportunity to communicate with you in more detail concerning these issues or on other issues affecting the people of this great nation.

Sincerely,

HAROLD R. TONEY, Jr.,
Certified Public Accountant.●

POSTAL NEGOTIATIONS IMPASSE

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. FOGLIETTA. Mr. Speaker, I would like to call the attention of the House to a recent action by the U.S. Postal Service that offends and disappoints me.

As Members may know, the USPS and the postal employees' Joint Bargaining Committee have been at an impasse in their contract negotiations. This is an unfortunate and difficult situation, but we have mechanisms for handling it. Under the Postal Reorganization Act of 1970, when the parties have reached an impasse, there is a 45-day factfinding period, during which recommendations may be issued to both sides to encourage an agreement. If, however, an agreement has not been reached within 90 days after the expiration of the current contract, an arbitration panel is appointed. This panel has 45 days to issue its binding award.

Unfortunately, the Postal Service has chosen to bypass this objective, deliberative, and equitable process to unilaterally impose its last offer—a 23-percent pay reduction—as the pay scale for employees hired after August 4 of this year. This unprecedented action raises several issues:

It may very well be against the law. Our colleague, WILLIAM FORD, chairman of the Post Office and Civil Service Committee, in a letter to Postmaster General Bolger stated, "the unilateral changes * * * are illegal under the Postal Reorganization Act." It is his interpretation of the law that, when an impasse occurs, the status quo remains in effect until an agreement has been reached, or the binding arbitration process is complete.

Beyond the legal question is that of the Postal Service's intentions. It is clear to me that the Postal Service, by unilaterally implementing an issue that is the subject of negotiations, is not bargaining in good faith.

In fact, the Postal Service is undermining the collective bargaining system. In the private sector, if an impasse of this sort is reached, management has the right to impose its final offer unilaterally. This is balanced, however, by labor's right to strike. The postal unions, representing public employees, cannot strike. Similarly, the Postal Service does not have the right to implement its offer, and that is why the dispute resolution mechanisms contained in the law are so fundamental to the collective bargaining process. The Postal Service has ignored these important procedures.

Additionally, we cannot miss the understandably devastating effect this action has on employee morale. The ridiculousness of expecting employees whose wage rates differ by 23 percent to work side by side as an efficient, productive workforce is exceeded only by that of expecting postal employees to trust the Postal Service to bargain in good faith again.

Mr. Speaker, the kindest thing I can say about this action on the part of the Postal Service is that it is shortsighted. What it really is, however, is arrogant, antiworker, and un-American. It is probably illegal, undoubtedly unfair, and unavoidably damaging to everyone's best interests. I stand with postal employees across the Nation, particularly those in my city of Philadelphia, and with other concerned Members of Congress, in calling upon the Postal Service to reconsider this ill-advised action.●

THE BROADCAST STATION OWNERSHIP ACT OF 1984

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. WIRTH. Mr. Speaker, today, I am introducing, along with my colleague Congressman LELAND, the "Broadcast Station Ownership Act of 1984." This legislation is in response to the misguided action taken 2 weeks ago by the Federal Communications Commission in its repeal of the so-called 7-7-7 rule, which limited the number of radio and television stations any one entity could own to seven AM radio, seven FM radio, and seven television stations (no more than five of which could be VHF).

The FCC replaced this rule with a short term, transitional limit on broadcast station ownership which permits an entity to own up to 12 AM, 12 FM, and 12 TV stations. Moreover, after 1990 under the FCC's new rule, broadcast station owners would be al-

lowed to own an unlimited number of broadcast outlets.

Our legislation represents the type of approach that the Congress established an expert agency—the FCC—to develop. It is unfortunate that in its effort to reform and overhaul an outdated and arbitrary rule, the FCC has come up with an equally arbitrary rule that ignores the need to have a long term policy on multiple ownership of broadcast properties in effect. The approach this legislation embodies is by no means perfect, but it incorporates the concepts that are needed to achieve a balanced multiple ownership policy. I hope and trust that the FCC will carefully consider the framework and policies of this legislation as it reconsiders its multiple ownership rule decision.

I want to commend my good friend and colleague MICKEY LELAND for his help in devising this legislation. I also want to thank the gentleman from Texas for the energy that he has continued to devote to the critical issue of diversity of ownership of broadcast stations in this country, with a particular eye on ensuring that minority ownership of broadcast outlets is fostered and encouraged.

I have long been supportive of liberalizing the FCC's multiple ownership rules. In fact, the Commission's plan to liberalize the broadcast multiple ownership rules was one of the few areas in which I was in philosophical agreement with a mass media policy initiative of the present Commission. I share FCC Chairman Fowler's belief that the number 7 was an arbitrary one, and that reform of the multiple ownership rules was necessary and appropriate to encourage greater competition and diversity in the television program marketplace.

Where I differ from the Commission, however, is with the way in which the Commission went about modifying the 7-7-7 rule. Instead of developing a long term, objective policy, the FCC's new 12-12-12 rule with a 6 year sunset is a short term transitional approach which is as equally arbitrary as the rule it is intended to replace.

Most disturbing is the Commission's acceptance of a very faulty premise—that there is no need for multiple ownership rules, and all that is necessary is a short term, "quick fix" before the issue of broadcast concentration is left totally to the marketplace. In addition, it is pure folly to suggest that 6 years from now the total absence of national ownership rules will not result in a problem of excessive ownership concentrations. The notion that broadcast ownership rules will not be needed after the year 1990 is irresponsible and unsupportable. Allowing broadcast companies to expand their audience base is an important goal, but this must only be done in the context of maintaining the Nation's diverse ownership base.

In my role as Chairman of the Subcommittee on Telecommunications, I am dedicated to furthering the first amendment goal of ensuring that the American public has access to as many information and programming sources as possible. The major obstacle to program competition and diversity that we have traditionally faced is the dominance of the three commercial television networks. If other broadcast group owners, such as Metromedia, Cox or Westinghouse, are ever to compete effectively with the television networks in the production and distribution of programming, they must be allowed to expand their audience base through the acquisition of additional stations.

Broadcast station group owners will then have an audience which would provide a cushion and guaranteed reach which would give these group owners the ability and incentive to become far more heavily involved in the development, production and distribution of programming. Thus, it is not simply the number of stations owned which is relevant, but for purposes of both fostering program diversity and in limiting station concentration, it is audience reach which is a far more relevant measure than the mere number of stations owned where no consideration is given to the size of the market in which the stations are located. I believe this policy of fostering group owner station growth can be put forth without the need to establish different ownership rules for different broadcast companies.

At the same time, however, I share Congressman LELAND's concern that since the liberalizing of the multiple ownership rules could well result in an increased demand for stations, the rush to purchase more stations could artificially inflate the cost of stations. The effect of this disturbs me since it could put the acquisition of media outlets beyond the reach of minoirty entrepreneurs. Any multiple ownership policy must balance these two competing goals—the need for fostering diversity through group owner growth without undermining diversity by depriving minorities of ownership opportunities.

Thus, it is important that any concentration rule based on audience reach be coupled with a numerical cap so that broadcast acquisitions do not become so frenzied as to freeze out minority station owners from further developing. Without a numerical cap, it would be possible for a single company to own 50 or more small and medium market stations while still reaching less than 25 percent of the Nation's households. It is in the small and midsize markets that opportunities for increased minority ownership are probably greatest. It is also imperative that any ownership policy contain explicit incentives for increasing minority participation in the broadcast industry. Our legislation achieves this by permitting established broadcast companies to exceed the ownership limits if those additional stations involve joint ventures with minority group members.

In response to the Commission's ill-conceived decision, the legislation Congressman LELAND and I are introducing today, establishes a long-term policy that combines measurements of audience reach coupled with a numerical cap that is based on a market-size index. We believe this bill represents a proper balance between promoting diversity through increased program competition and furthering diversity through preventing excessive concentration and increasing minority participation in the program marketplace.

Our legislation has four goals:

One, to promote opportunities for ownership by minorities and small businesses of broadcast properties in their local area; two, to preserve diversity of broadcast station ownership in order to assure diversity of viewpoints; three, to promote greater competition in the production and distribution of broadcast programming; and four, to establish objective standards for limiting concentrations in ownership of broadcast properties.

This legislation will allow any broadcast company to reach up to 30 percent of the Nation through ownership of television stations. A group owner would be limited to reaching 25 percent of the Nation's population through ownership of VHS television stations.

Since the concept of audience reach of radio stations is very different and harder to approximate, this approach deals with radio in a different manner by only applying the index based on the market size that a station is located in to establish a limit on the number of stations that can be owned. The index places a flexible numerical cap on the ownership of both radio and television stations. The numerical cap limit is based on a point system that assigns a value to a broadcast station based on the size of the market that station serves. No entity could own a combination of stations with a point value in excess of 100 points. Depending on the market size in which the stations were located, a group owner could acquire from 10 to 14 stations.●

TRAGEDY IN MEXICO

HON. HAROLD L. VOLKMER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. VOLKMER. Mr. Speaker, I rise today to express to the House my outrage over the events surrounding a tragic accident which involved a young couple from the State of Missouri while they were honeymooning in the country of Mexico. Michael Willison and his bride of 2 days were honeymooning in Cancun on July 2 when she was killed in a traffic accident. The two had gone riding in a motorized surreylike vehicle and were struck from the rear by a water truck. For an hour before help arrived Michael sat by the side of the road, holding his bride's body in his arms.

In subsequent days Michael was held by police, charged with driving carelessly and sued for damages. Mexican authorites decreed without benefit of trial that $5,000 had to be paid for damages, and later added another $1,000 in truck driver's lawyer's fees, $300 to a travel agency for handling the money transactions, plus additional money demanded by a Mexican hotel. The families of the young couple had to spend more than $20,000 to get the groom and his bride's body out of Mexico.

During the Willison's ordeal, the American consul for Cancun was either unavailable or no help at all to the family. In fact, the consul gave the impression of supporting the Mexicans' position.

Mr. Speaker, Americans should be made aware that tragedies like this can happen to them if they plan a trip to Mexico. I have written my complaints to our Secretary of State, the Mexican Ambassador as well as the President of Mexico. I hope an incident such as this never happens again, but Americans should be aware of the plight they may face.●

COOPERATIVE EFFORTS CONSERVE WATER RESOURCES

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. IRELAND. Mr. Speaker, conserving our natural resources is a No. 1 priority. In a State such as Florida, where water is at a premium, we are always seeking new and inexpensive methods of preserving and utilizing our water supply to the maximum extent possible.

I would like to alert my colleagues to the work being done in Manatee County, in Florida's 10th Congressional District, by a group of engineers, planners and environmental scientists known as CH2M Hill. This firm has designed a drinking water management system now operating in Manatee County, FL, that is a prime example of how the highest quality engineering services can create real savings for the public.

Funded as a cooperative effort between the Manatee County Utilities Department and the Southwest Florida Water Management district, the Manatee project has received national attention for the significant contribution it is making toward conserving water and keeping down the cost of basic public services. The award winning design constitutes a great stride in supplementing water supplies in water-short areas.

The Manatee system will meet peak water demands that are 15 million gallons per day above the 54-million-gallon-per-day capacity of the county's existing local water supply and treatment facilities. The natural storage capacity of aquifers that underlie existing treatment plants is used to hold excess treated water during periods of low demand. The stored water displaces poor quality water already present in the aquifers. When the stored water is needed during high-demand, emergency or drought conditions, it is pumped back up through the same well and pipeline facilities without placing additional demands on the water treatment capacity of the existing plant.

The cost of the additional water is 20 percent below the current cost of water and less than half that of other water supply alternatives.

Although natural conditions in Manatee County are especially suited for aquifer storage and recovery, they are not unique to the area. This concept has widespread possibilities for expanding municipal water supplies at low cost in many water-short areas in the United States and abroad. In other locations, the concept may also have value for prevention of saltwater intrusion.

Mr. Speaker, I would like to commend Manatee County for the progressive leadership role it has taken to preserve and protect its water supply. It is an example to be duplicated in other parts of the country.●

IN MEMORY OF COMDR. RICHARD C. NELSON

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. EDGAR. Mr. Speaker, today, August 9, 1984, Navy Comdr. Richard C. Nelson will be laid to rest with full military honors at Arlington National Cemetery; 16 years ago, on March 6, 1968, the Navy A6A aircraft he was piloting disappeared from radar screens over North Vietnam. It was not until last month that the Government of Vietnam finally returned his remains, identified just last week, that his family and friends could even begin to end the decade and a half ordeal of waiting and wondering.

Commander Nelson was born July 12, 1941, in Upper Darby, PA. He attended Altoona High School, Altoona, PA, and graduated from Duke University in 1963 with a bachelor of science degree in engineering. A participant in the Naval Reserve Officers Training Program at Duke, he received his commission upon graduation and served aboard the U.S.S. *Kitty Hawk* from January 1966 until his disappearance in March 1968. We welcome him home at last.

Mr. Speaker, it is at times such as these that all of us in the Congress, but particularly those of us who serve on the House Veterans' Affairs Committee, realize once again that the legacies of the Vietnam war are still with us. Commander Nelson has finally returned home. We salute his courage and his sacrifice. He can now rest in peace at Arlington with the thousands who served before and with him in the service of his country.

But our hearts must still go out to the families of nearly 2,500 Armed Forces personnel still listed as missing in action or unaccounted for in Southeast Asia. We must express our strong admiration for their courage, their faith, and sacrifice, but we must also express our strong determination to exert any pressure to demand that the Government of Vietnam provide a swift and full accounting of those still missing.

We must ensure that the ordeal experienced by Richard Nelson's parents, his family, and friends is not prolonged or aggravated for all those who continue to wait unfairly for word of their loved ones. This is a simple humanitarian issue; an issue which needs to be resolved as soon and as completely as possible.●

EQUAL ACCESS BILL

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. OTTINGER. Mr. Speaker, on July 25 the House approved H.R. 5345, the so-called equal access bill. This legislation raises a number of serious practical and constitutional questions and may, in fact, cause more problems than it was intended to solve.

I find it ironic that the same administration which has promised to get the Federal Government off our backs, has pushed through Congress

the ultimate intrusion of the Federal Government into strictly local affairs. In approving this legislation, Congress portends to be better qualified to determine what activities have a rightful place in public schools than the locally elected school boards and appointed administrators throughout the country.

Moreover, this legislation establishes a dangerous precedent which may result in the prohibition of any extracurricular activity in our public high schools. Since the local school boards will have no authority to restrict the use of their schools by religious and other organizations, the only option available to them may be to restrict all extracurricular activity on school grounds. This legislation leaves local administrators no discretionary authority to prohibit the meeting of antisocial groups or pernicious mind control cults. In order to avoid religious controversy, the result could well be that school administrators will shut down all but a few carefully designated school-sponsored activities. Many meaningful student extracurricular activities will be told that they cannot use school facilities, in all likelihood terminating them. This legislation will, ironically, limit the ability of students to meet far more than before its enactment.

Finally, there is the matter of the separation of church and state. For the first time in our history, Federal law will license, indeed encourage, religious activity in our public high schools. Under any definition, this is Government sponsorship of religion. Yet under the Constitution, which has so carefully guided our Nation for nearly two centuries, there has been a careful delineation between the role of our schoolroom and the purpose of our religious institutions. Our Founding Fathers repeatedly stressed the importance of the separation of church and State, and for good reason—it is simply inappropriate to allow religious practices to invade the public classroom. There are various appropriate places for supervised religious expression, including the home, the church, the synagogue; but the public school is not one of them. Whether a religious meeting is student-initiated or not, it has no place in a public school.

The argument here is not over freedom of religion or diversity; we all believe in that and, in fact, the free pursuit of these beliefs is a tenet of the Constitution. The argument with which we are now dealing is the utilization of locally controlled public school facilities. This legislation is an unwarranted Federal instrusion into the local control of education, is unwise as a matter of educational policy, and above all, is unconstitutional.●

TRIBUTE TO LEON FORNAL

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. BORSKI. Mr. Speaker, it is my honor to rise and pay tribute to a man of outstanding character and achievement; 25 years ago today, Leon Fornal began a radio career that has brought joy and entertainment to millions of people. To his listeners in the Polish-American communities throughout New Jersey, Pennsylvania, Delaware, and New York, Leon Fornal has earned the reputation as Polonia's best and most popular radio personality.

Through his program at WTTM radio, Leon Fornal has brought happiness and hope to those who are alone; he has brought news and information about the activities of the Polish-American community in the Delaware Valley to those who take pride in their Polish-American heritage; and for all Americans, he has made strong the traditional values of family unity, community responsibility, and public service.

Whenever a new entertainment group or band sought to reach out to the listening public, Leon Fornal was there to help them gain recognition. Whenever a group of individuals sought to raise funds for a worthy cause, Leon Fornal would contribute his time and expertise. Whenever he can, Leon Fornal brings people in his audience in touch with each other; and we are all better for it.

He has brought news of more weddings, christenings, reunions, town meetings, organizational functions, dances, and good times than any radio announcer in his area. And in times of difficulty and sadness Leon Fornal has been kind, considerate, and compassionate to those in need.

Leon Fornal is a good and decent man who, through his hard work and talent, makes better the lives of each person he meets, personally or over the air waves. In his own right, Leon Fornal is a great American. In the House of Representatives of the United States of America, this RECORD pays honor to him. His friends and many listeners will, however, bless him in a more simple, and perhaps touching way; with a warm smile and a sincere Sto Lat.●

BANKRUPTCY JUDGES IN ILLINOIS

HON. DANIEL B. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. DANIEL B. CRANE. Mr. Speaker, on July 11, 1984, Congress passed and the President signed an act relating to bankruptcy amendments. The act provided for several amendments concerning the method of the appointment of bankruptcy judges, their jurisdiction, and the number of bankruptcy judges. Section 152 of that act provided for only two full-time bankruptcy judges in the central district of Illinois. For the reasons set forth below I have introduced legislation to amend this act to provide for three full-time bankruptcy judge positions in the central district.

The central district of Illinois covers an area roughly from Rock Island in the northwest to Quincy in the southwest; from Paris in the southeast to Kankakee in the northeast. At the present time the Danville division covers 11 counties, being Kankakee, Iroquois, Livingston, Ford, Vermilion, Champaign, Piatt, Edgar, Douglas, Coles, and Moultrie. There has been a bankruptcy office staffed by a bankruptcy judge in Danville since 1920. This office serves approximately 480,000 people in these 11 counties. It provides eight positions, including the bankruptcy judge, with a total payroll of approximately $200,000.

In 1980 the court handled 1,169 bankruptcy petitions, in 1981—943, in 1982—1,036, in 1983—1,094, and has handled 550 to date in 1984. In addition during this period of time the court has handled approximately 950 adversary proceedings. In 1983 over 18,000 creditors were listed in the cases filed. Because this district is approximately 220 miles wide, it would be an extreme inconvenience to both debtors and creditors to have to transact many bankruptcy matters in Springfield or Peoria in the event there is no longer a sitting judge in Danville to service the eastern end of the district.

Prior to passage of the act there was a full-time bankruptcy position in Springfield and Peoria with the Danville office being staffed by a part-time bankruptcy judge. In April 1982, the administrative offices for the U.S. courts, bankruptcy division, surveyed the caseload for the Danville division and recommended that this position be upgraded to full time. This recommendation was concurred with by the judicial council for the seventh circuit court of appeals. The Federal Judicial Conference, based upon these recommendations and the U.S. district court for the central district of Illinois, on

September 22, 1983, ordered the part-time bankruptcy judge position at Danville be converted to full-time status and directed that this change become effective as soon as possible.

In order to complete the conversion it was necessary that additional money be appropriated by way of the supplemental appropriations bill for fiscal year 1984. Those moneys were provided for but the supplemental appropriations bill was not approved prior to the new bankruptcy bill being approved. The tentative budget for fiscal year 1985, effective October 1, 1984, provides for the full-time position to be implemented at Danville.

For these reasons I think it is important that section 152 of the new bankruptcy Code be amended to provide for three full-time bankruptcy positions in the central district of Illinois.●

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. CAMPBELL. Mr. Speaker, today I take great pleasure in announcing to this body that I have again introduced a resolution which would commemorate the efforts and accomplishments of our Nation's historically black colleges and universities. I have been joined by my colleagues HAROLD FORD and KATIE HALL in the introduction of this resolution, House Joint Resolution 637, and already many Members have contacted me to express their support and cosponsorship.

As many of you know, last year a resolution was approved by Congress and signed by the President which designated September 26, 1983, as "National Historically Black Colleges Day." Last year, the presidents of many of the 103 black colleges and universities met here in Washington for workshops, ceremonies, and a reception at the White House with the President and the Vice President. The event was successful and rewarding for all of us who were involved, and I received many favorable comments from the participants.

Those of you who are familiar with the rich heritage of our Nation's black colleges and universities know that they grant more than 30,000 degrees each year in every field of study. History attests to the fact that numerous prominent scholars, educators, businessmen, and professionals were graduates of one or another of these fine schools. Through the speedy passage of this resolution, we can again express our support and thanks for the goals and accomplishments of these institutions.

This year, we are requesting that the week of September 23, 1984, be designated "National Historically Black Colleges Week." A companion resolution has been introduced in the Senate, and was reported out of the Senate Judiciary Committee today. It is my hope that the Members of the House will join me in quickly adopting this resolution.

Furthermore, I am proud to give special recognition to the six historically black post-secondary institutions in my State, South Carolina. They are: Allen University, Benedict College, Claflin College, South Carolina State College, Morris College, and Voorhees College. These schools have been an integral part of the history that we wish to commemorate through the adoption of this resolution.●

KEEPING HISTORY CLEAN

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. PICKLE. Mr. Speaker, the House has passed legislation that will establish the National Archives as an independent agency. I endorse this long-needed reform which will protect the historical records of our Government, which ultimately belong to the American people, from partisan politics.

The wisdom of this move is particularly poignant for us today, because 10 years ago today, the event which led to this action stunned the Nation—that being President Nixon's resignation from the Presidency.

Prior to Watergate, it was assumed that a President's papers belonged to the President himself. Soon after leaving office, Mr. Nixon began negotiations with GSA Chief Arthur F. Sampson, a man he appointed, to take control over his Presidential records, including the infamous Watergate tapes that toppled his Presidency.

Fortunately, Congress intervened and prevented Mr. Nixon from taking control of what amounts to the historical record of his doomed Presidency. But even though Congress was able to head off this deal, it showed us the error of leaving important Government records under the control of an agency directed by a partisan political appointee.

The House bill removes the National Archives from under the direction of the GSA, making it an independent agency and making its directors nonpartisan in nature. This is how it should be.

Mr. Speaker, the affairs of state are inevitably influenced by partisan politics, as it should be, but the historical record, by which this great Nation will be judged, should not.●

TRIBUTE TO SAINT RENE GOUPIL

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. LIPINSKI. Mr. Speaker, I would like to take this time to pay a special tribute to Saint Rene Goupil, one of the eight North American martyrs of 1642.

In his youth, Goupil entered the Jesuit novitiate at Paris with the intention of studying for the priesthood. After a few months, however, he had to leave the novitiate due to ill health. Goupil seems to have studied medicine and in 1640 he left France for Canada, working as a surgeon.

Goupil then accompanied Father Isaac Jogues on his return trip to the Huron mission. On August 1, 1642, the party left Three Rivers and the next day they were ambushed and captured by the Iroquois. Most of the party were killed but Jogues and Goupil were kept as slaves. For some time the men were badly tortured and constantly surrounded by the threat of death.

On September 29, the feast of St. Michael, Goupil was killed in the village of Ossernenon, near what is now Auriesville, NY. An Indian hatcheted him to death because an old man had seen him making the sign of the cross over his grandchild. On the journey to Ossernenon Goupil had pronounced the vows of the Society of Jesus.

Goupil is honored by the Catholic Church as a martyr for the Christian faith. After prolonged investigation his beatification, together with that of seven other Jesuits, took place on June 21, 1925. He was canonized by Pope Pius XI on June 29, 1930.

I am extremely honored to tell you of a very special parish located in Chicago. This is the St. Rene Church, named in Goupil's honor. This parish was founded in the summer of 1959, and therefore is celebrating its 25th anniversary this year. I am sure that my colleagues join me in paying tribute to Saint Rene and congratulating St. Rene's pastor, Father Ed Surges as well as his associate, Father Lou Palazzola and the entire St. Rene parish family on their very special anniversary. I would also like to congratulate Father Edward Flannery, who was with St. Rene for many years as their first pastor, on his many years of service at St. Rene. It is with great pleasure that I join the many friends of St. Rene in wishing them a joyous anniversary celebration and a bright future.●

CLARIFICATION OF SECTION 2632 OF THE DEFICIT REDUCTION ACT OF 1984, PUBLIC LAW 98-369

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. ROSTENKOWSKI. Mr. Speaker, it has come to my attention that the statement of managers accompanying the conference report on the Deficit Reduction Act of 1984 fails to make clear the full understanding of the conferees regarding the amendments to the Social Security Act made by section 2632. That section amends the so-called lump-sum rule in the AFDC Program. Subsection (a) makes various substantive amendments; subsection (b), however, is intended merely to clarify the original intent of the Congress as to the applicability of the lump-sum provision. That provision has been interpreted by some courts to apply only to AFDC families having earned income at the time they receive a lump-sum payment. The amendments made by section 2632(b) of the Deficit Reduction Act are intended to clarify that this provision was always intended to apply to all families, not just those with earned income.●

ROWING FOR GOLD

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. McKERNAN. Mr. Speaker, the attention of the sports world has focused in recent days on the outstanding achievement of Maine's Joan Benoit. The fact that Joan overcame medical problems to win the Olympic gold medal in the women's marathon was inspirational to us all. I am just as honored today to bring my colleagues' attention to the Olympic achievement of another of Maine's residents, Harriet Morris Metcalf.

A member of the women's Olympic eight-oar rowing team, Harriet, known as Holly, helped the United States win the gold medal on August 4. The U.S. team's dramatic win over the Romanians was all the more exciting because it marked the first time the United States has won the gold medal in women's rowing.

A resident of Arrowsic, in Maine's First District, which I represent, Holly is a shining example of an individual striving for excellence. At 5 feet 7 inches, Holly is the smallest member of the women's Olympic rowing team. After graduating in 1981 from Mount Holyoke College, where she was captain of the women's crew team, Holly made the U.S. National team, making up in strength the advantage that other members had in reach.

Holly has had a meteoric rise in crew, having taken up the sport during her college years. She currently is crew coach at her alma mater. In college, Holly displayed wide interests, majoring in English and minoring in music; she excelled as an alto vocalist. Holly's mother, Joan E. Richardson of Arrowsic, best sums up her daughter's special talents and interests with her description of Holly as having "the body of an athlete and the mind of a poet."

It is in recognition of both her achievements, and those of the entire U.S. women's rowing team in winning the gold medal, that I ask my colleagues to join me in congratulating Harriet Metcalf.●

UNILATERAL ACTION BY POSTAL SERVICE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. FAZIO. Mr. Speaker, action taken in recent days by the U.S. Postal Service is cause for concern by Members of Congress. Just before the recent contract negotiations broke down on July 21, the Postal Service announced its decision to unilaterally implement a 23-percent pay cut for new hires and impose further reductions in sick leave and other benefits, effective August 4. This action calls into question the Postal Service's faithfulness to the 1970 Postal Reorganization Act and its commitment to achieving fair levels of compensation and benefits for postal employees.

In passing the Postal Reorganization Act in 1970, the Congress, recognizing that postal workers do not have the right to strike, set up a dispute resolution mechanism to enable the parties to bargain with significant leverage. Implementation of a differential pay system by the Postal Service causes the Congress to question the Postal Service's commitment to the collective bargaining process set forth in the 1970 act. It appears that the Postal Service gave up on the factfinding and arbitration procedures before they had a chance to work.

Apart from the legality of the Postal Service's action, the negative impact this decision will surely have on employee morale and performance casts doubt on the management decisions of the Postal Service. In setting up a two-tier pay system where employees' wages differ by 23 percent it is only reasonable to expect that productivity will suffer. All postal workers—both longtime employees and new hires—will be hurt should this new pay plan become permanent.

I urge the Postal Service to reconsider its action. If it does not the consequences could prove to be permanently damaging for our postal employees and for the operations of the U.S. Postal Service.●

TRIBUTE TO PAT STODGHILL FROM THE POETRY SOCIETY OF TEXAS

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. RALPH M. HALL. Mr. Speaker, I would like to join with the Poetry Society of Texas in paying tribute to Pat Stodghill of Rockwell, TX, for giving unceasingly and unselfishly of herself and her talent to the society and to poetry in a world that is decreasing in number of poets. Pat Stodghill was recently honored by the Poetry Society of Texas at Southern Methodist University for her creative contributions.

She was the only woman to serve as the president of the Poetry Society of Texas, which has 32 chapters throughout the United States.

No one has done any more for the society or for poetry in the State of Texas than Pat Stodghill. She was appointed poet laureate of Texas in 1978 and was winner of the first annual Nortex Book Publication Award with her book entitled Mirrored Images.

She has won over 50 poetry contests and has had her work published in numerous local and national publications. She is also a member of the international "Who's Who in Poetry." For many years her poems have shown themselves to be the product of a talented and inspired craftsperson. She presently serves as treasurer of the National Federation of Poetry Societies, Inc., an organization consisting of 40 State poetry societies.

On this, a year of achievement for American women, it is very fitting to highlight not only Pat Stodghill's professional recognition—but also to point out that she has maintained a home, has, with her husband Don, a very successful attorney, nurtured and guided their two children, Sheri and Steven, through their formative years. Steven has just completed a stay here in Washington, DC, as an intern in my office—and has returned to the University of Texas law school. Sheri, the editor of her high school newspaper, will surely give us the benefit of her services as an intern in the years ahead.

So—as Steven departs Washington, DC, I think it is a proper time to recognize a great woman—one who broke barriers in her own quiet and intensive manner—and yet found to maintain the bedrock of the Stodghill family.●

TRIBUTE TO RICKOVER SCIENCE INSTITUTE RECIPIENTS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. WOLF. Mr. Speaker, the first annual summer session of the Rickover Science Institute is now ongoing at the Xerox International Training Center—July 8 through August 17. It is the only summer educational program for the gifted youth of its kind. The program is unique in that it provides theoretical training with practical experience which is accomplished by individual hands on research projects with Government agencies, academic institutions, and private corporations in the Washington, DC, area.

Two of the sixty students selected for the Rickover Science Institute are residents of the 10th Congressional District. I wish to congratulate Patti Ming Gulbis of Herndon, VA, and Daniel J. Blum of Vienna, VA, on their achievement. Their selection to attend this highly competitive program reflects great credit not only on their outstanding ability but also on the 10th Congressional District. I am pleased to offer my congratulations and encouragement to these outstanding students.●

APTA HONORS DAVID WEILER

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. GEKAS. Mr. Speaker, I would like to recognize a gentleman residing in my district, Mr. David Weiler of Harrisburg, for an honor bestowed upon him by the American Physical Therapy Association at their annual conference in Las Vegas.

Mr. Weiler received the Lucy Blair Service Award for "exceptional contributions" to the profession of physical therapy. He has developed Pennsylvania's scoliosis screening program and is a former executive director of the Camp Hill chapter of United Cerebral Palsy. Mr. Weiler, now a consultant for the Pennsylvania Department of Health, also was a physical therapy consultant for the Cumberland County school system.

The APTA is a national professional organization representing 37,000 physical therapists, physical therapist assistants, and students. Citizens of Pennsylvania and the 17th Congressional District are privileged to have such a dedicated professional.●

ENDING ONE FORM OF DOUBLE DIPPING

HON. BARBER B. CONABLE JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. CONABLE. Mr. Speaker, I have today submitted a modest bill to deal with one aspect of double dipping in our Government retirement programs which has recently come to my attention. My proposal would eliminate current provisions which permit crediting of military service time for both military and civil service retirement pensions under certain conditions. This double credit is now allowed to military reservists in many categories; my proposal would retain the provision only for those who incur disability in their service.

All of us are acutely aware of the crisis conditions which are rapidly approaching for our Government retirement programs. Both the civilian and military systems have unfunded liabilities exceeding $500 billion. Government payments to the civil service retirement system are exceeding $20 billion annually, more than four times the contributions of employees; cost of military retirement programs is $17 billion with no contributions from service members. There are increasing reports of retirees' pension payments now exceeding the salaries they received at the time of retirement, or even the current salaries for their former positions.

It is clear that a comprehensive overhaul of the systems is a necessity if public support for them can be expected to continue. An opportunity for reasonable revisions is approaching when the civil service system must be integrated with social security as required by the Social Security Amendments of 1983.

The revision I have introduced today is one of those which should be included. Whatever the justification for this double-dipping incentive might have been in another period, the civil service retirement system cannot bear these excesses in today's deficit conditions. Congress had better recognize this without further equivocation and restructure the Government retirement systems on an equitable, but realistic basis.●

TROPICANA BENEFITS SPECIAL OLYMPICS

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. IRELAND. Mr. Speaker, I'd like to share with my colleagues news of an event, of particular significance, to be held in Bradenton, FL, September 29, 1984. Beatrice Co., Inc., and its Tropicana Products is sponsoring a 5-mile race, to start and finish in downtown Bradenton, for the benefit of the Special Olympics.

The race, open to all runners, is the fifth in Beatrice's six-city Race America series and includes a one-half mile "fun-run" for Special Olympians preceding each 5-mile race. Entry fees from Bradenton and other Race America events will be donated to the Special Olympics.

The Special Olympics programs, conducted by some 450,000 volunteers, are in more than 20,000 communities in every State in the United States and more than 50 foreign countries. More than a million mentally retarded individuals participate in year-round activities in 16 sports, culminating every 4 years in international summer and winter Special Olympics games.

The special emphasis on the opening "fun runs" will provide a great opportunity for Special Olympians to demonstrate their sports skills. In addition, the entry fee for the 5-mile race, contributed by the general public, will help to provide increased training for these brave men and women athletes throughout the world.

Tropicana, a 38-year-old Bradenton-based company, is the world's largest producer of 100 percent pure ready-to-serve orange juice. It is an established member of the Bradenton commuity and its efforts on behalf of the Special Olympics further demonstrates its commitment to opportunities for our most special citizens.●

A TRIBUTE TO STATE TROOPER BENNY COX

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. ALEXANDER. Mr. Speaker, I rise today to pay tribute to Arkansas State Trooper Benny Cox of Paragould, on receiving the 1984 Trooper of the Year Award.

To those who know Benny, I am sure that it comes as no surprise to learn of his recent honor. He was nominated for the award after rescuing a man from an attempted suicide while working with the Little Rock State Police troop. The Cox family has shown a strong and abiding commitment to the enforcement of law and order in Arkansas. Some 20 years ago, Officer Cox witnessed the death of his father, a State trooper, who was gunned down while in the line of duty. And today, both Benny and his sister work for our State police department.

Ninety-five percent of crime occurs at the State and local levels. It is our State and local officials who face life-

threatening situations while policing our streets. Officer Cox and his fellow 465 officers do a tremendous job of ensuring the safety of our great State. It is certainly a comfort to know that we have men like Benny Cox protecting our citizenry.●

PERSONAL EXPLANATION

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. GEKAS. Mr. Speaker, yesterday, August 8, the House of Representatives voted, in rollcall No. 352, on Senate amendment No. 87 to H.R. 5712, the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1985. Due to an unavoidable conflict related to my work on sentencing guidelines legislation before the Judiciary Committee I was unable to reach the floor in time to cast my vote on the amendment.●

SPLINTERED GROUPS THREATEN FUTURE OF U.S. ECONOMY

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. DERRICK. Mr. Speaker, we need to take a renewed interest in industry. It has long been the backbone of this Nation. Mr. Blair Rice, vice president of a textile mill in the Third District of South Carolina, which I serve, has written an article outlining the need to work in a spirit of unity for the best interest of all industry.

This definitive piece, printed in the Anderson [SC] Independent-Mail, is worthy of my colleagues' attention:

Today our domestic economy remains weak and unemployment unacceptably high. The monetary medicine administered to cure inflation has enfeebled many industrial businesses.

The agricultural sector of our economy by far the most productive in the world, has been under similar stress.

There is also a dangerous myth being advanced these days. It is that our society is moving to a service economy, and that we should not be so concerned about a decline in the manufacturing industry.

But without a strong agricultural and industrial base, who would be served? Its strength is a prerequisite for achieving our goals in national defense, developing new high technology industries, and providing educational opportunities and necessary health and social services.

We now live in an age of competition—not merely among companies—but among entire national economies.

What must be done? We must come to view our industrial success as a national success and look at our industry and its plants and laboratories as both national and private assets.

The road is a short one. It is vital that a sustained long-term commitment must be made.

The realities of international competition demand that we encourage research and development and engineering work pointed toward better manufacturing methods and more advanced products of the highest quality.

Our policy should encourage both exports and overseas investments that enhance our international competitiveness and benefit our balance of trade. Regulatory actions must sensibly weigh costs against benefits.

We must encourage communication and cooperation among industrial research laboratories and those in our universities, colleges, technical schools and at every level of our educational process.

And finally, it should be our policy to depend wherever possible on the private sector in pursuing industrial goals.

These are times of exceptional challenge. Yet every generation has faced an impressive list of challenges.

Fifty-two years ago the United States found itself in what one historian called "the cruelest year of the Great Depression."

There was reason enough to be discouraged in 1932. U.S. stocks were worth about 11 percent of their 1929 value.

General Motors stock dropped to 8 percent of its precrash value. More than 5,000 banks failed and the gross national product sank from a high of $104 billion to $41 billion.

By most estimates, 15 to 17 million people were out of work. Fortune magazine estimated that 34 million men, women, and children were without any income.

In Detroit, depression gave way to anger as car sales fell and a quarter of a million people became unemployed. The mood turned ugly. When President Hoover came to campaign, a near-riot broke out and he had to be protected by mounted police.

The Depression and its human consequences illustrate two points:

First, even in the United States, the social fabric can become frayed in periods of economic distress. And second, the health of great industries cannot be taken for granted.

For more than 20 years we have heard much about the so-called post-industrial society.

The term has not served us well, because it has been misinterpreted as meaning that the industrial underpinnings of our economy can be taken for granted.

Public policies have stressed consumption at the expense of investment.

As a result we have invested in inadequately in the modernization and growth of our industries.

Somewhere along the line, we lost sight of the fact that social programs and improved living standards are attainable only in a highly productive and competitive economy.

Today three-tenths of the cars and one-fifth of the clothing bought by Americans are foreign made. Both at home and abroad the United States is beginning to lose market position in such sophisticated industries as machine tools and electronics.

But this brings us to a point closely related to the need for new partnerships with one deserving emphasis.

If we are determined to get our industrial machine back in good working order, we must redefine our notion of leadership.

The United States has become an intensely adversarial democracy in which each group speaks for its own interests, narrow as they may be. The differences are compromised in the political process.

In economic debates, the outcome is the result of political expediency.

Whenever Congress debates major legislation affecting industry, business, consumer groups and labor unions, each has its own way on a few points. But no group takes full responsibility for the final package.

In the end, no one wins because the legislation does not reflect the Nation's long-range interest.

Today we need to build a strong bipartisan consensus on industrial policy.

That will require thoughtful leadership from every sector in our society. We must keep in mind the lessons of the Great Depression—that social and economic progress are interconnected and that the health of our basic industries must never be taken for granted.

Winston Churchill had some words on the subject. He said, "Some see private enterprise as a predatory target to be shot. Others as a cow to be milked. But few are those who see it as a sturdy horse pulling the wagon."

The sturdy horse of American industry has helped pull this Nation forward with remarkable success for more than two centuries. New technology holds promise for further economic growth in the future—perhaps in areas that we cannot even imagine.

But progress in this country depends on a revitalized industrial base, and we must work together toward that end.●

ELSIE VICKERY, CONGRESSIONAL PUBLIC SERVICE AWARD RECIPIENT—SAN MATEO

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LANTOS. Mr. Speaker, I am delighted to announce to the House that Mrs. Elsie Vickery has been named to receive the Congressional Public Service Award for San Mateo. Mrs. Vickery was selected for this award by the San Mateo Public Service Advisory Committee chaired by Mr. J. Hart Clinton, the publisher of the San Mateo Times. The committee considered many good people, but has singled out Elsie Vickery for special recognition.

In November 1977, at the dedication of the Health and Human Services Building in Washington, DC, that was named after him, former Vice President and Senator Hubert H. Humphrey said:

The moral test of Government is how that Government treats those who are in the dawn of life, the children; those who are in the twilight of live, the elderly; and those who are in the shadows of life—the sick, the needy, and the handicapped.

Mr. Speaker, Elsie Vickery exemplifies the kind of morality that ought to distinguish our society in the care of our needy. She has been a leader in the care of the handicapped through

her selfless and devoted work with Poplar Center—San Mateo County's oldest health/service organization which this year celebrates its 60th anniversary. The center helps the developmentally disabled, from newborn infants to adults, as well as their families.

Mrs. Vickery began as a volunteer for Poplar Center in 1963, serving as a member of the auxiliary and working on fund-raising projects. She was then elected to the center's board of directors, where served as treasurer for 6 years. In 1972 she was appointed executive director. When she assumed leadership of Poplar Center, the operating budget was $100,000 with 87 clients in two programs. Up to 90 percent of the budget was from the Community Chest (later the United States). Today, thanks to her vigorous and inspired leadership, the budget is $2 million and the agency is self-supporting, leaving more United Crusade funds available to other agencies. The Poplar Center now serves 400 clients with 10 different programs for the developmentally disabled and mentally retarded.

The Poplar Center seeks to help individuals and their families cope with their disability and make them productive, happy people. The culinary/baker and landscaping programs help clients find places in private industry. Its transportation program serves 200 people daily and helps eight other agencies. The success of Mrs. Vickery's leadership is evident by its need to expand. The center now has a waiting list of individuals and families anxious to use its services.

Mrs. Vickery's next project is to reestablish Poplar Farm. An earlier farm had been a successful and unique project which brought together the mentally retarded, mentally ill, and other disabled people into wholesome productive effort. A farm in Half Moon Bay was discontinued 2 years ago when severe winter storms ruined crops and the farm became a financial drain on the center. Mrs. Vickery is now seeking a 10 acre or larger site on the peninsula to reestablish the farm.

Elsie is a lifelong resident of the peninsula and has deep roots here. She graduated from Burlingame High School, where she was president of her class. Her mother, Alice Beeman, was vice president and dean of girls for Burlingame High School, and her great-grandmother was the first white woman to enter Yosemite Valley.

Her own comments on her remarkable record of volunteer service are typically modest:

I suppose I have done the things I have done in life because no one told me as a little girl that women didn't do these things. I have been remarkably fortunate and consider myself one of the luckiest women in the world to be able to work here at Poplar Center, to be able to do a little bit to expand the opportunities and the lives of our fine clients and their families.

Mr. Speaker, such remarkable examples of service should inspire and move all of us. Elsie Vickery honors us by accepting the Congressional Public Service Award.●

FOR THE RELIEF OF WILANA LERNER

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. BIAGGI. Mr. Speaker, yesterday, I introduced a private bill for the relief of Wilana Lerner, a constituent of mine, who was employed by the U.S. Customs Service for some 6 years.

Mrs. Lerner was forced to retire when she contracted thrombophlebitis of the right leg, which rendered her unable to work. Prior to submitting her resignation, she sought the advise and counsel of the personnel officer at her employing agency regarding her entitlement to receive both disability and retirement. She was informed that she was not entitled to disability. Accepting this information, as most would, she merely filed a claim for retirement.

Subsequent to receiving this information, she was informed by a friend who was employed in another Government personnel office that she was in fact entitled. She proceeded to file a claim but was denied because more than the required 1-year period had elapsed and she was too late.

Mrs. Lerner then contacted my office and we instituted an investigation of the case and were advised in letters from the Office of Personnel Management that she, in fact, would have been entitled to disability based on the merits. Mrs. Lerner pursued every possible administrative remedy available and in each case was turned down because of the late filing.

My decision to sponsor this legislation has two motivations. The first, of course, is to help Mrs. Lerner receive all that she is entitled to. The second and somewhat larger issue is to use this legislative vehicle to focus attention on the responsibilities which those individuals who advise Federal employees on their rights and benefits must exercise. I equate this to the fiduciary responsibilities which individuals have who manage private pension plans and notify individuals of their rights. It is a somewhat hazy area at the present time, but I believe there must be a higher standard exercised by these individuals, especially when their recommendations have such an impact on the lives of individuals.

At this point in the RECORD I wish to print the text of my bill for the relief of Wilana Lerner:

H.R. 6141

A bill for the relief of Wilana Lerner

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Wilana Lerner, of Bronx, New York, shall be considered to have filed an application for disability retirement annuity under section 8337 of title 5, United States Code, within the period described in subsection (b) of such section. Wilana Lerner would have filed such application within such period if a United States Customs Service personnel officer had not incorrectly informed her that she was not eligible for such annuity.

(b) Any entitlement of Wilana Lerner to disability retirement annuity under section 8337 of title 5, United States Code, shall be without regard to the last sentence of section 8342(a) of such title.

SEC. 2. Upon a determination that Wilana Lerner is entitled to disability retirement annuity under section 8337 of title 5, United States Code, by reason of this Act, the Director of the Office of Personnel Management shall certify to the Secretary of the Treasury the aggregate amount of the annuity payment that Wilana Lerner would have received if she has been receiving such annuity for the period beginning on March 9, 1971, and ending on the date of the commencement of the period covered by the first monthly annuity payment pursuant to this Act. The Secretary of the Treasury shall pay such amount to Wilana Lerner from funds contained in the Civil Service Retirement and Disability Fund.

SEC. 3. It shall be unlawful for any amount exceeding 10 percent of the payment referred to in section 2 to be paid to, delivered to, or received by any agent or attorney for services rendered in connection with such payment. Any person who violates this section shall be fined not more than $1,000.●

SURVEY RESULTS OF THE 33D CONGRESSIONAL DISTRICT OF CALIFORNIA

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. DREIER of California. Mr. Speaker, last April I distributed a survey to my constituents in the 33d Congressional District of California, asking their views on budget priorities and strategies for reducing the Federal deficit. Given the current tax debate between Walter Mondale and President Reagan, I would like to share the results of the survey with my colleagues in Congress and the feelings of my constituents on this issue.

The questions and results are as follows:

1. What do you think is the best way to reduce the deficit?

a. Reduce spending—64 percent.

b. Raise taxes—3 percent.

c. Freeze spending across the board—14 percent.

d. Combine tax increases with spending cuts—17 percent.

e. No action is needed—1 percent.

2. In which areas should spending be cut?
a. Defense—36 percent.
b. Domestic programs—58 percent.
c. Foreign aid—75 percent.
d. No cuts should be made—2 percent.
3. Almost 50 percent of the Federal budget is devoted to "entitlements," programs that receive automatic spending increases based on formulas specified by law. Which, if any, of the following entitlements should be curtailed?
a. Farm price supports—68 percent.
b. Medicare—21 percent.
c. Federal retirement programs—65 percent.
d. Unemployment benefits—33 percent.
e. Veterans pensions—22 percent.
f. Food stamps—61 percent.
g. No cuts should be made—5 percent.
4. What steps, if any, should be taken to increase revenue?
a. Raise personal income taxes—10 percent.
b. Raise corporate taxes—33 percent.
c. Repeal indexing of income tax rates—15 percent.
d. No new taxes should be enacted—51 percent.
5. Should Congress give the President a line-item veto?
Yes: 83 percent.
No: 13 percent.
No response: 4 percent.

It is becoming increasingly obvious that excessive Government spending is directly responsible for the massive Federal budget deficit we have incurred over the years, and my constituents have come to recognize this fact. I also believe these results reflect the common views of the American public as a whole.

Increased taxes will not relieve the explosive growth in the Federal budget. Congress cannot continue to force the American taxpayer to foot the bill for needless programs and wasteful Government inefficiency. Federal spending, $196 billion in 1970, has ballooned to a whopping $854 billion this fiscal year, almost a quarter of the gross national product.

Mr. Mondale has stated that only the rich will be affected by his proposed tax increase. If this is so, he clearly has no plan for dramatically reducing the deficit, because of all personal taxable income, 75 percent lies below the $20,000 taxable income bracket, while only 3 percent of taxable income comes from those earning above $75,000. It is obvious as to who would be affected by a tax increase.

It is time for Congress to recognize that the long-term interests of our Nation are in serious jeopardy, and that token gestures which deceive the American people—that is the deficit reduction package—are only harmful to economic growth and prosperity.

My constituents have recognized that the deficit must be reduced, but they categorically reject tax increases as a means of bringing the budget into balance. We can, and must reduce Federal spending and encourage fiscal responsibility on the part of Congress, rather than continuing the tax-and-spend policies of the past.●

TRIBUTE TO MR. GERALD D. PERA, RECIPIENT OF THE 1984 HALF MOON BAY PUBLIC SERVICE AWARD

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LANTOS. Mr. Speaker, I welcome this opportunity to pay tribute to the recipient of the Half Moon Bay Congressional Public Award, Mr. Gerald D. Pera.

Mr. Pera holds an extraordinarily distinguished record of service to his community, and I would like to share with you today a few of his remarkable achievements. He has been active in many areas of public philanthropy, and has given generously of both his time and his money to benefit those around him.

He has been a lifelong supporter of the Boy Scout movement of America, and continues to work long hours on their behalf. As both a Scout and Cubmaster he has helped guide generations of Half Moon Bay students toward the values and high standards of which the Boy Scouts of America can be so proud. Now, as a representative of the scouting movement, he sits on the executive board of the San Mateo County Council, and other parts of the Bay Area are now benefiting from his extensive experience.

Mr. Pera's deepfelt commitment to the youth of the area has also been evident in his long-term association with Our Lady of the Pillar Church in Half Moon Bay which has been fortunate enough to have Mr. Pera among her worshippers for many years. From 1968 to 1988 he served as a lay preacher, and in 1978 he assumed responsibility for coordinating the altar boy program. From 1961 until 1968 Mr. Pera dedicated his efforts to the local Catholic Youth Organization Team Club.

Mr. Pera has also been widely active in civic affairs: In 1970, he was elected as councilman for Half Moon Bay, and later served as mayor. He takes his responsibilities to his community with great seriousness—and provides an excellent role model for those around him. In 1972 he cochaired the committee to raise funds to build the Half Moon Bay High School swimming pool—a project which met with complete success, largely through his dedication. From 1970 to 1974 Mr. Pera represented Half Moon Bay at the League of California Cities, and in 1981 he was selected as an executive fellow to Gov. Edmund G. Brown.

Together with his wife, Eva and their children, Jerry, Tony, and David, Gerald is an admired and respected member of the community. For over 25 years Gerald has given generously of his skills and talents to the gain of all around him. I congratulate Half Moon Bay Public Service Advisory Committee on their outstanding choice, and am delighted that Gerald's achievements have been recognized in this manner.●

RAIL SAFETY

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Ms. MIKULSKI. Mr. Speaker, the recent series of Amtrak accidents, some resulting in fatalities, has highlighted the importance of rail safety for our Nation's intricate rail system and demonstrates what can happen if we fail to insist on the highest possible standards of rail safety.

Over the years, Amtrak's safety record has generally been good but, in recent months we have read too many reports about yet another accident involving an Amtrak train. I was pleased to see that our colleague from New Jersey, JAMES J. FLORIO, chairman of the Commerce, Transportation, and Tourism Subcommittee, of which I am a member, spoke out on the important need for an effective Federal rail safety programs enforcement, in my hometown newspaper, the Baltimore Sun.

In his article, Mr. FLORIO makes several timely recommendations concerning our rail safety programs. Mr. Speaker, as Mr. FLORIO points out, we must remember the importance of vigilance to promote safety and we must remember to learn from the tragedies of the past to prevent tragedies in the future. I commend the article to the attention of our colleagues:

WHAT CAN WE DO ABOUT RAIL SAFETY?

(By James J. Florio)

The recent series of Amtrak accidents has highlighted the importance of rail safety. While the overall rail safety record has improved over the last several years, continued vigilance is essential. The Amtrak accidents show what can happen if we fail to insist on the highest standards of safety.

Amtrak was established in 1971 to take over rail passenger service from the freight railroads. Over the years, Amtrak's safety record has generally been good. According to the Federal Railroad Administration, between 1976 and 1980 there were .06 passenger fatalities per 100 million passenger miles on rail passenger trains, compared with .04 on scheduled domestic airliners and 1.32 on passenger autos and taxis. Clearly, rail travel has been considerably safer than the auto.

Over the last several months, however, this record has been blemished. On November 12, 1983, an Amtrak train derailed outside of Marshall, Texas. Four people died. In the middle of March, an Amtrak train hit

a truck in Montana, killing the driver. Recently, an Amtrak train derailed near Philadelphia.

The month of July has been particularly tragic. On July 4, two people were killed in a parked truck when it was hit by an Amtrak train in South Carolina. On July 7, Amtrak's Montrealer derailed in Vermont after a washout, killing five. July 11 saw an Amtrak train hit a diesel-fuel truck in South Carolina, killing the engineer and the truck driver. On Monday, two Amtrak trains collided head-on in Queens, killing one. And on Thursday, one person died when an Amtrak train collided with a pickup truck—the third train-truck grade-crossing accident in South Carolina this month.

There have also been several freight train accidents in the past few months, some involving fatalities as well.

All these accidents are different. Some of the passenger train accidents occurred on lines owned by private freight railroads, over which Amtrak operates outsdie of the Northeast Corridor. Others, such as the recent collision in Queens, occurred on Amtrak's own line.

Some of the accidents may be hard for Amtrak or a private railroad to prevent. For example, grade-crossing accidents often occur because drivers of motor vehicles attempt to beat the train. By the time the train engineer sees the vehicle, is is usually to late. Of course, the consequences of such a tragic accident are far worse when the motor vehicle is a fuel truck.

Other accidents could more easily be prevented by the railroad. The lessons of these accidents must not be forgotten. Steps must be taken to ensure that similar accidents do not happen in the future.

What should Amtrak and the private freight railroads do? Better inspection procedures are necessary, particularly in response to changes in weather conditions. The accidents in Philadelphia (due to blistering heat) and Vermont (due to heavy rain) might have been prevented. While railroads are less affected by weather than the airlines, changes can wreak havoc with any form of transportation.

Better communication is also important. Head-on collisions such as the one in New York may be caused by computer failure—a missed or improper signal.

Drug or alcohol use has also been implicated in several recent rail accidents. We must insure that there are programs to prevent the use of drugs or alcohol in railroad operations and to assist employees with these problems.

But the railroads alone cannot prevent all accidents. Drivers must be taught not to try to beat the train at grade crossings. Existing education efforts, such as Operation Livesaver, coordinated by the National Safety Council with assistance by Amtrak and the freight railroads, must be promoted and expanded.

Grade-crossing protection must be improved, with safety devices at these crossings reliably inspected and maintained. Perhaps consideration should be given to encouraging trucks—particularly those carrying hazardous materials—to use more overpasses and underpasses and fewer grade crossings.

Obviously, even the best efforts will not prevent all accidents. But trains should be designed so passengers can survive an accident. To some extent, this is already done. When a plane crashes, there may be few survivors, if any; when a train crashes, there are usually many injuries, but only a few fatalities. But better crash protection could prevent even those fatalities.

Finally, the federal and state rail safety inspection and enforcement programs must be maintained and improved. There are now 427 safety inspectors; 325 work directly for the Federal Railroad Administration (FRA), and the other 102 work for various states.

These state inspection programs have been certified by the FRA as qualified to inspect for violations of federal safety laws and regulations. The state inspectors are a vital part of the national inspection corps.

In recognition of this, the federal government pays half of the cost of the state inspectors, realizing that their presence is necessary. Furthermore, if the states did not pay the other half of the cost, the federal government would be forced to pay that also.

Unfortunately, the administration has proposed eliminating the federal funding for these state inspectors. If federal funding is eliminated, the inspectors will be, too; rail safety will decline, and rail passengers will be the victims.

Fortunately, Congress has resisted this ill-advised proposal and has continued to maintain at least the existing number of safety inspectors. Budget cuts should not be made at the expense of rail safety.

The recent Amtrak accidents have been a tragedy. We must remember the importance of vigilance to promote safety. And we must remember to learn from the tragedies of the past to prevent tragedies in the future.●

THE BEST ENERGY POLICY FOR CONSUMERS

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. BROYHILL. Mr. Speaker, we all want to provide consumers with the energy they need at the lowest possible price. The debate between the Republican Party and the Democratic Party is what policy will produce this desired result. The Democratic Party favors the regulation of energy production and the control of markets. The Republican Party favors the deregulation of energy producers and competition in energy markets.

Which policy is best for consumers? I think my colleagues will find instructive the views of an Oklahoma oilman published in the Wall Street Journal of August 7, 1984, and I ask that it be printed in the RECORD at this point:

AN OILMAN LOOKS KINDLY ON MONDALE

(By Bill Dutcher)

As an independent oil and natural gas producer, I strongly supported Ronald Reagan in 1980. But this time around, I'm going with Walter Mondale. Why? Because I've learned, through painful experience, that the most likely result of any political act is the opposite of what was intended.

Like most independent oilmen, I supported Mr. Reagan even though I was prospering under the bureaucratic regulations of the Carter-Mondale administration. We were lured by Mr. Reagan's promises of tax cuts and free markets. He delivered on most of his promises, and it turned out to be a classic case of "be careful what you wish for because you just may get it."

Mr. Reagan decontrolled the price of domestic crude oil and quit subsidizing oil imports through the so-called "entitlements" program for domestic refiners. These steps contributed to the drop in world oil prices, which caused fuel oil prices and, ultimately, natural gas prices to decline. He also cut the marginal tax rates on ordinary income from 70% to 50%, thereby drying up a major source of tax-shelter dollars that had been flowing into public drilling funds. For many independent oilmen, the results were disastrous.

Perhaps the most striking example of the political backfire phenonmenon occurred in the market for deep natural gas. President Carter's Natural Gas Policy Act, a compromise bill patched together after nearly two years of bitter legislative infighting, deregulated the price of deep natural gas, on the logical (if you are a regulator) premise that it costs more to drill deeper. The new law created a spot market for deep-gas, subject neither to price controls nor the windfall-profits tax.

From 1979 through 1982, billions of dollars poured into the search for deep gas. Gas-hungry interstate pipelines gradually bid up the price to $9 per thousand cubic feet (mcf) as they were able to average in its costs with their lower costs for price-controlled gas. But as Mr. Reagan's free-market policies took hold, a gas surplus developed and the bottom dropped out of the deep-gas market. Today, the price of deep gas is below $3 per mcf, when the pipelines buy any at all.

The bankruptcy courts in Oklahoma City are logjammed with the hundreds of independent gas exploration and service companies that borrowed heavily as they raced to get in on the deep-gas boom. Most of the $2 billion in oil and gas loans originated by Penn Square Bank were directed into the deep-gas frenzy. Long since gone bad, these loans were a major factor in the demise of Seattle First National Bank and in the pending nationalization of Continental Illinois, two upstream banks that purchased a majority of the Penn Square loans.

During the freewheeling boom times, Oklahoma City became a major source of campaign funds for the 1980 Reagan campaign. Most of the money Mr. Reagan raised from the independent oilmen there was, directly or indirectly, borrowed from Penn Square. This didn't prevent the administration from allowing Penn Square to go down the tubes, even though the failing bank took a lot of Reagan supporters down with it. (I found it almost humorous when the Republican Finance Committee recently dispatched an official to Oklahoma City to find out why most of the committee's financial support there had seemingly evaporated.)

If Mr. Reagan continues in office, all I can see is more competition for producers and lower prices for consumers. Since I've decided to vote my pocketbook, my first choice would be a politician in the mold of Ted Kennedy, one who would be more blatantly anti-oil, pro-consumer. In short, I's like to vote for a politician who would truly set out to do me in.

But I guess I'll have to settle for Mr. Mondale. While Fritz seems to be moving to the political center recently, I am confident that, once in office, his true liberal colors will show through and he will set out to punish the oil industry for its current and past sins. While screaming "don't throw me

in that briar patch," I will be studying his proposed new regulations carefully, looking for the loopholes that will allow me once again to prosper in the oil and gas business.●

LET US NOT REWARD POLAND YET

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. BIAGGI. Mr. Speaker, in the August 8 Washington Post the syndicated columinst William F. Buckley wrote a column entitled "Is Poland More Free Today?" It focuses on the very timely issue of whether the United States should further lift the sanctions imposed against the Government of Poland after they declared martial law.

This issue has taken new prominence due to the decision several weeks ago by Polish Government officials to provide amnesty for certain political prisoners. Yet as Buckley points out in his column not only is this a conditional form of amnesty—it is also only partial amnesty for while it provides freedom for about 650 prisoners it does nothing for another 1,500.

The point of Buckley's column is one I concur in fully, is let us not move too quickly to lift an additional sanctions beyond those just announced by the President. The oppressive nature of martial law still exists—and while there are improvements on the horizon it is too early to tell if they will in fact produce real results and benefits for the Polish people.

At this point in the RECORD I wish to insert the Buckley column:

IS POLAND MORE FREE TODAY?

It is expected that the president will soon rule on the readmission of Poland into the world of the International Monetary Fund. Already it is forecast that Poland will reenter the world of American's most-favored nations. MFN treatment by the United States means that no import taxes will be levied at a rate higher than is levied against the lowest-taxed country: the most favored nation. Enter on the scene (my scene) an American with close relatives in Poland, one of whom has just emigrated, who maintains intimate ties with Poles in America and abroad. The exchange is best summarized in a question-and-answer exchange.

Q. Hasn't the government of Gen. Jaruzelski made concrete concessions toward human rights, for instance, by releasing the political prisoners?

A. The release of 650 political prisoners is a *trompe l'oeil* done on a grand canvas. For one thing, what about the political prisoners he has not released? Another 1,500 at least. For another, don't we realize that it is an old trick of Jaruzelski to release on Monday and reimprison on Thursday, if he is in the mood to do it? But more striking than this is the kind of existence the released prisoners go on to lead. They are watched. They are regulated. They are detained, they are beaten up and tortured. They become lifelong victims in a prison without walls, without legal protections. The whole idea of freedom for 650 Poles is a chimera.

Q. But isn't it true that since the lifting of martial law, life in Poland is freer?

A. It would be difficult to find a Pole who saw a significant difference between life then and life now. To the extent that there is any freedom left in Poland, it is the freedom that is given to those who submit, who give up hope. There are continuing detentions, and these take place with special force 48 hours before any scheduled demonstration. There are disappearances, there is kidnapping. The great objective is to encourage the emigration of Solidarity leaders. To encourage the emigration of all of Solidarity would hardly be feasible, inasmuch as there were 14 million members of the organization, and though it is proscribed, its members still feel themselves attached to the organization.

Q. But doesn't economic aid and the credit that would flow to Poland if the Reagan administration OKs the proposals mean help for the Polish people?

A. That is the crowning misunderstanding of American policy. The Polish people receive exactly the level of economic help the Soviet Union wants them to have. Aid that will come in now—credit, machinery, the rest of it—will go to producing wealth that will be consumed by Poland's Soviet overlords, plus the reigning janissaries in Warsaw and elsewhere.

Q. Why don't we hear, then, from more Poles that they oppose loosening the economic sanctions imposed by President Reagan?

A. For one thing because it is dangerous publicly to oppose, in a slave state, the positions of the rulers. But many Poles run that danger. Zbigniew Bujak, a top leader of underground Solidarity, has strenously argued against a diminution of sanctions. His position reflects the overwhelming sentiment in Poland. We are reminded that the demonstrations, when the pope was in Poland, and the monthly commemorations of Solidarity's suppression are continuing testimony to the resistance movement's vitality.

Q. Why is it that the human rights division of the State Department has not reported more intensively on the Polish situation?

A. We have no explanation for that, no understanding of its relative neglect.

Q. What alternative is there?

A. All aid to Poland should be channeled through charitable organizations, most particularly, in Poland, the church. In that way the people, not the Soviet-run government, are helped.

Q. What would be the result of loosening economic restrictions?

A. You Americans run a great danger. The ties, psychic and emotional, currently felt between the Polish people and the American people are based on their conviction that the Americans are consistent allies. If they crumble now, the word will go out that American domestic politics, and all the empty talk about reconciliation and detente, have subverted America's principal commitment, which is to make it tough on slave masters who rule sadistically over a people longing to be free.●

IMRE REVITSKY—UNSUNG SAVIOR OF WORLD WAR II

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LANTOS. Mr. Speaker, in 1981 Congress honored the memory of Raoul Wallenberg, the valiant Swedish diplomat who saved thousands of Jewish lives from Nazi tyranny in Hungary during World War II, by bestowing honorary American citizenship upon him. This remarkable distinction was a fitting tribute to a man who courageously confronted the deadly efficiency of the Nazi roundup squads to save the last remnants of European Jewry in the final months of the war.

The heroism of Raoul Wallenberg is truly unique. Yet, new information indicates that Wallenberg was not alone in his effort to redeem life in an incredible period of darkness. I speak of the actions of Imre Revitsky, in many ways an unlikely man who would become known as a "righteous gentile" for his actions in behalf of Hungarian Jews.

Revitsky was the commander of a forced labor camp for the Nazis in a section of Hungary which is now Romania. Although such camps earned a deserved reputation for their brutality and astronomical death rates, Revitsky actually fashioned his camp into a way station for opportunity. At great risk to his own life, this special man openly disobeyed Nazi orders about treatment of his prisoners. Rather than ship the Jewish inmates to death camps, Revitsky worked to slip large numbers of the prisoners to the Hungarian underground where they were spirited to freedom.

Nazi commanders finally uncovered Revitsky's "underground railroad" and imprisoned him in 1945. When the Nazi grip on Hungary was broken later that same year, Revitsky was gratefully received by hundreds of Jews who remembered his courageous acts in their behalf.

Imre Revitsky died in 1957, but the contribution of this daring and resourceful man has not been forgotten. Yad Vashem, the International Holocaust Memorial in Jerusalem, paid solemn tribute to this servant of the purest human ideals. Revitsky's tombstone offers a fitting and simple tribute to his efforts in World War II in the name of decency:

Here rests a righteous gentile who in World War II risked his life to save thousands of Jews from extinction.

Revitsky's son Adam, is presently at work on a book exploring his father's incredible life. As part of his research Adam Revitsky has contacted hundreds of people who survived the Holo-

caust because of the efforts of his father. The warmth and emotion of those meetings must be truly inspiring to Adam Revitsky, as I believe his book will inspire many people throughout the world who will be exposed for the first time to the good works of Imre Revitsky.

Santayana wrote: "Those who do not remember history are doomed to repeat it." At the same time, I believe it is just as important for mankind to remember those brave figures who have held honor and humanity dearer than their own lives, and have been willing to give their full measure to save their fellow man. Imre Revitsky is just such a man.●

REAGAN RAISES NEW OBSTACLE TO HOUSE BILL ON IMMIGRATION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. EDWARDS of California. Mr. Speaker, I want to call to the attention of my colleagues an article which appeared in the the New York Times on Thursday, August 9. The article examines the administration's latest objections to the House-passed immigration reform bill.

Many of us here in the House have been concerned that enactment of the Simpson-Mazzoli bill would result in discrimination against legal resident aliens and citizens of Hispanic descent. Although the administration has repeatedly stated that our concerns are unfounded, we now find the antidiscrimination provisions of the House bill attacked by the administration for going too far in protecting the rights of legal aliens and Hispanic workers. I think this article should demonstrate to my colleagues the administration's lack of commitment to protecting the civil rights of persons legally in this country who might encounter discrimination as a result of the immigration bill's provisions. It is obvious this administration attaches a low priority to civil rights concerns, not only for resident aliens but for American citizens as well:

REAGAN RAISES NEW OBSTACLE TO HOUSE BILL ON IMMIGRATION

(By Robert Pear)

WASHINGTON, August 8.—The Reagan Administration has raised a new objection to the House version of a comprehensive immigration bill, saying it goes too far in protecting the rights of legal aliens and Hispanic workers.

Senator Alan K. Simpson, a Wyoming Republican who is the chief sponsor of the Senate bill, said Attorney General William French Smith had objected to a provision of the House bill that would, for the first time, prohibit employers from discriminating against legal aliens in hiring or recruiting workers.

Representative Barney Frank, a Massachusetts Democrat who proposed this section of the bill, said it was "a thoughtful and very practical scheme to protect potential victims of discrimination." Hispanic groups contend that such discrimination is likely to arise from another section of the bill that forbids employers to hire illegal aliens and penalizes those who knowingly do so.

The administration's objection creates a new obstacle for the immigration bill, which is already in trouble because of opposition from Hispanic groups and many Democrats, including Walter F. Mondale, the party's Presidential nominee.

A NEW BUREAUCRATIC ENTITY

Administration officials contend that the House bill would create a costly, unnecessary bureaucratic entity within the Justice Department to investigate complaints of job discrimination.

In June the House approved Mr. Frank's proposal by an overwhelming margin, 404 to 9, with 150 Republicans supporting it. The House then passed the entire immigration bill by a narrow margin, 216 to 211. The Senate passed a similar bill but, by a vote of 59 to 29, rejected the sort of remedies for discrimination approved by the House.

On Tuesday the Senate asked for a House-Senate conference to reconcile differences between the two bills. The Senate appointed seven conferees, and the Speaker of the House, Thomas P. O'Neill Jr., said he would try to appoint the House conferees by Thursday.

William Bradford Reynolds, Assistant Attoney General for civil rights, expressed "serious reservations" about the antidiscrimination provision, saying it "charts an unprecedented course in civil rights law."

A PREFERENCE FOR CITIZENS

Mr. Reynolds said the existing statutes enforced by his office did not prohibit "discrimination in hiring on the basis of alienage." Further, he said, "It is understandable that some private employers might prefer to provide employment for United States citizens rather than for citizens of other countries who come here to work."

Lobbyists for business organizations, including the National Association of Manufacturers and the Chamber of Commerce of the United States, expressed similar concerns.

In 1980, the last year for which the Immigration and Naturalization Service has complete data, there were 5.4 million legal aliens in the United States, including 4.5 million permanent resident aliens. Permanent resident aliens have most of the rights of citizens except the right to vote.

The House bill would create a new enforcement apparatus within the Justice Department to investigate complaints of employment discrimination based on either national origin or "alienage." Employers who violated the ban on discrimination would be subject to civil penalties of up to "$4,000 for each individual discriminated against." That is twice the maximum penalty that could be imposed on employers who knowingly hired illegal aliens.

An employer accused of discrimination would be entitled to a hearing before an administrative law judge working for a new Justice Department agency known as the United States Immigration Board. The board could award back pay to victims of discrimination and could order employers to "cease and desist" from discriminatory hiring practices.

Individual employees could file complaints directly with the board if the agency's special counsel failed to do so after an investigation lasting 30 days.

Title VI of the Civil Rights Act of 1964 forbids employers to discriminate on the basis of race, color, religion, sex or national origin. But it does not cover employers with fewer than 15 employees. And the Supreme Court has held that "nothing in the act makes it illegal to discriminate on the basis of citizenship or alienage."

The House bill, with Mr. Frank's proposal, would cover employers with four or more employees.

Representative Peter W. Rodino, Jr., a New Jersey Democrat who is chairman of the House Judiciary Committee, assured his colleagues that he would fight to preserve the safeguards against discrimination.

But aides to Senator Simpson said that on this issue he tended to agree with the Administration and opposed the idea of creating a new legal remedy, or "private right of action," for employees charging discrimination.

However, the measure drew support from many conservatives, including Representative Steve Bartlett, a Texas Republican, who said, "What the Frank amendment does is to state specifically and categorically that discrimination will not be tolerated."

In a speech to a Hispanic group last month, Vice President Bush said President Reagan "will not sign any legislation that would permit employers to discriminate against Hispanics or anyone else."●

HAITI'S DUVALIER MAKES PROMISES, BUT NO IMPROVEMENTS

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. DELLUMS. Mr. Speaker, The Haitian Government, under the authoritarian rule of Jean-Claude Duvalier, continues to repress the rights of its people and denies most basic freedoms. Recently, Haitians have taken to the streets not only to demonstrate against food shortages, but to finally air long-repressed grievances aimed at a government that has no concept of human or civil rights. The U.S. Government has certified that Haiti is making a concerted effort to improve its human rights situation twice in the past 7 months. Despite recent Duvalier promises to loosen his stranglehold on Haitians, the abuses continue uninterrupted.

I would like to present to my colleagues a report concerning the recent disturbances throughout Haiti, prepared by Christine Link, a research associate of the Council on Hemispheric Affairs, an authoritiative body that performs a valuable service by monitoring all aspects of U.S.-Latin American relations. I hope that COHA's findings serve to remind members of this body that, contrary to State Department certification and Duvalier promises, respect for human rights by

the Government of Haiti remains a distant goal for this nation of over 5 million people.

HAITI'S DUVALIER MAKES PROMISES, BUT NO IMPROVEMENTS

(By Christine Link)

By all accounts the largest demonstration in Haiti's history, occurring May 29 in Cap-Haitien could be taken as a signal that the people of Haiti want President-for-Life Jean-Claude Duvalier to act on the promises he made five months ago to loosen his stranglehold on the country's political parties and press and to comply with an avowed willingness to curb government excesses and human rights abuses. Many observers interpreted the series of public disturbances in major Haitian cities in late May as a message from a no longer cowed citizenry to Duvalier that the time has come to end his democratic posturing and submit the draft for regulating the operation of political parties which he proposed May 9.

Understandably, few Haitian specialists in the U.S. were optimistic about Duvalier's proposed relaxation scheme, and the events which followed proved that their skepticism was in order.

"Down with Duvalier," "Down with misery," read the placards carried by some Haitian protestors during the May 29 Cap-Haitien demonstration. Meanwhile, soldiers killed at least three people in that city when a mob stormed a CARE warehouse, protesting against corruption in the food distribution system.

The unrest, which was to spread throughout the country, began in mid-May in Bombardopolis following the arrest of a Haitian citizen by soldiers. One week later, a similar incident occurred in Gonaives when a pregnant woman was beaten, sparking rioting which spread to Cap-Haitien.

The day after the May 29 Cap-Haitien food riot, the Duvalier government abruptly announced the firing of five cabinet ministers, although none of those terminated could be linked to the alleged illegal selling of food provided by CARE. The only minister to be dismissed from the government's "inner circle" was Alix Cineas, Minister of Public Works, and one of the five ministers of state.

During the two days of riots which rocked Gonaives, the government dispatched Cineas to the city in an attempt to quiet the situation. But Cineas came back to Port-au-Prince and reported the deep opposition to the Duvalier regime which he witnessed and heard among the demonstrators. Duvalier acted immediately by firing Cineas from his Minister of Public Works position.

"Given the unrest generally, and even within the regime itself, it is not surprising that there was a cabinet shape-up," said Steve Horblitt, staff aide to Rep. Walter Fauntroy (D-D.C.). "But the food riots are only at the surface of a problem which goes much deeper," according to this veteran and highly regard Haiti watcher. Even though Duvalier initiated the token cabinet shuffle, it is still business as usual in Haiti. All political activity and pamphleteering is banned until Duvalier submits the necessary legislation to the National Assembly. This move could be delayed until the body reconvenes in April 1985, leaving the future of the reform legislation in limbo.

But now, some forces within the regime are blaming much of the recent violence on Duvalier's announcements of alleged progressive measures, claiming the President's pledges gave Haiti's usually passive populace the idea that they could do anything and not be punished. According to a June 13 Washington Post story, Duvalier wrote a series of letters in March ordering the Volunteers for National Security and the Army to stay out of civil and police affairs, adding that beatings and torture were "strictly forbidden" in Haitian jails.

Those close to Duvalier remain divided over whether to press ahead for political concessions, or continue the historic policy of stifling freedoms. At present, it appears that the latter forces are prevailing. On June 18, the Haitian secret police detained without explanation Haiti's most influential independent editors. Gregoire Eugene, leader of Haiti's Social Christian party and editor of the magazine "Fraternite" was taken from his home in Port-au-Prince and detained at the interrogation prison, the Casernes Dessalines for two days. His printing press was also seized, as was the latest issue of his magazine. Dieudonne Fardin, editor of the weekly "Le Petit Samedi Soir" was released after questioning, but Pierre Robert Auguste, editor of the weekly paper "L'Information" had his right arm broken during questioning. Neither "L'Information" nor "Fraternite" have been allowed to publish since then. The movement of Sylvio Claude, leader of Haiti's Christian Democrat party has also been severely limited since the secret police raided his house July 4, forcing him once again into hiding. Recent copies of his periodical "La Conviction" were also seized.

This past May, the U.S. House of Representatives signalled its dissatisfaction with the Duvalier regime by tacking on several conditions to the $48 million fiscal 1985 assistance package it authorized for Haiti. In order for Haiti to receive this aid, the U.S. President must certify early next year that the Duvalier government is "making a concerted and significant effort to improve the human rights situation by implementing the political reforms which are essential to the development of democracy in Haiti, including the establishment of political parties, free elections and freedom of the press." Congressional black Caucus members Walter Fauntroy (D.-D.C.) and Julian C. Dixon (D-Calif.) have also directly communicated to President Duvalier their alarm over the repressive treatment of the press and the further deterioration in the human rights situation.

In its May 14 report on human rights in Haiti, the State Department routinely found that the Duvalier regime was making progress towards greater freedoms for Haitians. But recent incidents have proven the emptiness of Duvalier's promises and the difficulties with the State Department certification. Nonetheless, the use of foreign assistance has been one of the few tools available to the U.S. when trying to prod the Duvailer government into beginning a democratization of Haiti. The question should not be whether to cut economic aid entirely, but rather, how much of a cut is needed, and where, before the Duvalier government will loosen its grip, since cutting off aid entirely would only further injure already impoverished Haitians. As Gregoire Eugene reiterated:

"The economic situation here (Haiti) is so difficult that the government needs foreign help. If the aid is made contingent on respect for human rights, individual freedoms, the government will be obliged to allow the functioning of political parties. The government has no choice if it wants more aid."

Clearly, a more careful monitoring of where U.S. develpment assistance ends up is necessary since there are questions as to the actual impact of the aid on the average Haitian, given the well established role of corruption in every fact of public life in the nation. Increased pressure must also be placed on the State Department to take a more active and visible role on human rights issues in Haiti. Without constant monitoring and pressure, there is no way of pushing the Duvalier government to institute and sustain much needed reforms.●

MRS. BIRDIE GREEN, PUBLIC SERVICE AWARD RECIPIENT—MENLO PARK

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LANTOS. Mr. Speaker, I am delighted to announce that the Congressional Public Service Advisory Committee for Menlo Park has named Mrs. Birdie Green as the recipient of the 1984 Congressional Public Award for Menlo Park.

Mrs. Green was born in 1913 in Newellton, LA, and moved to Menlo Park, CA, in 1946 at the end of World War II. She went to work at the veteran's hospital near her home, leaving only to care for her sister-in-law and bring up her granddaughter who has recently graduated from high school.

Mr. and Mrs. Green have lived for over 30 years in the same house in Menlo Park, and throughout that period Birdie has given generously of her time and energy to diverse worthwhile causes. Local elementary and high schools, as well as seniors, have benefited from her energy and enthusiasm for the community. From 1972 to the present she has worked on nutrition programs for the elderly at the Onetta Harris Center. Recently, she participated in the demanding task of reactivating the community's home owner's association, and is now serving as its vice president. She has also volunteered with the Menlo Park Police Department where she served on the Citizens' Advisory Commission.

Mrs. Green's contributions have made Menlo Park a better and friendlier community for all those who live there. I am proud to have a person of her standing and quality living in my district—she attracts admiration and respect from all around her.

Mr. Speaker, it is my great privilege to honor Mrs. Birdie Green with the 1984 Congressional Public Service Award for Half Moon Bay. She is an active and contributing person, and shares her talents and skills generously with those around her. I commend the Menlo Park Public Service Award Advisory Committee for their choice.●

U.S. POLICY AND HAITIAN REFUGEES

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. TOWNS. Mr. Speaker, I would like to bring to the attention of my colleagues in Congress, an article they may have missed last month in the Washington Post, as many of us were out of Washington for much of July.

The past few months have seen us examine and debate policy and questions concerning immigration, both legal and illegal. All too often however, we include in our discussions other foreigners who try to come to the United States, not for economic reasons, but for refuge. They seek our shores in fear for their very lives. We need to look more closely at how we treat refugees and those in need of asylum. Sometimes we do them a great injustice as in the case of the Haitians described by Roger Winter, director of the U.S. Committee for Refugees in the following article:

BOAT PEOPLE CLOSE TO HOME

THE FAILURE OF U.S. POLICY ON HAITIAN REFUGEES

Sometimes a definition of success can be mystifying.

I am thinking of the U.S. immigration official who attempted to sound positive following the June drownings of at least 12 Haitians whose boat was stopped in its journey to America. The arrest, part of the administration's "interdiction policy," which is designed to block the flow of boats on the high seas, went awry after frightened Haitians ran to one side of their vessel, capsizing it. The upset pitched an unknown number into the sea, as well as a federal employee whose body has never been recovered.

Despite this tragedy, however, the official reportedly labeled interdiction, the policy that led to the accident, a "success." According to him, such an assessment was valid because interdiction had stemmed Haitian boat flows to U.S. shores.

A callous judgment? Clearly so. But, perhaps more to the point, it is also wrong. In fact, a look at what has actually been occurring since the administration started interdiction nearly three years ago shows it to be a failure and a terrible precedent for the rest of the world.

Take, for example, a measure that the cost-cutting White House should understand—money. According to the government sources, the bill for interdiction is $25 million annually for the Coast Guard alone. If one adjusts that figure to account for the time that the policy has been in effect, and then divides it by the number of Haitians who have been stopped so far—1,900—one is left with a cost of $36,000 per apprehension. An underestimate that does not account for some other federal expenses, the amount is nonetheless high enough to appear peculiar for an administration that prides itself on frugality and supports immigration reform legislation that is short of implementation funds.

Then there is the question of the policy's effectiveness. True, the large boat flows of 1980 have not returned under interdiction, but that year was clearly exceptional, and the Haitian government had not begun its own U.S.-encouraged interdiction policy.

Furthermore, Haitian boat flows are actually on the rise. Two years ago, for example, about 20 Haitians were stopped. In 1983, the figure nearly doubled. And so far this year, those interdicted have totaled well over 1,000.

According to private sources in Florida, the upswing may stem from a variety of factors, including worsening drought conditions in Haiti and a reawakened interest on the part of local Haitian officials to assist in boat departures for gain. Diverse though they are, such observations generally illustrate how irrelevant U.S. interdiction may be to the actual size of boat flows from Haiti.

Of all of the numbers that are associated with interdiction, however, perhaps none is more compelling than the fact that not one stopped Haitian has yet to be found worthy of asylum by American immigration authorities.

Perhaps this fact should not be surprising. The product of a presidential proclamation, the entire interdiction program conflicts with the letter and spirit of law—specifically, the Refugee Act of 1980. That legislation provides asylum applicants with the right to be heard individually, with counsel and due process. Such recourse does not exist on the high seas, especially when asylum claimants are confronted by armed men in uniform who do not speak their language.

Actually, what is available to the Haitians who run into U.S. Coast Guard cutters is not exactly known, since the details of interdiction proceedings are unavailable. These circumstances hardly reflect the intentions of the Refugee Act's authors, who sought fair and open procedures for potential recipients of asylum. Nor are they compatible with U.S. obligations under the 1967 U.N. Protocol on the Status of Refugees.

Another indicator that interdiction is no "success" is Haiti itself. In a February report, the Lawyers Committee for International Human Rights found it to be a land where political opponents of the ruling regime are jailed and where there is "a climate of fear in which the democratic process has little meaning." Those assessments echo ones drawn by our own federal courts, which have heard Haitian asylum litigation.

Yet, it is to Haiti that American officials dispatch the interdicted, largely rebuffing them as "economic migrants." At the least, such a label is questionable especially when applied to all boat passengers, but even if it were true, Haitians would not be seeking a better living, but simply a living. Per capita annual income in Haiti is $300, the lowest in the Caribbean.

The U.S. interdiction policy is an ineffective and unrealistic tool that is costing our nation dearly in several respects—financially, legally, and spiritually among others.

The right thing to do would be to treat Haitian refugees with a sense of fairness and compassion in accordance with the spirit of U.S. and international law. As vexing as such an approach may be, it is also in keeping with what this nation is supposed to be about.●

TO HAVE OR NOT TO HAVE

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. ROWLAND. Mr. Speaker, I have the honor of sharing the same State with the first woman president of the American College of Obstetricians & Gynecologists. Dr. Luella Klein of Atlanta, GA, was inaugurated as the 35th president of this medical association this May in San Francisco. Her remarks at that time were informative in a subject area where all too often misinformation may be the rule more than the exception.

At this point, I am pleased to include Dr. Klein's statement to the American College of Obstetricians and Gynecologists. While birth control is a sensitive issue, facts and other pertinent information are necessary for informed decisions to be made by all concerned.

The statement follows:

TO HAVE OR NOT TO HAVE A PREGNANCY

UNINTENDED PREGNANCY AND THE RISKS/SAFETY OF BIRTH CONTROL METHODS

To have or not to have a pregnancy—one would think that that is one of the important questions in a woman's life. Today it is an available conscious choice for a woman in the United States. But the reality is that unintended pregnancy predominates.

Unintended and unwanted pregnancies are a national problem warranting national attention according to the New York Times.

The Guttamacher Institute reports in its 1983 publication, Making Choices—Evaluating the Health Risks and Benefits of Birth Control Methods, that more than half of all the pregnancies occurring in the United States today are unintended, either unwanted or ill timed, occurring before the woman wants a child.

There were more than six million pregnancies in the United States during 1980, 3.3 million of which were reported as unintended. This is a very high rate of ill-timed and unwanted pregnancies for an industrial western nation. About half of these 3.3 million unintended pregnancies were terminated by legal abortion.

Of the 55 million U.S. women of reproductive age, about 36 million face the problem of preventing an unintended pregnancy each year. Women spend all but a few of their reproductive years trying to prevent pregnancy.

A fertile sexually active woman using no contraception would on the average face 14 births or 31 abortions during her reproductive lifetime—a mind boggling disruption to her life in this period of hoped for independence and equality for women and in an era of the disappearing economic value of children.

Of the 36 million sexually active U.S. women wishing to prevent pregnancy, about 90 percent of couples use some form of contraception at least some of the time. Sterilization is presently the most relied on method of pregnancy prevention, followed by the pill and condoms.

There is a wide gap between Americans' fertility aspirations and outcome, much of it

apparently due to ineffective and episodic contraception. There is much fear, doubt, and confusion in women's minds about the risks and safety of presently available contraceptives.

While effective oral and intrauterine contraceptives have been available since 1960 and 1965, obstetricians and gynecologists have failed to speak clearly and consistently about their safety compared with the risk of pregnancy while using no method of birth control, that is, comparing the risk of the method with the risk of pregnancy. The complications cited for use of birth control pills and IUD's are heart attack, stroke, cancer, ectopic pregnancy, and fatal infection. Some of these are described in great detail in package inserts. It is not surprising that fear and confusion result. Each media flurry publicizing reports of such fearful complications results in a plummet in the use of that contraceptive method. During the recent decade, the levels of use of pills and IUD's went up and down like a roller coaster in association with media reports of adverse findings accompanying their use.

Never have so many known so much about a pill but been unable to put its risk and safety in perspective.

Our since sincere reporting of adverse side effects and complications has invoked the law of unintended consequences. It has resulted in a decrease in the use of birth control pills and an increase in unwanted pregnancy. This is not an excuse for the failure to develop safe, more convenient methods of birth control nor a plea to conceal the risks of the various contraceptive methods, but to put the risks in clear perspective. What do we mean by safe? Safe as compared with what? And for which women?

More than three million women in the United States are at risk of unintended pregnancy each year because of fear of complications of birth control methods: not complications, but fear of complications. Yet these same women have little fear of the risk of using no method of contraception and the mortality due to the resultant pregnancies. At the American Board of Obstetrics and Gynecology examinations, candidates do not know the statistical risk of death from oral contraceptive use. Nor do they know the comparison of this risk with that of the U.S. maternal death rate due to obstetric causes or compared with other risks of daily life.

We are a nation of risk takers—from smoking to unbuckled seat belts, from jay walking to driving under the influence, from EDB to the Diablo Canyon nuclear plant built on a fault on the earth's surface, from bacon and eggs to obesity—from personal habits to national policy, we take risks dangerous to our life, health, and well being.

American women risk pregnancy in the same risk-taking spirit. Sexually active women risk pregnancy without contraception, or use methods ineffectively or irregularly. It seems difficult for a woman to perceive the benefits of contraceptive use and the safety of not being pregnant.

More women are saved from death by birth control pills and IUD's than die of their complications.

The annual risk of death associated with any contraceptive method is much smaller than other risks we take in daily life.

There are about 500 pill related deaths annually among 10 million pill users—about 5 deaths for each 100,000 users. Most of these are among pill users 40 and older or pill users age 35 and older who smoke. There are about 30 deaths each year among the 2.3 million IUD users giving a rate of 1.3 deaths per 100,000 users. Maternal mortality from obstetric causes is about 10 per 100,000 births, and maternal mortality from all causes is probably nearly twice this. The mortality risk from driving a car is about 19 per 100,000 drivers per year and from smoking a pack of cigarettes a day, 1 in 200 smokers 500 deaths for each 100,000 smokers. More women die in automobile accidents annually than die of pill related complications. The pill and IUD are clearly safer than many daily risks.

The noncontraceptive benefits of the pill have been widely underpublicized. Its protective effect against menstrual disorders, ectopic pregnancy, benign breast disease, anemia, and ovarian cysts and its protection against cancer of the ovary and endometrium have been overshadowed by publicity about the occurence of heart attack, stroke, thromboembolism, liver tumors, and deep vein thrombosis. There is presently no valid evidence that oral contraceptives cause breast cancer.

Deaths due to oral contraceptives would be markedly decreased if older pill users who smoke adopted other methods or underwent sterilization (an estimated drop from 500 to 70 annual deaths if no pill user smoked, and no one over 35 used the pill) or about 7.5 deaths for each 1 million non smoking pill users. (0.7/100,000).

Unintended pregnancy among teenage women is a significant problem in the United States. We have a higher rate of births to teenagers than almost all of the developed countries. In fact, ours is among the world's highest, much of it out of wedlock.

An unintended birth to a teenage woman who has not completed high school often initiates a series of failures—failure to remain in school and become self-supporting, failure to complete the functions of adolescence, such as choosing a vocation, developing a self-identity and a sexual identity, and failure to establish a stable family and limit family size.

Women who begin childbearing in their teens have more children closer together, have more unwanted births, complete fewer years of education, have less marital stability, less economic well being and are more often on welfare, as well as having less healthy infants and children.

Few teenagers desire or plan a pregnancy. Unintended pregnancy is the most common reason for girls to drop out of school, and the birth of a child often initiates a cycle of poverty and welfare dependency which disadvantages the woman and her children for a lifetime. A younger teenager is likely to have a second unplanned pregnancy, with all its attendant problems, while still in her teens.

More than half of teenagers are sexually active (more boys than girls). More than five million teenage women are at risk of pregnancy. About 1.2 million teenage women in the U.S. become pregnant each year. We estimate that four in ten young U.S. women will conceive while in their teens, more than 80 percent unintentionally. In some states, more than half of out-of-wedlock births are to adolescent women. As expected, teens are the least consistent and most unsuccessful contraceptors, and unintended pregnancy is frequent.

Young people do not create the sexual climate in which they live. We sell most things in this country with sexual advertising from automobiles to kitchen cleansers and floor wax. Television features instant intimacy and rock music is preoccupied with sex and sexuality; but these titillating messages are not spiked with sexual responsibility or messages about pregnancy prevention.

Television pervades our lives, but there is a conspiracy of silence concerning pregnancy prevention in the media.

Laxatives and vaginal and rectal products are widely advertised but there is not one word about contraceptives. We need to abolish the taboos that prevent mentioning birth control. We need the help of mass media, especially television, to convey respectability and social approval to contraceptives and the discussion of pregnancy prevention. Nothing would impact on the public and teenagers more effectively.

Barring teenage patients from obtaining birth control services by using restrictive regulations and practices and restricting funding to public family planning programs is counterproductive. Cutting birth control programs under the fiction of promoting the family will not reduce sexual activity among teens, it will only increase unwanted pregnancy among the most vulnerable and least equipped to deal with it.

Prevention of unintended birth is clearly cost effective.

Birth control services cost much less than obstetric care and welfare dependency, and reduce the psychologic costs of unplanned pregnancy for a woman. If teenagers and minorities, both men and women, believe that jobs and self-supporting roles are not realistically available to them, we will continue to have unintended out-of-wedlock pregnancies. Teens often believe that pregnancy and motherhood provide a socially acceptable adult role and proof of femininity and maturity. Our public health and welfare policies are responsible for some of the problems of unintended pregnancy and out of wedlock births. These public policy problems are not amendable to medical solutions.

Adolescent women did not cause these problems and cannot be expected to provide solutions to health care and societal problems.

We owe our teenagers honest sex education at home and in school. We owe them excellent, easily available birth control services if they are sexually active so that teenage women may maintain control of their reproductive lives and, therefore, retain control of other aspects of their lives.

I have sometimes been critical of the request for abortion by women using no birth control or ineffective episodic birth control at the time of a conception. However, we cannot expect perfection in contraceptive use any more than we expect perfection in other aspects of life. Planning for contraceptive use is about as well carried out as planning for other aspects of living. Oral contraceptive pill taking is at least as good as antihypertensive medication pill taking. However, we usually blame women for unintended pregnancy and assume that they are solely responsible for the prevention of pregnancy. We need to stop blaming the victims of unintended pregnancy.

We also need to keep contraceptive effectiveness and failure rates clearly in mind. Oral contraceptives properly used are thought to have about a 1 percent failure rate. Among 10 million perfect pill users a 1 per cent failure rate results in 100,000 unintended pregnancies each year. Among less than perfect users many more unintended pregnancies would occur with ordinary use. Each 1 percent less effectiveness among 10 million users results in 100,000 more unin-

tended pregnancies. For contraceptives with the usual effectiveness rates of 90 to 95%, this is 500,000 to 1,000,000 unintended pregnancies for each 10 million contraceptors. Christopher Teitze of the Population Council estimates that among proven fertile patients the utilization of abortion for unintended pregnancies in a 10 year period would be 20 to 70 abortions per 100 pill users, and 100 to 300 abortions for each 100 women relying on other less effective methods over a ten year period. This is a sobering estimate indeed for the need for abortion for contraceptive failure and a cause for careful consideration of our attitude toward abortion and repeated abortion.

The problem of 3.3 million unintended pregnancies in the United States each year needs to be brought to public attention and to the attention of every Fellow of the American College of Obstetricians and Gynecologist.

We need to provide clear, unambiguous statements to our patients based on scientific and epidemiologic data of the risks and benefits of contraceptive methods compared with the risks of pregnancy and other every day activities.

We need to dispel the myth that contraception is more dangerous than pregnancy, except in older smokers on the pill, so that women will not reject effective contraceptives because of fear and confusion about their safety.

Few things change a woman's life as much as an unintended pregnancy. Prevention of unintended pregnancy would do much to improve the life of our patients. As physicians we need to communicate effectively about contraceptive methods. We as Fellows of A.C.O.G. owe our patients no less.●

TRIBUTE TO MAJ. GEN. FRANCIS S. GREENLIEF

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. MONTGOMERY. Mr. Speaker, I rise to give recognition to a man who is truly a legend in his own time. Maj. Gen. Francis S. Greenlief (USA, retired), a man who is respected and admired by all who have had the privilege of knowing him, has recently retired as the executive vice president of the National Guard Association of the United States [NGAUS]. He has established a long and most distinguished military and civilian career. During this illustrious career, General Greenlief has accomplished many milestones and received many honors which reflect the dedicated service he has given our Nation.

His National Guard career is that of one who truly came up through the ranks. That career began in 1940 as a private with the Nebraska National Guard. After several enlisted promotions and graduation from officer candidate school, he served on active duty during World War II as commanding officer of Company L, 134th Infantry, participating in the Normandy, Northern France, Rhineland and Ardennes campaigns.

Upon returning to the Nebraska National Guard, he eventually became the acting assistant adjutant general and division chief of staff. In 1960, he was assigned to the National Guard Bureau as the executive officer of the Army division. Within the Bureau, he continued to perform in the most outstanding manner and, in 1971, was appointed by the President to the position of Chief of the National Guard Bureau.

I would also like to take note of his aviation accomplishments. While in his early fifties, General Greenlief entered training in rotary and fixed-wing aircraft earning the Army aviator's wings. The Francis S. Greenlief Award for excellence in Army Aviation was established in recognition of his efforts to establish a tradition of superior performance within the Army Guard's aviation programs.

After retirement as the Chief of the National Guard Bureau in 1974, General Greenlief accepted a position on the staff of NGAUS. He was appointed executive vice president of the association in 1975, a position which he has held until his recent retirement in July of this year. In this position, he has continued his record of service in promoting Guard and Reserve Forces as integral parts of the Nation's total force. Perhaps more than any other one individual, he is responsible for the increases in equipment and the much improved state of readiness of these forces.

Mr. Speaker, I feel privileged to have had the opportunity to work with this patriotic soldier through the years. I have respected his character and leadership qualities and have often sought his counsel. I take this oppportunity to salute a great soldier and statesman, to thank him for all he has done for this Nation, and to wish he and his family the best of everything in their future endeavors.●

IDB LIMITATION SHOULD BE REVISED

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LaFALCE. Mr. Speaker, in April of this year I told my colleagues on the floor of the House that I planned to support legislation limiting the use of industrial development bonds [IDB's] because I would be doing the taxpayers of my State a disservice unless I urged an end to the runaway growth in private purpose bonds. I was and remain convinced that excess utilization of IDB authority throughout the Nation is having the unintended effect of pushing up the level of interest rates on all tax-exempt bond issues, and I support the concept of strict limits on IDB growth.

One of my arguments, however, for restricting IDB growth was that IDB's no longer provided a single locality with additional leverage to attract business. In other words, IDB's were no longer a competitive instrument because the authority to issue them was so broad that no single jurisdiction could gain an advantage in using them to attract business.

Unfortunately, that argument no longer holds true. As a result of the last minute negotiations to come up with a conference report on the Deficit Reduction Act of 1984, it is now possible for some localities to exercise a tremendous advantage in their use of IDB's. A new proposal agreed on by the conference committee allows States to issue IDB's in amounts up to $150 per capita, or to a total of $200 million—whichever is higher.

The practical effect of this change is that States with smaller populations have substantially higher caps on their IDB authority. Measured on a per capita base, my own State of New York faces a $150 per person limit while the residents of Alaska can see an expenditure of $417 per person on private purpose bonds. The fortunate few in Wyoming can see their State and local governments attract businesses to the tune of $389 per person in the State, and those in Vermont have a similar opportunity with a $381 per capita limit. In fact, 13 States, the District of Columbia and the American territories are, under the $200 million alternative limit, privileged with regard to the utilization of IDB's.

In order to equalize the limitation on IDB authority, I am introducing a bill which would have the effect of eliminating the $200 million alternative. Adoption of this legislation would mean that, beginning January 1, 1985, all States would be subject to the $150 per capita limitation. A single cap would simply ensure that the taxpayers in all States are treated equally.

Mr. Speaker, the text of my bill follows:

H.R. —

A bill to amend the Internal Revenue Code of 1954 with respect to the limitation on the amount of private activity bonds which may be issued in a State

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subparagraph (A) of section 103(n)(4) of the Internal Revenue Code of 1954 (relating to State ceiling) is amended to read as follows:

"(A) IN GENERAL.—The State ceiling applicable to any State for any calendar year shall be an amount equal to $150 multiplied by the State's population."

(b) The amendment made by subsection (a) shall apply to calendar year 1985 and subsequent calendar years.●

CHURCH-STATE RELATIONS IN NICARAGUA

HON. JAMES L. OBERSTAR
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. OBERSTAR. Mr. Speaker, Central America is the most volatile region in this hemisphere. It is a flashpoint where an escalation of hostilities could very well involve U.S. forces directly in the fighting. To reduce this risk, we must impose tighter restraint on current operations in that region, both overt and covert, which are aimed at destabilizing the Sandinista government in Nicaragua.

The Reagan administration has urged Congress to approve more aid to the Contra rebels. It has attempted to justify more aid on the basis of the need to interdict the flow of arms from Nicaragua to the rebels in El Salvador. In a further effort to gain support for such policies, the administration has pointed to the alleged persecution of the Catholic Church in Nicaragua.

In addition to disguising the real intent of the covert aid to the Contras, the administration has used a double standard in its analysis of the relationship of the Catholic Church with the Governments of Guatemala, El Salvador, and Nicaragua. The administration has widely publicized the problems between the Catholic Church hierarchy and the Sandinista government in Nicaragua while virtually ignoring the repression of the Catholic Church in Guatemala and El Salvador, where almost 30 priests have been killed during the past 3 years.

Kris A. Lewett, a research associate with the Washington-based Council on Hemisphere Affairs [COHA], has written a clear-thinking article on the complex issue of church-state relations in Nicaragua. The article was published in a recent issue of COHA's biweekly publication, the Washington Report on the Hemisphere.

I commend the article to my colleagues:

CHURCH-STATE RELATIONS HIT NEW LOW IN NICARAGUA

Simmering tensions between an important segment of the Nicaraguan Catholic hierarchy and the Sandinista government flared July 9 with the expulsion of 10 foreign priests charged with planning "to provoke a confrontation" between church and state. In rapid fashion, international repercussions in Rome and Washington produced an escalation of vitriol between the archbishop of Managua, Miguel Obando y Bravo, and the Interior Ministry.

U.S. Bishop James W. Malone, president of the National Conference of Catholic Bishops, was quick to condemn the expulsion order, but asserted that the Sandinista act in no way weakened the U.S. bishops' opposition to the CIA-sponsored covert war currently being waged against the Nicaragua government. On Aug. 1, the New York Times carried a front page story indicating that the Nicaraguan archbishop saw himself as the leader of the internal opposition to the Sandinista regime and that "he made clear that he hoped the Sandinistas could be removed from power if they did not moderate their policies." These revelations arose out of a memorandum prepared by a W.R. Grace Corporation executive who had met with Obando during his May visit to New York. It should be recalled that Peter Grace, chairman of that corporation, had been a major force in this country pushing for the economic strangulation of the government of Salvador Allende in Chile, and an early supporter of the Pinochet dictatorship in that country.

According to the Times account, Obando's New York disclosures indicated "that his opposition to the Sandinista government is more intense and focused than he made known in Managua."

The explusions of the ten foreign priests were the most serious incident yet in the rift between Obando and the Sandinista leadership. Many observers trace the latest wave of animosities to the April 22 pastoral letter of the Nicaraguan bishops' conference, entitled "On Reconciliation." The document called for government negotiations with the CIA-backed contra rebels and included sharp barbs aimed at the Sandinistas. "It is not honest always to justify internal agression and violence by the aggression which comes from the outside," the pastoral declared.

While some ecclesiastical outsiders note that several of Nicaragua's bishops, including episcopal conference president Bishop Pablo Vega, were not informed—at Obando's behest—of the document's promulgation, the primate archbishop of Nicaragua gained at least the appearance of monolithic church opposition to the Sandinistas. No bishop could be expected to show public dissension with Obando after the fact, one church official noted.

But the letter was not entirely welcomed by Nicaraguan priests and faithful. Some critics cited the document's failure to mention U.S. covert support for the contras. The Nicaraguan Jesuit community, in a statement responding to the letter, noted that "a pastoral letter like the present one, during times of national aggression . . . is at this time in danger of breaking a fragile equilibrium."

Junta Coordinator Daniel Ortega Saavedra was predictably harsher in his indictment. The bishops, he said, are a "minority that wants to sell out the country." He also charged that the pastoral letter was "conceived, calculated and structured by the CIS."

"We do not doubt that some of the bishops have received orientation at the U.S. Embassy in Managua," Ortega said. In fact, Obando has admitted that the church has in the past received funding from the U.S. government, but denied that this is currently taking place.

While the church document lamented the divisions besetting Nicaraguan society, and called for a "true fraternal reconciliation," no mention was made of existing divisions within the local church. According to church observers, for example, Vega is far more conciliatory to the Sandinistas than Obando, and among Nicaragua's nine bishops, those favoring the Obando line oscillate, depending on the issue at hand, from three to five.

The pastoral itself provides internal evidence of intra-church divisions among the laity in criticizing the so-called "popular church"—an amorphous network of peasant and worker Christian base communities and clergymen with a liberation theology orientation—for having "forsaken ecclesiastical unity." Foreign Minister Miguel D'Escoto, a Maryknoll priest, and Culture Minister Ernesto Cardenal have histories of links to the popular church and remain a thorn in Obando's side, according to church officials. To date, however, both have shunned involvement in the dispute.

SANDINISTA CAMPAIGN

For their part, the Sandinistas may have helped spark the recent confrontation with Obando. The priests' expulsion comes on the heels of a prolonged government media campaign to discredit the traditional Catholic Church hierarchy by sensationalizing alleged church ties to former dictator Anastasio Somoza. Barricada, the official Sandinista paper, published a series of photographs showing various Nicaraguan bishops with the late Somoza, and accompanying stories suggested that they were maintaining links with exiled Somocistas in Florida.

Father Luis Amado Pena, who had been accused by the Sandinistas on June 20 of being an "active collaborator" with the U.S.-backed contras and was the object of the July 9 march preceding the expulsions, stated that the charges against him were merely "a publicity ploy." But a "captured counterrevolutionary" presented by the Sandinistas, Pedro Hernan Espinoza, known as "El Pez" (The Fish), recently charged Pena with attempting to organize in Managua an "internal front" for the rebel Nicaraguan Democratic Force (NDF), based in Honduras. Sandinista officials held a press conference June 20 to level the accusations and show two films purportedly showing Pena conducting an arms transfer with rebel agents. The priest is under house arrest in a seminary seven miles outside of Managua, while the government completes its investigation.

Obando stated that "the government, with these accusations against our priests, intends to eliminate the Catholic Church in order to implant the so-called "popular church."

By all comments, the July 9 marchers from Monte Tabor Church in the capital walked half a mile to Pena's seminary in a protest that was free of incident. Prior to the event, Obando made a point of publicly emphasizing the non-political nature of the protest, describing it as "a pilgrimage of solidarity and support for Father Pena."

The 10 priests expelled included four Spaniards, two Italians, two Costa Ricans, one Panamanian and one Canadian, all of whom worked in Managua. Nearly two-thirds of Central American priests are foreign. The Ministry of Migration and Aliens accused the ten of "carrying out an intense political effort against the government" and "violating the laws of the land."●

CAUTION SIGNAL ON CONRAIL SALE

HON. BOB EDGAR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. EDGAR. Mr. Speaker, over the past 2 weeks I and 17 of my colleagues have attempted to highlight the rush

to judgment on the part of the Department of Transportation to sell Conrail. We have attempted to bring the attention of this body, and particularly the Subcommittee on Commerce, Transportation and Tourisms of the Energy and Commerce Committee, to the limited time available over the next several months to consider the many ramification of the sale.

In the spirit of adding to this debate, I am inserting into the RECORD a copy of a recent letter I wrote to the editors of the Wall Street Journal outlining our objections to the sale now.

I continue to welcome any comments from my colleagues concerning this important matter affecting not only communities in the Northeast and Midwest but all whose taxes and concessions have gone to bring Conrail to the profitable position it is in today.

The article follows:

[From the Wall Street Journal, Aug. 8, 1984]

CAUTION SIGNAL ON CONRAIL SALE

So it's a "Hole in the Wall Gang" in Congress trying to scuttle the sale of Conrail (editorial of July 31)? I thought it was more like a sheriff trying to keep order in a crowd queuing for a fire sale.

The bipartisan group of 19 members of Congress from the Northeast and Midwest who called for a one-year moratorium on the proposed sale is not necessarily against the privatizing of Conrail. All we are asking is: Why all the rush? Conrail, under the able leadership of L. Stanley Crane, with an accommodating tax structure and concessions by Conrail employees, is in an extremely strong cash position, projected at about $800 million this year. Further, there seems to be nothing on the horizon to indicate that this situation will reverse itself over the next year. Unless it's of course a rise in interest rates, which might influence bidders who are trying to make a leveraged buyout of the railroad. (If this is the case the moratorium will have at the very least saved the communities Conrail serves from being the target of "paper enterpreneurialism," to use a Reichian term.)

Congress has few legislative windows over the next two months to consider all the many, not-insignificant ramifications of the sale, for example: on jobs and competition as a result of a competitor eventually consolidating lines; on communities because of the possible dumping of unprofitable parts of the line after the sale; and on the eventual financial capacity of the buyer to carry on the momentum of the last several years after privatization occurs.

This nation has invested over $7 billion in Conrail to make it profitable. Now that it is, let's get the best possible deal we can for it. Time is on our side. Let's not give Conrail away at bargain basement prices. The moratorium will give us that time.●

COMMITTEE RATIOS UNDER GOP AND DEMOCRATIC MAJORITIES

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. WILLIAMS of Montana. Mr. Speaker, the committee ratios under GOP and Democratic majorities I referred to in my remarks earlier today are as follows:

COMMITTEE RATIOS UNDER GOP AND DEMOCRATIC MAJORITIES

	GOP majorities						Democratic 98th		
	80th Congress (1947): 245 Republicans; 188 Democrats; Ratio: 56.6 percent			83d Congress (1953): 221 Republicans; 211 Democrats; Ratio: 51.2 percent			98th Congress (1983): 274 Democrats; [2] 166 Republicans; Ratio: 62.3 percent		
	GOP (percent)	Ratio	Excess (percent)	GOP (percent)	Ratio	Excess (percent)	Democrat (percent)	Ratio	Excess (percent)
Key committees:									
Appropriations	58.1	25/18	+1.5	60.0	30/20	+8.8	63.2	36/21	+0.9
Rules	66.7	8/4	+10.1	66.7	8/4	+15.5	69.2	9/4	+6.9
Ways and Means	60.0	15/10	+3.4	60.0	15/10	+8.8	65.7	23/12	+3.4
Key committee average			+5.0			+11.0			+3.7
Other committees:									
Agriculture	58.6	17/12	+2.0	53.1	17/15	+1.9	63.4	26/15	+1.1
Armed Services	57.1	20/15	+.5	52.8	19/17	+1.6	63.6	28/16	+1.3
Banking	59.3	16/11	+2.7	55.2	16/13	+4.0	63.0	29/17	+.7
Budget [1]							64.5	20/11	+2.2
District of Columbia	56.0	14/11	−.6	52.0	13/12	+.8	63.6	7/4	+1.3
Education and Labor	60.0	15/10	+3.4	55.6	15/12	+4.4	62.9	22/13	+.6
Energy and Commerce	59.3	16/11	−2.7	54.8	17/14	+3.6	64.3	27/15	+2.0
Foreign Affairs	56.0	14/11	−.6	55.2	16/13	+4.0	64.9	24/13	+2.6
Government Operations	60.0	15/10	+3.4	53.3	16/14	+2.1	64.1	25/14	+1.8
House Administration	56.0	14/11	−.6	56.5	13/10	+5.3	63.2	12/7	+.9
Interior	57.1	16/12	+.5	55.6	15/12	+4.4	64.1	25/14	+1.8
Judiciary	55.6	15/12	−1.0	53.3	16/14	+2.1	64.5	20/11	+2.2
Merchant Marine	56.0	14/11	−.6	50.0	14/14	−1.2	64.1	25/14	+1.8
Post Office and Civil Service	60.0	15/10	+3.4	52.0	13/12	+.8	62.5	15/9	+.2
Public Works	59.3	16/11	+2.7	55.2	16/13	+4.0	62.5	30/18	+.2
Science [1]							63.4	26/15	+1.1
Small Business [1]							63.4	26/15	+1.1
Veterans Affairs	59.3	16/11	+2.7	53.8	14/12	+2.6	63.6	21/12	+1.3
Other committee average			+1.4			+2.7			+1.3

[1] Committee did not exist in 80th and 83d Congresses. [2] Includes Delegates in House totals but not on committee ratios.

EXAMPLE: WAYS AND MEANS COMMITTEE

In the 98th Congress, the Democratic Party won 62.3% of all House seats, but took 65.7% of the seats on the Ways and Means Committee, or only 3.4% more than the Democratic House percentage.

Compare this with the actions of the Republican Party. When last the Republicans controlled the House (the 83rd Congress, in 1953) their percentage of total House membership was 51.2%. Nevertheless, Republicans claimed 60% of the seats on Ways and Means. This was 8.8% more than their House percentage—more than twice the excess percentage taken by the Democratic Party in this 98th Congress.

In reality, those who are now crying "Unfair" were more than twice as "unfair" when last they organized the House.

What we have done is not to be "unfair" to the Republicans, but rather to assure that the Democratic Party has working control of certain key committees in this Congress—control without which the House majority, be it Democrat or Republican, simply could not function.

EXAMPLE: RULES COMMITTEE

In the 98th Congress, the Democratic Party won 62.3% of all House seats, but took 69.2% of the seats on the Rules Committee, or 6.9% more than the Democratic House percentage.

What did the Republican Party do when it organized the Rules Committee? In the 80th Congress (1947), the Republican membership on the Rules Committee exceeded their House percentage by 10.1%, compared to our 6.9% in the 98th Congress. And, in the Republican 83rd Congress, Republican membership on Rules exceeded their House percentage by 15.5%.●

PATRIOTIC SONG SING-A-THON IN TURLOCK, CA

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. COELHO. Mr. Speaker, I proudly call the attention of my colleagues to a group of elementary school students in Turlock, CA.

In this day when many fear that the youth of America have lost their sense of patriotism, a special group of young Americans from a small town in the heart of California gathered to raise their voices in national pride this past spring for 72 hours, 33 seconds. These children sang praises for the good ol' U.S.A. in Turlock's First Annual Patriotic Song Sing-A-Thon. Every hour both the National Anthem and the Pledge of Allegiance were either sung or recited, with multitudes of other patriotic songs and hymns. These continuous salutations were combined with red, white, and blue banners and waving flags—leaving no onlooker the slightest fear of fading national pride.

At the end of the event, when voices were weary but spirits still high, the Turlock City Council officially designated April 13-16 as "Patriotic Song Sing-A-Thon Days." Press coverage that followed brought phone calls and letters of support from the world over. In fact, five other American grade schools have decided to join in the celebration next year with plans to hold official patriotic song sing-a-thons in their home towns. It surely was a success.

Sometimes it is to the children that we must look for reminders of the most important things. As we celebrate in our victories at the Olympic games and unite in our patriotic display, I thought it would be appropriate to share the lyrics to the song which these children composed for the sing-a-thon:

FREEDOM'S WAY—U.S.A.

We survived some trying times which we knew were bad,
And we managed to endure those times we knew were sad.
When times became fruitful, we all became cheerful,
And we knew everybody was glad.
In a country that began with the rich and poor,
These two extremes we still have, we know for sure.
Where a person can progress or he can just let it pass,
And his fate will have to endure.

(Refrain)

Beautified by the touch of God is our land,
Mountains, valleys, waters, desert sand.
Out God given gifts here for us to behold,
We must protect them more carefully than gold.
Our progress is visible for the whole world to see.
This country is grand and all our people are free.
Any freedom worth having is worth working for—
And we must work harder than ever before!
If our goals are high and we want to reach the top,
It will take all our efforts, everything we've got!
We have been making progress in almost every way,
America is here to stay!

(Refrain)

Beautified by the touch of God is our land,
Mountains, valleys, waters, desert sand.
Our God given gifts here for us to behold,
We must protect them more carefully than gold.●

FUNDS AVAILABILITY ACT OF 1984

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LAFALCE. Mr. Speaker, currently pending before the House Banking Committee are several bills designed to require that the Nation's banks and thrifts to stop taking advantage of their customers by playing what has become known as the "float game." Not all depository institutions play the game, which entails refusing customers access to their deposits for up to 3 weeks, but those that do are making millions in interest earnings at their customers' expense. Here's how the "float game" can work:

A customer deposits a check in his or her account, and after giving the check a couple of days to clear, begins to pay household bills by making use of the amount deposited. To the shock of the customer, the checks written to cover those bills begin to bounce, resulting in embarrasing situations and, in many cases, a charge levied by the bank on the consumer for a check written against "unavailable funds." The shocked customer soon learns that the cause of the seemingly uncontrollable chain of events is the policy of the bank to let checks "float" for time periods ranging from several days to several weeks before crediting the customers account (the phrase "float" is borrowed from the term "floating account," which is where the bank keeps track of checks awaiting clearance).

The reason for floating the customers funds is that soon after a check enters the nationwide clearing system run by the Federal Reserve banks, the bank in which the check has been deposited receives a "provisional credit" from the Fed. While the "provisional credit" does not ensure that as the check completes its route through the processing system it will not ultimately bounce, it does give the bank the authority to make use of the funds until they are utilized by the depositor. Thus a finalized incentive exists for banks to inform the depositor that his or her funds will be unavailable until the bank gets final word that a check has cleared. Some banks have policies of letting checks float for as long as 22 days—far longer than it takes a check to clear through the processing system. That kind of float temporarily gives the banks the use of cost-free funds, on which banks can make millions, but at the expense of the consumer.

Today, Mr. Speaker, I am introducing the "Funds Availability Act of 1984," a bill mandating that the Federal Reserve implement regulations to abolish the float game by establishing a reasonable period of time within which a depository institution shall permit a banking customor to draw on an item deposited in the customers account. In addition, the bill requires institutions to notify their customers in writing of the time limitations applicable to their accounts and to post such notification in a conspicuous place at each branch of the institution.

While I have cosponsored legislation currently before the House Banking Committee which would mandate a specific number of days for allowing customers to draw on deposits of different types (3 days for a local check, 4 days for an in-State but non-local check, and so forth, I believe that the complexity of the check clearance system (which handles 3.5 billion pieces of paper per year) requires the kind of understanding and flexibility in regulation that the Federal Reserve can provide. In asking that the managers of the check clearance system work with the participants (banks and thrifts) in designing consumer protection regulations, I believe that we can accomplish the goal of speeding the check-clearing process without increasing the liability of the banks or their regulators for stolen, forged, or uncollectible checks.

My own State of New York, with California, adopted the first float limiting laws in the Nation, took the tack of requiring the State banking regulator to design appropriate regulations to limit unreasonable delays in crediting consumers with their deposits. The reasonableness of such an approach is exampled by a decision in New York to give thrift institutions an additional day for check clearance because of their reliance on somewhat slower correspondent banking relationships for processing deposited checks.

I believe that the Federal Reserve, with its expertise in the mechanics of the check-clearing system, should be required by Congress to act against the float game for the benefit of consumers nationwide. My bill, the text of which follows, would accomplish that goal.

H.R. —

A bill to require the Board of Governors of the Federal Reserve System to impose limitations on the number of days a depository institution may restrict the availability of funds which are deposited by check

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Funds Availability Act".

PURPOSE

SEC. 2. It is the purpose of this Act to provide all retail banking customers with the ability to draw against items deposited for collection with any depository institution located in the United States within a reasonable period of time.

REGULATIONS

SEC. 3. (a) The Board of Governors of the Federal Reserve System shall promulgate regulations to establish a reasonable period of time within which a depository institution shall permit a retail banking customer to draw on an item which has been received for deposit in such customer's account.

(b) The Board is authorized to collect from depository institutions such information as may be required by the Board for purposes of promulgating the regulations required by this section.

(c) If special circumstances are involved, a depository institution and a retail banking customer may agree in writing to a greater period of time than the period of time specified in regulations promulgated pursuant to this section for the drawing against items received for deposit in such customer's account, except that such agreement shall not be contained on a preprinted form and the use of such agreements shall not be a usual or regular business practice of such depository institution.

NOTIFICATION TO CUSTOMERS

SEC. 4. The regulations promulgated under this Act shall require each depository institution—

(1) to notify each of its retail banking customers, in writing, of the applicable time limitations on the right to draw on items received for deposit in such customer's account; and

(2) to keep posted in a conspicuous place to each branch of such depository institution, a notice which substantially sets forth the generally applicable time limitation relating to the rights of the customers of such depository institution to draw on items deposited in their accounts.

DEFINITIONS

SEC. 5. For purposes of this Act—

(1) the term "Board" means the Board of Governors of the Federal Reserve System; and

(2) the term "depository institution" shall have the same meaning given such term in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

EFFECTIVE DATE

SEC. 6. This Act shall take effect on the date of the enactment of this Act.●

OVERSEAS TEACHERS ACT

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Ms. OAKAR. Mr. Speaker, today I am introducing the Overseas Teachers Act of 1984—a modest proposal to help ensure that we attract and retain superior teachers in the overseas school system in order to guarantee the finest possible education for the children of the members of our Armed Forces and civilian employees serving abroad.

This Federal public school system is responsible for the education of 140,000 American children living abroad. They are the sons and daughters of our servicemen and women who contribute so much to the defense of our country, and who deserve nothing less than the best education for their children. It is important that our military families be able to stay together, with the children assured of a quality public school education regardless of where they are stationed around the world.

Mr. Speaker, of the more than 7,000 teachers in the system, approximately 30 percent are the spouses of military members stationed overseas. While such temporary employment is a boon to the service family, the competition these spouses face is limited or nonexistent and, on occasion, a position may even be tailored to the applicant, rather than to the needs of the students. This reality, which we are not attempting to change, underscores the need to recruit and retain career teachers of the highest caliber.

Most of us would view the prospect of living in Japan, Okinawa, Korea, the Philippines, Italy, Panama, Bermuda, Norway, Germany, or Holland—to name but a few of the locations of the over 270 schools—with the excitement of children visiting Disneyland—faraway places with faraway names, castles, and knights of old.

In some of these countries, however, the realities of life are far less pleasant for our overseas personnel due to the high cost-of-living and modest salaries paid them. Many of the employees also encounter substandard housing, language difficulties, cultural adjustments, poor medical facilities, and less sophisticated communication systems. We sometimes forget that Americans have the world's highest standard of living.

Teachers in our Federal system spend their careers overseas; there are no stateside positions for them. From meetings with these teachers and their association representatives, I have tried to identify those problem areas where the Department of Defense could act administratively and those where legislation is required.

The most common complaint of career teachers in the overseas system is the denial of transfers. Most teachers would be willing to experience difficult living conditions for a year or two if they had reasonable expectations of moving to another less demanding assignment. The inadequate housing, nonpotable water, and crowded classrooms are more tolerable if the prospect of better surrounding and working conditions are foreseeable.

Mr. Speaker, my bill proposes that teachers be permitted to compete for vacancies, thus ensuring a healthy and reasonable movement within the system by those wishing to transfer.

Normally, teachers hired overseas with no travel or household benefits such as military spouses leave the program within a few years; nevertheless, there are still several hundred locally hired teachers who have stayed—without benefits—in the system after their original tour. Prior to 1972, these teachers received by administrative action the same benefits as stateside hires. My bill requires that these teachers, after 1 year, receive the same benefits as teachers hired in the United States as long as they are of the caliber the system demands.

My bill also establishes a basic school year which is the average length of the school jurisdictions in the United States used to determine overseas salaries, a school day of 7 hours, and standard class sizes—all measures long overdue.

Mr. Speaker, presently, teachers in the overseas system are paid on the basis of a survey of school jurisdictions of 100,000 or more population conducted annually by the Department of Defense. Aligning teachers' pay to school jurisdictions of 100,000 or more students will reflect more accurately the size of the overseas system and reduce the number of jurisdictions required to be surveyed from 170 to under 30.

Currently, teachers begin the school year in August receiving last year's pay pending completion and implementation of the survey which does not now occur until the following June. Besides the savings in time and money to the Government resulting from an abbreviated survey, it is also hoped that teachers would receive their proper salary during the school year.

This bill permits a 1-year sabbatical to be given to upgrade the skills of teachers after 7 years in the system; provides for maximum household shipment as allowed for by statute, and requires that if, because of Government delay, teachers arrive overseas after the start of the school year, they be paid as if they had started the school on time.

The most innovative section of this bill, however, provides a long-needed

career ladder for these teachers. Over the past several years, there has been an increased emphasis on excellence in education. An analysis of various reports on the state of education in this country leads to one inescapable conclusion—all things being equal, teachers make the difference. We are trying to keep outstanding teachers in the overseas classrooms by offering them substantial pay increases as they progress professionally.

Today, a teacher must leave the profession or become an administrator in the system to move up the financial ladder. My proposal establishes five pay levels, based on service in the sysem. I invite suggestions from the Department of Defense, and especially the Department of Education, concerning additional qualifications and duties for each level consistent with the basic premise that the teacher remain primarily in the classroom.

Finally, Mr. Speaker, over 80 percent of our overseas teachers are women it is fitting that the Federal Government recognize the true worth of the teaching profession by establishing within that profession the means to attain reasonable financial rewards consistent with the contribution teachers make to our society.

We ask so much of our armed service members and their families: They suffer frequent dislocations and family separations. They are the true servants of the public—volunteers from every part of America dedicated to the freedom of our great republic. I urge my colleagues to join me in supporting this legislation to help ensure that their children continue to have the best public school education possible.●

ARMY RECEIVES INITIAL PRODUCTION DIVADS

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. NICHOLS. Mr. Speaker, Mr. Robert P. Ropelewski recently contributed a most informative article to the Aviation Week & Space Technology magazine, regarding the Sergeant York division air defense [Divad] antiaircraft gun system.

The U.S. Army has accepted the first seven production units and has successfully test fired the first of three against air borne target drones at Fort Bliss, TX.

The Divad system is expected to provide improved reliability, mobility, greater effective range, and increased kill probability over the existing weapons systems.

Mr. Speaker I insert the text of this article in today's CONGRESSIONAL RECORD:

[From Aviation Week & Space Technology, July 23, 1984]

ARMY RECEIVES INITIAL PRODUCTION DIVADS

(By Robert R. Ropelewski)

SAN JUAN CAPISTRANO, CA.—U.S. Army has accepted the first seven production units of the Sgt. York division air defense (Divad) antiaircraft gun system from Ford Aerospace & Communications Corp., and has successfully test fired the first of these against airborne target drones at Ft. Bliss, TX.

Redesign work during the development stage to reduce weight, improve reliability and decrease costs led to a slippage of about six months in the assembly and integration of initial production units, according to program officials. Ford Aerospace was scheduled to deliver the first production unit to the Army last October, but that delivery was not accomplished until Mar. 13 of this year.

Ford and the Army have put together a recovery plan that is expected to get the program back on schedule by early 1986.

In the meantime, a three-week series of special tests is scheduled to begin this week at Ft. Bliss to provide Defense Dept. officials with sufficient performance data to determine whether release of Fiscal 1984 production funding is warranted. Normally that decision would have been made on the basis of operational tests, but these have been deferred until late this year because of the delays in initial production.

This Aviation Week & Space Technology editor had the opportunity to operate an early production version of the Divad system against a low-flying, maneuvering helicopter recently at the Ford Aerospace test range near here. Although some minor discrepancies arose, the system clearly showed a capability to rapidly acquire and track the target helicopter even when the aircraft was masked by the surrounding hilly terrain for all but a few seconds.

The Divad system, named after World War I Congressional Medal of Honor recipient Sgt. Alvin C. York, is expected to provide improved reliability and mobility, greater effective range, and increased kill probability over the General Electric Vulcan 20 mm. air defense gun system now in use by the Army for short-range air defense.

Ford Aerospace has been awarded two production contracts so far comprising 146 Divad gun systems. Ultimately, the total buy is expected to reach 618 units for the U.S. Army, with additional orders anticipated from the National Guard and from other North Atlantic Treaty Organization forces.

The Army anticipates fielding the first operational Divad units in 1985 to replace the earlier-generation Vulcan gun systems in the air defense battalions of the service's armored and mechanized divisions, in Corps air defense artillery groups and in armored cavalry units. Typically, a 36-gun battalion will support each of the Army's heavy divisions.

The gun system is used with the Ford Aerospace Chaparral and the General Dynamics Stinger surface-to-air missile systems for short-range, low-altitude air defense of Army ground units. The Divad system will provide the service with a night/adverse weather defense capability, which the Vulcan gun system does not have.

RAPID REACTION

The Sgt. York is a self-propelled, reaction system consisting of two radar-rapid directed 40-mm. Bofors L/70 cannons in a turret mounted on an M48 tank chassis. The radar and computerized fire control system provide automatic target acquisition and tracking, identification friend or foe (IFF), threat prioritization, selection of ammunition type and burst schedule, and lead angle computations.

The two-man gun crew, composed of a gunner and squad leader, can take manual control of the system at any time and aim the guns optically, if necessary. A third crewman drives the vehicle.

In combat, the Sergeant York will be armed with two types of ammunition—a proximity fused round for aerial targets at longer ranges and a high explosive delay round for aircraft at closer distances and for light armored vehicles and other ground targets. A less-complex and less-expensive practice round will be used for training.

In all of these cases, a linkless feed system is used to feed the shells to the two 40-mm. guns from four separate magazines. The magazines have a total combined capacity of 502 rounds, which can be fired at a rate of 300 rounds per min. per gun.

A Litton inertial reference unit is incorporated in the system to stabilize the weapon sighting subsystems and allow firing while the 60-ton vehicle is moving.

The radar used in the Divad system is a derivative of the Westinghouse AN/APG-66 radar developed for the U.S. Air Force/General Dynamics F-16 fighter The fully coherent, low pulse repetition frequency (PRF), pulse Doppler radar operates in X-band and can simultaneously detect and tract pop-up or hovering helicopters, fixed-wing aircraft and missiles.

About 85% of the components used in the Divad radar are common to those of the APG-66, according to Westinghouse. One of the chief differences is the use of separate search and track antennas on the Sergeant York gun system. These antennas can be stowed in recesses at the rear of the turret, and an armored covering over each of the stowed antennas is intended to provide some limited protection if the vehicle comes under attack.

A Hughes 500 helicopter was used as the simulated hostile aircraft for the Aviation Week demonstration of the Divad system. The Model 500 is one of the quicker and more agile helicopters in service today, and this, combined with the small size of the aircraft, made it a challenging target for the Sergeant York.

TEST RANGE

In addition, the Ford Aerospace test range is located in a rugged coastal mountain area that provided the helicopter pilot with ample opportunities for terrain masking. A variety of scenarios was simulated by the helicopter, from direct attacks on the Divad vehicle to attacks on other friendly units within the field of view of the Divad.

Army specifications laid down for the Divad in the mid-1970s were based on maneuvering, high-performance fixed-wing ground attack aircraft as the primary threat. Armed helicopters and ground targets were also on the threat list, but with lower priorities.

However, the subsequent evolution of a powerful Soviet attack helicopter force—specifically, the Mil Mi-24 Hind series of attack helicopters—resulted in a reversal of priorities, with pop-up and hovering armed helicopters now considered the highest-priority threat.

Program officials estimate that helicopters will constitute 60% of the Divad's tar-

gets in combat. They said this same reversal of priorities is now occurring among potential export customers for the Sgt. York system.

I occupied the gunner's seat in the Divad's turret for the Aviation Week demonstration of the system, to the left of Ford Aerospace test specialist Bill T. Idom, who acted as the squad leader for the demonstration. The vehicle was maintained in a fixed position on the side of a hill for the 1.5 hr. exercise.

DUAL CONTROLS

Both the gunner and the squad leader are provided with nearly identical yoke-type controls with two separate control grips on each yoke. The hand grips house all of the switches needed to control the radar, optical sight, laser ranging and guns. Although gun firing is automatic when the automatic radar mode is engaged, a crewmember must squeeze a trigger on his right hand grip to consent to the firing.

Additional controls are located on a panel in front of each crewman. At the center of the same panel, between the two crewmembers, is a combat situation radar display which presents radar data in a simple plan position indicator (PPI) format.

Radar returns are digitally processed to remove clutter prior to presentation on the combat situation display. Only actual targets are displayed, and these are presented with appropriate symbols representing missiles, fixed-wing aircraft, helicopters or ground targets.

Additionally, the two highest priority targets are identified with one or two dots, respectively, inside the target symbol. Targets outside the effective range of the guns are identified with smaller symbols.

Friendly aircraft are shown as small circles on the display. Other symbology provides information on the line of sight of the guns, vehicle hull direction, optical sight (periscope) direction, and reference position to north. These latter symbols remain relatively unobtrusive at the outer perimeter of the circular display.

TUBINE POWER

Primary power source for all of the subsystems associated with the Divad gun system is a Garrett turbine power unit installed at the rear of the M48 chassis. The main engine of the vehicle itself does not have to be operating, although it too can serve as a power source in the event of a failure of the Garrett turbine.

From a cold start, only a few steps are required to engage a target in the automatic radar mode. On his control panel, Idom started the turbine generator and moved his master power switch to the "on" position. With the radar mode selector knob on the same panel, he erected the radar antennas and then turned the knob to the automatic mode position. He then simulated depressing the trigger on his right hand control grip, which in an actual combat situation would have given the system the authority to fire on any threats detected by the radar.

In several runs made by the target helicopter with the Divad system in this mode, the radar was able to detect the aircraft as it approached from behind the surrounding hills even before the helicopter could be detected through the optical sight. A helicopter symbol appeared on the combat situation display showing the range, bearing and direction of movement of the target, and the turret slewed rapidly to point the guns in the direction of the target. Range, altitude, bearing and speed of the target also appeared in digital readouts at the upper left corner of the display.

In cases where the helicopter was simulating attacks on locations offset from the Divad vehicle itself, the Divad radar would track the aircraft as it passed between hills, then stop when it went behind another hill, then quickly acquire it again as it reemerged.

Because of a software anomaly in the interface between the radar and the fire control system, the turret periodically jerked unexpectedly in one direction or the other, interrupting the tracking of the target. The abrupt stops and starts made it rather uncomfortable inside the turret. They also made it difficult to keep my eye up to the optical sight for visual tracking of the target.

This was a relatively inconsequential problem, since optical tracking is not a requirement when the system is in the automatic radar tracking mode. A software modification has since been introduced to eliminate this problem.

The turret has a slew rate of 90 deg./sec., and from the inside it gives one the impression that it reaches that rate almost instantaneously. On several occasions, I found myself slamming into the bulkhead on my left or swaying sharply toward Idom on my right as the turret abruptly started or stopped. I was unaware at the time that a seat harness was available to help prevent such buffeting.

With the system in the automatic mode, the status of the engagement could be observed either on the radar combat situation display or through the optical sight. Three small circular lights positioned side-by-side in the upper field of view of the sight showed the status of key subsystems.

The left light illuminated when the radar was actually tracking the target. When the radar temporarily lost the target, the light began to blink. The center light illuminated when the fire control computer had reached a solution and was ready to fire. A solid center light indicated the target was within range for a high kill probability, while the light blinked to indicate that although a solution had been reached, the target was outside the range for a high kill probability.

The third light, on the far right within the sight, indicated that the Divad's laser ranger was tracking the target and providing range information to the fire control computer. A button on the left control grip initiates laser ranging, but we did not use the laser during this demonstration because of danger to the helicopter pilot's eyesight.

A noteworthy aspect of the radar during this phase of the demonstration was its ability to detect the helicopter simply from the rotation of its rotor. On several occasions, the helicopter hovered behind nearby hills, then popped up to simulate a missile attack. In these instances, the radar seemed to be able to detect the target and slew the guns toward it at the first detection of rotor blade movement, even before the helicopter fuselage itself had cleared the top of the masking terrain.

The Divad radar provides hemispherical coverage for a full 360 deg. in azimuth and from −10 to 85 deg. in elevation. It is capable of tracking and classifying multiple targets simultaneously, and can display up to 16 of these on the combat situation display. On two occasions when our helicopter target was either out of sight or was tracking outbound before beginning another engagement, the radar detected other targets and rapidly and unexpectedly slewed the turret and guns to track the targets.

In one case, the target was a low-flying high-speed aircraft that was too far away for observers outside the vehicle to identify. They speculated, however, that it was a fighter from the El Toro Marine Corps Air Station located several miles away.

In the second instance, the system acquired and quickly began tracking an Air Force/Lockheed C-141 transport aircraft that appeared to be maneuvering for an approach to the El Toro air station. Although the C-141 was well beyond the normal detection and firing range of the Divad, the size of the aircraft was such that the Westinghouse radar was able to easily acquire and track it.

A switch on the left hand control grip allows either crewmember to command the radar to terminate tracking of a particular target. Pushing the switch upward gives a simple breakoff command, while pushing the switch downward classifies the target as a friend.

I pushed downward on the switch, and the diamond-shaped symbol representing an enemy or unidentified fixed-wing aircraft on the combat situation display changed to a small circle, the symbol for a friendly aircraft. The radar immediately stopped tracking the C-141, but continued to search for other targets and continued to display the C-141's position on the combat situation display.

There were no false targets encountered on the radar during our demonstration despite the extensive ground clutter around the test site. Clutter itself did not seem to be a problem, even though most of the demonstration involved tracking the target helicopter at low levels through the surrounding hills.

In addition to the automatic radar mode, the Divad system can also be operated manually using the optical sight to detect and track targets. With Idom coaching, I conducted several engagements with the target helicopter in the manual mode.

For this mode, I depressed a switch on the right-hand control grip to slave the guns to the optical sight. Using a thumb switch at the top center of the right grip, I was then able to slew the sight, turret and guns right, left, up and down to acquire and track the target.

The thumb switch is pressure sensitive, and higher pressures caused the sight, turret and guns to move at a faster rate, while reduced pressure slowed the rate of movement. It took little practice to become accustomed to this, and it was soon possible to track the target helicopter very accurately even when it was maneuvering aggressively at short ranges from the Divad.

For some of these engagements, Idom served in the role of the squad leader to acquire the target on the radar combat situation display, designate the target, then hand it off to me to track and engage. This is expected to be the procedure used by operational crews.

Had these been actual combat engagements, we would have had a choice of using either proximity-fuzed rounds or point-detonating high explosive shells against our targets. Program officials anticipate that in combat operations, the Sergeant York will be armed with proximity-fuzed shells in two of its four magazines and high-explosive rounds in the remaining two magazines.

Generally, the selection of one type of ammunition or the other will be accomplished automatically, based on the nature of the target.

At longer ranges, the proximity-fuzed rounds would normally be used because they do not have to hit the aerial target to

damage or down the aircraft. The fragmentation pattern of these shells creates a hazard envelope that can be as much as 40 times larger than the profile of the target itself at long range.

The high explosive rounds would be used for aerial targets at shorter ranges as well as for ground targets. Use of the Divad against ground targets can be anticipated for the later phases of a war, program officials said, when air superiority has been established and there is no longer a significant antiaircraft requirement.

Additional improvements and new applications are already under study for the Divad system.

Westinghouse, in a program funded by the Defense Dept., is developing a programmable signal processor aimed at providing faster and greater processing capability, and a dual mode transmitter providing higher average power. These are modular plug-in units that could be retrofitted to the Sergent York if enemy targets become smaller in cross section or if greater detection range and reduced reaction time are required in the future.

Program officials at Ford Aerospace are studying a system of platoon data netting wherein one surveillance unit would supply information to several different Divad firing units. This would eliminate the need for each individual unit to be operating and transmitting, thereby reducting its vulnerability to antiradiation weapons.●

IS FIDEL READY TO DEAL?

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. SMITH of Florida. Mr. Speaker, I want to bring to the attention of the House an excellent article on the problems associated with normalizing ties with the Castro government. Written by Prof. Jaime Suchlicki, director of the Institute of Inter-American Studies at the University of Miami's School of International Studies, the analysis deserves to be read by everybody interested in American foreign policy toward the Caribbean and Latin America:

[From the Miami Herald, Aug. 5, 1984]

IS FIDEL READY TO DEAL?

(By Jaime Suchlicki)

Fidel Castro's recent statement that Cuba is willing to negotiate with the United States comes at a time when the more pro-Soviet, anti-American and internationalist elements within the Cuban government have achieved greater power. Members of the Council of State and ministers such as Raul Castro, Ramiro Valdes and Guillermo Garcia would probably oppose any rapprochement with the United States that could undermine revolutionary commitments abroad and ideological purity at home.

This is not to say that Fidel's power has been weakened or that if he is seriously interested in improving relations with the United States others will not follow. On the contrary, despite significant institutionalization over the past decade, Fidel's power remains supreme. What is ironic and makes Fidel's statement less credible is that it comes at a time of increased ideological militancy and continuous commitment to violence and revolution.

If we are to understand Fidel's message, we must realize that Cuba is unwilling to exchange its international role for normalization of relations with the United States. For the past two decades Cuba, under the protective umbrella of the Soviet Union, has played a great power role in Africa, Latin America and the Middle East, has led the nonaligned movement and has supported violent revolution in three continents—a role totally out of proportion to Cuba's size and resources and at the expense of the Cuban people. It is unlikely that a profoundly anti-American, megalomaniac and cunning leader like Fidel will abandon world center stage to become simply another friendly authoritarian/paternalistic caudillo relegated to an insignificant tropical island.

The Cuban leadership sees its support for revolution as an integral and critical part of Cuba's foreign policy. Helping leftist insurgents throughout the world is a revolutionary commitment that ensures that these allies will come to Cuba'a aid in times of need. But more importantly, worldwide revolution directed against the United States and its supporters weakens the United States, the principal enemy of the Cuban revolution, diverts its attention and resources and ultimately restrains its policies and actions against the island. This in turn ensures the survival of the Cuban revolution and its present leadership, the most important objective of Cuba's foreign policy.

The Sandinista victory in Nicaragua and the establishment, albeit temporarily, of a Marxist regime in Grenada are Cuba's most important revolutionary achievements in the Western Hemisphere. Although the overthrow of the Somoza regime in Nicaragua was as much the result of internal opposition as of external aid, Cuba can claim a joint effort with Venezuela and Panama in bringing down the Somoza dynasty. Cuba can also claim the vindication of the Cuban line that has emphasized for years the need for violence and particularly guerrilla warfare to attain power in Latin America.

Solidarity with the Soviet Union remains another vital element of Cuba's foreign policy. To an American journalist who visited the island recently and questioned Cuba's loyalty to the Soviets Fidel replied: "I am no Sadat." For the foreseeable future Cuba's policies and actions to the international arena will continue to operate in the larger framework of Soviet objectives. Fidel will pursue his own policies as long as they do not conflict with those of the Soviets.

Uncomfortable as he may feel in the embrace of the Russian bear, Fidel's options are limited. Although relations with China have improved from their 1967 low, the Chinese seem unable or unwilling to take Cuba on as an expensive client. Fidel's support of Moscow's policies are decried as "revisionist" and his denunciations of Mao in the late 1960s are still remembered with bitterness by the Chinese.

Increased commercial ties with Western Europe and Japan would be a healthy development from Cuba's standpoint. Yet, the ability of these countries to absorb the island's sugar exports is limited, and Cuba has a large Western debt and scant cash reserves with which to buy European and Japanese goods. Its heavy economic commitment to the Soviet Union and the East European countries is an additional deterrent to broadening the range of trading partners, while U.S. pressures on Western allies tend to limit their willingness to trade with Cuba.

All of this might enhance the desire of the Castro regime to reduce its reliance on the Soviet Union and find some sort of accommodation with the United States. Rapprochement with the United States could lead to a loosening of the embargo and even access to an important and proximate market. It could also improve Cuba's security position and provide Fidel with leverage in his dealings with the Soviet Union. U.S. recognition would mean an important psychological victory for Castro. In Latin America it would be interpreted as a defeat for "Yankee imperialism" and as an acceptance of the Castro regime as a permanent, albeit irritating, phenomenon in the Caribbean.

A move in this direction, however, would pose some major problems for the Kremlin. The Soviets may not be averse to some amelioration in Cuba-U.S. tensions, especially if this results in reducing Cuba's heavy demands for Soviet aid. The Kremlin might be fearful, however, that ties with the West could foster increasing independence in the Soviet bloc and lead to progressive internal liberalization, as the results of the West German efforts to establish diplomatic and trade relations with Eastern Europe have shown.

Although Cuba is not as critical to the Soviet Union as Eastern Europe, a resumption of relations with the United States and a significant weakening in Soviet-Cuban ties could be seen as leading to the eventual subverting of the revolution and the renunciation of membership in the "Socialist camp." Moscow would view Cuba's possible defection as a blow to its prestige and as damaging to the Soviet power posture *vis-a-vis* the United States.

Relations with the United States would be fraught with danger and uncertainties for the Cuban leadership. It would require a loosening of Cuba's military ties with the Soviet Union, the complete abandonment of support for violent revolutions in Latin America and the withdrawal of Cuban troops from Africa and other parts of the world—three conditions Fidel is not willing to accept. He perceives these requirements as an attempt by the United States to deny Cuba its right to play a great power role, to isolate the revolution and to strenghten anti-Castro forces within the island, thus posing a severe threat to the stability of his regime. Moreover, the embargo engenders in Cuba a sort of siege mentality that facilities the mobilization of the population and justifies the government's constant demands for more work and sacrifices, while at the same time providing a ready-made excuse for economic failures. The close ties of the Cuban economy to the Soviet Union would prevent a rapid reorientation toward the United States, even if this were politically feasible.

Fidel, therefore, does not appear able or willing to offer meaningful concessions. Statements of intention or meaningless tactical concessions are no substitutes for substantive policy changes. Fidel's political style and ideology and his apprehensions about U.S. motivations make him more prone to deviate to the left than to the right of the Soviet Union line. His awareness of Cuba's vulnerability is reinforced by the hostile activities of Cuban refugees. Commitment to violent revolution and solidarity with the Soviet bloc are cornerstones of his foreign policy. Preservation of a radical position is felt to be necessary for the defense of the revolution and to encourage the anti-U.S. struggle world-wide.●

HARASSMENT OF SOVIET PEACE GROUP CONTINUES

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. YOUNG of Florida. Mr. Speaker, freedom of speech is one of our Nation's most sacred liberties and nowhere is this constitutional right more evident than here in our Nation's Capital where demonstrations frequently are held in front of the White House and on the steps of the Capitol.

This contrasts sharply with the Soviet capital of Moscow where public demonstrations against Government policy are illegal. Soviet police even disband private group meetings.

Such are the differences between our Nation, dedicated to preserving peace and individual freedoms throughout the world, and the Soviet Union, which is determined to disrupt world peace in its continuing efforts to expand its influence and Communist doctrine. Peace runs contrary to Soviet expansionist policies which rely on turmoil, fear, and propaganda to destabilize nations in Central America, Africa, Asia, and Eastern Europe. Propaganda and scare tactics also are domestic tools of control for Soviet leaders.

Such was the case yesterday when Soviet police arrested 50 members of a peace group in Moscow as they arrived for a meeting in a private apartment. The Group To Establish Trust Between the USA and USSR is an organization of Soviet citizens which advocates better relations between the two world powers. It is one of the few surviving groups which continues to challenge Soviet policies. The rest have been disbanded by Soviet authorities.

Of those arrested yesterday, it is reported that at least two of the group's leaders would be sent to Soviet psychiatric hospitals. Others may be punished as members in the past who were imprisoned, sent into internal exile, or confined to mental hospitals. Two group members were arrested in June for circulating a petition in Moscow urging talks between President Reagan and Soviet President Chernenko. They were sentenced to 15 days in prison for "hooliganism."

Despite the image the Soviets attempt to portray through their propaganda and disinformation network, their lack of regard for peace within their nation and abroad should be of concern to those people in our Nation who are so determined to trust the Soviet leaders. Those same people should read today's United Press International account of the arrests in Moscow, which is just one of a growing list of actions indicative of the Soviets disdain for peace.

SOVIETS ROUND UP MEMBERS OF PACIFIST GROUP

(By Louise Branson)

Moscow.—Soviet authorities arrested some 50 members of a peace group that has called for a U.S.-Soviet summit and told at least two of the pacifists they would be sent to a psychiatric hospital, a member of the group says.

The arrests, seen as part of an ongoing Soviet crackdown on dissidents, came as the group arrived for a meeting at an apartment in central Moscow Wednesday, said group member Vladimir Brodsky, who was among those arrested.

"They included members of the group and others, mostly young people, who came along to get acquainted with it," he said.

The unsanctioned organization, known as the Group to Establish Trust Between the U.S.A. and the U.S.S.R., aims to establish better understanding between the two superpowers. It has been a frequent target of police and KGB harassment since it was founded two years ago.

The organization is equally critical of both countries and is one of the few groups that continues to express open dissent in the Soviet Union. Others have been disbanded with many of their members exiled or sent to prison.

Brodsky said at least two of those taken into police custody Wednesday, Kiril Popov and Alexander Rybchenko, were told they would be sent to a psychiatric hospital.

He said those arrested were taken to different police stations throughout the Soviet capital and some were released after questioning. Brodsky said he did not know how many were still detained.

The core members of the grass-roots group number about 16. Some of its members have been jailed, sent into internal exile or confined to mental hospitals.

Several members were recently sentenced to 15 days in prison for "hooliganism" after they were arrested while collecting signatures on the street urging a meeting between U.S. and Soviet leaders.

Brodsky said in the past few weeks harassment of the group had been stepped up in line with an apparent Soviet crackdown on dissidents including physicist Andrei Sakharov and his wife, Yelena Bonner.

No reliable information had been provided by authorities on Sakharov since he disappeared from his home in Gorky May 7, five days after reportedly beginning a hunger strike to pressure authorities into granting his wife permission to travel to the West for medical treatment.

Mrs. Bonner reportedly is to stand trial on charges of anti-Soviet slander.

The crackdown on dissidents also has included the arrest of a human rights activist when she met with two American diplomats and a reported tightening of restrictions on imprisoned physicist Anatoly Shcharansky.●

THE INTERNATIONAL MONETARY FUND

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. PAUL. Mr. Speaker, yesterday's Wall Street Journal published a letter by Henry Hazlitt, one of America's foremost economists, on the International Monetary Fund and the Bretton Woods Conference of 1944 that created that organization.

The occasion for the letter is the chorus of calls for a new Bretton Woods as the solution to our money troubles. But the IMF, as Dr. Hazlitt points out, was a failure from the beginning. During the 1950's and 1960's, the United States lost over 400 million ounces of gold; the number of currency devaluations totaled in the thousands, and our domestic prices more than doubled. This is hardly, as Dr. Hazlitt makes clear, the golden age that some in Congress and in the media would like us to think. Worse still, these same people are selling Bretton Woods and the IMF as a return to gold. Nothing could be further from the truth.

John Maynard Keynes, the British representative to the Bretton Woods Conference, even boasted that it set up the exact opposite of a gold standard. Yet today we see all the beneficial effects of a gold standard attributed to Bretton Woods. Such a misreading of history cannot go uncorrected.

There is a footnote to this debate that needs to be noted. Back in 1944 Henry Hazlitt was a columnist and editorialist for the New York Times. He warned at the time that the IMF agreements were designed to make resort to inflation easy, smooth, and above all respectable. Hazlitt was clearheaded enough 40 years ago to understand what Bretton Woods would mean. It is a tragedy that some of our 1984 sages, even after the fact, cannot tell what was wrong with Bretton Woods.

The letter follows:

BRETTON WOODS DESERVED THE AX

On June 22, 1982, the Journal departed from its usually excellent economic compent by publishing the editorial "Bring Back Bretton Woods." Then in the July 11, 1984, editorial "Fix What Broke," you regrettably returned to that theme.

The truth is that the Bretton Woods, system, concocted in a meeting of 40 nations in July 1944 under the leadership of John Maynard Keynes of Britain and Harry Dexter White of the U.S., was inherently unsound. It deliberately encouraged inflation.

Even before the delegates met, a provision was drafted allowing all members to make a uniform slash in the gold value of their currencies at any time, provided every member country having 10% or more of the aggregate quotas approved. There was also a provision allowing any country to reduce the par value of its currency whenever necessary to correct "a fundamental disequilibrium." The International Monetary Fund was forbidden to reject such a proposal. "Fundamental disequilibrium" was not defined. No limit was put on the number of these reductions of parity provided they were individually 10% or less. The fund was specifically not permitted to reject a requested reduction in the par value of any country's currency "because of the domestic, social or political policies" of that country.

The Bretton Woods system certainly did not set up a form of the gold standard. Its most influential framer, Keynes, specifically boasted in England that it set up "the exact opposite of a gold standard." Certainly it did not deserve to be called even a gold-exchange standard. An appropriate title might be a compulsory dollar-exchange system. For while most of the member countries continued inflating their currencies at different rates, their inflations were concealed because the U.S. had committed itself to accepting their purchases of dollars at a ficticious "parity" for their own currencies. This forced a huge imported inflation on the U.S.

This jerry-built system did not wait to break down, as the Journal suggests, until Aug. 15, 1971, when the Nixon administration suspended the convertibility of the dollar into gold. The breakdown began long before that.

When Britain intered the IMF, for example, it devalued the pound from $4.86 to $4.03. In September 1949 it devalued again to $2.80. That touched off 25 devaluations of other currencies within a single week. By 1967, there was hardly one of the fund's hundred and more member currencies, except the dollar, that had not been devalued at least once. And then, on Nov. 18, 1967, a further devaluation of the pound from $2.80 to $2.40 immediately touched off still more devaluations of other currencies.

Such are a few of the episodes in the inflationary 27-year period, 1944, to 1971, that the Journal now looks back upon through a haze of nostalgia—and forgetfulness. Between 1944 and 1971 our Consumer Price Index increased 130%.

The Journal blames Richard Nixon's abandonment of gold convertibility on his own pursuit of inflationary domestic policies. Nixon must take part of the blame. But that blame must be shared by Congress and by every administration from Franklin D. Roosevelt's on. Far more important, however, the 1971 collapse was brought about by the tremendous imported inflation made inevitable by Bretton Woods, which compelled the U.S. Treasury for 26 years to accept and pay out dollars or gold for all member currencies at a fictitious par for their own monetary unit.

The Journal wants to resume this system. It calls for "fixed exchange rates"—not, as under a gold standard, by each nation choosing the value of its own currency unit in a weight of gold, and keeping its own gold reserve to maintain that value, but by fixing its value in terms of the currency of an "nth nation"—meaning the U.S. This would be a return to precisely the Bretton Woods system that forced an enormous imported inflation upon us before, and broke down by undermining the dollar, as it would again.

All the fine results desired by the Journal were previously brought about by the international gold standard, in which each nation tied its own currency, not to a "price," but to a weight of gold. It made that currency convertible on demand into the weight of gold, and maintained its own gold reserves to keep that commitment. This tied every gold-standard currency to every other, and in effect brought about the "one-money world" that the Journal calls "the ideal international monetary arrangement." We could bring back that world only by returning, country by individual country, if no international agreement could be obtained, to the gold standard.—HENRY HAZLITT.●

A TRIBUTE TO MARVIN L. GARRETT, JR., UPON HIS RETIREMENT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. BROOMFIELD. Mr. Speaker, our Government and our country lost a Spartan warrior in the fight against international terrorism with the recent retirement of Marvin L. Garrett, Deputy Assistant Secretary of State for Security in the Department of State.

After finishing his military service in World War II and graduating from Washington University, Marv joined the Civil Service Commission in 1952 as an investigator and later worked with the Food and Drug Administration. He was then appointed in 1966 as a Special Agent with the Department of State. A few years later, Marv was assigned as the Regional Security Officer at the American Embassy in Rio de Janeiro. While working there, the Ambassador was kidnaped and Marv distinguished himself in gaining the Ambassador's release.

He then served in Bonn and at the end of his tour was transferred to Saigon. There, Marv faced another formidable challenge. He was the Embassy security officer when our Embassy was evacuated in 1975 and received a real baptism of fire during those harrowing days.

After a brief tour in the Department of State, he became the Office of Security's Regional Security Supervisor in Beirut and was responsible for the overall supervision of all Department of State security personnel in the Middle East. After commendable service in Beirut and Karachi, Marv became Associate Director of Security for all of Africa. While posted in Nairobi, he was required to spend nearly all of his time on the road in order to properly supervise the Department's security officers on that huge continent.

In 1978, he again returned to Washington as the Assistant Director for Operations. He was appointed the Acting Director of Security in 1981 and later served as the Deputy Assistant Secretary of State for Security from 1982 until this year.

Marv retired from the Department with over 30 years of productive security-related experience behind him. He was the first professional security officer to attain the rank of Director of the Office of Security.

His record is truly an impressive one. He served in difficult and dangerous climes and in arduous positions which would have exhausted the average man. He logged incredible quantities of time in the air and days on the road from the tropical heat of West Africa to the deserts of Arabia. He knew the trauma of evacuating a large Embassy in a war zone as well as the satisfaction of being chosen to direct the Office of Security, one of the Department of State's largest elements in the fight against international terrorism and the protection of Embassy personnel and facilities overseas. He took on the burden of command when terrorist activities directed at Americans overseas reached new levels of intensity and frequency. To show our Government's appreciation of Marv's yeoman service, the Department of State honored him on two occasions with the coveted Meritorious Honor Award for his exemplary efforts in both Rio de Janeiro and in Saigon.

Marv also served as the Department's representative on the Interdepartmental Committee for Internal Security and the Security Committee for the National Foreign Intelligence Board.

His contribution to America could be described as service above self. Those who worked with him both in the field and in Washington admired and respected him for his dedication, his energy and his commitment to the goal of providing the most secure environment possible for Americans serving in our Embassies and consulates overseas.

He demonstrated leadership to those who worked for him and showed unwaivering loyalty to his team. When the seas became rough, he was a steady hand on the tiller. He stayed the course and fought long and hard for a security program which would best support America's security interests overseas. Anyone who knew and worked for Marv are proud of him and what he stands for as a dedicated and patriotic American. His years of experience, superior judgment and expertise will be greatly missed by the Department. He has given much to America and will always be remembered for his unselfish contributions.

I want to wish him and his lovely wife, Donna, good luck in their new pursuits and a pleasant retirement in Hilton Head.●

SHUNNING A LATIN FRIEND

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. FOGLIETTA. Mr. Speaker, I am today enclosing for the RECORD an article which appeared on the op-ed page of the New York Times on August 1. The subject of the article is Uruguay, a nation which was once the finest example of democracy in South America, but which is today ruled by the military.

Mr. Speaker, Uruguay claims to be moving swiftly toward restoring civilian, democratic rule. Elections are scheduled for the end of November. Congress and the administration must be willing to extend their full support to Uruguay if Uruguay is willing to insure that fully democratic elections, with the participation of all the people, are held.

There are clear signs of progress in Uruguay. The Government has indicated that it will free many of the political prisoners now in detention. Unfortunately, however, as things now stand, the nominee of one of the nation's two largest parties, the blancos, will view those elections from jail. Wilson Ferriera A-dunate was arrested upon his return to Uruguay from exile for crimes against the nation. His crime was criticizing the military dictatorship which has taken over in 1973.

Mr. Speaker, I am deeply concerned that our own Government has taken so passive a role in speaking out over the detention of Mr. Ferriera. While the Times article perhaps lays too much blame at the State Department's door, I believe this Government has an obligation to speak out on Mr. Ferriera's behalf. Uruguay cannot have democratic elections when the leader of its largest party is in prison. And the United States should not support the actions of a government which has seen fit to lock up its most popular politician.

Congress must carefully review Mr. Ferriera's status when it returns in September. If the current conditions in Uruguay have not changed, I believe Congress will have to take action to voice its disapproval over Mr. Ferriera's status, and over the inaction of our own Government.

THE U.S. HINDERS CHANGE IN URUGUAY

(By Max Holland and Kai Bird)

WASHINGTON.—If a return to democracy is on the agenda in quite a few Latin American countries, the transition from military rule is not always made easier by Ronald Reagan's State Department. Uruguay is a case in point.

Last week the Uruguayan military regime finally recognized the right of several minority political parties to participate in next November's presidential election. But for six weeks now, the leading presidential candidate, Wilson Ferriera Aldunate, and his son Juan Raul have been sitting in prison. After 4,006 days in exile, they had come home to participate in the restoration of democracy in their country. The military Government greeted them with the largest military mobilization Uruguay has seen in this century, and Mr. Ferriera was charged with four offenses against the state, which could bring him a 30-year sentence.

The international response to their arrest was swift but for one critical exception—the State Department. Judged even by the standards of the Reagan Administration, the absence of an official reproach was stunning. Not a word has been heard from our mission in Uruguay. Indeed, when a delegation of United States lawyers arrived recently to discuss the imprisonment, Ambassador Thomas Aranda Jr. was unavailable. The only official response was a routine "press guidance" issued two days after the arrest, expressing confidence in the Uruguayan judicial system.

Why is the State Department content to see Wilson Ferriera—a man with impeccable democratic credentials, who rightfully should be part of any transition to democracy—languish in jail? The fact is that Mr. Ferriera has not always been willing to follow United States prescriptions for Uruguay. Most important, in the 1970's, he defied the State Department and diplomatic orthodoxy by taking his case to Congress and the American people. His public rebuke of United States policy created ill-will in the State Department—feelings that have only gotten worse under the Reagan Administration.

Mr. Ferriera, the candidate of the Blanco Party, was the leading votegetter in 1971, the year of the last presidential election before the military takeover in 1973. Forced to flee for their lives, father and son launched a vigorous campaign in Western capitals, working with sympathetic legislators to press the Uruguayan military junta for a return to political legitimacy.

In the fall of 1976, Mr. Ferriera was the first of many political exiles to testify before the House subcommittee on human rights, headed by former Representative Don Fraser, Democrat of Minnesota. Mr. Ferriera complained about a United States "policy clearly conducted to lose friends" and bemoaned the fact that the very nation that had defined his democratic ideals was now supporting the enemies of those ideals.

Today, the State Department makes little secret of its resentment of Mr. Ferriera. Thus, in early July, when a church delegation visited Elliot Abrams, the Assistant Secretary of State for Humanitarian Affairs, to press for the Ferrieras' release, he explained that the department was not intervening because it did not "want to be seen as partial" in the electoral process, nor "do anything to upset the democratic transition." Richard H. Melton, the Deputy Chief of Mission in Montevideo, even criticized Mr. Wilson's return as a "complicating" factor in the elections.

Last fall, when it became apparent that elections were inevitable, the State Department moved smartly behind Julio M. Sanguinetti, the nominee of the Colorado Party. His way was paid to Washington, where he held top-level meetings with Administration officials, and when he returned to Montevideo, Ambassador Aranda scheduled frequent and very public meetings with him.

More than anything, the department is leery that a truly open electoral process might result in the election of Mr. Ferriera, whose popularity is now enhanced by the mystique of exile. It is known to be pressing Mr. Sanguinetti's party to remain in the election despite the proscription barring Mr. Ferriera.

The State Department has made it clear that it would like Mr. Sanguinetti to release Mr. Ferriera after the elections, giving him his freedom but having denied him the presidency. If the department prevails, one of the "crimes" for which Mr. Ferriera will be excused is his testimony before the House of Representatives.

In fact, the State Department is committed not to Uruguayan democracy but only to elections won by its favored candidate. To achieve this, the department is willing to see the most popular Uruguayan politician, a proven democrat, languish in prison.●

A BILL TO RESTRICT FRAUDULENT HEALTH SPA PRACTICES

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. ANDREWS of Texas. Mr. Speaker, today I am introducing a bill to restrict fraudulent, misleading, deceptive, and unscrupulous practices in the health spa industry.

The bill follows:

H.R. —

A bill to restrict fraudulent, misleading, deceptive, and unscrupulous practices in the health spa industry

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. (a) This Act may be cited as the "Health Spa Consumer Protection Act".

(b) The table of contents for this Act follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.
Sec. 3. Definitions.
Sec. 4. Buyer's pre-contract rights.
Sec. 5. Contract duration.
Sec. 6. Required contract provisions.
Sec. 7. Methods of cancellation.
Sec. 8. Registration and bonding requirements.
Sec. 9. Waivers unenforceable.
Sec. 10. Enforcement.
Sec. 11. Relation to Federal and State law.
Sec. 12. Exclusions.
Sec. 13. Effective date.

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the health spa industry is a multimillion dollar industry nationwide, health spas are located in nearly every city, town, and other political subdivision within the United States, and millions of Americans hold memberships in health spas in expectation of improving their physical and psychological health;

(2) a significant number of owners and operators of health spas engage in fraudulent, misleading, deceptive, and unscrupulous practices, including—

(A) permanent closure or relocation of health spas without providing alternative facilities for members to use and without fully refunding membership fees allocable to facilities and service not provided,

(B) use of unfair and deceptive advertising that promises membership benefits that the owners and operators cannot and do not provide,

(C) inadequate capitalization of health spas and improper use of membership fees, and

(D) false and fraudulent claims of affiliations with interstate health spa franchises;

(3) such practices use commerce and the instrumentalities of commerce to perpetuate unlawful and improper methods of competition, and such practices interfere with the free and fair execution of contracts among the people of the several States; and

(4) most States have failed to enact consumer protection laws to curb abuses in the

health spa industry, and it is likely that some owners and operators will incorporate health spas solely or principally within such States in order to avoid regulation.

(b) It is the purpose of this Act to protect the public from fraudulent, misleading, unscrupulous, and deceptive practices in the health spa industry, to promote the free and fair execution of contracts within such industry, and to prevent fraudulent and other unlawful uses of the instrumentalities of commerce by owners and operators in such industry.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "affiliate" means any organization which substantially controls, or is substantially controlled by, the management or policies of any covered health spa;

(2) the term "buyer" means any person who purchases a membership in a health spa;

(3) the term "covered health spa" means any health spa which the buyer may use and enjoy under any membership contract;

(4) the term "disability" means any physical or mental condition of the buyer which prevents the buyer from using and enjoying the facilities and services of any covered health spa for a period of 30 days or more in a manner substantially similar to the use and enjoyment promised to the buyer under the terms of the membership contract;

(5) the term "executed" means signed by the buyer and the seller;

(6) the term "health spa" means any facility which provides services designed to improve the physical condition of the user through techniques such as exercise and weight reduction, and includes racquet clubs, exercise centers, weight reduction centers, aerobic exercise centers, dance studios, and martial arts and self-defense studios;

(7) the term "membership contract" means—

(A) any written agreement between a buyer and a seller which entitles the buyer to use and enjoy health spa services specified in the agreement and includes any renewal of such contract, or

(B) any prepayment membership contract defined in paragraph (9);

(8) the term "membership fees" means any amounts paid by the buyer in connection with any membership contract;

(9) the term "prepayment membership contract" means any written agreement between a buyer and a seller which requires the buyer to pay membership fees before any covered health spa commences operation;

(10) the term "seller" means any owner or operator of any health spa;

(11) the term "services" means—

(A) any program for the use of any equipment, physical structure, or other tangible property which any covered health spa provides to its members, including suanas, weight-lifting equipment, showers, and jogging tracks, and

(B) any weight reduction program, exercise program, counseling program, or similar program which any covered health spa provides to its members;

(12) the term "specifications" includes the location, design, and services of any covered health spa; and

(13) the term "State" means any one of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and any territories or possessions of the United States.

BUYER'S PRE-CONTRACT RIGHTS

SEC. 4. Before any membership contract is executed, and before the seller collects any membership fees from the buyer, the seller shall—

(1) provide the buyer with a copy of the membership contract for the buyer's review;

(2) orally inform the buyer of the buyer's rights to review and cancel the contract and of the conditions under which such right of cancellation may be exercised; and

(3) obtain the buyer's acknowledgement of such oral notice by requiring the buyer to sign the signature space provided in the contract for such specific purpose.

CONTRACT DURATION

SEC. 5. (a) Any membership contract, and any renewal of any membership contract, in excess of 2 years is void.

REQUIRED CONTRACT PROVISIONS

SEC. 6. The seller shall include the following provisions in each membership contract:

(1) The name and address of any existing or planned covered health spa, and any applicable affiliate, and a requirement that the seller promptly notify the buyer of any changes in such names and addresses.

(2) Provisions set forth in at least ten point boldface type, immediately above the signature space provided for the buyer to indicate the buyer's acceptance of the membership contract, which entitle the buyer to cancel the membership contract for any reason within 7 days after it is executed and which specify that the buyer shall pay no penalty for exercising such right of cancellation within such period.

(3) Provisions which—

(A) entitle the buyer, if the buyer becomes disabled, to cancel the membership contract after providing written notice of such disability to the seller and (i) entitle the seller, in order to verify the buyer's claim, to require the buyer to submit to a medical examination by a licensed physician acceptable to both parties within 30 days after the seller receives notice of the buyer's disability, and (ii) require the seller to pay the full cost of such examination, and

(B) entitle the buyer's estate, if the buyer dies, to cancel the membership contract after providing written notice of the buyer's death to the seller.

(4) Provisions which—

(A) require the seller, if the buyer becomes disabled, to provide a refund to the buyer no later than 7 days after receipt of notice of the buyer's concellation or no later than 7 days after the buyer's disability is confirmed in accordance with paragraph (3), and

(B) require the seller, if the buyer dies, to provide a refund to the buyer's estate no later than 7 days after receipt of notice of cancellation.

Any refund payable under any such provision shall equal the amount of membership fees which are allocable to the number of weeks remaining in the contract after receipt of any such notice of cancellation.

(5) Provisions which—

(A) require the seller to inform the buyer of all the specifications of any covered health spa,

(B) entitle the buyer—

(i) in the case of any membership contract (other than any prepayment membership contract), to inspect the premises of any covered health spa no later than 7 days after such contract is executed unless the seller consents to a longer inspection period, or

(ii) in the case of any prepayment membership contract, to inspect the premises of any covered health spa no later than 7 days after the services and facilities of such spa are available for use by the buyer unless the seller consents to a longer inspection period, and

(C) entitle the buyer to cancel the contract if the buyer finds that the specifications do not substantially conform to the specifications promised by the seller.

(6) Provisions which entitle the buyer to cancel the membership contract if the seller, at any time during the duration of such contract, fails to provide to the buyer the services of a covered health spa which—

(A) substantially conforms to the specifications of any covered health spa, and

(B) is located not more than 15 miles from the buyer's principal residence at the time such contract was executed or, if no spa was located within such distance at the time such contract was executed, not more than 15 miles from any covered health spa.

(7) Provisions which require the seller to provide a refund to the buyer, no later than 7 days after receipt of notice of the buyer's cancellation, if the buyer cancels the membership contract in any manner provided in paragraph (2), (5), or (6). Such refund shall equal the amount of membership fees which are allocable to the number of weeks remaining in the contract when the buyer cancels.

(8) Provisions which confirm that each covered health spa has been properly bonded and registered with an appropriate State agency in accordance with section 8 of this Act.

(9) The address and telephone number of the regional office of the Federal Trade Commission located nearest to the buyer's principal residence, and the name, address, and telephone number of the State agency located in the State in which the covered health spa nearest to the buyer's principal residence is located which has jurisdiction over consumer protection matters.

METHODS OF CANCELLATION

SEC. 7. (a) In order to cancel the contract, the buyer shall provide written notice of cancellation to the seller either by personal delivery of such notice to the seller or to a duly authorized agent of the seller, or by mailing a copy of such notice by registered mail or by certified mail, return receipt requested, to the last known business address of the seller.

(b) The seller shall include a notice of cancellation in each membership contract which the buyer may detach and send to the seller by any method designated in subsection (a) in order to cancel the contract.

REGISTRATION AND BONDING REQUIREMENTS

SEC. 8. (a) Before any membership contract in a covered health spa may be sold, the seller shall—

(1) file a registration statement with the chief executive officer of the State in which the covered health spa is or will be located, or with such officer's designee, which contains the name and address of the covered health spa, the name and business address of the seller of such spa and any applicable affiliate, the specifications of such spa, and information confirming that such spa shall be properly bonded in accordance with subsection (b) or (c); and

(2) retain a copy of such statement and make it available to any buyer or prospective buyer who makes a reasonable request to inspect it.

(b) The seller shall maintain a bond issued by a surety company admitted to do business in the State in which the covered health spa is located, and such bond shall equal membership fees paid by buyers of prepayment membership contracts.

(c) The seller shall maintain a bond issued by a surety company admitted to do business in the State in which the covered health spa is located. Such bond shall equal membership fees paid by buyers which are allocable to months following the sixth month of each membership contract to the extent such amounts are not covered by a bond maintained under subsection (b).

(d) Any bond maintained pursuant to this Act shall be held for the benefit of buyers of membership contracts in covered health spas.

WAIVERS UNENFORCEABLE

SEC. 9. Any waiver by the buyer of any requirement of this Act shall be unenforceable, and any contract containing any such waiver shall be void as against public policy.

ENFORCEMENT

SEC. 10. (a) Any failure on the part of any seller to substantially comply with the requirements of this Act shall entitle the buyer to bring an action to recover—

(1) an amount equal to triple the amount of actual damages sustained by the buyer; and

(2) reasonable attorney's fees for damages caused by seller's noncompliance.

(b)(1) Any failure on the part of the seller to substantially comply with the requirements of this Act shall be an unfair method of competition in or affecting commerce and an unfair or deceptive act or practice in or affecting commerce within the meaning of section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(2) The Federal Trade Commission shall have the power to enforce this Act in the same manner as a trade regulation rule issued by the Commission under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(c) Any action under this Act may be brought in the appropriate United States district court or in any other court of competent jurisdiction.

(d) No such action may be brought later than 2 years after the date of the occurrence of any violation unless the buyer's notice of such violation is delayed by fraudulent or misleading action by the seller or by any agent of the seller, in which case suit may be brought not later than 2 years after the date the buyer learns of the violation.

RELATION TO FEDERAL AND STATE LAW

SEC. 11. The rights and remedies provided under this Act are in addition to any other rights and remedies relating to the validity or enforceability of any contract or obligation.

EXCLUSIONS

SEC. 12. This Act shall not apply to—

(1) any membership contract between any person and any organization which is described in section 501(c)(3) of the Internal Revenue Code of 1954 and which is exempt from taxation under section 501(a) of such Code;

(2) any organization whose function as a health spa is incidental to its overall purpose; or

(3) any membership contract limited by its terms to less than 32 days which does not require any payment other than membership fees for such period.

EFFECTIVE DATE

SEC. 13. This Act shall become effective on the date of the enactment of this Act and shall apply with respect to any membership contract executed or renewed on or after August 10, 1984.●

APPALACHIANS, LOST IN THE BIG CITY

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. MITCHELL. Mr. Speaker, the following article is the final one of the three part series by Colman McCarthy regarding the Appalachians. It is as it appeared in the June 17, 1984, edition of the Washington Post.

APPALACHIANS, LOST IN THE BIG CITY

(By Colman McCarthy)

BALTIMORE.—Except for the nondescriptness of the row houses on both sides of the narrow forlorn street, the eight people sitting on the porch might well have been back where they came from: Appalachia. The six men and women and two children live in the Remington neighborhood, an isolated community of former mountaineers whose urban subculture is among the poorest and least visible in the city.

Common to the 1,100 households in this north central section of Baltimore is an emotional tie to Appalachia, from the hollows in southern West Virginia to coal towns in western Pennsylvania. In the 1950s and 1960s, an outmigration of young people came to cities like Detroit, Akron, Chicago, Cleveland, Pittsburgh and Baltimore with hopes of going higher in the world than their coal-mining parents, beginning at least with jobs above ground..

Work was available in the mills and factories of Baltimore. Today Remington is a lost community. Most of the mills have closed. In the past year, three factories employing more than 400 workers have either shut down or moved out. The Appalachians who were lured here 20 and 30 years ago by the chance for a paycheck can't go back to the mountains. There are no jobs there either. In parts of the coalfields, unemployment ranges from 30 to 80 percent. In Remington, about a third of the community lives below the poverty line.

An equal percentage of the population is under 18. Most of those will leave high school before graduating. A local teacher, reporting that nearly all the children from Remington come into school below grade level, says that in the Appalachian families education was "never a priority. There are too many other important things . . . People are more aware of what they can contribute to the family than what their future education can contribute to themselves."

On the porch the other afternoon, with temperatures in the mid-90's, the urban Appalachians of Baltimore were as reluctant to talk with a stranger about their problems as rural Appalachians would be with a passing-through outsider. One of the women, leaning on a porch pillar while her teen-aged daughter sat behind her, spoke softly about her ordeal of getting the family's fuel bill adjusted. She avoided the details. The humiliation of having to worry about pinching a dollar or two was a pain best carried privately. She wanted no stranger looking on her as a charity case.

This hesitancy to "fuss" is ingrained in the Appalachian psyche. It has been carried from the hills to the row houses as surely as the love of mountain music. Families stick together in clannishness. But this blood solidarity is seldom extended into political coalitions. There is no national organization to represent displaced Appalachians.

That fact, coupled with low voter turnout in places like Remington, means that politicians run little risk in ignoring these communities of poor whites. In the presidential primary campaign, Jesse Jackson spoke of a rainbow coalition of blacks, Hispanics, Filipinos, Indians, gays and lesbians. If he included destitute refugees from the mountains, no one in Remington heard him.

In many parts of Appalachia, county doctors report that mental depression is epidemic. It is the same here: a pervasive joylessness girded by an unceasing low self-image. Alcoholism is as rampant as black lung is in the mountains. Homeless teenagers have begun to show up. Two years ago, a mother dropped off her 14-year-old son with a family of cousins. She left and hasn't been back. To survive, the boy went to the streets and became a male prostitute.

Like the hills back home, Remington's hope has been strip-mined. Reclamation projects are also rare here. Rep. Parren Mitchell, whose congressional district includes Remington, says that nothing has been done to bring the area into the urban enterprise zone concept. I see no relief in the near future. The factories are closing and industries are not moving back to the city. I have sympathy for the people. They are caught in economic adversity not of their own making."

A thoroughfare that cuts through Remington is North Howard Street. It is one of the main routes to and from Memorial Stadium, home of the world champion Orioles. Travelers speed through Remington the way they ride the interstates across Appalachia: eyes and mind straight ahead. City or county, we bypass a whole people.●

EXCESSIVE TAX BREAKS ONE BIG REASON FOR THE DEFICITS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. STARK. Mr. Speaker, tax break piled on top of tax gimmick has so reduced the corporate effective tax rate that many U.S. corporations pay little or nothing in taxes. In some cases, they even get refunds.

How does this happen? Thursday morning's papers discuss the lower than expected tax rate in the fourth quarter for the Digital Equipment Corp. They actually had a negative rate of tax—that is they were credited with refunds or a reduction in prior or future taxes. The paper reported:

Digital said its tax rate was aided by several factors, the most important of which was the forgiveness of overseas tax liability that accrued under the Domestic International Sales, or disc program.

Digital said it benefited by between $60 million and $65 million from the tax for-

giveness, but only $10 million of the gains were taken in the final fiscal quarter.

The remaining amount, the spokesman said, would show up in the first fiscal quarter.

The company, which had been expected to earn between $2.30 and $2.35 a share in the quarter, also said its tax burden was eased by a pickup of business at several of its tax-advantage facilities.

Digital said it has facilities in tax havens like Puerto Rico and Ireland, as well as in tax advantaged locations in the Far East.

The spokesman for Digital said these lower taxed locations had an "inordinately high impact" on its rate.

Digital also said its tax rate was helped by research and development tax credits, and by benefits connected with its writeoff of its investment in Trilogy Computer.

The forgiveness of taxes under DISC was a provision buried in the just-enacted deficit reduction bill. It was a totally unnecessary giveaway of about $10 to $12 billion in taxes to a few large and generally highly successful companies. I believe that the companies would have been willing to support some payment of old DISC-related taxes. But instead we gave away the store—at a time when the Federal debt is increasing $333,000 every minute.

There are other troubling aspects about this news report, including the idea that tax advantages and the use of foreign tax havens have caused the export of at least some jobs abroad to tax-advantaged facilities.

Mr. Speaker, it seems to me that DEC executives, stockholders, and the general public should be asking whether DEC and the Nation as a whole would not be better served by lower deficits which would lower interest rates and lower the overvalued dollar, thus making it easier for DEC to make new investments and to compete internationally.

We will never get to a position of lowering our Nation's deficits, however, if highly successful companies like DEC have a negative tax rate.●

CALL FOR A JOINT INTELLIGENCE OVERSIGHT COMMITTEE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues a recent article in the National Review by my distinguished colleague and friend HENRY HYDE of Illinois. His commentary discusses the problems of dealing with intelligence matters in the oversight committees with jurisdiction for those issues. His call for a Joint Oversight Committee is an appropriate suggestion and merits the serious consideration by both Houses of the Congress.

The article follows:

[From the National Review, Aug. 24, 1984]

CAN CONGRESS KEEP A SECRET

(By Henry J. Hyde)

The furor in Congress over the mining of Nicaraguan harbors highlights a question of overwhelming importance: Is Congress capable of practicing responsible oversight of intelligence activities, once those activities are viewed as an integral part of a foreign policy that has become the subject of partisan political debate?

The current situation derives, ultimately, from the aftermath of Vietnam and Watergate. Panels headed by then Congressman Ottis Pike and the late Senator Frank Church carried out extensive investigations of U.S. intelligence activities in the mid-Seventies; in the wake of these investigations, both Houses of Congress decided to establish select committees on intelligence. For a while, both of these committees appeared to conduct their business in a amicable and bipartisan manner with little evidence of politicization. Unfortunately, that state of affairs was to good to last, and for the past two years or so, the House Permanent Select Committee on Intelligence, in particular, has become radically politicized. So much so, in fact, that one of the intelligence community's most illustrious and respected alumni, retired Admiral Bobby Inman, resigned in 1982 as a consultant to the committee because he felt it had become politically partisan. Inman, a former director of the National Security Agency and deputy director of Central Intelligence, explained that the oversight committees must be nonpolitical to earn public credibility. "If the country doesn't establish a bipartisan approach to intelligence, we are not going to face the problems of the next fifty years," he added.

The calculated, politically motivated leaking of highly sensitive information has become a Washington art form. This art was practiced to great effect during Congress's consideration of the mining of Nicaraguan harbors. A number of senators who knew about the mining when they voted additional assistance for the Contras turned around after the leaks and voted for a resolution prohibiting the mining. This flip-flop called into question the integrity of the whole oversight process, and jeopardized the President's Central American aid program. Senator Patrick Leahy and I have strong differences of opinion regarding the United States' involvement in Nicaragua, but the senator was right on the mark when he said, "There were senators who voted one way the week before and a different way the following week who knew about the mining in both instances and I think were influenced by public opinion, and I think that's wrong and that is a lousy job of legislative action."

As the publicity spread, the integrity of the oversight process deteriorated yet further. A cardinal rule in intelligence is not to comment on news accounts regarding sensitive operations. Yet, we saw Representative Edward P. Boland (D. Mass.), chairman of the House Permanent Select Intelligence Committee, do just that before the House Rules Committee, and subsequently on the House floor. Ironically, according to one press account, Boland's disclosures were partly motivated by a desire to counter charges that the CIA had not fully briefed the committee on mining activities. That's a commendable reason, but at what cost to our intelligence capabilities?

Then, in a move that must have left foreign intelligence services gaping, the CIA issued a press release acknowledging its involvement in the mining by citing 11 occasions when it briefed congressional intelligence committees on the matter.

What an unseemly spectacle then unfolded! Senator Goldwater, the chairman of the Senate Intelligence Committee, excoriated the CIA for not being forthcoming. Shortly thereafter, Senator Moynihan, the committee vice chairman, announced his resignation from the committee, claiming that he had not been properly briefed on the mining matter either. That charge was particularly perplexing inasmuch as Senator Moynihan had reportedly requested a legal opinion from the State Department on the mining question a week before the Senate vote on assistance to the Nicaraguan resistance forces. Nevertheless, CIA Director William Casey (in a triumph of discretion over valor) apologized to the Senate Intelligence Committee for his perceived sins, and Senator Moynihan decided to remain on the committee. The upshot of this bizarre scenario has been a serious deterioration in relations between the CIA and Congress.

All of this, of course, makes a mockery of the oversight system and of what must be the most overt covert program in intelligence annals. If what is at stake here were not so important, we could pause and have a good laugh at ourselves. But, unfortunately, our intelligence contacts around the world have taken note of this sorry performance, as have thousands of Miskito Indians and other Nicaraguans dependent on us for continued support. What they have observed cannot be reassuring.

It appears the only way to mount a successful covert operation these days is for such an activity to have the unanimous support of both intelligence committees and the involved agencies of the intelligence community. Anything short of that is doomed to failure. With politics intruding so heavily in the process, more debacles are a distinct possibility.

Major surgery is in order.

It is time to give serious thought to merging the existing intelligence committees into a joint committee composed equally of Republicans and Democrats who, in addition to the requisite trustworthiness, competence, and responsibility, can be depended upon to subordinate political considerations to the national interest. Such a committee should be backed by a small cadre of apolitical professionals with the same exemplary personal qualities as the committee members. Creating a new joint oversight panel along these lines would significantly reduce the number of individuals having access to sensitive information, thus minimizing the risk of unauthorized leaks.

It would also address some practical problems. As we have learned in the Nicaraguan affair, there is little interaction or coordination between the two intelligence oversight committees. Moreover, the committees frequently reflect differing perspectives. For example, it was recently leaked that the House committee felt the CIA might have overspent its budget in its covert operations in Nicaragua. This view was not shared by the Senate Intelligence Committee. The result was confusion.

A joint oversight committee would eliminate these problems, encourage bipartisan cooperation, and ensure a more effective congressional oversight arrangement.●

PESTICIDE CONTAINER LEGISLATION

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. PASHAYAN. Mr. Speaker, yesterday I introduced legislation that addresses concerns shared by us all—our environment and the ability of our farmers to produce enough food and fiber to feed and clothe not only us, but much of the world. Joining with me in this effort is our colleague Representative BOB MATSUI.

Each year this Nation's farmers utilize millions of gallons of pesticides to protect their crops from the ravages of insects and disease. Indeed, without this tool, we should not be able to enjoy the abundance that is annually produced.

Few recognize that the agricultural community—the farmers and the vast infrastructure that supports them—has been and is wrestling with the problem of disposal of the containers used to transport and store pesticides.

It is the farmer who 10 years ago recognized that because of a lack of proper methods of disposal, his pesticide containers were accumulating in barns and open fields and in a manner that could pose a danger to health and the environment.

Currently, the State of California leads the Nation in the use of metal pesticide containers, accounting for some 85 percent of all that are in use. The problems brought about in trying to handle nearly 5½ million cans are difficult, if not impossible, to appreciate.

California's northern neighbor, Oregon, may have shown us all a way to reduce, if not to eliminate the problems of accumulated metal pesticide containers. The Oregon Farm Bureau worked out a cooperative program with the State's Department of Environmental Quality and the Oregon Agricultural Chemical Association to collect the cans—which range in capacity from 1 gallon to 55 gallons—and to dispose of them.

In the spring of 1984 the cooperative program, purely voluntary on the part of the farmer, accounted for the disposal of 7,917 metal pesticide containers that had held 43,119 gallons of pesticides. According to the Oregon Farm Bureau's project manager, the metal containers were melted down by a Portland steel mill and recycled into fence posts.

The legislation we introduced yesterday provides a tax incentive for others to emulate what has proven to be successful in Oregon. Our bill provides a 25-cent-per-pound tax credit for each pound of qualified agricultural chemical container that is recycled.

According to the U.S. Environmental Protection Agency there are approximately 7.7 million metal containers used each year by the pesticide industry, and they weigh approximately 50 million pounds. At a 100-percent return rate, the total cost to the Treasury in any 1 year would be around $12 million.

For those who might not fully appreciate the impact of what the agricultural community is seeking to address we ask that you consider the following: The 7.7 million metal pesticide containers generated in 1 year are enough to bury 3½ square miles of land 1 foot deep in cans.

One objective of both State and Federal laws dealing with waste is to induce recycling and development of other desirable waste management practices through financial incentives. What we propose enhances this objective in what we view as a meaningful manner.●

OPPOSE H.R. 6067

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. CARR. Mr. Speaker, it appears that before too long the House will vote on the issue of whether to ban certain types of ammunition and firearms as they relate to their combined potential to pierce soft body armor.

For reasons I shall explain in a moment I urge my colleagues to support the substitute (H.R. 5845) which will be offered over the bill reported on a voice vote on August 8, 1984, by the Judiciary Committee (HR. 6067).

The Brooks substitute (H.R. 5845) is currently cosponsored by over 200 of you, my colleagues. It is a bill which limits itself to the question of armor-piercing ammunition. It's contents represent a delicate compromise and a consensus among the parties most affected: national police organizations, the administration, and the National Rifle Association. It took the parties 3 years of hard work to come up with this bill which would restrict the manufacture of armor-piercing ammunition with out adversely impacting on the American sporting and hunting community. It is a reasonable and responsible bill that deserves your support.

You might ask what's wrong with the bill the Judiciary Committee brings to us?

I normally support the Judiciary Committee. I was privileged to serve on the committee for a short time and consider its members friends and people I presumptively trust.

But on the question of armor--piercing-ammunition legislation, I respectfully say the committee is well intended, but wrong.

Before getting to the legislation, let's get the facts straight.

There is no armor which cannot be penetrated and there is no projectile that cannot be stopped. It all depends on how much you are willing to carry around with you.

Kevlar vests worn by police officers and Presidents are a good compromise. They offer good protection at reasonable cost and comfort. They are not bullet-proof. They are bullet-resistant.

No police officer has ever been killed as a result of his Kevlar vest being penetrated by an armor-piercing round.

The so-called teflon bullet—you've probably had postcards calling it a cop-killer bullet—or otherwise known as the KTW have not and are not publicly available and are sold only direct from the manufacturer to the military and police.

Whether Kevlar vests are penetrated depends on the velocity of the projectile, and on a complex relationship between shape, material, load, distance, and type and design of firearm used.

It is these complex relationships which a bill offered by my good friend Congressman MARIO BIAGGI (H.R. 6067) sought to deal. In the end, however, many of us believed that the compromises made by the Biaggi bill did not accomplish the stated purpose of the bill and adversely affected the thousands upon thousands of legitimate firearms users. The testimony of police organizations including law enforcement agencies of the U.S. Government generally agreed.

I continue to believe that there is no fair, workable and precise language which can define a "good" round from a "bad" round of ammunition.

Nevertheless, representatives of the various groups came together and compromised on a definition they could live with. That is the bill offered by Congressman JACK BROOKS (H.R. 5845) which is supported by over 200 of us.

In the face of this, however, the Judiciary Committee decided to continue with the Biaggi bill. In fact they have made a bad bill worse. It started out as an effort to ban armor-piercing rounds and has turned into an antifirearm, gun control bill that will adversely affect even more legitimate firearms users than the previous bill.

When the bill comes to the floor after the August recess, I urge you to support the reasonable, responsible, compromise Brooks bill which will be offered as a substitute.●

STATE TAXATION OF CORPORATE FOREIGN SOURCE INCOME NEEDS LEGISLATION GUIDELINES

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. MICA. Mr. Speaker, the matter of taxing corporations that do business in the United States on their worldwide combined income has been the subject of much debate both domestically and abroad. Prime Minister Margaret Thatcher has raised the matter on several occasions both with President Reagan and during the economic summit. It has been of concern to our Special Trade Representative, Ambassador Brock, and others in the administration including Treasury Secretary Regan, who recently forwarded to the President recommendations of the Worldwide Unitary Taxation Working Group which he chaired. Finally, it has been hotly debated by the States, of which a number have enacted laws allowing such taxation.

From the congressional perspective, expressions of concern began in 1964 with a report of a subcommittee of the House Judiciary Committee stating that international tax law should be formulated by the Federal Government and not by individual States. Later, in 1977, a House Ways and Means Committee task force, headed by Congressman DAN ROSTENKOWSKI, recommended that Federal income tax rules apply to State taxation of foreign source income. Since then, legislation has been introduced on several occasions. The latest legislative proposal was introduced by Congressman CONABLE.

At the outset, let me say that a State has a justifiable right to ensure that corporations doing business within that State be accountable for its fair share of taxation. This, in fact, was properly reflected in the principles that the Worldwide Unitary Taxation Working Group, chaired by Secretary Regan, agreed should guide State taxation of the income of multinational corporations. It recommended that there be increased Federal assistance and cooperation with the States to promote full taxpayer disclosure and accountability.

However, by its very nature, worldwide unitary taxation is not only a domestic issue. Such taxation does not merely affect the income earned by a corporation in a particular State. It affects the worldwide combined income of that corporation—domestic or foreign—and its foreign affiliates even though the latter may not have any connection with the United States. This method of taxation has the potential of adversely affecting international trade and investment in the context of a world trading system that is becoming increasingly interdependent.

In the long run, the consequences for a State attempting to attract corporations are obvious. While boardroom decisions are not the object of public scrutiny, it is perfectly conceivable that a corporation may decide to relocate its current and future operations to another State as long as there will be States that do not employ such taxation methods.

Furthermore, in the international sphere, unitary taxation may result in an enhanced risk of multiple taxation from the simultaneous application of State taxes and taxes imposed by foreign governments. In addition, a State tax imposed on the instrumentalities of foreign commerce may impair Federal uniformity in an area where the Federal Government must speak with one voice when regulating commercial relations with foreign governments.

The conflict that arises between the States' use of the worldwide unitary tax and the "water edges" rules used by the Federal Government can lead to serious international implications such as:

First, interference with national tax harmonization objectives;

Second, irritant in international tax and trade policy;

Third, retaliation by foreign governments against the United States;

Fourth, inability of the United States to negotiate a tax treaty on favorable terms to U.S. corporations; and

Fifth, a situation whereby foreign governments would have to negotiate a separate treaty with each and every State using a worldwide unitary taxation method.

My proposal, H.R. 6146, does not seek to preclude States from taxing corporations in general. It would simply bar a State from taking into account the income, generated abroad, of a corporation's foreign affiliates that are in no way connected to the United States, in general, and to that State, in particular. Furthermore, my proposal allows for a delay before it enters into force. My personal preference is that the States resolve these problems during the intervening year. The changes embodied in H.R. 6146 will apply to taxable periods beginning after December 31, 1985.●

SOCIAL SECURITY TAXATION

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. YOUNG of Alaska. Mr. Speaker, I have introduced legislation, H.R. 6128, that will make the formula for determining the amount of Social Security benefits subject to taxation more fair and consistent with tax policy.

In the Social Security Amendments of 1983, Congress subjected Social Security benefits for higher income recipients to taxation. The law states that if a recipient's income level exceeds the base amount of $25,000, in the case of an individual, and $32,000, in the case of a joint return, then gross income includes the lesser of one-half the Social Security benefits received or one-half the excess of modified adjusted gross income plus one-half the Social Security benefits over the base level.

Income level is determined by adding one-half the Social Security benefits received to the recipient's "modified adjusted gross income." "Modified adjusted gross income" means adjusted gross income increased by the amount of interest received by the taxpayer which is tax-exempt. This is where the unfairness in the law exists and I propose that the tax-exempt interest portion of the definition be deleted.

It is inconsistent tax policy to include tax-exempt income in the determination of taxable income. By using tax-exempt income in computing one's income level, you are penalizing the recipient for having this income. The recipient is penalized because his tax-exempt income could determine whether his Social Security benefits are subject to tax by pushing his income level over the base level. When taxable income is determined for income tax purposes, tax-exempt income is just that and the taxpayer is not penalized for having that income. This policy should remain consistent with regard to the taxation of Social Security benefits.

The following example should illustrate the position:

If a Social Security recipient has an adjusted gross income of $20,000, Social Security benefits of $10,000 and tax-exempt interest income of $10,000, then the recipient will have to include $5,000 in gross income. $20,000 [AGI] plus ($10,000×½) (SS) plus $10,000 [TEI] equals $35,000, $10,000 over the base level. One-half the Social Security benefits or one-half the excess over base equals $5,000.

If the tax-exempt interest income is excluded from the Social Security tax formula, as it is in determining regular income tax, then the recipient would owe no tax and not be penalized for his tax-exempt income. The adjusted formula would include $20,000 [AGI] plus ($10,000×½) [SS] and equal $25,000, an income level within the base amount.

The above analysis supports the position that the Social Security taxation formula for higher income re-

cipients would be more fair and consistent if tax-exempt interest income was not included in it. It would not exclude from taxation recipients whose taxable income levels exceeded the base level. I urge all Members to consider H.R. 6128 and lend their support.●

PRETRIAL SERVICES AGENCIES

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. HUGHES. Mr. Speaker, every now and then, and I am happy that this does not occur frequently, we find it necessary to introduce and move forward with legislation that is not, or at least should not be, necessary. Most frequently this happens when the executive branch refuses to carry out the law, frequently relying in its refusal upon a misreading of congressional intent. This was the case recently in regard to parental kidnaping, concerning which the Congress was forced to pass legislation which in effect directed the Department of Justice to comply with existing law which already required the Department to provide assistance to State authorities who are attempting to locate parental kidnapers who flee interstate and return them for prosecution.

Today, I am introducing legislation of this sort—legislation to insure that laws already on the books are complied with. Here, regrettably, the branch of Government failing to comply with the law is the branch charged with seeing that the law is complied with—the judiciary.

The law in question, the Pretrial Services Act of 1982, is important anticrime legislation, in that, when fully implemented, it will provide valuable assistance to Federal courts in determining conditions which should be set in releasing dependants while awaiting trial, and in supervising those who need it pending trial.

Beginning in 1975, we subjected this program to a test run, to determine the most effective and economical way to provide the services. The trial run showed that these improved bail practices can have a direct positive anticrime effect by reducing crime on bail, failure to show for trial, and the cost of jailing people awaiting trial. We tested two different approaches in 10 Federal district courts—five operated by probation officers, and five by separate operations. We found that we got a better product overall from the separate offices, and that the cost was the same either way. This normally would result in a decision to have all 94 districts served by pretrial services separate from our probation offices, but probation officers mounted a heavy lobbying effort to convince Congress they could do the job for little or no additional cost. They also lobbied, very effectively I might add, their immediate bosses, the chief judges of the district courts, who supported their position in Congress. As a result, we passed a law which, in effect, gave them a second change. The 1982 law instructed the courts to let probation officers have a shot at providing pretrial services for 18 months in those districts not already under the program. Where they have shown that they can in fact provide the services with existing personnel, the statute says let them do it on a permanent basis. Where they cannot, the law directs that the new people hired to perform the job work outside the supervision of the chief probation officer, since our 5-year test run clearly showed that, dollar for dollar, we got a better product this way.

At the end of this additional trial run—nearly 10 years after the initial legislation was passed—the Administrative Office of the U.S. Courts advised the Congress that this further experience confirmed what we had known all along—with very few exceptions, it will take the same number of staff and cost the same number of dollars to provide pretrial services under either management structure. The Administrative Office also concedes that under these circumstances, congressional intent as expressed in the 1982 legislation is clear that the districts which need to add new staff for pretrial services must establish these positions separate from the probation office. However, having conceded that the intent of the law is clear, the Administrative Office finds "ambiguity" in the fact that the statute gives what the Administrative Office calls "unfettered" discretion to the individual district courts. These courts have overwhelmingly elected to disregard the law, assign the pretrial services function to their probation office, and to hire all new staff for this function. The Administrative Office in turn has expressed its intent to assign appropriated funds to these offices despite the clear intent of the law to the contrary. The director of the Administrative Office justifies this defiance of the law on the grounds that the same law charges him with providing the services to the courts regardless of whether the courts elect, in their "unfettered" discretion, to establish the services in compliance with or in defiance of the law.

I find it ironic that this unfettered discretion, apparently subject to review and reversal no where on this Earth or in this life, is being claimed on the part of district court judges in applying the law to themselves. In applying the law to others, they are subject to reversal by higher courts for good faith misinterpretations of complex statutes or arcane rulings by hiring courts; they can be and are reversed for failing to properly carry our clerical functions, such as execution of documents: yet, we are told that they are free to disregard this statute directed specifically to the courts, and, when they do so, the administrative head of the courts has a duty to provide public funds to carry out that defiance

The director of the Administrative Office of the U.S. courts claim he is between a rock and a hard place. While he knows and understands that what the district courts are doing is contrary to what Congress intended, he does not run the program, but merely carries it out in accordance with the unfettered manner in which the individual district courts chose to implement or fail to implement the law. Many of which, incidentally, have also announced their decisions to rewrite the substance of the pretrial services law; one even said, "No thanks, we've decided that we don't need this law, and will not apply it."

To insure compliance with the law, and to extricate the director of the Administrative Office of the U.S. courts from the agonizing choice of obeying the law or obeying the judges, my bill simply assigns clear responsibility to the director for the implementation of the program, including responsibility to see that congressional mandates as to the substance and structure of the program are carried out. It makes no sense, from a management standpoint, to mandate a uniform national program in the area of administration of justice, and to permit 94 separate principalities to decide whether, and to what extent, they will carry out the law, just as it would make no sense to formulate national pure food standards and to allow regional Federal program administrators to each rewrite these standards to suit their own whims.

This seems to me to be a simple, straightforward resolution to the chaos that the Federal judiciary has created chaos which has delayed the implementation and threatened the integrity and future of pretrial services. There is another solution which is even more simple, straightforward, and immediate, and I encourage the judiciary to take this course. This it to comply with the law as it already exists. I believe that they were given considerable impetus to do just this last week when the House-Senate Conference on the Judiciary's appropriation, under the able and responsible leadership of Congressman NEAL SMITH, rebuffed their arrogant claim for appropriation of public money to finance their disregard of the law.

One way or the other, we must get this anticrime program up and running in all of our Federal district

courts. While this is a relatively small program, it has demonstrated that it can have a strong positive impact on crime control. Beyond this program itself, the regrettable manner in which the Federal judiciary has gone about implementing this and other recent legislation, most particularly the bankruptcy law, has caused me and some on my colleagues to reexamine our support for the appointment of a sentencing commission by the judicial conference under the sentencing reform legislation which we expect to vote on in the House in September. As I indicated during Judiciary Committee consideration of that legislation earlier this week, the disregard for the law demonstrated in these two instances suggests to me that my original support for judicial conference appointment of a sentencing commission was ill advised, and my present inclination is to begin mounting a concrete effort to convince my colleagues of the wisdom of the administration's position on Presidential appointment of the sentencing commission.●

THE LIBERTY BELL IS OUR SHINING SYMBOL, THE BERLIN WALL IS COMMUNISM'S MORBID REMINDER

HON. THOMAS F. HARTNETT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. HARTNETT. Mr. Speaker, I want to call the attention of my distinguished colleagues, and indeed, of the whole country, to a very important anniversary.

Monday, August 13 is the anniversary of the Berlin Wall. It was 23 years ago that the Communists chose to cut a living city in half by soldiers and barbed wire to block the exodus of over 2,000 refugees per day from East Berlin. Within weeks, a grim, ugly concrete wall was slammed into place. It stands today as an affront to basic human freedom.

For more than two decades, Berlin, where our soldiers died 40 years ago in the name of liberty, has been tormented and torn by the defiant wall. It is a wall which separates friend from friend and relative from relative, a wall which cordons freedom and communism. On one side, the state is almighty: Human dignity and freedom count for nothing. On the other side, there is dignity; there is freedom; and there is hope.

The wall was built before dawn on Sunday morning, August 13, 1961, to stop the flow of refugees trying to escape the regime which calls itself, ironically, "The German Democratic Republic." Even in the face of one of the world's most highly fortified borders which preceded the wall, through the streets of Berlin the yearning for freedom was alive and alluring. Individuals and families dared to leave everything else behind, and slip across a sector border to escape. It was to stop this exodus that the wall was built after one-third of the Russian zone population had escaped. Even in spite of the wall, over these last 23 years, hundreds have tried to reach West Berlin, braving bullets and digging tunnels to reach freedom. In the process, about a hundred victims gave their lives in the quest for liberty. These refugees have been shot down by East German guards couched in watchtowers. Some have been left to die without medical attention; the lucky ones were dragged off to prison.

So, on the anniversary of the start of the Berlin Wall 23 years ago this weekend, let us remember those who paid with their lives seeking freedom. They will be remembered in many places in America. On Monday morning at the Liberty Bell in Philadelphia, a group of Americans will gather at that shrine to lay a wreath to commemorate those murdered at the wall in Berlin during those 2 decades since the monstrosity was built. In my House district of Charleston, SC, a former U.S. military officer, Col. William Henderson, introduced a resolution in our county council which was unanimously adopted in remembrance of the victims of the wall in Berlin on this tragic anniversary. All over America, on Monday, people will shudder as they recall the ruthless cruelty and this insult to freedom—this wall by which East Germany keeps people inside.

Let us not forget those brave citizens of East Germany who have died trying to escape Communist bondage. Let us remember how a "worker's society" has to erect a 9-foot concrete barrier to keep its own people confined. Let us not forget this evil gash across the face of one of Europe's great cities, caged by Communists to keep freedom and liberty out of reach.

As we remember repression which the Soviet Union has imposed—from East Berlin to Afghanistan—let us all say a prayer for those denied their freedom and declare that their misery and their longing for freedom is not forgotten. The Liberty Bell is our shining symbol. The Berlin Wall is communism's morbid reminder.

The eyes of the world should look at this wall. The minds of the world should never forget this wall. The hearts of the world should keep hope alive for those inside this wall.●

DIXIE YOUTH WORLD SERIES

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. WILSON. Mr. Speaker, Los Angeles may have the 1984 Olympic games, but next week Lufkin, TX, will be able to boast of being the location for the 29th annual Dixie Youth World Series.

I am pleased to rise today in praise of the teamwork and dedication surrounding this amateur baseball event. First, because Lufkin has always been proud to send its team to compete in the series. We are greatly honored to have been chosen to host this year's games. And second, because special recognition will be given to one of the Dixie Youth League's most active supporters—Pitser Garrison, mayor of Lufkin. Mayor Garrison's tireless efforts on behalf of the people of our area, and his hard work and interest in athletics, have made this special week possible for Lufkin.

Youth League baseball offers young people a chance to learn team spirit and the motivation of healthy competition in a framework that also fosters lifelong friendships. These games celebrate the energy and determination of our youth to do their best for themselves, their teams, and their communities.

The Dixie Youth World Series may not have the exposure of international competition or the sophistication of professional athletics, but it does showcase achievement, teamwork, and dedication.

I can't think of very many activities more worthy of the term "All American."●

THE HELSINKI FINAL ACT AND THE STRUGGLE FOR HUMAN RIGHTS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. CONTE. Mr. Speaker, an important birthday was celebrated on August 1—the ninth anniversary of the Helsinki Final Act. The purpose of the Helsinki conference held in 1975 was to enunciate certain universally accepted principles that stand for the protection of fundamental human rights.

The tragedy of today is that in spite of the noble achievements enbodied in the Helsinki Final Act, the worldwide assault on human rights continues. The repression of Jews, dissidents, and refuseniks in the Soviet Union; the ruthless persecution of the Baha'is in

Iran and the terror that has marked the Khomeini regime; death squads, tyranny, torture in parts of Central and South America; the inability of workers to organize and freely express their views in Poland; the reign of terror presided over by Mu'ammar Qadhafi in Libya; the unachieved goal of self-determination for blacks in South Africa—the list goes on and stands as testament of the ever-urgent need to continue to press the fight for human rights.

It is especially disturbing that 9 years after ratification of the act, many of its terms are being violated by some of its signatories, particularly the Soviet Union. In this age of superpower rivalry, and haunted by the specter of nuclear war, world peace rests upon delicately balanced international relationships. Cognizant of the dangers inherent in a sour U.S.-U.S.S.R. relationship, there are many of us who hope for and are working toward a better dialog with the superpower in the East. But the trampling of human rights in that country—in direct violation of the Helsinki Final Act—badly handicaps those efforts.

The plight of Andrei Sakharov comes immediately to mind, though I could just as easily speak on the drastic curtailment of the emigration rights of Soviet Jews. While August 1 marks the ninth anniversary of the Helsinki Final Act, it also marks the second month without verifiable information concerning the condition and whereabouts of Dr. Sakharov. He is representative of the human rights oppression that increasingly characterizes the Soviet state, and he is a symbol of the trials faced by oppressed people everywhere. It is particularly poignant and ironic that as August 1 passed, reports circulated that Sakharov is being subjected to psychotropic drugs, a most disturbing development if true. The plight of Sakharov and others similarly oppressed is our plight as well. As members of the free world and of the larger community of man, each of us suffers the torture, the pain, the imprisonment, and the oppression they experience. Their fight must be our fight until it is won.

So Mr. Speaker, August 1 is a bittersweet celebration. The world is a better place given the Helsinki Final Act, but the long twilight struggle to achieve its objectives continues.

The challenges before us are great, but our resolve is unwavering and the hurdles surmountable. Therefore, fueled by the ideals contained in the act, let us make this August 1 a source of reaffirmation and renewed commitment to our efforts on behalf of the worldwide struggle for human rights. The nations of the free world are proof positive that the goals of the Helsinki Final Act are attainable—and worth striving for.●

IN RECOGNITION OF THE HONORABLE DEWEY J. SHORT

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. TAYLOR. Mr. Speaker, I would like to express my sincere appreciation to the members of the Committee on Public Works for so swiftly reporting my bill to name the Visitors Center at Table Rock Dam and Reservoir in honor of a former distinguished Member of this body, Representative Dewey J. Short.

I would also like to convey my thanks to the Members of this body who accepted the legislation without a dissenting vote.

Naming the Table Rock Lake Visitors Center, which also houses the Corps of Engineer offices, in honor of Dewey Short is but a small recognition of his more than a quarter of a century of service to his district, State, and Nation. It is much deserved for it was the late Congressman who was the prime moving force behind the legislation to create the Table Rock Dam and Reservoir which has meant so much to the people and the economy of southwest Missouri and northern Arkansas.

Dewey Short, often referred to in this body as the "Ozark Orator," is responsible for the more than 6.5 million people who visit Table Rock Dam and Reservoir each year. The lake recently celebrated its 25th anniversary and is within a few million dollars of repaying the Government's $65.5 million investment.

The action taken by the Members of the House on this bill is a most fitting tribute to one of ths body's most distinguished Members.●

THE CONTINUING SOVIET ACTIVE MEASURES AND DISINFORMATION CAMPAIGN

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. YOUNG of Florida. Mr. Speaker, one of the Soviet Union's most effective, but least understood foreign policy tools is its active measures and disinformation campaign which has as its goal undermining U.S. credibility in the eyes of our allies.

The Central Intelligence Agency estimates the Soviets spend between $3 and $4 billion a year for active measures operations throughout the world. Their disinformation and propaganda campaign is so large that our intelligence agencies are able to identify only a small percentage of Soviet forgeries and other false information.

As a member of the Intelligence Committee, I have urged the CIA and FBI to declassify as much information as possible about these Soviet activities so the American people and our allies can be more aware of the effectiveness and expansiveness of Soviet active measures. The committee, at my request, has held extensive hearings with defectors who were key figures in Soviet disinformation operations. Ladislav Bittman, the former deputy chief of the Disinformation Service of the Czechoslovakia Intelligence Service, and Stanislav Levchenko, a former KGB active measures officer assigned to Tokyo, provided our committee with excellent insight into these operations and their objectives. At my urging, the chairman of the committee declassified and released large portions of the transcripts from these hearings. The administration has also followed the hearings up by periodically releasing information about identified Soviet forgeries and disinformation.

The most recent disclosure was earlier this week when the U.S. Attorney General acknowledged that the Soviet Union forged racist letters, supposedly from the Ku Klux Klan, threatening the safety of athletes participating in the summer Olympic games. The letters were sent with U.S. postmarks to 20 Asian and African nations in an attempt to increase support for the Soviet boycott of the Olympics and to make the United States look bad. Our intelligence agencies have determined that the letters were authored by the KGB and are typical of other Soviet forgeries.

Information we have received this week also indicates the KGB may be planting reports that Nobel Prize winner Andrei Sakharov has ended his 3-month hunger strike. Initial reports from Moscow quoted Mr. Sakharov's wife Yelena Bonner as saying he had ended his fast. Friends who have corresponded recently with Mrs. Bonner say however she has never mentioned this information in her letters to them. The Soviets have been under great pressure from concerned people throughout the world demanding to have representatives examine Mr. Sakharov, who reportedly has been forcefed and drugged during his fast. The planted reports by the KGB are seen as an attempt to relieve public pressure on Soviet leaders.

These two Soviet disinformation efforts are only a small part of the widespread and complex Soviet active measures operation. It is imperative that our Nation continue to make disclosures of this type of information so everyone can understand the impact these Soviet attempts to discredit our Nation have on our friends and allies.●

RALPH T. CLARK

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. HOYER. Mr. Speaker, I would like to bring to the attention of my colleagues, the outstanding accomplishments of Ralph T. Clark. A constituent and good friend of mine, Mr. Clark recently was chosen by the coalition of black affairs of Prince Georges County as the recipient of its Citizen's Award for 1984.

Certainly there is no better choice. Ralph Clark has been a resident of Prince Georges County for almost 30 years, most recently in Suitland. During that time, he has been a consistent contributor in the effort to improve the status of blacks in his community, his county and his State.

As chairman of the minority procurement task force for Prince Georges County, he sought to develop methods by which greater numbers of minority businessmen and women can obtain information concerning the procurement process within the county. He also recommended that the county executive provide training to minority business in procurement procedures of the county government.

Ralph also served as the coordinator of the Prince Georges County Cable Minority Enterprise Program. His major thrust in this role was to seek ways to broaden access for minorities in the county cable industry, both as providers of goods and services.

As a member of the board of directors of the Prince Georges County Economic Development Corp., he has consistently promoted the potential of minority business in the area. And as a member of the board of directors of the Prince Georges County Fair Board, he encouraged greater minority participation in fair activities. Prior to his involvement, few minorities had either participated in or attended the county fair.

Ralph is a member of the National Business League, and serves as assistant regional vice president for region 3. He is also a charter member and board member of the National Business League of Southern Maryland.

Clearly Ralph's activities on behalf of the residents of the Fifth District are to be commended, and I am pleased that he should be honored by this award. His consistent efforts and dedication in all he endeavors certainly serve as a remarkable example for all civic leaders to follow.

Mr. Speaker, I am pleased to have this opportunity to call attention to the valuable contributions of Ralph Clark, and I know you will join with me in congratulating him on receiving this award.●

NATIONAL NURSING HOME EMPLOYEES WEEK, AUGUST 19-25, 1984

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. ANTHONY. Mr. Speaker, the week of August 19-25 is "National Nursing Home Employees Week." This event, cosponsored by the National Council of Health Centers and the American Health Care Association, provides an excellent opportunity for our Nation to express its gratitude to the 950,000 nursing home employees who provide long term care services for 1.4 million elderly Americans.

As the health care delivery system of our Nation has developed, the care provided in nursing homes has become a vital part of that system. One cannot really appreciate the daily problems faced by thousands of primary care givers—nurses, nurses aides, therapists, other health aides—and physicians in nursing homes, and the remarkable dedication to their jobs that make it possible for them to stay in the work.

We are becoming an aging society. As the elderly population expands and begins to make up a larger part of our Nation's citizenry, nursing homes have been and must continue to be a part of our efforts to meet the long-term care needs of this group.

Recent population projections indicate that we will need 587,000 additional nursing home beds by 1990. To provide the necessary care for these beds, we will need 42 percent additional employees: 14,700 administrative personnel; 22,000 medical/allied professional employees—physicians, dentists, pharmacists, dietitians and nutritionists; 19,600 therapists; 40,900 licensed practical nurses; 35,600 registered nurses; and 194,300 nurses aides.

There are few issues as important to us as providing services and care for our elderly. And no aspect of this care is more important than in nursing homes. "National Nursing Home Employees Week" is a splendid opportunity to say thank you to the thousands of excellent nursing home employees nationwide.●

10TH ANNIVERSARY—TURKISH INVASION OF CYPRUS

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. HOWARD. Mr. Speaker, today I would like to submit for the RECORD the text of a letter written by one of my Greek-American constituents, Mr. Steven N. Papayliou, to mark the 10th anniversary of the Turkish invasion of Cyprus which was mourned by Greek-Americans throughout New Jersey and our Nation on July 20. As we all too sadly recall, the invasion left over 200,000 Cypriot refugees to wander homeless, and nearly 2,000 Greeks and Cypriots missing.

DOUBLE STANDARDS

July 20th marked the 10th anniversary of the Turkish invasion of Cyprus. A decade ago, the Turks invaded and occupied 40 percent of the island republic, destroying cities, towns, hospitals, churches and schools. Over 200,000 Greek Cypriots were evicted from their homes; 1,689 persons are still missing, among them American citizens.

The Reagan administration shows great sensitivity, and correctly so, to the presence of Soviet occupation forces in Afghanistan. It shows no such sensitivity to the presence of more than 25,000 Turkish occupation troops in Cyprus equipped and subsidized by the American taxpayer in flagrant violation of our laws. Why the double standards?

Turkey is the third highest recipient of U.S. economic and military aid. However, the arms we give to Turkey are not pointed towards Russia; they are pointed in the wrong direction, towards the Greek Aegean islands, and are used for the illegal occupation of Cyprus. One wonders: Are we rewarding and encouraging the expansionist designs of Ankara?

Alexis De Toqueville once wrote: "America is great, because America is good. If America ever ceases to be good, America will cease to be great." The United States cannot ignore actions that violate international law. No country can count on its strategic importance to compensate for the effect of illegal activities on its alliance with the United States,

It is hypocritical of our government officials to talk in support of human rights, peace, justice, and freedom—the foundation stones of our great nation—while they sanction the violation of these sacred principles by a so-called "ally," Turkey.—STEVEN N. PAPAYLIOU.●

TECHNICAL CLARIFICATION OF REVENUE ACT OF 1978

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. GEKAS. Mr. Speaker, the Internal Revenue Code of 1954 exempts from income taxation the interest paid on bonds issued by States and their political subdivisions, except for certain bonds issued for nonpublic purposes, known as industrial development bonds. The special tax treatment of industrial development bonds began with the Revenue Expenditure and Control Act of 1968, and has progressed through several amendments and modifications to its present status.

Since that time, industrial development bonds have become a primary and very important mechanism used by States and local governments to provide tax-exempt financing for pri-

vate investment in plant and equipment expansion.

The Revenue Act of 1978 contained several changes to the tax treatment of industrial development bonds. An amendment was added which provided that, in lieu of the $1 million small-issue IDB volume limitation, an election to increase the limitation may be made only if certain capital expenditures—such as the construction of buildings and improvement of equipment—over a 6-year period are counted toward the $10 million limitation. As provided in this amendment, the $10 million limitation is increased to $20 million in the case of a project to which a UDAG grant is made.

I have today introduced legislation to make a technical clarification in this provision which was part of the Revenue Act of 1978. My bill will clarify that provision added in 1978 by providing that when an urban development action grant has been awarded the $10,000,000 exclusion of capital expenditures is applicable regardless of whether the grant was made before or after the issuance of the bonds. My legislation will amend subparagraph (I) of section 103(b)(6) of the Internal Revenue Code of 1954, which relates to aggregate amount of capital expenditures where an urban development grant is used, by removing "has been made" and inserting in lieu thereof "is made (at any time during the 6-year period under subparagraph (D)(ii))." This revision will be applicable to all obligations issued after June 30, 1982, in taxable years ending after such date, and to capital expenditures made after June 30, 1982, with respect to obligations issued after that date.

The 1978 amendment clearly did not intend for issues made prior to a UDAG/IDB marriage to lose their tax exempt status even though they did not exceed the original $10,000,000 limitation at the time of issuance. However, the intent of Congress is being frustrated by the Internal Revenue Service's literal reading of the UDAG provision added in 1978. The timing of the bond issuance and the UDAG grant award should not matter if the facilities benefiting by the bond proceeds and the UDAG's are the same. The language "has been made" in the 1978 statute was not intended to mean that the UDAG has to come first. What was meant was that the $20 million exclusion would not be available until the UDAG had been awarded.

It is obvious that Congress added section 103(b)(6)(I) of the Internal Revenue Code of 1954, which relates to aggregate amount of capital expenditures where an urban development grant is used, in an attempt to facilitate the use of UDAG's. Congress did not add this section to limit the use of UDAG's. If the Department of Labor is correct in that most new jobs created in the past 2 years were done so in the small independent business sector, then the literal reading of this section by the Internal Revenue Service would be counterproductive to this trend and would certainly be of a negative benefit to any continued recovery.●

BALANCED BUDGET CONSTITUTIONAL AMENDMENT

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. PATTERSON. Mr. Speaker, today I signed discharge petition No. 10. If enough of our colleagues join me in supporting this extraordinary procedure, it will be possible for the House of Representatives to vote on a balanced budget constitutional amendment proposal before adjournment this year.

Should we be successful in our effort to bring the constitutional amendment question before the House, I intend to offer an amendment which will be the text of the constitutional amendment proposal I introduced last year, House Joint Resolution 428. It is a simple and straightforward amendment which requires the President to submit and the Congress to enact a balanced Federal budget.

Although I regret that we have come to a point where we must take such extreme measures, I do believe they are now necessary. We simply cannot continue to rack up $200 billion annual budget deficits; the stability of our economy and the well-being of our citizens is jeopardized by the prospect of unabated budget deficits. I believe we must act now to impose fiscal discipline on the Federal Government to stem the tide of burgeoning budget deficits.

A number of balanced budget constitutional amendments have been proposed. However, all of them lack one or more essential features. One feature which makes my proposal unique and workable is that it imposes the balanced budget responsibility on both branches of Government responsible for developing the Federal budget; the legislative and executive branches. It requires not only that the Congress enact a balanced budget but that the President prepare and submit a balanced budget to Congress. Omitting the President from the balanced budget process would significantly hinder any effort to achieve balance since it is the President who develops the budget and then presents it to the Congress for approval. The Congress merely refines the President's budget request—which usually means that the Congress cuts the President's request. In fact, in all but two of the fiscal years 1947 through 1981, the Congress has appropriated less than the President requested.

Additionally, my proposal assures that our Federal Government's commitment to national defense will not be breached. To provide flexibility to respond to threats and emergencies affecting our national security interests, my amendment allows suspension of the balanced budget requirement in the event of a national emergency or declation of war. Furthermore, unlike many other proposals, House Joint Resolution 428 would go into effect immediately upon ratification by the States.

BALANCED BUDGET PLAN OF ACTION

Because ratification of a constitutional amendment will take years to accomplish, I am also an advocate of statutory measures which can invoke fiscal discipline immediately. One such approach is embodied in H.R. 6066, of which I am a cosponsor.

In short, this bill would require the President to submit a balanced budget plan by October 1, 1984. The plan would contain a clear explanation and timetable. For future years starting with fiscal 1986, the President would submit a balanced budget and the House and Senate Budget Committee would have to report out balanced budgets. Should the President decide that a balanced budget is not appropriate, he could also submit a budget not in balance with an explanation of why a balanced budget is not recommended.

Under this approach, we would have immediate action on a balanced budget. Unlike the constitutional amendment, it does not simply require action by some future President or Congress; it requires action now.

ACTION NOW

Mr. Speaker, I believe we must take action now to enact both a constitutional amendment requiring a balanced Federal budget as well as a statutory requirement that we immediately put ourselves on the path toward balances.●

URBAN DEVELOPMENT ACTION GRANT AMENDMENT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. GARCIA. Mr. Speaker, perhaps one of the most successful programs over the last several years has been the Urban Development Action Grant Program [UDAG]. Throughout its brief history, it has been both uniquely versatile and timely. My city and congressional district have benefited from these attributes and it is precisely because of this program's many uses

and its track record that I hesitate to tamper with it.

However, in the recent past, UDAG applications have been approved and others have been submitted that will result in the relocation of businesses from distressed areas. This has caused me great concern not just because my community has witnessed the relocation of one of its firms to another city because of a UDAG award, but also because it violates the good will that this urban program has developed.

The UDAG program was designed to create and save jobs, not to relocate them. Such a use does little to address the overall unemployment confronting distressed regions; is a very poor use of limited Federal development moneys; and forces cities to bid against one another in a sort of blackmail to maintain their economic bases. Recently, my city had to offer substantial and long-term tax breaks to maintain a major firm in the downtown area just to compete with another nearby city's siren UDAG call. This second incident has been followed by yet a third. In this latest case, a small firm has been enticed to move to yet another nearby community offering benefits financed by UDAG.

I have developed legislation to tighten up the relocation prohibitions within the UDAG Act. Current regulations prohibit the use of UDAG moneys to facilitate the relocation of commercial and industrial firms with one major exception: The Secretary of HUD may allow relocation if he finds that such a relocation does not significantly and adversely affect the unemployment or economic base of the area from which such industrial or commercial plant or facility is to be relocated. Such an exemption allows for great subjectivity among the UDAG approval teams and the Secretary. Unfortunately, HUD has not established any known measure or test of significant or adverse impact. Losing 500 jobs may be a disaster to a city of 25,000 to 50,000 people and hence its impact would be obvious, but the same plant relocating from a city of 3 million may be far less in impact. However, for the specific neighborhood from which this firm leaves, it can be just as disastrous as it is in the case of the smaller city. HUD's regulations and procedures fail to recognize this. Regardless, UDAG funds should not be used to relocate jobs and certainly should not be undermining the tax base of any city regardless of size.

My new legislation states that no assistance may be provided or utilized under the UDAG Program for any project that will facilitate, or is likely to result in, the relocation of any operation, personnel, or positions of an industrial or commercial plant or facility from any eligible city or county to another such eligible area.

Further, my legislation requires the Secretary to make a determination that such a project will not facilitate the relocation of a business prior to approving the grant application. Should such a project be approved and subsequently cause relocation, the Secretary is directed to recapture the UDAG award.

The Congress has long frowned on the use of Federal economic development moneys which have led to the relocation of existing business facilities. The programs of the Economic Development Administration have long had strong antirelocation provisions. This legislative proposal is in line with that philosophy.●

IT'S TIME TO END THE BEARER BOND ABUSE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. STARK. Mr. Speaker, today I am introducing a bill to require that, for Treasury backed securities to be eligible for a zero tax rate, they must be registered.

As the following Wall Street Journal article indicates, the potential for tax evasion by investors in bearer bonds has reached alarming proportions. The United States could be in a position of becoming the newest tax haven if we allow tax scams like the Salomon Bros. proposal to develop.

There was much concern in both the House and the Senate that the Treasury Department might issue bearer bonds to attract foreign investment to help pay the deficit. The Washington Post editorial on August 8, 1984, argued that getting into the bearer bond market was a "blatant solicitation to tax evasion." Foreign investors and foreign nominees for American investors pay a premium for bearer bonds which require no record of ownership.

The Treasury Department took weeks to make a decision on the bearer bond issue. Yesterday, 1 day after I publicized my intention to offer an amendment which would prevent the Treasury from issuing bearer bonds to foreign investors, Secretary Regan finally announced that Treasury would not enter the tax evasion market.

Today, the Salomon Bros. offering is evidence that the abuse of bearer bonds is still with us and must be checked.

The text of the bill follows as does the Wall Street Journal article:

[From the Wall Street Journal, Aug. 10, 1984]

GROUP BUYS $1.7 BILLION OF U.S. BONDS, PLANS "BEARER" FORM TO LURE FOREIGNERS

(By Michael R. Sesit and Alan Murray)

Five securities firms and banks purchased $1.7 billion of yesterday's 30-year $4.8 billion U.S. Treasury bond offering and plan to repackage the bonds in a way that will be particularly attractive to foreign investors.

Salomon Brothers Inc., the lead house in the group, said the sponsors intend that foreigners will be able to buy the repackaged bonds in anonymous, "bearer" form.

The Treasury Department yesterday said it has decided against offering securities in this form, despite the attraction to foreign buyers. Critics of the bearer form had warned that it could worsen tax evasion by foreigners and Americans alike.

Now investors and investment bankers will have to see whether the Treasury or Congress will move to squelch arrangements such as Salomon's and another offering brought to market yesterday by Goldman, Sachs & Co., in which the bankers buy the bonds and add the anonymity feature for their foreign customers.

CONVERSION PLANNED

Salomon said the sponsors intend to convert the bonds into about $7 billion worth of Certificates of Accrual on Treasury Securities, called CATS, for sale to both U.S. residents and foreign investors.

The CATS issue, which splits the interest coupons on the bonds from the principal portion, is the largest such offering ever made by Salomon.

Besides Salomon, the sponsoring group comprises Citibank, PaineWebber Inc., Prudential-Bache Securities and Shearson Lehman/American Express Inc.

Yesterday, Treasury Secretary Donald Regan sent a letter to Robert Dole (R., Kan.), chairman of the Senate Finance Committee, saying that the Treasury had no plans to issue bonds in bearer form. The Treasury had received expressions of concern from members of Congress and some foreign governments that such instruments could make tax evasion worse and make it more difficult for foreign countries to raise money in international markets.

CATS are effectively zero-coupon bonds that carry no interest and are sold at a deep discount from face value. The investor gains an effective yield, because he is repaid the face value of the bond at maturity.

The Salomon group's Treasury bonds are to be split into two segments consisting of $5.3 billion of coupon CATS due semiannually from Feb. 15, 1985, to Aug. 15, 2009, and a so-called corpus portion, consisting of the $1.7 billion Treasury bonds principal, callable Aug. 15, 2009 and maturing Aug. 15, 2014.

Starting today, the corpus portions of the CATS are being offered at $595 for a $1,000 bond to yield an effective 11⅝%.

INTERCHANGEABLE CATS

The bearer CATS sold to foreigners and the registered instruments sold to U.S. residents will be interchangeable, said E. Craig Coates, a Salomon managing director. Thus, CATS sold to a U.S. resident by a foreigner become registered instruments, while registered CATS sold to a foreigner will revert to bearer form, if required by the foreign investor.

The bearer bonds won't be immediately available, but, instead, will be placed on deposit as a single global certificate at either

Euroclear of Cedel, the two European clearing systems. They, in turn, will release the bonds in bearer form when investors pay for them and certify that they are neither U.S. residents nor holding the bonds for U.S. residents.

Nevertheless, it remains to be seen what proof the Treasury might require that a bearer-bond holder isn't a U.S. resident. U.S. regulations require investors either to identify themselves when being paid interest or principal from the U.S., or to pay a 20% so-called backup withholding tax.

Some bankers contend that as much as 50% of the Eurobond market won't invest in U.S. securities without guarantees of anonymity.

An issue for the Treasury, say bankers, will be whether it accepts a U.S. investment bank's certification that a bearer bond has been sold to a foreign financial institution or whether it will require the foreign institution to further certify that the actual bondholder isn't a U.S. resident.

Some bankers contend that since it is virtually impossible for the foreign bank to know who the real owner of a bond is, the bank may refuse to put its name behind a declaration that no U.S. residents hold U.S. bearer bonds.

NO ASSURANCE

In fact, the CATS' offering statement warns investors that "there can be no assurance that a requirement to provide such a statement (that the holder isn't a U.S. resident) or additional certifications will not apply to sales or payments at maturity of the CATS. All payments on CATS will be made net of any tax withholding, if applicable."

Salomon Brothers said that it had informed the Treasury of its intention to offer CATS in bearer form to foreigners.

Some bankers contend that the argument over whether U.S. residents will use U.S. bearer securities to evade U.S. taxes is moot. "Any determined tax evader can shield anything from anyone he wishes," said a U.S. investment banker. Referring to the Salomon offering, he added: "This isn't exactly opening a Pandora's box; the Pandora's box has already been opened."

At year-end 1983, there was $140 billion of outstanding Eurodollar bonds in bearer form as well as more than $50 billion of bearer bonds denominated in other currencies. Bankers point out that any sophisticated U.S. investor could have used them to evade taxes.

H.R. —

A bill to amend the Internal Revenue Code of 1954 to prohibit the issuance in bearer form of securities which are interests in Treasury obligations

Be it enacted by the Senate and House of Representatives of the Untied States of America in Congress assembled, That (a) subsection (f) of section 163 of the Internal Revenue Code of 1954 (relating to denial of deduction for interest on obligations not in registered form) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) CERTAIN INTEREST IN TREASURY OBLIGATIONS TREATED AS REGISTRATION-REQUIRED OBLIGATIONS.—

"(A) IN GENERAL.—Notwithstanding paragraph (2)(B), the term 'registration-required obligation' includes any obligation secured by Treasury obligations (or any evidence of an interest in the principal or interest (or both) payable with respect to Treasury obligations) if such obligation or interest is of a type offered to the public.

"(B) TREASURY OBLIGATION DEFINED.—For purposes of subparagraph (A), the term 'Treasury obligation' means any obligation issued by the United States or by any agency or instrumentality thereof."

(b) Subsection (b) of section 4701 of such Code (relating to tax on issuer of registration-required obligations not in registered form) is amended by adding at the end thereof the following new paragraph:

"(3) DETERMINATION OF PRINCIPAL AMOUNT IN THE CASE OF CERTAIN INTERESTS IN TREASURY OBLIGATIONS.—In the case of any registration-required obligation described in section 163(f)(3), the issue price of such obligation (as determined under rules similar to the rules of section 1273(b)) shall be treated as its principal amount."

(c) Subparagraph (A) of section 165(j)(2) of such Code (relating to denial of deduction for losses on certain obligations not in registered form) is amended—

(1) by striking out "section 163(f)(2)" and inserting in lieu thereof "section 163(f)", and

(2) by striking out "of such section" and inserting in lieu thereof "of paragraph (2) of such section".

(d) Paragraph (1) of section 1287(b) of such Code (relating to denial of capital gain treatment for gains on certain obligations not in registered form) is amended—

(1) by striking out "section 163(f)(2)" and inserting in lieu thereof 163(f)", and

(2) by striking out "of such section" and inserting in lieu thereof "of paragraph (2) of such section".

(e) The amendments made by this section shall apply to instruments issued after the date of the enactment of this Act.●

TRIBUTE TO DR. JERRY BUSS

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. DIXON. Mr. Speaker, it is with great pleasure that I take this opportunity to pay tribute to one of the outstanding entrepreneurs in America today. Dr. Jerry Buss is a leader in both the business and professional sports communities. His selfless dedication enabled him to build a real estate empire that stretches from Arizona to California. His genuine commitment to the sports industry has provided southern California with entertaining, exciting, and successful teams in the various sports of soccer, hockey, tennis, and basketball. His fabulous complex, the Forum, which I am pleased to say is located in my congressional district has in addition to housing these fine teams, been host to championship boxing matches, exceptional musical events, and is presently the site of international Olympic competition.

Born and raised in a small Wyoming mining and sheep ranching community, Dr. Buss worked throughout his early school years. His commitment and energy paid off, as he was awarded a full scholarship to the University of Wyoming, where he completed his undergraduate degree in just 2½ years. A dedicated scholar, Jerry Buss continued his education at the University of Southern California, where he received a Ph.D. in chemistry. Shortly after graduation from USC, he began working in the aerospace industry and taught nights at his alma mater.

In 1958, Jerry Buss began in earnest to research the multiple avenues of real estate investing. Armed with a scientific approach and a few extra dollars, he and a business partner were able to purchase their first apartment building. Not only were they now landlords, they also became gardners, plumbers, carpenters and painters in an attempt to reconcile costs and improve revenues. They worked their regular jobs by day and their investments by night. Today, Mariani-Buss Associates is a multiple-hundred million dollar real estate business. Dr. Buss is a living example that diligence and a commitment to excellence can indeed be highly profitable.

While Dr. Buss is an outstanding businessman, he is an even greater humanitarian. Among his many charitable benefactors are the United Negro College Fund, Big Brothers and Big Sisters Organization, and a myriad of neighborhood health clinics and services. Additionally, Jerry Buss has endowed a fellowship in chemistry at USC in the name of his doctoral professor, Dr. Sidney Benson.

Dr. Buss is a man well respected and admired in the Los Angeles community. I am honored to have this opportunity to pay tribute to his distinguished contributions to the citizens of Los Angeles and wish him continued success in his many endeavors.●

GOLD MEDAL TO MARY WAYTE

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. CHANDLER. Mr. Speaker, I am proud to congratulate on the House floor today Mary Wayte of Mercer Island, WA, who today is being feted in her home town for her stunning victory in winning the Olympic Gold Medal in the 200-meter freestyle swimming event last week in Los Angeles.

Mary was a member of the Chinook Aquatic Club, coached by Jack Ridley, which has produced a number of national-caliber swimmers over the years. She swims now for the University of Florida and has 3 more years of eligibility as a college swimmer.

I know I speak for Mary Wayte's family and friends in Mercer Island, WA, and the people of Washington's Eighth Congressional District in saluting her. After years of sacrifices, prac-

tice, and determination, she has reached the pinnacle of success in this event. I congratulate her on her victory and thank her for renewing in us our deep sense of national pride.●

HONORING PETER J. MILLER

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. HYDE. Mr. Speaker, on June 16 of this year, former Illinois State Representative Peter J. Miller reached his 75th birthday and was joined by his family and hundreds of his friends in celebrating that important milestone in his full and productive life.

Even though Pete has retired from 15 years in the Illinois General Assembly, 8 in the Senate and 7 in the House, he has certainly not retired from active politics. He has been a Republican precinct captain for 51 years, and he has never lost his precinct to the opposition. I doubt if anyone in America can equal that record.

Pete Miller was past president of the Amateur Skating Union of the United States and was U.S. Olympic skating coach in 1940 and 1948. He also served twice as Secretary of the Illinois Athletic Commission. Pete also served as athletic director of the Catholic Youth Organization in Chicago under the late beloved Bishop Bernard Sheil.

Most recently Pete served with Robert Gibson, president of the Illinois AFL-CIO and Paul Gublin of the United Auto Workers on an Illinois task force to negotiate a satisfactory workers' compensation law between labor and management. They were successful in this most difficult area, which is a tribute to the wisdom and ability of each of the task force members.

At a time when most people would be enjoying retirement, Pete Miller is maintaining a schedule busy enough for a dozen ordinary people. In addition to "working" his precinct for the Republican Party, he serves as a member of the Board of Review, Illinois Department of Labor, and as a legislative representative to the Illinois General Assembly for Joint Council 25, International Brotherhood of Teamsters.

Mr. Speaker, there is a very special reason why Peter J. Miller's 75th birthday is important to me. In 1972, when I was a member of the Illinois House of Representatives, I was defeated in the Republican primary and thus would have been forced to give up my political career. Pete was nominated for the same office in an adjoining district and made the supreme political sacrifice of withdrawing in my favor so I could still run for election that following November. With Pete's help I was elected to the Illinois House from his district and thereafter ran successfully for Congress in 1974. It is therefore safe to say that I am serving in Congress today due in no small measure to the sacrifice and support of Peter J. Miller.

His advocacy of the interests of organized labor within the ranks of the Republican Party has served a most useful function in reminding the party that the advice and counsel of labor is important and deserves an attentive hearing in formulating Republican policy.

His many years of service to his family, community, political party, and organized labor entitle him to the respect and admiration of good people everywhere. Happy birthday, Pete, and may you have many, many more.●

FREMONT, NE, SEEKS TO SAVE ITS HISTORIC OPERA HOUSE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. BEREUTER. Mr. Speaker, not long ago I read a letter to the editor that appeared in the Fremont Tribune. The author, Col. Barney Oldfield, is a former Nebraskan who has never lost touch with our State. He was commending city residents for their efforts to restore the historic Love-Larson Opera House.

I share the sentiments expressed by Colonel Oldfield and wish to share his letter with my colleagues. As an historic preservation enthusiast, I applaud efforts to restore beautiful, old buildings that are a link to our past.

[From the Fremont (NE) Tribune, June 23, 1984]

OPERA HOUSE EFFORT APPLAUDED

Ever since they had me back there for the Nebraskaland Foundation's Distinguished Nebraskalander award, and I was told of Fremont's ambitious project aimed at restoration of your Love-Larson Opera House, I have wanted to write to applaud your effort. Now, as I have just returned from the 40th anniversary on Normandy's Omaha and Utah beaches and am about to take on another nostalgic binge serving for the sixth year in a row as chief judge of the Great Steam-boat Race from New Orleans to St. Louis, what better time for a defected Nebraskan living in California to salute your community for this undertaking?

Just imagine what a ludicrous pretension it must have seemed to the scoffers who always were about in great numbers that an 1888 Fremont "needed" an opera house! Another saloon, or another livery stable, maybe, but an opera house? Come on, now. Yet there were people then who had a hunger for things as a relief from the harsh and mundane, an escape hatch, and they saw where they were capable of building, improving and horizon-widening. In Fremont, the Love-Larson Opera House was a result.

It was an era of inspiring and romantic ideas. In 1870, five kids saw a showboat circus in McGregor, Iowa. In that Mississippi riverbank village, they begged their mother to sew them a muslin tent in which they performed. They were the Ringling Brothers. That was the year of the steamboat race in which the Robert E. Lee beat the Natchez, which inspired an Odessa, Russian-born L. Wolfe Gilbert to write "Waitin' for the Robert E. Lee"—and which now causes the Delta Queen Steamboat Co. to start what has become its annual custom of Great Steamboat Races involving the Mississippi Queen and Delta Queen. They are million-dollar-grossers each time.

Not long ago, in Guatemala, a citizen of that country told me what he though was a basic reason why we north of the Mexican border were so lucky. Latin America, he said, was settled by plunderers and exploiters who only wanted to take what they looted and go back to Spain and Portugal and live it up. "Your country," he told me, "was settled by families, people who came to stay, carve out a new life, develop and improve—and to hand your country as a better place to each new generation. We were not so lucky."

One of those civic betterment cases was the Fremont Love-Larson Opera House. While we don't have ancestor worship done to any degree in the U.S., there's no good reason why we shouldn't respect what they did beyond meeting tough challenges and surviving but had the vision and tenacity to be resourceful and make things better. The Fremont Love-Larson Opera House is testimony to how early and well they did it—and why it should be shined up as a civic pride and perpetual reminder of Fremont's forward-looking forebears.

So with applause from afar and best wishes, too—Barney Oldfield.●

CARROLLTON ENTERPRISES RECEIVES HONOR AWARD

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. HOYER. Mr. Speaker, I rise today to bring to my colleagues attention the achievements of the award winning Carrollton Enterprises located in Beltsville, MD, in my district. Recently, during the ninth annual awards dinner of the Maryland Chapter of the American Society of Landscape Architects, Carrollton Enterprises won the honor award in commercial and industrial design for their Calverton Office Park. This first place award was the only honor award presented in the State of Maryland.

Consisting of three buildings and approximately 300,000 square feet of space, the Calverton Office Park is a truly innovative and practical approach to office leasing. The three ponds and gazebo which interlace the buildings help to create a relaxed work setting, and an atmosphere conducive to more efficient production.

The Calverton Office Park is just one more example of the many quality developments that Albert Turner and Ray LaPlaca of Carrollton Enterprises

have created in Prince Georges County. Both men have long taken an active role in the various aspects of community life, contributing much of their time and talent to advancing the prosperous development of Prince Georges County. Certainly, their efforts in commerical and industrial design are deserving of our praise and their accomplishments in a variety of civic activities are laudable.

Mr. Speaker, I am proud to have the opportunity today to extend to these two men, and to the others who make up Carrollton Enterprises, my congratulations on this fine achievement.●

AMERICA'S VETERANS: REMEMBERING IS NOT ENOUGH

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. PATTERSON. Mr. Speaker, I would like to ask my colleagues to join me in reflecting for a few moments on the debt we owe to our Nation's veterans. As a veteran, and as one who was able to attend college because of the GI bill, I am extremely concerned that our defenses remain strong and our veterans be treated with respect and fairness.

In recent months, we have had several occasions to commemorate the sacrifices which our veterans have made for their country. The 40th anniversary of D-day reminded us all of the great heroism displayed by our Armed Forces in liberating Europe from Nazi tyranny. On Memorial Day, the remains of an unknown Vietnam serviceman were finally placed at the Arlington National Cemetery.

But remembering is not enough. We in Congress must continue our efforts to ensure that veterans receive adequate health care, pensions, and compensation assistance. I would like to commend the distinguished chairman of the House Veterans' Affairs Committee for his diligent efforts in bringing a number of crucial pieces of veterans' legislation before this House. We can take great pride in what this Congress has accomplished on behalf of our Nation's veterans.

I am pleased that on June 18, the House approved legislation to provide a December 1, 1984, cost-of-living increase in compensation for service-connected disabled veterans and survivors of veterans who die from service-connected causes. Although the administration requested that this cost-of-living increase not be given until April 1985, I believe our veterans and their survivors should receive their increase at the same time it is given to civil service retirees and Social Security beneficiaries, in December.

One of the most serious problems facing veterans of the Vietnam era is unemployment. The July unemployment rate for Vietnam-era veterans in the 25 to 29 age group was 10.3 percent, compared with a rate of 7.4 percent for nonveterans in the same age group. In 1983, Congress took an important step toward alleviating this problem when it approved the Emergency Veterans Job Training Act [EVJTA].

I am also proud to be the sponsor of legislation designating 1 month as Hire a Vet month, in order to call attention to this critical job training program. Our veterans have proven themselves through their service to their country. Now they must be given an opportunity to take their place in the work force. Employers must be made aware of the substantial benefits they can receive by training and hiring these dedicated individuals.

In addition to EVJTA, the House has included in the fiscal year 1985 Defense authorization legislation a new GI bill, which will replace the current program when it expires in 1989. The new bill will provide well-deserved education benefits to those who serve in our Armed Forces and will be a boon to the recruiting and retention of military personnel.

Many of our veterans are also concerned about the possible effects they may have suffered due to exposure to agent orange or atomic radiation. The Agent Orange and Atomic Veterans Relief Act which is currently in conference with the Senate would provide assistance to veterans who served their country, contracted illnesses which may be service related and have not received disability compensation.

Finally, Mr. Speaker, we must not forget the large number of Americans still missing in action in Southeast Asia. For this reason, I am cosponsoring legislation calling for a full accounting of our MIA's. Earlier this year, with assistance from the Reagan administration, I was able to arrange a meeting with Vietnamese officials during an international finance conference.

The plight of our MIA's was the first item on my agenda. I let the Vietnamese know that, while heartened by our recent hard won progress, we insist that they cooperate fully in locating our MIA's. I made it clear to the Vietnamese that they could not expect any consideration of diplomatic recognition or opening U.S. markets to Vietnamese good until there has been an accounting for every last one of our missing in action.

As Americans, we all share the goal of a strong national defense. If we are to achieve this goal, we must keep faith with those who have served their country. I urge my colleagues to join with me in ensuring that our Government fulfills its promise to those who served their country, as stated in the motto of the Veterans' Administration: "To care for him who shall have borne the battle and for his widow, and his orphan."●

REV. WILLIAM D. BOYD RETIRES

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues that Rev. William D. Boyd, devoted rector of the Aquia Episcopal Church, Overwharton Parish, for the past 14 years, is retiring at the end of this month from the active ministry.

Father Boyd has served as rector of four parishes in the 36 years since his ordination as a priest in the Episcopal Church.

He is a graduate of Officer's Candidate School, Northwestern University, Chicago, IL, and served in the U.S. Navy from 1941 to 1977, retiring with the rank of lieutenant commander. He saw active combat during World War II, was a line officer, served in the Hospital Corps of the Navy, was a member of the staff of the Chief of Naval Personnel, was an instructor in amphibious strategy and tactics, and helped to draft the Law of the Sea Treaty.

Father Boyd has also attended the Naval War College, Newport, RI; Church Divinity School, Berkeley, CA; Baylor University, Waco, TX; Northern Virginia Community College, Alexandria, VA; and in May 1983, he completed graduate level courses in philosophy and ethics toward an advanced degree at the Catholic University of America in Washington, DC.

The historic Aquia Church, erected in 1751, decades before the United States became an independent nation, is a tiny country church which reflects the very spirit of our Founding Fathers—their patriotism, their dedication to God and country, and their commitment to justice, freedom, and peace.

To this historic church, Father Boyd brought inspirational leadership, and through his loving guidance, it grew and blossomed into a living church serving the needs of all of its parishioners. Today Aquia Church not only reflects the history of our country, but its promising future as well. The splendid work that Father Boyd has done shall continue to bear fruit as time goes on.

Father Boyd will be missed by all those in the Fredericksburg, VA area who have had the privilege of knowing him, but he has truly earned this retirement, and I join his friends and parishioners in wishing for him, and his devoted wife, Elizabeth, abundant

good health and much happiness in the years ahead.●

JOINT TAX COMMITTEE CORRECTS STATEMENTS ON KEMP-KASTEN TAX REFORM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. KEMP. Mr. Speaker, 2 days ago the Washington Post and New York Times contained stories attributing to the head of Congress' Joint Committee on Taxation the opinion that the Kemp-Kasten fair and simple tax [FAST] would raise the tax burden on middle-income taxpayers, while the Bradley-Gephardt plan would be distributionally neutral in all income classes. The stories were based on a letter from chief of staff David H. Brockway to Senator ROBERT DOLE.

Mr. Brockway has written a second letter to Senator DOLE, to Senator KASTEN and to me. The letter states that "the FAST proposal is distributionally neutral for taxpayers with incomes below $100,000 according to the same criteria applied to the Bradley-Gephardt proposal." That is, the deviation from current law from one income class to another over this range is about the same for Bradley-Gephardt and for Kemp-Kasten.

The problem was partly created by the fact that the original letter to Senator DOLE cited specific numbers for Kemp-Kasten, but not for Bradley-Gephardt. Citing specific numbers for Bradley-Gephardt would have show deviations from perfect neutality which were at least as large in most income classes, though presumably subject to the same considerable margin of error. It is still unclear why the two plans were not treated alike.

This was not the only problem, however. The sponsors of the bill had never received the figures cited in the letter published by Senator DOLE, and still have not received them. Yesterday the committee was unable to provide us with anything but the original letter to Senator DOLE.

The only estimates received by the bill's sponsors so far are incomplete, which is why we have not released them. According to our last letter from Mr. Brockway, which contained those estimates:

> The data used by the model do not have information associated with many of the repealed provisions . . . These off-model items, if repealed, are estimated to increase individual federal income tax revenues by more than $10 billion in 1985 when compared with current law. It is important to note that these omitted tax increases disproportionately affect the upper-income groups.

That's the last word we received.

Adding to the confusion, none of the estimates exactly reflect the bill as introduced, much less the second version of the bill which we have planned to introduce this week.

Senator KASTEN and I have pledged to improve our bill when we find it necessary, to meet the goals we have set. And we find nothing in all this which does anything but confirm the statement we made when we introduced the bill in April:

> The overall distribution of the federal tax burden is little changed from current law [under Kemp-Kasten]—with and without the Social Security tax. In each income class up to $100,000, the amount of revenue raised is estimated to be about the same as under current law. In fact, there are small reductions on average for taxpayers below $20,000. Over $100,000, ignoring incentive effects, there would be modest revenue losses. Including incentive effects, revenue would be about the same, or slightly higher, than under current law. For example, when the top income tax rate was cut from 70 to 50 percent in 1982, revenue increased by 13 percent among taxpayers earning more than $100,000 a year.

In sum, Mr. Speaker, insufficiently substantiated estimates of a tax bill have been published without giving them to the sponsors. The estimates were presented in a misleading way, and then reported in national newspapers. I thank Mr. Brockway for his effort to begin to set the record straight. The Washington Post today corrected its earlier story on the basis of his letter. But obviously, it is not possible to undo all the damage that has been done.

I insert the letter from Mr. Brockway into the RECORD:

JOINT COMMITTEE ON TAXATION,
Washington, DC, August 9, 1984.

Hon. JACK F. KEMP,
House of Representatives,
Washington, DC.

DEAR MR. KEMP: I want to clarify any misunderstandings that may have developed about estimates of the distributional impacts of the Kemp-Kasten FAST tax reform proposal as a result of the letter I wrote to Chairman Dole on August 6.

We have been extremely reluctant to publish any quantitative estimates of the distributional impacts of the FAST and similar proposals because the data that are currently available are not adequate to support precise reliable estimates. The Treasury Department is working on a new data base in connection with its tax reform study which should permit us to make accurate static estimates when the data are available.

Let me also note that the FAST and similar proposals would have far-reaching economic impacts which are not accounted for in static distributional estimates and which could markedly alter the results, a point made in my letter to Chairman Dole which did not receive adequate attention in some press accounts. More specifically, the estimates are based on a model which assumes that taxpayers have the levels of income and deductions they had in 1981. Thus, the analysis is static in the sense that no changes in taxpayer behavior are assumed to result from changes in the tax law. Although this assumption is not realistic it does provide a consistent basis for comparing different proposals.

My understanding is that the FAST proposal was designed to be distributionally neutral with respect to taxpayers with incomes below $100,000. Deviations of two and three percent from exact neutrality are well within the range of error of the estimates. Therefore, the FAST proposal is distributionally neutral for taxpayers with incomes below $100,000 according to the same criteria applied to the Bradley-Gephardt proposal in my letter.

As the new data become available, we will make a special effort to keep you informed of the implications of the data for the revenue and distributional effects of your bill.

Sincerely,

DAVID H. BROCKWAY.●

LEGISLATION TO STRENGTHEN PROTECTIONS FOR FEDERAL WHISTLEBLOWERS

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. McKERNAN. Mr. Speaker, yesterday the Manpower and Housing Subcommittee of the Government Operations Committee, chaired by the Honorable BARNEY FRANK, held a hearing to examine the need for greater occupational safety and health protections for Federal workers. Under current law, private sector employees enjoy a number of protections from workplace hazards, due to the Occupational Safety and Health Act, which are not shared by employees in the Federal sector. One of the most important of these protections is the right to be free from employer reprisal if an employee reports to the Occupational Safety and Health Administration [OSHA] what he or she perceives to be a workplace hazard. The need for such protection from reprisal is clear if employees are going to have any say in whether or not their workplace will be free from safety and health hazards.

If a private sector employee believes an act of reprisal has been committed by his or her employer in retaliation for the employee's having reported a health or safety hazard, the employee can turn to OSHA for protection. Under the OSHA statute, the agency has the authority to go into Federal district court on behalf of the aggrieved employee and seek reinstatement with back pay, if necessary.

Because both Chairman FRANK and I have been concerned about the adequacy of health and safety protections for Federal employees, the subcommittee examined this issue yesterday, with a particular focus on the situation at the Portsmouth Naval Shipyard located at Kittery, ME. In April 1983, the subcommittee had looked into the problem of worker exposure to asbestos at the shipyard. While considerable effort has been made since

that hearing to remedy the asbestos problem, a number of other health and safety hazards continue to exist at the shipyard.

Because the Manpower and Housing Subcommittee has oversight jurisdiction over the Department of Labor, which includes the Occupational Safety and Health Administration, we felt that a followup hearing was in order. The testimony we received during yesterday's hearing revealed a number of deficiencies in the protections afforded Federal employees insofar as the right to work in a safe and healthy environment is concerned. Not the least of these deficiencies is the lack of protection for Federal employees from acts of employer reprisal. We have all read about instances of whistleblowers in the Federal Government who attempt to report incidents of waste, fraud, or abuse committed by their coworkers. Unfortunately, more often than not, these whistleblowers end up paying dearly for their decision to speak out. The vast majority of these whistleblower cases concern, not surprisingly, allegations of waste, fraud or abuse within the Department of Defense. But the same uphill battle faces those Federal employees who report blatant health or safety violations in their place of employment. One of the witnesses our subcommittee heard from yesterday was a constituent of mine, Mr. George Ackley, who is employed at the naval shipyard at Kittery. Mr. Ackley told the subcommittee of his repeated pleas, first to the Navy and then to OSHA, to have some of the shipyard's most dangerous hazards corrected. As a result of his speaking out, Mr. Ackley was threatened by his supervisor and passed over for a promotion he was otherwise due. If Mr. Ackley were employed in the private sector, he could turn to OSHA for help.

The closest thing a Federal whistleblower has to the protection extended private sector employees under OSHA is currently found in the Office of the Special Counsel of the Merit Systems Protection Board. The special counsel has authority to go before the Board on behalf of whistleblowers whom he has determined have been the target of employer reprisal. When we asked the OSHA spokesperson who testified at our hearing whether he thought the agency should protect Federal sector whistleblowers who report occupational health and safety hazards, he replied that OSHA's position is that the special counsel of the Merit Systems Protection Board provides adequate protection to Federal whistleblowers. The special counsel's own testimony, which we heard immediately after OSHA's, disputed this assertion. Because the Manpower and Housing Subcommittee has oversight jurisdiction over the Merit Systems Protection Board, we were particularly interested in having the special counsel's views on this question. In response to questions from subcommittee members, Special Counsel K. William O'Connor pointed out that his statutory authority stops short of permitting him to appeal an adverse ruling of the Merit Systems Protection Board to Federal district court. That statute under which the special counsel currently operates requires the special counsel to overcome an almost impossible burden of proof in order to prevail on the whistleblower's behalf before the Board. Without the right to appeal a Board decision to Federal court, the special counsel testified that his statutory authority amounts to no more than a "paper tiger."

In light of the testimony received by the Manpower and Housing Subcommittee yesterday, Chairman Frank and I determined that legislation is needed to strengthen the authority under which the special counsel currently operates. The most effective way to achieve this end is to give the special counsel access to Federal courts once the Merit Systems Protection Board has rendered a decision. Today, Congressman FRANK and I are introducing legislation which would permit the special counsel to appeal unfavorable rulings by the Board to Federal district court. Our bill would extend to the special counsel the authority to apply for:

First, enforcement of subpenas;

Second, enforcement of Merit Systems Protection Board orders;

Third, injunctions against agency counsel interference in special counsel investigations;

Fourth, injunctions against harassment or intimidation by agency officials of whistleblowers; and

Fifth, appeal of final Merit Systems Protection Board orders.

In addition, our bill would give the whistleblower who is the subject of the special counsel's action the right to interfere on his or her own behalf—either at the administrative or judicial stage.

I am hopeful that the Judiciary Committee's Subcommittee on Administrative Law and Governmental Relations, on which Congressman FRANK serves, will act quickly on our legislation once Congress reconvenes next month. Similar legislation was introduced yesterday in the Senate, so enactment of the measure during the 98th Congress is a very real possibility. I commend Congressman FRANK both for calling attention to the need for more effective protections against reprisal for Federal whistleblowers and for cosponsoring this legislation.●

TRIBUTE TO CHARLIE HAVEN

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. ALEXANDER. Mr. Speaker, I rise today to pay tribute to a special constituent and personal friend, Mr. Charlie Haven. Charlie has served the city of Forrest City, AR, as the city clerk and treasurer since April 1933. He has served in this position longer than anyone else in the State. I think this honor speaks well of both Charlie and those enlightened citizens of Forrest City who keep electing him. I am enclosing an article which recently appeared in the Forrest City Times-Herald.

Charlie stands as a symbol of encouragement to our younger leaders to pursue community related activities. I believe it is important to recognize and to encourage our community leaders whose efforts are so integral to the growth and strength of our local areas. Charlie has undoubtedly strengthened the Forrest City community. He has been active in the Graham Memorial Presbyterian Church, a charter member of the Lions Club, a member of the American Legion, and he has served as the Chamber of Commerce treasurer.

Charlie, many thanks for a job well done.

The article follows:

50 YEARS OF SERVICE: CHARLIE HAVEN HONORED BY STATE GROUP

Fifty years is a long time to hold down a job, but Clerk-Treasurer Charlie Haven has done it, "because the people were kind enough to elect me every time."

Last night he was honored by the "Arkansas City Clerks, Recorders and Treasurers Association for his years of service. According to the Association's research, Haven has served longer at his position than anyone else in the state.

Haven first took office as Forrest City Treasurer in April of 1933.

"In those days the officers were installed in the spring months," says Haven, who later took on the combined job of clerk and treasurer. To get an idea of how long ago that was and how times have changed, consider this: Franklin D. Roosevelt had been elected to his fist term as president the previous November. The Great Depression was in full swing. And the city treasury didn't have much "treasure."

"We operated out of a general fund, that was supposed to pay all the firemen and policemen," says Haven. "When I took office, the former treasurer turned over to me $13.68 to run the city. The banks had closed. We had a frozen bank deposit of $75.21 that we couldn't get to."

From those humble beginnings in public life, Haven has gone on to be re-elected more than 20 times, and to serve under the administrations of seven mayors, so far.

J.E. Fegerson was mayor when Haven took office. Then there was Charlie Buford (1937-43); Jack Porter (1943-45 and 1949-57); Rodgers Deaderick (1945-49 and 1957-

66); Bob Cope (1967-74); Coolidge Conlee (1975-80); and presently Danny Ferguson.

Haven says he won't really have 50 years service until April of next year, because he spent two years (1943-45) in the Army, spending some of that time in New Guinea. During those years, his wife was elected to fill the post.

Haven has been more than a city employee. A lifelong resident of Forrest City, he has has been active in the Graham Memorial Presbyterian Church, the American Legion, is a charter member of the Lions Club, and served on the Chamber of Commerce as treasurer, to name a few of his activities. He is also known locally for Haven Hardware and Sporting Goods.

When asked if he intends to continue running for Clerk-Treasurer, Haven says he doesn't know. "I'm going to take each day as it comes," he says.●

DINAH SHORE

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. WAXMAN. Mr. Speaker, on September 18, 1984, at a gala benefit dinner in Los Angeles, Miss Dinah Shore will be awarded the Lifetime Achievement Award of the American Associates of Ben-Gurion University of the Negev.

While primarily noted for her long and versatile entertainment career in radio, television and films, Miss Shore has also established herself as a leader in increasing the stature and respect of women's professional sports in the United States, and as an active participant in many philanthropic activities.

The September 18 award dinner will establish the Dinah Shore Scholarship Fund for Desert Research and Reclamation, which will develop and train young people to pursue the goals of the university—freedom from hunger, and life from the desert, and endow the Dinah Shore Green House, a desert agricultural laboratory in the department of biology located at Ben-Gurion University in Beer-Sheeva, Israel.

The American Associates of the Ben-Gurion University of the Negev was established in 1976 to foster support of the university in the United States. Their long roster of services includes the establishment of scholarships and research grants and the sponsoring of faculty exchanges with such leading institutions as UCLA, USC and desert research institutes in southern California, Nevada, Arizona, and Utah. They have also provided extensive financial support to many vital programs at the university, such as reclamation research, the university's medical school, and the development of new solar energy concepts.

I am sure my colleagues join me in congratulating Miss Shore on her award and wishing her continued success in all aspects of life.●

THE CONTINENTAL BANK BAILOUT AND ITS IMPLICATIONS FOR FUTURE BANKING REGULATION

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LEACH of Iowa. Mr. Speaker, in a free enterprise society all institutions, no matter how large, should have the right to fail.

Yet, with surprisingly little public comment, the U.S. Government last month launched the largest bailout of a private-sector enterprise in American history. Meeting behind closed doors, three Federal regulators authorized the expenditure of $4.5 billion of Federal Deposit Insurance Corporation [FDIC] funds to rescue Continental Illinois National Bank.

As a member of the House Banking Committee, I was asked to debate the Continental Bank issue with Senator ALAN DIXON of Illinois on the MacNeil/Lehrer Newshour. Senator DIXON pointed out that at issue were perceptions of the soundness of the banking system and the possibility that other banks might be endangered by the collapse of Continental. Nevertheless, I believe the Federal action represented a mistake of profound proportions.

So far this year 28 banks, all having assets of less than $170 million, failed, with no protection given the shareholders. While unfortunate, this was right and proper. The U.S. Government has no business protecting incompetent financial institutions or, for that matter, simply unfortunate ones.

But in the case of Continental, a bank widely recognized to be as poorly managed as any major American enterprise, a dual standard has been established. Because of its size, the Government stepped in to protect uninsured depositors, holders of the bank's commercial notes, preferred stock, and common stock—albeit, in the last case with substantial potential dilution.

The cost to society of the Continental bailout is staggering—more than that involved in recent loan guarantees for Chrysler, Lockheed, and New York City combined. More consequential is the precedent established. If the Government is prepared to step in to protect the worst-run major bank, all other large banks will be deprived of any incentive to maintain prudent lending practices. Go-go growth rather than sound banking practices will be rewarded. If a bank oversteps itself, the punishment will be Federal aid and the leveraged capacity to compete against rivals as a quasi-nationalized entity.

While the bailout funds come largely from $16 billion in FDIC reserves, the full faith and credit of the Federal Government stands behind this privately generated insurance fund. The liabilities to taxpayers thus increase in proportion to the losses incurred within the FDIC system and are compounded when large banks are robbed of incentives to follow prudent banking priorities.

Some have suggested the Government had no choice but save Continental. This is nonsense. The world will survive with one less bank. The question, as always is one of dollars and cents—whose ox is gored. If the bank had been allowed to fail like smaller financial institutions, losses would have been incurred by the shareholders, commercial note holders, and uninsured depositors—those with accounts in excess of $100,000. For the sake of papering over the wrenches which currently exist in banking, the FDIC and potentially the public at large are taking the full hit.

Four and a half billion dollars is a pretty price to pay to cover up a problem that will not go away.

A wiser approach, it would seem, would simply have been to liquidate the bank, in an orderly fashion, selling off its loan portfolio at a discounted value. The regulators argued this would have taken years, sparked a loss of confidence in America's banking system, and caused in a domino fashion the collapse of numerous smaller banks. I doubt it. Give or take a few billion, what Continental represented when the regulators stepped in was a bank with no capital base, approximately $35 billion in responsible loans and perhaps $5 billion in uncollectibles. Instead of moving to insure all depositors on May 18 and eventually making what appears to be a $4.5 billion mistake, the FDIC could have taken over the bank, began selling its loan portfolio, paid off fully the $3 billion in insured deposits, and eventually 85 cents on a dollar of uninsured deposits. The shareholders and bondholders would have lost all, and the uninsured depositors been burned to the tune of approximately 15 cents on the dollar—not an unrealistic penalty for poor risk management of funds, nor one likely to have caused the failure of other banks or a collapse in confidence in America's banking system. Instead of rewarding risk-prone banking practices, the precedent established would be one of providing a firm but not panicked warning to stockholders and depositors to watch management more carefully. All growth is not good growth. Smaller can be more beautiful.

Rather than reinforcing the safety and soundness of the Nation's banking system, the approach Federal regulators took emboldens improvidential banking practices. The consequences for taxpayers are grave. But far graver are the consequences for management of the money supply and, in effect, the

economy itself. If banks do not face the discipline of the marketplace and keep prudent loan portfolios, the money supply will grow disproportionately in industries or geographic regions where growth-at-all-costs banking takes place.

While Continental's problems are unlike those of other money center banks in that they largely relate to inadequately supervised domestic as opposed to foreign loans, the Continental bailout carries with it implications for the international lending practices of other larger banks. When lending is unrestrained by either the enforcement of an adequate capital base or, as in the case of foreign lending, reserve requirements, financial institutions have a tendency to create excessive capital through the multiplier effect of making loans. It appears to be no accident that the inflation of the late 1970's as well as the overextension in foreign lending can be traced to the 25 percent per year growth regulators allowed to occur for two full decades in Eurocurrency financing. Since any bank can grow simply by taking on more loans as long as depositors can be attracted and protected, it is imperative that incentives be established for depositors to be wary of institutions like Continental. Management's decision to expand the bank's loan base at twice the national average—over 20 percent per year from 1977 to 1981 and to rely excessively on high cost short term money should have been warning enough to depositors as well as shareholders.

Having taken part in hearings two years ago in Oklahoma City on the failure of the Penn Square Bank, I can attest to the high-risk unsupervised approach Continental took to buying a billion dollars worth of energy loans from this one flamboyantly run regional bank. Neither the public nor the FDIC should be responsible for bailing out stock or bondholders of institutions so imprudently led.

Perhaps the most important reform that occurred in banking as a result of the bank failures of the Depression was the establishment of deposit insurance, which today covers accounts up to $100,000. But the FDIC announcement May 18 that it intended to insure all deposits of any size at Continental signaled for the world that bankers need give little heed to risk management. Uncle Sam would provide a safety net for the big and powerful even at a time government agencies were given a mandate to prune programs for the weak and defenseless. The Continental bailout could not more graphically illustrate that deregulation is a matter of rhetoric rather than substance in Washington. If the most free enterprise biased administration in recent history blinks in the face of the political embarrassment involved in the potential folding of our eighth largest bank, what can be said about the future of our market economy?

Ironically, for smaller banks that have stronger capital requirements than larger ones, the ramifications of the Continental bailout are likely to be similar to those that occurred after the Bert Lance episode. Regulation will be toughened. For larger banks, boardrooms can breathe easier. The precedent will be comforting. Pressure to put our biggest banking houses in order will be reduced. Attention will be focused on broadening FDIC insurance coverage rather than on the real problem, which is capital adequacy.

The precedent of insuring 100 percent of all deposits is troubling. One hundred percent insurance coverage presents bank managers with an irresistible opportunity to gamble with bank funds and make risky, high-return loans. If they're lucky, the bank reaps big profits; if they're not, the insurance fund bails them out. It's like flipping a coin: Heads, the bank wins; tails, the FDIC loses. If there is a positive result of the Continental fiasco, perhaps this incident will prompt a rethinking of the proper role for deposit insurance. The insurance fund should not be a mechanism for the preservation of poorly managed banks; rather it should be returned to its original role of protecting modest-sized depositors.

Currently the FDIC is funded by fees assessed on banks as a flat percentage of their deposits. If this system were changed and insurance premiums were assessed based upon the riskiness of the bank's loan portfolio, bank managers would think twice before embarking on a growth-at-any-cost strategy. Insurance reform of this nature could reduce the likelihood of banking crises by hamstringing egregious lending practices before they reach the point of no return. Risk-based premiums would force banks to pay for gambling with the FDIC's funds and preclude small, conservatively run banks from disproportionately footing the bill for the shenanigans of money center institutions.

To assure broad confidence in the U.S. banking system, but not go to the brink of protecting high-flying banks and high-risk depositors, Federal regulators might in addition consider announcing a policy of guaranteeing that a hefty percent—perhaps 80—of all deposits above $100,000 will be immediately returned to depositors in banks that become insolvent, with assurances of the return of any additional recoverable assets after liquidation. Such an approach would have the advantage of assuring standard rules and orderliness, without dulling market discipline. Comparable regulations could presumably be pressed upon the governments of other major banking countries which face similar, indeed in most instances far greater, taxpayer liabilities in the event of substantial bank failures. To provide 100 percent insurance protection for all depositors, while attractive in some respects, holds implications for management of the money supply as well as for market discipline. The current pro-import, anti-export mix of government policies will be difficult to reverse if undercapitalized international lending institutions continue to hold the edge on attracting deposits from customers who perceive themselves as invulnerable from losses, even if the customers make the mistake of depositing funds in economically unviable institutions.

The scatter-gun decisionmaking that hallmarked the regulators' handling of the Continental issue underlines the appropriateness of Congress' rethinking the entire Federal bank regulatory structure. Three separate Federal agencies were responsible for overseeing Continental, and this diffusion of responsibility may be partially responsible for the negligence that appears to have characterized the oversight of the bank. A single Federal banking agency might have some advantages in eliminating the problems of overlapping jurisdiction and vague responsibility which plague the system. The burden of proof, generally speaking, rests with those who advocate institutional change, and while it may be premature for Congress to take a definitive position, the case for a thorough review of the regulatory system is powerful.

One footnote speaks for itself. Congress, as the elected body of the American people empowered to make spending decisions for taxpayers, was not only not fully consulted in advance on the policies that were applied to Continental, but regulators refused this summer to come before the appropriate oversight committee except on the agreed upon premise that they would not respond to questions about Continental. It is always easy to suggest that confidence in the banking system might have been jeopardized if the issue received a thorough review, but this Representative is hard pressed not to wonder whether confidence in the judgment of the regulators is not the real issue.

The bailout that is needed for our large banks is a private—rather than public-sector one—a recapitalization based on the selling of equity. The banks don't want to sell stock because it implies dilution at a time the vast majority of bank stocks sell for less than book value. But raising money the old-fashioned way makes a lot more sense than relying on the Government for new-fangled bailouts which the public is very likely to put a halt to in any respect.

The bailouts of Lockheed, Chrysler, and New York City stand as controver-

sial acts of Government, but at least they were widely debated and received the specific statutory support of Congress and the President. The bailout of Continental is based on broad standby authority transferred to regulators by previous Congresses. What makes it particularly unseemly is that the regulators who decided on the nationalization approach are the very ones who failed to stop the banking practices that caused the problem in the first place.

The ultimate irony may be that the only approval required for the regulator's approach must come from a formal vote of stockholders who are to be saved, not from taxpayers or their representatives in Congress who may have to foot the bill.

Chosen to head the newly reorganized bank are two distinguished businessmen—John Swearingen, formerly chairman of Standard Oil of Indiana, and William Ogden, formerly vice chairman of Chase Manhattan. But the public need not hold its breath in doubt, as it did with Chrysler, whether Continental will make it. Unlike Chrysler and Lockheed before it, actual cash—not just a leveraged loan guarantee—has been infused into the bank and the most dubious portion of Continental's liabilities assumed by the Government. William Isaac, the chairman of the FDIC, even pledged at a news conference that if things do not go well in the months ahead, his agency is prepared to give more. Survival is not in question. Continental needs not miracle workers, just glad handers. Swearingen and Ogden have taken the helm of a financier's utopia: A newly organized bank with a solid capital base, nonperforming loans, and an open-ended commitment of the FDIC for more funds. Can there be any doubt that Continental represents as much a regulatory as a banking scandal?

At issue in American banking today is the quality of money center bank loans, the capital adequacy of our larger banks, and the lack of uniformity in banking regulation. While tough State regulators, for instance, put small rural banks through the wringer and force them to classify many of their agricultural loans, many center banks have been allowed to present balance sheets which give the impression their widely criticized foreign and energy loans are collectible.

It's time for a "get tough" regulatory policy at the national level. There is no excuse for the U.S. Comptroller of the Currency to be less rigorous in establishing and enforcing Federal standards for large banks than the Iowa Superintendent of Banking does for smaller ones.

The big should be regulated as firmly as the small and, if circumstances warrant, allowed to fail.●

TRIBUTE TO WILLIE FRANK, SR., AND ALVIN BRIDGES

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. DICKS. Mr. Speaker, this summer, Indian people in Washington State observed an end to all mourning relating to the deaths of two leading figures in the Nisqually and Puyallup Tribal communities, Willie Frank, Sr. (1879-1983), and his son-in-law Alvin Bridges (1922-1982). Both were of Franks Landing on the Nisqually River. Their traditional second ceremony was recently held on the grounds of the Wa-He-Lute Indian School next to their home on the banks of that magnificent river, which draws source from the glacial springs of Mount Rainier and flows into the southernmost reach of Puget Sound.

Hundreds of people from neighboring tribes and the non-Indian citizenry of Washington State attended this rememberance ceremony, where they were thanked by the families of Willie Frank and Alvin Bridges for their throughtfulness and considerations following the recent seasons of change in their lives.

A feasting and giveaway lasted all of an afternoon and into the early evening. A measure of love represented by this gifting, and symbolic return of gifts, is found in the many hours, days and nights through the past winter and spring which the daughters and granddaughters of these two remarkable men committed toward the hand-crafted finishing and adornment of the gifted Indian apparel and other personal treasures.

The RECORD of August 4, 1983, carried a memorial to the living legacy of Willie Frank, when noting his death at age 104. It is appropriate that we share the Indian communities' continuing remembrance of both men now.

We shall soon note several significant anniversaries which have been of signal importance in the history of this Nation's relations with the aboriginal possessors of the continent. Willie Frank and Alvin Bridges were both beneficiaries to the Treaty of Medicine Creek of 1854, the first of the treaties by which the United States acquired native title in the Washington Territory of 130 years ago.

Of that treaty, the Federal negotiator and territorial Governor, Isaac I. Stevens, wrote that its provisions relating to the fishing rights and reservations of lands "had strict reference to the part they (Indian tribes) have played and ought to play in the labor and prosperity of the territory."

It is noteworthy that the Medicine Creek Treaty embodied the continuation of a national policy toward the Indian tribes which had been pronounced in the formative days of the United States following the Revolutionary War. That policy was declared, by more than concidence, in the same measure that principles governing the establishment of new States were initially determined; that is the Northwest Ordinance of July 13, 1787.

This enactment of the Continental Congress, which was meeting in Philadelphia simultaneous to the Constitutional Convention of 1787 and acting under an exchange of influences, proclaimed in its article III that:

> • • • The utmost good faith shall always be observed towards the Indians; their lands and property shall never be taken from them without their consent; and in their property, rights, and liberty they never shall be invaded or disturbed, unless in just and lawful wars authorized by Congress; but laws founded in justice and humanity shall, from time to time, be made, for preventing wrongs being done to them, and for preserving peace and friendship with them.

This policy, in spirit and authority, was then embodied in our national Constitution and remained the foundation to treaty making with the tribes.

It was by virtue of that policy and the Medicine Creek Treaty that on September 30, 1884—100 years ago—that the 4,717.28-acre Nisqually Indian Reservation was divided into 30 family allotments and deeded in a restricted trust to Nisqually Indians. Willie Frank had been the last living original allottee among the Nisqually Indians.

With enactment of the General Allotment Act of 1887 by Congress, all those Indians who had received allotments under their own treaties earlier were made citizens of these United States. That occurred, of course, 2 years before statehood was conferred upon Washington Territory. It is partly with this in mind, no doubt, that recent State Governors and local county commissioners took pride in calling Willie Frank "the first citizen of his tribe," "the first citizen of Thurston County," and "the first citizen of the State of Washington."

I must add that one of the best testimonials to the life, values, and tradition of Willie Frank is finding its expression in the valiant work of his son, Bill Frank, Jr. Since first being elected as chairman of the Northwest Indian Fisheries Commission, an agency of 20 member tribes, in 1977, the younger Frank has provided an unmatched leadership in forming new lines of communication and new systems of cooperation between the Indian and non-Indian citizenries and governments for advancing numerous mutual, and independent, interests of ultimate common concern.

I know my colleagues will appreciate reading the recent memorial oration delivered on June 16, 1984, relating to

the lives of these inspiring men and providing an insight into Northwest Indian history and tradition. It is a writing of Hank Adams, Assiniboine-Sioux and life-long resident of Washington, who served as the Treaties and Federal Indian Relations Task Force Chairman for the American Indian Policy Review Commission of the Congress in 1975 and 1976.

WILLIE FRANK, SR., AND ALVIN BRIDGES

I first speak from a song borrowed from another tribe in the Land and Country of Semu Huaute where both Grampa Willie Frank and Al Bridges at different times found Respite, a Comfort and Peace, in the Travels of their Lives. They sing:

"In the chipped and tattered
weaving of a weathered basket
the voice of an ancient age
sleeps dreaming of breath

My eyes have closed
and look forward to sleep
but over fields, trees, mountains and clouds
I sail on an eagle's wing

From fresh currents of night air
above fir and cedars near the cemetery
the language of ancient lips burns in our blood again."

I thank their singers. Knowing something of the Image and Echo, Shadow and Soul, of Indian People, they have offered music to this moment.

Now I am on my own—and see no Eagles in the Sky to aid me. I am alone with the Sounds and Song of the Stream before me, The Nisqually, and am immediately reminded that I am not alone. This magnificent River still sparkles in the Spirit and with the Life it shared for so many years with Gramps and Angeline, and yet shares with their children and many grandchildren. Still, when its magic currents move in mood of melancholy, they express the gentle sadness of sometimes missing a special son, a favorite fisherman who knew them and their bed best, Al Bridges—in the manner of missing someone properly gone but who was of particular good joy in company; or of missing that which passes to another age, closer to the ancestors and ancients, like the lines and swift spirits of the thousands of cedar canoes which caressed the waters of our history for thousands of years—then became few; rare; regretfully, perhaps, no more.

As guard against a lost world, however—I am sure—a special caring by that Glacial Woman who spoke, "Ta-coma," and with her Son, in the Great Mystery, created a great cradle of water—the Natural Blood of the Earth—at her footsteps before taking residence at the highest point overlooking this country, there to feed the springs, cascades and channels of the Nisqually River; her special caring nourished a unique life in the person of Willie Frank and embedded a Spiritual seed in the province of his home which would grow as "Franks Landing" to provide such a guard against loss—and a protection for a world which should not be lost.

I listened to Gramps yesterday, talking of his brothers, the deer, the nurturing grasses and roots of the prairies, and of his long life and loving the salmon—and what should be done for their future. If there is to be a future for our children—and there shall be—it is partly because—and I might say, the Wa-He-Lute School provides but one striking example—because Gramps, Willie Frank, made "the language of ancient lips" burn "in our blood again."

Also, it is partly because Al Bridges came to Franks Landing to marry and bring forth a family which realized the promise of its setting, the obligations of our Race and Heritage as Indian people, and who accepted the necessary labors of a responsibility to our future—which could not, and cannot, be denied. Previously I've spoken of what "this solitary man, this Fisherman Warrior," with Maiselle and their daughters, Suzette, Valerie and Alison, sought to do, and, in large measure, accomplished for the community of Indians and the sacred ideals of humankind. And, as Al stood on these Riverbanks as a proud and uncompromising "Renegade" ten, twenty, and thirty years ago—renewing the integrity of the Indian Person in all respects, whether in the free flow of his unshorn, clean black hair; the force of hands committed to an ancient livelihood and the architecture of a people's future; and a heart sensitive to the slightest command of human needs—he stands yet as a symbol which inspires our Souls. Of course, he is still with us—"over fields, trees, mountains, clouds" and in the wind—I hear him say—"I sail on an Eagle's wing."

While I mentioned Gramp's and Al's "travels in life," I would note also the Spiritual Bonds with the many Indian people who traveled here to commune their knowledge and strength from their Directions. David, Jack, and Thomas from among the Hopi; Mad Bear and the Clan Mothers, Chiefs and Messengers from the Six Nations; Native Sisters and Brothers from Canada and Alaska and the "Los Centros" of two continents, La Raza; among many more—multitudes. However, it is often the close and near who must sustain friends most dearly, whether knowing or not knowing their fortunes or needs.

In this regard, I want to make special mention of Al Bridges' partner, friend, companion and sustaining strength on the River for many years, Ronnie Wells.

Also, I want to express a special appreciation to Lonnie Healy, who first came to Franks Landing in 1964 the first year I did, and who has been a constant friend to Maiselle, Al, and all of us, while remaining a reassuring symbol of the Good which may generate from Conscience and Caring.

Finally, I see it fitting that we should remember Gramps and Al together. One born of the last century, the other of this: Both will be remembered as special Indians of the century, The Twentieth—memorialized by History into the next—in this State and Nation—for Indians and for others.

—HANK ADAMS.

June 16, 1984—By the Nisqually River and Wa-He-Lute School.●

SPECIAL OLYMPICS?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. PHILIP M. CRANE. Mr. Speaker, with the Olympics almost over now, and the Soviet reason for not coming having proved entirely fallacious, I think that perhaps we should ask ourselves if in fact we really wanted the Soviet athletes here, anyway. Many people in this country ignore the very significant fact that Soviet military and intelligence organizations are closely related to Soviet athletic organizations. The Soviet Olympic team is actually made up largely of athletes who are recruited from the KGB and its military counterpart, the GRU. Each athlete is trained not only to compete in a given sport, but also in intelligence collecting, deception, sabotage, and terrorism. These athletes, therefore, are what you could euphemistically call special.

The question that must be asked, then, is whether or not we even wanted to open our doors to the KGB and the GRU. Given the proximity of Silicon Valley to the area where the games were held, it may very well be that their absence should not be lamented too loudly. Be that is it may, I think my colleagues should find the following article on this topic extremely enlightening. It was written by Lawrence Sulc and appeared in a recent issue of Human Events.

WHAT IF SOVIETS HAD COME TO OLYMPICS?

(By Lawrence B. Sulc)

When the Soviet Union and other Soviet Bloc nations withdrew from the Olympics in Los Angeles, there was initially much anguish expressed in the rest of the world and not only in sports circles.

The reason the Soviets gave for their withdrawal was inadequate "security" and many in the West assumed that to mean that the "safety" of the Soviet team was in question. This notion was patently in error. The security or safety of the Soviet athletes—of all participants—would be and is more than adequately assured.

"Security," of course, is a Russian code word, as is "peace." The Soviets mean entirely different things by these words than we do. "Security," in this case meaning that the Soviets were afraid of defection. This would be a particularly poor time, from their point of view, for a Soviet athlete to receive a medal and take a walk.[1]

It is unlikely that many Soviet athletes would be able to defect, with all the Soviet precautions the United States was willing to permit. Whether many would want to is yet another question.

If a few defected, however, it would be an especially sharp blow for the Soviets at this juncture in East-West relations, particularly in view of the very special status of athletes in the Soviet Union. Soviet athletes, who make up the Olympic teams, are very special indeed, "special" as in "Special Forces," in the U.S. context.

The combined Olympic team fielded by the Soviet Union is largely made up of professional sports organizations, the Dinamo Sporting Club and the Central Army Sports Club (ZSKA). The former belongs to the Committee on State Security (KGB), the Soviet civilian foreign intelligence and internal security service.

The latter, the ZSKA, is part of Soviet military intelligence (GRU), the military

[1]The author is not prepared to comment on whether or not the Soviets' real motive—or an important one, in any case—was fear that their teams were not as good as usual this year and that the East Germans as well as the U.S. athletes, who are quite formidable, might take a disproportionate number of medals.

counterpart of the KGB. These two sports organizations are in strong competition, as indeed are their parent organizations, the KGB and GRU, themselves.

As is the case with almost everything else in the Soviet Union, sports and athletes are dedicated to the enhancement of the party and the state. Moreover, the special services of athletes and sportsmen are put to use extensively by the intelligence organizations, the KGB and GRU.

The Spetsnaz, military special forces—the Soviet "Green Berets," if you will—provide the athletes for the ZSKA. The KGB has its own special forces, a counterpart to the Spetsnaz, which supplies athletes for the Dinamo Sporting Club.

These troops, the Spetsnaz and the KGB's own version, are an elite fighting force devoted in wartime to operations behind enemy lines, diversionary tactics and the assassination of foreign leaders. Their mission also embraces intelligence collection (including reconnaissance), deception, sabotage, terrorism and guerrilla warfare.

The mission of the GRU is essentially military, while that of the KGB is political and economic. It is from these special forces that the Dinamo and ZSKA sports competitors come.

Personnel of these Soviet unconventional forces receive familiarization tours abroad as members of Soviet sports teams. Soviet athletes are not merely winning medals when competing abroad; they are preparing for clandestine activities or unconventional warfare roles—"casing the target," if you will. It might be added that Soviet strategic plans include the employment of elements of "underground" Communist parties in the West in support of Soviet unconventional units in time of conflict.[2]

Regarding athletes in the Spetsnaz, a former professional Soviet army officer had this to say:

"The Soviet Union needs prestige, and one way of providing this is by winning Olympic medals. The country needs an organization with draconian discipline to squeeze the maximum effort out of the athletes. At the same time, the Spetsnaz needs athletes of the highest caliber who have the opportunity to visit areas in which they may have to operate in time of war.

"The athletes, for their part, need opportunities for training and need to belong to an organization that can reward them lavishly for athletic achievement, give them apartments and cars, award commissioned ranks in the forces and arrange trips outside the Soviet Union.

"The Spetsnaz thus provides a focal point for the interests of state prestige, military intelligence and individuals who have decicated themselves to sports.

"The ZSKA sends its athletes all over the world, and the fact that these athletes have military ranks is not hidden. The KGB, which also has the role of assassinating enemy VIPs, has its own similar organization. . . . They are ordinary but carefully selected and trained soldiers, top-grade athletes, foreigners and, at the head of all of these, the professional intelligence men."[3]

[2] Frederic N. Smith, Defense and Foreign Affairs, June 1983.

[3] Victor Suvorov (a pseudonym), "Spetsnaz: The Soviet Union's Special Forces," Military Review, March 1984.

Soviet athletes are thus carefully selected and very well taken care of. In a word, they are "special." As a member of an elite profession, not to mention an elite service, the Soviet athlete is not particularly likely to be a security risk. On the other hand, KGB and GRU officers conducting espionage and "active measures" abroad are also members of elite services and even they are susceptible to defection from time to time.

There is a joke which apparently circulates in various forms in the Soviet Union: "What is a Soviet string trio?" the question goes. "A string quartet just back from a tour in the West," is the response. Soviet athletes are not Soviet musicians, but who know? Perhaps the decision-makers in the Central Committee, Communist party, Soviet Union, decided that the risks and possible repercussions were just too great, with the whole world watching, for just one of its very special young people to participate in the International Olympics in Los Angeles, and then choose freedom.

(Mr. Sulc served more than 23 years as an operations officer with the CIA and six years on the staff of the House Committee on Foreign Affairs. He has also served as president of the Nathan Hale Institute and the Nathan Hale Foundation.)●

MARY LOU RETTON

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. MOLLOHAN. Mr. Speaker, Mary Lou Retton delighted the entire world last week with her stunning performance in the gymnastics competition at the Los Angeles Olympics. I am not surprised, for Mary Lou has been delighting the people of my hometown, Fairmont, WV, for most of her 16 years.

I don't really need to list Mary Lou's accomplishments at the Olympics—everyone over the age of 5 already knows them—but I'm going to anyway because its so much fun and because, as the Representative of Fairmont and the First District of West Virginia, it gives me such pride to do so: Gold in the individual all-round competition, silver in the team competition, silver on the vault, bronze on the uneven bars, and bronze on the floor exercise—five medals in all. This is a pretty amazing list—boycott or no boycott—considering that American women gymnasts had never won any individual medals in Olympic competition, and the best the team had ever managed is a bronze in the 1948 games.

Mary Lou's appeal cannot, however be summed up by simply listing her medals. Equally impressive is the way she performs. This is was best demonstrated by her head-to-head battle with Ecaterina Szabo of Romania in the all-round competition. With only two events, the floor exercise and the vault, remaining, Mary Lou was trailing the Romanian by a few points. Ignoring the pressure, or perhaps thriving on it, Mary Lou scored a perfect 10 in the floor exercise, but, following Szabo's 9.9 on the vault, she still trailed by the smallest of margins. Szabo scored another 9.9 on her final event, the uneven bars, and the only score that would give Mary Lou the gold was a perfect 10 in her final event, the vault.

As she later recalled:

had a lot of pressure on me going into the last vault. But I just had the will and the desire. I knew I had to "stick it."

And stick it she did, Mr. Speaker. After she landed there was no doubt in her eyes, and in the eyes of all her fans at Pauley Pavillion and those who watched her on television, that she had indeed scored the perfect 10. More importantly, there was no doubt in the eyes of the judges. To punctuate her perfect vault with an added exclamation mark, she vaulted a second time for another 10, even though her first jump assured her the gold medal.

Her all-round gold medal and her contribution to the team's silver were the highlight of her week's performance. She later admitted that the three medals she won in individual events were sort of anticlimactic. That's a statement on the progress women's gymnastics has made in this country, Mr. Speaker, before this Olympics, any American women would have been thrilled with one bronze medal in any of the individual events. As I noted earlier, the best any American women gymnast had done before Los Angeles was a team bronze in 1948. In 1 short week, a 16-year-old girl from Fairmont, WV—working with a fine young team—has dramatically elevated the prestige of American women's gymnastics.

Mr. Speaker, the entire country can be as proud of Mary Lou Retton as West Virginia is, but I must confess a certain parochial pleasure in her remarks to a welcome-home ceremony in Charleston:

I came to represent the United States, but mostly to represent the State of West Virginia.

Thank you.●

AN ARTISTIC DISCOVERY

HON. LYLE WILLIAMS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. WILLIAMS of Ohio. Mr. Speaker, for the past 3 years, the congressional arts caucus has sponsored a very worthwhile event for the benefit of our Nation's young people—the congressional art competition. This year, as in the past, I was privileged to have the opportunity to be a part of the competition by hosting the 17th Ohio District's local showing.

Each year the exhibition gets bigger and the artwork submitted by the Mahoning Valley's high school students reflects the abundant and rich talent of the area's youth; 19 of the 17th District's schools decided to participate in this year's competition, with a total of 55 pieces of artwork being submitted. The local show was held at Strouss Department Store on Federal Plaza in Youngstown.

The cooperation and support for the competition by the area residents has been very gratifying and it must be heartening for the young artists to know that their talent is appreciated.

The local show could not have taken place without the invaluable service of several people. Ms. Debbie Zurawick of Strouss made the necessary arrangements for the artwork to be shown, and as always, did a superb job. Also, I would like to thank Strouss for their cooperation. Six area art experts were invited to be judges for the event and performed their part in the competition with fairness. I appreciate their knowledge of art and their willingness to support area art activities. The judges were Carolyn Ask of the Warren Fine Arts Council, Dr. Al Bright, Ph.D., of Youngstown State University, Mary Kay D'Isa of Youngstown State University, Bill Dotson of Dotson Art of Youngstown, William Mullane, of Warren Harding High School, and Susan Russo, also of Youngstown State University.

I would also like to commend the students who were selected as the top five winners. First place went to Miss Kelli Tsambarlis of Campbell Memorial High School in Campbell, OH. Miss Tsambarlis painted a watercolor of the Campbell works. Placing second was George Halas of Ursuline High School in Youngstown. Third place was awarded to Carl Lazear of Niles McKinley High School in Niles, OH. Jeff Prox of Niles McKinley and Jeffrey Pierce of Mineral Ridge High School both received honorable mentions. All of the works submitted were of excellent quality and the judges had a difficult time selecting the top five.

Also making an immeasurable contribution to the event were the area high school art teachers and the parents of the artists. Their support and nurturing of the young artists play an important part in the development of the special talent of these young men and women.

The congressional art competition provides Members of Congress with the unique opportunity to bring together the best young artists in America and to provide them with encouragement and recognition. The exhibition now hanging in the U.S. Capitol complex is truly an impressive display of America's talent and promise. I was glad to have the opportunity to be a part of this worthwhile event.●

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. KEMP. Mr. Speaker, I am proud to participate in the Congressional Call to Conscience Vigil for Soviet Jews. This year the vigil has been ably chaired by my colleague from Pennsylvania, LARRY COUGHLIN, and I want to thank him for his leadership and for giving Congress another forum to address this important issue.

The situation of Jews in the Soviet Union has become increasingly grave. In addition to being subjected to harassment and discrimination, Jews have also had their personal mail and parcels interfered with. This last is one more demoralizing step for Soviet Jews; human contact remains their most important stronghold.

Last year my wife Joanne and I traveled to the Soviet Union and witnessed firsthand the "war of oppression" waged against the prisoners of conscience and refuseniks. Among those refuseniks we had the pleasure of meeting was Lev Shapiro. As an example of the systematic demoralizing practices used by the Soviets against the refuseniks, I learned that Lev had written to me 2 or 3 months ago and paid 17 rubles, a lot of money for a refusenik, to have the letter registered. Today I met with Bill Keyserling of the National Conference for Soviet Jewry, who had just returned from the Soviet Union, and he informed me that Lev was very disappointed that I haven't responded to him. The first I knew of the letter was when Bill told me about it today. I did, however, receive a postcard from Bill himself, which arrived in about a week.

It is actions like these which serve to try to cut the vital link between refuseniks and the rest of the world. Lev now feels as though I have abandoned him and his cause, because his is sure that even the Soviets would not violate the international postal regulations and fail to deliver a registered letter. I hope to reassure him of my continuing personal commitment by printing this statement in the CONGRESSIONAL RECORD and sending him a copy. I know that, even if he does not receive it, others will know of it and share that knowledge with him. But had Bill Kaiserling not met with both of us, he would have continued to feel as though his contact had forgotten him.

I have lost another point of contact with another Soviet refusenik friend, Vladimir Feltsman, noted Soviet pianist who had all his rights and privileges stripped from him when he applied to emigrate to Israel. We had previously corresponded through a mutual friend Bob Cullen, Moscow Bureau Chief for Newsweek. The Soviets decided that Bob would be a good target for another source of harassment, and he elected to leave Moscow with his wife until his baby was born. I have been fortunate to find another mutual friend, Norman Gladney, who can better ensure that my communications reach Vladimir and his wife, Anna.

There are many refuseniks who are in the same unenviable position. Many names are familiar to those of us who are concerned about the plight of Soviet Jews. I raise these two specific examples to illustrates how important it is not to give in to Soviet attempts to demoralize those we care about. We must persist in our efforts at every level to lessen the Soviet Jewish burden.

We must continue to press the issue at the highest levels between our top officials and those of the Soviets. And we must continue on the individual level, by keeping open the lines of communication by telephone, by mail, and by personal contact through visitors to the Soviet Union. Let me hereby assure my refusenik friends that they have my total commitment to their welfare and ultimate freedom, and I shall continue to fight for Lev, for Vladimir and Anna and their son Daniel, for Ida Nudel, Anatoly Shcharansky, for Andrei Sakharov and Elena Bonner, for Iosef Begun, the Elberts, the Slepaks, and so many others. We look forward to welcoming them into our homes when this battle has been won. Until then, we shall continue to communicate with them and provide them with the assurance that they have not been forgotten.●

PRESIDENTIAL YOUNG INVESTIGATORS PROGRAM

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. WALKER. Mr. Speaker, recently I came across an article in the June 1984 issue of Omni magazine which I thought would be of interest to my colleagues. Written by Dr. G.A. Keyworth II, it articulately describes the Presidential Young Investigators Program, designed to help universities attract and retain outstanding young faculty so that the benefit of their knowledge can be passed on to students interested in pursuing careers in science and engineering. Being an avid enthusiast of the space program, particularly its commericial aspects, I wanted to share this article with the rest of my colleagues:

The article follows:

FIRST WORD

(By G.A. Keyworth II)

It took Purdue University a year and a half to fill a vacancy for an assistant professor in its school of aeronautics and astronautics. But in 1983 this Indiana school was finally able to land Kathleen Howell, who had just received her Ph.D. from Stanford for research in orbit mechanics and spacecraft dynamics.

Because qualified faculty are so scarce in this important and emerging field, Purdue considered itself fortunate to have found such a promising researcher, someone who, as it happened also wanted to teach. The search committee, like those of hundreds of other universities throughout the country, knew all too well the difficulties of recruiting new Ph.D.'s for academic positions. Since young faculty have often been stymied in their attempts to gain financial backing for research programs in academia many of the best new Ph.D's choose to enter industry instead. Other talented scientists leave academic positions after a few years in order to go where research opportunities are better.

But Howell is one of 200 young faculty who will not have to worry about where her research support will come from for a while. For the next five years, these 200 engineers and scientists will be receiving up to $100,000 per year, in a combination of federal and industrial funds, as the first of the Presidential young investigators (PYIs). The awards, which fund research for faculty just beginning their academic careers, are intended to help universities attract and retain outstanding young Ph.D's who might otherwise pursue nonteaching careers. Moreover, each successive year the current PYIs will be joined by 200 additional recipients. After five years there will be 1,000 young faculty whose research will be supported through this novel program.

The awards, administered by the National Science Foundation, are a response to a serious problem. Last year nearly a quarter of the entry-level engineering faculty positions in American universities could not be filled. The staffing problems in computer sciences were as bad or worse, and there were shortages of good, young faculty in other disciplines as well. The problem strikes big and small schools alike, affecting both prestigious universities and community-based junior colleges.

These shortages come at a time when undergraduate demand for extensive training in scientific and technical fields has been skyrocketing. Increases in engineering enrollment over the past few years have been nothing short of phenomenal; jumps of 50 percent over half a dozen years have been common in engineering departments throughout the nation. And since most of those students who get their bachelor's degrees now go directly to work, graduate students, who traditionally help faculty with their teaching responsibilities, have become a cherished commodity.

For that dwindling number of students who stay on and get their Ph.D's industry becomes even more attractive once they've attained their advanced degrees, since corporations have the financial resources needed for highly productive research. Why don't these young scientists stay in the university to do their research, as generations before them have? Many do, of course, but over the past decade the campus environment for scientific research has deteriorated, especially when compared with what industry has to offer. In particular, young faculty have found themselves spending increasing amounts of time trying to line up research support and struggling with aging research equipment and facilities—and then being underpaid for their trouble.

Solutions to most of the problems have to begin with the universities themselves. But there are some high-leverage mechanisms that the federal government can use to help the universities help themselves. The Presidential Young Investigators program is one of them.

PYI awards are restricted to people who have received their Ph.D.'s within the past seven years. And unlike typical research grants, these awards are given not on the basis of a research proposal but on the basis of an individual's potential to do vital research. Moreover, the awards are remarkably unconstrained, permitting the young engineer or scientist to use the funds flexibly to establish a research program. The federal government provides $25,000 outright and then matches funds that the university raises from industry, up to a total of $100,000.

Of the first 200 awards announced in February 1984, three quarters were in engineering and the physical sciences, with the rest in other fast-moving disciplines. In all, PYIs are now working at 74 universities in 35 states.

The PYI program is a highly targeted federal response to specific teaching needs in science and technology. At the same time, on a larger scale, the federal government is determined to improve the overall ability of universities to conduct research and train new people.

One of the best-kept secrets today is that federal support for basic research at universities has grown by 55 percent since 1981! In the next fiscal year this support will be worth nearly $4 billion. In fact, basic research in universities has emerged in the past few years as one of the Reagan administration's highest priorities—part of a concerted attempt to restore the health of American universities following the neglect that characterized the Seventies. We still have our work cut out for us, but we've made a substantial start.●

BENJAMIN BOGOMOLNY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. FEIGHAN. Mr. Speaker, Benjamin Bogomolny needs our help. He first applied for an exit visa from the U.S.S.R. in 1966, together with his father, mother, and three sisters. His parents and sisters were allowed to leave in 1970, but Ben is still waiting for permission to emigrate.

Eighteen years is a long time to wait, especially when those years are filled with hardship and harassment. Benjamin has suffered more than his share.

In 1976, he was dismissed from his job as a computer operator, and his flat was broken into twice within 3 weeks. Only items with Jewish or Israeli connections and personal papers relating to his emigration were taken. He was also interrogated by the KGB and arrested by the Moscow police. Since then, he has not been able to obtain steady work, and he has been subjected to numerous attacks on his person and property.

The Guiness Book of World Records cites Ben as "the most patient refusenik." But patience is only one of his virtures. A charming and intelligent man, he speaks excellent English and Hebrew. As a youth leader, he led his group on a camping and hiking expedition on the border between the Caucasus Mountains and Georgia. Ben also wrote, produced, and directed a production of the Kozhevnikovs—Moscow's state circus clowns— which was filmed and televised by the BBC. Most recently, he has been working as a physical therapist, and his wife, Tanya, is teaching English to other refuseniks' children.

Ben has persisted in the face of seemingly endless frustrations. His optimism is a source of inspiration to us all. To borrow the words of Clara Claiborne Park, he teaches us that:

Hope is not the lucky gift of circumstance or disposition, but a virtue, like faith and love, to be practiced whether or not we find it easy or even natural, because it is necessary to our survival as human beings.

But freedom—the right to worship, speak and live according to the dictates of personal conscience—is also necessary for survival. I urge all of my colleagues to join me in petitioning Soviet Premier Chernenko for the release of Benjamin Bogomolny.●

PERSONAL EXPLANATION

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. FRENZEL. Mr. Speaker, on rollcall No. 370, my vote was not recorded. Had I voted, I would have voted "yes."●

MERRILL CREEK: PLANNING FOR THE FUTURE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. COURTER. Mr. Speaker, well over 20 million people are now dependent on the existing flow of the Delaware River. For more than 200 years, this river has supported important commercial and recreational activities in the basin area. Farmers rely upon the Delaware for irrigation operations and the river is essential to many of the area's industries. In addition, the river provides drinking water to millions within the New Jersey, Pennsylvania, Delaware, and New York region.

The combination of growth and increased consumptive uses on the river has resulted in periods of low flow, water shortages, and droughts. Over the past few years, several drought warnings have been declared resulting in restrictions covering residential, commercial, and industrial water uses.

Not only are the basin's surface water sources affected, but ground water supplies are being increasingly threatened. Overpumping and salt intrusion from the tidal Delaware River have become problems for the Camden area as well as for southeastern Pennsylvania and northern Delaware. The large number of polluted wells which are being discovered further exasperates the problem.

Some have advocated that restricting growth in the basin area and use of the river is the solution for protecting existing water uses. Another view, however, would entail developing a program which can accommodate growing water demands and still withstand the affect of low flows and droughts.

Talks among the four Delaware basin States and New York City have produced a plan to deal with meeting water supplies, augmenting stream flows, controlling salinity, improving water quality and cutting down of flood losses. One component of that plan is the Merrill Creek reservoir. This facility would provide for low-flow augmentation in the Delaware River to replace present and future evaporative losses of cooling water by generating stations in the basin.

Besides helping guard the Delaware from drought effects, this reservoir would also help ensure a continued supply of reliable electricity throughout the Delaware River region. Two plants in Warren County, in particular, Martin's Creek and Gilbert, which need Delaware River water to operate, would be provided for. In the event of a dry spell, the availability of these and other powerplants in the basin region which depend upon the Delaware would be ensured, thus avoiding unexpected increases in utility rates.

As a party to the 1982 good faith agreement, the State of New Jersey officially supports construction of the Merrill Creek project for its intended purpose of replacing water used depletively by electric generating stations. The benefits of this project extend to the entire State. A continued supply of electricity would be available, even during times of low flow, the river would be protected, and a supply of water provided for residential, commercial, agricultural, and industrial uses.

New Jersey does not now have a water storage reservoir in the Delaware basin and, therefore, cannot make any releases of water to compensate for its usage during low-flow periods. Merrill Creek could provide such a function and be a step toward helping to ensure an adequate supply of water for the region. It would help to balance the demands on growth and development with the need to provide an adequate water supply for the future.●

NEED FOR AFDC REFORM

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mrs. JOHNSON. Mr. Speaker, today I am proud to introduce original legislation that will provide poor women with young children with access to the education and training opportunities and child care services that will enable them to lay the foundation for long-term employment.

We are too quick to believe that women who collect aid to families with dependent children [AFDC] are idle by choice. We forget that the desire to work means little in this world without an adequate education, and that work and education are both impossible if there is no one to watch the kids.

Studies commissioned by both my home State of Connecticut and nationwide, report that almost 60 percent of AFDC mothers with preschool-age children have not completed high school. In light of this serious lack of basic education, how can we possibly expect them to find a job that will pay them enough to support a family?

My proposal would set up 10 demonstration projects, six in urban and four in rural areas, to provide education and training, employment counseling, on-site day care, and transportation to and from the project site.

It is important that these pilot projects emphasize sound educational preparation at the high school, or where appropriate, community college level, as well as skills that are essential to permanent independence, such as family management, and vocational training that is responsive to local labor market needs. Participation at the rate of 20 hours per week would be permitted in pilot project areas because continued personal and skill development during periods of welfare dependency is essential to eventual, permanent self-sufficiency.

A Harvard University study indicates that women who have received AFDC benefits for at least 2 years are likely to remain on public assistance for 8 years or more. Entering the workforce is difficult for any woman who has spent an extended period of time at home, and a woman who lacks a high school education, marketable skills, and child care assistance is doubly unlikely to be motivated to look for a job.

Through the introduction of this legislation, I hope to reform the AFDC program to better serve its recipients, and ultimately, the taxpayer who foots the bill.●

SANDANISTAS HARASS CHURCH

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LAGOMARSINO. Mr. Speaker, I commend to you the attached interview with Rev. Miguel Obando y Bravo, archbishop of Managua, Nicaragua, that appeared in the July 29, 1984, National Catholic Register.

The archbishop clearly spells out the outrageous actions the Nicaraguan Government, that is, the Sandanistas, has taken against the Catholic Church in Nicaragua.

Reverend Obando quotes the Pope as saying in Rome: "That this government's measures were unjust and disproportionate."

Obando also said: We want to state clearly that this government is totalitarian. I don't think that we can deceive ourselves today: "We are dealing with a government that is an enemy of the church—especially those who are orthodox. They have taken away many priests who are true pastors and in this way they are hurting the poor. These actions are also hurting the entire country."

I urge that my colleagues read the entire interview. Reverend Obando says: I have never sided with Somoza. But these people—the Sandanistas—are more unjust because they run over the dignity of the people.

The interview follows:

OBANDO ON NICARAGUA'S PERSECUTED CHURCH

(By Joan Frawley)

Register: What is the story behind the government's expulsion of 10 priests, beginning with the arrest of Father Luis Amado Pena?

Obando: The story begins when the priest had to give Communion to a sick person. Father Pena did not have a car. An acquaintance said he would take him, but they would have to stop to deliver luggage to a waiting car. They stopped on the road and the man said, Father, could you pass the luggage to another car and we will continue to go visit the sick person.

They did this and that moment when the priest handed the luggage, the police, the television and the government appeared. The police asked him what was in the luggage and then the police opened it and found explosives. The priest said I don't know why those explosives are in the luggage. I'm just helping this gentleman. Apparently the man who drove the priest was a member of state security.

I was that day visiting a poor barrio and the charge d'affaires of the Holy See called and said Thomas Borge [Nicaragua's interior minister] wanted to talk to me. Borge called and said you must take this priest out

of the neighborhood. I said no, the priest does good work. Borge said the priest should seek asylum with the nuncio. I understood immediately that Borge wanted an impact with the press.

I told Borge that I could not remove the priest because the priest said he did not violate the law and it would be unjust. I said to Borge I would talk to the priest because I believe in him. I stopped to talk to the priest and we arrived at the conclusion that the priest would stay at the seminary and go to his parish Sunday and Thursday to celebrate the Eucharist because of the shortage of priests. I told the charge d'affaires to communicate this to Borge.

Around this time [8:30 p.m.] I was still on my pastoral visit and they sent me a message on the radio that the turbas [mobs] were in Father Pena's parish and were burning tires and molesting the people there. The police told the people to get out of the church, but outside the turbas were waiting to beat the people up. The turbas climbed up to the top of the church and began to rip off the roof. When I arrived back here at my home, they told me that I should get the priests and Sisters out of the church. So I asked one of my chauffeurs that if he had the courage, he should go and get them and bring them back here. The priests then were sent to the seminary and when they got there the police had already posted a jeep outside and they were searching everyone who went in. When the auxiliary bishop talked to Borge and asked Borge to take the jeep away because it was inconvenient, Borge ordered two jeeps placed in front of the seminary.

Register: How did you decide to react to this?

Obando: The majority of the clergy in Managua—with the exception of the Popular Church—decided to go on a pilgrimage to the seminary. I felt I should accompany them. Borge told the charge d'affaires of the Holy See that if they did stage the pilgrimage, the turbas would not interfere. But he said that they would act.

Some of the radios began to say that there would be a confrontation between the Church and the state. I did not want to encourage others to get involved, and although 300 faithful waited to accompany us. I told them there is danger and risk and only the priests should go to the seminary. But with their rosaries, many of the people still followed. Meanwhile, we had 80 reporters, many of them foreign, covering the pilgrimage. At the seminary we celebrated Mass in solidarity with Father Pena.

Register: How did the government act?

Obando: Tomas Borge did not wait. On the same day at 3 p.m., Borge apprehended the priests without any opportunity for them to take their belongings. That day eight priests were sent to Costa Rica and the ninth was sent the following day.

Register: There was a 10th priest.

Obando: The 10th priest was working well with the poor and was giving a course at the seminary. Today that priest left. When the police came, he was with 100 peasants giving his course. I spoke with the peasants and said the seed that this priest has sowed should flourish. After I spoke I saw the peasants were crying while the police waited there.

Register: Why did the government expel the priest?

Obando: The government wanted to hit the Archdiocese of Managua and wanted to create chaos. Certainly it has given us a blow. All of the priests who were taken were loyal to the Church here, loyal to the Pope and to the people of the rural parishes. The priests were Italians, Canadians, Costa Ricans and Spaniards. It's my belief that they are removing these priests so that priests from the Popular Church can take their place.

Register: As the archbishop of Managua, how will you respond to this?

Obando: We want to state clearly that this government is totalitarian. I don't think that we can deceive ourselves today; we are dealing with a government that is an enemy of the Church—especially those who are orthodox. They have taken away many priests who are true pastors and in this way they are hurting the poor. These actions are also hurting the entire country.

Obando: The Pope sent me a cable today which said that when he was talking to pilgrims in Rome he said that this government's measures were unjust and disproportionate. The Pope said he is praying so that those who are ruling this country will reconsider. We certainly believe that the Church is guided by the Holy Spirit. We believe the Church will continue to exist, and history, which is the mother of life, teaches us that the Church has always witnessed the burial of those who persecute her. I believe that men and women can disappear in history but Christ cannot disappear.

Register: The bishops wrote a pastoral letter this spring which called for a national reconciliation.

Obando: All the priests wrote the pastoral letter, asking that all the people be brought into the procees. We want not only those in the country to be brought into the electoral process but those outside—those who have taken up arms. Because we believe that the peasants are suffering and they want peace.

Register: What was the government's reaction?

Obando: The government reacted very strongly against the episcopal conference, especially against me. And some members of the government say they will only dialogue through the mouth of a gun.

Register: How does the Church view the upcoming [Nov.4] election?

Obando: We don't believe that we have the proper climate for elections. Our emergency law impedes freedom of speech and organization. This situation is very complex. There are many internationalistas, many foreigners: Tupamaros from Uruguay, Cuban, and others. On the other hand the economic situation is also very difficult. Even many basic foods we have to import.

Register: You say that Sandinista reforms have not helped the poor, but others claim that the Sandinistas do promote social justice.

Obando: Look at the market place. There you can see what the Sandinistas have done for social justice. Today I ask myself, more than five years after the revolution, what has been better for the people, before or after the revolution? I have to say the people were poor before, but they could buy half a kilo of beans any place. Today they have to be in a big line and after two hours the people may say there's none left. I ask myself, what about the peasants in the mountains? They are suffering. What about the youths of our country with this military draft? If youths go to the movies, the police get them and send them up to the front.

Register: What guidance do you offer when somebody comes and says they don't want to go into the draft?

Obando: It's difficult. People come to us with these problems and they ask for refuge in one of the embassies. I have to explain that if someone seeks refuge, they are breaking the law. I've seen that the people are sending their sons from one town to another to stay with relatives to avoid the draft. The Sandinista Defense Committees discover someone doesn't belong in a community; they investigate and then they arrest the person. Recently someone denounced a relative of someone who works for me.

Register: Are more people spying on each other?

Obando: Of course. Right now we are being controlled. I can assure you that when I leave here, within 200 meters a car will be following me.

Register: Some say Nicaraguans can only choose between two extremes, the FSLN or Somoza.

Obando: I have never sided with Somoza. But these people [the Sandinistas] are more unjust because they run over the dignity of the people. We look for a society where everybody has equal access. Where the human person will be respected. Where freedom of speech is respected, where people can choose their authorities with popular vote, where there can be just laws with habeas corpus—because in this country, if you are arrested, not even the best lawyer can find you after several days. Two peasants said [the Sandinista police] left them 12 days standing with no water. They had to drink their own urine.

Register: I have visited the archbishop in Guatemala City and also Riveray Damas in San Salvador. Now you. It seems that the Church here in Central America is speaking with one voice, in favor of social justice but against repression from either the right or the left.

Obando: We are convinced that we need a just society. I don't have the formula. I leave that to the economists. But it's my responsibility to see that a model of a just society is developed.

Register: What's been the reaction of the poor to the economic and political problems here?

Obando: The poor here have a lot of pain. They have fears that they cannot express because they are afraid they will go to jail. I have my own fears. To whom do I go when they burn my home or a church when I celebrate the Mass? Who can help me? I continue to function simply with the help of God because I have been attacked many times.

Register: Does the expulsion of the priests here in Nicaragua reflect a change in this government's efforts to suppress the voice of the Church?

Obando: The government is not yet showing all its strength. They thought that the fact that they had expelled the priests would leave us in fear, but they miscalculated.

Register: How can the Catholic Church in America and the bishops help the Nicaraguan Church and you?

Obando: The first thing that the North American Church needs is good information. They receive a lot of information from the Popular Church and the Sandinistas—which is the same thing. The government here manipulated all the groups that come. And any letter that we send to the bishops never arrives there.

The bishops in America receive a lot of information from the Popular Church. Other cardinals I have spoken with throughout the world say, "The Nicaraguan embassy in my country wants to visit me every week."

The Sandinistas know the weak points in the Church. The bishops of the United States will help us only if they make their statements after consultation with us. Otherwise it won't help.●

A NORTH DAKOTA WINNER—VIRGIL HILL

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. DORGAN. Mr. Speaker, watching the summer Olympics on television, I was proud of the many fine athletes from all around the world, but I've got to confess that Virgil Hill, a relatively unknown, unheralded, young North Dakota amateur boxer mde me especially proud.

Howard Cosell and the national sports writers were too busy talking about those athletes they had selected to be stars of the Olympics to notice Virgil Hill. He's kind of a quiet young fellow. He doesn't boast about himself or his skills, but when he's in a boxing ring, he's something special to watch. And even more important, outside the boxing ring he's a young fellow whom North Dakotans can be proud of. He's going to be a gold medal winner, and I want, on behalf of the North Dakotans who saw Virgil carry our flag at the Olympic games, to tell him that we're proud of what he's done.

There's a song by the Gatlin Brothers that goes, "All the gold in California is stored in a bank in Beverly Hills." Well, I predict some of that California gold is going to shine brightly on the prairies of North Dakota thanks to Virgil Hill.●

TEXACO-GETTY OIL MERGER

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. CONTE. Mr. Speaker, I rise today to call my colleagues' attention to the Federal Trade Commission's recent action in the Texaco-Getty oil merger.

My colleagues may recall that I introduced legislation which would impose a moratorium on these megamergers in the oil industry. I tried to convince you that these mergers should be halted until Congress had time to fully review their impact. The FTC's final consent decree in the Texaco-Getty merger points out one of these impacts—one that threatens to destroy 600 small service station dealers in the Northeast.

I am referring to a provision in the FTC's final consent order, made public on July 10, requiring Texaco to divest itself of all ownership or control over the Getty trademark. Texaco previously had announced that over 600 Getty stations in the Northeast would be sold to Power Test, an independent marketer which usually does not operate under a refiner's brand name.

The Petroleum Marketing Practices Act is essentially the service station dealer's bill of rights. However, it applies only to those facilities operated under a trademark owned or controlled by a refiner. Power Test does not meet that standard and, if Texaco is not permitted to license the Getty trademark, the stations Power Test is acquiring will lose their rights under PMPA.

Mr. Speaker, this is outrageous.

Last April, the Small Business Committee heard testimony suggesting the FTC staff was uniformed about the PMPA and how independent service station operators were affected by oil company mergers. At that hearing, the FTC staff said they would look into the problem.

Is this their answer? Now that they know about PMPA, they seem to have crafted a decree that at best ignores and at worst nullifies the law.

About the only good thing I can say about this latest offense against the small service station dealer is that it clearly points out the need for prompt passage of H.R. 5750, a bill introduced by BERKLEY BEDELL and me.

That legislation would amend the PMPA to give each incumbent service statio in dealer the right of first refusal to purchase his leased location in the event of a merger or market withdrawal by the parent company. This would allow the dealer to negotiate with any and all refiners to see who is offering the best terms and conditions, so those benefits could be passed along to consumers.

Clearly, the service station dealer is better off looking after himself than relying upon the people at the FTC to protect his interests and those of the community he serves.●

CHOICE '84: REGIONAL ART SHOW

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. MORRISON of Connecticut. Mr. Speaker, on August 19, the Connecticut Shoreline Alliance for the Arts will launch Choice '84, it second annual juried regional art show. Choice '84 is an unique collaborative effort between the Shoreline Alliance and local art groups. It is designed to bring together the finest painting, graphics, and sculpture from the south-central Connecticut shoreline region: East Haven, Branford, Guilford, Madison, and Clinton.

A former colleague, the Honorable Toby Moffett, will present the awards on that evening. I would like to extend to him and the Shoreline Alliance my best wishes for a successful show.●

BIRTHDAY OF LEAGUE OF WOMEN VOTERS

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mrs. COLLINS. Mr. Speaker, today, I would like to congratulate the League of Women Voters of the United States on the 64th anniversary of one of their two birthdays. The league was actually founded in February 1920 to work for women's suffrage. When women actually gained the right to vote under the 19th amendment to the Constitution on August 26, the league adopted this date as their second birthday.

The league provides a host of services to the American electorate. They regularly research and publicize issues of long-term national importance that do not receive much attention in the daily rush of the political arena. The league also lobbies all levels of government with positions determined by its 125,000 members in its 1,350 local groups.

The league is probably best known for its sponsorship of Presidential debates begun in 1976. Though they had organized debates at the State and local levels for decades, involvement in the national race placed the group in the forefront of the modern political process. This expansion has helped to educate large sectors of the potential electorate that have not had previous exposure to politics. The league is certainly making full use of today's high technology to achieve its traditional goals of political responsibility, informed voting and good government.

The league must marvel at the progress that women in politics have made in the last six decades. At their founding, women were not allowed to vote in national or most State elections. Today, women have been appointed to the Supreme Court and the Cabinet, and have been elected to the Congress and numerous governorships. Indeed, one of them, GERALDINE FERRARO, may be the next Vice President. The League of Women Voters can take great pride in this collective success story and I am honored to commemorate this impressive history of accomplishments.●

POSTAL SERVICE'S ACTIONS

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mrs. BURTON of California. Mr. Speaker, I am deeply disturbed about the state of the current negotiations between the U.S. Postal Service and the unions representing postal employees. I am especially concerned about the actions of the Postal Service, which are shortsighted and may be illegal.

The Postal Reorganization Act of 1970 created a process for resolving postal bargaining disputes. This process provides for a 45-day factfinding period following an impasse between the parties. If no agreement is reached within 90 days after the contract expires, an arbitration panel is appointed and its decision is binding on both parties. However, until the parties reach an agreement or resolve the dispute through arbitration, the status quo is to remain in effect. In other words, the terms of the current contract remain in effect.

The recent actions of the Postal Service, unilaterally implementing a 23-percent reductions in pay and changes in other benefits for new hires, are a clear violation of the act. The Postal Service's actions represent an attack on the collective-bargaining process and severely damage labor-management relations within the Postal Service.

I hope the Postal Service will reconsider its actions and give the collective bargaining-process a chance to work.●

LEGISLATION AFFECTING SELLER FINANCING

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. MATSUI. Mr. Speaker, I am introducing legislation which will correct what I believe to be a devastating error by the Tax Reform Act of 1984. The new imputed interest rules go far beyond our intent to close loopholes and eliminate tax abuse. Effective January 1, sellers financing the sale of their property, by taking back financing or loaning money to the buyer, will be required to charge the buyer at least 100 percent of the rate received by the Federal Government on obligations of similar maturity. At today's rates, this would mean a seller must charge at least 15-percent interest. This is an increase well over the current requirement of 9 percent. If we leave the rules the way they are under the Tax Reform Act, the ability of Americans to use seller financing will be seriously eroded. In high cost areas, such as California, seller financing is a very important financing tool. This is especially true in periods of high interest rates. The new provisions, which under today's new market conditions will force interest to be charged at a 15-percent rate, will effectively eliminate this financing technique for many transactions. My legislation will correct this problem. It takes the positive steps which we began in the technical corrections resolution to the Tax Reform Act and improves them by extending them to other transactions. Under my bill all residential property with a sales price of under $250,000, not just principal residences, will stay at the prior law 9 percent safe harbor interest level. The 9 percent rate will also apply to farms selling for less than $1 millon and business, commercial and investment properties selling less than $500,000. I feel that this less restrictive approach will make the law much more equitable while achieving the goals set out in the Tax Reform Act.

As a member of the Ways and Means Committee, I am naturally concerned about the abuses that take place in this area. However, I am convinced that the abuse does not occur in the more common type of seller financed transactions. I believe it is only those individuals who are wealthy and sophisticated enough to make business decisions based upon the Tax Code who are the abusers in this situation. By setting the price thresholds, as my bill will do, we will allow the average citizen to sell his property and we will put sufficient restraints on the high finance transactions that abuse the code.

I don't believe that it should matter whether or not you're selling a principal residence or a piece of investment property. It is not the type of property that creates the abuse. It is the amount of money involved. That is why my bill allows reasonable price exemptions for all types of property. There are those who will say that such price thresholds are arbitrary. We've heard that before. Any time a limit is set, there is that concern. However, in this instance, I believe that the limits are fair.

My legislation also alleviates the problem of a cliff effect that exists under the act. For example, the way the act is currently written, if a man sells his farm for $1 million, he is under the exemption and can charge 9 percent interest. If, however, he sells the same farm for $1 million and $1, he is over the exemption limit and must meet the new levels of interest, which currently are around 15 percent. My bill eliminates this cliff by providing for a blended interest rate in these circumstances so that for that portion of the price below the threshold amount, 9 percent financing will be available with the new higher rates pertaining only to that portion of the price over the threshold. I think this approach is much more logical and practical.

If the new imputed interest provisions (IRC section 1274 and section 483) become effective as scheduled January 1, 1985, then sellers financing sales of farms costing more than $1 million, small businesses, multifamily and commercial properties and nonprincipal residential property could no longer negotiate their own credit terms and would be required to state an interest rate equal to 110 percent of the comparable Federal securities rate or under current market conditions approximately 14.3 percent compound interest. This would stop about $30 billion of rental residential, commercial, and industrial sales. This loss of sales would cut about 120,000 full time jobs, reduce Federal, State, and local tax revenues by about $2 billion and reduce the annual gross national product by up to $6 billion.

Mr. Speaker, I believe that the Tax Reform Act of 1984 is a good piece of legislation. However, certain areas may have been overlooked. The imputed interest provisions of the act may have been such an area. In my opinion, the steps taken by my bill will correct this oversight. I urge this body to give it rapid consideration and ask each of my colleagues for their support.●

THE PROMISE OF INCOME SECURITY

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 9, 1984

● Mr. PATTERSON. Mr. Speaker, a few weeks ago, the President said he thought seniors deserved to receive a Social Security cost-of-living adjustment, whether inflation was below the 3-percent trigger amount or not. I agree with the President.

I believe our seniors deserve a cost-of-living increase this year and every year. I have held consistently to this view since long before I was elected to Congress in 1974.

I am pleased that the administration has abandoned the position which it brought to the budget negotiating table early in 1983, in 1982, and in 1981. In the midst of our Social Security financing rescue efforts, the administration insisted that seniors forfeit their Social Security cost-of-living increase, give up their minimum benefit, and succumb to rigorous review to determine eligibility for disability benefits.

Many of our House colleagues have shared my view all along. Through our diligent efforts, we dispelled rumors which frightened seniors into believing that the only way to save Social

Security was to take the bread off their meal tables. We haven't changed our minds; we have been steadfast in our resonsibility to improve the livelihood of senior citizens.

Seniors on a fixed income have a tough time, and it is up to us to help give them a cushion against inflation. This was the promise Congress made in 1972 when the Social Security annual cost-of-living increase was first passed. We must now amend Federal law so that seniors do not come up short.

Presently, if the CPI increases less than 3 percent in any given year, seniors do not receive a cost-of-living raise. H.R. 6019 is a bill which eliminates this inflation trigger, so seniors will receive a raise every year.

As a cosponsor of H.R. 6019, I urge rapid action so that Social Security recipients will not have to wait any longer for a cost-of-living increase. I am delighted that the Ways and Means Committee will be holding hearings to pursue this issue with the Social Security Administration in early September.

Let's work together to keep the promise of income security to our senior citizens.●

INDIA: LAND OF PARADOXES

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. PORTER. Mr. Speaker, all of us are aware that India has the second largest population on Earth. Some of us might need to be reminded that it is also the world's largest democracy and seventh largest industrial power. Although India is undeniably poor, the Government has not plunged itself into debt like many other Third World nations. I would like to call to the attention of my colleagues an excellent article on the subject that appeared in the Wall Street Journal, written by Karen Elliott and Peter House. I commend this article to my colleagues.

The article follows:

[From the Wall Street Journal, Aug. 10, 1984]

LAND OF PARADOXES: INDIA, THOUGH PLAGUED BY POVERTY, EMERGES AS MAJOR WORLD POWER—FOOD OUTPUT SOARS, INDUSTRY GROWS, DEBT IS MODEST; PRIMITIVE LIFE GOES ON

(By Karen Elliott House and Peter R. Kann)

NEW DELHI, INDIA.—"You Americans like to think of other countries as house pets. But we are not a cat or a dog. We are an elephant. And elephants are most difficult to train."

So says the Indian professor, leaning across a conference table, as his half-dozen colleagues bob their heads in vigorous agreement. India, a great, steaming stew of diverse nationalities, religions and languages, is, in fact, much more a continent than a country.

While India usually is viewed more as interesting than as important, it is increasingly emerging as a major industrial and military power. It boasts the world's seventh-largest industrial economy, mushrooming out of a vast base of primitive and seemingly permanent poverty. It has the world's fourth-largest standing army. And it remains far and away the world's largest democracy—at least 750 million Indians today and, almost inevitably, one billion by the end of this century.

ELEPHANTINE PARADOXES

Almost all things about India are indeed of elephantine proportions, very much including its many paradoxes. And thus to judge India is frequently to debate whether a giant glass is half empty or half full.

The news, for example, of an army assault on Sikh religious extremists barricaded inside their sacred Golden Temple of Amritsar or of political turbulence in Kashmir, Bombay or Assam conveys the impression of a nation in disarray. India sometimes seems a fragile cloth being rent apart at its many regional, religious and ethnic seams.

And yet the most remarkable thing about India probably is the surprising strength of the social fabric rather than the fraying at the fringes. The fabric holds, in part, because of a tough and largely apolitical army, a ponderous but omnipresent bureaucracy, and the powrful political presence of Prime Minister Indira Gandhi. But the main source of India's social strength is to be found in its very size and diversity. This country is so vast and varied that a genuine crisis in a west Indian city like Amritsar is a genuine irrelevancy in the east Indian metropolis of Calcutta, more than 1,000 miles away.

THE EYE AND THE MIND

Similarly, the eye in India irresistibly is drawn to scenes of deprivation, decay and death: The old beggar's body, skeletal limbs stiff in death, lying unnoticed on the burning pavement of the holy city of Benares. The gaunt faces of the rickshaw *wallas* straining and sweating as they haul heavy cargo through the fetid cobblestone lanes of Calcutta. The sheer mass of unhoused, unemployed, undernourished humanity crammed into the cloth and cardboard hovels of India's swelling slums. The omnipresent beggars of every affliction and description—pocked, scabrous, maimed, deformed, leprous.

And yet if the eye fastens on India's poverty, the mind must acknowledge an increasingly modern, powerful and self-sufficient industrial nation that manufactures everything from video recorders to fighter aircraft. Oil from its Bombay High offshore fields is fueling modern industry and increasingly mechanized agriculture. Food-grain production has more than doubled in the past two decades—outstripping even population growth—so that India finally is feeding itself. Dependence on foreign aid is steadily declining, and India, unlike much more prosperous Third World nations, hasn't mortgaged its future to the international banks.

There are even some small movements here toward economic liberalization—a tentative tilt away from the rigid orthodoxies of India's state socialism and toward the innate capitalistic enterprise that is evident on any street corner.

What follows then are some glimpses of the elephant that is India.

AMRITSAR

This holy city for India's 14 million Sikhs—a turbaned and bearded minority—was much in the news recently. The seat of their religion is a grand walled complex with a Golden Temple at its center. Over the past several years, increasingly militant Sikhs have been pressing for more political autonomy—and in some cases demanding independence. Prime Minister Gandhi tried to undercut the political power of the more moderate Sikhs by dealing with the extremists, but her tactics backfired. The extremists turned the Golden Temple complex into an armed citadel—compelete with machine-gun emplacements and a grenade factory—and from there launched terrorist attacks throughout India's fertile and prosperous Punjab state.

Finally, in early June Mrs. Gandhi ordered in her reluctant army to rout the extremists. It was a major military operation, costing the lives of nearly 500 extremists and almost 100 Indian soldiers. Most important, it aroused the hostility of much of the Sikh population, just as Catholics would be aroused if an army assaulted the Basilica of St. Peter in Rome.

A visit to the Golden Temple a month after the battle still finds a scene of destruction. The marble walls and walkways of the complex are pocked with shellfire, and some of the holy buildings—though not the Golden Temple—look like props from a World War II movie. The complex is occupied by soldiers overseeing repairs. Outside, behind rings of barbed wire, stand long lines of sullen Sikhs waiting for a chance to enter their shrine.

"This extremism was a disease. It has to be cut out by surgery, but it is very sad, so very sad," says India's Air Vice Marshal B.S. Sikand, himself a Sikh, as he takes his first walk though the complex since the army's assault. "So much damage, so much damage," he says. "It is much worse than I thought."

The army, which includes a high proportion of Sikh soldiers and officers, has in some sense been made a scapegoat for Mrs. Gandhi's political maneuverings. This is an army that prefers to fight wars, not suppress civil disturbances. Yet it is precisely the professionalism of the Indian army—most of the commanding officers in the assault on the Golden Temple were themselves Sikhs—that is one of the strongest forces for cohesion in this country.

The events in Amritsar have been tragic and traumatic. But Sikhs will account for only 2% of India's population, Punjab is only one of India's 22 states, and events here probably are no more symptomatic of the disintegration of India than riots in Miami or Watts would be of the unraveling of the United States.

CALCUTTA

Some 1,000 miles east of Amritsar is the metropolis of Calcutta—perhaps 10 million people, no one knows for sure, packed into its decaying tenements and squalid slums. Calcutta is human misery magnified, the ultimate urban nightmare.

Yet Calcutta also personifies the extraordinary ability of India's people to struggle and to survive. There is a raw energy to this city that transcends even its poverty. It is a human anthill, its vitality the product of millions of thin, dark people, each fighting to make a few rupees and to make it through another day.

Any Calcutta street is a swarm of activity: ragged barefoot men hauling human cargo

in rickshaws, men harnessed like horses to wooden-wheeled wagons, men and women scurrying along with hundred-pound sacks perched on their heads. Satnew Das, who can't weigh much more than the sack he is balancing on his head, makes his living carrying these burdens from the railway station to a street market 10 minutes away. He gets five rupees—about 50 cents—a trip. Even on a good day he makes only five trips, since there are scores of other bearers at the station competing for the loads. Mr. Das's income is about $15 a week, a living wage in Calcutta.

With 10 million people crowded into a city whose facilities could perhaps serve a third that number, it isn't surprising that nothing really works. Sewers overflow, power blackouts are common, telephones rarely work, and public transportation is grossly inadequate. The pride of Calcutta is a new subway system. After nearly a decade of construction, the first two miles were scheduled to open last month. But along came the monsoon rains, and the subway tunnel, left partly open for the dedication ceremony, flooded. Now the subway may open next month. Or next year. No one seems to know.

No Calcutta institution is free of problems. Over at the zoo, the tigers are undernourished because their keepers, who can't afford meat at salaries of less than $30 a month, abscond with the tigers' food.

Calcutta and the surrounding state of Bengal have a Marxist government—one of the very few freely elected Communist governments anywhere in the world. But even the Communists seem to throw up their hands at the vastness of the city's problems.

"Improving Calcutta is a will-o'-the wisp," says Ashok Mitra, Bengal's Marxist minister of the finance. "If you improve things, more people pour in. If you create more facilities, you just suck in more people from the countryside."

GOOD LIVING

In a modern exhibition hall in downtown New Delhi is a display of Indian consumer products. It's called "Good Living," and it's a long way from Calcutta.

The exhibition is an eye-opener for anyone who thinks of India as a typical Third World nation. India, in fact, manufactures almost every conceivable industrial and consumer product. And even if 85% of India's people can't afford to buy these goods, a middle class of 15% still amounts to more than 100 million people. It's a huge consumer market.

At one booth a company called Weston, is showing off "India's first economy color TV," on sale for 10,927 rupees, or roughly $1,000. The demonstration model, hooked up to a Western video recorder, is playing a tape of an old Miss America pageant. Weston is an Indian highflier. A brochure says that its 1984 public stock offering was "over subscribed by 69.5 times."

The next booth is displaying "super floor cleaners," actually long-handled mops, something of an innovation in a land where most cleaning is done by men and women squatting on the floor with rags and whisk brooms.

The hit of the exhibition, however, is a booth offering "the world's first massage machine with pulse changer." S.J. Singh, the inventor of the revolutionary device, explains that he is still doing some "hit and trial" with it before invading the U.S. market.

Mr. Singh demonstrates the device on a visitor's face, flicking a switch to change the frequency of current and thus the number of pulses per minute. He adds that his massage machine, combined with a mixture of unsalted butter and lemon juice, provides a sure-fire cure for skin blemishes.

WORLD ROLE

India's world role, along with almost everything else about this country, is replete with paradoxes. This is a nation that preaches sermons on morality to other powers but is considered a big bully by its own smaller neighbors from Sri Lanka to Bangladesh.

It is a major military power with a million-man army and a modern air force, but it frequently proclaims its vulnerability to all sorts of enemies from Pakistan to the U.S. Central Intelligence Agency. India lines up with the Soviet Union on many global political issues, yet its own political elite still sends its sons to Berkeley rather than Patrice Lumumba U. in Moscow.

Not least among the paradoxes is India's external-debt position. For a nation that requires external financing and maintains a good credit rating, India has borrowed next to nothing from foreign banks. Part of the reason is that India still gets but $2 billion in annual aid from various sources. More important, perhaps, some combination of national pride and financial prudence has set India apart from other Third World nations—from Argentina to the Philippines—that have wound up mortgaging their futures to the international banks.

Some Indian officials are having second thoughts about their policy of prudence. "Frankly, I'm feeling rather sorry we didn't borrow," says Prime Minister Gandhi with an ironic smile, "since everybody else says they're not going to pay back their debt."

BENARES

Sikhs and subways, consumer gadgets and global politics and all the other elements that make up contemporary India are still several thousand years removed from Benares, the holy city of the Hindus whose official name is Varanasi. This is India as it has always been—primitive, mystical and timeless. Benares, on the banks of the sacred Ganges River, is probably the world's oldest continuously inhabited city. It is to Benares that devout Hindus come to die, and it is to the Ganges that their ashes or their bodies are committed.

Here along the river bank are miles of crumbling palaces built by India's maharajas in centuries past. Wide steps lead down to the water's edge, and on these steps is played out the ageless cycle of devotion and death. Files of pilgrims come daily for ritual bathing in the sacred Ganges. To reach the water, they pass a gauntlet of lepers and other deformed beggars squatting on the steps.

The shallow river is teeming with men, women and children, submerging themselves in the murky gray-brown waters. Some are also washing their clothes, brushing their teeth and drinking from the holy river. Past them flow the ashes of bodies that have been burned at the open-air crematoriums that are also situated along these river banks.

At the crematoriums, skeletal men of the untouchable caste, clad only in loincloths, are stoking wood fires beneath burning corpses. Today a half-dozen bodies, each wrapped in brightly colored cloth, lie waiting their turn, and another corpse, its face covered with flies, is being carried through the crowd to take its place in line. The corpses of lepers, smallpox victims and those too poor to afford cremation are attached to heavy stones and dropped in the middle of the river.

There is also primitive life along these banks. Long files of thin men, barefoot and dressed in rags, are laboriously carrying heavy sacks of sand up the steps in 100-degree heat, exactly as their ancestors would have done 2,000 years ago. Nearby, laundry men are beating clothes on riverbank rocks. Just above, a row of men are defecating on the steps, and all about patties of cow dung are baking in the sun. There is the stench of rotting garbage, human excrement and burning bodies. In Benares, cleanliness isn't next to godliness.●

BILL TO MAKE SOCIAL SECURITY ADMINISTRATION AN INDEPENDENT AGENCY

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. PICKLE. Mr. Speaker, I am introducing legislation today, along with chairman Rostenkowski, which will establish the Social Security Administration as an independent agency, removing it from the Department of Health and Human Services. I believe that such an administrative reorganization is necessary if we are to ever have a stable and secure system of Social Security in this country.

All of us must admit that our Social Security program will never meet its objectives unless the public is confident that promised benefits will actually be paid. The public does not have that trust today.

In the past, people feared they would not get their benefits because not enough money was in the trust funds. However, passage of the Social Security Amendments of 1983 resolved most of these financial concerns. For the past 2 years, the trustees' reports show the system is in financial balance. Even past critics now argue before the Congress that the system can pay higher benefits today.

Nevertheless, the public still has doubts that the system will work for them because deep down they doubt that the politicians have the will to let the system work.

The public is continually bombarded with claims by elected leaders that Social Security must be changed for one reason or another. At the same time, the public sees clearly the decline in the quality of service resulting from hiring freezes which are imposed by the OPM, regardless of SSA's needs. People know all too well the frustration and inconvenience caused by equipment and building location decisions made to satisfy the GSA but not the public. They become doubters when they see financial projections are being made by the Office of Management and Budget to satisfy whatever economic policy is currently in

fashion, and not to protect those who have paid into the system for a lifetime.

Americans are willing to make sacrifices to ensure a measure of financial security when they can no longer work. But in return they must have some certainty that the commitment of a lifetime will not be swept away in some passing political crisis of the moment.

We can and should respond to this valid public concern by giving the Social Security Administration the long-term administrative stability which its unique mission requires.

I believe establishing the Social Security Administration as an independent agency will accomplish this purpose and I urge my colleagues to join with me in supporting this needed reform.●

ALBERT P. BARRY

HON. JACK HIGHTOWER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. HIGHTOWER. Mr. Speaker, there are some fringe benefits enjoyed by Members of the House of Representatives that have never been listed in articles of criticism where we are held up to the public as usurpers of privilege. One of those benefits is the privilege of working with some of the finest people in the world.

In public life we meet many people. As Members of Congress we work with people from all parts of the country and every conceivable background.

Fortunately for me, for the last 2 years I have had the privilege of working with Albert P. Barry, Deputy Assistant Secretary of Defense/House Affairs. Unfortunately, the time has been too short.

This Connecticut Yankee, a native of New Haven, CT, graduate of Tufts University, veteran of 21 years active service in the U.S. Marine Corps, has spent his entire adult life in the service of his country.

In his position with the Department of Defense Al Barry has demonstrated an unusual insight and understanding of the problems faced by Members of Congress. We have worked together to assure that the requirements of the various services to fill their roles in our nations defenses were met while balancing the needs of society in this the most powerful Nation on Earth.

On the occasion of his farewell from the Department of Defense he was awarded the Department of Defense Medal for Distinguished Public Service.

I know that many Members of the House of Representatives will join me in wishing Al Barry the very best in the years ahead.●

REAGAN'S ILLOGICAL POPULATION POLICY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. WEISS. Mr. Speaker, this week people all over the world have focused considerable attention on the second United Nations International Conference on Population, now being held in Mexico City. It is most unfortunate that the administration has placed the United States in the embarrassing position of representing an illogical, minority view at this important forum. James L. Buckley, chief of the U.S. delegation to the conference, has announced to representatives from some 150 nations a radical change in U.S. policy toward international population assistance. The new policy, if implemented, would reverse the longstanding U.S. commitment to family planning programs.

Since the White House issued a draft position paper for the conference several months ago, the proposed policy change has drawn heavy criticism from Members of Congress, population experts, and citizens of many other countries including the United States. The administration did not heed these objections, however. The final policy paper reiterates that the United States will no longer contribute to family planning programs that use non-U.S. moneys for abortion. This policy will inevitably lead to a need for more abortions, to an increase in human suffering, and a general decline in the quality of life in Third World countries. As funding for family planning is decreased, the number of unwanted pregnancies rises. Family planning is the best means of reducing the need for abortion and controlling population growth.

Mr. Buckley emphasized economic expansion as the most effective solution to population growth. In his address on Wednesday, he called the development of free-market economies the "natural mechanism for slowing population growth." This position is incomprehensible. Economic expansion is a very slow process that may take decades. in some Third World countries. Meanwhile, the impact of population growth is immediate with devastating effects on individuals, families, communities, and developing nations.

The headlines of yesterday's newspapers reflect the absurdity of the administration's stated policy. The Washington Post said, "U.S. sees no crisis in population" while the New York Times declared, "U.S. Says the key to curbing births is a free economy." This dangerous policy shift has weakened the credibility of the United States as a leading voice at the population conference. Delegates from other nations are astounded by the U.S. position and remain hopeful that it is a temporary aberration caused by election-year politics.

The crucial issue, however, is not the reason for this policy shift, but the repercussions that will be felt worldwide as population continues to accelerate. Women in developing nations will suffer from the effect of unsafe abortions and the health and well-being of countless families will be endangered. Funding cuts will damage or even cripple the operations of international family planning programs. Family planning and economic expansion are both crucial to the well-being of developing nations, and they can, without question, occur simultaneously. This is the policy that the United States has promoted until now.

A resolution introduced in the House last week, House Concurrent Resolution 345, reviews the history of U.S. support for international population assistance since 1961 and reaffirms U.S. commitment to the continuation of that policy. The resolution states that we will not deny funding to international organizations on the basis of how they spend money from non-U.S. sources.

The Reagan administration's proposed policy shift threatens the well-being of all people in all nations. It is essential that the United States remain firmly committed to family planning programs if we are to help check the dangerous growth in population forecasted by the World Bank in its recent "World Development Report." In the interest of aiding the process of development for Third World nations and protecting the future of all of us, I urge my colleagues to cosponsor House Concurrent Resolution 345.●

MUSIKFEST 1984—FIRST ANNUAL CELEBRATION

HON. DON RITTER

OF PENNYSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. RITTER. Mr. Speaker, recently, I introduced in the House of Representatives a resolution to set aside May 19 to 26 as "National Tourism Week" in recognition of tourism's substantial contributions to this Nation's employment and economic prosperity and the sharing of this Nation's heritage with people throughout the country and around the world. During the week of August 18-26, the Lehigh Valley will be hosting one of the finest musical festivals in this country: Musikfest 1984. Musikfest is an example of what one city, Bethlehem, PA, has to offer its own and those who take

the opportunity to explore this country.

Musikfest is an American festival with a European flavor. It is a time when people can discover a great deal about their cultural backgrounds through music from many times and places. Musikfest organizers planned this special occasion to take advantage of the beautiful and historic downtown Bethlehem, both to show off the city and to provide a unique experience of combining a major music festival with the museums and shops in Bethlehem. It will be the first annual tribute to the musical heritage of America.

It is fitting that this tribute take place in Bethlehem, PA, because early Moravian colonists were selected to come to the New World on the basis of their musical skills. The moravians maintained orchestral groups and taught music from their earliest days. During this early period the Moravian Trombone Choir was established, an organization which is considered to be one of the oldest musical organizations in the country.

Musikfest will also be celebration of the cultural heritage of Bethlehem and the Lehigh Valley of Pennsylvania. The earliest settlers to the region were the Moravians and the Pennsylvania Dutch (Germans); this heritage gives Musikfest its German accent. However, to recognize the other important ethnic and cultural groups, that contributed to the cultural development of the Lehigh Valley, Musikfest will have a variety—270 performers—of groups to perform.

Musikfest is truly a community celebration. It is a celebration of the splendid talent that many visitors will hear during the event. It is a celebration of summer, when families and friends can be together. And most of all, it is a celebration of people, both those who have given their time, money and talent to make the event a success and those who will participate by enjoying themselves during the 9 day event.●

REGISTRATION DEADLINES: A BARRIER TO FULL VOTER PARTICIPATION

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. CONYERS. Mr. Speaker, voter participation is the very essence of the democratic process, yet the United States lags far behind the other democracies in that regard. The path to the ballot box is obstructed by a number of restrictive procedures which effectively preclude equal access to the polls. Registration deadlines are one such procedure that can easily be eliminated without compromising the integrity of the election process.

There are 32 States that impose moratoriums on voter registration 20 days or more before election day. Six other States close out registration from 11 to 20 days in advance. The justification given is that such requirements are necessary to prevent fraud and minimize the administrative burdens falling upon the election authorities. These problems can be overcome, however, by developing safeguards and properly allocating resources.

It is during the weeks immediately preceding an election that the public's interest is at its peak because both the candidates and the media are putting forth their best efforts to discuss the issues that are reflected on the ballot. To restrict registration at this time works contrary to the goal of maximizing participation in the political process.

The States of Oregon, Wisconsin, Minnesota, and Maine have realized this fact and have enacted laws which permit registration up to and including election day. They have, thus far, encountered an increase in voter turnout and no significant problems with fraud.

It is my belief, therefore, that registration deadlines which fall prior to the date of an election do little more that impair the ability of citizens to register and vote. As the result, I am today introducing legislation which amends the Federal Election Campaign Act of 1971 to provide for voter registration for Federal elections on all business days and at the polls on election day. If my bill is enacted, it is my hope that those States which retain moratoriums will act to conform their procedures with Federal law so that this barrier can be effectively eliminated as an impediment to full voter participation.

I invite all of my colleagues to join me as cosponsors of this legislation, the complete text of which is as follows:

H.R. 6147

A bill to amend the Federal Election Campaign Act of 1971 to provide for voter registration for Federal elections on all regular business days and at the polls on election day

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title IV of the Federal Election Campaign Act of 1971 (2 U.S.C. 451 et seq.) is amended by adding at the end the following new section:

"VOTER REGISTRATION

"SEC. 409. (a) Each State shall conduct voter registration with respect to elections for Federal office during regular business hours on all regular business days and at such other times as may be prescribed under State law.

"(b) In addition to any other procedure for voter registration, each State shall establish and implement, with respect to elections for Federal office, a procedure for registration on the date of each such election (including registration during voting hours at all polling places).".

SEC. 2. The amendment made by the first section of this Act shall apply to elections taking place after December 31, 1984.●

FRED WARING, ONE OF A KIND

HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. McCANDLESS. Mr. Speaker, at least half of the population of the United States heard, and danced to, or sang to, or whistled to, or all four, the wonderful music of Fred Waring and the Pennsylvanians.

Still working at 84, Fred succumbed to a stroke recently while in Pennsylvania. A prodigious chorus and band leader, he and his group recorded over 2,000 songs, during more than 60 years of movie, TV, radio, and road tour appearances.

I was fortunate to have Fred and his wife as a neighbor in Bermuda Dunes, CA. As a person, Fred emulated the kind of songs he made so popular. He, too, was upbeat and memorable. He played the kind of melodious, catchy tunes that people remember for a long time. His long-playing radio show, from 1933 until 1949, was a broadcasting and musical tradition.

For those too young to be familiar with Fred's music, the Waring Blender he invented in 1937 is still a popular kitchen item, with many imitators.

For all the contributions Fred made to popular music, we are grateful. Our heartfelt sympathies go to his family.●

TRIBUTE TO DIRECT RELIEF INTERNATIONAL

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LAGOMARSINO. Mr. Speaker, today I would like to bring to the attention of my colleagues, the humanitarian work of Direct Relief International headquartered in Santa Barbara, CA in my congressional district.

Direct Relief International has been assisting millions of sick and needy people for over 36 years. As a member of the Subcommittee on Western Hemisphere Affairs, I am particularly concerned about the plight of their poor, needy, and refugees in our own hemisphere, specifically in strife torn Central America. I am very pleased that DRI is one of the benevolent, nonprofit, nonsectarian organizations striving to make a positive contribution toward alleviating the suffering

of the people in that region, particularly El Salvador.

Direct Relief International provided over $1 million in medical aid to El Salvador last year. Since 1981, DRI has sent $256,000 to Guatemala, $430,000 in aid to Honduras, $341,000 to Nicaragua, and $4,000 to Costa Rica. The DRI helps the needy through providing basic and necessary medical facilities, training, and supplies. For example, this humanitarian group recently participated in a major cooperative shipment of nutritious food and medical supplies to El Salvador. Just a short time ago, the DRI sent an $83,000 shipment of pharmaceuticals and equipment to three San Salvador hospitals. DRI is also helping local officials rebuild and resupply the country's medical school.

While many of its recent projects are focused on Central America, DRI helps the needy worldwide. Founded 36 years ago by William Zimdin, an European immigrant to this country, DRI has contributed more than $7 million in medical relief to suffering people and disaster victims throughout the world. As the Executive Director Dennis Karag stated, "medical needs know no political boundaries." DRI has also been instrumental in soliciting contributions of supplies, laboratory equipment, and textbooks from U.S. medical schools to help establish educational facilities in these impoverished lands.

The staff and volunteers of DRI deserve our greatest admiration and commendation for their humanitarian and often dangerous work. In a true representation of the American spirit, these generous people have worked very hard under very difficult conditions to ease the pain and suffering and improve the quality of of life for the poor, sick, and displaced.

I urge my colleagues to join me in expressing gratitude to these dedicated humanitarians of Direct Relief International.●

STRUCTURAL DEFICIT

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. ANDREWS of Texas. Mr. Speaker, with our economy in recovery, one would expect to see a significant shrinkage in the Federal deficit, and a substantive reduction in interest rates. However, neither one of these have occurred. While the Congressional Budget Office has reduced slightly its projection of the size of the deficit, interest rates have gone up, not down. The main topic of discussion in economic circles in not how to preserve the growing prosperity, but rather how much of a tax increase is needed, and what additional spending cuts will have to be made to prevent a major economic disaster. The reason for concern—the existence of a new and problematic element in our fiscal affairs, massive structural deficits.

A structural deficit differs from previous types of deficits we have experienced in that they cannot be eliminated by economic improvement. Generally, as the economy heats up, the tax revenues will rise, closing the gap between revenues and expenditures and thereby eliminating or sharply reducing the deficit. But a structural deficit is one which would not disappear even if the economy has full employment, and is operating at a maximum productivity. This structural deficit represents a permanent gap between the amount of revenue taken in, and the level of expenditures going out.

The problem of the large structural deficit began in 1981. The current administration, upon taking office, proposed radical changes in the spending priorities and fiscal management of the Federal Government. Their philosophy was to cut taxes on individuals and businesses significantly, and to reduce discretionary domestic spending. At the same time, the administration embarked on a program to strengthen our defense, a goal with which most Americans heartily agreed, myself included. But how the President choose to do it is another story. He began a costly arms buildup that has no parallel in peacetime. The buildup has been so rapid that it has become excessively costly, and growing every year. The administration claimed that large increases in defense spending would be covered by revenues even though they had significantly reduced potential revenues through tax cuts. They argued that the reduction in Government social spending, in addition to the tax cuts, would promote major growth in the economy, thus bringing in greater revenues even though at the lower tax rates.

The promised increases in revenues at the lower tax rates never occurred. Instead of greater prosperity, 1981 saw the beginning of the worst recession this country has endured since the Great Depression. Personal incomes and corporate profits dropped sharply. Millions were thrown out of work. Bankruptcys went up, and the amount of tax revenues taken in by the Federal Government dropped sharply, while defense spending continued to rise. The result was that by the end of fiscal year 1982, the deficit had risen from $59 billion during the last year of President Carter's administration to $110 billion under President Reagan, and grew the next year, 1983, to a staggering $195 billion. This year, even though the economy is much improved, it is expected that the deficit will reach $175 billion. This in spite of the fact that over the past 2 years, the Congress has enacted significant new spending cuts, and raised almost $100 billion in new taxes. In fact, in 1982, President Reagan endorsed and signed into law the largest tax increase in American history.

Even though the recovery has brought in enough new revenue to reduce the deficit by $20 billion this year, half the deficit in 1984 will be structural, and thus will not shrink as a result of an improved economy. In 1981, this structural part of the deficit was only $15 billion, roughly 25 percent. Last year the structural portion of the deficit had grown to $85 billion, representing almost 50 percent of the budget deficit. If it is allowed to grow unchecked, then by the end of this decade in 1989, the structural deficit will be $281 billion, representing 91 percent of that year's deficit. That would mean that even at full employment and productivity, only 8 percent of that year's deficit could be eliminated. At the present rate by 1989, the structural deficit will have grown to a size that will be almost 19 times the size it was when this administration assumed office.

Mr. Speaker, the impact of these structural deficits on the economy is staggering. First, there is a clash developing as both the Federal Government and private industry compete for a limited supply of private savings that are available for capital investment. This in turn keeps interest rates very high. Traditionally, the Federal Government has used 25 percent or less of the available credit in this country to finance the annual deficit. Since 1981, however, that figure has been rising sharply, and today, the Federal Government is taking 57 percent of net private savings. At the bottom of the recession in 1982-83, this was not a serious problem, and indeed probably stimulated some growth, but as the economy picks up, and industry begins to invest more in modernization and expansion, the Government needs to get out of the credit market and make room for private industry. When Government fails to do so, it forces the interest rates up significantly, businesses compete for the remaining small pool of credit. The high interest rates in turn can force an end to the growing recovery. Another serious short-term risk is that the deficits will reignite inflation, consumption is fueled faster than the rate of production, and the rate of growth in industrial capacity and the labor force. Finally, the high interest rates and deficits cause the dollar to become overvalued, diminishing the competitiveness of American exports, and increasing trade deficits.

As each year passes the deficits that we run become part of the national debt. By the end of this term, the cur-

rent administration will have doubled the size of this debt, adding more in 4 years than all other Presidents from George Washington to Jimmy Carter combined. The staggering increase in the permanent debt and the rapid growth combine to create some frightening long-term economic problems.

First, as mentioned before, these debts, deficits, and high interest rates devour private savings. In the 1970's, the net national savings as percent of GNP, after deducting for the deficit, amounted to 5.8 percent. If the current trend holds, it will wither to 2.4 percent by the late 1980's. Without sufficient savings for investment available here at home, the Government and private industry will be forced to look abroad for sufficient levels of capital for investment. Our country has usually been a net investor in the world. In the post-World War II era, this has always been the case, but the fiscal crisis that we now have is fast pushing us into the role of a debt nation.

In 1982, U.S. investments abroad exceeded foreign investments in the United States by $169 billion. However, as the deficit and high interest rates have produced both the need and incentive for major increases in foreign investments in this country, that situation is changing. By 1985 foreign investments in the United States could be $82 billion greater than our investments abroad, a shift of $250 billion in just 3 years. As Paul Volcker stated before the House Banking Committee earlier this year: "The richest economy in the world is on the verge of becoming a net debtor."

Future generations of Americans will find themselves financially obligated to foreign creditors. To pay for this we would be forced to cut our standard of living so that we must pay back these loans and the interest they will incur. Such a situation will weaken our Nation, creating the opportunity for foreign interference in our fiscal policy decisions and budgetary priorities.

Finally, these excessive structural deficts have doubled the size of our national debt. When you run up the charges on a credit care the minimum payment increases, as well as your overall debt to the company. Similarly, the interest payment and general obligation on the national debt increases with larger deficits. By the end of this decade, the service on the national debt, our annual interest payment, will reach $150 billion. It will require 50 percent of all the revenue brought in by the personal income tax just to cover this one payment. The annual interest payment will be as large as the amount spent on the defense of our country just 3 short years ago. Today, our national debt stands at $1.3 trillion, or roughly $6,600 per taxpayer. It will grow to a level of $10,000 per taxpayer in 5 years. The annual interest payment alone in 1989 will cost the American taxpayer $1,100 per person.

There are those who say that this problem can be solved simply through further cuts in domestic discretionary spending. That is not the case. If you eliminate all nonentitlement domestic spending, all the Government agencies, all the spending programs, the Congress, the executive branch, the judicial system, if the appropriations for all the civilian government were eliminated, it would total $161 billion, and we would still have a deficit of $14 billion. Others have suggested that this problem can be solved through additional taxes. While it has become more and more evident that new taxes will be necessary to bring revenues up to a sufficient level, to raise taxes without further cuts in spending would do little to deal with the problems of the structural deficit which must be the focus of our fiscal policy. What will be needed is a careful look at each component of the Federal pie, the elimination of excessive spending whenever it is possible, and the preservation of essential programs, keeping all that is needed, but not more than is needed.

As part of this effort we will have to take a careful look at defense spending. We will have to at least slow down the rate of growth in the Defense Department, probably eliminate some of the more costly and inefficient weapons systems such as the B-1B, and cut down hard on waste in the Pentagon. It is simply unacceptable that the Navy would spend $400 on a $7 hammer. It is intolerable that each year the Department of Defense sells up to $700 million in spare parts at cutrate prices that might still be needed to repair current equipment only to turn around in some cases and buy the equipment back from the same junk dealers at market prices. This sort of waste is inexcusable and must be stopped.

Mr. Speaker, if we are to prevent a worsening of this already gloomy scenario, then we must act now in a responsible, effective, bipartisan effort to solve this problem. The deficit crisis is not a Democratic or Republican crisis that can be blamed entirely on one party and ignored by the other. It is an American crisis which will require our combined efforts to resolve. Together we will have to be willing to make some hard choices and act with great fiscal restraint and responsibility to turn this crisis around.●

ROBERT BERLAND, FIRST U.S. OLYMPIC MEDALIST IN JUDO

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. PORTER. Mr. Speaker, I take this oppportunity to congratulate Robert Berland, a constituent from Wilmette, IL, who became the first American to make it into an Olympics judo final and win the silver medal.

Mr. Berland, who was competing in the 189-pound division, overcame knee surgery twice this spring to go to Los Angeles and represent our country. To him and all the other Olympic athletes who have made us so proud to be Americans these past weeks, I pay tribute.●

IN SUPPORT OF H.R. 6021

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. LANTOS. Mr. Speaker, I rise today to join as a cosponsor of H.R. 6021, a bill to correct a serious flaw in the Tax Reform Act of 1984—the virtual elimination of seller financing in thousands of transactions involving the sale of property.

The Tax Reform Act of 1984 made a well-intentioned attempt to correct perceived problems in the area of seller financing. However, the new rules applied to this important aspect of the buying and selling of property have clearly gone too far, and now threaten to unfairly burden the vast majority of average Americans who are involved with this process. If changes are not effected in the Tax Reform Act, the consumer—the renter and the homebuyer of a newly constructed house—will ultimately face penalties for their involvement in seller financing.

Prior to the Tax Reform Act of 1984, the Internal Revenue Service [IRS] required that a 9-percent interest rate be negotiated between the property seller and the buyer. If such a figure was not agreed to, a 10-percent interest rate was imputed by the IRS for tax purposes. Under the new act, sellers will be forced to charge an interest rate comparable to 110 percent of the corresponding U.S. Government obligation. These rates are about 14 to 15 percent. If such a high interest rate is not negotiated, the IRS will impose a penalty on the seller by imputing an interest rate equal to 120 percent of the appropriate Treasury rate for tax purposes.

What are the consequences? First, the widely used process of owner fi-

nancing stands to be virtually eliminated. Second, the private marketplace will be all but destroyed as a vehicle to reduce interest rates on property ranging from single-family homes to farm acreage to commercial buildings. Third, high interest rates will inevitably be passed on to the consumers, particularly renters and buyers of newly constructed housing. Finally, a dangerous trend could develop in reduced investment in low-income housing, since the sale of Housing and Urban Development projects are typically financed under negotiated low-interest arrangements between buyers and sellers.

Congress passed the Tax Reform Act of 1984 in response to widespread appeals from the public for more equitable structures in taxation and interest rates. Now we find that provisions of the act stand to produce the exact opposite effect in the area of seller financing. H.R. 6021 seeks to correct these serious flaws in the Tax Reform Act before the new rules go into effect on January 1, 1985. It is virtually important we act before that deadline to resist potential tax penalties for property consumers.

The buying and selling of property may very well be the oldest form of transaction in this country. I stongly believe Congress has a deep responsibility to mitigate those influences that would undermine the opportunity of all Americans to be a part of the process, keeping both buyer and seller free from undue taxation, penalties, and burdens.●

OLDER AMERICANS ACT

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. DENNY SMITH. Mr. Speaker, our huge Federal deficit is mortgaging the future of this country and ignoring the monstrous deficit we face will only make the problem worse.

Responsible actions call for facing up to tough challenges. This week I faced one of those challenges when the U.S. House of Representatives considered H.R. 4785, a bill reauthorizing the Older American Act Programs for a 3-year period. Although I support the programs authorized by the Older Americans Act, I voted against H.R. 4785 for one and only one reason. It costs the taxpayers too much money.

H.R. 4785 exceeds the levels recommended in the President's budget by some $860 million over the 3-year period. No area of the Federal budget can be allowed to continue the uncontrollable growth that is bankrupting our Nation for generations to come, be it the defense programs or those affecting our older Americans. No portion of the budget should be awarded such a hefty increase.

For 3 years I have advocated that the Congress simply freeze Federal spending across the board. It's a plan that calls for fairness without cutting worthy programs by allowing projected revenues to grow and balance the budget. It means no cuts, no additions to spending programs in the budget and appears to be the most practical way of straightening out our budget problems. Had we done this in 1981, we could now be boasting of a balanced budget today.

In no way am I suggesting that we balance the budget on the backs of our older Americans or any other sector of our populous. When it gets right down to voting for any increase in any spending program, I find myself looking at a much bigger picture. Why? Because unavoidably all Americans will share the burden down the road—I voted no on the Older Americans Act Amendments of 1984.●

EMPLOYMENT DISCRIMINATION AND THE IMMIGRATION BILL

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. ROYBAL. Mr. Speaker, about 6 weeks ago, during the floor debate on the immigration bill, H.R. 1510, I read into the RECORD an excerpt from an article which appeared in the Los Angeles Times on June 19, 1984. The article describes of employment discrimination in California that are already occurring as a result of the publicity surrounding the Simpson-Mazzoli bill.

Mr. Speaker, many of my colleagues refuse to believe that employer sanctions would cause discrimination. This article documents what we in the Hispanic community have predicted from the very beginning of the dabate over employer sanctions—that some employers would respond to the threat of sanction by discriminating against Hispanics and other individuals who may look or sound foreign. I urge my colleagues to read this article with open minds, and to re-examine their position on this critical issue. I submit that article for the RECORD.

[From the Los Angeles Times, June 19, 1984]

SOME EMPLOYERS WEED OUT ILLEGAL ALIENS

(By Laurie Becklund, Times Staff Writer)

Although it may be weeks before final congressional action on the Simpson-Mazzoli immigration bill, the proposed legislation already is prompting precautionary measures by some employers that, in some instances, have aroused complaints of discrimination against Latinos in the Southwest.

In California, some employers have begun laying off illegal workers, and others say that they are demanding more documents of job applicants to protect themselves from immigration raids and the possibility of fines or other penalties under Simpson-Mazzoli.

In addition, the owner of an Orange County die-casting factory, convinced that Simpson-Mazzoli may be the straw that breaks the camel's back after a decade of rough economic times, is quietly conducting feasibility studies to see if he should relocate abroad where he can take advantage of cheap labor.

The bill is also having some unpredictable effects. A Dallas apartment manager, apparently believing that the bill would require him to evict illegal aliens, sent out a notice in English last month to his mostly Spanish-speaking tenants warning them that anyone who failed to provide proof of legal residency would be turned over to the U.S. Immigration and Naturalization Service so the apartment owner would "stay in compliance with the law." Several tenants moved out.

The House of Representatives is scheduled to resume debate today on the Simpson-Mazzoli bill. The legislation envisions civil penalties for employers who knowingly hire illegal aliens and an amnesty for illegal aliens who can prove they have been living in the United States continuously since Jan. 1, 1982. But many details, including the controversial issue of amnesty for illegal residents, are still up in the air.

"We've been getting lots of calls from members concerned about how this bill will affect them," said Louis Custrini, vice president for communications of the California Merchants & Manufacturers Assn., which represents 3,000 employers. "But no one really knows. It's awful hard to gauge the impact of the bill—especially given the fact that we don't know the exact form it will take."

"Our clients have been wringing their hands over immigration bills for so long they're wrung out," said one immigration expert who advises about 40 manufacturers and other employers. "We've advised our clients just to maintain a wait-and-see posture."

But some employers, threatened by immigration raids or by economic pressures, do not feel that they have that luxury. Based on their experiences, these employers predict that, in the short run, the legislation could lead to layoffs of persons suspected of being illegal aliens and, in the long run, to the relocation, automation or even closure of factories.

Some Latino leaders charge that confusion over the proposed bill already has led to cases of increased animosity toward Latinos in some areas of the Southwest.

REQUESTING GREEN CARDS

"We have already experienced employers requesting citizenship papers or green cards of all Mexican-American people applying for jobs—mainly in the service industry areas like hotels and restaurants," said Johnny Mata, Texas director of the League of United Latin American Citizens. "We think this is because of the threat of Simpson-Mazzoli."

Star Kist Foods, in deep financial trouble from foreign competition and a depression in the tuna industry, recently dismissed at least nine Terminal Island cannery workers it suspected of being illegal aliens as a result of threats of immigration raids that could further disrupt production, vice President Ed Ryan said.

The dismissals prompted a protest by more than 200 persons last Thursday. Several of the employees had seniority of 10 years or more, protesters said. Some were near retirement, and one was a mother who was pregnant with her third child. The workers were fired after refusing to comply with a company order to present their immigration documents.

"I feel badly about this," Ryan said. "These were really senior people. One of them had 14 years seniority."

AMNESTY PROVISION

Ryan said that he is prepared to "create jobs" for the nine fired workers if Simpson-Mazzoli is enacted and grants amnesty to some illegal aliens. Because Star Kist has not hired any workers for two years. Ryan said, the firm's entire work force could become legal if the current amnesty provision in Simpson-Mazzoli becomes law.

Mike Spinelli, vice president and general manager of Aluminum Precision Products, an aerospace forging operation in Santa Ana, said that he laid off 32 illegal immigrant workers in 1983.

The move was a precautionary measure; he had been warned by the U.S. Immigration and Naturalization Service of a possible raid on his factory.

Had a major raid occurred, he said, he might have lost many more members of his skilled work force. The company has refused to hire any new illegal aliens, he said and has taken the additional precaution of hiring employment counselors to advise current employees on immigration law and how to defend themselves if caught in a raid.

SCREENING APPLICANTS

What is more common than dismissing workers suspected of being illegal aliens is screening out job applicants who do not show proof of citizenship or legal residency.

Donald Sutherland, regional vice president and manager of the new Intercontinental Hotel in the Houston Galleria said that the hotel has begun demanding that job applicants present "proof of U.S. citizenship or a residency card."

"Immigration raids might cause you to lose some good employees, and then you have to go out and rehire," he explained. "It is less costly to start out with people you are not going to lose."

Like many employers, he said he began asking applicants for documentation not just because of Simpson-Mazzoli, but because of "an awareness . . . about the tremendous influx of illegal aliens coming in and applying for jobs."

LEGAL PROTECTION

Although such employers say that screening applicants gives them a shield of legal protection in case Simpson-Mazzoli as enacted, some complain that the new legal workers are less satisfactory than the illegals.

Others confide that they fear they are discriminating against Latino applicants.

"Because of the possible fines under Simpson-Mazzolia, we decided to comply in not hiring illegals last year," said the personnel director of one sizable Los Angeles vehicle manufacturing plant who asked that the company not be identified. "We made a statement that none of our current work force would be affected but that new people would be screened."

Because many green cards and other identification cards used by illegal aliens are fraudulent, she said she participates in a program that the INS calls Operation Cooperation. If an employer decides to participate in the program, he uses an INS hot line to verify the legality of documents supplied by job applicants. In return, the INS generally avoids raiding those workplaces.

PLAYING IT SAFE

But, because the INS computer is often down and lines are clogged, the personnel director said that she winds up hiring non-Latinos to "play it safe."

"I hate to say this, but I'm sure there have been a lot of times that I've discriminated against Latinos," she said. "Sometimes you just don't have time to wait for the computer. If I have four applicants for the job, I would naturally incline toward the one that's not Latino . . . Most employers would just rather play it safe than get into trouble with INS."

Because of the new screening process, the company payroll has dipped from about 75% Latino to roughly 50%, she said.

One unexpected side-effect of such scrutiny, she said, is that the new legal employees she hires have poorer attendance records than the illegal aliens the company once employed.

Aluminum Precision had similar complaints, Spinelli said. Although wages have increased, worker absenteeism has increased, and work force turnover has soared to 30% annually.

Employers in other labor-intensive industries fear that they will be unable to find replacement workers willing to take the low-paying jobs they have to offer.

"I was hit by the INS," said an Orange County die-caster who refused to be named. "I feel I'm legal at this point. But I am very close to relocating abroad, and I know others who are, too. It's not just Simpson-Mazzoli. It's that we've been competing with cheap foreign workers for a long time now. And we just can't afford to pay higher wages to attract American workers."

"It's very hard for us to get workers," agreed Bernard Brown, vice president of the Coalition of Apparel Industries, which represents 600 employers with 125,000 workers statewide. Although Brown said that industry sources have no way of knowing exactly how many of those workers are illegal aliens, it is often estimated that as many as 80% of the seamstresses in the garment industry are illegal. In many such plants, English is rarely, if ever, spoken.

Because the women work in large rooms whose exits can be blocked by immigration agents (unlike hotels or restaurants, which also are believed to employ large numbers of illegal workers), garment factories are considered cost-efficient targets for raids by INS.

RETAINING ID RECORDS

To preclude disruptive raids and prepare for Simpson-Mazzoli, Brown said, his coalition sent out notices last month recommending that its members retain photocopies of whatever identification job applicants present.

"We've asked for Social Security cards, and, second, if they're Latinos or look like Latinos, we've asked for green cards," he said, "So, we've complied with the law as it stands now. . . . The burden of proof would be on the government (to establish that the employer knew the employees were illegal aliens)."

But one garment contractor with 80 employees who spoke on the condition that he not be identified said that he thinks at least 90 percent of his seamstresses are "probably illegal," even though he has ID cards for all of them.

"A lot have been with me for years," he said, "I can't fire them if Simpson-Mazzoli passes. And, even if I did fire them, there's no guarantee I could replace them. No high school graduate is going to take these jobs. My average wage is maybe $5 an hour, piece rate. There's no upward mobility. I can't make these jobs attractive."

MORE IMPORTS SEEN

The contractor said that he is counting on a generous amnesty provision that would legalize the vast majority of his workers. If amnesty is denied, he predicts that many garment contractors will cross their fingers and hope that the INS will be too overwhelmed to hit them all.

If enforcement is stiff, he said, "my guess is you'll find more importing. If they close down our labor force, what other alternative do we have? The second possibility is that we would probably look to automate."

Meanwhile, many employers indicate that they are willing to go to bat for their most senior illegal employees. One Los Angeles employer who asked not to be identified said that he has about 12 illegal workers whom he is prepared to support against the INS if they are ever arrested. The dozen workers, who include supervisors, are essential to his manufacturing operation.

"These people have been here since before there was a green card," he said "They have raised children and sent them through college. Are we prepared to bail them out? Yes. Are we prepared to pay their legal fees? Yes."●

H.R. 3487, TAX DEDUCTION FOR THE COST OF A TAXPAYER'S MEDICAL INSURANCE PREMIUMS

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. SHUMWAY. Mr. Speaker, Congressman DELBERT L. LATTA from Ohio has introduced H.R. 3487, a bill that would amend the Internal Revenue Code of 1954 to provide that one-half of the amount paid by a self-employed taxpayer for his medical insurance premiums be allowed as a business deduction.

Today only self-employed individuals pay for their medical insurance coverage with after-tax dollars. Current law (IRC 213) recognizes the medical insurance expenses of a taxpayer, spouse, and dependents as deductions that are itemized for Federal income tax purposes. The full cost of the coverage that employers furnish for their employees is deductible to the employer as a business expense and is a tax free benefit to the employee.

By not allowing self-employed business persons to deduct any portion of their medical insurance premium costs, the Internal Revenue Service is penalizing them for their positions as employers and providers of job opportunities in the community. Congress should recognize these self-employed individuals not only as employers, but

also as employees, working within their respective businesses. The dual role these people play in their businesses entitles them to the proposed 50 percent tax deductions of their personal medical insurance premium payments.

Congressman LATTA's bill, on behalf of the self-employed, deserves expeditious action by this body and I encourage my colleagues to join in this effort.●

HUMBOLDT NATIONAL FOREST BOUNDARY ADJUSTMENT

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mrs. VUCANOVICH. Mr. Speaker, today I am introducing legislation to improve the effectiveness of public land management in the State of Nevada.

The proposal would transfer administrative jurisdiction of 14,742.68 acres of public lands administered by the Bureau of Land Management [BLM] to the Forest Service and modify the Humboldt National Forest boundary to include these lands.

The public lands are located in Elko and White Pine Counties in northeastern Nevada and lie mostly in the Ruby Valley. In 1967, the Forest Service and BLM began discussions to transfer lands to the Forest Service. These lands had historically presented management problems for BLM, generally because the isolated nature of the parcels encouraged unauthorized use. While the lands proposed for transfer are isolated from other BLM administered lands, they are adjacent to National Forest lands. The purposes of the transfer are to streamline management and to create a more workable forest boundary.

The topography of the lands is primarily gently rolling foothills and benches, with occasional rock outcrops. Productivity is limited, with the primary use being livestock grazing. All of the lands are now within BLM grazing allotments but I am assured by the Forest Service that the transfer will have little impact on the grazing permittees.

There are no lands with wilderness potential involved. Historic habitat for the Lahontan cutthroat trout occurs in the Humboldt River Drainage of the west side of the Ruby Mountains and east side of the Independence Range. Although both agencies administer the Endangered Species Act, the land transfer may actually enhance management of this threatened species through reduced interagency coordinated needs. Management of other fishery resources would benefit because existing BLM stream segments are too short to manage effectively.

I know of no opposition to the legislation and I believe that it will provide for better land management within my home State.●

SCOUT JOHN MALONEY HONORED FOR HEROISM

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. DONNELLY. Mr. Speaker, this month the Boy Scouts of America are bestowing their most prestigious award, the Honor Medal for Lifesaving, to John Maloney of Weymouth, MA.

This young man's courage and presence of mind in an emergency saved the life of a bed-ridden priest when fire struck a church rectory last March.

Thirteen-year-old John Maloney had been working at the church rectory when fire broke out in the kitchen. He quickly took charge of the situation, instructing others to call the fire department while he and housekeeper Margaret Kenney braved dense smoke to reach the second floor room, directly above the kitchen, where 78-year-old Monsignor J. Joseph Ryan lay in bed, convalescing from an illness.

As he ran down the long second floor corridor to the monsignor's room, Mr. Maloney thought to close the doors to the other rooms to delay the progress of the smoke and flames toward the sickroom.

With the aid of nurse Ann Cunningham, he moved Monsignor Ryan onto an adjacent porch, where they were safe from the heavy smoke and within reach of fire department ladders.

The three-alarm fire heavily damaged the rectory, but thanks to John Maloney's heroic efforts, there was no loss of life.

The Honor Medal for Lifesaving is the rarest honor bestowed by the 4.7 million member Boy Scouts of America. It is presented to members "who demonstrate unusual heroism in saving or attempting to save life at the risk of their own."

This award to John Maloney of Scout Troop 121, Weymouth, MA, is well deserved. I join in congratulating this fine young man.●

NACOA

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. WEISS. Mr. Speaker, one might have expected it if Anne Burford had succeeded in taking control. But even without Ms. Burford's guidance, the National Advisory Council on Oceans and Atmospheres has rendered a controversial and potentially reckless decision typical of the Reagan administration's environmental policy.

In its special report to the President and the Congress, NACOA has recommended the removal of the 14-year moratorium on ocean dumping of radioactive material.

The study acknowledges the shaky track record of the management of radioactive waste. NACOA also admits it lacks knowledge of the full consequences of future ocean dumping. Its willingness to lift the moratorium despite these stated doubts is similar to an attitude often taken by the nuclear industry; let's proceed. We can worry about protecting health and safety later. We risk, once again jumping out of the plane before learning to operate the parachute.

The study calls attention to the growing and unanswered problems caused by the build-up of radioactive waste on land. How dare they then consider marring another ecosystem before cleaning up the mess already present in our back yard.●

IS MALAYSIA A QUESTION MARK?

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 10, 1984

● Mr. DOWNEY of New York. Mr. Speaker, I was outraged this morning when I read on the front page of the New York Times that the New York Philharmonic had agreed to a request by the Malaysian Government to replace a scheduled work because its subtitle contains the word "Hebrew."

At a time when Third World nations are beginning to emerge as powers to reckon with, I find it hard to understand why Malaysia has refused to pursue a dignified policy endorsing freedom of speech and expression. To request an artistic body whose agenda should transcend politics and ideology to compromise its principles and integrity to repressive and antisemitic values is reprehensible.

There are many nations who appreciate the value of ideals in directing their policies. There are some, however, that do not. These countries, like South Africa, enjoy the scorn of most nations of the Western World. I question whether Malaysia's actions are an indication of their willingness to join the ranks of these notorious and most unethical countries. It is something for this body to consider in future debates over issues affecting our relationship with Malaysia.●

Senate—*Wednesday, September 5, 1984*

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

There is no power but of God, the powers that be are ordained of God.—Romans 13:1.

God of history, Lord of empires and nations, Father of us all, we come to You in earnest supplication for the Senate as it opens on these final weeks before adjournment. You know all things Lord, the future is as plain to You as the past, the end of history as its beginning. You know our hearts—we have no secrets from you. You know our hopes, our desires, our aspirations, our ambitions, our apprehensions and fears, our certainty and our confusion.

Father in Heaven, You know the inescapable ambivalence built in to our political system—the inevitable tension between legislation and an imminent national election. Grant special wisdom to our leadership and courage to the Senators to do what is right despite political implications. Help them not to allow these closing days to be merely cosmetic—a game of charades with critical issues held in limbo awaiting a more favorable political climate.

Gracious God, may these final hours of the 98th Congress be infused with integrity, truth, and justice. We pray this in the name of Him who followed truth when challenged by the most powerful political and religious forces. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, under the order previously entered, the reading of the Journal today will be dispensed with, no resolutions will come over under the rule, the call of the calendar has been dispensed with, and, since we adjourned for the break for the Republican National Convention, the order also provides that the morning hour will be deemed to have expired.

Mr. President, after leadership time and a special order in favor of the distinguished Senator from Wisconsin [Mr. PROXMIRE], who is on the floor, there will be a period for the transaction of routine morning business until 1 o'clock. At 1 o'clock, Mr. President, it is anticipated that the Senate will be asked to turn to the consideration of the so-called banking bill.

SENATE AGENDA

Mr. BAKER. Mr. President, I have had a chance to confer with the minority leader in private before the Senate convened and I have advised him of the circumstances I am about to describe, but perhaps now would be a good time to give an outline of the agenda of the Senate for the balance of this session—or at least I hope it is the balance of this session—until October 5. The earlier announcement was that we would go out on October 4, which is a Thursday, and I think I would like to suggest now that we amend that on the calendar and suggest we go out on the 5th.

But it is the intention of the leadership to go out on the 5th of October and it is the hope of the leadership that we will go out sine die on October 5. If we do not, it will be over the most strenuous protest and objection of the leadership on this side.

Mr. President, during the time between now and the 5th, however, our principal responsibility, in the view of the leadership on this side, will be to do those things that must be done. I am thinking particularly of the appropriation bills. The ones that appear to be most likely to come up soon are MilCon, Labor-HHS, Interior, Transportation, a continuing resolution, and any other appropriation bills we can reach. It would be my hope that we can do them all, even including the Department of Defense appropriations bill, but we will have to wait and see how the situation develops there. There are a number of conference reports, Mr. President, that must be dealt with. There is one veto message here. Since it must come in at the opening of this session, I would like now to propound a unanimous-consent request, Mr. President, if I may. I have submitted this to the minority leader for his consideration.

CORPORATION FOR PUBLIC BROADCASTING—VETO MESSAGE

Mr. BAKER. Mr. President, I ask unanimous consent that a veto message to accompany S. 2436, the Corporation for Public Broadcasting bill, when it is received, it be considered as having been read, that it be printed in the RECORD and spread in full upon the Journal, and that, in addition, the message be held at the desk and that it may be proceeded to by the majority leader, after first consulting with the minority leader. I make that request.

The PRESIDING OFFICER [Mr. DURENBERGER]. Is there objection? Without objection, it is so ordered.

The message is as follows:

To the Senate of the United States:

Since the adjournment of the Congress has prevented my return of S. 2436 within the meaning of Article I, section 7, clause 2 of the Constitution, my withholding of approval from the bill precludes its becoming a law. Notwithstanding what I believe to be my constitutional power regarding the use of the "pocket veto" during an adjournment of Congress, however, I am sending S. 2436 to the Senate with my objections, consistent with the Court of Appeals decision in *Kennedy* v. *Sampson,* 511 F.2d 430 (D.C. Cir. 1974).

Public broadcasting constitutes an important national resource and contributes to the diversity of news, information, and entertainment choices available to the American public. Under S. 2436, however, Federal funding for public broadcasting would be increased by too much too fast. The Fiscal Year 1987 authorization of $238 million for the Corporation for Public Broadcasting represents a 49 percent increase over the already enacted funding level for 1986. Likewise, next year's spending on new public broadcasting facilities grants would be authorized at $50 million or four times this year's appropriation.

When all of the demands on the Federal budget are taken into account, increases in spending on public broadcasting of the magnitude contemplated by this legislation cannot be justified. They are incompatible with the clear and urgent need to reduce Federal spending. Moreover, this view is clearly shared by a large portion of the House of Representatives as indicated by the 176 votes in favor of the Oxley amendment to reduce the three-year authorizations by 25 percent.

In disapproving this bill, therefore, I urge the Congress to consider a revised bill providing more reasonable and moderate increases for the Board for Public Broadcasting along the lines of the Oxley amendment. I also reiterate my strong opposition to the huge increases for public facilities grants contained in S. 2436 and the unjustified expansion of this program to include repair and replacement of existing equipment.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

I must also stress that my firm insistence on scaling this bill back to more fiscally responsible levels in no way jeopardizes the continued operations of public broadcasting stations across the Nation. Under the established funding mechanism, ample appropriations have already been enacted into law for all of Fiscal Years 1985 and 1986. Funding for another 25 months is already guaranteed.

Thus, the issue regarding S. 2436 is really one of long-range fiscal prudence. Given the magnitude of the deficit cuts that will be needed in the years ahead, I do not believe we can justify locking-in public broadcasting funding levels for 1987-1989 that are so obviously excessive. To do so would be wholly inconsistent with our pledge to slow the growth of spending and reduce the size of the deficit.

According, I am disapproving S. 2436.

RONALD REAGAN.

THE WHITE HOUSE, *August 29, 1984.*

SENATE SCHEDULE

Mr. BAKER. Mr. President, that veto message then must be dealt with in this session. There, of course, could be other veto messages or other privileged matters to be dealt with.

But, in addition to the appropriation bills and the conference reports and this or other veto messages, these matters come to mind as matters that we should try to deal with in the time remaining before we adjourn:

The banking bill. As I indicated earlier, it will be the intention of the leadership on this side to ask the Senate to turn to the consideration of that bill today.

TV in the Senate. That is one that I have variously threatened the Senate with, and I hope Senators do not feel that way about it. But they should know that it is the intention of the leadership on this side to ask the Senate to turn to the consideration of that measure either after the banking bill or after the military construction appropriation bill. I would expect an effort to reach TV in the Senate to be presented to the Senate sometime next week, early next week.

The highway bill. It is hoped that we will have a highway bill that we can deal with early and promptly.

There is also a clean water bill, a products liability bill, a trade bill, a water resources bill, Grove City, and a debt limit bill.

In addition to that, Mr. President, there may be nominations that are on the calendar now or will come to the calendar that can be dealt with—I hope so—and we, or course, will deal with them as we can and when we can.

Mr. President, that is quite a list. What I am about to say next I am sure will be taken the right way by Members on both sides. We really have a fundamental choice now for the next 4 weeks. We can use the Senate as an extension of the Presidential and congressional campaigns or we can take care of legislative business. I would like to take care of legislative business. I would like to see us do as much of this as we can.

I happen to think that both tickets for the Presidency and Vice Presidency are fully capable of developing the issues and publishing them to the country and to the electorate efficiently, effectively, and extensively. I do not think we have to do it again here. But if we do, and it would certainly not be unheard of in that case.

But I would urge Senators to consider that the issues, as attractive as they may be, as volatile and controversial as they are, can be better dealt with in the campaign context than they can in the legislative context and that the Senate would do well in the 4 remaining weeks to address itself to that extensive list of matters that I have just listed and perhaps other matters as well.

I say again that I hope Members on both sides will understand my admonition, and that they will understand as well that it is my responsibility together with the minority leader to try to see that the Senate functions in an effective, and we hope attractive, way in the discharge of our public responsibility.

Mr. President, that perhaps is a longer winded speech than Members anticipated. But I felt it desirable at this point to share my thoughts with my colleagues as we begin this, the final, drive for adjournment sine die.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

SENATE SCHEDULE

Mr. BYRD. I thank the distinguished majority leader for laying out the schedule. It is very clear as to what legislative measures he hopes to dispose of between now and adjournment sine die, and I think the program as laid out will, for the most part, be received well on this side of the aisle.

I am sure that the majority leader did not mean for the schedule, as he laid it out, to be all inclusive, and that there will be other measures from time to time which will require the action of the Senate. But I ask with reference to the disability insurance measure which has been acted on by the Senate, and with reference to child nutrition, what the majority leader might have in mind.

Mr. BAKER. Mr. President, I thank the Senator.

May I first say that the list certainly is not exclusive. I am sure I have left off items that we ought to deal with, and will deal with, and we will adjust the agenda as necessary. I really ask the minority leader if he will let me check those two items before I make a further reply. I will do that, however, and I will have further information for the minority leader.

Mr. BYRD. I thank the majority leader.

S. 2851—FINANCIAL SERVICES COMPETITIVE EQUITY ACT

Mr. MOYNIHAN. Mr. President, will the minority leader yield for a question?

Mr. BYRD. Yes.

Mr. MOYNIHAN. May I ask if the minority leader is aware that there are a number of Senators who would wish to be present when the banking legislation is brought up. They are not present today, and as a consequence the Senator from New York is obliged to object to the motion to proceed. I hope not to obstruct the eventual deliberation. I have never done this in 8 years in the Senate. But in this case I am going to have to seek to do it, however briefly.

Will the minority leader tell me if he knows when the majority leader plans to bring the matter to the floor?

Mr. BYRD. Mr. President, the majority leader is here, and will probably want to make some comment himself on this. The majority leader indicated to me privately earlier today that he wanted to go to the banking bill, and I think he kind of contemplated that this might be done as early as the last day or so before we went out prior to the recent recess.

What the majority leader has said I do not believe catches me by surprise. And, while objection could be made to a unanimous-consent request, the majority leader could move to proceed to the banking bill, which motion would be debatable. I would like the majority leader to respond to my colleague because I think both the majority leader and I are cognizant of the absentee situation to which the distinguished Senator from New York has appropriately referred. I am sure the majority leader has that in mind as he prepares to go ahead with today's business.

I yield to the majority leader, Mr. President, for a response to my dear friend from New York.

Mr. BAKER. Mr. President, I thank the minority leader for yielding so that I can reply.

The minority leader is absolutely correct. I did indicate to him before we adjourned that it would be my intention to ask the Senate to turn to the banking bill on the day we came back,

or shortly thereafter, and it is my intention to do it today. But let me say that I, too, understand that there are Senators who are keenly interested in this bill who are not here, and necessarily absent. And I have no intention of trying to force that issue before they return.

I do expect to make a motion to proceed today. I would anticipate that there will be some debate on that. I do not anticipate, however, that we will be in late today. There is not an intention by the leadership on this side to file cloture on that motion today. These are the things I had in mind when I said that I would not be surprised to see this bill spill over until next week.

In the meantime, I say to my friend, the minority leader, we can find some other things to do. But the answer is in all likelihood there will be a motion made today to proceed to the consideration of the banking bill.

Mr. MOYNIHAN. Mr. President, could I ask the majority leader to show his characteristic courtesy in letting the Senator from New York know when that motion will be made.

Mr. BAKER. Yes. Mr. President, barring unforeseen circumstances, and having the manager on this side present, that would occur at the close of morning business at 1 o'clock.

Mr. MOYNIHAN. I thank the majority leader. I thank the minority leader.

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr BAKER. Would the Senator yield for a unanimous-consent request?

Mr. BYRD. Yes.

Mr BAKER. Mr. President, I ask unanimous consent that the time under the standing order be restored to the minority leader after the end of whatever yielding he may do for other Members to clarify.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the Chair, and I thank the distinguished majority leader.

As I understand it, now I will have 10 minutes following any yielding by me to other Senators, which would be brief.

The PRESIDING OFFICER. The Democratic leader is correct.

Mr. BYRD. Mr. President, I thank again the majority leader.

I yield to my distinguished senior colleague, Mr. RANDOLPH.

SENATORS URGED TO VOTE FROM THEIR DESKS

Mr. RANDOLPH. Mr. President, I am grateful that the two leaders begin these very crucial days on Capitol Hill with the constructive leadership that both of them have given to this body.

I ask the majority leader a question. We have not recently talked about it privately. The majority leader will realize that I am referring to Senators standing at their desks on rollcalls.

When the Senate had a prior test of the subject of televising the Senate proceedings I offered the voting rule change on April 20, 1982. I was 5 votes short. I hope that, if the opportunity comes in the next few days or weeks, I would be given the privilege to have that question again considered. I am not talking about a dignified Senate. I think that each and every Member of this body is a dedicated Senator. I only believe that it is appropriate—in fact it is urgent—that we give to the actual voting process in this Chamber a dedication not influenced by any desire to straitjacket the membership. I stress to both the leaders these desks mean something. Assigned to us are these desks. The majority and minority leaders are now speaking properly from the desks assigned to them. This procedure, I hope, will be followed on actual voting on rollcalls. I inquire now from the majority leader if he feels that we can have the opportunity, and that he might even urge it, although he might be against my proposal; that is, the use of our desks on rollcalls.

Mr. BAKER. Mr. President, if the minority leader will yield so I may respond, I respect the point made by the distinguished Senator from West Virginia. He is foremost among all of us, I believe, in urging that the Senate conduct itself, of course, in an appropriate way, especially during rollcalls, and I respect him for that. On the question of rules change, I can assure the Senator that I will consider that. I will keep an open mind on that point, and I fully understand his reasons for it. I will think about that.

Mr. RANDOLPH. I am grateful to the majority leader. It has been a privilege for me as well as a responsibility to serve in the Senate with the leaders—Senators BAKER and BYRD.

Mr. BAKER. I thank the Senator.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

THE BUDGET

Mr. BYRD. Mr. President, as Congress returns for the few short weeks remaining before adjournment, the list of unfinished business before us is a long one, as already indicated in words spoken here today. At the top of that list is final action on the budget, which continues to languish in conference 3½ months after the date by which Congress is required, by law, to have the budget in place. The budget deficits that confront this Nation and the unwillingness of this administration to lead the way in achieving a balanced budget suggest that we should institute a major reform of the budget process this year. I would hope that during these weeks we will require all future Presidents to submit a balanced budget to Congress each year, even if that budget is not the one which the President himself may recommend.

Four years ago, President Reagan campaigned for the White House on the promise that he would balance the budget as early as 1982 or 1983. In his first budget submission as President, in February of 1981, Mr. Reagan pledged to achieve a balanced budget by 1984. This administration has now been in office nearly 4 years. The budget, far from being balanced, is in deficit for fiscal year 1984 to the tune of $172 billion. In fact, the deficit is growing at a rate nearly three times the speed of sound. If $1 bills were laid end to end as rapidly as the administration is increasing the deficit, the dollar bills would have to be rolled out at the incredible rate of 1,917 miles per hour—well over twice and nearly three times the speed of sound. Despite supersonic deficits, the administration has yet to submit a balanced budget to Congress, or even to reveal in any detail how—or if—it would bring about a balanced budget in the future. Instead, the President continues to hedge, playing "I've Got a Secret" with the American people, offering promises instead of plans, and substituting rhetoric for action.

Mr. President, our political leaders owe the American people no less than to be candid with them. Anyone who understands grade school arithmetic knows that with a $178 billion deficit facing this country next year, there are no easy answers.

Presidential candidate Mondale was frank with the American people when he told them that the budget could not be balanced without increasing revenues. President Reagan insists he is opposed to raising taxes, but steadfastly refuses to tell us what he will do to balance the budget. He tells us he will let us in on that secret after the election.

Throughout his term, President Reagan has repeatedly promised the American people that he would not raise taxes. Yet, in each of the last 3 years, the President has made a tax increase the law of the land.

On January 26, 1982, in his televised State of the Union Message, President Reagan said flatly:

"I will seek no tax increases this year, and I have no intention of retreating from our basic program of tax relief." Yet, less than 9 months later, he signed into law the largest tax increase in the history of the United States, $98 billion over 3 years.

In September 1982, the President explained that he did not "see the necessity for" an increase in the gasoline

tax. Yet, only 3 months later, he signed into law the first increase in the gasoline tax in 25 years.

In November 1983, the President said that he was "prepared to veto tax increases * * * no matter how they arrive." Yet, less than 9 months later, he signed into law tax increases totaling more than $50 billion.

This year, the President is once again rejecting the idea of any tax increases. If the President insisted that he will not increase taxes, then he owes it to Congress and the American people to give us his secret plan to balance the budget now, not in 1985, because, the only other way to balance the budget is to savage Social Security and medicare, dismantle a good portion of the military, or eliminate most of the rest of the Federal Government.

A look at the numbers is instructive. CBO estimates the Federal budget deficit will rise steadily over the next 5 years, reaching $263 billion in fiscal year 1989.

Interest payments on the Federal debt, which will reach $214 billion by fiscal year 1989, cannot be cut, since that is a legal obligation stemming from the $1.6 trillion national debt. What is left is a budget that is roughly one-third military spending, one-third Social Security and medicare, and one-third all other Federal programs. Unless the administration plans to dismantle the military or savage Social Security and medicare, it will have to cut the rest of the Government by more than 60 percent in order to balance the budget. Included in that category are farm-support programs, highway funding, the FBI and other law enforcement activities, student loans, national parks, child nutrition, veterans' pensions, and health care. I believe the American people have a right to know what the administration has in mind for these important Government programs.

In his 1984 Economic Report to the Congress, the President said he was "* * * committed to finding ways to reduce further the growth of spending and to put the budget on a path that will lead to a balance between outlays and receipts." The President went on to say that in 1985 he "* * * would submit a budget that can achieve this goal."

The 1984 Economic Report to the Congress contained the latest in a series of commitments from this administration to bring the budget deficit under control. So far, the administration has become a matter at substituting the rhetoric of a balanced budget amendment and "secret plans" for the hard political decisions required to bring the Federal budget back into balance. I believe it is time for Congress to require that the commitment of this President and all future Presidents be reflected in performance.

I have never seen a President campaign so loudly on the rhetoric of a balanced budget yet ignore so boldly his responsibility to submit a balanced budget to the Congress. It is time to put a stop to the kind of circumstances which now confront us—in which the President of the United States uses the "bully pulpit" of his office to preach a gospel of balanced budgets, blaming Congress for the record deficits his own policies have produced, while steadfastly refusing to submit a balanced budget to Congress. The failure of this administration to even propose a balanced budget, much less actually achieve one, is so glaring that I feel there is no alternative but to amend the budget process to ensure that this situation never occurs again. If a President, any President, is going to dismiss so lightly his promises on such a vital issue, then it is up to the Congress to ensure that political expediency can no longer take a back seat to responsible budgeting.

Mr. President, have I any time remaining?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. President, I yield my 2 minutes to the Senator from Wisconsin.

Mr. PROXMIRE. I thank the minority leader.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

WILL THE 1984 ELECTION GIVE PRESIDENT REAGAN A MANDATE TO STEP UP THE NUCLEAR ARMS RACE?

Mr. PROXMIRE. Mr. President, three eminent Americans who have been closely identified with past Democratic administrations on Sunday called for bipartisan action to halt the nuclear arms race that threatens to ignite the next and probably the last world war. Averell Harriman, Clark Clifford and Marshall Shulman, in an article in Sunday's New York Times called for a "politically effective, bipartisan constituency to achieve more moderate and more stable levels of nuclear arms" and an end to "unregulated competition."

These three foreign policy experts point out that this has been the policy of every American President since Eisenhower. Three Republican and three Democratic Presidents pursued this policy of nuclear arms restraint to the best of their abilities. But this administration has flatly rejected it. The article makes this serious charge:

> This administration has never treated arms control as truly important to national security and in its more candid moments has said so. Positions have been advanced in negotiations, not to find common ground but to create the appearance of flexibility as a mask to justify a further buildup. Because the proposals have been so one-sided they have turned the negotiations into an unproductive forum for invective. Moscow's walkout from the strategic-arms talks cannot be excused—indeed, its policies bear a heavy share of the blame, but so must the administration.

Mr. President, this is the real tragedy of the 1984 campaign. Let us face it: President Reagan is very likely to win. If he does win, based on his record, what kind of a future can we expect for nuclear arms control? Here we have the only President since Russia became a nuclear superpower who has opposed every arms control agreement this country has ever made with the Soviet Union, including those negotiated, signed and aggressively promoted by Republican Presidents. President Reagan is the only President who has not even met with the Soviets in the nuclear age. Ronald Reagan alone among the last seven Presidents has not signed a single nuclear arms control agreement with the Soviet Union. Assume with this record, President Reagan wins reelection and suppose he wins by a big margin; can anyone doubt that the next 4 years will be the most dangerous in the history of our country? The answer to that question is, of course, "Yes, indeed." Some do indeed doubt that President Reagan will bring such danger. Some Americans, including many who attended the Republican Convention at Dallas and some who serve in Congress, still agree with the President. They will say he is right in giving nuclear arms control short shrift.

Harriman, Clifford, and Shulman call the administration and, by inference, those who support the administration's antiarms control policies extremists on the nuclear arms control issue. If President Reagan wins and particularly if he wins decisively, he and others who reject the nuclear arms control restraint of six previous administrations of both parties will contend that President Reagan on this issue represents the majority of the American people. They will take a big Reagan victory to mean that America has turned its back on nuclear arms control and that our country is in the nuclear arms race to stay and to win. Will President Reagan's reelection constitute such a mandate?

Mr. President, I believe that any Senator who talks to his constituents, any Senator who listens to his constituents knows that this is not the case. Two years ago, in September 1982, Wisconsin voters participated in a statewide referendum. They voted on the issue of a comprehensive,

mutual, verifiable freeze on the testing, production, or deployment of all nuclear weapons. The administration opposed that referendum. And what happened? It passed with a whopping 74 percent of the vote. The people of our State are not very different from Americans elsewhere. And in other statewide referenda throughout the country, Americans registered the same emphatic support for a nuclear freeze.

In their article in the Sunday New York Times, Harriman, Clifford, and Shulman do not advocate a nuclear freeze. They have taken a more moderate position. They simply call for the negotiation of agreements with the Soviet Union that will restrain nuclear competition along the same line pursued by our Presidents from 1953 through 1980. They protest the rejection of a similar nuclear arms control policy by the Reagan administration.

Now, Mr. President, if I am right that the overwhelming majority of Americans disagree with the administration's posture on nuclear arms control, why will I not rely on the results of the 1984 election to render a verdict? Why will a Reagan victory in November not constitute a mandate for a more vigorous than ever nuclear arms race with the Soviet Union?

Mr. President, there are two answers. One answer is that the President has been highly successful in concealing his antinuclear arms control policy behind pronouncements designed to show he favors arms control. Look at the INF talks designed to reduce nuclear arms in Europe. Look at the START talks aimed at trying to cut down the number and megatonnage of nuclear arms everywhere. Are those not Reagan nuclear arms control initiatives? As Harriman, Clifford, and Shulman tell us, the answer is that the proposals are patently and on their face unacceptable. We knew it. The Russians knew it. The administration knew it from the beginning.

But they do accomplish something very important for the administration. When the Russians as expected, rejected them, the administration could not only point to the Russians as the ones who walked out of the Arms control talks, but could argue with more force for the MX, the B-1B and other nuclear weapons.

The second reason a Reagan victory in November should not be regarded as a mandate to drop arms control and speed up the nuclear arms race is that those of us who view the nuclear threat as by far the most serious danger that confronts our country have dismally failed. Recent polls show only 15 percent of the American people put the nuclear arms race or the threat of nuclear war among the top three issues that will determine their vote in the November 1984 Presidential election. Gen. Omar Bradley was right some 25 years ago when he said the surprise about the public's attitude toward the threat of nuclear war is not the public's fear or concern, but the public's colossal indifference.

Mr. President, those of us who believe that nuclear war constitutes a deadly threat to this country and that a nuclear arms race is the surest route to such a war have a big job to do in the next 2 months.

I ask unanimous consent that the article by Messrs. Harriman, Clifford, and Shulman to which I have referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIPARTISANSHIP—OR DANGER

(By W. Averell Harriman, Clark M. Clifford and Marshall D. Shulman)

The spectacle of a great nation leaving crucial issues—the control of nuclear weapons and America's relations with the Soviet Union—to media consultants and image manipulators, the modern gladiators of politics, increasingly is generating apprehension among many Americans as well as in the wider world. What's needed instead is serious discussion leading to solid bipartisanship.

We are accustomed to a certain amount of circus and bombast in election campaigns, but isn't there something fundamentally wrong about letting questions about the future of life on this planet be settled by those who package slogans and promote slick half-truths?

With some issues, this matters less, since we treat campaign platforms and candidates' promises with skepticism. But the most urgent matters confronting us—nuclear weapons and superpower relations—can no longer be left to the vagaries of circus politics. If the governance of this country is to be equal to our responsibilities, both parties must seriously discuss the choices to be made, and out of that discussion must come, in place of extremism, a new articulation of the measured center ground that can restore bipartisan support for responsible policies.

It defies common sense to assert that America has become more secure. In fact, since 1981 our situation has become deeply troubling: there has been a total breakdown in negotiations with the Soviet Union while we have rushed into the largest peacetime military buildup in our history. Some regard these developments with complacency, even satisfaction, but, ignoring the lessons of history, they are blind to the dangerous trends now set in motion.

On both sides of the nuclear balance, the military competition is steadily mounting. New systems planned and introduced are bringing both sides closer to the hair trigger. Many of these systems will prove extremely difficult, perhaps impossible, to verify, and that will make any future arms control agreements far harder to reach.

The lack of serious diplomatic contact heightens the danger of misperception and miscalculation in a crisis. And our allies' diminishing confidence in the wisdom and good sense of our leadership accelerates fragmentation of the alliance and the tensions in and between Western European nations. If present trends continue, the alliance may be reduced in a few years to little more than a shell.

Despite all the boasts from officials like President Reagan and the chief delegate to the United Nations, Jeane J. Kirkpatrick, our national security policy now rests largely on myths, illusions and faulty judgments.

With insistence and zest, the Administration has taken up the erroneous assumption that Moscow has acquired a nuclear advantage, and that huge programs of new nuclear weapons are needed not only to overcome our supposed inferiority but also to achieve security through superiority. The prevailing judgment has been that our military buildup can compel the Kremlin to accept negotiations on our terms and that if it does not, it will break under the strain of trying to keep pace with us. Actually, the effect has been just the opposite: the Administration's military programs have stiffened the Kremlin's determination to match our military efforts whatever the cost.

Our policies have made Moscow more truculent, more persuaded of our malign intent—therefore more dangerous. This embattled state of mind has also tightened the grip of repressive practices in Soviet society.

This Administration has never treated arms control as truly important to national security, and in its more candid moments has said so. Positions have been advanced in negotiations, not to find common ground but to create the appearance of flexibility as a mask to justify a further buildup. Because the proposals have been so one-sided, they have turned the negotiations into an unproductive forum for invective. Moscow's walkout from the strategic-arms talks cannot be excused—indeed, its policies bear a heavy share of the blame, but so must the Administration.

The limited programs of cooperation set up by the Nixon Administration have all been systematically dismantled. Restrictions on trade relations have tightened. The picador rhetoric of hostility has reached a new crescendo, unprecedented in two decades, with angry exchanges only intermittently and tactically constrained. Recently, the Administration revived John Foster Dulles policy of "rollback" in Eastern Europe—whether as serious policy or merely campaign rhetoric is not clear. The only plausible explanation for the overall course is that those with a dominant voice in the Administration have a not-so-hidden agenda leading toward confrontation, in the mistaken belief that we can force the Russians to buckle. In effect, that agenda has been advanced by Moscow's lack of restraint in exploiting opportunities in the third world and in its military programs—for example, in deployment of the SS-20 missiles.

The absence of strong, self-confident political leadership in the Kremlin during a prolonged succession process has made it difficult to exercise control over the military establishment. But the Soviet leadership, whatever its present condition, faces major economic problems, heightened by the prospect of still greater deflection of resources to the military sector in order to keep up with America. Whether Moscow's concern about this is powerful enough to bring it to accept negotiated limits on the military competition is not entirely clear. That possibility should be tested by serious American efforts to shape agreements that serve both nations' legitimate security interests. Such efforts need not presuppose trust or involve illusions about benign Soviet purposes; they depend only on the extent to which Moscow recognizes its self-interest in reducing the risk of war.

Until this Administration, both parties and recent Presidents—Eisenhower, Kennedy, Johnson, Nixon, Ford, Carter—have sought to reduce the danger of nuclear war by limiting nuclear weapons through negotiation. They did so not because they liked the Soviet Union, nor out of any disregard for the military balance, but because they understood that our security requires more moderate and more stable levels of nuclear arms, not unregulated military competition. Our Presidents did not all succeed—but, until now, they have tried.

Restoration of this commitment and creation of a politically effective bipartisan constituency in support of it must be America's No. 1 priority. We can achieve it only through honest discussion and debate—not by bitter, harsh and grotesque simplifications that call into question the patriotism of Americans who believe in the wisdom of the course taken by six Presidents of both parties. As for the Democrats, they would err grievously if, in pursuit of hard-line supporters, they were tempted to compete with the Reagan Administration's extremist appeals.

More than the outcome of the election is at stake; the nature of the debate will affect the level of understanding and the climate of opinion that will influence our policies whoever is elected. If America is to make a new start after the campaign, responsible people, Republicans and Democrats alike, must immediately begin to address the issue of nuclear arms with the seriousness it deserves. There is a potentially lethal reality we must face; what, in the end, will it profit any candidate to win an election but suffer the loss of the peace that so many loyal and dedicated Americans have fought so hard to preserve?

Mr. MOYNIHAN. Mr. President, will the Senator from Wisconsin yield for a comment?

Mr. PROXMIRE. Mr. President, I am happy to yield to my good friend from New York.

Mr. MOYNIHAN. I thank him on behalf of the many of us in this body who read the article he refers to by former Governor Harriman, Mr. Shulman, and Clark Clifford, former Secretary of Defense. It was extraordinarily persuasive and troubling in just exactly the terms the Senator from Wisconsin has stated. I, for one, express my appreciation that he has opened this final session of this Congress with this matter.

Mr. PROXMIRE. Mr. President, I thank my good friend from New York. There is nobody in this body who has had more successful experience in foreign policy. We all know the fine record he had as Ambassador to the United Nations and there is nobody whose support I would rather have on this issue.

LODZ GHETTO SURVIVORS REUNITE 40 YEARS LATER IN REMEMBRANCE

Mr. PROXMIRE. Mr. President, on August 12, nearly 1,500 Holocaust survivors from the Lodz ghetto gathered at Kiamesha Lake, NY. They assembled to meet old friends, to search for fragments and figures from the past, and to remember one of the most harrowing ordeals any human being could ever experience.

They came from all over this country and throughout the world for their reunion, but nearly all of them had the same hometown: Lodz, Poland, once the second largest Jewish community in Europe.

Their gathering last month was the largest collection of Lodzers, as they call themselves, to assemble in one place since 1944—that is, since the last transport of Jews left the Lodz ghetto and headed for the Nazi concentration camp at Auschwitz.

The participants comprised a large part of the estimated 7,000 to 10,000 ghetto residents who survived World War II. Before the Holocaust, Lodz had 250,000 Jewish residents.

Like other ceremonies and reunions for surviving victims of the Jewish Holocaust, this reunion was special to the Lodzers—for to people whose past has largely been eradicated, every reunion and every discovered remnant is precious.

They naturally share a common affinity. Since the Nazi occupation of Lodz in September 1939, these people were faced with the possible extermination of their entire religious race. Yet, they survived.

Over 40 years ago, in a ghastly display of man's capacity for cruelty and destruction, their community was decimated by the brutal forces of the Holocaust. But their presence today testifies to the even greater capacity of men and women to endure the most severe trials and to build a new existence out of love for life and faith in God and one another.

What these people in the Lodz ghetto experienced should never be forgot. And yet, Mr. President, it is a sorry time when, from the memory of man, ceremonies and reunions are held for the remembrance of historical atrocities.

Santayana's acute characterization of "those who do not learn from history are those who are condemned to repeat it," and Hegel's melancholy reflection on "the only thing we learn from history is that we never learn from history" do not go far enough. It may be that each generation fails to learn from the experience of its predecessors, but some generations, I am sorry to say Mr. President, even fail to learn from their own experience.

Mr. President, reunions, memorial ceremonies and congressional declarations are good but they are not good enough for this country or for the survivors of the Lodz ghetto—we can do better.

We must not only preserve within ourselves and future generations the memory of historical genocide, we must also commit ourselves to an unswerving legal conviction as well.

This is why I urge the Senate to ratify the Genocide Convention.

GERALDINE FERRARO'S REMARKABLE PERFORMANCE UNDER FIRE

Mr. PROXMIRE. Mr. President, on Monday, August 20, GERALDINE FERRARO, the Democratic nominee for Vice President of the United States, held a press conference to disclose her income tax returns and those of her husband during the 5 years she had served in the House of Representatives and to answer questions at what can only be described as a massive press conference, in fact, the biggest press conference I have ever seen. The press conference took place on the first day of the Republican National Convention in Dallas but the attention of the country concentrated on Democratic Vice Presidential nominee FERRARO and her grilling by an aggressive and zealous press. For nearly 2 hours, the press hammered questions at GERALDINE FERRARO, most of them tough and hostile. Mr. President, if any candidate for national office has ever been through this kind of exhaustive, detailed questioning on their finances or, indeed, on any other subject, this political junkie has never heard of it.

From the beginning, the questions were skeptical. They were obviously probing for some sensational conflict of interest, or perhaps a breakdown of the nominee under the steady, relentless barrage of hostility. Keep in mind that GERALDINE FERRARO's family—her husband and her children—had suffered painful distress from press innuendos that implied corrupt or at least unethical conduct.

So what did the biggest disclosure of financial records by any candidate who has ever run for the Presidency or Vice Presidency and 2 hours of questioning on those records bring forth? First, they showed the nominee and her husband are not perfect. They made mistakes, as almost all of us have. They did, indeed, act in the haste of the campaign too quickly on one or two occasions. The nominee's husband did also, one year, underpay his income taxes—Federal, State, and local—and by a substantial amount. The nominee and her husband may or may not have complied with the limitations on financial congressional campaigns in her first congressional election in 1978. So—yes they did make mistakes.

But three big facts emerged from that press conference and the financial documents GERALDINE FERRARO released. First, the nominee and her husband paid their Federal, State, and local income taxes in greater proportion to their income than most Americans. In fact, they paid a whopping 40 percent of their income in income

taxes. This was a particularly extraordinary showing because real estate, which is the business in which the nominee's husband works offers such a conspicuous series of perfectly legal opportunities for real estate operators to reduce their tax liability. Unlike many Americans and including Members of the Congress, here was a family that not only paid their taxes in full and on time but obviously made no real effort to reduce their tax liability. For a family that had faced 2 weeks of criticism and widespread speculation that they had engaged in tax avoidance on a big scale, this was a startling revelation, a big plus for GERALDINE FERRARO.

Second, the Democratic Vice Presidential nominee pointed out that she had voted as a Member of the Congress consistently and overwhelmingly against the interests of the real estate industry. Mr. President, I cannot exaggerate the importance of this fact. What is the purpose of our disclosure and ethics laws? Is it not to prevent conflict of interest? Is it not to stop a Member of the Congress from using the office for personal or family enrichment? So what does the Ferraro record show? The voting record of the Democratic Vice Presidential nominee flatly rebuts and repudiates any charge that she used her office for enrichment. In this age of political action committees spending millions of dollars in campaign contributions to buy special advantages for their industry, at this time when lobbyists representing the richest and most powerful special interests in this country lavish gifts, trips, entertainment, and all manner of goodies on Members of the Congress, GERALDINE FERRARO's public record establishes that she did not use her power as a Member of the Congress to advance in any way the interests of the one industry whose advantages could most surely have enriched her family.

And the third big fact that emerged from the Ferraro press conference was the remarkable poise and grace under fire shown by GERALDINE FERRARO. One reporter was reminded by the way the reporters went after FERRARO of the lions going after the Christians in the Roman Coliseum. But in this case, as the reporter observed, it was Christians 10, Lions 0.

Mr. President, GERALDINE FERRARO may or may not become Vice President of the United States in the November election, but the way she met that inquisition should reassure every American that, if she should become Vice President or President, she could and would handle either office with integrity and also with courage, intelligence, and resolve.

At the end of that remarkable and unprecedented press conference, the press that had been so largely hostile showed how impressed they were by her performance. They did something members of the press scrupulously avoid, something this Senator has never seen done by the press at a press conference; they gave her a rousing ovation. She earned it.

HEALTH CARE FINANCING ADMINISTRATION WINS AUGUST FLEECE

Mr. PROXMIRE. Mr. President, I gave my Golden Fleece of the Month Award for August to the Health Care Financing Administration for a 4-year braining of the taxpayer because it approved medicaid payments to psychiatrists for "chance meetings" while patients were attending basketball games, sitting on a stoop, or preparing for a party. The price tag for these close encounters of a costly kind—$54 a clip—could have cost between $40 to $80 million over the last 4 years.

Because of this staggering Freudian slip, HCFA deserves a dressing down. To couch plainly this criticism, HCFA should shrink this spending.

This situation developed because medicaid regulations are vague about what constitutes medically justifiable treatment and billable encounters. As a result, services which are mainly social, recreational, or educational in nature are paid for as though they are medically justifiable. HCFA also lacks a formal definition of a billable encounter so local officials have informally defined them as "any contact of a theraputic nature lasting 15 minutes."

Because of these ambiguities, HCFA paid for billable encounters which took place in hotels, nursery schools, or day centers. They could take place by chance "* * * in the office, on the stoop, in the patient's room, even on the elevator."

Young and old alike, the patients sampled averaged over 200 billable encounters a year. Of the sample, HCFA paid for 36 percent which had no justification. Another 23 percent were justified to HCFA as follows:

"Patient attended basketball game."

"Patient seen in baking group."

"Seen today."

"Went to see (patient) today."

"Patient seen in lower lobby. Conversation about Valentine's party. In peaceful mood."

"Patient participated in party preparations."

"Patient played checkers."

In each instance, HCFA paid at the authorized clinic rate of $54 per visit. These are but some of the examples paid for at this rate.

In Wisconsin, bartenders perform many social, recreational, or educational services which look suspiciously similar to those cited above. But they usually do so for the price of a draft beer, which is a lot less than $54. They have yet to ask the taxpayer to pick up the tab.

HCFA has ignored this problem even though they agreed 4 long years ago that "the situation deserves further investigation and corrective action." According to the inspector general, "Though HCFA initially agreed with us that medicaid standards for outpatient psychiatric services were needed, they have not taken the necessary implementing action."

Mental health is a true national medical problem and must be addressed seriously. HCFA's inaction in solving this billing problem diverts resources from those who truly need help. That is the tragedy in this situation.

For not minding the store, HCFA richly deserves the August fleece.

WHY OUR AMBASSADOR TO FRANCE SHOULD NOT CASTIGATE THE FED FROM PARIS

Mr. PROXMIRE. Mr. President, on July 20 I wrote to Secretary of State George Shultz protesting an extraordinary press conference called recently in Paris by our Ambassador to France. That press conference was extraordinary because it was called to criticize the policies of our Federal Reserve Board. On August 7 Ambassador Evan Galbraith wrote me an explanation of his criticism of the Federal Reserve Board. Mr. President, the content of that letter suggests that whatever Ambassador Galbraith's qualifications to be Ambassador to France may or may not be, he certainly is not qualified to provide useful advice to anyone on our monetary policy. Ambassador Galbraith violated at least three widely observed and wise policies in criticizing the Federal Reserve Board. Even if his criticism had solid merit, it would have been badly out of place. But what Galbraith prescribed as monetary policy for the Federal Reserve Board was not only coming from the wrong person, under the wrong circumstances at the wrong time, it was grossly wrong in substance.

Why is Ambassador Galbraith the wrong person to criticize the Federal Reserve Board? Because he is our Ambassador to France. His duties by the widest stretch of the imagination do not in any way, shape or form relate to the Federal Reserve Board. As our Ambassador to France, Mr. Galbraith has a heavy and time-consuming responsibility handling our relations with one of our most important friends and allies at a critical and difficult time from the standpoint of military, political, and trade policy. Those duties do not include taking shots at domestic agencies in the United States and especially at the Federal Reserve Board, an agency whose independence

of the executive branch is one of the most critical hallmarks of its integrity.

Second, why were the circumstances for Ambassador Galbraith's criticism so appallingly bad? Because administration after administration, including the Reagan administration, has been rightly concerned about any Americans criticizing our country from abroad.

Whether it is an American who travels to Cuba or to Moscow or in this case to Paris, this country's policies cannot be strengthened when our citizens tell foreigners in their country how mistaken our country is. Now, if this is wrong for a private American citizen—and it is—what kind of an example does it set for plain American citizens when the administration's own prime spokesman in a foreign country—our Ambassador—deplores the policies of the Federal Reserve Board, an agency whose independence of the executive branch is critically important to the credibility of its operation?

Third, why do I say the timing of the Ambassador's remarks were wrong? They were wrong at this time because they directly contradicted the position taken on Federal Reserve policy by both the President of the United States and the Secretary of the Treasury, both of whom had stated their agreement with the Fed's policy throughout 1984.

Why do I say the Ambassador was wrong on the substance of his remarks? Here is why: The heart of Ambassador Galbraith's criticism of the Fed was that it had failed to increase the money supply to keep pace with the growth of nominal GNP. As the Ambassador put it in his letter to me of August 7:

> Over the last year our money supply had grown (about 7 percent substantially less than our gross national product (about 11 percent nominal).) The resulting shortage of money which resulted from Fed policy, was the proximate cause of this year's rise in short term interest rates.

What does this mean? It means Ambassador Galbraith advocates a Fed policy that would keep the money supply running in tandem with the nominal GNP. What is wrong with that? Plenty. It means that the more exuberant the growth in the GNP—the more expansionary the economy—the more this Galbraith policy would reinforce and feed this exuberance with an accommodating monetary policy.

Mr. President, I have listened to scores of monetarists who have testified before the Senate Banking Committee in the 27 years I have served on that committee. I can say without any fear of contradiction that not a single competent economist would agree with the policy advocated by Ambassador Galbraith. To follow this Galbraith policy would mean that when the economy expanded and inflationary pressures flowed from the growing economy, the Fed should accommodate that growth, nurse it, feed it, and in effect push the inflationary forces ahead. The Fed would, indeed, become a rampaging, out-of-control engine of inflation. On the other hand, following the same logic, when the economy slowed down, moved into recession and the real GNP declined, the Fed should, following the Ambassador's logic, slam on the brakes and restrain credit, so the money supply would move in tandem with the reduced need for credit.

What is wrong with this Galbraithian prescription? Everyting. As former chairman of the Federal Reserve Board, William McChesney Martin, used to say, the policy of the Fed should be to lean against the wind. It has the painful job of closing the bar and locking up the liquor when the party is just beginning to get exciting. The Galbraith policy would reverse this. Instead of moderating the inflationary expansions and the recessionary slowdown of the economy, as Chairman Martin's policies and Chairman Volcker's policies have done, it would aggravate our economic swings.

So, Mr. President, I hope that in the future the State Department would require Ambassador Galbraith to write in bold letters on his bathroom mirror so he will see it every morning when he shaves, "As long as I am an Ambassador of the United States and serving abroad I will not criticize domestic agencies, and especially agencies that must serve independently of the executive branch."

I ask unanimous consent that my letter to Secretary of State Shultz and the Galbraith response be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 20, 1984.

Hon. GEORGE SHULTZ,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: I am writing to protest the actions of Mr. Evan Griffith Galbraith, President Reagan's Ambassador to France, who recently issued a press release and convened a press conference at the Embassy in Paris, in order to publicly lecture Chairman Volcker and the Federal Reserve Board on monetary policy.

I always understood the job of American Ambassador was to present our government's views to, and report on developments in, the countries to which they are assigned. Did President Reagan give them the additional responsibility of publicly advising the Chairman of the pre-eminently independent Federal Reserve Board on monetary policy? If so, when?

In that regard I note that if any American Ambassador is qualified to offer the Federal Reserve advice on monetary policy it is Dr. Arthur Burns, our Ambassador to West Germany and a former distinguished Chairman of the Federal Reserve Board. But Dr. Burns has good sense and understands that the Federal Reserve was created by Congress to ensure specifically that decisions on monetary policy are made independent of Presidential or Administration pressures. In my view Ambassador Galbraith's public criticism abroad of the Federal Reserve was an appalling, but perfect example, of an exercise of poor judgment by a high official.

Please let Mr. Galbraith know that I hope he will spend the remaining period of his service as Ambassador looking after our country's interests in France. That job, after all, did have enough inherent worth to help Benjamin Franklin and Thomas Jefferson from being too bored for a number of years. That ought to be good enough for Ambassador Galbraith.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

DEPARTMENT OF STATE,
Washington, DC, August 7, 1984.

Hon. WILLIAM PROXMIRE,
U.S. Senate.

DEAR SENATOR PROXMIRE: I write in reply to your letter of July 20 to Secretary Shultz protesting the press conference I held last month in Paris on the role and policies of the Federal Reserve Board.

Over the last year in France writers, officials and other prominent individuals have consistently criticized the United States Government for the high level of dollar interest rates. This criticism has often been bitter and our Communist adversaries have sought to exploit the widespread resentment. Because of my living in Europe for the last twenty years and because of my perceived experience in financial and economic matters, French journalists frequently question me about our economic policies.

In the interests of the United States and its foreign policy, I finally deemed it prudent to explain to the French and others in Europe about the predominate role of the Federal Reserve Board in regard to interest rate levels. Most people did not appear to understand that the Fed policy is largely determined independently from the Administration and the Congress. I pointed out that over the last year our money supply had grown (about 7%) substantially less than our Gross National Product (about 11% nominal). The resulting shortage of money, which resulted from Fed policy, was the proximate cause of this year's rise in short term interest rates. I reinforced this conclusion by demonstrating that our Gross Savings this year, because of our high economic growth and our declining government deficit, will probably increase more than the increase in the demand for credit and capital. Such a phenomenon of supply exceeding demand should lead to lower interest rates, but the natural result of supply versus demand can be overcome today by a restrictive money supply policy. I emphasized that targeting money supply growth in relation to growth in GNP is a difficult business and that the Fed was not alone in underestimating the rate of our growth in GNP over the last year. This is an area where reasonable men can differ, but it is not justified under these circumstances simply to blame a rapidly declining net government deficit as the cause for rising interest rates. One must look to the Fed and it could, in my opinion, be slightly more accommodating without reactivating inflation. Our present interest rates are unnecessarily too high.

I thought it necessary in my press conference to explain that in judging the impact of the Federal deficit on the credit markets one must include the budget surpluses of

our state and local governments. The need to make this calculation is demonstrated by the $86 billion of grants-in-aid by the Federal government to the states. These grants increase the Federal deficit by their amount, but the $64 billion or so that the states and local governments have accumulated (faster than they can spend it) is put back into the credit market (Treasury bills, deposits, etc.) and compensates in large part for the amount the Federal government borrowed to make grants to the states. The money goes around in a circle, hence the need to arrive at a net figure. Indeed this is what the Commerce Department does in our National Income Accounts. Today for example, our Federal deficit is about $170 billion and declining, and the state and local surplus is nearing $65 billion and rising. By the end of this calendar year our net government deficit will probably be less than $100 billion and not the $200 billion commonly cited.

I thought it to be in the interest of the United States to bring an appreciation of this analysis to the public in France by an act of what is known today as public diplomacy. You may disagree with this approach, but I think the United States is now better understood in France as a result of my having done so.

Certainly the demands on Franklin and Jefferson widely exceeded the demands on us less endowed Ambassadors today, but I must believe that these most inventive gentlemen would also have used the modern media, had it existed, to further the interest of the United States.

I close by assuring you that I hold the members of the Federal Reserve Board in high esteem. I see no reason, however, why they as public officials should be above public debate. Surely neither Franklin nor Jefferson would have granted them special immunity.

Sincerely,

EVAN G. GALBRAITH,
American Ambassador to France.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 1 p.m. with statements therein limited to 10 minutes each.

The Senator from Idaho is recognized.

KAL FLIGHT 007

Mr. SYMMS. Mr. President, a year ago last Saturday the civilized world was shocked by the coldblooded murder of 269 innocent men, women, and children aboard a civilian airliner—KAL flight 007—shot down by a Soviet fighter plane over the Sea of Japan.

We still do not know all of the facts and circumstances of that disaster. But we certainly know enough to draw some firm conclusions and to learn some important lessons.

We know, for example, that the KAL flight was not engaged in any kind of spy mission, which has often been alleged by the Soviets and their sympathizers. We also know that it wasn't shot down by mistake, but was destroyed on orders from the Kremlin. We also know that the No. 1 anti-Communist in the Congress, Dr. Lawrence McDonald of Georgia was on board—for the Soviet intimidators this was indeed a prize. The Soviets, in other words, knew exactly what they were doing. They chose to snuff out innocent human lives, and defy the fundamental principles of international law and civilized behavior, in their ruthless pursuit of military and strategic advantage.

In the year since the KAL disaster, the Soviets have offered no apologies, nor have they made any restitution to the victims. But they have decorated the fighter pilot who shot down the unarmed airliner and its passengers, calling him a "hero" for protecting the U.S.S.R.'s "sacred borders." And the Kremlin's leaders have implied that they would respond in the same barbaric way if they had the chance to do it again.

The U.S. response to the KAL 007 outrage has been surprisingly mild. We have not quite forgotten the atrocity but, as the Washington Times put it in an editorial last Friday, our posture has been "to speak loudly and carry a small twig." We have spent much of the last year, the Times noted, "turning the other cheek": easing restrictions on the Soviet fishing industry, renewing trade agreements, resuming cultural exchange talks, and so forth.

Ignoring the lessons of history, we persist in the foolish notion that we can conduct business and diplomacy as usual with Moscow's "evil empire," repeating the same tragic mistake of Western governments that appeased Hitler prior to World War II.

The late Congressman Larry McDonald—the most famous victim of the KAL 007 tragedy—spent much of his career in the U.S. House of Representatives warning his colleagues and his country that a refusal to face up to the reality of Soviet terrorism and treachery not only repeats the dangerous errors of the past but threatens the very future of Western civilization. But McDonald's warnings have gone largely unheeded. Shortly before his death, McDonald warned us about the danger of transferring our technology to the Soviets. But as Jeffrey St. John noted in his excellent book on the KAL 007 flight, "The Day of the Cobra":

> It is ironic that the very radar guidance system he sought to keep from enemy hands was the instrument that tracked his death.

St. John also noted that there is strong, if not conclusive, evidence that the destruction of the KAL flight was premeditated—including the possibility that the plane was purposely lured off course electronically by the Soviets, or even hijacked at gunpoint, so that the Kremlin could "legally" shoot it down over their airspace.

Since the end of World War II and the start of the cold war the record of Soviet behavior in the skies has followed a consistent, almost predictable, pattern,

St. John says in his book:

> Between April 1950 and September 1983 the Soviets shot at or downed 29 civilian and military aircraft with the loss of hundreds of lives. Between October 15, 1945, and July 1, 1960—a period prior to the development of sophisticated satellites and electronic intelligence technology—81 U.S. military personnel lost their lives in 27 separate incidents due to the Soviets' downing of military reconnaissance aircraft . . .
>
> . . . Bruce Herbert, deputy director of the Washington-based Center for International Security, a military and intelligence "think tank," maintains that the Soviets violate U.S. airspace sometimes as much as a hundred times a year . . . Herbert points out that the Soviets, while insisting on the sanctity of their own borders and territorial waters, are "routinely hypocritical" about intruding Western airspace and sending submarines into territorial waters of other nations. Soviet diplomats caught spying are regularly expelled from free and not-so-free nations.

This is the double standard, and the two-faced enemy we are dealing with, as the late Congressman Larry McDonald so often warned us. That enemy continues to slaughter countless civilians in Afghanistan, to crush the smallest sprout of freedom or dissent in Poland, to foment violence and terror in the Middle East, Central America, and elsewhere around the globe.

To attain unilateral advantage, that enemy routinely violates arms control agreements and other treaty obligations. It not only walks away from Olympic games, but nuclear arms talks as well. The Soviet record of treaty violations and noncompliance should certainly give pause to those who have been calling for new arms agreements that are unverifiable and unenforceable.

And the anniversary of the Soviets' murder of those 269 innocent civilians aboard the unarmed KAL 007 flight should also be a forceful reminder that our security can never rest on promises of peaceful intentions or good behavior from Moscow. A strong U.S. defense and eternal vigilance are the only guarantees of peace for the United States and the free world.

I should like to add to the RECORD two excellent articles on the destruction of KAL flight 007. The first, entitled "Soviet Priorities and Flight 7," was coauthored by William C. Green and David Rivkin, Jr., and published in the Journal of Defense and Diplomacy. This article discusses the widespread, media-perpetuated myth that Soviet "paranoia" explains, and in some quarters, justifies Soviet aggressive or barbaric behavior. As Richard Pipes has written:

Suffice it to say that in 1898, a group of Russian military specialists completed a comprehensive history of Russian warfare and concluded, with pride, that in the thirty-eight wars which it had waged since 1700, Russia had fought only two defensive campaigns—the other 36 were offensive.

The article explains the KAL massacre, not as an isolated episode, but as totally consistent with Soviet military doctrine, and as illustrative of Soviet disregard for adverse publicity or any political consequences.

The second article, "What Really Happened to KAL Flight 007," was written by Viktor Belenko, a Soviet defector, formerly a pilot in the Far East Air Defense Command. His perspective on the KAL atrocity is far more credible than many Western press reports that have sought to give the Soviets an excuse for this abomination.

Mr. President, I also bring to the attention of my colleagues an article entitled "Stopping Soviet Strategic Advances," published in the Wall Street Journal of today, Wednesday, September 5, 1984, written by Mr. William Kucewicz, who is a Journal editorial writer.

I urge my colleagues to read this very important article. One of the most chilling aspects of the article is the fact that very little has been reported in the Western press on the SS-20 tests. This Senator put in the RECORD an article published in the Baltimore Sun with respect to the SS-20 tests.

The SS-20 can no longer be viewed as an intermediate range missile threatening Europe and Asia, because the SS-20 has now been tested on a Polar trajectory. Six SS-20's were fired over a Polar course and were destroyed after they had established their trajectory, which now demonstrates that the SS-20 has the potential of being an ICBM capable of hitting the United States mainland.

I quote from the article:

> Not only have the majority of U.S. intelligence analysts heretofore underestimated the range of the SS-20, but they also have played down the number of these missiles being produced and deployed by the Soviet Union. The latest official U.S. statements cite 378 deployed SS-20s. In fact, the number of completed SS-20 launchers currently stands at 400, with another 20 under construction—nearly double the number deployed when President Reagan took office.

Mr. President, I cannot help noting that there often is a great deal of criticism toward President Reagan for not having had the opportunity or the occasion to sit down with his Soviet counterparts. Since President Reagan has taken office, I must note that two Soviet leaders have died in office—Mr. Brezhnev and Mr. Andropov. Now Mr. Chernenko seems to have dropped from sight.

Also, this has happened during a time period when the Soviets have been exposed for violating many of the treaties which the President has spoken to: the ABM Treaty, the SALT I Treaty, the intent of the SALT II treaties, the antibiological warfare treaties. Clear violations of many of these treaties have been pointed out by this administration, in addition to the very dastardly, cold-blooded murder of 269 innocent men, women, and children.

So I am not sure there is anything the President can discuss with the Soviets in their present state of mind.

I heard my good friend from Wisconsin insinuate in his remarks that he thinks President Reagan most likely will be reelected. That does look very probable right now; I certainly hope so. In fact, I think that after he is reelected, it will be a period of much better opportunities for peace and tranquility than if the contrary takes place. I say that because I think that if the United States can maintain a firm posture of a restoration of our own capabilities for deterrence, which we are now doing, with the fact that the first B-1 bomber rolled off the production line this week—if we can do that, restore our credibility with respect to our strategic deterrence to the Soviets, with the reelection of a very strong President, then the Soviets might be ready to sit down and talk with the United States in some kind of meaningful, verifiable reduction in the arms of destruction which are so prevalent in the world.

It is often said that it takes two people to make a romance but it takes only one to start a fight. I think the conduct of the Soviets in the last few years has not been such that they have in any way wanted anything other than belligerence and chilled relations with the United States. Until we are in a position of strength, they will not come to our point of view.

Mr. President, I ask unanimous consent to have printed in the RECORD the articles to which I have referred.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SOVIET PRIORITIES AND KAL FLIGHT 007
(By William C. Green and David B. Rivkin, Jr.)

The destruction of Korean Air Lines Flight 007 by Soviet interceptors sheds important light on Soviet priorities that guide their actions in many areas of great concern to the West, such as arms control and military intervention. Yet numerous western commentators, anxious not to encourage what they perceive as a current U.S. anti-Soviet bias, are searching for an explanation that would excuse this Soviet outrage and inhibit full recognition of its larger implications.

One such "explanation" is to suggest that the Soviets are not fully responsible for this incident. By analogy with the Anglo-Saxon legal doctrine of the insanity defense, it is claimed that the well-known Soviet "paranoia" absolves or at least mitigates Soviet guilt. This view of Soviet motivations has long been used to rationalize what might otherwise appear to be aggressive and aberrant Soviet conduct. Proponents of this perspective argue that the long Russian history of invasion and suffering has conditioned the Soviet Union into excessive preoccupation with security.

Such Soviet actions as invading Czechoslovakia and Afghanistan, building up its military machine far in excess of legitimate defense needs and suppressing even the most innocuous internal dissent are frequently interpreted as the defensive overreactions of a frightened nation. Since Soviet excesses supposedly arise from this preoccupation with security, any possible threat to the West can be discounted. Western countermeasures are deplored as adding to Soviet paranoia and triggering further reactions.

This view of Soviet behavior is not substantiated by available evidence. While the Soviet press routinely assigns the most malign intentions to the West, actual Soviet behavior shows a realistic assessment of western capabilities and will. Therefore, a more tenable view is that the Soviet Union is a dispassionate, pragmatic and cold-blooded superpower that does not shirk at any action that would serve its political goals. The shooting down of KAL Flight 007 should be no exception to this pattern.

The weakness of the paranoia theory of Soviet behavior has come to be recognized by some would-be apologists, but this recognition seems only to have led to a more refined defense of the Soviet political establishment. Rather than viewing the entire elite as paranoid, it is seen as split between sober, détente-minded doves and adventurist hawks. The latter are said to be responsible for aggressive Soviet actions. A number of commentators have suggested, along these lines, that the decision to shoot down the Korean airliner was made by high Soviet military commanders without the sanction of the political leadership. This view implicitly absolves the Soviet leadership from responsibility. Unnamed Soviet sources have even claimed that President Yuri V. Andropov was not in Moscow when the shooting occurred and hence cannot be held accountable.

This image of Soviet military independence or insubordination does not square with what is known about the tight controls maintained over the military by the Soviet political leadership. For example, every military unit has a political officer directly responsible to the Central Committee of the Communist Party through the Military Political Administration of the Armed Forces, which is outside the regular military chain of command. No Soviet military officer is assigned a billet without party clearance. The military's fidelity to party direction is further assured by extensive KGB presence and oversight of military activities. In addition, the image of Soviet military independence does not square with the essential similarity of views shared by party, military and other members of the leadership.

Another explanation of the shooting is that it was a mistake. This claim, originally put forth by unnamed Soviet sources, was subsequently elaborated upon by Gen. Col. Semyon F. Romanov, chief of the Soviet Air Defense staff. He contended that the KAL Boeing 747 was mistaken for a U.S. reconnaissance plane, an RC-135, which had been operating in the area.

This claim is implausible. The two aircraft had been separated by a considerable distance, and the RC-135 never entered Soviet airspace. By the time the KAL jetliner was shot down, the RC-135 had been on the

ground for over an hour. Moreover, the two planes have vastly different sizes, configurations, radar profiles and other emission signatures. It is common practice in both air defense and antisubmarine warfare to computer process emission signatures, comparing them with the known signatures of other systems for positive identification. The Soviet Far Eastern air-defense controllers are undoubtedly thoroughly familiar with the RC-135, which routinely flies intelligence missions in the area, and even if the Soviet ground-based radar was unable to correctly identify the Korean airliner, the SU-15 Flagon that carried out the attack came close enough to see its navigational lights.

Soviet sources also claim that the KAL 747 was on an intelligence mission, implying that the act of gathering intelligence is inherently sinister, justifying the most extreme responses. Yet both the SALT I and SALT II treaties, to which the Soviet Union is a signatory, explicitly permit the use of "national technical means of verification," including aircraft, to verify compliance with treaty provisions. In fact, the RC-135 had been dispatched to monitor a Soviet test of a new missile—either the PL5 or the SSX-24—to determine its compliance with SALT II. In two previous tests of these missiles, its telemetry had been heavily encrypted, leading U.S. intelligence to believe that the Soviet Union might have been violating the terms of the treaty. The Soviet Union also knows that the slow and relatively defenseless RC-135 would not be used for a mission requiring overflight of Soviet territory. If such an overflight was intended, the high and fast-flying SR-71 Blackbird would have been used. Overall, the mistake excuse will not hold up.

If paranoia, military insubordination or mistake was not responsible, how could this brutal act be explained? The Soviet leadership had to anticipate that this tragedy would provoke western indignation and might interfere with its ongoing attempt to influence western European and U.S. peace activists into pressuring their governments to halt modernization of theater and strategic nuclear forces. It might have also interfered with a number of important trade deals, including U.S. grain sales. Yet these potential costs notwithstanding, the Soviet decision to shoot down an aircraft straying into its airspace is consistent with the overall pattern of recent Soviet behavior.

In the last several years, the Soviet press has attacked western efforts to restore the balance in both nuclear and conventional weapons. The Soviet leadership views these efforts as intended to restrict their warfighting capability and to limit the political leverage of their military power. It should be stressed that the Soviet assessment of the western "threat," although perennially laced with unchanging propaganda cliches, did undergo a subtle change of emphasis in the late 1970s. This was triggered by the conviction of the Soviet leadership that the international environment was undergoing a profound change. Although the western world has been continuously attacked in Soviet pronouncements as intolerantly aggressive and anti-Soviet, in the late 1960s and 1970s they also claimed that a change in the global balance of power favoring the Soviet Union (the so-called "shift in the correlation of forces") diminished the threat of war by constraining western options.

By the late 1970s, however, a different theme emerged. It was alleged that the most aggressive and reckless members of the U.S. ruling elite were determined to reverse the shift in the correlation of forces and roll back Soviet power. Soviet military spokesmen now claim that the danger of war is at the highest level since World War II.

The issue of how to respond to the western effort to reestablish strategic equilibrium has dominated the Soviet policy agenda for the last several years. It was closely connected to the struggle between Andropov and Konstantin Chernenko over the Brezhnev succession. There are good reasons to believe that Andropov's victory, and especially the military's support of his bid for power, are the result of his being identified with tough and capable leadership.

Under Andropov, the Soviet Union has continued its policy of countering western efforts to restore the geopolitical balance by simultaneously cajoling western public opinion into unilateral restraint while emphasizing the threatening nature of unconstrained Soviet military actions which might ensue otherwise. Shooting down an intruding aircraft highlights this second facet of Soviet policy by demonstrating the extent of Soviet military preparedness and underscoring its willingness to discard all restraints upon the use of force.

The KAL 007 incident is not an isolated episode. The emphasis on the military ability of a given action and the near-total disregard for adverse publicity and political costs involved is demonstrated by repeated intrusions of Soviet submarines into Swedish and Norwegian territorial waters, including penetrations into restricted and militarily sensitive areas. This behavior has changed Northern European public opinions and damaged such longstanding Soviet political goals as the creation of a Nordic nuclear-free zone.

In addition to these broader policy considerations, Soviet actions were strongly influenced by the events of the previous occasion when the Soviet military fired upon a commercial airliner. At that time, in 1978, another Korean Air Lines jet strayed off course and penetrated over 1,000 kilometers into Soviet airspace before it was forced down. Although many western commentators asserted that the Soviet Union did not detect the airliner until it was far into Soviet territory, this contention cannot be seriously considered, in view of the large radar signature of the Boeing 747 and the location of the incident—the Kola Peninsula, site of the Soviet naval base at Murmansk, which contains the heaviest concentration of air defense assets in the world.

Instead, the delay was the result of the local Soviet commanders being faced with a situation for which they had no orders or precedent to follow. The decision had to be referred first to the Moscow-based Air Defense Headquarters and then to the political leadership, which subsequently authorized the local air defense command to fire upon and force down the jet. This was done with a loss of two lives. In the aftermath of this event, the Soviet military requested and obtained predelegated authority to implement a standard set of procedures to handle similar situations and avoid *ad hoc* decisionmaking. These procedures were strongly influenced by the widespread western denigration of Soviet air defenses in particular and Soviet military competence in general that followed the 1978 incident.

In the last several years, Soviet air defenses have been reorganized. Previously, the Soviet Union had *two* air-defense services. The National Air Defense *(PVO strany)* provided protection from strategic attack, while the Air Defense of the Ground Forces *(PVO sukhoputnikh voisk)* covered Soviet ground force operations. Now both services have been merged into one organization—the Troops of Air Defense. The command and control mechanism associated with air defense functions also underwent a transformation. Prior to the merger, the Moscow-based Air Defense Headquarters, commanded by Marshal of Aviation Aleksandr Koldunov, had exercised operational control over air defense assets. Subsequently, this control was transferred to the commanders of the 16 Soviet military districts and to the commanders of the groups of Soviet forces abroad.

In the case of the Far East, which the Soviet leadership views as a key area, a separate command and control entity, superimposed on the military district structure, has been created—the Far Eastern Theater of Military Operations (TVD), with its headquarters in Chita. This TVD was created in 1977 or 1978. The last time such an entity existed in the Far East was during the Korean War. The Soviet military believes that in case of war, TVD's would provide the best framework for large-scale integrated planning of strategic operations. Soviet military writings have stressed the need for preparing suitable wartime organization prior to the outbreak of hostilities.

Reviving the Far Eastern TVD is a consequence of a Soviet assessment that the potential for conflict in the region is growing. The Soviet military infrastructure in the Far East has been vastly expanded, making it one of the most heavily militarized areas in the world. In the last two years, according to *Air Force Magazine*, the Soviet Union has "allocated more new fighters and interceptors to their Far East forces than the entire PACAF (U.S. Pacific Air Force) inventory." The Soviet Union has also fielded 108 SS-20's in Asia, enabling it to provide redundant coverage of all regional targets. The Soviet Pacific Fleet is the largest and most modern of its four fleets. It contains 85 principal surface combatants, 30 ballistic missile submarines (constituting 40 percent of the entire Soviet inventory), over 90 attack submarines, 130 long-range bombers, including over 30 Backfires, and the largest single contingent of Soviet naval infantry.

Since 1978, the Soviet Union has also upgraded its military infrastructure around Japan at a dramatic pace. A motorized rifle division is stationed on the occupied Kurile Islands of Etorofu, Kunashiri and Shikotan in close proximity to Hokkaido. In addition to the standard divisional equipment, the Soviet troops on these islands are complemented by a large helicopter contingent. Soviet facilities on Sakhalin are being expanded and new construction is under way on Saisho Island, only 7.4 kilometers from Hokkaido. A squadron of modern MiG-23 Floggers has been added to a squadron of less capable MiG-21's on the island of Etorofu. The Soviet command and control network in the region has also been vastly expanded.

Soviet operations in the area have taken on a higher profile. A year ago, Backfire bombers for the first time ran simulated attacks against U.S. carrier battle groups in the Northern Pacific. The augmentation of Soviet military muscle in the area serves both military and political purposes. In case of war, the Soviet military plans to turn the Sea of Okhotsk and adjacent waters into a sanctuary, where its air, land and naval forces would protect Soviet ballistic missile

submarines. This plan envisions Soviet operations against Japanese airfields and other military targets so as to deny their use to U.S. forces. In peacetime, expanded Soviet military options in the Far East provide enhanced political leverage against Japan, China and other Asian powers. As a pointed reminder of their military prowess, the Soviets extended a 200-mile territorial boundary around the Kurile Islands and forced Japanese fishermen to make a considerable annual payment for the right to fish in these international waters. Soviet authorities routinely harass, and frequently seize, Japanese fishing vessels. Over 1,200 boats have been taken since 1946.

Presiding over the impressive array of Soviet military forces is General of the Army Vladimir Govorov, the commander in chief of Soviet forces in the Far East. It is likely that Govorov was heavily involved in the decision to shoot down the Korean airliner. However, communications exchanged between his headquarters and Moscow indicate that the Ministry of Defense was informed of the situation and asked whether the previously developed operational procedures should be followed.

The Soviet air defenses had two opportunities to intercept Flight 007. Apparently their first attempt to get within intercept range failed as the airliner passed over Kamchatka and left Soviet airspace. This does not necessarily suggest that the Soviet air defenses are hopelessly sluggish. They are optimized to best handle targets penetrating directly into Soviet airspace (i.e. attacking bombers) rather than aircraft skirting its periphery.

Soviet planes intercepted the KAL flight again in the vicinity of Sakhalin Island. By the time the Soviet pilots had caught up with the airliner, it was almost out of Soviet airspace. The Soviets had a choice: shoot it down or let it go. They clearly knew that it was a civilian aircraft from information provided by ground control. This explains why the Soviet pilot, upon observing the KAL Boeing 747's navigational lights, did not inform ground control that he was intercepting a civilian aircraft rather than a U.S. intelligence plane.

Having been ordered to force the aircraft down, the Soviet pilot first opened fire with his cannon. As in the 1978 incident, standard ammunition was fired at the airliner rather than tracer ammunition ahead of it, as required by international custom. Several minutes later, as the airliner approached international airspace, he informed ground control "now I'll try rockets." Two AA-3 Anab heatseeking missiles were launched, striking the Boeing 747's engines. The fact that it took over 10 minutes for the aircraft to crash suggests that its wings and fuselage had remained essentially intact after the impact.

The shooting of Flight 007 and resulting loss of lives is certain to further chill U.S.-Soviet relations. In predelegating to the military the authority to shoot down all intruding aircraft, the Soviet leadership must have been aware of the political costs such an action would entail. Thus, the most significant implication of this incident is that it highlights the extent to which military considerations govern current Soviet policy.

Similarly revealing is the stubborn Soviet refusal to offer any form of an apology. In fact, the Soviet position in the aftermath of the shooting progressively hardened. On September 4, Gen. Col. Romanov claimed that the KAL airliner's intrustion into Soviet territory was a "rude provocation," but did not claim that the plane was on a spy mission. He also contended that in 1983 alone U.S. military aircraft violated Soviet borders nine times in the area near the Kurile Islands, and nine times in the Bering Straits region. The general asserted that the United States was "taunting" Soviet air defenses.

By September 6, the Soviets were explicitly claiming that the aircraft was on a spy mission. Some Soviet commentators have gone so far as to compare the Reagan administration to Nazi Germany, suggesting that the United States had deliberately sent the Korean plane into Soviet airspace. The alleged U.S. objectives were to spy, probe Soviet air defenses, embarrass Moscow and, if the aircraft were to be shot down, use the incident as a pretext for further intensifying its "anti-Soviet campaign." Thus, the statement released by the Soviet government on September 6 asserted that the United States was using the airliner to carry out "a major intelligence operation" and if it went awry, "to turn all this into a political provocation."

In his meeting with Secretary of State George Shultz on September 8, Soviet Foreign Minister Andrei Gromyko claimed that defense of Soviet borders was a "sacred duty" and implied that the Soviets would shoot down any aircraft that strays over Soviet territory in the the future. Marshal Nikolai Ogarkov, chief of the Soviet military spokesmen have adopted a similar uncompromising stance. This arrogant and defiant attitude reinforces the impression that the shooting was meant as a deliberate demonstration of Soviet resolve and toughness.

As further demonstrations of its military power in the Far East, the Soviet Union mounted major naval maneuvers in the northern Sea of Japan. A large number of Soviet naval combatants were involved. In addition, two Backfire and two Badger bombers approached Japanese airspace near Sado Island, some 186 miles north of Tokyo, until they were intercepted by the Japanese.

The Soviet emphasis on demonstrating its military preparedness and resolve does not augur well for compromise on major political and military issues. The high and unusual visibility of Soviet military leaders in the aftermath of the incident underscores the growing institutionalization of military participation in high-level political-military decision-making. So far, the preferred western response has seemed to be a redoubling the efforts to achieve a breakthrough in arms control and other U.S.-Soviet negotiations. Yet in the light of current Soviet policy priorities, as demonstrated by the shooting down of KAL Flight 007 and by Soviet behavior in its aftermath, Soviet compromises requiring a restructuring of forces can hardly be anticipated, no matter how strong the western zeal for negotiation.

[From Reader's Digest, Jan. 1984]

WHAT REALLY HAPPENED TO KAL FLIGHT 007

(By Viktor Belenko)

At 6:26 a.m. on September 1, 1983, a Soviet Su-15 interceptor aircraft fired two missiles at a Korean Airlines Boeing 747 near the Soviet island of Sakhalin, north of Japan. Moments later, Japanese air controllers heard a faint, frantic message from the airliner: "All engines . . . rapid decompression." Power gone, fuselage punctured, the huge 747 spun uncontrollably downward for 12 minutes. At 6:38 a.m., KAL Flight 007 disappeared from Japanese radar screens. Everyone on board—269 men, women and children—perished.

Ever since this atrocity, the Soviet Union has labored to confuse and deceive the world about what actually happened. "The Soviet pilots, in stopping the actions of the intruder plane, could not know that it was a civilian aircraft," declared the official news agency, Tass. "It was flying without navigation lights, at the height of night, in conditions of bad visibility, and was not answering signals." Besides, claimed the Soviets, the Korean airliner really was a CIA spy plane.

This massive propaganda effort has succeeded in implanting genuine doubts in the minds of millions. Could the Soviets have misidentified the airliner? Did they try to warn it? Was it engaged in a spy mission?

Nobody in the West is better qualified to answer these questions than former Soviet Lt. Viktor Belenko. Before his daring escape to Japan in 1976 in a MiG-25,[1] Belenko flew the Su-15 interceptor and served in the same Far East Air Defense Command whose radar and planes tracked and pursued the doomed airliner. He knows the mentality of Soviet commanders, pilots and ground controllers, as well as the fears and secret orders that govern them. Since his escape, he has acted as a consultant to the U.S. Air Force and American aircraft companies, and has thus been kept informed about the latest developments inside the Soviet air force. Also, at the request of the U.S. government, he has carefully listened to the voices of Soviet pilots recorded as they stalked and destroyed KAL 007. Here is his revealing analysis of how and why the tragedy took place.

Whenever radar screens reveal an unidentified aircraft within 100 kilometers of Soviet borders, its position is immediately reported to the National Command Center at Kalinin, northwest of Moscow. So long as the aircraft remains in the 100-kilometer zone, its course, speed and altitude are shown on a gigantic screen at the Command Center, where a general officer always is on duty.

In the early hours of September 1, Soviet radar spotted an American RC-135 reconnaissance plane in international airspace over the Bering Sea, east of the Kamchatka Peninsula. Subsequently, KAL 007 flew past the general vicinity where the U.S. plane had been earlier. The Soviets have tried to persuade the world that their air defenses mistook the civilian airliner for the U.S. military plane. Such a mistake is utterly impossible. I will tell you why.

Because Kamchatka is an important Soviet missile-testing site, RC-135s almost daily patrol over international waters off the peninsula.[2] So Soviet air-defense personnel, in both the Far East and Moscow, are very familiar with the RC-135 and its distinctive characteristics. A modified Boeing 707, the RC-135 is heavily laden with external antennas and electronic gear, which drastically reduce its speed. Moreover, once the RC-135 arrives in its patrol area, it circles lazily downward, flying as

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[1] See "MiG Pilot: The Final Escape of Lt. Belenko," Reader's Digest, January '80.

[2] There is nothing secret, sinister or illegal about these patrols. They are conducted in accordance with the Strategic Arms Limitation Treaty, which specifies that the United States and the Soviet Union will verify compliance by the other through their respective "national technical means of verification"—which means reconnaissance by aircraft and satellites.

slowly as it can to conserve fuel and remain on station as long as possible.

Soviet air defenses also are very familiar with the Boeing 747. Every day, 747s belonging to different foreign airlines fly along international route R-20, which passes close to the southern tip of Kamchatka. Having tracked both types of aircraft daily for many years, the Soviets well know that the 747 cruises at least 125 knots faster than RC-135 flies. So the speed alone of KAL 007 unmistakably told the Soviets that it was not an RC-135. And Soviet radar stations recorded and reported this speed for more than two hours.

A secret standing order, issued by the Soviet Ministry of Defense and sanctioned by the Politburo, dictates that once an alien aircraft ventures into Soviet airspace it must not be allowed to escape. Soviet pilots are supposed to fly ahead of the foreign plane, attract attention by firing tracers, rocking wings and, if it is dark, by flashing their navigational lights. If the foreign plane does not signal willingness to follow the interceptors, then Soviet pilots are to shoot it down.

Thus, as KAL 007, now disastrously off course, came within 25 kilometers of Kamchatka, local commanders launched interceptors. But the Soviet fighters failed to catch KAL 007. They did not even come close enough to warn the airliner or to fire at it successfully. Perhaps the ground commander was slow in scrambling his planes. Perhaps ground controllers were inept in vectoring them. Whatever, the standing order was unfulfilled; an unauthorized aircraft had transgressed Soviet airspace and been allowed to escape.

As KAL 007 flew blithely onward, its executioner sat in a Ready Room at the Dolinsk-Sokol air base on southern Sakhalin. I know the scene well.

The pilot reports at dusk, undergoes a cursory physical examination, and has a big meal followed by another at 11 p.m. Throughout the night he must wear his pressure suit, which is tight and uncomfortable. He may read and play chess; he is not supposed to sleep. Parked about 30 feet outside the Ready Room, all set for a quick takeoff, is the Su-15.

The wail of a siren shortly before 6 a.m. suddenly ended the boredom of the veteran pilot and summoned him to a mission, a real one. Within five minutes he was airborne. And now two fears preoccupied him:

Will I execute properly? During all of his career, a Soviet pilot is taught: You may not think. You may not recommend. You may not judge. You may only execute. Your commander will think for you. The pilot, of course, does think to himself: I must do exactly as I am told. I must execute perfectly. If not, I and my family will be ruined.

Will I have to ditch? From the moment a Soviet interceptor pilot takes off, his every action and maneuver are dictated by ground control. Over water, the pilot continually worries about whether the controllers will guide him so far from land, or keep him airborne so long, that he will have to ditch at sea. Unlike American pilots, he does not wear an insulated, water proof suit that would help him survive in frigid waters. So ditching at sea means death.

Because of an incessant stream of orders from the ground, the Su-15 pilot replied almost continuously to his controllers. The Japanese and Americans recorded his every word, and I have listened to the tape again and again. The tape I analyzed did not include transmissions from ground control. But the pilot's own words, frequently spoken in a tremulous voice that betrays extreme tension, prove many important and telling points:

The visibility above Sakhalin was very good. At 6:06 a.m., while the pilot was many kilometers away from KAL 007, he reported seeing it. At 6:12, while still far away, he reported, "I see it visually and on radar." Had the weather been bad, the pilot could not have seen the airliner from such distances.

The lights of KAL 007 shone brightly. At 6:10 a.m., apparently in response to a direct question from ground control, the pilot answered, "Roger. [The target's strobe] light is blinking." At 6:18 he reported, "The A.N.O. [air navigational lights] are burning. the [strobe] light is flashing." And at 6:21 he again volunteered, "The target's [strobe] light is blinking."

The Soviets made no realistic effort to warn KAL 007 or force it to land. To support their claim that they tried to warn the airliner, the Soviets state that the interceptor fired a burst of cannon fire. At 6:20 a.m. the pilot did indeed report, "I am firing cannon bursts." But at this time the interceptor was at least six kilometers behind and below KAL 007. The maximum range of an Su-15 cannon is only one kilometer. Thus, the Korean pilots in their cockpit atop the 747 could not possibly see shells which spent themselves and fell earthward five kilometers behind and below them.

Ordered to close upon the "target," the Su-15 overshot and for a few seconds was ahead of the 747 before falling back alongside it. Had the pilot during those fleeting moments fired tracers or flashed his lights, he would have reported doing so. He made no such report. Neither did he mention any effort to contact KAL 007 by radio. And the transmissions from the Korean airliner after the interceptor fired its cannon clearly show that its crew had neither seen nor heard anything to suggest that there was a problem.

From the outset, the Soviet interceptor flew to attack, not to warn. At 6:20 a.m., the pilot positioned the Su-15, not ahead of the airliner where he could signal it, but below and behind it—the attack position. Then the pilot, manifestly in obedience to orders from the ground, reported that his missiles were locked on the airliner and ready to strike.

But suddenly, because of indecision on the ground—whether at Sakhalin, the Regional Command Center at Khabarovsk or in Moscow—the pilot was ordered to break the missile lock-on and to move close to KAL 007. His voice reflects disgust at the order.

Soviet indecision ended about two minutes later, and the pilot received the fateful order. Obediently, he dropped back and beneath KAL 007, positioning himself to kill. At 6:23 a.m. he said, "Now I will try rockets." He flew very close to the 747—probably within two kilometers—and his panel lights signaled that the missile-guidance systems were fixed on the airliner. At 6:26 a.m. he reported, "I have executed the launch." Two seconds later he said, "The target is destroyed."

The Soviet Air Defense Command had tracked and evaluated KAL 007 for almost 2½ hours. The familiar speed of the airliner, its direct flight path, its distinctive configuration—unlike any other aircraft in the world—its gleaming navigation lights and flashing strobe light all identified KAL 007 as a civilian 747, not an RC-135. Why then did the Soviets finally make the calculated decision to blow up the airliner and kill its innocent passengers?

Certainly, KAL 007 was far off course (see box, page 77). It violated Soviet airspace for about 12 minutes over Kamchatka and again for a shorter time over Sakhalin. This was wrong. But when Soviet planes, even military ones, have violated American sovereign airspace—as they did at least twice in 1983—they have not been shot down. Typically, our interceptors warn and lead straying aircraft away, in accordance with international agreements. Why could not the Soviets have done the same?

The answer may be found back in April 1978, when a Korean Airlines 707, bound from Paris to Seoul, suffered navigational-equipment failure near the North Pole and blundered into Soviet airspace. Although fully aware that it was a civilian airliner, the Soviet Air Defense Command ordered it shot down. Struck by cannon fire from a Soviet interceptor, the crippled 707 nevertheless flew over Soviet territory for another 90 minutes before making an extraordinary crash landing on a frozen lake. Only two people were killed and 13 injured.

The Soviet military felt acute embarrassment for having allowed the airliner to fly aimlessly over Russian territory for another 90 minutes unmolested. The Politburo demanded answers. If you can't stop a civilian airliner from wandering around our territory for so long, they asked, how can we expect you to cope with advanced military aircraft? As a consequence, several senior officers were cashiered.

Now the National Command Center was aware that Soviet air defenses at Kamchatka had failed again. I suspect the Moscow commanders reasoned that the risks of killing were less than those of embarrassing the Politburo anew.

But the worldwide outrage that the slaughter provoked embarrassed the Kremlin far more. Explanations had to be contrived. Initially, the Soviets refused even to admit they had shot down KAL 007. Hours after its destruction, Tass reported that an "unidentified plane" had violated Soviet airspace over Kamchatka and Sakhalin. "The plane did not have navigation lights, did not respond to queries and did not enter into contract with the dispatcher service," Tass said. "Fighters of the anti-aircraft defense, which were sent aloft toward the intruder plane, tried to give it assistance in directing it to the nearest airfield. But the intruder plane did not react to the signals and warnings from the Soviet fighters and continued its flight in the direction of the Sea of Japan." [3]

The next day, Tass reiterated the Soviet claim that the missing plane flew without lights and stated that an interceptor fired warning shots at it. On September 3, Tass published an inordinately abusive diatribe against the United States and President Reagan, excoriating them for saying the Soviets had shot down KAL 007. This was followed by the assertion of Soviet Colonel-General Semyon Romanov that KAL 007 had it lights off and that in any case the "outlines" of a Boeing 747 "resemble much those of the American reconnaissance plane RC-135."

On September 5, President Reagan played the damning tape reproducing the voice of

[3] In my time, there was no "dispatcher service" or ground-control system on either Kamchatka or Sakhalin capable of communications with foreign aircraft. Moreover, none of the half-dozen commercial planes in the air or ground-monitoring stations heard any warning over the international emergency frequency.

the Su-15 pilot shooting down KAL 007. And finally, five days after the atrocity, the Soviets, admitted the undeniable. Since the intruder plane did not obey the demand to fly to a Soviet airfield and tried to evade pursuit, the interceptor-fighter plane of the anti-aircraft defenses fulfilled the order of the command post to stop the flight," Tass announced on September 6.

Ever since this confession, Soviet propagandists have reiterated the theme that KAL 007 was embarked upon some kind of espionage mission. But they have never presented any tangible evidence in support of this claim. Indeed, almost every substantive statement the Soviets have made in justification of the slaughter over Sakhalin is demonstrably false.

Listening to all the bellicose Soviet fabrications, I am reminded of an old Russian adage: "I will urinate in your eyes, and you will say it is Holy Water." That is the attitude the Soviets have adopted in trying to justify the slaughter of 269 innocent men, women and children.

LURED TO DESTRUCTION?

The lost Korean airliner possessed three separate computerized navigational systems—the same systems that each day safely and unerringly guide commercial aircraft to their destination throughout the world. Additionally, there were radio beacons along the prescribed route of KAL 007 by which its pilots could verify their position. Yet sometime after the airliner passed beyond the range of radar in Alaska, it veered off course. Transmissions from the aircraft to Japan showed that the pilots did not realize they had strayed.

Perhaps the pilots misprogrammed their computers before takeoff. Perhaps in flight they set the wrong dial on the navigational control panel. Perhaps, seeing a landmass on their weather radar, they confused Kamchatka with a Japanese island. Unless the airliner's flight recorder is recovered from the ocean floor (now unlikely), the cause of their mistake will remain unclear.

Could the Soviets have deliberately lured KAL 007 off course? While no evidence to support such a charge has come to light, the possibility cannot be discounted. According to the Defense Department, in each of the past few years the Soviets have made dozens of electronic attempts to dupe and confuse American pilots into flying over forbidden territory where they could be shot at. The practice involves "meaconing"—the sending of misleading navigational signals from powerful portable transmitters—as well as radar and radio jamming. It continues today, and, in fact, reports of meaconing and jamming increased roughly 20 percent in 1983.

Sophisticated American countermeasures, coupled with special training of air crews, have reduced the effectiveness of this predatory deception. Nevertheless, the Soviets keep trying, hoping to create international incidents which their propagandists can exploit.

[From the Wall Street Journal, Sept. 5, 1984]

SPOTTING SOVIET STRATEGIC ADVANCES

(By William Kucewicz)

During the 1980 presidential campaign, candidate Ronald Reagan promised to close the "window of vulnerability" created by the Soviet Union's massive arms buildup of the 1970's and our own lax response. Today, despite President Reagan's substantial increase in defense spending, that "window of vulnerability" hasn't closed. In fact, it is opening even wider.

Several recent Soviet breakthroughs in high-technology military armaments, currently worrying U.S. intelligence and military officials, go beyond anything the U.S. now has in its arsenal or plans to produce anytime soon. Indeed, such new Soviet weaponry soon could endanger all three legs of our strategic triad for the first time. These new Soviet threats loom so large that any talk of defense cuts during this year's election campaign is not only ill-informed but dangerous to Western security.

The perilous Soviet developments range from a quantum increase in the size of the U.S.S.R. intercontinental ballistic missile (ICBM) force, to supersonic cruise missiles, to space-based radar capable of detecting our nuclear-armed submarines at sea—the one leg of our triad previously thought to be invulnerable.

The SS-20 missile. The Soviets are preparing to target some of these supposed "intermediate range" missiles on the continental U.S., making them a new ICBM.

On April 2, 1984, six SS-20 missiles were test fired from the Yurga missile complex near Kirov in the western Soviet Union on a trajectory over the North Pole toward the U.S. The missiles, carrying dummy warheads, were destroyed in flight over the polar regions of the Barents Sea.

IMPENDING FUNDAMENTAL SHIFT

The launches marked the first time the Soviets have tested the SS-20—until now viewed as solely a threat to Western Europe and the Far East—on an azimuth directed at the continental U.S.

The SS-20 tests, first reported in the Heritage Foundation's "National Security Record" and independently confirmed by The Wall Street Journal, signal an impending fundamental shift in the balance of strategic forces between the U.S. and the U.S.S.R. Intelligence data about the telemetry of the SS-20 tests indicate that by lightening the warhead load, the Soviets have increased the missile's range beyond the 5,500-kilometer threshold defined by SALT as an ICBM. Previously, the Soviets had maintained that the missile's range was a convenient 500 kilometers shy of that limit. In light of the April test firings, the SS-20 no longer can be viewed as just an intermediate-range missile threatening Europe and Asia—an interpretation the Russians have encouraged—but as a potential ICBM capable of hitting the U.S. mainland.

Not only have the majority of U.S. intelligence analysts heretofore underestimated the range of the SS-20, but they also have played down the number of these missiles being produced and deployed by the Soviet Union. The latest official U.S. statements cite 378 deployed SS-20s. In fact, the number of completed SS-20 launchers currently stands at 400, with another 20 under construction—nearly double the number deployed when President Reagan took office.

The number of launchers, however, tells only part of the story. The SS-20 missile is a two-stage, solid-fuel rocket, capable of carrying up to three warheads. It is launched from a relatively small, mobile platform that can be moved along most roads and, because of its size and mobility, is easy to conceal from U.S. reconnaissance satellites. Moreover, each launcher can handle more than one missile; it can be reloaded with additional missiles like bullets in a rifle.

Indeed, current U.S. intelligence data about the Soviet Union's SS-20 missile-production facilities indicate that the Soviets plan to deploy at least five reloads per launcher, in addition to the launcher's initial missile. In total, the Soviets are now preparing to deploy about 2,520 SS-20 missiles, carrying as many as 7,560 warheads targeted at Western Europe, the Far East and the U.S. That's a far cry from the planned U.S. deployment in Europe of 464 cruise missiles and 108 Pershing IIs, each carrying only one warhead, intended to counterbalance the SS-20 threat.

Soviet cruise missiles. The U.S. thus far has enjoyed a monopoly on these high-technology, drone aircraft, which can evade standard radar detection and hit a target with a high degree of accuracy due to computerized, terrain-mapping guidance systems. The U.S. advantage is not only coming to an end, the Soviets also are developing and deploying cruise missiles that may eclipse our own.

The Soviets are developing five different types of cruise missile. The sea-launched SS-X-21, now operational, is small enough to be fired from standard Soviet torpedo tubes; the SS-N-21 is now being deployed on the Victor III-class nuclear submarine. The ground-launched SSC-4 cruise missile is now being stationed in Warsaw Pact countries, in apparent response to NATO's intermediate-range missile buildup. The air-launched AS-X-15 is being tested on the Tu-95 Bear bomber and the new, long-range Blackjack bomber.

In addition to these three types of cruise missiles, which are similar to ones now being produced and deployed by the U.S., the Soviets are working on two other sea- and land-based versions for which the U.S. has no match. These new missiles would be supersonic, unlike the slow-moving U.S. models, and much larger, giving them the capability to travel longer distances and carry heavier payloads. Since late July, the Soviet press has bragged about the successful testing of the ground-launched version of this new cruise missile.

But it's the sea-launched version of this supersonic cruise missile that has the U.S. Air Force extremely worried. This Soviet missile, apparently intended for deployment on the Soviet's stretched Yankee-class submarines stationed off the U.S. coast, potentially could destroy our Strategic Air Command bomber bases in the U.S. interior before many of our planes could get off the ground. Because of the cruise missile's low flight path, it can fly under standard radar and reach undetected into the heart of the U.S. in 30 to 45 minutes. By contrast, submarine-launched ballistic missiles, which can reach U.S. inland bases in six to eight minutes, would almost immediately be detected by U.S. radar because of the SLBMs' high trajectory.

Space-based radar. The Soviets are working on a new type of radar to be based in space or in high-altitude aircraft that could detect many of our nuclear-armed submarines at sea. It is called synthetic-aperture radar. One military expert called the Soviet program "the most significant strategic development in 10 years."

The radar apparently can detect a submerged submarine by discerning subtitle effects on the water's surface, on water moving around the submarine and even in the color and radioactivity of plankton. The Soviets have been testing the radar from high-flying aircraft and from the Salyut 7 space station against their own submarines with considerable success. The Soviet radar is far more sophisticated than the U.S. acoustic detection techniques.

The Soviet space-based radar program may provide a clue as to why the Kremlin was so keen recently about beginning talks with the U.S. on an anti-satellite (ASAT) treaty, even though it had walked out of other arms-control talks. A U.S. ASAT program would be able to blind such new Soviet radar satellites and thus could help preserve U.S. submarines at sea. An ASAT treaty would effectively protect these Soviet "eyes" and thus endanger our own submarine deterrent.

A Defense Intelligence Agency report, quoted in the Pasha Publication's "Military Space" newsletter, says that the Soviet space-based radar effort "is a matter of concern because it demonstrates that the Soviets are determined to destroy all three legs of the U.S. deterrent Triad if they possibly can find the means to do so."

SITTING DUCKS

In sum, the U.S. strategic triad could become more vulnerable to a Soviet knockout strike than ever before. Our Minuteman ICBMs are already undefended against the Soviet Union's large, accurate ICBMs, and the Soviet effort to build a nationwide anti-ballistic-missile (ABM) system could reduce the retaliatory impact of any surviving Minutemen. Our bombers, which face the challenge of penetrating the best air-defense system in the world, could become vulnerable to attack while still on the ground from low-flying, supersonic cruise missiles. Our nuclear-armed submarines, half of which are in port at any given time and are therefore sitting ducks, could become victims of Soviet space-based radar detection within a decade.

Given this growing Soviet threat, the U.S. must begin a diversified program to make our triad more survivable and capable of inflicting heavy retaliatory blows against the U.S.S.R. Strategic defense is one solution; an ABM system, or a "star wars" space-based defense, would significantly enhance the survivability of our forces on the ground. The production of a mobile, highly accurate ICBM like the Midgetman also would increase the credibility of our retaliatory response. Improved cruise missiles and Pershing IIs also would help counter the mounting Soviet cruise-missile threat.

Without such steps, the "window of vulnerability" will open even wider and the U.S. will be more at risk of a Soviet first-strike than ever before. When U.S. politicians during this year's election campaign argue over $100 hammers and defense cuts, the leaders in the Kremlin must be smiling.

ORDER OF PROCEDURE

Mr. MOYNIHAN. Mr. President, I understand that the hour for morning business is about to expire, and I ask unanimous consent that I may proceed as in morning business for another 15 minutes.

The PRESIDING OFFICER (Mr. SYMMS). Without objection, it is so ordered.

THE 1984 DEMOCRATIC NATIONAL PLATFORM

Mr. MOYNIHAN. Mr. President, since 1840, which saw the election of William Henry Harrison and John Tyler, our great political parties have adopted platforms in every Presidential election year. These statements of principles and intentions long have served to inform the American people of each party's plans for the Nation's future.

On July 17, the Democratic National Convention, assembled in San Francisco, CA, adopted the 37th national platform of the Democratic Party. The 1984 platform, "Democrats: Building America's Future," represents the culmination of a long series of public hearings held across the country and of lengthy deliberations by the Democratic Platform Committee and delegates to the national convention. This year's platform enunciates for all Americans the Democratic Party's vision for the Nation, and this vision will provide Americans with a clear choice when they cast their ballots for President and Vice President on November 6.

I am honored today to present to the Senate the 1984 Democratic national platform, the most recent of a time-honored tradition in the United States, one which has been emulated by political parties in most of the free democratic world.

I ask unanimous consent to have the text of the platform printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1984 DEMOCRATIC NATIONAL PLATFORM
DEMOCRATS: BUILDING AMERICA'S FUTURE

PREAMBLE

A fundamental choice awaits America—a choice between two futures.

It is a choice between solving our problems, and pretending they don't exist; between the spirit of community, and the corrosion of selfishness; between justice for all, and advantage for some; between social decency and social Darwinism; between expanding opportunity and contracting horizons; between diplomacy and conflict; between arms control and an arms race; between leadership and alibis.

America stands at a crossroads.

Move in one direction, and the President who appointed James Watt will appoint the Supreme Court majority for the rest of the century. The President who proposed deep cuts in Social Security will be charged with rescuing Medicare. The President who destroyed the Environmental Protection Agency will decide whether toxic dumps get cleaned up. The President who fought the Equal Rights Amendment will decide whether women get fair pay for their work. The President who launched a covert war in Central America will determine our human rights policy. The President who abandoned the Camp David process will oversee Middle East policy. The President who opposed every nuclear arms control agreement since the bomb went off will be entrusted with the fate of the earth.

We offer a different direction.

For the economy, the Democratic Party is committed to economic growth, prosperity, and jobs. For the individual, we are committed to justice, decency, and opportunity. For the nation, we are committed to peace, strength, and freedom.

In the future we proposed, young families will be able to buy and keep new homes—instead of fearing the explosion of their adjustable-rate mortgages. Workers will feel secure in their jobs—instead of fearing layoffs and lower wages. Seniors will look forward to retirement—instead of fearing it. Farmers will get a decent return on their investment—instead of fearing bankruptcy and foreclosure.

Small business will have the capital they need—instead of credit they can't afford. People will master technology—instead of being mastered or displaced by it. Industries will be revitalized—not abandoned. Students will attend the best colleges and vocational schools for which they qualify—instead of trimming their expectations. Minorities will rise in the mainstream of economic life—instead of waiting on the sidelines. Children will dream of better days ahead—and not of nuclear holocaust.

Our party is built on a profound belief in America and Americans.

We believe in the inspiration of American dreams, and the power of progressive ideals. We believe in the dignity of the individual, and the enormous potential of collective action. We believe in building, not wrecking. We believe in bridging our differences, not deepening them. We believe in a fair society for working Americans of average income; an opportunity society for enterprising Americans; a caring society for Americans in need through no fault of their own—the sick, the disabled, the hungry, the elderly, the unemployed; and a safe, decent and prosperous society for all Americans.

We are the Party of American values—the worth of every human being; the striving toward excellence; the freedom to innovate; the inviolability of law; the sharing of sacrifice; the struggle toward justice; the pursuit of happiness.

We are the Part of American progress—the calling to explore; the challenge to invent; the imperative to improve; the importance of courage; the perennial need for fresh thinking, sharp minds, and ambitious goals.

We are the Party of American strength—the security of our defenses; the power of our moral values; the necessity of diplomacy; the pursuit of peace; the imperative of survival.

We are the Party of American vision—the trustees of a better future. This platform is our road map toward that future.

CHAPTER I.—ECONOMIC GROWTH, PROSPERITY, AND JOBS

Introduction

Building a prosperous America in the changing world: that is the Democratic agenda for the future. To build that America, we must meet the challenge of long-term, sustainable, noninflationary economic growth. Our future depends on it.

To a child, economic growth means the promise of quality education. To a new graduate, it means landing a good first job. To a young family, growth means the opportunity to own a home or a car. To an unemployed worker, it means the chance to live in dignity again. To a farmer, growth means expanding markets, fair prices, and new customers. To an entrepreneur, it means a shot at a new business. To our nation, it means the ability to compete in a dramatically changing world economy. And to all in our society, growth—and the prosperity it brings—means security, opportunity, and hope. Democrats want an economy that works for everyone—not just the favored few.

For our party and our country, it is vital that 1984 be a year of new departures.

We have a proud legacy to build upon: the Democratic tradition of caring, and the Democratic commitment to an activist government that understands and accepts its responsibilities.

Our history has been proudest when we have taken up the challenges of our times, the challenges we accept once again in 1984—to find new ways, in times of accelerating change, to fulfill our historic commitments. We will continue to be party of justice. And we will foster the productivity and growth on which justice depends.

For the 1980's, the Democratic Party will emphasize two fundamental economic goals. We will restore rising living standards in our country. And we will offer every American the opportunity for secure and productive employment.

Our program will be bold and comprehensive. It will ask restraint and cooperation from all sectors of the economy. It will rely heavily on the private sector as the prime source of expanding employment. And it will treat every individual with decency and respect.

A Democratic Administration will take four key steps to secure a bright future of long-term economic growth and opportunity for every American:

Instead of runaway deficits, a Democratic Administration will pursue overall economic policies that sharply reduce deficits, bring down interest rates, free savings for private investment, prevent another explosion of inflation and put the dollar on a competitive footing.

Instead of government by neglect, a Democratic Administration will establish a framework that will support growth and productivity and assure opportunity.

In place of conflict, a Democratic Administration will pursue cooperation, backed by trade, tax and financial regulations that will serve the long-term growth of the American economy and the broad national interest.

Instead of ignoring America's future, a Democratic Administration will make a series of long-term investments in research, infrastructure, and above all in people. Education, training and retraining will become a central focus in an economy built on change.

The Future If Reagan Is Reelected

"Since the Reagan Administration took office, my wife and I have lost half our net worth. Took us 20 years to build that up, and about three to lose it. That is hard to deal with. . . ."—David Sprague, Farmer, Colorado (Democratic Platform Committee Hearing, Springfield, Illinois, April 27, 1984).

"There's got to be something wrong with our government's policy when it's cheaper to shut a plant down than it is to operate it. . . . The Houston Works plant sits right in the middle of the energy capital of the world and 85 percent of our steel went directly into the energy-related market, yet Japan could sit their products on our docks cheaper than we make it and roll it there."—Early Clowers, President, Steel Workers Local 2708 (Democratic Platform Committee Hearing, Houston, Texas, May 29, 1984).

A Democratic future of growth and opportunity, of mastering change rather than hiding from it, of promoting fairness instead of widening inequality, stands in stark contrast to another four years of Ronald Reagan. Staying the course with Ronald Reagan raises a series of hard questions about a bleak future.

What would be the impact of the Republican deficit if Mr. Reagan is reelected?

A second Reagan term would bring federal budget deficits larger than any in American history—indeed, any in world history. Under the Republican's policies, the deficit will continue to mount. Interest rates, already rising sharply, will start to soar. Investments in the future will be slowed, then stopped. The Reagan deficits mortgage the future and threaten the present.

Mr. Reagan has already conceded that these problems exist. But as he said in his 1984 Economic Report to the Congress, he prefers to wait until after the election to deal with them. And then, he plans "to enact spending reductions coupled with tax simplification that will eventually eliminate our budget deficit."

What will Mr. Reagan's plan for "tax simplification" mean to average Americans if he is reelected?

Ronald Reagan's tax "reforms" were a bonanza for the very wealthy, and a disaster for poor and middle-class Americans. If reelected, Mr. Reagan will have more of the same in store. For him, tax simplification will mean a further freeing of the wealthy from their obligation to pay their fair share of taxes and an increasing burden on the average American.

How will Mr. Reagan's "spending reductions" affect average Americans if he is reelected?

If he gets a second term, Mr. Reagan will use the deficit to justify his policy of government by subtraction. The deficits he created will become his excuse for destroying programs he never supported. Medicare, Social Security, federal pensions, farm price supports and dozens of other people-oriented programs will be in danger.

If Mr. Reagan is reelected, will our students have the skills to work in a changing economy?

If we are to compete and grow, the next generation of Americans must be the best-trained, best-educated in history. While our competitors invest in educating their children, Mr. Reagan cuts the national commitment to our schools. While our competitors spend greater and greater percentages of their GNP on civilian research and development, this President has diverted increasing portions of ours into military weaponry. These polices are short-sighted and destructive.

If Mr. Reagan is reelected, will basic industries and the workers they employ be brought into the future?

The Republican Administration has turned its back on basic industries and their communities. Instead of putting forward policies to help revitalize and adjust, Mr. Reagan tells blameless, anxious, displaced workers to abandon their neighborhoods and homes and "vote with their feet."

America's economic strength was built on basic industries. Today, in a changing economy, they are no less important. Strong basic industries are vital to our economic health and essential to our national security. And as major consumers of high technology, they are catalysts for growth in newly emerging fields. We need new approaches to ensure strong American basic industries for the remainder of this century and beyond.

Can the road to the future be paved with potholes?

Adequate roads and bridges, mass transit, water supply and sewage treatment facilities, and ports and harbors are essential to economic growth. For four years, the Reagan Administration has refused to confront adequately the growing problems in our infrastructure. Another term will bring four more years of negligence and neglect.

If Mr. Reagan is reelected, how many children will join the millions already growing up at risk?

Between 1980 and 1982, more than two million younger Americans joined the ranks of the poor: the sharpest increase on record.

With the Reagan Administration's cutbacks in prenatal care and supplemental food programs have come infant mortality rates in parts of our cities rivaling those of the poorest Latin American nations. Black infants are now twice as likely as white infants to die during the first year of life.

Cuts in school lunch and child nutrition programs have left far too many children hungry and unable to focus on their lessons.

Teenage prostitution, alcohol and drug abuse, depression, and suicide have all been linked to child abuse. The Administration has abandoned most avenues to breaking the cycle of abuse. Funding to prevent and treat child physical abuse has been cut in half. And funds to help private groups set up shelters for runaway youth are being diverted elsewhere.

If Mr. Reagan is reelected, will we ensure that our children are able to enjoy a clean, healthy, environment?

Protecting our natural heritage—its beauty and its richness—is not a partisan issue. For eighty years, every American President has understood the importance of protecting our air, our water, and our health. Today, a growing population puts more demands on our environment. Chemicals which are unsafe or disposed of improperly threaten neighborhoods and families. And as our knowledge expands, we learn again and again how fragile life and health—human and animal—truly are.

Ensuring the environment heritage of future generations demands action now. But the Reagan Administration continues to develop, lease, and sell irreplaceable wilderness lands. While thousands of toxic waste sites already exist, and more and more are being created constantly, the Reagan Administration is cleaning them up at a rate of only 1.5 per year. The environmental legacy of Ronald Reagan will be long-lasting damage that can *never* truly be undone.

If Mr. Reagan is reelected, will we be able to heat our homes and run our factories?

Twice in the past, our country has endured the high costs of dependence on foreign oil. Yet the Reagan Administration is leaving us vulnerable to another embargo or an interruption in oil supply. By failing adequately to fill the Strategic Petroleum Reserve, and trusting blindly to the market to "muddle through" in a crisis this Administration has wagered our national security on its economic ideology. One rude shock from abroad or just one "market failure", and our country could find itself plunged into another energy crisis.

The New Economic Realtiy: Five Reagan Myths

Underlying the Reagan approach to the economy are five key myths; myths that determine and distort the Reagan economic policy, and ensure that it is not the basis for long-term growth.

The world has changed, but Ronald Reagan does not understand.

First, and most fundamental, the Reagan Administration continues to act as if the United States were an economic island unto itself. But we have changed from a relatively isolated economy to an economy of inter-

national interdependence. In fact, the importance of international trade to the U.S. economy has roughly doubled in a decade. Exports now account for almost 10 percent of GNP—and roughly 20 percent of U.S. manufactured goods. One in six manufacturing jobs now depends on exports, and one in three acres is now planted for the overseas market. Imports have also doubled in importance.

Financial markets are also closely linked. U.S. direct investments and commercial loans overseas now amount to hundreds of billions of dollars. A debt crisis in Mexico will affect balance sheets in San Francisco. A recession in Europe will limit the profits of U.S. subsidiaries operating in the European market. Lower overseas profits will limit the flow of earnings back to the United States—one important way the U.S. has found to help pay for the rising tide of imports. Hundreds of billions of dollars in foreign short-term capital invested here are sensitive to small shifts in interest rates or the appearance of added risk. It is only partly bad loans that brought Continental Illinois to the brink of bankruptcy. Heavily dependent on short-term foreign deposits, Continental Illinois was particularly vulnerable. Rumors that were false at the time were enough to set off a run on the bank.

The strength of American steel, the competitiveness of the U.S. machine tool industry, and the long-term potential of U.S. agriculture are no longer matters decided exclusively in Washington or by the American market. America must look to Tokyo, Paris, and the money markets in Singapore and Switzerland. Policy based on the myth that America is independent of the world around us is bound to fail.

Second, this Administration has ignored the enormous changes sweeping through the American work force.

The maturing of the baby boom generation, the sharp increase in the percentage of women seeking work, and the aging of the work force all have to be taken into account.

Decade by decade, more and more women have moved into the work force. This large-scale movement is already changing the nature of professions, altering the patterns of child care and breaking down sex-based distinctions that have existed in many types of employment.

In Ronald Reagan's vision of America, there are no single parent families; women only stay at home and care for children. Reagan's families do not worry about the effects of unemployment on family stability; they do not worry about decent housing and health care; they do not need child care. But in the real world, most Americans do. Providing adequate child care for the millions of American children who need it, and for their parents, is surely not a responsibility which belongs solely to the federal government. But, like the responsibility for decent housing and health care, it is one where federal leadership and support are essential.

The work force is also aging. For the first time in this century, the average American is 31 years of age. Coupled with greater longevity and the gradual elimination of mandatory retirement rules, older workers can be expected to increase steadily their share of the total work force.

Moreover, the kinds of jobs available in our economy are changing rapidly. The combined pressures of new products, new process technology, and foreign competition are changing the face of American industry.

New technologies, shifting economics and deregulation have opened up dozens of new careers both in traditional industrial concerns and in new businesses. Many of them did not exist at all only a few years ago.

And the change is far from over. In setting national policy, a government that ignores that change is bound to fail. In setting national policy, a government that ignores the future is short-changing the American people.

Third, the Reagan program has ignored the fundamental changes that are sweeping through the structure of American industry, the diversity of the economy and the challenges various sectors face. New products and new ways of manufacturing are part of the change. High technology is creating new competitive industries, and holding out the promise of making older industries competitive once again. Foreign competition has also had a major impact. But the tide runs much deeper than that.

In the past decade, small business and new entrepreneurs have become more and more of a driving force in the American economy. Small businesses are a growing force in innovation, employment, and the long-term strength of the American economy.

Technology itself appears to be changing the optimal size of American businesses. And unlike the conglomerate mergers of the 1960's, renewed emphasis on quality and efficient production has shifted the focus back to industry-specific experience.

An Administration that sets tax policy, spending priorities, and an overall growth program without understanding the new dynamics and the diversity of American industry is weakening, rather than strengthening the American economy.

Reaganomics is based on the theory that blanket tax cuts for business and the rich would turn directly into higher productivity, that private investors and industry would use the money saved to restore our edge in innovation and competitiveness.

In practice, the theory failed because it did not take into account the diversity within our economy. The economy is composed of a set of complex public and private institutions which are intricately interrelated and increasingly influenced by the pressures of international competition. In the international economy, multinational companies and governments cooperate to win trade advantage, often at American expense.

We are coming to understand that in an expanding number of markets, industrial strategies, rather than just the energies of individual firms, influence competitive success. Indeed, success in marketing a product may depend more on the quality and productivity of the relationship between government and business than on the quality of the product. While several foreign industrial strategies have failed, foreign governments are becoming more sophisticated in the design and conduct of their industrial strategies. The Reagan Administration is not.

Fourth, the Reagan Administration has acted as if deficits do not count. The deficits are huge and are expected to get larger—and they are a major negative factor in everything from high interest rates to the third world debt crisis.

Because of the huge tax cuts to benefit the wealthy, and an enormous military buildup bought on credit, the federal deficit in 1983 was equivalent to 6% of our GNP. In dollars it amounted to almost 200 billion—more than three times larger than the deficit Ronald Reagan campaigned against in 1980.

Under the budget Reagan proposed to Congress earlier this year, the annual deficit would grow to $248 billion by 1989, and unless he makes major changes in current policy, it will exceed $300 billion. Reagan doubled the national debt during his first term. Given eight years, he will have tripled it. According to the proposed budget, at the end of his second term Reagan *by himself* will have put this country *three times deeper* into debt than *all our other Presidents combined.*

As the Reagan debt hangs over us, more and more of our tax dollars are going nowhere. By 1989, the percentage of federal revenues to be spent on deficit interest payments alone will have doubled. *These unproductive payments will claim a staggering 42¢ on every personal income tax dollar we pay.* This huge allocation will do nothing to reduce the principal of the debt; it will only finance the interest payments.

The interest payments on Reagan's debt are grossly out of line with historical spending patterns. Since 1981, more money has been squandered on *interest payments* on the Reagan-created debt alone than has been saved by all of Reagan's cuts in domestic spending. Non-defense discretionary spending, to be productively invested in programs to benefit the poor and middle class, and to build our social capital, is being overwhelmed by the enormous sums of money wasted on interest payments. By 1989, the annual payment will account for twice the percentage of federal revenue that we have ever set aside for such discretionary programs.

Interest payments on the debt are rising at an alarming rate. Today the annual payment has already reached $110 billion—twice what it was four years ago. During a second Reagan term, it will double *again,* reaching $207 billion by 1989.

The consequences for the individual taxpayer are enormous. Deficit increases under Reagan so far are equivalent to $2,387 levied from every woman, man and child alive in the United States today.

The consequences for the nation as a whole are also enormous. The massive government borrowing necessary to service the debt will amount to about three-quarters of the entire nation's net savings between 1983 and 1986.

The pressure of the deficits on interest rates has sucked in a wave of overseas investment. Some of those investments have been made in manufacturing plants or other commercial enterprises. Much of the foreign money, however, is in the form of portfolio holdings or even more liquid short-term bank deposits. It is an uncertain source of savings for a long-term investment program. To a limited degree, it puts the country in the same risky position as Continental Illinois Bank which relied heavily on short-term foreign deposits to make long-term domestic loans.

High interest rates will eventually take their toll on domestic investment, make their own contribution to inflationary pressure (while eventually slowing growth and inflation), and increase the tensions in the domestic banking system. They will also have a potentially devastating impact on the international economy. Each percentage point rise in U.S. interest rates adds $3-5 billion to the annual debt payments of the developing world. High American interest rates have also put added pressure on interest rates in the industrial democracies, dampening their own prospects for growth, and their ability to buy our goods.

Fifth, and finally, the Reagan Administration has virtually wished away the role of government. When it comes to the economy, *its view is that the government that governs best is one that governs not at all.*

A Democratic Administration must answer this challenge by reaffirming the principle that government must both "provide for the common defense" *and* "promote the general welfare" as coequal responsibilities under the Constitution. If the Democratic Party can succeed in correcting the present imbalance, it will reverse the cycle of pain and despair, and recapture the initiative in the area of social and economic progress.

The Reagan Administration succeeded in shifting massive resources from human needs functions of the Federal budget to military-related functions and created unprecedented deficits, based on the assumption that government should have a diminished responsibility for social progress, and thus, for the welfare of the needy and disadvantaged in society. The resulting Reagan-induced recession caused tremendous suffering, threw millions of people out of work, terminated or reduced benefits, and raised the national misery index.

Mr. Reagan denies government's critical role in our economy. Government cannot, and should not, dominate our free enterprise economy. But American prosperity has been most pronounced when the government played a supportive or catalytic role in the nation's economic fortunes. There are a wide variety of examples stretching back through our entire history: government investments in roads and research, in education and training; government initiatives in opening up new economic possibilities, initiatives that started with the decision to protect domestic markets shortly after the Revolution to the ongoing commercial development of space.

Agriculture is a clear example of government cooperation with a highly competitive private sector that has yielded a harvest of economic results that is the envy of the world. The government helps fund the research, helps spread it through the economy, educates the modern farmer, influences production levels, and helps develop new markets overseas. It is America's most conspicuous example of a successful industrial strategy—combining the cooperative efforts of business, government and our universities.

Reagan's Recession and a Recovery Built on Debt

The Economic Roller Coaster—Following the first oil shock in 1973, the United States embarked on a ten year economic roller coaster. The up and down performance of the economy was paralleled by erratic macro-economic policy. There were wide swings from stimulative fiscal and monetary policies causing raging inflation, to government-engineered recessions.

The frequency of the cycles created a climate of uncertainty that was tailor-made to discourage and distort investment. Each cycle left the economy weaker than the one before. At the end of each recession the level of inflation was higher, and at the end of each recovery the level of unemployment had risen.

Even more disturbing was the decline in the rate of growth of productivity. By the end of the 1970's, productivity growth first stopped and then fell. Productivity growth has finally resumed—but the rate of growth remains disappointing compared both to our own economic past and the performance of other industrial economies.

Reaganomics and an Election Year Recovery—Ronald Reagan swept into office on the promise of a smaller government and a bigger private sector, of higher GNP and lower inflation, and of the elimination of federal deficits.

First, he proposed huge tax cuts. Mr. Reagan went so far as to suggest that the growth caused by his tax cuts would be so rapid that total tax revenues would actually rise even while tax rates were cut.

Second, he promised a huge defense buildup.

Third, he promised stable prices. How was he going to contain prices while stimulating rapid growth? His answer was tight money.

Fourth, the supply-siders promised growth and stable prices without the intervening pain of a recession. In effect, Reagan promised tight money without tears.

Cut taxes but raise more revenues. Arm to the teeth. Growth with stable prices. Tight money and no hard times. It just did not work out that way. Worse, there was never any reason to expect that it would. Reagan's kind of tax cuts were based neither on rational economic theory nor on any empirical evidence. And wishing simply did not make it so. George Bush was right when he called Reaganomics "voodoo economics".

Instead of growth, the country had plunging production and record unemployment. Instead of increased savings and investment, the country had bankruptcy and economic decline. The Reagan policies, which were supposed to break the cycle of inflation and recession, only made it worse.

Reagan cut domestic programs, but more than offset those cuts with vastly increased defense spending. The Government significantly reduced the growth of the money supply and kept real interest rates high. For a recession, real interest rates reached record highs. These interest rates brought an added problem. They attracted foreign funds and helped drive up the international value of the dollar. American business was faced with a double whammy—empty order books and high interest rates. For the increasingly large part of American business that either sells overseas or competes with imports at home, the over-valued dollar abroad meant their products cost far more compared to the foreign competition.

Reagan effectively created a tax on exports and a subsidy for imports. It was a climate that forced record bankruptcies, enormous unemployment, plant closings, and major corporate reorganizations. It was the largest and most severe economic collapse since the Great Depression.

The Reagan Administration then prepared for the election year by "staying the course" in fiscal policy (pumping up demand with huge deficits) and sharply reversing the course in monetary policy.

The Federal Reserve Board rapidly expanded the supply of money and the economy ceased to decline and began to recover.

The Millions Left Behind—But millions of Americans were left behind. Over the last two years, 1.8 million men and women have became discouraged workers and more than 5.4 million have fallen into poverty. Nearly half of all minority youth are unemployed, and Black males have effectively lost 13 percent of their labor force participation in the last two decades. Unemployment on Indian reservations continues to be among the highest in the nation. The U.S.-Mexico border has been devastated by the currency devaluations and economic crisis in Mexico. Small businesses have closed; American families are suffering hunger and poor health, as unemployment exceeds depression rates. Women continue to receive less than 60 percent of the wages that men receive, with minority women receiving far less. Millions of other Americans, including the growing number of women heading poor households or those who have been hard-hit by plant closings or obsolescent skills, avidly seek training or retraining in occupations that hold real promise for sustained employment opportunities in the future.

Millions of Americans, including those in the industrial and agricultural heartland, have been severely affected by the recent recession and the transformation in American industry that accompanied it. Furthermore, the changes seem to have come very quickly, and they do not seem to be over. Many Americans worked in auto, steel, machine tool, textile, agriculture and small business and related industries. Today for many of them, the recovery is a fiction, or seems very fragile. Plant closings have hit hard and job security and loss of health and pension benefits evoke memories from the past.

Investment in jobs for all Americans constitutes the key investment for the future of the nation. For every one million workers who go back to work, our country produces an additional $60–70 billion in goods and adds $25 billion to the Federal treasury. The Democratic Party will work aggressively to stimulate employment, rebuild trade and encourage labor-intensive industrialization.

Seven Threats to the Recovery

The current election year recovery is in serious jeopardy, threatened by a series of major economic problems:

Unless corrective action is taken soon, the current $180 billion deficit will balloon even larger by the end of the decade.

Interest rates are high and rising. The prime rate has jumped one and one half percentage points. A credit crunch is rapidly approaching in which federal borrowing for the deficit will overwhelm private demand for funds to fuel the recovery. Mortgage rates have risen to a point where home sales and housing starts are beginning to fall. The variable rate mortgage that buffers the thrift industry against high interest rates may, in the near future, put the entire industry under pressure as steadily rising rates put mortgage payments beyond the reach of the average homeowner.

The Federal Reserve Board faces a deficit dilemma. By expanding the money supply to help finance the deficit, the Federal Reserve runs the risk of runaway inflation. But if it limits growth by restricting the money supply, high interest rates will distort growth or tip the economy back into recession.

The Reagan Administration has done nothing to solve America's repeated problem of reconciling steady growth with stable prices, except by causing a deep recession. Continuing high levels of unemployment still exist in various communities across the country. Many jobs have disappeared. The Reagan Administration is not interested in new forms of fighting inflation—its anti-inflation program amounts to little more than unemployment, tight money and union busting. It is a highly cynical economic selective service that drafts only the poor and the middle class to fight the war against inflation. Unrestrained by the demands of another election, a second Reagan Administration will be even less concerned about the impact of deep recession on the average working American.

Our trade deficit is a looming disaster for the national economy. An overvalued dollar, itself the product of high interest rates, helped create a nearly $70 billion trade deficit in 1983. It will be almost twice as large in 1984. Borrowing to suport the deficits and buying abroad to maintain a recovery tilted toward consumption are eroding America's position as a creditor nation.

America is very much a part of the international economy. And the recovery overseas has been slow to catch hold. European economies are strained by the impact of high American interest rates on their own economies. For many developing countries, growth has been slowed or even reversed by the overhang of an enormous burden of commercial and official debt. If they cannot buy our products, our economy must slow.

The sheer size of the international debt burden is itself a threat to the recovery. It is not only a question of falling exports to Latin America. The American and international financial system has been put in peril by the weakening of debtor nations' ability to repay their debt to U.S. banks as interest rates rise.

Howard Baker called Mr. Reagan's policies a "riverboat gamble". We now know the outcome. The very wealthiest in our society have been big winners—but future generations of Americans will be the losers.

The Americans coming of age today face a future less secure and less prosperous than their parents did—unless we change course. We have an obligation to our children and to their children. We Democrats have a different vision of our future.

The Democratic Alternative: A Prosperous America in a Changing World

"There's a lot of people out there only making $3.35 an hour, and that's been since '81. That's a long time to be making $3.35 an hour. . . . Costs of living have gone up considerably. The insurance has gone up, gas, lights, water. It's a whole lot different now, it's not the same as '81. I know times have changed, but why can't the $3.35 change with them? I would like to know that if anybody can answer. I urge the Democratic Party to develop policies and protect working people."—Doris Smith, Steward, SEIU Local 706 (Democratic Platform Committee Hearing, Houston, Texas, May 29, 1984).

"We do not have a surplus as long as one member of my family is hungry. He may live next door or on the other side of the world. However, it should not be the producer's responsibility to provide cheap food at the expense of his own children."—Roberta Archer, Farmer, Springfield, Illinois (Democratic Platform Committee Hearing, Springfield, Illinois, April 27, 1984).

"In the four years prior to Mr. Reagan taking over, I was fortunate to have four good years of employment, and I was able to put money aside in savings accounts which since have been exhausted. My unemployment benefits are exhausted too. . . . I may not qualify for any type of public assistance and the standard of living I was accustomed to for my wife and myself and my family has drastically changed. . . . But we as Democrats can join together in harmony and unison and we decide what is the future or the fate of our people and what is good for all of us. So I am very proud to be a Democrat."—James Price, unemployed mine worker (Democratic Platform Committee Hearing, Birmingham, Alabama, April 24, 1984).

Democratic growth is not just a matter of good numbers, but of opportunities for people. Jobs and employment are at the center of Democratic thinking. It is not only a question of legislation or appropriations. Rather, it is a philosophy that views employment as the ongoing concern of the country. Work in America is not an idle concept—but a definition of self, a door to future opportunity, and the key step in securing the economic necessities of the present.

An America at work is a moral obligation as well as the most effective way to return our economy to a high growth path. Employed people stimulate the economy, their taxes pay for the expenses of government and their production adds to our national wealth. Moreover, the social and economic fabric of the nation will be strengthened as millions of Americans who presently are frozen out of productive and dignified employment become contributing citizens.

The potential for America is unlimited. It is within our means to put America back on a long-term path that will assure both growth and broad-based economic opportunity. That is what the next Democratic Administration will do. First, we will adopt overall economic policies that will bring interest rates down, free savings for private investment, prevent another explosion of inflation, and put the dollar on a competitive basis. Second, we will invest for our future—in our people, and in our infrastructure. Third, we will promote new partnerships and participation by all levels of government, by business and labor, to support growth and productivity. Finally, government will work with the private sector to assure that American businesses and American workers can compete fully and fairly in a changing world economy.

Overall Economic Policies: A Firm Ground for Growth

A Democratic Administration will pursue economic policies which provide the basis for long-term economic growth and will allow us to fulfill our commitment to jobs for all Americans who want to work. A key part of the effort will be reducing and eventually eliminating the deficits that currently form a dark cloud over the nation's future. In addition, monetary policy must be set with an eye to stability and to the strengths or weaknesses of the economy. Finally, we will pursue policies that will promote price stability and prevent inflation from breaking out again.

Reducing the Reagan Budget Deficits

After plunging the nation into a deficit crisis, President Reagan refuses to take part in efforts to solve it. He postpones hard decisions until after the Presidential election, refusing to compromise, refusing to address revenues and defense spending seriously, refusing all but a "down payment" on the deficit. The President continues to stand apart from serious, comprehensive efforts to cut the deficit. There must be statesmanship and compromise here, not ideological rigidity or election year politics.

The Democratic Party is pledged to reducing these intolerable deficits. We will reassess defense expenditures; create a tax system that is both adequate and fair; control skyrocketing health costs without sacrificing quality of care; and eliminate other unnecessary expenditures. Through efficiency and toughness, we will restore sanity to our fiscal house.

We oppose the artificial and rigid Constitutional restraint of a balanced budget amendment. Further we oppose efforts to call a federal constitutional convention for this purpose.

Rational Defense Spending—In the last three years, the Defense Department was told by this Administration that it could have anything it wanted, and at any price. As Democrats, we believe in devoting the needed resources to ensure our national security. But military might cannot be measured solely by dollars spent. American military strength must be secured at an affordable cost. We will reduce the rate of increase in defense spending. Through careful reevaluation of proposed and existing weapons, we will stop throwing away money on unworkable or unnecessary systems; through military reform we will focus defense expenditure on the most cost-effective military policies. We will insist that our allies contribute fairly to our collective security, and that the Department of Defense reduces its scandalous procurement waste.

And above all else, we will seek sensible arms control agreements as a means of assuring that there will be a future for our children and that we as a nation will have the resources we need to invest for the future.

Tax Reform—America needs a tax system that encourages growth and produces adequate revenues in a fair, progressive fashion. The Democratic Party is committed to a tax policy that embodies these basic values.

The present system is unfair, complex, and encourages people to use a wide range of loopholes to avoid paying their fair share of taxes. The combination of loopholes for the few and high rates for the many is both unfair and anti-growth. It distorts investment, diverting creative energies into tax avoidance. And it makes the tax code even less comprehensible to the average American.

Our tax code must produce sufficient revenue to finance our defense and allow for investment in our future, and we will ask every American to pay his or her fair share. But by broadening the tax base, simplifying the tax code, lowering rates, and eliminating unnecessary, unfair and unproductive deductions and tax expenditures, we can raise the revenues we need and promote growth without increasing the burden on average taxpayers.

Ronald Reagan's tax program gave huge breaks to wealthy individuals and to large corporations while shifting the burden to low and moderate income families. The Democratic Party is pledged to reverse these unsound policies. We will cap the effect of the Reagan tax cuts for wealthy Americans and enhance the progressivity of our personal income tax code, limiting the benefits of the third year of the Reagan tax cuts to the level of those with incomes of less than $60,000. We will partially defer indexation while protecting average Americans. We will close loopholes, eliminate the preferences and write-offs, exemptions, and deductions which skew the code toward the rich and toward unproductive tax shelters. Given the fact that there has been a veritable hemorrhage of capital out of the federal budget, reflected in part by the huge budget deficit, there must be a return to a fair tax on corporate income. Under the Reagan Administration, the rate of taxation on corporations has been so substantially reduced that they are not contributing their fair share to federal revenues. We believe there should be a 15% minimum corporate tax. In addition, our tax code has facilitated the transfer of capital from the United States to investments abroad, contributing to plant closing without notice in many communities

and loss of millions of jobs. We will toughen compliance procedures to reduce the $100 billion annual tax evasion.

Our country must move to a simpler, more equitable, and more progressive tax system. Our tax code can let the market put our country's savings to the best use. There must be a fair balance between corporate and personal tax increases. Wealthier taxpayers will have to shoulder a greater share of the new tax burdens. Economic distortions must be eliminated.

Controlling Domestic Spending—A balanced program for reducing Republican megadeficits must also deal with the growing costs of domestic programs. But this must be done in a way that is fair to average Americans.

Social Security is one of the most important and successful initiatives in the history of our country, and it is an essential element of the social compact that binds us together as a community. There is no excuse—as the Reagan Administration has repeatedly suggested—for slashing Social Security to pay for excesses in other areas of the budget. We will steadfastly oppose such efforts, now and in the future.

It is rather in the area of health care costs that reform is urgently needed. By 1988, Medicare costs will rise to $106 billion; by the turn of the century, the debt of the trust fund may be as great as $1 trillion. In the Republican view, the problem is the level of benefits which senior citizens and the needy receive. As Democrats, we will protect the interests of health care beneficiaries. The real problem is the growing cost of health care services.

We propose to control these costs, and to demand that the health care industry become more efficient in providing care to all Americans, both young and old. We will limit what health care providers can receive as reimbursement, and spur innovation and competition in health care delivery. The growth of alternative health care delivery systems such as HMO's, PPO's and alternatives to long-term care such as home care and social HMO's should be fostered so that high quality care will be available at a lower cost. We must learn the difference between health care and sick care. Unlike the Republicans, we recognize that investing in preventive health care saves dollars as well as lives, and we will make the needed investment. The states must be the cornerstone of our health care policies, but a Democratic Administration will provide the leadership at the federal level to assure that health care is available to all who need help at a cost we can afford. In addition, we pledge to scour the budget for other areas of wasteful or unnecessary spending.

Monetary Policy for Growth

Reducing the deficit is the first step toward lowering interest rates and establishing the basis for fair tax and budget policies. But even with a Democratic fiscal policy reining in the deficit, the task of the Federal Reserve Board will be critical. Monetary policy must work to achieve stable real interest rates, the availability of capital for long-term investments, predictable long-term policy and stable prices. We reject the rigid adherence to monetary targets that has frequently characterized the Reagan monetary policy. Whatever targeting approach the Federal Reserve Board adopts, it must be leavened with a pragmatic appraisal of what is happening in the harsh world of the real economy, particularly the impact on unemployment, interest rates, and the international value of the dollar.

An Anti-Inflation Program

We have learned that sustained economic growth is impossible in a climate of high inflation or of inflationary expectations. The Reagan Administration's only prescription for inflation is recession—deliberate high unemployment—coupled with a relentless assault on the collective bargaining power and rights of working men and women. The Democratic Party believes that these tactics are both unacceptable and ineffective.

We will develop the following five-step program to stabilize prices:

Growth—full order books encourage investments in new plants and equipment and research and development. The productivity growth that comes in tandem with new investments will help offset—point for point—any increase in cost.

Increased flexibility in the marketplace—will also help keep inflationary pressures under control. There is no single policy that will make the U.S. economy more adapatable. Rather, there is a series of smaller steps which will help keep prices stable. In general, competitive markets are more likely to restrain sudden surges of prices than are markets dominated by a few large firms. No Democratic Administration will forget the use of old fashioned antitrust policy to keep markets competitive and prices down.

Trade policy—is also an important component of any effective anti-inflation program. Expanding world markets for American goods increase the gains from large scale production and stimulate research and development on new products and processes.

The price-wage spiral—as part of any effective anti-inflation program, serious policies to address the price-wage spirals and other inflationary pressures we have experienced in the past must be developed.

We believe that an attack on sectoral sources of inflation—in food, fuel, utilities, health care, and elsewhere—is essential if price stability is to be sustained without economic distortions. Our agriculture, energy, and health programs will all promote sectoral price stability while assuring fair treatment for average Americans, including working men and women and family farmers. For example, the Strategic Petroleum Reserve is one clear response to reducing the chance of another oil shock. The very presence of reserves in the U.S., Japan, and elsewhere reduces the likelihood of panic buying to replace suddenly threatened oil supplies. In this context, a far-reaching energy policy that emphasizes conservation and the development of alternative energy supplies will also help stabilize energy prices. And lower interest rates from reduced budget deficits will reduce upward pressure on housing costs and bring housing back within the reach of millions of Americans now excluded from the market.

Investing in People

America's greatest resource is our people. As Democrats, we affirm the need for both public and private investment—in our children; in our educational institutions and our students; in jobs, training, and transitional assistance for our workers—to build America's future. If we choose wisely, these investments will be returned to our country many times over. They are essential if we are to create an America with high-quality jobs and rising opportunities for all. And they are vital if we are to safeguard our competitive position in the world economy.

Investing in Children

Simple decency demands that we make children one of our highest national priorities. But the argument for so acting goes well beyond that. Programs for children represent the most critical investment we can make in our ability to compete in future world markets and maintain a strong national defense in the decades ahead.

Above all else, the Democratic Party stands for making the proper investment in coming generations of Americans.

Preventive efforts must be at the heart of the broad range of health, child care, and support programs for children. Helping these children makes good moral sense—and sound economic sense. Measles vaccine alone has saved $1.3 billion in medical costs in just ten years. Supplemental food programs for low-income pregnant women and infants save $3 for every dollar spent.

By improving access to medical care before and after birth, we can promote a generation of healthy mothers and healthy babies. Seeing that supplemental food programs for low-income pregnant women and infants reach all those eligible will do more than save the $40,000 now spent to treat one low birth weight infant in a neo-natal ward. It will also reduce the risk of birth defects for such infants.

We recognize that a hungry child is a child who cannot learn. Restoring school breakfast and school lunches for millions of children will improve their alertness and concentration in school.

Child care must also be a top priority. Helping communities establish afterschool care programs will remove millions of American children from the serious risks they now face of injury, abuse and alienation by staying at home alone. Encouraging employers, churches, public centers, and private groups to provide quality, affordable child care will give millions of children whose parents must work the kind of adult supervision necessary to thrive. And setting up centers for child care information and referral will assist parents wherever they reside to locate quality care for their children.

Preventing child abuse must be at the forefront of Democratic Party concern. Local, community-based child abuse prevention programs must be strengthened and expanded. A child who learns first about the risks of sexual abuse in school will be less likely to become the target of repeated victimization. Federal challenge grants could encourage states to make local prevention efforts a real priority.

Prompt intervention efforts must also be provided for children in crisis. If we are to make any headway in breaking the cycle of child abuse, both victims and offenders must have access to treatment programs.

Juvenile offenders must not be left in adult jails where the only skills they acquire are those of the career criminal. Safe shelter and assistance must be available for the hundreds of thousands of runaway children at risk or exploitation in our cities. Local, state, and federal law enforcement agencies must refine ways to locate children who have been abducted. And children in foster care must not be allowed to graduate to the streets at age 18 without ever having known a permanent home.

We must ensure that essential surveys on children's health and welfare status are reinstated. We know more about the number of matches sold than about the number of children across the country who die in fires while alone at home. Likewise, we know less about hunger and malnutrition among children than we do about the health of the nation's poultry stock.

The Democratic Party affirms its commitment to protecting the health and safety of children in the United States. Existing laws mandating the use of automobile child restraints must be enforced, and child safety seat loaner or rental programs and public education programs must be encouraged, in order to reduce significantly the leading cause of death and serious injury among children between the ages of six months and five years—motor vehicle crashes.

The crises devastating many of our nation's youth is nowhere more dramatically evidenced than in the alarming rate of increase in teenage suicide. Over 6,000 young people took their lives in 1983, and for each actual suicide 50 to 100 other youths attemted suicide. The underlying causes of teenage suicide, as well as its full scope, are not adequately researched or understood. We must commit ourselves to seek out the causes, formulate a national policy of prevention, and provide guidance to our state and local governments in developing means to stem this devastating tide of self-destruction. We support the creation of a national panel on teenage suicide to respond to this challenge.

A Democratic Administration which establishes these priorities can reduce the risks for our young people and improve the odds. By so doing, it will serve their future . . . and ours.

Investing in Education

No public investment is more important than the one we make in the minds, skills and discipline of our people. Whether we are talking about a strong economy, a strong defense or a strong system of justice, we cannot achieve it without a strong educational system. Our very future in international economic competition depends on skilled workers and on first-rate scientists, engineers, and managers.

We Democrats are committed to equity in education. We will insist on excellence, discipline, and high standards. Quality education depends on students, teachers and parents performing at the highest levels of achievement.

Today, education in America needs help. But, the Reagan Administration offers misleading homilies about the importance of education while aggressively slashing education programs.

This is intolerable. We know that every dollar we invest in education is ultimately returned to us six-fold. We know that the education of our citizens is critical to our democracy.

There are four key goals that a Democratic program for educational excellence must address: strengthening local capacity to innovate and progress in public education and encourage parental involvement; renewing our efforts to ensure that all children, whatever their race, income, or sex have a fair and equal chance to learn; attracting the most talented young people into teaching and enabling them to remain and develop in their profession; and ensuring that all American families can send their children on to college or advanced training.

Primary and Secondary Education—While education is the responsibility of local government, local governments already strapped for funds by this Administration cannot be expected to bear alone the burden of undertaking the efforts we need for quality education—from teacher training, to the salaries needed to attract and retain able teachers, to new labs, to new programs to motivate talented and gifted students, to new ties between businesses and schools—without leadership at the federal level.

Democrats will provide that leadership. We call for the immediate restoration of the cuts in funding of education programs by the Reagan Administration, and for a major new commitment to education. We will create a partnership for excellence among federal, state and local governments. We will provide incentives to local school districts to concentrate on science, math, communications and computer literacy; to provide access to advanced technology. In all of these fields, but particularly in computers, there is a growing danger of a two-tier education system. The more affluent districts have adequate hardware and teachers prepared to use it. Many districts are left completely behind or saddled with a modern machine but no provision for faculty training. Every American child should have the basic education that makes computer literacy possible and useful. Major attention must be given to recruiting the finest young people into teaching careers, and to providing adequate staff development programs that enable educators to increase their effectiveness in meeting the needs of all students.

Vocational education should be overhauled to bring instructional materials, equipment, and staff up to date with the technology and practices of the workplace and target assistance to areas with large numbers of disadvantaged youth. We will insist that every child be afforded an equal opportunity to fulfill his or her potential. We will pay special attention to the needs of the handicapped.

Education is an important key to the upward mobility of all citizens and especially the disadvantaged, despite the fact that racial discrimination and other prejudices have set limits to such achievement.

The Reagan Administration has singled out for extinction the proven most successful education program—compensatory education for disadvantaged children. The Democratic Party will reverse this malicious onslaught and dramatically strengthen support in order to provide educational equity for all children.

Bilingual education enables children to achieve full competence in the English language and the academic success necessary to their full participation in the life of our nation. We reject the Reagan double-talk on bilingual education and commit ourselves to expanding and increasing its effectiveness.

We will emphasize the importance of preventing one-third of our student body nationwide from dropping out of school in the first place. And, we will supplement community-based programs encouraging students who have left school due to teenage parenthood, alcohol and drug abuse, or economic difficulties at home, to complete their educations.

Recognizing that young people who are never given an opportunity for a job will be less likely to hold one in adulthood, we will also emphasize training and employment opportunities for youth. In so doing, we need to establish a genuine working partnership with the private sector.

Private schools, particularly parochial schools, are also an important part of our diverse educational system. Consistent with our tradition, the Democratic Party accepts its commitment to constitutionally acceptable methods of supporting the education of all pupils in schools which do not racially discriminate, and excluding so-called segregation academies. The Party will continue to support federal education legislation which provides for the equitable participation in federal programs of all low and moderate income pupils.

For its part, when added to the traditional educational institutions of family, school and church, television has enormous promise as a teahcer. When children spend more time in front of the television set than they do in the classroom, we must ask how television can help children, and why commercial broadcasters do so little programming for children today despite their legal responsibility as "public trustees" of the airwaves granted to them. The National Science Board, for instance, has recommended that commercial television stations be required to air a certain amount of information/educational programming for children each week. Properly developed, television can be an enormously efficient and effective supplemental teaching tool.

Higher Education—We will make certain that higher education does not become a luxury affordable only by the children of the rich. That is Ronald Reagan's America. In our America, no qualified student should be deprived of the ability to go on to college because of financial circumstance.

The Democratic Party reaffirms the importance of historically Black colleges. Today the survival of many of these colleges is threatened. The programs that assist them, which have been severely weakened in recent years, must be greatly strengthened with funding targeted toward Black and Hispanic institutions.

An explosion in demand for certain types of engineers, scientists and other technical specialists is creating a shortage of faculty and PhD candidates. We must encourage colleges and universities to train more scientists and engineers. More than one hundred years ago the Morrill Land Grant Act provided for agricultural colleges and programs that today still help keep American agriculture the world leader. We need a similar program today to encourage the training of scientists and engineers. At the same time, we must not neglect the arts and humanities, which enrich our spirit. The private sector must also recognize its responsibility to join partnerships which strengthen our diverse public and private higher education system.

Finally, all our educational institutions must adapt to growing numbers of adults returning to school to upgrade their skills, acquire new skills, prepare themselves for entirely new occupations, and enrich their lives.

Investing in the Arts

America is truly growing and prosperous when its spirit flourishes. The arts and humanities are at the core of our national experience. Creativity and the life of the mind have defined us at our best throughout our history. As scholars or artists, the museumgoers or students, craftsmen and craftswomen or the millions who use our libraries, countless Americans have a stake in a nation that honors and rejoices in intelligence and imagination.

The Democratic Party will set a new national tone of respect for learning and artistic achievement. Not only will the federal agencies that support them be strengthened and freed from political intimidation, but the White House itself will once again be a place where American cultural and intellectual life—in all its rich diversity—is honored. Excellence must start at the top.

Finally, the Democratic Party is also committed to the survival of public television and radio stations, which allow all Americans, regardless of ability to pay, to appreciate high quality, alternative programming. We oppose the efforts of the Reagan Administration to enact draconian cuts which would totally undermine the viability of this nation's excellent public broadcasting system, a broadcasting system which has given the country Sesame Street, 3-2-1 Contact, and other superb children's as well as cultural and public affairs programming.

Jobs, Training, and Transitional Assistance

We must have a growing economy if we are to have jobs for all Americans who seek work. But even in a growing economy, the pressures of competition and the pace of change ensure that while jobs are being created, others are being destroyed. Prosperity will not be evenly distributed among regions and communities. We must make special efforts to help families in economic transition who are faced with loss of homes, health benefits, and pensions. And far too many of our young people, especially minorities, do not have the training and skills they need to get their first job. Democrats believe that it is a national responsibility to ensure that the burdens of change are fairly shared and that every young American can take the first step up the ladder of economic opportunity.

Of the 8.5 million Americans still out of work, 40 percent are under 25. Unemployment among teenagers stands at almost 20 percent. Less than three percent of the jobs created in the last three and a half years have gone to young people. Black and Hispanic youth have a double burden. Unemployment for black teenagers stands at 44 percent—a 20 percent increase in the last three years. Hispanic teens face a 26 percent unemployment rate.

As disturbing as these figures are, they do not tell the whole story. The unemployment rate measures only those teenagers who were actively looking for work, not those who have given up, completely discouraged by the lack of opportunity. Again the burden falls disproportionately on minority youth.

The Reagan Administration has dismantled virtually all of the successful programs to train and employ young people. Today, we are spending less to put young people to work than we were even under the last *Republican* Administration—70 percent less, when inflation is taken into account. Youth unemployment has skyrocketed, while government efforts to combat it have dwindled to a trickle.

Unless we address this problem now, half of an entire generation may never know what it means to work. America cannot successfully compete in the world economy if a significant portion of our future work force is illiterate, unskilled, and unemployable.

The Democratic Party must give our young people new skills and new hope; we must work hand in hand with the private sector if job training is to lead to jobs. Specifically, targeted efforts are needed to address the urgent problem of unemployment among minority teenagers. We must provide job training for those who have dropped out of school, and take every step to expand educational opportunity for those still in school. We must recognize the special needs of the over-age 50 worker and the displaced homemaker. Through education, training and retraining we must reduce these dangerously high levels of unemployment.

We must provide an opportunity for workers, including those dislocated by changing technologies, to adapt to new opportunities; we must provide workers with choices as to which skills they wish to acquire. We know that Americans want to work. We are committed to ensuring that meaningful job training is available—for our students, for housewives returning to the workplace, and for those displaced by changing patterns of technology or trade.

The federal government will develop a major comprehensive national job skills development policy that is targeted on the chronically unemployed and underemployed. We must train and place these Americans in high-demand labor shortage occupations, working with the private sector so that maximum employment and job creation can be achieved.

We will overhaul the currently antiquated unemployment compensation system, and adequately fund job search listings of local employment services.

We will also launch meaningful training programs that lead to job placement for women who receive public assistance, in order to break the cycle of dependence and to raise their standard of living. Instead of punitive reductions in AFDC and other benefits for women who seek training and employment while receiving such assistance, beneficiaries should be given a transition period during which they are permitted to earn income in a formal training program while receiving full benefits.

We will seriously examine new approaches to training and retraining programs that could be financed directly by government, by labor and management, or by tax free contributions.

If cancellations of specific weapons systems result in significant economic dislocations and job loss, it is a national responsibility to address the human consequences of national policy.

Investing in Infrastructure

Economic growth requires that America invest in our infrastructure as well as in our people. Investing in infrastructure means rebuilding our bridges and roads and sewers, and we are committed to doing that. But it also means investing in our cities, in decent housing and public transportation, and in regulatory systems for finance and telecommunication that will provide a sound basis for future economic growth.

Investing in Our Cities

The Democratic Party recognizes the values of prosperous local government, and within that context we recognize that a healthy city is essential to the well-being of the nation, state, county and surrounding local governments.

Our nation's economic life depends on the economic growth of our cities. Our cities are not only the treasuries from which the nation draws its wealth; they are the centers of industry, the centers of art and culture, the breeding ground for economic innovation, and home to the majority of the American people. Our cities are among this country's greatest achievements, and they can be our country's greatest engine of economic growth.

Cities can be active partners with the federal government and private enterprises for creating new growth. They can be a dynamic entrepreneurial force—by encouraging education and research, by incubating promising new industries, by steering resources toward those most in need, and by fostering new cooperative arrangements among public agencies and private business. Cities can be a leading force for rebuilding the nation's economy.

But to do this, cities need state and national leadership which values the role of city and county government. Cities need a President willing to work and consult with mayors and county executives. They need an Administration which puts the needs of urban America on the top of the national agenda—because no plan for economic strength will survive when our cities are left behind.

Today, the Reagan Administration has turned its back on the cities. By sapping our cities' strength, this Administration is sapping our country's strength. Only the intervention of the Congress has prevented further and more devastating cuts in city-oriented programs. The Democratic Party believes in making our cities' needs a federal priority once again. We want to see again cities where people have jobs and adequate housing, cities whose bridges and mass transit are being maintained, and whose neighborhoods are safe to live in. And that will take a commitment by our federal government to help our cities again.

Toward that end, the Democratic Party pledges:

A commitment to full employment. We believe the federal government must develop a major, comprehensive national job skills development policy targeted on the chronically unemployed and underemployed. We must launch special training programs for women who receive public assistance. We need to increase government procurement opportunities for small and minority firms and to encourage deposits of federal funds in minority-owned financial institutions. And to build for the future, the Democratic Party calls for a new national commitment to education, which must include raising standards, insisting on excellence, and giving all children a chance to learn, regardless of race, income or sex.

A commitment to rebuilding the infrastructure of America. We need to inventory facility needs, set priorities and establish policies for the repair, maintenance, and replacement of public works by all levels of government. We need to create a federal capital budget to separate operating and capital outlays. We will consult local governments in decisions affecting the design and performance standards of facilities constructed under federal programs. And we need to create a national reconstruction fund to provide affordable loans to states and localities for infrastructure projects. This will not only rebuild the infrastructure of our cities but provide badly needed employment for people who live there.

A commitment to housing. We must restore government's positive role in helping all Americans find adequate and affordable housing. We reaffirm our commitment to public housing for the most disadvantaged members of our society. We must strengthen our commitment to the operation and rehabilitation of current government-assisted housing. We must maintain and expand the flow of mortgage capital, and bring interest rates down with sensible economic policies. We must pull together the patchwork of housing programs and cut through the red tap to make it easier for cities to receive the assistance to meet their own unique needs. We must upgrade and replenish housing in minority communities and create more units for poor and low-income people. And we must enforce fair housing standards to prohibit discrimination in the housing market.

Our Party must be a vehicle for realizing the hopes, the aspirations, and the dreams of the people of this country. And that includes the people who live in cities.

Physical Infrastructure

This nation's physical infrastructure—our bridges and roads, our ports, our railroads, our sewers, our public transit and water supply systems—is deteriorating faster than we can repair it. The gap between the necessary improvements and available resources grows every year. State and local governments, strapped by Reaganomics, have been forced repeatedly to defer maintenance, and to abandon plans for construction.

As Democrats, we recognize that infrastructure is the basis for efficient commerce and industry. If our older industrial cities are to grow, if our expanding regions are to continue to expand, then we must work with state and local governments to target our investment to our most important infrastructure. There is work to be done in rebuilding and maintaining our infrastructure, and there are millions of American men and women in need of work. The federal government must take the lead in putting them back to work, and in doing so, providing the basis for private sector investment and economic growth. We need to inventory facility needs, set priorities, and establish policies for the repair, maintenance and replacement of the public works by all levels of government. We need a capital budget to separate paying for these long-term investments from regular expenditures. Furthermore, we need a national reconstruction fund to provide affordable loans to states and localities for infrastructure projects.

Finance Infrastructure

At the heart of our economy is the financial infrastructure: a set of diverse interdependent institutions and markets which are the envy of the world. We must preserve their strengths. Unitl very recently, the United States operated with a domestic financial system that was built in response to the stock market crash of 1929, the massive series of bank failures that accompanied the Great Depression, and the speculative excesses of the stock market. There was an emphasis on placing different types of financial activities in different institutions. Commercial banks were not to float stock market issues. Investment bankers could. Neither took equity positions in individual companies. Separate saving and credit institutions were established to support housing and consumer durables. Soundness of the system, liquidity, investor and depositor protection, neutrality of credit and capital decisions, and a wide variety of financial institutions to serve the varying needs of business and consumers have been the fundamental goals.

Bit by bit, the American financial system began to change. The domestic financial market became closely tied to the international market, which in turn had become larger, more competitive, and more volatile. Inflation, technology, the growth of foreign competition, and institutional innovation all combined to create strong pressures for change. The 1980's brought a deregulation of interest rates and a wave of deregulatory decisions by financial regulators.

These changes raise serious threats to our traditional financial goals. Before leaping into a highly uncertain financial future, the country should take a careful look at the direction deregulation is taking, and what it means to our financial system and the economy.

Telecommunications

Telecommunications is the infrastructure of the information age. The last decade has seen an explosion in new technologies, expanded competition, and growing dependence on high quality telecommunications.

Nationwide access to those networks is becoming crucial to full participation in a society and economy that are increasingly dependent upon the rapid exchange of information. Electronically-delivered messages, and not the written word, are becoming the dominant form of communication. A citizen without access to telecommunications is in danger of fading into isolation. Therefore, the proper regulation of telecommunications is critical. We must encourage competition while preventing regulatory decisions which substantially increase basic telephone rates and which threaten to throw large numbers of low-income, elderly, or rural people off the telecommunications networks. We must also insure that workers in the telecommunications industry do not find their retirement or other earned benefits jeopardized by the consequences of divestiture.

This electronic marketplace is so fundamental to our future as a democracy (as well as to our economy) that social and cultural principles must be as much a part of communications policy as a commitment to efficiency, innovation, and competition. Those principles are diversity, the availability of a wide choice of information services and sources; access, the ability of all Americans, not just a privileged few, to take advantage of this growing array of information services and sources; and opportunity, a commitment to education and diverse ownership, particularly by minorities and women, that will give every American the ability to take advantage of the computer and the telecommunications revolution. We support the Fairness Doctrine and Equal Time requirements, along with other laws and regulations on the electronic media which encourage or require responsiveness to community needs and a diversity of viewpoints.

Housing

Decent, affordable housing has been a goal of national public policy for almost half a century, since the United States Housing Act of 1937. The Democratic Party has repeatedly reaffirmed the belief that American citizens should be able to find adequate shelter at reasonable cost. And we have been unwavering in our support of the premise that government has a positive role to play in ensuring housing opportunities for less fortunate Americans, including the elderly and the handicapped, not served by the private market.

In the last four years this long-standing commitment to decent shelter has been crippled by the underfunding, insensitivity, high interest rates, and distorted priorities of the Reagan Administration.

The Democratic Party has always accorded housing the high priority it deserves. One essential quality will characterize this commitment in the future. It must and will be comprehensive.

By advocating a comprehensive policy which addresses the totality of our housing needs, we do not mean to suggest that all concerns have an equal claim on resources or require the same level of governmental intervention. The bulk of our resources will be concentrated on those most in need, and government must take a leadership role where others cannot or will not participate.

Within a comprehensive framework for policy development and constituency building, we will establish priorities according to principles of compassion and equity. We would like to see a special effort in two areas in the first years of a new Democratic Administration.

First, we must intensify our commitment to the adequate operation, management, and rehabilitation of the current inventory of government-assisted housing. This housing stock is not one, but the only option for the least fortunate among our lower income families and senior citizens. It is the right thing to do and it makes economic sense to preserve our own economic investment.

Second, we must maintain and expand the flow of mortgage capital. The American dream of home ownership will fall beyond the reach of this generation and future ones if government fails to help attract new sources of capital for housing.

We will draw on our historic commitment to housing, and the best insights and energies of today's Democratic Party, to address the future housing needs of all the American people. The Democratic Party will develop short-range emergency responses to the problem of homelessness as well as long-range solutions to its causes. The Democratic Party will support upgrading and replenishment of the housing stock in minority communities, with more affordable units available so that poor and low income people can buy units with low interest loans. Also, fair housing standards need to be vigorously enforced by the federal, state and local governments in order to deal with persistent discrimination in the housing market for buyers and renters. Finally, the expansion of public housing and other publicly-assisted housing programs is a necessity due to the growth in the homeless population and in the high cost of commercially available units.

Transportation

Democrats vigorously support the concept of promoting competition in transportation and the elimination of unnecessary and inefficient regulation of the railroad industry. Democrats also insist on insuring a fair rate for captive shippers. It was the Democratic Party which was primarily responsible for the passage of the Staggers Rail Act of 1980, which was designed to accomplish these objectives.

The Democratic Party is committed to a policy of administering the transportation laws in a manner which will encourage competition and provide protection for captive shippers.

A comprehensive maritime policy that is tailored to the realities of today's international shipping world and to the economic, political, and military needs of the United States is a necessity. Such a policy should address all facets of our maritime industry—from shipping to shipbuilding and related activities—in an integrated manner.

Postal Service

The private express statutes guarantee the protection and security of the mail for all Americans. They are essential to the maintenance of the national postal system along with retaining rural post offices to assure the delivery of mail to all Americans.

A Framework for Growth

The American economy is a complex mix, incorporating any number of different actors and entities—private businesses, professional societies, charitable institutions, labor unions, regional development councils, and local school boards. The economy is driven by millions of individual decisions on

spending and saving, on investing and wages. Government is only one force among many woven into the fabric of American economic life. Just as the wrong overall economic policy can disrupt the best private decisions, the best government economic policies will not put us on a path to long-term growth unless business, labor, and other private institutions meet their responsibilities and rise to the competitive challenge of a new era.

Private Sector Responsibilities

In many cases, the private sector is already playing a major role in laying the basis for future growth and meeting broad community responsibilities. In other cases, however, short-term considerations have been allowed to predominate at the expense of the long-term needs of the national economy.

A recent wave of mergers has been particularly troubling. Any number of large corporations have focused their energies arranging the next merger or defending against the latest takeover bid.

Many of our major competitors have targeted their efforts on investments in new methods of producing cheaper, high-quality products. To respond to the growing pressure of foreign competition, America's private sector must meet several challenges:

Investing strategically—the more U.S. companies focus on long-term strategies to improve their competitive positions, the better off the entire economy will be.

Managing cost and quality—U.S. companies will have to place similar emphasis on controlling costs and quality to effectively meet the best of the foreign competition.

Competing internationally—U.S. business like other institutions in the country need to pay greater attention to the international market place.

Partnership, Cooperation and Participation

Partnership, cooperation and participation are central to economic growth. We need new cooperative institutions, and a steady redefinition of how labor and management, universities, the private sector, and state and local governments can work together.

National cooperation—In developing a long-term growth strategy, there are several particularly important functions that today are poorly performed or poorly coordinated by the government: coordination and policy coherence; developing and disseminating useful economic information; anticipating economic problems; and developing long-term consensus between public and private sectors. To better accomplish these tasks, it is time that a national Economic Cooperation Council was created. Its charter would be simple and basic: (1) to collect, analyze, and disseminate economic data; (2) to create a forum where the gap between business, labor, and government is bridged, where all three develop the trust, understanding, and cooperation necessary to improve productivity; and, (3) to identify national priorities, make recommendations on how best to reach those goals, and help build consensus for action.

State involvement—Under the guise of increasing the power of state government, the Reagan Administration has actually given the states only the power to decide what programs to cut or eliminate, because of the substantially decreased funding it has made available to the states. Should it be baby clinics, child immunization against disease, day care, maternal health, or youth services? The Democratic Party believes a strong partnership of federal, state and local governments in basic to effective and efficient decision-making, problem-solving, and provision of adequate services. We must also encourage cooperation between states and the private sector. State development agencies are already seeking closer ties to both business and universities. And universities are increasingly looking to the private sector in setting their research agendas.

Local and community involvement—Citizen involvement in governance should be as great as possible. The responsibility for general governance, the delivery of programs and services, and the resolution of problems should be with the level of government that is closest to the citizenry and that can still discharge those responsibilities effectively and efficiently. These levels of government must assure basic civil liberties and justice for all citizens. They must not be abrogated by any local jurisdiction. The federal government should focus on the importance of local initiatives. For example, vocational education is an area where local schools and local business will increasingly be brought together. Financial stability and adequate authority are essential prerequisites to developing successful public-private partnerships and maximizing citizen involvement in governance.

Government financial and technical assistance programs should give preference to viable worker and/or community-owned run businesses, especially as a response to plant shutdowns.

Broadening Labor-Management Cooperation

We support greater employee participation in the workplace. Employees should have an opportunity to make a greater contribution to workplace productivity and quality through actual ownership of the company, employee representation on corporate boards, quality work circles, and greater worker participation in management decisions. The government should encourage employee participation and ownership, particularly as an alternative to plant shutdowns. It is destructive of labor-management relations when concessions extracted from labor to preserve jobs are converted, after the restoration of profitability, into management bonuses, rather than restoring the concessions that the workers made. Such practices offend our sense of fairness, as does the Reagan Administration-inspired union-busting. Essential to fairness in the workplace is the basic right of workers to organize collectively.

Consumer Protection

The Democratic Party strongly reaffirms its commitment to federal programs which are designed to enhance and protect the health and safety of all Americans. Under the Reagan Administration, the critical missions of agencies such as the Consumer Product Safety Commission (CPSC), the National Highway Traffic Safety Administration (NHTSA), the Food and Drug Administration (FDA), the Occupational Safety and Health Administration (OSHA), the Mine Safety and Health Administration (MSHA), and the Federal Trade Commission (FTC) have been ignored and subverted.

The Reagan Administration proposed abolishing the CPSC, which has recalled over 300 million dangerous and defective products in its 10 year history. When it failed to accomplish this, the Administration attempted to submerge CPSC in the Department of Commerce. Also failing in this attempt, the Reagan Administration inflicted massive budget and personnel cuts on the Commission. The impact has been far reaching: recalls declined 66%, inspections were cut in half and over half of CPSC's regional offices have been closed. The result has been a paralysis of mission and an America more susceptible to dangerous products.

The record at the NHTSA, the agency mandated to reduce the appalling annual highway deaths of more than 50,000 Americans, is just as shameful. The President has appointed administrators with no safety background and even less commitment to the public health mission of the agency. Critical lifesaving safety standards, such as one requiring automatic crash protection in cars, have been revoked. The enforcement of defect and recall programs, designed to remove dangerous vehicles from our roads, has been cut back. Recalls are at an all-time low and only one safety standard has been proposed in four years.

At OSHA and MSHA, we have witnessed a retreat from agency mandates to provide safe and healthful working conditions for this nation's working men and women. Existing standards have been weakened or revoked and not one single new standard has been implemented. Similarly, at the FDA there has been an important shift away from removing dangerous and ineffective drugs in favor of weakening standards for products. The FTC has run roughshod over the nation's antitrust laws, allowing 9 of the 10 largest mergers in history to occur.

The dangerous trends in all these areas must be immediately reversed to allow these vital health and safety agencies to pursue their missions aggressively, to protect and enhance the health and safety of all Americans.

Individual Empowerment

The Democratic Party's commitment to full equality is as much a part of providing individual opportunity as it is part of a program of social justice. At the heart of our values as a nation is our belief in independence. Anyone who has brought home a paycheck, bought a car, or paid off a mortgage knows the pride that economic self-sufficiency brings. And anyone who has lost a job, watched one's children go hungry, or been denied a chance at success knows the terrible indignity that comes with dependence.

As Democrats, we share that belief in independence. Our goal is to allow the greatest number of people the greatest opportunity for self-sufficiency.

As a Party, we are committed to preparing people to stand on their own; that is why we insist on adequate nutrition for our children and good education for our young people. We are committed to permitting independence; that's why we believe discrimination on any basis must come to an end. We believe that independence should be prolonged for as long as possible; to ensure it continues even after retirement, we support Social Security and Medicare. And we believe we must preserve the self-respect of those who are unable to be completely self-sufficient—the very young, the unskilled, the disabled, the very old—and to help them toward as much independence as possible. As much as it is a strategy for long run economic growth, individual empowerment must itself be an operating philosophy. In the welfare system, in education, and in the laws affecting everyone from shareholders to the average voter, the Democratic Party

will ask if the individual is being made stronger and more independent.

America in a World Economy

The reality of international competition in the 1980's requires government policies which will assure the competitiveness of American industry and American workers. Democrats will support and encourage innovation and research and development in both the private and public sector. We will seek to strengthen America's small businesses. And we will pursue trade policies and industrial strategies to ensure that our workers and our businesses can compete fully and fairly in the international arena.

Innovation

Innovation—in process and product technology—is at the heart of our ability to compete in a world economy and produce sustained economic growth at home. And research and development, critical as it is for our growing high technology industries, is no less important for our basic industries. In the past generation, our world leadership in innovation has been increasingly jeopardized. We have not invested enough—or wisely enough—to match our major competitors.

Research and Development—Since the mid-1960s, all the other major industrial nations have increased their expenditures for research and development more rapidly than we have. Over the past decade, manufacturing productivity rose more than four times faster in Japan, more than three times faster in France, and more than twice as fast in both West Germany and the United Kingdom than in the United States. And the number of patents granted to Americans each year has plunged by 40 percent.

The United States should revise its downward trend and increase the percentage of GNP devoted to commercially-related R&D as a long-term spending goal. We must be at the cutting edge, and we will not get there without cooperation between the government and the private sector. As Democrats, our goal is to increase civilian research and development in this country, to expand its commercial application, and to provide more industries with the opportunity to take advantage of it.

At the national level, this means enhanced support for undergraduate and graduate training in science, mathematics, and engineering; increased support to refurbish and modernize university research laboratories; increased support for the National Science Foundation and similar efforts; and a commitment to civilian research and development.

Centers of Excellence.—In the past generation, scientists and engineers, together with educators and business leaders throughout the United States, have begun countless new, high technology businesses such as those in Boston, Massachusetts, California's Silicon Valley, North Carolina's Research Triangle, greater Denver, Colorado, and Austin, Texas to establish this country as a leader in the next generation of high technology industries—biotechnology, polymer sciences, robotics, photovaltaics, marine sciences, microelectronics. The Democratic Party will encourage and support centers that provide for cooperation of academic and entrepreneurial excellence, thereby strengthening our scientific and technological resources and creating tomorrow's jobs.

Small and Minority Business

The Democratic Party recognizes that small businesses create many, if not most of the new jobs in our country, and are responsible for much of the innovation. They are thus our greatest hope for the future. Our capacity as a nation to create an environment that encourages and nurtures innovative new businesses will determine our success in providing jobs for our people. In the private sector, spurring innovation means paying special attention to the needs of small, including minority and women-owned, and rapidly, growing businesses on the cutting edge of our economy.

This will require incentives for research and development and for employee education and training, including relaxing certain restrictions on pension fund investment; targeted reform that stimulates the flow of capital into new and smaller businesses; a tax code that is no longer biased against small and rapidly growing firms; vigorous enforcement of our antitrust laws, coupled with antitrust policies that permit clearly legitimate joint research and development ventures; expanded small business access to the Export-Import Bank and other agencies involved in export promotion; and targeted reform that provides for the delivery of community-based, community-supported management assistance, and innovative means of making seed capital available for companies in our large cities, as well as our rural communities.

Rules and regulations should not weigh more heavily on new firms or small businesses than they do on the large, well-established enterprise. Risk taking is a key to economic growth in a modern industrial society. If anything, rules and regulations should encourage it.

The Small Business Administration must once again be responsive to the needs of entrepreneurs, including minorities and women. In addition, the heads of the Small Business Administration, the Minority Business Development Administration and other government agencies must ensure that the needs of smaller minority businesses are met at the regional and local levels. To further meet the needs of smaller minority businesses, we favor increasing government procurement, opportunities for smaller minority firms, encouraging deposits of federal funds in miniority-owned financial institutions, and vigorously implementing all set-aside provisions for minority businesses.

The Democratic Party pledges to bring about these reforms and create a new era of opportunity for the entrepreneurs who have always led the way in our economy.

Meeting the Challenge of Economic Competition

Thirty years ago, half of all goods produced in the world were made in the United States. While we have greatly expanded our output of services, our share of manufactured products is now just one-fifth of the world's total. Once dominant U.S.-industries are now hard-pressed. In April, our trade deficit reached a stunning $12.2 billion for one month. At that rate, we would lose two million or more jobs this year alone. We will not allow our workers and our industries to be displaced by either unfair import competition, or irrational fiscal and monetary policies.

Some of these difficulties we have brought on ourselves, with shortsighted strategies, inadequate investment in plant, equipment, and innovation, and fiscal and monetary policies that have impaired our international competitiveness by distorting the value of the dollar against foreign currencies. But other difficulties have been thrust upon us by foreign nations.

The reality of the 1980's is that the international economy is the arena in which we must compete. The world economy is an integrated economy; the challenge for our political leadership is to assure that the new arena is in fact a fair playing field for American business and consumers. We are committed to pursuing industrial strategies that effectively and imaginatively blend the genius of the free market with vital government partnership and leadership. As Democrats, we will be guided by the following principles and policies.

We need a vigorous, open and fair trade policy that builds America's competitive strength and that allows our nation to remain an advanced, diversified economy while promoting full employment and raising living standards in the United States and other countries of the world; opens overseas markets for American products; strengthens the international economic system; assists adjustment to foreign competition; and recognizes the legitimate interests of American workers, farmers and businesses.

We will pursue international negotiations to open markets and eliminate trade restrictions, recognizing that the growth and stability of the Third World depends on its ability to sell its products in international markets. High technology, agriculture and other industries should be brought under the General Agreement on Trade and Tariffs. Moreover, the developing world is a major market for U.S. exports, particularly capital goods. As a result, the U.S. has a major stake in international economic institutions that support growth in the developing world.

We recognize that the growth and development of the Third World is vital both in global stability and to the continuing expansion of world trade. The U.S. presently sells more to the Third World than to the European Community and Japan combined. If we do not buy their goods, they cannot buy ours, nor can they service their debt. Consequently, it is important to be responsive to the issues of the North/South dialogue such as volatile commodity prices, inequities in the functioning of the international financial and monetary markets, and removal of barriers to the export of Third World goods.

If trade has become big business for the country, exports have become critical to the economic health of a growing list of American industries. In the future, national economic policy will have to be set with an eye to its impact on U.S. exports. The strength of the dollar, the nature of the U.S. tax system, and the adequacy of export finance all play a role in making U.S. exports internationally competitive.

The United States continues to struggle with trade barriers that affect its areas of international strength. Subsidized export financing on the part of Europe and Japan has also created problems for the United States, as has the use of industrial policies in Europe and Japan. In some cases, foreign governments targets areas of America's competitive strength. In other cases, industrial targeting has been used to maintain industries that cannot meet international competition—often diverting exports to the American market and increasing the burden of adjustment for America's import-competing industries. We will ensure that timely and effective financing can be obtained by American businesses through the Export-Import Bank, so that they can compete effectively against subsidized competitors from abroad.

A healthy U.S. auto industry is essential to a strong trade balance and economy. That industry generates a large number of American jobs and both develops and consumes new technology needed for economic vitality. We believe it is a sound principle of international trade for foreign automakers which enjoy substantial sales in the United States to invest here and create jobs where their markets are. This can promote improved trade relations and a stronger American and world economy. We also believe U.S. auto makers need to maintain high volume small car production in the U.S. With the U.S. auto companies' return to profitability (despite continued unemployment in the auto sector), we urge expanded domestic investment to supply consumers with a full range of competitive vehicles. We support efforts by management and labor to improve auto quality and productivity, and to restrain prices.

Where foreign competition is fair, American industry should compete without government assistance. Where competition is unfair, we must respond powerfully. We will use trade law and international negotiations to aid U.S. workers, farmers, and businesses injured by unfair trade practices.

We need industrial strategies to create a cooperative partnership of labor, capital, and managment to increase productivity and to make America competitive once more. Our keystone industries must be modernized and rebuilt, through industry-wide agreements. Where necessary, through Presidential leadership, we must negotiate industrial modernization and growth agreements that commit management to new domestic investment, higher levels of employment and worker training, as well as commit labor to ease the introduction of new technologies.

There must be a broad consensus and commitment among labor, business and financial institutions that industry should and can be assisted, and in a particular way. We believe that all parties to modernization agreements must contribute to their success and that the government must be prepared to use a range of tools—including tax, import, and regulatory relief, and appropriate financing mechanisms—to assist this revitalization. There should be a primary emphasis on private capital in any such agreements.

The problems of individual industries, rather than industry as a whole, is another area in which an Economic Cooperation Council will be effective. In the case of a particular industry, the Council would select sub-councils to solve specific problems. Key members of the interested businesses and unions, financial institutions, academic specialists and other concerned and knowledgeable parties would meet to hammer out proposed strategies and agreements. It is not a question of picking winners and losers. Nor is it always a question of some industries being more important than others. Rather, it is an opportunity for government and the private sector to forge a consensus to capture new markets, to restore an industry to competitive health, or to smooth the transition of workers and firms to new opportunities.

We want industries to modernize so as to restore competitiveness where it is flagging. If temporary trade relief is granted, the *quid pro quo* for relief will be a realistic, hardheaded modernization plan which will restore competitiveness involving commitments by all affected parties. The public is entitled to receive a fair return on its investment. Where government initiatives are necessary to save an industry like steel, auto or textiles, we must see that those initiatives meet the needs of the whole community—workers as well as executives, taxpayers and consumers as well as stockholders.

To facilitate the efforts of workers and communities to keep plants open and operating and, in cases which closings are unavoidable, to help workers and communities to adapt, we support a requirement that companies give advance notification of plant closings or large-scale layoffs to their employees, surrounding communities and local governments. Where plants are nonetheless closed, we will help workers and communities to adapt.

Finally, we need a vigorous effort to redress the currency distortions that are undermining our international competitiveness. In addition to reducing our budget deficit, we will press for improved economic coordination with the major industrialized nations; work with Japan and other countries to further liberalize currency and investment regulations; and negotiate toward agreements that will blunt speculative currency swings and restore stability and predictability to the international monetary system.

Agriculture

Agriculture—America's largest, most fundamental industry—has been plunged into its worst depression since Herbert Hoover presided over the farm economy's collapse half a century ago. During President Reagan's stewardship of our nation's agriculture economy: real prices paid to farmers for their commodities have plummeted by twenty-one percent; real interest rates paid by farmers have increased by as much as 1,200 percent; real farm income has fallen to its lowest level since 1933; debt owed by U.S. farmers and ranchers has swelled to $215 billion; and farm foreclosures and forced sales have tripled.

Ronald Reagan has hung a "for sale" sign on America's independent, family-based system of agricultural production. While these farmers have raised their production efficiency to record highs, Reagan's policies have forced down their prices, income, and financial worth.

The Reagan Administration has been unwilling to take sensible, fiscally responsible action needed to halt this accelerating downward cycle in agriculture. Because of this failure of leadership, nearly 200,000 good farmers and ranchers, including minority farmers, have gone out of business since he took office in 1981. This is a rate of more than 1,000 families pushed off their land every week, the equivalent of all the farms and ranches in California and Iowa, our two largest agricultural states. Hundreds of thousands of the remaining enterprises teeter on the brink of bankruptcy and cannot survive another four years of this Administration's agricultural mismanagement.

This collapse is happening despite the fact that Ronald Reagan has squandered taxpayers' money on his farm policies, spending $31 billion on his programs last year alone. That is *six times more* than any other President in history has spent on farm programs, and it is *$9 billion more* than was spent on farm programs *in all eight years* of President Kennedy's and President Johnson's Administrations combined.

Like 1932 and 1960, this election year represents a watershed for American agriculture. At stake is the survival of the family farm. Under President Reagan's policies of high costs and low prices, these family farmers cannot survive. They will continue to go out of business at a historic pace, to be replaced by an industrialized structure of agriculture that is dominated by conglomerates, giant farm combinations, and tax loss ventures. Already, under Reagan, 65 percent of net farm income has been concentrated in the hands of the largest 1 percent of farms, up from 42 percent just three years ago.

The Democratic Party renews its commitment to the family farm structure of American agriculture. We believe that the public need for a reliable supply of high-quality, reasonably priced food and fiber is best met by family farm enterprises whose primary business is farming or ranching. It is from hundreds of thousands of those competitive, diverse, decentralized, entrepreneurial families that the public gains superior agricultural efficiency and productivity. Accordingly, it is in these farming families that the public finds its most sensible investment. In addition, these farmers are the ones who show greatest concern for good conservation practices, quality of food, and rural values. We need more of these farmers, not fewer.

The Democratic Party pledges action. We must solve the immediate farm crisis through a combination of humanitarian aid programs abroad, aggressive promotion of farm exports, and a fair moratorium on farm debt and foreclosure by federal credit agencies to family farm borrowers being forced out of business through no fault of their own, until a long-term program addressing the farm credit crisis can be put into place. Beginning next January with the writing of a new long-term farm bill, the Democratic Party pledges to rebuild a prosperous system of family farms and ranches. We will forge a new agreement on a farm and food policy that assures a fair deal for family farmers, consumers, taxpayers, conservationists, and others with a direct stake in the organizational structure of the food economy.

Our goal is to restore the faith of family farmers that their hard work, ingenuity, efficiency, and good stewardship will be rewarded with profit, rather than debt. We seek a program that is focused specifically on the true family farm, that encourages long-term financial planning, that is tied to locally-approved soil conservation programs, and that reduces federal budget costs for farm programs.

We will target federal assistance toward true family-sized and beginning farmers' operations. We will stop good, efficient farmers from being thrown off their farms, while structuring incentives so as to achieve maximum participation in farm commodity programs. We will bring farm credit interest rates down and set supports at levels that at least enable farmers to recover actual production costs. We will use the full range of programs to reduce excess production when necessary to assure fair prices to farmers. As the overall economy improves, we will gradually adjust price supports toward a firm goal of parity of income. We will give new emphasis to producer-controlled marketing arrangements. We will revitalize the farmer-owned commodity reserve system. We will put in place tax policies that are fair to farmers, while removing unproductive incentives for investors seeking to avoid taxes. We must protect family farmers from land speculators and we must protect both farmers and consumers from income losses resulting from exorbitant pricing of middlemen. We will renew our country's historic

commitment to agricultural science and education, to rural services such as cooperative electrification and telephones. We oppose Reagan Administration proposals that would more than double interest rates to rural cooperatives, and sharply reduce rural electric loan levels.

The Democratic Party reaffirms its commitment to soil and water conservation. We will actively promote the production of ethanol and other biomass sources of renewable energy and encourage conversion to energy self-sufficient farming operations.

Finally, we must reverse the annual decrease in the value and volume of U.S. farm exports which has occurred in each year of Ronald Reagan's term. Our farm exports are vital to the nation's prosperity and provide a major part of total farm income. We must restore the ability of U.S. farm products to compete in world markets, and increase world-wide demand for American agricultural products. To do this, we must make major changes in Ronald Reagan's economic policies, and correct his grossly distorted currency exchange rates, which have caused American competitiveness in international trade to decline. We must also resist efforts to lower commodity price supports; such action would only lower farm income without addressing the economic policies which are the root cause of declining competitiveness of U.S. farm products in world markets.

Critical to the recovery of farm income and exports will be the pursuit of economic policies that contribute to worldwide economic recovery. Flexible export credit programs and assurances of long-term availability of U.S. farm products will also be necessary to restore America's preeminence as an agricultural exporter and end the destruction of the family farm brought on by Ronald Reagan.

Managing Our Natural Resources

Our economy, the quality of our lives, and the kind of opportunities that we leave to our children all depend on how well we manage our wealth of natural resources. We must harvest enough timber and food, produce enough minerals, coal, oil and gas, and provide enough electric power to keep our economy growing. We must be prepared to avoid severe dislocations when conflicts in other parts of the world force energy prices to climb. At the same time that we encourage enhanced energy production, we must recognize that conserving irreplaceable resources, using energy efficiently instead of wasting it, and protecting our environment help guarantee a better life for twenty-first century America.

Protecting Our National Security

President Reagan has reduced our ability to defend our economy from the disruptions that would come if conflicts in other countries interrupt the world's oil supply. While the percentage of our oil imports from the Middle East has dropped, U.S. oil imports from other countries have increased. If war in the Middle East cuts back oil supplies from that region, Europe and Japan will pay higher prices to get replacement oil; a bidding war among oil-importing nations means that the price of oil all over the world, including the United States, will rise dangerously.

Ronald Reagan has refused to prepare us for that day. He has refused to fill the Strategic Petroleum Reserve as quickly as authorized by law, and in case of emergency, he has made clear that his policy will be simply to allow those who can pay the most to buy whatever supplies are available.

Our Party must spell out a comprehensive program for energy security. We should accelerate the filling of the Strategic Petroleum Reserve, so that it can play its intended role as a temporary national oil supply during future energy emergencies. And in an oil crisis, a Democratic President will make ever effort to ensure that essential users—schools, farmers, hospitals, local bus and rail systems—have the supplies they need at reasonable prices. The Democratic Party will ensure that the especially vulnerable—the unemployed, the elderly, the poor—will not be unfairly forced to share the burden of rising oil prices.

Developing U.S. Energy Supplies

In today's complex world, no industrial nation can be fully self-sufficient. The United States and all countries in the free world depend on each other for resources, as markets, or as economic and political allies. But the strength of our own economy and the influence we exercise in the rest of the world are sure to be increased if we are capable of supplying more, not less, of our own energy.

America is blessed with abundant coal and natural gas, substantial supplies of oil, and plentiful reserves of uranium. Although very costly to process, vast supplies of oil shales and tar sands represent future energy sources. Significant contributions to our energy supply can be made by utilizing renewable resources and indigenous energy, such as active and passive solar systems, windpower, geothermal and ocean thermal power, and the recovery of gas from agricultural wastes, coal mines, and garbage dumps. These proven energy sources, a well as more experimental energy systems, should be encouraged for the positive environmental and economic contribution they can make to our energy security.

The Democratic Party supports the aggressive promotion of coal exports, research and development into better technologies for using coal, and assurances that rates for transporting coal are fair and reasonable. To ensure that the environment and worker safety are fully protected as coal production increases to meet our national energy needs, we will virgorously implement and strictly enforce laws governing worker safety, land reclamation, air and water quality, and the protection of agriculture, fish, and wildlife.

The Democratic Party will support research and development for solar energy and other renewable energy systems, and will provide incentives for use of solar and other emerging energy systems. We will vigorously pursue our solar energy efforts and dramatically increase funding for the Solar Energy and Energy Conservation Bank and low-income weatherization, which could put hundreds of thousands of unemployed people to work weatherizing and installing solar energy systems in millions of American homes, especially the homes of low-income Americans. We oppose the Reagan Administration's efforts to fund these programs through petroleum price overcharge refunds from the oil companies.

We will support the federal research and development efforts slashed by the Reagan Administration, to promote the discovery of new energy supplies and energy use technologies.

The Democratic Party strongly opposes the Reagan Administration's policy of aggressively promoting and further subsidizing nuclear power. Today, millions of Americans are concerned about the safety of nuclear power plants and their radioactive waste. We recognize the safety and economic factors which bring into question the viability of this energy source.

We will insist on the highest possible standards of safety and protection of public health with respect to nuclear power, including siting, design, operation, evacuation plans, and waste disposal procedures. We will require nuclear power to compete fairly in the marketplace. We will reexamine and review all federal subsidies to the nuclear industry, including the Price-Anderson Act's limits on the liability of the industry which will be considered for re-authorization in the next Congress. A Democratic Administration will give the Nuclear Regulatory Commission the integrity, competence, and credibility it needs to carry out its mandate to protect the public health and safety. We will expand the role of the public in NRC procedures.

The Democratic Party believes high-level radioactive waste and other hazardous materials should be transported only when absolutely necessary. We will guarantee states full participatory rights in all decisions affecting the movement of high-level radioactive waste within their borders. We will require radioactive waste and hazardous materials emergency response plans along transportation routes, similar to those required for nuclear power plants. The Democratic Party will act swiftly to ensure states' authority to regulate routes and schedules for radioactive and other hazardous shipments.

We will ensure that no offshore oil and gas exploration will be taken up that is inconsistent with the protection of our fisheries and coastal resources. The leasing of public lands, both onshore and offshore, will be based on present demand and land use planning processes, and will be undertaken in ways that assure fair economic return to the public, protection of the environment and full participation by state and local governments. The Coastal Zone Management Act should be amended to require initial leasing decisions to be consistent with federally approved state and territorial coastal zone management plans. Interior states should be given consultation and concurrence rights with respect to onshore leases comparable to the rights afforded coastal states with respect to offshore leases.

We believe that synthetic fuels research and development support should emphasize environmental protection technologies and standards and hold out reasonable hope of long-term economic viability. The Democratic Party proposes to reevaluate the Synthetic Fuels Corporation.

Energy Conservation

The high cost of producing and using energy now constitutes a substantial share of U.S. capital spending. Energy conservation has become essential to our economy as well as our national security.

Strict standards of energy efficiency for home appliances, for example, could save enough money in the next 15 years to avoid the need for 40 new power plants. Better insulated houses and apartments can sharply reduce power and heating bills for families throughout America, and help utilities avoid the high cost of building more expensive powerplants.

Ronald Reagan sees no role for government in conserving energy, and he has gutted promising conservation efforts. The Democratic Party supports extension of the existing tax credits for business and residential energy conservation and renewable energy use, and expansion of those tax cred-

its to include the incorporation of passive solar designs in new housing. The Democratic Party also supports faithful implementation of existing programs for energy efficiency standards for new appliances; upgrading of fuel efficiency standards for new automobiles; establishment of comparable fuel efficiency standards for new light trucks and vans; and development of an energy efficiency rating system to be used to advise homebuyers at the time of sale of the likely future energy costs of houses.

Lifeline Utility Rates

Recognizing that the elderly and the poor suffer most from high energy costs, the Democratic Party supports special, lower electricity and natural gas rates for senior citizens and low-income Americans.

Recycling

The Democratic Party recognizes that recovering and recycling used materials can conserve energy and natural resources, create additional jobs, reduce the costs of material goods, eliminate solid waste and litter, and avoid pollution. We will increase efforts to recover and recycle useful materials from municipal waste.

Protecting Our Environment

Americans know that indutrial production and economic development do not have to mean ruined land or polluted air and water. Sound resource management, careful planning, and strict pollution control enforcement will allow us to have a prosperous economy and a healthy environment. For the last four years the Reagan Administration has assumed a radical position, working to eliminate the environmental protections forged through years of bipartisan cooperation.

Ronald Reagan's first appointees to key environmental positions have already been forced to resign. But the American people are entitled to more than the absence of scandal—they demand real action to protect the health and safety of our families and communities. The Democratic Party supports revitalizing the Environmental Protection Agency by providing it with a budget increase adequate to allow it to carry out its substantially increased responsibility to protect the people and enforce the law.

Hazardous Wastes

Thousands of dump sites across America contain highly dangerous poisons that can threaten the health and safety of families who live nearby or who depend on water supplies that could be contaminated by the poisons. Although Congress has established the Superfund for emergency cleanup of these dangerous sites, President Reagan refuses to use it vigorously. The Democratic Party is committed to enforcing existing laws, to dramatically increasing Superfund resources to clean up all sites that threaten public health, and to assuring that everyone whose health or property is damaged has a fair opportunity to force the polluters to pay for the damage. This increased support should be financed at least in part through new taxes on the generation of hazardous wastes, so companies have an economic incentive to reduce the volume and toxicity of their dangerous wastes.

The Resource Conservation and Recovery Act should be expanded to include major new requirements for safer management of newly generated toxic waste. High priority must be given to establishing and implementing a program to phase out the land disposal of untreated hazardous waste, requiring instead that it be treated by chemical, biological, or thermal processes that render it harmless and safe for disposal. The Environmental Protection Agency also should adopt standards to ensure that the safest possible methods of managing particular wastes are used, and that available methods are used to reduce the volume and toxicity of waste produced by industry.

Clean Air and Water

The Democratic Party supports a reauthorized and strengthened Clean Air Act. Statutory requirements for the control of toxic air pollutants should be strengthened, with the environmental agency required to identify and regulate within three years priority air pollutants known or anticipated to cause cancer and other serious diseases. The Democratic Party calls for an immediate program to reduce sulfur dioxide emissions by 50% from 1980 levels within the next decade; this program shall include interim reductions within five years of its enactment. In addition, significant progress will be made to further reductions of nitrogen oxide emissions. Our effort should be designed to reduce environmental and economic damage from acid rain while assuring such efforts do not cause regional economic dislocations. Every effort should be made to mitigate any job losses associated with any national acid rain program.

The Democratic Party is committed to strengthening the Clean Water Act to curb both direct and indirect discharge of toxic pollutants into our nation's waters, and supports a strengthened Environmental Protection Agency to assure help to American cities in providing adequate supplies of drinking water free of toxic chemicals and other contaminants.

Workplace Safety

The Democratic Party believes all Americans, in their workplaces and communities, have the right to know what hazardous materials and chemicals they may have been exposed to and how they may protect their health from such exposure. The Democratic Party supports appropriate funding levels for the Occupational Safety and Health Administration, reversing the Reagan budget cuts in that agency; vigorous enforcement of occupational safety and health standards; and worker right-to-know requirements.

Pesticides and Herbicides

The Democratic Party is committed to establishing standards and deadlines requiring all pesticides and herbicides to be thoroughly tested to ensure they do not cause cancer, birth defects, or other adverse health effects. We support rigorous research and information programs to develop and assist farmers with the use of integrated pest management and non-chemical pest control methods to reduce the health risk of controlling agricultural pests, and the establishment of strict deadlines to ensure that pesticides are fully tested and in compliance with health and safety standards. The Democratic Party is committed to ensuring that our nation's food supply is free of pesticides whose danger to health has been demonstrated, and believes it is irresponsible to allow the export to other nations of herbicides and pesticides banned for use in the U.S. and will act swiftly to halt such exports.

EPA Budget

The Democratic Party opposes the Reagan Administration's budget cuts, which have severely hampered the effectiveness of our environmental programs. The Environmental Protection Agency should receive a budget that exceeds in real dollars the agency's purchasing power when President Reagan took office, since the agency's workload has almost doubled in recent years.

International Leadership

The Democratic Party strongly opposes the Reagan Administration's abandonment of the United States' historic leadership role in international efforts to control pollution, contrary to our interests and those of our allies. We will restore immediately our nation's leadership on international environmental issues, making the United States once again the best example of an industrial nation committed to protecting its land, water and air resources, as well as those of its neighbors.

Federal Compliance

The Democratic Party will require all federal activities, including those associated with the Departments of Defense and Energy, to comply fully with federal health, safety and environmental laws.

Managing Our Public Lands

The Democratic Party believes in retaining ownership and control of our public lands, and in managing those lands according to the principles of multiple use and sustained yield, with appropriate environmental standards and mitigation requirements to protect the public interest. The Democratic Party supports the substantial expansion of the National Wilderness Preservation System, with designations of all types of ecosystems, including coastal areas, deserts, and prairies as well as forest and alpine areas. Congressional decisions to designate wilderness should include evaluations of mineral resources and other potential land values. Further, the Democratic Party believes that publicly owned timber resources should be priced at levels that reflect their true market value, taking into consideration their true costs to the government. Grazing on our public lands should not impair our grassland resources.

The Democratic Party believes the process of designating rivers for inclusion in the national wild and scenic rivers system, halted by the Reagan Administration, should be preserved in their free-flowing condition for the benefit and enjoyment of present and future generations.

The Democratic Party supports adequate funding of and restoration of federal programs to protect fully national parks, wildlife refuges, and wilderness areas from external and internal threats. Development activities within national wildlife refuges which are not compatible with the purposes for which the refuges were designated should not be allowed. The letter and the spirit of the Alaska National Interest Lands Conservation Act of 1980 should be followed, with an end to unsound land exchanges and other efforts to circumvent the law.

A new Democratic Party will provide adequate appropriations for the Land and Water Conservation Fund.

Wetlands—The Democratic Party supports coherent and coordinated federal policies to protect our nation's valuable and disappearing wetlands, which are critical nurseries for commercial fisheries and vital ecological, scenic, and recreational resources. These policies will include more active efforts to acquire threatened wetland areas, consideration of new tax incentives to encourage private efforts to preserve instead of develop wetlands, and elimination of cur-

rent incentives that encourage wetlands destruction.

Wildlife—Fishing, hunting, and enjoyment of America's wildlife can continue to be an important part of our natural heritage only through active programs to maintain the diversity and abundance of plants, animals, and natural habitats. The Democratic Party supports protection of endangered species, land management to maintain healthy populations of wildlife, and full United States participation to implement international wildlife treaties.

Water Policy—The Democratic Party recognizes that finite and diminishing quantities of water, and often antiquated, inadequate, or inefficient water supply systems, threaten economic growth and the quality of life in all regions of the country. We recognize that federal leadership is necessary to meet these needs, and to do so in environmentally sound ways.

The Democratic Party supports the creation of a national water resources planning board and a comprehensive review of the nation's water needs. We support major new water policy efforts addressing several national needs:

We will help meet our nation's infrastructure needs, including the construction of new projects which are economically and environmentally sound. New water project construction starts, by the Corps of Engineers throughout the country and by the Bureau of Reclamation in the West, are critical. In all cases, we will consider innovative and nonstructural alternatives on an equal basis.

We will examine the water quantity and water quality issues associated with providing adequate water supply.

We will help meet navigation, flood control, and municipal water supply system needs, with new assistance to urban areas needing financial help to rebuild deteriorating water systems.

We will give new priority attention to improving efficiency in the use of water, recognizing that more efficient water use is often the least costly and most environmentally acceptable way to meet our water needs and achieve the fullest possible beneficial use of our water resources.

We will carefully coordinate federal water policy efforts with affected state governments, making possible not only cooperative financing of water investments but a commensurate sharing of decision-making authority and responsibility.

We will provide assistance to states addressing the growing problems of groundwater depletion and contamination.

CHAPTER II.—JUSTICE, DIGNITY AND OPPORTUNITY

Introduction

Fulfilling America's highest promise, equal justice for all: that is the Democratic agenda for a just future.

For many of our citizens, it is only in the last two decades that the efforts of a broad, bipartisan coalition have begun to give real meaning to the dream of freedom and equality. During that time Democrats, spurred by the Civil Rights Movement, have enacted landmark legislation in areas including voting, education, housing and employment.

A nation is only as strong as its commitment to justice and equality. Today, a corrosive unfairness eats at the underpinnings of our society. Civil rights laws and guarantees—only recently achieved after hard-fought battles, personal sacrifice and loss of life—are imperiled by an Administration that consciously seeks to turn the clock back to an era when second-class citizenship for women and minorities, disenfranchisement, and *de jure* and *de facto* segregation were very much the facts of life for well over half of America's population. Moreover, justice encompasses more than our nation's laws. The poor, the female, the minority—many of them just like boats stuck on the bottom—have come to experience an implacable and intractable foe in the Reagan Administration.

A new Democratic Administration will understand that the age-old scourge discrimination and prejudice against many groups in American society is still rampant and very much a part of the reason for the debilitating circumstances in which disadvantaged peoples are forced to live. Although strides have been made in combatting discrimination and defamation against Americans of various ethnic groups, much remains to be done. Therefore, we pledge an end to the Reagan Administration's punitive policy toward women, minorities, and the poor and support the reaffirmation of the principle that the government is still responsible for protecting the civil rights of all citizens. Government has a special responsibility to those whom society has historically prevented from enjoying the benefits of full citizenship for reasons of race, religion, sex, age, national origin and ethnic heritage, sexual orientation, or disability.

The goal for the coming decades is not only full justice under the law, but *economic* justice as well. In the recent past, we have put our nation on the road toward achieving equal protection of all our citizens' human rights. The challenge now is to continue to press that cause, while joining a new battle—to assure justice and opportunity in the workplace, and in the economy.

Justice for all in today's America and the America of tomorrow demands not one but two broad guarantees. First, we must guarantee that our nation will reinforce and extend its commitment to human rights and equal opportunity. And second, we must guarantee progress on the new frontier for the future: economic and social justice.

We are determined to enforce the laws guaranteeing equal opportunity, and to complete the civil rights agenda cast aside by the Reagan Administration. No President has the right to do what this Administration has done: to read selectively from the United States Code and simply ignore the laws ensuring basic rights and opportunities because they conflict with this Administration's ideology. As Democrats, we pledge to reverse the trend towards lawlessness which has characterized this Administration, and to keep our commitments to all in our community who look to the government for defense of their rights.

But we recognize that while a first step toward a just society is to guarantee the right of all workers to compete equally for a job, the next step is assuring that enough new jobs are created to give meaningful employment to all our workers for the future.

If in past decades we won the right for minorities to ride at the front of the bus, in coming years we must assure that minorities have the opportunity to own the bus company.

It will not be enough to say that our nation must offer equal access to health care—we must put comprehensive health care within the reach of all of our citizens, at a price all can afford.

It will not do simply to guarantee women a place in the work force—women deserve an equal chance at a career leading to the board of directors.

As Democrats, we believe that human rights and an economy of opportunity are two sides of the same coin of justice. No economic program can be considered just unless it advances the opportunity of all to live a better, more dignified life. No American is afforded economic justice when he or she is denied an opportunity to reap the rewards of economic growth.

Economic justice is also economic common sense. Any who doubt that should consider the toll of welfare, crime, prisons, public housing and urban squalor on our national wealth. We will pay a high price for the all disadvantaged or disenfranchised if we fail to include them in the new economic revolution.

As Democrats, therefore, we pledge to pursue a new definition of justice that meets the new demands of our time. Under a Democratic Administration, equality and fairness under the law will be matched by justice in the economy and in the workplace.

The Future If Reagan Is Reelected

"Twenty years after the Equal Pay Act should have eradicated the last vestige of economic discrimination against women, employers have made little progress in integrating their work force. . . . It is the Republican governor of Washington State, and the Republican County Executive of Nassau County, New York, who are committing public resources to mount a legal defense for their jurisdictions' blantant sex discrimination practices. . . . The Reagan Administration from the outset has made it abundantly clear that civil rights and economic justice are to be sacrificed on the altar of corporate greed. . . ."—Diana Rock, Director of Women's Rights, American Federation of State, County, and Municipal Employees (Democratic Platform Committee Hearing, Cleveland, Ohio, May 21, 1984).

"The Reagan Administration, upon taking office in 1981, set upon a concerted effort to roll back civil rights protections. This attack is underway in agency enforcement, court litigation, legislative initiative, and nominations of federal appointees."—Virna M. Canson, Regional Director, West Coast Region, NAACP (Democratic Platform Committee Hearing, Los Angeles, California, May 14, 1984).

The neglect of our historic human rights commitment will already be recorded as the first legacy of Ronald Reagan's years in the White House. But suppose Mr. Reagan is reelected.

What would become of America's commitment to equal justice and opportunity if Mr. Reagan is reelected?

The hard truth is that if Mr. Reagan is reelected our most vigorous defender of the rule of law—the United States Supreme Court—could be lost to the cause of equal justice for another generation. Today, five of the nine members of that Court are over 75. Our next President will likely have the opportunity to shape that Court, not just for his own term—or even for his own lifetime—but for the rest of ours, and for our children's too.

There can be little doubt that a Supreme Court chosen by Ronald Reagan would radically restrict constitutional rights and drastically reinterpret existing laws. Today, the fundamental right of a woman to reproductive freedom rests on the votes of six members of the Supreme Court—five of whom are over 75. That right could easily disap-

pear during a second Reagan term. Already, the protections against employment discrimination have been restricted by the Court; a Reagan Court surely would reduce them further. The same is true for the right of workers to have a healthy and safe workplace, and to organize collectively in unions. Although the statute protecting voting rights has been extended through a massive bipartisan effort, opposed by the Reagan Administration, a Reagan Supreme Court could still effectively nullify it simply by erecting impossible standards of proof. Not long ago, the Court decided it should hire independent counsel to argue that tax exemptions for racially discriminatory schools were unlawful because the Justice Department refused to do so. Can anyone imagine a Reagan Court doing that? How much easier it would be for a Reagan Court simply to agree with a Reagan Department of Justice.

If Mr. Reagan is reelected, who would protect women and minorities against discrimination?

In the first year after the Reagan Administration assumed office, the number of cases involving charges of employment discrimination filed in court by the EEOC dropped by more than 70 percent. During this Administration, the EEOC has refused to process a single comparable worth case filed by a woman. Meanwhile, the Reagan Justice Department has sought to destroy effective affirmative action remedies, and even to undermine *private* plans to reduce discrimination in employment. The actions of the Reagan Administration serve only to delay the day when fairness is achieved and such remedial measures are, therefore, no longer needed.

It is now clear that if Mr. Reagan is reelected, women and minorities seeking protection of their rights would be forced to contend not only with their employers, but with a hostile government. Equal employment opportunity and equity would remain elusive dreams.

If Mr. Reagan is reelected, who would assure access to justice?

Since the day of its inauguration, the Reagan Administration has conducted a continuous, full-scale war against the federal Legal Services Corporation, whose only job is to ensure that the poor are fairly heard in court, and that they get equal access to our system of justice. Thirty percent of the Corporation's lawyers have been laid off, and the Administration has used every means it could find to stack its Board with people hostile to the very concept of equal justice for the poor.

In the America of Ronald Reagan, you will only get as much justice as you pay for.

If Mr. Reagan is reelected, who would protect the rights of workers?

The Republican Administration has consistently viewed the dollar costs to businesses of providing a safe workplace as more important than the impact of injury and disease on working men and women. It has appointed officials to the National Labor Relations Board who openly oppose the rights of workers to organize and bargain collectively. The Department of Labor has ignored its mandate to enforce fair labor standards and has sought to reverse hard-won gains in protections for worker health and safety.

What would happen if Mr. Reagan is reelected? Will the right to bargain collectively be eviscerated through Republican-approved abuses of the bankruptcy laws? Will the National Labor Relations Act be converted into a tool that limits working men and women and empowers only their employers? Who will ensure that our next generation does not suffer the effects of toxic substances in the workplace—substances whose existence is not even revealed to the worker?

If Mr. Reagan is reelected, who would protect the rights of senior citizens?

Speaking at Philadelphia in 1980 during his campaign, Ronald Reagan vowed to a large audience of senior citizens his strong support for Social Security. He assured thousands of senior citizens on that occasion that as President he would see to it that every commitment made by the federal government to the senior citizens was faithfully kept.

Ronald Reagan violated that promise shortly after he became President. In 1981, speaking to a joint session of Congress, President Reagan said, "We will not cut Medicare." In a matter of weeks thereafter President Reagan asked the Congress of the United States to cut $88 billion in 1981 and the following four years from Social Security programs. He proposed to reduce by a third the number of people protected by the disability insurance program. He proposed to reduce by a third the benefits a senior citizen would receive if he or she retired at 62. He proposed to cut out the burial program for recipients of Social Security.

He proposed to cut millions from programs that Democratic Administrations had provided for the education of the children of the elderly covered by Social Security, slashing the list of beneficiaries of these programs by hundreds of thousands of sons and daughters of men and women covered by Social Security. And he called for the abolition of the $122-a-month minimum benefit program, which would have dropped over three million people from Social Security altogether.

The American people then revolted, and so did the Congress. The Democratic Party put a stop to the decimation of the Social Security program, but not before President Reagan had cut $19 billion from Social Security benefits in 1981 and the ensuing four years. Democrats in Congress forced the restoration of the $122-a-month minimum benefit program to those who were covered before the Reagan cuts, but never succeeded in extending coverage to the additional 7,000 people a month who would have become eligible after the Reagan cuts.

Instead of keeping his word that he would not cut Medicare, Reagan forced Congress every year beginning in 1981 to cut billions from the Medicare program. When Social Security developed financial problems due to massive unemployment in 1982, the Reagan Administration moved to "solve" them by cutting benefits further. Only the Democrats on the Social Security Commission prevented him from doing that.

If Mr. Reagan is reelected, how would we teach our children to respect the law?

We cannot teach our children to respect the law when they see the highest officials of government flaunting it at their will. Lawlessness has been a pattern in this Administration—and it is a pattern that is unlikely to be altered if Reagan and the Republicans stay in the White House.

More than forty top Republican officials have already been implicated in all kinds of wrongdoing. Murky transactions on the fringe of organized crime, accepting gifts from foreign journalists and governments, misusing government funds, lying under oath, stock manipulations, taking interest-free loans from wealthy businessmen who later receive federal jobs—all of these are part of business as usual with Ronald Reagan's appointees.

The Republicans profess to stand for "law and order." But this is the same Administration that vetoed the bipartisan anti-crime bill in 1982. And when it comes to laws they do not like—whether they concern toxic wastes, pure food and drugs, or worker health and safety—this Administration simply makes believe they do not exist. The same is true overseas: this Administration is just as willing to ignore international law as domestic law. When we finally learned of its illegal mining of Nicaragua's harbors, the Reagan Administration hastily attempted, the night before Nicaragua sued us, to withdraw jurisdiction over the question from the World Court. But even this maneuver was carried out in an illegal fashion that the World Court later set aside.

This Republican Administration has been unprecedentedly eager to limit public debate by instituting "security agreements" that censor ex-officials, "revising" the Freedom of Information Act, refusing visas to foreign visitors who might provide another perspective on American policies overseas, and denying our war correspondents their historic position alongside our troops. This comes as no surprise: in the first term, the Reagan Administration had a lot to hide. What would happen in a second?

If Mr. Reagan is reelected, what would happen to our unfinished civil rights agenda?

The answer is clear: an Administration which refuses to enforce the laws that are on the books can hardly be expected to respect—or even recognize—the rights of those who are not already specifically protected by existing law.

Nowhere is this Administration's hostility to equal rights and equal justice more apparent than in its attitude to the Equal Rights Amendment. As soon as the Reagan faction took control of the Republican Party at its convention in 1980, it ended that Party's forty-year commitment to passage of the Equal Rights Amendment. So long as this Administration remains in office, the proponents of unamended ERA have nothing less than an enemy in the White House. And if this is true for the women of America, it is equally true for disadvantaged minorities who must depend on this government's sense of justice to secure their rights and lead independent lives.

Since assuming office, the Reagan Administration has shown more hostility—indeed, more outright and implacable aggression—toward the American ideal of equal justice for all than even its harshest critics would have predicted in 1980. Given its first-term record, even our most pessimistic forecasts for four more Republican years may well fall short of the mark. No one knows the full extent of the damage Reagan could wreak on this country in another term. But we do know one thing: we cannot afford to find out.

The Democratic Alternative: Equal Justice for All

"The Democratic Party is challenged as never before to redirect the present dangerous course of our nation and our world, and to provide meaningful work at adequate pay for all our citizens and justice for all Americans.

"The dream of a nation fully committed to peace, jobs, and justice has fast become a nightmare under this Administration. . . .

"Our choice today is to become just a new party in power in November with new faces and new pledges—or a truly great party with the courage to develop a new vision and a new direction for the sake of our nation and our world."—Coretta Scott King (Democratic Platform Committee Hearing, Washington, DC, June 11, 1984).

"The Equal Rights Amendment is the only guarantee of full equality the women of this nation can trust and count on. We have seen in the past three and one-half years an administration that has gone out of its way to prove that laws, court decisions, executive orders, and regulations are not enough—they can be changed by a new majority, overturned, swept aside, underfunded, or rescinded. Only when the legislative protections against such discrimination are grounded in the bedrock of the Constitution can we feel that the vagaries of changing political climates or a hostile administration will not wipe out those protections."—Judy Goldsmith, President, National Organization for Women (Democratic Platform Committee Hearing, Washington, DC, June 12, 1984).

Equal justice for all, in a Democratic future, means that every individual must have a fair and equal opportunity to fulfill his or her potential, and to be an independent, working member of our society—and it is the commitment of our Party to secure that opportunity.

We are determined to build an America of self-sufficient, independent people. We will enforce the laws guaranteeing equal opportunity and human rights, and complete the unfinished civil rights agenda. We will keep our commitments to all of the members of our community who rely upon our word to stay, or to become, independent—our senior citizens, those who served in our Armed Forces, the handicapped and disabled, the members of our American family who are trapped in poverty, and all Americans who look to government to protect them from the pain, expense, and dislocation caused by crime. And in fulfilling these and all the duties of government, a Democratic Administration will stand as an example to all of integrity and justice.

Equal Justice Under Law

Many have suffered from historical patterns of discrimination and others, because of their recent immigration in sizeable numbers, are subject to new forms of discrimination. Over the years, the Democratic Party has voiced a commitment to eradicating these injustices. In 1948, the Democratic Platform for the first time contained a plank committing this Party to the cause of civil rights. For almost forty years, we have fought proudly for that cause. In 1964, a Democratic President and a Democratic Congress enacted the landmark legislation prohibiting discrimination in employment and public accommodations. And for nearly two decades, a bipartisan commitment has existed in Congress and in the White House to expand and enforce those laws. Until Ronald Reagan.

This Administration has sought to erode the force and meaning of constitutionally-mandated and court-sanctioned remedies for long-standing patterns of discriminatory conduct. It has attempted to create new standards under each of our nation's civil rights laws by requiring a showing of intent to discriminate, and case-by-case litigation of class-wide violations. Its interpretation of two recent Supreme Court decisions attempts to sound the death knell for equal opportunity and affirmative action.

In one case, the Administration interpreted the Court's decision as requiring that equal opportunity mandates associated with the receipt of *all* federal monies apply only to the specific program receiving federal funds. In the other, the Administration is using a ruling in favor of a *bona fide* seniority system to assault all affirmative action plans.

As Democrats, we disagree. Instead, we reaffirm our long-standing commitment to civil rights for all and we pledge to enforce the laws guaranteeing equal opportunity for all Americans. The next Democratic Administration will offer unwavering support for the following:

A Strong, Independent Civil Rights Commission—A Democratic Administration will return the Commission on Civil Rights to an independent status and increase its funding. The Commission must be restored to its original mission of ensuring the enforcement of civil rights by those federal agencies charged with the task.

Strengthened Civil Rights Enforcement—We will restore a strong Equal Employment Opportunity Commission and renew the commitment of the Department of Justice and the Department of Labor to enforce civil rights laws and executive orders. A Democratic Administration will, by vigorously enforcing laws and strengthening education and training opportunities, increase minority participation in the workplace and eliminate wage inequities which leave minorities at the bottom of the pay scale.

Equal Educational Opportunity—The Democratic Party pledges to do all it can, beginning this year, to reverse the decision of the United States Supreme Court in the Grove City College case, and to restore as the law of the land the prohibition of any use of federal financial assistance to subsidize discrimination because of race, national origin, sex, age, or disability. Fulfilling this commitment means that every institution which receives government funds must guarantee equality and equal opportunity in all of its programs.

Religious Liberty and Church-State Separation—The current Administration has consistently sought to reverse in the courts or overrule by constitutional amendment a long line of Supreme Court decisions that preserve our historic commitment to religious tolerance and church/state separation. The Democratic Party affirms its support of the principles of religious liberty, religious tolerance and church/state separation and of the Supreme Court decisions forbidding violation of those principles. We pledge to resist all efforts to weaken those decisions.

Ensure Fair Housing—We will enhance the authority of the Department of Housing and Urban Development to enforce our fair housing laws. A Democratic Administration will work to provide the Department with the resources and the power to seek cease and desist order to prevent housing discrimination against minorities, women and families with children.

Affirmative Action—The Democratic Party firmly commits itself to protect the civil rights of every citizen and to pursue justice and equal treatment under the law for all citizens. The party reaffirms its long-standing commitment to the eradication of discrimination in all aspects of American life through the use of affirmative action, goals, timetables, and other verifiable measurements to overturn historic patterns and historic burdens of discrimination in hiring, training, promotions, contract procurement, education, and the administration of all federal programs. A Democratic administration will resist any efforts to undermine the progress made under previous Democratic administrations and shall strongly enforce federal civil rights standards such as equal opportunity, affirmative action in employment, contract procurement, education, and training. The federal government must set an example and be a model for private employers, making special efforts in recruitment, training, and promotion to aid minority Americans in overcoming both the historic patterns and the historic burdens of discrimination. We will reverse the regressive trend of the Reagan administration by making a commitment to increase recruitment, hiring training, retraining, procurement, and promotional opportunity at the federal level to aid minority Americans and women. We call on the public and private sectors to live up to and enforce all civil rights laws and regulations, i.e., Equal Employment Opportunity Programs, Title VI and Title VII of the Civil Rights Act, the Fair Housing Laws, and affirmative action requirements.

Eliminate Ethnic-Stereotyping and Recognize Ethnic Diversity—While strides have been made in combatting discrimination and defamation against Americans of various ethnic groups, ethnic stereotyping continues. We support cooperation and understanding between racial, ethnic, and cultural groups and reject those who promote division based on fear or stereotyping which have their basis in social and economic inequity. We encourage respect for America's ethnic diversity.

Equal Access to Justice—Democrats believe that all our government processes should be open to all Americans, and that no essential right should be denied based on wealth or status. We therefore strongly support a well-funded, unrestricted Legal Services Corporation to ensure that none of our citizens is denied the full benefits of our judicial system. No American should suffer illegality or abuse simply because he or she is poor. And lawyers for the poor must not be prevented from acting in accordance with the same ethical canons as apply to lawyers for the rich: to represent their clients with all the zeal, devotion, energy, and creativity that the law allows.

Equal Rights for Women—A top priority of a Democratic Administration will be ratification of the unamended Equal Rights Amendment. In a Democratic America, the Constitution will be amended to provide:

Section 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

Section 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

Section 3. This article shall take effect two years after the date of ratification.

We will insist on pay equity for women. Today, white women who can find work earn, on average, only 62 cents for every dollar earned by white men. Black women earn only 58 cents for every dollar earned by white men, and Hispanic women only 56 cents. The earnings gap—and the occupational segregation of women which it reflects—extends to all women at every educational level, but is most pronounced among black and other women of color who are confronted by historical and contemporary racial barriers which transcend sex. The Democratic Party defines nondiscrimination to encompass both equal pay for equal work

and equal pay for work of comparable worth, and we pledge to take every step, including enforcement of current law and amending the Constitution to include the unamended ERA, to close the wage gap.

We also support efforts to reform private and civil service pension rules to ensure equal treatment for women, prohibit discrimination in insurance practices, and improve enforcement of child-support obligations.

Our Party also recognizes that women cannot compete equally with men so long as they are expected to choose between having a job and having a family. The Democratic Party calls for universally available day-care with federal or business funding, for meaningful part-time work, and for flex-time on the job so that women—and men—can shape even full-time jobs around their family schedules.

Political Empowerment for Minorities and Women—The Democratic Party is committed to placing women as well as minorities in positions of power in government. We establish the goal of doubling the number of minorities and women in Congress by 1988. We will create and fund a talent bank of minorities and women to fill policy positions in the next Administration. We will recruit women and minorities to run for Governorships and all state and local offices. The Democratic Party (through all of its campaign committees) will commit to spending maximum resources to elect women and minority candidates and offer these candidates in-kind services, including political organizing and strategic advice. And the bulk of all voter registration funds will be spent on targeted efforts to register minorities and women.

Reproductive Freedom—The Democratic Party recognized reproductive freedom as a fundamental human right. We therefore oppose government interference in the reproductive decisions of Americans, especially government interference which denies poor Americans their right to privacy by funding or advocating one or a limited number of reproductive choices only. We fully recognize the religious and ethical concerns which many Americans have about abortion. But we also recognize the belief of many Americans that a women has a right to choose whether and when to have a child. The Democratic Party supports the 1973 Supreme Court decision on abortion rights as the law of the land and opposes any constitutional amendment to restrict or overturn that decision. We deplore violence and harrassment against health providers and women seeking services, and will work to end such acts. We support a continuing federal interest in developing strong local family planning and family life education programs and medical research aimed at reducing the need for abortion.

The Rights of Workers—This nation established a labor policy more than a generation ago whose purpose is to encourage collective bargaining and the right of workers to organize to obtain this goal. The Democratic Party is committed to extending the benefit of this policy to all workers and to removing the barriers to its administration. To accomplish this, the Democratic Party supports: the repeal of Section 14B of the National Labor Relations Act; labor law reform legislation; a prohibition on the misuse of federal bankruptcy law to prevent the circumvention of the collective bargaining process and the destruction of labor-managment contracts; and legislation to allow building trades workers the same peaceful picketing rights currently afforded industrial workers.

We support the right of public employees and agricultural workers to organize and bargain collectively, and we will act to assure that right. Inasmuch as farm workers are excluded from coverage under the National Labor Relations Act, the Democratic Party recognizes the heroic efforts of farm workers to gain contracts and their right under the law to use boycotts as an effective tool to achieve such ends. We must restore to federal workers their First Amendment rights by reforming the Hatch Act. We must also protect federal and private sector workers from invasions of their privacy by prohibiting the use of polygraphs and other "Truth Test" devices. In addition, the Mine Health Safety Act and the Occupational Health and Safety Act must be properly administered, with the concern of the worker being the highest priority. All efforts to weaken or undermine OSHA's basic worker protection provisions, or to shirk the duty to enforce them, are unacceptable and intolerable. For the victims of occupational disease, we insist on legislation to assure just compensation and adequate health care for these workers as well as vigorous enforcement action by OSHA to eradicate the causes of occupational disease. All fair labor standards acts, such as the minimum wage and Davis-Bacon protections, must be effectively enforced. We reject the so-called "sub-minimum wage" as an appropriate tool of social or economic policy. We strongly oppose workfare which penalizes welfare recipients and undercuts the basic principle of equal pay for equal work. Workfare is not a substitute for a jobs program.

The Responsibility of Economic Institutions—The Democratic Party continues to support the struggle of all citizens to secure economic equality. Therefore, we support policies calling for increased involvement of minorities and women in job training and apprenticeship programs. The Democratic Party encourages all economic institutions, including business and labor, to work actively to ensure that leadership at all levels of decision-making reflects the ethnic and gender diversity of the relevant work force by expanding opportunities for training and advancement.

Enforcing the Voting Rights Act—The right to vote—and to have one's vote counted fully and fairly—is the most important civil right of every American citizen. For without it, no other social, economic, or political rights can be fully realized.

Nothing is more shameful in the record of the Reagan Administration than its willful refusal to fulfill its responsibility to guarantee the voting rights of every American. Instead of moving America forward by expanding voting rights and by eliminating barriers to voting by minority citizens, the Reagan Administration fought a year-long, rear-guard action against efforts to strengthen the Voting Rights Act.

The Democratic Party commits itself to a wholly different course than that of the Reagan Administration. For while we are proud of our record of commitment to civil rights in the past, we recognize that the test of our commitment is what a Democratic Administration will do in the future. Despite the great progress in securing voting rights for minority Americans in the past, there remains throughout our nation voting rules, practices, and procedures that have been and are used to discriminate against many citizens to discourage or deny their right to register and to vote, or dilute their vote when they do.

A Democratic President and Administration pledge to eliminate any and all discriminatory barriers to full voting rights, whether they be at-large requirements, second-primaries, gerrymandering, annexation, dual registration, dual voting or other practices. Whatever law, practice, or regulation discriminates against the voting rights of minority citizens, a Democratic President and Administration will move to strike it down.

This is more than a verbal pledge. For minority citizens have waited far too long already to realize their full voting rights.

To prevent any further delay, the Democratic Party pledges to fund a serious, in-depth study of the use of second primaries and other practices throughout the nation that may discriminate against voting rights. This study shall be completed in ample time prior to the 1986 elections for the Party to act.

The Democratic Party commits to use its full resources to eliminate any second primary, gerrymandering, at-large requirements, annexation, dual registration, dual voting or other voting practices that discriminate or act to dilute votes of minority citizens.

Wherever a runoff primary or other voting practice is found to be discriminatory, the State Party shall take provable, positive steps to achieve the necessary legislative or party rules changes.

Provable positive steps shall be taken in a timely fashion and shall include the drafting of corrective legislation, public endorsement by the state Party of such legislation, efforts to educate the public on the need for such legislation, active support for the legislation by the state Party lobbying state legislators, other public officials, Party officials and Party members, and encouraging consideration of the legislation by the appropriate legislative committees and bodies.

A Democratic Administration pledges also that the Justice Department shall initiate a similar study, and use the full resources of the law to eliminate any voting practice, such as second primaries, gerrymandering, annexation, dual registration, dual voting, or any other practice that discriminates or acts to dilute votes of minority citizens.

A Democratic President and Administration will use the full resources of the Voting Rights Act of 1982, with its strengthened enforcement powers, to investigate and root out any and all discriminatory voting barriers. A Democratic President will appoint as Attorney General, as Assistant Attorney General for Civil Rights, and throughout the Justice Department individuals with a proven record of commitment to enforcing civil rights and voting rights for all our citizens. The full resources of the Justice Department shall be used to investigate fully and speedily all alleged instances of discriminatory barriers. And a Democratic Administration shall use the full resources of the law, the power of government, and shall seek new legislation, if needed, to end discrimination in voting wherever it exists.

We are committed to a massive, nationwide campaign to increase registration and voting participation by women and minorities, including Blacks, Asian Americans, native Americans, and Hispanics. Moreover, our Party must call for the creation of a new program to strengthen our democracy and remove existing obstacles to full participation in the electoral process. We should allow registration and voting on the same day (same day plans have worked well in several states) and we should provide mail-in registration forms throughout our communities. We should consider holding our

elections on weekends or holidays, instituting 24-hour voting days, staggering voting times, and closing all polling places across the country at the same time.

We call on the television networks and all other media in the case of presidential elections to refrain from projecting winners of national races, either implicitly or explicitly, while any polls are still open in the continental United States; in the case of state elections, to refrain from projecting winners within a state, either implicitly or explicitly, while any polls in that state are still open.

Voting Rights for the District of Columbia—The Democratic Party supports self-determination for the District of Columbia that guarantees local control over local affairs and full voting representation in Congress. Towards this end, the Democratic Party supports the attainment of statehood for New Columbia; ratification of the District of Columbia Voting Rights Amendment; legislative, judicial, and fiscal autonomy; and a formula-based federal payment.

Puerto Rico—We continue to support Puerto Rico's right to enjoy full self-determination and a relationship that can evolve in ways that will most benefit U.S. citizens in Puerto Rico. The Democratic Party respects and supports the desire of the people of Puerto Rico, by their own will freely-expressed in a peaceful and democratic process, to associate in permanent union with the United States either as a commonwealth or as a state or to become an independent nation. We are also committed to respecting the cultural heritage of the people of Puerto Rico and to the elimination of the discriminatory or unfair treatment of Puerto Ricans as U.S. citizens under federal programs.

A Fair and Humane Immigration Policy—Our nation's outdated immigration laws require comprehensive reform that reflects our national interests and our immigrant heritage. Our first priority must be to protect the fundamental human rights of American citizens and aliens. We will oppose any "reforms" that violate these rights or that will create new incentives for discrimination against Hispanic Americans and other minorities arising from the discriminatory use of employer sanctions. Specifically, we oppose employer sanctions designed to penalize employers who hire undocumented workers. Such sanctions inevitably will increase discrimination against minority Americans. We oppose identification procedures that threaten civil liberties, as well as any changes that subvert the basic principle of family unification. And we will put an end to this Administration's policies of barring foreign visitors from our country for political or ideological reasons. We strongly oppose "bracero" or guest-worker programs as a form of legalized exploitation. We firmly support a one-tiered legalization program with a 1982 cut-off date.

The Democratic Party will implement a balanced, fair, and non-discriminatory immigration and refugee policy consistent with the principle of affording all applications for admission equal protection under the law. It will work for improved performance by the Immigration and Naturalization Service in adjudicating petitions for permanent residence and naturalization. The Party will also advocate reform within the INS to improve the enforcement operations of the Service consistent with civil liberties protection. The correction of past and present bias in the allocation of slots for refugee admissions will be a top priority. Additionally, it will work to ensure that the Refugee Act of 1980, which prohibits discrimination on the basis of ideology and race in adjudicating asylum claims, in complied with. The Party will provide the necessary oversight of the Department of State and the Immigration and Naturalization Service so as to ensure that the unjustifiable treatment visited upon the Haitian refugees will never again be repeated.

The Democratic Party will formulate foreign policies which alleviate, not aggravate, the root causes of poverty, war, and human rights violations and instability which compel people to flee their homelands.

We support the creation of an international body on immigration to address the economic development problems affecting Mexico and Latin American countries which contribute to unauthorized immigration to the U.S. and to respond to the backlog of approved immigrant visas.

To pursue these and other goals, the Democratic Party nominee upon election shall establish the following national advisory committees to the President and the national Democratic Party; civil rights and justice; fair housing; affirmative action; equal rights for women; rights for workers; immigration policy; and voting rights. These committees shall be representative on the basis of geography, race, sex, and ethnicity.

Dignity for All—As Democrats, we take pride in our accomplishments of the past decades in enacting legislation to assure equality and in fighting the current efforts of this Administration to turn its back on equal opportunity. But we also recognize that so long as any Americans are subject to unfair discrimination, our agenda remains unfinished. We pledge to complete the agenda, and to afford dignity for all.

We reaffirm the dignity of all people and the right of each individual to have equal access to and participation in the institutions and services of our society. To ensure that government is accessible to those Americans for whom English is a second language, we call for federal hiring and training initiatives to increase the number of government employees skilled in more than one language. All groups must be protected from discrimination based on race, color, sex, religion, national origin, language, age, or sexual orientation. We will support legislation to prohibit discrimination in the workplace based on sexual orientation. We will assure that sexual orientation *per se* does not serve as a bar to participation in the military. We will support an enhanced effort to learn the cause and cure of AIDS, and to provide treatment for people with AIDS. And we will ensure that foreign citizens are not excluded from this country on the basis of their sexual orientation.

We have long failed to treat the original inhabitants of this land with the dignity they deserve. A Democratic Administration will work in partnership with Indian nations to target assistance to address the twin problems of unemployment and poverty, recognizing appropriate Native American rights to self-determination and the federal government's fiduciary responsibility to the Native American nations. We will take the lead in efforts to resolve water and other natural resource claims of Native Americans. We must also reevaluate the mission of the Bureau of Indian Affairs in light of its troubled record.

We owe history and ourselves a formal apology and a promise of redress to Japanese Americans who suffered unjust internment during World War II. No commitment to civil liberties could be complete without a formal apology, restitution of position, status or entitlements, and reparations to those who suffered deprivation of rights and property without due process forty years ago.

The Democratic Party strongly condemns the Ku Klux Klan, the American Nazi Party, and other hate groups. We pledge vigorous federal prosecution of actions by the Klan and American Nazi Party that violate federal law, including the enactment of such laws in jurisdictions where they do not exist. We further condemn those acts, symbols, and rituals, including cross-burnings, associated with anti-civil rights activities. We urge every state and local government to pursue vigorous prosecution of actions by the Klan and Nazi Party and other such groups that violate state or local law.

Americans Abroad—Americans abroad play a vital role in promoting the ideals culture, and economic well-being of the United States. They are entitled to equitable treatment by their government and greater participation in decisions which directly affect them.

The Democratic Party will work to remedy the unique problems that U.S. citizens encounter abroad. In particular, we will consider ways to: protect their rights; eliminate citizenship inequities; make it easier for them to vote; have their interests actively represented in the federal government; provide them with fair coverage in federal social programs; honor the principles of residency in taxation; and ensure the adequate education of federal dependents abroad.

Insular Areas—The territories are in spirit full partners in the American political family; they should always be so treated. Their unique circumstances require the sensitive application of federal policy and special assistance. Their self-determination, along with that of the Trust Territory of the Pacific Islands, is an American commitment.

Democrats will work with the territories to improve their relationship with the rest of the United States and obtain equal rights for their citizens, including the right to vote for President. A Democratic President and Congress will coordinate their interests as foreign and domestic policy is made. We are committed to providing territorial America with essential assistance and equitable participation in federal programs. We will promote the growth and ensure the competitive position of territorial private sectors. It is Democratic policy that, together with the territories, the United States should strive to assist and develop closer relations with the territories' neighbors in the Caribbean and Pacific regions.

Economic Justice: Keeping Our Commitments

For some, the goal of independence requires greater support and assistance from government. We pledge to provide that support. Justice demands that we keep our commitments and display our compassion to those who most need our help—to veterans and seniors, to disadvantaged minorities, to the disabled and the poor—and we will.

A Healthy America—As Democrats we believe that quality health care is a necessity for everyone. We reaffirm our commitment to the long-term goal of comprehensive national health insurance and view effective health care cost containment as an essential step toward that goal. Health cost contain-

ment must be based on a strong commitment to quality of service delivery and care. We also pledge to return to a proper emphasis on basic scientific research and meeting the need for health professionals—areas devasted by the Reagan Administration.

Sickle Cell Anemia—Sickle Cell disease is a catastrophic illness that effects thousands of persons annually. Its victims include, but are not limited to, blacks, Hispanics, and persons of Mediterranean ancestry including Turks, Greeks, and Italians. Its morbidity rate is particularly high among infants, women and children.

Despite the compelling need for a national policy of sickle cell disease prevention and control, the present Administration has dramatically reduced the federal commitment to research and funding. The Democratic Party, on the other hand, pledges to make sickle cell a national health priority because we believe that only the federal government can adequately focus the necessary resources to combat such a major public health problem. Specifically, we pledge that a Democratic Administration will restore the National Sickle Cell Anemia Control Act to provide health parity to those individuals and families whose lives are threatened by this chronic and debilitating disorder.

Opportunities for the Elderly—There are more than 26 million Americans over the age of 65, and their numbers are growing rapidly. Most have spent a lifetime building America and raising the next generation, and when they choose to retire—and it should be their choice—they deserve to retire wih dignity and security. Yet for millions of Americans, particularly women, minorities, and ethnic Americans, old age means poverty, insecurity, and desperation.

Beginning with President Franklin D. Roosevelt, the Democratic Party has been dedicated to the well-being of the senior citizens of America. President Roosevelt gave to the elderly Social Security. The following Democratic Administrations provided the elderly with Medicare, the Older Americans Act, the nutrition program, low-cost housing, elderly employment programs and many others to make lives longer, healthier and happier for senior citizens, those who have done so much to make America the great nation it is today. This Reagan Republican Administration is the first administration to stop the progress of aid to the elderly and to cut back on every helpful program which Democratic Administrations had enacted for our elders.

Now we have a crisis facing the country with respect to Medicare. Funds will be short in four years. Again, the Reagan Republican Administration, speaking recently through the Social Security Advisory Council, proposed that the way to meet this financial crisis was to make the people already paying into Medicare pay more and to cut benefits by raising the age of eligibility from 65 to 67.

Too many elderly people covered by Medicare are not able to pay the deductible now required by Medicare. We Democrats will never add more to the burdens of the people now covered by Medicare. Nor will we Democrats allow benefits to be cut under Medicare by raising the age of eligibility, for we know that Medicare, which Democratic leadership established in 1964, is the only chance that millions of senior citizens have to get the health care they need.

To date, the needs of America's ethnic elderly have not been met. Ethnic American elderly number over seven million persons, or approximatley one quarter of the total population of people over 65. A close examination of data from the U.S. Census reveals that nearly one-half of this ethnic population who are 65 years of age or older do not speak English. To assure the well-being of ethnic seniors who comprise a large segment of our elderly population, we should promote programs to strengthen family life, care for the elderly, and spur neighborhood revitalization and development of "language barrier-free" social and health services.

We also know that the number of senior citizens as a percentage of the population is rapidly growing. The Democratic Party is committed to the principle of forbidding any discrimination on account of age against the elderly, either in holding a job or obtaining one. We offer to the elderly an opportunity for additional training or retraining that will enable them to do better at the jobs they have or to turn to other jobs which they would like better.

In short, the Democratic Party, which for so long has been the champion of the elderly, assures the senior citizens of America that it will maintain its longstanding good faith with them. Whatever is right and good for the senior citizen shall always be close to the heart of the Democratic Party and ever a primary dedication of our Party.

It is the cherished aim and high purpose of the Democratic Party to make the last part of the long journey of life for our senior citizens as long, as healthy, and as happy as may be.

As Democrats, we are proud of the programs we have created—Social Security and Medicare—to allow our senior citizens to live their lives independently and with dignity, and we will fight to preserve and protect those programs. We will work for decent housing and adequate nutrition for our senior citizens, and we will enforce the laws prohibiting age discrimination. We will not break faith with those who built America.

The Social Security Administration long had a reputation for administrative efficiency and high quality public service. Problems which have emerged under the current Administration—the financing crises, a deteriorating computer system, and arbitrary terminations of benefits to hundreds of thousands of disabled Americans—threaten the agency's ability to carry out its mission. The current Administration's policies have shaken people's confidence in the entire Social Security system.

The policies and operations of the Social Security Administration must be carefully and fully investigated to reform its operations so that the elderly and disabled receive the services and treatment to which they are entitled. In particular, we should explore the recommendation that the Social Security Administration become an independent agency.

Opportunities for Disabled Americans—There are nearly 36 million people with disabilities in the United States, who look to our government for justice. As Democrats, we have long recognized that a disability need not be an obstacle to a productive, independent life and we have fought to guarantee access to facilities, and adequate training and support to meet the special needs of the disabled. This Administration has closed its eyes to those needs, and in so doing, violated a fundamental trust by seeking to condemn millions of disabled Americans to dependency. We will honor our commitments. We will insist that those who receive federal funds accommodate disabled employees—a requirement this Administration sought to eliminate. We will insist that benefits be available for those who cannot work, and that training is available for those who need help to find work.

The Democratic Party will safeguard the rights of the elderly and disabled to remain free from institutionalization except where medically indicated. The rights of the disabled within institutions should be protected from violations of the integrity of their person. Also, we will promote accessible public transportation, buildings, make voting booths accessible, and strictly enforce laws such as the entire Rehabilitation Act of 1973.

Opportunities for Veterans—This country has a proud tradition of honoring and supporting those who have defended us. Millions of Americans in the years after World War II went to college and bought their homes thanks to GI benefits. But for the latest generation of American veterans, needed support and assistance have been missing.

The nation has begun to welcome home with pride its Vietnam veterans, as reflected in the extraordinary Vietnam Veterans Memorial which was built through public contributions. The Democratic Party shares the nation's commitment to Vietnam veterans.

No President since the beginning of the Vietnam War has been so persistently hostile to Vietnam veterans programs as Ronald Reagan. He has sought to dismantle the Readjustment Counseling Centers, opposed employment and Agent Orange benefits, as well as basic due process at the Veterans' Administration, including judicial review.

The Vietnam War divided our nation. Many of the rifts remain, but all agree on the respect due Vietnam veterans for their distinguished service during a troubled time. The Democratic Party pledges to reverse Ronald Reagan's Vietnam veteran policies, helping our nation come together as one people. And we believe it is especially important that we end discrimination against women and minority veterans, particularly in health and education programs.

We believe that the government has a special obligation to all of this nation's veterans, and we are committed to fulfilling it—to providing the highest quality health care, improving education and training, providing the assistance they need to live independent and productive lives.

Opportunities for the Poor—For the past four years, this Administration has callously pursued policies which have further impoverished those at the bottom of the economic ladder and pushed millions of Americans, particularly women and children, below the poverty line. Thanks to the Reagan budget cuts, many of the programs upon which the poor rely have been gutted—from education to housing to child nutrition. Far from encouraging independence, the Administration has penalized those seeking to escape poverty through work, by conditioning assistance on nonparticipation in the workplace. The figures tell part of the story:

Today, 15 percent of all Americans live below the poverty line;

Over three million more children are in poverty today than there were in 1979;

Over half of all black children under age three live in poverty;

More than one-third of all female-headed households are below the poverty line, and for non-white families headed by women with more than one child, the figure is 70 percent.

But the numbers tell only part of the story; numbers do not convey the frustra-

tion and suffering of women seeking a future for themselves and their children, with no support from anyone; numbers do not recount the pain of growing numbers of homeless men and women with no place to sleep, or of increasing infant mortality rates among children born to poor mothers. Numbers do not convey the human effects of unemployment on a once stable and strong family.

As Democrats, we call upon the American people to join with us in a renewed commitment to combat the feminization of poverty in our nation so that every American can be a productive, contributing member of our society. In that effort, our goal is to strengthen families and to reverse the existing incentives for their destruction. We therefore oppose laws requiring an unemployed parent to leave the family or drop out of the work force in order to qualify for assistance and health care. We recognize the special need to increase the labor force participation of minority males, and we are committed to expanding their opportunities through education and training and to enforcing the laws which guarantee them equal opportunities. The plight of young mothers must be separately addressed as well; they too need education and training, and quality child care must be available if they are to participate in such programs. Only through a nation that cares and a government that acts can those Americans trapped in poverty move toward meaningful independence.

The Hungry and the Homeless—In the late 1960's the nation discovered widespread hunger and malnutrition in America, especially among poor children and the elderly. The country responded with a national effort, of which Americans should be justly proud. By the late 1970's, medical researchers found that hunger had nearly been eliminated.

Since 1980, however, hunger has returned. High unemployment, coupled with deep cutbacks in food assistance and other basic support programs for poor families have led to conditions not seen in this country for years. Studies in hospitals and health departments document increases in numbers of malnourished children. Increasing numbers of homeless wander our cities' streets in search of food and shelter. Religious organizations, charities and other agencies report record numbers of persons standing in line for food at soup kitchens and emergency food pantries.

Strong action is needed to address this issue and to end the resurgence of hunger in America. The Democratic Party is committed to reversing regressive Reagan policies and to providing more adequate food aid for poor families, infants, children, elderly and handicapped persons. It is time to resume the national effort, jettisoned in 1980, to ensure that less fortunate Americans do not go without adequate food because they are too poor to secure a decent diet. As Democrats, we call upon the American people to join with us in a renewed commitment to fight hunger and homelessness so that every American can be a productive, contributing member of our society.

Hunger is an international problem as well. In many countries it threatens peace and stability. The United States should take the lead in working with out allies and other countries to help wipe hunger from the face of the earth.

A Democratic President will ensure that the needs of the world's children are given priority in all U.S. foreign assistance programs and that international assistance programs are geared toward increasing self-reliance of local populations and self-sufficiency in food production.

Integrity in Government

As Democrats, we believe that the American people are entitled to a government that is honest, that is open, and that is fully representative of this nation and its people, and we are committed to providing it.

After four years in which the roll of dishonor in the Administration has grown weekly and monthly—from Richard Allen to Rita Lavelle, from Thomas Reed to James Watt—it is time for an end to the embarrassment of Republican cronyism and malfeasance. Our appointments will be ones of which Americans can be proud. Our selection process in staffing the government will be severe. We will not tolerate impropriety in a Democratic Administration.

We must work to end political action committee funding of federal political campaigns. To achieve that, we must enact a system of public financing of federal campaigns. At the same time, our Party should assure that a system of public financing be responsive to the problem of underrepresentation of women and minorities in elective offices.

We Democrats are not afraid to govern in public and to let the American people know and understand the basis for our decisions. We will reverse current Administration policies that permit the widespread overclassification of documents lacking a relationship to our national security. We will rescind Reagan Administration directives imposing undue burdens on citizens seeking information about their government through the Freedom of Information Act.

We will insist that the government, in its relations with its own employees, set a standard of fairness which is a model for the private sector. We believe, moreover, that an Administration that cannot run its own house fairly cannot serve the American people fairly. We will ensure that government's number one priority is the performance of its mission under the law, and not the implementation of the narrow political agenda of a single Party. Sound management and fair government cannot be administered by a politicized work force. Neither can it be accomplished by a demoralized work force. A Democratic Administration will not devalue the pay, benefits, and retirement rights of federal workers guaranteed under the law. We will work to reverse personnel policies, including the contracting out of work traditionally performed by public employees, that have made it impossible for current federal employees to recommend a career in federal service to our nation's young people.

Our judicial system must be one in which excellence and access are the foundations. It is essential to recruit people of high integrity, outstanding competence, and high quality of judgment to serve in our nation's judiciary. And we oppose efforts to strip the federal courts of their historic jurisdiction to adjudicate cases involving questions of federal law and constitutional rights.

Crime

No problem has worried Americans more persistently over the past 20 years than the problem of crime. Crime and the fear of crime affect us all, but the impact is greatest on poor Americans who live in our cities. Neither a permissive liberalism nor a static conservatism is the answer to reducing crime. While we must eliminate those elements—like unemployment and poverty—that foster the criminal atmosphere, we must never let them be used as an excuse.

Although the primary responsibility for law enforcement rests at the local level, Democrats believe the federal government can play an important role by encouraging local innovation and the implementation of new crime control methods as their effectiveness is shown. And when crime spills across state borders, the federal government must take the lead, and assume responsibility for enforcing the law. This Administration has done neither. It has talked "law and order" while cutting law enforcement budgets. It has decried the influence of drugs, while cutting back on customs enforcement.

As a result, drug trafficking and abuse have risen to crisis proportions in the United States. In 1983, an estimated 60 tons of cocaine, 15,000 tons of marijuana, and 10 tons of heroin entered the United States, clear evidence that we are losing the effort overseas to control the production and transshipment of these and other dangerous drugs. Domestically, the illicit trafficking in drugs is a $100 billion per year business; the economic and social costs to our society are far higher.

Today, in our country, there are 25 million regular abusers of marijuana, close to 12 million abusers of cocaine, and half a million heroin addicts. Since 1979, hospital emergency room incidents—including deaths—related to cocaine have soared 300 percent; incidents related to heroin have climbed 80 percent. According to the 1983 National High School Survey on Drug Abuse, 63 percent of high school seniors have tried an illicit drug, and 40 percent have tried a drug other than marijuana. Alcohol abuse is also a serious problem which must be faced.

For this reason, the Democratic Party believes it is essential to make narcotics control a high priority on the national agenda, and a major consideration in our dealings with producer and transshipment countries, particularly if they are recipients of U.S. assistance.

At the national level, the effort must begin by introducing a comprehensive management plan to eliminate overlap and friction between the 113 different federal agencies with responsibilities for fighting crime, particularly with respect to the control of drug traffic. We must provide the necessary resources to federal agencies and departments with responsibility for the fight against drugs.

To spur local law enforcement efforts, establishment of an independent criminal justice corporation should be considered. This corporation could serve as a means of encouraging community-based efforts, such as neighborhood citizen watches, alternative deployment patterns for police, and community service sentencing programs, which have proven effectiveness.

Violent acts of bigotry, hatred and extremism aimed at women, racial, ethnic and religious minorities, and gay men and lesbians have become an alarmingly common phenomenon. A Democratic Administration will work vigorously to address, document, and end all such violence.

We believe that victims of crime deserve a workable program of compensation. We call for sentencing reforms that routinely include monetary or other forms of restitution to victims. The federal government should ensure that victims of violent federal crime receive compensation. We need to es-

tablish a federal victim compensation fund, to be financed, in part, by fines and the proceeds from the sale of goods forfeited to the government.

We support tough restraints on the manufacture, transportation, and sale of snub-nosed handguns, which have no legitimate sporting use and are used in a high proportion of violent crimes.

We will establish a strong federal-state partnership to push for further progress in the nationwide expansion of comprehensive, community-based anti-drunk driving programs. With the support of citizens, private-sector business and government at all levels; we will institutionalize fatality and injury reduction on the nation's highways.

We support fundamental reform of the sentencing process so that offenders who commit similar crimes receive similar penalties. Reform should begin with the establishment of appropriately drafted sentencing guidelines, and judges deviating from such guidelines should be required to provide written reasons for doing so.

Finally, we believe that the credibility of our criminal courts must be restored. Our courts should not be attacked for failing to eliminate the major social problem of crime—courts of justice were not designed, and were never intended, to do that. A Democratic Administration will encourage experimentation with alternative dispute-resolution mechanisms, diversion programs for first and nonviolent offenders, and other devices to eliminate the congestion in our courts and restore to them an atmosphere in which they can perform their intended job: doing real individualized justice, in an orderly way.

CHAPTER III.—PEACE, SECURITY, AND FREEDOM

Introduction

Building a safer future for our nation and the world: that is the Democratic agenda for our national security. Every responsibility before our nation, every task that we set, pales beside the most important challenge we face—providing new leadership that enhances our security, promotes our values, and works for peace.

The next American President will preside over a period of historic change in the international system. The relatively stable world order that has prevailed since World War II is bursting at the seams from the powerful forces of change—the proliferation of nuclear and conventional weapons, the relentless Soviet military buildup, the achievement of rough nuclear parity between the Soviet Union and the United States, the increasingly interdependent nature of the international economic order, the recovery and rise of European and Asian powers since the devastation of the Second World War, and the search for a new American political consensus in the wake of Vietnam and Lebanon and in the shadow of a regional crisis in Central America.

The greatest foreign policy imperative of the Democratic Party and of the next President is to learn from past mistakes and adapt to these changes, rather than to resist or ignore them. While not underestimating the Soviet threat, we can no longer afford simplistically to blame all of our troubles on a single "focus of evil," for the sources of international change run even deeper than the sources of superpower competition. We must see change as an opportunity as well as a challenge. In the 1980's and beyond, America must not only make the world safe for diversity; we must learn to thrive on diversity.

The Democratic Party believes that it is time to harness the full range of America's capacity to meet the challenges of a changing world. We reject the notion that America is beset by forces beyond its control. Our commitment to freedom and democracy, our willingness to listen to contrasting viewpoints, and our ingenuity at devising new ideas and arrangements have given us advantages in an increasingly diverse world that no totalitarian system can match.

The Democratic Party has a constructive and confident vision of America's ability to use all of our economic, political, and military resources to pursue our wide-ranging security and economic interests in a diverse and changing world. We believe in a responsible defense policy that will increase our national security. We believe in a foreign policy that respects our allies, builds democracy, and advances the cause of human rights. We believe that our economic future lies in our ability to rise to the challenge of international economic competition by making our own industries more competitive. Above all, we believe that our security requires the direct, personal involvement of the President of the United States to limit the Soviet military threat and to reduce the danger of nuclear war.

We have no illusions about the forces arrayed against the democratic cause in our time. In the year made famous by George Orwell, we can see the realization of many of his grimmest prophecies in the totalitarian Soviet state, which has amassed an arsenal of weapons far beyond its defensive needs. In the communist and non-communist world, we find tyrannical regimes that trample on human rights and repress their people's cry for economic justice.

The Reagan Administration points to Soviet repression—but has no answer other than to escalate the arms race. It downgrades repression in the noncommunist world, by drawing useless distinctions between "totalitarian" and "authoritarian" regimes.

The Democratic Party understands the challenge posed by the enemies of democracy. Unlike the Reagan Administration, however, we are prepared to work constructively to reduce tensions and make genuine progress toward a safer world.

The Democratic Party is confident that American ideals and American interests reinforce each other in our foreign policy: the promotion of democracy and human rights not only distinguishes us from our adversaries, but it also builds the long-term stability that comes when governments respect their people. We look forward to the 21st century as a century of democratic solidarity where security, freedom, and peace will flourish.

Peace, freedom and security are the essence of America's dream. They are the future of our children and their children.

This is the test where failure could provide no opportunity to try once more. As President Kennedy once warned: "We have the power to make this the best generation of mankind in the history of the world—or to make it the last."

The Future If Reagan Is Reelected

"Star Wars is not the path towards a less dangerous world. A direct and safe road exists: equitable and verifiable deep cuts in strategic offensive forces. We must abandon the illusion that ever more sophisticated technology can remove the perils that science and technology have created."—Statement by Dr. Jerome B. Wiesner, Dr. Carl Sagan, Dr. Henry Kendall, and Admiral Noel Gayler (Democratic Platform Committee Hearing, Washington, D.C., June 12, 1984).

"The minister of the apartheid government recently boasted of the fruitful relationship between Pretoria and Washington since the advent of the Reagan regime. Now apartheid South Africa has acquired the military muscle to bomb, to maim, to kill men, women, and children, and to bully these states into negotiating with apartheid through the threat of increased military action. This may be hailed as a victory for apartheid and for the Reagan Administration, but in truth it can only create anger and comtempt in the African people."—Professor Dennis Brutus, Northwestern University (former political prisoner in South Africa) (Democratic Platform Committee Hearing, New York, New York, April 9, 1984).

Suppose Mr. Reagan is reelected. How would he deal with the serious threats that face us and our children?

Under Mr. Reagan, the nuclear arms would continue to spiral out of control. A new generation of destabilizing will imperil all humanity. We will live in a world where the nuclear arms race has spread from earth into space.

Under Mr. Reagan, we would continue to overemphasize destabilizing and redundant nuclear weapons programs at the expense of our conventional forces. We will spend billions for weapons that do not work. We will continue to ignore proposals to improve defense management, to get a dollar's worth for each dollar spent, and to make our military more combat-effective and our weapons most cost-effective.

Under Mr. Reagan, regional conflicts would continue to be dangerously mismanaged. Young Americans may be sent to fight and die needlessly. The spread of nuclear materials to new nations and the spread of sophisticated conventional weapons to virtually every nation on earth will continue unabated.

Can America afford a President so out of touch with reality that he tells us, "I think the world is safer and further removed from a possible war than it was several years ago"?

Can America afford the recklessness of a President who exposed American Marines to mortal danger and sacrificed over 260 of them in a bungled mission in Lebanon against the advice of the Joint Chiefs of Staff, and brought upon us the worst U.S. military disaster since the Vietnam War?

Can America afford the irresponsibility of a President who undermines confidence in our deterrent with misleading allegations of Soviet nuclear "superiority" and whose Administration beguiles the American public with false claims that nuclear war can be survived with enough shovels?

Can America afford the unresponsiveness of a President who thwarts the will of the majority of Americans by waging a secret war against Nicaragua?

In a second Reagan term, will our heavens become a nuclear battleground?

In 1980, candidate Ronald Reagan promised the American people a more secure world. Yet, as President:

He has raced to deploy new weapons that will be destabilizing and difficult to verify. He has pressed for a multi-billion dollar chemical weapons program. He has launched his trillion dollar "Star Wars" arms race in space.

He has relaxed controls on nuclear proliferation, thus enhancing the risk that nuclear weapons will be acquired and used by un-

stable governments and international terrorists.

He has become the first President since the Cold War to preside over the complete collapse of all nuclear arms negotiations with the Soviets.

He has rejected SALT II, threatened the ABM Treaty, and abandoned the goal of a complete ban on nuclear weapons tests that has been pursued by every President since Eisenhower. He has refused to seek negotiations to limit anti-satellite weapons that could threaten our vital early-warning and military satellites. Over 250 strategic missiles and bombers that would have been eliminated under SALT II are still in Soviet hands.

Can we afford four more years of a Pentagon spending binge?

In 1980, candidate Ronald Reagan and the Republican Party promised the American people a defense spending increase "to be applied judiciously to critically needed programs." Yet, as President:

He has initiated the largest peacetime defense build-up in our history with no coherent plan for integrating the increased programs into an effective military posture.

He has slighted training and readiness of our conventional forces in favor of big ticket nuclear items, "preparing," in the words of General Maxwell Taylor, "for the least possible threats to the neglect of the most probable."

He has brought us the worst-managed and most wasteful Defense Department in history. Under the Pentagon's wasteful purchasing system, the American taxpayer has paid $435 for a $17 claw hammer, $1100 for a 22-cent plastic steel cap, over $2000 for a 13-cent plain round nut, and $9600 for a 12-cent Allen wrench.

Can we afford four more years of dangerous foreign policy failures?

In 1980, candidate Ronald Reagan and the Republican Party promised "to put America on a sound, secure footing in the international arena," yet, as President:

He has contributed to the decline of U.S.-Soviet relations to a perilous point. Instead of challenges, he has used easy and abusive anti-Soviet rhetoric as a substitute for strength, progress, and careful use of power.

He has strained vital U.S. alliances through his bungled efforts to stop the Soviet natural gas pipeline, his inflammatory nuclear rhetoric and policies, and his failure to support the efforts of our democratic allies to achieve a negotiated political solution in Central America.

He has had as many Middle East policies as he has had staff turnovers. First, he offered strategic cooperation to Israel as if it were a gift. Then he took it away to punish Israel as if it were not our ally. Then he pressured Israel to make one-sided concessions to Jordan. Then he demanded that Israel withdraw from Lebanon. Then he pleaded with them to stay. Then he did not accept their offer of medical help for our wounded Marines. He undercut American credibility throughout the Middle East by declaring Lebanon a vital interest of the United States and then withdrawing.

He has failed to understand the importance for the United States of a solid relationship with the African continent—not only from the perspective of human decency, but also from enlightened concern for our own self-interest. By his lack of sensitivity and foresight, he has ignored the fate of millions of people who need our help in developing their economies and in dealing with the ravages of drought, and he has jeopardized our relations with countries that are important to U.S. security and well-being.

He has brought us a strategy in Central America and the Caribbean that has failed. Since he took office, the region has become much more unstable; the hemisphere is much more hostile to us; and the poverty is much deeper. Today in El Salvador, after more than a billion dollars in American aid, the guerillas are stronger than they were three years ago, and the people are much poorer. In Nicaragua, our support for the *contras* and for the convert war has strengthened the totalitarians at the expense of the moderates. In Honduras, an emerging democracy has been transformed into a staging ground for possible regional war. And in Costa Rica our backing for rebels based there is in danger of dragging that peaceful democracy into a military confrontation with Nicaragua. In Grenada, Mr. Reagan renounced diplomacy for over two years, encouraging extremism, instability, and crisis. By his failure to avoid military intevention, he divided us from our European allies and alienated our friends throughout the Western hemisphere. And by excluding the press, he set a chilling precedent, greatly hampering public scrutiny of his policies. After three and one-half years of Mr. Reagan's tunnel vision, extremism is stronger, our democratic friends are weaker, and we are further than ever from achieving peace and security in the region.

He is the first President to fail to support publicly the ratification of the Genocide Convention. His Vice President has praised the Philippine dictator for his "love of democracy," his first Secretary of State announced that human rights would be replaced as a foreign policy priority, and his first nominee for Assistant Secretary of State for Human Rights was rejected by the U.S. Senate as unfit for that post. He has closely idenitifed the United States with the apartheid regime in South Africa, and he has time and again failed to confront dictators around the globe.

This is an unprecedented record of failure. But President Reagan is content to make excuses for failure.

President Reagan blames Congress and the Democratic Party. He rebukes Americans deeply and genuinely concerned about the threat of nuclear war. He rails at the Soviet Union—as if words alone, without strategy or effective policy, will make that nation change its course.

It is time for Democrats and Americans to apply a tough standard to Ronald Reagan. Let us paraphrase the question he asked in 1980: Are we safer today than we were three and a half years ago? Are we further from nuclear war? After more than a thousand days of Mr. Reagan, is the world anywhere less tense, anywhere closer to peace?

Americans throughout this land are answering with a resounding no.

President Reagan himself is responsible—responsible for four years of a failed foreign policy. America elects its President to lead. It does not elect its President to make excuses.

The Democratic Party believes that it is time to harness the full power of America's spirit and capacity to meet the challenges of a changing world.

The Democratic Party has a different and positive vision of America's future. What is at stake may be freedom and survival itself.

The Democratic Alternative: A Safer Future for Our Nation and the World

"I do not see why we think of Democracy as so weak and so vulnerable. Let us for heaven's sake have some confidence in America and not tremble, fearing that our society will fall apart as the least rattle of the door. If I were constructing this platform, I would ask that its planks be carved out of self-confidence, and planned in belief in our own system."—Historian Barbara Tuchman (Democratic Platform Committee Hearing, New York, New York, April 9, 1984).

"The Democratic Party requires a foreign policy which approaches the problems that confront us primarily in their national and regional contexts, rather than viewing them, as the Reagan Administration does, almost exclusively as a manifestation of the "evil empire's" efforts to extend its sway over the entire globe. What we need is a foreign policy which promotes the cause of human rights by opposing tyranny on the part of left as well as right wing governments, rather than a foreign policy, like the one we have now, which supports virtually every reactionary and repressive regime that professes to be anti-communist."—Honorable Stephen J. Solarz, U.S. Representative, New York (Democratic Platform Committee Hearing, New York, New York, April 9, 1984).

There is no higher goal for the Democratic Party than assuring the national security of the United States. This means a strong national defense, vigorous pursuit of nuclear arms control, and a foreign policy dedicated to advancing the interests of America and the forces of freedom and democracy in a period of global transformation. This will require new leadership, strong alliances, skillful diplomacy, effective economic cooperation, and a foreign policy sustained by American strength and ideals. And to hold the support of the American people, our leaders must also be careful and measured in the use of force.

The Democratic Party is committed to a strong national defense. Democrats know that a relentless Soviet military build-up—well beyond its defensive needs—directly challenges world security, our democratic values, and our free institutions. On the nature of the Soviet threat and on the essential issue of our nation's security, Americans do not divide. On the common interest in human survival, the American and Soviet peoples do not divide.

Maintaining strong and effective military forces is essential to keeping the peace and safeguarding freedom. Our allies and adversaries must never doubt our military power or our will to defend our vital interests. To that end, we pledge a strong defense built in concert with our allies, based on a coherent strategy, and supported by a sound economy.

In an age of about 50,000 nuclear weapons, however, nuclear arms control and reductions are also essential to our security. The most solemn responsibility of a President is to do all that he or she can to prevent a single nuclear weapon from ever being used. Democrats believe that mutual and verifiable controls on nuclear arms can, and must be, a serious integral part of national defense. True national security requires urgent measures to freeze and reverse the arms race, not the pursuit of the phantom of nuclear superiority or futile Star Wars schemes.

The Democratic Party believes that the purpose of nuclear weapons is to deter war, not to fight it. Democrats believe that America has the strength and tenacity to negotiate nuclear arms agreements that will reduce the risk of nuclear war and preserve our military security.

Today we stand at one of the most critical junctures in the arms race since the explosion of the first atomic bomb. Mr. Reagan wants to open the heavens for warfare.

His Star Wars proposal would create a vulnerable and provocative "shield" that would lull our nation into a false sense of security. It would lead our allies to believe that we are retreating from their defense. It would lead to the death of the ABM Treaty—the most successful arms control treaty in history—and this trillion-dollar program would provoke a dangerous offensive and defensive arms race.

If we and our allies could defend our populations effectively against a nuclear war, the Democratic Party would be the first to endorse such a scheme. Unfortunately, our best scientists agree that an effective population defense is probably impossible. Therefore, we must oppose an arms race where the sky is no longer the limit.

Arms Control and Disarmament

Ronald Reagan is the first American President in over twenty years who has not reached any significant arms control agreements with the Soviet Union, and he is the first in over fifty years who has not met face to face with Soviet leaders. The unjustified Soviet walkout from key nuclear talks does not excuse the arms control failures of the Administration.

To reopen the dialogue, a Democratic President will propose an early summit with regular, annual summits to follow with the Soviet leaders, and meetings between senior civilian and military officials, in order to reduce tensions and explore possible formal agreements. In a Democratic Administration, the superpowers will not communicate through megaphones.

A new Democratic Administration will implement a strategy for peace which makes arms control an integral part of our national security policy. We must move the world back from the brink of nuclear holocaust and set a new direction toward an enduring peace, in which lower levels of military spending will be possible. Our ultimate aim must be to abolish all nuclear weapons in a world safe for peace and freedom.

This strategy calls for immediate steps to stop the nuclear arms race, medium-term measures to reduce the dangers of war, and long-term goals to put the world on a new and peaceful course.

The first practical step is to take the initiative, on January 20, 1985, to challenge the Soviets to halt the arms race quickly. As President Kennedy successfully did in stopping nuclear explosions above ground in 1963, a Democratic President will initiate temporary, verifiable, and mutual moratoria, to be maintained for a fixed period during negotiations so long as the Soviets do the same, on the testing of underground nuclear weapons and anti-satellite weapons; on the testing and deployment of all weapons in space; on the testing and deployment of new strategic ballistic missiles now under development; and on the deployment of nuclear-armed, sea-launched cruise missiles.

These steps should lead promptly to the negotiation of a comprehensve, mutual and verifiable freeze on the testing, production, and deployment of all nuclear weapons.

Building on this initiative, the Democratic President will:

Update and resubmit the SALT II Treaty to the Senate for its advice and consent.

Pursue deep, stabilizing reductions in nuclear arsenals within the framework of SALT II, in the meantime observing the SALT II limits ourselves and insisting that the Soviets do likewise.

Propose the merging of the intermediate-range and strategic arms limitations negotiations, if the President judges that this could advance a comprehensive arms limitation agreement with the Soviet Union.

Immediately resubmit to the Senate for its advice and consent the 1974 Threshold Test Ban Treaty and the 1976 Peaceful Nuclear Explosions Treaty.

Conclude a verifiable and comprehensive Test Ban Treaty.

Reaffirm our commitment to the ABM Treaty, ensure U.S. compliance, and vigorously demand answers to questions about Soviet compliance through the Standing Consultative Commission and other appropriate channels.

Actively pursue a verifiable, anti-satellite weapons treaty and ban on weapons in space.

Seek a verifiable international ban on the production of nuclear weapons-grade fissile material, such as plutonium and highly enriched uranium.

Undertake all-out efforts to halt nuclear proliferation.

Terminate production of the MX missile and the B-1 bomber.

Prohibit the production of nerve gas and work for a verifiable treaty banning chemical weapons.

Establish U.S.-Soviet nuclear risk reduction centers and other improve communications for a crisis.

Invite the most eminent members of the scientific community to study and report on the worldwide human suffering and the long-term environmental damage which would follow in the days after a nuclear war, and take into account as fully as possible the results of such study in the formulation of our nuclear weapons and arms control policies.

Strengthen broad-based, long-term public support for arms control by working closely with leaders of grass-roots, civic, women's, labor, business, religious and professional groups, including physicians, scientists, lawyers, and educators.

Provide national leadership for economic adjustment for affected communities and industries, and retraining for any defense workers affected by the termination or cutbacks in weapons programs.

Initiate, in close consultation with our NATO allies, a strategy for peace in Europe including:

Achieving a balance of conventional forces in order to reduce reliance on nuclear weapons and to permit the Atlantic Alliance to move toward the adoption of a "no first use" policy;

Mutually pulling back battlefield nuclear weapons from the frontlines of Europe, in order to avoid the necessity of having to make a "use them or lose them" choice should hostilities erupt in Europe;

Negotiating new approaches to intermediate nuclear force limits along the lines of the "walk in the woods" proposal, and then seeking to move closer to zero INF deployments by the U.S. and U.S.S.R.;

Negotiating significant mutual and balanced reductions in conventional forces of both NATO and the Warsaw Pact, and confidence-building measures to reduce the dangers of a surprise attack.

We are under no illusion that these arms control proposals will be easy to achieve. Most will involve patience and dedication, and above all leadership in the pursuit of peace, freedom, and security. The Soviets are tough negotiators and too often seek to use arms control talks for their propaganda purposes. On this issue—preventing nuclear war—America must lead, and the Democratic Party intends to lead. Without our leadership the nations of the world will be tempted to abandon themselves, perhaps slowly at first, but then relentlessly to the quest for nuclear weapons, and our children will look back with envy upon today's already dangerous nuclear world as a time of relative safety.

Defense Policy

The Reagan Administration measures military might by dollars spent. The Democratic Party seeks prudent defense based on sound planning and a realistic assessment of threats. In the field of defense policy, the Democratic Administration will:

Work with our NATO and other allies to ensure our collective security, especially by strengthening our conventional defenses so as to reduce our need to rely on nuclear weapons, and to achieve this at increased spending levels, with funding to continue at levels appropriate to our collective security, with the firm hope that successful steps to reduce tensions and to obtain comprehensive and verifiable arms control agreements will guarantee our nation both military security and budgetary relief.

Cancel destabilizing or duplicative weapons systems, while proceeding in the absence of appropriate arms control agreements with necessary modernization of our strategic forces.

Scale back the construction of large, expensive and vulnerable nuclear carriers.

Modernize our conventional forces by balancing new equipment purchases with adequate resources spent on training, fuel, ammunition, maintenance, spare parts, and airlift and sealift to assure combat readiness and mobility, and by providing better equipment for our Reserves and National Guard.

Reorganize Pentagon management and strengthen the JCS system to reduce interservice rivalries, promote military leadership over bureaucratic skills, assure effective execution of policies and decisions, undertake better multi-year planning based upon realistic projections of available resources, and reduce conflicts of interest.

Ensure open and fair competitive bidding for procurement of necessary equipment and parts, and establish a system of effective, independent testing of weapons for combat conditions.

Implement a program of military reform. Our forces must be combat ready; our doctrines should emphasize out-thinking and out-maneuvering our adversaries; and our policies should improve military organization and unit cohesion.

Press our European allies to increase their contributions to NATO defense to levels of effort comparable to our own—an approach that the Administration undercut by abandoning the NATO-wide agreement concluded by its Democratic predecessor—and pursue improved trans-Atlantic economic cooperation and coordination of arms procurement.

Recognize that the heart of our military strength is people, Americans in uniform who will have the skills and the will to

maintain the peace. The men and women of our armed services deserve not only proper pay and benefits, but the nation's recognition, respect and gratitude as well.

Recognize the importance of the intelligence community and emphasize its mission as being dedicated to the timely collection and analysis of information and data. A Democratic Administration will also recognize the urgent need to de-politicize the intelligence community and to restore professional leadership to it.

Oppose a peacetime military draft or draft registration.

Oppose efforts to restrict the opportunities of women in the military based solely on gender. The Reagan Administration has used the combat designation as an arbitrary and inappropriate way to exclude women from work they can legitimately perform. Women nurses and technicians, for example, have long served with distinction on the front lines; women must not be excluded from jobs that they are trained and able to perform.

Seek ways to expand programs such as VISTA, the Young Adult Conservation Corps, and the Peace Corps.

These and other qualitative improvements will ensure effective American strength at affordable cost. With this strength, we will restore the confidence of our fellow citizens and our allies; we will be able to mount an effective conventional defense; and we will present our adversaries with a credible capability to deter war.

The Democratic Party is committed to reversing the policies of the Reagan Administration in the area of military and defense procurement. Public accounts reveal a four-year record of waste, fraud, conflicts of interest, and indications of wrongdoing. Administration officials have engaged in practices that have cost the taxpayers billions of dollars. Further, the Reagan Administration has ignored legal remedies to stop the abuses, recover the funds, and punish those responsible.

A Democratic President will demand full disclosure of all information, launch a thorough investigation, and seek recovery of any tax funds illegally spent. This will be a major step towards restoring integrity to defense procurements and reducing unnecessary expenditures in the defense budget.

Foreign Policy

The purpose of foreign policy is to attain a strong and secure United States and a world of peace, freedom and justice. On a planet threatened by dictatorships on the left and right, what is at stake may be freedom itself. On a planet shadowed by the threat of a nuclear holocaust, what is at stake may be nothing less than human survival.

A Democratic Administration will comprehend that the gravest political and security dangers in the developing world flow from conditions that open opportunities for the Soviet Union and its surrogates: poverty, repression and despair. Against adversaries such as these, military force is of limited value. Such weapons as economic assistance, economic and political reform, and support for democratic values by, among other steps, funding scholarships to study at U.S. colleges and universities, must be the leading elements of our presence and the primary instruments of American influence in the developing countries.

To this end, a Democratic President will strengthen our Foreign Service, end the present practice of appointing unqualified persons as Ambassadors, strengthen our programs of educational and cultural exchange, and draw upon the best minds in our country in the quest for peace.

A Democratic Administration will initiate and establish a Peace Academy. In the interests of balancing this nation's investment in the study of making war, the Peace Academy will study the disciplines and train experts in the arts of waging peace.

The Democratic Party is committed to ensuring strong representation of women and minorities in military and foreign policy decisionmaking positions in our government.

In addition, a Democratic President will understand that as Commander-in-Chief, he or she directs the forces of peace as well as those of war, and will restore an emphasis on skilled, sensitive, bilateral and multilateral diplomacy as a means to avert and resolve international conflict.

A Democratic President will recognize that the United States, with broad economic, political, and security interests in the world, has an unparalleled stake in the rule of international law. Under a Democratic Administration, there will be no call for clumsy attempts to escape the jurisdiction of the International Court of Justice, such as those put forth by the Reagan Administration in connection with its mining of the harbors of Nicaragua.

A Democratic President will reverse the automatic militarization of foreign policy and look to the causes of conflict to find out whether they are internal or external, whether they are political or primarily social and economic.

In the face of the Reagan Administration's cavalier approach to the use of military force around the world, the Democratic Party affirms its commitment to the selective, judicious use of American military power in consonance with Constitutional principles and reinforced by the War Powers Act.

A Democratic President will be prepared to apply military force when vital American interests are threatened, particularly in the event of an attack upon the United States or its immediate allies. But he or she will not hazard American lives or engage in unilateral military involvement:

Where our objectives are not clear;

Until all instruments of diplomacy and non-military leverage, as appropriate, have been exhausted;

Where our objectives threaten unacceptable costs or unreasonable levels of military force;

Where the local forces supported are not working to resolve the causes of conflict;

Where multilateral or allied options for the resolution of conflict are available.

Further, a Democratic Administration will take all reasonable domestic action to minimize U.S. vulnerability to international instability, such as reducing Western reliance on Persian Gulf oil and other strategic resources. To this end, a Democratic Administration will implement, with our allies, a multilateral strategy for reduction of allied dependence on critical resources from volatile regions of the world.

U.S. covert operations under a Democratic President will be strictly limited to cases where secrecy is essential to the success of an operation and where there is an unmistakable foreign policy rationale. Secrecy will not be used simply to hide from the American people policies they might be expected to oppose.

Finally, a Democratic President will recognize our democratic process as a source of strength and stability, rather than an unwelcome restraint on the control of foreign policy. He or she will respect the War Powers Resolution as a reflection of wise judgment that the sustained commitment of America's fighting forces must be made with the understanding and support of Congress and the American people. A Democratic President will understand that United States leadership among nations requires a proper respect for law and treaty obligations, and the rights of men and women everywhere.

Europe and the Atlantic Alliance—American leadership is not about standing up to our friends. It is about standing up with them, and for them. In order to have allies, we must act like one.

Maintaining a strong alliance is critically important. We remain absolutely committed to the defense of Europe, and we will work to ensure that our allies carry their fair share of the burden of the common defense. A Democratic Administration in turn will commit itself to increased consultation on security affairs. We must work to sustain and enhance Western unity.

We must persuade the next generation of Europeans that America will use its power responsibly in partnership with them. We Democrats affirm that Western security is indivisible. We have a vital interest in the security of our allies in Europe. And it must always remain clear that an attack upon them is the same as an attack upon us—by treaty and in reality.

A strong Western alliance requires frank discussions among friends about the issues that from time to time divide us. For example, we must enter into meaningful negotiations with the European Community to reduce their agricultural export subsidies which unfairly impair the competitiveness of American agricultural products in third-country markets.

A Democratic President will encourage our European friends to resolve their long-standing differences over Ireland and Cyprus.

The Democratic Party supports an active role by the United States in safeguarding human rights in Northern Ireland and achieving an enduring peaceful settlement of that conflict. We oppose the use of plastic bullets in Northern Ireland, and we urge all sides to reject the use of violence. The Democratic Party supports a ban on all commercial transactions by the U.S. government with firms in England and Ireland that practice, on an on-going basis, discrimination in Northern Ireland on the basis of race, religion, or sex. We affirm our strong commitment to Irish unity—achieved by consent and based on reconciliation of all the people of Ireland. The Democratic Party is greatly encouraged by the historic and hopeful Report of the New Ireland Forum which holds the promise of a real breakthrough. A Democratic President will promptly appoint a special envoy and urge the British as well as the political leaders in Northern Ireland to review the findings and proposals of the Forum with open hearts and open minds, and will appeal to them to join a new initiative for peace. The Congress and a Democratic President will stand ready to assist this process, and will help promote jobs and investments, on a non-discriminatory basis, that will represent a significant contribution to the cause of peace in Ireland.

In strong contrast to President Reagan's failure to apply effective diplomacy in Cyprus and the Eastern Mediterranean, a Democratic President will act with urgency

and determination to make a balanced policy in the area and a peaceful resolution of the Cyprus dispute a key foreign policy priority. A Democratic President will utilize all available U.S. foreign policy instruments and will play an active, instead of a passive, role in the efforts to secure implementation of U.N. Resolutions so as to achieve removal of Turkish troops, the return of refugees, reestablishment of the integrity of the Republic of Cyprus, and respect for all citizens' human rights on Cyprus.

United States-Soviet Relations—U.S. relations with the Soviet Union are a critical element of our security policy. All Americans recognize the threat to world peace posed by the Soviet Union. The U.S.S.R. is the only adversary with the capability of destroying the United States. Moreover, Americans are more generally concerned about the Soviet leadership's dangerous behavior internationally and the totalitarian nature of their regime. The Brezhnev Doctrine proclaims Soviet willingness to maintain communist regimes against the opposition of their own people. Thus, Soviet troops have invaded and today continue to wage war on the proud people of Afghanistan. In Poland, a military government, acting under Soviet pressure, has sought to crush the indomitable spirit of the Polish people and to destroy Solidarity, a free trade Union movement of ten million members and the first such movement in a communist country. In recent years, the Soviet Union and its allies have played a more aggressive role in countries around the world. At the same time, the Soviet military arsenal, nuclear and conventional, far exceeds that needed for its defense.

Yet we also recognize that the Soviets share a mutual interest in survival. They, too, have no defense against a nuclear war. Our security and their security can only be strengthened by negotiation and cooperation.

To shape a policy that is both firm and wise, we must first stand confident and never fear the outcome of any competition between our systems. We must see the Soviet Union as it is—neither minimizing the threats that Soviet power and policies pose to U.S. interests, nor exaggerating the strength of a Soviet regime beset by economic stagnation and saddled with a bankrupt and sterile ideology. We must join with our allies and friends to maintain an effective deterrent to Soviet power. We must pursue a clear, consistent and firm policy of peaceful competition toward the Soviet Union, a steady and pragmatic approach that neither tolerates Soviet aggression and repression nor fuels Soviet paranoia.

The job of an American President is both to check Soviet challenges to our vital interests, and to meet them on the common ground of survival. The risk of nuclear war cannot be eliminated overnight. But every day it can be either increased or decreased. And one of the surest ways to increase it is to cut off communications.

The Democratic Party condemns continued Soviet persecution of dissidents and refuseniks, which may well have brought Nobel laureate Andrei Sakharov and his wife to the verge of death in internal exile in Gorki. We will not be silent when Soviet actions, such as the imprisonment of Anatoly Shcharansky and Ida Nudel and thousands of others, demonstrate the fundamentally repressive and anti-Semitic nature of the Soviet regime. A Democratic Administration will give priority to securing the freedom to emigrate for these brave men and women of conscience including Jews and other minorities, and to assuring their fair treatment while awaiting permission to leave. These freedoms are guaranteed by the Universal Declaration of Human Rights and by the Helsinki Final Act which the Soviets have signed and with those provisions they must be required to comply. Jewish emigration, which reached the level of fifty thousand per year during the last Democratic Administration and which has virtually ended under its Republican successor, must be renewed through firm, effective diplomacy. We also recognize that Jewish emigration reached its height at the same time there was an American Administration dedicated to pursuing arms control, expanding mutually beneficial trade, and reducing tensions with the Soviet Union—fully consistent with the interests of the United States and its allies. It is no contradiction to say that while pursuing an end to the arms race and reducing East-West tensions, we can also advance the cause of Soviet Jewish emigration.

Eastern Europe—We must respond to the aspirations and hopes of the peoples of Eastern Europe and encourage, wherever possible, the forces of change and pluralism that will increase these people's freedom from Soviet tyranny and communist dictatorship. We should encourage Eastern European countries to pursue independent foreign policies and to permit greater liberalization in domestic affairs, and we should seek independent relationships to further these objectives with them.

The Democratic Party comdemns the Soviet repression by proxy in Poland and the other countries of Eastern Europe. The emergence of the free trade union Solidarity is one of the most formidable developments in post-war Europe and inspires all who love freedom. The struggle of the Polish people for a democratic society and religious freedom is eloquent testimony to their national spirit and bravery that even a brutal martial law regime cannot stamp out.

Today the Jaruzelski regime claims to have ended the harshest repressive measures. Yet it continues to hold political prisoners, it continues to mistreat them, and it continues to hunt down members of Solidarity.

The Democratic Party agrees with Lech Walesa that the underground Solidarity movement must not be deprived of union freedoms. We call for the release of all policial prisoners in Poland and an end to their harassment, the recognition of the free trade union Solidarity, and the resumption of progress toward liberty and human rights in that nation. A Democratic President will continue to press for effective international sanctions against the Polish regime until it makes satisfactory progress toward these objectives.

The Middle East—The Democratic Party believes that the security of Israel and the pursuit of peace in the Middle East are fundamental priorities for American foreign policy. Israel remains more than a trusted friend, a steady ally, and a sister democracy. Israel is strategically important to the United States, and we must enter into meaningful strategic cooperation.

The Democratic Party opposes this Administration's sales of highly advanced weaponry to avowed enemies of Israel, such as AWACS aircraft and Stinger missiles to Saudi Arabia. While helping to meet the legitimate defensive needs of states aligned with our nation, we must ensure Israel's military edge over any combination of Middle East confrontation states. The Democratic Party opposes any consideration of negotiations with the PLO, unless the PLO abandons terrorism, recognizes the state of Israel, and adheres to U.N. Resolutions 242 and 338.

Jerusalem should remain forever undivided with free access to the holy places for people of all faiths. As stated in the 1976 and 1980 platforms, the Democratic Party recognizes and supports the established status of Jerusalem as the capital of Israel. As a symbol of this stand, the U.S. Embassy should be moved from Tel Aviv to Jerusalem.

The Democratic Party condemns this Administration's failure to maintain a high-level Special Negotiator for the Middle East, and believes that the Camp David peace process must be taken up again with urgency. No nation in the Middle East can afford to wait until a new war brings even worse destruction. Once again we applaud and support the example of both Israel and Egypt in taking bold steps for peace. We believe that the United States should press for negotiations among Israel, Jordan, Saudi Arabia, and other Arab states. We re-emphasize the fundamental principle that the prerequisite for a lasting peace in the Middle East remains an Israel with secure and defensible borders, strong beyond a shadow of a doubt; that the basis for peace is the unequivocal recognition of Israel's right to exist by all other states; and that there should be a resolution of the Palestinian issue.

The United States and our allies have vital interests in the Persian Gulf. We must be prepared to work with our allies in defense of those interests. We should stand by our historic support for the principle of freedom of the high seas. At the same time, we and our allies should employ active diplomacy to encourage the earliest possible end to the Iran/Iraq conflict.

The Western Hemisphere—The Western Hemisphere is in trouble. Central America is a region at war. Latin America is experiencing the most serious economic crisis in 50 years. The Inter-American system is on the verge of collapse. Concern about U.S. policies has risen sharply.

It is time to make this Hemisphere a top priority. We need to develop relations based on mutual respect and mutual benefit. Beyond essential security concerns, these relations must emphasize diplomacy, development and respect for human rights. Above all, support for democracy must be pursued. The Reagan Administration is committing the old error of supporting authoritarian military regimes against the wishes of the people they rule, but the United States was not founded, and defended for 200 years with American blood, in order to perpetuate tyranny among our neighbors.

The Hemisphere's nations must strive jointly to find acceptable solutions with judgments and actions based on equally-applied criteria. We must condemn violations of human rights, aggression, and deprivation of basic freedoms wherever they occur. The United States must recognize that the economic and debt crisis of Latin America also directly affects us.

The Reagan Administration has badly misread and mishandled the conflict in Central America. The President has chosen to dwell on the strategic importance of Central America and to cast the struggle in almost exclusively East-West terms. The strategic importance of Central America is not in

doubt, nor is the fact that the Soviet Union, Cuba and Nicaragua have all encouraged instability and supported revolution in the region. What the President ignores, however, are the indigenous causes of unrest. Historically, Central America has been burdened by widespread hunger and disease. And the historic pattern of concentrated wealth has done little to produce stable democratic societies.

Sadly, Mr. Reagan has opted for the all too frequent American response to the unrest that has characterized Central America—military assistance. Over the past 100 years, Panama, Nicaragua, and Honduras have all been occupied by U.S. forces in an effort to suppress indigenous revolutionary movements. In 1954, CIA-backed forces successfully toppled the Government of Guatemala.

President Reagan's massive transfusions of military aid to El Salvador are no substitute for the social and economic reforms that are necessary to undermine the appeal the guerillas hold for many Salvadorans. The changes and upheavals in El Salvador and Nicaragua are home-grown, but they are exacerbated by forces from outside of Central America. The undoubted communist influence on these revolutions cannot be nullified by the dispatch of naval and air armadas to the waters off Nicaragua and thousands of troops to the jungles of Honduras. The solution lies with a new policy that fosters social, economic and political reforms that are compatible with our legitimate vital interests while accommodating the equally legitimate forces of change.

America must find a different approach. All too often, the United States thinks in terms of what it can do *for* the nations of Latin America and the Caribbean region. Rarely does it think in terms of what it can do *with* them. Even with the best of intentions, the difference is more than rhetorical, for paternalism can never be disguised and it is always resented—whether we choose to label it a "special relationship" or to call it a "defensive shield." Acting *for* the nations of the Hemisphere rather than acting in concert *with* them is the surest way of repeating the mistakes of the past and casting a dark shadow over the future.

It need not be. There is an alternative, a good alternative. The great Mexican patriot Benito Juarez pointed the way and said it best: "Between men as between nations, respect for the rights of others is peace." Working *with* our hemispheric neighbors produces understanding and cooperation. Doing something *for* them produces resentment and conflict.

Democrats know there is a real difference between the two and a Democratic President will seek the advice and counsel of the authentic democratic voices within the region—voices that may be heard north and south, east and west; the voices of President Miguel de la Madrid of Mexico, President Belisario Betancur of Colombia, and President Raul Alfonsin of Argentina; the voices of President Jorge Blanco of the Dominican Republic, Prime Minister Tom Adams of Barbados, and President Alberto Monge of Costa Rica. By consulting with and listening carefully to these leaders and to their democratic colleagues elsewhere in the region, the next Democratic President of the United States will fashion a policy toward the region which recognizes that:

The security and well-being of the Hemisphere are more a function of economic growth and development than of military agreements and arms transfers;

The mounting debt crisis throughout the region poses a broader threat to democratic institutions and political stability than does any insurgency or armed revoluntionary movement;

There is an urgent and genuine need for far-reaching economic, social and political reforms in much of the region and that such reforms are absolutely essential to the protection of basic human rights;

The future belongs as much to the people of the region—the politically forgotten and the economically deprived—as it does to the rich and powerful elite;

Preservation and protection of U.S. interests in the Hemisphere requires mutual respect for national sovereignty and demilitarization of the region, prior consultation in accordance with the Rio Treaty and the OAS Charter regarding the application of the Monroe Doctrine, the use of military force, and a multilateral commitment to oppose the establishment of Soviet and Cuban military bases, strategic facilities, or combat presence in Central America or elsewhere in Latin America;

Efforts to isolate Cuba only serve to make it more dependent on the Soviet Union; U.S. diplomatic skills must be employed to reduce that level of dependence and to explore the differences that divide us with a view to stabilizing our relations with Cuba. At the same time we must continue to oppose firmly Cuban intervention in the internal affairs of other nations. Progress in our relationship will depend on Cuba's willingness to end its support for violent revolution, to recognize the sovereignty and independence of other nations by respecting the principle of non-intervention, to demonstrate respect for human rights both inside and outside of Cuba, and to abide by international norms of behavior.

Mindful of these realities and determined to stop widening, militarizing, and Americanizing the conflict, a Democratic President's immediate objective will be to stop the violence and pursue a negotiated political solution in concert with our democratic allies in the Contadora group. He or she will approach Central American policy in the following terms:

First, there must be unequivocal support for the Contadora process and for the efforts by those countries to achieve political solutions to the conflicts that plague the Central American region.

Second, there must be a commitment on the part of the United States to reduce tensions in the region. We must terminate our support for the *contras* and other paramilitary groups fighting in Nicaragua. We must halt those U.S. military exercises in the region which are being conducted for no other real purpose than to intimidate or provoke the Nicaraguan government or which may be used as a pretext for deeper U.S. military involvement in the area. And, we must evidence our firm willingness to work for a demilitarized Central America, including the mutual withdrawal of all foreign forces and military advisors from the region. A Democratic President will seek a multilateral framework to protect the security and independence of the region which will include regional agreements to bar new military bases, to restrict the numbers and sophistication of weapons being introduced into Central America, and to permit international inspection of borders. This diplomatic effort can succeed, however, only if all countries in Central America, including Nicaragua, will agree to respect the sovereignty and integrity of their neighbors, to limit their military forces, to reject foreign military bases (other than those provided for in the Panama Canal Treaties), and to deny any external force or power the use of their territories for purposes of subversion in the region. The viability of any security agreement for Central America would be enhanced by the progressive development of pluralism in Nicaragua. To this end, the elections proposed for November are important; how they are conducted will be an indication of Nicaragua's willingness to move in the direction of genuine democracy.

Third, there must be a clear, concise signal to indicate that we are ready, willing and able to provide substantial economic resources, through the appropriate multilateral channels, to the nations of Central America, as soon as the Contadora process achieves a measure of success in restoring peace and stability in the region. In the meantime, of course, we will continue to provide humanitarian aid and refugee relief assistance. The Democratic Administration will work to help churches and universities which are providing sanctuary and assistance to Guatemalan, Haitian, and Salvadoran refugees, and will give all assistance to such refugees as is consistent with U.S. law.

Fourth, a Democratic President will support the newly elected President of El Salvador in his efforts to establish civilian democratic control, by channeling U.S. aid through him and by conditioning it on the elimination of government-supported death squads and on progress toward his objectives of land reform, human rights, and serious negotiations with contending forces in El Salvador, in order to achieve a peaceful democratic political settlement of the Salvadoran conflict.

Fifth, a Democratic President will not use U.S. armed forces in or over El Salvador or Nicaragua for the purpose of engaging in combat unless:

1. Congress has declared war or otherwise authorized the use of U.S. combat forces, or

2. the use of U.S. combat forces is necessary to meet a clear and present danger of attack upon the U.S., its territories or possessions or upon U.S. embassies or citizens, consistent with the War Powers Act.

These are the key elements that evidence very real differences between the Democrats' approach to Central America and that of the Reagan Administration. And these are the key elements that will offer the American public a choice—a very significant choice—between war and peace in the Central American region.

A Democratic President would seek to work with the countries of the Caribbean to strengthen democratic institutions. He or she would not overlook human rights, by refusing to condemn repression by the regimes of the right or the left in the region. A Democratic President would give high priority to democracy, freedom, and to multilateral development. A Democratic President would encourage regional cooperation and make of that important area a showplace rather than a footstool for economic development. Finally, support for democracy must be pursued in its own right, and not just as a tactic against communism.

Human rights principles were a cornerstone of President Carter's foreign policy and have always been a central concern in the Inter-American system. Regional multilateral action to protect and advance human rights is an international obligation.

A Democratic President must not overlook human rights, refusing to condemn repression by the regimes of the right or the left

in the region. Insistence that governments respect their obligations to their people is a criterion that must apply equally to all. It is as important in Cuba as in El Salvador, Guatemala as in Nicaragua, in Haiti as in the Paraguay and Uruguay.

A Democratic Administration would place protection of human rights in a core position in our relations with Latin America and the Caribbean. It would particularly seek multilateral support for such principles by strengthening and backing the Inter-American Commission on Human Rights, and by encouraging the various private organizations in the hemisphere dedicated to monitoring and protecting human rights.

Africa—The Democratic Party will advocate a set of bold new initiatives for Third World nations in general and Africa in particular. Hunger, drought, and famine have brought untold suffering to millions in Africa. This human misery—and the armies of nationless—requires a policy of substantial increases in humanitarian assistance, a major thrust in agricultural technology transfer, and cessation of the unfortunate tendency to hold such aid hostage to East-West confrontation or other geopolitical aims. The United States also must offer substantially greater economic assistance to these nations, while engaging in a North-South multilateral dialogue that addresses mutual economic development strategies, commodities pricing, and other treaties relevant to international trade. A Democratic President will join with our friends within and outside the continent in support of full respect for the sovereignty and territorial integrity of all African states. Africa is the home of one-eighth of the world's population and a continent of vast resources. Our national interest demands that we give this rich and diverse continent a much higher priority.

A Democratic President will reverse the Reagan Administration's failed policy of "constructive engagement" and strongly and unequivocally oppose the apartheid regime in South Africa. A Democratic Administration will:

Exert maximum pressure on South Africa to hasten the establishment of a democratic, unitary political system within South Africa.

Pursue scrupulous enforcement of the 1977 U.N. arms embargo against South Africa, including enforcement of restrictions on the sale of "dual use" equipment.

Impose a ban on all new loans by U.S. business interests to the South African government and on all new investments and loans to the South African private sector, until there is substantial progress toward the full participation of all the people of South Africa in the social, political, and economic life in that country and toward an end to discrimination based on race or ethnic origin.

Ban the sale or transfer of sophisticated computers and nuclear technology to South Africa and the importation of South African gold coins.

Reimpose export controls in effect during the Carter Administration which were relaxed by the Reagan Administration.

Withdraw landing rights to South African aircraft.

The Democratic Party condemns South Africa for unjustly holding political prisoners. Soviet harassment of the Sakharovs is identical to South African house arrests of political opponents of the South African regime. Specifically, the detention of Nelson Mandela, leader of the African National Congress, and Winnie Mandela must be brought to the world's attention, and we demand their immediate release. In addition, we demand the immediate release of all other political prisoners in South Africa.

A Democratic Administration will work as well toward legitimate rights of self-determination of the peoples of Namibia by:

Demanding compliance with U.N. Security Council Resolution 435—the six-year-old blueprint for Namibian independence;

Imposing severe fines on U.S. companies that violate the United Nations Decree prohibiting foreign exploitation of Namibian mineral wealth until Namibia attains independence;

Progressively increasing effective sanctions against South Africa unless and until it grants independence to Namibia and abolishes its own abhorrent apartheid system.

Asia—Our relationship with the countries of Asia and the Pacific Basin will continue to be of increasing importance. The political, cultural, economic, and strategic ties which link the United States to this region cannot be ignored.

With our Asian friends and allies, we have a common cause in preserving the security and enhancing democracy in the area.

With our Asian trading partners, we share a common interest in expanding commerce and fair trade between us, as evidenced by the 33 percent of total American trade now conducted with those countries.

And with the growing number of Asian/Pacific-Americans, we welcome the strength and vitality which increased cultural ties bring to this country.

Our relationship with Japan is a key to the maintenance of peace, security, and development in Asia and the Pacific region. Mutual respect, enhanced cooperation, and steady diplomacy must guide our dealings with Japan. At the same time, as allies and friends, we must work to resolve areas of disagreement. A Democratic President, therefore, will press for increased access to Japanese as well as other Asian markets for American firms and their products. Finally, a Democratic President will expect Japan to continue moving toward assuming its fair share of the burden of collective security—in self-defense as well as in foreign assistance and democratic development.

Our security in the Pacific region is also closely tied to the well-being of our longtime allies, Australia and New Zealand. A Democratic President will honor and strengthen our security commitment to ANZUS as well as to other Southeast Asian friends.

Our relationship with the People's Republic of China must also be nurtured and strengthened. The Democratic Party believes that our developing relations with the PRC offer a historic opportunity to bring one quarter of the world's population into the community of nations, to strengthen a counterweight of Soviet expansionism, and to enhance economic relations that offer great potential for mutual advantage. At the same time, we recognize our historic ties to the people on Taiwan and we will continue to honor our commitments to them, consistent with the Taiwan Relations Act.

Our own principles and interests demand that we work with those in Asia, as well as elsewhere, who can encourage democratic institutions and support greater respect for human rights. A Democratic President will work closely with the world's largest democracy, India, and maintain mutually beneficial ties. A Democratic President will press for the restoration of full democracy in the Philippines, further democratization and the elimination of martial law in Taiwan, the return to freedom of speech and press in South Korea, and restoration of human rights for the people of East Timor. Recognizing the strategic importance of Pakistan and the close relationship which has existed between our two countries, a Democratic President would press to restore democracy and terminate its nuclear weapons program. Finally, a Democratic President would press for the fullest possible accounting of Americans still missing in Indochina.

For the past four years, the Soviet Union has been engaged in a brutal effort to crush the resistance of the people of Afghanistan. It denies their right to independence. It is trying to stamp out their culture and to deny them the right to practice their religion, Islam. But despite appalling costs, the people of Afghanistan continue to resist—demonstrating the same qualities of human aspiration and fortitude that made our own nation great. We must continue to oppose Soviet aggression in Afghanistan. We should support the efforts of the Afghanistan freedom fighters with material assistance.

If the Soviet Union is prepared to abide by the principles of international law and human dignity, it should find the U.S. prepared to help produce a peaceful settlement.

Global Debt and Development

The Democratic Party will pursue policies for economic development, for aid and trade that meet the needs of the people of the developing world and that further our own national interest. The next Democratic President will support development policies that meet the baisc needs of the poor for food, water, energy, medical care, and shelter rather than "trickle down" policies that never reach those on the bottom. The next Democratic Administration will give preference in its foreign assistance to countries with democratic institutions and respect for human rights.

A Democratic President will seek to cut back record U.S. budget deficits and interest rates not only for our own economic well-being, but to reduce the economic crisis confronting so many industrialized and developing states alike.

Mr. Reagan has perceived national security in very limited and parochial terms, and thus has failed completely to grasp the significance of the international debt which now has sky-rocketed to some $800 billion. In 1983, some thirty nations accounting for half of this total were forced to seek restructuring of their debts with public and private creditors because they were unable to meet their debt payments.

The U.S. economy is directly linked to the costs of these loans through their variable interest rates (tied to the U.S. prime rate). A rise in the U.S. prime rate by one percent added more than $4 billion to the annual interest costs associated with these external debts. The struggle to meet their external debts has slashed the purchasing power of these developing countries and forced them to curtail imports from the U.S. This accounts for one-third to one-half of the adverse turn in the trade deficit, which is projected to reach $130 billion this year.

The social and political stability of these developing countries is seriously challenged by the debt crisis. In light of the interdependence of the international economy, the crisis also threatens the very foundation of the international financial system. To

answer these dangers, the Democratic Administration will:

Call immediately for discussions on improving the functioning of the international monetary systems and on developing a comprehensive long-term approach to the international debt problem.

Instruct the Treasury Department to work with the Federal Reserve Board, U.S. bank regulators, key private banks, and the finance ministers and central bankers of Europe and Japan, to develop a short-term program for reducing the debt service obligations of less developed countries, while 1) preserving the safety and soundness of the international banking system and 2) ensuring that the costs of the program are shared equitably among all parties to existing and rescheduled debts.

Recommended an increase in the lending capacity of the World Bank, as well as an increase in the lending capacity of the Export-Import Bank of the U.S., to ensure that debtor nations obtain adequate capital for investment in export industries.

Review international trade barriers which limit the ability of these countries to earn foreign exchange.

Security assistance can, in appropriate circumstances, help our friends meet legitimate defense needs. But shifting the balance from economic development toward military sales, as has occurred over the past three and one-half years, sets back the cause of peace and justice, fuels regional arms races, and places sophisticated weapons in the hands of those who could one day turn them back upon us and upon our friends and allies. The Democratic Party seeks now, as in the past, effective international agreements to limit and reduce the transfer of conventional arms.

A Democratic President will seize new opportunities to make major advances at limited cost in the health and survival of the world's poorest people—thus enabling more people to contribute to and share in the world's resources, and promoting stability and popular participation in their societies. Recognizing that unrestrained population growth constitutes a danger for economic progress and political stability, a Democratic President will restore full U.S. support for national and international population programs that are now threatened by the policies of the Reagan Administration.

A Democratic President will work to see the power and prestige of the U.S. fully committed to the reform and strengthening of the United Nations and other international agencies in the pursuit of their original purposes—peace, economic and social welfare, education, and human rights.

Because of the economic instability caused by global debts and other problems, unprecedented migration into the United States and other parts of the world is occurring in the form of economic refugees. The Democratic Party will support economic development programs so as to aid nations in reducing migration from their countries, and thereby reduce the flow of economic refugees to the U.S. and other parts of the world.

Rather than scuttling the international Law of the Sea negotiations after over a decade of bipartisan U.S. involvement, a Democratic President will actively pursue efforts to achieve an acceptable Treaty and related agreements that protect U.S. interests in all uses of ocean space.

Human Rights and Democratic Solidarity

The Democratic Party believes that we need new approaches to replace the failed Republican policies. We need sustained, personal, presidential leadership in foreign policy and arms control. We need a President who will meet with the Soviets to challenge them to reduce the danger of nuclear war, who will become personally involved in reviving the Camp David peace process, who will give his or her full support to the Contadora negotiations, and who will press the South Africans to repeal their policies of apartheid and destabilization. We need a President who will understand that human rights and national security interests are mutually supportive. We need a President to restore our influence, enhance our security, pursue democracy and freedom, and work unremittingly for peace. With firm purpose, skill, sensitivity, and a recovery of our own pride in what we are—a Democratic President will build an international alliance of free people to promote these great causes.

A Democratic President will pursue a foreign policy that advances basic civil and political rights—freedom of speech, association, thought and religion, the right to leave, freedom of the integrity of the person, and the prohibition of torture, arbitrary detention and cruel, inhuman and degrading treatment—and that seeks as well to attain basic, economic, social, and cultural rights. A Democratic President's concern must extend from the terror of the Russian Gulag to the jails of Latin generals. The banning of South African blacks is no more acceptable than the silencing of Cuban poets. A Democratic President will end U.S. support for dictators throughout the world from Haiti to the Philippines. He or she will support and defend the observance of basic human rights called for in the Universal Declaration of Human Rights and the Helsinki Final Act. He or she will seek, through both quiet diplomacy and public measures, the release of political prisoners and the free immigration of prosecuted individuals and peoples around the world. He or she will seek U.S. ratification of the Genocide Convention, the International Covenants on Human Rights, and the American Convention on Human Rights, as well as the establishment of a U.N. High Commissioner for Human Rights. He or she will fulfill the spirit as well as the letter of our legislation calling for the denial of military and economic assistance to governments that systematically violate human rights.

The Democratic Party believes that whether it is in response to totalitarianism in the Soviet Union or repression in Latin America and East Asia, to apartheid in South Africa or martial law in Poland, to terrorism in Libya or the reign of terror in Iran, or to barbaric aggression in Southeast Asia and Afghanistan, the foreign policy of the United States must be unmistakably on the side of those who love freedom.

As Democrats and as Americans, we will make support for democracy, human rights, and economic and social justice the cornerstone of our policy. These are the most revolutionary ideas on our planet. They are not to be feared. They are the hallmarks of the democratic century that lies before us.

U.S. POLICY TOWARD MOROCCO

Mr. MOYNIHAN. Mr. President, this morning in Washington our distinguished Secretary of State, George P. Shultz, met with a senior representative of Morocco's King Hassan II to discuss what it was that brought the Government of Morocco recently to enter into a treaty of unity with the Government of Colonel Qadhafi's Libya.

The outcome of these discussions is not yet fully known and, for good reasons, may remain private, but we can welcome the fact that the Department of State is pursuing the matter.

I think it necessary also to observe that this event—one of enormous potential significance to the stability of North Africa and the Middle East—took the American foreign policy apparatus completely by surprise. This necessarily calls into question the very premises of American policy toward the region these past several years, which has in very large measure been based on a presumption of a congruence of perspective and interest between the United States and the Kingdom of Morocco.

An announcement was made in Morocco on August 14 that there would shortly be a federation created between two previously distinct, and moreover noncontiguous countries: Libya, headed by the dictator Qadhafi, a man poisonously hostile to civilized values and Western nations, and the Morocco of King Hassan, a person hitherto represented in the world as a moderate Arab, a leader of a nation well disposed to European neighbors and to the United States—and not incidently a recipient of considerable military and economic aid from the United States.

If there were two nations on the Mediterranean littoral which one would have supposed least likely to join in a federation, they would surely be Morocco and Libya. Indeed, Judith Miller of the New York Times reported on August 31 that the announcement in Morocco on August 14 had startled the United States. Even today one can speak to officials at the State Department who will acknowledge that in this matter the United States was taken completely by surprise.

Let us ask for a moment what is it that has apparently happened and what is to be inferred from it.

First of all, Libya—for all its power as an oil-producing nation—has nonetheless seen its situation decline by some considerable measure. The decline in oil revenues has been real, and we have had reason to think that this decline was affecting Libyan abilities to acquire arms.

The war in Chad, where Qadhafi has sent 5,000 troops to invade that country, in order to seize an area which is known principally for its uranium deposits, has not been going well for Libya. It has provoked responses in Africa and in Europe.

The Qadhafi regime continues to worry about what its own citizens, at home and abroad may do to it, and with good reason.

The United States has been at pains to see that the isolation of this country be enhanced. We have very narrowly restricted our relations with Libya. The difficulties the British have recently encountered, and their responses, are well known.

Indeed, one might have begun to think that this particularly vehement, violent man was beginning to lose some of his aura of invincibility in the Maghreb region.

Yet suddenly, totally to our surprise, the nation of north Africa which was judged to be closest to the United States, which we so proclaimed, entered a treaty of union with this country with which we were most at odds.

This political union therefore constitutes diplomatic defeat for the United States of very large proportions.

This was very much in Colonel Qadhafi's mind when he recently celebrated the 15th anniversary of the revolution in which he took over the Government of Libya. It was not to have been much of an anniversary. Mr. Thomas Sankara of Bourkina-Fasso, the country formerly known as Upper Volta, was the only head of state present. Mr. Tomas Borge, a member of the junta in Nicaragua, had the great ill grace to be on hand. But few others were, and no one whose opinion might be thought particularly important. This was an illustration of the opprobrium in which Colonel Qadhafi and his regime are held by the nations of the world.

They heard Mr. Qadhafi vow to destroy what he called the so-called State of Israel. He said he would work day and night, and I quote, "day and night to destroy this hostile racist, Zionist entity which is arming itself with nuclear power."

All of this would have been familiar rhetoric, and indeed in the circumstances, less threatening than it had previously been save that within hours the respective legislative bodies of Libya and Morocco affirmed their union, a stunning event. For King Hassan had breathed a bit of legitimacy into the moribund politics of the otherwise isolated Qadhafi.

It was learned on August 20 that King Hassan had proposed the union to the Libyans on July 13. He had done this in the aftermath of a previous statement by Mr. Qadhafi which said that he, Qadhafi, would cease his support for the Polisario rebels in what was formerly the Spanish Sahara if Hassan joined in the Libyan effort to destroy the so-called State of Israel.

King Hassan, a presumed friend, an established beneficiary of American economic and military support and something of an exhibit of American influence in this administration—as in the one before and the one before that—suddenly turned against us with utter calculation that it was better to be on the side of Libya under Qadhafi than of the United States under President Reagan, or whoever may one day succeed him.

And he did so in response to an invitation from Qadhafi to join in the destruction of Israel. Hassan's response to that was to propose a treaty of unity providing for a rotating presidency and a mutual defense pact.

It is possible that the decision was made with some speed, that agreement came quickly. Even so, we knew nothing about it and had no inkling of it over a whole summer in which Mr. Qadhafi was making threats combined with offers and honeyed words, a fairly familiar pattern. We sat silently and rather complacently, assuming that we had this great relationship that it was stable, and that it was the consequence of a perceived self-interest by the King and his advisers in Morocco.

We lost something of value. We are without a replacement. The stability of the region is less than it was. The attacks upon the State of Israel and its legitimacy now only escalate further. And we have seen this in the context of the American foreign policy that proclaims itself both successful and secure.

Mr. President, I suggest that there is a large issue involved here which once again seems to need attending to in our foreign relations, and that is the issue of our concern for international law.

It is an elemental fact that more and more the notions of law in the relations of States seem to be receding from our councils. The notion of law as a restraint somehow placed on the freedom of actions of those who wish to accept it has insinuated itself into our Government's thinking. We seem never to learn the consequences of the falling away of a previously strong and persistent conviction over much of the century; namely, that law ought to be central to American foreign policy.

It happens that I was our Ambassador to the United Nations when Spain announced in 1975 that it was giving independence to the Spanish Sahara. The previous year the General Assembly of the United Nations had passed a resolution calling for that independence and asking for an advisory opinion by the World Court as to whether there previously had been a country in the territory called Spanish Sahara before the partition of Africa at the Congress of Berlin in 1885. In other words, was this Terra Nullius, or was it a nation? The World Court unanimously agreed it was a nation, was entitled to its independence. Even so, in flagrant disregard of the Court and the law, the United States participated in the decision to partition that territory between Mauritania and Morocco.

Mr. President, in 1975 the General Assembly had been prepared to insist upon the establishment of a sovereign nation on what had previousy been a European territory. The International Court of Justice had declared, by the full legality and the necessity of the rules and by the understandings of that time, that there should be a new nation formed. How viable a nation, one cannot know. It was certainly a nation of some attraction because beneath its otherwise unpromising landscape were suspected large deposits of important minerals, including, reportedly, the world's largest reserves of phosphates. There was an obligation under law to give independence to that nation. I do not say it was a prudent thing or a viable thing, but the legal obligation was clear.

We chose to abide by it. We chose to instead allow our friend, Morocco, to partition Spanish Sahara with Mauritania, to draw a line with no more sensibilities to the facts of the lives of the people that lived there than the lines drawn at the Congress of Berlin in 1885.

The United States supported this outcome because it seemed a convenient course. It purported to flow from a wise and knowing realism about the world, although it brought on an insurgency supported in the first instance by Algeria, and subsequently by the Soviet Union through Algeria, called the Polisario. It has gone on for almost 10 years now. And what is the final result we observe?

In order to accommodate the King of Morocco, we chose to ignore the requirements of law, or certainly the indicated course that law gave us, and let him divide his neighbor in half and take the half with the phosphate, and do so because he assured us of his dependable anti-Soviet and pro-American position and such like in that part of the world.

What has been the result 10 years later, but that the King of Morocco has agreed to merge his nation, his foreign affairs and its independence with the dictator Qadhafi, the very personification of everything we have opposed in the region—not least, lawlessness. How successful has that policy been? How realistic was it, believing that someone could just slice this little country in two and nobody would be the worse for it, nobody would notice it? Apparently King Hassan noticed, and was confirmed in the notion that ours is not an idealistic nation given to unrealistic and hopeless notions of how governments should conduct themselves. We understood power. We understood influence. And we were exercising both by ignoring international law. Now we appear 10 years later to have lost both, as King Hassan in his turn is apparently willing to overlook Qadhafi's transgressions against international law.

It is a lesson learned over and over in our time, or so it seems to me: The United States is frittering away a great legacy of belief in the rule of law in the conduct of nations. We shall come to regret it. For if we do not assert the primacy of law, you may be sure that the Soviets will not, and fewer of those who once did also will if they see us abandoning these standards.

The question is this: If you do not believe that the conduct of nations should be governed by generally recognized rules of law, then in what do you believe? What do you think to be the principles on which nations relate one to the other?

It has been said by Dean Acheson and others that the issue of survival of states is not a matter of law. But there are rules in the world, there are standards in the world, there have been procedures set up in the world. Where we have adhered to them, we have not fared badly. We fare badly, however, when we deceive ourselves that rules somehow marked a weak-minded idealism against a tough-minded realism. One consequence is that we end up with King Hassan joining Colonel Qadhafi in a union that threatens the stability of the Mediterranean.

I do not wish to exaggerate how stable this relationship will be. Mr. Qadhafi has worked out six previous agreements—two each with Egypt and the Sudan, one with Syria and one with Tunisia. But a blow it still is to our policy. And how deeply ironic that in order to overcome the consequences of the U.S. failure to insist upon rules of international conduct in 1975, and doing so in aid of a presumed friend in Morocco, that 10 years later, that country should turn to the most vehement enemy of things democratic and Western in the Mediterranean, and the country most associated with an absolute rejection of the idea of law and the idea of standards in the conduct of nations. For a decade now, Libya has not failed in any given year to produce some yet more aggregious violation of the responsibilities of nations in international affairs.

These things come back, Mr. President, and they have come back now. We wish the Secretary of State well in his efforts to restore something of the previous relationship. But it cannot be denied that there has been a great failing, and yet another signal to allies and friends that when the United States most proclaims the success of its affairs is the moment to be most on the alert for setbacks, and a genuine setback, indeed.

In the meantime, the condition of the State of Israel is once again affirmed: That it can find no rest within the Islamic world, and, if this is the case, if we could have prevented it, we did not do so. To the degree that it has happened it is a loss to both our nations which I hope can be remedied. I look forward to some effort to do so, but for the moment record a failure of diplomacy preceded, if I may, Mr. President, by a failure of standards. Had we understood in 1975 what our responsibilities were under law, we would not almost 10 years later face the real fact of success by a genuinely lawless regime in Tripoli.

Mr. President, if I may have the floor for 1 minute more, I ask unanimous consent to place in the RECORD a statement I once had occasion to prepare about the events in 1975 concerning the partition of Spanish Morocco.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FROM A DANGEROUS PLACE

(By Daniel Patrick Moynihan, with Suzanne Weaver; Little, Brown & Co.; 1978; pp. 246-7)

Spanish Sahara was a place of somewhat greater importance in itself—as Spanish Sahara was the fourth largest producer of phosphates in the world, a commodity whose value had quintupled when the price of oil had been quintupled—and of vastly greater importance to the rule of law and the authority of the United Nations Charter. In December of 1975, the territory was partitioned. Eight weeks earlier, the International Court of Justice, in an advisory opinion requested by the General Assembly, had solemnly affirmed the right of self-determination of the people of this, the last Spanish colony.

Twelve months earlier, December 13, 1974, the General Assembly, "reaffirming the right of the population of the Spanish Sahara to self-determination," had requested an advisory opinion by the court on whether this area had been, at the time of Spanish colonization in 1884, "a territory belonging to no one (*terra nullius*)," as asserted by Spain. Both the Kingdom of Morocco and the Islamic Republic of Mauritania were making claims to prior suzerainty over the region, and whether Spain would actually leave the place was still an open question. No one might have cared—there were at most seventy thousand inhabitants of the bleak territory, and of these almost all were nomads—save for the discovery that its northern region was pure phosphate. The opportunity to win yet another victory over colonialism now combined with the prospect of profit. There was talk of invasion. Generalissimo Franco was adroit to the last. He would not have a war, no matter how miniature. In May, 1975, he announced that Spain would grant independence to the territory in the shortest possible time, and thereupon asked the Secretary-General to send U.N. observers to be on hand for the transfer. On October 17 the International Court of Justice issued its opinion. The Court found that at the time of colonization by Spain, Western Sahara "was not a territory belonging to no one (*terra nullius*)," but neither did the information and materials presented to it "establish any tie of territorial sovereignty between the territory of Western Sahara and the Kingdom of Morocco or the Mauritanian entity." Thus, the decision concluded, independence should go forward "through the free and the genuine expression of the will of the peoples of the Territory."

With that, King Hassan II of Morocco announced that he would lead a peaceful "march of conquest" of a quarter million of his subjects into Spanish Sahara. Algerian President Houari Boumédienne announced that if Morocco did this Algeria would go to war. Secretary-General Waldheim called for the "utmost restraint" to "avoid tragedy." The Security Council appealed to all "concerned and interested parties" to avoid any action that might heighten tension. The marchers went forward. Then they went back. Franco stepped down and Prince Juan Carlos de Borbón succeeded him. As Acting Chief of State he flew to the colony and declared that Spain would protect the "legitimate rights" of the people of Spanish Sahara and the "honor and prestige of the Army of Spain." He thereupon turned the territory over to Morocco and Mauritania to divide between them. Algeria, which also bordered on the territory, was outmaneuvered. The General Assembly passed two resolutions. One sided with Algeria; the other sided with Morocco.

The two events spoke to the nature of the new world system. It was not so different from the old. It was for the moment more stable, but a reasonable forecast would be that Africa in particular had a century of border wars ahead of it. On the other hand, such was the power of the anticolonial idea that great powers from outside a region had relatively little influence unless they were prepared to use force. China altogether backed *Fretilin* in Timor, and lost. In Spanish Sahara, Russia just as completely backed Algeria, and its front, known as *Polisario*, and lost. In both instances the United States wished things to turn out as they did, and worked to bring this about. The Department of State desired that the United Nations prove utterly ineffective in whatever measures it undertook. This task was given to me, and I carried it forward with no inconsiderable success.

Mr. MOYNIHAN. I thank the Chair.

ORDER EXTENDING MORNING BUSINESS UNTIL 2 P.M.

Mr. BAKER. Mr. President, I ask unanimous consent that the time for morning business be extended until 2 o'clock under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ITEMS PLACED ON THE CALENDAR—H.R. 5151, S. 2925, AND SENATE JOINT RESOLUTION 348

Mr. BAKER. Mr. President, there are three items to be presented for second reading which are on the calendar as soon as morning business closes. Under the provisions of rule 14, as these matters are presented, and if there is an objection, the matters will go to the calendar.

Mr. President, rather than go through that routine and in order to avoid further interruptions, I wonder if the minority leader would be willing now for me to put a unanimous-consent request that these three items be placed on the calendar.

Mr. BYRD. Mr. President, I compliment the distinguished majority leader on his proposal.

Mr. BAKER. I thank the Senator. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH OF SENATOR HENRY M. JACKSON

Mr. NUNN. Mr. President, just over 1 year ago, on September 1, 1983, our Nation lost an irreplaceable leader, Senator Henry M. Jackson of Washington. Although recalling Scoop Jackson's death is painful for his many friends, I believe that the Senate, where Scoop labored so tirelessly and effectively for more than three decades, should take a few moments to remember Scoop and his contributions to our Nation, as we have just passed 1 year in terms of the anniversary of his death.

During the past year, as the Senate has addressed the Federal deficit, the defense budget, arms control and other major national questions, I have often wished that I could turn to Scoop Jackson for advice and guidance. I know that many of my colleagues have shared that wish. All who had the privilege of serving with Scoop became accustomed to seeking him out, and weighing his words carefully when reaching decisions on critical issues.

Scoop Jackson embodied the highest ideals of the Senate. His voice of reason and moderation, his integrity and decency, his vision and insight, his experience and skill all enabled him to earn the highest respect of every other Senator. Those qualities also enabled him to leave a permanent legacy of greater security and a better life for all Americans.

Mr. President, I have copies of the eulogies to Scoop Jackson delivered here on the Senate floor last year by Senators BAKER, BYRD, STENNIS, and GORTON. I believe that these remarks reflect the unparalleled esteem in which Scoop Jackson was held by his colleagues, and I believe that we could all profit by recalling those words that were spoken last year. I ask unanimous consent that those eulogies be printed in the RECORD following my remarks.

Mr. President, the Senate and our Nation are poorer for the loss of Scoop Jackson, but the life of each and every American—because of his service here in the Senate, his service to Washington, and his service to our Nation—is safer and the life of every American is richer.

EULOGY BY MR. BAKER

Mr. BAKER. Mr. President, I have been in the Senate for 17 years and I have known the Congress intimately for much longer, by reason of the service of members of my family and members from my great State. In the course of that experience, I have seen great Members of Congress from both parties whose service in this body and in the other body have been remarked on at length at the time of their passing. But I cannot recall many instances, Mr. President, when there has been such a genuine outpouring of emotion and such a clear and candid statement of grief expressed by so many at the passing of a Senator as is the case with Henry M. Jackson of Washington.

All Senators are equal and represent equally the sovereign State from which they are elected. But some, Mr. President, tower in their strength and commitment to the Union, in their conscientious dedication to equality, and certainly in their quest for excellence. Only a few, Mr. President, meet that standard, but Henry M. Jackson of Washington is near the top of that list, measured from the beginning of the Republic.

A man of majestic stature, of strength and conviction; a man who could stand on the Senate floor and express the conscience of the Congress and the country; a man who could change the course of debate and shape and form the policy of a great nation; a man who was humble in the face of success and congratulations and who was courageous and determined in the face of criticism and dissent; a man who knew who he was and where he was going and where he wished to take the country: that was the man we have lost, Mr. President, as a colleague and a friend.

It will be a long time, Mr. President, before someone else can fulfill the role and rise to the stature that Henry M. Jackson created for himself. So, may I join with our distinguished colleague from the State of Washington in expressing my regret and my sadness at the passing of Scoop Jackson. I join, I am sure, with every one of the Members of the Senate in wishing him farewell.

EULOGY BY MR. BYRD

Mr. BYRD. Mr. President, during my tenure in the Senate, I have known some great Senators and I have followed the leadership of those Senators and sought out their advice and their commonsense wisdom. The late Richard B. Russell was one such Senator. Abraham Ribicoff was another, John Pastore another. There are Senators who are today serving who fit into that mold. I will not presently name them. But Henry "Scoop" Jackson was one such Senator. His knowledge with respect to various matters confronting our nation and confronting the nations of the world was a knowledge that was recognized by Senators on both sides of the aisle and by national leaders outside the Senate and national leaders throughout the world. He had only recently completed a visit to the People's Republic of China. "Scoop" Jackson realized perhaps earlier than some of the others of us, the fact that a country whose population is 1 billion people cannot be ignored and cannot remain in the shadows of invisibility.

I often sought "Scoop" Jackson's advice, particularly with reference to national defense, energy, and the economy. "Scoop" Jackson, like Richard Russell, had a commonsense approach to these matters. His viewpoints were well thought out and were born of strong conviction. He did not hesitate to speak his conviction. Yet he was always tolerant of the viewpoints of others, and he leaves, Mr. President, a void in this Senate that will not soon be filled. He was my friend, as he was the friend of 98 other Senators. He was extremely energetic, active, and his handiwork will always have its imprint upon some of the most important laws that have been passed by the Federal legislative branch in the past quarter of a century.

The great 19th century preacher, Phillips Brooks, once said, "A sermon is truth speaking through personality."

That statement might also describe the careers of many U.S. Senators, and Senator Henry M. Jackson was a good example of that ideal. Through his personality and public performance, Senator Jackson embodies many great values and gave life to some of the most crucial issues of our times. When one thinks of strong national defense, of our commitment to Israel, or of dealing with the Soviet Union from strength, Henry Jackson comes to mind. When one thinks of making old age dignified and secure, of the healthy and balanced environment, or a equal justice and opportunity for all Americans, Henry Jackson comes to mind. And when one thinks of America's fulfilling her limitless potential of firm national purpose or steady and effective leadership, Henry Jackson comes to mind. In generations to come when men and historians look back upon this era, Henry Jackson's name will stand out as one of the great men of this age.

Henry Jackson, as I liked to call him but "Scoop" as he liked to be called and as he was best known, was a remarkably decent, moral man. He was also a realist. He did not believe that if we just let things take their own course, everything would turn out right. He realized that Western civilization itself is at stake in this modern world of dictatorships and of technology in thralldom to totalitarianism.

Back in 1945, Senator Jackson accompanied the American Forces that liberated the Buchenwald concentration camp. One can only guess at the thoughts that he must have had on that occasion. But one can surmise what impact the starving survivors, the furnaces, the pile of victims, and the unbroken acres of death and agony must have had on a young Congressman who grew up in a decent Norwegian immigrant family and in the beauty and order of the State of Washington.

Whatever that impact was, Senator Jackson had a deep sense of history and a realistic view of the future. He realized how thin the veneer of culture and civilization can be and how fragile are rights of the innocent and defenseless in a world of savage and bullies. He saw totalitarianism for what it is, and he was never afraid to point an accusing finger at Soviet terror.

Ben Wattenberg recounts that on a 1975 visit with the Russian scientist and dissident Andrei Sakharov outside. Moscow, Sakharov said of Henry Jackson, "He is our champion."

That is how many Americans will remember Senator Jackson as well—as a champion of a strong America, of a decent America, of a prosperous America, and of a just America. Henry Jackson was a thorough patriot and an extraordinary Senator who has left his mark on our century and our generation. America and the U.S. Senate are better because of Senator Jackson's efforts and dedication and we all mourn his passing. I will miss him greatly. And may I say that Erma and I join in our expression and feeling of deep sorrow and compassion. We join in extending those to Helen and to Anna Marie and to Peter.

The Senate is larger than all of its parts, it is larger than its 100 Members, and the Senate in my judgment is the basic foundation of the strong character of this Republic. Senator Jackson was one who helped to give the Senate its character. Someone has said:

"Fame is a vapor, popularity an accident, riches take wings, and those who cheer today may curse tomorrow. Only one thing endures—character."

Henry Jackson epitomized character. And we will never forget his example.

EULOGY BY MR. STENNIS

Mr. STENNIS. Mr. President, I came out of the front door of my residence, at the first crack of day, on my way to catch an airplane, and the gentleman who was taking me to the airport said, as I was getting into the car, "Did you hear on the radio last night that Senator Henry Jackson had had a massive heart attack and passed away?"

Well, I had not heard it. That statement he made stunned me into a silence, and I realized after I got to the airport, 30 miles away, that I had not spoken a word, not a word, all the way down.

I am not overcome by emotion now, but I do not have any disposition to try to make a cool analysis of Senator Jackson's career.

I wish to say something, though, in tribute to the man, to his honor, to his character, and very high integrity and the attitude of country first, the problems of the people, giving it his utmost attention.

It has been mentioned that he aspired to the Presidency at times. I am sure that the prime motivation there was the same as it has been in other fields of public service. It was a desire to be of service.

I was with him at one of the political meetings. I spent some time with him. By chance, we were together that afternoon when the word came that an opportunity had been missed by him or did not come to him all the way that would have made him President of the United States. He had not one word of bitterness or expression of ill feeling toward anyone or anything. But I know that he looked upon it as an opportunity of service and if it was not coming to him at that time so might it be.

I like to think of the late Senator Carl Hayden. Someone pointed him out to me when I came here as being one of the very wisest, if not the wisest, man in the membership at that time. So I sought him out and got his counsel, repeatedly talked to him about various things, the state of the Union, problems of the country, as well as the personalities in the Senate.

I remember one day he told me. He said: "I have been around here a long time. I have seen a lot of them come and go."

He was talking about new Members of the Senate. He said: "Some of them grow and some of them just swell."

That was his rugged philosophy, analysis, and summary of the situation.

I have not found anything that is more descriptive nor more truthful.

Henry Jackson and I sat either next to each other or almost next to each other for over 30 years in the Armed Services Committee, and I saw the man grow. You could feel it. But I had a day-to-day contact with it.

In many fields he made a positive contribution. I never heard of him being an object of controversy or getting personal in matters of policy. I have heard him quoted hundreds and hundreds of times on many subjects strictly on the merits, and that is what I call growth.

Few men are endowed with the capacity to be knowledgeable and an expert in the many fields of the problems of life and, therefore, the problems of Government, as was true with Senator Jackson.

It seemed to me that that capacity in many fields that he had, which was never abused, but rather used constructively, added up to the superior quality that we all seek in public life, especially added up to judgment, as he was a man of tremendous judgment on many, many different subjects and always thought out with a foundation of meaning and an application to the problem that he was contending with.

So I can say that he was always constructive.

If you went looking for help in a field involving a chance for something constructive, you just thought why not go to Henry Jackson, because he thought and acted, planned and acted in terms of trying to be constructive, trying to make a contribution.

I commend his record and his attitude to the youth of the land, and that includes new Senators who come here who have a chance to lay the foundation and carve out a career, to use him—none of us are perfect—but to use him as a model by which to guide themselves and develop in some fields, maybe not try as many as he was excellent in—few men have that capacity—but all Members can make a special contribution in one or more fields.

So I commend him to those who come to this body and try to make a contribution.

I wish to mention here his charming wife Helen, whom I learned to know and respect very highly indeed, and those who had a chance to know her better than I did, have spoken about her. I was in a position that I could not go to the funeral, so I called her up on the telephone. The clarity of her thought, the possessiveness that she had command over the situation continued to impress me most favorably indeed, and I believe and I hope God will bless Helen and their two fine children. They deserve it on the merits and will earn it anyway many times over.

Mr. President, I could go on at length. Many fine tributes have been paid her also, and they are sincere. This is no form nor forum that the Senate is providing. These tributes are real. They are on the merits. They are deserved.

And I am proud that we have a man whose record was made in my time, my generation, for my people who are living now had a chance to know about it and appreciate it and through their representatives to express themselves on this subject.

I remember many times of crises also. He knew more about military preparedness I think, and I speak with all deference to the other Members, because we have many who have been very, very useful indeed, but I believe all the way around, everything considered, he had the best knowledge of the practical side of military preparedness of any Member who we have had here in the recent past, and he had a tremendous knowledge, and I do not see how he was so well versed in so many subjects with respect to the problem of energy.

He made a splendid contribution here with reference to an understanding of the problem and the passing of a bill that was a forerunner, a foundation, for the legislation that will come in the future in this highly important field. That bill, that Department, has been deemphasized now, but that problem has not been solved and it will come back, and we will find, whoever is here will find, that the path laid out by Henry Jackson in that early legislation, to which many others contributed in the House and the Senate, was a sound approach, a good foundation laid, and it will be the basis of what will be policy in the long run.

I am willing to conclude these remarks, Mr. President, now, but I am not willing to give up for one bit in my great esteem and appreciation for the fine legislative record that this gentleman made during this period, and I do not want the principles that he stood for to be abandoned but rather to be followed.

I remember when I first came here a Senator was speaking; a Senator who had been here some years said to one who had also been here a good while, "Does he know what he is talking about? referring to the speech being made, and the reply was "Yes, he almost always does."

I took that as a fair warning, and I can say in summary here that Senator Jackson's speeches, his position and all, were always based on facts, and he knew what he was talking about.

May his soul rest in peace and his example be followed.

EULOGY BY MR. GORTON

Mr. GORTON. Mr. President, it is with both great sadness and a deep sense of honor that I rise to memorialize my senior colleague in the U.S. Senate, a dominant figure on the national political landscape, the leading statesman of my home State, who served its people as an elected officer for almost 45 years; and a man who was esteemed, admired, and loved by his colleagues in this body for more than 30 years, the Honorable Henry M. Jackson.

Today, we celebrate his life and his service. Henry Jackson was not a man who would have sought public eulogies or commemoration. He preferred the quiet accomplishment of legislation passed, agreements reached, and the people protected and defended. He would have regarded these as his true memorial, as indeed they are. It is, nevertheless, well to remind ourselves of the nature of this man and of the magnitude of his accomplishments, and to record them for those who did not know Senator Jackson, that they might understand how he came to a place of such high standing in his colleagues', and his countrymen's eyes.

Born the son of Norwegian immigrants, Scoop Jackson's life personified the glory and unlimited opportunity of the American experience. A man who worked to put himself through school, he rose purely on the merits of his own intelligence, diligence, and caring. It is a little old fashioned today to tout the character-building aspects of hard work and self-reliance, but no one who knew Henry Jackson ever doubted their truth.

Shortly after finishing law school, Henry Jackson was elected prosecuting attorney of Snohomish County, Wash. Two years later, at 28, he was elected to the Congress, and he spent the rest of his life in this institution. His career in the Congress spanned the administrations of nine Presidents. He arrived during the New Deal era of President Franklin Roosevelt, served with distinction for a dozen years in the House of Representatives, and for more than 30 years in the Senate. During that period, Henry Jackson participated in virtually every great national debate of his time. Never a man to bend with prevailing political winds, his

basic positions changed little over the years. His entire career is testimony to his certitude that clarity and consistency of purpose serves one's country far better than adherence to transient political trends.

For what shall we remember Scoop Jackson? Each Member of this body, each friend, will have his private answer to that question. But surely any public accounting of the man will recall first and foremost his deep love of country, its people, and its institutions. Henry Jackson was a true patriot.

While Henry Jackson occupied himself with the business of the whole world, he never forgot his origins. He drew his strength from the working people of Everett and the lovely farms and towering mountains of Snohomish County. He never forgot the friends of his youth.

His was a love of country born of knowledge of its people and commitment to its values. Henry Jackson was a man with the strength to defend what he loved. His recognition that his country was not perfect never led him to doubt that it is the last, best hope of Earth, and his abiding faith in the people and principles of this Nation were a source of steadfastness and resolution to which all good people could repair during times of uncertainty.

Always a firm believer in a strong defense, even when this was not a popular position, Henry Jackson never forgot what he witnessed as a young Congressman just preceding and during World War II. After a visit to liberated Buchenwald, he had no illusions about the fundamental and permanent conflict between the United States and the forces of totalitarianism. He worked constantly to remind his fellow Senators and citizens of the overriding necessity to assure that America would always be strong. His straightforward love of country was an example for all of us.

That experience at Buchenwald also burned into Henry Jackson's conscience an impression of the Holocaust which made him an unwavering defender of the right of the Jewish people to a homeland in an Israel strong enough to defend its independence, and the right of Jews and others everywhere to leave freely the nations which persecute them. Israel had no firmer friend.

Senator Jackson will also be remembered for his unrelenting defense of the civil rights of other persecuted groups. During the worst of the McCarthy era, when panic and fear threatened the reputations of many decent men and women, Henry Jackson, then a newly elected Senator, had the courage to stand up against public panic, and to remind Americans of the real threat posed to the civil liberties of many Americans.

Senator Jackson was a leading defender of all who are persecuted for conscience throughout the world. His activities took the form not only of speeches and reminders of the violations of human rights in the Soviet sphere, past and present. But also of legislation which translated that outrage into concrete action. Scoop Jackson reminded the world that the United States is heir to, and of necessity defender of, a tradition in which securing basic human rights for all people is an inseparable cornerstone of foreign policy. On issues of basic human rights, Scoop knew that the securing of the rights of "life, liberty, and the pursuit of happiness" must remain forever a goal of the United States.

Senator Jackson also left us a record of real achievement in protecting our environment and our natural resources. In this course, he was led by the environment in which he grew up, and by his sense that we are all the trustees for all future generations of Americans. One of his landmark achievements was the National Environmental Policy Act, passed in 1970. But this was only a part of Senator Jackson's legacy. In my home State, we have a beautiful national park—the North Cascades National Park—which will stand for all time as a monument to Senator Henry Jackson.

But Scoop Jackson also knew that we grow, gain strength, and provide opportunities for our people by a proper development of our resources. Irrigation and water projects along the mighty Columbia River owe a great deal to Henry Jackson. He brought balance and reason to debates too often inflamed by rhetoric and passion.

Balance and reason were always characteristic of Senator Jackson. He was a curious and intellectual man with wide-ranging interests and a healthy respect for the facts. As this is visible in his legislative history, so also was it apparent in his personal style. My friend Scoop always wanted to know more, to understand more. To solicit another reason he was constantly asking questions, not rhetorically, but from a burning desire to learn.

Henry Jackson's public record is well documented. He has permanent living memorials across the Nation and around the world, in the cherished memories of all those who love liberty, and the democratic process. Senator Jackson was a man who elevated the meaning of the word "politician".

What is not a matter of public record, but is engraved on the memories of those who knew him, was the man's great humanity. Scoop Jackson was never a man who allowed important responsibilities to inflate his own view of himself. He was a man impatient with pomposity, and generous with his warmth. How often, and how easily, could Scoop Jackson put a gathering at ease with a humorous comment, directed most frequently at himself.

Henry Jackson was in all things a man of the people. Although he spent a lifetime in our Nation's Capital, he did so without ever leaving the countryside of Washington State. He knew and was known, in every town and county. Congressman Al Swift tells of driving with Scoop Jackson along the back roads near Silvana, in Snohomish County, relating the names of each of the owners of the farms and pointing with special relish to the home of a Republican farmer, who, said Scoop, "voted for me for prosecutor."

Perhaps I may be excused for being somewhat less thrilled by that anecdote than Congressman Swift was.

The sense of loss in Washington State now is personal and immediate, even for many who never met Scoop Jackson but felt that they nevertheless knew him, and he, them.

Senator Jackson leaves another personal legacy: A legion of men and women who worked on his staff and his campaigns over more than four decades. These men and women are scattered now across the country, around the world, and throughout the State of Washington, some in public pursuits and some in private. All were changed by their association with Scoop; all are the larger for it.

As Tom Foley, now majority whip of the House, put it, "For all of us who served him, it will remain to the end of our days a matter of enormous pride."

Finally, his intimates knew him as a devoted family man. He came to marriage and family relatively late in life, and no doubt this fact heightened his appreciation of both. We, in the Senate, may have thought that Scoop belonged to us; his family knew better. No one who attended Senator Jackson's funeral and listened to Anna Marie and Peter Jackson pay tribute to their father eloquently, thoughtfully, and emotionally could doubt what Henry Jackson meant to his children, or his pride in them.

No one who has ever basked in the sunlight of Helen Jackson's joy, strength, and peace could doubt Henry Jackson's deep love for her, or hers for him.

Today, Mr. President, we pray for the country and for the Senate. But an additional special prayer must be said for his wife, Helen, his daughter, Anna Marie, and his son, Peter. The time has long since passed when Scoop was theirs alone. We thank them for sharing him with us.

And now, Mr. President, I ask your indulgence for a few more personal remarks. Although I first met Senator Jackson more than 20 years ago, I came to know him well and personally only beginning with my election to this body.

Senator Jackson was a friend, admirer, and fierce supporter of Warren Magnuson during all of Senator Magnuson's career. He chaired mot of Senator Magnuson's campaigns, including his last. But within the hour of the declaration of my victory, Scoop Jackson called me, congratulated me warmly, and offered his guidance and support for me in this new challenge.

From that day until the day of his death, we never exchanged a harsh word. We met constantly to consider and to advance the interests of our constituents without exception, to the best of my memory, we joined in every initiative designed to promote the betterment of our State. The blood of friendship and respect was thicker than the water of partisanship.

I knew Henry Jackson as an example to emulate, a friend to delight in, and a wise counselor to whom to turn on occasions too numerous to count. I will miss his company deeply and forever.

Mr. President, it has been said that a contitutional statesman is a man of "common opinions and uncommon abilities."

We may be forever grateful to Henry Jackson that his compassionate but practical world view is now as prevalent as it is, for it was in large measure his uncommon abilities which helped to guide us to this point in our history as a people. It is for us now to remind ourselves and our children of the virtues of patriotism, courage, and humanity which made Henry Jackson so great; to rededicate ourselves to these virtues; and to give thanks that we were allowed by our Creator to be changed and enriched by his company.

COMBATING INTERNATIONAL TERRORISM

Mrs. HAWKINS. Mr. President, a very important meeting was held recently in Washington, bringing together hundreds of world experts on international terrorism.

The Jonathan Institute, an organization named after the late leader of the Israeli rescue mission in Entebbe, and formed to attack modern terrorism, sponsored this international conference to discuss different methods of

dealing with this escalating, worldwide, problem.

Mr. President, there is no one who scoffs any more at the contention that this problem affects each and every one of us. Everyone has been forced to take very seriously the problems posed to our society by a disturbingly organized group of international terrorists. A uniformity of concern was voiced by all involved in the conference; not only in the impressive talk of Secretary of State George Schultz, but also in the deliveries of FBI Director William Webster and other speakers dealing with terrorism on a national level.

Secretary of State Schultz revealed the firm views of the administration on this issue when he said: "The international links among terrorist groups are now clearly understood. The Soviets use terrorist groups for their own purposes, and their goal is always the same: to weaken liberal democracy and undermine world stability."

Secretary of State Schultz thus forcefully assigned responsibility for this problem to where it should be assigned. He then eloquently outlined strategies to combat the Soviet use of terrorist groups for the purpose of destroying our society.

When FBI Director William Webster spoke to the conference participants on domestic terrorism, he expressed satisfaction with the current state of the law governing counterterrorist operations. Director Webster was encouraging in his claims of declining terrorist incidents within our borders; for example, the halting of murders by American terrorists and the stopping of the activities of the Puerto Rican group FALN on the mainland.

This group of antiterrorist experts, including Secretary of State Schultz and Director Webster, proved itself to be more ideologically forward than ever before in connecting terror to larger political battles, and in making sure that the Western view of terrorism as a crime without justification should be made the thinking of the world as a whole. Indications were clear, on the part of those responsible for battling this ever-present problem, that confidence is increasing in the ability to gain ultimate victory in the war against international terrorism.

IN SUPPORT OF RATIFICATION OF THE GENOCIDE CONVENTION

Mr. PELL. Mr. President, the President today has announced the administration's support for ratification of the Genocide Convention. In so doing, he joins every President since Harry Truman in urging the Senate to give its advice and consent to the Genocide Convention.

In December 1981, the Foreign Relations Committee held its 11th public hearing on the Genocide Convention. At that time the committee deferred action on the Convention, pending the outcome of a review of the Genocide Convention by the administration.

Just this past May I urged the Secretary of State to complete the review as quickly as possible so that the Senate might be able to act before the end of this year. Needless to say, I am delighted with the outcome of the administration's review and I commend the President for his decision.

With the backing of the administration, it is my hope that the Senate will take up the Convention before this session ends next month. The Genocide Convention has been pending for over 35 years. With the President's historic decision, we now have an opportunity in the next month to resolve this issue. It is long overdue for the United States to join the rest of the world in making genocide—the most abhorrent of all acts—a crime under international law.

TRIBUTE TO DR. WALTER GRADY BISHOP, SR.

Mr. THURMOND. I rise today to pay tribute to a true humanitarian and good friend, Dr. Walter Grady Bishop, Sr., who died on July 15, 1984 at the age of 85. To his wife, Mrs. Martha Thurmond Bishop; and his four sons, Dr. Walter G. Bishop, Jr. of Greenwood, SC; Thurmond Bishop of Abbeville, SC; James Allan Bishop of Atlanta, GA; and Dr. Barry Bishop of Greenville, SC; and indeed the entire Bishop family, I extend my deepest sympathy.

I have had the pleasure of knowing Dr. Bishop for many years, I knew him a a man dedicated to serving others, as a physician and as a citizen. He leaves behind him a true legacy of charity, good will, as well as numerous friends and admirers.

Mr. President, it has been said that the true measure of a man is the number of friends he can claim. By that standard, Dr. Walter Bishop was a great man indeed. He took his practice of medicine seriously—believing that his mission in life was to ease the suffering and afflictions of his fellow man. He did this many times without compensation, without any payment except the gratitude of those to whom he treated and ministered. In fact, he did more work for charity than any person I have known.

Dr. Bishop's passing was more than a personal loss for me and my family—since he was my brother-in-law. His death meant the loss of a man who firmly believed that compassion and dedication to the improvement of the human condition, and helping those less fortunate than himself were moral imperatives.

Dr. Bishop was not only liked and respected in his home of Greenwood, SC, he was truly loved and admired. In addition to his wife and four sons, he is survived by this four sisters; Bertha Caldwell of Inman, SC; Gertrude Foster and Martha Cecil, both of Spartanburg, SC; Olivia Rivers of Mount Croghan, SC; and his four brothers: Claude Bishop, Horace Bishop and Woodrow Bishop, all of Inman, SC; and Robert Bishop of Easley, SC.

In order to share more about this remarkable man and his contributions, I ask unanimous consent that two eulogies delivered at Dr. Bishop's funeral by Drs. William Harris and James A. Bowers, and several newspaper articles and editorials from the Greenwood, SC, Index-Journal, and the Greenville, SC, Piedmont, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Greenwood Index-Journal, July 16, 1984]

DR. WALTER G. BISHOP

How do you put a value on the easing of pain? Comfort? Reassuring medical advice?

Such things are, without doubt, invaluable. It would be an impossible task, then, to evaluate the worth in those terms of the contributions of any physician during an average career. It would be even more difficult to do that for Dr. Walter G. Bishop. His career lasted for more than a half century, a remarkable achievement for anyone in any profession.

As Lander College campus physician for 20 years, Greenwood County doctor for 30 years and during all the years in private practice, Doctor Bishop touched the lives of thousands. So, too, did he make a lasting mark in his church. In civic affairs. In the military.

There is another facet of Doctor Bishop that should be mentioned, although it probably would embarrass him.

During the years, Doctor Bishop always went the extra mile in his profession. But, then, he did that in everything. He went out of his way to be helpful to his fellowman. In doing so, he always kept a low profile. He never sought recognition. That says as much as anything about the character of the man . . . that, and the fact that everyone who knew him liked him.

Dr. Bishop died the other day at age 85. The world will miss him, as it does all those who offer a helping hand without seeking something in return. For that is a quality too often missing from this earth.

[From the Greenville Piedmont, July 16, 1984]

GREENWOOD DOCTOR W.G. BISHOP DIES

GREENWOOD.—Dr. Walter Grady Bishop, 85, of Cokesbury Road died Sunday.

He was born in Inman, he was a graduate of Inman High School and Clemson University. He graduated in 1926 from the Medical University of South Carolina and served his internship at Baker Sanatorium in Charleston. Bishop came to Greenwood in 1927 and practiced medicine there for 51 years except for five years he served in the U.S. Army during World War II.

He served as Campus Physician at Lander College for 20 years and as country doctor in Greenwood County for 30 years. He also served as chief of staff at Self Memorial Hospital in 1965. He was a member of the

South Carolina and the Greenwood County medical associations. He was a member and former deacon of the First Baptist Church and was a charter member of the Greenwood Lions Club.

Surviving are his wife, Martha Thurmond Bishop of the home; four sons, Dr. Walter Bishop Jr. of Greenwood, Thurmond Bishop of Greenwood and Abbeville, James Allan Bishop of Atlanta, and Dr. Barry Bishop of Greenville; four sisters, Bertha Caldwell of Inman, Gertrude Foster and Martha Cecil, both of Spartanburg, and Olivia Rivers of Mount Croghan; four brothers, Claude Bishop, Horace Bishop, and Woodrow Bishop, all of Inman, and Robert Bishop of Easley.

[From the Greenwood Index-Journal, July 16, 1984]

DR. W.G. BISHOP DIES AT AGE 85

Dr. Walter Grady Bishop, 85, of Cokesbury Road, died Sunday at Self Memorial Hospital.

Born in Inman, Sept. 6, 1899, he was a son of the late William Whitner and Essie Ann Hall Bishop. He was a graduate of Inman High School and Clemson University. He was a 1926 graduate of the Medical University of South Carolina and served his internship at Baker Sanitorium in Charleston. He came to Greenwood in 1927 and practiced medicine for 51 years with the exception to the five years he served in the U.S. Army during World War II. He retired from the Army Reserve as a lieutenant colonel. He served as campus doctor at Lander College for 20 years and as county doctor for Greenwood County for approximately 30 years. He also served as chief of staff at Self Memorial Hospital in 1965. He was a member of the South Carolina and the Greenwood County Medical Associations. He was a member and former deacon of the First Baptist Church and a charter member of the Greenwood Lions Club.

Surviving in addition to his wife, Martha Thurmond Bishop of the home; four sons, Dr. Walter Bishop Jr. of Greenwood, Thurmond Bishop of Greenwood and Abbeville, James Allan Bishop of Atlanta, Ga., and Dr. Barry Bishop of Greenville; four sisters, Mrs. Bertha Caldwell of Inman, Mrs. Gertrude Foster and Mrs. Martha Cecil, both of Spartanburg and Mrs. Olivia Rivers of Mt. Croghan; four brothers, Claude, Horace and Woodrow Bishop, all of Inman and Robert Bishop of Easley; six grandchildren.

Services will be at 6 p.m. Tuesday at the First Baptist Church with Dr. J. William Harris and Dr. James A. Bowers officiating. Private burial will be in Greenwood Memorial Gardens.

Sons will be pallbearers.

Honorary escort will be the medical and nursing staff of Self Memorial Hospital.

FUNERAL SERVICE FOR WALTER GRADY BISHOP, SR.

(By Dr. James A. Bowers)

On Sunday, the people of Greenwood witnessed what seemed to many of us to be the passing of an era. Dr. Walter Bishop, a doctor of the old school, perhaps the last in our midst, died about noon Sunday. I do not say this to pit one philosophy of medical practice against another or to judge the merits of either; I simply acknowledge the difference between the two. He was an old time family doctor and general practitioner, loved for his dedication to his patients, in fact to all who suffer, admired for his excellence as a practioner, and appreciated for his consideration in matters of remuneration. Walter Bishop was a good man. In the estimation of many of us, he was a great man.

Much progress has been made in the field of medicine. I think most say people are amazed at the knowledge of the marvelous discoveries that have been made and the seeming miracles that are being accomplished. Medicial care is now the privilege of most in our country. We hail these advances and we hail those who have taken up these banners to achieve further miracles. But we also recognize the value of contributions made by men who went before us in the field of medicine.

Dr. Bishop embodied an impressive expression of some personal characteristics that are of value for all of us. We do him and ourselves honor as we review some of them and think of the contributions he made.

Perhaps his most outstanding characteristic was found in his attitude toward work. He was reared with a deep respect for the so called Protestant work ethic. His practice came first; manual labor came second. He loved his garden and his home. He loved to share the fruits of his garden with others. Work was his recreation. He enjoyed it, he demanded it of his sons. And it was in their work together that they learned much of the philosophy that was his.

His work, however, was not simply for the purpose of amassing material things, for his happiness was not dependent upon the material. He had learned that happiness came not from getting what you want but from wanting what you've got. I think he understood well the Apostle Paul's verdict, "I have learned in whatsoever state I am, therewith to be content." The same apostle speaks in Romans 8 of the relative unimportance of the material. "So, then, brethren, we are debtors, not to the flesh, to live according to the flesh: for if you live according to the flesh you will die, but if by the spirit you put to death the deeds of the body you will live. For all who are led by the Spirit of God are the sons of God. For you did not receive the spirit of bondage to turn again to fear, but you have received the spirit of sonship. When we cry, "Abba, Father", it is the Spirit himself bearing witness with our spirit that we are the children of God. And if we are children, then we are heirs, heris of God and joint heirs with Christ, if so be that we suffer with him that we may be also glorified together." He knew that he was a son of God, set in the midst of many sons and daughters of God in a family relationship. He knew he was a part of God's family. Consequently, he was a man for whom most relationships were intimate. This was certainly true with this sons. There was a closeness there that was fascinating. As one of them said, "Dad was the sort of man who demanded respect, or rather who earned that respect." As I have thought of that, it seems to me that he received respect because he respected others, his sons as well as his peers. In his later years we have seen a remarkable relationship with these boys. What a commentary it is to see a 78 year old father, in poor health, seated on the back of a BMW motorcycle behind his son, speeding through the mountains of North and South Carolina, trying to outrace a thunderstorm that was rapidly coming at them from behind—and they won. And what a sight to see four boys putting their elderly father in a chair and taking him out to the beach, placing the chair in the surf so the father could dangle his feet in the waves. There was mutual trust and respect between father and sons.

Since he had only boys of his own, I think he was delighted when those boys went out and found and brought home lovely wives. He welcomed them with open arms and with a love that was unbounded. And they loved him. Then when his grandchildren came, his joy knew no limits.

Martha and Walter had a beautiful and unique relationship. Their approaches to many things were quite different but their respect and love for each other were quite deep. With what loyalty and devotion Martha waited on him and ministered to him these last few years of his life.

His relationship with his patients was intimate, too, in the better sense of that word. How often have we heard people say, "Dr. Bishop is like a member of our family." He was not afraid to love people and to trust himself to them.

I suppose the most frequent comment we heard about Walter was concerning his compassion. How frequently he manifested that compassion in his ministry to those in need. Martha was telling us this week a story that seems to be very typical of the man. It was years ago, rather late one night when an elderly black man from down at Buzzard's Roost, it was called then, called Dr. Bishop on the phone and asked him to come see his wife who was quite ill. The man told Dr. Bishop he could come only as far by road but that he would meet him there and take him on to his home. Martha drove the Doctor down there and soon after they arrived the old man came riding up on his mule. Dr. Bishop got out of the car, took his medical bag in one hand, a lantern in the other, climbed on the mule behind the old man and they rode off into the dark on their errand of mercy. "This", said Martha, "is a picture I will never forget". Nor will we forget it either, Martha.

This sort of dedication characterized his service to the students at Lander College for twenty years and to the prisoners and employees of Greenwood County for thirty three years and to young men preparing to enter military service.

And so we say "Farewell" to a legend. But to more than a legend, a friend. And he was our friend. He has said, as few others have been able to say, "I never met a man I didn't like." And maybe that was the source of most if not all of the traits we have been talking about. We shall live our lives as we must in the light of new information and a different social environment, but we shall be grateful to Walter Bishop for the life he lived, for the lessons he taught and for the love we shared.

FUNERAL SERVICE FOR DR. WALTER GRADY BISHOP, SR.

(By Dr. William Harris)

Our Lord said, "I am the resurrection and the life; he who believes in me, though he die, yet shall he live, and whoever lives and believes in me shall never die." (John 11:25-26). In this hope of life that is eternal and complete and in this assurance of the sustaining presence of Christ, we gather this evening before our Heavenly Father who knows our need and stands ready to receive and guide us. Let us pray:

We come to you, our Father, freely expressing our feelings of grief and loss. We come because we believe in your infinite compassion for us and because we are certain of your identification with our hurt and pain. We know that you understand us

and that you care for us. And so we pray for the peace and the consolation that accompany an awareness of your presence.

We come to you, our Father, readily confessing that we have many unanswered questions and many unresolved feelings about death. We believe, however, that nothing separates us from your love. We believe that you are the Creator and Sustainer of this life and the life to come. And so we pray, if not for answers to our questions and removal of our pain, for grace to endure and to be strong.

We come to you, our Father, opening ourselves to your help and giving ourselves in worship. We believe that in communion with you there is peace, hope, and joy for any situation.

Together we offer the prayer that Jesus gave us, saying, "Our Father, who art in heaven, hallowed be Thy name, Thy kingdom come, Thy will be done on earth as it is in heaven. Give us this day our daily bread, and forgive us our trespasses as we forgive those who trespass against us, and lead us not into temptation, but deliver us from evil. For Thine is the kingdom and the power and the glory, forever, Amen."

As family members and friends of Dr. Walter G. Bishop, Sr., we have gathered here this evening to share a loss and to reaffirm our common hope of eternal life. Somehow, though, I believe that we are not here merely to commemorate a death but to celebrate a life—a life of love and service, a life representative of lasting values.

Jesus did not simply teach his followers how to die (though in him we are able to face physical death with hope): he taught us how to live. "I have come," he said, "that men may have life, and have it abundantly." (John 10:10). Insofar as we live by his teachings and follow his example we come to experience life as God intended it to be.

We are still trying to learn what it means to be a person for others, as the manner of Christ directs us. We are slow to understand what he meant when he said, "The Son of man came not to be served but to serve" (Mark 10:45); we find it hard to take seriously his penetrating observation, "As you did it to one of the least of these my brethren, you did it to me" (Matthew 25:40); we are made uncomfortable by his challenges, "This is my commandment, that you love one another as I have loved you." (John 15:12). Yet therein lies the secret of real life.

I think Dr. Bishop had discovered this secret. His concern for people, his dedication to his profession of healing, his appreciation for the earth, his love for family and friends, his trust in God all point to a life that we can only call "abundant," a life worth celebrating.

Such qualities, I am convinced, are not damaged by death. The person of faith and love moves on toward ever deeper fulfillment. Here we work and anticipate. With our Father on the other side we grow toward completion.

Thus we find deep meaning in the words of Jesus: " 'Let not your hearts be troubled; believe in God, believe also in me. In my Father's house are many rooms; if it were not so, would I have told you that I go to prepare a place for you? And when I go and prepare a place for you, I will come again and will take you to myself, that where I am you may be also. And you know the way where I am going.' Thomas said to him, 'Lord, we do not know where you are going; how can we know the way?' Jesus said to him, 'I am the way, and the truth, and the life; no one comes to the Father, but by me.' " (John 14:1-6)

HENRY M. JACKSON

Mr. MOYNIHAN. Mr. President, just over 1 year ago, on September 2, 1983, we learned of the sudden passing of our colleague, Henry M. Jackson, late the senior Senator from the State of Washington. As this is the first day the Senate is in session since that sad anniversary, I would like to commemorate the day by recalling my friend, Scoop Jackson.

He was, as Yeats once wrote of another, a man who was "blessed and had the power to bless."

Those many of us who called him friend, who were touched by the abounding grace and compassion he brought to every day of his long and full life, mourn this anniversary of his passing with special regret. For as his was a Viking's heart, vigorous, courageous and confident, yet ever gallant, gentle, generous, he was able also to impart these qualities to those with whom he worked and lived. To know Scoop Jackson was to be forever changed by him.

And in his absence, we wonder if we are yet equal to the standards we set for ourselves when he was among us, encouraging and enabling us all to be as full of goodness and as capable of hard work as we were when he was here. We are trying to fight the good fight, but it is harder without Scoop.

I refer to the papers of another friend of Henry Jackson, President John F. Kennedy, whose official papers include, after the inaugural address, and the exchange of greetings with the Soviet Union, a transcript of remarks at the meeting of the Democratic National Committee on January 21, 1961. At this meeting, Senator Jackson stepped down as chairman of his party, a post he had assumed in order to run the campaign and win the election for his friend and colleague. Now, as President, Jack Kennedy recounted this and thanked him and ended saying:

So I hope we will all stand up and give a good cheer to Scoop Jackson.

Let us do that today in our hearts; and may the echo linger.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. QUAYLE). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

FINANCIAL SERVICES COMPETITIVE EQUITY ACT

Mr. BAKER. Mr. President, as I indicated before we adjourned and again this morning in colloquy with the minority leader, it is my intention to try to reach the banking bill. Ordinarily, I would try to do that by asking unanimous consent to proceed to the consideration of the bill, but once again, based on colloquy this morning and the statement of a number of Senators, it is clear that that unanimous consent request would not be granted, which I understand. But, as I also indicated this morning, in face of certain objection to that, I do feel obligated to ask the Senate to turn to the consideration of that bill.

Therefore, I move at this time that the Senate proceed to the consideration of Calendar Order No. 1056, S. 2851.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

Mr. MOYNIHAN. Mr. President, with great regret, I must object to that.

The PRESIDING OFFICER. The motion is debatable.

Mr. MOYNIHAN. May I speak to the motion?

The PRESIDING OFFICER. The Senator is recognized.

Mr. MOYNIHAN. Mr. President, of the many issues which Senate bill 2851, the Financial Services Competitive Equity Act, raises, there is none which to my mind is more essential, because it is constitutional in its import, than that of title X of the bill.

Title X, in the view of this Senator, is an attempt to win congressional endorsement of faulty State legislation that would enable regional banking compacts to be formed which would include some States and exclude others, and to do so in a manner which, in the view of this Senator, violates the expressed provisions of the Constitution, or at least must be made to comport with those, but much more importantly violates a clear spirit of the Constitution which is opposed to the notion of individual States making arrangements with one another that exclude the participation, in whatever the issue involved, of other States.

There were many matters that concerned the framers of the Constitution. They all basically came to the question of how do you create a Federal union? And if there was one experience which had developed under the Articles of Confederation and which indeed led to the Philadelphia Con-

vention, it was the experience of States getting together for purposes of establishing advantage for themselves and disadvantage for others, that combined with the increasing disposition, as the economics of the 1780's developed, of States to impose what were, in effect, tariffs protecting their economies, excluding the economies of others, and defeating the idea of a nation.

I speak as a Senator from New York State, which, in the 1780's, taxed the importation of firewood from Connecticut. And such examples are many and I will speak to them in some detail. But the provision in the Constitution is explicit. It comes in article I, section 8, which gives, in the first instance, in the commerce clause, Congress the power "to regulate commerce with foreign nations, and among the several States." That is a positive grant of power to the Congress.

There is further a negative statement with respect to the powers of the States in the compact clause. That clause provides that, "No State shall, without the consent of Congress, lay any duty of tonnage, keep troops, or ships of war in time of peace, enter into any agreement or compact with another State, or with a foreign power, or engage in war, unless actually invaded." The Constitution, thus, prohibits a State from entering a compact with another, save as permitted by the Congress—a very large assertion of national power by the Philadelphia Convention and an urgently necessary one.

The experience of the United States under the Articles of Confederation had been replete with efforts interfering with interstate commerce, and the whole state of commerce under the Articles of Confederation had become, in the words of James Madison, "a national embarrassment." Indeed, and I quote again, "an imbecility."

The States under the Constitution of 1787 had retained the right to impose tariffs and imposed them on goods and services from other States and foreign countries and a generally chaotic system of interstate commerce was the result. We had no equivalent experience during the colonial period, and it was very clear that it was a provision of law in the basic law of the Articles of Confederation that made it possible.

As I said earlier, New York State taxed the importation of firewood from Connecticut. It taxed vegetables from New Jersey. And this kind of activity was rife throughout the 13 previous Colonies, 13 States, and was bringing the Nation to a point of paralysis. We were not able to govern. We were not able to grow. We had to change our basic law, the Articles of Confederation, and we did so.

We remember that the issue that brought the delegates to Philadelphia in 1787 was a narrow one. We remind ourselves also that their work was wide and fundamental and sweeping and in no measure was it more explicit than in the prohibition of compacts among States, save in the presumed rare occasion in which the Congress would give its permission. It was explicitly provided in article 1, section 10 of the Constitution, and it was wise counsel, and it has remained wise practice through the years.

And that is why there was a very considerable distress and concern evidenced in more than one part of the Nation when a number of States in different regions began to establish interstate banking compacts providing reciprocal privileges for banks in the members of the compact, in the member States, and excluding similar banks in other States.

It is exactly the paragon of the economy of the 1780's reappearing in the 1980's, two centuries later, and for the same reasons, same shortsighted sense of what can provide an advantage to one region over the other in disregard of the well-being and welfare of the country itself.

The banking compacts of which I speak are elementally of this order. They are anticompetitive in their purpose and anticompetitive in their effect. They have no other reason for being than that—to broaden a base of inclusion in order to expand a region of exclusion. Permitting banks in a region to merge or to acquire one another but to bar banks outside the region from participating in the building is elementally an anticompetitive measure. It limits the number of possible bids for a bank to the banks within the region of the compact and denies the holders of stock in those limited number of banks the better price they would presumable get for their shares if it was a larger market bidding.

These are elemental, again to say, principles of the market place, and we are talking here of a marketplace. The services of banks are not different from the services of any other organization, and, indeed, it is their practice to refer to their services as products. And if the area of competition is restricted, you have the same restrictions on commerce which have animated this Congress from the time of the Sherman Antitrust Act in the 1880's when, again, not as a matter of State action, but as a matter of individual corporate and trust behavior you began to see limits on competition, monopolies, oligopolies, and trusts restricting entry into an economic activity, and as a result rising prices and profits for one group to the disadvantage of others, and to the disadvantage of the Nation.

The local mergers within a regional compact reduce the competition both for deposits and for loans. If there are only a limited number of banks in which you can deposit, then the rates of return on deposits are necessarily affected by the absence of competition. Also, if there are only a limited number of banks from which loans can be made, the rates of interest paid on those loans are equally affected, and to the detriment of borrowers. Both lenders and borrowers are worse off than they would be, or at least worse off than they would presume to be in a more open, much less a fully open market.

These are not new principles to this body. We began with a Constitution organized as much as anything around the need to see that there was a broad national economy unimpeded by barriers of one kind or the other as between the States or the regions. We were not only conscious of the States in the Constitution-making period of our country. We were more than conscious of regions also. The North had a different economy from the South. It had different interests, and as these were manifest, they produced the different kinds of barriers of which I spoke.

The west trans-Appalachian region was beginning to have its own distinct economic interests, requiring a response within the Constitutional Convention and within the debate over the ratification of the Constitution that followed. Still, that Constitution was overwhelmingly ratified. Eleven States were required, and they came forth. The sense that the national interest was clear here was very much more vivid—it may be—to those men than to the legislators of this time for the very fact that they had come fresh from the experience otherwise, and, indeed, had convened in Philadelphia for the expressed purpose of overcoming that previous set of conditions.

Just so in the late 19th century the rise of corporations, of trusts, of monopolies, and of oligopolies have to the Nation a sense of what such reduced competition meant to the economy at large, whatever it may have meant to the prosperity and advantage of the individual corporations and their managers.

We came to the floor of this body and in this very room determined, under the direct leadership of Senator Sherman, to put an end to practices that were putting at risk the economic well-being of the country, and never to be excluded—although happily more and more receding now, but in a period that followed a civil war never to be excluded—the question of regional diversity and the need to maintain national unity in the face of that diversity.

Regional compacts in the banking industry—banking, which has always been so sensitive an issue in our Nation—regional compacts are only the most recent manifestation of this

tendency but scarcely for that reason any more welcome.

We could talk a lot about banking in this Congress. I think it would be fair to say that of all the political issues that arose in the 19th century in America, there were only two of great importance that we were not able to resolve in that time. There was, first, the question of the enfranchisement of women. It was certainly a matter that arose as early as the women's rights convention in Seneca Falls in New York in 1848, and it was still very much an issue as the century ended. It was soon to be resolved, however.

That issue apart—and it was a larger issue because it involves the rights of citizens—the only other issue we never really resolved was the question of who has the power to create money in the United States. That issue was present at the beginning, when early in the administration of President Washington, Alexander Hamilton proposed the creation of a national bank. And the national bank would create money as a central power to any economy, and as a power central to the function of the economy. Jefferson opposed that measure.

It was Washington's practice when there was a difference within his Cabinet to defer to the member of the Cabinet who had the closest responsibility for the subject, and the national bank was established in 1791. It was chartered in 1791 for 20 years. The charter expired in 1811. An effort to renew it was defeated by a tie vote in the U.S. Senate with former Governor Clinton—then Vice President—casting the vote against. And that meant we were just in time for the War of 1812 and that the Federal Government had no way to manage its finances during that time.

In 1817, responding to that experience, we rechartered the national bank. And the 20 years went by just in time to be a central issue of Andrew Jackson's administration, when he was running against the bank, campaigned against the bank, and saw its demise in 1837.

After that, the rates varied. There was paper currency. There was bullion. I do not doubt at some point wampum made its reappearance in our marketplaces. The matter went roaring on. The century ended with William Jennings Bryan demanding that we not press down a crown of thorns on mankind nor crucify him on a cross of gold.

After the panic of 1905—and economic downturn from that long century was primarily associated with instability in the banking system—we adopted under the leadership of Senator Aldrich of Rhode Island a compromise measure which allowed States to continue to charter banks but created a national bank, the Federal Reserve Bank, with certain powers over those banks which wished to have national charters, and some elemental control of money supply—looking to the characteristic run on the banks when suddenly otherwise viable institutions would become illiquid by virtue of a subject panic of demand for withdrawal deposits.

And so we continue to have it rather singularly. I do not know another modern industrial economy which has as varied a banking system as we do. It is one of the marks of the distinguished chairman of the Banking Committee, the Senator from Utah, that he has tried to bring at least a measure of some symmetry, order, and efficiency, at least as much as legislation can provide efficiency, to still a very confused and very much changing banking system. This legislation before us is, in many respects, an admirable piece of craftsmanship designed to further that end.

If this legislation has a general problem, I would have to say that it seems to be a piece of legislation, even though worked over carefully and in great detail over a 2-year period, which was completed before the effective collapse of the Continental Illinois Bank this summer, which has had the result of the U.S. Government becoming the owner of the eighth largest bank in the Nation, a bank which, if we would like to know the curiosities of the American banking system, was the eighth largest bank in the United States, and which happened to be all in the same building, a single branch bank. It collapsed.

It collapsed absent the movement, quick, effective, and necessary by the U.S. Government, to take over control of the bank, putting its own officers in, and putting in billions of dollars to effectively repeal the limits of the Federal Deposit Insurance System on the amounts of deposits that would be insured, in effect saying, "We will insure whatever the deposit is, regardless."

It was not that they had lent too much to foreign nations. Its loan portfolio was mainly in the United States. Even so, it was about to go into receivership. It was about to become insolvent. The U.S. Government had to rush in with the largest action of its kind in our history and end up, as I have said, the owner, in effect, of the eighth largest bank in the Nation.

It seems to me if we were going to pass a major piece of banking legislation, it ought to be crafted in the aftermath of the Continental Illinois experience and not before it. This is in no way a criticism of the chairman.

Mr. GARN. Will the Senator yield for a brief comment on that point?

Mr. MOYNIHAN. I am happy to yield.

Mr. GARN. As the Senator knows, the problems of the Continental were not unkown to the committee and the action on this piece of legislation took place after the failure of the Continental. Negotiations were made well aware to myself and the chairman of the House Banking Committee.

I would further note that the failure of Continental has been used by many who oppose this bill in many respects. I think the facts are very clear. When we get to the bill, when we finally get it up, I will put into the record a letter from the Chairman of the Federal Reserve Board. Continental has nothing to do with the legislation we are dealing with, the type of activities they were involved in, their Euroloans, their hot overnight money, and so on. They were operating in a State like Illinois where they could not branch across county lines, let alone across State lines.

It is really a very difficult situation. After we have held hearings on Continental Illinois, and after the House has also done so, we will probably end up with some recommendations, either regulatory or legislative, to deal with that sort of thing.

I did not want the Senator to have left on the record unchallenged that Continental Illinois is really the basis for this type of legislation. There are more than 14,000 banks in this country. Most of them are the kind of banks that ordinary people deal with, like the Senator and myself, who have checking accounts, mortgage accounts, NOW accounts, automobile loans, loans for refrigerators, and all of that. They have never heard of Eurodollars or $10 billion energy loans to South America. They are serving their neighborhood constituents.

This legislation is aimed at those areas, not for the few big banks or Continental Illinois. I did not want to leave the impression that somehow this legislation should have been crafted if we had known about Continental Illinois a year ago. I have been deeply involved in this legislation for 4 years on such an intimate basis I know far more than I want to know or hope to know about the banking institutions of this country, but Continental is really a separate issue.

This legislation would be the same, I say, regardless of the timing of Continental Illinois. That is a separate subject. We will have to deal with that type of institution and those sorts of problems in other legislation.

I thank the Senator for yielding.

Mr. MOYNIHAN. Mr. President, I yielded to my distinguished chairman because I wanted to hear what he had to say, and I always want to hear what he has to say.

I ask unanimous consent that my resuming my remake not be considered as a separate speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I thank the Chair.

May I say I completely accept the explanation of the Senator from Utah, the distinguished chairman. My observation went not so much to the context of this bill, as if it would be different. He said precisely it would not be different from its purpose whatever, had the experience of Continental Illinois occurred at a different point in time. It seems to me, even so, that that experience requires some response from the Congress, and I do not doubt that in time the Banking Committees will have that response.

I simply want to make this point, that this is not a normal season for American banking. This is a season in which we have observed an extraordinary event, the like of which has not occurred in half a century, although there have been a number of bank failures in recent years.

I would return to the question of regional banking compacts. Like other forms of protection, it appears to this Senator that such compacts ultimately hurt the consumer, exactly the consumers of which the distinguished chairman was speaking, by denying them the lowest prices for services, or in the case of depositors by denying them the highest rates for deposits.

There is a publication in the banking world called the Bank Rate Monitor, a weekly newsletter. Not long ago Mr. Bob Douglas, executive vice president of the Chase Manhattan Bank, reported some of the findings of the Monitor in an article in the Wall Street Journal, not an inappropriate place for these matters to be discussed.

As he reports—and I take it to be, of course, an accurate report—the Monitor found that interest rates on money market accounts offered by the major New York banks and thrift savings associations, mutual savings banks, are 15 to 34 basis points above the average rates in other markets. This is as of last February. Presumably that would be a continuing experience. Six-month certificates of deposits were running 23 to 36 basis points higher in New York than elsewhere.

Indeed, the phenomenon is not difficult to understand: Where the banks are larger and they have more resources, they are in some measure more efficient. I do not want to press my very fragile knowledge of the economics of banking, but I would assume there is a measure in which volume creates efficiencies that allows prices to lessen, to decline.

It is simply a fact that in those parts of the country where these large banks—and there will be those, as I say, banks in other nations that are not allowed to operate—consumers pay more, depositors receive less, and it is an elemental, economic inefficiency. It is elementary the problem which the framers of the Constitution addressed when they said there would be no regional compacts without the consent of the Congress.

Mr. President, it really seems to me that what we are putting in place in this movement of regional compacts is the exclusion of the major financial centers of the country—and there are more than one—from providing services and such in the largest portion of the Nation. We are denying the businesses of those regions—the consumers of those regions, the savers of those regions—the advantage of being in a national economy.

Mr. President, what has been the greatest argument of persons for rational economic policymaking as between nations in the last 70 or 80 years of the world than the example of the United States as one large free market? In the production of goods and in the sale of most services, the United States has had a continental dimension of one economy. It was our example that turned Europe to the European Economic Community. One cannot forget those debates. People looked at the United States and said, "That is what comes of having one market of that size, and we can do the same and ought to do." And indeed, they have done. Not perfectly, because the national boundaries remain very real and the political boundaries are even more real, but we are an example of what becomes of one people who have a large free market in which the diversities of region, the economics, the comparative advantages of the different regions work their beneficient effect upon the economy.

If Adam Smith were around, instead of talking about growing sheep in Portugal and growing grapes in Scotland but making the point that, on the whole, it is better to do it the other way around and trade, he would clearly say, "You can grow cotton in North Dakota and you can grow it in Maine, but it is really, on the whole, better to grow it in Arizona and do other things in Maine and North Dakota and trade between."

The same principle applies to that most elemental connecting system of an economy, the banking system. If we are going to let regional banking compacts grow up in this country to exclude some States for the benefit of others, we are simply going to legislate a tax upon the American gross national product. We are going to reduce our wealth in a predictable way, a way that has been understood, in a way that brought about as much as anything the impulse that led to the Constitution of the United States itself, with its prohibition on regional compacts.

Why do we want to do this? Are we so overwhelmed with economic efficiency, is our economy so perfectly attuned in every other respect that we would like to introduce some inefficiency, much as artists in certain cultures introduce some irregularity into their work lest it be so perfect that God be envious? I do not think we have such an extraordinary record of economic progress over the last 20 years, under whichever administration, to deliberately ask to inhibit ourselves. There is no economic case to be made. In a system that has national regulations—I mean absent the Federal Reserve Board, absent the various agencies—the Federal Deposit Insurance Corporation, the general powers of the Treasury with respect to the avoidance of monopoly—we do not face any prospect of monopoly or oligopoly. We have all the rules possible to ensure that banking remains competitive. Why do we not wish it to continue to be and to be more so?

I go back to an earlier statement. We never really learned to deal with the question of who creates money in the 19th century in America. The fact of State governments, the fact of State bank charters—I do not think it is generally recalled, but up until the establishment of the Federal Reserve Board in 1913, persons who carried banknotes, as they were called, around in their pockets were carrying around pieces of paper printed by private banks. Those banknotes might be good and might not be and when bank panics came, none was. The consequences to the economy were large, and they were debilitating; to individuals, they were disastrous. That is when we at least created a national currency. So in this century, we have a national currency.

We still have a widely diverse set of banking institutions, some 14,000 banks, as the distinguished chairman has said. And too many of them have to much protection. They do not need it. They can be perfectly efficient in doing what they do, do it just as well as others, but having it, they use it as any producer will use an advantage in an efficiency market, in a market that is less than optimally rational. And now we are bringing that legacy of State charters and State control into a regional dimension and proposing to give it congressional sanction. I do not think we need this. I do not think we would want it if we knew what we were getting.

I cannot doubt that the managers of the individual banks that have persuaded their States to create these regional compacts see it to be in the interest of their banks and in the short term—protectionism of this kind always seems to be in the interest of the actors who first get involved. But it is the economy in the large that pays the price. Do we want to impose yet another price on this economy, a self-imposed price? Two centuries after that Constitution prohibited interstate compacts, a century after we enacted the first great pro-competi-

tive antitrust legislation, are we suddenly to start introducing these principles that we have opposed over 2 centuries? I would not think so. These compacts are divisive, and they are very much against the interests of the economy as a whole, and, in the end, we are all part of that economy as a whole. It is nonetheless a fact that, once this progress begins, it spreads. Nothing is more familiary to this body than the contagious effect of protection for one industry, one region.

It is 53 years ago that we enacted the Smoot-Hawley tariff by that practice of letting that contagion spread. And sure enough, as promised by its sponsors, the Smoot-Hawley tariff reduced imports into the United States by two-thirds in the course of 24 months. Unfortunately, it reduced exports by two-thirds also, and the world went crashing into the depression of the 1930's out of which, in no small measure, the Second World War emerged.

Already in no fewer than 15 States, legislatures considering proposals to create exclusive regional banking systems which, when completed, would divide up almost the whole of the Nation into such arrangements, arrangements that were the precise purpose of the framers of the Constitution to resist.

Now, I would ask the Senate to consider this: If the States can form regional banking compacts that exclude American banks from other parts of the country from doing banking in these particular parts of the country, where will it end?

My friend, the distinguished ranking member of the Banking Committee and former chairman, who is the most knowledgeable Member of this body in matters of dairy farming, not to mention the whole range of his extraordinary capacities and experience, sits with me here in the Senate and on more than a few occasions we have talked about the problems of milk production, the surplus of milk, the fluid milk flows, and the milk that is made into cheese and other products.

When will the day appear that Wisconsin cheese cannot cross the Great Lakes region into the central New York, upper Midwest, southern New England regional compact that allows only cheeses made in that part of the country to be sold? Not that we have anything against Wisconsin cheese; those of us who know it, find it is not infrequently competitive with New York cheese, but we would deny that pleasure, or even the opportunity of learning of it altogether when our cheese compact is made.

And we can work these things out. We could not have just a cheese compact. We would have to find some particular product that Connecticut liked and produces and we do not and others do, and we would keep that out also. We would have to ask as New Yorkers that we keep California wine out, and the same with Massachusetts blueberries. We could certainly say we do not want any blueberries from the South, or cranberries. We can go on and break ourselves into fragments of a once great national economy.

And that sort of thing could happen. Efforts to make it happen occur all the time. They are not always unsuccessful. They are, to the contrary, frequently just the opposite; they are successful. The short-run case can be made for them, and the short-run case in economics not infrequently is the successful one.

But the long-term costs have never failed to show up, and in the great wisdom and strength of this country and its sense of nation, its sense of what makes sense in business, in trading, in producing, in selling, has had to keep national markets and trade to make world markets. There has not been a more eloquent advocate of free trading systems in our time than the President of the United States, Ronald Reagan, who learned this lesson as he judged it from the experience of his own country and would wish the world to share in that experience. It is something that from the time of Cordell Hull and Franklin Roosevelt we have espoused with the kind of intensity that may diminish in time, but was intent as anything could be. In the 1930's when you asked what were the consequences of barriers to trade—the answer was a disastrous depression at home and very shortly war in the world.

These are large terms, but these are also historic realities.

It seems to me, Mr. President, that to just casually undertake to give congressional sanction to a constitutional issue of regional compacts that include some at the price of excluding others is just to move in the face of the evidence and the need. I do not know how we can resolve this. It is such an elemental part of our own national experience that we do not know how it is we seem to have lost it.

Remember, the Constitution was not the first such effort to deal with this. In 1786, when the Articles of Confederation were scarcely 10 years in effect, six States sent delegates to Annapolis, MD, to discuss the specific issue of the embarrassments which characterized the present state of our national affairs. It was that Annapolis Convention which called up all 13 States to send delegates to Philadelphia the following year to "render the Constitution of the Federal Government adequate to the exigencies of the Union."

What does it mean to say, "adequate to the exigencies of the Union?"

It meant, first of all, that for there to be political unity, there had to be economic unity, and yet the political independence of the States was destroying that very economic unity and imperiling that union. It was the frustration of States over the barriers to interstate trade that led to the Constitutional Convention and the Constitution.

In 1949, our great jurist, Supreme Court Justice Benjamin Cardozo, wrote:

> The sole purpose for which Virginia initiated the movement which ultimately produced the Constitution was to take into consideration the trade of the United States; to examine the relative situations and trade of said States; and to consider how far a uniform system in their commerical regulations may be necessary to their common interest and their permanent harmony.

Mr. President, the records of the Constitutional Convention, although not extensive, and the writings of the Founding Fathers, which are more extensive, provide irrefutable evidence that the authors of the Constitution fought to do precisely this with their reference to State interference with interstate commerce and yet that is what title X of the Financial Services Competitive Equity Act prescribes. It was precisely that we would not undertake, and States would not be allowed to undertake, such regional bilateral or multilateral enterprises that we formed this Government and created this Congress. And here we are doing exactly that which we established ourselves and constituted ourselves for the purpose of not doing.

Why not? Because of the elemental threat which such activities make to the Union. I do not want to suggest that, in that time, regional banking compacts were going to pose any threat to the Union. But do not underestimate how pervasive such effects can be of a lower order but not by any means of lesser consequence.

Fractionalize the world's most powerful economy and it may cease to be the world's most powerful economy. When it ceases to be the world's most powerful economy, it will cease to be the world's most powerful political Nation. When ours ceases to be a symbol not just of fairness in the world but of effectiveness, not just of human and constitutional rights of the individual but prospects for the life experiences of the individual, we cease to be that which we have been, and that would be a change in our condition larger than any contemplated in this act. But it can begin with such an acquiescence in a practice that was abhorrent to the founders of the Nation, and has been consistently legislated against by us, in one degree or another, since we were founded.

Mr. President, I find it difficult to know why we seem to stray so from some origins so precise, so concrete, as to have allowed one to assume that they were living considerations for all of us.

Alexander Hamilton, of New York State, made this case and made the intentions of the founders clear when he wrote in The Federalist, No. 22, as follows:

> The interfering and unneighborly regulations of some States, contrary to the true spirit of the Union, have, in different instances, given just cause of umbrage and complaint to others, and it is to be feared that examples of this nature, if not restrained by a national control, would be multiplied and extended till they became not less serious sources of animosity and discord than injurious impediments to the intercourse between the different parts of the confederacy.
>
> Out of small advantage, large disagreement derives.

So, Hamilton, defending this Constitution, defended that clause in Article I, Section 8, which gives to this Congress the power to restrain by national control the natural but wrong tendencies of units of Government and regions of the economy to seek artificial advantage through the inhibition of trade and exchange. We talk here of exchange, and it is an equally important element in the country.

In an earlier Federalist Paper, No. 11, Hamilton argued for a unifed Government with what he called "unrestrained intercourse between the States." He said that as a result of freeing up the trade barriers, "the veins of commerce [will] be replenished and will acquire additional motion and vigor from a free circulation of the commodities of every part. * * * A unity of commercial, as well as political interests, can only result from a unity of government."

I shall say that once again: "A unity of commercial, as well as political interests, can only result from a unity of government."

We have learned from our experience of the Articles of Confederation. Justice Marshall, a Virginian, a nationalist, had this vividly in his mind in his decision in *Gibbons* v. *Ogden* in 1824. He wrote:

> Those laws dropped lifeless from their statute books for want of the sustaining power that had been relinquished to Congress.

Mr. President, Gibbons against Ogden invalidated, declared unconstitutional, a statute of my own State of New York which had provided an exclusive license for the operation of steamboats on the Hudson River—the Hudson River exiting into the Atlantic after flowing for some length between the States of New Jersey and New York.

Justice Marshall said that the State of New York could not so control commerce on that interstate body of water. He said the Constitution said so, the section of the commerce clause which states that Congress shall have the power to regulate commerce with foreign nations and among the several States.

So Justice Marshall, in his grand language of the time, said that those laws passed in Albany "drop lifeless from their statute books for want of the sustaining power that had been relinquished to Congress."

How can a Congress which acquired this power in that inspired moment of the understanding of the national interest, which the founders brought to fruition in Philadelphia, acquiesce today or the next several days in action wholly at odds with the spirit of the Constitution and the experience of the American people which saw the States' erection of barriers as imperiling the economic unity of the Nation on which the political unity necessarily depended?

To continue with Justice Marshall:

> It is one of the objects for which they agreed to this Constitution that they would stand on an equality in commercial relations.

The people of New York supported that Constitution, the people of Virginia did, as did the people of Rhode Island, Maryland, Georgia, and so down the list of the Thirteen Colonies.

We came to this body and began to sense the power which that unity gave to us as a people.

None more than Daniel Webster who put it:

> The commerce of the States was to be a unit; and the system by which it was to exist and be governed must necessarily be complete, entire and uniform. Its character was to be described in the flag which waved over it, *E Pluribus Unum.*

That proposition, "E Pluribus Unum," Mr. President, is inscribed in this Chamber over the seat which our distinguished Presiding Officer now occupies.

There is one statement that we, all of us in this body, confront when we stand to speak to this Chamber, the statement "E Pluribus Unum," a line from Vergil, if memory serves, not that I memorized Vergil but rather that I memorized the origins of "E Pluribus Unum" and which loosely but accurately translates as "out of many, one"—"out of many, one."

And it is the oneness of the Nation that has created its singularity in the world until now when others have undertaken to emulate our States. It is one economy in a continent and not surprisingly the most powerful economy in the world and not less for that reason.

Why turn away from it? Why learn again in years to come the awful lessons of the past when we have turned against it? As Abraham Lincoln said, "A house divided against itself cannot stand," and it did not or almost did not, because we let regional economic interests as perceived make the protection of those interests move into and poison our political unity.

The Senate should not do this. We should not allow ourselves the opportunity to simply acquiesce in the unthinking decisions of the few States to begin a practice which has been inimical to the interests of all States from the time the Union began and for which purpose the prevention of which the Union was formed.

Mr. President, I see that my friend from Michigan, the distinguished senior Senator, has risen. Does he wish to inquire to any remark I have made?

Mr. RIEGLE. No.

I am listening with great care to the thoughts and expressions of the Senator from New York and I think he has expressed them splendidly. I am prepared at any time that he is finished to get into some other issues here.

(Mr. TRIBLE assumed the chair.)

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that in yielding to the Senator from Michigan, I not lose my right to the floor.

Mr. GARN. Mr. President, reserving the right to object, and I shall not object, I wish to say to both of my colleagues that there will be no attempt on my part to unseat either one of them from the floor.

I wish we could have proceeded with the motion to proceed and have the bill on the floor. I recognize the problem. There are a great number of Senators who are not here and should be, in my opinion, after a 3-week recess. We could not have a vote today even if we wanted to because the number approaches 40 and it is about evenly balanced between the Democrats and Republicans. Neither side is at fault. So I understand the situation.

I hope that we could proceed with opening statements, take care of some of the noncontroversial technical amendments, the committee amendments. We cannot. I recognize the situation.

My colleague from Michigan can tell my colleague from New York how I run the Banking Committee. It is all up on top of the table.

As far as I am concerned you can switch back and forth. I am not going to object to second speeches or play any parliamentary games. I am interested in the substance of this bill and when I am allowed to get to it we will discuss the substance of the bill and the controversial provisions. In the meantime both of my colleagues are safe to talk as long as they want. There will be no parliamentary games on my part.

I do not object.

Mr. MOYNIHAN. Mr. President, may I just take a moment to express my appreciation for the unfailing courtesy of the chairman of the committee in these matters and to yield at this point to the Senator from Michigan.

Mr. RIEGLE. I thank the Senator.

Mr. President, first of all, I wish to again acknowledge the comments of the Senator from New York who has raised a number of important issues and I, also, wish to acknowledge the courtesy and friendship of the chairman of the committee, the Senator from Utah, who I have always found that I am able to work with in a most cooperative way and that he in no way has tried to be arbitrary in his actions on this matter.

So I do wish to also acknowledge, as did the Senator from New York, the courtesies of the Senator from Utah.

Mr. President, let me tell you what my concern is with bringing this bill up today. I agree with what others have said that it will be well to have all of the Senate present today and those of us who are here are not in the position to produce those who for one reason or another are not. But the issues in this legislation are so important, they are so serious, they have such an important bearing I think on the future of the soundness of the financial structure of the country, if not the world, that when we take this matter up I think it is critical that all of the Senators be here and certainly the principal people who have been involved in this debate over a period of time.

When the Senate went out in August, there was no firm understanding that this issue would be the issue to come up today, on this precise day, at the precise hour of 2 p.m. in the afternoon. If that had been announced, if that had been the clear-cut commitment in terms of the schedule, not ambiguous, but clear cut, then I think not only would I have been here but I think others who have a particular interest in this issue likewise would have been present.

But the fact is that there is no time agreement on this bill and the absence of the time agreement suggests that there was no real attempt made that I am aware of to try to fashion a time agreement. By that I mean an effort by the managers of the bill to meet and talk with the others who have a principal interest in it, members of the committee, others outside the committee, who for one reason or another have shown a particular interest in this legislation. In the normal course of events even late in the session when time is short, normally there is an effort to try to fashion some kind of a time agreement to see if we cannot isolate the areas of disagreement, narrow them down, and perhaps reach some understandings as to what amendments will be offered, how much time will be given to those amendments, and find some way to limit amendments that perhaps are not necessary or would otherwise be time consuming.

In seeking a time agreement, that does not necessarily mean one can be achieved. Sometimes we are fortunate in putting them together, sometimes not. But in this instance, no effort was made to put one together that I am aware of. There was no approach made to this Senator to try to fashion the time agreement.

I am open now or later to try to be a party with others in an effort to see if some kind of time agreement can be worked out that could accommodate the particular needs or objections or points that other colleagues, regardless of which side of the aisle, have an interest in wanting to bring forward.

Mr. GARN. Will the Senator yield for a comment without losing his right to the floor?

Mr. RIEGLE. Yes; of course.

Mr. GARN. Mr. President, I would only say to the Senator that he is correct. There was not a specific time or day, although it was circulated to both caucuses and also in the CONGRESSIONAL RECORD on the last day we adjourned that the banking bill, if not the first bill up when we returned, would be one of the first. And the intention was that it be up either today or tomorrow. So it is true it was not absolutely firm. The Senator is correct.

He is also correct on the statement that there was no attempt to fashion a time agreement. And that was deliberate. I think the Senator would agree that often bills that have time agreements take longer because of the time agreements, because people say, "Well, I had an hour on this amendment so I am entitled to it and I am going to take it," when it might have taken 10 minutes without it.

The Senator also remembers, as he was very, very much involved in 1982 and very helpful in the passage of the so-called Garn-St Germain bill that was brought up the next-to-the-last day of the session. That was, in many respects, more controversial than some of the aspects of this. In fact, the aspects that are controversial are very controversial. But a very small part of it, about 95 percent of this bill, is something that everybody agrees should pass.

We had more controversial items at that point and we determined that we could finish the bill more rapidly without being tied to a time agreement. The Senator may be correct that we can proceed with this. If we can work out a time agreement, fine. But I did want him to know that he is correct in his statement but also to know that there was no attempt deliberately to have a time agreement at this point.

However, there has been a good deal of work by staff while we have been out of session. A number of amendments on both sides of the aisle have been identified. Some of those have been worked out that can be acceptable and some of them have been modified to the satisfaction of various Senators.

Essentially where we are, when we eventually get the bill up one way or another, is we are dealing primarily with just four controversial issues. I hope the Senate will understand that. There are a lot of people who wish to kill the entire bill who know absolutely nothing about it because they have got one provision or another that they do not like.

Essentially, we are down to the regional banking issue, title X, as the Senator from New York has identified. That is controversial. I certainly do expect there will be an amendment from the Senators from new New York or others to delete that and we will let the Senate work its will.

We also have a disagreement over the writing of the South Dakota loophole and how it is to be handled, not that it should not be handled. Everybody would agree to that. It is how it is written. Then you have two new powers. You have new municipal revenue bonds with banks and mortgage-backed securities. And as far as the big controversial issues, that is the four of them.

I hope when my colleagues return they might read this colloquy and understand that. Ninety-five percent of the bill or more is not controversial. I hope we do not throw the baby out with the bath water.

I am perfectly willing, as I was in committee, to debate those four issues that are the most controversial and when the debate is finished to have an up or down vote on those four without those who would attempt—and with the help the Senator from Michigan has given to me, I do not want him to think I am talking about him because I know he is for a bill and most of the Senate is. The reason for taking so long—I did not intend to when I got up, but only to clarify a couple of points—is so that maybe our colleagues or staff will read this and recognize that the areas of disagreement are much, much narrower than some of the opponents outside, trade associations, and so on, would like to indicate, and some who are really willing to kill the whole bill over one or two provisions.

The regional banking issue is one of those. Citicorp and Chase Manhattan have looked at the whole bill. In spite of the fact that they like the rest of the bill, they decided it was in their special interests to try and kill the entire bill if they cannot get title X out.

I say to the Senator that he has been helpful to me for many years and we have been good friends. I hope eventually we will have the bill before us. There are certainly good arguments on both sides of these issues. We can have a substantive debate on those four issues that I have identified as those that are most controversial.

But the Senator is correct on no time agreement. I hope that we can either achieve a time agreement or, within the next day or 2, get to the substance of these issues and we certainly can debate them. I thank the Senator for yielding.

Mr. RIEGLE. Mr. President, I appreciate the comments the Senator from Utah has made. As he correctly notes, we have had the chance, over a long period of time, to work together on items of this kind coming out of the committee.

I want to take that a step further with respect to the Garn-St Germain bill because, while we were successful in that effort on a bipartisan basis and with a lot of cooperation, it was, in large part, because we were able to resolve, as he will recall, some of the thorniest issues ahead of time in discussions which he and I had and which others had. And, in a sense, while we came very late in the session with that legislation we brought legislation where the differences had been fundamentally worked out. In the process of working out the differences, we not only struck some compromises along the way but decisions were made to leave some items out and put other items in.

But it was an authentic give and take negotiation of a sort and led by the chairman, with great skill, I might say. In the end we were able to bring a bill to the floor where the controversy, for all practical purposes, had gone away. As a result, I think when we were on the floor we were on the floor for a relatively short period of time. I am not even sure we had a recorded vote. My memory is not exactly clear on that point. I do not recall there was much, if any, opposition because all of the sort of knock-down, drag-out side of the controversial legislation, contentious legislation, had been worked out essentially before we came to that point.

Mr. GARN. If the Senator will yield, we were on the floor for a little over 2 hours, as I remember. And I still have some of the scars from working out some of those problems in the last week or so, particularly the Crystal City Marriott. I will go no further on that and I did not want to give that particular speech.

I would only add that the Senator is correct. In general, I would say there is one difference: that this year we deleted in the committee print, before we ever got to markup, some of the most controversial items. We did not do that in the process before. The insurance provisions and others were simply deleted in order to try and smooth the way along.

Mr. RIEGLE. I recall particularly one conversation that the Senator and I had alone together when we were both seeking the same objective, namely, to try to find a formulation that was workable that obviously was not necessarily completely what either of us wanted that would represent a blend, a legislative blend, that could pass the Senate. We were able, with the help of others, to find that formula. And when you think about the fact that Garn-St Germain was on the floor, notwithstanding the scars that he and I and others may still carry, for a period of only about 2 hours, that was a remarkable accomplishment. I take my hat off to the chairman because he was the one who led the effort that produced that result.

I think we have quite a different situation here, and that is what I think, while we solved some issues in the committee, we did not resolve them all. There are some very contentious issues outstanding. There were some issues decided in the committee by close votes, very close votes. Of course, we have a difficult situation, too, because not only are the issues different this year but the lay of the land on the House side, seems to be somewhat changed, as well.

I am not sure that we find ourselves in a comparable situation at this time. My thought would be, for what it is worth to the chairman, that we still have some work to do to try to see if we cannot fashion some kind of a consensus on a bill, and a package that is broad enough to meet enough of the issues that have to be dealt with, and yet narrow enough so that it avoids the most contentious kind of fight that could put the whole package in jeopardy.

Who knows where that is? That is part of the magic of the legislative process, which is to try to find the point——

Mr. GARN. Mr. President, if the Senator would yield for a question on that point, would the Senator from Michigan agree that the issues that would result in close votes are with the exception of 1 and 4 that are identified as contentious issues? And, in the rest of the bill there are some other amendments, but they are not major. They are not really highly visible or very contentious.

Would the Senator agree that those four that I identified are the ones where the real battleground is on this bill?

Mr. RIEGLE. Insofar as I know, and as far as my colleagues on the committee have expressed their views, that seems to be where the main force of contention and confrontation lies.

Mr. GARN. Those are the only ones that we had. Those on the rest of the bill are essentially approved, and the amendments that I have identified are equal one to the other in some cases which have nothing to do with the provisions. Actually most of the bill—the Senator from Michigan has not had the opportunity to see some of them. I would indicate to the Senator and others that we really are rather narrow at this point in some areas although highly controversial with some. But there are not that many issues involved because some of the other amendments which are talked about as being offered should not be on this bill. They are financial in nature, but they are totally different subjects than what we are dealing with.

The reason I keep jumping up is not for the benefit of the Senator from Michigan, who is on the committee, but if our colleagues or staff are reading some of this, I do not want them to come back with the idea that because we are having trouble getting up at this point is because they are not here and should be; that there is a broad range of issues that are contentious, and this is a bill that needs to take days and days on the floor.

It could well not. It could be finished in 2 or 3 hours, if people are willing on those four issues to come to the floor and offer their amendments, debate them, say what we can on each side without a lot of repetition, vote, and take the will of the Senate.

The Senator made one other comment about the broadness or the narrowness of the bill. I want to indicate what I did before I left for the recess. Some people's definition—and I know this is not the definition of the Senator from Michigan—is a narrow bill with a couple of loopholes, the nonbank bank loophole, and closeout loophole. That is so narrow as to be totally unacceptable to this Senator. If we get to that point, either on the Senate floor where people will knock out all sorts of things that they did not intend just to get to one of these four that are contentious with them, or that is the result we get into in the conference and the House does not yield any further, than I am going to have no bill this year. We face a similar situation with Garn-St Germain. I remember the chairman of the House Banking Committee. At that time the situation in the House was not any more uncertain then because there was a public comment that he did not care what I passed, and he would not go to conference with me. I have not had any of those kind of ultimatums this time, and I hope I am not inviting one by standing up here and saying that. But I think there is room for compromise between the House and the Senate. But to be that narrow is not what the Senator from Michigan is advocating. I am not willing to do that.

If we close a couple of loopholes, we have set no policy, and we have thrown out a lot of legislation that is good and not contentious or really controversial with anyone.

So I am certainly willing to work again with the Senator from Michigan

to do what we can to eventually—when we get this up—resolve it in a matter of a few hours. But I want my colleagues from the House to be on notice that just a patchwork little Dutch boy putting his finger in the dike is not acceptable to the chairman of the Banking Committee. We have to have a broad, comprehensive bill, or I think we had better start over again in January. That means that I am not in favor of a moratorium, and I am not in favor of the Comptroller extending his regular moratorium.

I will say, though, that if four people run out of here and say, "Good heavens, if we do not have a bill, we are not going to have nonbank banks all over the place," I would put everybody on notice that at this point if we are not successful in getting a broad comprehensive bill before we adjourn on October 4, everybody should know that the grandfather date of July 1, 1983, will stay, and if it takes us until January, February, or March to get a comprehensive bill—or the middle of next year, or the fall of 1985—those who run off in the nonbank banking business have been put on notice now for well over a year, July 1, 1983, that if they invest money in the nonbank bank, if we are not successful in closing that loophole in the broad context of an overall comprehensive bill, they will end up having to divest.

Mr. RIEGLE. I think the chairman said a lot here. And I think that anyone with an interest in this bill, in the Chamber or outside, would do well to read the RECORD tomorrow to see what the chairman has said because I think those are important statements, declarative statements, and I think they give an indication of what the chairman has in mind.

This is not exactly a colloquy, but putting these views on the RECORD at this point I think are important views, and I trust that they will be seen in that light.

As the chairman has stated, and as he well knows, I certainly have no intention to want to block this legislation. In fact, I felt, as he has for a long time, that we need to address these issues. We needed to take them up in the committee, which we have done. We need to come to the floor, act on them in an expeditious way, especially because we are up against the time limits of this session, which is the October 4 adjournment date.

Because of that, it seems to me that we are under a particular burden to try to find that balance point and legislative mixture that can stand the test of the support of the entire Senate because tomorrow, or the next day, whenever this issue comes before us and is taken up in a formal manner, the rules of the Senate are such that if one Senator or two Senators feel so strongly about a given provision or approach, no action would occur. If the Senate were to act to narrow the bill down, the chairman would certainly be within his rights as a Senator to see to it that the Senate not complete action on that kind of a formulation if that were one that did not meet with his approval. That is true of any other Senator.

We are under the kind of legislative situation here with other items having to come through this shrinking legislative window between now and October 4 that virtually any Senator almost single-handedly could derail this legislation, if they wished to, and particularly so in the absence of a time agreement.

One of the ways to deal with the problems of an objection by a minority of Senators is to find a way to craft a time agreement that somehow gives those Senators a fair chance, a fair opportunity to present their views, perhaps to have an up-and-down vote, win or lose, then be passed at that point, go to conference, and hopefully end up with something that could be accepted by both bodies with a conference agreement and then sent to the President for a signature.

So I want to see us act on these issues. I think if we put all the matters over until next year, even with the statements that the Senator has made about grandfathering dates and so forth, we will have missed a very important opportunity to try to address some of the issues. I think the loopholes which have been mentioned are very important matters for us to deal with. I think they ought to be dealt with this year, and not in some future year. So I hope that we could get to the point where it would be possible to not only deal with those issues but in a sense to resolve all the issues, and come out of here with a package that the Senate as a whole can express itself favorably on.

But that is why I think we are; in a somewhat different situation than we were in back in 1982 with Garn-St Germain where in that instance the issues were different, and the negotiating efforts that went on ahead of time before we came to the floor were really the key to the fact that we were on the floor a single day—2 hours with virtually no controversy—and we came out with a bill that we were proud of, and which has I think quite well stood the test of time.

I want to take account of an article which is in today's Wall Street Journal. It is the feature story. Normally, there are two each day on the front page, one on the left-hand column and one on the right-hand column. The one on the right today is labeled as follows: "Financial Institutions are Showing the Strain of a Decade of Turmoil. Higher Interest Rates, Easing of Inflation, Bad Loans Hurt Banks, Other Firms. But System Proves Resilient."

Then the two writers go on at great length. I was prepared to read this story into the RECORD because it is an important summary or history of recent events within the financial system, some of the large banking failures, Continental Illinois and so forth, going back in time to the Penn Square situation, the Drysdale case, the Charter Co., and others.

This summary article quite well expresses the turmoil and turbulence we are seeing in financial institutions at the present time, the effect of deregulation both by regulators and by market forces, changes in law, but, as well, the overall impact of world economics and national economics affecting this very important sector in our overall system.

Mr. President, I ask unanimous consent that the entire text of this article in the Wall Street Journal of today be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the article was ordered to be printed in the Record, as follows:

MONEY AT RISK: FINANCIAL INSTITUTIONS ARE SHOWING THE STRAIN OF A DECADE OF TURMOIL

HIGH INTEREST RATES, EASING OF INFLATION, BAD LOANS HURT BANKS, OTHER FIRMS—BUT SYSTEM PROVES RESILIENT

(By Tim Carrington and Daniel Hertzberg)

A decade of turmoil in the financial-services industry is taking its toll. Cracks are appearing, and they may be only the beginning.

Just weeks after fashioning a multibillion-dollar rescue for Continental Illinois Corp., one of the nation's largest banking concerns, government officials helped oust the management at deeply troubled Financial Corp. of America, the nation's largest thrift organization. Meanwhile, bank failures total 54 so far this year—already exceeding the post-Depression record of 48 for an entire year.

The strains stem from high and unpredictable interest rates, a sudden end to steep inflation, and deregulation. They have been exacerbated by merger mania, reckless lending and a proliferation of new financial products. Moreover, the strains aren't limited to depository institutions; they cut across the entire financial-services industry and are causing a steady procession of financial scares in one business after another. Many big brokerage firms are posting record deficits, and property-casualty insurers are reeling from underwriting losses.

WORRIED EXECUTIVES

"You've got a financial system that is in a state of disrepair," says Thomas F. Donovan, senior executive vice president of Marine Midland Bank. Adds the head of one of the nation's largest banks: "I get up every morning and worry about what could go wrong."

Nobody knows where this turmoil will lead. At the least, analysts expect more mergers and forced liquidations. For investors in the troubled institutions, that could mean big losses. For employees in those institutions, it could mean layoffs. Last

month, for example, A.G. Becker Paribas, an investment bank, was taken over by Merrill Lynch & Co. after Becker suffered huge bond-market losses. Hundreds of Becker employees are out of jobs.

Further strains also could weigh heavily on American taxpayers. Although the government doesn't fund deposit insurance, some financial-industry analysts believe that protection against major financial losses—whether for customers of banks, brokerage firms, insurance companies or thrifts—ultimately will be borne largely by the government. But the government's resources are strained; widespread bailouts may force it to either raise taxes or print money to aid failing institutions and the latter course reignite inflation.

SHAKEOUT FORECAST

"We've created an entirely new system in the last 10 years," says Joseph Flom, a takeover attorney. "There's going to be a shakeout."

The procession of jumbo-sized financial scares has been jarring. In 1980, Bache Group Inc., a big securities firm, and some of its lenders teetered on the brink of collapse because of huge loans to the Hunt brothers, whose enormous investments in silver were plunging in value. In 1982, Drysdale Government Securities Inc. went bust, costing Chase Manhattan Bank more than $135 million and nearly hobbling a slew of securities firms. That same year, Penn Square Bank of Oklahoma City failed, sending shockwaves through the banking system. In 1983, Baldwin-United Corp., an insurance and financial-services conglomerate, filed for protection against its creditors, and earlier this year, Charter Co., a similar concern, took the same course. And this summer, Continental's deterioration led to the federal government's largest intervention.

Such a list worries Washington, where later this month the House Banking Committee will hold hearings on Continental's near-collapse. The committee also will probably consider the overall weakness in the financial system. Rep. Fernand St Germain, the committee's chairman, said in a recent interview that the financial system is at a "crossroads." The Rhode Island Democrat added that Congress should decide what the government should do when "a large financial institution gets into trouble."

GONE TOO FAR?

In addition, the House is expected to take up legislation that would push certain nonfinancial companies, such as J.C. Penney Co. and Sears, Roebuck & Co., out of the deposit-taking business. Part of the impetus for the legislation is a growing consensus that the recent growth and diversification among financial-services companies have gone too far.

For all the turmoil, the financial system has shown impressive resiliency. So far, private-sector ingenuity and government intervention have prevented individual disasters from spreading. Referring to the Continental rescue, Mr. Flom notes, "If a bank that size had gotten into trouble in the pre-Roosevelt era, it would have been a national calamity." Federal Deposit Insurance Corp. officials add that crisis-management skills are improving with each banking disaster.

Yet most analysts predict that the system will continue to be severely tested. Much of the strain will be psychological; financial-services-industry participants say that until recently, the response to crises has been to see them as isolated ailments that could be contained. But they say that has changed, largely because of the international debt crisis and Continental's brush with disaster. Now, they discern an unspoken fear that the whole system is shaky.

The fact that problems are occurring all at once all across the financial-services industry brings an added level of risk. Because financial institutions are becoming more interdependent, problems are increasingly likely to migrate from one concern to another. For example, Baldwin-United's travails led to an $83 million after-tax charge last year at Merrill Lynch, which, in its push to diversify, had been selling Baldwin's annuities.

Elsewhere, banks are selling loan participations to other banks more frequently. Thus, Penn Square's reckless lending not only brought that bank down but also led to the merger of Seafirst Bank into BankAmerica Corp. and contributed to Continental's near-collapse two years later. Both banks had purchased loans from Penn Square.

A House economist in Washington worries that "all of these institutions meet every day in the government-securities market," which has proved treacherous at times. The Drysdale Government Securities failure threatened to weaken more than a dozen other dealers until Chase Manhattan Bank agreed to honor the defunct firm's obligations.

The strain also comes from basic economic forces. Ironically, one of those is the halt in high inflation, which the Reagan administration cites as its crowning economic achievement. Continental's troubles stemmed largely from energy, real-estate and foreign loans made on the widely held but mistaken assumption that inflation would rage on unabated. When it didn't, loans extended by Continental, and by others operating on the same assumptions, began to sour.

High inflation also encouraged financial companies to borrow heavily for expansion. Baldwin-United borrowed about $1 billion to acquire a big mortgage insurer, MGIC Investment Corp.; in doing so, Baldwin-United took on a debt burden that ultimately helped sink it.

Optimists interpret the current turmoil as a painful adjustment to new economic conditions rather than as a lasting malaise. "What you're seeing is the beginnings of a cure," in which companies "are doing things to disgorge the excesses of the past," says George Ball, the chief executive officer of Prudential-Bache Securities Inc. Under high inflation, he explains, financial institutions could paper over bad credit risks. "Now, the climate is such that management mistakes have been coughed up into the light of day."

DEREGULATION'S EFFECTS

Also painful to financial businesses has been the deregulation drive. In the securities industry, Congress ended the fixed-commission system that had protected the income streams of brokerage firms.

Most important has been the congressional deregulation of interest rates, combined with the Fed's October 1979 decision to allow rates to fluctuate more and a resulting, unprecedented volatility in rates. In addition, rates may be permanently higher. Henry Kaufman, the chief economist at Salomon Brothers Inc., believes that "financial deregulation has contributed to a higher structure of interest rates," so that rates remain high even though inflation has subsided.

For thrift institutions, carrying older, low-yielding mortgages, the new rate structure has been devastating. The lofty rates have eaten into capital and forced hundreds of savings institutions into government-assisted mergers.

Federal regulators also have allowed financial companies to invade one another's turf. For example, in 1981, the Federal Reserve Board and the comptroller of the currency permitted hundreds of banks to offer discount brokerage services. That new competition is aggravating the strains being felt by Merrill Lynch and other full-service brokerage firms.

TOO MUCH CHANGE

One result of all this is simply that many institutions, and regulators, are suffering from an overdose of change. "The whole system has to stabilize," says Dennis Jacobe, an economist for the U.S. League of Savings Institutions. "Now, it's disequilibrium."

The ways that managers have responded to the shocks have often made things worse. "All of these businesses are overcrowded—banking, securities, insurance," says Barbara Stewart, the president of Stewart Economics, a consulting firm. "You see banks reaching for riskier and riskier loans. In insurance, companies are taking lower and lower premiums for riskier types of insurance."

Swift growth and big-dollar bets on the direction of interest rates largely account for the problems at Financial Corp., which ballooned to assets of $32.7 billion on June 30 from only $6.6 billion at the end of 1982. American Express, after an orgy of takeovers in securities and banking, was blindsided when its insurance unit, Fireman's Fund Insurance Co., had to jack up its loss reserves by $230 million.

Big financial conglomerates "are only capable of managing so many dollars of assets effectively," says Perrin Long, a financial-industry analyst with Lipper Analytical Distributors Inc. Or, as Salomon's Mr. Kaufman says, financial institutions are "larger but weaker."

Here is how the strains are affecting the four main financial groupings.

Banking

One sign that banks are experiencing systemic troubles is the stock of J.P. Morgan & Co. Known as the bluest chip in banking, Morgan stock nevertheless sells at only about six times earnings, well below the price-earnings ration for many lackluster industrial companies.

On the lending side, the loans that many banks have made to cash-strapped developing nations and energy companies have turned sour at alarming levels. For banks with more than $10 billion in assets, the ration of nonperforming assets to total loans and real estate more than doubled between 1980 and 1983. And this doesn't include most of the troubled loans to foreign governments, which regulators generally still allow banks to carry on the books at 100 cents on the dollar.

Banks have accepted riskier loans partly because their safest corporate customers have taken to raising cash by selling commercial paper—short-term corporate IOUs—through investment banks. "You've got more and more banks chasing less-quality types of borrowers," Marine Midland's Mr. Donovan says. "If banks lose sight of quality (controls), they can fill their portfolios with garbage."

In addition to taking on new and often-riskier customers, such as Third World bor-

rowers, banks have extended novel and sometimes riskier credits, such as leveraged buyouts, guaranteed letters of credit for securities offerings, and interest-rate swaps.

Risks also have risen on the deposit side of the balance sheet. Banks have increasingly funded their operations by attracting large, uninsured deposits from nervous institutional investors around the world. As Continental's case demonstrated, financial problems can lead to a lethal run by panicky money managers.

Meanwhile, the FDIC has made some big depositors even more nervous by placing uninsured depositors at risk in the failures of small banks. But the Continental rescue, in which depositors of all sizes were guaranteed, has increased the confusion.

Given all these uncertainties, banks' capital levels are generally viewed as too low. "We've moved to financial deregulation at a moment when many financial institutions have a thinness of capital and a problem with the quality of assets," Mr. Kaufman says.

Federal regulators have proposed tougher standards that would rise to 6% the ratio of a bank's total capital to assets, and Fed officials hint that this would be only a first step. Some analysts say that despite efforts in Washington to impose stiffer capital requirements, banks are still let off too easily by being allowed to include loan-loss reserves as part of capital.

A continued economic recovery, particularly if coupled with lower interest rates, would surely help the banks. But regulators are surprised that banks haven't benefited already. FDIC chief William Isaac says that by historical standards, bank failures should have tailed off beginning in June, 18 months after the recovery began. They didn't.

Thrift institutions

After weathering an industry crisis two years ago, in which 1,100 troubled thrifts disappeared through mergers or reorganizations, savings institutions are again strapped. Stubbornly high interest rates, plus the threat of further increases, are the chief culprit. The problems of Financial Corp. stem partly from mistaken bets on which way rates would go this summer.

Says the chairman of another California thrift institution, "For the record, the industry is in tough shape. Off the record, it's a disaster."

Although lifting the ceiling on interest rates was initially billed as a competitive aid to thrifts, it has hurt in many ways. The institutions are paying higher interest on deposits, but they still are saddled with billions of dollars in older, low-rate mortgages. By some counts, four of 10 thrifts have lost money in every quarter since 1982. Industry economists say that because of eroded capital structures, the thrifts are less able to withstand losses than they were two years ago.

The Federal Home Loan Bank Board has tried to jawbone thrifts into issuing mainly adjustable-rate mortgages, which, in effect, shift the risk of interest-rate increases to borrowers. Adjustable mortgages extended this year should total $172 billion, Salomon Brothers estimates. But as rates rise, homeowners will have difficulty meeting the higher mortgage payments, and foreclosures could skyrocket.

Diversification has also proved a mixed blessing for the thrifts. Legislation passed in 1982 empowers them to expand beyond mortgages into certain forms of commercial real-estate lending. But these new ventures can be much riskier, particularly for the uninitiated. George Davis, executive vice president of First National Bank of Chicago, says some thrifts are writing commercial mortgages "at rates we think are obscene and with structures that are risky. We think they are buying trouble."

That was certainly the case for Empire Savings & Loan Association of Mesquite, Texas, which collapsed last March in the largest thrift failure to date, after pouring money into construction projects outside Dallas. When the projects failed, so did Empire.

The FDIC's Mr. Isaac says the thrift industry's afflictions can be summed up in two words: "high rates." Indeed, Financial Corp.'s future may depend on the level of rates the rest of this year. Jonathan Gray, an analyst at Sanford C. Bernstein & Co., believes that 84% of Financial Corp.'s deposits will mature within a year, and that if rates rise in the meantime, it may have to pay more to hang on to these deposits. But Financial Corp. can't reprice its assets because only about 30% of its loans and investments mature within a year.

Insurers

Like other financial sectors, the insurance industry is plagued by tougher competition and thinner margins.

But unlike the banking and securities industries, the insurers don't have any federal or industry-supported overall safety net: instead, policyholders are protected by a hodgepodge of state regulations and guaranty funds that critics term inadequate. Baldwin-United annuity holders are hoping that the insurance and securities industries will make up part of the annuity holders' lost interest.

For property-casualty insurers, which cover everything from automobiles to product liability, business is "far riskier than ever," says John Cox, executive vice president and head of financial services at American Can Co. More than half of the insurance premiums currently are for casualty and liability risks, on which claims often don't come in for years and insurers get to keep the premium dollars longer for investment.

These days, however, both the investments and the claims are less predictable. Large settlements over product defects and workplace illnesses have hit insurers hard. Meanwhile, many corporations have been self-insuring the safest, most predictable risks.

High interest rates have exacerbated the boom-and-bust cycle of property-casualty insurers. Record interest rates "mesmerized people inside the industry and outside who believed the business was a cash cow," says M.R. Greenberg, the chief executive of American International Group Inc., a large insurer. People thought that "all you had to do was collect premiums, and investment income would take care of all claims losses," he says.

But the result was a drastic price war, Mr. Greenberg says, with rates on many insurance lines plummeting 40% to 60%. Eventually, investment income couldn't compensate for that.

Now, claims losses are soaring; some big insurers, including Cigna and St. Paul Cos., reported second-quarter losses. And analysts believe that many companies' loss reserves aren't adequate.

However, the two biggest failures have been companies operating in the once-staid life-insurance industry. Baldwin-United and Charter grew too rapidly. Their growth was fueled by skyrocketing sales of the single-premium deferred annuity, which lets buyers build up tax-deferred income.

Experts say neither company understood the risks in the annuity product, particularly given volatile interest rates. Baldwin and Charter both wrote annuities that let buyers cash in their policies and get their money back without penalty if the rates paid on their policies dropped more than a percentage point or two. Amid the general decline in interest rates from their peaks during the Carter-administration years, Baldwin tried to dissuade people from cashing in their policies; it did so by keeping its policy rates artifically high—but at too high a cost to itself. Charter, in contrast, allowed some policy-holders to cash in. Because so much money had earlier flowed into the two companies, a total of $7 billion, both were highly leveraged and thus highly vulnerable.

Securities firms

After a decade of mergers and diversification, Wall Street is finding that bigness and diversity, once viewed as a panacea for the stock market's ups and downs, have drawbacks. Merrill Lynch, the biggest securities firm and long a pacesetter, is shrinking after having expanded to 44,000 employees and hundreds of different financial products—and after a second-quarter loss of $32 million.

The cost of furnishing brokers with computer support and training in new products has ballooned securities firms' expenses. E.F. Hutton & Co. spends $46,000 a year on each broker, before paying any commissions.

Jeffrey Schaefer, an economist for the Securities Industry Association, says that trading volume of 90 million shares a day on the New York Stock Exchange is needed for the large firms to break even. In the second quarter, trading averaged 86.7 million shares a day.

Securities firms also have been hurt by the volatile interest rates. The firms carry large bond portfolios, and many have sustained big losses when interest rates have swung about sharply.

Competition from the banks' discount brokerage operations increases the pressure by making it difficult for the brokers to raise rates to cover the steeper expenses. "As they reach into one another's business, they erode each other's profits," Mr. Schaefer says.

One difficulty with diversification, Lipper's Mr. Long believes, is that it stretches management too thin. "The problem is that companies refuse to sell things," he says. For example, Sears Roebuck is faced with the disparate jobs of heading off further losses at Dean Witter Reynolds Inc., its Wall Street arm, while upgrading its image as a retailer of clothes and home products.

As an indication that diversification isn't necessary, Wall Street analysts cite Goldman Sachs, which has stuck to its core-customer base—financial institutions and corporations—but has grown nonetheless. It also has retained its partnership format despite the industry trend to raise capital by going public. Similarly, A.G. Edwards, a traditional brokerage firm, avoided the industry's vogue of expanding into insurance and offering an array of savings vehicles.

Yet, Mr. Long notes, both firms have profit margins well ahead of industry averages.

Mr. RIEGLE. Mr. President, I am prepared to go on and elaborate,

though I am not sure it is necessary because I think the chairman and I have had a very useful colloquy that sets the stage for this issue rising again shortly. I do not want to yield the floor until I am convinced that we have an understanding that the matter will not be taken any further today.

Mr. GARN. If the Senator will yield, I indicated at the outset privately to the Senator that I understood the situation of absent colleagues, and so forth, and would make no attempt to push to a vote to take it up today. That is still my position. I think the colloquies have been useful to this point. The Senator is welcome to continue as long as he would wish. However, it is not my intent to keep him talking just for the sake of talking. Whenever he has concluded his remarks, that is as far as I think we should go today and I would be hopeful that we could get the bill up tomorrow.

Mr. RIEGLE. I wonder if it would be in order for me to make a unanimous-consent request that when this issue is brought up again I will be able to speak and that my remarks will not be considered a second speech.

Mr. GARN. Reserving the right to object and I will not object, as I indicated to the Senator from New York it is not my intention to prevent Senators from speaking as much as they want. I cannot guarantee that the Senator will be recognized first by whoever occupies the chair tomorrow. But I certainly would not bring any point of order against a second speech.

Mr. RIEGLE. Is it the understanding of the Senator from Michigan that it is the intent of the Senator now to put this matter aside? Is that the intent of the majority leader?

Mr. GARN. It is my intent to quit talking. The role of the majority leader is not mine.

Mr. BAKER. Will the Senator yield?

Mr. GARN. I am happy to yield.

Mr. BAKER. Mr. President, it is the intention of the leadership on this side when the distinguished chairman of the committee and others have completed debate on my poor, old motion today that we will go into a brief period for the transaction of routine morning business and then go out until tomorrow. If Members have completed, I will consult with the minority leader. If there is no reason to do otherwise, I will put us in morning business.

Mr. RIEGLE. I yield the floor, but I appreciate the statement of the majority leader, and will have no further statement to make at this point.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I have been advised by the minority leader and the chairman of the committee that there is nothing further on this measure to be done today. I ask unanimous consent that there now be a period for the transaction of routine morning business to extend not past the hour of 4:15 p.m. in which Senators may speak for not more than 3 minutes each, with the exception of the two leaders.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE EUROPEAN ECONOMIC COMMUNITY—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 162

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate on August 28, 1984, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which, pursuant to Public Law 94-265, was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*) (the Act), I transmit herewith the text of a governing international fishery agreement between the United States and the European Economic Community (EEC), which was initialed at Washington on June 27, 1984.

This agreement will replace the existing governing international fishery agreement with the EEC, which entered into force on June 9, 1977, and is now due to expire no later than September 30, 1984. This agreement may be signed by the European Economic Community only following the completion of EEC internal procedures, which are now underway. I am transmitting this final text to you prior to its signature. While it is the usual practice to transmit to the Congress only signed agreements, it is my intention in this case that this transmittal initiate the period for Congressional review under Section 203(a) of the Act (16 U.S.C. 1823(a)) to further the objectives of that Act. Like other such agreements, it will enter into force only after the completion of the requirements of Section 203 of the Act, signature of the Agreement by both Parties, and written confirmation that the internal procedures of the EEC have been completed.

RONALD REAGAN.

THE WHITE HOUSE, *August 27, 1984.*

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 163

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate on August 30, 1984, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

Under the Federal Pay Comparability Act of 1970, the President is required to make a decision each year on what, if any, pay adjustment should be provided for Federal employees under the General Schedule and the related statutory pay systems.

My pay advisors have reported to me that an increase in pay rates averaging 18.3 percent, to be effective in October 1984, would be required under existing procedures to raise Federal pay rates to comparability with private sector pay rates for the same levels of work. However, the law also empowers me to prepare and transmit to Congress an alternative plan for the pay adjustment if I consider such an alternative plan appropriate because of "national emergency or economic conditions affecting the general welfare."

Accordingly, after reviewing the reports of my Pay Agent and the Advisory Committee on Federal Pay, and after considering the adverse effect that an 18.3 percent increase in Federal pay rates might have on our continuing national economic recovery, I have determined that economic conditions affecting the general welfare require the following alternative plan for this pay adjustment:

In accordance with section 5305(c)(1) of title 5, United States Code, the pay rates of the General Schedule and the related statutory pay schedules shall be increased by an overall percentage of 3.5 percent for each schedule, with such increase to become effective on the first day of the first applicable pay period beginning on or after January 1, 1985.

Accompanying this report and made a part hereof are the pay schedules that will result from this alternative plan, including, as required by section 5382(c) of title 5, United States Code, the rates of basic pay for the Senior Executive Service.

RONALD REAGAN.

THE WHITE HOUSE, *August 30, 1984.*

VETO MESSAGE ON S. 2436—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 164

Under the authority of the order of the Senate of August 10, 1984, the Sec-

retary of the Senate, during the adjournment of the Senate, received the following message from the President of the United States; which, on September 5, 1984, was read and ordered held at the desk:

To the Senate of the United States:

Since the adjournment of the Congress has prevented my return of S. 2436 within the meaning of Article I, section 7, clause 2 of the Constitution, my withholding of approval from the bill precludes its becoming a law. Notwithstanding what I believe to be my constitutional power regarding the use of the "pocket veto" during an adjournment of Congress, however, I am sending S. 2436 to the Senate with my objections, consistent with the Court of Appeals decision in *Kennedy* v. *Sampson*, 511 F.2d 430 (D.C. Cir. 1974).

Public broadcasting constitutes an important national resource and contributes to the diversity of news, information, and entertainment choices available to the American public. Under S. 2436, however, Federal funding for public broadcasting would be increased by too much too fast. The Fiscal Year 1987 authorization of $238 million for the Corporation for Public Broadcasting represents a 49 percent increase over the already enacted funding level for 1986. Likewise, next year's spending on new public broadcasting facilities grants would be authorized at $50 million or four times this year's appropriation.

When all of the demands on the Federal budget are taken into account, increases in spending on public broadcasting of the magnitude contemplated by this legislation cannot be justified. They are incompatible with the clear and urgent need to reduce Federal spending. Moreover, this view is clearly shared by a large portion of the House of Representatives as indicated by the 176 votes in favor of the Oxley amendment to reduce the three-year authorizations by 25 percent.

In disapproving this bill, therefore, I urge the Congress to consider a revised bill providing more reasonable and moderate increases for the Board for Public Broadcasting along the lines of the Oxley amendment. I also reiterate my strong opposition to the huge increases for public facilities grants contained in S. 2436 and the unjustified expansion of this program to include repair and replacement of existing equipment.

I must also stress that my firm insistence on scaling this bill back to more fiscally responsible levels in no way jeopardizes the continued operations of public broadcasting stations across the Nation. Under the established funding mechanism, ample appropriations have already been enacted into law for all of Fiscal Years 1985 and 1986. Funding for another 25 months is already guaranteed.

Thus, the issue regarding S. 2436 is really one of long-range fiscal prudence. Given the magnitude of the deficit cuts that will be needed in the years ahead, I do not believe we can justify locking-in public broadcasting funding levels for 1987-1989 that are so obviously excessive. To do so would be wholly inconsistent with our pledge to slow the growth of spending and reduce the size of the deficit.

Accordingly, I am disapproving S. 2436.

RONALD REAGAN.

THE WHITE HOUSE, *August 29, 1984.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT—PM 165

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Environment and Public Works:

To the Congress of the United States:

Pursuant to the requirements of Section 10 of the Saint Lawrence Seaway Act of May 13, 1954, I hereby transmit the Saint Lawrence Seaway Development Corporation's Annual Report for 1983.

RONALD REAGAN.

THE WHITE HOUSE, *September 5, 1984.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bills and joint resolutions:

On July 31, 1984:

S. 373. An act to provide for a comprehensive national policy dealing with national research needs and objectives in the Arctic, for a National Critical Materials Council, for development of a continuing and comprehensive national materials policy, for programs necessary to carry out that policy, including Federal programs of advanced materials research and technology, and for innovation in basic materials industries, and for other purposes.

On August 17, 1984:

S. 268. An act to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities at Hoover Dam, and for other purposes.

S. 1145. An act to recognize the organization known as the Catholic War Veterans of the United States of America, Incorporated.

S.J. Res. 248. Joint Resolution designating August 21, 1984, as "Hawaii Statehood Jubilee Day".

S.J. Res. 272. Joint Resolution recognizing the anniversaries of the Warsaw uprising and the Polish resistance to invasion of Poland during World War II.

S.J. Res. 302. Joint Resolution to designate the month of September 1984 as "National Sewing Month".

On August 21, 1984:

S. 1224. An act to provide for the disposition of certain undistributed judgement funds awarded the Creek Nation.

S. 1429. An act to amend the Small Business Act to extend and strengthen the Small Business Development Center Program, and for other purposes.

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Incorporated.

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes.

S. 2820. An act to name the Federal Building in McAlester, Oklahoma, the "Carl Albert Federal Building".

S.J. Res. 338. Joint Resolution to congratulate the athletes of the United States Olympic team for their performance and achievements in the 1984 winter Olympic games in Sarajevo, Yugoslavia and the 1984 Summer Olympic games in Los Angeles, California.

On August 24, 1984:

S. 746. An act to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois, and for other purposes.

On August 27, 1984:

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, Colorado, and for other purposes.

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, Utah, certain land and improvements in Box Elder County, Utah.

On August 28, 1984:

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services.

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes.

MESSAGES FROM THE HOUSE RECEIVED DURING THE ADJOURNMENT

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate on August 13, 1984, during the adjournment of the Senate, received a message from the House of Representatives announcing

that the Speaker had signed the following enrolled bill:

S. 2820. An act to name the Federal building in McAlester, Oklahoma, the "Carl Albert Federal Building".

Under the authority of the order of the Senate of August 10, 1984 the enrolled bill was signed on August 13, 1984, during the adjournment of the Senate by the President pro tempore (Mr. THURMOND).

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate on August 14, 1984, received a message from the House of Representatives announcing that the House has passed the following bills, without amendment:

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, Colorado, and for other purposes; and

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, Utah, certain land and improvements in Box Elder County, Utah.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 5297) to amend the Federal Aviation Act of 1958 to terminate certain functions of the Civil Aeronautics Board, to transfer certain functions of the Board to the Secretary of Transportation, and for other purposes, agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. MINETA, Mr. ANDERSON, Mr. ROE, Mr. SNYDER, and Mr. HAMMERSCHMIDT as managers of the conference on the part of the House.

The message further announced that the House disagree to the amendments of the Senate to the bill (H.R. 2867) entitled "An Act to amend the Solid Waste Disposal Act to authorize appropriations for the fiscal years 1984 through 1986, and for other purposes," and agree to the conference asked by the Senate on the disagreeing votes of the two Houses thereon.

Ordered, that the following are appointed conferees: For consideration of the House bill and the Senate amendments except for section 28(c) of the Senate amendments: Mr. DINGELL, Mr. FLORIO, Ms. MIKULSKI, Mr. TAUZIN, Mr. ECKART, Mr. DOWDY of Mississippi, Mr. BROYHILL, Mr. LENT, and Mr. RITTER.

Solely for consideration of section 28(c) and modifications thereof committed to conference: Mr. ROSTENKOWSKI, Mr. GIBBONS, Mr. PICKLE, Mr. CONABLE, and Mr. DUNCAN.

Solely for consideration of sections 29 and 45 of the Senate amendments and modifications thereof committed to conference: Mr. WAXMAN, Mr. SCHEUER, and Mr. MADIGAN.

Solely for consideration of section 3 of the House bill and modifications thereof committed to conference: Mr. SHELBY.

Solely for consideration of section 5 of the House bill and modifications thereof committed to conference: Mr. BREAUX.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4477. An act to amend the Higher Education Act of 1965 to provide grants to the States to establish postsecondary education scholarship programs to encourage outstanding high school graduates to enter the teaching profession, and to establish a national fellowship program for talented teachers.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate, on August 15, 1984, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills and joint resolutions:

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, Colorado, and for other purposes;

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Incorporated.

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, Utah, certain land and improvements in Box Elder County, Utah;

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers, and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services;

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes;

S. 2436. An act to amend the Communications Act of 1934 to extend certain authorizations of appropriations contained in such Act, and for other purposes;

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes;

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 3787. An act to amend the National Trails System by adding the California Trail to the study list, and for other purposes;

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute program, and for other purposes;

H.R. 4280. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes;

H.R. 4596. An act to amend section 1601 of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street, Waterloo, New York;

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes;

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes;

H.R. 5712. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 5890. An act to establish a commission to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr.;

H.R. 6040. An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes;

H.J. Res. 452. Joint resolution recognizing the important contributions of the arts to a complete education;

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984 through September 29, 1984, as "National Drug Abuse Education and Prevention Week";

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week";

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month";

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week"; and

H.J. Res. 600. Joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

Under the authority of the order of the Senate of August 10, 1984, the enrolled bills and joint resolutions were signed on August 15, 1984, during the adjournment of the Senate by the President pro tempore (Mr. THURMOND).

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate, on August 27, 1984, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House insists upon its amendments to the bill (S. 2616) to extend the Adolescent Family Life Demonstration Program, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DINGELL, Mr. SCHEUER, Mr. WAXMAN, Mr. BROYHILL, and Mr. MADIGAN as managers of the conference on the part of the Senate.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 5531. An act to eliminate the requirement that the portion of the Baltimore-Washington Parkway located in the State of Maryland be conveyed to the State of Maryland upon completion of the reconstruction of the parkway authorized by the Federal-Aid Highway Act of 1970; and

H.R. 5640. An act to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

HOUSE MEASURES REFERRED DURING THE ADJOURNMENT

Under the authority order of the Senate of August 10, 1984, the following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4477. An act to amend the Higher Education Act of 1965 to provide grants to the States to establish postsecondary education scholarship programs to encourage outstanding high school graduates to enter the teaching profession, and to establish a national fellowship program for talented teachers; to the Committee on Labor and Human Resources

H.R. 5531. An act to eliminate the requirement that the portion of the Baltimore Washington Parkway located in the State of Maryland be conveyed to the State of Maryland upon completion of the reconstruction of the parkway authorized by the Federal Aid Highway Act of 1970; to the Committee on Environment and Public Works.

H.R. 5640. An act to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; to the Committee on Finance.

ENROLLED JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of August 10, 1984, the following joint resolutions, received by the Senate on August 10, 1984, were signed on August 13, 1984, during the adjournment of the Senate by the President pro tempore (Mr. THURMOND):

S.J. Res. 248. Joint resolution designating August 21, 1984, as "Hawaii Statehood Silver Jubilee Day";

S.J. Res. 302. Joint resolution to designate the month of September 1984 as "National Sewing Month"; and

S.J. Res. 338. Joint resolution to congratulate the athletes of the U.S. Olympic team for their performance and achievements in the 1984 winter Olympic games in Sarajevo, Yugoslavia and the 1984 summer Olympic games in Los Angeles, CA.

MEASURES PLACED ON THE CALENDAR

The following measures were read the second time and placed on the calendar:

S. 2925. A bill to reduce the cost of and improve the food stamps program, and for other purposes;

S.J. Res. 348. Joint resolution to amend the Constitution of the United States to limit budget outlays for a fiscal year to not more than 19 per centum of gross national product; and

H.R. 5151. An act to alleviate hunger in the United States by strengthening Federal nutrition programs.

The Committee on Appropriations was discharged from the further consideration of the following bill; which was placed on the calendar:

H.R. 6028. An act making appropriations for the Department of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1985, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on August 17, 1984, he had presented to the President of the United States the following enrolled bills:

S. 746. An act to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois, and for other purposes;

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, CO, and for other purposes:

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Incorporated;

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, UT, certain land and improvements in Box Elder County, UT;

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers, and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services;

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes;

S. 2436. An act to amend the Communications Act of 1934 to extend certain authorizations of appropriations contained in such act, and for other purposes;

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes;

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of August 10, 1984, the following reports of committees were submitted on August 27, 1984:

By Mr. ROTH, from the Committee on Governmental Affairs:

Special report of the Permanent Subcommittee on Investigations relating to the Hotel Employees and Restaurant Employees International Union (Rept. No. 98-595).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 2838. A bill to authorize the Secretaries of Interior and Agriculture to provide assistance to groups and organizations volunteering to plant tree seedlings on public lands, and for other purposes (Rept. No. 98-596).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 5172. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1984 and 1985 and for related purposes.

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, without amendment:

S. Res. 435. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 5147.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. STAFFORD (for himself and Mr. LEAHY):

S. 2964. A bill to settle and adjust the claim of the Tehran American School for $13,333.94; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MATSUNAGA:

S. Con. Res. 137. Concurrent resolution relating to funding for scientific and cultural exchange agreements between the United States and the Union of Soviet Socialist Republics; to the Committee on Appropriations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STAFFORD (for himself and Mr. LEAHY):

S. 2964. A bill to settle and adjust the claim of the Tehran American School for $13,333.94; to the Committee on the Judiciary.

TEHRAN AMERICAN SCHOOL CLAIM ACT

● Mr. STAFFORD. Mr. President, on behalf of myself and my colleague from Vermont [Mr. LEAHY], I introduce today the Tehran American School Claim Act of 1984.

The purpose of the legislation is to permit the U.S. Government to reimburse the Tehran American School $13,333.94 due from the sale of school motor vehicles arranged by the U.S. Embassy in Tehran, Iran, in 1979.

The proceeds from the sale were lost as a result of the seizure of the U.S. Embassy, and this legislation is required to permit payment under terms of the Meritorious Claims Act.

The claim was originally filed with the Department of State by William F. Keough, who was the superintendent of schools for the Tehran American School. Mr. Keough previously had served as a superintendent of schools in several Vermont communities.

This legislation is introduced at the suggestion of the Comptroller General of the United States who has judged the loss of the funds by the State Department to be the result of an uncontrollable event and who has found the claim to have merit under the terms of the Meritorious Claims Act.

I ask unanimous consent to have printed in the RECORD at this point the

claim filed by Mr. Keough, along with a supporting document; a letter from the Acting Comptroller General to Mr. Keough; the decision of the Comptroller General regarding the claim; the report to the Congress by the Comptroller General recommending that payment of the claim be authorized, and the text of the legislation introduced by myself and Mr. LEAHY.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2964

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of the Tehran American School for $13,333.94, which amount constitutes proceeds from the sale of three motor vehicles arranged by the United States Embassy in Tehran, Iran, in 1979. There is hereby appropriated from any money in the Treasury not otherwise appropriated such amount as may be necessary for the payment of the claim.

TEHRAN AMERICAN SCHOOL,
Tehran, Iran, December 2, 1981.

Mr. MARVIN WOLFE,
NEA/EX/BUD, Department of State, Washington, DC.

DEAR MR. WOLFE: This is a request for reimbursement to Tehran American School the amount of $13,333.94; these funds were obtained by the American Embassy, Tehran as proceeds from the sale of school vehicles.

All arrangements are detailed in a telex, Tehran 10592, dated October 2, 1979.

When the funds are available, please call me at 245-9248. Upon receipt the funds will be used to meet outstanding responsibilities of the school.

Thank you for your cooperation.

Sincerely yours,

WILLIAM F. KEOUGH,
Superintendent of Schools, Tehran American School.

[Telegram]

DEPARTMENT OF STATE,
Tehran 10592.

E.O. 12065: N/A.
Subject: Tehran American School.

1. Post requests Tehran American School, 4600 Duke Street, Alexandria, Va., be informed that following proceeds of sales have been generated:

Mini buses license plates 65753 and 72538, RLS 500,000, $7, 107.32.

Mini buses license plates 65748 and 98939, RLS 500,000, $8.107.32.

Mazda license plates 62572, RLS 280,000, $3,980.10.

Total, 1,280,000, $18,194.74.

2. Post is holding TAS outstanding telephone bills as follows and requests TAS authority to pay:

8 lines of 24xxxx, 9/23/78—12/21/78, RLS 91,732, $1,303.94.

8 lines of 24xxxx, 12/22/78—4/21/79, RLS 73,002, $1,037.70.

5 lines of 23xxxx, 12/6/78—4/4/79, RLS 36,523, $519.16.

Total, 201,257, $2,860.80.

3. With deductions from proceeds for above $2,860.80 payment plus another $2,000.00 to be held in reserve for additional payables. Post shall forward $13,333.94 check to Alexandria address. Laingen.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, DC, June 15, 1982.

B-205984.
Mr. WILLIAM F. KEOUGH,
Superintendent of Schools, Tehran American School.

DEAR MR. KEOUGH: Enclosed is a copy of our decision in which we disallow the Tehran American School's claim for $13,333.94 as part of the proceeds from the sale of three School vehicles. The sale was arranged by the United States Embassy in Tehran, Iran. On the other hand, we think that the equities warrant reporting the claim to the Congress of the United States under the Meritorious Claims Act of April 10, 1928, 31 U.S.C. § 236.

No further action on the claim can be taken by our Office unless, and until, the Congress enacts legislation pursuant to our recommendation. We enclose a copy of our report to the Congress recommending that payment of the claim be authorized.

Sincerely yours,

MILTON J. SOCOLAR,
Acting Comptroller General of the United States.

[Decision]

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, DC, June 15, 1982.

File: B-205984.
Matter of: Tehran American School—Reimbursement of Funds.

Digest: 1. The State Department cannot pay the Tehran American School $13,333.94 due from the sale of School motor vehicles arranged by the United States Embassy in Tehran, Iran, since the Embassy as agent did not breach any duty owed to the School. The proceeds from the sale were lost as a result of seizure of the United States Embassy—an uncontrollable event. Moreover, the embassy acted properly in commingling the proceeds of the sale with other receipts in the Embassy safe.

2. Claim is to be reported to the Congress under the Meritorious Claims Act, 31 U.S.C. § 236, since seizure and occupation of the United States Embassy and resulting loss of proceeds from the Embassy's sale of the School's vehicles, was an extraordinary circumstance calling for equitable consideration.

The Department of State has requested an advance decision on whether it can pay the Tehran American School $13,333.94 as part of the proceeds from a sale of three School vehicles that was arranged by the United States Embassy in Tehran, Iran. Although we conclude that the State Department cannot make the payment, we think the equities warrant our reporting the claim to the United States Congress under the Meritorious Claims Act of April 10, 1928, 31 U.S.C. § 236.

The facts show that as a result of the political tensions in Iran in 1979, in anticipation of closing, the Tehran American School arranged that the United States Embassy in Tehran sell three of the School's motor vehicles. The State Department informs us that United States Embassies provide this kind of assistance to American institutions operating in foreign countries. Although State indicates that occasionally the proceeds from these sales are given directly to the seller, since the School had closed, the monies were placed in the Embassy cashier's safe with other receipts normally kept in the safe. These receipts regularly were deposited in an account at the Tehran bank used by the Embassy.

As payment, the Embassy intended to have the United States disbursing office in Paris issue a $13,333.94 Treasury check drawn on funds deposited in the Tehran bank used by the Embassy. ($18,194.74 from the sale minus amounts owed by the School to the Embassy for outstanding telephone bills and other payables.) As a result of the Embassy seizure, however, the safe was lost and never recovered and the Paris disbursing office was not notified to make the payment.

The State Department has concluded that the sale of the motor vehicles was made in accordance with Department regulations, that the funds were properly maintained in the safe, and that the loss was not due to negligence. Although a Departmental legal memorandum presents arguments for and against paying the claim, State has concluded that the United States is responsible for the funds and that payment to the School is warranted.[1]

The legal memorandum accompanying the State Department submission characterized the relationship between the Embassy and the School as that between agent and principal. In this regard, it stated that if a principal's property is lost or stolen through no fault of the agent, generally the principal must bear the loss. It also noted that where an agent is authorized to commingle the principal's funds with the agent's to carry out the purposes of the agency, the agent is not liable for the loss. In support of this argument the memo suggests that the Embassy "appears to have been at least impliedly authorized to collect the proceeds of the sale in Iranian rupees and to commingle these funds with others on deposit with the Embassy * * *". On the other hand, the memo points out that agents often are required to segregate a principal's funds from their own and that commingling will make the agent a debtor of the principal.

We agree with the State Department that the relationship between the School and the Embassy was that of principal and agent. As such, the question raised is whether the Embassy breached its agent's duty to the School so as to make the Embassy liable to the School for loss of the proceeds from the sale of the vehicles.

An agent entrusted with the care and custody of his principal's property is a bailee of the property. *See, Preston* v. *Prather,* 137 U.S. 604, 613-14 (1891). Where the property involved is the money of a principal, the agent is required to keep it in a safe place, *Robbins* v. *Roumel,* 138 A.2d 922, 923 (Mun. Ct. App. D.C. 1958); however, the agent is not an insurer of its safety and absent negligence will not be liable if the money is lost or stolen. *E.g., Cave* v. *Lougee,* 67 S.E. 667 (Ga. 1910); *New Mexico Department of Health and Social Services* v. *Secretary of Agriculture,* 376 F. Supp. 953, 954-55 (D. Mex. 1973).

In this instance there is nothing in the record to suggest that the Embassy breached its duty to protect the School's monies. The funds in the safe were lost as a result of the seizure of the American Embassy, an event over which the United States had no control. Further, the State Department appears to have been acting ap-

[1] The Department also has concluded that the Hostage Agreements between the United States and Iran precluded the United States from submitting the claim either to the Iranian Government or the Iran-United States Claims Tribunal.

propriately in its placing the School's money in its safe.

Generally an agent entrusted with a principal's money must keep it separately from his own, and, upon commingling the funds he becomes a debtor to the principal. *United States* v. *Marienfeld,* 116 F. Supp. 634, 638 (E.D. Mo. 1953), *aff'd.,* 214 F.2d 632, *cert. denied* 348 U.S. 865. On the other hand, a principal may consent to the agent's commingling his funds with the agent's, and the risk of loss of the funds is shifted back from the agent to the principal. 116 F. Supp. at 638.

The facts show that the Embassy commingling of the proceeds from the sale of the School's vehicles with other receipts in the safe was in the normal course of business and impliedly was undertaken with the School's consent. In this instance, the proceeds from the sale of the vehicles could not have been paid directly by the buyers to the School since the School had closed. The Embassy took the cash proceeds intending to deposit them in the bank with its normal weekly deposits and to order a Treasury check drawn against them. But for the seizure of the Embassy, the funds in the Embassy safe, including the receipts from the sale, would have been deposited in that bank. Since the school did not object to the Embassy following its regular procedures, we agree with the State Department memo that the School implicitly agreed to the commingling of the sale proceeds with other monies in the Embassy safe, and in accordance with the principles discussed above, the risk of loss was shifted to the School. It follows that since it was in no way negligent, the Embassy is not legally liable to the School for the loss of the $13,333.94.

Although we must disallow the claim, we conclude that the equities in this case warrant our reporting the claim to the United States Congress under the Meritorious Claims Act of 1928, 31 U.S.C. §236. The Meritorious Claims Act provides that when a claim is filed in this Office that may not be lawfully adjusted by use of an appropriation theretofore made, but which claim, in our judgment, contains such elements of legal liability or equity as to be deserving of the consideration of Congress, it shall be submitted to the Congress with our recommendations. The remedy is an extraordinary one and its use is limited to extraordinary circumstances.

The cases we have reported for the consideration of the Congress generally have involved equitable circumstances of an unusual nature and which are unlikely to constitute a recurring problem, since to report to the Congress a particular case when similar equities exist or are likely to arise with respect to other claimants would constitute preferential treatment over others in similar circumstances. 53 Comp. Gen. 157, 158 (1973).

We think the seizure and occupation of the United States Embassy, and the resulting loss of the proceeds from the Embassy's sale of the School's vehicles, was an extraordinary circumstance calling for equitable consideration. Although other individuals and institutions were damaged by the hostilities in Iran, the State Department has informed us that it is not aware of any similar claims in which the Government had the direct responsibility for safeguarding the private party's funds. Also, the other parties, though apparently not the School, could have presented their claims to the Iran-United States Claims Tribunal. Accordingly, our report and recommendation that payment of the claim be authorized will be forwarded to the Congress.

MILTON J. SOCOLAR,
Acting Comptroller General
of the United States.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC, June 15, 1982.

B-205984.

To the Congress of the United States:

The Meritorious Claims Act of April 10, 1928, 45 Stat. 413, 31 U.S.C. § 236 (1976), provides that:

"When there is filed in the General Accounting Office a claim or demand against the United States that may not lawfully be adjusted by the use of an appropriation theretofore made, but which claim or demand in the judgment of the Comptroller General of the United States contains such elements of legal liability or equity as to be deserving of the consideration of the Congress, he shall submit the same to the Congress by a special report containing the material facts and his recommendation thereon."

In accordance with that Act, we make the following report and recommendation on the claim of the Tehran American School for $13,333.94.

The facts in this case show that as a result of the political tensions in Iran in 1979, in anticipation of closing, the Tehran American School arranged that the United States Embassy in Tehran sell three of the School's motor vehicles. The State Department informed us that United States Embassies provide this kind of assistance to American institutions operating in foreign countries. Although State indicated that occasionally the proceeds from these sales are given directly to the seller, since the School had closed, the monies were placed in the Embassy cashier safe with other receipts normally kept in the safe. The other receipts regularly were deposited in an account at the Tehran bank used by the Embassy.[1]

For payment, the Embassy intended to have the United States disbursing office in Paris issue a $13,333.94 Treasury check drawn on funds deposited in the Tehran bank used by the Embassy. ($18,194.74 from the sale minus amounts owed by the School to the Embassy for outstanding telephone bills and other payables.) As a result of the Embassy seizure, however, the safe was lost and never recovered and the Paris disbursing office was not notified to make the payment.

In its submission to us the State Department stated that the sale of the motor vehicles was made in accordance with Department regulations, the funds were properly maintained in the safe, and the loss was not due to negligence. The Department also concluded that the United States was responsible for the funds and that payment to the School was warranted.[2]

We agreed with the State Department's characterization of the relationship between the School and the Embassy as that of principal and agent. As such, we concluded that there was nothing in the record to suggest that the Embassy breached its duty as agent to exercise reasonable care to protect the School's monies. The funds in the safe were lost as a result of the seizure of the American Embassy—an uncontrollable event.

We also found that the Embassy's commingling of the proceeds from the sale of the School's vehicle with other receipts in the safe was in the normal course of business and impliedly was undertaken with the School's consent. The proceeds from the sale of the vehicles could not have been paid directly by the buyer to the School since the School had closed. The Embassy took the cash proceeds intending to draw a Treasury check against the funds deposited in the Tehran bank used by the Embassy. But for the seizure of the Embassy, the funds in the Embassy safe, including the receipts from the sale, would have been deposited in that bank. There is nothing in the record to indicate that the School objected to the Embassy following its regular procedures for payment. Since the commingling of the proceeds of the sale with other monies in the Embassy safe was proper, we determined that the risk of loss was shifted to the School. Thus, the Embassy was not liable to the School for the $13,333.94.

The Meritorious Claims Act is an extraordinary remedy whose use is limited to extraordinary circumstances. The cases we have reported for the consideration of the Congress generally have involved equitable circumstances of an unusual nature, and which are unlikely to constitute a recurring problem, since to report to the Congress a particular case when similar equities exist or are likely to arise with respect to other claimants would constitute preferential treatment over others in similar circumstances. 53 Comp. Gen. 157, 158 (1973).

We think the seizure and occupation of the United States Embassy and resulting loss of the proceeds from the sale of the School's vehicles, was an extraordinary circumstance calling for equitable consideration. Although other individuals and institutions were damaged by the hostilities in Iran, the State Department has informed us that it is not aware of any similar claims in which the Government had the direct responsibility for safeguarding the private party's funds.

If the Congress agrees with our recommendation, it is suggested that enactment of a statute in substantially the following form will accomplish the desired result:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of the Tehran American School for $13,333.94 which amount constitutes proceeds from the sale of three motor vehicles arranged by the United States Embassy in Tehran, Iran in 1979. There is hereby appropriated from any money in the Treasury not otherwise appropriated such amount as may be necessary for the payment of the claim.

MILTON J. SOCOLAR,
Acting Comptroller General
of the United States.●

[1] A State Department official informed us that to the best of his knowledge the receipts held in the Embassy safe were deposited weekly.

[2] The Department determined that the Hostage Agreements between the United States and Iran precluded the United States from submitting the claim either to the Iranian Government or the Iran-United States Claims Tribunal.

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. BOSCHWITZ, his name was withdrawn as a cosponsor of S. 44, a bill to regulate interstate commerce by providing for a uniform

product liability law, and for other purposes.

S. 281

At the request of Mr. RANDOLPH, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 281, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 337

At the request of Mr. MOYNIHAN, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 337, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 657

At the request of Mr. DOLE, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 657, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 914

At the request of Mr. MCCLURE, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 914, a bill to protect firearms owners' constitutional rights, civil liberties, and rights to privacy.

S. 1623

At the request of Mr. DOLE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1623, a bill to establish a National Commission on Neurofibromatosis.

S. 1910

At the request of Mr. PRESSLER, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1910, a bill to adapt principles of the Administrative Procedures Act to assure public participation in the development of certain positions to be taken by the United States in international organizations, and for other purposes.

S. 2353

At the request of Mr. GRASSLEY, the names of the Senator from Idaho [Mr. SYMMS] and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 2353, a bill to amend the Internal Revenue Code of 1954 to provide that one-half of the amounts paid by a self-employed taxpayer for his or her health insurance premiums will be allowed as a business deduction.

S. 2710

At the request of Mr. WALLOP, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 2710, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 2770

At the request of Mr. MELCHER, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 2770, a bill to protect consumers and franchised automobile dealers from unfair price discrimination in the sale by the manufacturer of new motor vehicles, and for other purposes.

S. 2894

At the request of Mr. MELCHER, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Iowa [Mr. GRASSLEY], the Senator from Maryland [Mr. SARBANES], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 2894, a bill to amend the Internal Revenue Code of 1954 to clarify the application of the imputed interest and interest accrual rules in the case of sales of residences, farms, and real property used in a trade or business.

S. 2923

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2923, a bill to amend title II of the Social Security Act to eliminate the 3 percent threshold amount for cost-of-living adjustments.

S. 2931

At the request of Mr. TRIBLE, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 2931, a bill to facilitate certain space launches, and for other purposes.

SENATE JOINT RESOLUTION 320

At the request of Mr. PERCY, the names of the Senator from Iowa [Mr. JEPSEN], the Senator from New York [Mr. MOYNIHAN], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 320, a joint resolution regarding the implementation of the policy of the U.S. Government in opposition to the practice of torture by any foreign government.

SENATE JOINT RESOLUTION 340

At the request of Mr. THURMOND, the names of the Senator from Florida [Mrs. HAWKINS] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 340, a joint resolution to designate the week of September 23, 1984, as "National Historically Black Colleges Week."

SENATE RESOLUTION 430

At the request of Mr. BYRD, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Resolution 430, a resolution to express the sense of the Senate on recess appointments.

SENATE RESOLUTION 433

At the request of Mr. RIEGLE, the names of the Senator from Montana [Mr. MELCHER], the Senator from Maryland [Mr. MATHIAS], the Senator from Vermont [Mr. LEAHY], the Senator from Maryland [Mr. SARBANES], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Resolution 433, a resolution to congratulate the U.S. athletes who have participated in the games of the XXIII Olympiad and urge enactment of the Senate bill relating to the clarification of certain equal opportunity laws.

SENATE CONCURRENT RESOLUTION 137—RELATING TO CERTAIN CULTURAL EXCHANGE AGREEMENTS BETWEEN THE UNITED STATES AND THE SOVIET UNION

Mr. MATSUNAGA submitted the following concurrent resolution; which was referred to the Committee on Appropriations:

S. CON. RES. 137

Whereas since 1958, agreements between the United States and the Soviet Union have sponsored exchanges in the fields of science and technology, education, culture, and information, but activity under those agreements has declined in recent years;

Whereas on June 27, 1984, President Reagan announced plans to revive many of the bilateral agreements, stating that "certainly nothing is more worthy of our attention than finding ways to reach out and establish better communication with the people and the government of the Soviet Union;"

Whereas on June 27, 1984, the President specifically mentioned agreements in the fields of environmental protection, housing, health, agriculture and oceanography, which are among a number of science and technology agreements negotiated between the United States and the Soviet Union;

Whereas even under the best circumstances, United States participation in science and technology activities with the Soviet Union has been limited by an absence of funds specifically earmarked for activities under those agreements, such as travel funds and funds for arranging conferences and exchanging scientific papers; and

Whereas unless adequate funding is provided, the objectives sought by the President in his June 27, 1984, announcement may not be effectively realized: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that adequate funding should be provided to carry out existing bilateral scientific exchange agreements between the United States and the Union of Soviet Socialist Republics.

Mr. MATSUNAGA. Mr. President, I am today introducing legislation, Senate Concurrent Resolution 137, aimed at facilitating scientific exchanges between the United States and the Soviet Union, in accordance with a recent policy initiative announced by President Reagan.

On June 27, 1984, the President announced plans to seek expanded scientific and cultural exchanges with the U.S.S.R., despite, or perhaps because of, worsening relations between the two superpowers. "Civilized people everywhere have a stake in keeping contacts, communication and creativity as broad, deep, and free as possible," the President said, and he added: "Certainly nothing is more worthy of our attention than finding ways to reach out and establish better communication with the people and the government of the Soviet Union."

I could not agree more. I ask my Senate colleagues to imagine what relations in this body would be like, if Republicans and Democrats worked out of separate self-contained enclaves and met only over a negotiating table at irregular intervals. It's obvious: Our differences would be exaggerated by an order of magnitude. By comparison, for United States-Soviet relations, we can speak of several orders of magnitude. Now, some contend that communication with the Soviets implies validation of Soviet policies that we find repugnant. But I would argue the opposite.

If suspicion and mistrust are a Soviet disorder, finding institutional expression in totalitarianism and repression, then what we should be wary most of all is its contagion. And we should remind ourselves that the vaccine as well as the cure for that disorder happens to be a natural and extremely potent by-product of democratic society—namely, decongealing, cooperative activity, pursued without exaggerated expectations, with toughmindedness, with sagacity, with prudence, yes; but still, pursued.

In the case of scientific communication, the impetus is greater to the extent that the very language of science, its basic frame of reference, is international. There is no such thing as a Communist or a capitalist heart attack or cancer, or a Soviet or American hurricane or earthquake. The keys to the molecular building blocks of life are not the property of any nation or ideology. Environmental pollution does not respect national or cultural frontiers. Restricting communication among scientists on such transcendent subjects is in the interest of no one, least of all the members of a society which exceeds all others in its capacity to draw benefits from the free exchange of information.

President Reagan announced his new initiative at a White House luncheon attended by delegates to a conference on United States-Soviet exchanges organized by the Kennan Institute for Advanced Russian Studies of the Woodrow Wilson International Center for Scholars, which is an affiliate of the Smithsonian Institution. In his address, the President, urged expansion of activities under existing bilateral agreements in environmental protection, housing, health, and agriculture. Those 4 were among 11 official science and technology agreements negotiated by President Nixon and Chairman Brezhnev in the early 1970's and commonly known as the "bilaterals." Besides the four mentioned by President Reagan, four others are still in force, in oceanography, transportation, atomic energy, and artificial heart research. Although he did not mention the latter four by name, one must assume that, with the possible exception of atomic energy, they will also receive renewed emphasis consistent with declared policy. And that creates a problem that I believe President Reagan may have overlooked.

One of the sessions at the 2-day Kennan Institute Conference on United States-Soviet Exchanges—in fact, the session immediately preceding the White House luncheon on June 27—dealt with the bilaterals. The speakers consisted of representatives from the Federal agencies charged with administering those agreements—EPA, HHS, NIH, USDA, et cetera. The speakers appeared to agree on two points: First, that they obtained professional benefit from the exchanges, and second, that they were frustrated by a lack of funds.

Apparently, after negotiating the bilaterals, the Nixon administration failed to earmark appropriations for their implementation, and succeeding administrations following suit, more or less automatically, so that affected agencies were obliged to implement the agreements without additional funds. Thus, despite a commitment to the bilaterals at the policy level, their implementation at the working level was often subject to the unpredictable uncertainties of in-house funding. Often, it seemed, even when the White House was actively pursuing increased cooperation, agency program managers had to cancel promising activities, for lack of funds, for travel to the Soviet Union or for arranging a conference here.

Of course, such self-defeating constraints don't make any sense and I am sure they are due to inherited oversight that the administration would be happy to see rectified. The required investment is extremely modest in terms of the policy objectives it would serve—around $5 million, I am told, for annual administrative costs for the eight bilaterals that are still in force. Since I am also told that it will take a few months to gear up the bilaterals, and establish reliable cost estimates, I am withholding until next session any appropriation measure to provide the State Department with administration funds which would be channeled to the participating agencies as required.

The purpose of the sense of the Congress resolution I am introducing today is to make the participating agencies aware of congressional interest, intentions and desires, with the expectation that, pending an appropriation, they will assign priority to the bilaterals in the allocation of in-house funds. That's the least we can do in support of a most commendable initiative from the White House.

Finally, Mr. President, I would like to note that this resolution is a direct result of information obtained from the Conference on United States-Soviet Exchanges organized by the Kennan Institute, as part of a continuing series of meetings, lectures, and informal discussions on various aspects of United States-Soviet relations. I can think of no issue of greater urgency, about which we are in greater need of authoritative information, than relations between the two superpowers. Those of us in Washington with interests and responsibilities in that area are most fortunate to have the Kennan Institute, under the leadership of Dr. Herbert J. Ellison, in our midst. This is not the first time that national leaders have been directed in the proper course by the institute's activities, and I'm sure it won't be the last.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will hold a business meeting on Tuesday, September 11, 1984, beginning at 10 a.m., in Senate Russell 428-A on the following bills:

H.J. Res. 158. Joint resolution to make technical corrections in the act of January 25, 1983 (Public Law 97-459);

S. 1151. A bill to compensate heirs of deceased Indians for improper payments from trust estates to States or political subdivisions thereof as reimbursements for old age assistance received by decedents during their lifetime;

S. 2480. To declare that the mineral rights of certain lands acquired by the United States in connection with the Garrison Dam & Reservoir Project are held in trust for the Three Affiliated Tribes of the Ft. Berthold Reservation, and for other purposes;

S. 2663. Pertaining to the inheritance of trust or restricted land on the Lake Traverse Indian Reservation, North Dakota and South Dakota, and for other purposes;

S. 2823. To provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in dockets numbered 59 and 13E before the Indian Claims Commission and docket numbered 13F before the United States Claims Court, and for other purposes; and,

S. 2824. To provide for the use and distribution of certain funds awarded the Wyandotte Tribe.

Those wishing additional information should contact Paul Alexander or Peter Taylor of the committee at 224-2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources to receive testimony on the Bonneville Power Administration's repayment of obligations to the U.S. Treasury. This oversight hearing will be held on Thursday, September 13, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

For further information regarding this hearing you may wish to contact Mr. Gary Ellsworth of the committee staff at 224-5304.

NOTICE OF INTENTION TO AMEND SENATE RULES

Mr. RANDOLPH. Mr. President, I submit the following notice in writing: In accordance with Rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to amend Rule XII of the Standing Rules of the Senate for the purpose of proposing to the resolution (S. Res. 66), providing for regulations to implement television and radio coverage of the Senate, the following amendment:

At the end of the resolution add the following:

SEC. 8. Rule XII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"(5) When yeas and nays are ordered on the floor, each Senator shall vote from the assigned desk of the Senator.".

ADDITIONAL STATEMENTS

U.S.A. PHILHARMONIC SOCIETY

● Mr. D'AMATO. Mr. President, I rise today to add my name as a cosponsor of Senate Resolution 412, to congratulate and commend the U.S.A. Philharmonic Society. This organization has as its worthy goal the development and cultivation of the rich musical talent that abounds in our country.

The U.S.A. Philharmonic Society will assure that the native artistic talent of our country has the opportunity to flourish and to stand as the symbol of our Nation's commitment to the arts. We should act now to pass this resolution.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD the notifications which have been received. Any portion which is classified information has been deleted for publication, but is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-12180/84ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-65 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed Letter of Offer to Denmark for defense articles and services estimated to cost $210 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF,
Director.

[Transmittal No. 84-65]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Denmark.

(ii) Total Estimated Value: Major Defense Equipment,[1] $200 million; Other, $10 million; Total, $210 million.

(iii) Description of Articles or Services Offered: A quantity of twelve F-16A/B aircraft plus spares and support equipment.

(iv) Military Department: Air Force (SVI).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: August 10, 1984.

POLICY JUSTIFICATION

DENMARK—F-16 AIRCRAFT

The Government of Denmark has requested the purchase of a quantity of twelve F-16A/B aircraft plus spares and support equipment at an estimated cost of $210 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Denmark; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

Denmark intends to use the additional F-16 aircraft to form a new squadron, which will be needed in the 1987-1989 delivery time frame. Denmark has the capability to absorb these aircraft.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the General Dynamics Corporation of Fort Worth, Texas.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Denmark.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

[1] As defined in Section 47(6) of the Arms Export Control Act.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-04829/84ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-62 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to Canada for defense articles and services estimated to cost $57 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF,
Director.

[Transmittal No. 84-62]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Canada.

(ii) Total Estimated Value: Major Defense Equipment,[1] $46 million; Other, $11 million; Total, $57 million.

(iii) Description of Articles or Services Offered: A quantity of two hundred twenty MK 46 Mod 5 torpedoes, logistics support, and services.

(iv) Military Department: Navy (AIU).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 30 June 1984.

(viii) Date Report Delivered to Congress: 10 August 1984.

POLICY JUSTIFICATION

CANADA—MK 46 MOD 5 TORPEDOES

The Government of Canada has requested the purchase of a quantity of two hundred twenty MK 46 Mod 5 torpedoes, logistics support, and services at an estimated cost of $57 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military

[1] As defined in Section 47(6) of the Arms Export Control Act.

capabilities of Canada; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The Government of Canada is requesting the tube launch configuration of the MK 46 Mod 5 torpedo which will improve surface combatant effectiveness. Canada will have no difficulty absorbing these weapons. This sale would upgrade the military capability of Canadian forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Defense Systems Division of Honeywell, Incorporated of Hopkins, Minnesota.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Canada.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-12271/84ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-63 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed Letter of Offer to Italy for defense articles and services estimated to cost $200 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF,
Director.

[Transmittal No. 84-63]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: The Republic of Italy, acting as lead nation (in accordance with Section 3(d) of the Arms Export Control Act) of a NATO consortium consisting of itself, Belgium, Denmark, Germany, the Netherlands, and Turkey. Other NATO nations may join the consortium in the future.

(ii) Total Estimated Value: $200 million for co-production.[1] (In the highly unlikely event that Italy purchases all 15,000 AGM-65D IR MAVERICK weapon systems without any co-production, the dollar value of the transaction could be as much as $1.5 billion.)

(iii) Description of Articles or Services Offered: The United States Government will sell some components along with related supplies, technical assistance, training and support equipment, and the technical data package for the co-production of other components for acquisition of up to 15,000 AGM-65D IR MAVERICK weapon systems.

(iv) Military Department: Air Force (NAG).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: 10 August 1984.

POLICY JUSTIFICATION

ITALY—IR MAVERICK WEAPON SYSTEM

The Republic of Italy, as the lead nation for itself, Belgium, Denmark, Germany, the Netherlands, and Turkey has requested the purchase of some components along with related supplies, technical assistance, training and support equipment, and the technical data package for the co-production of other components for acquisition of up to 15,000 AGM-65D IR MAVERICK weapon systems. Other NATO nations may join the consortium in the future. The total estimated value of this case is $200 million for the co-production option. In the highly unlikely event that Italy purchases all 15,000 weapon systems without any co-production, the dollar value of the transaction could be as much as $1.5 billion.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of our allies in fulfillment of their NATO obligations; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

Italy, Belgium, Denmark, Germany, the Netherlands, and Turkey all have a requirement for the AGM-65D IR MAVERICK weapon system. Other NATO nations may also have this requirement in the future. The IR MAVERICK weapon system will be fielded by these NATO nations in accordance with appropriate NATO integrated battlefield interdiction engagement procedures, providing the purchasing countries with a nighttime, all weather, anti-armor capability. Under this program, the IR MAVERICK weapon system will be manufactured by Italy using the technical data packages and the purchased components, all of which will be provided in accordance with and subject to the limitations on use and transfer provided for under the Arms Export Control Act. This program will result in purchases of approximately $200 million from the U.S. Government.

This sale will not adversely affect either the military balance in the region or U.S. efforts to encourage a negotiated settlement of the Cyprus question between Greece and Turkey.

The prime contractor will be the Hughes Aircraft Company of Canoga Park, California.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to any of the purchasing nations.

There will be no adverse effect on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-12179/84ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-64 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to the United Kingdom for defense articles and services estimated to cost $151 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF,
Director.

[Transmittal No. 84-64]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: United Kingdom

(ii) Total Estimated Value: Major Defense Equipment,[1] $82 million; Other, $69 million; Total, $151 million.

(iii) Description of Articles or Services Offered: A quantity of 12 PHALANX Close-In Weapon Systems MK 15 Mod 2, training, and related support.

(iv) Military Department: Navy (LEY and LEZ)

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 30 June 1984.

(viii) Date Report Delivered to Congress: 10 August 1984.

POLICY JUSTIFICATION

UNITED KINGDOM—PHALANX CLOSE-IN WEAPON SYSTEMS

The Government of the United Kingdom (U.K.) has requested the purchase of a quantity of 12 PHALANX Close-In Weapon Systems MK 15 Mod 2, training, and related support at an estimated cost of $151 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of the United Kingdom; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The sale of these 12 additional Close-In Weapon Systems would significantly enhance the close-in anti-aircraft warfare capability of U.K. ships. The U.K. has the military assets to utilize these systems effectively.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the General Dynamics Corporation of Pomona, California.

Implementation of this sale will require the assignment of one additional U.S. Government employee for 180 days and three contractor representatives for 180 days to the United Kingdom.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

ADVANCE NOTIFICATION OF PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million

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[1] As defined in Section 47(6) of the Arms Export Control Act.

[1] As defined in Section 47(6) of the Arms Export Control Act.

or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-12359/84ct.

Dr. HANS BINNENDIJK,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country tentatively estimated to cost in excess of $50 million.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF, Director.●

IN RECOGNITION OF ROCHESTER'S RADIO READING SERVICES FOR THE VISUALLY HANDICAPPED

● Mr. D'AMATO. Mr. President, I rise today to make my colleagues aware of a very special event to occur in Rochester, NY, on September 19. On that day, WXXI, channel 21, the local public broadcasting station, the Rochester Reading Services, Inc. and the Rochester Association for the Blind will join together to present that area's first reading services for the print handicapped.

A visually handicapped citizen does not have the simple access to news and information that most of us with adequate eyesight take for granted. This radio reading program will open new doors and will knock down old barriers for the visually impaired. For thousands of the visually handicapped, this service will provide a convenient and immediate access to printed information.

The information available will be abundant. The service includes complete readings of local and national newspapers, books on the best-seller's list, magazines usually not available in braille, programs on visually handicapped rehabilitation, interviews with representatives from organizations and government agencies concerned with the visually handicapped, and entertainment programs.

From a small beginning in 1969, there are over 75 radio reading services across the United States today. Rochester's radio reading services will be the sixth such service offered in New York State alone. Potential listeners of this new service number over 47,000. The benefits of such a service are incalculable.

The radio reading service is the conduit for the visually handicapped, especially those just recently disabled, to be active and self-reliant members of the community. The visually impaired are currently dependent upon radio and television audio broadcasts for their information. These news programs, however detailed, cannot provide all of the information these people need to stay informed. Radio reading services will offer equal access to information that visually adequate citizens enjoy through the print media.

I commend WXXI, the Rochester Radio Reading Services, Inc., and the Rochester Association for the Blind for their untiring work on this important project. I expect the success of this program to add to the popularity of radio reading services so that someday soon all visually handicapped citizens will have access to printed information.●

BERGEN COUNTY RELIGIOUS LEADER RETIRES

● Mr. LAUTENBERG. Mr. President, I rise today to pay tribute to a very popular and much loved resident of Bergen County, NJ, Rabbi Isaac Swift. After a career that has been dedicated to helping and serving others, Rabbi Swift is retiring.

This retirement will certainly mark the end of an era in Bergen County. Few men have contributed as much to the spiritual growth of our citizens as Rabbi Swift. For the past 24 years, he has been a very visible, vocal, and accessible leader of the community. His congregation is the Ahavath Torah, but because of his warmth, benevolence, and wonderful ability to communicate, he is known as everyone's rabbi.

In fact, it is his ability to communicate so well that has made him a legendary figure throughout the area. He has used this gift in his service to the congregation and in teaching posts in the New Jersey-New York area. The rabbi is an enthusiastic supporter when the cause is right and has never been afraid to speak out on behalf of others. Throughout the years, Rabbi Swift has also been committed to working with young people. Indeed, his track record for helping others is august and enviable.

Rabbi Swift was born in England and is a much traveled humanitarian. He has served communities around the world, in such places as Australia, New Zealand and Wales, before coming to the United States. He has worked for young and old, rich and poor, Jew and gentile alike. Social standing, nationality and economic background do not impress the rabbi. People do. And he has spent his life serving people.

Albert Einstein said, "Only a life lived for others is a life worthwhile." If that is the case, then Rabbi Swift has had a life and career worth more than words can express. I am sure the residents of Bergen County join me today in saluting Rabbi Swift's many achievements. He is being honored by the establishment of the Rabbi Isaac L. Swift chair of Judaic Studies at the Jewish Community Center on the Palisades in New Jersey. There, he will be able to continue to teach and inspire others. The Bergen County community can gather great solace in knowing his retirement is also a new beginning, in which Rabbi Swift will continue to be an active and important presence in his community's life.●

INTERPRETATIVE RULING 386

● Mr. STEVENS. Mr. President, the Select Committee on Ethics has received a number of questions on the application of Senate rule XXXV: Gifts, and of title I of the Ethics in Government Act of 1978, to use and display in a Member's office of loaned furniture, furnishings, and equipment. As a result of these questions, the committee agreed to the following interpretative ruling. As you will recall, a copy of this ruling was recently sent to all Senators in the form of a "Dear Colleague," dated August 8, 1984. In reviewing this ruling by the select committee, Senators should be aware that the disclosure requirement established in the ruling applies to all loaned furniture, furnishings, and office equipment currently being utilized within the office of a Senator, as well as to loaned furniture, furnishings, and office equipment which might be utilized by a Senator in the future.

The ruling follows:

INTERPRETATIVE RULING No. 386

Date issued: August 8, 1984.

Applicable Rule or Area: 35; Ethics in Government Act of 1978.

Question considered: Are there any circumstances when a loan of an item might constitute a "gift", to which the restrictions of Senate Rule 35, on Gifts, and the finan-

cial disclosure requirements of the Ethics in Government Act, might apply?

Ruling: Items such as office furniture, furnishings and business equipment lent by owners to Members for use in a Senate office do not constitute gifts for purposes of the Gift Rule or the Financial Disclosure Act. They are, however, subject to the disclosure procedures set forth in this ruling.

Facts: The Ethics Committee has routinely ruled that no provision of the Code of Conduct prohibits Members from accepting the use of loaned furniture, furnishings, and office equipment for use in their offices. The rulings have also advised that use of the items is subject to approval by the Committee on Rules and Administration. Senators now ask whether they should disclose their use of those items.

Discussion: The definitions of the term "gift" in Senate Rule 35, at paragraph 2, and in the Act at section 107(3), both include the term "forbearance," which means the refraining of enforcement of something that is due, such as a debt, right, or obligation. Under this standard, the use of borrowed furniture or equipment could arguably qualify as a gift. At the same time, however, there are compelling reasons why these items should not be treated as gifts. First, the items are not meant for the personal use or permanent possession of Members or staff. Ownership is retained by the lender. Second, the items are frequently the products of Home State businesses and organizations which Members of Congress have a traditional role in promoting. Finally, in the case of business equipment, its use provides the Senate with an evaluation of its desirability for purchase by the Senate. For these reasons, the Committee decided that the restrictions of the Senate Gift Rule and the financial disclosure provisions of the Ethics in Government Act of 1978 are inapplicable.

Notwithstanding this determination, the Committee agreed that there is a public interest in providing a formal means for sanctioning and disclosing the use of private property for official use. To accomplish this objective, the Committee determined that all Members who either now possess or plan to use loaned furniture, furnishings, and equipment should submit a written request to the Ethics Committee for a determination that the arrangement is within the standards of the Code of Official Conduct. In turn, the Ethics Committee will make available for public inspection at the office of the Committee all responses which sanction the use of loaned furniture, furnishings, and equipment.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of Senate employees who propose to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Mr. William Andrew Alford of the staff of Senator TRIBLE and Ms. Susan Aheron Magill of the staff of Senator WARNER to participate in a progam in Taipei, Taiwan, sponsored by the Sino-American Cultural and Economic Association from August 25 through September 1, 1984.

The committee has determined that participation by Mr. Alford and Ms. Magill in the program in Taipei, Taiwan at the expense of the Sino-American Cultural and Economic Association, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Senator and Mrs. Jeremiah A. Denton, Jr., Mr. Richard Gideon of Senator DENTON'S staff, and Mr. Joel Lisker of the staff of the Subcommittee on Security and Terrorism, to participate in a conference in Taipei, Taiwan, sponsored by the Chinese National Association of Industry and Commerce, during the last week of August 1984.

The committee has determined that participation by Mr. and Mrs. Denton, and Messrs. Gideon and Lisker, in the conference in Taipei, Taiwan, at the expense of the Chinese National Association of Industry and Commerce, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.●

TRIBUTE TO DR. SHERWOOD BERG

● Mr. PRESSLER. Mr. President, Dr. Sherwood Berg officially stepped down as president of South Dakota State University on July 31, 1984, but his fine reputation for dedication to excellence in higher education will not be retired.

A long list of accomplishments decorates the record of his 9-year tenure. Sherwood Berg is recognized as a world expert in agricultural economics. I have had the pleasure of discussing various agricultural concerns and the results of several related research projects conducted by the university with Dr. Berg. I have always been a supporter of the agriculture extension programs at SDSU, and Dr. Berg has consistently maintained the high quality of these essential learning tools.

Sherwood Berg is credited with enhancing the curricula of numerous programs at SDSU. A tuition reciprocity policy beneficial to Minnesota and South Dakota students was initiated under the leadership of Dr. Berg. This and many other programs were implemented during a period of severe economic strain and strict budget constraints on the university.

His hard work and commitment to SDSU will not be forgotten, but perhaps more importantly, "Woody" Berg will be remembered as a caring and devoted person. Students and faculty recall his leadership with respect and admiration. Woody's guidance and experience unified the school during some very difficult times. The solicitous efforts of this man to provide the best education possible for the students of SDSU have made Sherwood Berg a much beloved person on the SDSU campus, in the Brookings community, and across South Dakota. As chief administrator of South Dakota State University, Sherwood Berg certainly will be missed.

The Sioux Falls Argus-Leader and the Mitchell Daily Republic featured articles highlighting Dr. Berg's career, and I wish to share those records of this outstanding educator's achievements with my colleagues. I ask that the articles from these South Dakota newspapers be printed at this point in the RECORD.

The material follows:

[From the Sioux Falls Argus-Leader, Apr. 22, 1984]

BERG'S NOTABLE WORK FOR SOUTH DAKOTA STATE

Sherwood Berg, South Dakota State University's 14th president and first graduate to become its chief administrator, will leave behind a fine record of service when he retires this summer.

In nine years at SDSU, Berg has maintained the integrity of educational programs despite difficult economic circumstances brought on by the economic recession and two periods of drought in the state.

The institution has maintained and enhanced quality and accreditation in various fields, including engineering, pharmacy, music education and journalism.

The College of Nursing has added a Master of Science degree and upper mobility programs at Aberdeen and Rapid City for nurses to take college subjects while working. SDSU has added a computer science major, an Ag Extension major and its first endowed chair, in nutrition.

During Berg's tensure, pharmacy, horticulture/forestry and the Family Resources Center added new buildings constructed with some money from alumni and friends of the university. Joint programs were undertaken with the University of South Dakota in agricultural law and economics and in criminal justice.

It was Berg's idea that sparked initial discussions with Minnesota on tuition reciprocity—a program that has benefited both states.

He will probably be remembered most for his work in taking SDSU into the international arena. He is recognized as a world expert in agricultural economics and encouraged internationalization of SDSU's curricula and programs of study.

Five years ago—at the invitation of the Agency for International Development and Botswana—SDSU began a long-term program to help that African country expand and improve its agricultural college.

The university has used the federal government's Title XII program of strengthening grants ($100,000 a year for five years) to encourage faculty members to become more aware of and proficient in helping less developed countries deal with their problems, particularly agricultural ones.

Berg gave regents a year's notice that he would retire July 31. That helped the board

in its quest of a successor—Ray Hoops—and will facilitate a smooth transition.

Two special events, a roast on May 5 and a public reception on May 9, will honor Berg for his service to SDSU. He and his wife, Elizabeth, expect to keep a home in Brookings. He will be 65 on May 17.

Bert already has had offers from AID (the U.S. Agency for International Development) to assist in its wide-ranging programs around the world. Wherever he goes, we think he'll be an effective traveling ambassador for South Dakota.

Berg, a native of Hendrum, Minn., has given much of himself to his adopted state from the time he enrolled at Brookings in 1940. He deserves a pat on the back and thanks for a difficult job well done.

[From the Mitchell Daily Republic, Apr. 24, 1984]

RETIRING SDSU PRESIDENT BERG TO STAY IN BROOKINGS

SIOUX FALLS, SD (AP).—Syttende Mai—Norway's independence day—has added significance this year for Sherwood Berg, a full-blooded Norwegian who's a native of Hendrum, Minn.

That day, May 17, Berg turns 65, the birthday he calls "that old milestone along life's career path." It's the age at which he decided to step down after nine years as president of South Dakota State University.

He retires July 31.

What's ahead for Sherwood Berg? Of all the places he and his wife, Betty, could live—they have a daughter in England and a son, a professional deep-sea diver, in Singapore—they picked Brookings, in a house just three blocks from the SDSU campus. Berg will be president emeritus and an economics professor and will teach economics courses when asked.

He also said he has opportunities to do consulting work with agricultural education projects in Santo Domingo and Indonesia.

Berg earned his undergraduate degree in agricultural economics from SDSU in 1947. He stayed in that academic discipline, earning a master's degree at Cornell University in 1948 and a doctorate at the University of Minnesota in 1951.

Berg was president during a time of economic woes for South Dakota, including recessions, two big droughts and a string of funding problems for public higher education.

"These meant that the resources that we've had to work with have been curtailed and we haven't been able to strengthen the faculty to the degree that we might, we haven't been able to re-equip and renovate many of the laboratories that we have, and we've had to forestall the drive that we might have had to finish out some of the capital improvements that we have on campus," Berg said in an interview.

But good things also developed at SDSU since 1975, when Berg took over after spending six years in the foreign agriculture service; six years as head of the University of Minnesota agricultural economics department; 10 years as the school's dean of the institute of agriculture, forestry and home economics; and two years on an agriculture mission to Indonesia.

SDSU attracted many more foreign students, its agricultural programs added an international flavor, faculty members took the lead in academic improvements and the student leadership has been impressive, Berg said.

"I found him to be a very inspirational person," said Jerry Tunheim, an SDSU physics professor who was chairman of the school's academic senate in the 1979–80 school year. The group is made up of about 30 faculty, students and administrators.

"Dr. Berg, because of the fact that he was always willing to listen and you always had the feeling that he really, truly did consider the faculty, he kept friction to a minimum," Tunheim said.

Nels Granholm, current academic senate chairman, and Cindy Junker, SDSU Student Association president, also said one of Berg's strengths was his willingness to listen.

Berg "held the campus together through all the regents' resolutions and budget cuts," Tunheim said.

In the late 1970s, the regents tried to save money and eliminate duplication by passing resolutions making the seven state-run colleges rank their programs on priority lists, with lower-priority programs running the risk of being canceled.

"It was a challenge, no question about it," Berg said when asked how hard it was to balance the books and keep everybody happy. He said the goal was to keep and enhance the programs that were within the scope and mission of SDSU.

"We've maintained accreditation in every area and we've expanded accreditation to other areas."●

REPUBLICAN PLATFORM

Mr. BAKER. Mr. President, this is the first day of our resumed session in this session of the Congress. Many of us have returned from the Republican National Convention in Dallas. May I say first I was extraordinarily impressed by the hospitality of that city and State, and I wish to congratulate them on their successful hosting of one of our Nation's two great political conventions.

I was privileged to participate in that convention as temporary chairman along with my colleague on the other side of the Capitol, Congressman MICHEL, who serves as permanent chairman.

Mr. President, I ask unanimous consent that a copy of the Republican platform as adopted at that convention be printed in the RECORD at this point.

There being no objection, the Republican platform was ordered to be printed in the RECORD, as follows:

REPUBLICAN PLATFORM—AMERICA'S FUTURE FREE AND SECURE

(Proposed by the Committee on Resolutions to the Republican National Convention, August 20, 1984)

PREAMBLE

This year, the American people will choose between two diametrically opposed visions of what America should be.

The Republican Party looks at our people and sees a new dawn of the American spirit.

The Democratic Party looks at our nation and sees the twilight of the American soul.

Republicans affirm that now, as throughout history, the spiritual and intellectual genius of the American people will create a better nation and maintain a just peace. To Republicans, creativity and growth are imperatives for a new era of opportunity for all.

The Republican Party's vision of America's future, the heart of our 1984 Platform, begins with a basic premise:

"From freedom comes opportunity; from opportunity comes growth; from growth comes progress."

This is not some abstract formula. It is the vibrant, beating heart of the American experience. No matter how complex our problems, no matter how difficult our tasks, it is *freedom* that inspires and guides the American Dream.

If everything depends on freedom—and it does—then securing freedom, at home and around the world, is one of the most important endeavors a free people can undertake.

Thus, the title of our Platform, "America's Future: Free and Secure," is more than a summary of our Platform's message. It is the essence.

The Democratic Party understands none of this. It thinks our country has passed its peak. It offers Americans redistribution instead of expansion, contraction instead of growth, and despair instead of hope. In foreign policy it asserts the rhetoric of freedom, but in practice it follows a policy of withdrawal and isolation.

The Democratic Party, in its 1984 Platform, has tried to expropriate the optimism and vision that marked the 1980 Republican Platform.

Rhetorical pilfering of Republican ideals cannot disguise one of history's major ironies: the party whose 1932 standard-bearer told the American people, as president, that all we have to fear is fear itself has itself become the party of fear.

Today we declare ourselves the Party of Hope—not for some but for all.

It has been said that mercy must have a human heart and pity a human face. We agree. Democrats measure social programs in terms of government activity alone. But the divine command to help our neighbor is directed to each individual and not to a bureaucratic machine. Not every problem cries out for a federal solution.

We must help the poor *escape* poverty by building an economy which creates more jobs, the greatest poverty figher of them all. Not to help the poor is to abandon them and demean our society; but to help the poor without offering them a chance to escape poverty is ultimately to degrade us all.

The great tasks of compassion must be accomplished both by people who care and by policies which foster economic growth to enhance all human development.

In all these areas, at home and abroad, Ronald Reagan has demonstrated the boldness of vision, the optimism for our future, and the confidence in the American people that can transform human lives and the life of a nation. That is what we expect from a President who, wounded by an assassin, walked his way into a hospital and cheerfully assured the world that he and his country would not be deterred from their destiny.

His example has shaped the 1984 Republican Platform, given it meaning and inspired its vision. We stand with President Reagan and with Vice President Bush to make it a reality.

ECONOMIC FREEDOM AND PROSPERITY

Free Enterprise, Democracy, and the Role of Government

Free enterprise is fundamental to the American way of life. It is inseparable from the social, religious, political, and judicial institutions which form the bedrock of a

nation dedicated to individual freedom and human rights.

Economic growth enables all citizens to share in the nation's great physical and spiritual wealth, and it is maximized by giving them the fullest opportunity to engage in economic activities and to retain the rewards of their labor.

Our society provides both a ladder of opportunity on which all can climb to success and a safety net of assistance for those who need it. To safeguard both, government must protect property rights, provide a sound currency, and minimize its intrusions into individual decisions to work, save, invest, and take risks.

The role of the federal government should be limited. We reaffirm our conviction that State and local governments closest to the people are the best and most efficient. While President Reagan has done much to alleviate federal regulatory and bureaucratic burdens on individuals and businesses, Congress has failed to act. The size and scope of the federal government remains much too large and must be reduced.

During the Carter-Mondale Administration, no group of Americans was spared from the impact of a failing economy. Family budgets were stretched to the limit to keep pace with increases in taxes and costs of food, energy, and housing. For the first time, owning a home slipped out of reach for millions. Working people saw their wage increases outpaced by inflation. Older Americans saw their savings and retirement incomes consumed by basic living costs. Young people found job opportunities narrowing. Disadvantaged Americans faced an inefficient and wasteful bureaucracy which perpetuated programs of dependency. American business and industry faced recession, unemployment, and upheaval, as high interest rates, inflation, government regulation, and foreign competition combined to smother all enterprise and strike at our basic industries.

When President Reagan took office in 1981, our economy was in a disastrous state. Inflation raged at 12.4 percent. The cost of living had jumped 45 percent in the Carter-Mondale years. The prime rate was 21.5 percent. Federal spending increases of 17 percent per year, massive tax rate increases due to inflation, and a monetary policy debasing the dollar had destroyed our economic stability.

We brought about a new beginning. Americans are better off than they were four years ago, and they're still improving. Almost six and one-half million have found jobs since the recovery began, the largest increase in our history. One and one-half million have come in manufacturing—a part of our economy designated for stagnation and government control by Democrats. More than 107 million Americans, more than ever before, are working. Their industry proves that policies which increase incentives for work, saving, and investment do lead to economic growth, while the redistributionist policies of the past did cause unemployment, declining incomes, and idle industries.

We will therefore continue to return control over the economy to the people. Our policies will maximize the role of the individual and build on the success of the past four years: (a) the most rapid decline in unemployment of any post-World War II recovery; (b) inflation dramatically reduced; (c) interest rates significantly cut; (d) a 25 percent cut in federal tax rates; (e) automatic tax increases eliminated by indexing tax rates; (f) the financial holdings of American families increased by over $1.8 trillion; (g) oil prices down 35 percent in real terms; and (h) 300 million hours once devoted to government paperwork returned to individuals and business.

Our most important economic goal is to expand and continue the economic recovery and move the nation to full employment without inflation. We therefore oppose any attempts to increase taxes, which would harm the recovery and reverse the trend to restoring control of the economy to individual Americans. We favor reducing deficits by continuing and expanding the strong economic recovery brought about by the policies of this Administration and by eliminating wasteful and unnecessary government spending. Mondale-Ferraro, by contrast, boast that they will raise taxes, with ruinous effects on the economy.

To assure workers and entrepreneurs the capital required to provide jobs and growth, we will further expand incentives for personal saving. We will expand coverage of the Individual Retirement Account, especially to homemakers, and increase and index the annual limits on IRA contributions. We will increase the incentives for savings by moving toward the reduction of taxation of interest income. We will work for indexation of capital assets and elimination of the double taxation of dividends to increase the attractiveness of equity investments for small investors.

We oppose withholding on dividend and interest income. It would discourage saving and investment, create needless paperwork, and rob savers of their due benefits. A higher personal saving rate is key to deficit control. We therefore oppose any disincentives to thrift.

History has proven again and again that wage and price controls will not stop inflation. Such controls only cause shortages, inequities, and ultimately high prices. We remain firmly opposed to the imposition of wage and price controls.

We are committed to bringing the benefits of economic growth to all Americans. Therefore, we support policies which will increase opportunities for the poorest in our society to climb the economic ladder. We will work to establish enterprise zones in urban and rural America; we will work to enable those living in government-owned or subsidized housing to purchase their homes. As part of our effort to reform the tax system, we will reduce disincentives to employment which too often result in a poverty trap for poor American families.

Fiscal and Monetary Policy

Taxation

A major goal of all Republicans in 1980 was to reduce the oppressive tax rates strangling Americans. The tax burden, which had increased steadily during the Carter-Mondale Administration, was at a record high and scheduled to go even higher. Taxes as a percentage of GNP rose from 18.2 percent in 1976 to 21 percent in 1981 and would have reached 24 percent by 1984. The tax bill for the median-income family of four had risen from $1,713 in 1976 to $2,778 in 1980 and would have reached $3,943 in 1984.

Double-digit inflation had pushed individuals into ever higher marginal tax brackets. High marginal tax rates reduced the incentive for work, saving, and investment, and retarded economic growth, productivity, and job creation.

With the Economic Recovery Tax Act of 1981, we carried out the first phase of tax reduction and reform by cutting marginal tax rates by 25 percent. Tax brackets were indexed to prevent tax hikes through bracket creep. In addition, families received further relief by reducing the marriage penalty and lowering estate and gift taxes.

Businesses and workers benefitted when we replaced outdated depreciation systems with the accelerated cost recovery system, reduced capital gains tax rates, and lowered the pressures which high tax rates place on wage demands. Investment in plants and equipment has increased 16.5 percent since 1982, resulting in 6.3 million new jobs.

In 1980, we promised the American people a tax cut which would be progressive and fair, reducing tax rates across-the-board. Despite Democrat opposition we succeeded in reducing the tax rates of all taxpayers by about 25 percent with low-income taxpayers receiving a slightly larger percentage tax reduction than high-income taxpayers. These sound economic policies have succeeded. We will continue our efforts to further reduce tax rates and now foresee no economic circumstances which would call for increased taxation.

The bulk of the tax cut goes to those who pay most of the taxes: middle-income taxpayers. Nearly three-fourths of its benefits go to taxpayers earning less than $50,000. In fact, these taxpayers now pay a smaller percentage of total income taxes than they did in 1980; and those earning more than $50,000 pay a larger percentage of total income taxes than they did in 1980.

As a result, the income tax system is fairer now than it was under Carter-Mondale. To keep it fair, Republicans indexed the tax code: starting in 1985, individual tax brackets, the zero bracket amount, and the personal exemption will be adjusted annually for inflation. As a result, cost of living raises will no longer push taxpayers into higher brackets.

For years, congressional big spenders used inflation as a silent partner to raise taxes without taking the heat for passing tax increases. With indexing, taxpayers will be protected against that theft. Low- and moderate-income taxpayers benefit the most from indexing and would bear the brunt of the hidden tax increases if it were repealed.

Nearly 80 percent of the tax increase from the repeal of indexing would fall on taxpayers earning less than $50,000. For a family of four earning $10,000, repeal of indexing would result in a staggering 40 percent tax increase over the next five years. We pledge to preserve tax indexing. We will fight any attempt to repeal, modify, or defer it.

The Republican Party pledges to continue our efforts to lower tax rates, change and modernize the tax system, and eliminate the incentive-destroying effects of graduated tax rates. We therefore support tax reform that will lead to a fair and simple tax system and believe a modified flat tax—with specific exemptions for such items as mortgage interest—is a most promising approach.

For families, we will restore the value of personal exemptions, raising it to a minimum of $2,000 and indexing to prevent further erosion. We will preserve the deduction for mortgage interest payments. We will propose an employment income exclusion to assure that tax burdens are not shifted to the poor. Tax reform must not be a guise for tax increases. We believe such an approach will enhance the income and opportunities of families and low- and middle-income Americans.

We oppose taxation of churches, religious schools, or any other religious institutions. However, we do believe that any business

income unrelated to the religious function of the institution should be subject to the same taxes paid by competing businesses.

We oppose the setting of artifically high interest rates which would drastically curtail the ability of sellers to finance sales of their own property. Rather, we encourage marketplace transfer of homes, farms, and smaller commercial properties.

Spending and Budget

The Republican Party believes the federal budget must be balanced. We are committed to eliminating deficits and the excessive spending that causes them. In 1980, federal spending was out of control, increasing at a rate of over 17 percent. We have cut that growth rate by almost two-thirds.

But Congress ignored many of the President's budget reforms. It scaled back and delayed the tax cuts. As a result, we began to pay the price for the irresponsible spending and tax policies of the Carter-Mondale Administration. The resulting recession dramatically increased the deficit, and government spending continues at an unacceptable level.

Democrats claim deficits are caused by Americans' paying too little in taxes. Nonsense. We categorically reject proposals to increase taxes in a misguided effort to balance the budget. Tax and spending increases would reduce incentives for economic activity and threaten the recovery.

Even when we achieve full employment and even with robust economic growth, federal spending—including credit programs and other off-budget items—will remain too high. As a percentage of GNP, it must be reduced.

The congressional budget process is bankrupt. Its implementation has not brought spending under control, and it must be thoroughly reformed. We will work for the constitutional amendment requiring a balanced federal budget passed by the Republican Senate but blocked by the Democratic-controlled House and denounced by the Democrat Platform. If Congress fails to act on this issue, a constitutional convention should be convened to address only this issue in order to bring deficit spending under control.

The President is denied proper control over the federal budget. To remedy this, we support enhanced authority to prevent wasteful spending, including a line-item veto.

Monetary Policy

Our 1980 Platform promised to bring inflation under control. We did it. This cruelest tax—hitting hardest at the poor, the aged, and those on fixed incomes—raged up to 13.3 percent under Carter-Mondale. We have brought it down to about 4 percent and we strive for lower levels. The effects of our program have been dramatic. Real, after-tax incomes are rising. Food prices are stable. Interest rates have fallen dramatically, leading to a resurgence in home building, auto purchases, and capital investment.

Just as our tax policy has only laid the groundwork for a new era of prosperity, reducing inflation is only the first step in restoring a stable currency. A dollar now should be worth a dollar in the future. This allows real economic growth without inflation and is the primary goal of our monetary policy.

The Federal Reserve Board's destablizing actions must therefore stop. We need coordination between fiscal and monetary policy, timely information about Fed decisions, and an end to the uncertainties people face in obtaining money and credit. The Gold Standard may be a useful mechanism for realizing the Federal Reserve's determination to adopt monetary policies needed to sustain price stability.

Domestically, a stable dollar will mean lower interest rates, rising real wages, guaranteed value for retirement and education savings, growth of assets through productive investment, affordable housing, and greater job security.

Internationally, a stable dollar will mean stable exchange rates, protection for contract prices, commodity prices which change only when real production changes, greater resources devoted to job-creating investment, less protectionist pressure, and increased trade and income for all nations.

Regulatory Reform

Our 1980 Platform declared that "excessive regulation remains a major component of our nation's spiraling inflation and continues to stifle private initiatives, individual freedom, and State and local government autonomy." President Reagan's regulatory reform program contributed significantly to economic recovery by removing bureaucratic roadblocks and encouraging efficiency.

In many fields, government regulation either did not achieve its goals or made limited improvements at exorbitant costs. We have worked with industry and labor to get better results through cooperation rather than coercion.

The flood of regulation has stopped. The number of new regulations has been halved. Unrestrained growth in the size and spending of the regulatory workforce has stopped. Some $150 billion will thereby be saved over the next decade by consumers and businesses. In the past four years alone, 300 million hours of government-mandated paperwork were eliminated. We have reduced the regulatory burden on Americans by making government rules as cost-effective as possible. We must maintain this progress through comprehensive regulatory reform legislation and a constitutional procedure which will enable Congress to properly oversee executive branch rules by reviewing and, if necessary, overturning them.

So consumers can have the widest choice of services at the lowest possible prices, Republicans commit themselves to breaking down artificial barriers to entry created by antiquated regulations. With the explosion of computer technologies just beginning to enhance our way of life, we will encourage rather than hinder innovative competition in telecommunications and financial services.

There are still federal statutes that keep Americans out of the work force. Arbitrary minimum wage rates, for example, have eliminated hundreds of thousands of jobs and, with them, the opportunity for young people to get productive skills, good work habits, and a weekly paycheck. We encourage the adoption of a youth opportunity wage to encourage employers to hire and train inexperienced workers.

We demand repeal of prohibitions against household manufacturing. Restrictions on work in the home are intolerable intrusions into our private lives and limit economic opportunity, especially for women and the homebound.

Support For Small Business

America's small business entrepreneurs have led the way in fueling economic recovery. Almost all the 11 million non-farm businesses in the United States are small, but they provide over 50 million jobs. We must keep them strong to ensure lasting prosperity. Republicans reaffirm our historic ties with independent business people and pledge continued efforts to help this energetic segment of our economy.

We have created a climate conducive to small business growth. Our tax rate reductions increased incentives for entrepreneurial activity and provided investment capital through incentives to save. Reduced capital gains taxes further stimulated capital formation and increased the return on small business investment. Greater depreciation allowances encouraged modernization. Estate tax changes will allow families to keep the rewards of their labors.

We have insisted on less federal interference with small business. As a result, burdensome regulations were reduced, and runaway agencies like OSHA were reined in. We have ensured that the federal government pays its bills on time or pays interest penalties.

Presidential action has focused needed attention on increased government procurement from small and minority businesses. In FY 1983 the Small Business Administration directed $2.3 billion in federal sole-source contracts to minority firms through its 8(a) program—a 45 percent increase over 1980. This record amount was achieved along with management improvements that eliminated past abuses in that program.

Three million women business owners are generating $40 billion in annual receipts and creating many new jobs. Yet, their enterprises face barriers in credit, access to capital, and technical assistance. They lag far behind in federal procurement contracts. We are dedicated to helping them become full partners in the economic mainstream of small business.

To them and to all who make America grow, we reaffirm our commitment to reduce marginal tax rates further. We oppose any scheme to roll back the estate tax cuts and will seek further reductions for family businesses. Moreover, we support lower capital gains tax rates and indexation of asset values to protect investors from inflation.

We will create enterprise zones to revitalize economically depressed areas by offering simplified regulation and lower taxes for small businesses that relocate there.

We will make it easier for small businesses to compete for government contracts, not only to assist the private sector but also to provide competition and greater cost control in federal purchases.

In a continuing effort to offset our balance of trade deficit, we reaffirm our strong support for this nation's tourism industry.

Science and Technology

We pledge to continue the Reagan Administration's science and technology policies, which have enhanced economic recovery and our nation's research capability.

We have refocused federal research and development spending on basic research, and it has increased more that 50 percent.

We propose to extend the incremental research and development tax credit to stimulate greater activity in the private sector.

To allow U.S. firms to compete on an equal footing with foreign companies, we will permit U.S. firms to cooperate in joint research and development projects.

Energy

In 1980, energy prices were at all-time highs and rising rapidly. The OPEC cartel had an iron grip on free world economies. Oil imports rose, and domestic production

fell under Carter-Mondale price controls and allocations. Competition in energy markets declined.

We have all but eliminated those disastrous policies. President Reagan's immediate decontrol of oil prices precipitated a decline in real oil prices and increased competition in all energy markets. Oil price decontrol crippled the OPEC cartel.

The results have been dramatic. Imported oil prices are down 35 percent in real terms. The real price of gasoline is at a five-year low. Energy consumption has declined relative to economic growth. Energy efficiency increased by 12 percent since 1980, with lower costs to businesses and families. The Strategic Petroleum Reserve is now four times larger than in 1980, providing significant protection against any disruption in imports.

We will complete America's energy agenda. Natural gas should be responsibly decontrolled as rapidly as possible so that families and businesses can enjoy the full benefits of lower prices and greater production, as with decontrolled oil. We are committed to the repeal of the confiscatory windfall profits tax, which has forced the American consumer to pay more for less and left us vulnerable to the energy and economic stranglehold of foreign producers.

While protecting the environment, we should permit abundant American coal to be mined and consumed. Environmentally sound development of oil and natural gas on federal properties (which has brought the taxpayers $20 billion in revenue in the last four years) should continue. We believe that as controls have been lifted from the energy marketplace, conservation and alternative sources of energy, such as solar, wind, and goethermal, have become increasingly cost-effective. We further take pride in the fact that Reagan Administration economic policies have created an environment most favorable to the small businesses that pioneer these alternative technologies.

We now have a sound, long-term program for disposal of nuclear waste. We will work to eliminate unnecessary regulatory procedures so that nuclear plants can be brought on line quickly, efficiently, and safely. We call for an energy policy, the stability and continuity of which will restore and encourage public confidence in the fiscal stability of the nuclear industry.

We are committed to the termination of the Department of Energy. President Reagan has succeeded in abolishing that part which was telling Americans what to buy, where to buy it, and at what price—the regulatory part of DOE. Then he reduced the number of bureaucrats by 25 percent. Now is the time to complete the job.

Agriculture

Securing a Prosperous Rural America

The Republican Party is thankful for, and proud of, the ability of American farmers and ranchers to provide abundant, high quality, and nutritious food and fiber for all our citizens and millions more throughout the world. This unmatched ability to produce is basic to this country's high standard of living. We recognize that a prosperous agriculture is essential to the future of America and to the health and welfare of its people. We have set the stage for securing prosperity in rural America. In 1979, farm and ranch production costs increased 19 percent, in 1983 they actually declined by almost 3 percent. The prime interest rate has been brought down from 21.5 percent to 13 percent. Our reputation as a reliable world food and fiber supplier has been restored. Despite that remarkable beginning, much remains to be done.

We believe well managed, efficient American farm and ranch operations are the most cost-effective and productive food and fiber suppliers in the world, and therefore have the inherent economic capability and right to make a profit from their labor, management, and investments. The primary responsibility of government with respect to agriculture is to create the opportunity for a free and competitive economic and policy environment supportive of the American farmers' and ranchers' industrious and independent spirit and innovative talent. We further believe that, to the extent some well-managed and efficient farms and ranches are temporarily unable to make a profit in the marketplace, it is in the public interest to provide reasonable and targeted assistance.

The Carter-Mondale Administration, and 28 years of a Congress rigidly controlled by the Democrats and out of touch with the people, brought farmers and ranchers to the hardest times since the Great Depression. Farm and ranch incomes fell to disastrous levels. Uncontrolled inflation and the highest interest rates in over a century prevented farmers from operating at a profit, and 300,000 of them out went out of business under Carter-Mondale.

In the span of but four devastating years, the Carter-Mondale Administration managed to jeopardize this country's agricultural heritage by putting America's farmers $78 billion further in debt (a 75 percent increase) and inflating farmers' annual food and fiber production costs by $46 billion (55 percent increase). These irresponsible inflationary policies led to spiraling land values and to the illusion of enhanced debt-bearing wealth. This paper wealth was converted into very real and unavoidable debt. Debt payments, combined with record cost of production levels, have presented many farmers and ranchers with severe cash flow problems. On top of all that came the Carter-Mondale grain embargo of 1980. Thus, one begins to understand the origins of the financial stress farmers and ranchers are experiencing today. Adding insult to injury, farmers and ranchers found themselves blamed as Carter-Mondale inflation ballooned consumer food costs by $115 billion, a 50 percent increase in four years.

Republicans support a sound agricultural credit policy, including the Farm Credit System, to meet agriculture's expanded credit needs. We support an extensive examination of agricultural and rural credit and crop insurance programs to assure they are adequately serving our farmers and rural residents.

Interest Rates and Farm and Ranch Indebtedness

The magnitude of indebtedness and the level of interest rates significantly influence farm and ranch profitability. The interrelationship between high interest rates and the high value of the dollar has caused an erosion in our competitive position in export markets. Republicans recognize that lower interest rates are vital to a healthy farm and ranch economy and pledge that an economic priority of the first order will be the further lowering of interest rates by intensifying our efforts to cut federal spending to achieve a balanced budget and by reforming Federal Reserve policy.

Republicans are very much aware of the devastating impact which high interest rates have had, and continue to have, on the viability of America's farmers and ranchers. We also realize that, unless interest rates decline significantly in the near future, the character of American agriculture and rural life will be tragically changed. For these reasons, we pledge to pursue every possible course of action, including the consideration of temporary interest rate reductions, to ensure that the American farmer or rancher is not a patient that dies in the course of a successful economic operation.

Republicans are cognizant that there are many well-managed, efficient, farm and ranch operations which face bankruptcy and foreclosure. The foreclosures and resulting land sales will jeopardize the equity positions of neighboring farms and ranches, compounding financial problems in agriculture. Republicans pledge to implement comprehensive Farmers Home Administration and commercial farm and ranch debt restructuring procedures, including the establishment of local community farm and ranch finance committees, which will advise borrowers, lenders, and government officials regarding debt restructuring alternatives and farmer and rancher eligibility.

Setting the Stage for Farm and Ranch Recovery

Sensitive to the needs of farmers and ranchers, we have made the best of the tools available to deal with the Carter-Mondale failure. Among the many specific accomplishments of the Reagan Administration in agriculture, Republicans are proud to have:

Lifted the Carter-Mondale grain embargo and demonstrated by word and deed that farm and ranch product embargoes will not be used as a tool of foreign policy, negotiated a long term agreement with the Soviet Union, and strengthened our credibility as a reliable supplier by enacting contract sanctity legislation.

Increased food assistance and agricultural export financing programs to over $7 billion, a record level.

Challenged unfair export subsidy practices and aggressively countered them with "blended credit" and other export expansion programs.

Achieved major breakthroughs in Japan's beef and citrus quotas, allowing our exports to double over four years.

Resisted protectionist efforts by other industries, such as domestic content legislation, that would cause a backlash against U.S. farm and ranch exports.

Developed and implemented the PIK program to draw down burdensome reserve stocks of major commodities created by the Carter-Mondale embargo.

Reformed bankruptcy law to provide for accelerated distribution of farm products in bankrupt elevators, acceptance of warehouse receipts and scale tickets as proof of ownership, and allowing a lien against elevator assets for unpaid farmers.

Eliminated the marriage tax penalty for a surviving spouse and protected family farms and ranches by exempting, by 1987, up to $600,000 from estate taxes.

Accelerated depreciation of farm and ranch equipment and buildings and increased the exemption for agricultural vehicles from the heavy vehicle use tax.

Increased the gasoline tax exemption by 50 percent for alcohol fuels, stimulating demand for domestic grain production and reducing dependency on foreign oil.

Worked with rural credit and farm and ranch lending institutions to assure adequate capital at the lowest possible interest rates.

Responded to the emergency financial needs of farmers and ranchers stricken by drought and flood.

We want real profits for farmers and ranchers. We have begun the turnaround on farm and ranch incomes. Sound fiscal, monetary, and growth-oriented tax policies are essential if farmers and ranchers are to realize sufficient and enduring profits. We support legislation to permit farmers, ranchers, and other self-employed individuals to deduct from their gross income up to one-half of the cost of their personal hospitalization insurance premiums.

Government policies should strengthen the ability of farmers and ranchers to provide quality products at reasonable rates of return in an expanding economy. We believe that federal farm programs should be tailored to meet the economic needs and requirements of today's structurally diverse and internationally oriented agriculture. These programs must be sensitive to potential impacts on all agriculture, especially non-program commodities, livestock, agribusiness, and rural communities.

Republicans believe that the future of American agriculture lies in the utilization of our rich farmland, advanced technology, and hard working farm and ranch people, to supply food and fiber to the world. Traditional farm programs have threatened the confidence of America's farmers and ranchers and exhausted the patience of American taxpayers. We reject the policy of more of the same, and we further reject the Democrats' public utility vision of agriculture which views it as a problem to be minimized by further political and bureaucratic management. Our new programs will bring the flexibility to adjust to rapidly changing export market conditions and opportunities, and, in a timely and effective manner, respond to the inherent, uncontrollable risks of farming and ranching.

Rural Americans impart a special strength to our national character, important to us all. Whether farmers or not, all rural citizens should have the same consideration as those who live in towns and cities in economic development, energy, credit, transportation availability, and employment. Opportunities for non-farm jobs have become increasingly important to farm and ranch families, enhancing life and work in rural America.

Toward Fair and Expanded Markets and Responding to Hunger

Agriculture is an international advantage for the United States. But a successful farm and ranch policy demands earnest attention to building on the strength of our domestic production capacity and to developing world markets, for American agriculture cannot be prosperous without exports.

Our farmers and ranchers must have full access to world markets and should not have to face unfair export subsidies and predatory dumping by other producing nations without redress. Republicans believe that unfair trade practices and non-tariff barriers are so serious that a comprehensive renegotiation of multilateral trade agreements must be undertaken to revitalize the free, fair, and open trade critical to worldwide economic growth.

The Republican Party is unalterably opposed to the use of embargoes of grain or other agricultural products as a tool of foriegn policy. The Carter-Mondale grain embargo is still—more than any other factor—the cause of the present difficulties in American agriculture and possibly the irretrievable loss of foreign markets. Republicans say, "Never again." The Democratic Platform says nothing.

American has a long history of helping those in need, and the responsibility for food assistance has been shared by federal and State governments and neighborhood volunteers. Federal expenditures in this area exceeded $19 billion in 1983, the highest amount ever. Numerous private and public efforts assure that adequate food is available. This expresses faith in our future and reflects our people's goodness.

We will provide adequate resources in programs ranging from food stamps to school lunches for the truly needy. We also recognize that fraud and abuse must be eliminated from those programs. We stress maximum local control consistent with national objectives.

Reducing Excessive Regulation in Agriculture

Excessive federal regulations, many imposed by the Carter-Mondale Administration, have been a crushing burden.

In 1980, we pledged to make sensible reductions in regulations that drained the profitability from farming, ranching, and commercial fishing. We did just that. We restored balance to the Interior Department's ineffective predator-control policies, and we moderated the EPA's and the FDA's excessive adherence to "zero risk" standards concerning the use of pesticides, antibiotics, food additives, and preservatives.

Republicans favor modernizing our food-safety laws, providing guidelines for risk-benefit assessment, peer review, and regulatory flexibility consistent with other health and safety policies.

Soil and Water Conservation

Agriculture must be both economically and environmentally sustainable. The soil and water stewardship of our farmers, ranchers, watermen, and rural people is commendable. Republicans believe that long-term soil, water, and other conservation policies, emphasizing environmentally sound agricultural productivity, rangeland protection, fish and wildlife habitat, and balanced forestry management, must be a top priority. Conservation practices must be intensified and integrated with farm programs to safeguard our most valuable resources. Volunteer participation, emphasizing State and local control and adequate incentives, is essential to effective conservation.

Water Policy

In 1980, we pledged a water policy which addressed our national diversity in climate, geography, reclamation needs, and patterns of land ownership. We promised a partnership between the States and federal government which would not destroy traditional State supremacy in water law, and which would avert a water crisis in the coming decades. That partnership is now working to meet these challenges.

The Future of Farming

American agriculture is the world's most successful because of the hard work and creativity of family farmers and ranchers. They have benefitted immensely from agricultural research, extension, and teaching, unequalled in the world. Cooperative extension, operating in every country, brings the results of USDA and Land Grant University research to rural America. We support these programs, with special attention to marketing efficiencies, reduced production costs, and new uses for farm and ranch commodities. We also encourage the establishment of regional international research and export trade centers.

Our agricultural people have developed the ideals of free enterprise and have based their enterprise on our culture's basic element, the family. The family farm and ranch is defined as a unit of agricultural production managed as an enterprise where labor and management have an equity interest in the business and a direct gain or loss from its operation. Family farms and ranches are the heart, soul, and backbone of American agriculture; it is the family farm that makes our system work better than any other.

Our rural and coastal people developed a great diversity of support organizations. They organized farm and ranch cooperatives, and rural electric and telephone cooperatives to provide essential services. They established farm and ranch organizations to work for better farm policies and to improve the quality of rural life. Republicans note with particular pride and enthusiasm the vital impact women have always had in American farming and ranching, and we support efforts to increase their role.

American agriculture has always relied upon the hardworking people who harvest seasonal and perishable crops. Republicans support comprehensive farm-labor legislation, fair to workers *and* employers, to protect consumers from work stoppages which disrupt the flow of food.

Republicans also recognize the tremendous efforts of commercial fishers to bring nutritious seafood products to market, thus strengthening America's food base.

Our agriculture is both a global resource and a tremendous opportunity. Only America possesses the natural, technological, management, and labor resources to commercially develop agriculture's next frontier.

We are encouraged by innovation in agriculture, and applaud its diversity, creativity, and enterprise. Commercial applications of new technology and marketing and management innovations are creating additional opportunities for farming and ranching. Republicans have set the stage for building a new prosperity into our fundamentally strong agriculture system. We renew our national commitment to American farmers and ranchers.

International Economic Policy

The recent tremendous expansion of international trade has increased the standard of living worldwide. Our strong economy is attracting investment in the United States, which is providing capital needed for new jobs, technology, higher wages, and more competitive products.

We are committed to a free and open international trading system. All Americans benefit from the free flow of goods, services and capital, and the efficiencies of a vigorous international market. We will work with all of our international trading partners to eliminate barriers to trade, both tariff and non-tariff. As a first step, we call on our trading partners to join in a new round of trade negotiations to revise the General Agreement on Tariffs and Trade in order to strengthen it. And we further call on our trading partners to join us in reviewing trade with totalitarian regimes.

But free trade must be fair trade. It works only when all trading partners accept open markets for goods, services, and investments. We will review existing trade agreements and vigorously enforce trade laws including assurance of access to all markets

for our service industries. We will pursue domestic and international policies that will allow our American manufacturing and agricultural industries to compete in international markets. We will not tolerate the loss of American jobs to nationalized, subsidized, protected foreign industries, particularly in steel, automobiles, mining, footwear, textiles, and other basic industries. This production is sometimes financed with our own tax dollars through international institutions. We will work to stop funding of those projects which are detrimental to our own economy.

The greatest danger today to our international trade is a growing protectionists sentiment. Tremendous fluctuations in exchange rates have rendered long-term international contracts virtually useless. We therefore urge our trading partners to join us in evaluating and correcting the structural problems of the international monetary system, to base it on more stable exchange rates and free capital markets.

Further, we support reorganization of trade responsibilities in order to reduce overlap, duplication, and waste in the conduct of international trade and industry.

Revisions in that system will stabilize trade relations so that debtor nations can repay their debts. These debts are the direct result of their domestic policies, often mandated by multilateral institutions, combined with the breakdown of the international monetary system. Slower economic growth, reduced imports, and higher taxes will not relieve debt burdens, but worsen them. The only way to repay the debts is to create productive capacity to generate new wealth through economic expansion, as America has done.

Austerity should be imposed not on people, but on governments. Debtor nations seeking our assistance must increase incentives for growth by encouraging private investment, reducing taxes, and eliminating subsidies, price controls, and politically motivated development projects.

Security for the Individual

America was built on the institutions of home, family, religion, and neighborhood. From these basic building blocks came self-reliant individuals, prepared to exercise both rights and responsibilities.

In the community of individuals and families, every generation has relearned the art of self-government. In our neighborhoods, Americans have traditionally taken care of their needs and aided the less fortunate. In the process we developed, independent of government, the remarkable network of "mediating institutions"—religious groups, unions, community and professional associations. Prominent among them have been innumerable volunteer groups, from fire departments and neighborhood-watch patrols to meals-on-wheels and the little leagues.

Public policy long ignored these foundations of American life. Especially during the two decades preceding Ronald Reagan's election, the federal government eroded their authority, ignored their rights, and attempted to supplant their functions with programs at once intrusive and ineffectual. It thereby disrupted our traditional patterns of caring, sharing, and helping. It elbowed out the voluntary providers of services and aid instead of working through them.

By centralizing responsibility for social programs in Washington, liberal experimenters destroyed the sense of community that sustains local institutions. In many cases, they literally broke up neighborhoods and devastated rural communities.

Washington's governing elite thought they knew better than the people how to spend the people's money. They played fast and loose with our schools, with law enforcement, with welfare, with housing. The results were declining literacy, and learning, an epidemic of crime, a massive increase in dependency, and the slumming of our cities.

Worst of all, they tried to build their brave new world by assaulting our basic values. They mocked the work ethic. They scorned frugality. They attacked the integrity of the family and parental rights. They ignored traditional morality. And they still do.

Our 1980 Republican Platform offered a renewed vision. We based it upon home, family, and community as the surest guarantees of both individual rights and national greatness. We asserted, as we do now, the ethical dimension of public policy: the need to return to enduring principles of conduct and firm standards of judgment.

The American people responded with enthusiasm. They knew that our roots, in family, home, and neighborhood, do not tie us down. They give us strength. Once more we call upon our people to assert their supervision over government, to affirm their rights against government, to uphold their interests within government.

Housing and Homeownership

Homeownership is part of the American Dream. For the last two decades, that dream has been endangered by bad public policy. Government unleashed a dreadful inflation upon homebuyers, driving mortgage rates beyond the reach of average families, as the prime rate rose more than 300 percent (from 6.5 percent to 21.5 percent). The American worker's purchasing power fell ever year from 1977 through 1980.

No wonder the housing industry was crippled. Its workers faced recurrent recessions. The boom-and-bust cycle made saving foolish, investment risky, and housing scarce.

Federal housing blighted stable low-income neighborhoods, disrupting communities which people had held together for generations. Only government could have wasted billions of dollars to create the instant slums which disgrace our cities.

In our 1980 Platform, we pledged to reverse this situation. We have begun to do so, despite obstructionism from those who believe that the taxpayer's home is government's castle.

We attacked the basic problem, not the symptoms. We cut tax rates and reduced inflation to a fraction of the Carter-Mondale years. The median price house that would cost $94,800 if Carter-Mondale inflation had continued now costs $74,200. The average monthly mortgage payment, which rose by $342 during the Carter-Mondale years, has increased just $24 since January 1981. The American Dream has made a comeback.

To sustain it, we must finish the people's agenda.

We reaffirm our commitment to the federal-tax deductibility of mortgage interest payments. In the States, we stand with those working to lower property taxes that strike hardest at the poor, the elderly, and large families. We stand, as well, with Americans earning possession of their homes through "sweat-equity" programs.

We will, over time, replace subsidies and welfare projects with a voucher system, returning public housing to the free market.

Despite billions of dollars poured into public housing developments, conditions remain deplorable for many low-income Americans who live in them. These projects have become breeding grounds for the very problems they were meant to eliminate. Their dilapidated and crumbling structures testify to decades of corrupt or incompetent management by poverty bureaucrats.

Some residents of public housing developments have reversed these conditions by successfully managing their own housing units through creative self-help efforts. It is abundantly clear that their pride of ownership has been the most important factor contributing to the efficiency of operation, enhancing the quality of housing, improving community morale, and providing incentives for their self-improvement. The Republican Party therefore supports the development of programs which will lead to homeownership of public housing developments by current residents.

We strongly believe in open housing. We will vigorously enforce all fair housing laws and will not tolerate their distortion into quotas and controls.

Rent controls promise housing below its market cost but inevitably result in a shortage of decent homes. Our people should not have to underwrite any community which erodes its own housing supply by rent control.

Sound economic policy is good housing policy. In our expanding economy, where people are free to work and save, they will shelter their families without government intrusion.

Welfare

Helping the less fortunate is one of America's noblest endeavors, made possible by the abundance of our free and competitive economy. Aid should be swift and adequate to ensure the necessities of a decent life.

Over the past two decades, welfare became a nightmare for the taxpayer and the poor alike. Fraud and abuse were rampant. The costs of public assistance are astronomical, in large part because resources often benefit the welfare industry rather than the poor.

During the 1970s, the number of people receiving federal assistance increased by almost 300 percent, from 9 million to 35 million, while our population increased by only 11.4 percent. This was a fantastic and unsustainable universalization of welfare.

Welfare's indirect effects were equally as bad. It became a substitute for urgently needed economic reforms to create more entry-level jobs. Government created a hellish cycle of dependency. Family cohesion was shattered, both by providing economic incentives to set up maternal households and by usurping the breadwinner's economic role in intact families.

The cruelest result was the maternalization of poverty, worsened by the breakdown of the family and accelerated by destructive patterns of conduct too long tolerated by permissive liberals. We endorse programs to assist female-headed households to build self-sufficiency, such as efforts by localities to enable participants to achieve permanent employment.

We have begun to clean up the welfare mess. We have dramatically reduced the poor's worst enemy—inflation—thereby protecting their purchasing power. Our resurgent economy has created over six million new jobs and reduced unemployment by 30 percent.

We have launched real welfare reforms. We have targeted benefits to the needy through tighter eligibility standards, en-

forced child-support laws, and encouraged "workfare" in the States. We gave States more leeway in managing welfare programs, more assistance with fraud control, and more incentives to hold down costs.

Only sustained economic growth, continuing our vigorous recovery, can give credible hope to those at the bottom of the opportunity ladder.

The working poor deserve special consideration, as do low-income families struggling to provide for their children. As part of a comprehensive simplification of the federal tax code, we will restore the real value of their personal tax exemptions so that families, particularly young families, can establish their economic independence.

Federal administration of welfare is the worst possible, detached from community needs and careless with public's money. Our long tradition of State and local administration of aid programs must be restored. Programs and resources must be returned to State and local governments and not merely exchanged with them. We will support block grants to combine duplicative programs under State administration.

We must also recognize and stimulate the talents and energy of low-income neighborhoods. We must provide new incentives for self-help activities that flow naturally when people realize they *can* make a difference. This is especially critical in foster care and adoption.

Because there are different reasons for poverty, our programs address different needs and must never be replaced with a unitary income guarantee. That would betray the interests of the poor and the taxpayers alike.

We will employ the latest technology to combat welfare fraud in order to protect the needy from the greedy.

Whenever possible, public assistance must be a transition to the world of work, except in cases, particularly with the aged and disabled, where that is not appropriate. In other cases, it is long overdue.

Remedying poverty requires that we sustain and broaden economic recovery, hold families together, get government's hand out of their pocketbooks, and restore the work ethic.

Health

Our tremendous investment in health care has brought us almost miraculous advances. Although costs are still too high, we have dramatically enhanced the length and quality of life for all.

Faced with Medicare and Medicaid mismanagement, government tried to ration health care through arbitrary cuts in eligibility and benefits. Meanwhile, inflation drove up medical bills for us all. Economic incentives were backwards, with little awareness of costs by individual patients. Reimbursement mechanisms were based on expenses incurred, rather than set prospectively. Conspicuously absent were free-market incentives to respond to consumer wishes. Instead, government's heavy hand was everywhere.

We narrowly averted disaster. We moved creatively and carefully to restructure incentives, to free competition, to encourage flexible new approaches in the States, and to identify better means of health-care delivery. Applying these principles, we will preserve Medicare and Medicaid. We will eliminate the excesses and inefficiencies which drove costs unacceptably high in those programs. In order to assure their solvency and to avoid placing undue burdens on beneficiaries, reform must be a priority. The Republican Party reaffirms its commitment to assure a basic level of high quality health care for all Americans. We reaffirm as well our opposition to any proposals for compulsary national health insurance.

While Republicans held the line against government takeover of health care, the American people found private ways to meet new challenges. There has been a laudable surge in preventive health care and an emphasis on personal responsibility for maintaining one's health. Compassionate innovation has developed insurance against catastrophic illness, and capitated "at risk" plans are encouraging innovation and creativity.

We will maintain our commitment to health excellence by fostering research into yet-unconquered diseases. There is no better investment we as a nation can make than in programs which hold the promise of sounder health and longer life. For every dollar we spend on health research, we save many more in health care costs. Thus, what we invest in medical research today will yield billions of dollars in individual productivity as well as in savings in Medicare and Medicaid. The federal government has been the major source of support for biomedical research since 1945. That research effort holds great promise for combatting cancer, heart disease, brain disorders, mental illness, diabetes, Alzheimer's disease, sickle cell anemia, and numerous other illnesses which threaten our nation's welfare. We commit to its continuance.

Many health problems arise within the family and should be dealt with there. We affirm the right and responsibility of parents to participate in decisions about the treatment of children. We will not tolerate the use of federal funds, taxed away from parents, to abrogate their role in family health care.

Republicans have secured for the hospice movement an important role in federal health programs. We must do more to enable persons to remain within the unbroken family circle. For those elderly confined to nursing homes or hospitals, we insist that they be treated with dignity and full medical assistance.

Discrimination in health care is unacceptable; we guarantee, especially for the handicapped, non-discrimination in the compassionate healing that marks American medicine.

Government must not impose cumbersome health planning that causes major delays, increases construction costs, and stifles competition. It should not unduly delay the approval of new medicines, nor adhere to outdated safety standards hindering rapidly advancing technology.

We must address ailments, not symptoms, in health-care policy. Drug and alcohol abuse costs thousands of lives and billions of dollars every year. We reaffirm our vigorous commitment to alcohol and drug abuse prevention and education efforts. We salute the citizens' campaign, launched from America's grassroots, against drunk driving. We applaud those States which raised the legal drinking age.

Much illness, especially among the elderly, is related to poor nutrition. The reasons are more often social than economic: isolation, separation from family, and often a mismatch between nutritional needs and available assistance. This reinforces our efforts to protect federal nutrition programs from fraud and abuse, so that their benefits can be concentrated upon the truly needy.

A supportive environment linking family, home, neighborhood, and workplace is essential to a sound health policy. The other essential step is to encourage the individual responsibility and group assistance that are uniquely American.

Environment

It is part of the Republican philosophy to preserve the best of our heritage, including our natural resources. The environment is not just a scientific or technological issue; it is a human one. Republicans put the needs of people at the center of environmental concerns. We assert the people's stewardship of our God-given natural resources. We pledge to meet the challenges of environmental protection, economic growth, regulatory reform, enhancement of our scenic and recreational areas, conservation of our nonrenewable resources, and preservation of our irreplaceable natural heritage.

Americans were environmentalists long before it became fashionable. Our farmers cared for the earth and made it the world's most bountiful. Our families cared for their neighborhoods as an investment in our children's future. We pioneered the conservation that replenished our forests, preserved our wildlife, and created our national park system.

The American people have joined together in a great national effort to protect the promise of our future by conserving the rich beauty and bounty of our heritage. As a result, by almost any measure, the air is cleaner than it was 10 years ago, and fish are returning to rivers where they had not been seen for generations.

Within the last four years, dramatic progress has been made in protecting coastal barrier islands, and we began the Park Preservation and Restoration Program to restore the most celebrated symbols of our heritage. We support programs to restore and protect the nation's estuaries, wetland resources, and beaches.

The Republican Party endorses a strong effort to control and clean up toxic wastes. We have already tripled funding to clean up hazardous waste dumps, quadrupled funding for acid rain research, and launched the rebirth of the Chesapeake Bay.

The environmental policy of our nation originated with the Republican Party under the inspiration of Theodore Roosevelt. We hold it a privilege to build upon the foundation we have laid. The Republican Party supports the continued commitment to clean air and clean water. This support includes the implementation of meaningful clean air and clean water acts. We will continue to offer leadership to reduce the threat of our environment and our economy from acid rain, while at the same time preventing economic dislocation.

Even as many environmental problems have been brought under control, new ones have been detected. And all the while, the growth and shifts of population and economic expansion, as well as the development of new industries, will further intensify the competing demands on our national resources.

Continued progress will be much more difficult. The environmental challenges of the 1980s are much more complex than the ones we tried to address in the 1970s, and they will not yield quickly to our efforts. As the science and administration of environmental protection have become more sophisticated, we have learned of many subtle and potentially more dangerous threats to public health and the environment.

In setting out to find solutions to the environmental issues of the 1980s and 1990s, we

start with a healthly appreciation of the difficulties involved. Detecting contamination, assessing the threat, correcting the damage, and setting up preventive measures, all raise questions of science, technology, and public policy that are as difficult as they are important. However, the health and well being of our citizens must be a high priority.

The number of people served by waste water treatment systems has nearly doubled just since 1970. The federal government should offer assistance to State and local governments in planning for the disposal of solid and liquid wastes. A top priority nationwide should be to eliminate the dumping of raw sewage.

We encourage recycling of materials and support programs which will allow our economic system to reward resource conservation.

We also commit ourselves to the development of renewable and efficient energy sources and to the protection of endangered or threatened species of plants and wildlife.

We will be responsible for future generations, but at the same time, we must remember that quality of life means more than protection and preservation. As Teddy Roosevelt put it, "Conservation means development as much as it does protection." Quality of life also means a good job, a decent place to live, accommodation for a growing population, and the continued economic and technological development essential to our standard of living, which is the envy of the whole world.

Transportation

America's overall transportation system is unequalled. Generating over 20 percent of our GNP and employing one of every nine people in the work force, it promotes the unity amid diversity that uniquely characterizes our country. We travel widely, and we move the products of field and factory more efficiently and economically than any other people on earth.

And yet, four years ago, the future of American transportation was threatened. Over several decades, its vigor and creativity had been stunted by the intrusion of government regulation. The results were terribly expensive, and consumers paid the price. Our skies and highways were becoming dangerous and congested. With the same vision that marked President Eisenhower's beginning of the Interstate Highway System, the Reagan Administration launched a massive modernization of America's transport systems.

An expanded highway program is rebuilding the nation's roads and bridges and creating several hundred thousand jobs in construction and related fields. Driving mileage has increased by 8 percent, but greater attention to safety had led to a 17 percent reduction in fatalities, saving more than 8,000 lives yearly.

In public transit, we have redefined the federal role to emphasize support for capital investment, while restoring day-to-day responsibility to local authorities.

Our National Airspace Plan is revolutionizing air traffic control. It will improve flight safety and double the nation's flight capacity, providing better air service and stimulating economic growth.

Regulatory reform is revitalizing American transportation. Federal agencies had protected monopolies by erecting regulatory barriers that hindered the entry of new competitors. Small businesses and minority enterprises were virtually excluded. Prices were set, not by the public through free exchange, but by Washington clerks through green eyeshades.

Republicans led the successful fight to break government's stranglehold. The deregulation of airline economics (not their safety!) will be completed on December 30, 1984, when the Civil Aeronautics Board closes its doors forever. Through our regulatory reform efforts, the rail and trucking industries are now allowed to compete in both price and service. We also led the fight to deregulate interstate bus operations by enacting the Bus Regulatory Reform Act of 1982. While returning to a more free and competitive marketplace, we have ensured that small communities in rural America will retain necessary services through transitional assistance like the Essential Air Service Program, which will continue for four more years.

The Shipping Act of 1984 secured the first major reform of maritime law, as it applies to the U.S. liner trade, since 1916. This major step introduces genuine competition to the maritime industry, while enhancing our ability to compete against international cartels. Important in peacetime, critical in times of conflict, one of our proudest industries had long been neglected. We have expanded employment and brought hope of a future worthy of its past. The Reagan defense program now provides more work for our shipyards than at any time since World War II. We seek to halt the decline of our commercial fleet and restore it to economic strength and strategic capacity to fulfill its national obligations. We also seek to maximize the use of our nation's existing port facilities and shipbuilding and repair capability as a vital transportation resource that should be preserved in the best long-term interest of this country.

The American people benefit from regulatory reform. Air travellers now have a remarkable range of options, and flight is within reach of the average family budget. In the trucking business, increased competition has lowered prices and improved service.

The future of America's freight rail system is again bright. As a result of our reforms, the major private railroads have climbed back to profitability. Government red tape caused their red ink; by cutting the former, we are wiping out the latter. In addition, we transformed Conrail from a multi-billion dollar drain on the taxpayers into an efficient, competitive freight railroad. Returning Conrail as a financially sound single entity to private ownership, with service and jobs secure, will provide the nation with an improved rail freight system to promote economic growth. It will also return to the Treasury a significant portion of the taxpayers' investment, virtually unheard of for a federal project. We support improved passenger rail service where economically justified. We have made substantial progress in reducing the taxpayers' subsidy to Amtrak while maintaining services for which there is genuine demand. The Reagan Administration is selling the Alaska Railroad to the State of Alaska and transferring Conrail's commuter lines to the jurisdictions they serve.

The Republican Party believes that the nation's long-term economic growth will depend heavily on the adequacy of its public works infrastructure. We will continue to work to reverse the long-term decline that has occurred. We should foster development of better information on the magnitude and effectiveness of current federal, State, and local government capital expenditures and innovative financing mechanisms which would improve our capacity to leverage limited federal funds more effectively.

America's leadership in space depends upon the vitality of free enterprise. That is why we encourage a commercial space-transportation industry. We share President Reagan's vision of a permanent manned space station within a decade, viewing it as the first stepping stone toward creating a multi-billion dollar private economy in space. The permanent presence of man in space is crucial both to developing a visionary program of space commercialization and to creating an opportunity society on Earth of benefit to all mankind. We are, after all, the people who hewed roads out of the wilderness. Our families crossed ocean, prairie, and desert no less dangerous than today's space frontier to reach a new world of opportunity. And every route they took became a highway of liberty.

Like them, we know where we are going: forward, toward a future in our hands. Because of them, and because of us, our children's children will use space transportation to build both prosperity and peace on earth.

Education and Youth

Our children are our hope and our future. For their sake, President Reagan has led a national renewal to get back to the "basics" and excellence in education. Young people have turned away from the rebellion of the 1960s and the pessimism of the 1970s. Their hopeful enthusiasm speaks better for a bright future than any government program.

During the Reagan Administration, we restored education to prominence in public policy. This change will clearly benefit our youth and our country. By using the spotlight of the Oval office, the Reagan Administration turned the nation's attention to the quality of education and gave its support to local and State improvement efforts. Parents and all segments of American society responded overwhelmingly to the findings of the National Commission on Excellence in Education, appointed by President Reagan. Its report, along with others from prominent experts and foundations, provided the impetus for educational reform.

Ronald Reagan's significant and innovative leadership has encouraged and sustained the reform movement. He catapulted education to the forefront of the national agenda and will be remembered as a president who improved education.

Unlike the Carter-Mondale Democrats, Republicans have levelled with parents and students about the problems we face together. We find remedies to these problems in the common sense of those most concerned: parents and local leaders. We support the decentralization necessary to put education back on the right track. We urge local school communities, including parents, teachers, students, administrators, and business and civic leaders, to evaluate school curricula—including extra-curricular activities and the time spent in them—and their ultimate effect upon students and the learning process. We recognize the need to get "back to basics" and applaud the dramatic improvements that this approach has already made in some jurisdictions.

In schools, school districts, and States throughout our land, the past year and one-half has been marked by unprecedented response to identified education deficiencies. *The Nation Responds,* a recent report by the Reagan Administration, referred to a "tidal-wave of school reform which promises to

renew American education." According to that report:

Forty-eight States are considering new high school graduation requirements and 35 have approved changes.

Twenty-one States report initiatives to improve textbooks and instructional material.

Eight States have approved lengthening the school day, seven are lengthening the school year, and 18 have mandates affecting the amount of time for instruction.

Twenty-four States are examining master teacher or career ladder programs, and six have begun statewide or pilot programs.

Thirteen States are considering changes in academic requirements for extra-curricular and athletic programs, and five have already adopted more rigorous standards.

Education in a matter of choice, and choice in education is inevitably political. All of education is a passing on of ideas from one generation to another. Since the storehouse of knowledge is vast, a selection must be made of what to pass on. Those doing the selecting bring with them their own politics. Therefore, the more centralized the selection process, the greater the threat of tyranny. The more diversified the selection process, the greater the chance for a thriving free marketplace of ideas as the best insurance for excellence in education.

We believe that education is a local function, a State responsibility, and a federal concern. The federal role in education should be limited. It includes helping parents and local authorities ensure high standards, protecting civil rights, and ensuring family rights. Ignoring that principle, from 1965 to 1980, the United States indulged in a disastrous experiment with centralized direction of our schools. During the Carter-Mondale Administration, spending continued to increase, but test scores steadily declined.

This decline was not limited to academic matters. Many schools lost sight of their traditional task of developing good character and moral discernment. The result for many was a decline in personal responsibility.

The key to the success of educational reform lies in accountability: for students, parents, educators, school boards, and all governmental units. All must be held accountable in order to achieve excellence in education. Restoring local control of education will allow parents to resume the exercise of their responsibility for the basic education, discipline, and moral guidance of their children.

Parents have the primary right and responsibility for the education of their children; and States, localities, and private institutions have the primary responsibility for supporting that parental role. America has been a land of opportunity because America has been a land of learning. It has given us the most prosperous and dynamic society in the world.

The Republican Party recognizes the importance of good teachers, and we acknowledge the great effort many put forth to achieve excellence in the classroom. We applaud their numerous contributions and achievements in education. Unfortunately, many teachers are exhausted by their efforts to support excellence and elect to leave the classroom setting. Our best teachers have been frustrated by lowered standards, widespread indifference, and compensation below the true value of their contribution to society. In 1980–81 alone, 4 percent of the nation's math and science teachers quit the classroom. To keep the best possible teachers for our children, we support those education reforms which will result in increased student learning, including appropriate class sizes, appropriate and adequate learning and teaching materials, appropriate and consistent grading practices, and proper teacher compensation, including rewarding exceptional efforts and results in the classroom.

Classroom materials should be developed and produced by the private sector in the public marketplace, and then selections should be made at the State, local, and school levels.

We commend those States and local governments that have initiated challenging and rigorous high school programs, and we encourage all States to take initiatives that address the special educational needs of the gifted and talented.

We have enacted legislation to guarantee equal access to school facilities by student religious groups. Mindful of our religious diversity, we reaffirm our commitment to the freedoms of religion and speech guaranteed by the Constitution of the United States and firmly support the rights of students to openly practice the same, including the right to engage in voluntary prayer in schools.

While much has been accomplished, the agenda is only begun. We must complete the block-grant process begun in 1981. We will return revenue sources to State and local governments to make them independent of federal funds and of the control that inevitably follows.

The Republican Party believes that developing the individual dignity and potential of disabled Americans is an urgent responsibility. To this end, the Republican Party commits itself to prompt and vigorous enforcement of the rights of disabled citizens, particularly those rights established under the Education for All Handicapped Children Act, Section 504 of the Rehabilitation Act of 1973, and the Civil Rights of Institutionalized Persons Act. We insist on the highest standards of quality for services supported with federal funds.

In addition, government should seek out disabled persons and their parents to make them knowledgeable of their rights.

We will work toward providing federal funds to State and local governments sufficient to meet the degree of fiscal participation already promised in law.

We are committed to excellence in education for all our children within their own communities and neighborhoods. No child should be assigned to, or barred from, a school because of race.

In education, as in other activities, competition fosters excellence. We therefore support the President's proposal for tuition tax credits. We will convert the Chapter One grants to vouchers, thereby giving poor parents the ability to choose the best schooling available. Discrimination cannot be condoned, nor may public policies encourage its practice. Civil rights enforcement must not be twisted into excessive interference in the education process.

Teachers cannot teach and students cannot learn in an undisciplined environment. We applaud the President's promise to provide protection to teachers and administrators against suits from the unruly few who seek to disrupt the education of the overwhelming majority of students.

We urge the aggressive enforcement of the Protection of Pupil Rights amendment (also known as the Hatch Amendment, 20 U.S.C. 1232h) in order to protect pupils' and parents' rights. The amendment prohibits requiring any pupil to reveal personal or family information as part of any federally supported program, test, treatment, or psychological examination unless the school first obtains written consent of the pupil's parents.

The recent Grove City and Hillsdale College cases have raised questions about the extension of federal interference with private colleges, universities, and schools. Since federal aid, no matter how indirect, is now being linked to nearly every aspect of American life, great care must be taken in defining such terms as "federal financial assistance," "indirect" assistance, and "recipient" of assistance. We are deeply concerned that this kind of federal involvement in the affairs of some of the nation's fine private universities, colleges, and schools, many of which have remained stubbornly free of federal entanglements, can only bring with it unintended results. As the historical party of Lincoln and individual rights, we support enactment of legislation which would ensure protection of those covered under Title IX.

We urge States to establish partnerships with the scientific and business worlds to increase the number of teachers in these critical areas of learning. We also recognize a vast reservoir of talent and experience among retirees and other Americans competent to teach in these areas and ready to be tapped.

We endorse experiments with education such as enterprise zones and Cities-in-Schools. We reaffirm our commitment to wipe out illiteracy in our society. Further, we encourage the Congress and the States to reassess the process for aiding education, awarding funds on the basis of academic improvement rather than on daily attendance.

We are aware that good intentions do not always produce the desired results. We therefore urge our schools to evaluate their sex education programs to determine their impact on escalating teenage pregnancy rates. We urge that school officials take appropriate action to ensure parent involvement and responsibility in finding solutions to this national dilemma.

We support and encourage volunteerism in the schools. President Reagan's Adopt-a-School program is an example of how private initiative can revitalize our schools, particularly inner-city schools, and we commend him for his example.

Our emphasis on excellence includes the nation's colleges and universities. Although their achievements are unequalled in the world—in research, in proportion of citizens enrolled, in their contribution to our democratic society—we call upon them for accountability in good teaching and quality curricula that will ensure competent graduates in the world of work.

We pledge to keep our colleges and universities strong. They have been far too dependent on federal assistance and thus have been tied up in federal red tape. Their independence is an essential part of our liberty. Through regulatory reform, we are holding down the costs of higher education and reestablishing academic freedom from government. This is especially important for small schools, religious institutions, and the historically black colleges, for which President Reagan's Executive Order 12320 has meant new hope and vigor. We further reaffirm and support a regular Black College Day which honors a vital part of our educational community.

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Republicans applaud the information explosion. This literacy-based knowledge revolution, made possible by computers, tapes, television, satellites, and other high technology innovations, buttressed by training programs through the business sector and foundations, is a tribute to American ingenuity. We urge our schools to educate for the ever-changing demands of our society and to resist using these innovations as substitutes for reasoning, logic, and mastery of basic skills.

We encourage excellence in the vocational and technical education that has contributed to the self-esteem and productivity of millions. We believe the best vocational and technical education programs are rooted in strong academic fundamentals. Business and industry stand ready to establish training partnerships with our schools. Their leadership is essential to keep America competitive in the future.

In an age when individuals may have four or five different jobs in their working career, vocational education and opportunities for adult learning will be more important than ever. The challenge of learning for citizenship and for work in an age of change will require new adaptations and innovations in the process of education. We urge the teaching profession and educational institutions at all levels to develop the maximum use of new learning opportunities available through learning-focused high technology. This technology in education and in the workplace is making possible, and necessary, the continuing education of our adult population. The participation by adults in educational offerings within their communities will strengthen the linkages among the places where Americans live, work, and study.

Important as technology is, by itself it is inadequate for a free society. The arts and humanities flourish in the private sector, where a free market in ideas is the best guarantee of vigorous creativity. Private support for the arts and humanities has increased over the last four years, and we encourage its growth.

We support the National Endowments for the Arts and Humanities in their efforts to correct past abuses and focus on developing the cultural values that are the foundation for our free society. We must ensure that these programs bring the arts and humanities to people in rural areas, the inner city poor, and other underserved populations.

Crime

One of the major responsibilities of government is to ensure the safety of its citizens. Their security is vital to their health and to the well-being of their neighborhoods and communities. The Reagan Administration is committed to making America safe for families and individuals. And Republican programs are paying dividends.

For the first time in the history of recorded federal crime statistics, rates of serious crime have dropped for two consecutive years. In 1983, the overall crime rate dropped 7 percent; and in 1982, the overall crime rate dropped 3 percent. In 1982 (the latest year for which figures are available), the murder rate dropped 5 percent, the robbery rate was down 6 percent, and forcible rape dropped 5 percent. Property crimes also declined: burglary decreased 9 percent, auto theft declined 2 percent, and theft dropped 1 percent.

Republicans believe that individuals are responsible for their actions. Those who commit crimes should be held strictly accountable by our system of justice. The primary objective of the criminal law is public safety; and those convicted of serious offenses must be jailed swiftly, surely, and long enough to assure public safety.

Republicans respect the authority of State and local law enforcement officials. The proper federal role is to provide strong support and coordination for their efforts and to vigorously enforce federal criminal laws. By concentrating on repeat offenders, we are determined to take career criminals off the street.

Additionally, the federal law enforcement budget has been increased by nearly 50 percent. We added 1,900 new investigators and prosecutors to the federal fight against crime. We arrested more offenders and sent more of them to prison. Convictions in organized crime cases have tripled under the Reagan Administration. We set up task forces to strike at organized crime and narcotics. In the year since, 3,000 major drug traffickers have been indicted, and nearly 1,000 have already been convicted. We are helping local authorities search for missing children. We have a tough new law against child pornography. Republicans initiated a system for pooling information from local, State and federal law enforcement agencies: the Violent Criminal Apprehension Program (VI-CAP). Under this program, State and local agencies have the primary law enforcement responsibility, but cross-jurisdictional information is shared rapidly so that serial murderers and other violent criminals can be identified quickly and then apprehended.

Under the outstanding leadership of President Reagan and Vice President Bush's Task Force on Organized Crime, the Administration established the National Narcotics Border Interdiction System. We set up an aggressive Marijuana Eradication and Suppression Program, gave the FBI authority to investigate drugs, and coordinated FBI and DEA efforts. We reaffirm that the eradication of illegal drug traffic is a top national priority.

We have levelled with the American people about the involvement of foreign governments, especially Communist dictators, in narcotics traffic: Cuba, the Soviet Union, Bulgaria—and now the Sandinistas in Nicaragua—are international "pushers," selling slow death to young Americans in an effort to undermine our free society.

The Republican Party has deep concern about gratuitous sex and violence in the entertainment media, both of which contribute to the problem of crime against children and women. To the victims of such crimes who need protection, we gladly offer it.

We have begun to restore confidence in the criminal justice system. The Carter-Mondale legal policy had more concern for abstract criminal rights than for the victims of crime. It hurt those least able to defend themselves: the poor, the elderly, school children, and minorities. Republican leadership has redressed that imbalance. We have advanced such reforms as restitution by convicted criminals to their victims; providing victims with full explanations of what will occur before, during, and after trial; and assuring that they may testify at both trial and sentencing.

The Republican Senate has twice passed, with one dissenting vote, a comprehensive federal anti-crime package which would:

Establish uniform, predictable and fair sentencing procedures, while abolishing the inconsistencies and anomalies of the current parole system;

Strengthen the current bail procedures to allow the detention of dangerous criminals, who under current law are allowed to roam the streets pending trial;

Increase dramatically the penalties for narcotic traffickers and enhance the ability of society to recoup ill-gotten gains from drug trafficking;

Narrow the overly broad insanity defense; and

Provide limited assistance to States and localities for the implementation of anti-crime programs of proven effectiveness.

In addition, the Republican Senate has overwhelmingly passed Administration-backed legislation which would:

Restore a constitutionally valid federal death penalty;

Modify the exclusionary rule in a way recently approved by the Supreme Court; and

Curtail abuses by prisoners of federal *habeas corpus* procedures.

The Democrat bosses of the House of Representatives have refused to allow a vote on our initiatives by the House Judiciary Committee, perennial graveyard for effective anti-crime legislation, or by the full House despite our pressure and the public's demand.

The best way to deter crime is to increase the probability of detection and to make punishment certain and swift. As a matter of basic philosophy, we advocate preventive rather than merely corrective measures. Republicans advocate sentencing reform and secure, adequate prison construction. We concur with the American people's approval of capital punishment where appropriate and will ensure that it is carried out humanely.

Republicans will continue to defend the constitutional right to keep and bear arms. When this right is abused and armed felonies are committed, we believe in stiff, mandatory sentencing. Law-abiding citizens exercising their constitutional rights must not be blamed for crime. Republicans will continue to seek repeal of legislation that restrains innocent citizens more than violent criminals.

Older Americans

We reaffirm our commitment to the financial security, physical well-being, and quality of life of older Americans. Valuing them as a treasure of wisdom and experience, we pledge to utilize their unique talents to the fullest.

During the Carter-Mondale years, the silent thief of inflation ruthlessly preyed on the elderlys' savings and benefits, robbing them of their retirement dollars and making many dependent on government handouts.

No more. Due to the success of Reaganomics, a retiree's private pension benefits are worth almost $1,000 more than if the 1980 inflation rate had continued. Average monthly Social Security benefits have increased by about $180 for a couple and by $100 a month for an individual. Because President Reagan forged a hard-won solution to the Social Security crisis, our elderly will not be repeatedly threatened with the program's impending bankruptcy as they were under the irresponsible policies of the Carter-Mondale Administration. We will work to repeal the Democrats' Social Security earnings-limitation, which penalizes the elderly by taking one dollar of their income for every two dollars earned.

Older Americans are vital contributors to society. We will continue to remove artificial barriers which discourage their participation in community life. We reaffirm our traditional opposition to mandatory retirement.

For those who are unable to care for themselves, we favor incentives to encourage home-based care.

We are combatting insidious crime against the elderly, many of whom are virtual prisoners in their own homes for fear of violence. We demand passage of the President's Comprehensive Crime Control package, stalled by the Democrat-controlled House Judiciary Committee. We support local initiatives to fight crime against the elderly.

Older Americans want to contribute, to live with the dignity and respect they have earned, and to have their special needs recognized. The Republican Party must never turn its back on our elderly, and we ensure that we will adequately provide for them during their golden years so they can continue to enjoy our country's high standard of living, which their labors have helped provide.

Advancing Opportunity

Throughout this Platform are initiatives to provide an opportunity ladder for the poor, particularly among minorities in both urban and rural areas. Unlike the Carter-Mondale Administration that locked them into the welfare trap, Republicans believe compassion dictates our offering real opportunities to minorities and the urban poor to achieve the American Dream.

We have begun that effort; and as a pledge of its continuance, this Platform commits us, not to a war of class against class, but to a crusade for prosperity for all.

For far too long, the poor have been trapped by the policies of the Democratic Party which treat those in the ghetto as if their interests were somehow different from our own. That is unfair to us all and an insult to the needy. Their goals are ours; their aspirations we share.

To emphasize our common bond, we have addressed their needs in virtually every section of this Platform, rather than segregating them in a token plank. To those who would see the Republican future for urban America, and for those who deserve a better break, we offer the commitments that make up the sinew of this Platform.

Congress must pass enterprise zones, to draw a green line of prosperity around the red-lined areas of our cities and to help create jobs and entrepreneurial opportunities.

We offer the boldest breakthrough in housing policy since VA mortgages: we offer opportunities for private ownership of housing projects by the poor themselves.

We pledge comprehensive tax reform that will give America back what was its post-war glory: a pro-family tax code with a dramatic work incentive for low-income and welfare families.

We offer hope, not despair; more opportunities for education through vouchers and tuition tax relief; and increased participation in the private enterprise system through the reform of counterproductive taxes and regulations.

Together with our emphatic commitment to civil rights, Republican programs will achieve, for those who feel left out of our society's progress, what President Reagan has already secured for our country: a new beginning to move America to full employment and honest money for all.

A FREE AND JUST SOCIETY

In 1980, the Republican Party offered a vision of America's future that applied our traditions to today's problems. It is the vision of a society more free and more just than any in history. It required a break with the worn-out past, to redefine the role of government and its relationship with individuals and their institutions. Under President Reagan's leadership, the American people are making that vision a reality.

The American people want an opportunity society, not a welfare state. They want government to foster an environment in which individuals can develop their potential without hindrance.

The Constitution is the ultimate safeguard of individual rights. As we approach the Constitutional Bicentennial in 1987, Republicans are restoring its vitality, which had been transgressed by Democrats in Congress, the executive, and in the courts.

We are renewing the federal system, strengthening the States, and returning power to the people. That is the surest course to our common goal: a free and just society.

Individual Rights

The Republican Party is the party of equal rights. From its founding in 1854, we have promoted equality of opportunity.

The Republican Party reaffirms its support of the pluralism and freedom that have been part and parcel of this great country. In so doing, it repudiates and completely dissociates itself from people, organizations, publications, and entities which promulgate the practice of any form of bigotry, racism, anti-semitism, or religious intolerance.

Americans demand a civil rights policy premised on the letter of the Civil Rights Act of 1964. That law requires equal rights; and it is our policy to end discrimination on account of sex, race, color, creed, or national origin. We have vigorously enforced civil rights statutes. The Equal Employment Opportunity Commission has recovered record amounts of back pay and other compensation for victims of employment discrimination.

Just as we must guarantee opportunity, we oppose attempts to dictate results. We will resist efforts to replace equal rights with discriminatory quota systems and preferential treatment. Quotas are the most insidious form of discrimination: reverse discrimination against the innocent. We must always remember that, in a free society, different individual goals will yield different results.

The Republican Party has an historic commitment to equal rights for women. Republicans pioneered the right of women to vote, and our party was the first major party to advocate equal pay for equal work, regardless of sex.

President Reagan believes, as do we, that all members of our party are free to work individually for women's progress. As a party, we demand that there be no detriment to that progress or inhibition of women's rights to full opportunity and advancement within this society.

Participation by women in policy-making is a strong commitment by the Republican Party and by President Reagan. He pledged to appoint a woman to the United States Supreme Court. His promise was not made lightly; and when a vacancy occurred, he quickly filled it with the eminently qualified Sandra Day O'Connor of Arizona.

His Administration has also sought the largest number of women in history to serve in appointive positions within the executive branch of government. Three women serve at Cabinet level, the most ever in history. Jeane Kirkpatrick, the U.S. Representative to the United Nations, Elizabeth Dole, Secretary of Transportation, and Margaret Heckler, Secretary of Health and Human Services, head a list of over 1,600 women who direct policy and operations of the federal government.

The Republican Party continues to search for interested and qualified women for all government positions. We will continue to increase the number of first-time appointments for women serving in government at all levels.

Our record of economic recovery and growth is an additional important accomplishment for women. It provides a stark contrast to the Carter-Mondale legacy to women: a shrinking economy, limited job opportunities and a declining standard of living.

Whether working in or outside the home, women have benefitted enormously from the economic progress of the past four years. The Republican economic expansion added over six million new jobs to the economy. It increased labor force participation by women to historic highs. Women's employment has risen by almost four and one-half million since the last Carter-Mondale year. They obtained almost one million more new jobs than men did. Economic growth due to Republican economic policies has produced a record number of jobs so that women who want to work outside the home now have unmatched opportunity. In fact, more than 50 percent of all women now have jobs outside the home.

The spectacular decline in inflation has immeasurably benefitted women working both in and outside the home. Under President Reagan, the cost increase in everyday essentials—food, clothing, housing, utilities—has been cut from the Carter-Mondale highs of over 10 percent a year to just over 4 percent today. We have ushered in an era of price stability that is stretching take-home pay hundreds of dollars farther. In 1982, for the first time in 10 years, women experienced a real increase in wages over inflation.

Lower interest rates have made it possible for more women, single and married, to own their homes and to buy their own automobiles and other consumer goods.

Our 25 percent reduction in marginal tax rates provided important benefits to women, as did the virtual elimination of the "widow's tax" which had jeopardized retirement savings of senior women. At the same time, we raised the maximum child care tax credit from $400 to $720 per family. We will continue to actively seek the elimination of discrimination against homemakers with regard to Individual Retirement Accounts so that single-income couples can invest the same amount in IRAs as two-income couples.

In addition, President Reagan has won enactment of the Retirement Equity Act of 1984. That legislation, strongly supported by congressional Republicans, makes a comprehensive reform of private pension plans to recognize the special needs of women.

Our record of accomplishing during the last four years is clear, but we intend to do even better over the next four.

We will further reduce the "marriage penalty," a burden upon two-income, working families. We will work to remove artificial impediments in business and industry, such as occupational licensing laws, that limit job opportunities for women, minorities, and youth or prevent them from entering the labor force in the first place.

For low-income women, the Reagan Administration has already given States and localities the authority, through the Job Training Partnership Act, to train more re-

cipients of Aid to Families with Dependent Children for permanent, not make-work, jobs. We have increased child support collections from $1.5 billion to $2.4 billion and enacted a strong child support enforcement law. We will continue to stress welfare reforms which promote individual initiative, the real solution to breaking the cycle of welfare dependency.

With women comprising an increasing share of the work force, it is essential that the employment opportunities created by our free market system be open to individuals without regard to their sex, race, religion, or ethnic origin. We firmly support an equal opportunity approach which gives women and minorities equal access to all jobs—including the traditionally higher-paying technical, managerial, and professional positions—and which guarantees that workers in those jobs will be compensated in accord with the laws requiring equal pay for equal work under Title VII of the Civil Rights Act.

We are creating an environment in which individual talents and creativity can be tapped to the fullest, while assuring that women have equal opportunity, security, and real choices for the promising future. For all Americans, we demand equal pay for equal work. With equal emphasis, we oppose the concept of "comparable worth." We believe that the free market system can determine the value of jobs better than any government authority.

The Department of Justice has identified 140 federal statutes with gender-based distinctions. Proposed legislation will correct all but 18; six are still under study; the rest, which actually favor women, will remain as is. President Reagan's Fifty States Project, designed to identify State laws discriminating against women, has encouraged 42 States to start searches, and 26 have begun amending their laws. The Department has filed more cases dealing with sex discrimination in employment than were filed during a comparable period in the Carter-Mondale Administration.

Working with Republicans in Congress, President Reagan has declared 1983-1992 the Decade of Disabled Persons. All Americans stand to gain when disabled citizens are assured equal opportunity.

The Reagan Administration has an outstanding record in achieving accessibility for the handicapped. During the past two years, minimum guidelines have at last been adopted, and the Uniform Federal Accessibility Standard has become fact.

The Republican Party realizes the great potential of members of the disabled community in this country. We support all efforts being made at the federal level to remove artificial barriers from our society so that disabled individuals may reach their potential and participate at the maximum level of their abilities in education, employment, and recreation. This includes the removal, insofar as practicable, of architectural transportation, communication and attitudinal barriers. We also support efforts to provide disabled Americans full access to voting facilities.

We deplore discrimination because of handicap. The Reagan Administration was the first to combat the insidious practice of denying medical care or even food and water to disabled infants. This issue has vast implications for medical ethics, family autonomy, and civil rights. But we find no basis, whether in law or medicine or ethics, for denying necessities to an infant because of the child's handicap.

We are committed to enforcing statutory prohibitions barring discrimination against any otherwise qualified handicapped individuals, in any program receiving federal financial assistance, solely by reason of their handicap.

We recognize the need for watchful care regarding the procedural due process rights of persons with handicaps both to prevent their placement into inappropriate programs or settings and to ensure that their rights are represented by guardians or other advocates, if necessary.

For handicapped persons who need care, we favor family-based care where possible, supported by appropriate and adequate incentives. We increased the tax credit for caring for dependents or spouses physically or mentally unable to care for themselves. We also provided a deduction of up to $1,500 per year for adopting a child with special needs that may otherwise make adoption difficult.

We are committed to seeking out gifted children and their parents to make them knowledgeable of their educational rights.

We reaffirm the right of all individuals freely to form, join, or assist labor organizations to bargain collectively, consistent with State laws and free from unnecessary government involvement. We support the fundamental principle of fairness in labor relations. We will continue the Reagan Administration's "open door" policy toward organized labor and its leaders. We reaffirm our long-standing support for the right of States to enact "Right-to-Work" laws under section 14(b) of the Taft-Hartley Act.

The political freedom of every worker must be protected. Therefore, we strongly oppose the practice of using compulsory dues and fees for partisan political purposes. Also, the protection of all workers must be secured. Therefore, no worker should be coerced by violence or intimidation by any party to a labor dispute.

The healthy mix of America's ethnic, cultural, and social heritage has always been the backbone of our nation and its progress throughout our history. Without the contributions of innumerable ethnic and cultural groups, our country would not be where it is today.

For millions of black Americans, Hispanic Americans, Asian Americans, and members of other minority groups, the past four years have seen a dramatic improvement in their ability to secure for themselves and for their children a better tomorrow.

That is the American Dream. The policies of the Reagan Administration have opened literally millions of doors of opportunity for these Americans, doors which either did not exist or were rapidly being slammed shut by the no-growth policies of the Carter-Mondale Administration.

We Republicans are proud of our efforts on behalf of all minority groups, and we pledge to do even more during the next four years.

We will continue to press for enactment of economic and social policies that promote growth and stress individual initiative of minority Americans. Our tax sytem will continue to be overhauled and reformed by making it fairer and simpler, enabling the families of minorities to work and save for their future. We will continue to push for passage of enterprise zone legislation, now bottled up in the Democrat-controlled House of Representatives. That bill, discussed elsewhere in this platform, will help minority Americans living in cities and urban areas to get jobs, to start their own businesses, and to reap the fruits of entrepreneurship by tapping their individual initiative, energy, and creativity.

We honor and respect the contributions of minority Americans and will do all we can to see that our diversity is enhanced during the next four years. Active contributions by minorities are the threads that weave the fabric that is America and make us stronger as a nation. We recognize these individuals and their contributions and will continue to promote the kinds of policies that will make their dreams for a better America a reality. The party of Lincoln will remain the party of equal rights for all.

We continue to favor whatever legislation may be necessary to permit American citizens residing in the Virgin Islands, Guam, and Puerto Rico to vote for president and vice president in national elections.

We support the right of Indian Tribes to manage their own affairs and resources. Recognizing the government-to-government trust responsibility, we are equally committed to working towards the elimination of the conditions of dependency produced by federal control. The social and economic advancement of Native Americans depends upon changes they will chart for themselves. Recognizing their diversity, we support the President's policy of responsibly removing impediments to their self-sufficiency. We urge the nations of the Americas to learn from our past mistakes and to protect native populations from exploitation and abuse.

Native Hawaiians are the only indigenous people of our country who are not officially designated as Native Americans. They should share that honored title. We endorse efforts to preserve their culture as a unique element in the human tapestry that is America.

Family Protection

Republicans affirm the family as the natural and indispensable institution for human development. A society is only as strong as its families, for they nurture those qualities necessary to maintain and advance civilization.

Healthy families inculcate values—integrity, responsibility, concern for others—in our youth and build social cohesion. We give high priority to their well-being. During the 1970s, America's families were ravaged by worsening economic conditions and a Washington elite unconcerned with them.

We support the concept of creating Family Education Accounts which would allow tax-deferred savings for investment in America's most crucial asset, our children, to assist low- and middle-income families in becoming self-reliant in meeting the cost of higher education.

In addition, to further assist the young families of America in securing the dream of homeownership, we would like to review the concept of Family Housing Accounts which would allow tax-exempt savings for a family's first home.

Preventing family dissolution, a leading cause of poverty, is vital. It has had a particularly tragic impact on the elderly, women, and minorities. Welfare programs have devasted low-income families and induced single parenthood among teens. We will review legislation and regulations to examine their impact on families and on parental rights and responsibilities. We seek to eliminate incentives for family break-up and to reverse the alarming rate of pregnancy outside marriage. Meanwhile, the Republican Party believes that society must do all

that is possible to guarantee those young parents the opportunity to achieve their full education and parental potential.

Because of Republican tax cuts, single people and married people without dependents will have in 1984 basically the same average tax rates they had in 1960. The marriage penalty has been reduced. However, a couple with dependents still pays a greater portion of their income in taxes than in 1960. We reaffirm that the personal exemption for children be no less than for adults, and we will at least double its current level. The President's tax program also increased tax credits for child care expenses. We will encourage private sector initiatives to expand on-site child care facilites and options for working parents.

The problem of physical and sexual abuse of children and spouses requires careful consideration of its causes. In particular, gratuitious sex and violence in entertainment media contribute to this sad development.

We and the vast majority of Americans are repulsed by pornography. We will vigorously enforce constitutional laws to control obscene materials which degrade everyone, particularly women, and depict the exploitation of children. We commend the Reagan Administration for creating a commission on pornography. We stand with our President in his determination to solve the problem.

We call upon the Federal Communications Commission, and all other federal, State, and local agencies with proper authority, to strictly enforce the law regarding cable pornography and to implement rules and regulations to clean up cable pornography and the abuse of telephone service for obscene purposes.

Immigration

Our history is a story about immigrants. We are proud that America still symbolizes hope and promise to the world. We have shown unparalleled generosity to the persecuted and to those seeking a better life. In return, they have helped to make a great land greater still.

We affirm our country's absolute right to control its borders. Those desiring to enter must comply with our immigration laws. Failure to do so not only is an offense to the American people but is fundamentally unjust to those in foreign lands patiently waiting for legal entry. We will preserve the principle of family reunification.

With the estimates of the number of illegal aliens in the United States ranging as high as 12 million and better than one million more entering each year, we believe it is critical that responsible reforms of our immigration laws be made to enable us to regain control of our borders.

The flight of oppressed people in search of freedom has created pressures beyond the capacity of any one nation. The refugee problem is global and requires the cooperation of all democratic nations. We commend the President for encouraging other countries to assume greater refugee responsibilities.

Our Constitutional System

Our Constitution, now almost 200 years old, provides for a federal system, with a separation of powers among the three branches of the national government. In that system, judicial power must be exercised with deference towards State and local officials; it must not expand at the expense of our representative institutions. It is not a judicial function to reorder the economic, political, and social priorities of our nation. The intrusion of the courts into such areas undermines the stature of the judiciary and erodes respect for the rule of law. Where appropriate, we support congressional efforts to restrict the jurisdiction of federal courts.

We commend the President for appointing federal judges committed to the rights of law-abiding citizens and traditional family values. We share the public's dissatisfaction with an elitist and unresponsive federal judiciary. If our legal institutions are to regain respect, they must respect the people's legitimate interests in a stable, orderly society. In his second term, President Reagan will continue to appoint Supreme Court and other federal judges who share our commitment to judicial restraint.

The Republican Party firmly believes that the best governments are those most accountable to the people. We heed Thomas Jefferson's warning: "When all government, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another."

For more responsible government, non-essential federal functions should be returned to the States and localities wherever prudent. They have the capability, knowledge, and sensitivity to local needs required to better administer and deliver public services. Their diverse problems require local understanding. The transfer of rights, responsibilities, and revenues to the "home front" will recognize the abilities of local government and the limitations of a distant federal government.

We commend the President for the bold initiatives of his "New Federalism." The enacted block grants discussed elsewhere in this Platform are a positive step. But the job of making government more accountable to the people has just begun. We strongly favor the expansion of block-grant funding and other means to restore our nation's federal foundation.

More than 40 years ago, a grave injustice was done to many Americans of Japanese ancestry. Uprooted from their homes in a time of crisis, loyal citizens and residents were treated in a way which contravened the fundamental principles of our people. We join them and their descendants in assuring that the deprivation of rights they suffered shall never again be permitted in this land of liberty.

To benefit all Americans, we support the privatization of government services whenever possible. This maximizes consumer freedom and choice. It reduces the size and cost of government, thus lessening the burden on taxpayers. It stimulates the private sector, increases prosperity, and creates jobs. It demonstrates the primacy of individual action which, within a free market economy, can address human needs most effectively.

Within the executive branch, the Reagan Administration has made government work more efficiently. Under the direction of the Office of Personnel Management, non-defense government employment was reduced by over 100,000. The overwhelming majority of federal employees are dedicated and hard-working. Indeed, we have proposed to base their pay and retention upon performance so that outstanding federal employees may be properly rewarded.

The federal government owns almost a third of our nation's land. With due recognition of the needs of the federal government and mindful of environmental, recreational, and national defense needs, we believe the sale of some surplus land will increase productivity and increase State and local tax bases. It will also unleash the creative talents of free enterprise in defense of resource and environmental protection.

The expression of individual political views is guaranteed by the First Amendment; government should protect, not impinge upon First Amendment rights. Free individuals must have unrestricted access to the process of self-government. We deplore the growing labyrinth of bewildering regulations and obstacles which have increased the power of political professionals and discouraged the participation of average Americans. Even well-intentioned restrictions on campaign activity stifle free speech and have a chilling effect on spontaneous political involvement by our citizens.

The holding of public office in our country demands the highest degree of commitment to integrity, openness, and honesty by candidates running for all elective offices. Without such a commitment, public confidence rapidly erodes. Republicans therefore reaffirm our commitment to the fair and consistent application of financial disclosure laws. We will continue our support for full disclosure by all high officials of the government and candidates in positions of public trust. This extends to the financial holding of spouses or dependents, of which the official has knowledge, financial interest, or benefit. We will continue to hold all public officials to the highest ethical standards and will oppose the inconsistent application of those standards on the basis of gender.

Republicans want to encourage, not restrict, free discourse and association. The interplay of concerned individuals, sometimes acting collectively to pursue their goals, has led to healthy and vigorous debate and better understanding of complex issues. We will remove obstacles to grass roots participation in federal elections and will reduce, not increase, the federal role.

Republicans believe that strong, competitive political parties contribute mightily to coherent national policies, effective representation, and responsive government. Forced taxpayer financing of campaign activities is political tyranny. We oppose it.

In light of the inhibiting role federal election laws and regulations have had, Congress should consider abolishing the Federal Election Commission.

We are the party of limited government. We are deeply suspicious of the amount of information which governments collect. Governments limited in size and scope best ensure our people's privacy. Particularly in the computer age, we must ensure that no unnecessary information is demanded and that no disclosure is made which is not approved. We oppose national identification cards.

We support reasonable methods to fight those who undermine national security, prevent crosschecks of government benefit records to conceal welfare fraud, or misuse financial secrecy laws to hide their narcotics profits under the guise of a right to privacy.

Private property is the cornerstone of our liberty and the free enterprise system. The right of property safeguards for citizens all things of value: their land, merchandise and money, their religious convictions, their safety and liberty, and their right of contract to produce and sell goods and services. Republicans reaffirm this God-given and inalienable right.

The unborn child has a fundamental individual right to life which cannot be infringed. We therefore reaffirm our support

for a human life amendment to the Constitution, and we endorse legislation to make clear that the Fourteenth Amendment's protections apply to unborn children. We oppose the use of public revenues for abortion and will eliminate funding for organizations which advocate or support abortion. We commend the efforts of those individuals and religious and private organizations that are providing positive alternatives to abortion by meeting the physical, emotional, and financial needs of pregnant women and offering adoption services where needed.

We applaud President Reagan's fine record of judicial appointments, and we reaffirm our support for the appointment of judges at all levels of the judiciary who respect traditional family values and the sanctity of innocent human life.

AMERICA SECURE AND THE WORLD AT PEACE

The Future of Our Foreign Policy

President Reagan has restored the American people's faith in the principles of liberal democracy. Today, we have more confidence in the self-evident truths of democracy than at any time since World War II.

The first principle of that faith is that all human beings are created equal in the natural human right to govern themselves.

Just as we assert the right of self-government, it follows that all people throughout the world should enjoy that same human right. This moral principle must be the ideal by which our policy toward other nations is directed.

We Republicans emphasize that there is a profound moral difference between the actions and ideals of Marxist-Leninist regimes and those of democratic governments, and we reject the notions of guilt and apology which animate so much of the foreign policy of the Democratic Party. We believe American foreign policy can only succeed when it is based on unquestioned faith in a single idea: the idea that all human beings are created equal, the founding idea of democracy.

The supreme purpose of our foreign policy must be to maintain our freedom in a peaceful international environment in which the United States and our allies and friends are secure against military threats, and democratic governments are flourishing in a world of increasing prosperity.

This we pledge to our people and to future generations: we shall keep the peace by keeping our country stronger than any potential adversary.

The Americas

Our future is intimately tied to the future of the Americas. Family, language, culture, and trade link us closely with both Canada, our largest trading partner, and our southern neighbors.

The people of both Mexico and Canada are of fundamental importance to the people of the United States of America, not just because we share a common border, but because we are neighbors who share both history and a common interest for the present and future. Under President Reagan, our relations with both countries are being carried out in a serious, straightforward manner in a climate of mutual respect. As our countries seek solutions to common problems on the basis of our mutual interests, we recognize that each country has a unique contribution to make in working together to resolve mutual problems.

The security and freedom of Central America are indispensable to our own. In addition to our concern for the freedom and overall welfare of our neighbors to the south, two-thirds of our foreign trade passes through the Caribbean and the Panama Canal. The entire region, however, is gravely threatened by Communist expansion, inspired and supported by the Soviet Union and Cuba. We endorse the principles of the Monroe Doctrine as the strongest foundation for United States policy throughout the hemisphere.

We encourage even closer ties with the countries of South America and consider the strengthening of representative governments there as a contribution to the peace and security of us all. We applaud the Organization of American States for its efforts to bring peace and freedom to the entire hemisphere.

Republicans have no illusions about Castro's brutal dictatorship in Cuba. Only our firmness will thwart his attempts to export terrorism and subversion, to destroy democracy, and to smuggle narcotics into the United States. But we also extend a constructive, hopeful policy toward the Cuban people. Castro resents and resists their desire for freedom. He fears Radio Marti, President Reagan's initiative to bring truth to our Cuban neighbors. He is humiliated by the example of Cuban-born Americans, whose spiritual and material accomplishments contrast starkly with Communist failures in their birthplace. We believe in friendship between the Cuban and the American peoples, and we envision a genuine democracy in Cuba's future.

We support the President in following the unanimous findings of the Bipartisan Commission on Central America, first proposed by the late Senator Henry "Scoop" Jackson of Washington.

Today, democracy is under assault throughout the hemisphere. Marxist Nicaragua threatens not only Costa Rica and Honduras, but also El Salvador and Guatemala. The Sandinista regime is building the largest military force in Central America, importing Soviet equipment, Eastern bloc and PLO advisors, and thousands of Cuban mercenaries. The Sandinista government has been increasingly brazen in its embrace of Marxism-Leninism. The Sandinistas have systematically persecuted free institutions, including synagogue and church, schools, the private sector, the free press, minorities, and families and tribes throughout Nicaragua. We support continued assistance to the democratic freedom fighters in Nicaragua. Nicaragua cannot be allowed to remain a Communist sanctuary, exporting terror and arms throughout the region. We condemn the Sandinista government's smuggling of illegal drugs into the United States as a crime against American society and international law.

The heroic effort to build democracy in El Salvador has been brutally attacked by Communist guerrillas supported by Cuba and the Sandinistas. Their violence jeopardizes improvements in human rights, delays economic growth, and impedes the consolidation of democracy. El Salvador is nearer to Texas than Texas is to New England, and we cannot be indifferent to its fate. In the tradition of President Truman's postwar aid to Europe, President Reagan has helped the people of El Salvador defend themselves. Our opponents object to that assistance, citing concern for human rights. We share that concern, and more than that, we have taken steps to help curb abuses. We have firmly and actively encouraged human rights reform, and results have been achieved. In judicial reform, the murderers of the American nuns in 1980 have been convicted and sentenced; and in political reform, the right to vote has been exercised by 80 percent of the voters in the fair, open elections of 1982 and 1984. Most important, if the Communists seize power there, human rights will be extinguished, and tens of thousands will be driven from their homes. We therefore support the President in his determination that the Salvadoran people will shape their own future.

We affirm President Reagan's declaration at Normandy: there is a profound moral difference between the use of force for liberation and the use of force for conquest and territorial expansion. We applaud the liberation of man and mind from oppression everywhere.

We applaud the liberation of Grenada, and we honor those who took part in it. Grenada is small, and its people few; but we believe the principle established there, that freedom is worth defending, is of monumental importance. It challenges the Brezhnev doctrine. It is an example to the world.

The Caribbean Basin Initiative is a sound program for the strenghening of democratic institutions through economic development based on free people and free market principles. The Republican Party strongly supports this program of integrated, mutually reinforcing measures in the fields of trade, investment, and financial assistance.

We recognize our special-valued relationship with Puerto Rico and the Virgin Islands; and we will support special measures to ensure that they will benefit and prosper from the Caribbean Basin Initiative, thereby reinforcing a stronghold of democracy and free enterprise in the Caribbean. The Republican Party reaffirms its support of the right of Puerto Rico to be admitted into the Union after it freely so determines, through the passage of an admission bill which will provide for a smooth fiscal transition, recognize the concept of a multicultural society for its citizens, and secure the opportunity to retain their Spanish language and traditions.

The Soviet Union

Stable and peaceful relations with the Soviet Union are possible and desirable, but they depend upon the credibility of American strength and determination. As our power waned in the 1970s, our very weakness was provocative. The Soviets exploited it in Afghanistan, the Middle East, Africa, Southeast Asia, and the Western Hemisphere. Our policy of peace through strength encourages freedom-loving people everywhere and provides hope for those who look forward one day to enjoying the fruits of self-government.

We hold a sober view of the Soviet Union. Its globalist ideology and its leadership obsessed with military power make it a threat to freedom and peace on every continent. The Carter-Mondale Administration ignored that threat, and the Democratic candidates underestimate it today. The Carter-Mondale illusion that the Soviet leaders share our ideals and aspirations is not only false but a profound danger to world peace.

Republicans reaffirm our belief that Soviet behavior at the negotiating table cannot be divorced from Soviet behavior elsewhere. Over-eagerness to sign agreements with the Soviets at any price, fashionable in the Carter-Mondale Administration, should never blind us to this reality. Any future agreement with the Soviets must require full compliance, be fully verifi-

able, and contain suitable sanctions for noncompliance. Carter-Mondale efforts to cover up Soviet violations of the 1972 Strategic Arms Limitations agreement and Anti-ballistic Missile Treaty emboldened the Soviets to strengthen their military posture. We condemn these violations, as well as recent violations of chemical and toxic weapons treaties in Afghanistan, Southeast Asia, and the Iran-Iraq war. We insist on full Soviet compliance with all treaties and executive agreements.

We seek to deflect Soviet policy away from aggression and toward peaceful international conduct. To that end, we will seek substantial reductions in nuclear weapons, rather than merely freezing nuclear weapons at their present dangerous level. We will continue multilateral efforts to deny advanced Western technology to the Soviet war machine.

We will press for Soviet compliance with all international agreements, including the 1975 Helsinki Final Act and the U.N. Declaration on Human Rights. We will continue to protest Soviet anti-semitism and human rights violations. We admire the courage of such people as Andrei Sakharov, his wife Yelena Bonner, Anatole Shcharansky, Ida Nudel and Josef Begun, whose defiance of Soviet repression stands as a testament to the greatness of the human spirit. We will press the Soviet Union to permit free emigration of Jews, Christians, and oppressed national minorities. Finally, because the peoples of the Soviet empire share our hope for the future, we will strengthen our information channels to encourage them in their struggle for individual freedom, national self-determination, and peace.

Europe

Forty years after D-Day, our troops remain in Europe. It has been a long watch, but a successful one. For four decades, we have kept the peace where, twice before, our valiant fought and died. We learned from their sacrifice.

We would be in mortal danger were Western Europe to come under Soviet domination. Fragmenting NATO is the immediate objective of the Soviet military buildup and Soviet subversion. During the Carter-Mondale years, the Soviets gained a substantial military and diplomatic advantage in Europe. They now have three times as many tanks as we do and almost a monopoly on long-range theater nuclear forces. To keep the peace, the Reagan-Bush Administration is offsetting the Soviet military threat with the defensive power of the Alliance. We are deploying Pershing II and cruise missiles. Remembering the Nazi Reich, informed voters on both sides of the Atlantic know they cannot accept Soviet military superiority in Europe. That is why the British, Italian, and West German parliaments have approved Euromissile deployments, and why new NATO base agreements were concluded successfully in Portugal, Spain, Turkey, and Greece. This is a victory for the Reagan-Bush Administration and our European friends.

The United States again leads the Alliance by offering hope of a safer future. As America's strength is restored, so is our allies' confidence in the future of freedom. We will encourage them to increase their contributions to our common defense.

To strengthen NATO's Southern Flank, we place the highest priority on resolving the Cyprus dispute and maintaining our support for both Greece and Turkey, with non-recognition of regimes imposed in occupied territory.

We share a deep concern for peace and justice in Northern Ireland and condemn all violence and terrorism in that strife-torn land.

We stand in solidarity with the peoples of Eastern Europe: the Poles, Hungarians, East Germans, Czechs, Rumanians, Yugoslavs, Bulgarians, Ukrainians, Baltic peoples, Armenians, and all captive nations who struggle daily against their Soviet masters. The heroic efforts of Lech Walesa and the Solidarity movement in Poland are an inspiration to all people yearning to be free. We are not neutral in their struggle, wherever the flame of liberty brightens the black night of Soviet oppression.

The tragic repression of the Polish people by the Soviet-inspired military dictatorship in Poland has touched the American people. We support policies to provide relief for Polish nationals seeking asylum and refuge in the United States.

The Middle East

President Reagan's Middle East policy has been flexible enough to adapt to rapidly changing circumstances, yet consistent and credible so that all nations recognize our determination to protect our vital interests. The President's skillful crisis management throughout the Iran-Iraq war has kept that conflict from damaging our vital interests. His peace efforts have won strong bipartisan support and international applause. And his willingness to stand up to Libya has made peace-loving states in the region feel more secure.

The 1979 Soviet invasion of Afghanistan, which surprised the Carter-Mondale Administration, brought Soviet forces less than 400 miles from the strategic Straits of Hormuz. The seizure of American hostages in Iran that year caught the United States unprepared and unable to respond. Lebanon is still in turmoil, despite our best efforts to foster stability in that unhappy country. With the Syrian leadership increasingly subject to Soviet influence, and the Palestine Liberation Organization and its homicidal subsidiaries taking up residence in Syria, U.S. policy toward the region must remain vigilant and strong. Republicans reaffirm that the United States should not recognize or negotiate with the PLO so long as that organization continues to promote terrorism, rejects Israel's right to exist, and refuses to accept U.N. Resolutions 242 and 338.

The bedrock of that protection remains, as it has for over three decades, our moral and strategic relationship with Israel. We are allies in the defense of freedom. Israel's strength, coupled with United States assistance, is the main obstacle to Soviet domination of the region. The sovereignty, security, and integrity of the state of Israel are moral imperatives. We pledge to help maintain Israel's qualitative military edge over its adversaries.

Today, relations between the United States and Israel are closer than ever before. Under President Reagan, we have moved beyond mere words to extensive political, military, and diplomatic cooperation. U.S-Israeli strategic planning groups are coordinating our joint defense efforts, and we are directly supporting projects to augment Israel's defense industrial base. We support the legislation pending for an Israel-U.S. free trade area.

We recognize that attacks in the U.N. against Israel are but thinly disguised attacks against the United States, for it is our shared ideals and democratic way of life that are their true target. Thus, when a U.N. agency denied Israel's right to participate, we withheld our financial support until that action was corrected. And we have worked behind the scenes and in public in other international organizations to defeat discriminatory attacks against our ally.

Our determination to participate actively in the peace process begun at Camp David has won us support over the past four years from moderate Arab states. Israel's partner in the Camp David Accords, Egypt, with American support, has been a constructive force for stability. We pledge continued support to Egypt and other moderate regimes against Soviet and Libyan subversion, and we look to them to contribute to our efforts for a long-term settlement of the region's destructive disputes.

We believe that Jerusalem should remain an undivided city with free and unimpeded access to all holy places by people of all faiths.

Asia and the Pacific

Free Asia is a tremendous success. Emulating the United States economically and politically, our friends in East Asia have had the world's highest economic growth rates. Their economies represent the dynamism of free markets and free people, in stark contrast to the dreary rigidity and economic failures of centrally planned socialism. U.S. investments in Asia now exceed $30 billion, and our annual trade surpasses that with any other region.

Unable to match this progress, the Soviet Union, North Korea, and Vietnam threaten the region with military aggression and political intimidation. The Soviet rape of Afghanistan, the criminal destruction of the KAL airliner, the genocide in Vietnam, Cambodia and Laos, the steady growth of Soviet SS-20 forces in East Asia, the rapid increase of the Soviet Pacific Fleet, the continuing build-up of North Korean forces and the brutal bombing of South Korean leaders in Rangoon, the recent deployment of Soviet forces at Cam Ranh Bay, the continued occupation of Cambodia by the Vietnamese, and chemical and biological weapons attacks against defenseless civilian populations in Afghanistan and Southeast Asia are some of the more obvious threats to the peace of Asia and to America's friends there.

Republicans salute the brave people of Afghanistan, struggling to regain their freedom and independence. We will continue to support the freedom fighters and pledge our continuing humanitarian aid to the thousands of Afghan refugees who have sought sanctuary in Pakistan and elsewhere.

To preserve free Asia's economic gains and enhance our security, we will continue economic and security assistance programs with the frontline states of Korea, Thailand, and Pakistan. We will maintain defense facilities in Korea, Japan, the Philippines, and the Indian Ocean to protect vital sea lanes.

We will promote economic growth while we strengthen human rights and the commitment to both democracy and free markets. We will help friendly nations deal with refugees and secure their help against drug cultivation and trafficking.

Our relations with Japan are central to America's role in the Far East, and they have never been better. The world's second-largest industrial power can make an increasingly important contribution to peace and economic development over much of Asia. We applaud Japan's commitment to

defend its territory, air space, and sea lanes. We are heartened by its increases in defense spending and urge Japan to further expand its contribution to the region's defense. We have made progress in our trade relations and affirm that, with good will on both sides, broader agreement is likely.

In keeping with the pledge of the 1980 Platform, President Reagan has continued the process of developing our relationship with the People's Republic of China. We commend the President's initiatives to build a solid foundation for the long-term relations between the United States and the People's Republic, emphasizing peaceful trade and other policies to promote regional peace. Despite fundamental differences in many areas, both nations share an important common objective: opposition to Soviet expansionism.

At the same time, we specifically reaffirm our concern for, and our moral commitment to, the safety and security of the 18 million people on Taiwan. We pledge that this concern will be constant, and we will continue to regard any attempt to alter Taiwan's status by force as a threat to regional peace. We endorse, with enthusiasm, President Reagan's affirmation that it is the policy of the United States to support and fully implement the provisions of the Taiwan Relations Act. In addition, we fully support self determination for the people of Hong Kong.

The Republic of Korea is a stalwart ally. To deter aggression, we will maintain our forces there which contribute to our common defense. Our growing economic relations are good for both countries and enhance our influence to foster a democratic evolution there.

We prize our special relationship with the Philippines. We will make every effort to promote economic development and democratic principles they seek. Because the Clark and Subic Bay bases are vital to American interests in the Western Pacific, we are committed to their continued security.

We recognize the close and special ties we have maintained with Thailand since the days of Abraham Lincoln. Thailand stands tall against the imperialist aggression of Vietnam and the Soviet Union in Southeast Asia.

We hail the economic achievements of the Association of Southeast Asian Nations. We will strengthen economic and political ties to them and support their opposition to the Vietnamese occupation of Cambodia.

Almost a decade after our withdrawal from Vietnam, thousands of Americans still do not know the fate of their fathers, brothers, and sons missing in action. Our united people call upon Vietnam and Laos with one voice: return our men, end the grief of the innocent, and give a full accounting of our POW-MIAs. We will press for access to investigate crash sites throughout Indochina. We support the efforts of our private citizens who have worked tirelessly for many years on this issue.

Africa

Africa faces a new colonialism. The tripartite axis of the Soviet Union, Cuba, and Libya has unleashed war and privation upon the continent. We are committed to democracy in Africa and to the economic development that will help it flourish. That is why we will foster free-market, growth-oriented, and liberalized trading policies.

As part of reforming the policies of the International Development Association, we have assisted in directing a larger proportion of its resources to sub-Saharan Africa. To nurture the spirit of individual initiative in Africa, our newly created African Development Foundation will work with African entrepreneurs at the village level. In addition, through our rejection of the austerity programs of international organizations, we are bringing new hope to the people of Africa that they will join in the benefits of the growing, dynamic world economy.

We will continue to provide necessary security and economic assistance to African nations with which we maintain good relations to help them develop the infrastructure of democratic capitalism so essential to economic growth and individual accomplishment. We will encourage our allies in Europe and east Asia to coordinate their assistance efforts so that the industrialized countries will be able to contribute effectively to the economic development of the continent. We believe that, if given the choice, the nations of Africa will reject the model of Marxist state-controlled economies in favor of the prosperity and quality of life that free economies and free people can achieve.

We will continue to assist threatened African governments to protect themselves and will work with them to protect their continent from subversion and to safeguard their strategic minerals. The Reagan-Bush Administration will continue its vigorous efforts to achieve Namibian independence and the expulsion of Cubans from occupied Angola.

We reaffirm our commitment to the rights of all South Africans. Apartheid is repugnant. In South Africa, as elsewhere on the continent, we support well-conceived efforts to foster peace, prosperity, and stability.

Foreign Assistance and Regional Security

Developing nations look to the United States for counsel and guidance in achieving economic opportunity, prosperity, and political freedom. Democratic capitalism has demonstrated, in the United States and elsewhere, an unparalleled ability to achieve political and civil rights and long-term prosperity for ever-growing numbers of people. We are confident that democracy and free enterprise can succeed everywhere. A central element in our programs of economic assistance should be to share with others the beneficial ideas of democratic capitalism, which have led the United States to economic prosperity and political freedom.

Our bilateral economic assistance program should be directed at promoting economic growth and prosperity in developing nations. Therefore, we support recently enacted legislation untying our programs from the policies of austerity of international organizations such as the International Monetary Fund.

We have changed the Carter-Mondale policy of channeling increasing proportions of U.S. assistance through multinational institutions beyond our control. We strongly support President Reagan's decision not to increase funding for the International Development Association because of its predilection for nations with state-dominated economic systems. Our contribution to the International Fund for Agricultural Development will be eliminated due to its consistent bias toward non-market economies. And the anti-American bureaucracy of the U.N.'s Educational, Scientific and Cultural Organization (UNESCO) will no longer be supported by U.S. taxpayers. We will not support international organizations inconsistent with our interests. In particular, we will work to eliminate their funding of Communist states.

Prominent among American ideals is the sanctity of the family. Decisions on family size should be made freely by each family. We support efforts to enhance the freedom of such family decisions. We will endeavor to assure that those who are responsible for our programs are more sensitive to the cultural needs of the countries to which we give assistance.

As part of our commitment to the family and our opposition to abortion, we will eliminate all U.S. funding for organizations which in any way support abortion or research on abortion methods.

To strengthen bilateral foreign assistance, we will reduce or eliminate assistance to nations with foreign policies contrary to our interests and strengthen the Secretary of State's hand by ensuring his direct control over assistance programs.

Foreign military assistance strengthens our security by enabling friendly nations to provide for their own defense, including defense against terrorism.

Terrorism is a new form of warfare against the democracies. Supported by the Soviet Union and others, it ranges from PLO murder to the attempted assassination of the Pope. Combatting it requires an integrated effort of our diplomacy, armed forces, intelligence services, and law-enforcement organizations. Legislative obstacles to international cooperation against terrorism must be repealed, followed by a vigorous program to enhance friendly nations' counter-terrorist forces. In particular, we seek the cooperation of our hemispheric neighbors to deal comprehensively with the Soviet and Cuban terrorism now afflicting us.

International Organizations

Americans cannot count on the international organizations to guarantee our security or adequately protect our interests. The United States hosts the headquarters of the United Nations, pays a fourth of its budget, and is proportionally the largest contributor to most international organizations; but many members consistently vote against us. As Soviet influence in these organizations has grown, cynicism and the double standard have become their way of life.

This is why President Reagan announced that we will leave the worst of these organizations, UNESCO. He has put the U.N. on notice that the U.S. will strongly oppose the use of the U.N. to foster anti-semitism, Soviet espionage, and hostility to the United States. The President decisively rejected the U.N. Convention on the Law of the Sea and embarked instead on a dynamic national oceans policy, animated by our traditional commitment to freedom of the seas. That pattern will be followed with regard to U.N. meddling in Antarctica and outer space. Enthusiastically endorsing those steps, we will apply the same standards to all international organizations. We will monitor their votes and activities, and particularly the votes of member states which receive U.S. aid. Americans will no longer silently suffer the hypocrisy of many of these organizations.

Human Rights

The American people believe that United States foreign policy should be animated by the cause of human rights for all the world's peoples.

A well-rounded human rights policy is concerned with specific individuals whose rights are denied by governments of the right or left, and with entire peoples whose

Communist governments deny their claim to human rights as individuals and acknowledge only the "rights" derived from membership in an economic class. Republicans support a human rights policy which includes both these concerns.

Republican concern for human rights also extends to the institutions of free societies—political parties, the free press, business and labor organizations—which embody and protect the exercise of individual rights. The National Endowment for Democracy and other instruments of U.S. diplomacy foster the growth of these vital institutions.

By focusing solely on the shortcomings of non-Communist governments, Democrats have missed the forest for the trees, failing to recognize that the greatest threat to human rights is the Communist system itself.

Republicans understand that the East-West struggle has profound human rights implications. We know that Communist nations, which profess dedication to human rights, actually use their totalitarian systems to violate human rights in an organized, systematic fashion.

The Reagan-Bush Administration has worked for positive human rights changes worldwide. Our efforts have ranged from support for the Helsinki Accords to our support of judicial and political reform in El Salvador.

The Republican Party commends President Reagan for accepting the Honorary Chairmanship of the campaign to erect a U.S. Holocaust Memorial in Washington, DC and supports the efforts of the U.S. Holocaust Council in erecting such a museum and educational center. The museum will bear witness to the victims and survivors of the Holocaust.

For Republicans, the struggle for human freedom is more than an end in itself. It is part of a policy that builds a foundation for peace. When people are free to express themselves and choose democratic governments, their free private institutions and electoral power constitute a constraint against the excesses of autocratic rulers. We agree with President Truman, who said: "In the long run our security and the world's hopes for peace lie not in measures of defense or in the control of weapons, but in the growth and expansion of freedom and self-government."

To this end, we pledge our continued effort to secure for all people the inherent, God-given rights that Americans have been privileged to enjoy for two centuries.

Advocacy for Democracy

To promote and sustain the cause of democracy, America must be an active participant in the political competition between the principles of Communism and of democracy.

To do this, America needs a strong voice and active instruments of public diplomacy to encounter the Communist bloc's massive effort to disinform and deceive world public opinion. Republicans believe that truth is America's most powerful weapon.

The Reagan-Bush Administration has elevated the stature of public diplomacy in the councils of government and increased the United States Information Agency budget by 44 percent in four years. New programs have been launched in television, citizen exchanges, and dissemination of written information. The National Endowment for Democracy has enlisted the talent of private American institutions, including the AFL-CIO and the U.S. Chamber of Commerce, to educate our friends overseas in the ways of democratic institutions. A sustained billion-dollar effort is modernizing and expanding the Voice of America, strengthening the Voice's signal, lengthening its broadcasts, improving its content, adding new language services and replacing antiquated equipment. Radio Marti, the new broadcast service to Cuba, will begin to broadcast the truth about Cuba to the Cuban people.

Initial steps have been taken to improve the capabilities of Radio Free Europe and Radio Liberty, which serve the captive nations of the Soviet bloc. We pledge to carry out a thorough improvement program for these radios, including new transmitters and other means of penetrating the jamming which denies the RFE/RL signal to millions of captive people, including the increasingly discontented Soviet minorities, behind the Iron Curtain.

Because of the importance we place on people-to-people exchange programs, Republicans support the dedicated work of Peace Corps volunteers. America must nurture good relations not only with foreign governments but with other peoples as well. By encouraging the free flow of ideas and information, America is helping to build the infrastructure of democracy and demonstrating the strength of our belief in the democratic example. The United States Peace Corps, reflecting traditional American values, will follow the White House initiative promoting free enterprise development overseas in third world countries.

The tradition of addressing the world's peoples, advocating the principles and goals of democracy and freedom, is as old as our Republic. Thomas Jefferson wrote the Declaration of Independence "with a decent respect to the opinions of mankind." This popular advocacy is even more important today in the global struggle between totalitarianism and freedom.

The Future of Our National Security

Republicans look to the future with confidence that we have the will, the weapons, and the technology to preserve America as the land of the free and the home of the brave. We stand united with President Reagan in his hope that American scientists and engineers can produce the technology and the hardware to make nuclear war obsolete.

The prospect for peace is excellent because America is strong again. America's defenses have only one purpose: to assure that our people and free institutions survive and flourish.

Our security requires both the capability to defend against aggression and the will to do so. Together, will and capability deter aggression. That is why the danger of war has grown more remote under President Reagan.

When he took office, defense policy was in disarray. The Carter-Mondale Administration had diminished our military capability and had confused the pursuit of peace with accommodating totalitarianism. It could not respond to the determined growth of Soviet military power and a more aggressive Soviet foreign policy.

We are proud of a strong America. Our military strength exists for the high moral purpose of deterring conflict, not initiating war. The deterrence of aggression is ethically imperative. That is why we have restored America's defense capability and renewed our country's will. Americans are again proud to serve in the Armed Forces and proud of those who serve.

We reaffirm the principle that the national security policy of the United States should be based upon a strategy of peace through strength, a goal of the 1980 Republican Platform.

Maintaining a technological superiority, the historical foundation of our policy of deterrence, remains essential. In other areas, such as our maritime forces, we should continue to strive for qualitative superiority.

President Reagan committed our nation to a modernized strategic and theater nuclear force sufficient to deter attack against the United States and our allies, while pursuing negotiations for balanced, verifiable reductions of nuclear weapons under arms control agreements.

In order to deter, we must be sufficiently strong to convince a potential adversary that under no circumstances would it be to its advantage to initiate conflict at any level.

We pledge to do everything necessary so that, in case of conflict, the United States would clearly prevail.

We will continue to modernize our deterrent capability, while negotiating for verifiable arms control. We will continue the policies that have given fresh confidence and new hope to freedom-loving people everywhere.

Arms Control for the Future

Americans, while caring deeply about arms control, realize that it is not an end in itself, but can be a major component of a foreign and defense policy which keeps America free, strong, and independent.

Sharing the American people's realistic view of the Soviet Union, the Reagan Administration has pursued arms control agreements that would reduce the level of nuclear weaponry possessed by the superpowers. President Reagan has negotiated with flexibility, and always from a position of strength.

In the European theater, President Reagan proposed the complete elimination of intermediate-range nuclear missiles. In the START talks with the Soviet Union, he proposed the "build-down" which would eliminate from the U.S. and Soviet arsenals two existing nuclear warheads for each new warhead.

The Soviet Union has rejected every invitation by President Reagan to resume talks, refusing to return unless we remove the Pershing II and Cruise missiles which we have placed in Europe at the request of our NATO allies. Soviet intransigence is designed to force concessions from the United States even before negotiations begin. We will not succumb to this strategy. The Soviet Union will return to the bargaining table only when it recognizes that the United States will not make unilateral concessions or allow the Soviet Union to achieve nuclear superiority.

The Soviet Union, by engaging in a sustained pattern of violations of arms control agreements, has cast severe doubt on its own willingness to negotiate and comply with new agreements in a spirit of good faith. Agreements violated by the Soviet Union include SALT, the Anti-Ballistic Missile Treaty of 1972, the Helsinki Accords, and the Biological and Toxin Weapons Convention of 1972. This pattern of Soviet behavior is clearly designed to obtain a Soviet strategic advantage.

To deter Soviet violations of arms control agreements, the United States must maintain the capability to verify, display a willingness to respond to Soviet violations which have military significance, and adopt a policy whereby the defense of the United

States is not constrained by arms control agreements violated by the Soviet Union.

We support the President's efforts to curb the spread of nuclear weapons and to improve international controls and safeguards over sensitive nuclear technologies. The President's non-proliferation policy has emphasized results, rather than rhetoric, as symbolized by the successful meeting of nuclear supplier states in Luxembourg in July of this year. We endorse the President's initiative on comprehensive safeguards and his efforts to encourage other supplier states to support such measures.

Defense Resources

The first duty of government is to provide for the common defense. That solemn responsibility was neglected during the Carter-Mondale years. At the end of the Eisenhower era, nearly 48 percent of the federal budget was devoted to defense programs representing 9.1 percent of our gross national product. By 1980, under Carter-Mondale, defense spending had fallen to only 5 percent of gross national product and represented only 24 percent of the federal budget. The Reagan Administration has begun to correct the weaknesses caused by that situation by prudently increasing defense resources. We must continue to devote the resources essential to deter a Soviet threat—a threat which has grown and should be met by an improved and modernized U.S. defense capability. Even so, the percentage of the Reagan Administration budget spent on defense is only half that of the Eisenhower-Kennedy era.

Readiness

In 1980, our military forces were not ready to perform their missions in the event of emergency. Many planes could not fly for lack of spare parts; ships could not sail for lack of skilled personnel; supplies were insufficient for essential training or sustained combat. Today, readiness and sustainability have improved dramatically. We not only have more equipment, but it is in operating condition. Our military personnel have better training, pride, and confidence. We have improved their pay and benefits. Recruiting and retaining competent personnel is no longer a problem.

Under the Democrats, the All-Volunteer Force was headed for disastrous failure. Because of the Carter-Mondale intransigence on military pay and benefits, we saw the shameful spectacle of patriotic service families being forced below the poverty level, relying on food stamps and other welfare programs. The quality of life for our military has been substantially improved under the Reagan Administration. We wholeheartedly support the all-volunteer armed force and are proud of our historic initiative to bring it to pass.

From the worst levels of retention and recruiting in post-war history in 1979, we have moved to the highest ever recorded. We are meeting 100 percent of our recruiting needs, and 92 percent of our recruits are high school graduates capable of mastering the skills needed in the modern armed services. In 1980, 13 percent of our ships and 25 percent of our aircraft squadrons reported themselves not combat ready because of personnel shortages. Today, those figures have dropped to less than 1 percent and 4 percent respectively.

Today, the United States leads the world in integrating women into the military. They serve in a variety of non-combat assignments. We have made significant strides in numbers of women and their level of responsibility. Female officer strength has grown by 24 percent under the Reagan Administration and is projected to increase, with even greater increases for non-commissioned officers.

Conventional and Strategic Modernization

In 1980, we had a "hollow army," a Navy half its numbers of a decade earlier, and an Air Force badly in need of upgrading. The Army is now receiving the most modern tanks, fighting vehicles, and artillery. The Navy has grown to 513 ships with 79 more under construction this year, well on its way toward the 600-ship, 15-carrier force necessary for our maritime strategy. The Air Force has procured advanced tactical aircraft. By decade's end, our intertheater lift capacity will have increased by 75 percent. We pledge to rescue a shipbuilding industry consigned to extinction by the Carter-Mondale team.

Since the end of World War II, America's nuclear arsenal has caused the Soviet Union to exercise caution to avoid direct military confrontation with us and our close allies.

Our nuclear arms are a vital element of the Free World's security system.

Throughout the 1970s and up to the present, the Soviet Union has engaged in a vast buildup of nuclear arms. In the naive hope that unilateral restraint by the United States would cause the Soviet Union to reverse course, the Carter-Mondale Administration delayed significant major features of the strategic modernization our country needed. There was no arms race because only the Soviet Union was racing, determined to achieve an intimidating advantage over the Free World. As a result, in 1980, America was moving toward a position of clear nuclear inferiority to the Soviets.

President Reagan moved swiftly to reverse this alarming situation and to reestablish an effective margin of safety before 1990. Despite obstruction from many congressisonal Democrats, we have restored the credibility of our deterrent.

Reserve and Guard Forces

We salute the men and women of the National Guard and the Reserves. The Carter-Mondale team completely neglected our vital Reserve and Guard forces, leaving them with obsolete equipment, frozen pay, and thousands of vacancies.

The Reagan Administration has transformed our Reserve and National Guard. The Naval Reserve will ultimately operate 40 of the fleet's 600 ships. Navy and Marine Air Reserve units now receive the most modern aircraft, as do the Air Force Reserve and Guard. Army Reserve and Guard units now receive the latest tanks, infantry fighting vehicles and artillery. Reserve pay has increased 30 percent, and reserve components are having record success in filling their positions. Our country counts on the Reserves and the Guard, and they can count on us.

Management Reform

The Republican Party advocates a strong defense and fiscal responsibility at the same time. This Administration has already made major advances in eliminating the deep-rooted procurement problems we inherited. Republicans have changed the way the Pentagon does business, encouraging greater economy and efficiency, stretching the taxpayer's dollar.

Learning nothing from past mistakes, the Carter-Mondale Administration returned to centralized defense management. The predictable result: competition fell to only 15 percent of Pentagon procurement; programs were mired in disastrous cost overruns and disputes; outrageous and exorbitant prices were paid for spare parts; and the taxpayers' money was wasted on a grand scale.

We have tackled this problem head-on. We returned management to the Services and began far-reaching reforms. To hold down costs, we more than doubled competition in Pentagon procurement. We appointed Competition Advocate Generals in each Service and an overall Inspector General for the Pentagon. We increased incentives for excellent performance by contractors, and we have applied immediate penalty for poor performance. Our innovative approaches have already saved the taxpayers billions of dollars.

Spare parts acquisition has undergone thorough reform. Improving spare parts management, involving a Department of Defense inventory of almost four million items, is a complex and massive management challenge. The Pentagon's new 10-point program is already working. Old contracts are being revamped to allow competition, high prices are being challenged, and rigorous audits are continuing. As an example, a stool cap for a navigator's chair, once priced at $1,100, was challenged by an alert Air Force Sergeant. It now costs us 31 cents. The Pentagon obtained a full refund and gave the Sergeant a cash reward.

Our men and women in uniform deserve the best and most reliable weapons that this country can offer. We must improve the reliability and performance of our weapons systems, and warranties can be a very positive contribution to defense procurement practices, as can be the independent office of operational testing and evaluation, which was another positive Republican initiative.

The acquisition improvement program now includes program stability, multi-year procurement, economic production rates, realistic budgeting, and increased competition. The B-1B bomber, replacing our aging B-52 force, is ahead of schedule and under cost. We support our antisubmarine warfare effort and urge its funding at its current level. For the last two years, the Navy has received nearly 50 ships more than three years ahead of schedule and nearly $1 billion under budget. The *U.S.S. Theodore Roosevelt*, our newest aircraft carrier, is 17 months ahead of schedule and almost $74 million under cost.

We have reformed inefficient procurement practices established decades ago, and we will continue to ensure the most gain from each defense dollar.

The Tasks Ahead

The damage to our defenses through unilateral disarmament cannot be repaired quickly. The hollow Army of the Carter-Mondale Administration is hollow no more, and our Navy is moving toward a 600-ship force.

We share President Reagan's determination to restore credible security for our country. Our choice is not between a strong defense or a strong economy; we must succeed in both, or we will succeed in neither.

Our forces must be second to none, and we condemn the notion that one-sided military reduction will induce the Soviets to seek peace. Our military strength not only provides the deterrent necessary for a more peaceful world, but is also the best incentive for the Soviets to agree to arms reduction.

Veterans

America is free because of its veterans. We owe them more than thanks. After answering the call to arms, they brought leader-

ship and patriotism back to their communities. They are a continuing resource for America. Through their membership in veterans' service activities, they have strongly supported President Reagan's defense policy. Knowing first-hand the sacrifices of war, they have spoken out frequently for a strong national defense.

Veterans have earned their benefits; these must not be taken away. The help we give them is an investment which pays our nation unlimited dividends.

We have accomplished a great deal. We are meeting the needs of women veterans and ensuring them equal treatment. We must prepare to meet the needs of aging veterans.

We are addressing the unique readjustment problems of Vietnam veterans by expanding the store-front readjustment counseling program, extending vocational training and job placement assistance, and targeting research toward understanding delayed stress reaction in combat veterans. We have moved to alleviate the uncertainty of veterans exposed to Agent Orange by providing nearly 129,000 medical exams and by launching an all-out, government-wide research effort.

We are making major strides in improving health care for veterans. VA hospital construction has expanded to meet community needs, and benefits for disabled veterans have been improved.

We will maintain the veterans' preference for federal hiring and will improve health, education, and other benefits. We support the Reagan Administration's actions to make home ownership attainable by more veterans, as well as our program to help veterans in small business compete for government contracts. We will extend to all veterans of recent conflicts, such as Lebanon and Grenada, the same assistance.

In recognition of the unique commitment and personal sacrifices of military spouses, President Reagan has called upon the nation to honor them and proclaimed a day of tribute. We will remember them and advance their interests.

National Intelligence

Knowing our adversaries' capabilities and intentions is our first line of defense. A strong intelligence community focuses our diplomacy and saves billions of dollars. This critical asset was gravely weakened during the Carter-Mondale years.

We will continue to strengthen our intelligence services. We will remove statutory obstacles to the effective management, performance, and security of intelligence sources and methods. We will further improve our ability to influence international events in support of our foreign policy objectives, and we will strengthen our counterintelligence facilities.

Strategic Trade

By encouraging commerce in militarily significant technology, the Carter-Mondale Administration actually improved Soviet military power. Because of that terrible error, we are now exposed to significant risk and must spend billions of defense dollars that would otherwise have been unnecessary.

The Reagan Administration halted the Carter-Mondale folly. We have strengthened cooperation efforts with our allies to restrict diversion of militarily critical technologies. We will increase law-enforcement and counterintelligence efforts to halt Soviet commercial espionage and illegal exploitation of our technology.

Terrorism

International terrorism is not a random phenomenon but a new form of warfare waged by the forces of totalitarianism against the democracies.

In recent years, certain states have sponsored terrorist actions in pursuit of their strategic goals. The international links among terrorist groups are now clearly understood; and the Soviet link, direct and indirect, is also clearly understood. The Soviets use terrorist groups to weaken democracy and undermine world stability.

Purely passive measures do not deter terrorists. It is time to think about appropriate preventive or pre-emptive actions against terrorist groups before they strike.

Terrorism is an international problem. No one country can successfully combat it. We must lead the free nations in a concerted effort to pressure members of the League of Terror to cease their sponsorship and support of terrorism.

A Secure Future

During the Carter-Mondale Administration, the Soviets built more weapons, and more modern ones, than the United States. President Reagan has begun to reverse this dangerous trend. More important, he has begun a process that, over time, will gradually but dramatically reduce the Soviet Union's ability to threaten our lives with nuclear arms.

His leadership came none too soon. The combined damage of a decade of neglect and of relentless Soviet buildup, despite treaties and our restraint, will not be undone easily.

Today, the Soviet Union possesses over 5,000 intercontinental nuclear warheads powerful and accurate enough to destroy hard military targets, and it is flight-testing a whole new generation of missiles. The Carter-Mondale Administration left this country at a decided disadvantage, without a credible deterrent. That is why President Reagan embarked on a modernization program covering all three legs of the strategic triad.

Republicans understand that our nuclear deterrent forces are the ultimate military guarantor of America's security and that of our allies. That is why we will continue to support the programs necessary to modernize our strategic forces and reduce the vulnerabilities. This includes the earliest possible deployment of a new small mobile ICBM.

While the Carter-Mondale team hid beneath an umbrella of wishful thinking, the Soviet Union made every effort to protect itself in case of conflict. It has an operational anti-satellite system; the United States does not. A network of huge ultra-modern radars, new anti-missile interceptors, new surface-to-air missiles, all evidence the Soviet commitment to self-protection.

President Reagan has launched a bold new Strategic Defense Initiative to defend against nuclear attack. We enthusiastically support President Reagan's Strategic Defense Initiative. We enthusiastically support the development of non-nuclear, space-based defensive systems to protect the United States by destroying incoming missiles. Recognizing the need for close consultation with our allies, we support a comprehensive and intensive effort to render obsolete the doctrine of Mutual Assured Destruction (MAD). The Democratic Party embraces Mutual Assured Destruction. The Republican Party rejects the strategy of despair and supports instead the strategy of hope and survival.

We will begin to eliminate the threat posed by strategic nuclear missiles as soon as possible. Our only purpose (one all people share) is to reduce the danger of nuclear war. To that end, we will use superior American technology to achieve space-based and ground-based defensive systems as soon as possible to protect the lives of the American people and our allies.

President Reagan has asked, "Would it not be better to save lives than to avenge them?" The Republican Party answers, "Yes!"

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ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I have two unanimous consent requests which I believe have been cleared on both sides. I will state them now for the benefit of the minority leader and other Senators.

S. 2911 REFERRED TO COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be discharged from further consideration of S. 2911, a bill to regulate the transfer of funds for humanitarian purposes to nationals of the Socialist Republic of Vietnam, and that it be referred to the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 6028 PLACED ON CALENDAR

Mr. BAKER. Mr. President, we hope to call up shortly the House-passed Labor-HHS appropriations bill for fiscal year 1985 (H.R. 6028). Unfortunately, this bill was inadvertently referred to the Committee on Appropriations rather than being placed on the Senate Calendar, as our procedures normally require when a companion Senate bill (S. 2836) is already on the calendar. To correct this oversight, and to permit immediate Senate consideration of the bill, I am requesting that the committee be discharged from further consideration of the House-passed measure and that bill be deemed as having been placed on the Senate Calendar on the day it was received.

Mr. President, I therefore ask unanimous consent that the Committee on Appropriations be discharged from further consideration of H.R. 6028, the Labor-HHS appropriations bill for fiscal year 1985 and that this bill be deemed as having been placed on the Senate Calendar on August 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTIONS OF SECRECY

Mr. BAKER. Mr. President, as in executive session,

I ask unanimous consent that the injunction of secrecy be removed from two treaties transmitted to the Senate by the President of the United States during the adjournment:

A convention on programme-carrying satellites (treaty Document No. 98-31), received on August 16, 1984; and

A tax convention with the Republic of Cyprus (treaty Document No. 98-32), received on August 22, 1984.

I also ask that the treaties be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations; and that the President's messages be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messages of the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite, signed by the United States on May 21, 1974. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Convention.

The Convention obligates States party to the Convention to prevent interception and distribution on or from their territory of program-carrying signals transmitted by satellite. The purpose of the Convention is to clarify the status of satellite signals, in view of the uncertain nature of the commitment with respect to satellite signals which States have undertaken by adhering to other conventions which bear on radio communications and copyright. The Convention does not impose obligations on States party to it with respect to signals emitted from a satellite and intended for direct reception by the general public—direct broadcast satellite signals—or with respect to purely private reception and viewing of program-carrying signals provided there is no further distribution of such signals.

Ratification of the Convention will constitute an important policy statement by the United States concerning the unauthorized interception and distribution of television programs transmitted by satellite and will benefit U.S. television program producers, distributors and broadcasters by extending to them protection in other countries party to the Convention from unauthorized distribution of their works transmitted by satellite. In view of these benefits, there is strong support for early ratification of the Convention by the U.S. industries concerned with the creation and dissemination of television and radio programs.

I recommend, therefore, that the Senate give early and favorable consideration to the Convention and give its advice and consent to ratification.

RONALD REAGAN.

THE WHITE HOUSE, *August 16, 1984.*

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention between the Government of the United States of America and the Government of the Republic of Cyprus for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, together with an exchange of notes, signed at Nicosia on March 19, 1984. I also transmit the report of the Department of State on the Convention.

The Convention replaces an earlier convention signed at Nicosia on March 26, 1980, but returned by the Senate for renegotiation in December 1981. The new Convention incorporates the provisions of the 1980 treaty and includes revisions designed to eliminate the potential for abuse by third-country residents.

I recommend that the Senate give early and favorable consideration to this Convention, with the related exchange of notes, and give its advice and consent to ratification.

RONALD REAGAN.

THE WHITE HOUSE, *August 21, 1984.*

ORDER FOR THE RECOGNITION OF SENATOR PROXMIRE ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that on tomorrow, after the recognition of the two leaders under the standing order, the distinguished Senator from Wisconsin [Mr. PROXMIRE] be recognized on a special order for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL TOMORROW AT NOON

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, that concludes my requirements for this day. May I inquire of the minority leader if he has any other matter to present to the Senate?

Mr. BYRD. Mr. President, I thank the majority leader. I have nothing.

Mr. BAKER. I thank the minority leader.

RECESS UNTIL TOMORROW

Mr. BAKER. Mr. President, seeing no other Senator seeking recognition, I move, in accordance with the order previously entered, that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and, at 4 p.m., the Senate recessed until tomorrow, Thursday, September 6, 1984, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 5, 1984:

DEPARTMENT OF STATE

Melvyn Levitsky, of Maryland, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bulgaria.

William L. Eagleton, Jr., of Washington, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

Harvey J. Feldman, of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Pauline Crowe Naftzger, of California, to be a member of the National Museum Service Board for a term expiring December 6, 1988, vice Neil Harris, term expired.

NATIONAL SCIENCE FOUNDATION

Nam Pyo Suh, of Massachusetts, to be an Assistant Director of the National Science Foundation, vice Francis Severin Johnson, resigned.

Rita R. Colwell, of Maryland, to be member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990, vice Ernestine Friedl, term expired.

DEPARTMENT OF STATE

The following-named career member of the Senior Foreign Service of the Department of Commerce for promotion in the Senior Foreign Service to the class indicated:

Career member of the Senior Foreign Service of the United States of America, class of Career Minister:

Calvin C. Berlin, of Ohio.

The following-named career members of the Foreign Service of the Department of Commerce for promotion into the Senior Foreign Service as indicated:

Career members of the Senior Foreign Service of the United States of America, class of Counselor:

James L. Blow, of Florida.
Norman D. Glick, of Maryland.
George Mu, of California.

DEPARTMENT OF STATE

The following-named persons in the Agency for International Development for appointment as Foreign Service officers as indicated:

For appointment as Foreign Service officers of class 1, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

William Joseph Ackerman, of Virginia.
Robert D. Adams, of Washington.
Peter Walter Amato, of New York.
Phillip R. Amos, of Texas.
Morris Chester Anderson, of Florida.
Robert Joseph Asselin, Jr., of California.
John Rakestraw Babylon, of California.
John Stuart Blackton, of California.
Bunyan Bryant, of Virginia.
Gary L. Byllesby, of California.
Marvin Cernik, of Texas.
Eugene Edward Chin, of California.
Royal R. Cline, of Virginia.
Ross Clavin Coggins, of Texas.
Paul Cohn, of California.
Francis J. Conway, of Florida.
John Peter Coury, of Connecticut.
John R. Davison, of Maryland.
Charles DeBose, of California.
Angel M. Diaz, of Puerto Rico.
Phyllis Leslie Dichter, of New Jersey.
John J. Dumm, of Virginia.
Kenneth R. Farr, of Michigan.
Abbe Fessenden, of Pennsylvania.
Claudio D. Fortunato, of California.
William Arnold Fraser, of Virginia.
James Edward Garder, of South Carolina.
Charles Shuttleworth Gordon, of California.
Michael P. Guido, of Virginia.
Roy G. Haftorson, Jr., of California.
Zachary M. Hahn, of Texas.
John Heard, of California.
John Frederick Hicks, of Florida.
Joe Oscar Hill, Jr., of Tennessee.
Lee Dennison Homo, of Florida.
Jerome Hulehan, of Maryland.
Richard John Hynes, of California.
Kenneth Sherman Johnson, of Virginia.
Robert E. Jordan, of Texas.
Albert Abraham Karian, of California.
William Gerald Kaschak, of Maryland.
Patsy Pool Layne, of Hawaii.
Micheal Justin Lippe, of Florida.
Hans Joseph Manz, of South Carolina.
Walter Howard McAleer, of California.
James O. McCabe, of Maryland
William A. Miller, of South Carolina.
Steven Paul Mintz, of Virginia.
Linda Ellen Morse, of Virginia.
Mason Charles Moseley, of California.
David Edward Mutchler, of Maryland.
Paul Joseph O'Farrell, of Maryland.
Andrew Joseph Olsen, of Virginia.
Desmond O'Riordan, of Washington.
Douglas R. Pickett, of Virginia.
David L. Piet, of Virginia.
John E. Popovich, Jr., of California.
Walter Ernest Popp, of California.
James Breinig Riley, of West Virginia.
James R. Roberts, of Maryland.
Leo L. Ruelas, of California.
Michael A. Rugh, of California.
Domenick J. Scarfo, of Florida.
Marc S. Scott, of Texas.
Richard M. Seifman, of the District of Columbia.
Thomas Joseph Shedlick, of Virginia.
Richard Lynn Shortlidge, Jr., of Maryland.
Samuel L. Skogstad, of Florida.
Joseph F. Stepanek, of Colorado.
Richard S. Stevenson, of Colorado.
Wilbur Gene Thomas, of Oklahoma.
Robert Venable Thurston, of Oregon.
Nancy M. Tumavick, of Virginia.
Richard L. Warin, of Oregon.
Anne M. Williams, of California.
Thomas J. Worrick, of Florida.
Samir M. Zoghby, of Virginia.

For appointment as Foreign Service officers of class 2, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

Glenn Edward Anders, of Florida.
Mary Ann Anderson, of California.
Murl R. Baker, of Kansas.
Michael Keith Baldwin, of Florida.
Thomas Zoltan Baranyi, of Virginia.
Terry James Barker, of Texas.
Enrique M. Barrau, of Colorado.
William B. Baucom, of North Carolina.
Raymond L. Baum, of Alaska.

James Beebe, of Florida.
Turra Bethune, of Mississippi.
Elena L. Brineman, of Virginia.
Keith E., Brown, of Tennessee.
Patricia K. Buckles, of Florida.
John R. Burdick, of the District of Columbia.
Darryl T. Burris, of Illinois.
Steven E. Carlson, of Virginia.
Louis Howard Carpenter, of Nevada.
Sidney A. Chambers, of Maryland.
Rajinder N. Chanda, of Virginia.
Toni Christiansen-Wagner, of Colorado.
Neal P. Cohen, of Florida.
Winfield S. Collins, of California.
Louis Joseph Cooke, of Illinois.
Henry Joseph Cope, of Virginia.
Carlos E. Crowe, of Nevada.
Anne Dammarell, of Ohio.
Richard C. Day, Jr., of California.
J. Michael Deal, of California.
David Anthony Delgado, of Florida.
David W. Devin, of Washington.
Dirk Willem Dijkerman, of New York.
Harry Cordell Dorcus, of Vermont.
Willima Hale Douglass, of California.
Mary Ellen Duffy, of the District of Columbia.
Paul G. Ehmer, of Washington.
Lawrence R. Eicher, of Florida.
Mary Pauline Feeney, of Indiana.
John Seraphine Figueira, of California.
Roberto Figueredo, of Louisiana.
Harold E. Fisher, of Hawaii.
Gerald L. Foucher, of Massachusetts.
Richard M. Fraenkel, of Connecticut.
Cynthia F. Giusti, of Texas.
John J. Giusti, of Florida.
Thomas Peter Golla, of Viriginia.
William R. Goodwin, of Florida.
Stephen H. Grant, of Virginia.
John Aron Grayzel, of New York.
Willard L. Grizzard, of Florida.
Frederick J. Guymont, of Virginia.
Jeremy J.D. Hagger, of Wisconsin.
Ronald Robert Hammersley, of Rhode Island.
Donald Mervin Harrison, of Virginia.
Benjamin Bryant Hawley, of New Jersey.
Gilbert N. Haycock, of Colorado.
Frederick G. Hayden, of the District of Columbia.
Stephen L. Haynes, of Louisiana.
Robert G. Hellyer, of California.
James C. Hester, of North Carolina.
Thomas Dewayne Hobgood, of New Jersey.
Marvin Everett Hurley, of Virginia.
James F. Jackson, of Florida.
John Willard Jones, of Virginia.
Thomas Hudner King, Jr., of Florida.
Stephen Arthur Klaus, of Virginia.
Francis Denis Light, of Maryland.
James B. Lowenthal, of Tennessee.
Barry James MacDonald, of Virginia.
Maura D. Mack, of Arizona.
Val Robert Mahan, of Florida.
John R. Martin, of Illinois.
Raymond S. Martin, of Pennsylvania.
Edwin T. McKeithen III, of California.
Thomas P. McLarney, of New York.
Vivikka M. Molldrem, of Maryland.
Adbel-Khalek M. Moustafa, of Virginia.
Reese Moyers, of Texas.
Desaix Myers III, of Virginia.
Richard Nishihara, of California.
Craig Sherril Noren, of Florida.
Karen J. Nurick, of Maryland.
Lawrence Lee Odle, Jr., of Washington.
Margaret S. O'Rourke, of California.
Jeremiah E. Parson, of New York.
William James Phelps, of Florida.
John James Pinney, Jr., of Kansas.
C. Travis Rattan, of Texas.
Joy Riggs-Perla, of Virginia.
Rafael Rosario, of Puerto Rico.
A Frederick Ryder, of Maine.
Joel Eric Schlesinger, of Maryland.
Loren L. Schulze, of the District of Columbia.
Alice M.N. Shimomura, of Virginia.
Lorraine Jeanne Simard, of Virginia.
Keith E. Simmons, of California.
Dwight A. Smith, of Ohio.
Alex M. Spathopoulos, of Florida.
Thomas Michael Stephens, of Iowa.
James E. Stephenson, of Florida.
Gordon Anthony Staub, of Florida.
Ronald B. Stryker, of Florida.
John M. Stuart, of Alabama.
Nicholas G. Studzinski, of Florida.
Michael Sullivan, of Nebraska.
Mildred Taylor, of North Carolina.
Carlton Mettauer Terry, of Virginia.
Richard L. Thornton, of Connecticut.
Thomas A. Totino, of Florida.
Helen M. Vaitaitis, of Virginia.
Dwight L. Walker, of New Mexico.
James Ryan Washington, of the District of Columbia.
Jerry L. Weaver, of Ohio.
Lyle A. Weiss, of Illinois.
Gordon Haughwout West, of California.
Max Harrison Williams, of Louisiana.
Dorothy Anne Young, of Florida.
Rafael Zelaya, of California.
James Christ Zervas, of Virginia.

For appointment as Foreign Service officers of class 3, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

Luis Edmundo Arreaga-Rodas, of California.
Sidney K. Bliss, Jr., of Vermont.
Roger Allen Bloom, of Ohio.
John J. Cloutier, of Oregon.
Rebecca W. Cohn, of Californa.
Scot Joel Covert, of Virginia.
Danilo Cruz-DePaula, of California.
Evelyn Nancy Cullins, of New Jersey.
Wilma Louise Ditter, of California.
Clinton L. Doggett, Jr., of Virginia.
John Irvin Dorman, of Arizona.
Peter G. Downs, of Pennsylvania.
Mary Ann Epley, of Virginia.
Frank L. Fairchild, Jr., of Florida.
Sharon A. Fee, of California.
Kimberly Ann Finan, of Ohio.
William John Garvelink, of Virginia.
Richard J. Goughnour, of Florida.
Paul Douglas Guild, of Oregon.
Charles Habis, of California.
David Williams Hess, of Florida.
Henry S. Holland, of Washington.
Nedra Huggins-Williams, of Tennessee.
Robert A. Kahn, of New Mexico.
Dawn M. Liberi, of New York.
Mary Frances Likar, of California.
George E. Like, of Ohio.
Richard Joseph Mangrich, of Florida.
Linda Johnson Martin, of Illinois.
Patrick Michael McDuffie, of Washington.
Darell Lorne McIntyre, of Kentucky.
Diane Elizabeth McLean, of North Carolina.
Timothy J. Miller, of Montana.
Ursula Nadolny, of California.
Robert E. Navin, Jr., of New Jersey.
Nancy J. Newman, of Texas.
Paul F. Novick, of California.
Kathy L. Radimer, of New York.
Carl Shakir Rahmaan, of New York.
Daniel Ristine Rathbun, of California.
William Leslie Riley, of Mississippi.
Kevin Allyn Rushing, of Illinois.
Joseph Peter Salvo, of Florida.
Stanley Alan Stalla, of California.
John R. Thomas, of Florida.
Randal Jay Thompson, of California.
Kiertisak Toh, of Maryland.
Michael C. Trott, of Florida.
Joseph M. Varley, of Michigan.
Ross William Wherry, of Florida.
John J. Wiebler, of Connecticut.
Francesca Nelson Yi, of California.

The following-named person in the Agency for International Development for appointment as a Foreign Service officer of class 1, a Consular officer, and a secretary in the Diplomatic Service of the United States of America, effective March 19, 1984:

James Daniel Singletary, of Maryland.

DEPARTMENT OF STATE

The following-named persons in the Agency for International Development for appointment as career members of the Senior Foreign Service to the class stated, and also for any other appointments indicated:

For appointment as a career member of the Senior Foreign Service of the United States of America, class of Minister-Counselor:

Malcolm Heaton Butler, of Texas.

For appointment as a career Member of the Senior Foreign Service of the United States of America, class of Minister-Counselor, and a Consular officer and a Secretary in the Diplomatic Service of the United States of America:

Priscilla M. Boughton, of the District of Columbia.

For appointment as a career member of the Senior Foreign Service of the United States of America, class of Counselor, and a Consular officer and a secretary in the Diplomatic Service of the United States of America:

Charles E. Costello, of Maryland.

The following-named persons for appointment in the Foreign Service of the agencies indicated as Foreign Service officers of the classes stated, and also for the other appointments indicated herewith:

For appointment as a foreign Service Officer of class 1, a Consular officer, and a Secretary in the Diplomatic Service of the United States of America:

Frank E. Rhinehart, of California.

For appointment as a Foreign Service officer of class 2, a Consular officer, and a secretary in the Diplomatic Service of the United States of America:

U.S. INFORMATION AGENCY

Lane Cubstead, of Texas.

For appointment as Foreign Service officers of class 3, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Katherine R. Montgomery, of Pennsylvania.

U.S. INFORMATION AGENCY

Dotti Jones, of Texas.
Frances Sullinger, of Texas.

For appointment as Foreign Service officers of class 4, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Kay L. Anske, of Texas.
Jonathan S. Benton, of Virginia.
Roberto Gonzales Brady, of California.
Steven A. Browning, of Texas.
John W. Chamberlin, of New York.
Raul E. Chavera, of Texas.
Helen M. Collings, of Connecticut.
Bruce Edward Connuck, of Virginia.
Michael R. Evans, of Utah.

Peter Steven Gadzinski, of California.
William Robert Gaines, Jr., of California.
Doreen Tam Glanville, of Massachusetts.
George Allen Glass, of New Jersey.
Ted K. Gong, of California.
Todd R. Greentree, of California.
Linda L. Gresham, of Tennessee.
Darrell Allan Jenks, of Pennsylvania.
Edward T. Kata, of New Jersey.
Lily Kosier, of California.
Howard M. Krawitz, of Pennsylvania.
Helen R. Meagher La Lime, of Florida.
Henry Alan Levine, of the District of Columbia.
Paula Reed Lynch, of Virginia.
Awilda R. Marquez, of the District of Columbia.
Wendell Alexander Matthews, of the District of Columbia.
Michael Vincent McCabe, of Florida.
Joseph Sherwood McGinnis, Jr., of Maryland.
Robert William Merrigan, of Oregon.
Virginia E. Morris, of California.
Joseph Adamo Mussomeli, of Texas.
Snaron Flack Mussomeli, of Texas.
Nancy J. Neubert, of Vermont.
Louis John Nigro, of Florida.
Evans Lee Press, of California.
Eunice Sharon Reddick, of New York.
J. Paul Reid, of California.
Deborah McCarthy Rocha, of California.
Mario Ruggia, of Texas.
Dana Phelps Sherman, of California.
Richard Morey Sherman, of Virginia.
Thomas Alexander Steele, of Georgia.
Gordon John Stirling, of Utah.
Susan M. Struble, of California.
Alan Roger Tousignant, of Massachusetts.
Frank Charles Urbancic, Jr., of Indiana.
Paul Biggs van Son, of Florida.
Roy L. Whitaker, of Kansas.
Alec Wilczynski, of California.

U.S. INFORMATION AGENCY

Carlos S. Bakota, of Texas.
Chantal B. Dalton, of New Jersey.
Darrell K. Ellison, of New York.
Julie Gianelloni, of Texas.
Michael G. Hahn, of Virginia.
Arlene R. Jacquette, of Rhode Island.
Mary Harris Johnson, of North Carolina.
William C. Jones, of Missouri.

The following-named members of the Foreign Service of the Departments of State and Commerce, and the U.S. Information Agency to be Consular officers and/or secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular officers and secretaries in the Diplomatic Service of the United States of America:
Richard Jonathan Adams, of Georgia.
Jay Nicholas Anania, of Maryland.
John J. Arends, of North Dakota.
Lois Armine Aroian, of Michigan.
Gary Grant Bagley, of Maine.
Judith R. Baroody, of Virginia.
John W. Berg, of Maryland.
Gary Berntsen, of New Mexico.
Douglas McAlpine Berry, of New York.
Timothy Alan Betts, of California.
Elizabeth Leitch Bonkowsky, of Florida.
Joseph Murphy Bracken, of Maryland.
Lee Anthony Brudvig, of California.
Patricia Ann Cameron, of Virginia.
Thomas R. Carmichael, of Florida.
Leigh G. Carter, of Florida.
Cheryl A. Casebeer, of California.
Carey Edward Cavanaugh, of Florida.
David Michael Cohen, of New York.
Mary Sue Conway, of Virginia.
Cynthia Colleen Connell, of New Hampshire.
Betty Lee Craig, of Virginia.
John S. Cronlund, of Maryland.
Donald P. Cruse, of Wisconsin.
John F. Crutcher, of California.
John L. Cummings, of Virginia.
Oscar G. DeSoto, of Virginia.
Charles Edward Dickens, of New York.
James C. Dickmeyer, of Ohio.
Brian K. Dickson, of Indiana.
John C. Dickson, of New Hampshire.
John Dixon, of Maryland.
Kenneth Michael Durkin, of Maryland.
C. Eileen Early, of New York.
Erik P. Eklund, of Minnesota.
Heidi-Marie Flannery, of Virginia.
Mary Marcia Fleming, of Virginia.
James Frederick Freund, of Virginia.
Donald Jeffrey Gatto, of New York.
Mary Ellen Grandfield, of Massachusetts.
Helen McCandless Greeley, of California.
Alexander G. Gryschuk, of Florida.
Christopher A. Gucwa, of New York.
Sheila S. Gwaltney, of California.
Ann Alison Haas, of Virginia.
David Maclain Hale, of New Jersey.
Lucy H. Hall, of Arizona.
Jay M. Harris, of Colorado.
Bruce E. Held, of Florida.
Stephen J. Helgesen, of Connecticut.
Judith A. Henderson, of Pennsylvania.
Phillip P. Hoffmann, of Illinois.
Christopher J. Hoh, of Pennsylvania.
Linda May Holmes, of California.
Eleanor J. Holstein, of Massachusetts.
Michael J. Honnold, of California.
Sanford B. Hunt, of Maryland.
James W. Hutcheson, of Virginia.
George William Indyke, Jr., of New Jersey.
Jeffrey C. Irwin, of Washington.
William J. Jamieson, of Georgia.
Bradford H. Johnson, of Massachusetts.
Sura Rochen Johnson, of California.
Todd M. Johnson, of Washington.
Philip Montgomery Jones, of Colorado.
David J. Katz, of Washington.
James J. Kenney, Jr., of Maryland.
Brodrick A. Klinger, of Pennsylvania.
John Marsh Kuschner, of New York.
Michael J. Labriola, of Virginia.
Charna L. Lazar, of Florida.
Barbara Anne Leaf, of the District of Columbia.
James Andrew Lewis, of Illinois.
Patrick J. Linehan, of Wisconsin.
Earle D. Litzenberger, Jr., of Virginia.
Ambrocio Lopez, of California.
Edward F. Malinowski, of Puerto Rico.
Lara Marlowe, of California.
Christopher John Marut, of Connecticut.
John Cotton Mather, of Virginia.
Gray McCalley, Jr., of Georgia.
Matthew J. McGrath, of Illinois.
Karen Jo McIsaac, of New York.
John F. McNamara, of New Hampshire.
Matthew A. Meyer, of Virginia.
Stephan L. Milliken, of Virginia.
Thomas Harald Moore, of Virginia.
Roger James Moran, of New York.
Gregory Charles Morris, of Virginia.
William Henry Moser, of Georgia.
Rolf Mowatt-Larssen, Jr., of Virginia.
Albert P. Mueller, of California.
Thomas Joseph Navratil, of Wisconsin.
James D. Nealon, of Maryland.
Marc Ellington Norman, of Maryland.
Stanley Arnold Otto, of Iowa.
William R. Palmer, of Wisconsin.
Robert A. Pollard, of Virginia.
Joseph M. Pomper, of the District of Columbia.
James Radford Pritchett, of Alabama.
Robert H. Reynolds, of the District of Columbia.
Ronald B. Richard, of Maryland.
Gary D. Robbins, of Washington.
Dolores E. Ryan, of Florida.
Alfred L. Samuel, of South Carolina.
Brian M. Sapsford, of Michigan.
Fredericka Ann Schmadel-Heard, of Indiana.
Eric J. Schoenberg, of New Jersey.
Susan Marie Selbin, of Alaska.
John Stephen Sequeira, of Virginia.
Thomas Alfred Shannon Jr., of Virginia.
Susan Elizabeth Shepherd, of North Carolina.
Peter Scott Sherman, of Virginia.
Josie S. Shumake, of Mississippi.
Douglas Alan Silliman, of Texas.
Micheal Dean Slack, of Indiana.
Timothy W. Smith, of Pennsylvania.
Franklin Sparhawk, of Virginia.
Sandra A. Stevens, of Virginia.
William Ralph Stewart, of Connecticut.
Richard W. Stites, of California.
Marc J. Susser, of Maryland.
Michael J. Sweet, of Virginia.
Mark S. Tauber, of New Jersey.
Harry Keels Thomas, Jr., of New York.
Joseph Benjamin Torres, of Colorado.
Steven M. Toy, of California.
Ronald A. Trigg, of Indiana.
Joan B. Vandaveer, of Pennsylvania.
Lucien S. Vandenbroucke, of Maryland.
Rebecca Elsie Van Doren-Shulkin, of Virginia.
Susan R. Wagner, of Maryland.
Roman Hugh Wasilewski, of Virginia.
Mark A. Wentworth, of Maine.
Nyoka White, of Virginia.
Daniel H. Wicks, of Virginia.
Sheree Welch Willis, of Kansas.
Rebecca R. Winchester, of New Mexico.
Christopher A. Winslow, of Virginia.
John L. Withers II, of Maryland.
Jo Ann York, of California.

Consular officers of the United States of America:
Kathi R. Bocko, of New Hampshire.
John E. Dixon, Jr., of Maryland.
Martin Patrick Lahiff, of California.
John F. Lee, of Virginia.
Bruce W. Tully, of Maryland.

Secretaries in the Diplomatic Service of the United States of America:
William A. Brekke, of South Dakota.
Daniel E. Harris, of New York.

DEPARTMENT OF STATE

The following-named career members of the Foreign Service of the United States Information Agency for promotion into the Senior Foreign Service as indicated:

Career members of the Senior Foreign Service of the United States of America, class of Counselor, and Consular officers and secretaries in the Diplomatic Service of the United States of America:
David F. Lent, of Vermont.
Charles H. Mitchell, of California.

The following-named persons of the agencies indicated for appointment as Foreign Service officers of the classes stated, and also for the other appointments indicated herewith:

For appointment as a Foreign Service officer of class 1, a Consular officer, and a secretary in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Janice Johnson Lyon, of Utah.

For appointment as a Foreign Service officer of class 3, a Consular officer, and a secretary in the Diplomatic Service of the United States of America:

U.S. INFORMATION AGENCY

Nola L. Day, of Vermont.

For appointment as Foreign Service officers of class 4, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Bernadette Mary Allen, of Maryland.
James Warren Bean, of Colorado.
William McKinley Blaine III, of California.
James Bradford Bond, of Oregon.
John Jack Boris, of Connecticut.
Jonathan P. Brecht, of New York.
Robert Andrew Callard, of West Virginia.
Jorge Cintrón, of Puerto Rico.
James F. Cole, of New York.
Anne E. Derse, of Michigan.
Richard Gaines de Villafranca, of Connecticut.
Philo L. Dibble, of the District of Columbia.
Paul Martin Doherty, of California.
James Frederick Entwistle, of Virginia.
George A. Flowers, Jr., of Florida.
Alred F. Fonteneau, of Texas.
Gerard M. Gallucci, of Pennsylvania.
Jeffrey Wood Garrison, of Florida.
Mason S. Green, of Connecticut.
Richard A. Herold, of Illinois.
John Hitchcock, of Washington.
Linda Marcus Hochstein, of Maryland.
Daniel F. Keller, of Texas.
Wade P. Leahy, of Arizona.
Frank M. Lemay, of the District of Columbia.
Robert Nielsen Marquardt, of California.
Jackson C. McDonald, of Florida.
Craig W. McKee, of Iowa.
Edward R. McMahon, of New Jersey.
Stephen Maxwell Miller, of California.
Désirée A. Millikan, of Missouri.
Katharine S. Mitchell, of Colorado.
Douglas Bruce Neumann, of California.
Roberta Lynn Newell, of Washington.
Richard B. Norland, of New Hampshire.
Stephen R. Pattison, of Texas.
James D. Pettit, of Iowa.
Walter N.S. Pflaumer, of Pennsylvania.
Kevin L. Richardson, of New Jersey.
Lloyd Macauley Richardson, of New Hampshire.
Susan Elizabeth Salem, of Florida.
Stephen L. Savage, of Colorado.
Michael A. Spangler, of Arkansas.
William Martin Strawn, of the District of Columbia.
Holcombe Harper Thomas, Jr., of South Carolina.
Lucy Perron Uncu, of Connecticut.
Vicente Valle, Jr., of Florida.
Nereida Maria Vazquez, of Florida.
Joan S. Wadelton, of New Jersey.
Douglas Bruce Wake, of New York.
John Raymond Walser, of North Carolina.
David Gage Whittlesey, of Maine.

For appointment as Foreign Service officers of class 4, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

U.S. INFORMATION AGENCY

John H. Brown, of California.
Pamela Corey-Archer, of California.
Christopher James Datta, of New Jersey.
Karl Henry Fritz, of the District of Columbia.
Jeffrey Thomas Gersick, of California.
Ann Lyman Henderson, of New Jersey.
L. W. Koengeter, of Hawaii.
John Karl Menzies, of California.
Karl Gordon Nelson, of Utah.
Angier Peavy, of Texas.
Richard Scorza, of Florida.
Mark Jay Smith, of California.
William H. Wanlund, of the District of Columbia.

The following-named members of the Foreign Service of the Departments of State and Commerce and the U.S. Information Agency, to be Consular officers and/or secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

Carlos Aranaga, of Maryland.
John Richard Arndt, of Florida.
Herman O. Bailey, of Michigan.
Albert E. Breland, Jr., of Arizona.
Peter M. Brennan, of the District of Columbia.
Herbert Renard Brown, of Florida.
Paula J. Brumbaugh, of California.
Jose A. Cadena, of Texas.
Matthew L. Chin, of Oregon.
Carl Seymour Cockburn, of Oklahoma.
Ellen G. Connor, of the District of Columbia.
David M. Cromley, of Pennsylvania.
John Peter Deasy, Jr., of Massachusetts.
Marguerite Dove, of Connecticut.
Stephen E. Dye, of New Jersey.
Verna S. Farkash, of Pennsylvania.
Susan Fieldhouse, of Pennsylvania.
James Stuart Finch, of Pennsylvania.
Suen Anne Smethills Flaherty, of Colorado.
Carol E. Flynn, of California.
Judith Gail Garber, of New York.
Norman Anthony Germino, of North Carolina.
Jeffrey Mark Glassman, of Massachusetts.
Roy A. Glover, of Minnesota.
Kevin J. Gordon, of New York.
Mary Anne Gorjance, of Washington.
Patricia A. Grundeman, of Virginia.
Charles Bryson Gurney, of Tennessee.
Ramona P. Harper, of Florida.
Jeffery L. Hawkins, of Texas.
John J. Jablonski, of Minnesota.
Thomas M. Jennings, of Maryland.
James W. Keegan, of Iowa.
Helene Michelle Kessler, of Massachusetts.
Allen D. Kobliska, of Wisconsin.
Ingrid M. Kollist, of the District of Columbia.
Richard O. Lankford, of Pennsylvania.
Sally Mathiasen Light, of Washington.
Mercedes L. Liriano, of Connecticut.
Lawrence C. Mandel, of Massachusetts.
Barbara C. Maslak, of the District of Columbia.
Thomas R. Matthews, of Pennsylvania.
Joni E. McFarland, of Tennessee.
James R. Micsan, of California.
Jacqueline Lee Mok, of New York.
James R. Moore, of the District of Columbia.
Richard A. Murphy, of Maryland.
Michael D. Nelson, of Arizona.
Lawrence R. Neves, of Maryland.
Brian Kent Oberle, of Michigan.
R. Keith Ogden, Jr., of Louisiana.
Rosa M. Pelayo, of Texas.
Katharine Tinsley Place, of Virginia.
Honora M. Rankine-Galloway, of New York.
Lance C. Rennie, of Washington.
Eric Marshall Rice, of California.
Earl M. Rickerson, of Virginia.
Kathleen A. Riley, of Nevada.
Richard W. Rockwell, of Florida.
Donna J. Roginski, of Virginia.
Albert L. Sasseville, of Puerto Rico.
Julie K. Satterfield, of Nebraska.
David R. Shedd, of New York.
Gregory Scott Slotta, of California.
Sarah Ann Smith, of California.
Steven P. Smith, of Virginia.
James V. Soriano, Jr., of Virginia.
Gary M. Spackey, of Indiana.
Marguerite H. Squire, of Maryland.
Jack W. Staton, of West Virginia.
Paul R. Sutphin, of Virginia.
Sonja G. Sweek, of Arkansas.
Beverly A. Thacker, of California.
Hendrik van der Meulen, of Ohio.
Michele A. Vautrain, of Massachusetts.
Jimmie D. Warnell, of California.
Robert H. Weidman, Jr., of Virginia.
Elizabeth Ann Welden, of Virginia.
Donna Welton, of New York.
Margaret Westmoreland, of Arizona.
Benjamin Whitten, of California.
Roy F. Wiese, of Virginia.
Bisa Williams-Manigault, of Texas.
Robert Roger Winship, of Washington.
John S. Wood, of Illinois.
William G. Young, of New Jersey.

Consular officers of the United States of America:

Joyce C. Blackmon, of Texas.
Bruce Terry Howe, of Virginia.
Betsy June Malpass, of Virginia.

Secretaries in the Diplomatic Service of the United States of America:

James S. Bodnar, of Virginia.
Lane T. Cubstead, of Texas.
Elizabeth Montagne, of Illinois.
Todd N. Thurwachter, of Kentucky.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601 and additional duty as senior U.S. Air Force member, Military Staff Committee of the United Nations, under the provisions of title 10, United States Code, section 711:

To be lieutenant general

Maj. Gen. Robert H. Reed, [redacted], U.S. Air Force.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Howard W. Leaf, [redacted], U.S. Air Force.

IN THE AIR FORCE

The following person for appointment as Reserve of the Air Force, in the grade indicated under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

MEDICAL CORPS

To be colonel

Levinson, John M., [redacted]

IN THE NAVY

Lynn Lewis, Navy Enlisted Commissioning Program candidate, to be appointed permanent ensign in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531.

The following-named Naval Reserve officers to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531.

Carter, Michael S.
Cink, Fred J., Jr.
Hawkins, Lynn A.
Hooker, Donald T., II
Maher, James R.
Mathers, Bruce H.
Mowrey, James A.
Myers, Derek F.
Pettit, Jonathan L.
Scarberry, Randall E.

Thomas, Prakash
Varney, Marc D.
Wasilewski, Gene S.
Wellman, William H.
Witham, Charles E., Jr.
Zora, John A.

Donald E. Longstreet, Navy enlisted candidate, to be appointed permanent chief warrant officer, W-3, in the U.S. Navy, pursuant to title 10, United States Code, section 555.

Thomas R. Miller, lieutenant, U.S. Navy, retired, to be reappointed permanent lieutenant commander in the U.S. Navy from the Temporary Disability Retired List, pursuant to title 10, United States Code, section 1211.

The following-named medical college graduates to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Galloway, John A.
Larkin, Edward D.
Schumer, William

IN THE NAVY

The following-named Naval Reserve Officers Training Corps Program candidates to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Fraunces, Michael G.
Hanson, William A.

The following-named Navy Enlisted Commissioning Program candidates to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Abegg, Stephen J.
Barton, Steven D.
Benson, Leo J.
Bryant, Mark S.
Chiong, Luis N.
Ebbs, William A.
Fletcher, Kim
Givans, Alvin
Helvey, Clete R.
Howard, Franklin
Johnson, William B.
Lebas, Philip
Lopez, Richard J.
Malicki, Sharon A.
Martin, Louis N., Jr.
Minton, Kenneth R.
Musgrave, Lawrence A.
Ortiz, Estavan E.
Payau, Stephen F.
Pillsley, Michael J.
Poole, Phillip T.
Rausch, Nancy J.
Sarantakis, Stephen D.
Spaulding, Dale R.
Weinshelbaum, Cynthia L.
Wiseman, Joyce A.
Zorn, Eric W.

The following-named Naval Reserve officers to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Burgoyne, Douglas J.
Burks, James G., Jr.
Kenton, Jonathan W.
Weathersby, Mark E.
Whisman, Curtis D.

Russell Sturgis, chief warrant officer, W-3, U.S. Navy, to be appointed permanent chief warrant officer, W-2, in the U.S. Navy, pursuant to title 10, United States Code, section 555.

Michael P. Grief, chief warrant officer, W-3, U.S. Navy, retired, to be reappointed temporary chief warrant officer, W-4, in the U.S. Navy from the Temporary Disability Retired List, pursuant to title 10, United States Code, section 1211.

Rodney C. Dwyer, medical college graduate, to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

Geza T. Terezhalmy, commander, U.S. Navy, to be appointed permanent commander in the Dental Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for transfer into the Regular Marine Corps under the provisions of title 10, United States Code, section 531 and 555:

Lieutenant colonel

Harris, William H., xxx-xx-xxxx

Major

Biser, Mark H., xxx-xx-xxxx
McLean, Robert W., xxx-xx-xxxx
Setzer, Royce G., xxx-xx-xxxx
Wisniewski, Paul D., xxx-xx-xxxx

Captain

Aitken, William S., xxx-xx-xxxx
Anderson, James D., xxx-xx-xxxx
Anzaldua, Jose J., Jr., xxx-xx-xxxx
Arndt, Curtis P., xxx-xx-xxxx
Arnold, Philip G., xxx-xx-xxxx
Barker, Randy C., xxx-xx-xxxx
Bartlett, William W., xxx-xx-xxxx
Barton, Marcia S., xxx-xx-xxxx
Bashor, Robin L., xxx-xx-xxxx
Bench, William D., xxx-xx-xxxx
Billips, Paul E., xxx-xx-xxxx
Booth, Steven K., xxx-xx-xxxx
Boyce, Mark R., xxx-xx-xxxx
Connolly, Timothy J., Jr., xxx-xx-xxxx
Csutoros, Francis A., xxx-xx-xxxx
Demont, Jo K., xxx-xx-xxxx
Ellis, Richard C., xxx-xx-xxxx
Fabert, Michael G., xxx-xx-xxxx
Farmer, Harry W., Jr., xxx-xx-xxxx
Ferrari, John W., xxx-xx-xxxx
Fisher, Michael J., xxx-xx-xxxx
Fisher, Marc W., xxx-xx-xxxx
Fugere, Peder T., xxx-xx-xxxx
Grady, Aaron G., xxx-xx-xxxx
Griffin, Robert W., xxx-xx-xxxx
Grogan, Leo J., xxx-xx-xxxx
Hagenbrock, Joel R., xxx-xx-xxxx
Hansen, Andrew L., xxx-xx-xxxx
Harrison, Mark T., xxx-xx-xxxx
Hawken, James M., xxx-xx-xxxx
Hellar, Robert E., xxx-xx-xxxx
Hendrickson, Alan G., xxx-xx-xxxx
Hinzman, William L., xxx-xx-xxxx
Holland, Michael P., xxx-xx-xxxx
Howe, Rose M., xxx-xx-xxxx
Imes, Robert W., II, xxx-xx-xxxx
Jeffcoat, Patricia A., xxx-xx-xxxx
Jolevare, Irwin J., xxx-xx-xxxx
Jonas, David S., xxx-xx-xxxx
Jones, Michael A., xxx-xx-xxxx
Kaainoni, Robert E., Jr., xxx-xx-xxxx
Kelly, Keith R., xxx-xx-xxxx
Keverline, Kenneth W., xxx-xx-xxxx
Kincaid, Kathleen J., xxx-xx-xxxx
Kiriazes, Peter, xxx-xx-xxxx
Lakin, Stephen C., xxx-xx-xxxx
Longshore, John M., xxx-xx-xxxx
Lucas, Jeffrey G., xxx-xx-xxxx
Lueking, Richard W., xxx-xx-xxxx
Martin, Eddie D., xxx-xx-xxxx
Mason, Michael D., xxx-xx-xxxx
McClure, Kent L., xxx-xx-xxxx
Millard, Dean A., xxx-xx-xxxx
Mitchell, William M., Jr., xxx-xx-xxxx
Moak, Donald L., xxx-xx-xxxx
Mullins, Robert G., xxx-xx-xxxx
Nicholas, Kirk M., xxx-xx-xxxx
Ostrom, John E., xxx-xx-xxxx
Pearson, Roy A., xxx-xx-xxxx
Peterson, Michael J., xxx-xx-xxxx
Pettigrew, Mark J., xxx-xx-xxxx
Powers, Thomas E., xxx-xx-xxxx
Prindle, Bradford A., xxx-xx-xxxx
Rea, Edgar A., xxx-xx-xxxx
Richardella, Roland G., xxx-xx-xxxx
Riesbeck, John C., xxx-xx-xxxx
Sagaser, Michael B., xxx-xx-xxxx
Sargeant, Harry, III, xxx-xx-xxxx
Savage, Thomas E., xxx-xx-xxxx
Schellhorn, John E., xxx-xx-xxxx
Schwartz, John C., xxx-xx-xxxx
Secrest, Lloyd D., xxx-xx-xxxx
Seguin, Gerald H., xxx-xx-xxxx
Serr, Philip N., xxx-xx-xxxx
Shull, Mark K., xxx-xx-xxxx
Stearns, Edwin P., xxx-xx-xxxx
Stevens, John P., xxx-xx-xxxx
Trott, Richard W., xxx-xx-xxxx
Vanemburgh, James T., xxx-xx-xxxx
Vanwyk, Timothy D., xxx-xx-xxxx
Weber, Eric C., xxx-xx-xxxx
Welsh, Francis J., xxx-xx-xxxx
Whitehouse, Dana A., xxx-xx-xxxx
Wingard, Joseph R., xxx-xx-xxxx
Woods, Carl J., xxx-xx-xxxx
Woodward, John A., xxx-xx-xxxx

Lieutenant

Abbott, Michael L., xxx-xx-xxxx
Adams, Schott R., xxx-xx-xxxx
Airola, Eric A., xxx-xx-xxxx
Alheim, Heidi A., xxx-xx-xxxx
Allen, Raymond, xxx-xx-xxxx
Anderson, Howard W., Jr., xxx-xx-xxxx
Apolinario, Jeffrey J., xxx-xx-xxxx
Avery, Michael L., xxx-xx-xxxx
Baggett, Robert J., xxx-xx-xxxx
Baker, Laurent O., xxx-xx-xxxx
Baker, Steve J., xxx-xx-xxxx
Balasi, Victor F., xxx-xx-xxxx
Banks, Dwayne S., xxx-xx-xxxx
Bannister, John D., xxx-xx-xxxx
Barley, Kirk T., xxx-xx-xxxx
Barnes, Timothy M., xxx-xx-xxxx
Bearce, Alexander L., xxx-xx-xxxx
Behrends, Paul D., xxx-xx-xxxx
Benton, Michael D., xxx-xx-xxxx
Beutel, Kenneth L., xxx-xx-xxxx
Biggs, Christophe H., xxx-xx-xxxx
Bowden, Jeff A., xxx-xx-xxxx
Boynton, Frank R., xxx-xx-xxxx
Brakefield, James P., xxx-xx-xxxx
Bridel, Robert R., II, xxx-xx-xxxx
Brown, Gregory D., xxx-xx-xxxx
Brown, Marshall Y., xxx-xx-xxxx
Bruce, Donald S., xxx-xx-xxxx
Buford, John F., xxx-xx-xxxx
Bullard, John W., Jr., xxx-xx-xxxx
Burris, Edward H., xxx-xx-xxxx
Cain, Philip A., xxx-xx-xxxx
Campbell, Boyd W., xxx-xx-xxxx
Campbell, Michael F., xxx-xx-xxxx
Capps, John M., xxx-xx-xxxx
Carroll, Paul L., Jr., xxx-xx-xxxx
Clark, Steven E., xxx-xx-xxxx
Clifford, Richard D., xxx-xx-xxxx
Cobb, Norman R., xxx-xx-xxxx
Cone, Richard D., xxx-xx-xxxx
Coppock, Bradford T., xxx-xx-xxxx
Corroon, Charles K., xxx-xx-xxxx
Costa, Henry J., xxx-xx-xxxx
Cravens, Mark J., xxx-xx-xxxx
Crawford, Robert M., xxx-xx-xxxx
Crehan, Michael J., xxx-xx-xxxx
Culbert, Daniel E., xxx-xx-xxxx
Daly, Thomas P., Jr., xxx-xx-xxxx
Dalziel, Bryce J., xxx-xx-xxxx
Davis, Charles S., xxx-xx-xxxx
Davis, Stephen W., xxx-xx-xxxx
DeFazio, George W., xxx-xx-xxxx
DelColliano, John A., xxx-xx-xxxx
Devlin, William J., xxx-xx-xxxx
DiBenedetto, James W., xxx-xx-xxxx
Dion, Mitchell S., xxx-xx-xxxx
Dixon, Wales S., III, xxx-xx-xxxx
Dixon, Robert L., Jr., xxx-xx-xxxx
Dolphin, Glenn E., xxx-xx-xxxx
Donaleski, Karen G., xxx-xx-xxxx
Donnelly, Francis B., III, xxx-xx-xxxx
Donovan, Michael J., xxx-xx-xxxx
Downey, Gary C., xxx-xx-xxxx
Ducey, Lawrence E., xxx-xx-xxxx

Dunlap, Charles R., xxx-xx-xxxx
Dunn, John S., xxx-xx-xxxx
Econie, Mark L., xxx-xx-xxxx
Ekman, Christophe M., xxx-xx-xxxx
Erwin, Robert D., xxx-xx-xxxx
Estrada, Albert A., xxx-xx-xxxx
Etter, Michael S., xxx-xx-xxxx
Fararo, Raymond M., xxx-xx-xxxx
Farrar, Gregory N., xxx-xx-xxxx
Ferguson, William E., Jr., xxx-xx-xxxx
Ferraro, Peter J., xxx-xx-xxxx
Fierro, Timoteo R., Jr., xxx-xx-xxxx
Fischer, Gerard W., xxx-xx-xxxx
Fierlage, Peter S., xxx-xx-xxxx
Flowers, James N., xxx-xx-xxxx
Foley, Gregory S., xxx-xx-xxxx
Frederick, Kevin F., xxx-xx-xxxx
Fritz, David G., xxx-xx-xxxx
Gainer, Willie J., Jr., xxx-xx-xxxx
Galvin, Kent A., xxx-xx-xxxx
Geiger, Stephen L., xxx-xx-xxxx
Gibbs, Shirley, xxx-xx-xxxx
Goeser, George M., xxx-xx-xxxx
Goldner, Mark, xxx-xx-xxxx
Graczyk, John S., xxx-xx-xxxx
Groenink, Annette W., xxx-xx-xxxx
Gurney, David H., xxx-xx-xxxx
Hagenbuch, Kevin J., xxx-xx-xxxx
Haines, Bruce A., xxx-xx-xxxx
Hammond, Richard G., xxx-xx-xxxx
Hancock, Ben D., xxx-xx-xxxx
Hartsell, James S., xxx-xx-xxxx
Harvey, John J., Jr., xxx-xx-xxxx
Hathaway, Robert T., Jr., xxx-xx-xxxx
Hauser, Gregory E., xxx-xx-xxxx
Hawkins, Mantford C. II, xxx-xx-xxxx
Haynes, David J., xxx-xx-xxxx
Hedelund, Robert F., xxx-xx-xxxx
Hegmann, Richard E., xxx-xx-xxxx
Heinzel, David C., xxx-xx-xxxx
Held, Robert J., xxx-xx-xxxx
Hill, Howard C., xxx-xx-xxxx
Hirsch, Richard M., Jr., xxx-xx-xxxx
Hochstetler, Mary L., xxx-xx-xxxx
Hollingshead, Frank A., xxx-xx-xxxx
Holzheimer, Andrew, xxx-xx-xxxx
Hove, William M., xxx-xx-xxxx
Hudson, Bruce G., xxx-xx-xxxx
Hudson, Charles L., xxx-xx-xxxx
Hunter, Kay L., xxx-xx-xxxx
Jammal, Osamah A., xxx-xx-xxxx
Jaskolka, Michael S., xxx-xx-xxxx
Jean, Mark R., xxx-xx-xxxx
Johnson, Leslye J., xxx-xx-xxxx
Johnson, Ricky C., xxx-xx-xxxx
Jupp, David P., xxx-xx-xxxx
Kauzlarich, Mark M., xxx-xx-xxxx
Keiser, Kenneth J., Jr., xxx-xx-xxxx
Kelleher, Patrick A., xxx-xx-xxxx
Kelly, Stephen J., xxx-xx-xxxx
Kettenring, Carol A., xxx-xx-xxxx
Klingenberg, Daniel E., xxx-xx-xxxx
Knepper, Larry L., xxx-xx-xxxx
Krasovich, John M., xxx-xx-xxxx
Kuehl, Marcia A., xxx-xx-xxxx
Larison, Peter D., xxx-xx-xxxx
Laslavic, David S., xxx-xx-xxxx
Leberman, Odin F., Jr., xxx-xx-xxxx
Lee, James W., xxx-xx-xxxx
Linder, Stephen J., xxx-xx-xxxx
Locke, Gregory E., xxx-xx-xxxx
Loesing, Richard H., xxx-xx-xxxx
Logan, Rodney J., xxx-xx-xxxx
Love, Michael E., xxx-xx-...
Mabe, Timothy R., xxx-xx-xxxx
Maberry, Jack A., xxx-xx-xxxx
MacVarish, James G., xxx-xx-xxxx
Mahoney, David A., xxx-xx-xxxx
Martinez, Alan R., xxx-xx-xxxx
Martinez, James B., Jr., xxx-xx-xxxx
Mast, Gregory L., xxx-xx-xxxx
Mastalski, Anthony C., xxx-xx-xxxx
Mayers, Crispin S., Jr., xxx-xx-xxxx
Mayman, Charles P., xxx-xx-xxxx
McBurney, Erin E., xxx-xx-xxxx
McCabe, Edward M., xxx-xx-xxxx
McClain, Ronald S., xxx-xx-xxxx
McComiskey, Edward J., xxx-xx-xxxx
McDavid, James E., xxx-xx-xxxx
McEvoy, William F., xxx-xx-xxxx
McFarland, Jeffrey T., xxx-xx-xxxx
McFarland, Thomas F., xxx-xx-xxxx
McGlade, Desmond P., xxx-xx-xxxx
McKenzie, Garrett J., xxx-xx-xxxx
McMurran, Peter B., xxx-xx-xxxx
McNerney, Jon A., xxx-xx-xxxx
McNulty, Kevin J., xxx-xx-xxxx
Messer, Rick J., xxx-xx-xxxx
Miller, Hans J., xxx-xx-xxxx
Miller, Jack E., Jr., xxx-xx-xxxx
Mitchell, Shelley J., xxx-xx-xxxx
Minarik, Robert J., xxx-xx-xxxx
Molitor, Mark L., xxx-xx-xxxx
Moore, Jeffrey A., xxx-xx-xxxx
Moore, Robert L., Jr., xxx-xx-xxxx
Moores, Terry M., xxx-xx-xxxx
Morgan, Steven G., xxx-xx-xxxx
Mortenson, Royal P., xxx-xx-xxxx
Mullins, David L., xxx-xx-xxxx
Mundy, Dwight A., xxx-xx-xxxx
Myers, David C., xxx-xx-xxxx
Nalepa, Gerald F., xxx-xx-xxxx
Neal, Donald G., xxx-xx-xxxx
Nelson, David A., xxx-xx-xxxx
Newman, O'brene L., Jr. xxx-xx-xxxx
Nowlin, William E., xxx-xx-xxxx
O'Brien, James A., xxx-xx-xxxx
O'Dwyer, James D., xxx-xx-xxxx
O'Hagan, James G., xxx-xx-xxxx
Oosterhuis, Patrick H., xxx-xx-xxxx
Owens, John M., xxx-xx-xxxx
Packard, Stanley A., xxx-xx-xxxx
Parks, Ted A., xxx-xx-xxxx
Patenaude, Paul R., Jr., xxx-xx-xxxx
Penn, Patrick S., xxx-xx-xxxx
Perry, Joseph M., xxx-xx-xxxx
Petracek, John V., xxx-xx-xxxx
Poleto, James J., Jr., xxx-xx-xxxx
Porter, Jeffrey A., xxx-xx-xxxx
Pouliot, Gary R., xxx-xx-xxxx
Powell, John T., Jr., xxx-xx-xxxx
Prichard, Robert A., xxx-xx-xxxx
Promutico, Marc A., xxx-xx-xxxx
Putnam, Raymond R., xxx-xx-xxxx
Quadrini, Sheila M., xxx-xx-xxxx
Raderstorf, Charles H., xxx-xx-xxxx
Reckart, David M., xxx-xx-xxxx
Reichert, David A., xxx-xx-xxxx
Reichert, Daniel J., xxx-xx-xxxx
Reilly, James E., III, xxx-xx-xxxx
Reske, Scott E., xxx-xx-xxxx
Reynolds, Jana K., xxx-xx-xxxx
Rhoades, Bryan M., xxx-xx-xxxx
Richardson, David L., xxx-xx-xxxx
Richardson, William J., xxx-xx-xxxx
Ridenour, Ellen K., xxx-xx-xxxx
Rigg, Bart A., xxx-xx-xxxx
Rivet, James C., xxx-xx-xxxx
Robbins, Herbert M., xxx-xx-xxxx
Robinson, Barbara A., xxx-xx-xxxx
Rocco, Michael A., xxx-xx-xxxx
Rocco, Robert J., xxx-xx-...
Roderick, Michael J., xxx-xx-xxxx
Romero, Joseph D., xxx-xx-xxxx
Rooney, James P., Jr., xxx-xx-xxxx
Rowlands, David D., xxx-xx-xxxx
Rupp, Paul K., xxx-xx-xxxx
Sampson, Joseph P., xxx-xx-xxxx
Sawyers, Michael L., xxx-xx-xxxx
Schafer, Richard A., xxx-xx-xxxx
Schmarr, Daniel W., II, xxx-xx-xxxx
Schutt, Donald L., Jr., xxx-xx-xxxx
Schwalm, Ross H., xxx-xx-xxxx
Scrivenor, Arthur, IV, xxx-xx-xxxx
Scutellaro, Joseph A., xxx-xx-xxxx
Seger, Richard W., xxx-xx-xxxx
Senger, Terrence L., xxx-xx-...
Shearer, David M., xxx-xx-xxxx
Sherman, Sterling S., xxx-xx-xxxx
Shock, Dewayne E., xxx-xx-xxxx
Siebenthal, Thomas C., xxx-xx-xxxx
Siegwarth, Mark D., xxx-xx-xxxx
Sieracki, Annette R., xxx-xx-xxxx
Silliman, Bradley J., xxx-xx-xxxx
Simmons, Denise J., xxx-xx-xxxx
Simonds, Frank H., Jr., xxx-xx-xxxx
Sinclair, Robert O., xxx-xx-xxxx
Smith, Brent A., xxx-xx-xxxx
Smith, David E., xxx-xx-xxxx
Smith, David L., xxx-xx-xxxx
Spangenberg, Christian, xxx-xx-xxxx
Stamour, Frederick C., xxx-xx-xxxx
Stringfellow, Darryl, xxx-xx-xxxx
Sweitzer, Timothy A., xxx-xx-xxxx
Taylor, Gary W., xxx-xx-xxxx
Thiberville, Robert A., xxx-xx-xxxx
Thorson, John O., III, xxx-xx-xxxx
Trautman, Kenneth G., xxx-xx-xxxx
Trzcinski, Stanley C., Jr., xxx-xx-xxxx
Tucker, Craig A., xxx-xx-xxxx
Vincze, Leslie S., xxx-xx-xxxx
Visconage, Susan C., xxx-xx-xxxx
Vombaur, Alonzo A., III, xxx-xx-xxxx
Waid, Michael R., xxx-xx-xxxx
Wainwright, William J., xxx-xx-xxxx
Walter, Thomas C., xxx-xx-xxxx
Walther, Martha A., xxx-xx-xxxx
Walton, Peter M., xxx-xx-xxxx
Wasser, John S., xxx-xx-xxxx
Watson, Leah B., xxx-xx-xxxx
Watters, David T., xxx-xx-xxxx
Weber, Joseph J., xxx-xx-xxxx
West, Robert S., xxx-xx-xxxx
Wheeler, Joseph H., III, xxx-xx-xxxx
White, Eric R., xxx-xx-xxxx
White, Stephen P., xxx-xx-xxxx
Whitecotton, Michael G., xxx-xx-xxxx
Williams, David R., xxx-xx-xxxx
Williams, Martha G., xxx-xx-xxxx
Wilmot, Timothy D., xxx-xx-xxxx
Yates, Gordon D., xxx-xx-xxxx
Yeager, Guy A., xxx-xx-xxxx
Zautcke, Donald W., xxx-xx-xxxx
Zielie, Terry B., xxx-xx-xxxx

Warrant Officer

Bohlen, Michael W., Sr., xxx-xx-xxxx
Kent, Harry D., xxx-xx-xxxx

HOUSE OF REPRESENTATIVE—*Wednesday, September 5, 1984*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We earnestly pray, O gracious God, for Your blessings upon this assembly, upon all those who labor here for the welfare of our Nation. Give us the commitment to uphold those ideas and ideals in which we believe even as we are tolerant of those with whom we differ. Help us to affirm the motivations of other people that working together for the common good we may speak truth, do justice, value honor, and strive for peace for our generation and for the generations that follow. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On August 7, 1984:

H.R. 1492. An act to establish the Christopher Columbus Quincentenary Jubilee Commission; and

H.J. Res. 577. Joint resolution designating August 1984 as "Polish American Heritage Month."

On August 10, 1984:

H.R. 559. An act to amend the Securities Exchange Act of 1934 to increase the sanctions against trading in securities while in possession of material nonpublic information.

On August 11, 1984:

H.R. 1310. An act to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide cost sharing by the private sector in training such personnel; to encourage creation of new engineering, technical, and scientific jobs; and for other purposes.

On August 16, 1984:

H.R. 4325. An act to amend part D of title IV of the Social Security Act to assure, through mandatory income withholding, incentive payments to States, and other improvements in the child support enforcement program, that all children in the United States who are in need of assistance in securing financial support from their parents will receive such assistance regardless of their circumstances, and for other purposes; and

H.R. 4952. An act to authorize the Secretary of Defense to provide assistance to certain Indian tribes for expenses incurred for community impact planning activities relating to the planned deployment of the MX missile system in Nevada and Utah in the same manner that State and local governments were provided assistance for such expenses.

On August 21, 1984:

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week"; and

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week."

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month"; and

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week."

On August 22, 1984:

H.R. 6040. An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes.

On August 23, 1984:

H.R. 4280. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes.

On August 27, 1984:

H.R. 5890. An act to establish a commission to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr.

On August 28, 1984:

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 3787. An act to amend the National Trails System Act by adding the California Trail to the study list, and for other purposes;

H.R. 4596. An act to amend section 1601(d) of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street, Waterloo, NY;

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes; and

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes.

On August 29, 1984:

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute program, and for other purposes; and

H.J. Res. 452. Joint resolution recognizing the important contributions of the arts to a complete education.

On August 30, 1984:

H.R. 5712. An act making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes; and

H.J. Res. 600. Joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1250. An act to improve access for handicapped and elderly individuals to registration and polling facilities for Federal elections;

H.R. 5561. An act to enhance the economic development of Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and for other purposes;

H.R. 5743. An act making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1985, and for other purposes; and

H.R. 5899. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1985, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5743) "An act making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1985, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COCHRAN, Mr. MCCLURE, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTER, Mr. HATFIELD, Mr. EAGLETON, Mr. STENNIS, Mr. CHILES, Mr. BURDICK, and Mr. SASSER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5899) "An act making appropriations for the government of the District of Columbia and

other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1985, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPECTER, Mr. HATFIELD, Mr. MATTINGLY, Mr. DOMENICI, Mr. LEAHY, Mr. STENNIS, and Mr. BUMPERS to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2603) "An act to extend the authorization of appropriations for, and to revise the Older Americans Act of 1965," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATCH, Mr. GRASSLEY, Mr. DENTON, Mr. THURMOND, Mr. KENNEDY, Mr. EAGLETON, and Mr. PELL to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills, joint resolutions, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2423. An act to provide financial assistance to the States for the purpose of compensating and otherwise assisting victims of crime, and to provide funds to the Department of Justice for the purpose of assisting victims of Federal crime;

S. 2926. An act to amend the Federal Food, Drug, and Cosmetic Act to revise the procedures for new drug applications, to amend title 35, United States Code, to authorize the extension of the patents for certain regulated products, and for other purposes;

S.J. Res. 275. Joint resolution to designate the month of October 1984 as "National Spina Bifida Month";

S.J. Res. 295. Joint resolution to provide for the designation of the week of October 14, through October 20, 1984, as "Myasthenia Gravis Awareness Week";

S.J. Res. 299. Joint resolution to designate November 1984, as National Diabetes Month;

S.J. Res. 305. Joint resolution to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week";

S.J. Res. 309. Joint resolution authorizing and requesting the President to designate January 1985 as "National Cerebral Palsy Month";

S.J. Res. 316. Joint resolution designating the week of September 30 through October 6, 1984, as "National High-Tech Week";

S.J. Res. 318. Joint resolution to designate the week of September 16, 1984 through September 22, 1984, as "National Developmental Disabilities Awareness Week";

S.J. Res. 322. Joint resolution designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week";

S.J. Res. 325. Joint resolution to designate the week of October 7, 1984, through October 13, 1984, as "National Children's Week";

S.J. Res. 332. Joint resolution to proclaim October 16, 1984, as "World Food Day";

S.J. Res. 333. Joint resolution to designate September 21, 1984, as "World War I Aces and Aviators Day";

S.J. Res. 334. Joint resolution to provide for the designation of the month of November 1984, as "National Hospice Month";

S.J. Res. 335. Joint resolution to designate the week beginning on May 19, 1985, as "National Tourism Week";

S.J. Res. 336. Joint resolution to proclaim October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world";

S.J. Res. 337. Joint resolution designating October 1984, as "Computer Learning Month";

S.J. Res. 340. Joint resolution to designate the week of September 23, 1984 as "National Historically Black Colleges Week"; and

S. Con. Res. 75. Concurrent resolution favoring a National Museum of the U.S. Army.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *August 13, 1984.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 9:30 a.m. on Monday, August 13, 1984, the following messages from the Secretary of the Senate:

(1) That the Senate agreed to the House to amendment to S. 1806;

(2) That the Senate agreed to the House amendment to S. 2201;

(3) That the Senate agreed to the House amendments to S. 2085;

(4) That the Senate passed H.J. Res. 597;

(5) That the Senate passed H.J. Res. 574;

(6) That the Senate passed H.J. Res. 583;

(7) That the Senate passed H.J. Res. 529; and

(8) That the Senate passed H.J. Res. 452.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bills and joint resolutions on Thursday, August 16, 1984:

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 3787. An act to amend the National Trails System Act by adding the California Trail to the study list, and for other purposes;

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute Program, and for other purposes;

H.R. 4280. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes;

H.R. 4596. An Act to amend section 1601(d) of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street. Waterloo, NY;

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes;

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes;

H.R. 5712. An act making appropriations for the Departments of Commerce, Justice, and State. The Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 5890. An act to establish a commission to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr.;

H.R. 6040. An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes;

H.J. Res. 452. Joint resolution recognizing the important contributions of the arts to a complete education;

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week";

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week";

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month";

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week";

H.J. Res. 600. Joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States;

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, CO, and for other purposes;

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Inc.;

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, UT, certain land and improvements in Box Elder County, UT;

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services;

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes;

S. 2436. An act to amend the Communications Act of 1934 to extend certain authorizations of appropriations contained in such act, and for other purposes; and

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes.

□ 1210

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *September 5, 1984.*
Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from The White House as follows:

(1) At 3:00 p.m. on Monday, August 27, 1984 and said to contain a message from the President wherein he transmits the text of a governing international fishery agreement between the United States and the European Community (EEC), which was initialed at Washington on June 27, 1984; and

(2) At 4:15 p.m. on Thursday, August 30, 1984 and said to contain a message from the President whereby he submits an alternative pay plan for the annual Federal pay adjustment.

With kind regards, I am,
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ALTERNATIVE PLAN FOR PAY ADJUSTMENT UNDER FEDERAL PAY COMPARABILITY ACT OF 1970—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-248)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, September 5, 1984.)

TEXT OF INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE EUROPEAN ECONOMIC COMMUNITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-249)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries, and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, September 5, 1984.)

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. This is the day on which a new precedent will be established. We will call one Member from the majority side on the 1-minute speeches and then one Member from the Republican side, as the Chair so notified the House at an earlier date.

The Chair recognizes the gentleman from New York [Mr. STRATTON].

MAJOR UNFINISHED BUSINESS—CONFERENCE ON DEFENSE AUTHORIZATION ACT

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, as Congress reconvenes today, the most important item of unfinished business is the conference on the Defense Authorization Act.

Unless a conference report is signed into law, the status of our service personnel and the industries which produce our defense hardware are left with no clear guidance. The major stumbling block has been the MX missile. The House embargoed production prior to 1985; the Senate approved it.

Whatever our own personal views may be, it should be obvious now to all that the future of the MX depends totally on the November election.

If the President wins, the MX goes forward. If Mr. Mondale prevails, the MX goes down the drain, as the B-1 went down the drain in 1977 under Jimmy Carter. It is as simple as that.

Let us approve the rest of the bill and leave the MX to the voters.

THE FIRST ANNIVERSARY OF DOWNING OF KOREAN AIR LINES FLIGHT 007

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

The SPEAKER. The gentleman from Arizona is the first to be recognized under the new precedent.

Mr. RUDD. Mr. Speaker, it was a year ago September 1 that our colleague Congressman Larry McDonald, and 268 other persons aboard Korean Air Lines flight 007 were brutally murdered by the Soviets over Sakhalin Island.

The facts have always been quite clear. The Korean Airliner accidentally strayed off course into Soviet airspace. It was headed off over international waters when it was attacked and destroyed by a Soviet fighter.

The shooting-down of an unarmed civilian aircraft was coldblooded murder. Don't forget it.

This first anniversary of the downing of flight 007 is an inevitable reminder of the Soviet's lack of respect for innocent human life and their willingness to use whatever amount of force to deny human rights and freedoms, and to advance their ambitions toward world domination.

The downing of the Korean Airliner flight 007 was an event that must never be forgotten by people anywhere who covet freedom and respect human rights. We must remember it, and we must do all we can to prevent further encroachment by communist tyranny into the free world.

STATEMENT ON CONSIDERATION OF AMERICAN DEFENSE EDUCATION ACT

(Mr. HAWKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAWKINS. Mr. Speaker, pursuant to the Democratic Caucus rules, I would like to inform the Members that I have asked the Rules Committee to grant a modified open rule on H.R. 5609, the American Defense Education Act. That bill should be before the Rules Committee next week and should be considered by the full House shortly thereafter.

The request I am making to the Rules Committee is that all amendments to that bill should be published in the CONGRESSIONAL RECORD for the day preceeding the bill's consideration on the House floor. In making this request it is not my purpose to limit any germane admendments to the bill. My only concern is to give Members adequate notice of the amendments which will be proposed.

The American Defense Education Act has 234 cosponsors, showing broad bipartisan support in the House of Representatives. I urge all my colleagues to vote for that bill when it is considered next week.

PARRIS INTRODUCES FEDERAL EMPLOYEE PAY RAISE LEGISLATION

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, I have introduced legislation today which calls for a 4-percent pay increase for Federal officers and employees, effective as of October 1, 1984.

For several years now, Government workers have received limited pay increases, have had substantial reductions in health benefits, and have been required to contribute to the medicare trust fund. While I am encouraged by the low rate of increase on insurance premiums for this year, I am extremely distressed by the President's decision to limit the pay increase to 3½ percent and delay that increase until January.

The President's own pay advisers have projected that Federal pay lags behind comparable jobs in the private sector by over 18 percent. It is uncon-

scionable to once again delay their pay increase and limit it to only 3½ percent.

Our dedicated civil servants provide many vital services that touch each of our lives every day. If we want to continue to attract and retain qualified individuals to serve in Government, we must treat them in an equitable manner. To once again penalize them is simply unfair. I urge my colleagues to support my bill and a more responsible approach to Government employee compensation.

ANOTHER BLOODY SUNDAY IN ULSTER

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, more than 12 years ago in Northern Ireland there occurred an event which became known as Bloody Sunday where more than a dozen people were killed protesting British policy in Ulster.

Sunday, August 12, 1984, may well be remembered as a second Bloody Sunday for on this day we saw another ruthless display of British authority which resulted in death and injury to civilians.

The scene was Belfast. A peaceful rally involving several thousand individuals including scores of visiting Americans was underway. They were awaiting an appearance by Mr. Martin Galvin, publicity director of Irish Northern Aid who was to have led the American delegation except that he was banned from Northern Ireland by the British Government.

Galvin appeared and instantly the British security forces reacted by charging the crowd in their attempt to get to Galvin. It resulted in what Newsweek magazine called "one of the worst scenes of police violence seen in the Province in years." When it was over, one 22-year-old bricklayer named Sean Downes lay dead from a plastic bullet fired at point blank range and some 20 persons including some Americans lay injured.

Clearly there was some culpability on both sides in this issue including the illegal entry by Galvin. However, the excesses of the British security forces were far greater and once again revealed to the world that violence in Northern Ireland is an ugly, two-sided coin. All violence—civilian and official—must be ended if there is to be any honest hope of a lasting peace in Northern Ireland.

□ 1220

THE MILTON ALL STARS—THEY ALMOST MADE IT TO THE TOP

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, on a lighter note, the 1984 Little League World Series is now history. That event is held in Williamsport, PA, every year. In this particular year, in the finals, the champions emerged as the team from South Korea defeating a team from Florida in the good old U.S.A.

Today I want to pay special tribute to a team that almost made it, having won four games up the ladder to the championship, from Milton, PA, which is also in my district. I believe they exhibited the same spirit of American competitiveness and good will as was exhibited by their adult counterparts in the Olympics of 1984.

Mr. Speaker, the CONGRESSIONAL RECORD should include today the congratulations of everyone in the 17th District in Pennsylvania for the Pennsylvania State champs, the Milton All-Stars of the Little League championships.

The Milton Little League all stars include players, Ed Robenolt, Robbie Baker, Matt Swartz, Chad Chabala, Shane Longenberger, Marwin Reeves, Mike Shearer, Nathan Little, Mike McLaughlin, John Badman, Greg Stover, Jason Boyer, Barry Guffey, Stave Karchner, alternates Bear Rheppard and Eric Hoover, head coach Gene Christina, assistant coaches Roy Shrawder, Ralph Burns, and Joe Nickey, head cheerleader Pete Bergen, and Milton Little League President Mary Byers.

I thank the Speaker.

THE VA INSURANCE PROGRAM

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I would like to take this moment to comment on one of the most efficient programs conducted by the Federal Government, the Insurance Program of the Veterans' Administration.

As you know, millions of veterans of World War II kept their GI insurance in force, and the VA has managed the trust funds well. Since the 1948 and 1951 dividends were declared, these policyholders have received large annual dividends based on earnings from the reserves. I would like to make it crystal clear that only those veterans who have kept their policies in force continue to receive dividends.

The amount of dividends has grown in recent years, mainly because of the higher interest earned by prudent investments. As chairman of the House Veterans' Affairs Committee, I am very well aware of the dedication of the VA employees who are managing this program. I want them to know their efforts are appreciated by the Congress and by the veterans themselves who continue to be the beneficiaries of a well-run program.

ANY NATION WHO PAYS ITS MASTER TEACHERS LESS THAN IT PAYS ITS MASTER TRADESMEN IS IN REAL TROUBLE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, as a parent of two children who have always been in the public schools, I am always reminding people that Thomas Jefferson wrote his own tombstone because he wanted to make sure that somebody did not mess it up. He wanted to emphasize what he thought were his accomplishments. I always point out to people that he never mentioned being President.

Rather, instead, he mentioned what he had done for public education because he felt that was the cornerstone of this democracy that he had worked so hard to bring forward.

Mr. Speaker, last night ABC dealt with this cornerstone of our democracy and talked about some of the tremendous problems that we have.

One of the things they really focused on is the core problem, the problem of pay, the fact that teachers really cannot earn enough to live.

Jefferson also spoke to that when he said, "Any Nation who pays its master teachers less than it pays its master tradesmen is in real trouble."

ABC showed us that we are in real trouble.

Mr. Speaker, I hope now that we can move on and get many people together talking about how we solve this critical problem. Here we are the richest nation in the world and we will be losing another generation if we do not find ways to hold the good teachers in and to attract new ones.

Mr. Speaker, pay is the answer and all of us must sit around and figure out, with local officials, how we are going to do that and do that immediately.

LET US NOT GET CARRIED AWAY WITH REGULATORY REFORM

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, I agree with the attempts to eliminate regulatory excess. But let's not get carried away.

Some industries demand regulation in order to ensure competition and promote safety banks for instance.

The administration wants to deregulate banks. They are wrong.

First, the banking industry has a ridiculous double standard. We let small banks fail—some 15 in Tennessee in the last 20 months: but big banks like Continental Illinois we prop up. Double standards like this demand a little regulation.

Second, the safety and soundness of the banking system is essential to economic growth, opportunity and jobs. Some fair regulation like FDIC and audit control promotes safety.

And third, money and power are often the same thing. Banking which accumulates money ought to have its power regulated. That's called common sense, proconsumer, procompetition. That's why we put geographical and commerce limits on banks 50 years ago. No interstate banking, no insurance, no real estate, no securities. These limits were a good idea then and a better idea now.

Chairman ST GERMAIN will soon bring to the floor a new bank bill that allows growth, but reaffirms fair regulation.

Banks are not 7-11's. This administration ought to stop treating them as such.

The B-1 IS AN AWESOME AIRCRAFT

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, when I first learned last week of the tragic crash of a prototype of the new B-1 bomber, I felt grief immediately for the family of one of America's foremost test pilots, Doug Benefield, and an overwhelming sense of just how this terrible incident will be used to fuel the first of those who want to scrap the entire B-1 project—a project that Doug Benefield not only believed in, but gave his life for! Mr. Speaker, I hope, when all the facts are in—and the emotions have subsided somewhat, we can forge ahead, building upon the tremendous progress we've made with development of the B-1 and now, the just unveiled successor to the B-1, the advanced B-1B version. Mr. Speaker, every piece of technology developed and built has some flaws in its early stages of development—and this is the case with the B-1 It's an awesome aircraft. It's an impressive symbol of America's strength and it has its rightful place as a successor to the aging, but still effective B-52—long a hallmark of our global air strength.

WHERE WE ARE GOING IN AGRICULTURE AND WHERE WE HAVE BEEN

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, during the recent break I traveled throughout the rural areas in my district. Visiting these small communities has always been one of the most pleasurable among my duties as a Congressman. However, I return to this chamber today in a somber mood.

Our farmers are hurting economically. Because they are hurting, our small, rural communities are depressed. I want to draw the attention of my colleagues to the current plight of agriculture in my district and across the country. Farming in the 1980's is vastly different than at any time before. U.S. agriculture is much more sensitive to changes in the world market. Modern farming methods have produced yields that far surpass demand at home. And for the family farmer, it is increasingly hard to make a dollar. Bankruptcies and foreclosures among family farms continue to climb and more are threatened this fall.

I plan to reserve special order time next week to discuss where we are going in agriculture and where we have been. I will focus attention on the critical decisions facing Congress when we consider the 1985 farm bill. I hope many of my colleagues in the House will join me in a constructive spirit. Agriculture is broke and it needs fixin'.

□ 1230

PERSONAL EXPLANATION

(Mrs. BURTON of California asked and was given permission to address the House for 1 minute.)

Mrs. BURTON of California. Mr. Speaker, I was inadvertently recorded as "not voting" on roll No. 363 on August 9, the Sawyer amendment to H.R. 5640, Superfund Expansion and Protection Act. I wish to announce that I intended to vote "no" on the amendment and ask unanimous consent that this correction appear in the permanent RECORD.

The SPEAKER pro tempore [Mr. KILDEE]. Is there objection to the request of the gentlewoman from California?

There was no objection.

REPUBLICANS ARE THE PARTY OF THE NEW INTOLERANCE

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend this remarks.)

Mr. COELHO. Mr. Speaker, the election may still be 62 days away, but the forces of the new right and the religious right have already won their fight.

They combined forces in Dallas to turn the Republicans into the party of the new intolerance.

They have no room for moderates, and no room for those who don't happen to share their religious and moral beliefs.

However, mainstream America can take comfort in the fact that the new Republican Party is anything but the majority party in this country.

As David Broder wrote last week—quote—"People in a real majority party are confident of their identity and confident of the future. The Republicans were neither"—end quote.

As a partisan, I am looking forward to the completion of this transition on the minority side in the House. It will only mean a strengthened Democratic majority.

Indeed, in my view, Ronald Reagan is a very attractive band-aid over a very unattractive festering wound.

PARTY OF THE PEOPLE

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, I am somewhat surprised at the last comments. We saw which is the party of the people in my own district just a couple of days ago when Ronald Reagan appeared in Foundation Valley, CA, just outside my district and had 69,000 people show up. They had to turn 15,000 people away from all walks of life coming here.

Mr. Mondale and Ms. FERRARO showed up in my district at Long Beach Municipal Airport and managed to gather about 1,000 people in southern California.

Frankly, if you cannot gather more than 1,000 people in southern California by just stopping in the street and beginning to talk, you have got some real problems.

So, I am very, very pleased to hear the gentleman from California [Mr. COELHO] talk about the party of the people. We have a member of his party who spoke about the party of the people at our convention in Dallas and she referred to that party of the people as the San Francisco Democrats.

I think most of the American people understand exactly what she was talking about.

If it is a question between the San Francisco Democrats and the people of America who support Ronald Reagan, I think you can safely make your bets as to who is going to win

when we arrive at the polls in November.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION'S ANNUAL REPORT FOR 1983—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Public Works and Transportation.

(For message, see proceedings of the Senate of today, Wednesday, September 5, 1984.)

NATIONAL DEFENSE SHIPYARD PROTECTION ACT OF 1984

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 553 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5220) to protect the national defense shipyards of the United States, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment recommended by the Committee on Merchant Marine and Fisheries now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute printed in the Congressional Record of July 24, 1984, by Representative Jones of North Carolina as an original bill for the purpose of amendment under the five-minute rule, each section of said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI, are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the usual 30 minutes to the gentleman from Mississippi [Mr. LOTT], pending which I yield myself such time as I may consume.

Mr. Speaker, in a moment I plan to offer an amendment to this rule, but first I would like to explain why an amendment is necessary. House Resolution 553 is a rule providing for the consideration of H.R. 5220, the Defense Shipyard Protection Act.

When the Committee on Rules considered the rule for H.R. 5220 on July 24, we were informed that the bill did not require a waiver of section 401(a) of the Budget Act, which prohibits consideration of legislation providing new contract or borrowing authority unless that authority is to be effective only to such extent or in such amounts as are provided in appropriation acts.

Subsequent to our reporting House Resolution 553, however, it was determined that the bill, as introduced, does contain a provision which authorizes new contract authority—by extension of existing contract authority—and does, in fact, violate section 401(a). Although the amendment in the nature of a substitute made in order by this rule cures the section 401(a) violation; since the violation remains in the bill, as introduced, a point of order could be made when the bill is called up for consideration, and the waiver is necessary to permit the House to consider this legislation. The amendment I am offering will provide for the waiver of section 401(a) of the Budget Act.

AMENDMENT OFFERED BY MR. MOAKLEY

Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOAKLEY: After the first sentence insert the following: "All points of order against the consideration of the bill for failure to comply with the provisions of section 401(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived.".

□ 1240

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized in support of the amendment.

Mr. MOAKLEY. Mr. Speaker, House Resolution 553 is the rule providing for the consideration of H.R. 5220 the National Defense Shipyard Protection Act of 1984. It is an open rule providing for 1 hour of general debate with the time to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries.

In lieu of the amendment recommended by the Committee on Merchant Marine and Fisheries now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute, printed in the CONGRESSIONAL RECORD of July 24, 1984, by Representative JONES of North Carolina, as an original bill for the purpose of amendment under the 5-minute rule. The resolution also provides one motion to recommit with or without instructions.

All points of order against the substitute for failure to comply with the provisions of clause 5, rule 21, which prohibits appropriations in a legislative bill, are waived. This waiver is necessary because certain provisions in the substitute would allow expenditure of funds upon enactment of this bill without further action on an appropriation. An example of this violation would be the provisions which authorize the Secretary of Transportation to make shipyard incentive payments in full when the construction contract is signed.

Mr. Speaker, H.R. 5220 is legislation designed to protect the national defense shipyards of the United States, and halt the continuing erosion of our shipbuilding industry. Since, the Federal Government stopped providing construction subsidies for commercial shipbuilding in 1980, there has been a steady decline of the number of ships being built in U.S. shipyards. In addition much of the U.S. fleet of liner vessels is growing old and rapidly becoming unable to compete with newer, more efficient foreign-flag fleets. This could eventually find the U.S. shipbuilding industry in a vulnerable position with foreign shipbuilders.

Mr. Speaker, H.R. 5220 would provide a Federal program that would be tied to productivity improvements and develop effective programs to sustain the U.S. shipbuilding and merchant marine industry. The bill authorizes $200 million for fiscal year 1985 for a new system of shipyard incentive payments, and the build and charter program. This program would enhance the competitiveness in the shipbuilding industry throughout the United States. In addition, H.R. 5220 would authorize $50 million for fiscal year 1985 for a vessel trade-in program. This program would allow for the purchasing of older but militarily useful vessels for the national defense reserve fleet. The funds received by the operators of these vessels would go toward construction of vessels by U.S. shipyards.

Mr. Speaker, this bill will not solve all the problems of our Nation's shipyards, but at least it will be a beginning. Presently some of our shipyards are in such poor condition that there are serious doubts about their ability to mobilize in case of a national emergency.

I urge my colleagues to vote to adopt House Resolution 553.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 553 is an open rule, providing 1 hour of general debate on the bill H.R. 5220, the National Defense Shipyard Protection Act of 1984. Following the hour of

debate, which will be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill will be read for amendment under the 5-minute rule.

Mr. Speaker, the rule makes in order as an original bill for the purpose of amendment the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD of July 24 by Representative JONES of North Carolina, the chairman of the Merchant Marine and Fisheries Committee. Ordinarily, we would have made the substitute language reported by the committee and now printed in the bill in order as an original bill. But, in this case, a further revision of that committee amendment was necessary for two reasons. First, the committee amendment included only sections 2 through 4 and did not include section 1, the enacting clause. The amendment printed in the July 24 RECORD contains sections 1 through 4.

Second, both the original bill and the committee amendment contained provisions extending the operating differential subsidies to certain vessels constructed overseas if the cost to the owner is not more than the cost of a vessel or vessels constructed by that owner in the United States after January 1, 1984. By extending operating subsidies to this new class of vessels, we are technically establishing new contract authority. Under the terms of section 401(a) of the Budget Act, no new contract authority can be provided in a bill or amendment unless it is subject to the annual appropriations process. It was not discovered until after we had reported this rule that this Budget Act violation appeared in the original bill, and we had not provided the appropriate waiver in the rule. The Rules Committee subsequently adopted an amendment to the rule on July 31, providing a section 401(a) waiver against consideration of the bill. However, I would hasten to add that the substitute made in order as an original bill under this rule is in conformity with the Budget Act, and therefore that the waiver is merely technical in nature to permit consideration of the bill.

Finally, Mr. Speaker, the rule waives clause 5 of rule 21 against the Jones substitute. Clause 5 prohibits appropriations in an authorization bill. The waiver is necessary because the various provisions of the bill which broaden the use of construction and operating subsidies are technically considered appropriations because they permit the use of existing funds for these new purposes, without having to go back through the appropriations process.

The rule does permit one motion to recommit, with or without instructions, in order to protect the right of the minority to offer instructions containing an amendment, even if the Jones substitute is adopted.

Mr. Speaker, the bill this rule makes in order is aimed at reversing the decline in this Nation's shipbuilding industry. The committee points out that in the last decade we have gone from 116 commercial ships on the order books of American shipyards over a 3-year period, to just 14 such orders on the books in the last 3 years.

H.R. 5220 would create a new support program tied to productivity improvements and competitiveness. The new program is specifically aimed at assisting shipyards that can enhance our defense requirements. It authorizes $200 million in fiscal year 1985 for a new system of shipyard incentive payments which would be paid directly to U.S. shipyards constructing qualified vessels, and for use in a revamped build-and-charter program.

The bill would also allow a U.S.-flag ship operator to receive operating differential subsidy payments for a U.S.-flag vessel built in a foreign yard, only if that operator has spent an equivalent amount of construction money in a U.S. shipyard since January 1 of 1984.

It is also my understanding that perhaps a member of the Merchant Marine and Fisheries Committee will have an amendment to delete part of the bill which does provide the operating differential subsidy when ships are built in foreign yards. But under the rule that would be in order. It can be fully debated in the debate time that is allowed, the 1 hour of general debate, and in an amendment process.

I have to say, Mr. Speaker, I have divided feelings about this particular piece of legislation. I know the intent is good. I represent an area with a lot of shipbuilding. We do not have any merchant marine shipbuilding at all, no commercial shipbuilding going on now. We are doing naval work, and that is about it. I am not sure this bill will accomplish the intended goal of getting more commercial shipbuilding in American shipyards, but we will have to debate that issue and we will see how it works out. I know the committee certainly is trying to find a way to deal with this problem not only from a commercial standpoint, but in trying to be aware of the defense needs of having an American merchant fleet.

Mr. Speaker, the bill was reported by voice vote from the Merchant Marine and Fisheries Committee, and there are no minority or dissenting views in the report. However, the administration has indicated opposition to the bill because the subsidy money provided by the bill has not been requested in the President's budget. I would urge adoption of this rule so that we can proceed to debate and amend the bill.

Mr. Speaker, I have one request for time, and I yield 3 minutes to the gentleman from Maine [Mr. MCKERNAN].

Mr. MCKERNAN. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of House Resolution 553, which would provide for consideration of this legislation to protect the national defense shipyards of the United States and for other purposes.

House Resolution 553 provides for an open rule, with 1 hour of general debate and the bill being considered for amendment under the 5-minute rule.

I believe that this resolution reflects the wishes of our committee for seeing that the compelling issues before us in this legislation will be adequately discussed by all sides. With the provision for amendments, it will be possible for any Member to offer amendments as he or she sees fit which will thus allow for a full and open debate.

Our committee has wrestled with the problems facing our Nation's shipyards, and I believe most of us on that committee feel that this legislation before us today is the best short-term approach to ensure that our shipyards and the associated maritime industries will continue to be a viable part of our industrial base. Consequently, I urge my colleagues to vote for approval of this rule so that we may proceed to the discussion of the important issues before us.

Mr. LOTT. Mr. Speaker, I have no further requests for time. Unless the gentleman from Massachusetts has additional requests, I would yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the amendment and on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MOAKLEY].

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 553 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5220.

The Chair designates the gentleman from Oklahoma [Mr. MCCURDY] as Chairman of the Committee of the Whole, and requests the gentleman from Texas [Mr. KAZEN] to assume the chair temporarily.

□ 1250

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5220) to protect the national defense shipyards of the United States, and for other purposes, with Mr. KAZEN (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from North Carolina [Mr. JONES] will be recognized for 30 minutes and the gentleman from Maine [Mr. MCKERNAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today I have the distinct pleasure to bring before the House H.R. 5220, the National Defense Shipyard Protection Act of 1984.

The shipyards in the United States are in dire straits. Our shipyards lack the work needed to keep them operating at a level that will ensure that they will be there when they are needed to build vessels for a national emergency. During the last 4 years, 23 shipyards have closed with a loss of 10,000 skilled workers. In 1980, there were 69 commercial vessels of over 1,000 tons being built, today there are 2!

Our shipyards are unable to compete with foreign commercial shipyards because of the lower standards of living in those countries and the subsidies that foreign shipyards receive from their governments. For example, in South Korea, shipyard workers receive approximately $2.06 per hour in wages and benefits; this is 16 percent of what U.S. workers receive. In industries in the United States where high technology is involved, the advanced technology can sometimes offset the higher standard of living in the United States. However, to date, this has not helped our shipyards.

I don't want to imply that labor cost in the United States is the sole cause of the plight of our shipyards. We have been told that if you subtract all of the labor cost from the price of building a ship in the United States, it would still be cheaper to construct the vessel in South Korea. Therefore, even if we made drastic cuts in our cost of living and labor costs, it would still be cheaper to construct a vessel overseas under the present system due to cheaper construction and material cost.

The question before us is really rather simple: Since we cannot lower the cost of living in the United States, we must decide if we want to compete, and if so, how can we help our industries compete in the international marketplace?

So, do we want to compete? If we allow our shipyards to wither away, I foresee that—

First, in case of a national emergency we will be unable to replace vessels as they are sunk by the enemy. It took Rosie the Riveter a while to learn to make ships quickly at the beginning of World War II; we may not have that leadtime in a future conflict;

Second, associated industries like the steel industry and the hundreds of companies that make major components used in the hull and superstructure will suffer as the losses trickle down to them, causing further damage to our already suffering heavy industry; and

Third, we will end up paying more for U.S. Navy ships because there will be less competitive bidding as more shipyards go out of business.

I would like to take a moment to discuss each of these points briefly.

We currently don't have enough sealift capability to support a major overseas operation—such as a Vietnam scale conflict—without any losses to shipping, let alone against an enemy force that has the capability to sink our vessels. There were 2,753 merchant ships sunk during World War II by enemy submarines, and those losses will be small when compared to todays losses due to high technology weapons. Therefore the capability to expand and replace the 520 privately owned deep draft vessels in the U.S. fleet must be maintained for our national security. The Department of Defense realizes that these ships are vital to any effort, and that although airlift capability may prove adequate for troop transport, it is totally inadequate for logistical support. According to Admiral Moorer, former Chairman of the Joint Chiefs of Staff, over 90 percent of our supplies during the Vietnam war went by sea. Quite simply, ships are the only way to get the quantity of tanks, ammunition, and other vital supplies that our troops will need to the point of conflict.

Other major industries in the United States, such as the steel industry, supply major components to the shipyards. These related industries are facing the same problems with foreign competition that the shipyards are facing. If we allow the shipyards to decay and go out of business it is the loss of another consumer of these U.S.-built components and another nail in the coffin of these related industries. While many of you may not have shipyards in your districts, you do have industries that depend on these shipyards for their products.

In recent years the Navy has begun to make significant gains on ship cost and delivery problems. As Admiral Fowler, Chief of the Navy's Sea Systems Command, has said "It's a buyer's market, the trick is to find out how to take advantage of the situation to drive costs down." However, I believe that if we allow some of the shipyards that are currently bidding on these Navy contracts to go out of business, we will end up paying more for our Navy ships. When we are looking at over $20 billion for Navy construction, it won't take much of an increase to drive up the cost to the Federal Government for Navy ships way beyond the $200 million we propose to use for the new shipyard incentive payment program proposed in this bill. By investing an amount equal to less than 1 percent of what the Navy spends on ship construction programs, we can help ensure continued competition in Navy construction bidding.

Because of these concerns, our committee has reported out H.R. 5220, the National Defense Shipyard Protection Act of 1984. The goal of this legislation is to protect those shipyards that we will need in time of a national emergency and to promote greater efficiencies in these shipyards.

First, we are attempting to meet this goal by recognizing that our cargo liner fleet cannot compete in the world market if they are required to use U.S.-built ships whose high cost is not offset either by subsidy or some other in lieu consideration. H.R. 5220 would allow operators who receive operating subsidy to continue to receive those payments for a vessel built abroad if they construct a vessel in a U.S. shipyard that has the same capitalized cost; in effect the person may be able to construct, at current differentials, two vessels overseas for each built in the United States, and all three are eligible to receive ODS. Of course as U.S. yards become more competitive the ratio goes down, until hopefully there may come a time when U.S. operators will be economically advantaged when they purchase tonnage in U.S. shipyards. This build-foreign provision is a modified version of a long-standing administration proposal.

Second, we are attempting to meet this goal by providing for a new build and charter program in which the Secretary of Transportation may build vessels and charter them out to private industry, this is similar to the very successful mariner program of 1954;

Third, we are attempting to meet this goal by providing $50 million to the Secretary of Transportation to buy used vessels for the national defense reserve fleet and requiring a vessel owner that receives any of this money to use it to construct vessels in the United States; and

Fourth, we are attempting to meet this goal by creating a $200 million shipyard incentive payment program

that is generally modeled after the contract incentives the Navy is now using in its successful ship construction program.

The new incentive payment program has been limited in its application to those shipyards that will help our national defense in time of an emergency—those that can build at least three seagoing vessels, of at least 450 feet in length, at the same time.

One thing we are attempting to do is to promote standard designs for ships—so that instead of having each shipowner coming up with his own custom design—a shipyard will design a ship and market that standard design. This is similar to what some of the more aggressive foreign shipyards are doing. However, the design also must meet our national defense requirements.

When a shipyard comes up with a design for a vessel and it is approved by the Secretary, and a buyer is found, the design will be put out for bid among all the eligible shipyards. In order to make the construction of these vessels cheaper, foreign built components and materials may be used—except for major components of the hull and superstructure and components that the Secretary identifies are in the national interest to have built in the United States.

The shipyard submitting the lowest qualified bid will establish an incentive payment equal to 50 percent of that bid regardless of the ultimate price charged for the vessel.

A feature that is similar to the Navy's incentive program is the provision that allows a shipyard to keep 50–80 percent of the amount that they save below the base cost in the bid. If there is a cost overrun, the Secretary will pay 20 percent of the first 10 percent of the overrun, with the shipyard paying for anything above a 10 percent overrun.

We fully recognize that the programs contained in H.R. 5220 may not solve all the problems that face our ailing shipyard industry, but it is a start. We cannot afford to wait as one shipyard after another goes under. The Merchant Marine and Fisheries Committee is going to continue examining the problems that our shipyards face, but in the meantime we feel it is very important that we do something that will stabilize this industry while long term solutions are found.

Therefore, I urge my colleagues to support this legislation, not as a bailout of an industry, but as a means to help our national defense in an emergency and to save the Government money in the long term by preserving competition in the bidding of Navy contracts.

Figures supplied by the Bureau of Labor Statistics show that a post World War II high of 189,400 workers in September 1981 has declined to 156,700 workers as of May 1984. The number of workers in the "shipyard mobilization base"—as that term is used by the shipbuilders council—has declined from 132,600 workers in 27 yards in 1978 to 25 major yards today with employment of 102,500 shipyard workers.

While some claim that cuts in commercial production in the shipyards have been offset by an increase in Navy work, figures supplied by the shipbuilders council indicate that, over the past 4 years, the loss of commercial work has increased at a much larger rate than the gain in Navy work. A major shipyard, for purposes of the shipyard mobilization base, is one that is capable of building a vessel at least 475 feet in length with a beam of 68 feet.

Navy (new and repair): 1980, 99 vessels; 1984, 105 vessels.

Commercial over 1,000 DWT (new and repair): 1980, 69 vessels; 1984, 5 vessels.

The following is offered as a brief outline of the decline in the shipbuilding industry:

CHRONOLOGY

1943.—1,396,400 workers, utilizing prefabrication and mass production techniques, launched a new Liberty ship every ten hours.

1945.—General Douglas MacArthur decided that the Japanese shipbuilding industry was vital for the redevelopment of Japanese economy, and shipbuilding was targeted as an essential Japanese industry. U.S. experts were dispatched to Japan to rebuild their shipyards using the latest U.S. production techniques.

1965.—Using U.S. building techniques (ironically not adopted in the United States until the 1970's), the Japanese surpassed the United Kingdom as world leaders in commercial shipbuilding.

1970.—Congress enacted the Merchant Marine Act of 1970. This Act included a section which called for the contruction of 300 new commercial vessels over a ten-year period. Fewer than one hundred have been built in 15 years.

1980.—World shipbuilding was dominated by Japanese and Korean yards. Intense competition between foreign yards, fueled by massive government support, lowered the cost of a foreign built ship to less than one-third the cost of U.S. built ship.

1981.—The Administration called for the elimination of construction differential subsidies (CDS) and permanent authorization for U.S. carriers receiving operating differential subsidy (ODS) to construct vessels overseas which would retain operating subsidy eligibility. The Congress retained the program, but zero-budgeted the construction subsidy account and opened up a "two-year window" for foreign-built vessels which would be eligible for ODS.

1984.—Until last week when Exxon announced it will construct two Alaska trade tankers at NASSCO in San Diego, there were no oceangoing commercial vessels under construction or on order in U.S. shipyards. The five commercial vessels over 1000 DWT under construction include two incinerator ships, two ferry boats, and one hopper dredge. This portends a further drop in shipyard employment.

THE SHIPYARD MOBILIZATION BASE

Recent assessment of shipyard mobilization requirements by the Department of Defense and the Maritime Administration indicate that some 26 yards would be necessary to provide adequate major shipbuilding capacity in time of national emergency. There are other yards doing repair work and small vessel construction which are not listed below. The following chart is limited to those yards capable of constructing or reconstructing seagoing vessels of types necessary to support a major mobilization effort.

Yards which have had an increase in employment 1980-84 (all work references are for vessels over 1,000 DWT):

1. *Bath Iron Works.*—Bath, Maine, Congressman McKernan. Workers: 1980, 5,800; 1984, 7,200—7 guided missile frigates, 2 guided missiles cruisers (no commercial vessels under construction or order).

2. *General Dynamics, Electric Boat.*—Groton, Connecticut, Congressman Gejdenson. Workers: 1980, 22,135; 1984, 24,925—7 Trident and attack submarines (no commercial vessels under construction or order).

3. *Newport News Shipbuilding and Drydock.*—Norfolk, Virginia, Congressman Bateman. Workers; 1980, 22,000; 1984, 27,000—3 aircraft carriers, 7 submarines, 3,500 workers doing commercial repair (no commercial vessels under construction or order).

4. *Lockheed Shipbuilding.*—Seattle, Washington, Congressman Mike Lowry. Workers: 1980, 2,002; 1984, 2,621—3 LSD's (no commercial vessels under construction or order).

5. *Peterson Shipbuilders.*—Sturgeon Bay, Wisconsin, Congressman Roth. Workers: 1980, 846; 1984, 973—7 Navy patrol craft (no commercial vessels under construction or order).

6. *Tacoma Boat.*—Tacoma, Washington, Congressman Dicks. Workers: 1980, 1,504; 1984, 1,766—1 Coast Guard vessel, 11 TAGOS ocean surveillance ships, 2 incinerator ships.

Yards which have had a decrease in employment 1980-84:

1. *Ingalls Shipbuilding.*—Pascagoula, Mississippi, Congressman Lott. Workers: 1980, 13,500; 1984, 9,700—10 guided missile cruisers, 1 amphibious assault ship (no commercial vessels under construction or order).

2. *National Steel and Drydock* [NASSCO]—San Diego, California, Congressman Bates. Workers: 1980, 6,400; 1984, 4,700— 2 hospital ships, 3 TAKX (pre-positioned logistic ships), 3 TAKR (vehicle transport ships), 2 Exxon tankers on order.

3. *Todd San Pedro.*—Los Angeles, California, Congressman Anderson. Workers: 1980, 3,180; 1984, 2,974—4 guided missile frigates (no commercial vessels under construction or order).

4. *Todd Seattle.*—Seattle, Washington, Congressman Mike Lowry. Workers: 1980, 4,031; 1984, 2,026—3 guided missile frigates, 1 repair drydock (no commercial vessels under construction or order).

5. *General Dynamics.*—Quincy, Massachusetts, Congressman Donnelly. Workers: 1980, 3,944; 1984, 3,875— 3 TAKX military sealift ships (no commercial vessels under construction or order). Title XI application has been made for 4 container ships, but no contract has been signed.

6. *Pennsylvania Shipbuilding.*—Chester, Pennsylvania, Congressman Schulze. Workers: 1980, 4,192; 1984, 1,280—2 TAKR vehicle cargo ships (no commercial vessels under construction or order).

7. *Bethlehem Steel, Sparrows Point.*—Baltimore, Maryland, Congressman Clarence

Long. Workers: 1980, 2,636; 1984, 2,318—3 TAKX military sealift ships (no commercial vesels under construction or order).

8. *Maryland Shipbuilding and Drydock Company.*—Baltimore, Maryland, Congresswoman Mikulski. Workers: 1980, 1,414; 1984, skeleton crew—closed.

9. *Norfolk Shipbuilding.*—Norfolk, Virginia, Congressman Whitehurst. Workers: 1980, 3,211; 1984, 2,855. Navy repair work—1 ferryboat.

10. *Tampa Shipyards.*—Tampa, Florida, Congressman Gibbons. Workers: 1980, 859; 1984, 657—5 T5 Tankers (no commercial vessels under construction or order).

11. *Alabama Drydock.*—Mobile, Alabama, Congressman Jack Edwards. Workers: 1980, 1,300; 1984, 600. Navy repair work (no commercial vessels under construction or order).

12. *Avondale.*—New Orleans, Louisiana, Congresswoman Boggs. Workers: 1980, 7,534; 1984, 3,552—4 fleet oilers (TAOS), 1 dock, landing ship (no commercial vessels under construction or order).

13. *Halter Marine.*—Moss Point, Mississippi, Congressman Lott. Workers: 1980, 2,200; 1984, 368—no work.

14. *Equitable Shipyards.*—New Orleans, Louisiana, Congressman Tauzin. Workers: 1980, 1,100; 1984, 161—repair work (no commercial vessels under construction or order).

15. *Levingston Shipbuilding.*—Orange, Texas, Congressman Charley Wilson. Workers: 1980, 1,768; 1984, 0—closed.

16. *Todd Galveston.*—Galveston, Texas, Congressman Brooks. Workers: 1980, 573; 1984, 290—repair work (no commercial vessels under construction or order).

17. *Bethlehem, Beaumont.*—Beaumont, Texas, Congressman Brooks. Workers: 1980, 1,800; 1984, 1,400—2 TAKX (no commercial vessels under construction or order).

18. *American Shipbuilding.*—Loraine, Ohio, Congressman Pease. Workers: 1980, 1,050; 1984, 0—shipyard closed.

19. *Bay Shipbuilding.*—Sturgeon Bay, Wisconsin, Congressman Roth. Workers: 1980, 1,500; 1984, 300—no work.

20. *Marinette Marine.*—Marinette, Wisconsin, Congressman Roth. Workers: 1980, 900; 1984, 350—no work.

Mr. Chairman, I reserve the balance of my time.

□ 1300

The CHAIRMAN pro tempore (Mr. FOWLER). The gentleman from North Carolina [Mr. JONES] has consumed 10 minutes.

Mr. McKERNAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to rise in support of the substitute to H.R. 5220, the National Shipyard Protection Act of 1984.

This legislation is intended to provide support and assistance to the shipyards of our country. I want to commend the sponsor of H.R. 5220, the chairman of the Committee on Merchant Marine and Fisheries, and the chairman of the subcommittee, the gentleman from New York [Mr. BIAGGI], for their diligence in making sure that this issue came before the House of Representatives.

Mr. Chairman, our Nation is perilously close to a very critical condition. Without some action on the part of this Congress, I believe that we will see a decline in our Nation's shipbuilding capability to a point that will jeopardize our ability to meet national defense needs.

The number of U.S. shipyards is dwindling. I understand that 19 years have closed in this country in just the last 3 years. With the closing of shipyards comes not only a reduced capability to provide for our Nation's capability but the obvious human impact must also be considered. As a result of the closing of these yards, almost 40,000 American workers have lost their jobs.

H.R. 5220 acknowledges the fact that because shipbuilding in the United States is a national priority, there is justification for a Federal program which recognizes that the cost for such an effort should be spread across our entire Nation. As I am sure many of my colleagues know, the Federal Government in recent years has not been providing construction subsidies for building commercial vessels. This decision not to fund the construction differential subsidy program has resulted in a decline in the number of ships being built in the U.S. yards to the point that today there are virtually no new shipbuilding orders pending in U.S. yards for vessels to be operated in our foreign trade.

Bath Iron Works, which is located in my district, in fact, built the last two ships to use the construction differential subsidy.

I am not unmindful of the fact that President Reagan has instituted a major ship construction program for the U.S. Navy. In fact, the Bath Iron Works is one of a handful of shipyards which is currently building ships under this Navy program. However we cannot and we must not depend on the Navy program to provide sufficient orders to support our entire domestic shipbuilding industry. In fact, with the buildup of the Navy shipbuilding program, we have seen an increase in employment at Bath Iron Works to a high of 8,400 in 1983, but with the resulting decline in commercial shipbuilding, we have seen that work force cut by almost 1,300 people, and it is envisioned to go even lower if we are not successful in restoring commercial shipbuilding in this country.

H.R. 5220 is designed to go beyond the Navy construction program. The Committee on Merchant Marine and Fisheries has studied many alternative solutions to the problems of our maritime industry and we have held many hours of hearings and have discussed the issues with representatives of the industry and Government. In fact, I have personally met on numerous occasions with representatives of the shipbuilding industry, the liner and bulk vessel operators, the several maritime unions, and officials of the Federal Government to talk about possible solutions.

We believe that this bill represents one possible avenue of assistance to the maritime industry. We believe it is the best short-term approach to solving the problem. I also hope that we will be able to find a way to reach agreement on the defense authorization bill so that the commission of the gentleman from Florida [Mr. BENNETT] can also become law so that we can have a group of independent experts decide on what the potential is for the long-term solvency of this industry, but I am convinced that H.R. 5220 is the best short-term approach.

The bill recognizes that there is no one single solution to this complicated problem. This legislation provides several avenues of assistance to this industry. It would change existing law and allow a vessel owner to receive an operating subsidy for a vessel acquired in a foreign shipyard if the owner has also built a vessel in the United States that cost him at least as much as the one acquired abroad. This provision will benefit both shipbuilders and ship operators.

The bill would authorize and modify slightly the so-called build and charter program currently authorized under title VII of the Merchant Marine Act of 1936. Under this program, the U.S. Government can construct vessels and then charter them to operators in the private sector for commercial use. This program was last used during the 1950's to construct 35 U.S-flag vessels, known as the Mariner Fleet, to augment our aging World War II Liberty and Victory ships. The revised title VII program would only be put into use if the operating and construction programs are not providing adequate support to U.S. vessel operators for the construction of vessels in this country.

The key provision of the bill would create a new program under the 1936 Act which would establish a shipbuilding incentive program providing a Federal grant for construction of vessels in the United States. There are specific financial and penalty provisions included that are designed to foster more competitive construction in the United States. This new program would effectively replace the construction differential subsidy program which, as I mentioned earlier, is no longer being funded.

Finally, the bill would authorize an appropriation of $200 million for ship construction under both the revised title VII program and the new incentive program, together with an additional $50 million for use in the so-called vessel trade-in program currently authorized under section 510 of the 1936 act. This latter program provides a means for the Federal Government at very low cost to acquire for the National Defense Reserve Fleet vessels which have become commercially ob-

solete but have a recognized military value for use during a time of national emergency.

Mr. Chairman, this bill may not be the ultimate solution to the problem of our shipyards and the related maritime industries, but it certainly represents a step in the right direction. I am aware that there are some who may oppose certain parts of the bill; however, to those individuals I would only say that it is not time for the various interests who are concerned about the plight of our merchant marine to recognize that it is going to be necessary for all sides to be prepared to make some sacrifices. It is not possible in today's budgetary climate to get everything that one may desire.

I believe that this bill is a good bill, representing a lot of serious study and work by a large number of people. I urge my colleagues to consider seriously the dire condition of our American shipyards and to reflect on the consequences if we do not take steps now to provide assistance to this industry. I urge in the strongest way possible a vote in support of this legislation.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Maine [Mr. McKERNAN] has consumed 7 minutes.

Mr. JONES of North Carolina. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BIAGGI], the chairman of the Subcommittee on Merchant Marine.

Mr. BIAGGI. I thank the gentleman for yielding this time to me.

Mr. Chairman, the purpose of this legislation is to stem the continuing and unrelenting erosion of our commercial shipbuilding base and the dependent support industries. It is not a cure-all. It is not the long-term solution to the maintenance of a capable, commercial shipyard industrial complex. It is an interim solution until the Congress, the administration, and the affected industries can find suitable alternatives. Since the present administration has effectively phased out the construction differential subsidy program, the long-term solution to this problem seems to have evaded us.

To highlight the problem, a few statistics are in order.

About 10 years ago over a 3-year period, there were on the shipyard order books 116 commercial vessels totaling 5.3 million gross tons.

During the last 3 years there were on the shipyard order books 14 commercial vessels totaling less than a quarter of a million gross tons.

Fourteen vessels versus 116 vessels is a significant difference.

Finally, there are no new U.S. shipbuilding orders for 1984 for the construction of vessels for operation in our foreign trade.

The Committee on Merchant Marine and Fisheries, in an effort to develop an effective program to sustain our commercial shipbuilding base, has considered a number of proposals to address the problems of this industry. H.R. 5220 is one product of our efforts.

H.R. 5220 allows a vessel operator to receive an operating differential subsidy for vessels that he constructs in a foreign yard if he also constructs vessels in a U.S. shipyard that cost the operator at least as much as the foreign-built vessel. This means that under today's prices the operator could build two or three vessels in a foreign country for every vessel he builds in the United States. U.S. operators claim that this will still place them at a competitive disadvantage because their base cost for capital equipment will still be considerably higher than their foreign-flag competitors who purchase vessels at the lowest worldwide market rates from countries like Korea and Japan. Shipyards complain that this will permit foreign building to the detriment of the U.S. shipbuilding and allied industries. However, if some accommodation or compromise is not agreed to, then U.S.-flag vessel operators will not be in a position to build any vessels in the United States.

A key feature of this bill is the addition of a new title XIV to the Merchant Marine Act, 1936. This title creates a new shipbuilding incentive program under which incentive payments would be authorized to shipyards for commercial vessel construction under certain prescribed conditions. The program is so structured as to encourage efficiencies and cost savings by the shipyards in the construction of vessels. For example, one of the prescribed conditions for a shipyard to qualify in the program is that the yard must be capable of constructing simultaneously at least three large seagoing vessels. It must also be a shipyard that has been designated as one to which an incentive payment would be in the national interest. It is expected that vessel designs will be proposed by shipyards and approved by the Secretary of Transportation. In addition to eligibility criteria, the bill sets certain financial incentives, penalties, and restrictions on commerce and allows the Government to pay up to 50 percent of the cost of constructing a vessel in domestic shipyards when the construction contract is signed.

Some argue that this is another form of construction differential subsidy, a form of subsidy that the present administration does not desire to see funded. They feel that any subsidy or assistance program violates the need for strict fiscal austerity, and that these programs do little to improve the efficiency and competitiveness of U.S. shipyards. While I agree that there are certain parallels, this is the first time we will be requiring incentive provisions. This I believe is a major improvement and a reasonable compromise of divergent views. I think it is worth a try.

The legislation also makes several changes to the current build-and-charter program by liberalizing construction and operating requirements. This should provide greater flexibility and the incentive to develop a construction program similar to the successful Mariner Class Building Program of the 1950's.

For the new title XIV shipyard incentive program and the existing title VII build-and-charter program the bill authorizes the appropriation of $200 million in 1985. It also authorizes $50 million in 1985 for the existing title V vessel trade-in program.

I am confident that this legislation is worthy of enactment and deserving of your support.

□ 1310

Mr. McKERNAN. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. PRITCHARD], the ranking Republican on the Committee on Merchant Marine and Fisheries.

Mr. PRITCHARD. Mr. Chairman, I thank the gentleman for yielding me this time.

I want to say at the outset that both the chairman of the subcommittee, the gentleman from New York [Mr. BIAGGI], and the gentleman from Maine [Mr. McKERNAN] have worked very, very hard on a problem that almost seems insurmountable.

Today we just do not have any commercial shipbuilding going on in America. We have two ships; I think that is what the chairman said, two ships. So we have shipyards that are going under, going out of business, and we are losing this base that has been so vital to America for so many years.

There is not an easy answer. This bill has its critics. Some of the unions do not like it, some of the shipyards do not like it, the administration does not like it. It is easy not to like the bill because it is complicated and it costs some money and allows some people to build some ships overseas; if they build some ships here, they get to build some ships overseas and get some subsidy.

But I want to take the approach that the committee has gone to work on this problem and has tried to come up with a solution, and as for all the critics that are all over the place, if they do not like it, I would welcome their suggestions of how we can revitalize this absolutely essential industry in America. Here we have the shipyards in America going under, and here is a committee that has come up with an answer. For those who do not like the answer, well, as I say, I invite them to come up with a better answer.

I do not think we can let the shipyards of America go under. I think we

have to have some commercial shipyards, and it is a part of the strength of this Nation. I think this will be helpful to the American flag lines that are operating, and unless we just want to chase every one of America's ship lines into third flag where they use foreign flags that are registered in Panama of Liberia or somewhere, then we are going to have to do something.

I want to commend both the subcommittee chairman, the gentleman from New York [Mr. BIAGGI] and the gentleman from Maine [Mr. MCKERNAN] and others who have worked on this bill. It may take some changes before it gets all the way through, but this is the first real effort that has been made on Capitol Hill for quite a while, and I would just urge those who are opposing it to come in and try to fashion something and become part of the solution rather than part of the problem.

America just cannot stand the prospect of losing its commercial ability, the ability to build commercial ships and have all these shipyards go under.

So, Mr. Chairman, I would hope that we can fashion something that will go through here and save our shipyards. Again I want to commend the committee for the efforts its members have made. I am going to support this bill even though I know it has some problems and we may have to make some adjustments to it.

Mr. MCKERNAN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I thank the gentleman very much, and I appreciate his yielding me the time.

Let me join with those who commend the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. JONES] as well as the chairman of the subcommittee, the gentleman from New York [Mr. BIAGGI]. I appreciate more than I can take the time to tell them their interest and concern for America's merchant marine, including the shipbuilding component of America having a strong and viable merchant marine community.

As much as I applaud them for their concern, as is manifested in the bill, I am constrained to say, representing one of the largest shipbuilding communities in America, that I am deeply troubled by how inadequate is the relief for this critical industry. All who have preceded me have spoken of the crisis that America is going to face with its declining domestic shipbuilding capability. The little bit of relief offered by this bill is clearly too little.

We have seen in recent years, under the window of opportunity for foreign-built American vessels, most of our commercial ships being built abroad in foreign shipyards, built abroad in some instances in shipyards in countries substantially impacted by American foreign assistance programs, in shipyards benefited by nationalized steel industries where the country as an instrument of national policy has determined that they will build ships even to the extent of competing with us on the basis of offering incredibly generous financing terms for those who can be induced to build those ships in those foreign shipyards.

□ 1320

It is more than time that this Congress face up to the problems of its troubled shipbuilding industry and do something that is much more dramatic, much more necessary, much more imperative than the little sop that is offered to domestic shipbuilding by this bill. To have in this bill a provision to allow further construction of American-built ships in foreign shipyards and then to allow the operators of those ships a subsidy, an operating subsidy for that vessel which is built abroad, is offensive to me and to the people that I represent and certainly I think substantially detrimental to the shipbuilding industry of America.

The distinguished chairman, the gentleman from North Carolina, has distributed a very helpful and worthwhile contribution to the dimensions of our understanding of the problem of American shipbuilding. He has pointed out that there are but two ships under contract in American shipyards that are oceangoing vessels and those two contracts are of very, very recent origin.

I think it would be accurate to say that a month ago for the first time in the history of the Republic there was not a single commercial oceangoing shipbuilding contract extant in the United States, a horrible situation, a situation fraught with grave dangers to the national security of the United States.

How can we maintain our national security without an adequate sealift capability and how can we have that capability without an adequate domestic shipyard mobilization base which we clearly do not now have and are clearly losing more of it every month?

Mr. Speaker, it is a perilous time for the shipbuilding industry of America and I am afraid this bill with a build-foreign provision within it is just something I find myself unable to support and at the appropriate time I would offer an amendment to limit authorizing further construction of American ships in foreign shipyards and allowing them to remain eligible for operating differential subsidies from taxpayers of America.

Mr. JONES of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I rise in support of this legislation. The current state of commercial shipbuilding in the United States is nothing short of a major scandal. In fact, it is presently basically nonexistent. No major commercial ship is presently under construction in the United States and yet we claim to be a maritime nation.

The first commercial order in over 2 years was finally placed 2 weeks ago. As a result, the U.S. merchant marine fleet, which will be called upon to play a critical role in any future military conflict abroad has declined to extremely dangerous levels. A recent study by the Congressional Budget Office indicates that by 1988 the U.S.-flag fleet will fall 10 to 25 percent short of what would be needed to carry supplies in a war with the Soviet Union.

I must underline that point. I believe that the decline of the U.S. merchant marine today is a great threat to the national security of the United States.

In fact, the distinguished chairman of the Sea Power Subcommittee, the gentleman from Florida [Mr. BENNETT] has proposed a major study to look into this relationship between the commercial shipbuilding industry in the United States and our sealift capability. I think that study should produce results that will clearly indicate that we have a very serious sealift problem in our country.

Now, certainly free enterprise ideals would be preferable in the shipbuilding industry; but the realities of the world are such that the ability of the U.S. shipbuilding industry to compete with other nations, especially when those other nations have government support, will only occur if and when it can be reestablished as a viable alternative, and that will require continued Government assistance. That is one thing the Reagan administration apparently does not understand.

The bill before us today is a modest one, obviously, and ultimately we will have to take more dramatic steps, in my judgment, to address the problem; but its provisions include important steps in the direction of increased incentives to build and operate American. It provides an important opportunity for the Congress to acknowledge the importance of this issue both to our economic and military security.

Our shipbuilding industrial base hangs in the balance. Today we see increased conflicts between public and private shipyards for Navy overhaul work. As a result, the public yard industrial base is threatened as well. It also affects our national security.

We must face up to the fact that Navy construction and overhauls cannot support an adequate shipbuilding mobilization base in the United States. Without commercial construction many yards will close and thousands of additional jobs will be lost.

That is why I feel it is imperative that government, industry, and labor work together to restore our maritime tradition. This bill is a timely step in that direction and I strongly urge the House to approve this measure.

I want to compliment Congressman BIAGGI, Chairman JONES, and Congressman MCKERNAN for their leadership on this issue.

● Mr. SNYDER. Mr. Chairman, I rise in opposition to H.R. 5220, a bill to protect the national defense shipyards of the United States, and for other purposes.

Despite the good intentions of its cosponsors, Mr. Chairman, I find nothing in H.R. 5220 which could be described as particularly new or revolutionary, despite the language employed in its drafting. What we have before us is another iteration of the old tired construction differential subsidy program originally authorized in the Merchant Marine Act of 1936, supplemented by a few other proposals: dollar-for-dollar, open-ended build foreign authority for vessel operator who construct ships in U.S. shipyards; expanded trade opportunities for vessel charterers utilizing federally constructed ships pursuant to a build/charter program already in existence, and seldom employed, under title VII of the 1936 act; and the authorization of $50 million to support a vessel trade-in program whereby ships are purchased by the Federal Government for assignment to the National Defense Reserve Fleet. These latter provisions are in the bill in an attempt to mollify those segments of the maritime industry which do not support the subsidy program, standing alone.

Title V of the Merchant Marine Act of 1936 created a construction differential subsidy [CDS] program, whereby Federal payments to vessel operators constructing or reconstructing vessels in U.S. shipyards for use in the foreign commerce of the United States were intended to offset, in part, the cheaper costs of constructing the vessels in foreign shipyards. The ceiling on those CDS payments has been 50 percent, by law, since 1976. Due to a number of economic factors affecting world shipping, it has been generally agreed by all industry spokesman for the last several years that the CDS program is largely ineffective. Funds for CDS-assisted new ship construction have not been appropriated since fiscal year 1981.

The new title XIV shipyard incentive payment program which would be created by this bill is, despite the attractive use of the term "national defense," little more than the old CDS program dressed up in new clothes, complete with the same 50 percent cost sharing of new vessel construction. Moreover, the national defense requirements of the United States primarily call for the utilization of roll-on, roll-off vessels and handy-sized product tankers, two types of ships which, history has shown, are not likely to be profitably employed by U.S. operators in the U.S. foreign commerce. Yet those are the very vessel designs which would most likely be eligible for construction under this new subsidy program.

So, I ask my colleagues, "Who's kidding whom?" Is H.R. 5220 the solution to the problems confronting the U.S. merchant marine? Are those interests who presumably would benefit from enactment of this legislation—the shipyards, vessel operators, and maritime unions—actively working in support of it? I dare say the answer to both questions is a resounding "no." why then should the Congress proceed? There seems to be no point in adopting a measure which authorizes another $250 million Federal expenditure when we're all concerned about the Federal deficit and no one, save a few proponents, seems particularly excited about this legislation.

The administration is on record as opposing the bill, for many of the same reasons which I have outlined, and I urge the Members to vote "no" on final passage.●

Mr. MCKERNAN. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, an amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD of July 24, 1984, by Representative JONES of North Carolina shall be considered as an original bill for the purpose of amendment under the 5-minute rule in lieu of the amendment recommended by the Committee on Merchant Marine and Fisheries now printed in the bill, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Defense Shipyard Protection Act of 1984".

The CHAIRMAN. Are there any amendments to section 1? If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. Section 601 of title VI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1171 et seq.) is amended by adding at the end the following new subsection:

"(c) Notwithstanding the restrictions in this section relating to United States construction requirements and subject to amounts provided in appropriations laws, an operator may receive an operating differential subsidy under this title for a vessel constructed in a foreign shipyard if the capitalized cost to the owner of that vessel is not more than the capitalized cost to that owner of a vessel or vessels constructed by that owner in the United States after January 1, 1984, that are eligible for operating differential subsidy.".

Mr. JONES of North Carolina. Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The remainder of the amendment in the nature of a substitute is as follows:

SEC. 3. Title VII of the Merchant Marine Act. 1936 (46 App. U.S.C. 1191 et seq.) is amended:

(1) in section 701, strike "under the provisions of titles V and VI," and substitute "under titles V, VI, and XIV of this Act,";

(2) in section 703(b), strike "title V" and substitute "title XIV";

(3) in section 705, strike ", exclusively serving the foreign trade of the United States."; and strike the words "and essential" in the first sentence;

(4) in section 713, insert "(a)" after "713." and at the end add the following new subsection:

"(b) The Secretary shall set the amount charged for a charter of a vessel constructed with amounts under this title—

"(1) when there is foreign competition, at an annual rate that enables the charterer to operate the vessel competitively with foreign vessels; or

"(2) when there is not foreign competition, at an annual rate that is ½₅th of the cost of the vessel to the United States Government (including interest), minus a defense utility allowance determined by the Secretary.";

(5) in section 714—

(A) insert "(a)" after "714.";

(B) strike the first parenthetical phrase;

(C) strike "under title V and VI" and substitute "under titles V, VI, and XIV"; and

(D) strike the second paragraph and substitute the following:

"(b)(1) A vessel constructed under this title only may operate on a voyage—

"(A) in the foreign commerce of the United States;

"(B) in foreign to foreign commerce;

"(C) round-the-world;

"(D) from the Pacific coast of the United States to a port in Europe that includes intercoastal ports of the United States; or

"(E) from the Atlantic coast of the United States to a port in the Orient that includes intercoastal ports of the United States.

"(2) If the charter vessel is operated in the domestic commerce on any voyage allowed under paragraph (1) of this subsection, the charterer shall pay annually to the Secretary, interest and ½₅ of the difference between the domestic and foreign cost of that vessel, multiplied by the proportion that the gross revenue derived from the domestic voyage bears to the gross revenue derived from the voyages completed during the previous year.

"(c) If a vessel constructed under this title is sold, the price must be competitive with the price of comparable foreign-built vessels"; and

(6) by repealing section 716

SEC. 4. The Merchant Marine Act, 1936, (46 App. U.S.C. 1101 et seq.) is amended by adding at the end the following new title:

"TITLE XIV

"SEC. 1401. SHIPYARD REQUREMENTS

"A shipyard is qualified to receive a shipyard inventive payment under this title if the shipyard—

"(1) is capable of constructing in the United States—

"(A) seagoing vessels of not less than 450 feet in length over all, that meet the requirements of the Secretary of Transportation; and

"(B) simutaneously, at least 3 vessels of the type for which payment application is made; and

"(2) has been designated by rule by the Secretary of Transportation, in consultation with the Secretary of the Navy, as one of the shipyards to which an incentive payment would be in the national interest in order to maintain a sufficient shipyard mobilization base.

"SEC. 1402. VESSEL DESIGN

"(a) On application of a shipyard proposing to build a vessel, the Secretary of Transportation, in consultation with the Secretary of the Navy, shall—

"(1) review the vessel design; and

"(2) publish in the Federal Register the general characteristics of the vessel and a request for other shipyards to submit, within a reasonable time, applications for building a similar vessel.

"(b) The final vessel design proposal must be submitted to the Secretary of Transportation for approval, in consultation with the Secretary of the Navy, to insure it meets the national defense requirements of the United States.

"(c) After a proposal is selected under section 1403 of this Act, changes in the vessel design made by the shipbuilder or person contracting to purchase the vessel resulting in increased costs must be submitted to the Secretary of Transportation for approval before those additional costs may be included in the incentive payment under this title.

"(d) For vessel material and components, the Secretary may not prohibit the use of foreign built components or assemblies or materials used in the components or assemblies except—

"(1) for major components of the hull and superstructure, and materials used in the construction of the hull and superstructure; or

"(2) when the Secretary determines, by rule, that the national interest requires the use of identified United States built components or assemblies and that this use will not adversely affect the competitive position of United States shipbuilders.

"SEC. 1403. CONSTRUCTION PROPOSALS

"The Secretary of Transportation—

"(1) shall require that proposals submitted under section 1402 of this Act include both the base cost of construction and profit (in dollars) for the construction of the vessel approved under section 1402(b) of this Act;

"(2) shall review the proposal by each bidding shipyard;

"(3) shall reject bids considered collusive;

"(4) may select from among the bidders the lowest qualified proposal; and

"(5) may reopen bids if construction is not contracted for within 6 months of approval.

"SEC. 1404. SHIPYARD INCENTIVE PAYMENTS

"(a) The Secretary of Transportation may pay an amount equal to 50 percent of the bid amount to a shipyard qualified to receive a shipyard incentive payment under this title for the construction of a vessel approved by the Secretary under this title. The Secretary shall pay this amount in full when the construction contract is signed.

"SEC. 1405. FINANCIAL INCENTIVES AND PENALTIES

"(a) If the final amount expended by the shipyard is less than the base cost provided in the approved bid—

"(1) the shipyard may retain 50 percent of the difference between those amounts;

"(2)(A) the person, if any, contracting to purchase the vessel, shall receive 30 percent of that difference; or

"(B) if there is not a person contracting to purchase the vessel, the shipyard shall receive an additional 30 percent of the difference; and

"(3) the Secretary of Transportation shall receive 20 percent of that difference, which shall be credited to the defense shipyard account.

"(b) The Secretary shall pay 20 percent of the first 10 percent of the final amount expended by the shipyard that is more than the base cost in the approved bid.

"(c) If the final amount expended by the shipyard is more than 10 percent above the base cost provided in the approved bid, the shipyard is responsible for the amount above the 10 percent increase.

"SEC. 1406. RESTRICTIONS ON COMMERCE

"(a) A vessel constructed in a shipyard with the aid of a shipyard incentive payment under this title only may operate on a voyage—

"(1) in the foreign commerce of the United States;

"(2) in foreign to foreign commerce;

"(3) round-the-world;

"(4) from the Pacific coast of the United States to a port in Europe that includes intercoastal ports of the United States; or

"(5) from the Atlantic coast of the United States to a port in the Orient that includes intercoastal ports of the United States.

"(b) If the vessel constructed with the aid of a shipyard incentive payment under this title is operated in the domestic commerce on any voyage allowed under subsection (a) of this section, the owner shall pay annually to the Secretary, interest and 1/25 of the difference between the cost of the vessel to the owner and the cost of the vessel if an incentive payment was not made to the shipyard, under this title, multipled by the proportion that the gross revenue derived from the domestic voyage bears to the gross revenue derived from the voyages completed during the previous year.

"SEC. 1407. SHIPYARD INCENTIVE PAYMENT ACCOUNT

"The shipyard incentive payment account is an account in the Treasury of the United States used by the Secretary of Transportation for the payment for the construction of vessels under this title and title VII of this Act. The account is made up of amounts, including interest—

"(1) appropriated to the account by law;

"(2) paid to the account under section 1405(a)(3) of this Act;

"(3) paid to the Secretary under sections 506, 714(b)(2), and 1406(b) of this Act; and

"(4) received for the charter or sale of vessels under title VII of this Act.

"SEC. 1408. REGULATIONS

"The Secretary of Transportation shall prescribe regulations to implement this title not later than 180 days after the effective date of this section.".

SEC. 5. (a) In fiscal year 1985—

(1) $200,000,000 may be appropriated to the shipyard incentive payment account for the construction of vessels under titles VII and XIV of the Merchant Marine Act, 1936 (46 App. U.S.C. 1101 et seq.);

(2) $50,000,000 may be appropriated for the purchase of vessels under section 510 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1160).

(b)(1) In fiscal year 1985, a person receiving money from a trade-in, or money from the sale of a vessel traded-out, under section 510 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1160) shall—

(A) use that money to construct vessels in the United States; and

(B) contract for that construction within 3 months from the date of payment.

(2) When the vessels being acquired by the Secretary of Transportation under section 510 was constructed with the aid of a construction differential subsidy and the vessel constructed under paragraph (1)(A) of this subsection is to be operated in the domestic commerce, then the Secretary shall reduce the basis of the vessel being acquired by the amount of the subsidy (including interest).

AMENDMENT OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of North Carolina: On page 15, line 6, strike "defense shipyard account." and substitute "shipyard incentive payment account.".

Mr. JONES of North Carolina. Mr. Chairman, the amendment just read is purely technical to make the act referred to in the new section 1405 the same as the act created in section 1407.

Mr. McKERNAN. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I yield to the gentleman from Maine.

Mr. McKERNAN. Mr. Chairman, the minority has reviewed this amendment. It is technical in nature, and we have no objection to it.

Mr. BATEMAN. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. JONES of North Carolina. Yes, I yield to the gentleman from Virginia.

PARLIAMENTARY INQUIRY

Mr. BATEMAN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. BATEMAN. Mr. Chairman, I have an amendment to section 3. I would hope that action on the gentleman's amendment at this point would not preclude my opportunity to offer it.

Mr. JONES of North Carolina. No, sir. In no way; the gentleman will be protected by this side, I will state to the gentleman from Virginia [Mr. BATEMAN].

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. JONES of North Carolina. Mr. Chairman, I ask for adoption of the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered

by the gentleman from North Carolina [Mr. JONES].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there any further amendments?

□ 1330

AMENDMENT OFFERED BY MR. BATEMAN

Mr. BATEMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BATEMAN: Strike out section 2.

Redesignate subsequent sections accordingly.

Mr. BATEMAN. Mr. Chairman, the amendment that you have just heard merely deletes the provisions of section 2 of the bill which are those provisions of the bill authorizing the payment of operating differential subsidies to vessels under the circumstances set forth in the bill, constructed in foreign shipyards.

As I indicated in the course of the remarks during the general debate, this is the provision of the bill which gives me great pain and problem because it does extend an opportunity for American ship operators, owners, to build vessels to be operated as American ships, which would receive a subsidy for their operation, in a foreign shipyard, in the face of the admitted and overwhelming decline that we are facing in our domestic shipbuilding capability.

Let me say that the American shipbuilding industry, in addition to its clear significance to our national security, is not just a problem for the Nation, because of national defense considerations alone; it is not just a problem for communities such as mine which have a history and tradition of building ships, where shipbuilding is a major economic activity of the area. It is a problem for all Americans and for all Members of Congress wherever your districts may lie.

American-built ships are a large market for domestically built or manufactured steel, for engines, for all the infinite variety of items that go into building an ocean vessel.

The implications for the employment base, not just of shipbuilding communities at the water's edge, but for industry throughout America and for employment of Americans throughout this Nation is of major significance.

We are in a very drastic decline in our shipbuilding capability and the number of vessels being constructed is demonstrably not saving our domestic shipbuilding base, for if it were so we would not be losing so many of our shipyards which are disappearing from the face of the Earth.

Mr. Chairman, we cannot permit that decline to go unabated. For that reason, for this Congress to be authorizing further construction of American ships in foreign shipyards and for them to be eligible for operating subsidies is, I think, a serious mistake and one which is going to erode that action which this Congress is ultimately, in the very near future, going to be forced to take in order to assure our national security potential in American domestic shipbuilding capability as well as to protect the economy and jobs of American citizens.

It is not possible for our shipyards to compete with foreign shipyards. We cannot do so, not because we do not know how, not because we are lacking in technology; we cannot do so because other nations have made it an instrument of national policy that they shall enjoy the fruits of shipbuilding, they shall enjoy the jobs and the economic return which comes from it, to the extent that they massively subsidize their shipyards the industries that are sensitive or critical to construction of ships.

They subsidize even with the financing that they make available to the ships because of their clear determination in their national policy which says, "We shall build ships."

This Nation could do no less as a matter of our national policy. To pass this bill with this provision in it authorizing further foreign-built construction of American-operated ships is a sop that comes too late and in fact may indeed embarrass the further and major efforts that this country needs to make in order to revitalize our shipbuilding capabilities.

If there be further time, Mr. Chairman, let me point out that there is to be introduced very shortly an updated version of that legislation offered by the gentlewoman from Louisiana [Mrs. BOGGS], which would do more, by far, to revitalize American shipbuilding and the American merchant marine than this little, small modicum of assistance to American shipbuilding.

It was said in general debate that those who oppose this provision of the bill ought to offer something better. Something better is indeed coming, something I think all of us interested in the revitalization of the American merchant marine, including a domestic shipbuilding capability, can get behind and then say, indeed, and in truth, we have done something significant for America, for its shipbuilding capability, its defense, and the protection of American jobs and American industry.

Mr. JONES of North Carolina. Mr. Chairman I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, back in the State legislature some years ago occasionally amendments would be offered which were referred to as "catfish" amendments.

The story is that this gentleman caught a small catfish and he had a short knife in his right hand and he said, "Be still, little catfish, I am not going to hurt you much; I am just going to gut you."

That is exactly what this amendment does to this bill. Without section 2 there would be no bill, there would be no point in passing anything.

Mr. Chairman, I wish I could support the amendment by the gentleman from Virginia. There was a time when I and others concerned with a rational maritime program could have enthusiastically endorsed such a proposal. However, times have changed, and this amendment would heighten the dilemma in which both ship operators and shipbuilders find themselves.

When the Congress, at the urging of the administration, agreed to "zero budget" the Construction Differential Subsidy Program, it left ship operators who were part of our operating subsidized fleet with a paradox. They were required to replace their ships in U.S. shipyards but had to pay twice as much as they would, had the construction subsidy continued. Worse, they would be paying 2½ to 3 times as much as an operator who can buy on the foreign market. In response to this dilemma, the Congress allowed operators, for a limited time, to purchase vessels from foreign shipyards and retain eligibility for subsidy.

The effect of the amendment by my good friend and committee colleague, the gentleman from Virginia, would be to put operators in a position where they could not, and would not, build any ships in the United States and leave shipbuilders with no foreign commerce ships to build. Section 2 of H.R. 5220 would, without any cost to the taxpayer, guarantee that for every dollar spent by an operator for foreign built tonnage, a like dollar would be spent on ship construction in a U.S. shipyard.

As a practical matter, section 2 provides the only game in town that is free to the taxpayer if U.S. yards are going to build ships that engage in foreign commerce. I urge my colleagues to defeat the amendment of the gentleman from Virginia.

Mr. McKERNAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise reluctantly to oppose my good friend from Virginia, the gentleman from Virginia, who is one of the most conscientious and effective members of our committee. He is clearly a watchdog for the shipyards of this country and I would like to think of myself in that same category.

It has been an ongoing debate not only in Congress but within the administration, I think, as to how we ought to treat the so-called build-foreign issue.

I personally have had lengthy discussions about this issue with those

who are involved at the shipyard in my district, the Bath Ironworks.

I have come to the conclusion which I believe those at Bath Ironworks have also come to and that is that if we leave the current law which forbids building foreign and receiving operating differential subsidies, we are not going to have any commercial vessels built in this country. You have heard everyone talk today about the fact that we have no commercial vessels being built now for the foreign trade and there are none on the horizon. There are some Jones Act vessels, but none in the foreign trade.

Well, let me try to explain why I think that is the case. When I get into these types of explanations my son usually says, "Dad, that is more than I wanted to know about the subject," but I am going to try to be brief. But it is, as someone said earlier, a complicated subject.

□ 1340

The problem that we have is that originally we had a construction differential subsidy program which offset the costs of building in America as opposed to building in foreign countries. We also have an operating differential subsidy.

Because the operating differential subsidy was so important to the commercial operators, it was worth building in America.

Today, the cost differential for building in this country is increasing at a far greater rate than the cost of operating those vessels with all the technological changes that are taking place. So we have operators that are today deciding to forego the operating differential subsidy in order to be able to save the literally 10's sometimes as much as 50 to 60 millions of dollars in the construction of vessels overseas.

What has happened because of that I think is common knowledge from the studies done by the Navy and the Maritime Administration that show that our shipyard mobilization base is lacking in time of national emergency and national crisis. Our sealift capability is also lacking. In fact, in Saturday's New York Times one of the officials at the Defense Department acknowledged that our capability for sea transport is far short of our needs in any foreseeable emergency.

If we accept this amendment in my view all we are going to be doing is driving our operators away from not only the Operating Differential Subsidy Program, but overseas. So we are going to end up with a situation where we are not going to have American vessels. We are not going to have the shipyard mobilization base, that we need.

I hope that Members will not be swayed by the superficial appeal of opposing build foreign. It is a far more complicated subject. This bill was carefully crafted in order to try to take care of the needs of the operators, as well as the needs of the shipyards.

If this program can work American shipyards will now be getting approximately one out of every three oceangoing vessels that is built by an American company. That is a far better formula than they are getting now under the current law which forbids building foreign. It means that no ships are being built and the American shipyards are getting nothing.

In return for the equivalent dollars on construction, American shipyards are also getting a new incentive program, they are getting a vessel trade-in program which should result in stimulating the Jones Act construction and they are getting a rejuvenated title VII bill in charge.

I think that that is a fair trade. I think it is in the best interest of the industry. We have to realize that if we are going to address modern day problems everyone has to be willing to give a little in order for the industry to succeed as a whole.

So, again, I reluctantly oppose the amendment and I hope that all others will do so as well.

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise reluctantly to oppose my colleague, the gentleman from Virginia, in his efforts to have this amendment enacted. I would like to recognize that he is a most valuable member, most conscientious, and applies himself most assiduously to concerns of the committee and the maritime industry. We regret, indeed, that we must oppose his amendment.

I understand his reason—we know the gentleman has a major shipyard in his district—but I would also like to point out very clearly that that major shipyard is doing very well because it is getting a great deal of naval work as contrasted to many of the other shipyards in our country that are closing entirely and too frequently.

Although the bill is complex the issue is simple. If we do not permit our vessel operators to build economical and fuel-efficient vessels based on the best of competitive world shipbuilding prices, the ship operators cannot compete and will be forced to go out of business.

When you talk about the maritime industry, you do not relate to shipbuilding alone. There are many components. You have the ship operators, the sea-going element, and the shipbuilding element. Unfortunately we cannot come up with a bill that deals with all of the problems of all of the components at one time.

This is recognized by the gentleman from Virginia. Just a little bit of help, is better than what we have now. Absent this, we have nothing. We feel that it is the kind of reasonable compromise that will permit some progress. We certainly do not want the ship operators to go out of business. It would not be in our national economic interest, nor in our national defense interest.

What this amendment does is strike section 2. The gentleman from North Carolina [Mr. JONES] said in his catfish story, it is not just a little cut, it is gutting the bill. I think he summed it up most succinctly. Any other words would be redundant, but I think it is important for those who are not on the floor and who might be in their offices viewing this debate to understand fully the nature of this legislation.

No one is more concerned about the welfare of the maritime industry than the members of our committee. I do not think that anyone would disagree. When we produce a legislation we expect that our colleagues will respond to it and understand that we are trying to put the very best we can before them at this time.

A few years ago we were able to enact a 1-year, build-foreign authorization without any requirement for building domestically. There is a proposal on the Senate side that permits building foreign for an 18-month period without any domestic building requirement.

What we have done here is a very, I think, moderate approach. It is more equitable than what we previously enacted and better than the Senate proposal that I just mentioned.

Since we opened that build-foreign window for 1 year we can expect three dozen vessels to be built for U.S.-flag operation. None are to be built in America, none. This bill will permit some ships to be built in America.

To sum it up: If we do not have this legislation you will not have ships built in America. It is as simple as that.

The CHAIRMAN. The time of the gentleman from New York [Mr. BIAGGI] has expired.

(By unanimous consent, Mr. BIAGGI was allowed to proceed for 30 seconds.)

Mr. BIAGGI. Mr. Chairman, I pointed out clearly the gentleman has a parochial interest. I understand it. I think the constituents should be gratified at the gentleman's efforts. It is significant. It is thoughtful. But I think that it is inappropriate at this time, because I am sure that the gentleman's ultimate purpose and the purpose of our committee is to enact legislation that will help our shipbuilders.

The alternative is no commercial shipbuilding in the United States. It is as simple as that. I know some make reference to other proposals down the line. We do not know about them. They have not been tested. We are not familiar with them.

We are dealing with this legislation now. I am hopeful the administration will come by and join us.

□ 1350

But in the absence of that, this is what we are dealing with. I urge my colleagues to vote against the amendment.

Mr. Chairman, I rise in opposition to the amendment of the gentleman from Virginia and urge that it be defeated. I do this because I believe we must do something to assist the ailing seagoing portion of our maritime industry—an industry that should not be held hostage to the desires of the shipbuilding portion.

The situation is extraordinarily simple. If we do not permit our vessel operators to build economical and fuel-efficient vessels based on the best of competitive world shipbuilding costs, our operators cannot compete and will be forced to use foreign-flag shipping or go out of business entirely. This is not in our national defense interest. It is obviously not in our national economic interest.

We must have competitive U.S.-flag vessels to permit us to carry our highly price-sensitive farm and industrial products in international trade. The sad state of our balance of payments is proof of our need to export more of our productivity. Shipping these goods on our own modern vessels will materially assist in reducing the present imbalance.

I want to make it clear that I am not and never have been insensitive to the needs of our shipbuilders, but I see nothing to be gained for them by forcing our vessel operators out of business. Everyone—including the shipbuilders—admits that, no matter what our shipbuilding industry does, it can never be cost-competitive with foreign shipbuilders. Our standard of living and our related wage structure simply will not permit U.S. commercial vessel construction costs to be competitive with foreign shipyards—particularly those yards in Far East nations like Korea and Japan.

Section 2, which the amendment strikes, is actually a compromise. It permits foreign building, but it also requires a certain amount of domestic work for our shipyards. A few years ago, we were able to enact a 1-year build-foreign authorization without any requirement for building domestically. Now, we are trying to provide something for the shipyards, and we are being opposed. I fail to see the rationale of the opposition.

Many have requested enactment of permanent build-foreign authority, similar to that which was enacted a few years ago. They cite the recent delivery of United States Lines' 950-foot "econ" Container Ship, the *American New York*, from a Korean shipyard as proof of our ability to compete with foreign-flag shipping if U.S. operators are permitted to build vessels at competitive world costs.

Three other econ ships will be delivered soon—with an additional 8 vessels to be delivered within a year—for a total of 12. We expect approximately two dozen more vessels to be built under this earlier build-foreign authority. We need this new build-foreign authority to continue our efforts to replace old, obsolete, and uneconomical U.S.-flag tonnage.

My shipbuilding friends won't like what I have to say, but the real question is: "How bad off is our shipbuilding industry when compared with our ship-operating industry?" Many say:

"It's bad, but they do have all of the naval construction work."

"They do have considerable commercial vessel construction work for the military Sealift Command."

"They have recently received a number of contracts for construction and reconstruction of commercial vessels for operation in our protected Jones Act Domestic Trade."

Hopefully, the new shipbuilding incentive program and the amendments to the existing build-and-charter program that are part of this legislation will provide additional work. Therefore, I believe it is proper to provide the vessel operator some relief so he can stay in business on a competitive basis. The alternative is no American merchant marine—or, at best, a very minuscule U.S.-flag foreign trade fleet.

I realize that the sponsor of this amendment has a major shipyard in his district that has always opposed similar legislation. It is ironic that this yard is very healthy due to its total reliance on naval work with little or no reliance on commercial work for many years. It is obvious that this yard is objecting to something that cannot adversely impact upon its present or future earnings. As a matter of fact, I am not aware of any major or serious effort of the shipbuilders or shipbuilding organizations to support any action that might prevent enactment of this legislation.

In summation, section 2 is part of a total package in an attempt to assist our shipyards as well as our ship operators. It is a package that has been developed in the spirit of compromise. Therefore, the amendment to delete section 2 should be defeated. I urge your assistance in seeing to the defeat of this amendment.

Mr. GEKAS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the item that troubles me here is that I am tempted, as I stand here at the last minute on the debate on this amendment, to support the amendment as offered by the gentleman from Virginia because the first emotion that I felt as I was learning about the sense of the amendment was that this would stimulate domestic construction of ships or that at least that was the intent and purpose of the amendment. But now I hear just the opposite. The gentleman from New York seems to indicate that the adoption of this would stultify domestic building, and this point is very confusing to me, who is eager to cast the right vote on this particular amendment.

I would yield, just for a moment, to the gentleman from New York to explain to me how rejection of this amendment would stimulate domestic construction.

Mr. BIAGGI. I thank the gentlemen for yielding.

It is just a question of pure economics. Look at the past. We have not had American Vessels built simply because we cannot build them and be competitive.

You can build a comparable vessel overseas for one-third the price that you can build one here in the United States. Hence, a ship operator cannot have one built here and be competitive. That is why you have not had commercial shipbuilding in America. There has been a reduction—ever since we eliminated the construction differential subsidy. Even that has not proven to be effective because shipbuilding costs has expanded. Even the 50-percent construction differential subsidy is not sufficient to accommodate the increased gap, the difference in price, of building abroad and building here.

What we are trying to do here is to enlarge on what we did a couple of years ago by permitting foreign building with some domestic building. Three years ago we did not compel domestic building, so there was not any. What we will do now is permit foreign building but dollar for dollar would have to be matched here for domestic construction.

Mr. GEKAS. But if I may regain my time, just to understand something more clearly, if we reject this amendment and just follow the language of the bill, we are guaranteeing completion of construction in foreign shipbuilders' yards. Is that correct? We are guaranteeing it, practically?

Mr. BIAGGI. What you are guaranteeing is that we will have ships built. For every dollar spent overseas, they must spend an equivalent dollar here. Does the gentleman understand?

Mr. GEKAS. Yes, I understand.

Mr. BIAGGI. There will be shipbuilding here. We do not have it now, and we will not have it if this amendment is adopted.

Mr. BATEMAN. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Virginia.

Mr. BATEMAN. Mr. Chairman, I certainly do not want anything I have

said or any amendment that I offer to be misleading to the gentleman from Pennsylvania or to any other Member of the House. I cannot state a case that this provision of the bill does not offer some remote hope that there might be an additional ship built in American shipyards. I offer this amendment because in principle to authorize the payment of subsidies for a ship built in a foreign shipyard is offensive to me. I offer it symbolically of that premise as to what I think is sound public policy and, hopefully, in order to help make a case for the Members of this House, that admittedly even by the proponents of this bill it does incredibly little in terms of the desperate condition of American shipbuilding, and to disabuse any Member of the House of the notion that you have significantly impacted, certainly have not solved, the crisis in American shipbuilding.

Mr. GEKAS. I thank the gentleman.

Mr. McKERNAN. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Maine.

Mr. McKERNAN. Mr. Chairman, I just want to clarify something the gentleman from Virginia [Mr. BATEMAN] said, which I think we ought to all keep in mind, and that is that the gentleman is absolutely right. He has taken the purist view, and those of us who have some sympathy with that argument find ourselves in a difficult situation here today supporting this legislation.

But the point is, as the gentleman from New York [Mr. BIAGGI] said, there are no commercial ships being built in this country. This is designed to be a short-term——

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GEKAS] has expired.

(On request of Mr. McKERNAN and by unanimous consent, Mr. GEKAS was allowed to proceed for 1 additional minute.)

Mr. McKERNAN. The point is that what this legislation may do while we are having a study, hopefully, of the future of the merchant marine of this country, is to stimulate some domestic commercial shipbuilding, in addition to some foreign shipbuilding which is going to take place. But at least the quid pro quo for companies building overseas is going to be building some in this country, which is going to provide jobs in American shipyards.

Mr. GEKAS. I thank the gentleman.

Mr. Chairman, I just want to add one phrase, and that is that implicit in all this, to me, are national security interests, and the spurring of domestic building is one thing that we ought to be keeping in mind in the long-term interest of our national security.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, I would like to clarify something that may be misunderstood.

There is no construction subsidy to be on foreign. There are operating subsidies, once it is built. But bear in mind that once it is build it comes under the American flag and with American crewmen. I hope that clears that up for the gentleman.

Mr. GEKAS. Yes. I thank the gentleman.

●Mr. DONNELLY. Mr. Chairman, I strongly support the amendment offered by the gentleman from Virginia [Mr. BATEMAN] which would strike section 2 from the text of H.R. 5220, the National Defense Shipyard Protection Act. Section 2 would allow U.S. ship operators receiving Federal operating subsidy to acquire foreign-built ships without losing eligibility for continued operating subsidy. Even though the bill before the House today requires that a subsidized U.S.-flag ship operator also undertake some domestic ship construction in return for being allowed to build ships abroad, I feel permitting the foreign construction of U.S. taxpayer-subsidized ships is extremely unwise. It is counterproductive to the purposes of H.R. 5220 which seeks to revitalize commercial shipbuilding in the United States.

While I oppose section 2 of this bill, I commend the leadership of the Merchant Marine and Fisheries Committee for taking the initiative in attempting to bring relief to the hard-pressed commercial shipyards in our country. On balance, H.R. 5220 represents a worthy first step toward maintaining a national shipyard base for long-term economic and security interests. The amendment offered by the gentleman from Virginia deserves the support of the House. It seeks to insure that American shipyard jobs are protected and preserved. I urge my colleagues to join me in voting for it.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. BATEMAN].

The amendment was rejected.

AMENDMENT OFFERED BY MR. MC KERNAN

Mr. McKERNAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McKERNAN: Strike section 2 of the bill and substitute in lieu thereof the following:

"SEC. 2. Section 601 of title VI of the Merchant Marine Act, 1936 (46 U.S.C. 1171 et seq.) is amended by adding at the end the following new subsection:

"(c) Notwithstanding the restrictions in this section relating to United States construction requirements and subject to amounts provided in appropriations laws, an operator may receive an operating differential subsidy under this title for vessels constructed in a foreign shipyard if the capitalized cost to the owner of those vessels is not more than the capitalized cost to the owner of a vessel or vessels constructed by that owner in the United States after January 1, 1984, that are eligible for operating differential subsidy.".

Mr. McKERNAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McKERNAN. Mr. Chairman, this is in the nature of a technical amendment to clarify the language of section 2 of the bill to better reflect what has been the intent of this legislation, that intent being that owners of vessels built overseas will be able to receive operating differential subsidy funds if the cost of the foreign vessels do not exceed the cost of vessels built beginning in January of 1984 in this country.

As I was reviewing this bill this morning and looking at the language in section 2, it became apparent to me that the language at least could be interpreted to allow one American vessel to serve as the impetus for more than five, six, seven, eight, or even nine vessels in foreign shipyards. I think that was not the intent. The intent is to make sure that an equivalent amount of dollars are spent in this country as are spent overseas. My amendment I think clarifies that language. I have checked with the Chairman, and it is my understanding that he has no objection to the language.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. McKERNAN. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, I have examined the amendment, and I have no objection. It is a good amendment and it should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine [Mr. McKERNAN].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill? If not, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker pro tempore [Mr. DE LA GARZA] having assumed the chair, Mr. McCURDY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5220) to protect the national defense shipyards of the United States, and for other purposes, pursuant to House Resolution 553, he reported the bill back to the House

with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1250

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 5602, HEALTH PROFESSIONS AND SERVICES AMENDMENTS OF 1984

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 536 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 536

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5602) to amend titles VII and VIII of the Public Health Service Act to extend the programs of assistance for the training of health professions personnel, to revise and extend the National Health Service Corps program under that Act, and to revise and extend the programs of assistance under that Act for health maintenance organizations and migrant and community health centers, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule by titles instead of by sections, and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 536 is an open rule providing for the consideration of H.R. 5602, the health professions and services amendments of 1984. The rule provides for 1 hour of general debate to be equally divided and controlled between the chairman and ranking minority member of the Committee on Energy and Commerce. It further provides that the bill shall be read for amendment by titles instead of by sections and each title shall be considered as having been read.

The rule waives points of order against the bill for failure to comply with section 402(a) of the Budget Act. Section 402(a) provides that it shall not be in order to consider any bill which authorizes the enactment of new budget authority for a fiscal year unless that bill has been reported on, or before May 15 preceding the beginning of such fiscal year.

Mr. Speaker, H.R. 5602 authorizes the enactment of new budget authority first effective in fiscal year 1985 to carry out certain programs under the Public Health Service Act. Since the bill was not reported by May 15, 1984, it violates section 402(a) of the Budget Act and a waiver is necessary.

Finally, Mr. Speaker, the rule provides for one motion to recommit.

H.R. 5602 reauthorizes several programs under titles VII and VIII of the Public Health Service Act for the training of health services professions personnel. It also extends for 4 years, the National Health Service Corps Program and support programs for health maintenance organizations and migrant and community health centers.

The bill also directs the Secretary of Health and Human Services to study criteria and methodologies for collecting and disseminating helath care consumer information and to prepare and implement a plan for providing technical assistance in the use of the criteria and methodology.

Mr. Speaker, I urge that we adopt the rule so that we may proceed to consideration of this important legislation.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Missouri [Mr. WHEAT] has explained the provisions of the rule. It is an open rule, and although there is some controversy over the amount of funds in the reauthorization bill, that will be settled by amendments on the floor of the House.

Mr. Speaker, I know of no opposition to the rule. Therefore, I urge adoption of the rule so that we can get down to the business of passing the bill, when it comes to floor.

I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I have no requests for time, I urge adoption of the rule, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid upon the table.

HOUR OF MEETING ON TOMORROW

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. LOTT. Mr. Speaker, I reserve the right to object.

Mr. Speaker, I do so just to make an inquiry as to what is planned. Ordinarily, I believe on Thursdays we would come in at 10. The gentleman is asking that we come in at 11. Is there some reason for that?

I yield to the gentleman for his response.

Mr. GEPHARDT. There is a scheduled Democratic caucus tomorrow morning I believe at 9:30 or 10 o'clock. That is the reason that we are asking that the House meet at 11 a.m.

Mr. LOTT. I wonder, is it the general rule that in the case of caucuses and/or conferences on our side of the aisle that this sort of request is honored both ways?

Mr. GEPHARDT. If the gentleman would yield again, I believe that the custom and practice has been to try and accommodate the other side and for this side to be able to have its scheduled caucuses as well, and that certainly would be our intent now and in the future.

Mr. LOTT. Further reserving the right to object, and I will not, I do think that it should be observed that we have a very brief period of time here in this remaining I guess 30 days of this session and we have a lot of legislation that is pending that we need to be working on.

Now, I acknowledge that we did not have too much scheduled this week, and we told the Members before we left that there would not be but two or three bills on the schedule in this 3-day period, but we do have a lot of work to do and we are getting off on a slow start in a very short period of time.

I might also inquire: Is this for the purpose of hearing from your party's nominee in the caucus?

Mr. GEPHARDT. It is my understanding that the primary business tomorrow is to appoint some new chairmen and make some appointments to the committees. It is also my understanding that the nominee will be present for part of that meeting, but that is not the first reason for the meeting.

Mr. LOTT. I can certainly understand that. I would like to urge my colleagues to be aware of the necessity to be cautious about the appearance or the participation by Presidents or candidates for the Presidency on the floor of the House of Representatives. I think it is important that we, on both sides of the aisle, be very careful about how we handle that.

I just would leave that for food for thought.

Mr. GEPHARDT. We always appreciate the comments from the other side. We will take it under advisement.

I would say to the gentleman that we share his view that we need to process necessary legislation in the next few weeks and we intend to get on with that.

Mr. LOTT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

REAGANOMICS IS A RESHUFFLING OF NATIONAL SPENDING PRIORITIES

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VENTO. Mr. Speaker, the facts continue to roll in outlining the unfairness of the Reagan administration's record.

The complete reshuffling of national spending priorities and the massive deficits mortgaging our future continue unabated. The Reagan administration spends a dollar and collects 80 cents in taxes and borrows a half billion dollars a day to keep the Federal Government afloat in a sea of red ink.

Compounding this poor economic policy is the unfairness of it all as outlined most recently by the respected Urban Institute. The Urban Institute study divided the U.S. population into five groups with their share of income and compares the shift of shares from 1980 to 1984 between the respective groups. The results are a disgrace and point out the gross unfairness in the shift of income share from the poor, those with less to those with more, the wealthy. Sixty percent, the bottom second and third groups of the U.S. population have lower income shares. Twenty percent, the fourth group, are static and 20 percent, the top group, the wealthy have skyrocketed income share gains. Reagonomics translated into dollars means a $25 billion shift from 80 percent of the U.S. population to the top 20-percent income group. Nearly a $2,000 annual gain per wealthy family.

Meanwhile, those living below the poverty level has dramatically risen to 11.7 percent in 1979, and today, in 1984, 15.2 percent are below the poverty level under the Reagan administration. Over 8 million more U.S. citizens are living below the poverty level today. Included is a news report on the Urban Institute study for my colleagues review.

[From the Washington Post, Aug. 16, 1984]

REPORT SAYS PRESIDENT AIDED RICH

(By Spencer Rich)

President Reagan's policies have widened the gap between rich and poor over the past four years and resulted in budget deficits that could limit future economic growth, the Urban Institute reported yesterday in an evaluation of the President's first term.

Between 1980 and 1984, the report said, the share of total family income received by the poorest one-fifth of the population fell by seven-tenths of a percentage point to 6.1 percent while the share of the richest fifth rose by 1.9 points, to 38.9 percent.

"This 1.9 percentage point increase may not at first glance seem very large, but it represents a transfer of disposable income to the top quintile from other income groups of $25 billion overall and translates into an extra $2,000 per family for this group," the report said.

It said a substantial part of the shift was the result of Reagan policies in cutting social benefits and altering the tax mix. "His policies helped the affluent but not the poor or the middle class," it said.

According to the report, "it would be a serious mistake to conclude that a revolution has taken place," despite claims by the administration and its critics that Reagan had radically altered the nation's political landscape in this and other respects.

The Urban Institute is a nonpartisan public policy research organization here. Its board chairman is Carla A. Hills, secretary of housing and urban development under President Ford. Its report on the first Reagan term was issued days before his expected renomination by the Republican National Convention that begins Monday in Dallas.

The report gave Reagan high marks for focusing the powers of the presidency to achieve his goals, dispelling a national mood of pessimism and countering the notion that the nation is too complex to govern.

It concluded that he had removed some regulatory and tax burdens from business and helped curb inflation.

He also helped shift the national agenda toward constraining government and had "greatly slowed a 50-year trend toward a larger, more intrusive federal government" and enlargement of social benefit programs, it said.

Moreover, the brake on enlargement of federal benefit programs would probably continue for a long time because huge budget deficits in Reagan's first term will "simply leave no room for new national initiatives," according to Isabel V. Sawhill, an economist who was co-director of the study with John Palmer, an economist who was assistant secretary of health and human services in the Carter administration.

While Reagan had indeed "planned a full-scale retreat" from the "march toward a welfare state," a sharp and revolutionary restructuring of government functions and programs has not taken place, partly because it was blocked by Congress, governors and unfavorable court decisions.

After four years of Reagan, the report concluded, the "safety net" of protective social programs was "still largely intact" for the nonworking poor, there had been no major, formal shift of federal programs and responsibilities to the states, no major political realignment and in environmental deregulation, "less happened, for good and for ill, than either the administration promised or the public believes."

In addition, although Reagan cut some domestic programs, increases in defense and interest outlays left federal spending in fiscal 1985 at 24.1 percent of gross national product—compared with 23.5 percent when he took office. And, while he cut federal income taxes, increases in federal payroll taxes and in state and local taxes left the average family paying 26.3 percent of its income in taxes compared with 25.9 percent in 1980.

REAL DISPOSABLE INCOME BY FIFTH OF THE POPULATION, 1980 AND 1984 [1]

Fifth of population	1980		1984	
	Average disposable income per family	Percentage share	Average disposable income per family	Percentage share
Bottom	$6,913	6.8	$6,391	6.1
Second	13,391	13.2	13,163	12.5
Third	18,857	18.5	19,034	18.1
Fourth	24,886	24.5	25,724	24.5
Top	37,618	37.0	40,880	38.9
All families	20,333	100.0	21,038	100.0

[1] All figures in 1982 dollars.

Source: Urban Institute.

Contrary to Reagan's 1980 campaign claims, the administration's overall economic policies were unlikely to speed economic growth very much, the report said.

A 5 percent addition to gross national product at the end of 10 years was the most that could be expected, assuming steps were taken to curb the deficit.

Here are the major findings.

INCOME AND POVERTY

The report said real disposable income of families had risen about 3.5 percent from 1980 to 1984, but would have risen 4 percent under a mix of policies favored by the Urban Institute.

However, the report said, from 1980 to 1984, the share of real disposable income received by the bottom fifth of the population dropped from 6.8 to 6.1 percent, the share of the next lowest fifth dropped from 13.2 to 12.5 percent but the share of the top fifth rose from 37 to 38.9 percent.

The report noted that for the aged, the actual growth of real disposable income was 9.5 percent, almost three times the 3.5 percent figure for all families.

It said the elderly weren't hurt so much by inflation because they didn't work and they benefited more than average from automatic cost-of-living increases in Social Security, lower inflation and high interest.

POVERTY AND SOCIAL POLICY

The report said the president "clearly did seek to turn back the social policy clock, in some extreme cases . . . to a pre-New Deal time."

During his first term he asked for cuts in social welfare programs that by 1985, if passed, would have reduced outlays for that year by 17.2 percent ($75 billion) below the level authorized by prior law. Congress allowed 8.8 percent in cuts, but the president succeeded in taking away many benefits from those who were "the least needy" of the poor.

Since many of the poor are raised from destitution mostly by government programs, the report continued, it appeared that while the "safety net" was still largely intact, "government programs do less now than in the past to protect people from poverty."

The fact that the proportion of the population living below the official poverty line increased from 11.7 percent in 1979 to 15 percent in 1982 (it has now risen again to 15.2 percent in 1983) was attributed "about equally" to "recession and recent cuts in social programs."

But it said that while the president has not succeeded in turning back the clock on social programs, "in fact, the long cycle of dramatic growth in the social activism of the national government that began with President Roosevelt's New Deal has ended."

It added that "President Reagan has shifted the national social policy agenda from problem-solving to budget cutting."

Moreover, with enormous budget deficits, "there is little room for the agenda to shift back" and the deficits will exert constant pressure for more retrenchment, this time, perhaps, in social insurance programs such as Social Security rather than means-tested programs that bore the brunt of his domestic spending cuts so far.

ENVIRONMENT

In the fields of energy and environment, the report concluded that the Reagan administration had short-circuited serious permanent changes in policy by naming highly controversial personalities to top jobs, such as James G. Watt as secretary of the interior and Anne M. Burford as administrator of the Environmental Protection Agency, both of whom are now gone.

Disputes involving these individuals produced "more controversy than change," and what change there was tended to be done by "administrative discretion" which was easily reversible by the next administration rather than by legislative changes that would be deep and permanent.

"When weighed against the administration's own goals . . . even the successes are few and far between. An administration espousing a free-market approach has become the custodian of the greatest agricultural land diversion program in history and has made little progress in furthering the use of economic incentives as tools of environmental policy," the report said.

FEDERALISM

The report said the president, by cutting or freezing grants to the states and localities in many programs, succeeded in halting the growth of local dependency on the federal government. Moreover, it said, many nonfederal entities raised money to make up for losses of federal money, so it appeared that "the budget cuts did not have the fundamentally disruptive effect on state and local government that some had forecast."

ECONOMIC POLICY

The president's overall economic policies, including big tax cuts, especially for business, program cuts and various devices to stimulate investment, helped to reduce inflation and improve investment, the report said. For example, the effective corporate tax rate, estimated at 33.1 percent in 1980, had been cut to 4.7 percent by the 1981 tax bill and, even after a raise voted in 1982, still was 15.8 percent.

The report concluded that the net impact of changes engineered by Reagan in tax and other incentives to business could increase output 10 years down the road by about 5 percent compared with what it would have been under past trends, assuming deficits were cut some. Alternatively, gross national product might be 3.4 percent less after 10 years than it would have been under past trends.

THE TARNISHED TOUCH OF PRIVATE GOLD MARKETERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, this administration trumpets the ability of the private sector to do everything better than Government. "We must follow the lead of private enterprise," we are told, "because it can do it faster, cheaper, smoother and more efficiently." In some areas this may well be true. But when it comes to marketing gold medallions, the private Midas touch turns to brass.

Last June the Treasury Department canceled its contract for marketing U.S. minted gold medallions with J. Aron & Co. This bailout was necessary to relieve J. Aron from having to purchase 2 million ounces of gold medallions from the Treasury to fulfill its obligations under the contract. The bailout cost the American taxpayer $700 million in lost profits had J. Aron purchased the gold.

J. Aron had been awarded this contract in 1982 to market the gold medallions to the public. When the contract was awarded, it was trumpeted as necessary in order to sell the medallions. The U.S. mint, the Treasury claimed, had failed in marketing the medallions itself, and had managed to sell only 565,000 ounces of medallions during the period it had offered the medallions for sale. J. Aron was one of the world's largest distributors of gold pieces, and with its expertise, we were told, it would be a snap for J. Aron to sell the medallions over the 2-year period of the contract.

That was the ideologues' dream—competent and efficient private enterprise would show the bumbling Government the way to sell those medallions. But the dream turned into a nightmare. Despite a $4 million advertising campaign, half of which was paid for by the Treasury, the establishment of a dealer network, and the unprecedented use of the mint's mailing list, the Government's franking privilege, and letters signed by mint officials on behalf of private firms to market the medallions, J. Aron failed.

But it did not just fail because it set its sights too high. Oh, no. It failed spectacularly to sell the medallions, selling a feeble 150,000 ounces of medallions to the public, or only 27 percent of the medallions previously sold by the mint, barely 1 ounce for each 4 sold by the mint. If the mint's program had been a failure as the ideologues claimed, then J. Aron's program was a catastrophe. It was the *Titanic* and Custer's Last Stand combined. So much for private enterprise expertise in a highly specialized area such as this.

To save J. Aron from further expense in purchasing medallions that it could not sell, and further embarrassment, the Treasury canceled the contract, relieving J. Aron of its obligations. With this administration, free enterprise means free to profit, but not to fail. If one looks for golden parachutes, this is the Treasury's corporate version, and one that let J. Aron down very lightly.

And now that J. Aron will not be marketing the medallions, who will? Why the U.S. mint, of course—the very same mint that had "failed" in marketing the coins. Starting in the next couple of months, the mint will begin selling the medallions to the public. And so the program has come full circle, a pretty pirouette performed by the administration. Mint marketing denounced and discarded, private enterprise enthroned and then saved from failure, mint marketing rediscovered and reinstated.

The lesson is clear, and one I hope the Treasury will remember. The administration should be less concerned with its ideological agenda and concentrate on the real purpose of government—serving the people in the best manner possible. When it comes to marketing U.S. coins and medals the mint has the expertise and gets the best results. For gold medallions that is the golden rule. I hope this is one lesson which the administration has learned.

STATUS OF CONSTITUTIONAL AMENDMENT ON BALANCED BUDGET AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 30 minutes.

Mr. DANNEMEYER. Mr. Speaker, I take this time for a special order this afternoon in order to bring to the attention of my colleagues a very sad development in the history of the effort of the people of this country in attempting to reign in runaway spending by the Congress of the United States.

I speak specifically to an effort that has been underway since the mid-1970's, about 1975, where State legislatures around the country have petitioned through their legislative bodies, under article V of the Federal Constitution, for the calling of a convention in order that the issue of deficit spending and what it is doing to this country in the future can be properly addressed.

As we all know, 32 States in the Union, by their legislatures, have asked Congress, pursuant to article V to call a convention on the subject of considering a balanced budget amendment to the Federal Constitution. When the number gets to 34, article V of the Federal Constitution says, requires, that a convention be called. The last State, through its legislature, to perform this act was the State of Missouri in March 1983.

Since that time, two other States, through the initiative process, have attempted to express the will of the people of those States on the issue. The State of Montana has qualified an initiative which will be on the ballot in November of this year, some 7 weeks from now, to determine whether the people of that State will make it the 33d State in the Union of the required 34.

We in California qualified an initiative earlier this year whereby we placed on the ballot through the procurement of over 600,000 signatures of citizens of California an initiative which the secretary of state titled proposition 35. We had every reason to believe that it would be on the ballot in November, some 7 weeks from now, so the people of the State of California, representing more than 10 percent of the people of America, can say whether they want to make our State of California the 33d or 34th State of the Union, depending on which order we place Montana in.

About a week ago the State supreme court in California rendered an opinion which took off of the ballot this initiative which qualified, namely, proposition 35. That court, consisting of seven members, is one of the most politicized courts in the country. It is my sad duty to say to the Members of the House that six of the appellate court justices serving on that body are appointees of that former distinguished Governor of the State of California, Jerry Brown.

The chief justice of the State supreme court, a lady by the name of Rose Bird, got to be chief justice of the State Supreme Court of California not because she was a distinguished trial court judge, because she never was; not because she was a distinguished district court of appeals judge, because she never was; not because she was a successful practitioner in the law and established a reputation as a solid lawyer and a distinguished member of the bar, because she never practiced law privately. She is sitting as the chief justice of the State supreme court in California for one reason, and one reason only: She happened to know the Governor. In the view of some, that is sufficient cause to obtain an appointment. One does not have to know much about the law.

Unfortunately, this distinguished lady does not know much about the law, and she and five of her colleagues formed a majority opinion of 6 to 1, which exhibits a very frightening tendency in America. I say frightening because what this court has said is, very simply, that the people of California will not have an opportunity of voting on probably the most important issue facing the country today; that is, Do we have the ability, through the elective process, to reign in runaway Federal spending?

This court has quashed the use of the initiative in the State of California for this purpose. It is a very disquieting thing when any appellate in the country says to the people of a State, "Citizens of that State, you may not express the sense of your State on that issue."

Mr. CRAIG. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Idaho.

Mr. CRAIG. I thank the gentleman for yielding.

Mr. Speaker, I echo the concern that the gentleman has, not only for the decision by that court not to allow this important proposition, proposition 35, on the ballot in November, but because of the tremendous leadership also that the gentleman and others played in bringing this most important issue of a constitutional amendment to balance the Federal budget and limit taxes to the people of California.

The organization here in Congress which I head on the House side, Congressional Leaders United for a Balanced Budget, was active in that effort out in California.

□ 1420

Senator PETE WILSON, I think, on the Senate side, was also active with my colleague, the gentleman from California, in this most important effort to bring over 600,000 Californians by their signatures forward on this issue, and to have 5 other Californians say that it does not qualify for them to be allowed to express their opinions and those of other Californians on this issue in November is very disheartening. But that does not stop the issue, and the leadership of my colleague, the gentleman from California, and also that of the State of Montana, with the assistance of the CLUB organization and the effort that we now have underway in the State of Michigan, still will tell this House, I hope, that if we fail to act upon that most important amendment before we adjourn for the elections in November—and that is the constitutional amendment to balance the budget and limit taxes—these two other States will tell this House that we must act, and act responsibly, to remove that issue. But that still does not take away the action in California, that important action in denying the citizens of that State an opportunity to speak, as I am confident they would do so loudly and clearly on that issue in the November balloting.

Mr. Speaker, I thank my colleague for yielding.

Mr. DANNEMEYER. Mr. Speaker, I thank my colleague, the gentleman from Idaho [Mr. CRAIG], for his comments, and I yield to my colleague, the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I thank my colleague for yielding, and I want to commend him for taking this special order.

I would like to say two things. No. 1, I share the gentleman's concern and outrage about the supreme court's action in California. It seems to me that they went way beyond anything that makes sense in this regard, and especially when we contrast what was on the ballot just 2 years ago where the Governor was asked to write a letter to the President. Certainly if they cannot ask their own legislature to take action, I do not know how they can ask the Governor to write a letter.

Let me say another thing. It seems to me, although apparently now that will not be an issue on the ballot per se in California, there is certainly no reason why the constituents, the voters in California, cannot ask candidates for the State legislature how they will vote on such an amendment when it comes before them, as I am sure it will.

And second, of course, they can continue to ask Members of Congress and those running for that office how they feel about it and how they intend to vote.

So, Mr. Speaker, again I want to commend the gentleman for taking this time.

Mr. DANNEMEYER. Mr. Speaker, I thank my colleague, the gentleman from California [Mr. LAGOMARSINO], for his comments, and I yield to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Mr. Speaker, I thank the gentleman for yielding, and let me just say that I appreciate his efforts and the work he is doing on this subject.

Mr. DANNEMEYER. Mr. Speaker, I am happy to yield to my friend, the gentleman from Minnesota, and I just want to bring to my colleagues' attention the fact that even though our State supreme court in California has

rendered this opinion taking proposition 35 off the ballot, we have a writ of review pending in the U.S. Supreme Court before Justice Rehnquist, who is the Justice while the Supreme Court is out of session and who has the responsibility of supervising the Ninth Circuit Court of Appeals, and we are hopeful that Justice Rehnquist today or tomorrow may, after reviewing this matter, decide that the people in California may have the ability to vote on this issue after all. He has the matter under submission, and we hope he will see it that way.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend, the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding.

I just walked in a few minutes ago, and I apologize for not being more aware of what is going on. But I would like to ask just a couple of questions.

First of all, do I understand the gentleman is saying now that the Supreme Court of California has disallowed putting the constitutional amendment to balance the budget on the ballot in California?

Mr. DANNEMEYER. They took off the ballot the initiative that we qualified on that issue, correct.

Mr. BURTON of Indiana. Mr. Speaker, would the gentleman restate just very briefly for my benefit the reason for doing that?

Mr. DANNEMEYER. There are two grounds for that. The first ground is that we have a provision in the State Constitution of California, article 2, section 8, which says that the people have the power of initiative and referendum, and there is another section, actually article 2, section 8, which says that the initiative can be used for offering a statute for a constitutional amendment, and the majority opinion of our State supreme court says, well, this resolution directing the legislature to adopt this as an act of the legislature cannot be a statute, it cannot be a constitutional amendment, and, therefore, you may not use the initiative for this purpose.

I think the rebuttal to that argument was given by Justice Lucas, who in his dissenting opinion—the decision was 6 to 1—said that the decision of the majority in this narrow interpretation of the use of the initiative was totally at variance with all of the precedents that have been announced by the appellate court of the State Supreme Court of California on the liberal interpretation that has been given to the use of the initiative by the people. In other words, this was a marked departure from what traditionally has been interpreted as what an initiative can be used for.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield further?

Mr. DANNEMEYER. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I have always admired the way California has handled some of these very sticky issues, in particular their tax problem out there. I remember proposition 13. The whole country looked at California with a great deal of respect because of the way they handled that problem, and they did cut property taxes because of that initiative by the people and a group of people out there who thought property taxes were too high.

It seems inconsistent to me that the Supreme Court of California would disallow the possibility of a constitutional amendment to balance the budget on this technicality. I think that the gentleman's special order is something that I hope the whole country will pay attention to because we were looking to California to be the 33d State to petition this Congress for that constitutional amendment.

Mr. DANNEMEYER. Mr. Speaker, I share my colleague's concern about what this portends for the country.

There was a second ground of that opinion of my State supreme court that really is even more disturbing than the first one. On the second ground, our State supreme court, in interpreting article V of the Federal Constitution, said the initiative may not be used for passing muster according to article V because article V talks about the legislatures of the States of the Union which shall petition Congress. The State supreme court said, well, the initiative is not the legislature, so, therefore, the initiative process can never be used to pass muster under article V.

If that opinion is permitted to stand, what that means is that there are seven States in the Union that have the initiative process and none of those seven have to date been utilized through the initiative on the issue of petitioning Congress on the subject of a constitutional amendment.

Mr. BURTON of Indiana. But when proposition 13 was passed, did not that initiative in effect force upon the legislature a decision of the people which lowered property taxes because the legislature itself would not take that action?

Mr. DANNEMEYER. Well, in response to my friend, the gentleman from Indiana, let me make this observation: Proposition 13 was a substantive property tax reform matter in and of itself. It does not direct the legislature to do something. It lowered property taxes.

Mr. BURTON of Indiana. It circumvented the legislative process because the legislature would not take that action?

Mr. DANNEMEYER. That is right.

Mr. BURTON of Indiana. And if the legislature of any State, in particular California, if the legislature of California will not take the action that the people want in the area of a balanced-budget amendment for these United States, then it seems proper to me that the people should be able to do that through this petition process.

Mr. DANNEMEYER. I appreciate the observations of my friend, the gentleman from Indiana.

Mr. Speaker, let me say also that this Justice Bird, along with Justices Mosk, Reynoso, and Grodin, are up for reaffirmation of their status and stewardship on the State supreme court in 1986, and I would think the voters of California would want to look seriously as to whether they want to continue them on that sovereign body at that time.

This thing is further disturbing because just within the past year in the State of California we had an initiative on the ballot there called the Sebastiani initiative, which sought to redraw districts of State legislators throughout the State for the assembly and State senate, and we did that because the Democratic Party controls the legislature and they had so gerrymandered the State that it made it difficult, if not impossible, for members of the opposition party, the Republican Party, to ever have a chance for election in many of those districts. In fact, the 98th Congress saw five less Republicans come to this House of Representatives from California, not because of issues but because of gerrymandering.

□ 1430

So we offered this initiative plan to redraw the districts from which State legislators come so that there would be a genuine contest between districts and this State supreme court said in effect, it took the initiative off the ballot. It said to the people of California, "You can't vote on that initiative either."

So what our State supreme court in California has done, to sum up, is very simple. They are saying in effect, "People of California, if you don't like what the State legislature does, you can remove the legislators." But the legislators have put themselves in such a lopsided district as a practical matter that it is impossible to remove them, so we have got the initiative to change the districts in which they came, so the supreme court took that initiative off the ballot.

So in effect, our supreme court said, "You can't change the legislature. You can't direct what the legislature is supposed to do. In effect, go home, be quiet, pay your taxes and don't bother us. Don't call us, we'll call you. When we decide there is something on which

you can have an initiative in California, we will let you know."

I submit that is not the right way the system should work.

A paper in my home county in California, the Santa Ana Register, wrote an editorial recently about this distinguished opinion called "Bird's 'Brains' ", in which it said:

The California Supreme Court, once again sticking its beak into places it doesn't belong, Monday told the State's voters they have no constitutional right to tell their legislators what to do.

Mr. Speaker, I ask unanimous consent to have this opinion of the Register put into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The article is as follows:

[From the Register, Aug. 29, 1984]

BIRD'S "BRAINS"

(By H.J. Van Dyke)

The California Supreme Court, once again sticking its beak into places it doesn't belong, Monday told the state's voters they have no constitutional right to tell their legislators what to do.

The court ruled 6-1 against a ballot initiative that would have directed the Legislature to petition Congress to convene a constitutional convention in order to draft an amendment requiring a balanced federal budget. It also would have ordered the salaries of the legislators withheld until they complied.

But in the court's view of this government by the legislators, of the legislators and—especially—for the legislators, the initiative process can be used only to put laws before the voters, not to conduct what Justice Allen Broussard called "a public opinion poll."

Broussard and his majority colleagues studiously avoided justifying how the 1982 nuclear-freeze proposition avoided being a "public opinion poll," saying no one at the time had brought the issue before the court. That measure instructed the governor to convey to the president and other federal officials the voters' endorsement of a bilateral freeze on nuclear-weapon construction.

This time, however, the court saw a clear chance to assert its power over the people.

The so-called Balanced-Budget Initiative already had qualified for the ballot when the court stepped in to keep the people from being heard. Although proponents of what would have been Proposition 35 have vowed to appeal the matter to the U.S. Supreme Court, it is doubtful that will be in time for the Nov. 6 election. And once again it will be the will of the court, rather than the will of the people, that will rule in California.

Indeed, Broussard's opinion sets up the Legislature as an insulated, ruling elite, responsible to the people only through the elective process—and even then insulated by public money and legislative privilege. And, of course, somewhat dependent on the court to bail it out of trouble.

Some have called the court's decision courageous—those who always hail the latest government intrusions into people's lives. In this case, the court prevented an intrusion by the people into the legislators' lives—and yet, in our system of government, the Legislature is not intended to be insulated from the people. It is supposed to serve them, not ignore them.

The mandate for government to reduce spending, to stop—or at least reduce—the level of theft known as taxation, and to end inflationary practices is great—and growing. Yet those in government consistently ignore that mandate, all the while increasing taxes, increasing spending and increasing the national debt.

As of last week that debt stood at $1.5 trillion and was rising at the rate of nearly $200 billion per year. Thirty-two state legislatures have requested the constitutional convention, and the request is pending before five others. California is not one of them. Now, thanks to the court, it still won't be.

By ruling against the Balanced-Budget Initiative, the court also gave an indication of how it will receive Willie Brown's challenge to overturn Proposition 24, which was approved by the voters last June. Want to bet Chief Justice Rose Bird's brains on the court rule against the people in that one, too?

Mr. DANNEMEYER. Then there was the concern by Justice Kaus who was one of those who signed the majority opinion and the gentleman was thinking to the future when it may happen that some group in California may want to offer an initiative on a subject such as just for example saying as a matter of policy that no money may be spent in Central America for purposes of giving military or economic assistance to anyone in El Salvador, just as an example or speculation.

So Justice Kaus was conscious of the possibility that, well, maybe 2 years from now they will come up with that proposal and I kind of think, speaking now from the writings of Justice Kaus, that perhaps that initiative should qualify for the ballot. So Justice Kaus gave himself some wiggle room in which he could say that such an initiative would qualify for approval by that court for submission to the voters. What in effect the Justice was saying was that we will provide a subjective test whereby we, the appellate court of California, the highest in the State, will decide what the voters of California can vote upon if we agree upon the subject matter and only then, in which he said as follows:

I do not believe, however, that it is necessary to determine whether a small portion of the measure—by which the electorate purports simply to urge Congress to propose a balanced budget amendment—would, standing alone, be a proper initiative measure under the California Constitution. Although I am not ready to say that it would not be, it would surely be permitting the tail to wag the dog to find that the possible validity of this minor part of the measure justifies the submission of a largely invalid initiative to the electorate.

What those words mean is that Justice Kaus is reserving the ability, as I say, in 2 years or 4 years from now to provide a subjective test as to whether or not the subject matter of that proposed initiative can pass muster with the court so as to be voted upon by the voters of California.

When the appellate court system of our country gets to the point where justices masquerading as appellate court justices begin to get into the legislative thicket, we are at a sad day in America. If they feel so strongly as a matter of public policy that issues should not be voted on or should be voted on, I think it is appropriate for them to get off the bench and take off their robes and get into the political thicket of debate so the voters can analyze them as candidates as to whether or not we want to put them in public office.

Mr. Speaker, I ask unanimous consent at this point to put into the RECORD the opinion of the dissenting Justice Lucas, who was unfortunately in a minority on the court in upholding the ability of the initiative to be on the ballot in November, because I think there are some eloquent statements in that opinion that should be taken into account as to whether or not the people of California should have the ability to vote on this very fundamental issue of our times.

The SPEAKER pro tempore. Will the gentleman further identify the instrument and make his motion?

Mr. DANNEMEYER. Yes; it consists of 14 pages, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The dissenting opinion by Justice Lucas is as follows:

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS ET AL. S.F. 24746

DISSENTING OPINION BY LUCAS, J.

I respectfully dissent. The majority, acting both precipitously and prematurely, has once again deprived the sovereign people of their precious initiative right. (See Legislature of the State of California v. Deukmejian (1983) 34 Cal.3d 658 [blocking vote on reapportionment initiative].) In my view, the majority errs in at least three separate respects, by (1) selecting this case for preelection review, contrary to the well-settled rule favoring the initial exercise of the people's franchise, (2) misinterpreting the federal constitutional provision (U.S. Const., art. V) pertaining to the calling of a constitutional convention "on application of" the state Legislatures, and (3) strictly and narrowly construing the scope of the people's reserved initiative power under California law, contrary to the rules in dozens of prior cases.

I. Preelection review

The dissent of Justice Richardson in the foregoing reapportionment initiative case set forth the pertinent authorities which hold that, in the absence of a showing of "clear invalidity," we should not interfere with a scheduled election on an initiative measure but, instead, we should defer our review until after the people have had the opportunity to express their views. (Legislature of the State of California v. Deukmejian, supra, 34 Cal.3d at p. 681 [dis. opn.];

see Brosnahan v. Eu (1982) 31 Cal.3d 1, 4.) Even "grave doubts" regarding the validity of an initiative do not require preelection review. (Gayle v. Hamm (1972) 25 Cal.App.3d 250, 256.)

Our recent preelection review of the 1983 reapportionment initiative was "the first time in 35 years this court has removed from the ballot a qualified initiative measure, thereby preventing the people of California from voting on a subject of great importance to them . . . ." (34 Cal.3d at p. 681 [dis. opn.].) Today's decision, filed less than one year later, reflects in my view a disturbing trend of this court to reach out and prematurely decide constitutional issues which might have been rendered entirely moot by the results of the forthcoming election, and which in any event readily could be addressed after the election has been held.

What reason does the majority offer for breaching, once again, the traditional rule of judicial restraint? The majority asserts that "The present proceeding . . . challenges the power of the people to adopt the proposed initiative," supposedly a "proper ground" for preelection review. (Ante, p. — [maj. opn. at p. —].) Surely, the mere "challenge" to an initiative is not enough to trigger such expedited, accelerated review, for such a challenge could be made in every case. Instead, we must first satisfy ourselves that the initiative is clearly invalid, i.e., clearly beyond the people's power to adopt. No such showing is made here.

As I will explain, the people indeed do have the power to direct the Legislature to apply to Congress for a constitutional convention. But even were grave doubts presented regarding the initiative's validity, there are good reasons for deferring our review until after the people have expressed their views and voted upon the measure. As real parties herein point out in one of their briefs, "Participation in the electoral process and ongoing public debate on this important issue will benefit the citizenry and their elected representatives. It will allow citizens to exercise their first amendment rights to express their opinions." The majority's ruling unfortunately terminates abruptly any widespread public debate by California citizens regarding a matter so crucial to their own, and their nation's, financial well being. Might not the Legislature, the Congress and the voters each have welcomed a public airing of this important issue?

In addition, I question the propriety or necessity of the "rush of judgment" exhibited in this case, resulting from the majority's attempt to file its decision before impending election deadlines. Most of the briefing in this case was completed only a few days prior to oral argument; we filed today's opinion only a few days after hearing that argument. How can this court, already swamped with hundreds of pending cases, expect to reach a reasoned determination of the complex issues presented herein under such adverse circumstances?

Finally, several well respected amici (former Attorney General Griffin Bell, former Senator Sam Irvin, and Professor John Noonan) have raised an additional argument against preelection (or indeed any) judicial review which strikes me as quite persuasive: A court, and especially a state court, should not pass upon the essentially political question regarding the validity of an application for a constitutional convention pursuant to article V of the federal Constitution. (See Coleman v. Miller (1939) 307 U.S. 433 [plurality opn., declining review of validity of state ratification of constitutional amendment].) Instead, we should defer to Congress, the body alone entrusted by the federal Constitution with the responsibility to receive and review such applications. As I indicate in the following part of this opinion, it is quite likely that Congress would conclude that the application is constitutionally valid. What possible harm could result from our deferring to Congress regarding this *federal* question?

II. Validity under federal law—the convention clause

Article V of the federal Constitution in pertinent part provides that Congress "on the application of the Legislatures of two-thirds of the several States, shall call a convention for proposing amendments" to the Constitution. Such proposed amendments "shall be valid . . . when ratified by the Legislatures of three-fourths of the several States, or by conventions in three-fourths thereof. . ." Contrary to the majority herein, the challenged initiative measure is not in conflict with the foregoing constitutional provision. The initiative simply directs the Legislature to file the requisite application so that California may be counted as supporting the calling of a constitutional convention. Where is the "clear invalidity" under federal law in that procedure?

Thus, section one, subdivision (a), of the challenged initiative measure recites that "The People of the State of California hereby mandate that the California Legislature adopt the following resolution and submit the same to the Congress. . . ." The resolution which follows urges Congress to propose a balanced budget amendment to the federal Constitution and makes "application" to Congress for the calling of a constitutional convention to consider such an amendment. Assuming that, under California law, the initiative process may be used for this purpose (a subject I discuss in part III hereof), what basis exists for holding that the measure contravenes the federal constitutional requirements of article V? That article requires an "application" from the Legislature; the challenged measure is designed to provide such an application.

This is not a case where the voters are attempting to abrogate prior completed legislative action. (E.g., Hawke v. Smith (1920) 253 U.S. 221, 227-230; Barlotti v. Lyons (1920) 182 Cal. 575, 578-584.) In both Hawke and Barlotti, the State Legislatures had already ratified the 18th Amendment ("prohibition") by joint resolution. Nevertheless, referendum petitions were thereafter circulated for the purpose of submitting the question to the voters for their approval or rejection. Both courts quite properly held that, under article V of the federal Constitution, the term "Legislature" refers only to the official representative body or bodies of the various states, rather than to the legislative power itself, as exercised through the referendum. Accordingly, the filing of the joint legislative resolutions exhausted the ratification process. As stated in Hawke, ratification "is but the expression of the assent of the state to a proposed amendment." (P. 229.) Because article V mandated that such assent be expressed by the "Legislature," the referendum process was deemed inapplicable and incapable of abrogating the prior expression of legislative will.

In the present case, in contrast to Hawke and Barlotti, no attempt is made to "undo" any prior, completed legislative act which already had triggered a federal constitutional process such as calling a convention or ratifying a proposed amendment. Instead, here the initiative process is being used to assure that such an act finally is undertaken by our Legislature. Article V does not purport to prohibit the use of the initiative process as one means of inducing a state legislature to act. Indeed, as the foregoing cases make clear, the sole concern of article V is that the request for a convention call take the form of an application by a state legislature. As previously discussed, that concern is satisfied here.

III. Validity under California law—the initiative process

Is an initiative measure which directs the state Legislature to apply for a constitutional convention "clearly invalid" under California law? Clearly not. Before confronting that issue, however, we should first review certain fundamental principles which control our disposition. First and foremost, "All political power is inherent in the people. Government is instituted for their protection, security, and benefit, and they have the right to alter or reform it when the public good may require." (Cal. Const., art. II, § 1.) A corollary to this is that "the legislative power of this State is vested in the California Legislature . . . , but the people reserve to themselves the powers of initiative and referendum." (Id., art. IV, § 1.) Finally, "The initiative is the power of the electors to propose statutes and amendments to the Constitution and to adopt or reject them." (Id., art. II, § 8, subd. (a).)

The majority would apply a narrow construction of the scope of the initiative power under the California Constitution. In the majority's view, directing the Legislature to apply for a constitutional convention involves neither a "statute" nor an "amendment" to the state Constitution. But use of such a narrow construction of the people's initiative right is directly contrary to the teachings of prior decisions of this court which require a liberal construction favoring the exercise of the initiative power.

Justice Tobriner set forth the applicable principles as follows: "The amendment of the California Constitution in 1911 to provide for the initiative and referendum signifies one of the outstanding achievements of the progressive movement of the early 1900's. Drafted in light of the theory that all power of government ultimately resides in the people, the amendment speaks of the initiative and referendum, not as a right granted the people, but as a power reserved for them. Declaring it 'the duty of the courts to jealously guard this right of the people' (Martin v. Smith (1959) 176 Cal. App. 2d 115, 117 [1 Cal. Rptr. 307]), the courts have described the initiative and referendum as articulating 'one of the most precious rights of our democratic process' (Mervynne v. Acker [1961] 189 Cal. App. 2d 558, 563 [11 Cal. Rptr. 3401]). '[I]t has long been our judicial policy to apply a liberal construction to this power wherever it is challenged in order that the right be not improperly annulled. If doubts can reasonably be resolved in favor of the use of this reserve power, courts will preserve it.' (Mervynne v. Acker, supra, 189 Cal. App. 2d 558, 563-564; Gayle v. Hamm, supra, 25 Cal. App. 3d 250, 258.)" (Associated Home Builders etc., Inc. v. City of Livermore (1976) 18 Cal. 3d 582, 591 [135 Cal. Rptr. 41, 557 P.2d 473, 92 A.L.R. 3d 1038], fns. omitted.)

Since Associated Home Builders, we have often followed these admonitions regarding this constitutional right. (See, e.g., Brosnahan v. Brown (1982) 32 Cal. 3d 236, 241 [186 Cal. Rptr. 30, 651 P. 2d 274] [upholding the

"Victims' Bill of Rights" initiative]; Fair Political Practices Com. v. Superior Court (1979) 25 Cal. 3d 33, 41 [157 Cal. Rptr. 855, 599 P. 2d 46] [upholding, in most respects, the Political Reform Act of 1974]; Amador Valley Joint Union High Sch. Dist. v. State Bd. of Equalization (1978) 22 Cal. 3d 208, 219-220 [149 Cal. Rptr. 239, 583 P. 2d 1281] [upholding the Jarvis-Gann property tax initiative]; see also Legislature of the State of California, supra, 34 Cal. 3d 658, 683 [dis. opn.].)

Under a liberal construction of the "precious" and reserved initiative power, the people clearly would have authority to direct their own representatives in the state Legislature to apply for a constitutional convention. Such an initiative measure reasonably could be deemed a proposal for the adoption of a "statute."

There is no fixed, immutable definition of the term "statute." The term could refer to any formal, written exercise of legislative power, whether or not codified, and placed within the California codes. The Code of Civil Procedure defines "statute" as any "written law" other than a constitution. (§ 1897; see also former Cal. Const., art. IV, § 1 [initiative is the power to propose "laws"].) The people's written directive to the Legislature, mandating it to apply for a constitutional convention, certainly would qualify as a written law, i.e., a statute. Under this interpretation, we do not need to reach the further issue troubling the majority, namely, whether a legislative resolution applying for a constitutional convention is a statute. The statute involved here is the one enacted by the people, directing the Legislature to submit that application.

For example, a recent initiative measure in part required the Legislature to adopt provisions implementing the right of crime victims to monetary restitution. (Prop. 8, adopted at the June 1982 Primary Election, now art. I, § 28, subd. (b).) Is not this procedural mandate from the people to the Legislature a "written law"? If so, then in what respects does the initiative measure before us fail to qualify as proposing such a law? Would it have made any difference if our measure had recited that its text would be formally incorporated into a new section of the Government Code? Surely such formalism cannot prevail over the people's right to be heard on matters of grave importance to them. Indeed, our prior cases require us to resolve all doubts in favor of the exercise of the initiative power, especially where the subject matter of the measure is of public interest and concern. (See Santa Barbara School District v. Santa Barbara Superior Court (1975) 13 Cal.3d 315, 330 [state initiative measure declaring state policy on forced busing]; Farley v. Healey (1967) 67 Cal.2d 325, 328-329 [local initiative measure adopting policy favoring immediate ceasefire and withdrawal from Vietnam].) As stated in the Santa Barbara case, "The people of California through the initiative process, have the power to declare state policy." (P. 330.) Surely, then, they have the power to direct the Legislature, as their representatives, to declare such policy on their behalf.

We should bear in mind that, unlike the limited referendum power, the initiative is not confined by any state constitutional restrictions upon its scope or use. (See Cal. Const., art. II, §§ 8, 9; Carlson v. Cory (1983) 139 Cal.App.3d 724, 728 [repeal of state inheritance and gift taxes].) As Carlson observes, "there is nothing in our state Constitution which prohibits the use of the statutory initiative to repeal tax law." (P. 731.) Similarly, nothing in the state Constitution forbids use of the initiative to direct the Legislature to apply for a constitutional convention.

In a case upholding the validity of another statewide initiative measure (Prop. 13, adopted June 6, 1978, now Cal. Const., art. XIIIA), we acknowledged that the initiative may be viewed as a "legislative battering ram" aimed at "tear[ing] through the exasperating tangle of the traditional legislative procedure and strik[ing] directly toward the desired end.' [Citation.]" (Amador Valley Joint Union High Sch. Dist. v. State Bd. of Equalization, supra, 22 Cal.3d 208, 228.) Given the numerous rejected or abandoned bills aimed at accomplishing the end sought by the initiative measure challenged in this case, the foregoing description seems unusually apt. As in Amador Valley, "Although we express neither approval nor disapproval of the [measure] from the standpoint of sound fiscal or social policy" (p. 229), we should uphold it in recognition of the constitutional principle that "All political power is inherent in the people." (Cal. Const., art. II, § 1.) Liberally construed, the initiative power applies here.

IV. Severability

Time constraints do not permit me to explore at length the validity of those additional provisions of the challenged initiative which impose financial sanctions upon the Legislature in the event of its noncompliance, and which requires the Secretary of State to act in lieu of the Legislature should it fail to adopt the resolution within 40 days of voter approval. Suffice it to say that these provisions are entirely severable from, and do not affect the validity of, the provision directing the Legislature to apply for a constitutional convention. (See In re Blaney (1947) 30 Cal.2d 643, 655.)

Indeed, each separate section of the initiative measure is made "severable" by the terms of the measure itself, and if any section or subdivision is held invalid, "the remainder of the initiative . . . shall not be affected thereby." I see no reason why the initiative may not be given effect, at least to the extent it directs the Legislature to apply for a constitutional convention. The distinct and severable questions of proper sanctions or alternative procedures in the event of noncompliance may be decided another day.

For all the foregoing reasons, I would deny the peremptory writ of mandate.

Mr. DANNEMEYER. Mr. Speaker, I yield back the balance of my time.

CORRECTING DEMOCRATIC CAMPAIGN MISREPRESENTATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 10 minutes.

Mr. WALKER. Mr. Speaker, already during this campaign we have had a number of contentions coming from the Democrats in their national campaign which I think ought to be clarified a little bit, because some of the things that we are hearing from the Democratic leaders have very little basis in fact or are a rather serious misrepresentation of the facts.

For example, we have heard recently that American working families are worse off in the present economy because their taxes have gone up during the Reagan years.

The fact is that you can put together an analysis which does show that for working families taxes have gone up if you include Social Security taxes. Now, the American working families are certainly better off in terms of their income taxes because they have dropped as a result of the tax cuts that were passed in 1981 with the endorsement of the Reagan administration and passed by this House; but if you take a look at overall taxes, taxes have gone up when you include Social Security taxes. It is important to recognize where those additional taxes came from, because the Democratic candidate for President, Walter Mondale, is making this charge. The taxes that we are talking about, the additional Social Security taxes, most of them were passed in 1977 under a plan initiated by the Carter-Mondale administration. The huge tax increase now being paid in Social Security is the result of policies of that administration.

So now he is talking about the fact that this is an unacceptable burden for the American taxpayer. It is a very high burden. Most Republicans in 1977, I was here, we voted against it because the tax increase was too high. We asked at that time that we do something other than simply raising taxes as a way of solving the woes of Social Security.

It is also important to note that the other tax increases in Social Security came about as a result of a bipartisan plan, endorsed by the Speaker of the House as well as the administration, that added to the tax burden of Social Security as well and was voted on very overwhelmingly in the Congress. That was a plan that passed within recent months; but it is important to recognize, too, that when that plan was up here the Democrats offered an amendment, offered by the gentleman from Florida [Mr. PEPPER] to that Social Security plan which once again wanted to raise your taxes and half the Democrats in this body, 131 Democrats voted for that plan to raise taxes even further. The taxes that Mondale is now complaining about, they wanted to raise even further during the course of the deliberations of that plan and they talked about raising them under this Pepper plan; 131 Democrats voted for it, 131 Democrats voted against it.

However, we ought to also look at where the Republicans voted. One hundred and sixty-five Republicans voted against the Pepper tax increase, one Republican voted for it. Where the parties were in terms of taxes was very clear on that vote on the very taxes that Walter Mondale is now claiming are killing American working families.

We also ought to take a look, it seems to me, at the charge that we have a record number of business failures at the present time. That is a charge that was made by the Democratic Vice Presidential candidate very recently. That is in fact an accurate statement as far as it goes. What she does not point out is the reason why you have so many businesses failing is because you have so many more starting up. In any kind of economic climate about half the small businesses that start up fail. That has been a tradition.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Minnesota.

Mr. WEBER. I think that is a very important point the gentleman is making, because you can really get involved in a log of demagoguery about what is happening in the economy, as I think frankly some of our friends on the other side of the aisle did during their convention.

When you have a period such as we are going through right now where there is a new industry being formed, of course there are a lot of companies that come into the marketplace in that industry and in this case it is high technology or information or services, that do not make it.

□ 1440

The best example of that is if you think back toward the history of the automobile industry as we may study it, you find, of course, when the automobile was first invented and began to come on line as a consumer product there were dozens and even hundreds of automobile companies around the country.

Mr. WALKER. Nearly every town in the country had their own automobile factory.

Mr. WEBER. That is exactly right. And, of course, most of those were going broke. Now, was the bankruptcy rate in the auto industry indicative of a terrible weakness in the American economy? If so, that would be quite a misreading of history because, of course, the automobile came on line during a period of America's most rapid economic growth. So people that are today looking at our economy and looking only at business failure rate without looking at the business formation rate and the economic growth rate are simply misinterpreting economic history.

Mr. WALKER. I think it is a classic example of the fact that this national campaign being run by the Democrats is a doom and gloom campaign. They only want to talk about the gloomy side of these statistics, the number of bankruptcies, the number of business failures that are up. There is no talk about the fact that the reason why those are way up is you have a record number of small businesses being created which means that you also have a record number of businesses being created that are also staying in business. That is the dramatic good news; yes, there are a lot of them that fail but there are a lot of them that stay in business and those in fact are the places where we are beginning to employ all these people who have gone on the employment rolls. The millions of people added to the employment rolls in large part have been added in those small businesses that were created out there or have been in place for some time. Small business is the generator of the jobs.

Mr. WEBER. Mr. Speaker, will the gentleman yield further?

Mr. WALKER. I yield to the gentleman.

Mr. WEBER. You know, another dimension of the positive side of that economic recovery is in the area of female-created businesses, female-headed businesses. We were talking a lot about women's issues in this campaign. The number of businesses headed by women formed in any month in the last 12 months is roughly five times greater than in any months prior to that. In other words, we are seeing roughly five times as many women going into business, forming their own businesses as at any time in American history.

Why is that? Not because of Government programs. It is because of the strength of the economic recovery that is fueling the growth in the private sector. That is probably doing more to advance the condition of women and change their role economically in this country than any Government program enacted by this Congress over the last 10, 20, or 30 years.

Mr. WALKER. The gentleman is absolutely correct.

Mr. Speaker, I would be glad to yield to my colleague from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding, brother BOB.

I, too, am struck by some of the reluctance on the part of the Democratic ticket to give credit where credit is due. Maybe that is politics and we are supposed to understand that. But I was struck by a phrase that Walter Mondale used the other day when he said that jobs that are now being created, the fact that there is more employment now than ever before is because the people who were out of work are back at work now.

I said, "So what?" I mean, that is good news.

He is saying that the jobs that were lost during this recent recession are the ones that went back on the rolls now and that is why we have good figures. And I said, "So what." I am happy about that and he should be happy about that.

Mr. WALKER. We ought to be not only happy about that but also I point out that not only have those people gone back to work but we have added some besides because we are at record highs in terms of employment in this country. We have more people working in this country than ever before in our history. So to some extent what he is saying is fallacious, but also certainly we ought to also look at the fact that the recession that put all those people out of work did not start with the Reagan economic policies; it started with the Carter-Mondale policies.

Mr. GEKAS. Exactly the point. But even if we historically succumb to the temptation to say that the President, whoever is President, has to take both the blame and the credit, the recession did happen in its worst part during the Reagan administration.

Mr. WALKER. Sure.

Mr. GEKAS. OK. If he is to take the blame for that then he should take the credit for the recovery. And that is what the American people have before them now. The President should be given credit for the economic recovery.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. WEBER. I thank the gentleman for yielding.

Mr. Speaker, another way of looking at this economy is to look at the different manner in which foreigners observe what is happening in the United States as compared to Walter Mondale. Within the last couple of months the French Socialist leader, François Mitterand, had basically fired his whole Cabinet and put in a group of people dedicated to doing what? To copying the American experiment in tax reduction and lifting of regulations so that they can produce the economic growth that Ronald Reagan has been able to produce in this country.

Just yesterday the Canadians elected a new government. They elected a new Prime Minister. What does he say? He promises to the Canadian people that he is going to duplicate the tremendous economic success that the Canadians see south of the border in the United States of America.

Now, is it not ironic that just at the time when we see foreign heads of state pledging to copy the programs of the Reagan administration in an effort to get their economies going, that Walter Mondale, the standard bearer of the Democratic Party is saying we are going to reverse course 180 degrees and undo all those steps that have been taken by this administration to get this economy going.

Mr. WALKER. The gentleman is absolutely right. In fact, what Walter Mondale is proposing is something suspiciously like what François Mitterand tried in France when he came to

power. That has been an absolute failure. Mitterand is changing his policy; he is trying to move toward a Reaganomics kind of approach to France's problems and in this country we have people talking the kind of gloom and doom that would lead you to believe that some kind of government involvement in the economy would in fact produce the millenia.

I do not think that the experiences around the rest of the world would prove that to be true.

One other thing that I think should be mentioned in the course of this short special order is another point that was raised by the Democrats in their national campaign recently in which they criticize the section of the Republican platform. I think it is important to read that section of the platform. What we said in the platform I will leave up to another day.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

THE DEFICIT'S EFFECT ON JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. MOODY] is recognized for 60 minutes.

Mr. MOODY. I thank the Speaker.

Mr. Speaker, I do not plan to take the 60 minutes but I did want to bring to the attention of my colleagues that one very significant effect of the deficit which is often overlooked, and which is hitting southeast Wisconsin very hard and I suspect other areas of the country as well, is the extreme overvaluation of the dollar caused directly by the deficit, and its effect on jobs.

The Commerce Department estimates that for every $40,000 in exports, whether it be in agricultural or in manufacturing exports, one job is created for an American worker or an American farmer. And the converse of that is that for every $40,000 of exports that are lost, one job is lost. It also implies that for every $40,000 of imports which substitute for U.S. manufacturing or U.S. agriculture there is also one job lost.

Probably the most significant current cost of the deficit which is borne right here today by our workers and our farmers, and not exported through time to future generations as is so often claimed about the deficit, is the significant current cost which flows directly from the overvalued dollar and from the titanic trade imbalance which it is causing. With the current trade deficit running at almost $130 billion a year, we are losing an estimated 4 million jobs in the United States. Four million people are out of work who would otherwise be employed were it not for the overvalued dollar, directly as a result of the monumental Federal deficit now running in the $170 billion range. These 4 million lost jobs nationally translates to about 200,000 jobs lost in Wisconsin, which incidentally is almost exactly one-fiftieth of the Nation. That 200,000 job lost estimate for Wisconsin is conservative because our economy in Wisconsin, is more than proportionately dependent upon exports. We export a lot of agricultural commodities from Wisconsin and there are a lot of jobs related to those exports in the terms of processing and translating the food. And there are a lot of machine tools processed and produced in southeast Wisconsin which are also destined for export, such as farm equipment and machinery tools. So at a minimum we are losing 200,000 jobs in Wisconsin directly as a result of the overvalued dollar which is a direct result of the deficit.

□ 1450

So the farmers and the workers of America, and the families of those farmers and workers, are not living high on the hog at the expense of the future generation which is often claimed.

The best thing you could say for the current Federal deficit is that it is stimulating the economy and shifting a number of costs to future generations. In fact, it is stimulating certain sectors of the economy at the expense of the manufacturing and agricultural sectors of the economy.

Now, what part of the economy is it stimulating? It is stimulating consumer goods industries. It is stimulating sectors of the economy which depend on imports. It is hurting capital goods industries and the sectors of the economy dependent on exports.

So this is not a neutral recovery, Mr. Speaker. It is not a recovery which is affecting all sectors of our Nation proportionately. Some sectors are bearing the cost of this recovery far more than proportionately and those are the sectors such as agriculture and manufacturing that depend on exports, and those are the sectors which depend on capital-intensive inputs for their jobs. In fact, all sectors of the economy which are interest-rate sensitive—which have financing as a high proportion of their cost—are being hurt because, despite the rhetoric coming from the White House, interest rates are not low. One of the major achievements the White House likes to boast of is the reduction in interest rates.

But the so-called real interest rate is the interest rate that counts—that is the interest rate net of inflation. Farmers know this; investors know this; first-time home buyers know this; people engaged in heavy equipment purchases know this; company heads planning to expand plant and equipment to provide jobs for workers know this. It is not the nominal interest rate that counts, it is the interest rate paid to the bank minus the current inflation rate.

Now under President Jimmy Carter we bemoaned high interest rates then prevailing, and rightly so. They were frequently in the high double digit range, 15, 16, sometimes 17 percent. Even got to 18 percent at times. But inflation was running at a deplorably high rate as well, double digit at times, 10, 11, 12 percent inflation. Well, if you subtract 10 or 12 percent inflation from a 16 or 18 percent nominal interest rate you will see that the real interest rate was in the 6 to 8 percent range.

I ask my colleagues: What is the real interest rate today? What is the key interest rate today?

The nominal interest rate is 13 to 15 percent. Some home mortgages are going for 13 or 13¾. But with inflation running at only 3.8, up to 4 percent, real interest rates, I would submit, are higher today than they were for most times under the previous administration. In fact, they are substantially higher than anywhere else in the industrialized world.

Real interest rates in America in the 9- and 10-percent range are 2 or 3 points higher than most of the rest of the world. That is precisely why the United States is a magnet for overseas capital. We are pulling in capital at a prodigious rate in order to finance the deficit.

The good news is that if we did not do this we would have an interest spike in our country which would really knock the blocks out from under the recovery. It would deal it a very severe blow.

That is still a potential downside danger because at any time that foreign money which is almost all on short-term basis—30-day or 90-day notes—could be withheld from abroad. But for the moment it is financing a large fraction of the Federal deficit. That is the good news.

The bad news is that our Nation is increasingly dependent on foreigners for our capital. In fact, if present trends continue, by 1985 we will be—for the first time since our colonial period—a debtor nation. That is, we will have borrowed more from the outside world than we have lent to it. That is a very ominous trend indeed for it implies that we will increasingly lose control over our own financial destiny.

Lending money to the rest of the world, being a net capital supplier, has been very lucrative and productive for the United States over the decades. That has paid rich dividends, interest earnings and other payments to capital of American lenders and investors.

As this borrowing/lending balance now shifts as a result of the Federal

deficit and the need to borrow capital from abroad and we are increasingly becoming a debtor nation, we will owe dividends, interest, and other payments of capital to foreigners. As that increasingly happens, it means two things: First, future increases in productivity and increases in real income expressed in goods and services that are created in the United States will more and more be siphoned off to other countries as we make good on those pay interest and principal on those capital loans from abroad.

Second, and perhaps even more ominous, is the fact that as this continues we will more and more lose control over our own fiscal and monetary policy. Let me elaborate on that for a second.

As we become a debtor nation worldwide interest rate determination, the family of interest rates, which obtain internationally, will become more and more tipped against us, and determined more and more offshore. Right now we are the leading interest-rate determining country, and provide the lead point on interest rates below which most countries find themselves.

As we lose control of that, because capital markets more and more shift overseas, interest rates will be determined more and more offshore. That means it will become harder for us to manage our own monetary policy. Interest rate determination becomes more difficult the more internationalized your economy becomes. You cannot have the Federal Reserve leaning one direction and have the rest of the nations of the world leaning the other. The Federal Reserve would have to slam on the brakes that much harder to accomplish the same adjustment of the business cycle here in the United States as those forces from overseas become stronger.

Also, our fiscal policy, concerning spending and taxing, becomes harder and harder to manage. The most rapidly exploding component of Federal spending is the cost of interest on the debt. As these interest costs explode as they are now doing, our spending will be more and more determined by the level of the interest rate given at a given moment. For example, with the Federal debt approaching $2 trillion, at a mere 10-percent interest rate, which we will be lucky to be paying, the national interest charge is $200 billion. On a $2-trillion debt, at 10-percent interest charge, on 90-day notes, the annualized cost of interest charges of carrying costs for that national debt is $200 billion.

I might parenthetically add that that adds up to about $3,000 per family. I might also parenthetically ask the question, How much freedom will Government have to adjust spending priorities for entitlements, for infrastructure, for crime control, for environmental protection, if the first $3,000 of every family's tax liability has to go simply to pay interest on a national debt?

But to return to my main point, with a $200-billion carrying charge locked in as a mandatory expenditure, we will find it harder and harder to control our fiscal policy. The spending side of our fiscal policy will be more and more the tail wagging the dog as interest charges determine more and more of the total spending pattern. It will be harder and harder to modulate Federal spending to countervail the business cycle.

So Mr. Speaker, we see a number of very serious things, despite the current rosy changes that are happening in certain regions and in certain sectors. I applaud them. Many people paid dearly to achieve the reduction in inflation which we now see which we all applaud. Thirty million people were out of work at one time or the other during the recession, but, nonetheless, that price was paid and those hard-fought gains have been accomplished, not necessarily the best way to accomplishment, but that is the way it was carried out.

□ 1500

But we are in danger of losing that rosy scenario very quickly if one of several things happens: First, if international financial markets reduce their lending to the United States, because with the deficit growing, and even the most rosy projections of the OMB and the administration show a substantial outyear deficits, with those deficits and with interest rates compounding on themselves we will find more and more that we are losing control of our own fiscal destiny, managing the business cycle will become more and more difficult, we will lose control of monetary policy to the outside world, we will lose control of fiscal policies to the outside world, and we will be more and more exposed to the danger of a credit shortage generated from abroad.

One only has to look at the pattern of international lending and borrowing affecting Third-World nations, Latin America, in particular, but not only Latin America, to know that a chain reaction in financial markets abroad could easily provoke an international credit crunch, it would be very easy to have one, unfortunately. More and more it is a house of cards, and more and more it is precarious, and if that were to suffer a serious capital shortage, we would see a very serious shortage, of contraction of credit here at home, not in the way we once would have, which would have been an effect we could handle, but a much more dramatic impact on our own credit markets triggered from an outside international credit shortage.

Finally, I would repeat what I opened my comments with, that this very happy general overall aggregate recovery is not uniform, is not homogeneous. Areas of the country where workers on agriculture, a large part, of course, of which is destined for export, and areas of the country where workers are employed in capital-intensive production, where interest rates and financing is a large part of the cost—and I speak now of items constructed for home appliances, automobiles—those workers are feeling a slight upturn but nowhere near the upturn that is proportionate with the rest of the recovery. Many of those basic industries have not returned to normal capacity, even have not returned to 70 percent of capacity, and many workers have still not been called back and some will never be called back because of the distorted pattern of this recovery, heavy on consumer goods and light on capital goods.

So that has ominous implications for our productivity in outyears, in future years. If we stress consumer goods now and deemphasize capital goods in the outyears, we will see less and less productivity as a result of that and, in the short term, we will see a very imbalanced recovery, we will see a recovery that is more and more precarious because of potential international influences, we will see a recovery which is not, unfortunately, shared equally by all of those who paid so dearly to start the road back up again.

So those are the comments I would like to share with my colleagues today, Mr. Speaker.

WILLIAM SPALDING CARRICO

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, a constituent and friend of mine, William Spalding Carrico of Fancy Farm, KY, died at Community Hospital in Mayfield, KY, on August 15, 1984, at the age of 68.

A veteran of World War II, Spalding Carrico was a retired employee of the Kentucky Department of Transportation and a member of Fancy Farm's St. Jerome Catholic Church. The husband of Mrs. Frances Cash Carrico, Spalding Carrico was a devoted husband and father. An outstanding and highly respected western Kentuckian, he was admired by the many people who knew and worked with him.

He was a good citizen—a man who loved his country, State, county, and community.

Obviously, this Member of Congress was fond of Spalding Carrico.

In addition to his wife, William Spalding Carrico is also survived by four sons—Danny Carrico of Murray, KY, Jerry Carrico, Fred Carrico, and Frank Carrico, all of Fancy Farm; four

daughters—Nancy Carrico and June Carrico, both of Fancy Farm, Mrs. Sue Hathaway of Chicago, IL, and Mrs. Mary Lynne Browning of Mayfield, KY; one brother, George Carrico of Birmingham, AL, and two sisters, Mrs. Jean Thompson of Lexington, KY, and Mrs. Pauline Ballard of Fancy Farm.

My wife Carol and I extend our sympathy to the family and friends of William Spalding Carrico.

REPUBLICANS ARE PROUD OF AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. McEWEN] is recognized for 10 minutes.

Mr. McEWEN. Mr. Speaker, in this past week, in "This Week With David Brinkley," a rather interesting exchange took place between ABC correspondent Sam Donaldson and the host of that program. I just thought I would take a moment or two to share it with you here today:

Mr. DONALDSON. David, I think it's great to be patriotic, and I have no objections to displaying the American flag and having the intense feeling of love for one's country. But I do object when a political party seeks to co-op, kidnap, if you will, the symbols of patriotism, suggesting that the other party, somehow, is un-American. Now, let me show you something.

Mr. BRINKLEY. What's that?

Mr. DONALDSON. Here's a Reagan-Bush button. They passed it out in Dallas. That's fine. It says Reagan-Bush '84. But if you turn this switch in the back, it plays the National Anthem. I don't mind the lights glaring at you. It suggests, of course, and I'm not trying to make too much of this button.

Mr. BRINKLEY. What would you have it play? Dixie?

Mr. DONALDSON. Well, it might play anything, but it suggests, as so many of these symbols that the President uses, that only the Republicans can wave the flag and are patriotic, and those Democrats, just as we suspected all of these years, are agents of the Kremlin. And I think that's wrong.

You talk about setting up a straw man and then punching him out.

Mr. BRINKLEY. Sam, the Democrats at their convention in San Francisco waved 20,000 flags.

Mr. DONALDSON. That was smart—

BARBARA WALTERS. David, if things are good, and if you feel good about the country, and if Ronald Reagan is the President, does that mean that, therefore, you feel good about the President, that we should reelect him? I mean, that is all kind of—

Mr. DONALDSON. He can get that, Barbara, without having to put on these super patriotic symbols that suggest that the other party is disloyal.

Well, Mr. Donaldson, fortunately, I am not as partisan as some people might be and if they were to observe that if Republicans waved the flag, that that is an attempt to co-op and to kidnap the symbols of patriotism and thereby suggest that the other party is un-American and that waving the flag is intimating that the Democrats are agents of the Kremlin, however, if the Democrats waved the flag at their convention, that is simply smart, now, as I say, if I were to suggest that that were somehow partisan, I am sure that the ABC counsel would come bursting forth waving the first amendment and screaming censorship and shaking the first amendment like a sheepdog stepping out of a pond, and so therefore I am not going to accuse Mr. Donaldson of letting his partisan skirts show but merely point out that if the President wishes to wave the flag and if the Republicans wish to wave the flag, that the Democrats should not feel offended, they should not feel attacked, they should not feel abused, they should not feel that they are being criticized in any manner, just very simply we are proud of our country and proud of America.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. McEWEN, for 10 minutes, today.

(The following Members (at the request of Mr. ROGERS) to revise and extend their remarks and include extraneous material:)

Mr. LOTT, for 60 minutes, September 6.

Mr. LOEFFLER, for 60 minutes, September 6.

Mr. WALKER, for 10 minutes, today.

Mr. DANNEMEYER, for 30 minutes, today.

(The following Members (at the request of Mr. WEBER) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 60 minutes, on September 6.

Mr. GINGRICH, for 60 minutes, on September 6.

Mr. WEBER, for 60 minutes, on September 6.

Mr. WALKER, for 60 minutes, on September 7.

Mr. GINGRICH, for 60 minutes, on September 7.

Mr. WEBER, for 60 minutes, on September 7.

Mr. WALKER, for 60 minutes, on September 10.

Mr. GINGRICH, for 60 minutes, on September 10.

Mr. WEBER, for 60 minutes, on September 10.

(The following Members (at the request of Mr. SPRATT) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. MOODY, for 60 minutes, today.

Ms. MIKULSKI, for 30 minutes, September 6.

Mr. GLICKMAN, for 60 minutes, September 10.

Mr. McCURDY, for 60 minutes, September 12.

Mr. McCURDY, for 60 minutes, September 13.

(The following Members (at the request of Mr. MONTGOMERY) to revise and extend their remarks and include extraneous material:)

Mr. LEVIN of Michigan, for 5 minutes, on September 6.

Mr. LEVIN of Michigan, for 60 minutes, on September 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ROGERS) and to include extraneous matter:)

Mr. BROOMFIELD in three instances.
Mr. PACKARD.
Mr. MOORHEAD.
Mr. RUDD.
Mr. WEBER.
Mr. MICHEL.
Mr. PORTER.

(The following Members (at the request of Mr. SPRATT) and to include extraneous matter:)

Mr. KILDEE.
Mr. FAZIO.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mrs. LLOYD in five instances.
Mr. HAMILTON in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mrs. BURTON of California.
Mr. TRAXLER.
Mr. HERTEL of Michigan.
Mr. TORRICELLI.
Ms. MIKULSKI.
Mrs. BOXER.
Mr. DYSON.
Mr. GARCIA.
Mr. BROOKS.
Mr. FOWLER.
Mr. VENTO.
Mr. EDWARDS of California.
Mr. BEDELL.

SENATE JOINT AND CONCURRENT RESOLUTIONS REFERRED

Joint and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 275. Joint resolution to designate the month of October 1984 as "National Spina Bifida Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 295. Joint resolution to provide for the designation of the week of October 14, through October 20, 1984, as "Myasthenia Gravis Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 299. Joint resolution to designate November 1984, as National Diabetes Month; to the Committee on Post Office and Civil Service.

S.J. Res. 305. Joint resolution to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 309. Joint resolution authorizing and requesting the President to designate January 1985 as "National Cerebral Palsy Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 318. Joint resolution to designate the week of September 16, 1984 through September 22, 1984, as "National Developmental Disabilities Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 322. Joint resolution designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 333. Joint resolution to designate September 21, 1984, as "World War I Aces and Aviators Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 334. Joint resolution to provide for the designation of the month of November, 1984, as "National Hospice Month"; to the Committee on Post Office and Civil Service.

S.J. Res.335. Joint resolution to designate the week beginning on May 19, 1985, as "National Tourism Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 336. Joint resolution to proclaim October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world; to the Committee on Post Office and Civil Service.

S.J. Res. 337. Joint resolution designating October 1984 as "Computer Learning Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 340. Joint resolution to designate the week of September 23, 1984 as "National Historically Black Colleges Week"; to the Committee on Post Office and Civil Service.

S. Con. Res. 75. Concurrent resolution favoring a National Museum of the U.S. Army; to the Committee on Armed Services.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 3787. An act to amend the National Trails System Act by adding the California Trail to the study list, and for other purposes;

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute program, and for other purposes;

H.R. 4280. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes;

H.R. 4596. An act to amend section 1601(d), of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street, Waterloo, NY;

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes;

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes;

H.R. 5712. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 5890. An act to establish a commission to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr.;

H.R. 6040. An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes;

H.J. Res. 452. Joint resolution recognizing the important contributions of the arts to a complete education;

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week";

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week";

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month";

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week," and

H.J. Res. 600. Joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, CO., and for other purposes;

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Inc.;

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, UT., certain land and improvements in Box Elder County, UT;

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services;

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes;

S. 2436. An act to amend the Communications Act of 1934 to extend certain authorizations of appropriations contained in such act, and for other purposes; and

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes.

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 8 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, September 6, 1984, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3900. A letter from the Director, Office of Management and Budget, transmitting the supplementary summary of the fiscal year 1985 budget, pursuant to 31 U.S.C. 1106(a)(1) (H. Doc. No. 98-251); to the Committee on Appropriations and ordered to be printed.

3901. A communication from the President of the United States, transmitting requests for supplemental appropriations for fiscal years 1984 and 1985, pursuant to 31 U.S.C. 1107 (H. Doc. No. 98-252); to the Committee on Appropriations and ordered to be printed.

3902. A communication from the President of the United States, transmitting the 1984 budget supplemental of the District of Columbia, pursuant to Public Law 93-198, section 446; Public Law 93-125, section 114; (H. Doc. No. 98-250); to the Committee on Appropriations and ordered to be printed.

3903. A letter from the Acting Comptroller General of the United States, transmitting a report on his review of a proposed new deferral of budget authority and proposed revisions to six previously reported deferrals contained in the Message from the President dated July 20, 1984 (H. Doc. No. 98-239), pursuant to Public Law 93-344, section 1014 (b) and (c) (H. Doc. No. 98-246); to the Committee on Appropriations and ordered to be printed.

3904. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notification of the Navy's decision to study the conversion from in-house operation to commerical contract of various functions at different installations, pursuant to 10 U.S.C. 2304 nt (Public Law 96-342, section 502(a) (96 Stat. 747)); to the Committee on Armed Services.

3905. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of contract award dates for the period September 1 to October 31, 1984, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

3906. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of supplemental contract award dates for the period September 1 to October 31, 1984, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

3907. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notice of the Air Force's decision to study the conversion to contractor performance of certain functions at various locations, pursuant to 10 U.S.C. 2304 nt (Public Law 96-342, sec-

tion 502(a) (96 Stat. 747)); to the Committee on Armed Services.

3908. A letter from the Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations), transmitting a draft of proposed legislation to amend section 1448 of title 10, United States Code, to provide more equitable treatment under the Survivor Benefit Program for the surviving spouses of certain commissioned officers of the Armed Forces; to the Committee on Armed Services.

3909. A letter from the Assistant Secretary of the Army (Manpower, and Reserve Affairs), transmitting a draft of proposed legislation to amend section 3031 of title 10, United States Code, to increase the number of authorized Deputy Chiefs of Staff for the Army Staff; to the Committee on Armed Services.

3910. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee, and insurance transactions supported by Eximbank during July 1984 to Communist countries as a result of Presidential determinations, pursuant to the act of July 31, 1945, chapter 341, section 2(b)(2) (88 Stat. 2334); to the Committee on Banking, Finance and Urban Affairs.

3911. A letter from the Assistant Attorney General, Antitrust Division, Department of Justice, transmitting a review of voluntary agreements between Government and private industry for fiscal year 1983, pursuant to the act of September 8, 1950, chapter 932, section 708(k) (89 Stat. 810); to the Committee on Banking, Finance and Urban Affairs.

3912. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the 1984 report on the economic viability of depository institutions, pursuant to Public Law 96-221, section 206; to the Committee on Banking, Finance and Urban Affairs.

3913. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Concerns Regarding the District's Medicaid Fraud Control Program", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3914. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Review of Minority Contracting in the Department of Transportation", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3915. A letter from the Secretary of Education, transmitting a copy of proposed final regulations in connection with the Institute of Museum Services, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3916. A letter from the Secretary of Education, transmitting proposed final regulations for the Incentive Grant Program, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3917. A letter from the Secretary of Education, transmitting a copy of proposed final regulations for "Student Rights in Research, Experimental Activities, and Testing," pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3918. A letter from the Secretary of the Interior, transmitting the 1983 annual report on the Youth Conservation Corps Program, pursuant to Public Law 92-597, section 5; to the Committee on Education and Labor.

3919. A letter from the Secretary of Energy, transmitting the quarterly report on the strategic petroleum reserve, pursuant to EPCA, section 165(b) (95 Stat. 620); to the Committee on Energy and Commerce.

3920. A letter from the Secretary of Energy, transmitting the 1983 annual report on Federal Government Energy Management, pursuant to Public Law 95-619, section 550; to the Committee on Energy and Commerce.

3921. A letter from the Secretary, Interstate Commerce Commission, transmitting notification that the Commission and the parties to Formal Docket No. 39002, *Utility Fuels, Inc.* v. *Burlington Northern Railroad Company, Fort Worth and Denver Railroad Company, and Atchison, Topeka and Santa Fe Railroad Company* have been unable to complete the evidentiary record within the time period specified, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

3922. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the addition of 6 countries to the 46 previously named for antiterrorism assistance, pursuant to FAA, section 574(a)(1) (97 Stat. 972); to the Committee on Foreign Affairs.

3923. A letter from the Acting Secretary of Agriculture, transmitting the 1984 global assessment report on world food production and needs, pursuant to the act of July 10, 1954, chapter 469, section 408(b) (91 Stat. 552; 94 Stat. 2246; E.O. 11963); to the Committee on Foreign Affairs.

3924. A letter from the Secretary of Commerce, transmitting the annual report of the Export Administration for fiscal year 1983, pursuant to Public Law 96-72, section 14; to the Committee on Foreign Affairs.

3925. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

3926. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

3927. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

3928. A letter from the Chairman, Japan-United States Friendship Commission, transmitting the annual report on the Commission's activities, pursuant to Public Law 94-118, section 5(b); to the Committee on Foreign Affairs.

3929. A letter from the Comptroller General of the United States, transmitting a list of all reports issued or released by GAO in July 1984, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

3930. A letter from the Acting Commissioner, Social Security Administration, transmitting notification of a proposed altered system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3931. A letter from the Assistant Attorney General for Administration, Department of Justice, transmitting notice of a modification of a Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3932. A letter from the Chairman, Federal Election Commission, transmitting notification of proposed new and revised systems of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3933. A letter from the Chairman, Securities and Exchange Commission, transmitting a report on the Commission's compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act) during calendar year 1983, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3934. A letter from the Chief, Army and Air Force Exchange Service, Departments of the Army and the Air Force, transmitting a report on the financial condition of the Army and Air Force Exchange Service pension plans for the year ended December 31, 1983, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3935. A letter from the Comptroller General of the United States, transmitting a report on the implementation of the Federal Managers' Financial Integrity Act; First year (GAO/OCG-84-3; August 24, 1984); to the Committee on Government Operations.

3936. A letter from the Deputy Chief of Staff for Installations and Logistics, Headquarters, U.S. Marine Corps, Department of the Navy, transmitting a copy of the retirement plan for civilian employees of the U.S. Marine Corps Exchanges, Recreations Funds, Clubs, Messes, and the Marine Corps Exchange Service, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3937. A letter from the Director, NOAA Corps, Department of Commerce, transmitting a copy of the 1983 annual NOAA Corps pension plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3938. A letter from the Director, Peace Corps, transmitting notice of a proposed new system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3939. A letter from the Executive Secretary, Federal Reserve Employee Benefits Systems, transmitting the annual report for the Retirement Plan for Employees of the Federal Reserve System, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3940. A letter from the General Counsel, Securities and Exchange Commission, transmitting notification of a proposed altered system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3941. A letter from the Inspector General, Department of Transportation, transmitting notification of a computer matching program involving the Title VII Option II Railroad Retirement Benefits Program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3942. A letter from the Plan Administrator, Farm Credit Retirement System, transmitting the annual pension plan report, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3943. A letter from the Secretary to the Board, Railroad Retirement Board, transmitting notification of an altered records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3944. A letter from the Chairman, Federal Election Commission, transmitting a copy of

proposed regulations pertaining to the administration of the Presidential Election Campaign Fund Act and the Presidential Primary Matching Payment Account Act, pursuant to IRC, sections 9039(c) and 9009(c); to the Committee on House Administration.

3945. A letter from the Clerk, U.S. House of Representatives, transmitting his quarterly report of receipts and expenditures of appropriations and other funds for the period April 1, 1984, to June 30, 1984, pursuant to 2 U.S.C. 104a (H. Doc. No. 98-247); to the Committee on House Administration and ordered to be printed.

3946. A letter from the Chief, Forest Service, Department of Agriculture, transmitting a copy of the Skagit River National Wild and Scenic River Plan, pursuant to Public Law 90-542, section 3(b) (92 Stat. 3533); to the Committee on Interior and Insular Affairs.

3947. A letter from the Acting Secretary of the Interior, transmitting notification of the leasing systems for the North Atlantic Sale 82, scheduled to be held in September 1984, pursuant to the act of August 7, 1953, chapter 345, section 8(a)(8) (92 Stat. 640); to the Committee on Interior and Insular Affairs.

3948. A letter from the Assistant Secretary for Indian Affairs, Department of the Interior, transmitting a proposed plan for the use and distribution of the funds of the Quechan Tribe of Fort Yuma Reservation, CA, in Docket 320 before the United States Claims Court, pursuant to Public Law 93-134, sections 2(a) and 4; to the Committee on Interior and Insular Affairs.

3949. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

3950. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

3951. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

3952. A letter from the Chief Judge, U.S. Court of Appeals, Ninth Circuit, transmitting a report of the Judicial Council and the Court of Appeals of the Ninth Circuit in the implementation of section 6 of the Omnibus Judgeship Act of 1978; to the Committee on the Judiciary.

3953. A letter from the Executive Director, Reserve Officers Association, transmitting the Association's financial statements for the year ended March 31, 1984, pursuant to Public Law 88-504, section 3 (36 U.S.C. 1103); to the Committee on the Judiciary.

3954. A letter from the Treasury (Legislative Affairs), transmitting a report for 1983 on fishery allocations, permits, and foreign import barriers, pursuant to Public Law 94-265, section 201(f) (92 Stat. 519); to the Committee on Merchant Marine and Fisheries.

3955. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to relinquish exclusive legislative jurisdiction over lands or interests under the Secretary's control; to the Committee on Merchant Marine and Fisheries.

3956. A letter from the Secretary of Transportation, transmitting a report entitled, "The Effect of the Airline Deregulation Act on the Level of Air Safety", pursuant to Public Law 85-726, section 107(b) (92 Stat. 1709); to the Committee on Public Works and Transportation.

3957. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a review of the beach erosion control and hurricane protection report on Dade County, FL, in response to a resolution adopted September 23, 1976, by the Committee on Public Works and Transportation; to the Committee on Public Works and Transportation.

3958. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to amend section 110(f) of the River and Harbor Act of 1958 (72 Stat. 303), as amended, to increase the monetary authorization for the rehabilitation of the Illinois-Mississippi Canal; to the Committee on Public Works and Transportation.

3959. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to authorize the Secretary of the Army, acting through the Chief of Engineers, to undertake further engineering and design of water resources development projects following the submission of a report to Congress recommending implementation of the projects; to the Committee on Public Works and Transportation.

3960. A letter from the Deputy Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to enhance recruitment and retention by the Veterans' Administration of graduate and student nurse technicians; to the Committee on Veterans' Affairs.

3961. A letter from the U.S. Trade Representative, transmitting a report on trade between the United States and nonmarket economy countries during calendar year 1983, pursuant to 19 U.S.C. 2441(c); to the Committee on Ways and Means.

3962. A letter from the Secretary of Health and Human Services, transmitting a report on the number of children in foster care pursuant to voluntary placement agreements, pursuant to Public Law 96-272, section 102(e); to the Committee on Ways and Means.

3963. A letter from the Comptroller General of the United States, transmitting a report entitled "Examination of the Saint Lawrence Seaway Development Corporation's Financial Statements for the Year Ended December 31, 1983," pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Operations and Public Works and Transportation.

3964. A letter from the Comptroller General of the United States, transmitting a report on United States and Soviet bloc training of Latin American and Caribbean students (GAO/NSIAD-84-109; August 16, 1984); jointly, to the Committees on Government Operations and Foreign Affairs.

3965. A letter from the Comptroller General of the United States, transmitting a report entitled "Examination of the Pennsylvania Avenue Development Corporation's Financial Statements for the Year Ended September 30, 1983," pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Operations and Interior and Insular Affairs.

3966. A letter from the Chairman, Federal Election Commission, transmitting a copy of the Commission's fiscal year 1986 budget request, pursuant to Public Law 92-225, section 307(d)(1) (93 Stat. 1354, 1356); jointly, to the Committees on House Administration and Appropriations.

3967. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report on abnormal occurrences at licensed nuclear facilities, pursuant to Public Law 93-438, section 208; jointly to the Committees on Interior and Insular Affairs and Energy and Commerce.

3968. A letter from the Under Secretary of Energy, transmitting the quarterly report on biomass energy development, pursuant to Public Law 96-294, section 218(a); jointly to the Committees on Agriculture, Energy and Commerce, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on August 9, 1984, the following report was filed on August 15, 1984]

Mr. FUQUA: Committee on Science and Technology. H.R. 3750. A bill to provide assistance to local educational agencies and institutions of higher education to promote computer literacy among elementary and secondary school students and their teachers, and for other purposes; with an amendment (Rept. No. 98-752, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

[Submitted August 10, 1984]

Mr. BROOKS: Committee on Government Operations. H.R. 3726. A bill to amend the Act of May 27, 1955, to increase the effectiveness of domestic firefighting forces and ensure prompt and effective control of wildfires on Federal lands by permitting the use of firefighting forces of foreign nations and the reimbursement of such forces for costs incurred in fighting wildfires throughout the United States, and for other purposes; with an amendment (Rept. No. 98-978, Pt. I). Ordered to be printed.

[Pursuant to the order of the House on August 9, 1984, the following report was filed on August 15, 1984]

Mr. FUQUA: Committee on Science and Technology. H.R. 5003. A bill to establish a uniform Federal system for management, protection, and utilization of the results of federally sponsored scientific and technological research and development, and for other purposes; with an amendment (Rept. No. 98-983, Pt. I). Ordered to be printed.

[Pursuant to the order of the House on August 10, 1984, the following report was filed on August 17, 1984]

Mr. HUGHES: Committee on the Judiciary. H.R. 6031. A bill to improve the criminal enforcement of provisions of law relating to currency and foreign transactions; with an amendment (Rept. No. 98-984, Pt. I). Ordered to be printed.

[Pursuant to the order of the House on August 10, 1984, the following reports were filed on August 31, 1984]

Mr. KASTENMEIR: Committee on the Judiciary. H.R. 5645. A bill to permit courts of the United States to establish the order of hearing for certain civil matters, and for other purposes; with an amendment (Rept. No. 98-985). Referred to the Committee of the Whole House on the State of the Union.

Mr. KASTENMEIR: Committee on the Judiciary. H.R. 5644. A bill to provide greater discretion to the Supreme Court in selecting the cases it will review; with an amendment (Rept. No. 98-986). Referred to the Committee of the Whole House on the State of the Union.

Mr. KASTENMEIR: Committee on the Judiciary. H.R. 5938. A bill to amend title 17, United States Code, with respect to the rental, lease, or lending of sound recordings (Rept. No. 98-987). Referred to the Committee of the Whole House on the State of the Union.

[Submitted September 5, 1984]

Mr. UDALL: Committee on Interior and Insular Affairs. S. 2000. A bill to allow variable interest rates for Indian funds held in trust by the United States; with an amendment (Rept. No. 98-988). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 5733. A bill to provide for the use and distribution of the Lake Superior and Mississippi Bands of Chippewa Indians judgment funds in docket 18-S and the Lake Superior Band of Chippewa Indians judgment funds in docket 18-U, before the Indian Claims Commission, and for other purposes (Rept. No. 98-989). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 5714. A bill entitled the "Shoalwater Bay Indian Tribe—Dexter-by-the-Sea Claim Settlement Act" (Rept. No. 98-990). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 5519. A bill to reauthorize and amend the Indian Financing Act; with an amendment (Rept. No. 98-991). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DELLUMS (for himself, Mr. FAUNTROY, and Mr. MCKINNEY):

H.R. 6186. A bill to provide for the assumption of selected functions, programs, and resources of Saint Elizabeths Hospital by the District of Columbia, to provide for the establishment of a comprehensive mental health care system in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CONTE:

H.R. 6187. A bill to amend the National Labor Relations Act to provide that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees; to the Committee on Education and Labor.

By Mr. HUNTER:

H.R. 6188. A bill to direct the Secretary of the Interior to convey a certain parcel of land located near Ocotillo, CA; to the Committee on Interior and Insular Affairs.

By Mr. JONES of North Carolina:

H.R. 6189. A bill to eliminate unnecessary paperwork and reporting requirements contained in section 15(1) of the Outer Continental Shelf Lands Act, and sections 601 and 606 of the Outer Continental Shelf Lands Act, Amendments of 1978; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. MOLINARI:

H.R. 6190. A bill to amend the Federal Aviation Act of 1958 to require air carriers to schedule operations at airports in such a manner so as not to exceed the capacity of any airport to handle operations during any period of time; to the Committee on Public Works and Transportation.

By Mr. PARRIS:

H.R. 6191. A bill to provide for a 4-percent pay comparability increase for Federal Officers and employees, effective as of October 1, 1984; to the Committee on Post Office and Civil Service.

By Mr. HUNTER (for himself, Mr. BATES, Mr. LOWERY of California, and Mr. PACKARD):

H.J. Res. 642. Joint resolution to require the U.S. Postal Service to provide and sell a postage stamp issue to honor aviation pioneer John J. Montgomery and to commemorate more than 100 years of controlled winged flight; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

461. By the Speaker: Memorial of the Senate of the Commonwealth of Massachusetts, relative to proposed legislation to award posthumous citizenship to a Vietnam veteran; to the Committee on the Judiciary.

462. Also, memorial of the Legislature of the State of Maine, relative to compensation for the services of Senators and Representatives; to the Committee on the Judiciary.

463. Also, memorial of the Legislature of the State of California, relative to ocean fishing; to the Committee on Merchant Marine and Fisheries.

464. Also, memorial of the Assembly of the State of California, relative to Thomas Jefferson's birthday; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MCGRATH introduced a bill (H.R. 6192) for the relief of Julian and Filomenia Barias, husband and wife; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 74: Mr. FRANK.

H.R. 1517: Mr. THOMAS of California.

H.R. 1676: Mr. HALL of Ohio, Mr. HAYES, and Mr. GREGG.

H.R. 1959: Mr. KASICH, Mr. HERTEL of Michigan, and Mr. WOLPE.

H.R. 2053: Mr. HERTEL of Michigan.

H.R. 2847: Mr. EDGAR.

H.R. 3255: Mr. PANETTA.

H.R. 3778: Mr. FAUNTROY, Mr. MARTINEZ, and Mr. YATES.

H.R. 4203: Mr. CHANDLER.

H.R. 4731: Mr. MINISH, Mr. LEHMAN of Florida, Mr. BONIOR of Michigan, and Mr. LUNDINE.

H.R. 4800: Mr. MATSUI.

H.R. 4877: Mrs. JOHNSON.

H.R. 4928: Mr. DEWINE.

H.R. 4966: Mr. BILIRAKIS, Mr. MARTIN of North Carolina, Mr. ORTIZ, Mr. SWIFT, and Mr. SYNAR.

H.R. 5335: Mr. PORTER.

H.R. 5341: Mr. DELLUMS, Mr. DWYER of New Jersey, Mr. WEAVER, Mr. FEIGHAN, Mr. KOGOVSEK, Mr. HALL of Ohio, Mr. TORRICELLI, Mr. HEFTEL of Hawaii, and Mr. MINETA.

H.R. 5469: Mr. MOAKLEY.

H.R. 5611: Mr. BADHAM and Mr. EVANS of Illinois.

H.R. 5676: Mr. LAGOMARSINO, Mr. GORE, Mr. CRAIG, Mr. RANGEL, Mr. DANNEMEYER, Mr. WISE, Mr. PURSELL, Ms. KAPTUR, Mr. ERDREICH, Mr. LOWRY of Washington, Mrs. SCHNEIDER, Mr. CLINGER, and Mr. BEREUTER.

H.R. 5730: Mr. EVANS of Illinois.

H.R. 5732: Mr. CARPER and Mrs. BOXER.

H.R. 5754: Mr. WALGREN.

H.R. 5911: Mr. WEISS.

H.R. 5937: Mr. BERMAN and Mr. LUNDINE.

H.R. 5977: Mr. LANTOS, Mr. GLICKMAN, and Mr. WILSON.

H.R. 6005: Mr. JACOBS.

H.R. 6014: Mr. HAYES, Mr. LEVIN of Michigan, Mr. REID, Mr. GUARINI, and Mr. DWYER of New Jersey.

H.R. 6021: Mr. FROST, Mr. SMITH of Florida, Mr. LUNDINE, Mr. NEAL, Mr. MCCAIN, Mr. RATCHFORD, Mr. WILSON, Ms. KAPTUR, Mr. KRAMER, Mr. ALBOSTA, Mr. VANDER JAGT, Mr. YOUNG of Missouri, Mr. DREIER of California, Mr. DWYER of New Jersey, Mr. SKEEN, Mr. D'AMOURS, Mr. ROBERTS, Mr. TALLON, Mr. DYSON, Mr. HILER, Ms. FIEDLER, Mr. COATS, Mr. ROBINSON, Mr. DEWINE, Mr. STUMP, Mr. DICKINSON, Mr. BURTON of Indiana, Mrs. HOLT, Mr. KOSTMAYER, Mr. WINN, Mr. TAUKE, Mr. EMERSON, Mr. DICKS, and Mr. HANCE.

H.R. 6067: Mr. KILDEE, Mr. WON PAT, Mrs. KENNELLY, Ms. FERRARO.

H.R. 6179: Mr. DARDEN, Mr. JENKINS, and Mr. BURTON of Indiana.

H.J. Res. 239: Mr. MCCOLLUM, and Mr. WILLIAMS of Ohio.

H.J. Res. 243: Mr. BATEMAN, Mr. BENNETT, and Mr. DICKINSON.

H.J. Res. 392: Mr. MCCAIN, Mr. STUMP, Mr. DELLUMS, Mr. LANTOS, Mr. BEILENSON, Mr. BATES, Mr. HUTTO, Mr. BENNETT, Mr. YOUNG of Florida, Mr. THOMAS of Georgia, Mr. LEVITAS, Mr. DARDEN, Mr. ROWLAND, Mr. JENKINS, Mr. AKAKA, Mr. HYDE, Mr. PORTER, Mr. DURBIN, Mr. BERMAN, Mrs. HALL of Indiana, Mr. BURTON of Indiana, Mr. BEDELL, Mr. ROBERTS, Mr. STARK, Mr. BARNES, Mr. MAVROULES, Mr. CONYERS, Mr. MONTGOMERY, Mr. VOLKMER, Mr. REID, Mr. HOWARD, Mr. SMITH of New Jersey, Mr. MINISH, Mr. ACKERMAN, Mr. SOLARZ, Mr. MARTIN of New York, Mr. LAFALCE, Mr. WHITLEY, Mr. ANDREWS of North Carolina, Mr. BRITT, Mr. ROSE, Mr. MARTIN of North Carolina, Mr. LUKEN, Ms. KAPTUR, Mr. WEAVER, Mr. KOSTMAYER, Mr. RITTER, Mr. HARTNETT, Mrs. LLOYD, Mr. COOPER, Mr. SUNDQUIST, Mr. RALPH M. HALL, Mr. BRYANT, Mr. BROOKS, Mr. LEATH of Texas, Mr. KAZEN, Mr. VANDERGRIFF, Mr. BLILEY, Mr. PARRIS, Mr. HALL of Ohio, Mr. DICKS, Mr. RAHALL, Mr. BARTLETT, Mr. HARRISON, Mr. LATTA, Mr. LEWIS of Florida, Mr. ANDREWS of Texas, Mr. BROOM-

FIELD, Mr. BROYHILL, Mr. FLIPPO, Mr. HAWKINS, Mr. APPLEGATE, Mr. CORCORAN, Mr. SOLOMON, Mr. MCEWEN, Mr. VANDER JAGT, Mr. COUGHLIN, and Mr. IRELAND.

H.J. Res. 482: Mr. HAMMERSCHMIDT, Mr. NICHOLS, Mr. MCCAIN, Mr. BLILEY, Mr. SPENCE, Mr. ALEXANDER, Mr. DELLUMS, Mr. RIDGE, Mr. SNYDER, Mr. ROWLAND, Mr. O'BRIEN, Mr. SCHULZE, Mrs. LLOYD, Mr. SHARP, Mr. ROBERTS, Mr. JONES of Tennessee, Mr. COUGHLIN, and Mr. EDWARDS of Alabama.

H.J. Res. 580: Mr. BOEHLERT.

H.J. Res. 595: Mr. ALBOSTA, Mr. ANDREWS of North Carolina, Mr. BATES, Mr. BORSKI, Mrs. BOXER, Mr. BREAUX, Mr. BROYHILL, Mrs. BYRON, Mr. CARNEY, Mr. CARPER, Mr. CHAPPIE, Mr. DARDEN, Mr. DURBIN, Mr. DYMALLY, Mr. EVANS of Illinois, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FOWLER, Mr. FRANK, Mr. GUARINI, Mr. HANCE, Mr. HARRISON, Mr. HATCHER, Mr. HEFTEL of Hawaii, Mr. HOWARD, Mr. HOYER, Mr. JACOBS, Mr. JONES of North Carolina, Mr. KLECZKA, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LEWIS of Florida, Mr. LOEFFLER, Mr. LOWERY of California, Mr. LOWRY of Washington, Mr. MCCANDLESS, Mr. MARTIN of North Carolina, Mr. MINISH, Mr. MONTGOMERY, Mr. MURTHA, Mr. ORTIZ, Mr. PAUL, Mr. ROBERTS, Mr. SKEEN, Mr. SNYDER, Mr. STARK, Mr. STRATTON, Mr. SWIFT, Mr. SYNAR, Mr. TAUKE, Mr. TORRES, Mr. WEAVER, Mr. WILLIAMS of Ohio, Mr. WILSON, and Mr. WOLPE.

H.J. Res. 603: Mr. DURBIN, Mr. FRANK, Mr. THOMAS of California, Mr. HOYER, Mr. SKEEN, Mr. ERDREICH, Mr. CARPER, Mr. AKAKA, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. HANSEN of Idaho, Mrs. HALL of Indiana, Mr. HUGHES, Mr. DOWNEY of New York, Mr. BOLAND, Mr. KEMP, Mr. MOAKLEY, Mr. ANDREWS of Texas, Mr. RATCHFORD, Mr. FRENZEL, Mr. WATKINS, Mr. MCNULTY, Mr. WALGREN, Mr. PRITCHARD, Mr. MURPHY, Mr. YOUNG of Florida, and Mr. FOLEY.

H.J. Res. 621: Mr. SHAW, Mr. MRAZEK, Mr. BORSKI, Mr. NATCHER, Mr. ADDABBO, Mr. FEIGHAN, Mr. CONYERS, Mr. HAMILTON, and Mr. VANDER JAGT.

H.J. Res. 623: Mrs. KENNELLY, Mr. MORRISON of Connecticut, Mr. RATCHFORD, Mr. LEWIS of Florida, Mr. BENNETT, Mr. LEHMAN of Florida, Mr. GEJDENSON, Mr. MARTIN of New York, Mr. MACKAY, Mr. STAGGERS, Mr. CONTE, and Mr. CHAPPELL.

H.J. Res. 624: Mr. ACKERMAN, Mr. BRYANT, and Mr. STRATTON.

H.J. Res. 631: Mr. SABO, Mr. GREEN, Mr. GUARINI, Mr. SUNDQUIST, Mr. PURSELL, Mr. QUILLEN, Mr. ANDERSON, Mr. MCGRATH, Mr. DELLUMS, Mr. BRITT, Mr. JACOBS, Mr. BEDELL, Mr. WHITTAKER, Mr. ROWLAND, Mr. KEMP, Mr. HUTTO, Mr. HATCHER, Mr. LEVIN of Michigan, Mr. REID, Mr. VENTO, Mr. WON PAT, Mr. MARTIN of North Carolina, Mr. FROST, Mr. D'AMOURS, Mr. WHEAT, Mr. LOWERY of California, Mr. RANGEL, Mr. KILDEE, Mr. STARK, Mr. SCHUMER, Mr. MONTGOMERY, Mr. HAMMERSCHMIDT, Mr. BATES, Mr. MARRIOTT, Mr. SPRATT, Mr. BROOMFIELD, Mr. COUGHLIN, Mrs. BURTON of California, and Mr. HANSEN of Utah.

H. Con. Res. 21: Mr. MOAKLEY, Mr. OWENS, Mr. RODINO, Mr. MRAZEK, Mr. DWYER of New Jersey, Mr. DOWNEY of New York, Mr. SCHUMER, Mr. LELAND, and Mr. SCHEUER.

H. Con. Res. 301: Mr. FRENZEL and Mr. DWYER of New Jersey.

H. Con. Res. 336: Mr. BATES, Mr. BERMAN, Mr. CONYERS, Mr. FAZIO, Mr. FISH, Mr. LEVIN of Michigan, Mr. LEVINE of California, Mr. RANGEL, Mr. SAVAGE, Mr. TOWNS, and Mr. WON PAT.

H. Res. 430: Mr. BORSKI, Mrs. BURTON of California, Mr. FRENZEL, Mr. JACOBS, Mr. KOGOVSEK, Mr. LOWRY of Washington, Mr. ROSE, Mr. SCHEUER, and Mr. SYNAR.

H. Res. 518: Mr. MCCAIN, Mrs. SMITH of Nebraska, Mr. FISH, and Mr. CORCORAN.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

404. By the SPEAKER: Petition of the City Commission of Key West, FL, relative to a nuclear armaments freeze; to the Committee on Foreign Affairs.

405. Also, petition of the General Assembly of the Presbyterian Church (U.S.A.), Atlanta, GA, relative to the U.S. Commission on Civil Rights; to the Committee on the Judiciary.

406. Also, petition of the Council of the County of Maui, Hawaii, relative to the Japanese American Citizens League; to the Committee on the Judiciary.

407. Also, petition of the Oklahoma State Board of Education, Oklahoma City, OK, relative to tuition tax credits; to the Committee on Ways and Means.

408. Also, petition of the Northeast Association of State Departments of Agriculture, Augusta, ME, relative to subsidized imports in the Northeast; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5602

By Mr. GUNDERSON:

(Substitute for Solomon amendment to H.R. 5602.)

—Page 17, insert after line 25 the following:

SEC. 122. Part A of title VII is amended by adding at the end the following:

"COMPLIANCE WITH SELECTIVE SERVICE

"SEC. 711. If the Director of the Selective Service System determines that any individual—

"(1) receiving or applying for any grant, loan, or other assistance under this title, or

"(2) participating in any program established or assisted under this title,

has violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not presenting himself for and submitting to resignation under such section, the Director shall notify the Secretary of such determination.

"(b)(1) If the Director of the Selective Service System has notified the Secretary that an individual has violated such section 3, the Secretary shall notify such individual of such determination.

"(2) Any individual notified under paragraph (1) may submit to the Secretary, within the thirty-day period beginning on the date such individual received such notice, any information with respect to the compliance with or violation of such section 3 by such individual.

"(c) Upon expiration of the period specified in subsection (b)(2) and after taking into consideration any information submitted under such subsection, the Secretary shall make a final determination on whether the individual notified under subsection (b)(1) violated such section 3.

"(d)(1) Notwithstanding any other provision of law, any individual who is determined under subsection (c) to have violated such section 3 is not eligible for, and may not receive, any grant, loan, or other assistance under this title and may not participate in any program established or assisted under this title.

"(2) The Secretary shall take all necessary actions to carry out paragraph (1).

"(e) This section shall take effect on the first day of the sixth month beginning after the date of the enactment of this section.".

EXTENSIONS OF REMARKS

HEY—ATTENTION OSHA—IT'S REAGAN NOT REGAN

HON. DAVID R. OBEY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. OBEY. Mr. Speaker, productivity at the U.S. Department of Labor has apparently grown so rapidly in recent years that they are now volunteering their services outside the executive branch and are engaging in congressional speech writing. Regrettably, they seem to be having difficulty finding Members to give their speeches.

One such speech was written back in early August and concerned criticism which I made of the Occupational Safety and Health Administration and its enforcement policies toward the Adolph Coors Co. Since no other Member of Congress seems willing to insert this statement in the RECORD and since considerable tax dollars were spent in its preparation, I have decided to put it in the RECORD myself.

There are three major points put forward in the Department's proposed floor statement.

First, they attempt to argue that the efforts to enforce safe work rules at Coors-owned facilities under former Assistant Secretary Auchter declined by only 35 percent instead of the 80-percent drop indicated in statements which I have made. I have pointed out that between the time that Auchter took over and January of this year there were only four instances where OSHA entered Coors facilities and three of those were mandatory investigations following the deaths of Coors employees. This compares with 20 inspections in a previous 33-month time period.

While the Department does not directly dispute this number they try to develop a new statistic more to their liking. They argue that there were 13 inspections or attempted inspections during a 36-month period as opposed to 20 inspections or attempted inspections during a previous 36-month period. The difference between the two sets of numbers can be explained as follows. Three inspections are added which took place after January of this year. I did not include these in my 33-month base period for two reasons. First, the Department could not give me a straight or consistent answer on inspections after January; and second, this was the time period during which the investigation was begun by my office. It was not clear that the inspections were not initiated as a result of the investigation. Five attempts at inspections where no inspection actually took place were also included. One of the thirteen inspections or attempted inspections claimed by the proposed speech can only be accounted for by the fact that when the Department adds 4, 5, and 3 it gets 13 something many of us have suspected for some time.

The serious argument that they are trying to make is that because the company was uncooperative and would not let the agency in without a warrant and because the courts in Colorado were uncooperative in granting warrants, part of the drop in enforcement activity was beyond the Department's control. There is, in fact, a good deal of merit to this argument. But it also raises another question; if the agency was in a difficult situation regarding warrants, how did they go about resolving that problem and still meet their responsibilities under the law? Did they attempt to put pressure on the company to be more cooperative in permitting inspections? Did they make full scale legal efforts to get warrants through the courts?

The answer to both of these questions is no. While OSHA inspectors were denied entry to Coors factories, high OSHA officials were frequent social guests at the Coors mansion. When OSHA inspectors were able to get in to Coors plants they hardly could be said to have thrown the book at the company. Two deaths and a permanent injury resulting from numerous failings by the company to meet minimal safety standards were punished with a fine of $800. Widespread noise violations in another factory was resolved by an agreement to perform a study on the hearing loss of the employees with no requirement for abatement of the unlawful conditions. If OSHA was sending the Coors Co. a message about noncooperation the message was nothing more than a wink.

The agency not only did not develope and execute an effective legal strategy to obtain warrants to enter Coors facilities, they took deliberate actions to ensure that warrants would be unobtainable. Coors facilities rated as dangerous in OSHA national targeting procedures were removed from the priority inspection list. The major purpose for developing the national targeting system for inspections was to have a nonarbitrary means of determining where inspections should be made so that warrants could be granted. The disasterous impact which the removal of the Coors facilities from the target list had on the obtaining of warrants is discussed in memos by staff of both OSHA and the office of the solicitor in the Denver regional office.

The attitude which the agency appeared to have had at the time and the attitude expressed in this proposed floor statement is that OSHA rules, fines, and abatement requirements should be reserved only for those employers that want them; and if an employer does not wish to cooperate we can at least let him buy us lunch.

The second point made in the proposed speech is that the experimentation which is taking place at the Coors facility where noise levels were documented at as much 250 percent above Federal limits is part of a tradition started during the Carter administration to speed up abatement of hazards. The speech says the workers will be fully protected during the NIOSH study. First of all, it is obvious that the person who wrote this section of the proposed statement could not believe that the agency had done what the agency in fact did. The consent agreement signed between OSHA and Coors does not provide for abatement. I repeat, the consent agreement that OSHA signed does not require Coors to cut the noise levels, therefore there is no way that it could be argued that this agreement in any way speeded hazard removal. The second major error made in this paragraph is the statement that NIOSH is conducting the study. As the letter which I am inserting at this point in the RECORD shows, NIOSH has refused to have anything to do with this Coors OSHA experiment.

The third point made in the speech is that the agency used peer review and therefore demonstrated good faith in its recommendation to the State of Virginia that the Dan River Co. be given a variance to allow a study of workers exposed to cotton dust at levels higher than those permitted by Federal standards. As I pointed out in a floor statement in May, the Department did use peer review, but the only written review salvaged the proposal and the prospects of gaining any useful information from such a study as well as the whole idea of experimenting on human beings. The fact that a recommendation to proceed was made in total contradiction to the peer review is one of

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

the major concerns which I and others have expressed in this one example of gross abuse of regulatory power.

Mr. Speaker, I won't take any more time with this pathetic little speech the Department has generated but to the credit of my colleagues, could not peddle. I would point out that while we have cut back job training and CETA jobs considerably in the last several years, there are clearly a few make-work jobs left for the unskilled at the Department of Labor.

[Insert 1]

Mr. Speaker: We all know that this is election season, but a statement in the Congressional Record of July 31 by my distinguished colleague from Wisconsin, Mr. Obey, exceeds the acceptable boundaries for political rhetoric. I refer to his discussion of the Occupational Safety and Health Administration's (OSHA's) purported cut-backs in inspections of the Adolph Coors Company facilities and OSHA's alleged sanction of experiments on workers.

Its well to set the record straight, particularly in an election season. Let's first examine the assertion that OSHA dramatically cut back inspections of the Adolph Coors Company during the tenure of the former Assistant Secretary of Labor for Occupational Safety and Health, Thorne G. Auchter. The facts are that during the first thirty-three months of Mr. Aucther's, OSHA conducted four inspections of Coor's facilities and attempted five other inspections for which it was denied entry by the employer. From January 1, 1984 through March 6, 1984, three additional inspections have taken place and a fourth inspection was attempted, but halted when entry was denied. Thus, a total of thirteen inspections were attempted at Coors facilities during the 36 months of Mr. Aucther's tenure, compared with twenty inspections or attempted entries in the thirty-six months prior to his confirmation as Assistant Secretary.

This is hardly a dramatic cut-back inspection activity, as the ("distinguished" typed in then deleted) gentleman from Wisconsin charges, particularly in light of the unusual difficulty OSHA was experiencing in that period in obtaining inspection warrants from the Federal Magistrate in the Denver Region. From July 1978 through October 1981, approximately 490 denials of entry were experienced by the Denver Region. Only one request for warrants was granted, a 99 percent failure rate, compared to a —— percent failure rate in the country at large. Although OSHA, as is customary, referred these 298 cases to the Labor Department's Solicitor for action, such delays are frustrating and time-consuming and are certainly better avoided. It is understandable that OSHA approached its planning for inspections of facilities where it expected to be denied entry with careful consideration of the basis for a subsequent Solicitor's brief for a warrant.

Next, we find the gentleman from Wisconsin charging OSHA with "gross abuse" of the law for allowing the National Institute for Occupational Saftey and Health (NIOSH) to conduct research in a Coors facility after OSHA had entered into a settlement agreement with Coors. In fact, OSHA in this instance was pursuing a policy initiated in the Carter Administration to encourage settlement agreements by which employers and OSHA would agree on a course of action that would assure prompt abatement of hazards found in the course of an inspection. A prime objective of this policy is to avoid lengthy legal actions against OSHA that only delay correction of hazards and tie up the agency's resources in the courtroom instead of the workplace. The evaluation being done by NIOSH at OSHA's request is intended to provide information to the agency on why some workers experienced hearing loss. There are no sinister villains lurking in the wings to experiment on hapless workers as the honorable gentleman's remarks imply. In this particular Coors facility, I understand that employees are being fully protected during the NIOSH evaluation since the work establishment is in compliance with OSHA's hearing conservation standard.

Still another charge in my colleague's statement of July 31 is that OSHA was "promoting a scheme by which the Dan River Textile Company could escape Federal requirements for cotton dust exposure by having another study of what breaking those rules would do to worker's lungs." When we examine the facts, we find a different story. OSHA was promoting nothing. In October, 1983, the Dan River Corporation petitioned the Virginia Department of Labor and Industry for a variance from the ventilation requirements of the cotton dust standard, which were to go into effect in March 1984. The company's purpose was to test a theory that byssionsis may be caused by bacteria or some other agent. The study proposed that 210 volunteers at the Dan River facilities in Danville, Virginia, be monitored while wearing protective equipment in areas of the facility not meeting OSHA's cotton dust standard.

OSHA saw an early version of this study, which was to be conducted by two university medical researchers, and the agency encouraged the State of Virginia to consider the proposal seriously, but only after it had been modified following peer review. OSHA heard no more about the variance request until May 1, 1984, when Virginia approved Dan River's request for an interim effective order through November 1, 1984, pending further preperation by the company of its application for a variance from the ventilation requirements of the Cotton Dust Standard. The company was to submit a grant proposal to NIOSH for funding the study. If NIOSH did not decide to provide funds by November 1, the company had to install ventilation equipment. If NIOSH decided to fund the study, the experiment could continue for eighteen months to two years. At all times during the study, employees would be protected by personal protective equipment. In response to a formal complaint about Virginia's action, OSHA was preparing to conduct a full-scale investigation. Dan River recently withdrew its request for a variance and the study has not been initiated. The various safegaurds I have mentioned—peer review, use of protective equipment during the study, requirement for NIOSH funding, and the limited period in which it would run—show clearly that there was neither a lack of good faith nor disregard for ethical issues by any of the parties involved.

Finally, we come to the allegation that a variance from workplace lead requirements given to the Gulf Coast Lead Company of Tampa, Florida, was terminated when one of its employees "had to be carried of the job because of kidney failures linked to high levels of lead in his blood."

Let's look at what actually happened. Gulf Coast Lead was granted an experimental variance from the medical—removal requirements of OSHA's Lead Standard at the request of an employee who preferred not to be removed from his job even though he had blood-lead levels requiring such removal under OSHA's Lead Standard. A number of firms in the lead industry have received variances from these medical-removal requirements upon guarantees of increased medical surveillance of workers and maintenance of workplace controls. The Gulf Coast experiment was designed to determine whether, in conjunction with engineering controls, the use of particular type of respirator designed expecially for the employee who wanted to remain at his job would result in lower blood levels of lead. Strict medical evaluation of the four participating employees was one requirement of the experimental variance. During a medical examination the employee who had originally requested exemption from the medical-removal requirements was found to have a possible problem with his kidneys. One of the stipulations of the variance was that all results of medical tests be forwarded directly to OSHA. As soon as they learned of the unfavorable test results, OSHA and the company immediately terminated the experimental variance.

So much for the smoking gun that some still look for in OSHA's policies under this Administration. Granted 'tis the season for exaggeration and innuendo, but the implication in the statement of the ("honorable" typed in then deleted) gentleman from Wisconsin that OSHA is subverting the law goes to far. Nothing could be further from the truth. OSHA, under President Regan,) has helped bring the workplace injury-rate down while removing unnecessary regulatory burdens on our Nation's businesses. This agency should be applauded, not vilified.

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[Insert II]

PUBLIC HEALTH SERVICE, NATIONAL INSTITUTE FOR OCCUPATIONAL SAFETY AND HEALTH, CENTERS FOR DISEASE CONTROL,
Atlanta, GA, August 29, 1984.

Hon. DAVID R. OBEY,
House of Representatives,
Washington, DC.

DEAR MR. OBEY: Thank you for your letter of August 3, 1984, regarding our involvement in a study of noise problems at the Glass Division of the Adolph Coors Company in Wheat Ridge, Colorado.

At the request of the Occupational Safety and Health Administration (OSHA), we sent a bioacoustics expert to the Coors plant, accompanied by an OSHA and Coors representative, to consult on the adequacy of the Coors hearing protection program. During this site visit, we discovered that Coors was using a non-accredited audiometric method to acquire the audiometric data on their employees. Thus, we recommended that OSHA contract with a recognized expert in noise induced-hearing loss to survey the Coors workers. This contract will not be funded by NIOSH, and the expert's audiometric data are to be supplied directly to OSHA. It is likely that OSHA will ask and we will again provide technical consultation regarding the significance of the hearing data acquired by the contract consultant.

NIOSH was not party to the arrangement resulting in a court order to do a Coors Research Study. We have not conducted a research study at the Coors facility nor do we

plan any such study. Please let me know if we can provide additional information.

Sincerely yours,

J. DONALD MILLAR, M.D.,
Assistant Surgeon General, Director.●

BUSINESS IS BOOMING AT LONG BEACH/LOS ANGELES HARBORS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. ANDERSON. Mr. Speaker, earlier this week, an excellent article appeared in the Los Angeles Times which discusses the tremendous increase in cargo throughput at the ports of Long Beach and Los Angeles.

According to the article, "General cargo volume is up 12.5 percent over last year at the Los Angeles port; it has increased by 11.3 percent at Long Beach. Containerized cargo * * * rose by 21.6 percent at Los Angeles and 44 percent at Long Beach." Combined, this is the fastest-growing port complex in the world.

Earlier this year, the House completed action on H.R. 3678, the first major water development bill since 1976. At my request, language was included in title I to deepen the main channels at Long Beach and Los Angeles and create additional land from the dredged material. Currently, this measure is pending consideration in the Senate.

It is vital that this bill get to the President for his approval prior to the adjournment of this 98th Congress.

As you well know, I have consistently worked with port officials in trying to help them meet the needs of tomorrow and beyond. It is obvious that the need still exists to further expand the facilities at the ports of Long Beach and Los Angeles. This is in part what H.R. 3678 seeks to accomplish. I continue to urge the Senate to complete action on this measure so that a conference committee can be convened and a final bill sent to the President for his signature before the end of this year. If a port bill is not sent to the President this year, I'm afraid it will be a long time before Congress tackles this complicated issue again.

The Los Angeles Times article follows:

[From the Los Angeles Times, Sept. 3, 1984]

PORTS SWAMPED AS CARGO VOLUME SOARS

(By Judy Pasternak)

Captain Karl Sjoblom was especially proud of his ship, the Aniara, last week. The Swedish auto carrier, 13 stories high and 642 feet long, was sparkling from its freshly swabbed decks to its newly tuned engines.

The ship's immaculate state was hardly surprising. The 23 crew members had little but cleaning and maintenance to occupy their time. For nearly 12 hours, the Aniara had been anchored a half mile from its twin destinations—the adjoining ports of Long Beach and Los Angeles.

It would be another day before the ship could berth. The reason: No dockworkers were available to unload the Aniara's cargo of Volvos bound for Long Beach and Mercedeses marked for Los Angeles.

UNUSUAL OCCURRENCE

So Sjoblom sat in his tiny shipboard office and marked time, nursing a mid-morning beer. "This has never happened in the six years I have been coming here," he said.

The odds are, however, that it will happen again. Business is booming on Los Angeles-Long Beach waterfront—the fastest-growing ports in the world, industry experts say—and that has proved to be a decidedly mixed blessing.

General cargo volume is up 12.5% over last year at the Los Angeles port; it has increased by 11.3% at Long Beach. Containerized cargo, which requires skilled stevedores to handle complicated equipment, rose by 21.6% at Los Angeles and by 44% at Long Beach.

But employment of dockworkers serving the two ports has remained steady at 2,600 since 1982—and there just aren't enough to handle the load.

"The proper number should be upwards of 3,200 or 3,300," said John MacEvoy, Southern California-area manager for the Pacific Maritime Assn., a stevedore employers' group. He said a hiring drive is planned soon.

"It means a lot of work and a lot of jobs and a big boost for the Southern California economy," MacEvoy said. "But our problem now is that we find ourselves in water that is over our heads."

James McJunkin, executive director of the Long Beach Harbor Department, and Roy Perry, director of the Los Angeles port, offer several explanations for the increase: the general economic recovery, the opening of new terminals, and the seasonal arrival of imported merchandise scheduled to reach store shelves before Christmas.

No other port in the U.S. is experiencing the surge in cargo and shortage of labor that is occurring at Los Angeles-Long Beach—a port second in size and annual tonnage handled only to New York, according to J. Ronald Brinson, president of the American Assn. of Port Authorities, a Virginia-based organization of 80 port managers. "If you've got to have a problem, it's the kind to have because it shows that things are really booming. It's a sign of prosperity," he said.

One day last month, 18 ships were waiting in the harbor for word from either port that dockworkers had been found to load or unload their cargo. Another day last week was more typical: The Long Beach port was operating at capacity, with 15 ships being serviced. But a Korean steel ship, two vessels from Japan and a Chilean freighter could not get stevedores that day.

Four delayed ships "doesn't sound like much," said McJunkin. "But it's a lot."

Added Stanley Westover, director of operations for the Long Beach port: "It has caused some ships to divert to San Francisco and Oakland, where there's an oversupply of longshoremen. We don't want to lose those ships."

Just now, however, not that many ships are choosing to detour, because of the high cost of trucking goods to Southern California from other ports. But shipping companies are not happy about the alternative: waiting and waiting and waiting.

LOSS OF REVENUE

"It means money," said Peter Pallas, assistant manager of Long Beach-based Williams Diamond Co., which handles port arrangements for about 85 ships a month. "Ships make money when they're working, not when they're sitting idle."

Aboard the Aniara, for example, the crew must be paid, meals must be served, fuel and electricity are consumed—at a cost of $24,000 a day, Sjoblom said.

"They could get delayed at Long Beach for two days and then get delayed in L.A. for two days," said Henry Noonan, an agent for the Fred Noonan Co. Inc. in San Pedro, which represents the Swedish vessel. "At $24,000 a day, at the end of the year, they could have made another half voyage."

The Pacific Maritime Assn. and the International Longshoremen and Warehousemen's Union, which supplies stevedoring companies with crews, are scrambling to increase the labor pool. Still, the dockworker shortage is expected to last at least several more months.

MacEvoy said the employers and the union anticipate that thousands will seek the 300 jobs to be advertised in local newspapers in coming weeks. But shifting through the applications will prove time-consuming, he said, especially because the two organizations settled a 1982 lawsuit by agreeing to hire women for 25% of all new dockworker positions at Long Beach and Los Angeles until 1997.

To ease the crunch, the maritime association and the union set up a day-labor hiring hall last week. One day shortly after the hall opened, about 175 workers were dispatched "and we could have used 100 more if they had been there," MacEvoy said. Another 60 full-time dockworkers will be transferred from San Francisco and other ports where business has been slow, he added.

He said the maritime association and the union were simply caught by surprise by a surge in cargo that began here about six months ago.

The number of ships calling at Long Beach and Los Angeles rose again in June. McJunkin said he originally believed then that shipowners were trying to get their cargo delivered before the union's labor contract expired June 30, in case of a strike.

"But that wasn't true," he said. Although a new three-year pact has been ratified, the port traffic has "remained unabated," he said.

The port is filled with frenetic activity these days. Dockworkers who remember working just two days a week in 1981 find themselves offered seven days of labor if they want it. Bob Collins, a stocky 47-year-old dockworker from Inglewood who said his income was $22,800 two years ago, expects to make $35,000 this year.

"But I'm extra tired," he added.

The stevedores drive forklifts carrying cartons of oranges and grapefruit bound for the Far East; they steer huge, bulky cranes to unload containers of computer parts and clothing for the U.S. Fenced yards are filled with steel—bundles of narrow pipe or rolls of sheet metal—and stacks of lumber. But, always, more work is waiting.

The only people who seem to take unalloyed delight in the cargo boom are the crews of the ships forced to wait. Usually the carriers steam across the sea, load or unload, and push right off again. The delays have given them a rare chance to explore Southern California.

Ships that anchor offshore, like the Aniara, charter water taxis to take the crew to town for the evening. Those that have found a mooring while they wait have even easier access.

"I have been most interested to see the Spruce Goose," said Capt. Joe Fujioko of auto carrier Toyofuji Number Seven, which stopped at Long Beach Berth 82 last week. The huge airplane, once owned by Howard Hughes, is not on display next to the Queen Mary. "I have been almost 20 times to Long Beach in 10 months," Fujioko said, "but there was no time to go to shore."

Though 2,500 Toyotas remained in his ship's hold while his agent searched in vain for stevedores, Fujioko was smiling. He sported a star stamped in yellow on his right hand—proof that he had paid admission that morning to visit the plane.●

NASA'S LONG-RANGE PROGRAM PLAN FOR SPACE SCIENCE

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. FOWLER. Mr. Speaker, earlier this session I introduced House Concurrent Resolution 217 and House Concurrent Resolution 218 to provide a long-term commitment to America's solar system exploration and astronomy and astrophysics programs respectively.

Recently, I received a copy of NASA's 1985 long-range program plan which contains a wealth of information about NASA's plans for the rest of this century and beyond. Included in the NASA report is information on the space station, space flight, satellite communications, commercial applications, and aeronautics. Of particular interest to me is the section on space science, a summary of which is reproduced below.

Our space science program has brought great value to our country at comparatively little cost and I hope that we in the Congress will continue to give this program our strong support.

Copies of the complete NASA long-range plan may be obtained by contacting Mr. Thomas W. Chappelle, Code LB, National Aeronautics and Space Administration, Washington, DC 20546.

EXCERPTS FROM NASA 1985 LONG-RANGE PROGRAM PLAN

STUDY OF THE DISTANT UNIVERSE

As a result of NASA's program in space astronomy and astrophysics during the past two decades, a new view of the universe is emerging; and new discoveries are being made at an astonishing rate. Rocket and satellite observations at ultraviolet wavelengths reveal the ejection by many types of stars of enormous amounts of material at high velocities. A revolution is occurring in knowledge of the chemical composition and physical state of interstellar gas and dust. Entirely new types of celestial objects are being discovered. Explosive events of unimaginable violence that occur routinely in the universe are being observed. Studies of the sun, fundamental to interpreting the distant universe, may provide the first look into that star's interior. For assurance that this revolution in understanding of the universe will continue at the same rapid pace, new observing capabilities are planned.

In the current Astrophysics program, several research missions are providing diverse information and measurements on the nature of the universe. While each mission has a particular objective, the data it acquires often may be augmented substantially by data from one or more other missions. For example, the objective of the Solar Maximum Mission is to observe solar flares, but data from several other missions add to understanding of flares on the sun and other stars.

The International Ultraviolet Explorer supplements the Solar Maximum Mission and is an important precursor to the Space Telescope. The Space Telescope, scheduled for launch in 1986 as a cooperative project with the European Space Agency, will serve for the next two decades as a major astronomy facility covering a range of ultraviolet and visible wavelengths. The Infrared Astronomy Satellite was launched in 1983 in cooperation with the Netherlands and the United Kingdom. Under development and to be launched within this decade are the Roentgen Satellite, a cooperative program with the Federal Republic of Germany to investigate many phenomena discovered by the second High Energy Astronomy Observatory; the Gamma Ray Observatory, to investigate the highest energy reaches of the electromagnetic spectrum; the Cosmic Background Explorer, to measure precisely the spectral and directional distribution of cosmic microwave background radiation; and the Heavy Nuclei Collector, to detect charged particles such as the rare, heavy nuclei of uranium. The program also includes extensive theoretical and laboratory research and investigations to be flown on Spacelab.

The major initiative to be begun through FY 1989 is the Advanced X-Ray Astrophysics Facility, which will advance x-ray astronomy into the mature observatory stage. It will be as significant an advance in x-ray astronomy as the Space Telescope will be in optical astronomy. Other initiatives planned for the FY 1985 through FY 1989 period are principally investigations of the structure of space and time and the structure of the sun, collapsed stars, and interstellar space. They include Gravity Probe-B, Shuttle Infrared Telescope Facility, Solar Seismology Mission, Extreme Ultraviolet Explorer, X-Ray Timing Explorer, Far Ultraviolet Spectroscopy Explorer, Solar Corona Diagnostics Mission, and several Spacelab investigations.

In the period between FY 1990 and FY 1994, two mature observatories will enter development. The Advanced Solar Observatory will make coordinated observations of all aspects of the surface of the sun to study the evolution of solar features and observe events that are especially revealing. The Large Deployable Reflector will investigate the processes of birth of celestial bodies. Other planned initiatives are the High Throughput Mission, Very Long Baseline Radio Interferometry, and Starprobe.

EXPLORATION OF THE NEAR UNIVERSE

The near universe includes all bodies in the solar system except the sun and Earth. Exploration of the near universe is vital to a full understanding of the relationship of Earth to the sun and other members of the solar system. Specific goals of the program are to understand the origin, evolution, and present state of the solar system; Earth through comparative planetary studies; and the relationship between the chemical comparative planetary studies; and the relationship between the chemical and physical evolution of the solar system and the appearance of life.

In the years since the first flyby of Venus, planetary exploration has experienced a golden age. It has brought new knowledge and established U.S. leadership in this area of space science. U.S. spacecraft were the first to visit Mercury, Venus, and Mars; and only U.S. spacecraft have crossed the asteroid belt into the outer solar system. All told, over tow dozen bodies—planets and their satellites—have been explored at close range; and the interplanetary medium has been partially characterized.

The current solar system exploration program consists of three parts: planetary research and analysis, development flight projects, and mission operations and data analysis. Research and analysis and mission operations and data analysis ensure program continuity toward exploration goals. Flight projects currently progressing are the Voyager 2 extended mission, which is headed for encounters with Uranus in 1986 and Neptune in 1989, and continued operation of Pioneer Venus, Pioneers 6 through 11, Voyager 1, and the retargeted International Sun Earth Explorer-3 spacecraft, which is on its way to an encounter with the comet Giacobini-Zinner. Approved flight projects in the pre-launch development stage include reflight of the OSS-3 Spacelab to observe Halley's Comet during its 1985 and 1986 flight through the solar system; Galileo (Jupiter orbiter and probe), which is a cooperative project with Germany; International Solar Polar Mission, which is a cooperative project with the European Space Agency; and Venus Radar Mapper, the first of the moderate-cost missions recommended by the NASA Advisory Council's Solar System Exploration Committee.

The Solar System Exploration Committee has recommended a core program containing 13 exploration missions to be undertaken by the year 2000. In support of that program, four new initiatives are planned for the next five years. They will establish firmly the exploratory phase of exploration in all regions of the solar system. The first is the Mars Geoscience and Climatology Observer, which is to be launched in 1990 to investigate that planet's atmosphere, surface geochemistry, interior, and climate on a global scale. The second is the Comet Rendezvous and Asteroid Flyby, which also is scheduled for launch in 1990. Its purpose will be to investigate the physical and chemical state of comets. The third is the Lunar Geoscience Observer scheduled for launch in 1991 to assess lunar resources and to extend the Apollo program's science investigations to a global scale. The fourth is the Titan Probe and Radar Mapper, to be launched in 1993 to investigate the largest of Saturn's satellites, especially its unique, dense atmosphere.

The Committee also has recommended addition of one or more intensive study missions during the 1990s as resources then available permit. The core program was formulated under the constraint that no new enabling technologies be required for implementation. In contrast, the augmentation initiatives will require significant new enabling or strongly enhancing technologies.●

REAGAN'S SAFETY NET SAGS

HON. BRUCE F. VENTO
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. VENTO. Mr. Speaker, the focal point of this election year has been and will continue to be the Reagan record and the effects of his policies. Charges and countercharges will be made and answered. In the midst of this rhetoric, several facts are clear.

Now, nearly 4 years after a complete reshuffling of our national spending priorities, our Government spends $1 for every 80 cents we receive in taxes. As a result of the misplaced administration policies, the Federal Government must borrow a half billion dollars a day to stay afloat in the rising sea of red ink.

Compounding the failure of Reaganomics are the unfair effects and the shifting of burdens on the U.S. population. The poor and middle class Americans are paying for the mistakes and special interest policies of the President. In its recent study, the "Reagan Record," the highly respected Urban Institute demonstrated a shift in average disposable income from the poor to the wealthy.

Too often the impacts of national policy are cloaked in the anonymity of statistics. Make no mistake about it, the policy decisions of this administration have hurt the American people, from the mother who is punished for working to the unemployed seeking training for a new occcupation.

At this time, I would like to draw my colleagues' attention to an article by Mr. Steven Thomma which recently appeared in the St. Paul Pioneer Press. Mr. Thomma provides a thoughtful insight into the plight of individuals. The article probes the depth of the problems created by the Reagan shift of priorities in terms of statistics and the devastating human side. The role of private charities is also addressed.

I hope this excellent article will provide insight to my colleagues and create an environment in which reordering our programs in a fair manner will become a priority.

The article follows:

[From the St. Paul Pioneer Press, Aug. 12, 1984]

REAGAN'S SAFETY NET SAGS—IT'S NOT A SOFT LANDING FOR MINNESOTA'S WORKING POOR

(By Steven Thomma)

Cathy Steadman could make more money sitting at home. Almost daily, friends ask her if this will be the day she quits working and starts collecting welfare.

Rebecca Glagavs tried working once but found it wasn't worth it. She had to work nights and seldom saw her three children. Now, she wants to work but can't get the training needed to find a good daytime job.

For a half century, the nation has maintained a safety net of welfare programs intended to keep people fed, housed and healthy. During the last 3½ years, President Reagan has rewoven that net with budget cuts and policy changes.

For most Americans, the safety net remains largely intact. But critics say that the net has sagged closer to the ground because of Reagan cuts.

In a recent study, Princeton University professors Richard Nathan and Fred Doolittle said that—in many areas—the effect of the Reagan budget cuts "was not as big as the public reaction would seem to suggest . . . nor was it lasting."

But the two scholars said that "the biggest exception" is welfare, where Reagan's 1981 cuts and changes had a major impact and remain largely in effect. "These cuts have been concentrated on one group, the working poor," they added.

In Minnesota, Steadman and Glagavs are representatives of people stuck between welfare and better lives, wanting to support themselves but unable to move up the economic ladder.

Steadman, 24, a mother of three from New Brighton, has been affected by Reagan administration changes in welfare policy that all but preclude full-time workers from receiving any assistance through Aid for Families with Dependent Children.

Working as a secretary, Steadman takes home $592 a month. If she stayed home and collected AFDC, she would receive $611 a month.

"My friends are telling me what a fool I am for still working," Steadman said, "I don't know why I keep going to work. Every day people ask me if this is the day I'm going to quit . . . It's not fair."

Glagavs, 37, of St. Paul, a divorced mother of three, found her nighttime office-cleaning job limited the hours she had to spend with her children. And the loss of welfare benefits took away the financial incentive to work, she said.

Still wanting to work and to improve her children's lives, she went to the government in search of job training that would enable her to get a daytime job, support her family and get off welfare. But she was rejected because there simply isn't enough money to train everyone.

"I don't know much about government," Glayavs said, "but the whole AFDC situation, well, they don't make it worth your while to go out and work. It's a crazy system; it's self-defeating. You end up paying to work, with bus fares and sitters and losing AFDC."

Interviews with welfare managers and clients and analyses of spending policies indicate that—despite the budget cuts and policy changes introduced by the Reagan administration—the welfare rolls in Minnesota remain full. And federal welfare spending in Minnesota has increased since Reagan took office.

However, federal spending has grown at a slower rate than inflation, as has state spending. And the ranks of the working poor have grown, according to local welfare managers.

Revisions in national welfare policy are emerging as a key presidential debating point. Reagan and his fellow conservatives point to an improved economy as helping all Americans. They point out that welfare spending has still increased, albeit at a much slower pace. And some suggest Reagan saved welfare from itself.

"It was FDR (Franklin D. Roosevelt), the left-winger, who saved capitalism," said Robert Anderson, staff director for the Independent-Republican caucus in the Minnesota Senate. "I think Ronald Reagan will be the right-winger who saved welfare."

Presidential candidate Walter Mondale and his fellow Democrats hit Reagan on what they call "the fairness issue." Statistics showing more people working, and fewer unemployed, tell a limited story, they say. More people are working poor and more people are suffering, they say.

"There may be an economic revival, but it's not hitting these people yet," said Roy Garcia, director of community and government affairs for the United Way of the St. Paul Area.

Dramatic changes in welfare stem from the Omnibus Budget Reconciliation Act of 1981 that Reagan pushed through Congress. In one move, Reagan sought to reverse social trends rooted in the Great Depression and Roosevelt's New Deal.

"In 1933, the government took responsibility for the poor away from the church," says a poster hanging on the office door of a Minnesota state senator. "In 1981, it gave it back."

Reagan argued that he was not cutting spending, only paring back automatic increases. Indeed, federal spending for Medicaid in Minnesota went from $378 million in the 1981 federal fiscal year to $453 million in the 1983 fiscal year, the last year for which figures are available. It would have gone up an additional $47 million under pre-Reagan policies.

Federal spending for AFDC in Minnesota also increased, but only slightly—from $116 million in 1981 to $117.8 million in 1983. It would have increased an additional $11 million under pre-Reagan policies.

The president proposed that the states should do more, that charity should do more.

"There is a growing awareness by the states that this is the direction," said Bill Brown, Minnesota's deputy commissioner economic security. "If the states want to engage in these activities in support of their citizens, the federal government is going to look to the states" to finance the programs.

Those first cuts, however, came in 1982 as the nation dipped into a recession.

"The federal cuts came at the same time the state was having financial problems of its own," said state planner Tom Harren. "It didn't have the resources to pick up those services."

As the recession ebbed, Minnesota had a little more leeway in deciding whether to pick up the federal slack. But with the Perpich administration forecasting a 15 percent budget increase over the next two years, the priority is tax relief and restraint.

"I've been doing budgets since 1975," said Nellie Johnson, state budget director. "There was a philosophy of unlimited funding coming in. The states just kept applying for federal grants. There is a feeling that, because it's federal money, it's not real money. But it is our money.

"The Reagan cuts forced us to step back and decide where we wanted to contain costs," she said.

Minnesota will get an extra funding in both 1986 and 1987 in federal matching funds for welfare and medical assistance programs to make up for heavy expenditures during the state's economic slump from 1981 to 1983.

The increases are due because Minnesota slipped below the national average per capita income in 1983 for the first time in years.

When the federal government changed its policies for AFDC, the state could have maintained a more generous position on its own, if it were willing to absorb the additional cost.

"That's like whistling while you walk by the cemetery," said Robert Gibbon, director of income maintenance for Ramsey County. "Nobody will listen."

Attempts to raise AFDC spending across-the-board were rejected by the federal government.

AFDC

For a woman like Cathy Steadman with three children, the AFDC standard monthly allowance is $611. The allowance is reduced by total monthly salary.

In order to encourage AFDC recipients to work, the program does not deduct all income from the amount of the welfare check. Like income tax forms, AFDC allows recipients to reduce their income with deductions.

Those deductions include up to $75 a month for work expenses like transportation, up to $160 a month for day care costs, and a little more than a third of all income for four months.

Until Reagan took office, welfare clients received credit for all work expenses and all day care costs, and the income deduction for an unlimited period of time.

Cutting those deductions pared back the incentive to work to increase the family's income, according to welfare managers.

"The immediate effect was to eliminate almost all full-time employees from the AFDC rolls," Gibbons said.

Ramsey County AFDC Director Gail Stremel said there used to be 2,500 full-time workers in Ramsey County receiving checks. Now there are fewer than 200.

"You skim off the people who can cope," Stremel said. "They are the working poor."

"We have people without medical care, people who can't pay their NSP bills, who cannot keep their cars running," Gibbon said. "Can we help them? Our program is pretty rigid."

Reagan policies had a lot to say about eligibility and the amount of each check written under AFDC.

The average AFDC monthly check in Minnesota rose from $319.40 in 1981 to $378.81 in 1983, a 7.8 percent increase after inflation. But in 1983—in the midst of a recession—138,472 Minnesotans received checks, 10,000 fewer than in 1981.

In 1982, the first year of Reaganomics, the total number of AFDC recipients in Minnesota dropped to 133,000 or 15,000 fewer than in the previous year. But the combination of the 1983 recession and congressional action restoring some of the budget cuts sent that number climbing again.

While welfare managers lament the restrictive AFDC policies, they said the basic need is being met. "I don't think we have a lot of people going hungry here," said Gibbon.

"It's difficult to assess whether it's been detrimental," budget director Johnson said. "Many have found other employment. There is some contention that those jobs are at the low end of the pay scale . . . You see more people on the edge, the working poor. They're barely making it."

"That form of fiscal restraint may have been healthy," Johnson contends. "It was healthy to step back and reassess."

In addition to changing the rules, Reagan cut the federal share of the AFDC bills. In 1981, the bill was split up 55.64 percent federal, 37.71 percent state and 6.65 percent county. Today, that split is 52.67 percent federal, 40.23 percent state and 7.1 percent county.

In the 1982 fiscal year, the first affected by Reagan's budget cuts, total spending for AFDC in Minnesota dipped to $193 million from $208.5 million in the previous year. It climbed in the 1983 fiscal year to $216.5 million, which was $11 million below what spending would have been under pre-Reagan policies.

JOBS

The federal government has helped train people for jobs since the 1930s, according to Christine Larsen, executive director of the State Job Training Office. That policy culminated in the Comprehensive Training and Employment Act, a program started in 1974.

"The money was dumped into the system without much thought to the purpose," Larsen said. "But Minnesota did it well."

CETA provided both jobs and training programs. Many of the jobs were in government itself, but the program soon was criticized for fraud and abuses. Many local governments soon depended on using CETA employees to ease their own budgets.

People going to classes for training received money to pay their expenses. Those expense payments were unlimited.

Reagan eliminated CETA, replacing it with the Jobs Training Partnership Act. CETA had a pre-Reagan budget of $83.4 million in Minnesota. In fiscal year 1983, the JTPA had a Minnesota budget of $40 million. In 1981, CETA gave jobs to or trained 46,453 Minnesotans, about a tenth of those who met the income eligibility requirements. In 1983, 32,908 were trained by the JTPA.

"CETA was perceived to be a welfare program," Larsen said. "We need to develop a position that this is helping people help themselves. This is helping people to be self-sufficient; keeping them off the welfare rolls. One way or another, we pay the bills."

With a changing economy eliminating many traditional industrial jobs, and welfare changes making it difficult to keep a low-paying job while keeping welfare benefits, the demand for new job skills is constant.

But limited money forces bureaucrats to weed out many needy people from the program. For instance, Larsen said, a person with day-care expenses and transportation costs is less likely to receive JTPA training than someone without those expenses.

And with new limits on those expenses, many people cannot afford the weeks or months of training necessary to develop a new skill and get a better job, Larsen said.

"In the short term, they have to take a low-paying job, often at minimum wage," she said. "They're just over the poverty line."

On the Iron Range, Larsen said, steel jobs are disappearing and laid-off workers trained only to work the mines cannot find other work.

"They're losing their cars, houses, all of their resources, getting down to the level where they're becoming part of the welfare system."

Minnesota attempted to make up for some of the federal cuts when it implemented the $100 million Minnesota Emergency Employment Act. But that is a short-term program, Larsen said, providing only $4-an-hour jobs and no significant training.

The loss of federally-financed jobs in local government means service reductions, according to the union that represents public employees.

In transportation we have the same size work force as in the 1960s, while the amount of highway (miles) has increased God knows how much," said Eliot Seide, area director of the American Federation of State, County and Municipal Employees.

AFSCME's roster in Minnesota totals 16,700 today, down from the peak of 18,646 in 1981, Seide said.

MEDICAID

One area where Minnesota was able to pick up the slack and soften the Reagan cuts was in Medicaid, the program picking up medical bills for the needy.

The federal share of medical bills reached a peak in 1976, when Uncle Sam paid nearly 57 cents of each dollar's worth of medical bills. The states paid nearly 39 cents and counties paid the remaining 4 cents.

During the last decade, Medicaid bills grew at an annual pace exceeding 20 percent. Faced with those spiraling costs, Reagan cut the federal share of the bill and threatened to cut it even more unless states drew in the reins on spending.

"The state has great latitude," Johnson said. "The state sets reimbursements for nursing homes, hospitals—decides who is medically needy. Minnesota offers one of the most extensive service lists in the country."

Reagan cut the federal share in late 1981 to about 54 cents of each medical dollar. His plan cut that share further to a little more than 53 cents for states that failed to contain medical costs.

"It was tied to a target level of spending," said George Hoffman, a statistician for the state Human Services Department. "If the state held down costs, the federal government would pick up the normal share."

Minnesota has sought to hold down medical costs, especially at nursing homes. Caring for the needy in nursing homes represents three-fifths of the annual Medicaid bill in Minnesota. Legislators in 1983 imposed a moratorium on new nursing home beds and approved other economy moves.

But keeping medical cost increases within the federal target of 7.5 percent a year was too much to ask—even for Minnesota.

"The state wasn't able to do that without making a drastic cut in the program," Hoffman said. "The Legislature historically has not been willing to make that kind of cut . . . It wasn't possible . . . The Legislature made what cuts it could for the sake of the state's own budget."

There is more pressure to maintain high-level funding of Medicaid, Princeton's Nathan and Doolittle suggested, because "the threat of turning the aged poor into the streets has proven to be effective in obtaining additional funds."

Keeping the number of people cared for under Medicaid fairly constant at about 325,000 a year, and offering the full range of medical services, has cost Minnesota a lot. The state's share of the bill has been increasing as the federal share has been cut each year.

Federal penalties cost the state $8.7 million in the 1982 federal fiscal year, $18.9 million in the 1983 fiscal year and an estimated $22.4 million in the current fiscal year.

CHARITY

As Reagan cut welfare spending and asked the states to do more, he also asked citizens to do more. Charity should have a more dramatic place in the home than in the government, the president said.

Contributions to charity have increased in Ramsey County, but so have requests for that money.

"It has a certain impact on peoples' willingness to give," said Joseph Haggerty, executive vice president of the United Way of the St. Paul Area. "People say, 'Yeah, I want to give more,' but they also want a tax break."

In 1983, contributions to the United Way increased 9 percent. At the same time, the United Way cut its funding of such programs as Girl Scouts and Boy Scouts while increasing financing of social service agencies.

"The (social service) need should be decreasing," Haggerty said, "but the demand is still high."

The United Way's Garcia said, for example, that the working poor are turning to community food shelves because they no longer are eligible for Food Stamps.

IMPACT OF REAGAN BUDGET CUTS IN MINNESOTA

	1981	1983	Change (percent)	Change after inflation (percent)	1983 (if no cuts)
Aid to families with dependent children:					
Total cost	$208,500,000	$216,500,000	+3.9	−6.9	$227,400,000
Federal	$116,000,000 (55.6%)	$117,800,000 (54.4%)	+1.5	−9.3	
State	$78,600,000 (37.7%)	$84,000,000 (38.8%)	+6.8	−4.0	
County	$13,900,000 (6.7%)	$14,800,000 (6.8%)	+6.8	−4.0	
Recipients	148,540	138,472	−6.8		
Average check	$319.40	$378.81	+18.6		+7.8
Medicaid:					
Total cost	$679,900,000	$868,100,000	+27.6	+16.8	$915,300,000
Federal	$378,300,000 (55.6%)	$453,200,000 (52.2%)	+19.8	+9.0	
State	$271,400,000 (40.0%)	$373,400,000 (43.0%)	+37.5	+26.7	
County	$30,200,000 (4.4%)	$41,500,000 (4.8%)	+37.4	+26.6	
Recipients	324,008	326,355	+0.1		
Jobs:					
Total cost [1]	$83,400,000	$40,000,000	−52.0	−62.8	$112,800,000
Recipients	46,573	32,908	−29.3		

[1] All Federal dollars.

Sources: Minnesota Finance Department, Minnesota Human Services Department, and the American Federation of State, County and Municipal Employees.

FEDERAL AID TO MINNESOTA

Area	1981	1983	Change (percent)	Change after inflation (percent)
Community economic development	$116,755,000	102,850,000	−11.9	−22.7
Natural resources and environment	92,214,000	59,673,000	−35.2	−46.0
Transportation	217,558,000	238,714,000	+9.7	−1.1
Energy	5,708,000	1,653,000	−71.0	−81.8
Education	140,668,000	123,822,000	−11.9	−22.7
Human services	894,337,000	964,024,000	+7.8	−3.0
Other	93,332,000	84,533,000		
Total	1,560,572,000	1,575,269,000	+0.9	−9.9

Note.—The inflation rate for this period, 10.8 percent, is for the Twin Cities area.

Source: Minnesota Finance Department.●

DOMESTIC COPPER INDUSTRY IN DIRE STRAITS

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. RUDD. Mr. Speaker, the copper industry is in dire straits. Almost 40 percent of all domestic copper workers have lost their jobs in the last 5 years.

Fifteen of the twenty-five largest U.S. copper mines are closed, while 20 others are partially closed or operating below capacity.

Between 1979 and 1983, U.S. mined copper and refined copper production decreased by 30 percent and 15 percent respectively.

Current U.S. inventory of copper is 36 percent of annual domestic consumption.

Real copper prices are at their lowest level since the Great Depression.

We know the cause—unfair foreign competition—and we have the remedy—temporary import quotas and tariffs—but we have yet to act.

Within the next several weeks, the President will decide whether or not to adopt the recommendations of the International Trade Commission which unanimously found that the American copper industry has been injured by subsidized foreign copper imports.

American copper workers are ready and eager to compete in a free market. But the industry must be given a chance to recover from the unfair trade practices which have forced it to its knees. It can compete and will do so effectively if we ensure that competition is fair. I urge my colleagues to support the ITC's recommendations and urge their adoption to the President.

I would also like to share with my colleagues a letter written by a constituent of mine, Mr. C.J. Hansen, who makes clear the hopes and aspirations of American copper workers who want to compete, as well as the barriers which have been raised to prevent open competition.

I ask unanimous consent that Mr. Hansen's letter be printed in the RECORD at this point:

ARIZONA MINING ASSOCIATION,
August 20, 1984.

HON. RONALD W. REAGAN,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: I have reviewed with care the findings and well-researched facts submitted to you by the U.S. International Trade Commission regarding its investigation (No. TA-201-52) on the economic impact of basic copper imports into the United States.

Somehow, this mass of factual material fails to convey the true impact of how this overabundant foreign production has dislocated one of Arizona's principal industries, disrupted many communities, destroyed numerous business ventures, both large and small, and has adversely affected the daily lives of thousands of people who share your views that a good living should be something that can be earned in the American tradition of hard work. The opportunity to do that has been denied to more than 13,000 of our Arizona citizens because of the freedom foreign governments in South America and Africa have to invade our domestic market with excessive amounts of copper that have depressed market prices to a point far below the barest costs of production for our U.S. copper mines.

Mr. President, this is not a situation that involves luxury or consumer goods such as video devices that the people of America could easily do without in a time of national emergency. What is at stake here is the survival of a basic and essential national resource. An assured source of adequate copper production, within our borders, is vital to the defense of this nation and the needs of its people. This was demonstrated both in World War II and the Korean Conflict when the Federal government sponsored incentive programs for new copper production and the mining industry responded in admirable fashion.

Mining people are proud of the contributions they have made, both in war and peace. This is an industry born in the hardship of frontier days when miners had to combat Indian attacks as well as the vicissitudes of Mother Nature and the difficulties in living in isolated locations of the West. What they did, and many of them died doing, was establish the basis for America's copper industry. While 175-ton trucks have replaced the burro and conveyor belts have taken the place of hand-trammed mine cars, the American copper industry today still bears the stamp of their heroic ancestors, people with great ingenuity and energy, willing to risk their capital and professional livelihood on their ability to wrest success from the ore deposits left to us in the Western States.

Mr. President, these are not the type of people who go hand wringing and hat in hand to the Government seeking some undeserved advantage or edge. U.S. Copper miners relish challenge and they have strong faith in their ability to compete with anyone, anywhere. However, they are now confronted with a situation not of their own making, and one over which they have no control. Free trade or fair competition they can cope with, but we have to recognize that what has developed in the world copper market is neither free nor fair. The governments of those South American and African nations will continue to dump copper upon an already oversupplied market regardless of price or demand considerations. They have absolutely no regard whatever for the ordinary restraints of international commerce. This is why I have characterized their abuses as "outlaw activity" on the world market. These nations do not deserve the type of friendly concerns we ordinarily extend to other nationalities endeavoring to market their basic products on an international level.

Also, Mr. President, I believe that your Administration, and the Congress, must concede the bitter fact that much of the copper industry's present distress is due to internal knife wounds, much of those inflicted upon Caesar by his colleagues. We have watched in stark disbelief while the Federal authorities have allowed our tax dollars to be paid out by the International Monetary Fund, the World Bank, and other international lending agencies to finance new and expanded copper production in nations such as Chile and Zaire when the economics of more copper production made less sense than socks on a rooster. (My doctor does not allow me to discuss Treasury's decision to convert the penny mintage from copper to zinc.)

Another example is the Clean Air Act, which we have been unable to have moderated to meet some legitimate concerns. Much of the economic burden now imperiling the viability of U.S. mining companies stems from the tremendous financial burdens inflicted on copper smelting companies to install control systems that often were beyond the true needs of reasonable air quality. In Arizona alone, our companies have spent nearly $700 million for these control measures. It is money that has to be borrowed, it means debt that has to be serviced, and none of it provides more production or improved plant efficiency.

Perhaps the final straw to many of us was last week's approval by the House of Representatives of a $30 per ton tax on refined copper as a part of the superfund bill. Refined copper is about as toxic as a popsicle, and it is difficult for us in the industry to understand why the Congress wants to impose another financial burden on an industry that is in such severe distress.

Mr. President, my final message to you is that more than 13,000 families in Arizona have been deprived of their livelihood through no fault of their own, but by policies of our own Federal Government that have allowed their jobs to be eliminated in favor of certain foreign nations, none of which is particularly friendly to or supportive of the United States.

You now have an opportunity to do something to correct this situation. Please take the appropriate action and impose import quotas on foreign producers of copper.

Sincerely,

C.J. HANSEN.●

SOCIAL SECURITY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 22, 1984, into the CONGRESSIONAL RECORD:

SOCIAL SECURITY

This session of Congress has been a good one for older persons. The major social security amendments did not require retirees to make disproportionate sacrifices; the changes in medicare dealt largely with providers of services; other programs for older persons were hardly touched by budget cutters; the Older Americans Act was renewed in both the House and Senate; the Senate has passed, and the House should pass, legislation to make a social security cost-of-living adjustment (COLA) next year. Yet in almost every public meeting that I hold in the Ninth District, older persons voice their concern about what will happen next session. The major worry: cuts in social security.

The concern is not totally unfounded. Only a few months after the 1983 social security amendments were signed into law, people were claiming that the trust fund might fall short before 1990. Budget cutters have been eyeing the $180 billion that is paid out annually to social security beneficiaries. The President says that he will look at entitlement programs for ways to trim the deficit, and he talks of "revamping" the social security system. The Secretary of the Treasury says that we must "revisit" social security later in this decade to examine benefits.

Most older persons with whom I speak are just getting by as is, and the talk of cutting social security frightens them. For two thirds of those 65 years of age or over, social security is the major source of income. One fourth of all retired people depend on social security for 90% of their income. These older persons should know that despite two big problems—the alleged instability of social security and the huge federal deficits—benefits are more secure than one might think.

In the first place, the latest estimates indicate that the basic social security trust fund should be able to pay out benefits on time for many years to come. A report issued by the social security trustees in April stated that the trust fund will have a small surplus through 1988 even under pessimistic economic and demographic assumptions. After that, it will begin to pile up big surpluses at least through the year 2020. The report found that social security is actually in better shape than was expected last year, mainly because the economic recovery has been stronger than anticipated. Moreover, even if things do go wrong with the economy, a "stabilizer" built into current law will be automatically triggered: the COLA would temporarily be based on consumer price increases or wage increases, whichever was lower. The idea is to guard the system against another imbalance like that of the 1970's, when prices outpaced wages and disproportionate increases in benefits threatened the system. This does not mean that nothing can go wrong; it means that for a short-term problem to develop, there would have to be a severe recession, not just a minor deviation from current pessimistic projections. For the foreseeable future, no reform appears to be needed to shore up the system.

The other major threat to social security is posed by budget cutters. The person who is elected President in November will have to take steps to lower our unacceptably high federal deficit. The deepest budget cuts in recent years were made in programs for the poor. To spread the sacrifices around, budget cutters are looking at programs that benefit the middle and upper class, of which social security is the largest. Social security and other programs that have no means test pay out $4 for every $1 that goes to the poor by way of means-tested programs. Because social security benefits constitute 20% of the federal budget, they constitute a tempting target for budget cutters.

The threat, however, is not as great as many older persons believe. Deficit-cutting proposals range from narrow modifications in social security's COLA to a fundamental overhaul of the system. Since an overhaul generally would not be considered except to avert a crisis, interest is instead being focused on reducing the automatic growth in social security spending in a way that maintains the purchasing power of benefits during retirement. One possibility is to change initial benefits. Another is to focus on the COLA. The latter possibility is favored by some because modifying the COLA is technically simple and it would not entail actual benefit cuts, just smaller benefit increases. Also, it could save much money, because COLA's account for more than 60% of the growth in the entitlement programs.

Plans to modify the COLA include another delay for several months and the imposition of a fixed cap, such as two or three percentage points below the Consumer Price Index. However, the major problem with these two plans is that they would cause significant hardship for lower-income beneficiaries. The oldest and the poorest would be especially hard hit. One estimate is that the COLA less three percentage points would throw one million older persons into poverty over the next several years.

The plan getting the most attention gives the full COLA to all social security beneficiaries, but would tax away a portion of the increase for high-income retirees. For example, about one third of all elderly households have incomes in retirement exceeding 25,000 per year. Supporters of this plan argue that individuals who are not so dependent could get along fine even if their benefits were slightly trimmed back.

It is by no means certain that plans to reduce the growth in social security spending will be adopted in the near future. What is certain is that the most serious threat to benefits is far less a threat than many older persons believe. No revisions seem to be needed to protect the system from near-term shortfalls, and a resolution of the major problem posed by high deficits would result only in a trimming back of future increases in benefits for the wealthy.

In the past, Congress has demonstrated a strong resolve to protect the social security benefits of the millions of retirees who depend so heavily on them. It can be expected to continue to do so.●

H.R. 4681

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BROOKS. Mr. Speaker, two editorials which recently appeared in Colorado newspapers aptly argue the need for the House to pass H.R. 4681, the Federal Polygraph Limitation and Anti-Censorship Act of 1984. These articles are "A Fight Against Secrecy," from the Denver Post, August 28, 1984, and "House Should Get on Record Against Censorship," from the Rocky Montain News, August 26, 1984. The bill is presently pending on sequential referral until September 21 before three committees of the House—the Armed Services and Judiciary Committees which have scheduled hearings—for September 6 and 12 respectively, and the Select Committee on Intelligence. It will then be ready for floor consideration.

I commend these articles to my colleagues:

A FIGHT AGAINST SECRECY

The Reagan administration triggered a damaging political uproar last year when it tried to impose lifetime censorship on thousands of federal employees. It now seems close to accomplishing the same goal more quietly.

The censorship controversy dropped out of sight for a while because many people assumed the administration had abandoned the secrecy drive when it withdrew the controversial rules last Feb. 14. But, in fact, it has continued soliciting secrecy pledges based upon earlier rules introduced in 1981.

At least 120,000 federal employees already have been forced to sign written agreements, pledging to submit for censorship any speech, article or book they produce that concerns "intelligence sources or methods" of intelligence gathering, according to a General Accounting Office study. More than 10,000 additional employees of private firms doing business with the government have been subjected to the same agreements.

Denver Rep. Pat Schroeder, chairman of the House Civil Service Committee, prompted the GAO study and remains in the forefront of the fight against the administration's struggle to gag its own employees. But time is running out in the struggle against spreading secrecy.

Schroeder's main weapon to blunt the censor's scissors has been H.R. 4681, which prohibits such mass prepublication review regulations. The bill also bans most uses of polygraph examinations against employees, except in investigations of criminal wrongdoing.

There are, of course, areas in which the government legitimately must be able to keep secrets. Schroeder's bill recognizes that fact by exempting the National Security Agency and Central Intelligence Agency. But it also recognizes that the "secret" stamp has been greatly abused throughout the government to shield routine acts of bureaucratic bungling and administrative incompetence.

Even more ominous was the administration's proposal for mass polygraph tests—including some aimed at employees not suspected of any specific wrongdoing but merely chosen at random. Such wholesale, unfocused mass testing is a dangerous abuse of the polygraph, which is a legitimate investigative tool under more carefully controlled circumstances. Mass polygraph testing, with its inevitably high error rates, will falsely brand thousands of honest federal employees as perjurers—and terrorize the rest into telling the public as little as possible.

Schroeder has good government and common sense on her side in this fight—but not the clock. Though her bill won approval from the Post Office and Civil Service Committee on Aug. 6, three other committees have asked to look at it to consider adding exemptions for their own fields: Armed Services, Judiciary and Intelligence. H.R. 4681 won't emerge from those committees until Sep. 21—when there will be just two weeks left of the legislative session.

Even if the anti-censorship bill makes it through the House in the frantic closing days of the session, no parallel legislation has been introduced in the Senate. That makes its odds of passage grim indeed—and if no law is passed this session to block it, the quiet censorship program will roll on unchallenged and increasingly entrenched.

The fight against government secrecy is too important an issue to die such an unnoticed death. We urge the House to give full swift approval to H.R. 4681 and urge Colorado Sens. Bill Armstrong and Gary Hart to then take the lead in nursing it through the Senate.

HOUSE SHOULD GET ON RECORD AGAINST CENSORSHIP

The Congress is running out of time on legislation that would counter the Reagan administration's attempts to dam the flow of information to the public. Even so, House passage of H.R. 4681, also known as the Brooks bill, would make it clear that when the new Congress convenes in January, it has some unfinished business.

The bill is a response to National Security Decision Directive 84, issued in March 1983 by the Reagan White House.

The order requires hundreds of thousands of government employees to take polygraph tests even though they are not suspected of any wrongdoing and are not part of any specific criminal investigation. The tests could be used as fishing expeditions to see whether an employee had leaked information to the press or the public.

That same order would require federal employers, whose knowledge about the inner workings of government can and often does reveal ineptitude and even criminal behavior, to submit any writings, in advance of publication, to agency officials, who then could "examine, alter, excise or otherwise edit or censor such information before it is publicly disclosed."

It's a safe bet that most whistleblowers would swallow their whistles.

Even though Congress pushed back implementation of the order in order to study and consider legislation prohibiting it, thousands of employees already have been required to sign the agreements. That should put added pressure on Congress to prohibit the practice.

The Brooks bill limiting these two provisions of the directive exempts the CIA and the National Security Agency. That's reasonable. But it holds, as we do, that lifelong censorship undermines the First Amendment premise that an informed public is the foundation of a free society.

The Committee on Post Office and Civil Service, which favorably reported the bill, found prepublication review "to be deleterious to open, informed public debate about government policy, subject to arbitrary and politically motivated enforcement" and a serious administrative burden.

The committee, headed by Colorado's Rep. Pat Schroeder, also has concerns about the reliability of polygraph tests and their violation of personal privacy. The bill would permit such tests only as part of a specific investigation of alleged criminal conduct.

These limits seem to be a proper and restrained response to one of the most blatant censorship orders ever to come down Pennsylvania Avenue. The bill should have passed months ago. Instead, three other House committees have requested sequential review pushing any action by the full House past Sept. 21, just two weeks before Congress adjourns. Because there is no companion legislation in the Senate, the most the House can do is set the stage for fresh action in the new Congress. It shouldn't do less.

The potential for government abuse of secrecy and censorship is great enough to give Congress pause about such broad impediments to free speech. In that pause, the House should pass the Brooks bill.●

COMMUNITY COLLEGES AN ASSET TO EDUCATION

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. SIMON. Mr. Speaker, I want to call to the attention of my colleagues a recent article in the Chicago Sun-Times by Burton S. Odelson who is chairman of the board of the Moraine Valley Community College in Illinois. Mr. Odelson's excellent article describes the important role by community colleges in my home State—as an access point for higher educational opportunities for many students who may not be prepared for college work after high school and as the trainer and provider of the necessary skills for new careers and job opportunities in high technology and other high demand areas.

I am especially proud of the role being played by the community colleges in Illinois. As a member of the State legislature, I authored the bill establishing Illinois' community college system. That system is a strong and proud example, which has been followed by many States in creating their own community college systems. Higher education would not have survived the decline in enrollment among the 18- to 22-year-old student population, over the past 10 years, without the new programs and unique educational opportunities created for older, nontraditional students by community colleges.

I hope that my colleagues will take the time to review Mr. Odelson's article.

COMMUNITY COLLEGES AN ASSET TO EDUCATION

(By Burton S. Odelson)

It seems as though you can't turn anywhere these days without encountering the assault on the quality of public education in America.

Whether it's dire warnings from a national commission that a "rising tide of mediocrity" is threatening to drown public-school students or presidential candidates arguing about the solutions, the confidence we have in our schools is being undermined by negative news.

A shaky confidence in our own ability to educate our children is not new.

Since 1957, when the Soviet Union launched its Sputnik and the United States responded by fortifying math and science, Americans always have compared and fretted about how our system stands up to the world.

Are we competing or being beaten by other nations that have discovered more effective ways to educate their offspring? Are we meeting the needs of our own country while producing tomorrow's world leaders?

Simply, do our students and our schools have the "right stuff" to face the challenges of the future?

There is no place where the answers are more evident than in the community college, a portion of the American educational system that has emerged as a testament to American practicality and excellence.

Melding the concept of good, basic, affordable education with responsiveness to the community it serves, this country's community colleges are a model of all that's right with our public schools today. In Illinois last fall, some 387,822 took advantage of this unique educational opportunity by enrolling in classes at the state's 52 community colleges.

The success of this state's community college system is an easy success to document.

Why, then, are community colleges such good models?

The answer, in part, might lie in their adaptability.

As priorities in higher education shift from simply educating a student to educating the student and teaching him marketable job skills, community colleges have been quick to respond with vocational courses and practical job training that is accessible to nearly every member of the community.

Indeed, community colleges have initiated programs through the help of the state Commerce and Community Affairs Department and in cooperation with members of the General Assembly.

The passage of a $6.9 million appropriation to build a high-technology center at Moraine Valley Community College is an example of how college officials, community leaders and local members of the House and the Senate, along with the governor, helped begin a new chapter in job training and placement in the southwest corner of the area.

Likewise, community colleges have been quick to respond to the needs of the so-called alternative students, who need help with basic skills like reading, before they can enroll in college classes.

Many community colleges offer entire programs of developmental education for these students, endeavoring to teach them to read and write, in preparation for college-level classes.

It's these developmental students who have so easily fallen through the cracks before, labelled as uneducable and ending up in unemployment lines and state welfare rolls.

Finally, community college officials have been quick to recognize the need for a strong working relationship between the college and the community.

The system has been quick to establish job-training programs, cooperative economic-development studies and other relationships with local officials and businesses to ensure the economic health of the communities they serve.

The answer might also lie in the fact that community colleges serve such diverse segments of the population.

The programs offered must serve the needs of students ranging from recent high school graduates planning to transfer to four-year colleges, to returning adults and senior citizens.

Faced with this wide range of needs, community-college officials had little choice but to serve the population, or fade away.

But more importantly, the success of the community college lies with the students who make it such a viable institution.

Americans always are looking for good values. Community colleges represent a good educational value in times when the money for education is limited.●

A TRIBUTE TO A BUSINESS SUCCESS STORY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. PORTER. Mr. Speaker, on September 6, 1984, the Walgreen Co., which is headquartered within my district in Deerfield, IL, will be celebrating the grand opening of its 1,000th drug store. This is a great achievement for the Walgreen family and their employees, and is a fine example to the rest of us of what can be accomplished with a good idea and hard work.

It is most appropriate that the newest store's location will be in Chicago, at the corner of Division and Dearborn, because ever since C.R. Walgreen, Sr., opened the first store in 1901, we in the Chicago area have always been proud to consider Walgreens a Chicago company.

For the benefit of my colleagues and all Americans who admire the entrepreneurial spirit in America, I would like to insert in the RECORD today a brief history of the Walgreen Co.

WALGREEN CO. OPENS 1,000TH DRUG STORE SEPTEMBER 6, 1984

When Charles R. Walgreen, Sr. opened his first drug store on Chicago's south side in 1901, his goal was to provide a warm, friendly place that would give customers something more for their money.

Despite becoming a multi-billion dollar, nationwide drug chain, that goal is still at the top of Walgreens list of priorities as we now celebrate the opening of our 1,000th store. The new store, located at the corner of Dearborn and Division streets in Chicago, will open Thursday, September 6, in grand fashion with coupon giveaways and discounts galore.

In the early days, Mr. Walgreen, Sr. wanted to offer customers lower drug prices, so he began manufacturing his own line of drug products. Today, that has evolved into over 400 drug, health and beauty items.

Mr. Walgreen was also a very practical man. He wanted to get more people into his stores so he started the ice cream fountains which were so popular from the 1920s through the '50s.

In the early '20s, a new treat was added to these fountains—the Walgreen double-rich chocolate malted milk. Eager crowds stood three and four deep at our fountains to try Fountain Man "Pop" Coulson's creation, which was thickened with homemade ice cream and flavored by bittersweet chocolate.

Ambitious expansion, which thrust Walgreens to the front of the chain drug industry, was going strong in the late '20s. We exploded from 65 stores in 1925 to 397 stores nationwide in 1929. Some of these store openings received a boost from an appearance by the company's first owned-and-operated airplane—a twin-engined Sikorsky amphibian.

In 1933, Walgreens helped celebrate Chicago's spectacular Century of Progress. We opened two stores on the fairgrounds, which became so popular that by midsummer, we opened two more. These stores were actually laboratories that experimented with advanced fixture design, new lighting techniques and modern colors to help spur advances in store layout and design.

With the 1940s came war, and expansion came to a halt. The company tightened its belt and employees pulled together to help in the war effort. Over 2,500 employees served in the U.S. armed forces during World War II and hundreds more donated blood, studied first aid and worked in armed forces hospitals and USO centers.

After the war, Walgreens embarked on a comprehensive modernization program. The older stores shed their cumbersome upper decks, rolling step-ladders and old style showcases. In their place came inviting oak fixtures, convenient shelving, and glass showcases.

Determined to be where customers needed them most, Walgreens opened Chicago's largest drug store on "the world's busiest corner," State and Madison, in 1949. This "super" store boasted 28 departments and widest range of merchandise ever seen in one Walgreen drug store. Walgreens now has four stores on State Street—"that great street"—and 168 in Chicagoland.

With the 1950s came still more change. "We decided to change our whole concept of merchandising to self-service," said Charles R. Walgreen, Jr. This meant remodeling over 400 Walgreen units and retraining thousands of employees in self-service procedures. For customers, it meant not having to wait for service. They were free to browse through the store at their leisure.

During the sixties, we achieved several pharmacy milestones, such as:

In 1962, we filled our 100 millionth prescription—far more than any other drug store chain had ever filled.

In 1968, we became the first major drug chain to put its prescriptions into child proof containers, long before it became required by law.

The 1970s were marred by the effects of inflation and recession. In response to the

growing consumer need for comprehensive price information, Walgreens introduced its Prescription Price Book in 1974. It listed over 10,000 brand and generic prescription prices.

As we entered the 1980s, Walgreens was preparing to install a computerized record-keeping and retrieval system to help pharmacists give their customers the best possible service. Now fully operational, this system allows all Walgreen drug stores, in 30 states and Puerto Rico, to provide quicker service, easy prescription transferability, patient profiles, tax/insurance records and a 24-hour emergency hotline.

Even though it has been 83 long years and 1,000 stores since Mr. Walgreen, Sr. opened his first store, the goals of the company remain the same.

Perhaps one Chicago customer put it best. "No matter what time I have shopped your store, I have found each and every employee to be polite, courteous and gracious . . . I find it to be somewhat nostalgic; like the 'good old days' when a customer was treated as a welcome asset and not an annoyance."●

THE NICARAGUANS TALK ABOUT THEIR MILITARY BUILDUP

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BROOMFIELD. Mr. Speaker, the President was right. Our Government's recent claims about the continuing buildup of Nicaragua's military facilities are accurate. In recent days, the Nicaraguans themselves have come clean and told the truth about their new military airfield.

In recent weeks, the administration expressed its concern about the nature of Punta Huete Airport. According to reliable intelligence sources, the airfield is being built to accommodate extremely large aircraft. Given the length of the runway and the added runway thickness in order to support long-range aircraft, our intelligence community is concerned that the field could be used for Soviet airborne intelligence gathering aircraft. Already, similar aircraft, modified for communications intercept work, are flying along the east coast of the United States to monitor civilian and military communications. Valuable intelligence information is being lost to these Cuban-based spy planes. Let us not kid ourselves about the vital role which communications intercept plays in assessing the capabilities of any potential adversary.

Although the Cuban-based aircraft are limited in range, similar bombers based in Nicaragua could fly up the west coast of the United States and perform the same communications monitoring function.

Of equal concern is the fact that the Nicaraguans will soon receive modern Mig interceptors to add to their growing air force inventory. Already, Nicaraguan pilots are being trained in Eastern Europe. When the aircraft arrive, the Sandinistas will have the largest and most modern air force in all of Central America.

The Sandinistas continue to claim that their military buildup is a reaction to external threats. Available information shows that the Sandinistas planned to make Nicaragua a major military power in the region as soon as they came to power in 1979. One of the Junta's first acts was to build 40 training camps around the country. They worked closely with their Cuban and Soviet mentors in preparing the military expansion plan.

Their plans were put into action in 1979, well before any armed opposition to their so-called revolution took up arms. In 1979, there were no Contras to be worried about. At that time, our Government believed the Sandinista claims that they had a democratic orientation and that they wanted to build an open, free, and pluralistic society for the Nicaraguan people. Our Government gave millions of dollars to the Sandinistas for economic development efforts. We bought their story, hook, line, and sinker.

I strongly believe that Nicaragua is well on its way to becoming another little Cuba. In future years, more Soviet, Eastern European, and Cuban advisers will be there, along with permanent support facilities for Soviet long-range aircraft, as well as naval servicing facilities. Already, the evidence is before our eyes.

With these concerns in mind, I strongly recommend this Washington Post article to all of my colleagues in the Congress:

NICARAGUA CONSTRUCTS AIRBASE, SAYS NEW WARPLANES AWAITED

PUNTA HUETE, NICARAGUA.—Nicaragua acknowledged today that it is building a large military airport, as the Reagan administration has claimed, and took journalists on a tour of it. Officials said it could be operational by the end of next year.

Air Force chief Raul Venerio said he was "awaiting new combat planes from various countries." He did not specify the types of aircraft.

Defense Ministry spokeswoman Capt. Rosa Pasos said the facility outside this town 13 miles northeast of Managua would be capable of handling "all types of planes." She said work began two years ago and its existence was being revealed to avoid a situation "such as happened in Grenada."

The Reagan administration said the leftist Sandinista government was building such an installation. Reporters who accompanied Defense Secretary Caspar W. Weinberger on a Central American tour in September were given copies of a Defense Department briefing paper that said the airstrip being built at Punta Huete airport "can accommodate any aircraft in the Soviet inventory."

The administration made the same accusation about a large airport being built on the Caribbean island of Grenada, which the leftist government there said was designed to handle large jetliners carrying tourists. In October, the United States led an invasion of Grenada that installed a new interim government and has now supported completion of the project.

Venerio said the Sandinistas were building the airport because they have "the right to defend the country."

The United States supports Nicaraguan rebels, based in Honduras and Costa Rica, who are trying to overthrow the Sandinista government.

Nicaragua's transport minister, Carlos Zarruck, told the touring journalists the airport would have a main runway 4,400 yards long and another of about 3,900 yards. Construction Minister Maurico Valenzuela said the facility could be ready for use by the end of 1985.

Zarruck said the airport was conceived in 1975, under the government of pro-American president Anastasio Somoza, whom the Sandinistas overthrew in 1979. He said it was designed by a U.S. firm.

Valenzuela said no Soviet technicians or laborers were working on the project, which had cost $30 million so far.

One worker interviewed briefly said he had contact with some technicians "who spoke like Cubans," and others had "blond hair." There was no opportunity to ask him further questions.

The airport is on a plan beside the large Lake Managua, which extends north from the capital city. A dirt road that branches off the Inter-American Highway leads to it.

Sandino Airport, which currently serves Nicaragua's military and civilian needs, has a runway about 2,750 yards long. It is about 6½ miles east of Managua.

[Valenzuela said, "The object of this [new] airport is to strengthen the defense of the people and establish an alternative airport in case of a catastrophe," Reuter reported. He added that the existing Sandino International Airport, with its 8,100-foot airstrip, could not service jumbo jets and could be destroyed in an earthquake because it was built over a geological fault.]●

COMBATING PORNOGRAPHY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 15, 1984 into the CONGRESSIONAL RECORD:

COMBATING PORNOGRAPHY

Indianapolis recently passed an ordinance defining pornography as a practice that degrades women and denies them equal opportunity. Any woman who considers herself harmed by pornography may sue to stop its dissemination. Publishers immediately challenged the ordinance in court, alleging that it violated the First Amendment.

The lawsuit was to be expected. Making freedom from pornography a civil right is a bold, new approach to controlling pornography. The Indianapolis ordinance, however, points out the problems that government faces in attempting to curb pornography without inhibiting free speech.

Pornography is part of a large, underground industry that includes peep shows, massage parlors, and live sexual performances. Americans spend as much as $7 billion a year on pornographic materials, more than the combined revenues of the record-

ing and film industries. Child pornography accounts for one fifth of the total. There are 20,000 adult bookstores, 400 adult magazines, more pornographic books and publishers than can be counted, and 800 adult movie houses, as well as mail order firms and cable television services that deal in pornographic matter. Some 400,000 pornographic videocassettes have been sold, and even pornographic videogames are on the market. More than 2,500,000 people view pornographic movies each week. Organized crime controls about 80% of the growing pornographic trade.

What can be done about pornography? Despite the absolute language of the First Amendment—that "Congress shall make no law . . . abridging the freedom of speech"—obscene materials have been regulated in the United States since 1815. Under current law, government can ban obscene matter entirely. However, it is hard for government to determine if material is legally obscene. What is more important, much material depicting offensive sexual activity is not legally obscene and so cannot be banned entirely. Government may have trouble figuring out how much it can restrict offensive, non-obscene matter without inhibiting speech protected by the First Amendment.

State and local governments have the primary responsibility to regulate pornography, and they have tried a variety of methods without much success. All states have criminal statutes on obscenity, but they tend to be ineffective. Limitations on police resources, constitutional problems with prior restraint on speech, difficulties in defining obscenity, and careful requirements of criminal procedure all contribute to lax enforcement. Also, these statutes may not deter since penalties are frequently light.

Laws which make the sale of obscene matter a nuisance help authorities control pornographers by allowing the state, and in some cases private citizens, to sue to stop circulation of obscene material. Unfortunately, the utility of the laws is minimal as well since only specific obscene items can be banned, and pornographers can flood the market with new items not yet deemed obscene. Also, the U.S. Supreme Court has never upheld an attempt to close down a whole business when only part of its inventory is pornographic.

Zoning ordinances are more effective in combatting pornography because, unlike nuisance laws, they can be applied to entire businesses without proof that all materials being sold are obscene. These ordinances restrict the location of offending firms either by concentrating them in one area or by dispersing them widely. Courts have upheld such ordinances where they help create or preserve a safe and healthy urban environment. The ordinances may be struck down if they lead to a total ban on pornography.

Federal authority to regulate pornography is limited because most police power is reserved to the states under the Constitution. The federal government takes some action based on its power to control commerce and the mails, so there are laws against mailing obscene matter, importing it, or transporting it for sale or distribution. Federal law also imposes severe restrictions on child pornography.

The federal government has a special interest in radio and television, which invade the privacy of the home and are accessible to children. Prior warnings may not protect listeners and viewers, so strict regulation of broadcasts is allowed. Since cable does not use limited frequencies, and because unwanted channels can be locked out, strict federal regulation may not cover cable.

I do not think that the citizens of any city need to stand idly by as pornography proliferates. They can pour in extra resources and step up the campaign against purveyors of obscenity using existing legal means. They can work for new antiobscenity laws and for strict enforcement of those laws, and they can bring civil lawsuits against publishers and distributors of obscene material. Citizens can launch boycotts and apply other forms of organized economic pressure against businesses that sell pornographic matter, whether or not it is obscene. Because profit is the motive behind pornography, a recent boycott in the nation's capitol convinced a chain of convenience stores that lurid material had no place on its shelves. Finally, citizens should insist that scientific studies of the effects of pornography be made. If a link between pornography and sexual violence can be documented, then government will have better grounds, under its authority to promote public safety and health, to crack down on pornography.

There is a very delicate balance between curtailing pornography and protecting free speech. Pornography is disgusting, even sickening, to many men and women. The indignity that it causes is genuine, and the rage against it is justified. Improving the quality of life is an important interest of government, but government also must be careful not to strangle the freedom of choice that is fundamental to our democracy. In a sense, pornography is a price that we pay for freedom. It is not easy to tolerate pornography, nor is it possible to avoid it. Rather than combatting pornography by banning it, we are required by the Contitution to combat it with other speech and with prudently chosen legal pressure.●

CARDINAL SHEHAN—A MAN FOR ALL SEASONS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HAWKINS. Mr. Speaker, on August 26, 1984, Cardinal Lawrence Joseph Shehan passed away. His genuine concern for human and social conditions epitomized his prestigious and distinquished religious career. He was committed to the principle of equal opportunity for all Americans—at a time when perhaps it was unfashionable to do so. He defended the right of priests and nuns to march in civil rights demonstrations and attended the funeral of Martin Luther King, Jr.

On the question of racial equality, Cardinal Shehan said:

There is, I hope, no need to say that in our churches and in our parochial life generally there must be no racial segregation, and there must be no distinction of rank or place or treatment based upon racial difference.

He was a champion of the poor and the disadvantaged, consistently urging our society to do more for those who had little. On the issue of social justice he once remarked:

The duty of justice and charity applies not only to our churches, our schools, our charitable organizations and institutions, and our hospitals, but also to all of us as individuals. It must guide us in personal relationships, within our block, or our neighborhood, our community; in our social and fraternal organizations; in the business we may conduct; in the labor unions to which we may belong; at work and at play; in all circumstances of everyday life.

Cardinal Shehan's humble and unassuming style exemplifies my own personal view of public leadership:

The leadership belongs not to the loudest, not to those who beat the drums or blow the trumpets, but to those who day in and day out, in all seasons, work for the practical realization of a better world—those who have the stamina to persist and to remain dedicated. To those belong the leadership.

Mr. Speaker, I would like to submit an editorial by the Washington Post in behalf of Cardinal Lawrence J. Shehan—truly a man for all seasons.

CARDINAL LAWRENCE J. SHEHAN

There has been and will continue to be much discussion in the course of the presidential campaign about the role of religion in American society and political life. There is a big difference between a religious leader's right to teach and inspire on moral issues and his inclination, if he has one, to instruct his flock to vote for a particular candidate or party. This and other distinctions that must be made are worth pondering, and in doing so it is very helpful also to ponder the life and accomplishments of Cardinal Lawrence J. Shehan, the retired archbishop of Baltimore, who died on Sunday at the age of 86.

Cardinal Shehan had ties to this quintessentially political city. As a young priest, he served in St. Patrick's church downtown. Later, he was director of Catholic Charities here. And throughout his life as a priest—in Washington, in Bridgeport, Conn., and in Baltimore—he did not hesitate to take a stand on public issues that he believed were essentially moral in nature. Like most Catholic prelates, he opposed abortion and tied it to his opposition to capital punishment. He was also a civil rights champion in the days when that was neither automatic nor easy. He desegregated the diocesan schools, fought for open housing, actively opposed anti-miscegenation statutes and urged businessmen to grant equal employment opportunity to minorities. Cardinal Shehan joined Rev. Martin Luther King Jr.'s march on Washington in 1963 and led efforts to bring about both formal and actual reconciliation between Christians and Jews.

In all his work to provide moral leadership on issues that are social and political, as well as religious, Cardinal Shehan never once endorsed a candidate or told fellow Catholics how to vote. He marched and testified, filed briefs and made speeches, and he endeavored to persuade all Americans—not just Catholics—by his example and by the force of his moral argument. Here is how he and 11 other area clergymen addressed citizens on the question of the ratification of Maryland's new constitution in 1968: "Our study of the document had led us to a wholehearted endorsement of the new constitution. We urge all citizens to give it careful analysis, to make a reasoned decision and to vote according to their best

judgment on May 14." Cardinal Shehan's life of activism, humility and service and his keen awareness of where the line lay that must not be crossed provides a valuable model for today.●

U.N. INTERNATIONAL CONFERENCE ON POPULATION

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. SCHEUER. Mr. Speaker, I would like to report to my colleagues on a congressional delegation to Mexico City during August 9–17. I cochaired this delegation with Representative JOHN PORTER. Other members of the delegation included Representatives PATRICIA SCHROEDER, SANDER LEVIN—formerly Assistant Administrator for Population Programs for the Agency for International Development, JIM MOODY, and SOLOMON ORTIZ. The purpose of our trip was to attend the U.N. International Conference on Populations during August 10–14 as congressional abservers, and to represent the U.S. Congress at the International Parliamentary Assembly during August 15–16.

U.N. INTERNATIONAL CONFERENCE ON POPULATION

Over 3,000 participants from 149 countries gathered at Mexico's Ministry of Foreign Affairs to evaluate the results of the implementation of the world population plan of action adopted at the 1974 U.N. World Population Conference held in Bucharest, to offer specific suggestions for the further implementation of the plan, and to outline goals for national and international action in population activities.

The delegates at the Conference adopted 88 recommendations for the further implementation of the world population plan of action along with the Mexico City Declaration on Population and Development.

Members of the congressional delegation observed the proceedings of the Conference and the deliberations of its main committee. They also held a press conference to answer questions on the reaction of the Congress to the American policy statement on international population assistance presented at the Conference by the U.S. delegation headed by Ambassador James Buckley. Members of the congressional delegation stated that many Members of Congress were astonished and offended that Congress had not been consulted before the change in U.S. population policy was announced. They were critical of the radical departure that the U.S. delegation had taken on the longstanding bipartisan policy for international population aid. Members of the congressional delegation stated that they hoped to avoid confrontation and wanted to work out problems by compromise, conciliation, and negotiation. If this was not possible, they suggested that the bipartisan policy might have to be kept in place through specific language in a continuing resolution to the foreign aid bill. The congressional delegation also noted that no congressional delegates or advisors were included in the U.S. delegation to the U.N. Conference even though several requests were made to the White House by senior representatives, including the House Republican leadership. The congressional delegation also noted that the U.S. delegation was all male, with the exception of one female alternate.

INTERNATIONAL PARLIAMENTARY ASSEMBLY

The congressional delegation joined over 200 parliamentarians from 60 countries to participate in the International Parliamentary Assembly, inaugurated by President Miguel de la Madrid and held in Mexico's Parliament buildings. The assembly was jointly sponsored by the Global Committee of Parliamentarians on Population and Development and the Chamber of Deputies of Mexico. Congressman JAMES H. SCHEUER was elected Chairman of the Board of the Global Committee of Parliamentarians at its annual board meeting on August 14.

Congressional delegation members participated in the three committee sessions on populations and development policies, the status of women, and the delivery of family planning services, and voted to adopt the action plan of the Assembly.

I commend the texts of the Mexico City Declaration on Population and Development adopted at the U.N. International Conference on Population and the action plan adopted at the International Parliamentary Assembly to my colleagues.

The texts follow:

MEXICO CITY DECLARATION ON POPULATION AND DEVELOPMENT ADOPTED AT THE U.N. INTERNATIONAL CONFERENCE ON POPULATION

[1] The International Conference on Population met in Mexico City from 6 to 14 August 1984, to appraise the implementation of the World Population Plan of Action, adopted by consensus at Bucharest, 10 years ago. The conference reafirmed the full validity of the principles and objectives of the World Population Plan of Action and adopted a set of recommendations for the further implementation of the plan in the years ahead.

[2] The world has undergone far-reaching changes in the past decade. Significant progress in many fields important for human welfare has been made through national and international efforts. However, for a large number of countries it has been a period of, instability, increased unemployment, mounting external indebtedness, stagnation and even decline in economic growth. The number of people living in absolute poverty has increased.

[3] Economic difficulties and problems of resource mobilization have been particularly serious in the developing countries. Growing international disparities have further exacerbated already serious problems in social and economic terms. Firm and widespread hope was expressed that increasing international cooperation will lead to a growth in welfare and wealth, their just and equitable distribution and minimal waste in use of resources, thereby promoting development and peace for the benefit of the world's population.

[4] Population growth, high mortality and morbidity, and migration problems continue to be causes of great concern requiring immediate action.

[5] The conference confirms that the principal aim of social, economic and human development, of which population goals and policies are integral parts, is to improve the standards of living and quality of life of the people. This declaration constitutes a solemn undertaking by the nations and international organizations gathered in Mexico City to respect national sovereignty to combat all forms of racial discrimination including apartheid, and to promote social and economic development, human rights and individual freedom.

[6] Since Bucharest the global population growth rate has declined from 2.03 to 1.67 percent per year. In the next decade the growth rate will decline more slowly. Moreover, the annual increase in the numbers is expected to continue and may reach 90 million by the year 2000. Ninety percent of that increase will occur in developing countries and at that time 6.1 billion people are expected to inhabit the earth.

[7] Demographic differences between developed and developing countries remain sinking. The average life expectancy at birth, which has increased almost everywhere, is 73 years in developed countries, while in developing countries it is only 57 years and families in developing countries tend to be much larger than elsewhere. This gives cause for concern since social and population pressures may contribute to the continuation of the wide disparty in welfare and the quality of life between developing and developed countries.

[8] In the past decade, population issues have been increasingly recognized as a fundamental element in development planning. To be realistic, development policies, plans and programs must reflect the inextricable links between population, resources, environment and development. Priority should be given to action programs integrating all essential population and development factors, taking fully into account the need for rational utilization of natural resources and protection of the physical environment and preventing its further deterioration.

[9] The experience with population policies in recent years is encouraging. Mortality and morbidity rates have been lowered, although not to the desired extent. Family planning programs have been successful in reducing fertility at relatively low cost. Countries which consider that their population growth rate hinders their national development plans should adopt appropriate population policies and programs. Timely action could avoid the accentuation of problems such as overpopulation, unemployment, food shortages and environmental degradation.

[10] Population and development policies reinforce each other when they are responsive to individual, family and community needs. Experience from the past dacade demonstrates the necessity of the full participation by the entire community and grassroots organizations in the design and implementation of policies and programs.

This will insure that programs are relevant to local needs and in keeping with personal and social values. It will also promote social awareness of demographic problems.

[11] Improving the status of women and enhancing their role is an important goal in itself and will also influence family life and size in a positive way. Community support is essential to bring about the full integration and participation of women into all phases and functions of the development process. Institutional, economic and cultural barriers must be removed and broad and swift action taken to assist women in attaining full equality with men in the social, political and economic life of their communities. To achieve this goal, it is necessary for men and women to share jointly responsibilities in areas such as family life, child-caring and family planning. Governments should formulate and implement concrete policies which would enhance the status and role of women.

[12] Unwanted high fertility adversely affects the health and welfare of individuals and families, especially among the poor, and seriously impedes social and economic progress in many countries. Women and children are the main victims of unregulated fertility. Too many, too close, too early and too late pregnancies are a major cause of maternal, infant and childhood mortality and morbidity.

[13] Although considerable progress has been made since Bucharest, millions of people still lack access to safe and effective family planning methods. By the year 2000 some 1.6 billion women will be of childbearing age, 1.3 billion of them in developing countries. Major efforts must be made now to insure that all couples and individuals can exercise their basic human right to decide freely, responsibly and without coercion, the number and spacing of their children and to have the information, education and means to do so. In exercising this right, the best interests of their living and future children as well as the responsibility towards the community should be taken into account.

[14] Although modern contraceptive technology has brought considerable progress into family planning programs, uncreased funding is required in order to develop new methods and to improve the safety, efficacy and acceptability of existing methods. Expanded research should also be undertaken in human reproduction to solve problems of infertility and subfecundity.

[15] As part of the overall goal to improve the health standards for all people, special attention should be given to maternal and child health services within a primary health care system. Through breast-feeding, adequate nutrition, clean water, immunization programs, oral rehydration therapy and birth spacing, a virtual revolution in child survival could be achieved. The impact would be dramatic in humanitarian and fertility terms.

[16] The coming decades will see rapid changes in population structures with marked regional variations. The absolute members of children and youth in developing countries will continue to rise so rapidly that special programs will be necessary to respond to their needs and aspiration's, including productive employment. Aging of populations is a phenomenon which many countries will experience. This issue requires attention particularly in developed countries in view of its social implications and the active contribution the aged can make to the social, cultural and economic life in their countries.

[17] Rapid urbanization will continue to be a salient feature. By the end of the century, 3 billion people, 48 percent of the world's population, might live in cities, frequently very large cities. Integrated urban and rural development strategies should therefore be an essential part of population policies. They should be based on a full evaluation of the costs and benefits to individuals, groups and regions involved, should respect basic human rights and use incentives rather than restrictive measures.

[18] The volume and nature of international migratory movements continue to undergo rapid changes. Illegal or undocumented migration and refugee movements have gained particular importance; labor migration of considerable magnitude occurs in all regions. The outflow of skills remains a serious human resource problem in many developing countries. It is indispensable to safeguard the individual and social rights of the persons involved and to protect them from exploitation and treatment not in conformity with basic human rights; it is also necessary to guide these different migration streams. To achieve this, the cooperation of countries of origin and destination and the assistance of international organizations are required.

[19] As the years since 1974 have shown, the political commitment of heads of state and other leaders and the willingness of Governments to take the lead in formulating population programs and allocating the necessary resources are crucial for the further implementation of the World Population Plan of Action. Governments should attach high priority to the attainment of self-reliance in the management of such programs, strengthen their administrative and managerial capabilities, and ensure coordination of international assistance at the national level.

[20] The years since Bucharest have also shown that international cooperation in the field of population is essential for the implementation of recommendations agreed upon by the international community and can be notably successful. The need for increased resources for population activities is emphasized. Adequate and substantial international support and assistance will greatly facilitate the efforts of governments. It should be provided wholeheartedly and in a spirit of universal solidarity and enlightened self-interest. The United Nations family should continue to perform its vital responsibilities.

[21] Nongovernmental organizations have a continuing important role in the implementation of the World Population Plan of Action and deserve encouragement and support from Governments and international organizations. Members of parliament, community leaders, scientists, the media and others in influential positions are called upon to assist in all aspects of population and development work.

[22] At Bucharest, the world was made aware of the gravity and magnitude of the population problems and their close interrelationship with economic and social development. The message of Mexico City is to forge ahead with effective implementation of the World Population Plan of Action aimed at improving standards of living and quality of life for all peoples of this planet in promotion of their common destiny in peace and security.

[23] In issuing this declaration, all participants at the international conference on population reiterate their commitment and rededicate themselves to the further implementation of the plan.

INTERNATIONAL PARLIAMENTARY ASSEMBLY ACTION PLAN

We, the Parliamentarians of 60 nations, participating in the International Parliamentary Assembly on Population and Development held in Mexico City, the 15th and 16th of August, 1984.

Affirm that the ultimate objective of both development and population policies is to improve the quality of life and the well-being of individuals and families.

Note the agreement achieved at the United Nations International Conference on Population, held in Mexico City August 6-14, 1984, that population considerations form an integral part of development planning.

Take it as fundamental that population policies remain the prerogative of each sovereign country.

Recognize the achievements made by parliamentarians working in population and development since the First International Conference of Parliamentarians on Population and Development held in Colombo, Sri Lanka in 1979.

Reassert that Parliamentarians have a unique and valuable role to play in the formulation of policies and enactment of laws related to population and development.

THE PARLIAMENTARIAN MOVEMENT

In recent years an important international movement has sprung from the common concerns of parliamentarians around the world about population and development. Since the Colombo Conference of Parliamentarians in 1979, achievements have included:

Holding of regional conferences of Parliamentarians at Beijino, China, 1981; Brasilia, Brasil, 1982; New Delhi, India, 1984; Tunis, Tunisia, 1984; and London, England, June, 1984.

Establishment of the Global Committee of Parliamentarians on Population and Development (1982), the Asian Forum of Parliamentarians on Population and Development (1982), and the Inter-American Parliamentary Group on Population and Development (1983).

In this short time national groups of Parliamentarians on Population and Development have been formed in 40 countries. These are in addition to the 3 such parliamentary groups formed before the 1979 Sri Lanka conference.

In addition, the organized parliamentary movement, with the assistance of the Global Committee, contributed to the success of the 1984 United Nations International Conference on Population by encouraging the participation of parliamentarians in national delegations.

THE ROLE OF PARLIAMENTARIANS

As elected representatives of the people, responsive to the needs of all levels and groups in society, Parliamentarians have a vital role to play in the population and development process. This role includes taking the initiative in stimulating and helping to:

Ensure that population and development issues receive priority attention.

Alert their constituents to the importance and inter-relationship of population and development issues.

Secure a political consensus on the need for action.

Initiate legislative measures.

Work for the allocation of adequate funds for population and development activities.

Review the progress of such activities.

Cooperate with other Parliamentarians so that the experiences of one country can be shared with others.

Collaborate with international agencies working in the fields of population and development, not only the UNFPA, UNDP and other UN agencies, but also the NGOs, especially the world-wide network of the IPPF.

PRINCIPLES FOR FUTURE ACTION

The recommendations of the 1984 United Nations International Conference on Population (ICP) demonstrate a remarkable agreement among nations on the major issues of population and development. Based on this, Parliamentarians have a special responsibility to work for the application of the Recommendations in the light of social, cultural, economic and political conditions in their own countries. Foremost among the areas in which Parliamentarians have an important role to play are:

Population and Development. Ensure that national development plans integrate population considerations.

Status of Women. Review legislation to determine if it discriminates against women in areas such as civil and political, economic or social rights. Introduce legislation guaranteeing equal treatment of men and women and review the implementation of such legislation. Beyond legislation, work for changes in those social attitudes which militate against the achievement of equal status of women.

Health Care. Strengthen and expand primary health care programmes, thus participating in the massive efforts required to achieve "Health For All by the Year 2000."

Family Planning. Sponsor legislative measures to ensure that all individuals have the right to choose freely and responsibly the number and spacing of their children and that access to family planning services and information is available to individuals at all levels of society.

Education. Extend educational opportunities for all, with particular attention to women.

Environment. Protect the environment and endeavor to maintain a balance between natural resources and the demands of growing populations.

Migration. Assist in alleviating the problems of migration.

Community Participation. Foster community participation and especially that of women and grassroots support in the identification of needs, planning, development, implementation and evaluation of programmes.

* * * * *

DEDICATION

We, the parliamentarians at this Assembly, conscious of our responsibilities as legislators, representatives of our people, and leaders in the community, dedicate ourselves and renew our commitment to:

Sustaining and increasing awareness and understanding of the interdependence of population and development.

Expanding and strengthening national and regional committees of parliamentarians and the Global Committee of Parliamentarians.

Reinforcing our efforts towards increased national and international financial support for these programmes.

In conclusion, we restate that our ultimate objective is to contribute to the quality of life and the wellbeing of individuals and families.●

MEDICAL ETHICS IN DEBATE

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. WEBER. Mr. Speaker, Joseph J. Piccione from the Child and Family Protection Institute in Washington, DC, has written a thought provoking article on the challenge facing traditional medical ethics as the quality of medical care continues to change in our Nation.

Mr. Piccione raises some difficult issues which will need to be addressed by the American people and by Members of the Congress. I would urge my colleagues to spend time and reflect after they have read this excellent article.

The article follows:

[From the St. Louis Post-Dispatch, July 9, 1984]

STARVING THE HELPLESS—UTILITARIAN APPROACH TO CARE CHALLENGES TRADITIONAL MEDICAL ETHICS

(By Joseph J. Piccione)

At no time in America has there been greater societal discussion of questions of medical ethics. And never before has the public been less prepared for the debate.

The extent of the confusion is most apparent in the emerging issue of providing nourishment to patients who will not recover full health and are not receiving any medical treatment. A new and utilitarian medical philosophy is challenging the traditional notion of always providing nutrition, with few exceptions, such as if the patient is very close to death or if the patient lost the ability to digest the nourishment provided.

The interest in these questions developed with the great attention paid to the Karen Quinlan case in 1976. Miss Quinlan had been comatose for almost a year when her parents won the right to remove the respirator to which she was attached. After an extended period of time she was declared by her physicians to be irreversibly comatose. Her parents held the belief that at that point the respirator should be removed because it had become an "extraordinary means" of sustaining life, as opposed to the "ordinary means" that should always be provided. Miss Quinlan is still alive today, comatose, and nourished by means of feeding tubes.

With the Quinlan case, the terms "ordinary" and "extraordinary" means of sustaining life entered the popular jargon. This is to be expected because the case received great publicity, but also because people quite reasonably want to be able to handle a situation which could possibly present itself to themselves or their family.

However, the public's search for ethical norms is confused by changing meanings of the terms employed. Representatives of the new medical ethics are now proposing that feeding a gravely ill or comatose person is, not "ordinary" means of sustaining life, but "extraordinary" means; they also propose that it is ethically right to withdraw nourishment from Karen Quinlan because she will not recover.

Their suggestions are met with condemnation from physicians and ethicists who uphold the traditional medical ethics. They claim that allowing a patient to starve to death simply because she has a "poor quality of life" is neither loving nor just, but amounts to euthanasia.

The question of feeding the gravely ill is now being tested in the courts. The New Jersey Supreme Court, the same forum as in the Quinlan case, is now considering a case called *in the matter of Claire Conroy.* Miss Conroy, now deceased, was 84 years old and incompetent when her nephew asked a lower court to order feeding tubes removed from his aunt. She had lived a normal life and retired from her job, but suffered in her last years a brain dysfunction that removed her powers of speech and conscious activity. She was not comatose, however, and her eyes would follow people in her nursing hoime room; she also had some hand motion.

The lower court gave permission for the feeding to be halted but the decision was immediately appealed by the state. Miss Conroy continued to be fed until her death of natural causes. Although Miss Conroy had died, the Appeals Court decided to hear the case due to its importance, and ruled that termination of the feeding in her situation was not proper and would be euthanasia. Following that ruling, the nephew appealed to the state Supreme Court. The court heard oral argument in March of this year, but is not expected to quickly rule in the matter, and may even attempted to develop a set of guidelines for such feeding.

This case promises to be as significant for other state courts in the 1980s as the Quinlan case was in the 1970s, and it will influence the care received by many other persons in like circumstances.

Part of the problem in dealing with the question of continued feeding is the incomplete ethical knowledge of the public. The difficulty is that the very useful distinction between "ordinary" and "extraordinary" represents a sophisticated level of ethical reasoning. The first rule of medical ethics, however, is "do no harm." Only when a given proposal passes the basic "do no harm" test should it pass on to the "ordinary" and "extraordinary" distinction.

When we as a society seriously consider halting the feeding of the helpless who depend on our continued care, we raise a number of ethical dilemmas, including violation of the fundamental requirement to "do no harm."

If the respirator is removed from a patient who is without chance of recovery and the person dies, the cause of death is the person's illness for which the respirator was compensating.

If, on the other hand, a patient's nourishment is halted, and death inevitably follows from this, the cause of death would not be from the illness but from starvation, as a result of the failure of human care.

Those who suggest feeding be withheld usually cite kindness as their motivation. However, kindness and mercy must be expressed within the context of justice. Just and loving care will not produce the decision to starve to death someone who depends on you for life.

The utilitarian disposal of those who need us most is essentially inhuman. Starving the helpless and voiceless—under medical supervision, yet—is a strange and contradictory kind of mercy.●

THE CENTENNIAL OF THE GLENDALE PRESBYTERIAN CHURCH

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. MOORHEAD. Mr. Speaker, on September 29, 1984, the Glendale Presbyterian Church will celebrate that most special of birthdays—the 100th.

One century earlier on that date, in Riverdale, CA, an even dozen persons came together with common goals and needs. They formed an enduring and fruitful union and called it the Presbyterian Church of Riverdale.

With a heroic and sacrificial effort this tiny but determined congregation built a 36-foot-square church at Crow and 10th Streets. Once situated in the new church, the members changed their name to the Glendale Presbyterian Church to stay in step with their community, which at the behest of the Post Office changed its name from Riverdale—there were simply too many Riverdales—to Glendale.

Several years later, on December 12, 1887, the congregation gave itself a Christmas gift, the sanctuary's first bell. Cast in New York, the bell was inscribed,

His sound shall be heard when he goeth in unto the holy place before the Lord.

Today, this bell is one of the church's most cherished artifacts.

Like a healthy child, the church continued to grow. In October 1888, the membership voted 18 to 5 to relocate the church structure to Broadway and Cedar because the population growth in Glendale was in that direction.

As the 19th century rolled into the 20th, the salubrious climate of southern California was gaining wider and wider recognition with the inevitable result being growth and prosperity.

In 1903, this expansion necessitated construction of the area's first mass transit system. The Los Angeles Inter-Urban Railway, a Pacific Electric Railway subsidiary, built a line from Los Angeles to Glendale, passing close by the church. The results of this new exposure were obvious and predictable—the congregation grew larger and larger, spurring again the recurring debate about the need to expand.

In 1906, expansion was deemed not necessary. However, electric lights were installed for $55. Four years later, expansion became necessary and a new church with a cedar shingle exterior, concrete roof tiles, and a capacity of 350 persons, was erected on the site, as the old church was again moved but this time only to the rear of the lot.

As the physical plant of the Glendale Presbyterian Church reached out so to did the church's message of faith reach out. Missionary work was sponsored in both the United States and abroad. Church charities flourished to the benefit of the wider southern California community. Evangelistic services were conducted and promoted. But first and foremost, the church was faithful to its fundamental responsibility of serving the spiritual needs of its members.

With a vitality that is inherent in groups, which through acts of will prompt each members well being, the Glendale Presbyterian Church grew in strength, spiritual vigor, and tradition.

In 1914 a tradition began when the church was given a lighted cross. Mounted on the steeple, the Church of the Lighted Cross became visible throughout the wide valley. The church became a distinctive, high-profile community landmark, a position of preeminence it holds today.

In 1920 as membership reached 800, the need for growth in the church edifice was again clear. The church responded by constructing a new sanctuary at it current site at Harvard and Louise Streets. More than 1 million bricks were used to build the gothic structure that had a capacity of 2,000 persons. Its principal and most beautiful architectural feature was the 130-foot tower, at the time the highest artificial point in Glendale.

This wonderful building served the church beautifully until February 9, 1971, when disaster struck.

Local high school students had gathered in Stewart Hall for their weekly early morning breakfast when the first tremors were felt. None of the youngsters were injured in the resulting devastation but the church, made of unreinforced masonry, suffered grave damage.

As the after shocks rumbled through the city and the church, it became clear that the main sanctuary and tower had to be razed. The church clock in the tower was carefully and gently disassembled. Undamaged stain glass windows were removed. Carved oak paneling was taken down. All valuables were saved before the structure was demolished.

Without a sanctuary for the first time in 87 years, the congregation conducted services at Forest Lawn as a rebuilding campaign was launched almost immediately. With a directedness and determination that had long been traits on the church members, it wasn't long before a 1.5 million sanctuary was under construction.

Barely 3 years after a major California earthquake, the Glendale Presbyterian Church dedicated on June 12, 1974, a grand and new facility.

Today, the church and its members remain vital, attuned to God, community, and country. For more that 50 years, it has given me and my family companionship and comfort, guidance and renewal.

Its future, like the future of all things, is unknown. Yet using the past as a measure, it is surely reasonable to assume that the Glendale Presbyterian Church will continue to prosper and enrich the lives of those it touches; that it will continue to send out from its heart rays of hope; and that it will remain an entity that ennobles, heals, and provides.

For 10 decades the Glendale Presbyterian Church has been a great blessing to a great many. I have unquestioned faith that it will remain a blessing to man and an endearment to God.

Mr. Speaker, I am very pleased to call to the attention of my colleagues in the House of Representatives the 100th birthday of the Glendale Presbyterian Church. In its second century, I wish the church and its members Godspeed.●

DISABILITY LEGISLATION MUST BE ENACTED

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. ROYBAL. Mr. Speaker, the problems in the disability program will not go away. After 3 years it is time to enact legislation to aid those beneficiaries who have been hurt by the bureaucratic callousness of the reviews. I wish to draw my colleagues' attention to a New York Times editorial from August 31, as well as today's editorial from USA Today. Each of the editorials demonstrate the urgency of passing and implementing reform legislation.

In March, the House passed disability legislation (H.R. 3755) by a vote of 410-1. Enactment of this legislation will end the terrible abuses which have been documented in congressional hearings and the media.

In April Secretary Heckler suspended the disability review process and reinstated benefits to those in the administrative appeals process until legislation is implemented. I applaud Secretary Heckler's moratorium, however, it came too late for the thousands of beneficiaries who accepted the Government's initial termination decision and did not appeal their case.

In May, the Senate passed a diluted version of the disability reform legislation (S. 246). Although there are similarities between the House and Senate legislation, the Senate's bill will not ensure a permanent end to the terrible abuses and mistreatment of the disabled. The Senate's bill does not guarantee an end to the chaos among the States and the constitutional conflicts between the courts and the executive branch.

House and Senate conferees met only once before the August recess

and were able to reach agreement only on noncongressional issues. The provisions pertaining to a medical improvement standard, nonacquiesence of court orders, benefits through the administrative law judge, multiple impairments and the use of pain in determining disability were left unresolved. If the conferees cannot conclude their work in September, the needed reforms embodied in the House bill will die when Congress adjourns in early October. We must not let this important legislation become as Chairman Pickle stated, "a forgotten step-child."

Last spring the House Select Committee on Aging began a series of hearings to assess the reaction of State officials and Federal courts to the harsh interpretation of Federal law which the Social Security Administration expected the States to carry out. The committee has documented the chaos in the program which has produced the constitutional conflict between the executive branch and the States and courts. On February 28 the committee held its seventh hearing in regard to the chaos in the program. The results of the hearing demonstrate that until legislation is enacted, the States and courts will continue their efforts to put some humaneness back into the disability process. At least seven States have requested SSA to send case folders for reopening and revisions, using their authority under current regulations and guidelines. Twenty-two States use or advocate the use of a medical improvement standard. In at least 25 States Federal courts have struck down the Social Security Administration's internal operating procedures and ordered the administration to reopen the previous decisions.

In view of the fact that the legislation is at a standstill, as a member of the Appropriations Committee I will look at what other options are available to us.

I applaud the strong leadership of Chairman PICKLE and other House members of the conference committee. The House provisions on medical improvement and nonacquiesence promote national uniformity by addressing the root cause of the Federal/State, executive/judicial conflict. We must continue to support the House passed provisions during the conference committee.

[From USA Today, Sept. 5, 1984]

GIVE THE DISABLED MORE THAN RAW DEAL

A California man suffered from diabetes, a cripping heart attack, and kidney failure. He was unable to feed himself. But he still couldn't convince the government to restore his full federal disability payments.

A New York woman, suffering severe mental handicaps was stripped of her disability benefits and told to get a job—without being seen by a doctor.

A North Dakota woman with severe back pain had to take her case all the way to a federal appeals court after her disability checks were stopped. The court sharply rebuked the government for not following earlier decisions that should have protected her benefits.

Our system of monthly stipends for disabled workers was started in 1956. But stories of abuses—able-bodied workers getting checks—became part of our national folklore, and in 1980 Congress ordered a review of the rolls.

In three years, nearly 500,000 people saw the checks—which average $450 a month—abruptly stop. Many cutoffs occurred without warning and without a medical review.

It was a cavalier purge. Almost two-thirds of those who appealed were returned to the rolls after administrative review; federal judges have consistently ruled that the cutoffs brought into their courts were illegal; judges have restored benefits or ordered reviews for more than 100,000 people.

Meanwhile, scores of deaths—some suicides—occurred in homes where cutoff notices arrived. Invalids were being sacrificed in the zeal to improve the bottom line. Yet "savings" in federal benefits resulted in more welfare cases for the states.

While many truly needy were being abused by arbitrary enforcers, the number of actual freeloaders removed was far less than expected. Indications that 20 percent of recipients could hold jobs appears grossly inflated.

There is now a moratorium on further cutoffs. But Congress can't agree on new guidelines for eligibility.

Sorting out the deserving from the undeserving is never easy. But we should be ashamed that our fear of being played for saps has caused us to inflict yet more pain on our most vulnerable fellow citizens.

Efficiency in government is no excuse for cutting off disability benefits without medical reviews. And those languishing in financial limbo should be put back on the rolls pending their court appeals.

It should not be beyond the capabilities of Congress and the administration to work out a disability benefit program that is fair both to the needy and to the taxpayer.

Americans think of themselves as a compassionate people quick to help those who've gotten a raw deal from life.

But when we take the last shred of dignity from those who are too sick or disabled to help themselves, that's not compassion—it's cruelty.

[From the New York Times, Aug. 31, 1984]

THE DISABILITY DISASTER

In October 1981, a Manhattan social agency found him living as a vagrant in Central Park. At that time he was delusional, filthy, hostile. . . . His application for . . . benefits was rejected initially and on reconsideration despite a medical report stating that he hallucinated, had delusions of people being after him and spent most of his time wandering the streets. . . . In the denial of reconsideration of his application . . . it was stated that while his condition prevented him from returning to his "usual job," there were "Many other jobs" that he could perform.

What usual job? Which many other jobs? Such examples of bureaucratic callousness run through lawsuits over the Social Security Disability program, which the Reagan Administration has turned into an administrative disaster area. Now an appeals court decision in New York makes clear that the disaster is moral as well as managerial.

Early in President Reagan's term, Administration budget-cutters considered the $18 billion program a sitting duck. Carter Administration officials, alarmed by astronomical increases in disability payments, had ordered reviews of all disability cases in order to identify cheaters. It would be a simple matter, their successors figured, to make deep cuts by speeding up the review schedule—and by quietly tightening the rules for eligibility. New interpretations of the rules ordered by internal memo meant that an ability to boil water or rake leaves immediately established one's "employability," thereby disqualifying hundreds of thousands of the obviously disabled.

But getting away with such interpretations wasn't so easy. Social Security workers found themselves telling pathetically crippled or schizophrenic people to go out and find work. Many state officials refused to carry out the harsh new policy. Soon, Federal courts and administrative law judges were swamped with pitiful appeals—and they handed down a steady stream of rulings in favor of the disabled claimants. By last spring, more than 200,000 of 491,300 people disqualified had won reinstatement on appeal.

Frederick A. O. Schwarz Jr., New York City's corporation counsel, led a legal battle against the change in the rules for the most vulnerable group, the mentally handicapped. A Federal appeals court this week affirmed a favorable ruling he had won from a lower court. What's remarkable about the decision is the need to appeal, and the attitude it reflects in the Administration. For the Federal Government did not contest the merits. It insisted on appealing only on technical grounds of jurisdiction. In effect, Washington admitted that its initial policy was wrong.

When Federal dollars support the helpless, to be wrong is to be painfully wrong. "On the day that he received the notice that he was cut off," a psychiatric nurse testified of one patient, "He became very upset. . . . That day he became more and more depressed, mute, unresponsive, crying. And finally, several hours later he was found in his apartment by his roommates in a mute and unresponsive position; curled up on the couch, not responding to people trying to arouse him or call his name. . . ."

Despite such stories, the Administration even now persists in defending its policy with technicalities. It might yet appeal the New York case to the Supreme Court. In addition, the White House defends "nonacquiescence"—refusal to accept defeats in some disability cases as precedents in others. And its objections to sensible measures to restore some decency to the system have stalled reform legislation for months.

One explanation for such stubbornness is that the Administration continues to let obsessive cost cutting limit its vision. That's a charitable excuse for a policy that looks more like official cruelty.●

THE PUBLIC BE DAMNED!

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. PACKARD. Mr. Speaker, during the August recess I had the opportunity to read an enlightening article about the state of mass transit in southern California. So often we hear

that Californians love their cars so dearly that they refuse to consider other means of getting from home to work and back. When I listen to my constituents in California's 43d District, though, I hear the pleas of openminded motorists tired of being stranded in rush-hour traffic.

The following article, published in the June 1984 issue of San Diego magazine, suggests that it's not California's drivers who are ultimately to blame for the lack of adequate train service between San Diego and Los Angeles:

THE PUBLIC BE DAMNED!

(By Jim Mills)

As one of President Jimmy Carter's appointees to the Board of Directors of Amtrak, I asked management why it is Greyhound can cover the 120 miles from Los Angeles to San Diego in two hours and 20 minutes, operating on the highways and subject to a speed limit of 55 miles an hour, while Amtrak takes two hours and 45 minutes—even though its trains travel at speeds up to 90 miles an hour for half the distance, from Del Mar to Santa Ana, and at up to 79 miles an hour for much the rest of the way. (Amtrak's biggest problem as far as speed limits are concerned is in Los Angeles County, where the Board of Supervisors has imposed a top speed of 65 miles an hour on all trains, but even that is ten miles an hour faster than the highest speed Greyhound is allowed to run.)

Management answered that Amtrak trains have to slow down for curves in some places and make five stops on the run, and each stop costs five minutes in running time. But that does not even begin to account for such poor performance.

Before I left the board in 1982, I came to realize there is no justification for Amtrak taking so long to travel between San Diego and Los Angeles. There is no justification, but there is a reason. The reason is that Amtrak does not wish to provide better service on this corridor.

Until 1980 the scheduled running time between San Diego and Los Angeles was two hours and 35 minutes, which was somewhat more reasonable. Recently I decided to try to contribute to an improvement in the service to the extent of getting back to that running time. I was motivated to do what I could because, as a member of the California State Senate, I had been instrumental in the expenditure by the state of millions of dollars that ostensibly were spent in order to improve the performance of the trains. I therefore contacted Congressman Jim Bates and put a number of questions to him, which I asked him to put to Amtrak, relative to its present slow schedules.

In response to my first set of questions, Amtrak management sent Bates a memo, dated September 20, 1983, which read in part: "Amtrak lengthened the schedules of its San Diego trains by five minutes in the Fall of 1980." That statement set the pattern for Amtrak's responses to all subsequent questions—it was false. The schedule for 12 out of the 14 daily trains between San Diego and Los Angeles was increased by ten minutes, not five minutes. The memo went on to say: "There were two major reasons for this. One, the success of these trains resulted in longer dwell times at the stations and additional meets on single track as the frequency increased to 14 trains daily." I'll address those points later.

The memo continued: "Two, Santa Fe had gradually lowered the level of utility from its 1971 contractual obligations by reducing speeds, primarily on curves." (When Amtrak came into existence all the railroads entered into agreements to maintain the tracks at the service level of that time so trains could operate at the speeds they were running at that time.)

The Amtrak memo went on to say Santa Fe has corrected that deficiency by improving the track structure, but the trains are going to stop at an additional station, a new one that has been built in Anaheim, and therefore the time gained by Santa Fe's improving the tracks will be lost as a result of the additional stop in Anaheim. That is not an unreasonable position on the face of it, but I shall get back to that later, too.

One of Bates' first inquiries was put to Amtrak through Congressman James Florio, the head of the committee that deals with Amtrak in the U.S. House of Representatives. An answer to Florio came in a letter from Graham Claytor, president and chairman of the board of Amtrak. Claytor wrote: "First, with respect to [the suggestion of] Amtrak's reducing running times between Los Angeles and San Diego from two hours and 45 minutes to two and one half hours, it is not true that large capital investments have been made to reduce trip times."

In reply I wrote to Bates: "The answer to that is the State of California has spent $23,628,538 since 1971 on the separation of grade crossings between San Diego and Los Angeles. Some of the projects were undertaken under legislation I carried that specifically allowed money for passenger lines; the rest were undertaken under the grade separation program administered by the Public Utilities Commission. A total of eight major thoroughfares were put into underpasses or overpasses. All of them were in Los Angeles County. The anticipation on the part of everyone was this would be a substantial contribution to the upgrading of the corridor and the improvement of the running time between San Diego and Los Angeles.

"No state on the Northeast Corridor Project [explained later in this article] has made any such contribution. In fact, I am not aware that any state on the northeast corridor has made any substantial contribution to the project. During the time California was spending this enormous amount of money to improve the service, Amtrak was increasing the running time by 10 minutes. Surely no such sum has ever been spent to so little effect."

In a letter to Bates dated October 19, 1983, Claytor replied: "Such projects primarily improve highway operations by improving the flow of vehicular traffic and eliminating accidents. We think it inappropriate to consider funds spent to eliminate grade crossings as to have been a contribution to permit higher operating speeds." Yet elsewhere Claytor says the state's failure to put up funds to rewire crossing gates to allow higher running speeds is the reason trains cannot go faster on the rest of the line. In effect, he says rewiring crossing gates allows higher running speeds but building overpasses and underpasses does not.

For high-speed operations, grade separations are infinitely preferable to crossing gates, no matter how they are wired, and everyone knows that. This response by Claytor is another incorrect statement from Amtrak relating to service on the San Diego-to-Los Angeles corridor.

When I was appointed to the Board of Directors of Amtrak by President Carter in 1978, Paul Reistrup was president of the corporation. He was interested in improving service between San Diego and Los Angeles. He pointed out to me in one conversation the biggest savings in time readily available on this run could be achieved by the abolition of the speed restriction of 65 miles an hour imposed upon all trains in Los Angeles County by its Board of Supervisors.

Shortly thereafter Amtrak asked me, as a member of the California Senate, to carry a bill to make the state's Public Utilities Commission a "court of appeals" to which Amtrak or any other railroad could turn if it felt a locally imposed speed restriction was unreasonable. At the time Amtrak officials told me dispensing with that speed restriction of 65 miles an hour would allow the trains to operate at a top speed of 79 miles an hour in Los Angeles County. That increase in maximum speed of 14 miles an hour would raise the average speed by five miles an hour, which would result in the saving of eight minutes on the run between San Diego and Los Angeles. That was one of the main arguments I presented in favor of the bill.

After the bill's passage, the PUC examined the speed restriction and approved of dispensing with it, contingent upon completion of certain crossing improvement protections at 15 crossings. Eight of those 15 crossings are the ones where underpasses or overpasses have been built by the state, at a cost of $23.6 million. In order to dispense with the Los Angeles County speed restriction, the PUC in effect said it is necessary only to rewire the crossing gates at the seven remaining crossings. The cost of this has been put at $1 million.

It has not been done. Amtrak's Claytor, in the next paragraph of the previously cited letter to Bates, says increasing the top speed of Amtrak trains from 65 to 79 miles an hour in Los Angeles County would result in savings of only one minute in the running time between San Diego and Los Angeles, because "certain curves in this territory will continue to have restrictions below 79 mph". He claims the improvement in running time of one minute is not worth spending a million dollars to achieve.

Something is very wrong. Either the information given to me some years ago, when Amtrak wanted to get rid of that speed restriction, was incorrect, or the information given by Claytor to Bates is incorrect. I have no doubt the eight-minute figure Amtrak gave me years ago is the right one, because no new curves have been put into the line in the intervening years.

Another major timesaving can be achieved for the expenditure of a modest amount of money. There are 21 unseparated grade crossings between Anaheim and San Diego. The speed of the trains could be increased if the 21 gates at those crossings were rewired to allow for higher train speeds. In Claytor's letter to Bates, he says five minutes could be taken out of the schedule if this rewiring were to be done.

The cost, he says, would be a little more than $2 million. But he says the projects cannot be undertaken, unfortunately, because the state will not put up the money to do it. That's not considered a barrier to Amtrak spending money to increase the speed of its trains in other parts of the country. It is a problem only in California.

The expenditure of $2 million to rewire the crossing gates between Anaheim and San Diego would be much more productive,

in terms of time saved by Amtrak trains, personnel and passengers, than any expenditure of $2 million on the Northeast Corridor Project between Washington, New York and Boston, where Amtrak is putting out $2 billion to speed up the trains.

Of course, Amtrak management would defend itself by saying Congress appropriated that $2 billion, and that is true. But it is also true that Amtrak supported the appropriation and actively sought the money, while it has not asked for even $2 million for the second-busiest corridor it operates—and it shows no indication it ever will ask for $2 million or any other amount for rewiring those gates. If it did Congress surely would approve the expenditure on the basis of simple equity. After all, $2 million is only one tenth of one percent of what is being spent in the northeast corridor.

But Amtrak doesn't have to ask Congress for that $2 million. The board and management of that corporation have broad discretionary powers. They continually spend vast sums on all manner of projects to improve service or operations on one route or another. At almost every meeting during the years I was a member of the board, there were requests by management for money to improve railroad lines over which the corporation operates trains or to build new facilities. At its February 1984 meeting, the board decided to proceed with the planned Los Angeles Equipment and Maintenance Facility, at a cost of $28.6 million. That should give some idea of the kind of money Amtrak has at its disposal.

If the board can find $28.6 million for an equipment maintenance and service facility improvement program in Los Angeles, it surely could find 11 percent of that to rewire all the remaining crossing gates between San Diego and Los Angeles to reduce running times between the two cities by 13 minutes—if management really wanted the board to do it.

The simple fact is management doesn't want the board to do it. I'm sure there would be no great harm if that project in Los Angeles were trimmed by 11 percent, or even deferred a year, to free the money needed to rewire crossing gates on the San Diego-Los Angeles run. After all, Amtrak has been getting by with the equipment maintenance service facilities it has for quite some time, and could continue to do so a little longer.

You will recall Claytor also says the increased number of trains on the run has resulted in delays because so much of the route is single track. I was concerned about that some years ago, when Alan Boyd, who is now chairman of the board of American High Speed Rail (the bullet train corporation), was president of Amtrak. I had carried legislation that appropriated state money for improvements to the railway between San Diego and Los Angeles in order to achieve faster running times. None of the money had been spent by that time, so I suggested to Boyd we might use part of the funds to lengthen some of the passing tracks to deal with the problem of trains delaying each other because there was so much single track on the run. I suggested we might also add some passing tracks.

Boyd referred the matter to staff, then reported back it wouldn't help at all. Now, it appears to be essential to faster schedules that additional passing trackage be put into service, although no trains have been added in the interim. In another letter Claytor says one problem with the passing tracks is that the majority of them have 15-mile-an-hour turnouts—the switches at each end of them cannot be negotiated by trains at speeds higher than 15 miles an hour. While that is true, it is also true that the state paid to put in new turnouts on two passing tracks, turnouts that would allow the trains to enter the sidings at 40 miles an hour.

The state put up $1.4 million to do it. The state took the initiative, of course, Amtrak has not taken the initiative on any project to improve train speeds on the run. It would be reasonable to expect the expenditure of that $1.4 million would result in some improvement in the schedule, but it has not. Like the expenditure of $23.6 million on overpasses and underpasses, it had no effect. By the way, the PUC did suspend unconditionally a few miles of local speed restrictions, and that had no effect either.

Now, under the pretext of speeding up its service, Amtrak has inaugurated a further deterioration in it. Management decided that, starting April 29, one of the eight trains running in each direction will stop only at Anaheim and Del Mar in order to provide express service between San Diego and Los Angeles for a premium fare (a $5 surcharge on the regular ticket price of $16 one way). The running time will be two and a half hours, just 15 minutes faster than the other trains. By leaving out four stops (since Amtrak says each stop costs five minutes), they are adding slack time to the schedule instead of taking it out.

I also entered into a correspondence with Charles Luna, a member of the Amtrak board, on the subject. I sent him all the materials I had submitted to Jim Bates and all Amtrak's answers. As you will recall, one of the points Amtrak had made was that increased patronage required longer dwell times at the stations, because more time is required to load and unload the passengers. I had replied that increased patronage had resulted in longer trains and there were, therefore, more doors for people to get on and off them. I argued a train that is twice as long does not stop for twice as long at the stations on its run—it stops for about the same length of time as a shorter train.

Claytor responded to Luna, who replied to me, "The length of the San Diego trains has not materially changed due to the use of higher-capacity equipment."

That statement, too, is false. Before the increase in patronage, Amtrak used to run three-car trains. In fact, it was very seldom that anything other than a three-car train was seen on the line. Now Amtrak never runs a three-car train between San Diego and Los Angeles. I live within sight of the line and I see trains go by all day long, and I haven't seen a three-car train on the run for years.

That is a very important difference, because three-car trains require only one brakeman under the agreements the railroads have with the railroad unions. Four-car trains require two breakmen. One of the few functions of the breakmen on passenger trains is to open and close the doors and assist the passengers in embarking and disembarking. Trains that run between San Diego and Los Angeles now carry about twice as many people a train as they did ten years ago. Since there are twice as many brakemen on four-car trains, it should be possible to load and unload at each station in about the same period of time. At worst the delay should be minimal.

I now live in Del Mar. When I want to go to San Diego by train I generally get there ten minutes early. I've talked to the crews of the trains about it, and they say that's usually the case. The reason is that Amtrak's published schedules show the trains taking from 39 to 42 minutes to cover the run from Del Mar to San Diego. In my first letter to Jim Bates I pointed out that was much too leisurely a schedule. Claytor responded to Bates: "Our detailed analysis shows that approximately 31 minutes are required [to make the run], depending on the length of the train and the number of locomotives." That, too, is false. I myself have made the run in 25 minutes, when the train was late. In the winter of 1980 the northbound schedule from San Diego to Del Mar was 29 minutes, and the present northbound schedule is 30 minutes. Yet Claytor says it takes a train 31 minutes to cover the distance. Now that may seem like a small falsehood, but it points up the fact Amtrak cannot be depended on to tell the truth even in small things when questioned about its service on this corridor.

Actually, there are up to 12 minutes' slack time in the schedule between Del Mar and San Diego. That is the difference between the scheduled running time southbound and the time usually needed to actually make the run. Sante Fe never put 12 minutes' slack into its schedule. Neither did Amtrak in the past, and there is no justification for it. Santa Fe usually allowed seven minutes' slack time. Claytor offered this justification: "The difference [between the running time and the scheduled time] represents recovery time to take care of enroute delays from which three to five minutes will be required for the new Anaheim stop."

Remember he said that the time gained by track improvements made by Santa Fe was being used up by the Anaheim stop. Actually he said five minutes would be gained by the track improvements and all of that would be needed for the Anaheim stop. Now he says the Anaheim stop will cost the trains an additional three to five minutes in unexpected delays, and that will require the continuation of a schedule that has 12 minutes' slack time between Del Mar and San Diego in it. I'm glad all of the stops on the run don't require three to five minutes to be added to the running time between Del Mar and San Diego—if that were the case, it would be faster to walk from Del Mar to San Diego. What we have here is a statement by Claytor that the five munutes that are going to be needed for the additional stop at Anaheim will be used twice to justify leaving ten minutes of slack in the schedule.

By the way, the trains usually get into Los Angeles ten minutes early too, and for the same reason: an excess of slack time between the last two stations on the run. All the arguments relative to the Del Mar-San Diego run apply equally to the other end of the line.

Ultimately, it is clear no matter what has happened, no matter what is happening and no matter what will happen, Amtrak intends that nothing will result in any improvement of schedules on this corridor. Elsewhere, the Amtrak management and board plan and carry out improvements to the system to speed up the trains they operate. They say it is a system-wide policy. But on the San Diego-Los Angeles corridor, no plans to cut running time have ever been made to my knowledge, no plans are being made and, I expect, no plans are going to be made, unless somebody starts to raise hell.

I have heard a great deal of commentary about the motivation of Amtrak officials. The most commonly expressed opinion is a suspicion that their refusal to improve service relates to the American High Speed Rail

bullet train proposal, and that the problem is that persons in the higher management echelons in Amtrak were all there when Alan Boyd was president of the corporation—in fact, he hired many of them. Now that he is chairman of the board of American High Speed Rail, which proposes to build the bullet train system, his interests would appear to be advanced by Amtrak's present refusal to improve running times. If 20 minutes were taken out of the Amtrak schedule, the American High Speed Rail proposal would look much less attractive to everyone. It would be harder to persuade potential bullet train investors that the general public would be willing to pay fares twice as high as Amtrak's if the savings in time were not so great.

It must be remembered most people who travel in the corridor are not going all the way from San Diego to Los Angeles. The majority of them travel only a part of the route on any given trip. Therefore the savings in time that would be offered to them by a bullet train would only be a matter of a few minutes and would not move them to spend so much to ride the bullet train.

I can not say this is in fact the reason for Amtrak dragging its heels. I only know there must be some reason, and the justifications Amtrak gives for not improving service are all just so much persiflage. They are duplicitous rephrasings of the immortal words of Commodore Cornelius Vanderbilt, the patron saint of railroad executives: "The Public Be Damned!"●

DOES THE MISCHIEF OF THE KGB KNOW NO LIMITS?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BROOMFIELD. Mr. Speaker, I was shocked to hear of a newly uncovered Soviet scam operation to intercept mail traffic between the U.S.S.R. and the West. Thanks to the good efforts of Congressman BEN GILMAN, this shameful Soviet attempt to cut the lifeline between citizens in the U.S.S.R. and their relatives on the outside has come to the attention of the Congress.

The House Subcommittee on the Postal Operations and Services looked into allegations concerning Soviet piracy of mail going into the Soviet Union. Over 2,251 exhibits were examined. They clearly documented widespread and systematic Soviet piracy of mail traffic between the U.S.S.R. and the West.

The subcommittee investigation revealed that the Soviets intercept 50 to 80 percent of the first-class mail entering that country. They loot or confiscate countless pieces of mail and packages. Soviet officials falsify return receipts from registered letters. The forms are signed by a Soviet postal official, or bear what appears to be the addressee's signature, despite evidence that the intended recipient never saw the letter.

In addition, the Soviets return mail to the West under false pretexts claiming that the recipient's address is unknown, or that the given address is wrong. The Soviets are also getting as much as $16 to $40 million a year in hard currency from the West because of high surcharge fees, and high delivery fees, to include a prepaid duty.

The Soviets have ignored official U.S. Government complaints about their efforts to deny Western mail to Soviet citizens.

I have often spoken of trust as a key element in improving relations and promoting greater understanding between our two nations. The administration is now considering the possibility of renewing arms reduction talks in Geneva with the Soviets. It is disconcerting that the Soviets mail piracy activities are now violating yet another set of solemn treaties which that country pledged to obey. Soviet mail theft is a clear violation of Articles of the Constitution of the Universal Postal Union, the general regulations of the Universal Postal Convention, and the Final Act of the Conference on Security and Cooperation in Europe. A House resolution sponsored by Congressman GILMAN called for U.S. representatives to the Congress of the Universal Postal Union in Hamburg to raise this unfortunate and illegal Soviet practice before the group.

With these concerns in mind, I strongly recommend the following Washington Times article to my colleagues in the House.

TRACING SOVIET POSTAL PIRACY

(By Andrei Bogolubov)

(Andrei Bogolubov is a student of Soviet and Russian history currently working for Citizens for America.)

Amid a welter of conflicting reports, the fate of Andrei Sakharov and his wife, Yelena Bonner, is unknown. Soviet officials rebuffed journalists' inquiries, and curtly rebuked French Prime Minister Francois Mitterand for raising the question on a visit to the Kremlin.

Western reaction has varied from surprise to puzzlement to outrage, depending on the degree to which the Soviets are deemed trustworthy or humane. When a cablegram suggesting all is well was received, some were willing to credit it as genuine, others were less optimistic.

Most ignored the solid body of evidence that emphatically slams the door on the credibility of telegrams from Gorki, indeed, on all private correspondance from the U.S.S.R.

That evidence was presented in detail during a congressional inquiry sparked by Rep. Benjamin Gilman, whose House Subcommittee on Postal Operations and Services—in response to complaints about postal service between the United States and the U.S.S.R.—began to look into the matter more than a year ago.

The result have been startling: more than 2,251 exhibits document widespread, systematic Soviet piracy of mail traffic between the U.S.S.R. and the West. The evidence suggests a concerted KGB campaign to restrict East-West communication, which Mr. Gilman calls "a cold, calculated atttempt to cut the lifeline betyween citizens in the U.S.S.R. and their relatives and friends on the outside."

The investigation, spearheaded by former New York state police official David Eno, has revealed that:

The Soviets intercept an estimated 50-80 percent of the firstclass mail entering the U.S.S.R.

The U.S.S.R. maintains a list of citizens who are prohibited from receiving Western mail.

Countless pieces of mail and packages are looted, disappear, or are confiscated by Soviet officials without explanation or compensation.

Soviet officials routinely falsify return receipts from registered letters. The forms are typically signed by a Soviet postal official or bear what appears to be the addressee's signature, despite evidence that the intended recipient never saw the letter. In one instance, a sender received a return receipt with the signature of the addressee—an inmate in a Soviet prison camp who, it later turned out, had died three years earlier.

The Soviets frequently return mail to the West under false pretexts. The letters or packages are returned with one of several stamps in French, the international postal language. These include: Retour-Inconnu (Return-Addressee Unknown), Parti-Inconnu (Party Unknown), Addresse Inexacte (Improper Address), and others. The most common, simply Inconnu (Unknown), has become the name of the subcommittee's investigation. Mr. Gilman has gathered evidence which proves that these stamps are being cynically employed to deny Western mail to Soviet Citizens.

Most shocking of all is the proof that the Soviet Union is engaged in a parcel post scam aimed at securing the hard currency the Kremlin covets. The racket works this way: a package is returned to the West with one of the familiar stamps in French and the sender pays the Soviets a steep surcharge of 50-200 percent for postage and handling. The hapless sender is forced to turn to one of several Western firms which are registered with the Soviet government and are able to guarantee delivery for a $150-300 fee.

After the Soviets collect a "prepaid duty" from the firm, chances improve that the package will reach its destination. Between the surcharges and the prepaid postage, it is estimated that the Soviet government pockets a tidy $16-40 million a year.

The U.S. Postal Service has lodged repeated complaints with the Soviet Ministry of Posts and Telecommunications. Soviet responses have been perfunctory, and Soviet officials staunchly deny any wrongdoing: U.S. Postal officials testified that they shared the frustration of the victims of these Soviet abuses, and said they have revamped their procedures and issued a booklet, Guidelines for Mailing to the Soviet Union.

Such Soviet behavior is a clear violation of the Articles of the Constitution of the Universal Postal Union, the general regulations of the Universal Postal Convention, and the Final Act of the Conference on Security and Cooperation in Europe—all of which were signed by the Soviets.

Mr. Gilman offered House Concurrent Resolution 294 as a first step in addressing this problem. The bill requested the president to express to the Soviet Union America's disapproval of these violations of international agreements. Furthermore, it directed U.S. delegates to the recent Congress of the Universal Postal Union in Hamburg,

Germany, to raise the issue before the body and call for an investigation and possible sanctions against the U.S.S.R.

In line with the resolution, which sailed through the House and Senate by unanimous vote, our delegation offered four resolutions to correct these abuses. Although we did not mention the U.S.S.R. by name, the Soviets reacted vehemently. "We condemn the hostile and provocatory activities of Mr. B. Gilman," they declared, "which for many years have been aimed at disrupting normal mail traffic between the U.S. and the U.S.S.R."

"Investigation Inconnu" offers several lessons.

It demonstrates Soviet contempt for the basic norms of international law and their willingness to flout any treaties if it suits their purposes.

It indicates an escalating KGB effort to isolate the Soviet people from the rest of the world; and this, in conjunction with the sharp drop in emigration, telephone service, and other recent Soviet moves to restrict contacts with the West is a chilling omen of things to come.

Finally, and sadly, Mr. Gilman's inquiry shows that telegrams from Gorky prove nothing. We will know nothing for certain about the Sakharovs until we can get independent corroboration from non-Soviet sources. That brave couple are still, in Alexander Solzhenitsyn's words, "in the belly of the dragon," and we should have no illusion about the nature of the beast.●

A TRIBUTE TO W. BLAIR THOMPSON

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. TRAXLER. Mr. Speaker, I rise before this distinguished body today to pay tribute to a special individual on the occasion of his recent professional advancement within the General Motors Corp.

W. Blair Thompson, who currently resides in my district, will soon be leaving for bigger and better opportunities in the Detroit area as GM's vice president and group executive in charge of the eight-division mechanical components group. He will be sorely missed.

Blair began his career with General Motors in 1945 as a cooperative student with Saginaw Steering Gear Division. After receiving a bachelor of science degree in industrial engineering from the General Motors Institute in 1949, Blair held a number of engineering positions as Saginaw Steering Gear Division. In 1959, Blair was awarded a Sloan Fellowship and earned his master's degree from the Massachusetts Institute of Technology.

In 1966, Blair was named chief engineer of the Saginaw Steering Gear Division. Following his impressive career path, we find that in 1974 Blair was appointed general manager of Delco Products Division, in Dayton, OH, a post he held until 1981 when he was appointed general manager of Packard Electric Division in Warren, OH. In 1982, Blair returned to Saginaw as general manager of the steering gear division.

Since Blair's return to the Saginaw area in 1982, he has risen to a stature within the community of which few people can boast. The vast energies he has devoted to our community organizations and charitable activities have made Blair a pillar of the community. During his stay in Saginaw, Blair was noted as the top business leader in Saginaw County.

He is also a founder, along with myself, of the business-labor-government committee of the Saginaw Area Coalition for Economic Growth. This unique, precedent-setting coalition was formed to foster cooperation between business, labor, and government in order to promote and preserve jobs in Saginaw County.

He is also a member of the board of fellows of Saginaw Valley State College; and a member of the board of directors of both the United Way of Saginaw County and the Saginaw County Chamber of Commerce. Last year, Blair also received special recognition awards from the Tri-City SER and the Saginaw branch of the NAACP for his outstanding contributions to minority affairs in our community. And it cannot go without mentioning that under his most capable leadership, Saginaw Steering Gear Division was selected by General Motors to build its prototype "Factory of the Future."

Mr. Speaker, upon hearing this list of his outstanding accomplishments, I am certain that you and the Members of this distinguished body will join with me in saluting W. Blair Thompson. We wish him continued success in every future endeavor.●

HIP WO SCHOOL CELEBRATES 60TH ANNIVERSARY

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mrs. BURTON of California. Mr. Speaker, this month the Hip Wo School in San Francisco will celebrate its 60th anniversary. It is the oldest Chinese school in the United States. I wanted to bring to the attention of my colleagues the accomplishments of this fine institution. A synopsis of the school's history follows:

The Hip Wo School is the oldest Chinese school in America.

"Hip wo" stands for "unity and harmony."

Founded in 1924 by members of the Chinatown community and the Chinese Congregational, Methodist, and Presbyterian churches, Hip Wo has served over 15,000 students so that they would not lose their most vital asset, their cultural heritage.

Spanning over three generations of Chinese Americans, Hip Wo's students and alumni are the builders of a great East-West bridge carrying the best of both worlds, the old and the new.

They have made numerous contributions to America, and many are positive role models of the Chinese-American community.

The much-awarded Hip Wo Marching Drum and Bell Corps is one of the oldest Chinese-American drum corps in America.

Among its many accolades over the years, the Hip Wo Marching Drum and Bell Corps has recently added the first place trophy in the 1984 Chinese New year's Parade, an honor traditionally accorded to the premier drum corps of the community.

Through the Great Depression of the 1930's, World War II of the 1940's, the cold war of the 1950's, the social upheavals of the 1960's, the population and immigration booms of the 1970's and the 1980's, Hip Wo School has conducted classes in Cantonese and Mandarin, grades K-12, afternoons and evenings daily without interruption.

Cantonese and Mandarin are the two major dialects most commonly used and most widely taught in China.

The feelings of Hip Wo's alumni, students, faculty, administration, and board of directors are perhaps best summed up with these words:

Lest We Forget those who have gone before us to make our journey easier.
Lest We Forget those who have done so much to make us what we are.
Lest We Forget the children who must follow in our footsteps.
Lest We Forget those who have had to stand alone in the crowd.
Lest We Forget that tomorrow will always be better than today for what we have done.
Lest We Forget we are Chinese Americans.
Let Us Not Forget Hip Wo School and all who will follow in the generations to come.●

ALL-TOO-FAMILIAR HORROR STORY

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HUBBARD. Mr. Speaker, while in Kentucky during the August congressional break period, I read an excellent editorial published in the August 24 edition of the Paducah Sun, in Paducah, KY, the largest city in my congressional district.

The editorial, written by the newspaper's editorial writer Don Pepper, describes the tragic consequences that occur all too often when the criminal justice system in this country goes

awry. I commend Mr. Pepper for his thought-provoking editorial comments, and I urge my colleagues in the House to read them closely.

The editorial follows:

[From the Paducah Sun, Aug. 24, 1984]

ALL-TOO-FAMILIAR HORROR STORY

(By Don Pepper)

It's hard to know where to start when you try to assess blame for the gruesome murder of teenager Danny Bridges in Chicago.

You start with Larry Eyler, of course. If police are right, it was he who stabbed the boy, a 16-year-old prostitute, cut up his body into eight pieces and threw it away.

But there's a lot of blame to go around.

You could start with the neighbor who introduced the boy to homosexual sex at the age of 9. You could go on to the men who used him every time he'd run away from home. He ran away a lot during the seven years left to him, and he supported himself by prostitution.

He was interviewed by the Chicago Tribune once in a series about the thousands of children who run away from home every year and are exploited sexually. He also appeared on NBC television talking about the same subject.

Nobody seemed able to help him, though, as a police officer said, "He was a basically good kid who never had a chance."

Or you could start at the other side, with Eyler, a 31-year-old house-painter.

Eyler is being investigated now for 19 murders.

The one that makes you throw up your hands in helplessness is the next-to-last one. Police arrested him for the murder of Ralph Calise, 28, whose bound and mutilated body was found in suburban Chicago.

His bond was set at $1 million. But then a judge discovered that some of the evidence against Eyler—there was a bloodstained knife, handcuffs, tape and rope like that used in the murder—had been illegally seized by police from Eyler's truck.

Appalled by this violation of the rules of the game, the judge reduced the bail to $10,000. Eyler was able to post that all right, and he was released.

On Tuesday, they found young Bridges's body cut up into eight pieces and discarded in a trash container near Eyler's apartment. They arrested Eyler. On Thursday the grand jury indicted him. This time he's being held without bail.

We hope the police didn't violate any rules this time.●

THE PITTSBURGH JOB CORPS CENTER

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. COYNE. Mr. Speaker, more than 700,000 young adults have benefited from the services of the Job Corps during the past 20 years. In the Pittsburgh center alone, 1 of 3 in Pennsylvania, 7,000 young people have received training and job placement since 1972.

September 20 marks the 20th anniversary of the corps. For the Pittsburgh center and the 105 other centers around the Nation, it is Job Corps Day, a time to reflect on the accomplishments of two decades of successful work with the unemployed.

I know I share the feelings of my colleagues in congratulating the employees of the corps, and those who have made use of its services, on jobs well done. This is a Federal program which works. Congress should take note of the accomplishments not only on September 20, 1984, but on the day we vote to reauthorize this program so that others can benefit in the years to come.

At this point, I would like to include in the CONGRESSIONAL RECORD some details on how the Pittsburgh Job Corps Center has served our community:

PITTSBURGH JOB CORPS CENTER

Job Corps is the U.S. Labor Department's free enterprise answer to skill training for disadvantaged youth. Using the expertise and no-nonsense methods of the large corporate skills training systems, it offers residential, vocational and academic education plus behavior training, stipend, and medical care to motivated young adults from the poverty zone. Job Corps is twenty years old, established in 1964, and has 105 centers operating in 41 states, the District of Columbia, and Puerto Rico. The Pittsburgh Center, one of three in Pennsylvania, has opened training and job placement vistas for over 7,000 youth.

The Pittsburgh Center opened in January 1972 to 200 young men. It currently serves 340 young men and women. It is operated by Teledyne Economic Development Company in conjunction with the AFL-CIO Appalachian Council, Incorporated. Trades offered are: Auto Mechanics, Food Service, Telecommunications, Business/Clerical, Metals (welding), Building Maintenance, and Health Occupations. In addition there are 60 Corpsmembers who attend Community College of Allegheny County, Allegheny Campus. Approximately 180 males and 70 females live in strictly supervised dormitories. There are 90 non residential corpsmembers from the Greater Pittsburgh area.

Seventy percent of the entering corpsmembers at the Pittsburgh Center graduate; average length of stay is ten months. Also, a significant number of Pittsburgh graduates are sent to Job Corps Advanced Programs.

Other corporations operating Job Corps Centers under contract to the U.S. Department of Labor are Control Data, AVCO, Singer, RCA, and I.T.T. Along with business, trade unions are also very involved in the vocational training. Besides the AFL-CIO, other unions include the United Auto Workers, The Maritime Union, and The Home Builders Institute (National Association of Home Builders.)

OTHER JOB CORPS PERFORMANCE FACTS

A. The average Job Corps graduate returns the full cost of his/her program to the government via taxes paid on wages earned in five years, and is thereafter a net producer.

B. The average Job Corps graduate enters the labor market at a starting wage of $1.00 per hour higher than his/her counterpart who did not enlist in the Job Corps.

C. The Job Corps historically has had the support of both political parties, because it is the only consistent success among social reclamations programs.

D. The average Job Corps graduate is 65% less likely to enter the mental health, social assistance, or criminal justice systems than the non-Job Corps citizen from the poverty sector.

E. The health care services alone provided by Job Corps through medical interventions at a young age, eliminates costly drain on the public health system in later life.

F. Seven Job Corps enlistees in ten graduate; 95% are placed, most in full time, non-subsidized, higher-than-minimum wage jobs.

G. Job Corps is the largest single mobilizer of young women from the poverty sector into non-traditional, formerly all male trades, thereby significantly increasing the income of young women.

1. PITTSBURGH JOB CORPS CENTER COMMUNITY FACTS

A. Opening Date Corpsmember arrival: January 1972.

B. Geographic Background of Corpsmembers: 51.3% from Pennsylvania; 35.7% from Pittsburgh; 10.4% from West Virginia; 2.6% from other States.

C. Center Corpsmember Composition: 340 Corpsmembers of which 250 reside on Center and 90 are nonresident; 50% are black and 50% are white; 205 men and 135 women.

D. Total number of youths served to date: 7,000 +.

E. How Youth Enter: Economically underprivileged recruited by AFL-CIO Appalachian Council 232-3405 Joint Action in Community Service (JACS) 392-4484.

F. Organization: Operated by Teledyne Economic Development Company in conjunction with the AFL-CIO Appalachian Council under competitive contract (every two years + options) to the U.S. Department of Labor (Region III, Philadelphia, PA.

G. Enabling Legislation: Public Law 93-203 Title IV, 1973, PL 95-524, 1978 and PL 97-300, 1980.

H. Economic Impact on Pittsburgh: Over $4,500,000 a year represented by staff salaries, corpsmember's stipends, and goods/services purchased.

I. Future Developments: Center will move from its current address to the former Marcy State Hospital site (East Liberty/Homewood) in 1985.

2. PITTSBURGH JOB CORPS PROGRAM FACTS

A. Vocational Selections: Auto Mechanics; Food Service; Telecommunications; Business/Clerical; Metals (Welding); Health Occupations; Community College of Allegheny County (Various Courses); Building Maintenance.

B. Basic Education: Math; Reading; GED (General Equivalency Diploma); Cultural Awareness/Carry Over Community Living; Health Education; Driver's Education; Leadership Training; World of Work.

C. Advance Career Opportunities: Community College of Allegheny County; Clerical—Brotherhood Railway and Airline Clerks (BRAC) (Minneapolis); Chef's Treasure Island Culinary Arts School Maritime Union (San Francisco); Automotive Training United Auto Workers (UAW) (Utah).

D. Career Development: Orientation; Occupational Exploration Program; Work Experience; Community Outreach; Placement; Industry Work Experience Program (IWEP).

E. Center Life: Recreation; Corpsmember Government; Awards; Big Brother/Sister; Counseling; Group Life Program; Sports; Clubs.

F. Length of Stay for Completion: 90 days to 3 years depending on Corpsmember's progress.

G. National Enrollment: 40,000+Corpsmembers in 105 Centers; (⅔ contracted (to major industry) centers. ⅓ Government operated conservation centers.

H. What is the goal of Job Corps? To have Corpsmembers acquire entry level job skills and be able to live independently as productive citizens of the United States of America.●

QUIPPIAN CLUB

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. KOLTER. Mr. Speaker, I rise today to grant recognition to an organization located in the Fourth Congressional District of Pennsylvania. I am speaking about the Quippian Club of Aliquippa, PA.

I am proud to add my voice to the many others who have praised the Quippian Club as it gathers to celebrate its 50th anniversary. Many outstanding individuals have combined to make this organization the success that it has been for 50 years.

The Quippian Club has been involved in many worthwhile community projects over the years. Many exceptional students at Aliquippa High School have benefited from scholarships provided by the Quippian Club through its scholarship program. This club is a model of hard work and determination. It has helped raise the spirits, goals, and ambitions of many young adults. The club has continued its good works through very difficult economic times in an area that has been devestated by the recession and has not seen any recovery.

I applaud the Aliquippa Quippian Club for all its accomplishments of the past 50 years and I wish it another 50 years of continued success. To the members of the club, I wish many years of health and happiness. Congratulations, to all of you.●

U.S. TRADE DEFICIT AT ALL-TIME HIGH

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BEDELL. Mr. Speaker, while we were in recess for Labor Day, the Commerce Department announced that the U.S. trade deficit for July soared to an all-time world record for 1 month: $14.1 billion. Over $14 billion in just 1 month. This far exceeds the previous 1-month world record which the United States set in April. It also means that in just the first 7 months of this year we have roared past last year's all-time annual world record trade deficit.

Last year's $69 billion trade deficit was unprecedented in world history and shocking to us and to the Nation. But this year, just through July, the U.S. trade deficit was $73.8 billion; and it will be at least $120 billion for the year—possibly as much as $140 billion. By this time next year, U.S. foreign borrowing to offset these enormous trade and current account deficits will cause the United States to become a debtor nation for the first time since we emerged as a major world power in 1917.

These incomprehensible numbers represent the grudging loss to American producers of enormous markets both here and abroad. Once lost, these markets will be very difficult to win back. And this is not an isolated problem of one or two industries which have lost their competitive advantage to more efficient producers abroad. American agriculture, unquestionably the world's most efficient producers, saw their traditional trade surplus shrink in July to its lowest level since records have been kept.

The major cause of this economic crisis is the overvaluation of the dollar which, according to the Federal Reserve, has appreciated by more than 65 percent since July 1980. Just yesterday the dollar hit its all-time high on the Federal Reserve's index, and it is rising even more rapidly this year than it did in 1981, 1982, and 1983. Data Resources estimates American job loss due to the overpriced dollar at about 1.5 million; others estimate job loss in traded industries at over 3 million. Companies' profits have been severely squeezed as they fight to hang on to their markets—but they cannot hang on forever. Protectionist pressures have become intense.

We need action, and we need it now.

The National Association of Manufacturers [NAM] has recently sent a letter to Treasury Secretary Regan outlining their very serious concerns for the continuing effects of the overvalued dollar and seeking a meeting with NAM president Trowbridge, a group of NAM business leaders, and Secretary Regan to discuss the dollar problem. I wholeheartedly support this NAM initiative and I would ask that Mr. Trowbridge's letter to Secretary Regan be included in the RECORD.

I have introduced House Joint Resolution 585 directing the President and the Federal Reserve Board to take certain actions to lower and to stabilize the international exchange rate of the dollar. Both the National Association of Manufacturers and the AFL-CIO have joined with a number of cosponsors supporting this nonpartisan initiative. This binding resolution reaffirms the very responsible commitments which all the major industrial countries—including the United States—agreed to at last year's Williamsburg Economic Summit. It established the foundation for future congressional oversight into the implementation of these agreements.

Very briefly, House Joint Resolution 585 does three things:

First, it establishes the connection between the budget deficit and the expensive dollar, providing one of the most compelling arguments for immediate budget deficit reductions, and commits Congress to continue its efforts to reduce the budget deficit.

Second, it directs the President and the Federal Reserve to abide by the Williamsburg agreements and stengthen U.S. cooperation with the central banks of our major allies to reduce the misalignment of the dollar while ensuring noninflationary economic growth.

Third, it calls on the President to never say never concerning exchange market intervention. It directs the President to formally withdraw an early statement of blanket nonintervention in exchange markets except after a crisis arises, and to reaffirm the Williamsburg commitment of responsible exchange market stewardship.

I urge you to examine House Joint Resolution 585 and to support it. The European monetary system has illustrated that if there is a commitment to maintain reasonable and stable exchange rates it can be done. The United States must take the leadership role in addressing this fundamental economic problem. We must not continue down the self-destructive being followed today. The stakes are too high for us to wait until next year to act. I welcome your support of House Joint Resolution 585.

NATIONAL ASSOCIATION
OF MANUFACTURERS,
Washington, DC, August 15, 1984.

Hon. DONALD T. REGAN,
Secretary of the Treasury, Office of the Secretary of the Treasury, MT, Main Treasury, Washington, DC.

DEAR DON: I am writing to express our continuing concern that the high dollar has caused a serious erosion of U.S. competitiveness, and if uncorrected, ultimately will bring about a structural decline in our industrial base. While a weakening of the dollar was widely predicted in 1984 due to record U.S. trade and current account deficits, the renewed upsurge in the dollar's strength against all foreign currencies belies the assumption that the dollar must fall shortly. The result is the relentless increase in our trade deficit.

The trade deficit in 1984 is expected to be in the $100 billion to $120 billion range, a major increase over last year's record deficit of $70 billion. Most of the increase in the deficit is in manufactured goods, probably rising to $75–80 billion from last year's record $40 billion. As recently as 1980 the U.S. had a trade surplus of $5 billion in manufactured goods.

In the period 1980–83, in volume terms exports were down 22%, while imports rose 41%. Imports have been rising in this recov-

ery 3 times faster than the average rate of the past 5 recoveries. The import rise is across the board in manufactured goods and is not concentrated in consumer goods and automative products as in previous recoveries. Capital goods imports now exceed imports of either automotive or consumer goods. Capital goods import growth is astounding—during the first half of 1984 accounting for 25% of U.S. consumption, in contrast with 18% in 1983 and 8% in 1970. In 1981 the U.S. had a trade surplus in capital goods of $46 billion and during the first half of 1984 the surplus (annualized) had fallen to $15 billion.

Is the U.S. making up for capital goods, automotive and consumer goods trade balance declines in the high-tech area? Quite the opposite. In the first 5 months of 1984 imports were running at the annual rate of $55 billion, i.e., 35% higher than in 1983 and double the 1980 figure. The projected high-tech goods surplus for 1984 is $6 billion, in contrast with $17 billion in 1983 and $25 billion in 1980.

Employment in the manufacturing sector of our economy was 19.6 million in May 1984, half a million below the 1981 level and only slightly above the 1970 level.

The exchange rate for the dollar is the Number 1 cause of the poor U.S. trade performance. The Council of Economic Advisers estimates that about half the 1984 trade deficit is to be accounted for by the strong dollar. The other half is explained about equally by worldwide business cycle conditions (more rapid U.S. growth than growth abroad) and the developing country debt problem (particularly in Latin America).

Unfortunately, the administration has enunciated no credible strategy respecting the dollar exchange rate problem. NAM's Board of Directors expressed its views last February by unanimously adopting the enclosed exchange rate resolution. Our views can be summarized as follows:

How to Correct the Exchange Rate Problem: Reduce the Budget Deficit and Modify the Operation of the Floating Exchange Rate system.

We suggest a comprehensive approach to the value of the dollar and the improvement of the floating exchange rate system:

1. Reduce the budget deficit, thereby reducing interest rates and capital inflows.

2. Improve international consultation and coordination regarding macroeconomic policies among major countries, as recommended at the 1983 Williamsburg economic summit.

3. Reintroduce a greater degree of structure into the international monetary system, without resorting to excessive levels of currency intervention.

4. Raise the value of the yen by fully implementing the November, 1983 agreement made by President Reagan and Japanese Prime Minister Nakasone to internationalize the yen, and by other means. The May 1984 yen-dollar agreement is an important first step, but only a first step.

The major consequences of continued inaction with respect to the exchange rate for the dollar are these:

1. Further erosion of the U.S. industrial base, with negative distortion accentuated respecting our capital goods and high-technology industries, as well as unnecessary decline in traditional industries such as automobiles, steel and textiles.

2. Shortening the current economic expansion and adversely affecting future U.S. economic expansions because such a large part of the "multiplier" effect of increased U.S. consumption and investment is not taking place in the U.S. but is taking place abroad at the source of the production of the capital goods, high tech equipment, and other manufactured goods that are fueling the import boom.

3. Accentuation of the developing country debt problem because the combination of the high dollar and high interest rates adds to the difficulties of earning sufficient foreign exchange to service the debt, which is mainly denominated in dollars.

4. Creating great risks that when the dollar does begin to fall—perhaps some years from now—the fall may not be orderly but quite the opposite. Presumably huge trade and current account deficits will ultimately bring the dollar down, but will it be a soft landing?

We are, of course, mindful of the temporary advantages that can be ascribed to the high dollar: capital inflows to help finance the budget deficit and indirectly to keep interest rates from rising further, the anti-inflationary effect of imports at artificially low prices, and the short-term gain to our standard of living. However, each of these points has flip-side negative aspects which represent longer term major pitfalls for our economy.

I know that you have analyzed the subject of the high dollar extensively and the Administration may be doing more to deal with this problem than we are aware of. I suggest that I and a group of NAM business leaders meet with you at a convenient time to go into the exchange rate problem in a thorough way, particularly with regard to steps to help put in place a program that can enjoy widespread business support.

Sincerely,

ALEXANDER B. TROWBRIDGE,
President.●

RAY WEIGEL—A LIFETIME OF CARING, A LIFETIME OF INVOLVEMENT, AND A LIFETIME OF SUCCESS FOR MANY TO SHARE IN

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. VANDER JAGT. Mr. Speaker, businessman, community leader, philanthropist, humanitarian—we use these words often to describe various individuals who contribute in one way or another to the world in which we live. Rarely, however, are we able to apply these words to one man—and to demonstrate with the deeds of a lifetime that they are deserved.

It is with a great deal of personal pride that I take this opportunity to bring to the attention of the House the lifetime of dedication to his fellow man and personal achievement in both business and service of Raymond A. Weigel of Cadillac, MI, my own hometown.

Thirty-eight years ago Ray Weigel came to Cadillac and to Kysor Industrial Corp. as a young man dreaming dreams—seeking his vision of the future. In the decades since then he has, we sincerely hope, seen the fulfillment of his dreams. What we know is that his life and work have contributed immeasurably to the fulfillment of the dreams and visions of the countless number of people whose lives he has touched.

When Ray Weigel came to Kysor and to Cadillac, the city he is proud to call his home, it was to assume the position of assistant to the president of the corporation. In 2 years he was named general manager of the company—and 5 years later assumed the Presidency. The recognition of his business talent within the company was matched by the awareness of his colleagues in the business world and by those in the public sector. In one of the first of many appointments which recognized not only his business acumen but his dedication to his fellow man, Ray Weigel was one of the invitees to the President's Conference on Occupational Safety under the sponsorship of President Eisenhower in 1954. Twenty years later—Kysor having grown under his sponsorship and direction into a multinational manufacturing concern, Ray Weigel visited Kysor's joint venture in Monterray, Mexico, and before he left insisted on improvements in lighting and sanitation to enhance the quality of life for "his workers."

Over and over again, as he has taken a personal interest in the people around him, Ray Weigel has demonstrated the deep concern which he has for the people who work with and for him, and the people who share his life in the beauty of northern Michigan.

I would be remiss if I did not point out that these qualities of concern and compassion are enhanced by his wife, Wavelet, who has dedicated herself to sharing with Ray his zest for life and for touching and improving the lives of those who surround them. It was many years ago that the Weigels faced their own special medical crisis with their lovely daughter, Sandy, and out of that experience has grown a deep commitment to lessening the burdens which others bear. Time and again over the years, the Weigels have demonstrated, in their community and in the conduct of business, that the quality of life is sacred and that they take very seriously the responsibility which we each share as members of the family of man.

As Ray has demonstrated over the years his ongoing interest in the health and welfare of his employees, he continued from that early recognition, to demonstrate his dedication to his business and to his community.

Ray Weigel has been a one-man band, playing the song of the glories of Michigan in general and northern Michigan in particular, for all of his life. Ray contributed to the expansion of financial services to his home community of Cadillac by leading in the

organization of what is now the major financial institution in the Cadillac area. Over the years he has served in a number of ways to promote the interests of the State of Michigan and has been appointed by Governors of both parties to serve as a representative of the State in such diverse situations as an "Industrial Ambassador" to the Seattle World's Fair of 1962, the International Trade Advisory Council formed in 1965, and the Economic Alliance for Michigan which grew out of a continuing concern of State political and business leaders for the long-term economic health of our area.

In addition to lending his considerable business talents to the industrial world, Ray Weigel has taken the time to contribute to the development of young business efforts in his local area and in the State. As one example, in the early seventies he took under his wing a pair of young black entrepreneurs from Detroit and made available the business acumen of his colleagues at various levels at Kysor to develop a solid business which was able to provide products to such national retailers as K-Mart and Sears.

Not content with his commitment to schooling these young people in business, Ray expanded the social horizons of the people of Cadillac and Detroit by arranging that many of the tutorials were in the form of events which improved and enhanced the cultural awareness of both communities.

Today, some 30 years after assuming the presidency of the company, 20 years after becoming its chairman and chief executive officer, Kysor Industrial is a mainstay of the economy of northern Michigan—and indeed a powerful contributor to the need for expansion of Michigan's industrial base. That this is so is a testament to not only the hard work of Ray Weigel, but also to his vision and his willingness to dream dreams.

That the quality of life in Cadillac and the northern Michigan area is also immeasurably improved is witness to Ray Weigel's concern and sensitivity for his fellow man. A concern and commitment which continues and grows each day as he goes about the business of business and the business of life.

The people of the Cadillac area are going to recognize the special contributions of Ray Weigel to their community with a dinner on October 5, 1984. It is a testament to the esteem in which he is held that the dinner will be attended by business and political leaders from around the State. I will be proud to join them, and the people of Cadillac in recognizing a truly outstanding man—one who has indeed earned the right to be called businessman, community leader, philanthropist, and humanitarian. I am pleased to have this opportunity to bring to the attention of my colleagues in the Congress the achievements of this outstanding individual and know that they join me in wishing him well in the future.●

TRIBUTE TO PALISADES PARK LITTLE LEAGUE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. TORRICELLI. Mr. Speaker, I would like to take this opportunity to commend and recognize the great achievement of the Palisades Park Little League. Indeed it is quite a triumph that this team has earned the title of the New Jersey State Little League Champions.

I am very proud of this accomplishment and I know that the citizens of Palisades Park, NJ, join me in applauding the victory of the team manager, Marc Bozzetti, the coaches: Brian Casey, John Aversa, Sandy Brown, and Jim Fortanascio, and especially the players: Iaso Sekiguchi, Jim Ross, Joe Cirillo, Maki Takahashi, Matt Piccini, Sean Gurski, Tony Montemurro, Jason Hockenberry, Dave Vozzo, Ed Aversa, John Tarabocchia, Chris Pallotta, Mike McCarthy, Sandy Christian, Glenn Pallotta.

Congratulations on a fine performance.●

SIXTEENTH ANNIVERSARY OF THE SOVIET INVASION OF CZECHOSLOVAKIA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BIAGGI. Mr. Speaker, August 21, 1984, marked the 16th anniversary of the Soviet invasion of Czechoslovakia—an occupation that is still ongoing. At this time, I would like to recognize this infamous anniversary and reaffirm my unbending support for the aspirations of those Czechoslovakians who desire to live unshackled by the yoke of Soviet-sponsored Communist tyranny.

On August 21, 1968, in the midst of a summer of both great tension and hope for Czechoslovakians, the dreams and aspirations of true freedom for Czechoslovakia were shattered by a full scale invasion by the Soviet Red Army and the Warsaw Pact allies. When it was on the brink of reforms and changes that could have significantly made life better for all Czechoslovakians, the Soviet leadership saw fit to shatter that hope and maintain its brutal stranglehold over the Czechoslovakian people.

Within a year the Soviets had fully consolidated their hegemony over Czechoslovakia, yet, the Red Army has remained and Czechoslovakia remains firmly in the grasp of Soviet domination. The presence of the Soviet Red Army is a constant and grim reminder to all Czechoslovakians of the inhumanity, oppression and brutality of Soviet-sponsored communism. Despite the genuine desire of so many Czechoslovakians to be a free and independent people, Soviet rule continues to impose on the Czechoslovakian people a Communist dictatorship. It is a dictatorship that has consistently ignored even the most basic human rights and one that unjustly denies the Czechoslovakian people of their freedom and right to self-determination.

I feel it is vitally important that we here in the free world never forget the Soviet invasion of Czechoslovakia and the grim legacy of Soviet expansionism in Eastern Europe. The invasion of Czechoslovakia, the Soviet enslavement of Eastern Europe, the Soviet invasion of Afghanistan, the Korean Airline massacre, continuing Soviet violations of human rights, and the imposition of martial law in Poland to crush the hope for freedom raised by Solidarity, are all examples of the danger and brutality of Soviet communism. The 1968 Soviet invasion of Czechoslovakia was not an event that will disappear and be forgotten in the annals of history. That cruel example of Soviet disregard for freedom and self-determination has been repeated all too often since 1968. Poland, Afghanistan and the Korean Airline massacre all stand as vivid evidence of Soviet inhumanity and disregard for human rights.

The history of communism as practiced by the Soviet Union and evidenced by the enslavement of Eastern Europe and other sovereign nations should be heeded as a warning that the freedoms we now enjoy are indeed precious. To protect those freedoms we must never turn our backs on Soviet encroachments on human freedoms and basic human rights—both past and present. We must continue to express our unequivocal opposition to, and condemnation of, all Soviet violations of human rights and the rights of individual nations to self-determination. In doing so we must also continue to express our solidarity with, and unwavering support for, all those living under the yoke of Soviet-sponsored communism who seek freedom and self-determination. The history of communism as practiced by the Soviet Union has been one of unprecedented infringement upon human rights and national sovereignty. In commemorating the Soviet invasion of Czechoslovakia we must also reaffirm our commitment to stand up and speak out against Soviet injustices. To remain

silent would be an even a greater crime against humanity.●

TRIBUTE TO ZION BAPTIST CHURCH, HILLTOP, MD

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. DYSON. Mr. Speaker, I rise today to pay tribute to the parish of the Zion Baptist Church, in Hilltop, Charles County, MD. The members of this church will join together to celebrate their 100th anniversary this fall.

Zion was organized in 1884 under the guidance of Reverend Nelson, as an outgrowth of its mother church, the Mount Hope Baptist Church. In 1902, under the leadership of Rev. R.B. Ward, the first church building was constructed and was known as the Little Zion Baptist Church. Its membership came from near and far to hear the word preached by Rev. J.P. Mitchell, as he served the church for 15 years in faith and love.

Through the dedicated administration of Rev. E.T. Broadus, who succeeded Reverend Mitchell, many persons were converted and joined the little church. After 21 years of inspiration, Reverend Broadus retired and turned the leadership of the church over to Rev. G.W. Richardson.

Reverend Richardson served faithfully for 16 years and during this time a new building was started. With his officers Deacons Harrison Ross, Harry Warren, John Ross, Robert M. Dent, John Washington, Samuel Warren, Roland Garner, Yelly Warren, James Lee, Henry Riley, and Otten Swann work on the building progressed. The officers and members continued their efforts even after Reverend Richardson resigned, and their sacrifices, donations, and labors were finally rewarded in 1956 when the church was completed. At this time a young minister, competent and energetic, the Reverend Earl Mathis answered the call for a pastor of Zion Baptist Church, and served admirably for 2 years.

The little church searched for a leader with concern and prayer. Their prayers were answered as the Rev. Willis S. Wall accepted the call to Zion. Under his leadership, the church had a rebirth and much was accomplished in the glory of God. A gospel chorus was formed and hymns were sung to the music provided by a lovely new organ; worshiping parishoners welcomed the new pews and pulpit, and the communion table that was added. Numerous additions included carpeting, office equipment, an annex to accommodate the various church functions that continued to grow in size and spirit. As the word was preached and reached out to more and more, the small church grew and took on a new appearance both inside and outside. Reverend Wall celebrates his 25th anniversary as pastor of Zion Baptist Church in 1984. He deserves a great commendation for his dedication and service to God and man.

Today, many members of Zion Baptist Church are direct descendents of the original founders. Each week they continue to join together to share the spiritual fulfilment and love of God in the church that has been the fruit of their labors, and I am proud to share this moment in history with the members of Zion Baptist Church on their 100th anniversary.

A BILL TO ELIMINATE INTERIOR'S ANNUAL REPORT ON SHUT-IN OCS WELLS AND OTHER REPORTING REQUIREMENTS

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. JONES of North Carolina. Mr. Speaker, today I am introducing a bill, based on recommendations from the General Accounting Office [GAO], to eliminate certain reporting requirements of the Department of the Interior contained in section 15(1)(D) of the Outer Continental Shelf Lands Act [OCSLA], as amended, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendments of 1978 [OCSLAA]. The purpose of this bill is to eliminate unnecessary paperwork, resulting in a reallocation of resources to other important OCS activities, and direct savings for both government and industry.

Sections 15(1)(D) and 601 require the Secretary of the Interior to submit annually a list of all shut-in—not producing—oil and gas wells, and wells flaring—burning off—natural gas on leases issued udner OCSLA, and to indicate why each well is shut-in or flaring and the actions the Secretary intend to take with respect to such wells. In addition, the Comptroller General is required to evaluate Interior's report every year and report his findings and recommendations to the Congress. Section 606 requires the Secretary of the Interior to conduct a continuing investigation or the availability of OCS oil and gas resources, including a determination of the maximum attainable rate of production [MAR] of OCS oil and gas; an analysis of whether the actual production has been less than the MAR and why; an estimate of the total discovered and undiscovered OCS oil and gas resources; and an independent evaluation of trade association procedures for estimating OCS reserves and production capacity.

Since enactment of the Outer Continental Shelf Lands Act Amendments of 1978, GAO has issued five reports to Congress reviewing and evaluting Interior's OCS shut-in and flaring well reports. In its reports, GAO has questioned whether the Interior Department's reports have fulfilled the intent of the Congress and whether continuing to require such reports would serve a useful purpose. In its last report of October 24, 1983, the GAO found that Interior's report is less necessary in light of the full decontrol of oil prices in 1981 and since controls over natural gas prices are currently being phased out; that Interior had implemented GAO's past recommendations to improve it; that the report is expensive to prepare, and the resources spent could be better utilized and that eliminating the reporting requirement would not diminish Interior's responsibility for monitoring and regulating OCS lease activities to ensure efficient development of oil and gas resources. Therefore, the GAO continues to recommend the elimination of the reporting requirement.

The Department of the Interior has testified that the substantial time, money, and effort required to prepare the shut-in and flaring well report is an unnecessary burden, and the elimination of the report would release resources to serve higher priority needs. The preparation and review of the report costs both the Department of the Interior and the GAO a combined total of about $250,000 annually.

Another GAO report, issued on September 10, 1982, has recommended the repeal of section 606 of the OCSLAA to eliminate the data gathering and reporting requirements related to the maximum attainable rate of production [MAR] of oil and gas from significant fields on the OCS. GAO's report found that most of Interior's rate setting effort is not useful or necessary and could be curtailed; indicated that the production rate for significant fields, the MAR, is a hypothetical number of little practical value; and found that no apparent use was made of the MAR reports and that there was no interest in having them continued.

Although exact figures are not available, the costs on the part of both the minerals management service [MMS], which manages the OCS Leasing Program, and industry to collect and report on the production rates are significant. MMS estimates it spends about $231,500 yearly on OCS production rate activities, and GAO inquiries placed with just seven of the many oil and gas companies that operate on the OCS indicated their expenditures to be $426,500 annually.

Previously, H.R. 7076 reported by the Merchant Marine and Fisheries

Committee on October 7, 1982, would have eliminated the above-mentioned reporting requirements; however, no other action was taken on the bill, which was jointly referred to the Committee on Interior and Insular Affairs. Today, I am introducing these provisions in a separate bill to segregate them from more potentially controversial proposals to amend the OCSLAA.

Eliminating these costly reports would not remove the requirement on the Interior Department to report annually on the OCS Leasing Program, or its responsibility to ensure prompt and efficient OCS exploration and development. It would, however, reduce Government costs, and allow the taxpayer money to be put to better use. In times of mounting budget deficits and program reductions, we should not overlook the opportunity to economize and eliminate the annual expense entailed in preparing these reports.●

STATEMENT ON HUMAN AND LABOR RIGHTS

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HERTEL of Michigan. Mr. Speaker, as a Nation dedicated to the preservation of human and labor rights, our own policies must be clear, definitive and meaningful, and unwavering in execution. We must never relax our passion and our action in support of human rights. We must never fear discussions with peoples of differing values, differing histories and differing circumstances. Nor should we tolerate the jailing and torture of trade unionists because they hold unpopular or divergent political or religious views.

Basic trade union rights and the freedom that we have secured through years of struggle are taken for granted too often, but to workers deep in the dungeons of the Philippines, and to those in South Africa who suffer under the cruel system of apartheid, such rights and freedoms are a far-off dream. Vicious and brutal dictatorships are constantly at work attacking these basic human labor rights.

In Chile thousands of citizens are victims of political arrests and mass detentions while additional thousands remain in exile. In Argentina and Uruguay and throughout Latin America many workers live in a daily circle of fear. In Poland members of Solidarity have been jailed and key leaders await trial. In the Soviet Union dissidents are used as slave labor. In Korea workers have been imprisoned for organizing unions and in Turkey trade union rights have been abolished and more than 50 union officials face possible death sentences. In numerous other nations with widely differing ideologies, human rights abuses of labor run rampant. We must be diligent in our efforts to influence and persuade the adoption of sane human and labor rights policies by suspending all forms of military, technical, and economic assistance to all governments with blatent violations of the conventions of the International Labor Organization and the Universal Declaration of Human Rights of the United Nations. Silence and inaction in the face of clear abuses make us partners in this oppression of human and labor rights and is inexcusable. Our credibility before the rest of the world hinges, in large measure, on the credentials we earn in the field of labor and human rights here at home.●

SMART GARDENS MAKE CONSERVATION SENSE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. DYMALLY. Mr. Speaker, in the Western States, water is just about as precious as gold. We live in areas that would be deserts were it not for human hydroengineering genius. In recent years, many parts of the West have been tortured by drought. We have learned from our ordeals that engineering genius will solve only a part of our water problem. Conservation must solve the rest. That is why I wish to single out for special recognition the conservation efforts of the Dominguez Water Corp., a company serving several of the communities in the 31st Congressional District of California.

The company itself is an outgrowth of our proud Spanish tradition. Juan José Dominguez was the first recipient of a Spanish land grant in California. He and his family began to harness the water resources of southern California for the use of human enterprise over 200 years ago. As use of the land in the Los Angeles area turned away from cattle and agricultural use to domestic and industrial use, the descendants of Juan Dominguez founded the Dominguez Water Corp. It delivered water to its first customers through pipes made of redwood. Today it serves over 100,000 users including large corporations such as Shell Oil and Atlantic Richfield.

The Dominguez Water Corp. is one of the few businesses I know that has embarked on a concerted campaign to convince customers to use less of its product. The corporation is to be highly praised, because in encouraging its customers to use less, the corporation is preserving an increasingly scarce natural resource.

As in other parts of the country, westerners use a significant portion of their water resources to bring beauty to their surroundings. The corporation has wisely recognized that residential use of water for irrigation is an important area in which it can encourage conservation. The corporation hit on an ingenious way of cutting water consumption for landscape irrigation. They have identified a number of plants which need only small amounts of water to survive. There are a great variety of such plants, many producing lush foliage and attractive flowers. In its initial effort, the corporation planted its own "smart garden" which contains these water-conserving plants. Having proven the concept—irrigation needs for such gardens are only half what is needed to keep a conventional garden alive—the corporation has begun educating its customers about this method of conservation. Visitors to the Dominguez Water Corp.'s flourishing "smart garden" now are receiving not only instructions in how to set up their own "smart garden," but they also receive the first plant for the garden, compliments of the corporation. In the second phase of the "smart garden" project, the corporation has begun a water conservation contest among its customers. The home that reduces its water consumption most between the summer and fall of 1983 and the summer and fall of 1984 will be awarded a "smart garden" worth at least $1,000.

Dominguez Water Corp. administrators believe that the "smart garden" along with several other commonsense water-saving activities, some as simple as not running the dishwasher unless it is full, or putting water in the refrigerator to cool it rather than letting the faucet run, can reduce domestic water use in our area by as much as 50 percent. I wish to acknowledge here on the floor of the House of Representatives the corporate responsibility that has been shown by the Dominguez Water Corp. They set an example that all corporations would do well to emulate.●

TRIBUTE TO RALPH FERRANTE

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. KOLTER. Mr. Speaker, I would like to pay tribute to Mr. Ralph Ferrante, of Ellwood City, PA. As he nears his 75th birthday, I personally commend him for his unique accomplishment and work with the Ellwood City Moose Lodge.

Mr. Ferrante, an active member of the lodge since he joined in 1939, has held many posts throughout his service. He has served as deputy supreme governor, supreme outer governor, supreme inner guard, supreme sergeant-

at-arms, president of district No. 2, and president of the Western Pennsylvania Moose Association. Currently, Mr. Ferrante serves as the deputy director of membership and conservation. Through the years, his activities, particularly with the ritual staff of the lodge, have given him the opportunity to travel extensively. Also noteworthy is his participation in the lodge's many philanthropic endeavors.

Numerous awards and gifts have been presented to this distinguished gentleman for his achievements in the Moose organization. Upon enrolling 250 members into his lodge, he was given a gold plate and was granted a lifetime membership. He also holds the honor of being recognized as a member of the 25 Club in the 1,000 Division, and a member of the Pilgrim degree which is the highest order of the Moose Lodge. On November 13, 1983, Mr. Ferrante sponsored the Pittsburgh Pirate third base coach Joe Lonnett as the 1,000th member he enrolled.

A former employee of the United States Steel in Ellwood City, Mr. Ferrante retired after 43 years of service. He has been married to the former Anna Mitchell for the past 46 years, and they are the proud parents of 4 children, grandparents of 11 grandchildren, and great-grandparents of 12 great-grandchildren.

I know my colleagues will join me in honoring Mr. Ferrante for his service and dedication. I wish him 75 more years of health and success.●

U.S.S. "CONCORD" 39th ANNUAL REUNION

HON. J. KENNETH ROBINSON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. ROBINSON. Mr. Speaker, I wish to call to the attention of my colleagues the occasion of the 39th annual reunion of the crewmembers and officers of the U.S.S. *Concord* (CL-10), a World War II battle cruiser. The reunion is being hosted by my friends and neighbors, Dottie and Joe Himes, in my congressional district, in a little village called New Baltimore, VA, from the 18th to the 22d of this month. These men, who have been meeting together annually since the close of World War II, were aboard the U.S.S. *Concord* during the heat of battle with the Japanese, and were credited with firing the last naval salvo of World War II. The Navy Historical Center has confirmed this occurred a few seconds after 8:06 p.m., August 12, 1945—Japan time.

The *Concord* was commissioned on November 3, 1923, in Philadelphia. As the flagship of destroyer squadrons she cruised the Caribbean and Hawaiian Islands until 1934. She took part in Presidential fleet reviews made by President Franklin D. Roosevelt in 1935 and 1938.

Subsequent to the United States entry into World War II, the *Concord* was assigned to Southeast Pacific Forces, escorting convoys to Bora Bora in the Society Islands. In mid-1943, she was assigned by President Roosevelt to carry Rear Adm. Richard E. Byrd on a special tour to survey the use of South Pacific Islands for potential American airbases. During this cruise, a tank exploded at the stern of the ship, causing extensive damage and killing 23 members of the ship's crew, including the executive officer. In accordance with international law, the dead were buried at sea.

At the time of the explosion, the ship was steaming alone. With the rudder completely destroyed, she laid immobile in enemy waters, without air cover, for about a week. The engineering crew worked diligently to make temporary repairs. By using the outboard screws for steering, the ship headed out of enemy waters, and finally managed to reach Balboa, in the Canal Zone, where repairs were made.

In March 1944, with the repairs completed, the *Concord* set sail northward to join the Northern Pacific Force at Adak, AK. She participated in a dozen bombardment runs on the Kurile Islands and encounters with Japanese ships. During this period, "Tokyo Rose" was heard to broadcast, "Sorry to report the U.S.S. *Concord* and task force have been sunk, with loss of all personnel. The Emperor and Japanese people express their deepest sympathy for their families in the United States."

Despite Tokyo Rose's broadcasts, the *Concord,* as flagship of the task force, proceeded to carry out her operation order to destroy designated targets at Suribachi Wan Paramushiru. It was on this mission, subsequent to the dropping of the atomic bombs on Hiroshima and Nagasaki, that the *Concord* completed firing and all ships were ordered to return to their home base. The date was August 12, 1945.

During the return voyage to Adak, the *Concord* received word that Japan had surrendered, and that all naval action directed toward Japan should cease.

Shortly thereafter, the Department of the Navy verified that the U.S.S. *Concord* had, indeed, fired the last naval salvo of World War II.

After a brief assignment with the occupation forces in Ominato, Japan, the *Concord* was designated as a unit of the Victory Fleet, and proceeded to Boston, MA, via Pearl Harbor and the Canal Zone.

Mr. Speaker, I am pleased to be able to offer this recognition to this very special group of sailors for their strength of mind and spirit that enabled them to encounter danger with firmness and personal bravery. I salute them, and wish them, and their wives, a most successful 39th annual reunion.●

TRIBUTE TO LARRY DOUGLAS BURTON

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. DIXON. Mr. Speaker, it is with great pleasure that I rise to pay tribute to an outstanding and energetic individual whose diligence and expertise have played an integral part in the expansion and prosperity of the Los Angeles Minority Development Center. Mr. Larry Douglas Burton, executive director of the center, has been responsible for securing over $16,500,000 in capital and marketing opportunities for minority entrepreneurs. His dedication and perseverance have enabled the center to improve the growth and economic opportunities for minority owned businesses throughout the Los Angeles community. The center, which began operation in October 1983, was designed to assist minority entrepreneurs in the expansion, acquisition, and development of their business ventures.

Today, under the direction of Larry Douglas Burton, the center continues to be an invaluable source of information and ideas for minority entrepreneurs. Additionally, the Los Angeles Minority Business Development Center has developed a comprehensive economic outreach program for minority owned businesses that provides assistance with expansion efforts. It is with a tremendous sense of pride that I would like to note that the Los Angeles Minority Development Center, is located in the 28th Congressional District, which I am proud to represent. I am honored to acknowledge and commend the Los Angeles Minority Business Development Center and its executive director Mr. Larry Douglas Burton for their outstanding accomplishments with minority entrepreneurs and wish Mr. Burton continued success.●

HONORING SOUTH COAST REPERTORY THEATRE

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. PATTERSON. Mr. Speaker, I would like to make my colleagues aware of an exciting theater anniversary in California. Orange County's resident professional theater, the

South Coast Repertory, has for 20 years served all of southern California with the theater produced to the highest professional standards.

The South Coast Repertory was founded in 1964 by David Emmes and Martin Benson in Long Beach. In the summer of 1964 Mr. Emmes and Mr. Benson decided that a new location was needed outside the commercialism of Hollywood and Los Angeles. Orange County was selected.

Today, the South Coast Repertory is enjoying its sixth season in the Fourth Step Theatre, a $3.5 million complex which was built through community support in 1978. This complex houses two stages, a 507-seat mainstage and an intimate 161-seat second stage. The South Coast Repertory conducted the first large-scale capital fundraising campaign for the performing arts in Orange County. This effort has served as an inspiration to all cultural institutions in the county, and I am hopeful that it will encourage other similar endeavors in the future.

The South Coast Repertory reaches over 250,000 Orange County citizens per year through its mainstage and second-stage productions, acting conservatories, and special Outreach Programs, such as "Second Lives," which explores the richness of our ethnic communities.

The South Coast Repertory also serves children and students through the Educational Touring Production which visits over 200 schools per year. This is done through the Living Theatre project which brings high school and college students to the theater to experience the masterpieces of world dramatic literature, and through the Young Conservatory, which provides classes in acting, speech, and movement to over 800 children per year.

Because of these outstanding programs and excellent performances, the South Coast Repertory attracts national attention to the Orange County area. They are able to bring talented artists from around the country to its stages. In addition, the South Coast Repertory has become nationally known for presenting world premiers by emerging American writers and American premiers of new works by playwrights.

These factors all contribute to the metropolitan character of Orange County and to the general quality of life in our community. The positive economic impact on the county is some $12 million in business per year, which helps make Orange County more attractive to business and enhances the quality of life for all of us.

Finally, the South Coast Repertory has demonstrated fiscal responsibility, balancing its rapidly growing program by enlarging its audience and attracting support from a broad partnership of civic, governmental, corporate, philanthropic, and individual donors. I would also like to commend all of the civic leaders and elected officials who have been involved for their steadfast support.

I urge my House colleagues to salute the South Coast Repertory for its community enhancement and involvement. I hope that one day each and every community will be blessed with such a fine organization.●

TRIBUTE TO THE MARYLAND FOOD COMMITTEE

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Ms. MIKULSKI. Mr. Speaker, on September 6, 1984, the Maryland Food Committee celebrates its 15th year assisting the hungry and addressing concerns of the needy. On this occassion, I want to pay tribute to their efforts and successes.

Founded in 1969 by members of the ecumenical community, the Maryland Food Committee has funded and assisted more than 130 emergency food centers, as well as distributing over 400,000 pounds of food each month. In addition, the Maryland Food Committee participates in task forces and studies addressing the needs of the poor and hungry, and works with local businesses on food drives for the unemployed.

Because September has been designated hunger month in Maryland, the food committee's anniversary is particularly commendable. Hunger is one of the fundamental moral issues facing the world today. In Maryland, the food committee has helped highlight and meet the needs of the hungry. I applaud their work and lend them my support for their continued efforts.●

THE TRIGGER-HAPPY RUSSIANS AND FLIGHT 007

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BROOMFIELD. Mr. Speaker, as the free world marks the first anniversary of the tragic downing of flight 007, the Russians still refuse to promise that they wouldn't do it again. In essence, they would violate international law and signed solemn agreements in order to protect their air space. The following Washington Times article on the loss of the airliner highlights the continuing callousness on the part of the Soviets regarding this incident.

The brutal downing of Korean Air Lines flight 007 on September 1, 1983, took the lives of 269 innocent men, women, and children. Among the 61 Americans on board was Representative Larry McDonald of Georgia. How ironic that he should have died at the hands of a country he so often warned his colleagues about.

After denying any knowledge of the shocking shootdown of the unarmed civilian airliner, the Soviets finally admitted that they had shot it down. They claimed that it had violated Soviet airspace in order to spy on Soviet military facilities.

The Kremlin concocted a disinformation plan and had a story printed in a British magazine that restated their claim that 007 was a spy plane on a spy mission.

On numerous occasions the Soviets interfered with Japanese ships trying to recover pieces of wreckage from the destroyed airliner.

Later, Soviet spokesmen defied worldwide moral outrage by saying that the defense of Soviet territory was a "sacred duty." The Kremlin was bold enough to threaten to handle future overflights in the same manner.

No nation in the world should shoot down an airliner with such reckless abandon. International air agreements, which the Soviets have signed, clearly spell out appropriate aircraft identifying procedures and warning signs. By firing first and asking questions later, the Soviets continue to show the world that they are ready, willing, and able to breach the most fundamental principles of international law and civilized behavior to advance Soviet military ambitions.

Shooting down unarmed airliners is nothing new to the Soviets. They have shot down lost or straying U.S. military aircraft and have even lured U.S. military aircraft across Eastern European borders and then shot down the unarmed aircraft. They are proven masters in the business of blowing innocent aircraft out of the sky. According to newspaper accounts, a Soviet SU-15 fighter aircraft entered Swedish airspace on August 9 and followed a Swedish airliner for 28 kilometers prior to breaking off contact. Their actions, however, essentially go unpunished.

As we pause to mark the first anniversary of the tragic loss of so many innocent people, let us never forget that trust is an essential element in building international understanding and promoting peace. The Soviets must do more than sign international accords. They must comply with these important agreements. Credibility is the bottom line in relations among nations. Based on Soviet performance, they clearly don't have it.

With these serious concerns in mind, I strongly recommend the following article to my colleagues in the Congress.

The article follows:

[From the Washington Times, Aug. 29, 1984]

SOVIETS STILL WON'T PROMISE NOT TO SHOOT DOWN AIRLINERS

(By Bill Outlaw)

A year after it shot down Korean Air Lines Flight 007, the Soviet Union won't give assurances that it wouldn't do it again, a senior State Department official said yesterday.

"KAL [remains] another unfortunate example of the Soviet propensity to use force and offer explanations later," he said. The grim effects on U.S.-Soviet relations "will linger," he said.

This official, who spoke on the condition he not be identified, said he believes the Soviets shot down the airliner on Sept. 1, 1983, killing all 269 persons aboard, because they honestly thought it was spying on Soviet defense installations. The Reagan administration has rejected that allegation many times.

"My personal suspicion is that they believed they were shooting down a spy plane," the official said. This in no way mitigates the barbarity, he said.

"The circumstances of the KAL incident will probably never be entirely clear," he said, "but we can identify the principal issue: The Soviets shot down an airliner without sufficient identification."

"I think if you had a plane headed toward Omaha of this sort, I cannot imagine that we would simply shoot it down without identifying it," he said.

One of the difficulties in dealing with the Soviets, he said, is "they never admit they are wrong."

"From their standpoint, what was wrong was not the shooting down of the airliner and the loss of 269 lives, but the way it was 'exploited' by the United States," he said. "They took it [criticism] in bizarre but characteristic fashion as part of an American campaign to isolate and blacken them in world opinion."

The Soviets were in a "heightened state of alertness" at the time of the shooting, he said, and this "produced a decision to shoot first and ask questions afterward." The official, who deals with Soviet affairs, repeated the consistent U.S. charge that the Soviet fighter attack on the KAL plane was "a violation of international law."

The state of mind of the Soviet commanders who ordered the shooting reflected the traditional Russian suspicion that the rest of the world is hostile toward them, he said.

He noted that at the time of the incident, Soviet leaders had opened a series of measures "designed to isolate the country from influences over which they had no control."

Those measures included tightening telephone communications with the outside world and raising customs barriers to packages from outside the Soviet Union.

"I can imagine a heightened vigilance over the borders would be consistent with this state of mind," he said.

But the Soviet allegation that the plane was on an intelligence mission was "totally false," he said. "The United States doesn't use airliners for intelligence."

He said U.S. officials still do not know why the jet was about 200 miles off course, and at the time no one in the U.S. government was aware the jet was so far off course.

The plane had strayed about 10 degrees off course and was leaving Soviet airspace over the Sea of Japan when it was downed by heatseeking missiles fired by a Soviet MiG fighter. There were no survivors.

Among those killed was Rep. Larry McDonald, D-Ga., one of 61 Americans aboard the plane.

Part of the reason there still is no clear indication of why the jetliner strayed into Soviet airspace, this official said, was that the Soviets have not shared the information they have on the shooting with the United States.

He said the 1983 incident dealt U.S. hopes of improving relations with the Soviets a "body blow," and that those relations became further strained with the U.S. deployment of intermediate-range nuclear weapons in Europe and the Soviet decision to suspent two sets of arms-control talks with the United States.

The United States did not take the matter before the International Court of Justice. It judged this to be a fruitless approach given the fact that the Soviets do not recognize the international court as a way of settling disputes.●

TRIBUTE TO CALIFORNIA VETERANS' HOME IN YOUNTVILLE, CA

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mrs. BOXER. Mr. Speaker, whereas the Veterans of Foreign Wars of the State of California, in support of the California Veterans' Home at Yountville, is celebrating its 100th anniversary; and

Whereas over 1,300 California veterans reside in the Yountville home—all of whom are held in high regard for their service to our Nation; and

Whereas California takes pride in the years of service to our State and our Nation by devoted veterans; and

Whereas California is truly honored to convey its best wishes to the residents of the Veterans' Home in Yountville, therefore.

I, Congresswoman BOXER, join with my colleagues in California, in wishing a very personal congratulations on the celebration of Hospital Day North, on September 16, 1984.●

TRIBUTE TO MART NIKLUS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BIAGGI. Mr. Speaker, at this time I would like to pay tribute to Mart Niklus, the brave Estonian human rights activist, who is currently being held in a Soviet prison in Chistopol.

On September 22, 1984, Mart Niklus will be celebrating his 50th birthday. It saddens me that this great man will have to celebrate this occasion in Chistopol prison—a living symbol of the inhumanity and brutality of Soviet communism. I was honored to have taken part in an effort to save Mart Niklus. I was among many of my colleagues who signed birthday cards and sent them to Mart Niklus. This effort was organized by the Estonian American National Council. Their intention in this noble effort was to get congressional support in showing the Soviet authorities that we here in the free world are aware of the inhumane treatment of Mart Niklus, and will not remain silent in the face of continuing Soviet violations of basic human rights.

Throughout his life Mart Niklus has spoken out for what he believed and has not been afraid to sacrifice his own personal freedom for the cause of gaining the freedom of his fellow Estonians. He was first imprisoned in 1958, and sentenced in 1959 to 10 years of hard labor, followed by 3 years of internal exile for sending 15 photographs depicting conditions in Soviet-occupied Estonia to a Western journalist. In 1966, he was finally released after spending 8 years in Soviet labor camps and prisons. From 1966 to 1979, Mart Niklus was constantly harassed by the KGB and forced from his position at the Taru Foreign Languages Institute in 1979. He was denounced several times in government controlled Soviet newspapers. On January 8, 1981, after being arrested in 1979, Mart Niklus was sentenced to 10 years special regime hard labor camp and 5 years internal exile for anti-Soviet agitation and propaganda. This was yet another grim example of Soviet injustice and oppression. Despite his weakened physical condition due to a hunger strike and a worsening condition of radiculitus, the Soviet authorities in the Estonia Socialist Republic's supreme court sent him to a labor camp at the foot of the Ural Mountains. In 1983 he was transferred to the Chistopol prison where he currently is in the midst of another hunger strike and his health is rapidly deteriorating.

This tragic case is a vivid example of the type of treatment human rights activists get in the Soviet Union. The Soviet authorities' brutal treatment of Mr. Niklus and their continual refusal to recognize even the most basic of human rights must never be overlooked. Despite the efforts by the Soviet Government to discredit him, Mart Niklus stands as symbol of Estonian resistance to the Soviet occupation of Estonia. He also stands as a strong symbol to all those living under the yoke of Soviet tyranny who desire to live in freedom. Mart Niklus is not alone in his struggle. There are countless others throughout the Soviet Union who have spoken out for human rights—most of these brave men and women have been subject to great personal suffering at the hands of the Soviet authorities. We here in

the free world must continue to express our solidarity with and unbending support for these courageous freedom fighters who continue to be oppressed by Soviet communism.●

AGRICULTURAL MARKETING ORDERS

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. FAZIO. Mr. Speaker, from time to time concern is expressed in the House about agricultural marketing orders. They are poorly understood. They are frequently characterized as "archaic." The arguments about them generally get reduced to "farmers want high prices" on the one hand and "consumers want low prices" on the other. Often they are scorned as "New Deal-like intrusions into the free marketplace." These misunderstandings, however ideologically seductive or intellectually relaxing, do neither farmers nor consumers any good.

Agriculture, particularly certain crops, is acutely vulnerable to only minor weather variations, to marketplace fluctuations and to product perishability. Marketing orders for these crops are smaller farmers' attempts to respond collectively to these uncertainties. Small farms cannot survive the wild swings in weather, markets, and other conditions unless they do band together. To the degree they establish a security for themselves through collective action, a marketing order is similar to a labor union.

Large, financially diverse institutions which have farming as a component can survive economic roller coasters because they can use independent resources to carry their agricultural divisions through them. Then, when the smaller farmers go out of business, the larger ones could fill in. Ultimately, they could dominate the market, and that would not be good for consumers.

Among other lazy characterizations of marketing orders is that their purpose is to "keep crops off the market so the prices are high." What goes unsaid, typically, is that marketing orders also provide crops to markets at moderate prices when they would either be extremely expensive or not available at all.

They enable agriculture to operate on the average; the price to consumers in the short run is the average between the high and low that would otherwise occur. In the longer term the price to the consumer is lower, because more suppliers are kept in business and more of the crop is available for purchase.

I would commend to my colleagues the following article written by Roger Baccigaluppi, president of the California Almond Growers Exchange and of the National Council of Farmer Cooperatives. It illuminates how marketing orders really work, what purpose they really serve, and the benefits they really confer. Note particularly that all of a crop is ultimately sold; moderating the flow to the market is not at all the same as withholding from the market.

[From the Farmer Cooperatives, April 1984]

ALMOND MARKETING ORDER PRIME EXAMPLE OF SERVING PRODUCER, CONSUMER INTERESTS

(By Roger Baccigaluppi)

Federal marketing order for almonds is a prime example of what these programs are designed to do. The almond order was instituted to stabilize the industry and allow for growth so consumers would have a stable supply of nutritious food.

Through judicious application of the volume control provision, the almond industry simultaneously stabilized domestic supplies and developed extensive export markets. The industry made effective use of the marketing order provisions for statistical review and reporting of the crop, production research, quality control, and promotion. It continues to be effective in improving market opportunities for growers.

The almond marketing order was initiated in 1950 amid chaotic conditions in the industry. U.S. production was excessive. Inexpensive imports were being delivered to our markets from Italy and Spain. Growers were suffering, many on the verge of going out of business. Thus, the primary purpose for instituting the order was to provide volume controls that could allow product diversion from the domestic market in oversupply years.

Through the volume control provision, the industry developed and expanded its export marketing program. Initially, the program was lower priced than the domestically marketed product, but within a few short years a world market was established and prices were equalized. In the last two decades, there has been no real difference between domestic market prices and those in the export market. Almond exports have provided an outstanding source of foreign exchange earnings, currently accounting for about 1 percent of total U.S. agricultural exports. Almonds are California's leading food export product and the Nation's top horticultural export.

ORDER AS MANAGEMENT TOOL

In 31 years of the order's existence, no quality almonds have been diverted from edible channels. The order has been used as a management tool, not as one to destroy edible produce that might otherwise go to the consumer. By managing almond supply properly, it has moderated wide swings in production often characteristic of agricultural products and lessened consumers' exposure to problems associated with short-supply years.

Other added provisions have become extremely useful tools within the industry such as an advertising assessment, production research, and quality control. They provided meaningful benefits to thousands of California almond growers and a plentiful supply of quality product to consumers.

The almond marketing order contains a provision for unique volume regulation. It establishes a reserve percentage. It operates so this reserve is not turned over to the board to market or destroy. Rather, a handler can become an agent in marketing this reserve. The procedure encourages the handler to market production in a manner to improve growers' return and make the product available to consumers.

In addition, the order says any reserve must be allocated by May 15, of the coming marketing year. This precludes the perpetual buildup of surplus or reserve that can be detrimental to marketing efforts.

Another major feature permits collecting and publishing important statistics pertaining to production and disposition of the California almond crop. In contrast, when concerns over an energy shortage first occurred, some felt we did not know the parameters of our petroleum industry and therefore could not determine the severity of the problem.

Such is not the case in agriculture with its effective marketing orders. These orders permit extensive collection of data on crop quantity and movement and make this information available to the public.

The quality control provision enables the industry to police quality of its products. It removes incentives for handlers to "get by" with poor-quality merchandise. Damaged merchandise must be placed into inedible channels such as the production of almond oil.

Recent statistics show the U.S. almond industry has made significant progress in quality control aided by its research efforts, also carried out under the order. In recent years, only 3 to 4 percent of the crop consisted of inedible kernels, well below the 5-year average (1976-80) of 5.6 percent. Quality control provisions do not withhold material from the market that is edible but undersized.

RESEARCH, DEVELOPMENT, PROMOTION

Research allows producers to study better methods of growing the product including reduction of crop damage from insects.

Industry advertising and promotion inform the public of the availability and benefits of almonds and helps growers market increasingly larger crops. Both the 1981 and 1982 marketing years set records for domestic consumption, due largely to brand and generic advertising and sales promotional programs. These efforts brought the almond into an era of greater public recognition, acceptance, and popularity. Almonds now lead all other U.S. nuts in per-capta consumption and also lead in the growth rate in U.S. consumption.

The almond industry is a concrete example of how well marketing orders work. We had a large carryover from the 1980 crop, plus record-high production in both California and Spain. World supply was expected to be nearly twice as much as had ever been consumed. In July 1981, the Almond Board of California requested establishing a 25-percent reserve on that crop. After considerable discussion and delay, it was finally established, halting the precipitous decline in prices since the reserve was first requested.

By February 1982, thanks to dramatic improvements in consumption and slightly smaller crop than had been estimated, part of the reserve was eliminated. By May, the entire reserve was eliminated, making the crop 100 percent salable. No almonds were diverted to other uses or destroyed. All were consumed by people somewhere in the world at low prices, but from the growers' standpoint, a better alternative than if the reserve had not been established.

A year later, the almond board met again. Outlook was for a smaller, but still large

crop in California and Spain. Both countries had large carryovers. Nevertheless, the board unanimously felt the crop could be handled without any major reserve. A 2-percent reserve was established to develop new markets, primarily almond butter and the school lunch program.

These reserve programs are established with the consent of the Secretary of Agriculture, but costs are borne by individual growers. In the case of the 1981 crop, lower prices, costs of storage, and costs of delay in payment were borne by the growers. Some of the almonds in reserve were not shipped until December 1982. Funds were not collected until January or February of 1983.

Based on early plantings, projections for the 1983 would supply were optimistic both for California and Spain. We were prepared to manage that and invoke a somewhat larger reserve than the 2 percent in 1982. Widespread frost in Spain, and huge weather losses in California, cut the crops in both countries to less than half.

In 1983, the major producing countries grew more than 100 million shelled pounds less than the world consumed in 1982. Just imagine what that situation would do for prices and consumption without carryovers from the reserve program, particularly the one in 1981.

ALMOND CONSUMPTION UP

Almond consumption is increasing almost everywhere in the world. In 1981, U.S. almond consumption was up almost 21 percent and export consumption grew about 10 percent. During the 1982 crop year, domestic consumption grew another 11 percent. And so far this year, domestic consumption is up another 10 percent.

Our big challenge this year has been to keep consumption growing, an impossible task without the reserve program. All 1981 crop almonds would have been "dumped" to turn them into cash as soon as possible. There would have been no discipline to manage the crop in anticipation of some future failure.

The 1983 crop prices are higher than 1982 or 1981, but substantially lower than they would have been without the 1981 reserve. Similarly, grower prices on the 1981 crop were higher than they would have been without the marketing order. But isn't it more desirable to manage the supplies of a permanent crop so prices remain "reasonable" and increase consumption?

Marketing orders help everyone—growers by keeping prices a bit higher in years of plentiful supply; consumers by keeping prices lower than in years of short supply; and Government because they are paid for by the growers involved, not by the Federal Treasury.

Most segments of American industry decide how much they want to produce in accordance with how much they expect to sell. In fruit and nut crops, the weather decides how much the growers will have to sell and sales forecasts must be based on what they produce.

Less than 1 percent of all marketing order administrative costs, (less than $6 million per year) are borne by USDA. This also means more than 99 percent are absorbed by producers.

Marketing orders are the backborne of the small grower—the family farmer. Of recent votes taken among small growers, support was more than 85 percent in favor of marketing orders.

At the inception of the marketing order, the California almond industry handled about 40 million pounds of almonds per year. In recent years, the industry has successfully marketed crops as large as 407 million pounds. Almonds are the largest tree crop in California. The marketing order encourages production in a manner fair to the consumer. Consumer value has been maintained and the public has a wholesome and healthful food product at a reasonable price. Simultaneously, almond growers have been able to produce a crop and realize a return in most years, thus allowing them to stay in business.●

TRIBUTE TO HYUN SEONG SOO

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. DYMALLY. Mr. Speaker, since coming to the House of Representatives, I have served on the Foreign Affairs Committee. Each year that I serve, my conviction grows that we do not have enough opportunity to get to know our government counterparts in other countries. We make policy decisions that have impact abroad. Yet, we often have an inadequate understanding of the officials in those other countries who must respond to the actions we take. Often we are unaware of the internal political forces that govern their perception of our decisions.

For nearly 4 years my office has had the good fortune to host a fellowship program for staff members of the National Assembly of the Republic of Korea. Next week, Mr. Hyun Seong Soo, the fifth fellowship recipient of this program will complete his tour in the United States by spending time working alongside staff members in my California district office. For the past 4 months, Mr. Hyun has worked in my Washington office. He has attended hearings, observed floor debate, and consulted with staff members of various committees. He was able to enroll and attend classes at both the Department of Agriculture Graduate School and George Washington University. Moreover, he has interacted daily with members of my staff. We have gotten to know Mr. Hyun, and through him, Korea in a way that cannot be approached by a committee brief or even by a hearing. Korea is not just a place; it is people, some of whom I know because I have worked with them. It is this link of people to people that I think holds the greatest hope for world peace, world stability and shared prosperity.

Peace Corps members returning to the United States often say that they received at least as much from their host country as they gave in service to that country. I think we can say we have received at least as much from Hyun Seong Soo as we have given. One of the most fascinating things I have gained from him is a feeling for differences between the legislative processes of our two countries. Mr. Hyun is a staff member of the bill drafting department of the Korean National Assembly. The responsibility of that office seems to be much greater in scope than is that of our office of Legislative Counsel. The Korean bill drafting department has an important advisory function to Members and their committees. Not only does the staff draft legislation, it also is able to help determine whether or not legislation should be drafted. And the department responds to the legislative requirements of both the legislative and executive branches. One thing that makes these functions possible is that National Assembly staff members normally make a career of their service to the Assembly. They, therefore, become long-term repositories of expertise. This practice is of course much different from our practice, not only in Government but in business as well. Our citizens may expect as many as five career changes in their working life.

The many occasions Mr. Hyun has presented us to compare our two Governments have been enlightening. Of course, what works in one setting is not necessarily directly applicable to another, but a comparison of two approaches often provides the critical insights that can lead to improvements in both. Mr. Hyun has given us welcome insight and I hope that we have reciprocated in kind. It is difficult to say goodbye to a friend who has given us so much, but the understanding Mr. Hyun has left us with will be a daily reminder of his time with us. My staff and I wish our friend Hyun Seong Soo a long, fruitful and distinguished career in service to the people of Korea. We look forward to the day we will visit him and his family in Seoul.●

WELCOME TO UKRAINIAN AMERICAN BAR ASSOCIATION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. MICHEL. Mr. Speaker, the city of Washington will welcome the week of October 15 to 20 the Annual Meeting of the Ukrainian American Bar Association, comprising distinguished members of the legal profession from 25 States of the Union. The history of Ukraine is known to many of us, but the individual experiences and the aspirations of Ukrainian-Americans is not generally understood or appreciated. The great nation of Ukraine, absorbed as it is today as a part of the Soviet Union, has a tradition of human freedom and of representative government which compares with our own heritage.

Mr. Speaker, I know that my other colleagues in this body will want to join with me in this expression of high regard for the members of the Ukrainian American Bar Association and their families who will convene their annual meeting here in our Nation's Capital, a city where many of these lawyers have gained positions of prominence.

Let me cite just a few of these leaders of the Ukrainian American bar:

Ihor O.E. Kotlarchuk serves with the Internal Security Section of the Criminal Division of the U.S. Justice Department, where he has the important responsibility of prosecuting espionage cases and cases involving the export of strategic technology in violation of the Export Administration Act.

Bhodan Futey is the chairman of the Foreign Claims Settlement Commission of the United States; prior to assuming this important Government role he was a leading member of the Ohio bar.

Michael Waris, Jr., a partner in the prestigious international law firm of Baker & McKenzie, is a former member of the advisory group to the Commissioner of Internal Revenue and Associate Tax Legislative Counsel of the Treasury Department.

Mr. Speaker, I know that underlying the proceedings of the Ukrainian American Bar Association there will be a tacit and fervent hope that independence for Ukraine and freedom for all Ukrainians may one day be realized and that the torch of human freedom which is aflame in the hearts of all freedom-loving Ukrainian-Americans will be characterized by those who will be here in Washington.

Mr. Speaker, we salute the Ukrainian American Bar Association and its members and families. We hope for them a highly successful annual meeting here in our Nation's Capital and we wish them well in all of their professional deliberations and their personal aspirations.●

CONGRESSIONAL CALL TO CONSCIENCE

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. WALGREN. Mr. Speaker, once again this year it is my privilege to take part in this effort to highlight the mistreatment by the Soviet Union of refuseniks, those Soviet Jews who continue to be denied permission to emigrate.

Almost all here in our House of Representatives are familiar with the stories of Soviet Jews who, after unfounded denials of the right to emigrate, are plagued by KGB agents, find themselves suddenly without employment, and suffer continual harassment. While each story is part of a coordinated pattern of Soviet repression, we in the Western world must never become so jaded that we forget the individuals being oppressed.

One such individual family is the Budniatsky family in Leningrad. Mark Budniatsky and his wife, Frieda, both professional engineers by training, sought an exit visa on December 4, 1978, for themselves and their young daughter Anna. As a result, they were forced to give up their jobs and have suffered the indignity of having their request denied time and again because of so-called regime considerations.

Since these grave disappointments, Mark and Frieda have been denied suitable work and are forced to maintain their family by working as a fireman and an insurance representative. Their lives have been completely disrupted. They must live in constant fear of further persecution, yet they have committed no crime. They merely desire to exercise their religion in an atmosphere of freedom.

The Budniatsky's plight is not singular in its occurrence, and that, of course, is the most tragic part of this story. The Soviet Union has promised by its signature to the Helsinki Final Acts to allow free emigration. But what has become of this right? The Budniatsky's surely have not been able to take advantage of it, and neither have countless other Soviet Jews. In my view, this is a violation of human rights on the deepest level.

Though it would seem at times that our voices may not be heard, we must continue to draw attention to this problem and those whom it affects. Silence on our part would destroy the spirit and hope of all those like the Budniatsky's who can only pursue the most meaningful aspect of human life by risking persecution. Only by continuing to expose this systematic oppression can we hope to secure the release of the countless families like the Budniatsky's who yearn for freedom.

I urge my colleagues to join me in reaffirming our identification and commitment to those Soviets persecuted because of their pursuit of their religion.●

SHRINKING SHELTER

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. GARCIA. Mr. Speaker, increasing rent payments, doubling up, deteriorating structures, a decreasing number of rental units, crime and just plain frustration are the issues confronting inner city families when it comes to housing. My city's 2 percent vacancy rate represents an 8-year waiting list for those seeking Government assisted housing. Throughout the city of New York, over 25,000 people are homeless, actually living in the streets. Yet these problems and hard facts seem to have little influence on the policy decisions made by the U.S. Department of Housing and Urban Development.

Recently, from those responsible for Federal housing policy we were treated to the following statement, "On balance, we think there is enough existing housing out there." Such a statement suggest both a lack of understanding of the problems confronting many low-income Americans and a lack of sensitivity to the daily battle for survival occuring in the inner city. Conversely, from those working most closely with the poor we hear very different words with reference to the search for shelter: "they're just so angry, they don't know what to do."

The Wall Street Journal examined the issue of housing the poor in an article entitled, "Declining Housing Aid Worsens the Struggle for Many Poor People." Of particular importance to my colleagues should be the adverse consequences to both the poor and the Federal budget caused by the housing policy changes initiated under the 1981 Budget Act. The policy change with the greatest impact is the 30 percent of income rent level which will create an ironic shortfall in the operating budgets of assisted housing complexes by changing the income mix of the tenants living in the complexes. This in turn lowers the income produced by the tenants as their part of the operating budget. This leads to higher Federal subsidies.

I firmly believe that we need a comprehensive housing policy upholding our Nation's 47-year-old goal of a decent and safe living environment for all Americans. Accompanied by large budget cuts in the housing production and rehabilitation programs and a dramatic fall off in the housing pipeline authorized under President Carter, the poorly designed housing policy changes are beginning to take their toll. I would like to submit the Wall Street Journal article which examines this issue into the CONGRESSIONAL RECORD.

[From the Wall Street Journal, Aug. 31, 1984]

DECLINING HOUSING AID WORSENS THE STRUGGLE FOR MANY POOR PEOPLE

(By Joann S. Lublin)

NEW YORK.—In the sultry air of a public-housing project office in Manhattan, Tessie Russo, a 58-year-old resident in a sleeveless housedress, is seething. Sweat beads dot her upper lip and ring her short gray hair.

Despite the heat, Miss Russo tells the project manager she must give up her window air conditioner. She no longer can afford the $7 monthly extra utility charge, because her monthly apartment rent went up $10 Aug. 1, to $102.75. The former waitress, disabled by cancer, receives $374 in monthly Social Security payments, her only income.

"I'll just have to learn to live without the air conditioner," she says. "I'm laughing, but you know, inside I'm bursting," she adds, her dark eyes, magnified by thick glasses, flashing angrily. "When I drop dead, they can put on my grave, 'Blame it on Ronald Reagan.'"

Miss Russo's rent has risen twice in the last two years because of President Reagan's belief, accepted by Congress, that the poor should pay a bigger share of their income for subsidized housing. It's one of several ways that U.S. housing aid for the poor has shrunk sharply during the past three years.

TOUGHER RULES

Tightened eligibility rules exclude more of the working poor from public housing; a new emphasis on housing the neediest makes these projects more expensive and troublesome to manage and maintain, since public-housing officials find poorer families put more wear and tear on their apartments and tend to engage in vandalism and other petty crimes. The most radical shift in policy is a scheduled end to most subsidized construction and rehabilitation of low-rent apartments, largely in favor of government vouchers good toward rental of existing units.

In the past three years, annual budget authority for housing assistance, the nation's third biggest welfare program, has plummeted to $9.9 billion from $27 billion—one of the biggest but least-noticed cuts in domestic spending. The number of new households slated for this aid fell to 69,000 in fiscal 1983, ended last September, from 192,000 in fiscal 1980 and a peak of 393,000 three years before that.

The Reagan administration insists that its reduced, revamped housing program still serves the truly needy. Eventually, officials add, vouchers will serve more poor Americans at lower cost and with fewer inequities than now.

Critics contend, however, that the administration seeks to abandon a nearly 50-year-old federal commitment to help shelter the poor through public housing and subsidies for private developers and owners of rental units. Top Reagan aides "have made it quite clear to me that they don't think the Federal government has a role to play in housing," says Carl Williams, executive director of San Francisco's Housing Authority. "But for congressional support (for subsidized housing), this administration would have withdrawn entirely."

GROWING SHORTAGE

The slower growth of subsidized housing, recent increases in the U.S. poverty population and continued conversions of rental apartments to condominiums are worsening a national shortage of housing for the poor, critics also claim. They cite the growing legions of homeless and doubled-up families and the waiting lists for housing aid that last many years in some cities. Of 66 cities polled last spring by the U.S. Conference of Mayors, 51 reported that demand for housing assistance grew during 1983, but reduced supplies left few able to meet their low-income residents' needs.

Many people seeking housing help have "no place to stay," Mr. Williams says. "They're sleeping in doorways, flophouses, dilapidated houses." Michael Stone, an associate community-planning professor at the University of Massachusetts, says, "We're going back to Depression-like conditions in this country." Housing advocates estimate that between nine million and 13 million poor U.S. families need shelter assistance because they pay a burdensome chunk of their income for rent or live in substandard dwellings.

But the brunt of the Reagan shift in housing policy has yet to hit the poor. In fact, the number of households receiving subsidies through the Department of Housing and Urban Development is still rising—to 3.8 million this fall, from 3.2 million three years ago. The gain primarily reflects completion of projects committed by the Carter administration. The construction pipeline is scheduled to run dry in another two years or so.

ADMINSTRATION'S STANCE

Reagan officials take credit for the continued increase. "In this administration, we have been supplying more (low-income) housing than ever has been supplied in the past," HUD Secretary Samuel Pierce boasted recently. Adds HUD Undersecretary Philip Abrams, "We try to take care of people whose problems are the worst first" because the nation can't afford to subsidize housing for every low-income family. At the same time, Secretary Pierce has noted, the government's housing debt is dropping from its 1982 peak of $245 billion, thanks to the elimination of most new construction subsidies.

The deficit-wary Reagan administration believes rental vouchers could help house 10 times as many poor families as would the same amount spent on construction subsidies—and with fewer inequities. Under a pilot project approved by Congress last year, HUD officials began this July 30 to distribute 15,000 of the new allowances to those most in need; another 38,500 vouchers will be handed out in fiscal 1985. The vouchers make up the difference between 30% of a family's monthly income and "reasonable" rent levels in an area. Families can pay more rent out of their own pockets if they wish.

The rationale for vouchers is that the basic housing problem is affordability, not an actual shortage of rental units. "On balance, we think there is enough existing housing out there," explains Maurice Barksdale, an assistant HUD secretary. Reagan aides expect that a modest construction and rehabilitation program, passed over the White House's initial objections, will meet the worst shortages of rental housing.

Many cities' long waiting lists for housing aid lead critics to scoff at the administration's approach and to urge a much larger subsidized construction and rehabilitation effort. "Vouchers only work if you have the houses," observes William Ratzlaff, the public housing authority's executive director in Denver, where families must wait up to three years for assisted housing, and the citywide apartment vacancy rate is less than 2½%. New York, Boston and San Francisco have closed or soon may close some waiting lists.

Poor people seeking housing help often fume in frustration over the long waits. "It's crazy," complains 27-year-old Gerri Greene, as she stands in the reception area of New York's City Housing Authority headquarters in Manhattan, waving at passers-by copies of protest letters she has written. The tall willowy black woman has waited for three years to get into a housing project; she lives in a cramped one-bedroom apartment with her two children. "I took the train all the way from the Bronx. If they (staff members) don't give my interview today," she warns, "I might get violent."

A security guard sitting outside the locked screening offices nearby says applicants often make threats. "They start yelling at me, 'How come I been waiting for five years and I still don't have an apartment?'" says the guard, Christine Leacy. "They're just so angry, they don't know what to do." The city's public-housing waiting list of 175,000 families would quickly double in number "if people thought there was any chance of getting in," says the Housing Authority's general manager, John Simon.

Because of New York's extreme housing shortage, an estimated 17,000 to 20,000 families, or 10% to 12% of all public-housing households, double up in the projects, in violation of the law. Such arrangements were "an insignificant factor" before Mr. Reagan took office, Mr. Simon says, adding that the problem recently has also cropped up in other cities.

DOUBLING UP

One who is unhappily doubled up is Lillie Nettles, a 34-year-old welfare recipient in Washington, D.C., evicted from her $115-a-month apartment last April. Two older children stay with relatives while she and two daughters sleep on a double bed in the sparsely furnished apartment of an elderly friend. The rundown building, with plaster peeling and garbage reeking, is in a predominantly black neighborhood dotted with boarded-up homes and Pentecostal churches a mile from the White House.

"I've been looking every week, four to five times every day some days," Miss Nettles says with a sigh. She folds and refolds a neatly handwritten list of apartment vacancies. "Sometimes I feel like I should just give up, but I know I gotta move."

Landlords let her complete applications, "Then they say, 'I'm sorry, you can't get the apartment. You have too many kids or not enough money on your (welfare) check.'" She gets $329 monthly in public assistance, plus $242 in food stamps. The cheapest vacancy on her list, a one-bedroom unit, rents for $268 a month. Spending more than $200, she says, would force her children to go without new clothes needed for school.

Reagan officials maintain a rent voucher would help people like Miss Nettles find an apartment. Low-income housing proponents disagree. They point to studies showing that large, minority families on welfare frequently encounter housing bias. And such families "just don't have that extra money" to pay more than 30% of their income for rent, says Marjorie Shuman, a counselor with Housing Counseling Services Inc., a nonprofit agency in Washington.

Housing-aid recipients used to pay 25% of their income for rent. But as the result of one Reagan budget cut, the required share has climbed to 30%, and dollar rent ceilings that in many cities apply to each apartment have been scrapped. While many families are allowed to stay in public housing after their incomes have risen above the stand-

ards for admission, income ceilings still apply. A family of seven, for example, would have to leave public housing if its income rose above $34,500.

At the same time, public-housing administrators must admit more of the extremely needy, disturbing the mix of welfare recipient and working poor that has kept projects in some cities, such as New York, stable and comparatively free of crime and other social problems.

In certain New York projects, these changes have led to tenant turnover rates twice the citywide average of 3.4% a year, as moderate-income families move out rather than pay higher rents. At one Staten Island project, about 30 moderate-income families have left in the past year, up from the usual dozen. Others fear coming rent increases will force them out.

"How am I supposed to live?" asks Virginia Thow. She, her teletype-operator husband and two youngsters expect they will have to move in a few years. But she likes the 560-unit, low-rise complex, "a haven in the city, grass, trees and no graffiti . . . I don't want to move out of here."

THE CHANGING MIX

Yet some working-poor tenants who can't afford to leave public housing worry about staying. Typical is Renee Sherbington, a Staten Island teacher's aide and single parent who earns $10,000 a year. Her building's loss of moderate-income families, replaced by welfare recipients, makes her afraid to let her two youngsters outside for long, "Drugs are being dealt out in front of my children while they're playing" and garbage litters the formerly clean hallways, she says.

Tenant activists such as Ms. Sherbington and Ms. Thow are pushing a bill that would allow authorities to reinstate rent ceilings in public housing. "What's happening here is sinful; we're destroying valuable projects," contends Rep. Guy Molinari, the Staten Island Republican who introduced the measure. he thinks the altered family mix in housing projects will sharply drive up crime, vandalism and abandonment, requiring more subsidies.

"That's the crazy thing," he says. "The final result (of this budget cut) is that it's going to cost the federal government more more."●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 6, 1984, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 7

9:30 a.m.
Joint Economic
To hold hearings on the employment-unemployment situation for August.
SD-106

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold oversight hearings to review aviation systems delays.
SD-138

SEPTEMBER 10

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the safety aspects of the Vandenberg Space Shuttle launch complex.
SR-253

10:00 a.m.
Joint Economic
To resume hearings to evaluate the role of innovation in America and to review the application of new ideas to basic industries, focusing on the university role in high technology development.
2203 Rayburn Building

3:00 p.m.
Finance
Oversight of the Internal Revenue Service Subcommittee
To hold hearings on S. 2243, the Taxpayers Bill of Rights Act.
SD-215

SEPTEMBER 11

9:00 a.m.
Energy and Natural Resources
Public Lands and Reserved Water Subcommittee
To hold hearings on S. 2032, H.R. 5426, and S. 2916, bills to designate certain lands in Colorado as wilderness.
SD-366

Governmental Affairs
To hold hearings on the nominations of Susan R. Holmes, Rufus G. King, III, Colleen Kollar-Kotelly, A. Noel Anketell Kramer, Emmet G. Sullivan, Robert S. Tignor, and Robert I. Richter, each to be an Associate Judge of the Superior Court of the District of Columbia, and Andrew L. Frey, to be an Associate Judge of the District of Columbia Court of Appeals.
SD-342

Judiciary
Constitution Subcommittee
To hold hearings on S. 2802, to provide greater equity in the compensation of attorneys fees.
SD-430

10:00 a.m.
Environment and Public Works
Business meeting, to mark up S. 2892, to amend and authorize funds for the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund).
SD-406

Finance
To resume hearings on flat-rate and other major tax reform proposals.
SD-215

Judiciary
To hold oversight hearings to review the implications of the Federal Communications Commission ruling on broadcast ownership (7-7-7 Rule).
SD-226

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings to review the progress of this year's refugee resettlement program.
SD-124

Select Committee on Indian Affairs
Business meeting, to markup House Joint Resolution 158, to make technical corrections to the Indian Land Consolidation Act (P.L. 97-459), S. 1151, to compensate heirs of deceased Indians for improper payments from trust estates to States or political subdivisions thereof as reimbursements for old age assistance received by descendants during their lifetime, S. 2480, to restore mineral and grazing rights on certain lands in North Dakota to the Three Affiliated Tribes of the Fort Berthold Reservation, S. 2663, pertaining to the inheritance of trust or restricted land on the Lake Traverse Indian Reservation, North and South Dakota, S. 2823, to provide for the use and distribution of judgment funds awarded the Saginaw Chippewa Tribe of Michigan, and S. 2824, to provide for the use and distribution of judgment funds awarded the Wyandotte Tribe of Oklahoma.
SR-428A

11:00 a.m.
Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

4:00 p.m.
Foreign Relations
Closed briefing to review activities in the Middle East and South Asia.
S-116, Capitol

SEPTEMBER 12

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on S. 2618, the Telecommunications Trade Act of 1984.
SD-215

Judiciary
Juvenile Justice Subcommittee
To resume hearings to review the effects of pornography on women and children.
SR-418

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold oversight hearings on the use of wiretapping and protection of an individual's privacy.
SD-226

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Robert R. Davis, of Illinois, to be a Commissioner of the Commodity Futures Trading Commission, and Crete B. Harvey, of Illinois, and Melvin A. Ensley, of Washington, both to be a member of the Federal Farm Credit Board, Farm Credit Administration.
SR-328A

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Business meeting, to mark up S. 2892, to amend and authorize funds for the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund).
SD-406

Labor and Human Resources
Business meeting, to consider the nomination of Rosemary M. Collyer, of Colorado, to be General Counsel of the National Labor Relations Board, S. 2568, Civil Rights Act of 1984, and S. 44, to provide for a uniform product liability law.
SD-430

10:30 a.m.
Judiciary
Separation of Powers Subcommittee
Business meeting, to mark up S. 1405, Federal Neutrality Act of 1983.
SD-628

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on the May 1984 Department of Energy/Energy Information Administration comprehensive review of the status of the U.S. domestic uranium mining and milling industry.
SD-366

Judiciary
To hold hearings on pending nominations.
SD-266

SEPTEMBER 13

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold oversight hearings on the activities of the National Highway Transportation Safety Administration.
SR-253

Energy and Natural Resources
To hold oversight hearings on the Bonneville Power Administraition repayment of obligation to the U.S. Treasury.
SD-366

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the implementation of the Taft-Hartley Act and the Railway Labor Act.
SD-430

10:00 a.m.
Environment and Public Works
Business meeting, to mark up S. 2892, to amend and authorize funds for the Comprehensive Environmental Response, Compensation, and Libability Act (Superfund).
SD-406

Foreign Relations
To hold hearings to review East-West Cooperation in outer space.
SD-419

SEPTEMBER 14

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold joint hearings with the Subcommittee on International Trade on S. 2429, to increase the duty on certain shelled filberts, to be followed by hearings on S. 2933, to provide that the restrictions imposed by the Deficit Reduction Act of 1984 with respect to property leased by a tax-exempt entity would generally not apply to certain correctional facilities leased by State and local governments.
SD-215

10:00 a.m.
Environment and Public Works
Business meeting, to mark up S. 2892, to amend and authorize funds for the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund).
SD-406

Foreign Relations
African Affairs Subcommittee
To hold oversight hearings on the implementation of Public Law 480, Food for Peace Program.
SD-419

SEPTEMBER 17

9:30 a.m.
Finance
Oversight of the Internal Revenue Service Subcommittee
To resume oversight hearings to examine the impact of the Federal income tax system on productivity and economic growth.
SD-215

2:00 p.m.
Finance
Health Subcommittee
To hold oversight hearings on the implementation of the medicare hospice benefit of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA).
SD-215

SEPTEMBER 18

9:00 a.m.
Commerce, Science, and Transportation
To hold oversight hearings on the implementation of the Motor Carrier Act of 1980 (P.L. 96-296).
SR-253

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on the state of the U.S. textile industry under the trade agreements program.
SD-215

Labor and Human Resources
To hold oversight hearings on the implementation of the Orphan Drug Act (P.L. 97-414), focusing on section 7 relating to radiation-cancer liability.
SD-430

Labor and Human Resources
Labor Subcommittee
To resume oversight hearings on the implementation of the Taft-Hartley Act and the Railway Labor Act.
SR-485

10:00 a.m.
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold hearings on the release into the environment of genetically engineered organisms.
SD-406

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SR-325

SEPTEMBER 19

10:00 a.m.
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To continue hearings on the release into the environment of genetically engineered organisms.
SD-406

SEPTEMBER 20

9:00 a.m.
Office of Technology Assessment
To hold a general board meeting.
S-205, Capitol

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1981, authorizing additional funds for the development of small reclamation projects.
SD-366

Finance
To resume hearings on flat-rate and other major tax reform proposals.
SD-215

SEPTEMBER 21

10:00 a.m.
Finance
Health Subcommittee
To hold hearings to review the current method of financing medical education costs under the medicare program.
SD-215

SEPTEMBER 24

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on issues relating to Antarctica, focusing on the proposed Convention on the Conservation of Antarctica Living Marine Resources, U.S. and international research activities therein, and on the proposed Antarctica Minerals Treaty.
SR-253

SEPTEMBER 25

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold oversight hearings on the implementation of the Household Goods Transportation Act (P.L. 96-454), and the Bus Regulatory Reform Act (P.L. 97-261).
SR-253

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings to examine the use of recreational drugs in professional and amateur sports.
SD-430

SEPTEMBER 26

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 337, to make permanent the deduction for charitable contributions by nonitemizers, and S. 2017, to revise certain IRS regulations relating to deductions for the payment of certain expenses by ministers and members of the uniformed services who receive subsistence and housing allowances.
SD-215

SEPTEMBER 27

10:00 a.m.
Labor and Human Resources
Aging Subcommittee
To hold hearings on longevity and the lifestyle of older individuals.
SD-430

SEPTEMBER 28

9:30 a.m.
Finance
Health Subcommittee
To resume hearings to examine how to ensure quality health care for low-income persons.
SD-215

SENATE—*Thursday, September 6, 1984*

(Legislative day of Wednesday, September 5, 1984)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Gracious Father in Heaven, at the end of the 98th Congress a great statesman will retire, Senator JENNINGS RANDOLPH. We offer to You, dear God, our profound gratitude for giving our Nation such a faithful, productive public servant. We thank You for his four decades of dedicated, effective service on the Hill. We thank You for the remarkable breadth of his interests and concerns—education, youth, aviation, commerce, human rights, the arts, among many others—and for the influence of his leadership in so many areas of the private sector. We remember with deep appreciation the sense of respect, dignity, privilege, and honor in which he holds the Senate.

Father God, this gentleman—this strong, compassionate, thoughtful, kind man of integrity and faith, this gracious friend—will be sorely missed. We commend him to Your loving providence and direction in his years of retirement. May they be as fruitful and blessed as were his years of tireless involvement in public affairs. In the name of the Lord he reverences and serves so faithfully, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. Mr. President, I thank the Chair.

THE CHAPLAIN'S PRAYER

Mr. BAKER. Mr. President, I commend the Chaplain for his excellent prayer this morning. At a later date I will extend my own observations about the most extraordinary and excellent service of our friend, the senior Senator from West Virginia.

RESERVATION OF LEADERSHIP TIME

Mr. BAKER. Mr. President, I ask unanimous consent that the time I do not utilize under the standing order today and the entire time of the minority leader, with the exception of that which may be utilized by the acting minority leader, be reserved for our respective use during the course of this calendar day.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I further ask unanimous consent that after the execution of the special order in favor of the distinguished Senator from Wisconsin [Mr. PROXMIRE] today there be a period for the transaction of routine morning business until 1 o'clock in which Senators may speak for not more than 5 minutes each.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE SCHEDULE

Mr. BAKER. At 1 o'clock, Mr. President, the Senate will resume consideration of the Baker motion to proceed to the consideration of S. 2851, which is Calendar Order 1056, referred to sometimes as the banking bill. It is the hope of the leadership on this side that we can reach the banking bill today and make it the pending business. It is also the hope of the leadership that we can finish our deliberations on that measure this week and if not this week, then early next week.

Mr. President, I have been asked by some Senators and members of the press whether the Senate will be in session tomorrow. I do anticipate that the Senate will be in session tomorrow. If we are, I anticipate we will be on the banking bill or perhaps other matters if they can be arranged by unanimous consent.

THE GENOCIDE TREATY

Mr. BAKER. Mr. President, the Senator from Wisconsin is in grave peril. I spoke recently of his diligence in bringing the Genocide Convention to the Senate and in having spoken on that matter every day continuously for a great number of session days of the Senate, a diligence that I greatly admire. Then I read in the newspaper this morning that the administration may be pushing for the ratification of the Genocide Treaty. The peril is if we ratify that thing, I do not know what the Senator from Wisconsin is going to do with his special order time. But I commend once more the Senator from Wisconsin and I may consult with him on how you convince the administration on issues of this sort. In any event, these remarks are made, Mr. President, in jest, and I do congratulate the Senator from Wisconsin for the useful work for this cause that he has championed for so very long.

Mr. President, under the order previously entered my time remaining is reserved and I yield the floor.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The acting Democratic leader is recognized.

Mr. CHILES. Mr. President, under the unanimous-consent request of the majority leader, the time of the minority leader was also reserved and the acting minority leader has nothing further at this time.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDENT pro tempore. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, I thank my good friend, the majority leader, for his gracious remarks. I deeply appreciate them. He made a wonderful speech not long ago. He may or may not agree with me on some of the substance of the issue, but he was so gracious about it. I know that at least one good reason for ratifying the Genocide Treaty is it would shut my mouth.

DOES THE REAGAN ADMINISTRATION DESERVE CREDIT FOR GENOCIDE RATIFICATION? THE TEST

Mr. PROXMIRE. Mr. President, yesterday may have been the biggest day for the ratification of the genocide convention in the 35 years that treaty has been pending before the Senate. Yesterday the Reagan administration affirmed its support of the treaty. Why is the Reagan support of the Genocide Treaty after it has waited 35 years for Senate confirmation so critical? Was not the treaty recommended to the Senate by every one of the seven previous administrations, Republican and Democratic, since President Truman sent the treaty to the Senate in 1949? Why is the support of this administration so special?

The answer, Mr. President, is that the Reagan administration is far and away in the strongest position to give

the Genocide Treaty the kind of decisive support it needs to win Senate ratification. Why is this? Because the Reagan administration is a conservative administration. Its conservative credentials can only be challenged by the super conservative truly far right. If the Reagan administration after 3½ years of careful scrutiny and consideration can endorse the treaty as being in the interests of this country, if this conservative administration can agree that the treaty does not constitute a threat to this country's sovereignty, if the Reagan administration can conclude that this treaty will not endanger our national security, if this administration concludes the treaty is legally as well as morally right, then what credible basis is there for any genuinely conservative opposition?

Mr. President, this Senator feels this treaty is so important that I have addressed the Senate every single day we have been in session since January 11, 1967. That means I have delivered nearly 3,000 speeches in favor of the treaty. I have done so because I cannot imagine a crime worse than genocide—the planned, premeditated extermination, usually by murder, of an entire racial, religious, or ethnic group.

Why are the victims of genocide killed? Not because they have committed any crime, not because they necessarily constitute any kind of a threat, but because they happen to be Jews or Armenians or Carthaginians or Cambodians. Who perpetrates the crime? In almost every case, it is the government of the country where the victims live. And because it is the government, the perpetrators of genocide cannot be reached by statutes against murder. They can only be reached by an international law that will provide the basis for bringing such genocidal perpetrators to justice.

Can the Genocide Treaty have any effect in stopping genocide? The answer is not decisive. The international law established by the Genocide Treaty provides only a gradual, only a partial, only a possible punishment. Those government officials who engage in genocide would suffer punishment for their crime only after their government had been overthrown. But the Genocide Treaty does mark a critical beginning of the end of this terrible curse of hatred and murder that has plagued mankind since the beginning of recorded history and probably before that.

So for the prospect of Senate ratification of the Genocide Treaty, the decision of the Reagan administration to support the treaty is indeed the best news in 35 years. Now, Mr. President, let us face it: Some have accused the administration of playing politics with this issue. They point out that the administration's endorsement of the treaty comes barely 2 months before the Presidential election. It comes on the eve of the appearances by President Reagan and Walter Mondale before the B'nai B'rith. In the past, the Genocide Treaty has been a matter of intense concern and overwhelming support by American Jews. It is reported that former Vice President Mondale intended at this meeting to point to the failure of the President to support ratification of the treaty and to the fact that such a failure would have marked the Reagan administration as the only administration of the past eight that had failed to support ratification—Republican or Democrat.

On the other hand, Mr. President, this Senator and my staff have carried on a long and frank exchange with the administration on the Genocide Treaty. I can report that the administration has given the treaty very careful consideration. The two key agencies on this matter in the administration, the Justice Department and the State Department, have both indicated strong support for the treaty months ago and promised that a decision, and probably a favorable decision, would be forthcoming and soon. This Senator is a Democrat. I enthusiastically support the Mondale-Ferraro ticket in November. But I believe that in this case the administration supported the Genocide Treaty on its merits. Still, the timing suggests that this is a judgment call.

How do we tell? Well, there is a way to tell. The administration can, if it wishes, win ratification of the treaty before the Senate adjourns this session and before the election. Why should that not be the test? Why should we not hold the administration to that test? Over the past several years, I have talked with most of the Senators who might be opposed to the treaty. There are not many and there are even fewer who will delay it. Certainly, a filibuster of the treaty is a prospect. But there is no question in my mind that, with Reagan administration support, we can easily secure the 60 votes needed to cut off a filibuster and the 67 Senate votes we need to win ratification of the treaty.

Time is short. The agenda is already crowded. The Congress is determined to adjourn sine die on October 5. But with Reagan administration support, the treaty deserves a shot. Republicans control the Senate. So whether the treaty gets that shot it deserves in these closing weeks will determine whether the administration deserves the credit for winning its ratification.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield to my friend from Michigan.

Mr. RIEGLE. Mr. President, I just want to join the majority leader in commending the Senator from Wisconsin for the tremendous leadership he has shown in the Genocide Treaty issue over a great many years.

The comments today of the Senator from Wisconsin are particularly important for us to consider. But the fact that he has been so steadfast and so outstanding in his leadership on this issue is really something that I want to commend, and I think all Members of the Senate feel the same. I thank him for yielding for this purpose.

Mr. PROXMIRE. Mr. President, I thank my good friend from Michigan—a good friend, and I mean it. He and I have served together for years on the Committee on Banking, Housing, and Urban Affairs. I gratefully appreciate his very kind and generous remarks.

CAN WE VERIFY NUCLEAR ARMS TREATIES? COLBY SAYS: "YES"

Mr. PROXMIRE. Mr. President, on July 6 I wrote to William Colby to secure his views on what has become the big arms control issue: Can we verify nuclear arms control treaties with the Soviet Union. Why Colby? Mr. President, as former head of the CIA, Mr. Colby is one of this country's few true experts on the threat to America represented by Soviet military, technological, and economic power.

So I asked Mr. Colby for his assessment of the adequacy of our current verification capability to monitor Soviet compliance with present nuclear arms control treaties with the Soviet Union.

Mr. President, again and again—whether talking to plain American citizens in Wisconsin or with my senatorial colleagues or with military officers—I find that support for nuclear arms control depends on the degree of confidence in this country's capacity to verify Soviet compliance. The general opinion is that the Soviets will cheat if they can get away with it. Many Americans fear that if the Russians cheat and get away with it, they could gain a decisive advantage in military power. Some of these Americans wonder if American intelligence could detect that cheating and verify whether or not the Soviets were complying with nuclear arms control agreements that limit the United States.

So who can give us an answer to this question? How about a former head of the Central Intelligence Agency, a man who has no partisan axe to grind for or against the administration and its arms control policies, but who has precisely the kind of professional experience that would qualify his opinion as expert? How about William Colby?

In his letter responding to my inquiry, Mr. Colby made five telling points. First, he pointed out that we

are going to verify Soviet weaponry whether there is a treaty or not.

Let me reiterate that: We are going to verify Soviet weaponry whether there is a treaty or not.

We have to do this as a matter of national security. How thorough and competent a job does this country do in this respect, right now? Mr. President, the Defense Department turns out an astonishing amount of detailed information about Soviet weapons. Mr. Colby admits that some of what we would like to know we cannot know precisely. But we can and do identify it sufficiently to, as Mr. Colby writes, "design counterweapons and negotiating strategies."

Second, Colby points out that the nuclear arms control treaties facilitate this information gathering process. They are specially useful in securing data from the closed Soviet society with its long tradition of secrecy and paranoia. The treaties can provide a monitoring process that can open up areas that the Soviets would instinctively conceal. Colby warns us that the process cannot be perfect. We should be careful to recognize that after all Russia is the locale of the Potemkin villages.

Third, Mr. Colby writes that the treaty provides the legitimate and formal basis for this country directly asking the Soviet Union about developments which, absent the treaty, they could simply call none of our business. In fact, we have had specific discussions with the Soviets of ambiguities or violations. Sometimes they have been able to reassure us. Other times we have been able to win a change in their behaviour.

Fourth, Colby argues that the existence of a nuclear arms control treaty can and usually does protect our national security. Does an arms control treaty with effective verification provisions provide greater security for this country than the continuation of the nuclear arms race? What is Mr. Colby's answer? His answer is an emphatic yes. Furthermore, he points out that our intelligence and verification systems have "identified Soviet weapons developments well ahead of their becoming a real threat to us, giving us ample time for countermeasures or negotiations." He cites our knowledge of the radar site in Siberia as an example.

Finally, former Director Colby raises the key question: Are we going to let arms control fail because we insist on absolute, perfect verification? Or will we recognize that "reasonable restraints on arms control developments with an assurance that any substantial threat to our security would be telegraphed long in advance of its actuality."

Colby's question goes to the heart of the intransigence of the administration negotiating a test ban treaty and a treaty to ban antisatellite missiles. In both cases the administration has pleaded that we could not verify such an agreement. The scientific community vigorously disagrees with the administration position on both these treaties. Seismologists contend that we could, indeed, verify a treaty prohibiting all nuclear weapons explosions that could have military significance. How about an antisatellite treaty? Could we verify an antisatellite treaty? Yes, adequate verification of an antisatellite treaty would cost a small fraction of the beginning expenses for a race with the Russians into a militarization of space would be led by the antisatellite technology.

Mr. President, I ask unanimous consent that the letter to which I have previously referred from former CIA Director William Colby be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
July 30, 1984.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, DC.

DEAR SENATOR PROXMIRE: Thank you for your note of July 6, raising a question about the verification problems of various arms control agreements with the Soviet Union. Your own commitment to this worthy cause has certainly inspired many of us to think about the necessity of arms control to manage life on this planet with our Soviet adversaries in a fashion which will prevent our destroying each other. My own contribution has largely been with respect to the verification aspect on the problem. This has focused not on the measurement of the last quarter inch of the fin of some missile, but rather on the function of verification itself. My points are very simple: We are going to verify Soviet weaponry whether there is a treaty between us or not, because we must know about Soviet weapons development for our own security. In fact, we do a pretty good job, as can be seen by the various publications of the Defense Department outlining in great detail the Soviet military forces, to include many things which are inherently nonverifiable in a precise sense, but which nonetheless, we can identify sufficiently clearly to be able to design counterweapons or negotiating strategies.

My second point is that most treaties have a number of elements which facilitate this monitoring process, and that the Soviets have shown their willingness to move in the direction of such cooperative measures to the extent they desire the treaty in question, despite its conflict with their traditional paranoia and secrecy. The provisions of the SALT treaty, the Peaceful Nuclear Explosions Treaty, etc., all indicate this attitude by the Soviets. We must be careful on the topic of cooperative measure and inspections, as the Soviet Union was the original home of the Potemkin village, but I think there are vehicles for adequate monitoring.

My third point is that a treaty provides a vehicle for discussion of Soviet weaponry and activity which does not exist in the absence of such a treaty. Without a treaty, a question by us about some Soviet development can be met with the true statement that it is none of our business; with the treaty, we can and indeed have had detailed discussion with the Soviets on ambiguities and possible violations. In some cases, we have been reassured that the item was not a violation, and in some cases, we have obtained changes in Soviet behavior to comply with the treaty.

My last point is a very simple one. We are not engaged in a breach of contract suit demanding evidence beyond a reasonable doubt. The purpose of arms control and verification is to protect our national security. A marginal violation of an arms control treaty would present less threat to our national security than a continuation of the uncontrolled arms race in these deadly weapons. The evidence since Sputnik in 1958 has been that we have identified Soviet weapons developments well ahead of their becoming a real threat to us, giving us ample time for countermeasures or negotiations. The most recent identification of the radar site in Siberia is an example of this, in that we have seen it in the course of its construction long before it has any operational capability whatsoever.

Thus I think the key question in verification is whether we are going to allow ourselves to fail in the arms control process because of an unrealistically rigid insistence on absolute verification, or whether we will better protect the security of our country by reasonable restraints on arms control developments with an assurance that any substantial threat to our security would be telegraphed long in advance of its actuality. We need leadership such as yours to bring us to a better solution than merely piling up useless and dangerous weapons.

Sincerely,

WILLIAM E. COLBY.

ECONOMIC INDICATORS FORECAST TROUBLE AHEAD AND SUPER FEDERAL DEFICITS

Mr. PROXMIRE. Mr. President, for the second consecutive month the Nation's leading economic indicators tell us the long economic expansion that began in November 1982, nearly 2 years ago, may be coming to an end. For 21 consecutive months until this June, the indicators forecast continued economic expansion, meaning far more jobs, sharply improved productivity, growing personal income, and in general an increasingly thriving economy. Month after month, in fact, for 21 months in a row the forecast turned out to be right. And, of course, it should be right. It is not based on some economic guru who sucks his thumb, stares at the wall, and then guesses what is going to happen to interest rates or stock market prices. The leading indicators put together 12 hard factual developments which, in each case, tend to foreshadow what we can expect to happen to the economy as a whole. There is no hocus-pocus here. Consider the makeup of the leading indicators. Here is what they include:

The average work-week, production workers (manufacturing hours) average weekly initial claims, State unemployment insurance; vendor perform-

ance, companies receiving slower deliveries from vendors.

They include new orders for manufacturing consumer goods and materials, obviously foretelling what is likely to happen. New orders indicate what is going to be produced in the future.

They include net business formations, indicating new companies coming in and forming companies; contracts and orders on plant and equipment, which certainly foretell what is going to happen; building permits, which indicate that we are going to have building in the future as they increase.

And they include a number of other factual developments which have been found in the past foretell an economic downturn or upturn, such as:

Change in inventories on hand and on order;

Change in sensitive material prices;

Stock prices (500 common stocks);

Money supply; and

Change in credit—business and consumer borrowing.

Mr. President, the leading indicators provide without question the most solid and reliable foretelling of what is to come in the economy. Of course, the drop in the indicators in June and July, the most recent months for which data is available, cannot forecast our economic future with certainty. A change in 1 month tells us little, even if it is the first negative showing in 21 consecutive months. But a similar negative showing in 2 consecutive months suggests that by the end of this year or more likely next year the recovery may come to an end. Mr. President, the changes in June and July were not marginal. In June the leading indicators fell by a substantial 1.3 percent. In July they fell again, this time by 0.8 percent, another significant change. In the past the leading indicators have usually foreshadowed a change in economic activity with a lag ranging from 2 or 3 months to 1 year.

Of course, the big political enchilada is unemployment. Does this change indicate that unemployment will rise? And, if so, when? It may indicate that, but very likely not this year. Unemployment is not a leading indicator. Our experience has been that it is not even a coincident indicator. It is a lagging indicator. And, for obvious reasons. Most employers are very reluctant to lay off employees. As business activity recedes, employers will first cut overtime. Then they may have employees work shorter than usual hours. In June unemployment fell sharply from 7.4 to 7 percent. But in July it rose again, right back to 7.4 percent. Unemployment will probably resume its fall. Jobs will probably continue to increase through the rest of this year. But both the surprising 2 consecutive month decline in the leading indicators and the rise in the latest month on which we have figures, in July unemployment, should remind us that no one has repealed the business cycle. The economic expansion will probably end in the next year or so.

If this happens this Congress will face some very painful decisions. And I mean painful. Will Congress reduce spending for unemployment compensation? Will it cut welfare? Will we end jobs programs? Will we stop assistance to beleaguered small businessmen? Will we cancel or reduce nutrition and other feeding programs that millions of people may need as personal income falls? I doubt it. Federal spending in a 1985 or 1986 recession will climb sharply, and we all know it. But that is only half the problem. If the leading indicators are right the coming recession will diminish Federal revenues as profits and incomes fall and tax receipts sink with them. When that happens will this Congress increase taxes or will it try to shorten the recession and bring back economic recovery by cutting taxes and deepening the deficit further?

Mr. President, regardless of what this Congress may decide to do, if we do suffer a recession we can expect the annual Federal deficit of nearly $200 billion that has haunted this body for the past 2 years to become far worse than we imagined. Of course, none of this may happen. We cannot predict the future. All of us hope that somehow we can emerge from this tough economic dilemma. But the June and July leading indicators tell us how painfully difficult that is likely to be. The fact is the deficits of the past 2 years and the certainty of continued deep deficits to come have put this country into economic danger more serious than either Members of Congress or the press has previously imagined.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. The Senate will now proceed to the transaction of routine morning business wherein Senators may speak for not to exceed 5 minutes each.

JACOB JAVITS CONTINUING EDUCATION GRANTS

Mr. HATCH. Mr. President, on August 9, 1984, I introduced the Continuing Education Act of 1984 which was referred to the Committee on Labor and Human Resources of which I am chairman. This measure revises Title I of the Higher Education Act of 1980 to provide post-secondary continuation and outreach grants, research in the area of continuing education, and a National Advisory Council on Continuing Education.

Mr. President, I wish to take this opportunity to announce that at the proper time, I will seek to amend S. 2919 to enable the continuing education grants made under its authority to be designated as "Javits grants" in honor of my distinguished predecessor as ranking Republican on the Committee on Labor and Human Resources, the Honorable Jacob K. Javits.

The thought occurred to me as I shared in the tribute paid to the distinguished late chairman of the House Education and Labor Committee, Mr. Carl Perkins, when this body, in passing the Vocational Education Act, renamed several provisions of that landmark legislation in honor of Carl Perkins. I want the record to show that I enthusiastically support this action of the Senate.

Mr. President, it is because I feel so strongly that we should express our respect and appreciation for individuals while they are still alive and can appreciate the high esteem of their former colleagues and of this Nation that I want us to honor our former colleague, Jacob K. Javits.

Jack Javits, throughout his career in the House and in the Senate, and especially as a member of the Senate Education Subcommittee, was an active proponent of facilitating educational programs for all of our citizens. He worked tirelessly on legislation to insure access to educational opportunities for adults and especially for those who, for whatever reason, had missed the chance for needed schooling in their earlier years. Frequently, Mr. Javits would refer to his own mother who, late in life, learned to read and write English, and he would recall the great pride she took in being able to read newspapers and understand signs which previously had no meaning for her. Jack Javits knew from his own experience that the years beyond the usual school age not only add to an individual's usefulness to family and to society but also result in greater personal fulfillment and earning capacity.

Mr. President, Jack Javits would often quote the maxim that he who does not add to knowledge decreases it. I believe that there is a corollary to that: The person who does not add to opportunities for knowledge decreases knowledge. Such a precept is consistent with the history of the Republican Party and dates back to the trying period of the Civil War when the Nation was being torn asunder. In those dark days, a Republican Congress and a Republican President encouraged postsecondary education by achieving the enactment of the Morrill Land Grant College Act, which laid the foundation for the continuing education programs of today.

Mr. President, former Senator Jacob Javits' body is crippled by disease, and he has great difficulty in moving about, but he remains an intellectual giant. His commitment to the principle of access to education for everyone

who needs it or who can profit from it is unshakably strong. It is therefore most proper that a program of continuing education grants be named in his honor.

ALASKA AND THE LOWER 48—A SOLID CONNECTION

Mr. STEVENS. Mr. President, recently an excellent article in the July-August 1984 issue of Horizon magazine entitled "Alaska and the Lower 48 . . . A Solid Connection" by Lionel Fisher came to my attention. The article is an excellent introduction to the significant commercial contribution Alaska has and is making to the economy of the lower 48, especially the Pacific Northwest region. This article points out in just a small way how extensive the U.S. business and the commercial opportunities are available and are being developed in Alaska.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALASKA AND THE LOWER 48 . . . A SOLID CONNECTION

(By Lionel L. Fisher)

Most of it is still the way the world was created.

Majestic in its vast, jagged grandeur. Bountiful, forbidding, pristinely beautiful. Larger than life. Or the Garden of Eden, depending on when and where you view its diversely brilliant vistas.

Alyeska! "The Great Land" in the Aleut tongue.

It celebrates its 25th year of statehood this year.

The locals proudly call their immense, unspoiled northland "the last frontier." Their state embraces half the entire U.S. coastline, 100,000 glaciers (one the size of Rhode Island), three million lakes, 14 navigable rivers, 57 volcanoes, 17 of America's 20 tallest peaks—and drama as limitless as its horizons.

Alaska's scale is overwhelming, its initial impact a dynamic dilation of the five senses.

The 49th state's 586,412 square miles equal one-fifth the area of the lower 48. That computes to 1.3 square miles per Alaskan. (Washington averages 61 people per square mile, Oregon 27.) But this elbow room is shrinking, if imperceptibly. By 1990, Alaska's population should hit half a million, posting a 25 percent gain for the decade and boosting the work force to some 272,000. And its people are as young as the state. Just under 60 percent are under 30, close to 80 percent are under 40. The average age is 26. And a third of the permanent population has lived there less than five years.

Yet, only a splinter of Alaska's prodigious land mass is inhabited by other than grizzly, walrus and caribou. Two-thirds of the current 415,000 residents live in the cities of Fairbanks, Juneau and Anchorage. Most of the other third make up the smaller coastal and interior cities.

Alaska today—poised between frontier myth and a great stride into the modern world—is a last outpost of magnificent opportunity, not only for the reawakening giant but those linked to it by history and geography. Alaska in the Eighties is a land of glittering promise and enormous opportunities.

While the lower 48 states foundered in recession bordering on depression, Alaska spurted into the new decade. Fueled on five economic fronts, it gained some 55,000 new citizens between mid-1980 and '82. Over the same period, employment surged by 9.5 percent—four times the state's preceding three years' rate of growth. The 1983 employment gain was 6 percent, with a 3 to 4 percent average growth predicted this year. Still, the 1984 economy should register another "outstanding overall performance with the absolute level of activity above that of 1983," according to Robert Richards, Vice Chairman, Alaska Pacific Bancorporation.

The vanguard of Alaska's economic advance and its greatest stabilizer is, of course, the petroleum industry—balancing the state's traditional, highly cyclical industries of fishing, forest products, tourism and construction. Completion of the North Slope pipeline has funneled in tremendous revenues. And even though fluctuating world oil prices set the enthusiasm level for exploratory drilling, both public and private petroleum development—to the tune of nearly $11.5 billion over the next five years—demand long lead times that will continue to bolster local employment. Another estimate has the industry investing some $7 billion a year over the next half-century in development, transportation and operating expenditures in Alaska.

Another driving force in the state's economy is the state's expanding role as a major investor in capital construction and infrastructure projects—in turn, encouraging further expansion by the private sector. At the same time, native corporations have emerged as Alaska's major private landowners (60 percent of Alaskan land is owned by the federal government, 28 by the state government). The federal government is in the process of transferring 44 million acres of land—equivalent in size to the state of Washington—to these private owners, endowing them with a wealth of natural resources.

Add to these factors a resurgence of interest in Alaska's resources by Asian nations, particularly Japan and Korea. And a blossoming atmosphere of cooperation and support for increased economic activity within the state under pro-development Governor Bill Sheffield. Plus continuing construction, particularly public works projects, along with sustained annual gains in tourism (visitors to Alaska this year should exceed 1983's crop by at least 7 percent).

As for Alaska's ports—with its 14 principal rivers, some 34,000 miles of coastline and close to 40,000 registered vessels, the state has moorage capacity for only 7,000 of them. Add over $400 million to meet all small boat harbor needs and another $5 billion for adequate funding of state port developments. And $20 million could easily be spent in the Eighties on a plan to shape up 500,000 of the state's 20 million agricultural acres for farming.

Vast wealth and natural resources—matched by virtually unlimited markets. Little wonder, then, that Alaska is being wooed so arduously by its neighbors to the south. "Gateway to Alaska" has taken on a fresh, lucrative ring. And suddenly the ports of Seattle, Tacoma and Portland, along with their business communities, are looking north to the Great Land of opportunity.

Seattle, because of its size and proximity, has long been the dominant supplier of services and non-petroleum commodities to Alaska. As such, it has the largest stake in Alaska's vast emerging potential. But it's one that the Queen City has had to defend with renewed vigor recently as Tacoma and Portland continue to vie for increasingly bigger pieces of the commerce.

"We in Seattle and the Puget Sound region regard Alaska as our number one trading partner," says J.W. "Jube" Howe, Regional Manager—Alaska for the Port of Seattle. "Alaska is our single largest trade destination compared to Japan, Korea, Taiwan, Hong Kong and all other major countries," he claims.

Howe, who lived in Anchorage from 1940 to 1958 prior to relocating to New York, then Seattle, estimates that 27% of the total air and marine traffic now flowing through Port of Seattle facilities moves north. The port's waterborne trade to Alaska increased 6.4% in 1980 and 9.7% in '81 after sharp downturns in 1976–79 following the pipeline construction years of 1974 and 1975 when waterborne traffic surged 28.9 and 32.2% respectively.

For example, Alaska-Hydro Train is adding a second deck to its barges that will complement the company's rail barge service with roll-on/roll-off trailer capacity, says Howe. And the Seattle area is the main gateway to Alaska for such active shipping operations as Coastal Alaska Lines, Dillingham Maritime Services, Pacific Western Lines and Sampson Tug & Barge, Seaway Express and Alaska Marine Lines.

Meanwhile, 25 nautical miles from Elliott Bay, the Port of Tacoma is becoming more important. Totem Ocean Trailer Express (TOTE), an Alaskan corporation that provides twice-weekly, 2½ day service between Anchorage and Tacoma, relocated from Seattle in 1976. A new $10-million, 25-acre facility on the Port's Blair Waterway—aptly christened the Alaskan Terminal—will begin servicing TOTE this spring.

A more recent coup involves Tacoma Terminals, Inc., a subsidiary of Sea-Land, the world's largest containership operator. Tacoma Terminals will begin operating at a new multi-million Port of Tacoma facility in May 1985. Construction is underway at the present TOTE site on Sitcum Waterway.

"Because TOTE is in Tacoma, and Tacoma Terminals will soon be handling Sea-Land's service in Tacoma, more and more companies that produce goods for Alaska are thinking about joining us," said Port of Tacoma Communications Manager Rod Koon. Palmer G. Lewis, a shipper of lumber and other building materials to Alaska, has a major warehouse at the Port, advised Koon. Also, Northland Hub, a supplier of Alaska grocery stores, is moving its distribution center from Kent, Washington, to a 14,400-square-foot Port of Tacoma building, according to Koon.

"We see exciting things happening in the Great Land," said the Port's Executive Director, Richard Dale Smith. "And we expect to grow as Alaska develops."

And in the Rose City, Mayor Frank Ivancie, in concert with the Portland Chamber of Commerce and Development Commission, has mounted increasingly strong attempts to snare some of "the awesome trade potential that awaits Portland on the northern horizon." On September 25, the mayor led a week-long Chamber of Commerce Alaska trade mission for the fourth straight year. In 1982, the delegation hit a high-water mark of 52 delegates.

"We showed up in Anchorage last year—over 40 strong—with several thousand

copies of a 700-member Portland area business directory under one arm and Mayor Ivancie under the other," laughingly offered Elizabeth Radigan, with the Portland Development Commission's Department of Economic Development. "Don't think we didn't get Alaska's attention—and noticed by other trade groups!"

The direct result of last year's mission, revealed Chamber of Commerce Manager of Business Development Sharon Kafoury, was $9,718,750 worth of a new business for Portland tri-county firms, all of which had participated in the trade efforts.

"Two years ago no one wanted information on Alaska," added Kafoury. "Now we have 1,200 on the list. Word is getting out, and more and more people want to get involved."

"Slowly, but surely, Portland's presence is being felt," remarked Laurie Gray, Alaska sales manager for Alaska-Hydro Train.

Actually, the Portland Chamber of Commerce has campaigned for over four decades to foster business relations with Alaska. "Portland does not seek all the trade, does not expect to get it, and could not get it even if it did seek it," Oregonian Marine Editor Lawrence Barber quoted Portland Chamber of Commerce Assistant Manager George Henderson back on January 5, 1947. "Portland seeks only its just share in proportion to Oregon's production and distribution ability."

That ability got another large boost last August when Alaska-Hydro Train began barge service between Portland and Anchorage. And last spring, Alaska's Port of Valdez hired Portlander Vernon Chase as its marketing director after completing a new $53-million marine terminal. Located just east of the center of Valdez—dubbed "the Switzerland of Alaska" because of the city's alpine beauty—the new terminal boasts the largest floating concrete dock ever constructed for cargo use.

Adjacent to the cargo terminal and 21-acre marshaling yard are nine concrete grain silos, each 112 feet tall and 33 feet in diameter with a 522,000-bushel capacity. The terminal complex is connected to the Richardson Highway, leading to Alaska's great interior, by an 1,800-foot causeway.

Not far from its port, the City of Valdez has over 3,000 acres of "very desirable" industrial land available for lease or purchase, says Chase. "Soon, Valdez will have Alaska's only duty-free foreign-trade zone located at several industrial park sites and their marine facilities," adds Chase.

Also, the Valdez airport has just inaugurated the world's only commercial microwave landing system to ensure that the city will always receive reliable air service, he reveals.

"All these state-of-the-art facilities allow us to once more function as the ideal gateway to Alaska's burgeoning interior," Chase concluded.

David Enroth, Vice President of Seattle's Alaska Maritime Agencies and current chairman of the Seattle Chamber of Commerce Alaska Committee, sees the growing Northwest competitiveness as "healthy" for everyone concerned. Especially Alaska. "Greater competition tends to produce superior services, lower prices and better products," Enroth said.

And so, nearly a century after the great gold rush, Alaskans and Northwesterners again struggle to stake out a place in the midnight sun.

TRIBUTE TO PHARMACISTS AGAINST DRUG ABUSE

Mrs. HAWKINS. Mr. President, in continued efforts to eradicate drug abuse, an organization known as Pharmacists Against Drug Abuse [PADA] has been formed.

Launched in April of this year, PADA was established by McNeil Pharmaceutical and Johnson & Johnson as an educational antidrug abuse program aimed at children and parents. Geared to utilize the resources of the country's 55,000 community pharmacies, this program is directed toward informing parents and children of the dangers of such commonly abused drugs as alcohol, marijuana, and cocaine.

These pharmaceutical companies feel, as do concerned parties everywhere, that unless something is done, quickly, society is going to see more and more the devastating effects of drug abuse. The use of illicit narcotics is so widespread in our Nation that the U.S. Department of Justice recently reported that over one-third of all young people in America use illegal drugs, and that the average age for first use of drugs is about 11½ years. The same Department of Justice report indicated that the illegal drug market was approximately $80 billion a year, two-thirds of this figure representing proceeds from dealing in marijuana and cocaine.

In trying to prevent our youth from becoming victims to drug abuse, Pharmacists Against Drug Abuse is directing its considerable resources toward the possible remedy of stopping drug abuse at the experimental stage, before it gets a grip on young America. As part of their campaign, PADA is working very closely with ACTION, the Federal agency responsible for the Government's volunteer programs; pharmaceutical associations in all 50 States; and the national pharmaceutical organizations.

PADA has put together a fine information brochure, at no cost to the public, entitled "The Kinds of Drugs Kids Are Getting Into." This publication is available at all participating pharmacies and describes drug abuse, tells how to spot someone who is using drugs, identifies some of the most widely used drugs and advises parents on how to cope with the situation.

Mr. President, this organization deserves our appreciation and support, and its creators our commendation. If we continue to work together in the fight against drug abuse, we can indeed win the war.

SOVIET JEWISH EMIGRATION TOO SLOW

Mr. PERCY. Mr. President, in keeping with my recent practice of reporting to the Senate the monthly emigration of Soviet Jews, I today note that 83 Jews left the Soviet Union in the month of August. In the previous month, 85 left the Soviet Union, bringing the total number of Jewish citizens who have left the Soviet Union this year to 652. At this rate, Soviet Jewish emigration for 1984 would fall well below the already dismally low level of 1983, when 1,315 Jews left the Soviet Union.

This rate of emigration is terribly low and it violates international commitments of the Soviet Union. We must not remain silent in the face of these grim numbers. We must continue to take every opportunity to press the Soviet Government to allow its Jewish citizens to join their families outside the Soviet Union.

I am pleased that the U.S. delegate at the recently concluded meeting of the U.N. Human Rights Commission Subcommission on the Prevention of Discrimination and the Protection of Minorities offered a resolution in support of religious freedom for Soviet Jews. The Subcommission held meetings in Geneva from August 6 to 31. Mr. John P. Roche, the U.S. expert at the meeting, sponsored a resolution which dealt with the problems for Soviet religious minorities. It sought to improve their access to religious articles, materials, and instruction. Unfortunately, the Subcommission decided against adopting Mr. Roche's resolution as well as two other U.S.-sponsored measures, due to Soviet opposition.

I also want to report that Alexander Paritsky, a Ukrainian Jew jailed 3 years ago for anti-Soviet propaganda, has been freed from a Siberian labor camp upon completion of his sentence. Mr. Paritsky suffered from a severe heart condition during his confinement, and I hope that he will receive much-needed medical treatment at this time. I also hope that he will not suffer further harassment.

As we near the beginning of the new Jewish year of 5745, I want to express my sincere wish that this year will bring redemption for the Jews of the Soviet Union. Until then we have a moral responsibility to continue and intensify our struggle on their behalf and on behalf of all oppressed peoples everywhere.

OUR MAN IN ROMANIA

Mr. HELMS. Mr. President, the Reagan administration has had the good fortune to appoint a series of excellent ambassadors from the ranks of experienced and knowledgeable private citizens. We have many good ambassadors who are in the career Foreign Service, and they are to be commended. But no President could conduct his foreign policy without the infusion of new ideas and new talent from outside the career service. It

takes a mix of both kinds of ambassadors for the successful conduct of foreign policy.

One of these outstanding ambassadors is our man in Romania, Ambassador David Funderburk. Ambassador Funderburk came from academic life, as a professor of history in Campbell College, in Buies Creek, NC. But he is well grounded in the language, history, and culture of Romania, having studied there and written numerous scholarly articles and books on the topic.

In his work in Romania, Ambassador Funderburk has never hesitated to put forward the U.S. interest—and won the grudging respect of Romanian officials, despite the criticism of careerists who said that strategy would never work. Furthermore, he has continually gone down the line for human rights in Romania, championing the cause of oppressed Jews, Baptists, Catholics, and other persecuted minorities. The work he has done is truly outstanding, and he deserves the highest congratulations.

This month, Ambassador Funderburk's alma mater, Wake Forest University, in its university magazine, published a profile entitled "David Funderburk—Our Man in Romania." It is a fine piece which reviews Ambassador Funderburk's work for the United States and for human rights.

Mr. President, I ask unanimous consent that the article from the Wake Forest University magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DAVID FUNDERBURK—OUR MAN IN ROMANIA

(By Bill Wells)

In 1978 a young history professor wrote a pamphlet entitled "If the Blind Lead the Blind," alleging "scandal" in the misteaching of communism in American universities and charging the State Department with understanding human rights violations in Eastern Europe.

Two years later, the White House was calling.

The author of the paper was David Funderburk ('66, MA '67), a specialist in Eastern European affairs, then teaching at Hardin-Simmons University in Abeline, Texas and soon to be appointed associate professor of history at Campbell College in Buies Creek. That move put him closer to Winston-Salem and his alma mater. And when he moved back to his native North Carolina, he became involved in the campaign of Jesse Helms for the US Senate. But since then, Funderburk has moved out of academia into other things. His card now reads "Ambassador of the United States of America, Bucharest."

"I'm a political appointee," Funderburk acknowledges when asked how he got the job. But political appointee or seasoned career diplomat, there are seldom chances to appoint as ambassador to a country someone with such special expertise and experience in the people and the language.

"I came to the attention of the White House because of my involvement in the campaign, and they were pleased with the things I had written and called to ask if I would agree to be interviewed for the job. I remember standing in my kitchen when the White House operator came on the line and trying to decide if it was a joke. I never dreamed someone so young would get the job. I was delighted and overwhelmed to even get a call from the White House."

The Romanian ambassador was cool and relaxed on a recent visit to the Graylyn Conference Center. In offhand conversation, reminiscing about old friends, he seemed to at least muffle the ancient lament that "we are too soon old and too late smart." A great deal of study has been crammed into relatively few years, most of it centered on modern Eastern Europe in general and Romania in particular. It was an interest begun as a Wake Forest undergraduate with courses under Keith Hutchins and others. This work culminated, via a Fulbright and other fellowships, in a 1974 PhD from the University of South Carolina. During that time, in the early 70s, Funderburk mastered Romanian and worked in Romania with the US Information Agency. He is thus atypical among American ambassadors, not only for his youth, but for his level of prior expertise in his country of assignment.

Ambassador since October, 1981, Funderburk describes himself as "mellowing" in his job. "I've learned a lot of patience, he notes, "you just can't come in and take radical positions . . . you have to settle for a lot less than 100 percent, for a few pieces."

Indeed, relations with Romania might be described as on the upswing over the past several years. In 1975 the US had first extended most favored nation trading status to Bucharest and re-extended it last summer. But for all that, the first time diplomat insists, Romania remains an unremittingly communist country with all the apparatus of oppression. Attempts to emigrate are often viewed as quasi-treasonous, and during the two or more years delay between applying to emigrate and being allowed to go, applicants often lose their jobs, their apartments, and find it difficult to get consumer goods. The most favored nation status has given Washington a lever in easing emigration restrictions; the threat of its loss recently persuaded the Ceaucsescu government to drop a heavy tax penalty on prospective emigres. This exodus has provided a major, ongoing theme in Funderburk's work. He spoke with particular emphasis about the plight of Romanian Jews, who are one of the largest sources of immigration into Israel. Romania is the only East European nation to maintain diplomatic ties with Israel.

"I think my own Baptist heritage, with its stress on absolute religious freedom, makes me doubly conscious of the plight of Christians and Jews in Communist countries," the ambassador said. Fuderburk was in this country to make a presentation in Washington at a human rights conference. He was visiting his college friend Bill Brady ('65, MD '70), who in turn planned to visit in Romania this summer.

For all his criticism of a dour regime, one senses in the young diplomat a genuine appreciation of the land and it's people.

"Romanians are very friendly, very willing to help," he observed. "They move in many subtle ways to temper the fact of Communism. 'We have learned,' said one Romanian close to Funderburk, 'to bend without breaking. We have learned over the years to be smarter and shrewder than the others. We have been invaded by Turks, Austro-Hungarians . . . the lot. We know we only hurt ourselves by rebellion.'"

His friend explained that when the Romanians are dissatisfied with the government they protest by making things "not work," but they never openly protest. Since the export of goods is so important to the government, messing up the quality of items that are sent abroad is a surer way to harm the government than an open protest. There have been no parallels in Romania to Budapest-1956, Prague-1968, or even the Solidarity movement in Poland.

Romania is an anomaly. It is described as the Paris of Eastern Europe. Romanian is a Romance language, rather than a Slavic one as is spoken in neighboring countries. "Romanian is not far removed from Italian," Funderburk noted. "These people have tried hard to steer what seems a third course. They supported Anwar Sadat when he was in office. The regime has been outspoken in objecting to the Russian adventure in Afghanistan. They have cultivated ties with Peking and Washington alike.

"It's in foreign policy that they vary most from Moscow," says Funderburk. "There's a lot of bad feeling at all levels toward the Russians. The USSR simply swallowed (formerly Romanian) Bessarabia at the end of World War II. And there's a lingering sense of betrayal at the US for granting Stalin carte blanche at Yalta." FDR, Funderburk noted, refused to hear Churchill's distrust of Stalin.

That observation approaches the heart of the ambassador's expertise. His doctoral dissertation concerned British-Romanian relations up to the Second World War. This 220 page study has since been published in Romanian by the government, a gesture made all the more unusual by the fact that it contains the first officially sanctioned reference in Romanian to the Russian-German pact which preceded the dismemberment of Poland and plunged Europe into war.

All this seemed very far from a lovely afternoon at Graylyn. Funderburk seemed both enlivened by his work and glad to see a bit of home. He has no hard and fast plans for the future. He and his wife, Jo Swaim Funderburk, formerly of Pine Bluff, NC, and their two children have plenty to do through this year.

Even when another ambassador replaces him in Bucharest, he will never be far from Romania. And the experience and credentials the assignment has given him are valuable—"almost as valuable as my Wake Forest education," he says with a smile. "Without that I doubt I would have had any of the other."

SENATOR CARL LEVIN ON COMBAT READINESS

Mr. BYRD. Mr. President, it is my hope that the Senate will have an opportunity to pass the fiscal year 1985 Defense Department authorization conference report. As my colleagues are well aware, the conference committee on that measure has been stalled over the future of the MX Program and the question of the overall level of defense spending. In addition, it is imperative that we also have an opportunity to pass the fiscal year 1985 budget resolution conference report. That agreement is also being

stalled as a result of White House intransigence over the spending level for the Nation's defense program.

This administration is focusing on the wrong targets. Instead of refusing to entertain responsible accommodations on the MX Program, it ought to be zeroing in on the obscene level of waste in Pentagon programs. There is apparently an unacceptable and lackadaisical attitude toward cost consciousness. This week it was reported that one contractor's work has finally been stopped on missiles which for several years have been turned out in a shoddy manner. As Pentagon whistle blower, Mr. A. Ernest Fitzgerald, stated in a report in the September 4, 1984, edition of the Washington Post, he had informed the Air Force over 2 years ago that the management practices by this contractor were "catastrophic." The problems were so severe that a local newspaper had to detail them at this particular plant. As Mr. Fitzgerald was quoted by the Post:

Why should they build a decent missile? Until now, they've gotten paid for building bad ones, and then gotten paid for repairing them.

This story is just the latest in what appears to be an endless series of revelations of inadequate levels of spare parts, exorbitant prices for spare parts, inadequate attention to quality control, and inadequate attention to basic combat readiness. The House Armed Services Committee recently released a very detailed study which concluded that the war-fighting capabilities of our Armed Forces have improved little, if at all, even with the large defense budgets which Congress has passed at the administration's request.

Where has all the money gone? It is becoming difficult to justify a 7-percent real growth increase in the defense budget which is the level of the Senate Armed Services Committee bill over fiscal year 1984, if we cannot identify improvements.

Instead of entertaining reasonable accommodations on the level of the defense budget in the context of the congressional budget resolution, the administration is causing a major breakdown in the way Congress conducts the Nation's business. The administration is spending too much money on procurement, and not enough on readiness. To what end will be the funding of our multiple strategic weapons systems if our conventional forces cannot sustain a conflict, or simultaneous conflicts in several theatres? The result will be that we will be forced to use nuclear weapons or accept defeat on the conventional battlefield.

Mr. President, the largest real growth of any category of our defense program has been in procurement. It is roughly 61 percent over the life of the Reagan administration, fiscal years 1981–84. This is to be compared with only a 22-percent real growth increase in operations and maintenance, or in basic readiness matters. So, real growth in procurement has been triple that of operations and maintenance.

The result of these skewed priorities, in combination with inadequate oversight, has been a disappointing record in our basic combat readiness. The distinguished Senator from Michigan, Mr. LEVIN, who has been a leader in attacking waste and mismanagement in the Pentagon, has outlined in the September 5 New York Times, the unsettling tale. He goes into great detail in support of his contention that the administration has failed to improve the Nation's defenses despite the large budgets it has been granted.

Senator LEVIN has become one of the most knowledgeable Members of this body on these matters, and has offered many constructive proposals to remedy these problems. Unfortunately, those proposals, having passed the Senate, now are stalled in the moribund defense authorization conference. By stonewalling the congressional process on defense, the administration reveals its utter disdain for taking corrective measures which will help improve the combat readiness of our Armed Forces.

I commend Senator LEVIN for his initiatives, his leadership, and for his insightful piece in the New York Times. I recommend that my colleagues, and the administration, examine it closely.

Mr. President, I ask unanimous consent that the article from the New York Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOLDEN ARMS, LEADEN READINESS

(By Carl Levin)

WASHINGTON.—When Congress reconvenes today, it will face major decisions on the largest peacetime defense budget request in recent American history. In doing so, it must address the deeply unsettling question: have taxpayers received the improved defense and improved combat readiness that they have paid for—and been promised—over the past four years?

I believe the answer—an answer provided by the Administration's own evidence—is a disturbing "no."

A close examination of the record leads to the conclusion that the Administration has slighted military readiness and sustainability—our conventional forces' capacity to go to war and keep fighting long enough to win—while buying more strategic nuclear weapons systems than are required to deter the Soviet Union.

Indeed, the Administration has squandered billions of dollars on unneeded strategic nuclear weapons, such as the destabilizing MX missile and the limited-performance B-1B bomber, and has consistently neglected to allocate enough to insure the combat readiness of our conventional forces.

These conclusions have been reinforced by the Administration's own top readiness official, Lawrence J. Korb, the Assistant Secretary of Defense for Manpower, Installations and Logistics. In February, he admitted: "Finally, we must recognize that all of our readiness-related programs are not fully funded despite our pronouncements about the high priority we accord to readiness."

They were also reinforced in February, in testimony before the Senate Armed Services Committee, by leaders of most of our important military commands.

Adm. William J. Crowe, for example, whose Pacific Command covers the strategically vital Far East and Pacific Ocean sea lanes, testified: "We currently have critical shortages . . . of combat support and combat service support, as well as spare parts and equipment."

The Atlantic Command's top officer, Adm. Wesley L. McDonald, expressed a similar view, Gen. Howard Stone, chief of staff of the Army's European Command, stated that the Administration's entire defense program falls "short of our objective in munitions, spares, consumables, weapons and equipment."

The North Atlantic Treaty Organization's top military officer, Gen. Bernard W. Rogers, the Supreme Allied Commander, has put it even more bluntly: "We have mortgaged our defense to the nuclear response. . . . We have failed to provide sufficient sustaining capacity—ammunition stocks, prepositioned matériel to replace losses of equipment on the battlefield such as tanks and howitzers—to keep . . . fighting for a sufficient length of time. Under current conditions, if attacked conventionally, we will have to request the release of theater nuclear weapons fairly quickly."

Other official Defense Department information shows what has happened to our combat readiness under this Administration.

The Army's backlog of tanks, helicopters and other equipment to be overhauled has increased 34 percent since 1980.

The Air Force's backlog of buildings and facilities needing maintenance and repair has increased by 45 percent since 1980.

The Navy's backlog of unrepaired buildings and facilities has increased 31 percent since 1981.

The rates measuring the overall operating condition of the Air Force's airlift and tanker aircraft are lower now than in 1981.

During the last four years, the Pentagon's budget has increased by $116 billion, or 40 percent, in constant dollars. Yet the unwise spending of these sums has led to unsatisfactory readiness and sustainability.

Congress shares some blame. With few major changes, it ratified the initial Reagan defense budget requests, especially those for big ticket items such as the MX and the B-1. Since then, however, several Congressional attempts to increase funding for combat readiness and conventional weaponry at the expense of strategic nuclear programs have been defeated, principally by the Administration's supporters in the Senate.

In the next few weeks, Congress will grapple with these issues—either in formulating an omnibus continuing resolution for fiscal 1985 or in debating a separate Defense Appropriations Act.

The record shows clearly enough that this Administration has spent too much for fancy aircraft, vulnerable surface ships and redundant strategic nuclear weapons, while spending too little on the nuts, bolts and staying power of conventional-forces readiness. Even at this late date, Congress must try to correct this troubling defense policy.

CONFERENCE SITUATION ON MX

Mr. NUNN. Mr. President, I spoke on the Senate floor on August 10 to urge that every effort be undertaken to break the impasse on the fiscal year 1985 Defense authorization bill. I would urge again that every possible option to accomplish this goal be explored and that Chairman Tower reconvene the conference at the earliest possible opportunity.

I would also restate that it is no secret that the MX is the issue that continues to "hang up" the conference. I continue to believe, however, that a compromise on the MX is possible if both sides are willing to be reasonable and responsible.

A great deal of progress had been made in our conference on many issues, including the so-called "big four": Central America, sea-launched cruise missiles, anti-satellite weapons [ASAT], and even the MX.

While no final agreements had officially been ratified, compromises on Central America and the sea-launched cruise missile had been worked out. We were very close to reaching agreement on a compromise on ASAT.

With those three major issues essentially behind us, the MX was the major outstanding issue but the original positions had informally evolved in the following manner:

First, the House conferees had indicated they could agree to drop the provisions that tied production of the MX to Soviet arms control behavior.

Second, both sides indicated interest in a compromise that would permit funding for long-lead items for missiles authorized for fiscal year 1985 as well as funds for deployment of the fiscal year 1984 missiles.

Third, a part of this compromise would be an agreement that no fiscal year 1985 funds should be used for final assembly of any MX missiles until a vote under expedited procedures by Congress next spring.

What was not agreed to even on a tentative basis, and what essentially deadlocked the conference, was whether that vote should take the form of a joint resolution of approval or a joint resolution of disapproval.

I think it is important to explain the difference between a joint resolution of approval and a joint resolution of disapproval. A joint resolution is just like a law. It must be passed by both bodies and signed by the President to go into effect, and the President may veto it.

Under a joint resolution of approval, the MX would be produced only if both Houses approve the resolution and it is signed by the President.

The situation under a joint resolution of disapproval is more complex. MX production could go forward in one of two cases: First, the resolution of disapproval does not pass in either body; second, if the resolution of disapproval does pass, but is vetoed by the President, and Congress fails to override his veto. In this second case, one-third of either House—by refusing to override the veto—could ensure production of the MX.

Thus, under a resolution of approval, a majority in either House could block the MX. Under a resolution of disapproval, one-third of either body would cause the MX to go forward if vetoed.

The Senate conferees caucused, which is a normal practice, to finalize our approach. This caucus focused primarily on the MX with some discussion of the ASAT issue. There was little discussion on Central America and SLCM since we had already reached general tentative agreement on those issues with the House conferees. I offered a compromise for the Senate conferees' consideration on the MX.

I offered the three-step compromise outlined above and argued that we shold accept the House propsal on the form of the joint resolution; i.e., no final assembly pending a resolution of approval of both the House and Senate next spring.

After a discussion, my proposed compromise on the MX was rejected by the Senate conferees on an 11 "no" to 7 "yes" vote.

The crux of the vote was clear. The Senate conferees were voting on whether or not to have the MX vote next spring by a resolution of approval or disapproval. The effect of the Senate caucus vote rejecting my proposal was to insist that the resolution be a resolution of disapproval by the House and Senate rather than a resolution of approval by both bodies as insisted on by the House conferees.

It was at this point on July 30 that the conference deadlocked and Chairman TOWER recessed it subject to the call of the Chair. Today is September 6 and the Chair still has not called.

We now have a little over 3 weeks and there is no budget resolution setting an agreement on overall defense spending; there is no defense authorization conference ironing out the major and minor differences between the House and Senate bills. The prospects for a defense appropriations bill are dim and there are uncertain waters ahead for any continuing resolution, which would have to iron out all of these issues in a very short timeframe.

Mr. President, we do have an alternative which will be far more beneficial to the defense budget and our national security: First, as suggested by Senator CHILES, to resolve the budget number difference at an agreeable real growth level that becomes not only a ceiling, but also a floor for the appropriation process; second, to resolve the MX issue in our conference in the manner I suggested in July. We would then be able to break the logjam on the budget process, the defense authorization process, and the defense appropriation process.

I urge the Reagan administration and my colleagues in both bodies to allow the spirit of bipartisan compromise to permit forward progress on these key items.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GARN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now concluded.

FINANCIAL SERVICES COMPETITIVE EQUITY ACT

The PRESIDING OFFICER. The question is on the motion to proceed.

Mr. GARN. Mr. President, let me say at the outset that we will not be able to get to a vote on the motion to proceed today. I thought my colleagues who are listening, or their staffs, might like to be aware of that. Yesterday I had hoped to bring up the bill and be able to discuss it, have opening statements, and proceed with some of the technical changes and committee amendments that were not controversial. I felt that it was necessary for those who were telling me it was only a matter of those who were out of town; that they were delaying until they got back. I understood that. I made no attempt to cut off any discussion yesterday, nor will I today, because I will accept that in good faith, at least for a while longer; that we are involved in delay and not a full-fledged filibuster to kill this bill. However, I should like to repeat a few things I said yesterday.

This process started several years ago. The first bill that was passed in an attempt to try to rationalize a confused banking services industry was under the direction of the former chairman, the distinguished Senator from Wisconsin, of the Banking Committee, the Financial Institution Monetary Deregulation Control Act of 1980.

In 1982, we passed the Garn-St Germain Act, another step. In each case, I think both of us would have liked to have taken a bigger step, but it was not possible. Now the new bill of the Senate Banking Committee at the end of June is a third step in that process.

I think anyone who looks at this realistically will realize these bills are not the cause of the changes in the financial services industry. The marketplace is changing. The real world out there is very different.

When I first came to the Senate a decade ago, we were dealing with rapid changes. Now we are dealing with a revolution in the financial services industry that is occurring regardless of what we do in the Senate. But Congress is very timid. We move very slowly. We need months and years to consider things. Certainly we have to give the lobbyists all the opportunity to earn their big fees, and the longer it takes us to do something the more fees they earn and the more opportunity they have to stand in the corridors and sit in the gallery and try to get their way on individual provisions.

But the fact is the real world is changing if for no other reason than electronic funds transfer, technological changes. There are transactions made today in seconds that 5 years ago could not be done in days. We have things like computers that have revolutionized our lives. Who ever thought we would have the home computers that we have now? It will not be very long until we will not have checks anymore. You will be picking up your phone, pushing the buttons and paying your bill.

But people want to ignore that and say, "Well, the banking laws of the 1930's are just fine. It doesn't matter, the whole world has changed."

So this is another step in the process to get this bill before this body. It is rather interesting that about 95 percent of the bill is not controversial. It is not controversial at all. Nobody has even brought it up. There are a lot of legislative changes as a result of many, many more days of hearings and more than 7,000 pages of testimony. Everybody has been allowed to testify in that committee ad nauseam. Some of these issues were issues before I became a Senator a decade ago. So there is nothing new. There needs to be no more study. We have volumes, tens of thousands of pages of testimony from every conceivable group that has a tenth of a percent interest in this bill. But we will hear through the course of this discussion that we need to consider things more carefully.

It is rather interesting that a year ago there was a pleading for a 6-month moratorium.

Mr. President, let me back up. At the end of October 1982, when Garn-St Germain passed and we removed some controversial provisions to enable it to pass, if I wanted to be a little bit unfair, I would bring back the testimony to the committee of some of my colleagues as to how, if I would just take those provisions out in January 1983, boy, would they be ready to consider them and make decisions.

Well, January 1983 came along and, boy, if we just had a 6-month moratorium until the end of July. By then we will make decisions. We will show some courage and the will of the Senate will be worked. We will make some decisions on these very important issues. We obviously cannot allow these nonbank banks to roll on and on and on and all these loopholes to take place.

Well, what did we get in the summer of 1983? Chairman Volcker sent down a bill which a lot of my colleagues jumped on and said, "Let's have a 6-month moratorium until December 31, 1983, and by then we will be able to make decisions on these vital issues."

Well, it is interesting. Then they want a moratorium until the middle of 1984. All this time has passed that they wanted and here we are 2 years later in September 1984, and you know what they want? "A 6-month moratorium so we can have time to consider it." Maybe if they would come to committee meetings and listen, maybe if they would come back from the recesses and listen, maybe if they would read the 7,000 pages of testimony, they would be prepared to make decisions.

I may be dumb, but I am not so dumb as to keep swallowing this "Six more months and then we will make a decision." They do not want to make any decisions. They are afraid to make decisions. "Good heavens, do not irritate the American Bankers Association. Do not get Citicorp and Chase Manhattan mad. And for heaven's sake, do not make the Independent Insurance Agents Association mad at you, or the realtors or the city banks or the securities industry. My goodness, these are big political issues."

Well, they are not. They are not partisan. They are not Republican or Democratic. And here is the chairman of the Senate Banking Committee, the leader of the great deregulation effort, hounded with hundreds and thousands of letters from all different people saying what an idiot I am for bringing this bill to the floor. Walk down Main Street in Salt Lake City with me. Pick up a typical call or talk to a constituent of JAKE GARN and say, "What do you think about what JAKE GARN has to do with Glass-Steagall?" They will say, "Doesn't he play for the Cubs?"

This is not big issues like inflation and deficits, and so on. The average person in this country has not the faintest idea what we are doing on this floor or what Glass-Steagall is or McFadden or the Dodd amendment. Very small groups of people that are well organized in the associations I have talked about know about it. They may be half a percent of the vote in my State. I do not know if that many people are informed.

We are dealing with very technical, complex issues that take a lot of time and a lot of study. Not only our constitutents do not understand most of it. Most of our colleagues do not, and I know why—because they are not on the committee. I would not try to compete with members of the Agriculture Committee. They are experts in their area.

I do not know where the fear comes from. I really do not understand. I can take all this flack and get 74 percent of the vote in my State.

Nobody ever brought up, in one of my campaigns, "What is your position on Glass-Steagall? What are you going to do with McFadden and the Douglas amendment to McFadden? What do the reserve bankers think about this or that or something else?" Not once.

I have been in public office for 19 years and never had an opponent who came back and dug in the records in the committee and on the floor and brought up in an ad: "Do you know that Senator GARN favors an amendment to Glass-Steagall?" Glass-Steagall was passed a few months before I was born, 52 years ago. They do not even know that the Federal Reserve Act was passed in 1913, the same year as the Internal Revenue Code. It is absolutely amazing.

So now what we are facing is that we are obviously getting into a situation where people do not want to make any decisions again. Good Lord, the fear of making a decision on Glass-Steagall, whether banks should sell municipal revenue bonds. It does not make any difference. The Governors Association favors it. The Securities Industry Association does not. It might give them a little competition for revenue bonds or mortgage-backed securities.

Citicorp and Chase Manhattan do not like those six New England States getting together in a compact. It is terrible for these legislatures to do that, because they do not want New York in. So Citicorp and Chase, those little old banks in New York, are willing to kill the whole bill: throw out the baby with the bathwater. They want most of it, but because they do not want those six New England States to possibly get a perceived advantage, they are willing to kill the whole bill. I guess we have lots of people out there who are willing to throw out 95 percent of the whole thing for what they do not like.

As I said yesterday, the greatest thing I have learned as chairman of the Banking Committee is that I have had the greatest college education in greed that you can have. I have never seen such examples of greed and selfishness, of people just trying to take care of their own ox. The hell with everybody else, so long as they get their provision.

It must be what Chairman DOLE goes through on the Finance Commit-

tee with respect to the tax bill: "Don't worry about the whole country, as long as my little amendment is killed," whichever way they want it to go. I have had a lesson in what BOB goes through in speeches on any tax bill, hundreds of amendments, special interests, one little group: "Boy, have we got it on those financial institutions legislations. Let the country go down the hill. Don't worry about the fact that there is a revolution going on out there, as long as I get my provision; and if I don't get my way, I'll kill the whole bill." Greed, greed, greed.

I guess one accomplishment is that I have made a lot of money for lobbyists in bringing this bill to the floor. The longer we keep it on the floor, can you imagine the fees they are getting paid? It is absolutely amazing. Maybe I should start going to law school at night. Maybe Senator PROXMIRE and I made a mistake in not being lawyers.

J. Bracken Lee, who I worked with when I was mayor of Salt Lake City, said attorneys had a license to steal. Maybe he should have included lobbyists.

Anyway, that is where we are, and I am rather loose about this whole thing. I guess people think old JAKE can sit there: "He puts 2 more years of his life into this, all those hours and hearings and work and conversations and speeches, and we are going to push him. We are going to kill this bill; and if you want it, you have to take all these things out of it."

You have to skinny it down to something we could have done 2 years ago. It did not take any brains to close the nonbank banks loophole or to close the South Dakota loophole 2 years ago. A simple, little provision, a couple of paragraphs; did not need any hearings; did not need any advice; the staff did not need to work; did not need to listen to lobbyists. It was easy. A Senator in his first 2 weeks could have figured those out. So that is no big deal. We should not have gone through this process if that is all we would end up with.

People can do what they want. If they want to kill this bill, I am not going to waste a great deal of time of the Senate. We are going to know in 2 or 3 days and find out whether that selfishness and that greed carry forward to kill this bill.

I repeat what I said yesterday: Out of all this couple of hundred pages of legislation, we are dealing with only four issues that are controversial.

One is the South Dakota loophole, and that is not a matter of whether we should close it. It is only a dispute as to how—the difference between the original committee print and how Senator DODD amended it. We should be able to decide it on the floor—how we are going to do that, whether we keep the Dodd amendment, modify it, or strike it.

Another one is the regional banking issue: whether or not we clear up the constitutional cloud over whether States have the constitutional right to form compacts with each other.

Then, we continue to hear, over and over again: "Good heavens, how could you allow all this additional, huge, massive deregulation in light of Continental Illinois?"

I said yesterday to the senior Senator from New York—and he agreed with me—that Continental Illinois has nothing to do with what we are talking about today. That is not the kind of bank we are dealing with. Their problems have nothing to do with this bill. It is a red herring. It is nice plum for those who say: "Look at Continental Illinois. How could you possibly consider further deregulation?"

So let us talk about the last two provisions in this bill that are controversial and see if people who are really honest in their opposition still say, "Massive deregulation."

We are talking about granting banks authority to sell municipal revenue bonds. They have sold general obligation bonds since the day 1. At the time Glass-Steagall was passed, municipal bonds, for all practical purposes, did not exist.

As a former mayor, I can tell you that the taxpayers of this country would benefit from banks being able to sell municipal revenue bonds. There would be more competition. As mayor, I would have saved a lot of money if there were more than one or two people competing for the sale of those bonds. In some cases, municipal revenue bonds are a lot safer than general obligation bonds, which banks have always been able to sell.

Some revenue bonds are more secure than the full faith and credit of a city. With all due respect to the Senator from New York, the full faith and credit of New York City was not very good a few years ago, and neither was Cleveland's, and other cities have had similar problems.

Some revenue bonds are tied to revenues, such as at Salt Lake airport. In Denver, they keep growing and growing, and there has been no problem at all. So it is not an issue of safety or soundness with revenue bonds. It is an issue of greed. They want the Government to keep the competition out. They are unwilling to compete. They are the same people who give the free enterprise speeches. They are conservatives. They stand up at Rotary and all the other good civic clubs and say: "We have to reduce the role of Government in society, except where it helps me. I am for free enterprise, except where I can get Government to exclude free enterprise for somebody else."

Then, we have mortgage-backed securities, which did not exist when Glass-Steagall was passed. It is a rather new event.

We have a mortgage problem out there for people buying homes. The biggest stumbling block to that massive desire for people to own homes is the inability to qualify for loans.

And we need to expand the secondary mortgage market. Lenders are not going to make long-term fixed-rate mortgages under the economic conditions we have in this country, and the secondary market needs to be enlarged. It needs to be expanded if we are going to have a pool of adequate money for mortgages.

So mortgage-backed securities certainly would be helpful in that way.

The National Association of Homebuilders supports that provision. Maybe they need to lobby a little harder on that. But that is it.

I ask my colleagues: Is that not amazing when I read the letters I am getting, when I read the news accounts, listen to some of my colleagues about what this bill does and what is controversial? Anyone can check it out. There are four provisions: the Dodd amendment on insurance, mortgage-backed securities, municipal revenue bonds, and regional banking. That is it.

After 2 years or 4 years or really 6 years of delay and always going to make a decision in the future, why cannot this body be allowed to make a decision on these four issues?

I happen to favor each of those four provisions but if they are taken out by a vote of this body, I am a big boy—if I have not learned anything else since I have been a Senator, I have learned how to count. I have learned how to count to 51. If there are 51 on my side I win; if there are 51 on the other side I lose.

I wish I could understand why we cannot finally act on this bill. Maybe I should parade out all the statements of my colleagues on the committee, on and off the record, about how they were willing to make decisions in the early spring of 1983 and remind them this is not 1983; it is now the fall of 1984. And what has changed from their promises to be willing to make decisions? Why cannot this body be allowed to make decisions on those four issues?

I do not have any head counts. I have been enjoying the dry air in the mountains of Utah for the last 3 weeks and wish I were still there instead of back here. But that is not the facts of life. We are back in session. We have work to do. We have appropriation bills to do. We have a debt ceiling to pass, and we have a continuing resolution. And above all we should try and avoid a lame turkey session after election. I did not misspeak myself. I said "lame turkey" because I meant it.

Lameduck is too kind to describe what those after-election sessions are like.

I would like to know why we cannot make decisions on those four issues, why we could not have done it yesterday or do it today, tomorrow, or Monday—just simply get out here and debate those four controversial issues, let the Senate vote—I will offer no tabling motions—up or down, no games, no gimmicks, no attempts to hide anything. Each side present its case for or against the amendment and let the Senate work its will.

That is what I would like, but I guess after 10 years I am still kind of naive. We do not do things that way around here. I guess we will find out in the next day or two whether we just have a little delay until our colleagues get back from the recess or whether we really have a filibuster going on, and if we have a filibuster going on, I guess we will have to file cloture and if cloture does not work, I am not going to delay the needed work of the Senate.

I just want everyone to be on notice of what this bill contains, what the controversial provisions are.

I would like to get back to the facts instead of all the distortions and misrepresentations being spread around all this country to stimulate letter writing and lobbying that are simply false or at the very best misleading, and have someone get back to the fact there are four controversial items. And all we would like to do is let the Senate work its will. But if not, I am not going to be a loophole closer. I did not put 2 years of work into this and neither did the Banking Committee, neither did all of the witnesses, to do something we could have done 2 years ago without any hearings at all.

So if anyone thinks out there in the lobbying rooms that all they have to do is JAKE GARN wants a bill passed this year so badly that if we just keep the pressure on he is going to back down and say, "Hey, I surrender, I throw out the white flag. I will take out all the controversial provisions, just give what you want."

They do not know me very well. They have to put up with me at least until January 1987. I will be back for the 99th Congress because I am not up for reelection this year. And we will start over again in January. If we have to hold 6,000 more pages of hearings we will do that, while they try to decide to be indecisive or decisive, or whatever they want to do.

But I am not going to surrender a good piece of legislation for a couple of loophole closers. We will just go on and let the free enterprise system work, with the exception I will repeat what I said yesterday to those who say, well, that would be great, we will just create 500 nonbank banks in the next few months. There is a grandfather date in this legislation. It is July 1, 1983. That was the date that was established when the bill was first introduced as S. 1609, which is the Treasury bill, the original bill, a year ago. So everyone has been put on notice. If you get on nonbank banks after that date, you may be in trouble. If this bill does not pass this year and we do go over to next year, I guarantee everyone the grandfather date will still be July 1, 1983. So if they want to invest a few million bucks on the basis they killed the bill this year, fine. But eventually it will pass. The marketplace will force it to pass. The marketplace will force this Congress to do what we should have done a couple of years ago, and that grandfather date will be July 1, 1983.

I did not intend to talk so long, and I realize when you have a potential filibuster going, you should let the filibusterers talk and you should not aid and abet them, but I thought maybe it was appropriate for me as chairman of the committee to amplify my remarks of yesterday. There might be a few more back today to listen.

Mr. President, I surrender the floor.

Mr. D'AMATO. Mr. President, first, I commend my distinguished colleague and chairman of the Banking Committee, the senior Senator from Utah, for his great leadership. I think he rightly points out that there are many vested interests impacted by S. 2851: the securities industry, the insurance industry, the real estate industry, the banking industry. The banking community itself is very divided on S. 2851. I feel that much more work must be done before Glass-Steagall is chipped away at.

But this Senator does not rise on the floor to take exception to this bill with the premise that a little more time may cure some of the contentious issues mentioned by the chairman.

I have contended at the committee hearings, in private conversation with the Banking Committee staff, indeed, with the chairman and other members of the Banking Committee, that there are major deficiencies in the bill. Some deficiencies are of such a nature that they would do great violence to some of the banking institutions of the State of New York. In good conscience, being a Senator from the State of New York, I could do less than anything and everything in my power to see to it that this bill is not adopted and that indeed it is defeated.

I respect the manner in which Senator GARN has approached this bill. He has given every opportunity to any Senator on the committee to put forth amendments, or even change votes. He has been more than fair.

So it is not an issue of fairness. It is not an issue of more time to study the bill. It is a matter of eliminating the weakness of the bill.

Let me just bring up one area of concern: we talk about political expedience and the pressures that are brought to us by various lobbyists and special interest groups.

By the way, I do not use that term in the pejorative. It is lobbyists. They are lobbying for their constituency. And I wonder why we would think that those who would do the same, whether it be the insurance industry, the homebuilding industry, et cetera, should be thought of in a negative fashion. It is the substance of their argument that we have to look at.

But let me suggest to you that what we have seen take place in this bill: some of the States have come together against New York.

I would suggest that if the Members really want to look at things objectively, we should not enact legislation that just hurts New York. The small States say, "Oh, New Yorkers are bad people. We don't want the Wall Street people, those big banks in our State. They are going to come in and gobble up all our small institutions."

So, I would suggest that a lot of people, a lot of State legislators have made a lot of hay at the expense of a sound banking system. They are willing to build a system that may someday help be the undoing of the great viable financial network that we have because it makes good political capital in various State legislatures and State houses to say that "We are going to fight to keep those big bad bankers from New York out."

And, so, we have regional compacts that, in essence, would say, "The States of New York and California don't exist—almost 40 million people—and their banking institutions are evil.

This is one Senator who is going to use any of the rights that he has as a Senator to see to it that we fight to preserve that rights of the State of New York.

The fact of the matter is that New York will not stand for it. We are the greatest banking capital, and we have helped this Nation in doing much. And because some want to exclude New York which is a viable part of the region, New England kicks us out, and then New Jersey, Pennsylvania, and others try and exclude us. I think that is incredible. If we want to talk about the kinds of actions that smack of political expedience—and I have been known to use stronger terms—that is what it is.

What has happened to the due process clause of the Constitution? What has happened to the commerce clause of the Constitution of the United States? You better believe we are going to have to have this matter tried and go up to the Supreme Court.

But I do not believe that the framers of the Constitution of the United States ever really felt that we would deal one State out and allow other

States to join in compacts. This affects the free flow of commerce.

A circuit court has said that regional compacts are not unconstitutional. Well, the issue will be appealed and will be decided by the Supreme Court. This is where the issue should be decided. We should not short circuit the process.

That is why this Senator is prepared to undertake, I believe, what is a responsibility on my part to assure the process is not short circuited. I may not be successful, but I have an obligation to fight.

So it is not a matter of studying it for another 3 weeks or another month or 3 months or 5 months. It is not going to change this Senator's mind or opinion. The issue is basic. It is not a matter that can be compromised and it is not a matter which I can say 51 of my colleagues in the Senate decided otherwise and we have lost and I have done my best because that is not what this Senate and these halls are all about. It is giving us the opportunity for our Senators who have a unique responsibility to say that where there will be an injustice that will befall your citizens and your State, you have an obligation to go forward and to see to it that that does not take place.

So if it means undertaking extensive debate for hours and hours, this Senator has that obligation. And I do not undertake it lightly. I think I have a sense of responsibility and I must protect New York.

Let me suggest to you that there are other areas that give me grave concern with respect to this bill, so that I did not come here on behalf of the great money center banks of New York. I have been one of their sharpest critics. They do not like me for it at times. I think they made some imprudent investment decisions, aided and abetted by the Federal Government. I think the Federal regulators have done a poor job, a terrible job. Look at Continental Illinois. My God, the regulators should have moved in with much quicker dispatch.

I do not come here on the basis of saying that I am for the big money center banks and I am not going to do what they want in Washington. That is not what I have said.

I have said very clearly that I am against giving them the powers that they seek in the securities business. My God, they better straighten up and get their capital up to snuff and begin to write off some of their bad loans. I do not think they should be embarking into the security business.

So I oppose this bill for two reasons, two main specific grounds. This is not the time for banks to be getting into new areas.

I have been at many, many of the hearings in the committee. I did not attend many of the committee meetings lately because it was a rehash of old ground. I wonder how we are going to deal with the Federal insurance. I wonder how we are going to set up a separate securities sub and how much capital is going to move to that separate sub, and what takes place if it gets in trouble. Hearings have not focused on these issues.

I have some real reservations about adding new powers to banks. But again my primary objection is that I cannot believe that this body will allow for legislation to pass that discriminates against New York and California. We are going to allow regional compacts which exclude these two States from any participation.

How can we justify that when the bill would allow banks, banks from, say, Italy, to come into any State in the Nation. But the same bill does not allow New York banks to do the same. I wonder how we can arrive at that decision. I wonder how, in good conscience, we can really say we are going to do that and exclude two of the great banking capitals and centers of this Nation from participation.

If people want to suggest that we should provide an orderly manner to allow interstate banking, well, then fine. But to simply say, no, for the next 5 years we are going to have certain States to have the power to move accross State bounds, but not New York. I do not think there is any way that we can logically—even if we say we are talking about States rights—say that does not fly in the face of the Constitution.

So, Mr. President, it is with great respect for the chairman that I rise to make these points, and it is not easy when you have a chairman who has been as conscientious as Senator GARN has been. He has made available his time and staff to countless inquiries from all areas. He has been nothing less than fair with those who have sought time before our Banking Committee.

It is for these reasons that I have outlined that I am compelled to take the action which I have indicated I will be taking. Today, we did file a number of amendments which, by the way, I have indicated again in the past that I would undertake, and I have prepared extensive remarks on the bill. I will be prepared to continue this.

Let me suggest that now is not the time to be considering such a major financial service deregulation bill. The financial services industry in the United States has been buffeted for the last 4 years. Now it needs a period of calm in which it can readjust itself to the present situation, and heal the wounds that the past recession has created. The financial services industry suffers during recessions just as all other industries but it suffers later than others, particularly banks and savings and loan associations which are left with massive loan portfolios in which many companies who have been devastated by recession exist as borrowers. It does no good to tell the financial service industry that the recession is over since their balance sheets show the effects of the recession in a continuing day-to-day basis. These bad loans must be worked out through the system. They must be dealt with, worked out, compromised, settled, and written off, if necessary. Bank capital must be replenished where necessary. Some years of good earnings must follow so that the losses can be absorbed. It would be my suggestion that this is the kind of thing that should take place before we begin to consider whether or not we are going to give added powers to these institutions.

This is the situation in which the banking industry finds itself today. It needs a period of stability, and peace, and quiet, not an additional period of change which will require more adjustments, more new people, more new systems, and more additional cost. There is no guarantee that the new powers granted by this bill will result in profits. Moreover, there is no guarantee that those profits, if ultimately they do come, will come soon enough to help the banking system out of its present dangerous situation.

Major collapses such as that of Continental Illinois Bank have been a lesson for many. The Financial Corporation of America is another. Penn Square is a third. Drysdale Securities and the effect it had on Chase Bank, and others, provides a fourth very vivid example. I could go on. But how many examples are needed to prove that banks and thrifts are having a hard enough time operating within their existing charters at this time, and that it would be extremely reckless to give them broadened opportunities to cope with as well.

This is a discussion on the merits. However, I am urging the Senate at this time to consider the situation in which we find ourselves in the financial service industry. One can argue one way or another about whether additional powers might be good or bad for banks, and savings and loan associations. There is no argument, however, that the present condition of the banking industry and its savings and loan association industry is indeed a poor one.

In fact, some commentators have said that it is a dangerous situation. These are facts. The other is speculation.

After the shakeup following the Great Depression, we had a wonderful period in which we had practically no bank failures. Then we started deregulating, and again we had another upsurge in bank failures. In fact, we had one in the mid-1970's when for a while the regulation Q relaxation permitted

unlimited interest payments on so-called wild card savings accounts. This permitted institutions to compete for household savings. In that process, a competitive escalation of interest rates took place as lenders each tried to outbid the other for funds.

In the late 1970's and early 1980's, rising competition for household funds combined with a tight monetary policy caused interest rates to rise. Competition to make loans to energy producers, to Government securities dealers, and to foreign entities became intense. Prudence in lending declined as our experience with recent failures has shown.

Financial institutions are in the midst of working out the problems that exist in their loan portfolios.

Permitting financial institutions to engage in more activities would detract their attention from these problems, and would intensify the scramble for funds and the pressure to place funds in high-yield, high-risk investments. More, rather than less, surveillance and regulation of banks would be necessary at a time when the resources of the Federal financial regulators is already sorely taxed. Monetary policy might be so busy handling additional and different types of regulatory supervision duties that they would not have the time nor resources to give due attention to their monetary policy responsibilities at a time when great, not less, attention is critical.

Another thing that should be looked at very carefully before the financial services industry is changed is the chaotic state of the investment banking industry and the securities industry. Neither of these industries have fully overcome the wild ride they experienced following deregulation of prices a number of years ago. At that time, as we can all remember, a great number of very fine, respectable, old line firms went out of business. Some said it was because they were unable to compete effectively in today's market, and that is probably true. But are we better off because they have failed to survive, or are we worse off because we are not limited to fewer choices in the industry? My own prediction is to say that we are worse off rather than better. The same thing can, and will, happen in the banking industry if we recklessly permit deregulation to proceed during a time in our Nation's history when economic conditions are as uncertain and perilous as they presently are.

President Reagan has forcefully returned our economy from the depths of double-digit inflation and 20-percent-plus interest rates, accompanied by high unemployment, into a position where it is now functioning much more smoothly, and much more effectively. The effects of the recession created by the previous economic conditions and situations, however—to repeat myself—are felt after the fact by the financial service industry. We must let those firms right themselves from the chaos of the recession before we engage in additional deregulation efforts.

One never knows where concentration statistics may settle after a major deregulation effort. In the securities industry, as I said, a number of firms dwindled precipitously following the major deregulation efforts of the seventies. I have no reason to think that the same thing would not happen in the banking and savings and loan association businesses.

(Mr. EVANS assumed the chair.)

Mr. D'AMATO. My State of New York has a fine balance of very large banks, medium size banks, and small banks. They have learned to live together and to function well to serve the population of my State and in fact of the entire world. Concentration is not pronounced in either the savings industry or the commerical banking industry. Because it is not, we have the opportunity to be served by many fine institutions and have many alternatives to offer consumers.

Should further deregulation occur and additional powers be granted, it is doubtful whether that same distribution of many alternative choices would prevail. Certainly it is true that if regional banking compacts are permitted, the concentration figures in those regions will change dramatically as the largest regional banks take advantage of the opportunity to merge with other large banks. In a few years it is likely that the number of regional banking organizations will have been substantially reduced due to mergers and acquisitions. Current antitrust law is ineffective where these so-called market extension mergers and acquisitions are involved. The benefits of competition which could be met by permitting banks from New York State to compete with growing regional giants will not be felt since there is no opportunity, under the regional compacts we have seen thus far, for New York banks to compete in these regions.

I cannot believe that this Congress would seriously think that this is a matter of States rights. Rather, it is a political expedient, as I indicated before. It would simply say to New York and California, "You are persona non grata. Your institutions cannot and will not be permitted to cross State lines." We would come together in such a way that we would have a regional compact in the Far West which might take in the States of Alaska, Hawaii, and Utah and yet exclude California, its institutions and its 20-plus million people. I really cannot believe that anyone seriously thinks that that kind of legislative endeavor does anything in a substantial way to benefit the economic interests of this Nation or to facilitate or be an improvement in terms of modern transactions dealing with the banking industry. Compared to the new techniques and new communications, why would we want to build a wall around the banking centers of New York and California? What interest does that serve? What good purpose? It may be good political fodder back home, to keep the big bankers in California and New York out. By the way, if this is political expedience, what benefit do the stockholders in those banks in the other States derive? What competition is being fostered when we deprive them of an opportunity, yes, of having maybe the the best bank put forth, of having the offer of an economic infusion of capital that they might otherwise not have?

I would suggest in terms of enhancing the banking system that we have today that this bill debilitates it in that one area particularly, that which freezes out New York and California. There can be no justification, there can be no claim that this is a matter of States rights, that this is something that our forefathers under the Constitution would have countenanced.

Certainly if I were a shareholder of a small bank located in one of the States included in a regional banking compact, I would rather have the opportunity to sell my shares of stock to any bidder in the country than be limited to a handful of banks within a region. Particularly is this so since the mergers and acquisitions that have been proposed so far, and those for which applications have been approved by the Federal Reserve, are mergers and acquisitions of the larger banks within the regions with other large banks. The small bank is not being considered. It probably makes some sense to prohibit such large bank to large bank acquisitions within regional centers. As such, it should be considered.

It seems apparent to any of us who have looked at it recently that financial services deregulation that has occurred so far has not been to the benefit of small business and home buyers, for whom long-term fixed rate funds are getting increasingly scarce. Nor has it helped consumer borrowers for whom real interest rates on loans tripled in 1981 and have stayed at that level. Small depositors have been faced with higher fees by savings and loan associations and banks, while large depositors seem to get a higher rate than they were previously able to. Stock purchasers who now have access to discount brokerage seem to pay less for their purchases, as do those who have a large portfolio of assets, and will be granted special privileges because they can keep all of their business under one roof.

New technology and new opportunities have been presented to the financial services industry in recent years and it is not clear yet whether those have been managed well by the industry or poorly. Adjustable rate mortgages, for example, were introduced as the savior of the savings industry of a few years ago. Some S&L's and savings banks put a number of those in their portfolios and a number ignored them. It is still not clear what the ultimate result is when rates go up and customers are forced to pay more per month or pay for longer numbers of months for the same home mortgage that they purchased a few years ago at some other monthly payment rate. What is certain is that adjustable rate mortgages are confusing and perhaps, are risky to consumers and lenders. Warnings about the problems these mortgage instruments will ultimately cause both borrowers and lenders are being sounded. Certainly the educational effort should be pronounced as is the economic pressure on homeowners. The jury is still out on adjustable rate mortgages, which is exactly what I am saying about the need to go slowly in deciding whether to proceed with such a massive deregulation bill as the one we are currently considering. The industry is too busy coping with existing difficulties and should not be encouraged or allowed to create instability by exploring new powers.

Elderly persons have some concern obviously over the plans for the future of the financial services industry. I recall the testimony of the American Association of Retired Persons before this committee on this bill. They noted that there are constant reminders that they should closely and carefully monitor what is taking place in the financial marketplace. They pointed out, for example, that last year, Baldwin-United filed for reorganization under chapter 11 proceedings, after having sold some $4.5 billion of annuities. These annuities were sold as safe investments by the large brokerage houses, with which this bill, S. 2851, would encourage the bank holding companies to compete. The annuities, according to the testimony of the association, were widely sold in interstate commerce. All of the State laws which covered the transactions failed to prevent the large losses which the buyers of those financial service are expected to incur. Their testimony concluded that Congress should be concerned about safety of financial services now sold in interstate commerce rather than promoting additional competition.

There were a great many other witnesses that urged a "go slow" policy in this area and I happen to join with those witnesses. I believe that this is not the time to consider such a dramatically significant bill. While the Senate Banking Committee held extensive hearings on certain aspects of deregulation, on many of these subjects—in particular, regional interstate banking—no hearings were held on Glass-Steagall. Bits and pieces of testimony about regional interstate banking were volunteered, but no thorough look at whether broad interstate banking should be permitted.

As a matter of fact, when the Joint Economic Committee met, in its last hearings, at which Chairman Volcker appeared, we had occasion to talk about regional compacts. He is opposed to them. As a matter of fact, Mr. President, I do not believe that Treasury is in favor of regional compacts. As a matter of fact, I do not know what Federal regulatory agency supports compacts.

By the way, let me suggest that if we really talk about the free enterprise system and competition, why not let it take place? Why should we, on the one hand, call for deregulation, call for banks coming into other areas, and, at the very same time, say, "But, New York and your banks, you cannot compete. We are going to give all the banks expanded powers, but you cannot compete." If we are talking about competition, let it be nationwide.

I remember some years ago, when the State of New York refused to allow the city banks to move outside of New York City. But slowly and surely, the forces of competition led the legislature to reconsider this. The State went through a process of bank expansion which was much more orderly. But it took a number of years.

The first thing the State legislature said was, "You can establish one branch bank outside of the city limits in any county you want. But you may not go into an area in which another bank has its home office."

Some years went by. Some of the trepidations and fears that the local bankers had in terms of the big-city banks moving into the suburbs and moving upstate were quieted. Indeed, a compromise was reached in which the city banks were allowed to expand throughout the State. I must confess to you that there was a rush by the city banks to show the country bumpkins how they were going to do business. They rushed into this wonderful, fertile territory with almost reckless abandon. In some areas of the Island, I remember, where we had traditionally seen the gasoline stations jump up on every corner, we now saw banks coming and setting up their stands at every major intersection that was not developed. In some cases where they were developed, they redeveloped them.

I can tell you, Mr. President, that it was not too long before these same bankers who rushed out there to fill the same vacuum, many of them, were found retreating. Many gave up their branches. Many took terrific beatings. Indeed, the small bank, the medium-sized bank, and the regional bank that operated in the upstate and downstate communities more than held their own.

I suggest that that same kind of free force in the marketplace, the kind of thing that undoubtedly could and would take place, did not arbitrarily wall off regions of the State.

Mr. President, I just cannot see how, on the one hand, we can say that we are looking to deal with the modern world in terms of new transactions that are now facilitated that no one would have dreamed about even 10 years ago, and yet we turn to the kind of environment where we are walling off great areas of capital. Instead, we are putting up great barriers to interstate banking.

While the committee held extensive hearings on certain subjects, we did not get the kind of testimony that I believe would have demonstrated that regional compacts are wrong. I urge Congress to avoid moving forward at this time.

Also, Mr. President, many of the witnesses testifying had urged Congress to look at the whole picture, which would include examining the Federal Deposit Insurance System and the regulatory and supervisory structure in governing financial institutions. These elements are fundamental to the stability of our financial service industry. Confusion, not wisdom, dominates the financial marketplace today. This confusion and the problems with which we are all familiar have been brought about in part by previous deregulation of the financial services industry combined with the troubled climate. Time is what is needed now—time during which financial institutions can adjust and learn to cope wisely with the realities of the situation that we face today.

Mr. President, I would like to touch in greater detail some of the problems with respect to title X of the Regional Banking Compact. The hearings on S. 2181—now S. 2851—were almost entirely devoted to the issue of what new powers should be granted to bankholding companies within the context of the traditional separation of banking and commerce.

The hearing record is almost blank on the merits of title X. And, of course, I have said before and say it again, the reason is that it makes good sense politically to legislators and Governors to say, "We are taking this defensive action against New York." It may even make good sense for Representatives and Senators to say, "We are taking this defensive action against New York." But it does not go to the merits of whether or not we are enhancing the banking system and it does not go to the merits of what we

are doing as to whether or not it is the wise thing to do, whether it is the moral and just thing to do.

In fact, the issue was, until very recently, not even widely debated within the banking community itself since the banking industry had specifically agreed to lay this issue aside while focusing on the powers issue.

I might suggest that when we go through this entire process and if the Senate were to take this up, what we would have in the final analysis would be maybe a closing of the nonbank bank loopholes and probably with a degree of certainty the regional compacts would be endorsed, and, third, all those expanded powers that many of the money center banks were looking for would be done away with in the House, and certainly when we came to conference. And so to a certain extent, I have to say that some of the New York banks and others are really not quite concerned with this—they saw they were not going to get expanded powers. What they are going to have is the worst of both worlds. They are going to get a regional banking system. If this goes through, nonbank bank loopholes will be closed. There will be no expanded powers, and I do not see how the banking system is going to be enhanced one iota.

And so the issue was, until recently, not really looked at. In view of the minimal time devoted to regional compacts in the hearings, it is not surprising that there is little understanding of the true impact of title X. Hopefully, a full, thoughtful, and thorough discussion of this issue on the Senate floor will help educate Senators about title X's far-reaching impact.

But how can that take place in the limited period of time that is allotted? Should that take place without there having been thoughtful and thorough examinations of the issue of title X?

If States can come together and form compacts to bar other States and their banking institutions from doing business, why then I would suggest, what is to prohibit the same kind of things in other areas?

I suggest to you that these are far-reaching issues and that we should not rush into it at the urging of political expedience, because that is what it is. It is good politics back home to keep the New Yorkers out, but I do not believe it is in the interest of this Nation to proceed along this line.

But currently, interest rate banking is limited by the McFadden Act which prohibits interstate branching, and the Douglas amendment to the Bank Holding Act which restricts the interstate acquisition of banks by holding companies.

As discussed further below, there is, nevertheless, a good deal of interstate banking in existence today. The Douglas amendment permits a State to adopt laws allowing out-of-State bank holding companies to enter that State by acquiring a bank. A number of States have adopted such laws.

Some States, for example, have permitted limited-purpose banking, often relating to credit card processing, to be set up.

More recently, however, groups of States have compacted to permit banking institutions from within a particular region to cross boundaries within that region. In two areas of the country, New England and the Southeast, a number of the States have actually adopted such laws. These laws are, to say the least, of dubious constitutionality, and that is why the Congress is now being asked to ratify them.

Let us look at the argument put forth in favor of this ratification of regional compacts.

First, it is often argued that legislation which would permit a State to form regional interstate compacts is merely a matter of confirming States rights. This argument, however, turns the Constitution on its head. Under the Douglas amendment, States now have the right to permit interstate banking, reciprocal or otherwise. That is States rights. Proponents of compact legislation now propose to go further and permit States to set up compacts including some States and excluding others. Apparently it is feared, with good reason, that States cannot set up such compacts on their own without running afoul of the Constitution. Therefore, specific congressional authorization is needed to override in effect the compact and commerce clauses of the U.S. Constitution.

These clauses were adopted for the specific purpose of preventing just this type of State action. For example, the commerce clause reflected a central concern of the framers that was an immediate reason for calling the Constitutional Convention, the conviction that in order to succeed, the new Union would have to avoid the tendencies toward economic balkanization that had plagued relations among the Colonies and later among the States under the Articles of Confederation (Hughes against Oklahoma).

How can the issue of States rights which derived from the Constitution now be invoked to promote a type of State action which is specifically prohibited in that same document? There are three constitutional provisions which may be violated by State laws creating regional banking zones: the compact clause, the commerce clause, and the equal protection clause. The first two, compact and commerce, raise basically the same question and create a constitutional barrier which would be difficult for the States to overcome without a Federal legislative solution.

The compact clause says that no State shall, without the consent of Congress, enter into any agreement or compact with another or with a foreign power. Under Supreme Court decisions, the commerce clause has been interpreted as granting Congress the power to regulate commerce among the States and as limiting power of the States to impose barriers to interstate commerce.

While proponents of the State compact laws have argued in court that their State laws do not constitute a compact or infringe commerce, there is little doubt that the courts will find such laws constitute compacts and are infringements. Even the Federal Reserve Board in approving a merger under the Connecticut and Massachusetts compact laws stated that "on their face the State laws in question would violate the compact and commerce clauses." The constitutionality of State compact laws thus hinges on whether or not the Douglas amendment is a Federal grant of authority to the States authorizing such discriminatory State actions. There is no doubt that the Federal Government would constitutionally authorize State action which otherwise would violate the compact and commerce clauses.

The question is whether or not the Douglas amendment is such an authorization. The Douglas amendment cannot be read to grant such authority. Neither the plain language of the statute nor anything in its rather brief legislative history gives any indication of an intention to allow States to so discriminate. Therefore, the Douglas amendment cannot be held to pass the test set up by the Supreme Court—in order to find an authorization for such State discrimination in a Federal statute, that such authorization be expressly or explicitly or specifically stated in Federal law. Nevertheless, opponents of compact laws argue that the Douglas amendment is in effect a blanket delegation to the States to determine which institutions may enter them. This question is expected to be decided in the second circuit court of appeals in the very near future and, I might add, I would suggest will eventually find its way to the Supreme Court of the United States.

While the Congress could enact legislation affirmatively permitting the States to discriminate and thereby quite possibly remove the constitutional question under the compact and commerce clauses, State compact laws would still be subject to challenge under the equal protection clause.

The equal protection clause of the 14th amendment provides that "[n]o State shall deny to any person within its jurisdiction the equal protection of the laws." To survive a challenge under the equal protection clause, classifications must be rationally related to a legitimate State interest. There is no doubt States have the authority to enact laws for the preservation of

local sources of credit, to prevent unfair competition, and to protect resources. However, the argument would be that States have ample alternative means to accomplish these goals without resorting to invidious discrimination against bank holding companies not headquartered in certain, often arbitrarily defined, regions.

It is also argued that regional compacts will provide a limited experiment in interstate banking. This argument, unfortunately, misreads the forces which will be unleashed by regional compacts. In NOW account legislation, which is often cited as a precedent for compacts, the Congress was capable of limiting this modest experiment on a State-by-State basis. With regional compacts, the Congress is, in effect, abdicating the interstate banking issue to the State legislatures.

This compact phenomenon has grown rapidly since compact legislation was first introduced at the Federal level. It is not hard to imagine that within a year or so the majority of States will be members of four or five compacts which cover the country, except for a few isolated States purposely left out. As discussed more fully below, a rash of intraregional mergers will have taken place, without congressional input, which will permanently change the nature of the banking industry in this country.

Some would argue that this is merely an interim step to full interstate banking, but those who do so are not looking at political realities. After the great majority of States adopt such compacts, where will be the political pressure for a Federal solution? Those States which are left out of compacts are left out for one primary reason—they are the homes of the most feared competitors in the industry. Why would there be any pressure in the future for a Federal solution allowing competition by such competitors? Any pressure for further geographic expansion—or for additional potential bidders for banks wishing to sell—can be taken care of under State law by expanding the compacts or even merging them.

Therefore, title X is quite likely to be the final congressional action on interstate banking for many years to come.

Another argument often made in favor of title X is that it promotes regional economies. If the Congress were to decide to phase-in interstate banking, it might well choose to begin by adopting a regional approach—permitting contiguous State banking, for example. However, the regional economic argument in connection with State compacts is simply belied by the facts. The regions which are being created simply have nothing to do with natural market areas; they are being created based on the economic protectionist fears of the bankers who are promoting them.

One simple fact says it all: Utah has adopted a bill creating a region of 11 Western States—including Alaska and Hawaii, but excluding California. Is this a natural market area?

Two regions are being set up which, in effect, surround, but exclude, New York State. The New England zone includes Connecticut, where the 40,000 residents who work in New York far exceed those commuting to Massachusetts, much less Maine. The proposed Middle Atlantic zone would match new Jersey with Maryland but ignore the more than 200,000 commuters from New Jersey to New York.

I suggest that we are not talking about regional economies, that we are not talking about natural forces, that we are not talking about alliances that make sense in terms of promoting that which we want—commerce and competition. Regional compacts are not a creature of the marketplace. We are stilting the economy.

We have not created a circumstance that addresses interstate banking. We have not solved the problem. We have not addressed the issue. We have relied, rather, on political expediency. We can provide for an orderly, structured manner by which to bring about the banking deregulation and real competition, but we have not attempted to do so. We have not spent time in developing a method that would provide for the orderly movement of banks from one State to the other, to provide a method to do that and to insure that those legitimate concerns of State legislative bodies and others in the banking area are met. So I think that is one of the things we should undertake.

What about the antitrust implications of title X? Members of Congress have often expressed concerns about interstate banking leading to a greatly increased concentration level in the banking industry. And yet Congress is considering permitting a system which will create the worst possible competitive situation, without any federally imposed limits on concentration levels and, indeed, as discussed above, basically without any hearings.

As Senator PROXMIRE stated in his additional views with respect to title X:

> In some ways, regional interstate mergers achieve the worst of both worlds. They undermine the principal of local control while failing to maximize competition from all banks in the system.

Under current antitrust law, it is now widely understood that there are almost no limits on so-called market extension mergers in the banking industry. Where two banks compete in the same market, antitrust law will generally prohibit the consolidation of two banks with large market shares. However, where there is little or no direct competition involved—such as when the largest bank in one State acquires the largest bank in another State—the merger will be permitted. Thus, for example, when the Pennsylvania law was recently changed to permit statewide banking, Mellon, the largest bank in the State and in Pittsburgh, was able to acquire Girard, one of the largest banks in Philadelphia and in the entire State.

Already in New England, where bank concentration levels are already generally high, the very largest banking institutions are signing agreements to merge with each other. Applications for such mergers have been submitted to the Federal Reserve Board and several have been approved, but stayed pending a ruling by a court on the constitutionality of the compact laws. Within the proposed Southeast zone, an agreement to merge has been signed by very large banking institutions in Georgia and Florida. The same Georgia institution has a mutual investment pact with large institutions in South Carolina and Alabama. One can only presume that large institutions in North Carolina and elsewhere will soon be added to this agreement.

The result of compact legislation will be a large number of mergers between the largest banks in the various States in a region. For example, a region of, say, 7 States which now has 20 to 25 regional banks may within a few years only have 5 or 6.

Furthermore, these new regional giants will be protected by law from direct competition from outside their regions. From an antitrust perspective, the result will be worse than a total repeal of all prohibitions on interstate banking. Surely those in Congress who have expressed concern about the impact on concentration levels of interstate banking cannot condone such a result.

A sunset date of 5 years, or even 3 or 4 years, will not prevent a large increase in regional concentration levels. The pace of mergers in recent years when State laws have been changed shows that it will take little time for a number of mergers to occur. Indeed, a sunset date will encourage mergers to take place more rapidly.

Title X should not be adopted by the Senate in its present form. It is protectionist legislation for the regional banks. It is against the basic principles of our Constitution. It raises serious antitrust concerns. And it is an abdication of our duty to deal fully with this important issue at the Federal level.

We have three alternatives at this point for dealing with title X. First, we can simply remove it from the bill and thereby ensure that the issue of interstate banking is dealt with more fully sometime in the near future.

Second, at a minimum we can adopt some antitrust safeguards to assure

that we do not end up with regional monopolies in the banking field.

Third, we can adopt a phased-in approach to full interstate banking, containing whatever safeguards we deem appropriate. In other words, we can deal here and now with this important matter.

I have a series of amendments dealing with all three of these alternatives which it is my intention to offer.

GENERAL DISCUSSION OF INTERSTATE BANKING AND PROPOSED FEDERAL SOLUTIONS

In connection with a phase-in solution, there are several points I would like to make that are absolutely paramount. The truth is that today we in large part already have an interstate system for the delivery of banking services. However, our present system can only be described as a hodgepodge which is inefficient, costly, and unfair both to those offering banking services and to those purchasing them. Let us look at only a partial listing of the interstate system we have today.

First, loan production offices: Most of the larger banking institutions have loan production offices in many locations throughout the country lending to large- and medium-size businesses.

Second, grandfathered bank holding companies: 8 bank holding companies headquartered in 6 States control 128 banks in 21 other States.

Third, nonbank affiliates: Bank holding company nonbank affiliates by the hundreds are spread throughout the country. These affiliates include finance companies, mortgage companies, and industries banks.

Fourth, interstate thrifts: Interstate mergers approved by the Federal Home Loan Bank Board have created interstate systems in 29 States.

Fifth, reciprocal banking: 13 States have adopted various types of State laws permitting out-of-State bank holding companies to enter their States under specified circumstances.

Sixth, nonbank banks: Companies which do not qualify as bank holding companies are in the process of setting up interstate networks of so-called nonbank banks. They can do so because a bank is defined in the Bank Holding Company Act as an entity that both takes demand deposits, and makes commercial loans; therefore an entity which does everything a bank normally does except make commercial loans is not technically a bank and may be acquired across State lines, although this may change under S. 2851.

Seventh, interstate electronic banking networks: Networks of automatic teller machines have been formed allowing bank customers access to such machines interstate.

Thus we have de facto interstate banking today in many respects, but in a very inefficient manner. Customers are prevented from receiving the benefits of true competition in financial services by laws which no longer have any justification except to protect certain segments from competition.

I wonder why we have never had a discussion and debate with respect to de facto interstate banking. Is it because the independent bankers want regional compacts. But they do not want to talk about raising their capital ratios. They change the subject quickly. But they want their precious market protected. They want Congress to protect their illegal compacts.

So we do have interstate banking with all of the inefficiencies and yet little if any of the benefits. Customers are prevented from receiving the benefits of true competition and financial services.

The efficient flow of capital is inhibited. Millions of dollars are wasted in setting up artificial business structures that serve no purpose other than to comply with the technicalities of laws which are totally out of date. Furthermore, the financial industry is unable to plan efficiently since, while almost everyone agrees full interstate banking will come, no one knows how or when.

A number of alternative Federal solutions have been proposed with respect to interstate banking. In January 1981, President Carter issued a report entitled "Geographic Restrictions on Commercial Banking in the United States." This lengthy report, required by Congress under the International Banking Act of 1978, recommended "a phased relaxation of current geographic restraints."

Late last year, I introduced such a phased-in approach. Under this legislation, S. 2107, bank holding companies would be able to acquire—or set up de novo—one bank in each of two States each year for 5 years. In other words, after 5 years, a bank holding company could have expanded to a maximum of 10 States. Under the legislation, at the end of the 5-year period, the present restrictions on the interstate acquisition of banks by bank holding companies would be repealed.

Furthermore, during the initial 5-year period a State may adopt a law which, in effect, nullifies the phase-in as far as that particular State is concerned. In other words, a State may prohibit an out-of-State holding company from entering that State; but, if a State so acts, its holding companies will be unable to acquire banks in other States. Again, at the end of the 5-year period, any such State law affecting the interstate expansion of holding companies would be nullified.

One of my primary purposes in introducing S. 2107 was to spur others to consider the need for a phased-in approach to interstate banking. I am pleased to note that in recent weeks two major associations, both of which represent regional and money center banks, have adopted by overwhelming margins identical proposals. These two groups—the Association of Bank Holding Companies and the Association of Reserve City Bankers—recommended the following:

First, effective upon enactment, congressional sanction should be given to State legislation authorizing regional interstate banking arrangements.

Second, effective 2 years after enactment, a bank holding company would be permitted to acquire other bank holding companies: In any contiguous State; in any State within the same Federal Reserve Bank district as the acquiring bank holding company; if the home State of the acquiring company is a part of two Federal Reserve Bank districts, in any State within both districts; and

Third, effective 4 years after enactment, a bank holding company would be permitted to acquire other bank holding companies anywhere in the country.

I would like to comment briefly on one argument which is often raised against removing the barriers to interstate banking. That argument is that removing such barriers will result in the concentration of economic resources. It is often asserted that the bigger banks will quickly gobble up the smaller ones and that we will in the end have only a dozen or so huge depository institutions.

I do not agree with this argument for a number of reasons. First, we have thousands of strong financial institutions in this country which are quite capable of meeting the competitive challenge and thriving. Second, the antitrust laws, as applied to banking, would prevent such a concentration of resources; furthermore, if a case can be made that the antitrust laws are insufficient, they can be strengthened as part of any legislation to remove the interstate barriers. I am willing to work with others to develop any antitrust protections which may be necessary. Third, the largest bank holding companies in this country simply do not have the financial means to gobble up all the others.

Fortunately, we have test cases which demonstrate that removal of geographic barriers will not result in too much concentration. My own State of New York, which has several of the largest banks in the country, removed its barriers to geographic expansion a little over a decade ago. In the early 1970's, for the first time the huge New York City banks were allowed to enter the upstate market. Some commentators thought these banks with their tremendous resources would soon dominate the entire State. To the contrary, New York today has a highly competitive banking market. In fact, the largest New York City banks, despite great efforts, were unable to make much of a dent against the competition in other parts of the State.

The local institutions were more than up to the challenge. There have been similar results in State after State where geographic barriers were removed.

In summary, we do need a Federal policy on interstate banking. A phased-in approach could be adopted which will ensure that we maintain a highly competitive system. This Senator is certainly ready to move ahead with a Federal solution. Unfortunately, title X is not such a solution; but at the same time, it is not, as some have argued, merely a confirmation of States rights or a limited experiment on the road to full interstate banking. It is instead a grant to the States, which will last for many years to come, enabling the States to adopt anticompetitive, discriminatory compact laws. These compact laws will permanently change the face of banking in this country, and this Congress should not ratify them without a full understanding of what is at stake.

Innovation. There are some who claim, Mr. President, that we need innovation. Indeed, the chairman of the Banking Committee, Senator GARN, spoke of how the marketplace is changing. One such change is a gradual interstate banking.

I am for letting the marketplace change through competition and innovation, but this bill ends innovation. This bill says that New York banks cannot innovate by crossing State barriers. Regional compacts are not innovative. They stifle the marketplace and are discriminatory. That is why I am fighting S. 2851.

As the chairman of the Banking Committee has pointed out, greed has played a role in this bill. There are many factors. Some parties do not want any competition. Many of those parties have established regional compacts because of greed. They want to engage in acquisition, but they do not want New York or California to participate. This is all greed. They are terrified of competition. The Senate should not legislate greed by giving regional compacts credence.

What I am doing today is fighting for the consumers. Today, New York banks are paying almost 12 percent for consumer deposits. These are among the highest rates of deposits in the country. This is because of competition. Regional compacts would be void of competition. Banks in a regional compact would not have to pay the higher rate of deposits. This would hurt the consumer. And so, S. 2851, in essence, is really anticonsumer because regional compacts will prohibit them from getting the highest rate of interest and an infusion of money from other areas.

If this bill were put aside, the Senate could look into such vital issues that are facing us today in terms of deficit reduction, in terms of the vital areas dealing with crime, dealing with the defense of this Nation. And I think we could introduce at a later time a real blueprint for interstate banking. Let the private sector and the marketplace pick winners and losers. We should not protect the weak.

I would be remiss if I did not put forth at this time another concern I have moving away from title X, if I might. How can we say at one time that we are afraid of 10 or 12 or 14 large institutions acquiring all of the capital, doing away with competition, when, on one hand, we say let us give to these institutions much more far-flung powers in the marketplace? What is to prevent the banks from then becoming the dominant force in terms of insurance, interms of, yes, even building construction.

I would suggest that we play with great danger in moving forward at this time in giving those expanded powers to many of the institutions that are in difficult and troubled positions.

I would also suggest that maybe instead of a rush to move away from the traditional recognition of those limits of authority that banks have today, that we had better pay attention to the growth in spending. We might better spend the remaining days of this session dealing with our appropriations bills, and also attempting to fashion an economic plan that will not be the downfall of all our banking institutions.

We are still skating on rather thin ice. If we were to look at the thrift institutions today we will find that a majority of them are indeed losing money. They continue to lose it. Were it not for the net worth certificates that we have provided, they would have collapsed.

So why the rush to give expanded powers until we have seen these institutions work themselves out of some of the problems that they presently have? Instead, why not develop a comprehensive economic plan to deal with the growth in Federal spending, and to devise a program and a plan whereby we across the board hold the line on spending, develop a plan that answers the questions and the issues of fairness that are often raised and in so doing begin to limit the growth in Government spending and the size of the projected Federal deficits.

If we were to do that, I would suggest that the marketplace both in the thrift area and the commercial banking area would respond with the kind of growth in opportunity for all sections of our economy that have been unparalleled for many years.

I would suggest that we would have a decline in interest rates, we would have more capital coming into the Federal Treasury, we would have a lessening of the pressures on State and local governments who have to pay inordinately high interest charges today to finance the cost of their borrowing, that we would reduce the cost to the Federal Government and its borrowing, and that indeed the economic turnaround in the infusion of tax revenues to the Treasury would begin to reduce the deficit substantially.

At that point, we could look to how we could produce more revenues for the purposes of not new and increased spending, but to use those revenues to reduce the deficit. It would seem to me that at this critical time we should not be embarking upon a program of economic balkanization that could have catastrophic results in the banking community.

I suggest to you if a Senator feels so strongly about it, that he will continue to attempt to make these points for an extended period. While the equal protection argument is perhaps not as strong as the commerce clause and compact clause arguments, nevertheless it presents a formidible obstacle.

Furthermore, unlike the commerce clause and the compact clause challenges, the equal protection clause argument cannot be overcome by Federal statute. Thus, even if the Congress should enact legislation such as that contained in title X of S. 2851, the courts will still be required to decide the constitutionality of State compacts. Opponents of the compact statute have demonstrated that they will challenge these statutes all the way to the Supreme Court, if necessary. The Federal Court of Appeals has already stayed two approved mergers pending the decision on the constitutionality of the compact laws. Therefore, Federal action on title X may be vain and at a minimum mergers relying on title X will be challenged in court, and quite possibly delayed for many months.

The equal protection clause of the 14th amendment of the Constitution provides "No State shall deny to any person within its jurisdiction the equal protection of the laws." To survive a challenge under the equal protection clause, classification must be rationally related to a legitimate State interest. There is no doubt that States have the authority to enact laws for the preservation of local credit, to prevent unfair competition, and to protect against concentration of resources. However, States have ample alternative means to accomplish these goals without resorting in invidious, discriminatory actions against bank holding companies not headquartered in certain, often arbitrarily, defined regions. The factual background and suits brought against regional compacts will demonstrate that State compact laws have discriminatory purposes. How else, for example, to explain a region set up in Utah's law that includes Alaska, Hawaii, but excludes California?

There are few equal protection cases involving statutes similar to State banking laws establishing regional compacts because few such statutes have survived judicial scrutiny under the commerce clause. However, in the American Trust Co., Inc., against South Carolina, a three-judge panel threw out such a South Carolina law which prohibited domestic corporations with foreign owners from acting in certain cases as trustees, executors, or administrators. The court held that these statutes violate the equal protection clause since there was no rational relation to the State's objectives assuring that corporate fiduciaries serve the public in preventing unfair competition with South Carolina corporate fiduciaries. American Trust presented issues very similar to those presented by State compact laws. It would indicate that a court challenge of such laws would have a good chance of success regardless of congressional attempts to validate such compacts.

(Mr. TRIBLE assumed the chair.)

The applicability of an equal protection challenge to an economic legislation has been affirmed recently by the Supreme Court in *Zobel* v. *Williams*, 457 U.S. 55 (1982). Let me, if I might, refer to an article which appeared in the Wall Street Journal August 22, 1984. It said that "New York State to ask high court to overturn regional banking laws."

NEW YORK STATE TO ASK HIGH COURT TO OVERTURN REGIONAL BANKING LAWS

NEW YORK.—New York state will ask the U.S. Supreme Court to overturn a recent federal appeals court ruling upholding regional banking laws.

New York Banking Superintendent Vincent Tese said the state will join Citicorp and Northeast Bancorp, New Haven, Conn., in appealing a ruling by the appeals court here earlier this month that upheld three New England bank mergers and said laws in New England states encouraging regional mergers are constitutional.

The case has been watched closely because of the growth of regional banking laws which permit mergers across state lines but only within regions.

The laws effectively keep out money center banks of New York, California, and elsewhere, that want to expand nationwide. Mr. Tese complained that the other States "are sticking it to New York" by designing bank regions that exclude New York and its big banks. Regional banking laws for New England already have triggered a spate of mergers, and more recently, several Southeastern States have passed similar laws on regional mergers. Bankers in other sections of the country are also considering a move toward regional banking. "You have the New England States, the Middle Atlantic States, the Middle Western States, and we're (the New York banks) with Bermuda and Botswana," the New York banking superintendent explained.

That might be amusing were it not so true and where the consequences possibly we are faced with are so devastating.

I would like to refer to another article dated September 5, 1984, in the Wall Street Journal, entitled, "Money at Risk: Financial Institutions Are Showing the Strain of a Decade of Turmoil. High Interest Rates, Easing of Inflation, Bad Loans Hurt Banks, Other Firms—But System Proves Resilient."

A decade of turmoil in the financial-services industry is taking its toll. Cracks are appearing, and they may be only the beginning.

Just weeks after fashioning a multibillion-dollar rescue for Continental Illinois Corp., one of the nation's largest banking concerns, government officials helped oust the management at deeply troubled Financial Corp. of America, the nation's largest thrift organization. Meanwhile, bank failures total 54 so far this year—already exceeding the post-Depression record of 48 for an entire year.

The strains stem from high and unpredictable interest rates, a sudden end to steep inflation, and deregulation. They have been exacerbated by merger mania, reckless lending and a proliferation of new financial products. Moreover, the strains aren't limited to depository institutions; they cut across the entire financial-services industry and are causing a steady procession of financial scares in one business after another. Many big brokerage firms are posting record deficits, and property-casualty insurers are reeling from underwriting losses.

Let me suggest that if this is the time for banks to go into the underwriting business, we have those who have been steeped in this area reeling from losses.

WORRIED EXECUTIVES

"You've got a financial system that is in a state of disrepair," says Thomas F. Donovan, senior executive vice president of Marine Midland Bank. Adds the head of one of the nation's largest banks; "I get up every morning and worry about what could go wrong."

Nobody knows where this turmoil will lead. At the least, analysts expect more mergers and forced liquidations. For investors in the troubled institutions, that could mean big losses. For employees in those institutions, it could mean layoffs. Last month, for example, A.G. Becker Paribas, an investment bank, was taken over by Merrill Lynch & Co. after Becker suffered huge bond-market losses. Hundreds of Becker employees are out of jobs.

Further strains also could weigh heavily on American taxpayers. Although the government doesn't fund deposit insurance, some financial-industry analysts believe that protection against major financial losses—whether for customers of banks, brokerage firms, insurance companies or thrifts—ultimately will be borne largely by the government. But the government's resources are strained; widespread bailouts may force it to either raise taxes or print money to aid failing institutions and the latter course reignite inflation.

SHAKEOUT FORECAST

"We've created an entirely new system in the last 10 years," says Joseph Flom, a takeover attorney. "There's going to be a shakeout."

The procession of jumbo-sized financial scares has been jarring. In 1980, Bache Group Inc., a big securities firm, and some of its lenders teetered on the brink of collapse because of huge loans to the Hunt brothers, whose enormous investments in silver were plunging in value. In 1982, Drysdale Government Securities Inc. went bust, costing Chase Manhattan Bank more than $135 million and nearly hobbling a slew of securities firms. That same year, Penn Square Bank of Oklahoma City failed, sending shockwaves through the banking system. In 1983, Baldwin-United Corp., an insurance and financial-services conglomerate, filed for protection against its creditors, and earlier this year, Charter Co., a similar concern, took the same course. And this summer, Continental's deterioration led to the federal government's largest intervention.

Such a list worries Washington, where later this month the House Banking Committee will hold hearings on Continental's near-collapse. The committee also will probably consider the overall weakness in the financial system. Rep. Fernand St Germain, the committee's chairman, said in a recent interview that the financial system is at a "crossroads." The Rhode Island Democrat added that Congress should decide what the government should do when "a large financial institution gets into trouble."

GONE TOO FAR?

In addition, the House is expected to take up legislation that would push certain nonfinancial companies, such as J.C. Penney Co. and Sears, Roebuck & Co., out of the deposit-taking business. Part of the impetus for the legislation is a growing consensus that the recent growth and diversification among financial-services companies have gone too far.

For all the turmoil, the financial system has shown impressive resiliency. So far, private-sector ingenuity and government intervention have prevented individual disasters from spreading. Referring to the Continental rescue, Mr. Flom notes, "If a bank that size had gotten into trouble in the pre-Roosevelt era, it would have been a national calamity." Federal Deposit Insurance Corp. officials add that crisis-management skills are improving with each banking disaster.

My gosh, is that not something? Imagine that. I think that should be a warning to us that this is not the time to tamper with interstate banking and that title X should certainly be repealed.

Mr. President, let me return to the article.

Yet most analysts predict that the system will continue to be severely tested. Much of the strain will be phychological; financial-services-industry participants say that until recently, the response to crises has been to see them as isolated ailments that could be contained. But they say that has changed, largely because of the international debt crisis and Continental's brush with disaster. Now, they discern an unspoken fear that the whole system is shaky.

Is the system shaky, Mr President? I think we had better be very careful. When we have loans that are questionable and are many times the capital of some of those banks, then we must be careful:

The fact that problems are occurring all at once all across the financial-services industry brings an added level of risk. Because financial institutions are becoming more

interdependent, problems are increasingly likely to migrate from one concern to another. For example, Baldwin-United's travails led to an $83 million after-tax charge last year at Merrill Lynch, which, in its push to diversify, had been selling Baldwin's annuities.

Elsewhere, banks are selling loan participations to other banks more frequently. Thus, Penn Square's reckless lending not only brought that bank down but also led to the merger of Seafirst Bank into BankAmerica Corp. and contributed to Continental's near-collapse two years later. Both banks had purchased loans from Penn Square.

A House economist in Washington worries that "all of these institutions meet every day in the government-securities market," which has proved treacherous at times. The Drysdale Government Securities failure threatened to weaken more than a dozen other dealers until Chase Manhattan Bank agreed to honor the defunct firm's obligations.

The strain also comes from basic economic forces. Ironically, one of those is the halt in high inflation, which the Reagan administration cites as its crowning economic achievement. Continental's troubles stemmed largely from energy, real-estate and foreign loans made on the widely held but mistaken assumption that inflation would rage on unabated. When it didn't, loans extended by Continental, and by others operating on the same assumptions, began to sour.

High inflation also encouraged financial companies to borrow heavily for expansion. Baldwin-United borrowed about $1 billion to acquire a big mortgage insurer, MGIC Investment Corp.; in doing so, Baldwin-United took on a debt burden that ultimately helped sink it.

Optimists interpret the current turmoil as a painful adjustment to new economic conditions rather than as a lasting malaise. "What you're seeing is the beginnings of a cure," in which companies "are doing things to disgorge the excesses of the past," says George Ball, the chief executive officer of Prudential-Bache Securities, Inc. Under high inflation, he explains, financial institutions could paper over bad credit risks. "Now, the climate is such that management mistakes have been coughed up into the light of day."

DEREGULATION'S EFFECTS

Also painful to financial businesses has been the deregulation drive. In the securities industry, Congress ended the fixed-commission system that had protected the income steams of brokerage firms.

Most important has been the congressional deregulation of interest rates, combined with the Fed's October 1979 decision to allow rates to fluctuate more and a resulting, unprecedented volatility in rates. In addition, rates may be permanently higher. Henry Kaufman, the chief economist at Salomon Brothers Inc., believes that "financial deregulation has contributed to a higher structure of interest rates," so that rates remain high even though inflation has subsided.

For thrift institutions, carrying older, low-yielding mortgages, the new rate structure has been devastating. The lofty rates have eaten into capital and forced hundreds of savings institutions into government assisted mergers.

Federal regulators also have allowed financial companies to invade one another's turf. For example, in 1981, the Federal Reserve Board and the comptroller of the currency permitted hundreds of banks to offer discount brokerage services. That new competition is aggravating the stains being felt by Merrill Lynch and other full-service brokerage firms.

TOO MUCH CHANGE

One result of all this is simply that many institutions, and regulators, are suffering from an overdose of change. "The whole system has to stabilize," says Dennis Jacobe, an economist for the U.S. League of Savings Institutions. "Now, it's disequilibrium."

The ways that managers have responded to the shocks have often made things worse. "All of these businesses are overcrowded—banking, securities, insurance," says. Barbara Stewart, the president of Stewart Economics, a consulting firm. "You see banks reaching for riskier and riskier loans. In insurance, companies are taking lower and lower premiums for riskier types of insurance."

Swift growth and big-dollar bets on the direction of interest rates largely account for the problems at Financial Corp., which ballooned to assets of $32.7 billion on June 30 from only $6.6 billion at the end of 1982. American Express, after an orgy of takeovers in securities and banking, was blindsided when its insurance unit, Fireman's Fund Insurance Co., had to jack up its loss reserves by $230 million.

Big financial conglomerates "are only capable of managing so many dollars of assets effectively," says Perrin Long, a financial-industry analyst with Lipper Analytical Distributors, Inc. Or, as Salomon's, Mr. Kaufman says, financial institutions are "larger but weaker."

This raises the question, Mr. President, are the financial institutions today ready to undertake more underwriting powers? And should we really allow diversification at this time without dealing with how we are going to be protecting depositors and seeing to it that we do not have a run on a bank. Indeed, the investment community can be the land of golden opportunity. Yet beneath its waters can lay treacherous, strong currents that move quickly. Then what happens to the great financial banking institutions that we now have? We are not talking now about protecting somebody's turf because the SIA wants us to. It is a matter of safety and soundness. We have not addressed the problems of tie-ins. We have not addressed the problem of what is going to happen if that separate sub is in deep difficulty and its impact on the present. Is that major institution going to send scarce and desperately needed resources into a failing securities subsidiary at the expense of the bank?

Give banks expanded services. Why? What happens to the little insurance broker who is competing, who comes into the big banker, and the banker says, "Oh, by the way, do you know we have our expanded services? We make available insurance and a full line of investment opportunities. Have you looked at them?" He does not have to say, "You better go ahead and take a look at it or your line of credit is going to be cut off." He does not have to say that. It is implicit. And that little broker, if he is going to complete, will he have the right and the ability to go out and borrow the money?

What about that separate securities sub? Are they going to be able to get the necessary capital. What rules have we designed to see to it that there are no depositor funds at risk? No one has ever answered that. No one has ever dealt with illegal tie-ins. You say it is illegal. We have not addressed that. I have not seen it addressed. I do not know why at this time we should be moving in one area of deregulation with such haste and at another time constructing a wall around some of the major banking centers in this Nation. The two things are inconsistent. Title X is definitely inconsistent with the other provisions of this act. But enough of that.

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Here is how the strains are affecting the four main financial groupings.

BANKING

One sign that banks are experiencing systemic troubles is the stock of J.P. Morgan & Co. Known as the bluest chip in banking, Morgan stock nevertheless sells at only about six times earnings, well below the price-earnings ratio for many lackluster industrial companies.

On the lending side, the loans that many banks have made to cash-strapped developing nations and energy companies have turned sour at alarming levels. For banks with more than $10 billion in assets, the ratio of nonperforming assets to total loans and real estate more than doubled between 1980 and 1983. And this doesn't include most of the troubled loans to foreign governments, which regulators generally still allow banks to carry on the books at 100 cents on the dollar.

Banks have accepted riskier loans partly because their safest corporate customers have taken to raising cash by selling commercial paper—short-term corporate IOU's—through investment banks. "You've got more and more banks chasing less-quality types of borrowers," Marine Midland's Mr. Donovan says. "If banks lose sight of

quality (controls), they can fill their portfolios with garbage."

In addition to taking on new and often-riskier customers, such as Third World borrowers, banks have extended novel and sometimes risker credits, such as leveraged buyouts, guaranteed letters of credit for securities offerings, and interest-rate swaps.

Risks also have risen on the deposit side of the balance sheet. Banks have increasingly funded their operations by attracting large, uninsured deposits from nervous institutional investors around the world. As Continental's case demonstrated, financial problems can lead to a lethal run by panicky money managers.

Meanwhile, the FDIC has made some big depositors even more nervous by placing uninsured depositors at risk in the failures of small banks. But the Continental rescue, in which depositors of all sizes were guaranteed, has increased the confusion.

Given all these uncertainties, banks' capital levels are generally viewed as too low. "We've moved to financial deregulation at a moment when many financial institutions have a thinness of capital and a problem with the quality of assets," Mr. Kaufman says.

Federal regulators have proposed tougher standards that would rise to 6 percent the ratio of a bank's total capital to assets, and Fed officials hint that this would be only a first step. Some analysts say that despite efforts in Washington to impose stiffer capital requirements, banks are still let off too easily by being allowed to include loan-loss reserves as part of capital.

A continued economic recovery, particularly if coupled with lower interest rates, would surely help the banks. But regulators are surprised that banks haven't benefited already. FDIC chief William Isaac says that by historical standards, bank failures should have tailed off beginning in June, 18 months after the recovery began. They didn't.

THRIFT INSTITUTIONS

After weathering an industry crisis 2 years ago, in which 1,100 troubled thrifts disappeared through mergers or reorganizations, savings institutions are again strapped. Stubbornly high interest rates, plus the threat of further increases, are the chief culprit. The problems of Financial Corp. stem partly from mistaken bets on which way rates would go this summer.

Says the chairman of another California thrift institution, "For the record, the industry is in tough shape. Off the record, it's a disaster."

Might I say, Mr. President, that is the sentiment which I believe most of us are aware exists in the thrift industry today; that it is a disaster; that we are skating on very, very thin ice.

Although lifting the ceiling on interest rates was initially billed as a competitive aid to thrifts, it has hurt in many ways. The institutions are paying higher interest on deposits, but they still are saddled with billions of dollars in older, low-rate mortgages. By some counts, four of 10 thrifts have lost money in every quarter since 1982.

I really cannot believe that we are seriously considering that title X is anything more than a rush to greed by basically a handful of bankers. Depositors are not going to benefit by doing this. Who benefits? A handful of bankers. That is really the score. And it makes great political hay—"Oh, I passed a bill that keeps the New Yorkers out. We don't want them in here. On the other hand, we don't want them coming in here gobbling us up."

And there will be a day of reckoning when the FDIC is on the hook. Those arguments to allow commercial banks to expand because somehow that will increase their earnings does not ring true and it does not meet the test.

Industry economists say that because of eroded capital structures, the thrifts are less able to withstand losses than they were two years ago.

The Federal Home Loan Bank Board has tried to jawbone thrifts into issuing mainly adjustable-rate mortgages, which, in effect, shift the risk of interest-rate increases to borrowers. Adjustable mortgages extended this year should total $172 billion, Salomon Brothers estimates. But as rates rise, homeowners will have difficulty meeting the higher mortgage payments, and foreclosures could skyrocket.

Diversification has also proved a mixed blessing for the thrifts. Legislation passed in 1982 empowers them to expand beyond mortgages into certain forms of commercial real-estate lending. But these new ventures can be much riskier, particularly for the uninitiated. George Davis, executive vice president of First National Bank of Chicago, says some thrifts are writing commercial mortgages "at rates we think are obscene and with structures that are risky. We think they are buying trouble."

That was certainly the case for Empire Savings & Loan Association of Mesquite, Texas, which collapsed last March in the largest thrift failure to date, after pouring money into construction projects outside Dallas. When the projects failed, so did Empire.

The FDIC's Mr. Isaac says the thrift industry's afflictions can be summed up in two words: "high rates." Indeed, Financial Corp.'s future may depend on the level of rates the rest of this year. Jonathan Gray, an analyst at Sanford C. Bernstein & Co., believes that 84% of Financial Corp's deposits will mature within a year, and that if rates rise in the meantime, it may have to pay more to hang on to these deposits. But Financial Corp. can't reprice its assets because only about 30% of its loans and investments mature within a year.

Insurers

Like other financial sectors, the insurance industry is plagued by tougher competition and thinner margins.

But unlike the banking and securities industries, the insurers don't have any federal or industry-supported overall safety net: instead, policyholders are protected by a hodgepodge of state regulations and guaranty funds that critics term inadequate. Baldwin-United annuity holders are hoping that the insurance and securities industries will make up part of the annuity holders' lost interest.

For property-casualty insurers, which cover everything from automobiles to product liability, business is "far riskier than ever," says John Cox, executive vice president and head of financial services at American Can Co. More than half of the insurance premiums currently are for casualty and liability risks, on which claims often don't come in for years and insurers get to keep the premium dollars longer for investment.

These days, however, both the investments and the claims are less predictable. Large settlements over product defects and workplace illnesses have hit insurers hard. Meanwhile, many corporations have been self-insuring the safest, most predictable risks.

High interest rates have exacerbated the boom-and-bust cycle of property-casualty insurers. Record interest rates "mesmerized people inside the industry and outside who believed the business was a cash cow," says M.R. Greenberg, the chief executive of American International Group Inc., a large insurer. People thought that "all you had to do was collect premiums, and investment income would take care of all claims losses," he says.

But the result was a drastic price war, Mr. Greenberg says, with rates on many insurance lines plummeting 40% to 60%. Eventually, investment income couldn't compensate for that.

Now, claims losses are soaring; some big insurers, including Cigna and St. Paul Cos., reported second-quarter losses. And analysts believe that many companies' loss reserves aren't adequate.

However, the two biggest failures have been companies operating in the once-staid life-insurance industry. Baldwin-United and Charter grew too rapidly. Their growth was fueled by skyrocketing sales of the single-premium deferred annuity, which lets buyers build up tax-deferred income.

Experts say neither company understood the risks in the annuity product, particularly given volatile interest rates. Baldwin and Charter both wrote annuities that let buyers cash in their policies and get their money back without penalty if the rates paid on their policies dropped more than a percentage point or two. Amid the general decline in interest rates from their peaks during the Carter-administration years. Baldwin tried to dissuade people from cashing in their policies; it did so by keeping its policy rates artificially high—but at too high a cost to itself. Charter, in contrast, allowed some policy-holders to cash in. Because so much money had earlier flowed into the two companies, a total of $7 billion, both were highly leveraged and thus highly vulnerable.

Mr. President, I point this out in an area where two companies thought they had the sophistication to undertake the sale of insurance and did so with a degree of success, until the bottom fell out.

What happens if, in the same era of steep competition, and it fails? Do the regulators come in? Do we bail out the separate sub? Do we allow them to bail

out the separate sub? Does the FDIC stand behind it, directly or indirectly? This is not the time to allow that.

Congress should be setting about an economic policy that gets those interest rates down. That is what we should be debating in the 20-plus days left in this session, instead of restricting commerce as in title 10.

Securities firms

After a decade of mergers and diversification, Wall Street is finding that bigness and diversity, once viewed as a panacea for the stock market's ups and downs, have drawbacks. Merrill Lynch, the biggest securities firm and long a pacesetter, is shrinking after having expanded to 44,000 employees and hundreds of different financial products—and after a second-quarter loss of $32 million.

The cost of furnishing brokers with computer support and training in new products has ballooned securities firms' expenses. E.F. Hutton & Co. spends $46,000 a year on each broker, before paying any commissions.

Jeffrey Schaefer, an economist for the Securities Industry Association, says that trading volume of 90 million shares a day on the New York Stock Exchange is needed for the large firms to break even. In the second quarter, trading averaged 86.7 million shares a day.

Securities firms also have been hurt by the volatile interest rates. The firms carry large bond portfolios, and many have sustained big losses when interest rates have swung about sharply.

Competition from the banks' discount brokerage operations increases the pressure by making it difficult for the brokers to raise rates to cover the steeper expenses. "As they reach into one another's business, they erode each other's profits," Mr. Schaefer says.

One difficulty with diversification, Lipper's Mr. Long believes, is that it stretches management too thin.

Here again, Mr. President, I believe we had better be cognizant of the fact that many of the large banking institutions will be faced exactly with the problem of having to provide capital that is needed elsewhere. This capital should be used against bad overseas loans. Let them stick to the business they know.

Mr. Long says that—

the problem is that companies refuse to sell things. For example, Sears, Roebuck is faced with the disparate jobs of heading off further losses at Dean Witter Reynolds Inc., its Wall Street arm, while upgrading its image as a retailer of clothes and home products.

As an indication that diversification isn't necessary, Wall Street analysts cite Goldman Sachs, which has stuck to its core-customer base—financial institutions and corporations—but has grown nonetheless. It also has retained its partnership format despite the industry trend to raise capital by going public. Similarly, A.G. Edwards, a traditional brokerage firm, avoided the industry's vogue of expanding into insurance and offering an array of savings vehicles.

Yet, Mr. Long notes, both firms have profit margins well ahead of industry averages.

Mr. President, I believe that one of the areas that we should review is FDIC study of April 15, 1983. So let me, if I might, share some of that report.

EXECUTIVE SUMMARY

The FDIC was established in a time of financial crisis to restore confidence in the banking system. Most observers agree that the FDIC has experienced extraordinary success in maintaining the stability of banking, and many have argued that it has been too successful. Before Federal deposit insurance became a reality, there were concerns expressed that insurance would effectively remove banks from the discipline of the market. These same concerns have been voiced with increasing frequency to the present time.

Since the FDIC began operations, some portion of failed bank situations have been handled in ways that have provided *de facto* 100 percent insurance coverage to all depositors and general creditors. In recent years the vehicle used has been the purchase and assumption transaction (P&A), whereby all liabilities of general creditors (including uninsured deposits) are transferred to an assuming bank. Since the early 1960s, most failed insured banks have been handled by the P&A route. Especially in large banks, there probably is the perception among depositors of minimal risk of loss, and therefore there are few incentives to choose between banks based on financial condition.

During the early years of FDIC operations, a lack of market discipline probably was of little significance. Bankers who survived the Depression were extremely cautious. Although the FDIC handled approximately 400 bank failures from 1934 through 1942, risk in the system probably was not great. Most of the banks that failed during this period were small, and the book losses realized by FDIC were minimal.

The same conservative philosophy to some degree was prevalent throughout the next three decades. Banking was changing, but only 110 banks failed from 1942 to 1972. The economy was growing and much of the restrictive legislation passed in the 1930's was still in place.

In more recent years, banking behavior has changed in many respects. In terms of performance, earnings have become more volatile, and loan losses have risen dramatically. Banking markets have become more competitive, and traditional lines of commerce have begun to blur. The economy during this period has been relatively weak, and more unstable. As a result, the banking system has become more risky, and the risk is likely to increase as the process of deregulation intensifies. In a deregulated environment, the existence of market discipline is likely to become more important to a well-functioning financial system.

INTRODUCTION

There is concern today that the Federal deposit insurance system has removed most market restraints on the ability and willingness of bank management to pursue actions that would not be tolerated in a less economically secure environment. This concern is predicated upon several factors. First, since the early 1960s the FDIC has handled most failed and failing bank situations through merger into a stronger institution, which provided *de facto* 100 percent insurance to all depositors and other general creditors. Until Penn Square Bank failed in mid-1982, no bank with assets of $100 million had been dissolved by way of a payoff of insured deposits. Second, as the powers of banks and bank holding companies expand further and banking markets become more competitive, banks will be under more pressure to maintain profit margins and increase risk-levels. Third, there is considerable evidence that risks in banking already have increased. Increased leverage, primarily at larger banks, and apparent undue concentrations of credit to troubled sectors are often cited as examples.

The purpose of this chapter is to sort through the available evidence to determine the effect of the deposit insurance system on the structure of banking and operating practices of banks. To place recent developments in better perspective, the first section deals with the events preceding the Banking Act of 1933 and chartering of the FDIC, and developments through 1941. The banking environment and FDIC operations during the post-war years through 1972, and from 1972 to the present are then considered, with the final section devoted to a discussion of the current role of Federal deposit insurance and its effects on the current banking structure.

HISTORICAL OVERVIEW

Much of the early history of the U.S. monetary and banking system is characterized by instability and crises. By 1900, however, what was thought to be a relatively stable dual system of state and national banks had evolved. While credit quality problems existed, it was generally recognized that one of the major weaknesses of this system was the absence of a vehicle to prevent liquidity crises from developing. A severe panic in 1907 laid the foundation for the creation of the Federal Reserve System in 1913.

Even with a "lender of last resort" in place, liquidity problems persisted. While member banks had access to borrowings from the Federal Reserve Banks, state banks had to rely on correspondents to supply liquidity. For a number of reasons, including the large proportion of small, rural banks in the system and limited communications facilities available at that time, liquidity remained a major problem. Many banks, seeking to accommodate cash demands or increase liquidity, reduced credit extensions and, in some cases, liquidated assets. This had the effect of reducing cash available to the community which, in turn, placed additional cash demands on banks. Banks were forced to further restrict credit and to liquidate assets, thereby depressing asset prices and further exacerbating the liquidity problems. As more banks were unable to meet withdrawals and were closed, depositors became more sensitive to rumors. Bank "runs" became more common.

Although the decade of the 1920s was generally prosperous, an average of about 600 banks per year failed between 1921 and 1929. While most of these were small, rural institutions, depositors lost an aggregate of approximately $560 million (or about 35 percent of deposits in failed banks) during this period, and had a considerably larger amount of funds tied-up in bankruptcy proceedings. As more banks failed, the volume of assets being liquidated became significant. This activity further depressed asset prices, and added to the problems of banks attempting to gain liquidity.

Between the time of the stock market crash in the fall of 1929 and the end of 1933, about 9,000 banks were closed with an aggregate loss to depositors of about $1.3 billion. The banking and financial system had

almost collapsed, and both the manufacturing and agricultural sectors were operating at a fraction of capacity.

The FDIC was established within this economic climate to help restore confidence in the banking system.[1] By almost any measure, the FDIC has been extraordinarily successful in maintaining stability of the system: bank "runs" soon became a thing of the past; the money supply, both on a local and national basis, ceased to be subject to contractions because of bank failures; liquidation of failed bank assets no longer disrupted local or national markets; and, a significant proportion of community assets no longer was tied-up in bankruptcy proceedings.

Many observers of FDIC operations believe that the Federal deposit insurance program has been too successful, and has effectively removed the necessity for depositors, and perhaps other general creditors, to exercise much discretion in the placement of funds in banks.[2] The literature of the 1930s suggests that these issues were of concern at that time. There was a fear that the complacency of depositors would encourage lax management practices and a general deterioration in credit quality. Additionally, there was concern that deposit insurance would adversely affect the quality of state bank supervision. From its inception, bank examinations have been used by the FDIC to control risks within the system.

The early years of the FDIC's existence were not a period of risk-taking by banks. Bankers who survived the Depression were extremely cautious. Legislation enacted in the 1930s limited bank behavior, essentially to insulate banks from competing with one another too aggressively. Entry was limited by cautious behavior on the part of regulators and by a still depressed economy.

With the exception of the recession years of 1937-1938, the economy expanded throughout the 1930s from the low point reached in 1933. Nevertheless, the FDIC handled approximately 400 bank failures from 1934 through 1942. Most of these were small banks, with the FDIC realizing an aggregate book loss of only about $24 million as a result of these failures. Without the presence of Federal deposit insurance, the number of bank failures undoubtedly would have been greater and the bank population would have been reduced. The presence of deposit insurance also may have limited the necessity for some banks to merge, and may have indirectly encouraged retention of restrictive state branching laws. It had been recognized for some time that a branch banking system potentially was more stable than unit banking because of the ability to geographically diversify the deposit base.

(Mr. ABDNOR assumed the chair.)

Mr. D'AMATO. I might also at this point, Mr. President, suggest to you that same theory is applicable today, not only within my State but nationwide. What we are proposing with respect to title X flies in the face of thoughtful consideration in terms of allowing the marketplace to operate.

As the failure rate began to increase during 1929, many states moved to liberalize branching restrictions; from 1929 to the enactment of the Banking Act of 1935 (authorizing a permanent Federal deposit insurance system), 13 states enacted laws providing broader branching powers for banks. After 1935, it was almost 30 years before any state again liberalized branching. However, limited financial incentives prevailing during most of the 1930s also probably served to reduce bank mergers.

THE PERIOD 1942-72

During World War II, government financial policies and private sector restrictions produced an expanding, very liquid banking system. Bank failures declined significantly (only 28 insured banks failed in the period 1942-1945). Banks emerged from World War II in very liquid condition. Loan losses were practically nonexistent. In fact, many banks experienced sizable recoveries on previously charged off loans.

During the next three decades banking behavior by present standards continued to be very conservative. In general, economic performance was favorable, with recessions reasonably mild and short in duration, and the number of business failures and the volume of loan losses at low levels. This was a period of general prosperity, with a secularly increasing GNP, generally low levels of unemployment and, after the Accord in 1951, a relatively stable price level. Until about 1960, banks continued to operate in an insulated, safe environment. Gradually, banks began to change the way they operated, and some of the restrictions began to be dismantled. The Depression experience ceased to be a dominant force influencing bank management. Still, during the 30 years from 1942 to 1972 there were only 110 failures of FDIC-insured banks, with total book losses aggregating $40 million from the FDIC's beginning through 1972.

It would be an oversimplification to think of this period as being uniform. Banking changed substantially in this 30-year period. Beginning in the early 1960s, some states started to liberalize branching laws. Additionally, the bank holding company vehicle was used increasingly to enter new product markets, and the appearance of negotiable certificates of deposit represented a dramatic shift in bank funding strategy. However, from the standpoint of the FDIC's role and perceived depositor risk, this was a period in which bank failures and their possible occurrence were not very important.

It is difficult to assess the impact of the FDIC on bank structure or the operation of banks with respect to risk. Undoubtedly, the bank examination and supervisory role of the regulatory agencies contributed to the lack of risk in the system during these years. However, a stable economic climate and a vivid memory of the experience of the 1920s and 1930s were contributing factors. On balance, it would be hard to argue that deposit insurance played a dominant role in affecting bank structure in this period.

During this time, there was some concern about how the presence of deposit insurance might limit market discipline. There was occasional discussion about variable-rate premiums, but it was conceded that the 1930s experience might not be relevant, and bank failures and loan losses were too infrequent to provide the bases for any statistical analysis. Whether because of their own conservative behavior, existing legislative constraints or the behavior of bank supervisors, most banks operated during much of this period at a level of risk where market discipline probably did not matter. Indeed, statistical studies relating equity prices to capital ratios and other risk measures suggested that they had not been important or discernible in explaining bank stock prices.

The period from 1972 to present may be most interesting. I will refer to page I-5:

In more recent years banking behavior has changed in many respects. From a performance standpoint, earnings have been more volatile. Loan losses have risen dramatically, and even in some very good years (1977-1978) they never returned to the low 1960s levels. More and more bank funding has involved purchased money, even for moderate sized banks. Demand balances have become relatively less important and, in the case of the household sector, most of these now pay interest. Cheap deposits, in general, have become scarce. Banks have entered new product markets, geographic expansion possibilities have broadened, and traditional banking services are now being offered by some financial conglomerates. Some of these things have developed suddenly while others reflect a regulatory and competitive environment that has been gradually changing.

It is difficult to determine what precisely reflects changing bank behavior and what can be explained by the economic environment. The changing behavior of banks has made the industry more vulnerable to economic conditions. However, in a more stable environment, like that of the 1950s and 1960s, current behavior might not have placed significant strains on the system.

The performance of the economy of the past 10 years has not been very strong. Real growth has been sluggish, averaging approximately 1.4 percent from the first quarter of 1973 through the first quarter of 1983. Recessions have been more severe, and the downturn from which the economy is just emerging is by far the most severe in the post World War II period. Business bankruptcies recently surpassed any level reached prior to the 1930s.

The economy also has been subject to various shocks that have affected banking and business in general. The effects of the rapid increase in oil prices beginning in 1973, and the subsequent role of U.S. banks in recycling petro-dollars may continue to be a problem for some time to come. The more recent deflation in oil prices is causing loan problems for banks heavily into certain energy related credits (this is similar to the problems related to real estate development projects in the mid-1970s). High interest rates accompanying the change in Federal Reserve monetary policy that began in October 1979, have precipitated major loan problems in the commercial banking system, and have, in combination with an unduly heavy emphasis on fixed rate, long-term lending, caused more severe problems in the thrift industry.

Bank failures have increased during the past decade and, more dramatically, recently. There is a greater sense of bank exposure and risk of failure that exists not just among those who regulate and follow banks but with the general public as well. As a result, bank depositors and other bank creditors have had reason to be concerned about exposure and the value of deposit insurance. Consequently, the level of insurance coverage and the manner in which failed banks are handled has become very important.

[1] Although the FDIC represents the first attempt at Federal deposit insurance, several states had deposit insurance programs in effect prior to 1933. The earliest program was established by New York in 1829. By 1930, there were no state programs in existence. For a comprehensive review of these programs, refer to Appendix G.

[2] This topic is reviewed briefly later in this chapter and discussed in more depth in Chapter III of this study.

THE FDIC AND CURRENT BANKING STRUCTURE

There is concern that the manner in which the FDIC has handled most bank failures in the past has removed a perception of risk from depositors and other general creditors. Since 1960 about three-fourths of failed commercial banks and, until Penn Square Bank, all failures over $100 million in size have been handled through purchase and assumption transactions (P&As). In P&As all deposits (including uninsured deposits) and other liabilities of general creditors are assumed by a new or existing bank. Thus, despite a bank failure, all depositors and other general creditors are made whole in a P&A. In those cases where the FDIC pays off a bank, depositors are made whole up to the basic insurance limit. Uninsured depositors and other general creditors usually incur some loss, especially when foregone interest is taken into account.[3]

The P&A had certain advantages over a payoff. The FDIC generally recovers a premium for the assumed deposits, banking site, etc., that it puts up for bids. Banking services are continued and performing loans of the failed bank are purchased by the acquiring institution. There is minimal disruption to the community, little depositor inconvenience and little risk of any secondary effects on other depository institutions.

The FDIC has been reluctant to pay off a large bank because it would involve a substantial cash outlay and it could tie up substantial depositor claims for a long period of time. As long as the market perceives that the FDIC will not pay off a large bank, these banks are able to acquire deposits on risk-free terms despite their capitalization and loan quality. Risk has been encouraged or at least not restrained by the behavior of uninsured depositors. There is little evidence, at least from any analysis during the past several decades, that depositors have ever played a very important role in influencing bank behavior. However, for reasons already cited, bank risk-exposure has become an important issue and deposit insurance does play an important role.

One area where FDIC insurance has clearly been very important during the past few years relates to failing mutual savings banks. Because of their large portfolios of long-term fixed-rate mortgages and bonds, many mutual savings banks incurred substantial losses and capital depletion when interest rates rose so dramatically in 1980-1982. When these institutions approached book insolvency, the FDIC merged these institutions into others and provided financial assistance. Failures was predictable and came as no surprise to much of the financial community. However, because such a large share of deposits was fully insured it became apparent to most that it would be too disruptive and too expensive to pay off any of these institutions. As a result, deposit outflows in anticipation of failure remained modest.

To some extent this situation (and a similar situation for many S&Ls) was facilitated by the increase in insurance coverage to $100,000 in 1980. This represented a significant departure from previous changes in insurance coverage, which had generally been more modest and more or less in line with growth in money GNP. The increase to $100,000 was not designed to keep pace with inflation. Rather, it recognized that many exposed institutions had sizable amounts of large CDs outstanding. The $100,000 limit facilitated their retaining some of these or replacing them with ceiling-free $100,000 CDs (in 1980 only deposit accounts with balances of $100,000 or more were ceiling-free). This increase in insurance coverage provided a vehicle for smaller or moderate-sized banks to compete for funds in regional markets, or through the use of brokers, in national markets.

In retrospect, the increase in the basic insurance limit to $100,000 has been a mixed blessing. On the one hand, it stabilized deposits in troubled bank situations and, in particular, it facilitated the orderly handling of savings bank problems. On the other hand, it also has facilitated participation of large CDs, so that fully-insured accounts within the system could significantly increase. This could hamper any efforts to place large depositors at risk.

Elsewhere in this study alternative means to impart some semblance of market discipline to the banking industry are explored. Chapter II addresses topics related to the feasibility of providing discipline through use of a risk-related deposit assessment scheme, and Chapter III explores the desirability of various other means to impact discipline by shifting risk to depositors or to subordinated creditors. Chapter IV looks at the role of public disclosure in aiding depositors to make an informed judgment regarding the safety of banks. Chapter V discusses the adequacy of the Federal Deposit Insurance Fund, and Chapter VI recommends merging the Federal Savings and Loan Insurance Fund into it. Finally, Chapter VII analyzes the potential for private sector insurance companies to provide discipline by providing excess deposit insurance coverage.

At this time, Mr. President, I might continue what I think you will find most informative in chapter 2 of this wonderful study, "Deposit Insurance, Changing Environment, Federal Deposit Insurance Corporation, April 18, 1983."

I also add, in no way would I like to associate myself with all of those undertakings that the study attempts to examine nor with all of its comments. But I think much of it is worthy of note.

Chapter 2. Risk Related Insurance Premiums. The ideal system for premiums tied closely to risk is simply not feasible. Such a system would require the FDIC to be given an extreme amount of authority. Moreover, it would entail unrealistic data requirements and much more advanced risk qualification techniques than are currently manageable. Even though the "ideal" is not feasible, the FDIC believes that a lesser system based on reasonably sound measures of risk has merit. Relating premiums to risk would reduce the inequity in the current system whereby low-risk banks subsidize the activities of the high-risk banks and discourage excessive risk-taking in an environment that is likely to encourage it.

The chapter goes on to say that because so few banks have failed, there is little meaningful empirical evidence to support the development of any type of comprehensive risk-based insurance system. The system could be based upon perception of risk rather than actuarial evidence or because banks have no viable alternative for deposit insurance. The FDIC believes such efforts should proceed cautiously. Therefore, the FDIC proposes a program that is very limited in scope, one that should reduce some of the inequity in the current system and also provide the basis upon which to build a more comprehensive system.

The proposed system would have only three risk classes: normal, high, and very high. The vast majority of all banks would fall into the normal risk class. It is envisioned that the maximum premium differential would be the assessment credit. However, to insure that the premium differentials did not drop to insignificant levels, the Federal Deposit Insurance Corporation might be given authority to vary the assessment rate to reflect risk.

The proposed plan will focus on credit risk and interest risk as they relate to capital. The latter has been the primary cause in all mutual savings bank failures and the former has been the major cause of most commercial bank failures. This system should be sufficient at the beginning and would be particularly appropriate should there be a merger of insurance banks. Credit risk would be measured by the dollar volume of classified assets and the interest would be measured by computing the present value of potential changes in future pretax earnings resulting from a dramatic point change in interest rates.

Finally, the FDIC also seeks authority to alter the present system whereby banks with high-risk ratings, a composite rating of 3 or worse, are not charged with the disproportionate amount of supervisory time and attention that they require. It is feasible to implement the program whereby insurance premiums more closely reflect the risk which insured institutions pose to the insurance funds.

There are practical limitations on how accurately risk can be quantified, but if approached carefully, a system could be structured to offer worthwhile advantages over the current sytem. This chapter describes a program that is very limited in scope but which will reduce some of the inequity in the current system. It will also provide a basis upon which to build a more comprehensive system.

Federal deposit insurance provides a requirement for public funds to help insure stability in the Nation's financial system. The word "Federal" implies insured deposits and risk-free U.S. Government securities. Insured deposits are less expensive and more reliable than alternative funding sources, and clearly are less influenced by the financial strength of the insured institutions.

Commercial banks and mutual savings banks insurance as prescribed in section 7 of the Federal Deposit Insur-

[3] The topics of market discipline, handling of failed and failing bank situations, and alternative means of increasing market participation in risk evaluation of banks are analyzed in Chapter III.

ance Act are all assessed at rates based on one-twelfth of 1 percent of total deposits after certain adjustments are made. The amount paid by any one institution depends solely upon its deposits and not the risk it poses to the insurance fund. The fact that the present assessment structure does not consider individual bank risks is undeniably flawed but one that has not caused much concern until fairly recently.

Since the 1930's, the level and variation of risk-taking within the banking industry has been very low, because it has been clearly controlled through regulation and supervision.

Mr. MOYNIHAN. Mr. President, without yielding his right to the floor, would my friend and colleague from New York allow me to make some comments on the point which he has just been elaborating? I find it a useful and necessary line of inquiry.

Mr. D'AMATO. Mr. President, if I may, I ask unanimous consent that my distinguished colleague from the State of New York be allowed to speak without my losing my right to the floor and on the condition that at the conclusion of his remarks, I be allowed to regain the floor without its being considered a second speech.

Mr. GARN. Mr. President, reserving the right to object, I do not intend to object as I did yesterday, but I do not like reserving the floor by unanimous consent. I am preferably willing to allow the Senator to yield. I am not going to object or say that the Senator is giving a second speech. On that basis, with that understanding, I shall object in a moment, but I hope the Senator will understand that I am not going to get up tomorrow or later today and say he is making a second speech.

I do not like the precedent of saying, "I am going to keep the floor and yield to somebody." That is supposed to be for answering a question. Obviously, the senior Senator from New York is going to do more than ask a question.

I object, Mr. President.

The PRESIDING OFFICER. The objection is heard.

Mr. D'AMATO. Mr. President, I yield to my distinguished colleague from New York, after having the assurance of my good friend from Utah with respect to the fact that he will not raise the issue of a second speech after the conclusion.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I first express my appreciation and, I am sure, the appreciation of all Senators present for the prevailing courtesy and patience of the Senator from Utah, the distinguished chairman of the committee, who would have grounds for a measure of impatience at this proceeding but who, I think, understands the degree to which we feel there are constitutional issues here that we would like to discuss.

Yesterday, Mr. President, after some extended remarks on this subject, the Senator from Michigan [Mr. RIEGLE] indicated he would like to join in the discussion. I yielded to him for that purpose. It was the point on which the Senator from New York [Mr. D'AMATO] was speaking this afternoon that I had in fact been about to discuss yesterday.

With the always generous indulgence of the Chair, Mr. Chairman, I wish to proceed. That is on the question that, while it is of more than passing interest that a U.S. Senator and group of Senators might think there is a constitutional issue involved in legislation, I would say that, within the confines of this Chamber, such matters are not only in order but are necessary. We have in our procedures a constitutional point of order which can be raised against legislation and decided by the body. That it is our duty here to pass laws and we pass laws in the context of the Constitution, which provides us certain powers and denies us others, and does the same with other units of Government, is the point which I made at some length yesterday, discussing the origins of the Constitution itself and the singular involvement of the issue of State barriers to trade and interstate agreements which involve barriers to trade. I recall the experience of the Articles of Confederation, although in retrospect, it can be recalled as one in which the foreign affairs of the United States proved difficult to conduct. They were that. On the other hand, there was no great foreign policy crisis at the time.

The Napoleonic Wars had not begun. The world was as much at peace as the 18th century world was and as memory serves even somewhat more so. What was troubled in this land was the relations between the economies of the respective States which had great problems that arose out of the Revolutionary War. Extraordinary differences in debt occurred during those years and as a consequence of different levels of taxation in the different Colonies. Some had a great burden of debt. A third or more of the battles of the Revolutionary War were fought on New York soil and put New Yorkers particularly in debt at that time. Virginia had more than its share of warfare, but, unlike New York, it proceeded to pay off it debts. It had not completely done so, but it had arranged to do so, whereas New York had simply issued large long-term bonds which were discounted, one would assume, to a nickel and a dime on the dollar. But this burden of debt in the 13 different jurisdictions meant people looked for revenues. In any unit of government in that kind of exigency the opportunity to impose tariffs seemed irresistible. It seemed, when they saw trade flowing and assumed its profitability, you taxed that trade and assumed it would continue to flow. When you find that it does not, well, it is too late.

But we had begun to tax each other in a most relentless way. I recalled that New York State taxed firewood coming in from Connecticut and vegetables coming in from New Jersey, and this pattern was everywhere. It was exactly this pattern which induced six States to meet in Annapolis, MD, in 1786, at the Annapolis convention to talk about the breaking up of what was at best a tentative and fragile confederation over these barriers in trade and to ask that all 13 States send delegates to a meeting the following year in Philadelphia to ask what was to be done about this.

It was out of that meeting in Philadelphia that this Constitution arose. The simple fact is that almost the first matters they addressed were the problems of giving to the U.S. Congress an absolute responsibility for maintaining one large, single economy, hence, the commerce clause in article I, section 8, which stated unequivocally that "Congress will have the power to regulate commerce," and the provision under article I, section 10, was that, "No State without the consent of Congress will enter into any agreement or compact with another State."

Now, Mr. President, the hour commences to be late. I had hoped to discuss the view of the Federal Reserve Board with respect to the present arrangement in New England, but I can do that tomorrow.

Mr. President, I should like to record what is a matter of public record, that the Federal Reserve Board has stated the regional banking system developing in New England raised "unique and fundamental constitutional issues."

"Unique and fundamental constitutional issues." I hope to have the opportunity to discuss them further in this debate, which is a serious one, and which is being treated seriously by the managers of the legislation, as one would expect given their qualities as legislators and as individuals.

Mr. President, we have had more than our share of the opportunity to speak today. I see that the chairman of the committee has risen. If he would wish me to yield to him at this point, I will be happy to do that.

Mr. President, may I yield with the general understanding of the chairman's previous statement with respect to my friend from New York and which he needs no more say than it is settled with respect to second speech, third speech, and fourth speech.

Mr. GARN. Mr. President, my thoughts on the matter have not changed from 5 minutes ago.

Mr. MATTINGLY. Mr. President, yesterday, the senior Senator from New York [Mr. MOYNIHAN] spoke of anticompetitive banking compacts in reference to his opposition to title X of S. 2851. I would like to set the record straight on the validity of State statutes permitting regionally reciprocal banking and the necessity for Senate action to approve title X.

To quote my colleague from yesterday's CONGRESSIONAL RECORD, page 24238:

> Title X, in the view of this Senator, is an attempt to win congressional endorsement of faulty State legislation that would enable regional banking compacts to be formed which would include some States and exclude others, and to do so in a manner which, in the view of this Senator, violates the expressed provisions of the Constitution, or at least must be made to comport with those, but much more importantly violates a clear spirit of the Constitution which is opposed to the notion of individual States making arrangements with one another that exclude the participation, in whatever the issue involved, of other States.

The enactment of regionally reciprocal State banking laws is consistent with the States rights nature of section 3(d) of the Bank Holding Company Act of 1956—the Douglas amendment. Regionally reciprocal banking laws in no way create an interstate compact and, in any event, because they do not encroach upon Federal sovereignty nor increase the political power of any group of States, the implementation of such laws without congressional approval does not violate the Constitution's compact clause.

Each State which has enacted a regional banking law has reached its own unilateral decision about interstate bank acquisitions, as is graphically demonstrated by the wide divergence in the approaches to interstate acquisitions that have been adopted by the various States which have enacted or are considering regional banking laws. Even assuming, for the sake of argument, that such laws do constitute an agreement among States, implementation of the agreement without subsequent congressional approval would not necessarily violate the compact clause under governing Supreme Court precedent.

The Supreme Court has stated that the application of the compact clause is "directed to the formation of any combination tending to the increase of political power in the States, which may encroach upon or interfere with the just supremacy of the United States." *Virginia* v. *Tennessee,* 148 U.S. 503, 519 (1893); accord, *United States Steel Corporation* v. *Multistate Tax Commission,* 434 U.S. 452, 471 (1978); *New Hampshire* v. *Maine,* 426 U.S. 363, 369 (1976).

The regional banking concept in no way conflicts with the Douglas amendment which, in the absence of regional banking legislation, divides the national banking system into 50 separate banking regions. Nor does it in any way impinge upon Federal interests in the regulation of bank holding companies. Acquisitions pursuant to a regional banking statute remain subject to the requirement of an application for Federal Reserve Board approval. In exercising its responsibility to review such transactions the Board is in a position to ensure that Federal interests as manifested in the Bank Holding Company Act are protected.

The Federal Reserve Board on March 26, 1984, in its order approving certain regional banking mergers in New England, found that "the Douglas amendment should be read as a renunciation of Federal interest in regulating the interstate acquisition of banks by bank holding companies." Thus, the compact clause of the Constitution is not violated. Importantly, the U.S. Court of Appeals for the Second Circuit agreed with the Federal Reserve Board by upholding the Board's three merger decisions based upon the regionally reciprocal State banking statutes of Connecticut and Massachusetts. *Northeast Bancorp Inc., et al.* v. *Board of Governors of the Federal Reserve System,* — F. 2d — (2nd Cir. Aug. 1, 1984). Hence, it can be concluded that the compact clause of the Constitution is not violated by regional banking statutes and that the compact argument is actually only a smoke screen thrown up by those who favor nationwide interstate banking rather than a State's right to determine banking structure within its borders.

Title X of S. 2851 is necessary to clarify present banking law and to counter the costly ongoing court suits which interfere with banks' ability to act under lawfully enacted State banking laws. The uncertainty generated by this litigation also negatively affects the ability of States to adapt their banking system to changing circumstances.

Mr. GORTON. Mr. President, I want to take this opportunity to make clear my support for S. 2851, and to indicate why I believe that we should enact this bill. These comments come from the perspective of one who is a new member of the Banking Committee this Congress, but who has spent many hours listening to testimony and studying the issues over the past 2 years.

I recognize the complexity of the issues now before the Senate, as well as the fact that the nuances of part of the debate will be unfamiliar to those who have not spent a great deal of time on banking issues in the past. The issues indeed are unfamiliar to the general public, and to many members of this body. But they are not at all unfamiliar to the Banking Committee, which has studied them exhaustively and in depth over the past 2 years. I have done so. Along with the other members of the committee, I sat through much of the delivery of the over 6,000 pages of testimony. Day after day, we heard from experts representing ever affected industry, the State and Federal regulatory agencies, academic experts, and consumer organizations. And by an overwhelming margin, their testimony supported this bill.

I did not come to this Congress as a banking expert, and although I know much more about that subject now than I every thought would be necessary, I still do not claim the title of expert for myself. I will leave that title for the distinguished chairman and ranking minority member of the committee, who between them can claim 36 years of experience in dealing with specialized banking legislation.

But I have learned something about these issues, and what I know convinces me that this is a good bill. I believe that Chairman GARN and Senator PROXMIRE are to be complimented for bringing to the full Senate this monumental piece of legislation; a bill which was the subject not only of exhaustive hearings, but also of excruciating negotiation, and lengthy and detailed analysis. This bill is a considered and responsible measure. Far from being any kind of dramatic deregulatory step, it is a reasonable and moderate effort to face up to the dramatic changes which are taking place every day in the financial services industry.

That industry is undergoing change at a rate almost unimaginable only a few years ago. There was a time when banking was thought of almost as a somnolent field—you took in deposits on which, by law, you paid little or no interest, made loans, worked from 9 to 3, and played golf on Wednesdays. There are some, I suspect, who would like to return to those bygone days. But surely such an effort would be futile. Regardless of whether one regards the changes which have overtaken our financial sector as good or bad—and I regard them as good, for the many benefits they have brought to consumers—there clearly is no turning back from the kind of changes we have seen in the past several years. Attempts to force the world to behave in comfortable ways are doomed to defeat—markets and entrepreneurs are simply too clever, and too well-motivated, to be bound for long by laws which refuse to acknowledge the present, let alone the future. Rather than attempting to mold the industry according to outmoded ideas of how we wished the world looked, we must bend our efforts to ensuring that our laws keep abreast of market developments, and that our people are provided with the full benefits that modern technology can provide, while still pre-

serving the safeguards which history has taught us are essential.

This bill does that. This is no dangerous proposal. This bill does not undo the banking safeguards which Congress enacted in the wake of the stock market crash of 1929, and the Depression of the 1930's. Indeed, this bill strengthens those safeguards in several important ways. Opponents have argued that this bill would create conflicts of interest for banks, that it would allow banks to compete with other underwriters on an unfair basis, and that it would pose a threat to the safety and soundness of banking. These are serious charges, and the Banking Committee heard testimony from literally dozens of experts on the subject before it reached its decision.

The bill reported by the Banking Committee contains a number of protections against self-dealing and other competitive abuses. Should a bank elect to undertake any of the new securities powers contained in the bill, it must move all of its securities activities—including general obligation bond underwriting, revenue bond underwriting which is already permitted, and transactions services—out of the bank and into a separate subsidiary of a holding company. Transactions between this subsidiary and the affiliated bank are restricted in numerous ways. Certain transactions would be permissible, but only if they could satisfy arm's-length requirements. Other transactions would be prohibited outright, such as a bank's purchasing, as either fiduciary or principal, any obligation for which its securities affiliate is an underwriter, or a bank's purchasing securities or other assets directly from the underwriter. The bank and the securities affiliate could not use a common or similar name, and the securities affiliate would be fully subject to the rules and regulations of the Securities and Exchange Commission. Finally, banks would lose the advantage they now have over securities firms in their favored tax treatment of underwriting interest expense.

I know we will hear much about bank securities powers in the next serveral days, so I shall not dwell on this subject. But I do want to point out that this is only one small part of this bill. In addition to the very modest expansion of bank holding company securities powers, the bill has numerous other provisions which are of great benefit to consumers, and which are most deserving of the support of all Senators.

The bill closes the nonbank bank and South Dakota loopholes, again subjects on which I will not dwell because I expect them to be well-discussed later.

The bill actually strengthens Glass-Steagall by extending it to certain depository institutions not presently covered by that law.

The bill extends the capital assistance program first enacted in the Garn-St Germain bill, a program vital to the preservation of our savings and loan industry.

The bill establishes new standards for brokered deposits in our banks and thrifts, a concrete and important step to ensuring the health of our Federal deposit insurance system.

Finally, the bill makes several changes in consumer-related law, an area in which I am especially interested:

It applies disclosure and advertising standards to short-term consumer lease agreements, to help combat the sad experience of consumers tricked into paying many times the true value for a television set or other appliance because of misleading financial comeons.

It directs the implementation of provisions to speed up the availability to consumers of funds from checks deposited in banks, putting an end to the annoying and unfair practice of lengthly holds on checks—a practice which must have inconvenienced many of us at one time or another in our lives.

Finally, in a provision of which I am especially fond, the bill repeals the exemption from the Fair Debt Collection Practices Act which attorneys, and only attorneys, enjoy.

There are many other provisions as well—some technical, and some which we will undoubtedly debate at length in the next few days.

I know that many in this body are concerned about the state of our country's financial system. I share these concerns. I, too, read the Wall Street Journal. And I would not support a measure which I felt was inconsistent with the safety, soundness, and fairness of our financial system.

But this is not such a bill. This is a sound bill, whose guiding principle is to maximize benefits to consumers of financial services. It is a measured and forward-looking response to the financial changes which are upon us, and which will continue, regardless of what we do in the next week. We cannot command the tide of change to cease rolling in. Instead, we must ensure that our financial laws are adequate to dealing with the tides of change. The sooner we are about this task, the better for us all.

Mr. President, I support S. 2851, and I urge my colleagues to join me in helping to ensure speedy passage of this bill.

CLOTURE MOTION

Mr. GARN. Mr. President, I send a cloture motion to the desk and ask that it be read.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 2851, a bill to authorize depository institution holding companies to engage in certain activities of a financial nature and in certain securities activities, to provide for the safe and sound operation of depository institutions, and for other purposes.

Senators Howard H. Baker, Jr., Ted Stevens, Jake Garn, Daniel J. Evans, Mark Andrews, Chic Hecht, William Proxmire, Mack Mattingly, Slade Gorton, Frank R. Lautenberg, Paul S. Trible, Jr., John Tower, Warren Rudman, Richard G. Lugar, Jesse Helms and Strom Thurmond.

AVIATION DRUG-TRAFFICKING CONTROL ACT

Mr. GARN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1146.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1146) entitled "An Act to amend the Federal Aviation Act of 1958 to provide for the revocation of the airman certificates and for additional penalties for the transportation by aircraft of controlled substances, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert: *This Act may be cited as the "Aviation Drug-Trafficking Control Act".*

SEC. 2. (a) Section 609 of the Federal Aviation Act of 1958 is amended by adding at the end thereof the following new subsection:

"TRANSPORTATION OF CONTROLLED SUBSTANCES

"(c)(1) The Administrator shall issue an order revoking the airman certificates of any person upon conviction of such person, and exhaustion of all direct judicial review of such conviction, for violation of any State or Federal law relating to a controlled substance (other than any law relating to simple possession of a controlled substance) if the Administrator determines that (A) an aircraft was used in the commission of the offense, and (B) such person served as an airman in connection with the offense or was on board the aircraft in connection with the offense. The Administrator shall have no authority under this paragraph to review the issue of whether an airman violated any State or Federal law relating to a controlled substance. Before issuing an order revoking a certificate under this paragraph, the Administrator shall provide the holder of such certificate with notice and an opportunity for a hearing on the record. The person whose certificate is revoked by the Administrator's order may obtain judicial review of such order under the provisions of section 1006.

"(2) The Administrator shall issue an order revoking the airman certificates of any person if the Administrator determines that (A) such person has knowingly engaged in an activity which is prohibited by any State or Federal law relating to a controlled

substance (other than any law relating to simple possession of a controlled substance), (B) an aircraft was used in carrying out such activity, and (C) such person served as an airman in connection with such activity or was on board the aircraft in connection with such activity. The Administrator shall have no authority to revoke a certificate under this paragraph on the basis of any activity if the holder of the certificate is acquitted of all charges contained in an indictment or information which relate to controlled substances and which arise from such activity. Before issuing an order revoking a certificate under this paragraph, the Administrator shall provide the holder of such certificate with notice and an opportunity for a hearing on the record. The person whose certificate is revoked by the Administrator's order may obtain judicial review of such order under the provisions of section 1006.

"(3) For purposes of this subsection, the term 'controlled substance' has the meaning given such term by section 102(6) of the Controlled Substances Act.".

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

"Sec. 609. Amendment, suspension, and revocation of certificates."

is amended by adding at the end thereof:

"(c) Transportation of controlled substances.".

SEC. 3. Section 602(b) of the Federal Aviation Act of 1958 is amended by inserting "(1)" after "(b)" and by adding at the end thereof the following new paragraph:

"(2)(A) Except as provided in subparagraph (B), the Administrator shall not issue an airman certificate to any person whose airman certificate has been revoked pursuant to subsection (c) of section 609 of this title during the five-year period beginning on the date of such revocation.

"(B) The Administrator may issue an airman certificate to any such person before the end of such five-year period (but not before the end of the one-year period beginning on the date of such revocation) if, in addition to the findings required by paragraph (1), the Administrator determines (i) that revocation of the certificate for such five-year period would be excessive considering the nature of the offense or the act committed and the burden which revocation places on such person, or (ii) that revocation of the certificate for such five-year period would not be in the public interest. The determinations under clauses (i) and (ii) of the preceding sentence shall be within the discretion of the Administrator and any such determination or failure to make such a determination shall not be subject to administrative or judicial review.

"(C) In any case in which the Administrator has revoked the airman certificates of a person under section 609(c)(2) as a result of any activity and such person is subsequently acquitted of all charges contained in an indictment or information which relate to controlled substances and which arise from such activity, the Administrator shall issue an airman certificate to such person if such person is otherwise qualified to serve as an airman under this section.".

SEC. 4. Section 501(e) of the Federal Aviation Act of 1958 is amended by inserting "(1)" after "(e)" and by adding at the end thereof the following new paragraph:

"(2)(A) The Administrator shall issue an order revoking the certificate of registration issued to an owner under this section for an aircraft and each other certificate of registration held by such owner under this section, if the Administrator determines that—

"(i) such aircraft has been used to transport a controlled substance, where such transportation is prohibited by any State or Federal law or is provided in connection with any act prohibited by any State or Federal law relating to controlled substances (other than any law relating to simple possession of a controlled substance); and

"(ii) the use of the aircraft was permitted by such owner with the knowledge that the aircraft was intended to be used for transportation described in clause (i) of this subparagraph.

For purposes of this paragraph, an owner of an aircraft who is not an individual shall be considered to have knowledge of an intended use of an aircraft only if a majority of the individuals who control such owner or who are involved in forming the major policy of such owner have knowledge of such intended use. Before issuing an order revoking a certificate under this paragraph, the Administrator shall provide the holder of such certificate with notice and an opportunity for a hearing on the record. Any person whose certificate is revoked under this paragrpah may obtain judicial review of such order under the provisions of section 1006. For purposes of this paragraph the term 'controlled substance' has the meaning given such term by section 102(6) of the Controlled Substances Act.

"(B) Except as provided in subparagraph (C), the Administrator shall not issue a certificate of registration to any person who has had a certificate revoked pursuant to subparagraph (A) of this paragraph during the five-year period beginning on the date of such revocation.

"(C) The Administrator may issue a certificate of registration for an aircraft to any such person before the end of such five-year period (but not before the end of the one-year period beginning on the date of such revocation) if the Administrator determines that such aircraft is otherwise eligible for registration under this section and (i) that revocation of the certificate for such five-year period would be excessive considering the nature of the offense or the act committed and the burden which revocation places on such person, or (ii) that revocation of the certificate for such five-year period would not be in the public interest. The determinations under clauses (i) and (ii) of the preceding sentence shall be within the discretion of the Administrator and any such determination or failure to make such a determination shall not be subject to administrative or judicial review.".

SEC. 5. (a) Section 902 of the Federal Aviation Act of 1958 is amended by adding at the end thereof the following new subsection:

"TRANSPORTING CONTROLLED SUBSTANCES WITHOUT AIRMAN CERTIFICATE

"(q) Any person who knowingly and willfully violates section 610(a)(2) in connection with the transportation by aircraft of any controlled substance, where (1) such transportation is prohibited by any State or Federal law or is provided in connection with any act prohibited by any State or Federal law relating to controlled substances (other than any law relating to simple possession of a controlled substance), and (2) such person has knowledge of such transportation, shall be subject to a fine not exceeding $25,000 or to imprisonment not exceeding five years, or to both such fine and imprisonment. For purposes of this subsection, the term 'controlled substance' has the meaning given such term by section 102(6) of the Controlled Substances Act.".

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

"Sec. 902. Criminal penalties."

is amended by adding at the end thereof:

"(q) Transporting controlled substances without airman certificate.".

SEC. 6. Section 902(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1472(b)) is amended—

(1) by striking out "(b) Any person who" and inserting in lieu thereof "(b)(1) Except as provided in paragraph (2), any person who";

(2) by striking out "uses or attempts to use" and inserting in lieu thereof "sells, uses, attempts to use, or possesses with the intent to use"; and

(3) by adding at the end thereof the following new paragraph:

"(2)(A) Any person who violates paragraph (1) of this subsection (other than by selling a fraudulent certificate) with the intent to commit any act prohibited by any State or Federal law relating to controlled substances (other than any law relating to simple possession of a controlled substance) shall be subject to a fine not exceeding $25,000 or to imprisonment not exceeding five years, or both.

"(B) Any person who violates paragraph (1) of this subsection by selling a fraudulent certificate with the knowledge that the purchaser intends to use such certificate in connection with any act prohibited by any State or Federal law relating to controlled substances (other than any law relating to simple possession of a controlled substance) shall be subject to a fine not exceeding $25,000 or to imprisonment not exceeding five years, or both.

"(C) For purposes of this paragraph, the term 'controlled substance' has the meaning given such term by section 102(6) of the Controlled Substances Act.".

SEC. 7. This Act and the amendments made by this Act shall apply with respect to acts and violations occurring after the date of enactment of this Act.

Mr. GARN. Mr. President, I further ask unanimous consent the Senate disagree to the House amendments and agree to the conference requested by the House and the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. ABDNOR] appointed Mr. PACKWOOD, Mr. GOLDWATER, Mrs. KASSEBAUM, Mr. HOLLINGS, and Mr. EXON conferees on the part of the Senate.

Mr. GARN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ETHNIC AMERICAN DAY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Joint Resolution 253.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 253) to authorize and request the President to designate September 30, 1984, as "Ethnic American Day."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

AMENDMENT NO. 3753

(Purpose: To change the date of Ethnic American Day from September 16, 1984 to September 30, 1984)

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS), for Mr. PRESSLER, proposes an amendment numbered 3753.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 4, strike out "16" and insert in lieu thereof "30".

The title of the joint resolution is amended by striking out "16" and inserting in lieu thereof "30".

Mr. PRESSLER. Mr. President, this amendment merely changes the date of Ethnic American Day to September 30, 1984. The reason for this change is to give national ethnic organizations more time to organize events for this occasion.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3753) was agreed to.

The joint resolution (S.J. Res. 253) was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. RES. 253

Whereas the United States of America is a haven for victims of religious and political persecution and for those who seek freedom and opportunity;

Whereas the United States of America has welcomed oppressed and deprived persons and granted them refuge and citizenship;

Whereas ethnic Americans love the United States of America and have shed their blood in defense of America and its freedoms;

Whereas ethnic Americans have made outstanding contributions in the fields of agriculture, labor, arts, science, medicine, business, and government, and to the quality of life in these United States; and

Whereas designation of an "Ethnic American Day" would contribute to a greater appreciation of the rich ethnic heritage of this Nation and to the unity of all its people: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to designate September 30, 1984, as "Ethnic American Day" and to call upon the people of the United States to acknowledge and advance mutual understanding and friendship among all Americans regardless of their ethnicity.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXECUTIVE SESSION

Mr. STEVENS. Mr. President, I have conferred with the distinguished Democratic leader on this.

I ask unanimous consent that the Senate go into executive sesssion to consider nominations on the Executive Calendar under Interstate Commerce Commission, being Executive Calendar Nos. 942, 943, and 944.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

Mr. STEVENS. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered en bloc and confirmed en bloc.

The nominations, considered and confirmed en bloc, are as follows:

INTERSTATE COMMERCE COMMISSION

J.J. Simmons III, of Oklahoma, to be a Member of the Interstate Commerce Commission for the remainder of the term expiring December 31, 1985.

Paul H. Lamboley, of Nevada, to be a Member of the Interstate Commerce Commission for the remainder of the term expiring December 31, 1984.

Andrew John Strenio, Jr., of Maryland, to be a Member of the Interstate Commerce Commission for a term expiring December 31, 1985.

JAKE SIMMONS

Mr. BOREN. Mr. President, Mr. J.J. (Jake) Simmons has been nominated to fill a Democratic vacancy on the Interstate Commerce Commission. I enthusiastically support his nomination.

His distinguished background is well known to the committee. He has previously served as Administrator of the Oil Import Administration, Deputy Director of the Office of Oil and Gas of the Department of the Interior, and Under Secretary of the Interior as well as a brief term as a Commissioner of the ICC.

In addition to his Government services, he has served with ability in the private sector and rose to the position of vice-president of the Amerada Hess Corp.

I am proud to say that Jake Simmons is from my home State of Oklahoma. The friendship of our two families spans three generations. He is being considered for a Democratic position on the Commission. His party credentials are excellent. He has been registered as a Democratic voter in Oklahoma for almost 40 years. He was himself a Democratic candidate for State office in Oklahoma. His father was known as a statewide leader of our party for many years. Both Jake, who served as Muskogee County NAACP president, and his father, who was State president of that organization for a quarter of a century, have been pioneer leaders for civil rights in our State. His brother, Don, is a respected business leader in our State, and served on my Judicial Nominating Commission.

While Mr. Simmons holds solid credentials as a Democrat and is well qualified to serve in a Democratic seat on the Commission. He is above all, a good American who would put the Nation's interest above all else. He is a person of balanced and good judgment. He is fair-minded and capable of objective decisionmaking.

By ability, temperament, and personal character, I believe that J.J. Simmons III is well qualified to serve on the ICC. I recommend him to my colleagues without reservation.

Mr. STEVENS. Mr. President, I ask unanimous consent to reconsider the vote by which the nominations were confirmed en bloc.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

(During the day routine morning business was transacted and additional statements were submitted, as follows:)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

DEFERRAL OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 166

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on the Budget, and the Committee on Energy and Natural Resources:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one revised deferral of budget authority which now totals $331,964,058. The deferral affects the Department of Energy.

The details of the deferral are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *September 6, 1984.*

REPORT ON AGENCIES EXCLUDED FROM MERIT PAY—MESSAGE FROM THE PRESIDENT—PM 167

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

Supervisors and management officials in GS-13, 14, and 15 positions throughout the Federal Government are covered by the Merit Pay System as required by chapter 54, title 5, United States Code, unless otherwise excluded by law.

Upon proper application from the heads of affected agencies and upon the recommendation of the Director of the Office of Personnel Management, I have, pursuant to 5 U.S.C. 5401(b)(2)(B), excluded two agencies from coverage under the Merit Pay System. In addition, one agency previously excluded because of emergency conditions will no longer be excluded.

Attached is my report describing the agencies to be excluded and the reasons therefor.

RONALD REAGAN.

THE WHITE HOUSE, *September 6, 1984.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3656. A communication from the Secretary of Agriculture and the Secretary of Health and Human Services transmitting, pursuant to law, the first progress report on the Human Nutrition Research Information Management System; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3657. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Further Actions Needed to Improve Emergency Preparedness Around Nuclear Powerplants"; to the Committee on Armed Services.

EC-3658. A communication from the Secretary of Agriculture and the Secretary of the Air Force transmitting, pursuant to law, notice of the intention of the Departments of Agriculture and the Air Force to interchange jurisdiction of lands in Colorado; to the Committee on Armed Services.

EC-3659. A communication from the Acting Deputy Assistant Secretary of the Air Force for Logistics and Communications transmitting, pursuant to law, a report on the decision to convert the routine pickup and delivery function at McClellan Air Force Base, Calif. to performance under contract; to the Committee on Armed Services.

EC-3660. A communication from the Secretary of the Treasury transmitting, pursuant to law, the 1983 report of the Exchange Stabilization Fund; to the Committee on Banking, Housing, and Urban Affairs.

EC-3661. A communication from the Assistant Attorney General of the U.S. (for Antitrust), transmitting, pursuant to law, a report on the Voluntary Agreement and Plan of Action to Implement the International Energy Program; to the Committee on Energy and Natural Resources.

EC-3662. A communication from the Secretary of the Interior transmitting, pursuant to law, the annual report on the status of implementation of the Redwood National Park Expansion; to the Committee on Energy and Natural Resources.

EC-3663. A communication from the Secretary of Health and Human Resources transmitting a draft of proposed legislation to extend certain child welfare and foster care provisions under the Social Security Act; to the Committee on Finance.

EC-3664. A communication from the U.S. Trade Representative transmitting, pursuant to law, a report on the status of pending cases involving unfair trade practices of foreign governments; to the Committee on Finance.

EC-3665. A communication from the Acting Secretary of State transmitting, pursuant to law, a report on the situation in Grenada; to the Committee on Foreign Relations.

EC-3666. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled Examination of the U.S. Bureau of Engraving and Printing's Financial Statements for the Year Ended September 30, 1983; to the Committee on Governmental Affairs.

EC-3667. A communication from the Secretary to the Railroad Retirement Board transmitting, pursuant to law, a report on a computer matching program of Railroad Retirement records and RUIA Master Benefit records; to the Committee on Governmental Affairs.

EC-3668. A communication from the Governor of the Farm Credit Administration transmitting, pursuant to law, amendments to the 1983 Freedom of Information report; to the Committee on the Judiciary.

EC-3669. A communication from the Assistant Attorney General of the U.S. transmitting a draft of proposed legislation to strengthen and make more efficient the operations of the Federal Bureau of Prisons; to the Committee on the Judiciary.

EC-3670. A communication from the Assistant Secretary of the Air Force for Manpower, Reserve Affairs, and Installations transmitting a draft of proposed legislation to allow the USAF Institute of Technology to adopt certain personnel and pay practices; to the Committee on Armed Services.

EC-3671. A communication from the Secretary of Commerce transmitting, pursuant to law, the annual report on title IV of the Outer Continental Shelf Lands Act; to the Committee on Commerce, Science, and Transportation.

EC-3672. A communication from the Acting Secretary of Agriculture transmitting, pursuant to law, the 1984 global assessment on world food production and needs; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3673. A communication from the Director of the Office of Management and Budget transmitting, pursuant to law, the cumulative report on rescissions and deferrals as of August 1, 1984; jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-3674. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Canada; to the Committee on Armed Services.

EC-3675. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to the United Kingdom; to the Committee on Armed Services.

EC-3676. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Air Force's proposed letter of offer to Denmark for defense articles estimated to cost in excess of $50 million; to the Committee of the Armed Services.

EC-3677. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Air Force's proposed letter of offer to Italy for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3678. A communication from the Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a listing of contract award dates for the period of September 1, 1984 to October 31, 1984; to the Committee on Armed Services.

EC-3679. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report of the Export Administration for fiscal year 1983; to the Committee on Banking, Housing, and Urban Affairs.

EC-3680. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the 1984 annual report on the economic viability of depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

EC-3681. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on contracts negotiated under 10 U.S.C. 2304(a)(11) during the period April 1 through September 30, 1984; to the Committee on Commerce, Science, and Transportation.

EC-3682. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report entitled "The Effect of the Airline Deregulation Act on the Level of Air Safety"; to the Committee on Commerce, Science, and Transportation.

EC-3683. A communication from the Secretary of Energy, transmitting, pursuant to law, the quarterly report on the Strategic Petroleum Reserve; to the Committee on Energy and Natural Resources.

EC-3684. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report on Federal Government Energy Management for fiscal year 1983; to the Committee on Energy and Natural Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SPECTER:

S. 2965. A bill to provide additional funding to accelerate the replacement and rehabilitation of highway bridges; to the Committee on Environment and Public Works.

By Mr. CHILES:

S. 2966. A bill to designate the Federal Building and U.S. Courthouse in Ocala, FL, as the "Golden-Collum Memorial Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. JEPSEN:

S. 2967. A bill to amend the Consolidated Farm and Rural Development Act to provide agricultural credit assistance to borrowers of loans made by legally organized lending institutions, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MATSUNAGA:

S. 2968. A bill for the relief of Marcelino Valdez and Gloria Valdez; to the Committee on the Judiciary.

By Mr. DENTON (for himself, Mr. CHILES, and Mrs. HAWKINS):

S. 2969. A bill for the relief of Teodoro N. Salanga, Jr.; to the Committee on the Judiciary.

By Mr. HELMS:

S. 2970. A bill to amend title II of the Social Security Act to provide for the issuance of a certificate of guaranteed tax-exempt benefits to each individual who is entitled to an old-age insurance benefit under such title or who is 62 years of age and entitled to any other benefit under such title; to the Committee on Finance.

By Mr. ROTH (for himself and Mr. RUDMAN):

S. 2971. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959 to strengthen the provisions relating to trusteeship requirements and fiduciary responsibilities, and to provide improved provisions with respect to mergers of subordinate labor organizations, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. QUAYLE:

S.J. Res. 349. Joint resolution to designate the month of September 1985 as "National Mental Retardation Awareness Month"; to the Committee on the Judiciary.

S.J. Res. 350. Joint resolution to recognize the importance of the role of the Bureau of Apprenticeship and Training of the Department of Labor in promoting apprenticeship programs; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PELL (for himself and Mr. CHAFEE):

S. Res. 436. Resolution to commemorate the 100th anniversary of the Naval War College in Newport, RI; to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. Con. Res. 138. Concurrent resolution expressing the sense of the Congress that the President should seek a 6-month moratorium with the Soviet Union on the testing of nuclear warheads in order to negotiate a mutual and verifiable comprehensive test ban treaty; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER:

S. 2965. A bill to provide additional funding to accelerate the replacement and rehabilitation of highway bridges; to the Committee on Environment and Public Works.

HIGHWAY BRIDGE REPLACEMENT AND REHABILITATION ACCELERATION ACT

Mr. SPECTER. Mr. President, today I am introducing legislation that would provide additional funding to accelerate the replacement and rehabilitation of the deficient highway bridges across our Nation. The "Highway Bridge Replacement and Rehabilitation Acceleration Act of 1984" is targeted at ameliorating the continuing problem of bridge deterioration.

The funding of $2.5 billion will require no new or increased taxes since there are ample funds currently available in the $9 to $10 billion surplus in the highway trust fund. This bill would recognize this priority item and would allocate and expend these funds which, as I say, are currently available.

The introduction of this bill is particularly timely as it coincides with the issuance of the Federal Highway Administration's fifth report to Congress. This report shows that little improvement has been made.

Many of our bridges have fallen into a state of disrepair and constitute major safety hazards. I am acutely aware of this problem as my State of Pennsylvania has some 3,800 structurally deficient bridges; in fact, every State suffers from this deterioration. Deficient bridges cause a disruption in the flow of commerce, and adversely impact both truckers and consumers. For every mile a trucker detours, his operating costs increase an additional $1.10. Consider a 10-mile detour due to a deficient bridge. Further, consider average daily traffic of 2,000 trucks forced to use this detour. This translates into an additional 20,000 miles traveled, or an additional $8 million yearly resulting from only one deficient bridge.

The Department of Transportation has reported that an estimated 253,000 bridges are deficient and are capable of causing disruption of this magnitude. Since last year, the number of deficient bridges has increased by 2 percent, while the cost of rehabilitation has increased by 2.7 percent. Moreover, the number of structurally deficient bridges on and off the Federal-aid system has increased more than 4 percent. The total cost to replace and rehabilitate deficient bridges is $48.9 billion. The $7.05 billion authorized for this purpose for the life of the Surface Transportation Assistance Act of 1982—while representing the continuing Federal commitment to preserve bridges on the public highway system—does not make a large enough dent in the problem.

An aggressive attack on this critical infrastructure problem is surely the most effective approach. The cost of repairing and replacing our bridges is already exorbitant and, if left uncontrolled, will skyrocket. Federal Highway Administration analysis has shown rehabilitation to be cost effective as it provides for an extended bridge-service life if undertaken before deterioration reaches an advanced stage. By accomplishing rehabilitation early, more costly replacement can be averted, and a given bridge can provide reliable transportation to the public for an extended time. If we proceed in streamlining these bridge projects, we can mitigate this problem now and can count on saving time and money in the long run.

This bill multiplies current funding levels because it primarily concentrates on the so-called big bridges, whose repairs would require at least $10 million. States simply cannot afford such costs—either financially or in terms of the spiralling difficulties which deterioration of bridges presents to them.

The big bridge bill would appropriate an additional $625 million out of

the highway trust fund for each of fiscal years 1985, 1986, 1987, and 1988, totaling $2.5 billion for the life of the bill. Since the level of bridge disrepair has reached crisis proportions, it is imperative to increase funding levels twofold. This level of funding will not require additional revenues or new money, because there is a $9 to $10 billion surplus in the highway trust fund.

This legislation includes a provision that targets areas hurt by high unemployment. Unemployment sadly continues to plague too many communities. It is crucial that we adopt a two-tracked approach aimed at improving both of these grave situations. Six factors would be employed in determining priorities under this program, including weather conditions, operational capacity, unemployment, and economic needs of the community.

Under this bill the State matching requirement for funding would be reduced to 10 percent from the current 20 percent, giving States better ability to leverage their funds at a time when revenues at the local level have decreased. This change would greatly help States burdened with a large number of structurally dangerous bridges which have been limited in their ability to undertake bridge repair because of the demanding matching requirement. Assuming the availability of Federal funding which this bill would provide, States could do twice the amount of bridge work they currently undertake.

Mr. President, I would like to conclude by stressing the importance of the timing of this legislation. Congress must take steps now to facilitate the rapid replacement and rehabilitation of our bridges if we are to protect our Nation's transportation needs. Not only will this bill strengthen and support interstate commerce, but it will also target the unemployment problem by creating thousands of new job opportunities. I know that many of my colleagues join me in my concern. Let us take the necessary action now to alleviate this tremendous strain on America's infrastructure.

I ask unanimous consent that the bill be printed in full in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2965

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Highway Bridge Replacement and Rehabilitation Acceleration Act of 1984".

DEFINITIONS

SEC. 2. As used in this Act—

(1) the term "Secretary" means the Secretary of Transportation;

(2) the term "bridge" means a structure, including approach ramps, on which a highway crosses over waterways, other topographical barriers, other highways, and railroads;

(3) the term "highway" shall have the meaning provided in section 101(a) of title 23, United States Code;

(4) the term "deficient" means structurally deficient or functionally obsolete;

(5) the term "Federal-aid system" shall have the meaning provided in section 101(a) of such title;

(6) the term "State" shall have the meaning provided in section 101(a) of such title; and

(7) the term "application" means any application submitted under section 5 or 9 of this Act in a form and manner prescribed by the Secretary.

FINDINGS AND PURPOSE

SEC. 3. (a) The Congress finds that—

(1) the Surface Transportation Assistance Act of 1978 established the Highway Bridge Replacement and Rehabilitation Program and authorized a total of $42,000,000,000 for fiscal years 1979 through 1982;

(2) the greatly increased funding level over the four-year period provided an incentive to State and local governments to prepare plans and advance bridge projects to construction;

(3) from an analysis of the current bridge data, an estimated two hundred and fifty-three thousand bridges are deficient with nearly 27 per centum located on the Federal-aid system;

(4) the number of deficient bridges has increased approximately 2 per centum since the last report to Congress with a corresponding increase of 2.7 per centum in replacement and rehabilitation costs;

(5) the total cost to replace and rehabilitate deficient bridges is $48,900,000,000; and

(6) the $7,050,000,000 authorized for fiscal years 1983 through 1986 by the Surface Transportation Assistance Act of 1982 should continue efforts to improve bridges on the public highway system throughout the Nation.

(b) The purpose of this Act is to accelerate the replacement and rehabilitation of the deficient bridges in the United States.

PROJECT FUNDING

SEC. 4. (a) The Secretary shall pay 90 per centum of the costs of any eligible bridge project approved under section 5 and selected under section 6.

(b) The Secretary shall be authorized to pay the total costs of any emergency bridge project approved under section 9.

PROJECT ELIGIBILITY

SEC. 5. The Secretary may approve for selection any deficient Federal-aid system bridge project application under this Act which is eligible for funding under the provisions of section 144 of title 23, United States Code, and which costs more than $10,000,000, or if less than $10,000,000, costs at least twice the amount apportioned to the State in which such project is located under section 144 of such title for the fiscal year in which the application is made.

SELECTION PROCESS

SEC. 6. The Secretary shall select for funding eligible bridge projects approved under section 5 pursuant to a process of priorization based on the following factors and considerations:

(1) the continuation and completion of any bridge project previously begun with discretionary bridge funds under section 144 (g) of title 23, United States Code;

(2) any bridge project in any State or community having an unemployment rate in excess of the national average unemployment rate (as determined by the Bureau of Labor Statisitics for purposes of computing the total nonseasonally adjusted rate of unemployment) during the latest month prior to the date of project application for which such unemployment rates have been determined;

(3) the sufficiency rating of any bridge computed as illustrated in appendix A of the Recording and Coding Guide for the Structure Inventory and Appraisal of the Nation's Bridges, USDOT/FHWA (latest edition);

(4) the additional costs incurred in operating commercial motor vehicles with more than two axles detoured around any weight restricted bridge;

(5) the operational status of any bridge with special consideration given to any bridge which is closed, or under a twenty ton or less restriction, or in need of immediate repair to avoid such restriction; and

(6) any bridge project in any State which—

(A) has many high cost bridge project candidates,

(B) has greater than the average total bridge needs for each State, or

(C) has demonstrated a commitment to improving deficient bridges through a responsible State bridge repair program.

ACCELERATED REPLACEMENT AND REHABILITATION

SEC. 7. (a) Notwithstanding any other provision of law, the preparation of any bridge project application pursuant to the provisions of this Act shall satisfy all procedural and substantive requirements for any statement, analysis, or study under subparagraphs (C), (D), and (E) of section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

(b) Subsection (a) shall not apply to any bridge project application involving the total relocation of any bridge for replacement purposes as determined by the Secretary.

PROJECT CONTRACTS

SEC. 8. Except as provided by the Secretary, all planning, design, surveying, mapping, construction inspection, and related services related to any bridge project under this Act shall be procured from firms selected under the provisions of title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.).

EMERGENCY PROJECTS

SEC. 9. The Secretary may approve for funding any emergency project application for the repair or rehabilitation of any Federal-aid system bridge which has been permanently closed to all vehicular traffic by the State or responsible local official because of imminent danger of collapse due to structural deficiencies or physical deterioration.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. (a) There is hereby authorized to be appropriated out of the Highway Trust Fund $625,000,000 for each of the fiscal years 1985, 1986, 1987, and 1988, to carry out the provisions of this Act. Sums appropriated pursuant to the authorization contained in the preceding sentence shall remain available until expended.

(b) Of the amount available for each fiscal year under subsection (a), $100,000,000 shall be available for expenditure under section 4(b). If in any fiscal year the total of all expenditures under section 4(b) is less than the amount available in such fiscal year, the unexpended balance of such amount under section 4(b) shall remain available for ex-

penditure to carry out the remaining provisions of this Act.

By Mr. JEPSEN:

S. 2967. A bill to amend the Consolidated Farm and Rural Development Act to provide agricultural credit assistance to borrowers of loans made by legally organized lending institutions, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL CREDIT ASSISTANCE ACT

Mr. JEPSEN. Mr. President, we are here today when rural America is undergoing some real rough times, some real tough financial times.

Bold action is needed to overcome the current crisis in agriculture. We must invest in agriculture today, so that farmers can survive tomorrow.

It is for this reason that today I am introducing legislation which coordinates Federal and local community resources to restructure farm debt and lower interest rates for financially troubled farmers and agri-businesses.

This legislation, which I call the Iowa plan, was developed after consultation with scores of Iowa farmers and agri-business leaders and literally hundreds of people throughout the country in the last 18 months in hearings conducted by my committee, the Joint Economic Committee.

Today, Mr. President, our Nation celebrates renewed economic opportunity and optimism. We celebrate double-digit growth in our gross national product; during the past 3 years we've witnessed a 46-percent increase in corporate profits, a 40-percent increase in wages and salary incomes, a 28-percent increase in personal dividend and interest income, and a 24-percent increase in income-support Government transfer payments. During this same remarkable period domestic automobile sales have gone up better than one-third; housing starts have almost doubled, and more than 5 million more people are now at work than were 3½ years ago.

However, Mr. President, there is little joy in rural America. This Nation's first and largest industry remains in the throes of recession. President Reagan has acknowledged the fact that American agriculture lags behind in its economic recovery. The combined effect of a slow global economic recovery, the persistently high value of our dollar compromising our competitive position in world markets, huge increases in farm production costs and debt incurred primarily during the late 1970's, and interest rates which are still too high have placed tremendous financial stress on America's farmers and ranchers.

I am confident that the economic policies of the Reagan administration will lead agriculture into economic recovery. But because of agriculture's extreme dependency on export markets, this recovery can only occur when the effects of these economic policies begin to be reflected in the growth of the economies of our foreign food and fiber customers. Agriculture is the most internationalized of any major sector of our economy. One-half of the income earned from the sale of crops comes from foreign purchases. We are only now beginning to understand and appreciate the economic implications of this fact: Agricultural economic recovery is perhaps more closely tied to global economic recovery than to domestic economic recovery. Depressed world economies yield reduced food and fiber imports and depressed U.S. farmer revenues. The adequacy of revenues, of course, can only be measured relative to the costs incurred in producing the output which generates those revenues. In 1983 farmers and ranchers spent $135.3 billion to earn cash marketing receipts of $138.7 billion—a net of $3.4 billion for an industry whose assets are valued at more than $1 trillion. Said another way, in 1983, it took more than $40 of product sales to yield $1 of net income from sales. This net income, of course, excludes income from other sources and Government payments.

The primary objective of the bill I introduce today is to significantly improve the net income or cash-flow position of farmers and ranchers who are on the brink of bankruptcy and foreclosure by reducing their interest payments on debt. The means employed is a temporary Government buy-down of the farmer's interest rate.

Rather than foreclosure and the dumping of more land on an already depressed farm real estate market, under this act, bankers and farm credit system lending institutions are given the option to trade a troubled farm mortgage to the Government in exchange for a Federal security. The face value of that security can vary anywhere from 95 to 75 percent of the value of the mortgage—5 to 25 percent write-downs. That security will yield the bank interest payments at market rates; for example, 3-year treasury bills are currently yielding about 12½ percent. For each 5 percent of loan write-down the farmer's current interest rate will be reduced by 1 percentage point. The magnitude of the write-down depends on how much interest payment relief an individual farmer needs to significantly improve his cash-flow position. When commercial interest rates have declined to the level of the Government buy-down or the financial position of the farmer has improved, the bank must buy back the original mortgage with the Government security, and the farmer will resume his payments to the bank.

An example can best illustrate:

Assume the value fo debt is $750,000 and that the farmer is paying an interest rate on this debt of 14 percent. Interest payments therefore amount to $105,000 per year—$750,000 multiplied by 14 percent.

This farmer cannot make it paying interest charges of $105,000 but he could make it, and, importantly, qualify for an operating loan next spring if his interest payment were reduced to $67,500, thus increasing his net income by $37,500.

To bring his annual interest payment down to $67,500 on a $750,000 loan, the interest rate would have to be reduced to 9 percent—$750,000 multiplied by 9 percent.

To buy this interest rate down a full 5 percentage points—14 to 9 percent—the Government would offer a security to the bank equal to 75 percent of $750,000 or $562,500 on which the bank would earn an interest rate payment equal to the market rate applicable to that security.

When commercial interest rates decline to 9 percent the bank would be required to trade in its $562,500 security for the $750,000 mortgage now carrying a market interest rate of 9 percent.

Should market interest rates not decline to Government bought-down levels, all terms of the arrangement are subject to renegotiation at the end of 3 years including the possibility of terminating assistance if it is judged that the financial condition of the farmer has materially improved.

We have estimated the annual Government cost of this program as follows:

Interest payment to bank from Government $562,500 × 12½ percent	$70,312.50
Interest payment from farmer to Government $750,000 × 9 percent	67,500.00
Net cost	2,812.50

If 10 percent of all farmers qualify (240,000 farmers) at this worst case or most expensive level, total Government cost would be: $675 million (240,000 farmers × $2,812.50).

Benefits to a lender include the following:

Relieved of the risk of a potential nonperforming loan and possible foreclosure and more land sales further depressing land values and other farmer and borrower equity positions.

The lender now has a guaranteed Government security and interest income which will improve its financial stability.

The farmer benefits in that annual interest payment has declined from $105,000 to $67,500, yielding an improvement in net income of $37,500.

The act also authorizes the Secretary of Agriculture to form "community farm finance advisory committees" for the purpose of reviewing the financial problems and needs of individual farmers. These committees would make recommendations to the farmer,

his lender and Federal officials regarding debt restructuring options.

The Agricultural Credit Assistance Act of 1984 also sets the maximum amount of debt to be restructured at $750,000, to better target average-sized family farms and limit Government costs. In addition a maximum interest rate buy-down of 5 percentage points is established.

Mr. President, one great challenge remains in achieving our goal of a full and lasting economic recovery. Such interim assistance to agriculture as provided in this bill is essential if we are to ensure that the American farmer or rancher is not a patient that dies in the course of an economic recovery.

I ask unanimous consent that a copy of the bill and the outline of the Iowa Plan be printed in the RECORD at this point.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 2967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Credit Assistance Act of 1984".

AGRICULTURAL CREDIT ASSISTANCE

SEC. 2. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 349. (a) As used in this section:

"(1) The term 'county committee' means a county committee appointed under section 332.

"(2) The term 'market interest rate' means the current average market yield on outstanding marketable obligations of the United States having maturities of not to exceed five years.

"(b) In order to provide credit assistance to a farmer or rancher who is a borrower of a loan made by a legally organized lending institution, the Secretary may, in accordance with the section and after consultation with the appropriate county committee, issue an obligation to such institution and make payments under such obligation to such institution if—

"(1) such institution agrees to accept such payments during the period prescribed in subsection (e) in lieu of payments from such borrower under such loan; and

"(2) such borrower agrees to make payments to the Secretary during such period in accordance with this section.

"(c) The Secretary may provide assistance under this section to a borrower of a loan only if the borrower—

"(1) is—

"(A) a farmer or rancher who is primarily and directly engaged in agricultural production and is a citizen of the United States;

"(B) a farm cooperative, private domestic corporation, or partnership that is primarily and directly engaged in agricultural production and in which a majority interest is held by members, stockholders, or partners, as the case may be, who are citizens of the United States and are primarily and directly engaged in agricultural production; or

"(C) a small business which is located in a rural area and is engaged in furnishing to farmers and ranchers machinery, supplies, and services directly related to the production of agricultural commodities;

"(2) has the experience or training and resources necessary to assure a reasonable prospect for successful operation with the assistance provided under this section;

"(3) needs such assistance in order to maintain a viable agricultural production or business operation; and

"(4) is not able to obtain sufficient assistance elsewhere due to economic stress, such as a general tightening of agricultural credit or an unfavorable relationship between production costs and prices received for agricultural commodities.

"(d) Assistance under this section may be provided to a borrower of a loan made by a lending institution only if such loan was made for a purpose authorized for a loan under this Act.

"(e)(1) The period for assistance under this section shall be three years.

"(2) If the Secretary determines at the expiration of any period of assistance under this section that the market interest rate exceeds by more than three percent the increase in the Consumer Price Index published by the Bureau of Labor Statistics over the most recent one year period for which data is available, the Secretary may, after consultation with the appropriate county committee and with the agreement of the borrower and lending institution, extend such period for one year.

"(f)(1) The rate of interest payable to a lending institution under this section shall equal the market interest rate, except that the rate of interest payable to a lending institution to assist the borrower of a loan under this section may not be more than the rate of interest on such loan.

"(2) The principal amount of the obligation issued by the Secretary under this section to a lending institution to assist the borrower of a loan under this section shall be determined by the Secretary, after consultation with the appropriate county committee, on the basis of the rate of interest payable by such borrower to the Secretary under this section as provided in the following table:

"If the rate of interest payable by a borrower of a loan to the Secretary is the:	The amount of the obligation issued by the Secretary to a lending institution shall be determined by multiplying the outstanding amount of such loan by the following applicable percentage:
Market interest rate less 5 percent	75 percent
Market interest rate less 4 percent	80 percent
Market interest rate less 3 percent	85 percent
Market interest rate less 2 percent	90 percent
Market interest rate less 1 percent	95 percent.

"(g)(1) The rate of interest payable by a borrower of a loan to the Secretary under this section shall be determined by the Secretary, in consultation with the appropriate county committee, on the basis of the amount of the obligation issued by the Secretary to a lending institution to assist the borrower of such loan under this section as provided in subsection (f)(2), except that such rate may not be less than 8 percent.

"(2) The amount of principal payable by a borrower of a loan to the Secretary under this section shall equal the amount of principal that would have been payable to the lender of such loan during the period prescribed in subsection (e) but for the operation of this section.

"(h) Notwithstanding any other provision of this section:

"(1) The Secretary may not provide assistance to any borrower under this section on the amount of any loan in excess of $750,000.

"(2) If at any time during the period prescribed in subsection (e) the market interest rate becomes equal to or less than the rate of interest payable by a borrower of loan to the Secretary under subsection (g)(1), the Secretary may not provide assistance under this section to such borrower with respect to such loan.".

AGRICULTURAL CREDIT INSURANCE FUND

SEC. 3. Section 309(f) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1929(f)) is amended—

(1) by striking out the period at the end of clause (6) and inserting in lieu thereof "; and"; and

(2) by adding at the end thereof the following new clause:

"(7) to issue obligations and make payments to legally organized lending institutions in accordance with section 349.".

By Mr. DENTON (for himself, Mr. CHILES, and Mrs. HAWKINS):

S. 2969. A bill for the relief of Teodoro N. Salanga, Jr.; to the Committee on the Judiciary.

RELIEF OF TEODORO N. SALANGA, JR.

Mr. DENTON. Mr. President, I rise today to introduce legislation for the relief of Teodoro N. Salanga, Jr. The bill which will grant permanent residence to Mr. Salanga, is the companion to H.R. 1150 introduced by Congressman EARL HUTTO.

Mr. Salanga is a 48-year-old native and citizen of the Philippines who entered the United States as a visitor on March 2, 1979. He currently resides in Niceville, FL. A petition filed on June 7, 1979, to accord Mr. Salanga fifth preference status was approved on July 31, 1979, but visa numbers under the preference for the Philippines are not available. Therefore, on January 26, 1984, deportation proceedings were instituted on the grounds that Mr. Salanga had remained in the United States for a longer time than permitted.

Mr. President, Mr. Salanga, or Teddy, is a Filipino war hero who as a young boy risked his life by providing food, medicine, and clothing to American prisoners of war held by the Japanese during World War II. A number of those former POW's have attested to Teddy's valor and bravery and have credited him with saving their lives. As a former POW myself, I empathize with those whom Teddy aided and I commend him for his bravery.

I ask unanimous consent that five letters, from former POW's, in support of Teddy's application appear in the RECORD immediately following my statement.

Teddy also served American interests during the Vietnam war by working for Page Communications and ITT's Federal Electric Corp., from 1966 until 1975 as a data engineer in Saigon. Additionally, he was assigned to the U.S. Army's 1st Signal Brigade as a noncombatant civilian. He was evacuated from Saigon in 1975 and returned to the Philippines with his Vietnamese wife and their two children.

Teddy has lived in the United States since 1979 and has exhausted all available administrative remedies.

Mr. President, this war hero has waited over 5 years to become a permanent resident of the country that he has so bravely and proudly served. Teddy will make an outstanding American, and I urge my colleagues expeditiously to move the bill to final passage.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Teodoro N. Salanga, Junior, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas which are made available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, from the total number of such visas which are made available to such natives under section 202(e) of such Act.

SURRENCY, GA,
May 20, 1981.

To Whom It May Concern:

My name is Fredrick E. Wilson. I live at Route #1, Surrency, Georgia. During 1942-1944, I was stationed at Camp John Hay, Baguio, in the Philippines as a prisoner of war under Japanese occupation. During that period of time I came to know the Salanga family. They were patriotic citizens of the Philippines. At the risk of losing their lives they did much to help American Prisoners of War. In the Salanga family there was a little boy named Teodoro Salanga, Jr. He was seven or eight years of age. Being small, he was able to slip through barbwire fences and other baracades to obtain supplies for the prisoners. In fact I feel that he and his family saved many American lives.

That little boy, Teodoro Salanga, Jr., now a man, wishes to obtain Special Immigrant Permit Status so that he may remain in the United States until he becomes a full citizen. In view of what he did for the American P.O.W.'s a long time ago, I highly recommend that Special Immigrant permit be granted, or whatever is necessary to help him become a useful citizen of this country.

Should you require any additional information in regards to this, please feel free to call me. My telephone number is (912) 367-3865.

Very truly yours,

FREDRICK E. WILSON,
M/Sgt. (USAF-Ret.).

To Whom It May Concern:

This is to certify that Teodoro Salanga, Jr. and his family were most helpful to all Prisoners of War who were interned by the Japanese during their occupation of the Philippines in World War II.

Mr. Salanga Jr. who was between six to eight years old was doing dangerous work at that time. He had great success in crawling under the barbed wire fence and sneaking through the Japanese guards in delivering us various supplies or other needs.

They risked their lives many times by providing food, clothing, medicine and many other acts of kindness during the two years that it was my pleasure to know them from 1942 until 1944.

Mr. Teodoro Salanga, Sr. was a restaurant owner and he and his whole family personally aided me and I feel that these services that they performed could possibly have saved my life.

I feel that I can never repay these kind people for helping to alleviate the sickness, suffering, mental anguish and physical abuse that I and all the other Prisoners of War that came across their path during this great war.

It is a privilege for me to help provide justification for Mr. Teodoro Salanga, Jr. to remain in the United States of America and that he be granted Special immigrant status or American citizenship for his incredible courage and bravery.

Very truly yours,

EVAN D. JOHNSON,
M/Sgt. (Ret.).

OCEAN SPRINGS, MS,
February 1, 1981.

To Whom It May Concern:

During World War II, as a Prisoner of War in the Philippine Islands, I was sent to Camp John Hay, Baguio, Mountain Province along with twelve other prisoners as truck drivers and mechanics. While in Baguio, we made numerous trips to San Fernando, La Union, to pick up supplies. This is where we were contacted by Mr. Teodoro Salanga, Sr.

Mr. T. Salanga, Sr., who had been a cook for several years before the war on one of our naval ships, told me that he had opened a restaurant for the sole purpose of aiding the American prisoners with whom he could make contact. These contacts and the delivery of contraband was usually done by his children. His son, Teodoro Salanga, Jr., who was about six years old at the time, had great success in slipping by the Jap guards and delivering food, clothing, medical supplies or other needs. It is to be noted that should one of these kids been caught, they would have been bayoneted, beheaded, or shot on the spot. This would have resulted in Mr. Salanga being executed and most probably his entire family.

This was a very patriotic American Filipino family and now the little six year old boy, Teodoro Salanga, Jr., who holds a Bachelor of Science degree in Civil Engineering, Bachelor of Science degree in Sanitary Engineering, and Associate degree in Surveying, desires to remain in the United States until such time as he can become an American Citizen.

Considering Mr. Salanga Jr.'s contribution of aid to the many starving, sick, and suffering Prisoners of War at the risk of his and his family's life, it is an honor for me to recommend that he be processed for citizenship without having to wait for a Quota System.

It is a foregone conclusion that Mr. Salanga Jr. will be an outstanding patriotic American Citizen.

JAMES D. GAUTIER, Jr.,
M/Sgt. (USAF-Ret.).

State of Mississippi,
County of Jackson.

I, Sandia J. Goodin (Gautier) a Notary Public in and for said County and State hereby certify that James D. Gautier, Jr. whose name is signed to the foregoing document, and who is known to me, acknowledged before me on this day that being informed of the contents of said instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and seal on this the 1st day of February A.D., 1981.

SANDIA J. GOODIN,
Notary Public.

ALBUQUERQUE, NM,
May 29, 1981.

To Those Concerned:

I would like to verify that I have known of Teodoro Salanga, Jr. and his family since they rendered extensive aid to me and other American POW's who were held in a Japanese field hospital at San Fernando, La Union province of the Philippines during the summer of 1942.

Teodoro, at great risk, often smuggled supplies and information to us by various means when the enemy guards were not watching. Teodoro, pretending to be a shoe shine boy, brought me much needed medicine for treating our Beri-Beri which was in an advanced stage with most of us. He slipped through the fence guarding our compound many times.

The Salanga family all participated in giving us aid. When an American prisoner died at the hospital he was buried without ceremony under the supervision of the Japanese during daylight hours. At night the Salangas arranged for funeral services by Christian clergymen of the village. They supplied us with much nourishing food, fruit, fish, and even clothing.

It is my belief that any member of the Salanga family should be welcomed to become a resident and citizen of the United States if they so desire. They have proven their loyalty. Furthermore they are literate and could be contributing citizens.

I am a retired school administrator, having served in the local school system for 27 years. I have lived at the same address for the past 30 years.

Sincerely,

MYRRL W. MCBRIDE.

VIENNA, GA,
May 10, 1981.

To Whom It May Concern:

This is certification that the Salanga family of San Fernando La Union in the Philippine Islands, did support the American Prisoners of World War II, with the neccessities of life. They furnished food, clothing and medicine during the occupation of the Japanese Army.

During this period I was interned at Baguio City as a Prisoner of War and made frequent trips to San Fernando. I was served several times by this family myself. The American Prisoners of War who were interned in and around San Fernando; some

were dependent on this family for their total support and would not have survived without their help.

Mr. Theodoro Salanga owned a small restaurant across the street on the East side of the Farmers Market in San Fernando. This market area was densely populated with hostile occupation troops. This was the area where Mr. Salanga's small children made contact with the Americans.

The service this family has performed is without a doubt on and beyond the normal call of patriotic duty for an American. It is therefore with profound pleasure that I recommend Mr. Theodoro Salanga Jr. for citizenship and beg that he be allowed to remain in the United States of America for his part.

THOMAS J. GROOM,
President, 27 Bomb Group,
U.S. Army Air Corps.

By Mr. HELMS:

S. 2970. A bill to amend title II of the Social Security Act to provide for the issuance of a certificate of guaranteed tax-exempt benefits to each individual who is entitled to an old-age insurance benefit under such title or who is 62 years of age and entitled to any other benefit under such title; to the Committee on Finance.

CERTIFICATE OF GUARANTEED TAX-EXEMPT STATUS

Mr. HELMS. Mr. President, I am today introducing legislation which is long overdue. It is entitled, "The Social Security Guarantee Act of 1984," and will put an end to the purely political rhetoric about "saving" our Nation's retirement system and "protecting" the benefits of senior citizens. My bill would absolutely protect our senior citizens, without question.

I am asking Congress to guarantee, once and for all, the pension obligations owed to every American, young and old, who has paid into the system already, or who will contribute to it in the future. My bill would place the full faith and credit of the U.S. Government behind these obligations.

Mr. President, I have found that many Americans are surprised when they learn that social security benefits are not guaranteed under current law. In fact, in 1960, the U.S. Supreme Court held in *Flemming* v. *Nestor* (363 U.S. 603) that the Federal Government can renege on Social Security benefits at any time.

Small wonder, Mr. President, that so many Americans are concerned about the system. Politicians constantly make a political football out of Social Security, and they deliberately engage in the cruel process of scaring our senior citizens to win votes for themselves. Elderly citizens fear benefit cuts will reduce their already limited incomes and force them to tighten their belts still further. Most younger Americans do not believe Social Security will even be around when they retire. Opinion polls overwhelmingly show that people have no confidence whatsoever in the system. My proposal would restore confidence in the system.

Under my plan, Mr. President, every person who pays into Social Security would receive, upon retirement, a certificate made out in his or her name. It would be an obligation backed by the "full faith and credit of the United States." This bond would guarantee continued Social Security benefits. Never again would a retired American feel that his or her Social Security benefits would be cut by an act of Congress, the courts, or any other agency of the Government. No one could ever—let me emphasize, ever—be denied the credits he or she has earned or will earn under the Government system.

Mr. President, my proposal is not a new one. As some Senators may remember, I offered a comprehensive plan to strengthen our retirement system last year. During the so-called reform debate in March 1983, I outlined a proposal which I felt would serve Americans far better than the program eventually adopted by Congress. While my plan was not approved in its entirety, 11 of the 20 sections of my bill were included in the package which Congress ultimately approved.

The bill I am introducing today was one of the nine sections not adopted in 1983. Yet, in my judgement, it was the most important part of my plan.

Mr. President, citizens in North Carolina, as well as other parts of the country, know of my commitment to a strong retirement system. The bill I am introducing today underscores that commitment.

I realize that time is short, Mr. President. Although the working days remaining in this term of Congress are limited, I hope Senators will give this bill their most careful and urgent attention. Men and women of all ages should not have to wait longer for Congress to do what it should have done many years ago.

I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2970

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title II of the Social Security Act is amended by adding at the end thereof the following new section:

"CERTIFICATE OF GUARANTEED TAX-EXEMPT BENEFITS

"SEC. 234. (a) The Secretary shall issue to each individual who is entitled to an old-age insurance benefit, or who has attained age 62 and is entitled to any other benefit under this title, a certificate of guaranteed tax-exempt benefits. Such certificate shall be issued at the time such individual first becomes entitled to a benefit under this title, or attains age 62, whichever is later.

"(b) The certificate issued pursuant to this section shall pledge the full faith and credit of the United States to guarantee that benefits shall be paid to such individual (and to other individuals on the basis of such individual's wages and self-employment income) under the provisions of this title as in effect on the date of issuance of such certificate (or as such benefits may be increased thereafter by Congress or under any automatic cost-of-living adjustment), and that such benefits shall not be subject to the tax on income under subtitle A of the Internal Revenue Code of 1954.

"(c) The certificate issued under this section shall also contain—

"(1) a statement of the total amount of the taxes paid by such individual and his employers under sections 3101(a), 3111(a), and 1401(a) of the Internal Revenue Code of 1954 with respect to such individual's wages and self-employment income; and

"(2) a statement that the certificate is nonnegotiable and nontransferrable.".

(b) The amendment made by subsection (a) shall apply to all individuals entitled to a monthly benefit under title II of the Social Security Act on or after the date of the enactment of this Act. The Secretary shall issue such certificates to those individuals who have attained age 62 and are entitled to such benefits on the date of the enactment of this Act within six months after such date of enactment, in the same manner as if they had first become entitled to an old-age insurance benefit on such date of enactment.

By Mr. ROTH (for himself and Mr. RUDMAN):

S. 2971. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959 to strengthen the provisions relating to trusteeship requirements and fiduciary responsibilities, and to provide improved provisions with respect to mergers of subordinate labor organizations, and for other purposes; to the Committee on Labor and Human Resources.

LABOR TRUSTEESHIPS AND FIDUCIARY AMENDMENTS ACT OF 1984

● Mr. ROTH. Mr. President, on August 27, 1984, as chairman of the Permanent Subcommittee on Investigations, I introduced the subcommittee's report on its investigation of the Hotel Employees and Restaurant Employees International Union [HEREIU]. Today, in conjunction with this report, I am introducing, along with Senator RUDMAN, the Labor Trusteeship and Fiduciary Amendments of 1984, which are a direct outgrowth of the subcommittee's investigation.

The subcommittee's 3-year investigation into the HEREIU was initiated after allegations were received linking HEREIU General President Edward T. Hanley and other HEREIU officers and employees to organized crime interests. The subcommittee also received allegations regarding the misuse of funds from both the union's treasury and the union's health and welfare plans.

As a result of its investigation, the subcommittee has concluded that organized crime interests, primarily in Chicago, have exerted substantial influence over the affairs of the international union. In addition, there is little doubt that local 54 in Atlantic City is now controlled, and local 226 in Las Vegas and local 30 in San Diego have been influenced in the past by organized crime interests.

The subcommittee has concluded that three loans made by the international union shortly after Mr. Hanley became general president, totaling over $6 million, were ill advised and were made to divert funds into the hands of selected individuals. Allegations of kickbacks paid to Hanley in conjunction with these loans were also examined, although the subcommittee has been unable to make a conclusive finding on this point.

The subcommittee report notes serious administrative deficiencies in the dental plans of two major locals, local 54 in Atlantic City and local 226 in Las Vegas, underscoring general problems inherent in closed capitation welfare plans, and criticizes the U.S. Department of Labor's system of monitoring compliance with the Employee Retirement Income Security Act [ERISA] of 1974, which essentially regulates union benefit funds.

Among the report's numerous recommendations are several legislative proposals. Most importantly, the subcommittee recommends passage of several amendments to the Landrum-Griffin Act. These amendments will: First, ensure fair hearings by international unions before local trusteeships are imposed; second, close a loophole in the law regarding the Department of Labor's authority in officer removal cases; and, third, provide DOL with civil enforcement authority in cases of fiduciary breaches by union officers.

We have found numerous abuses of the trusteeship provisions of Landrum-Griffin by the leadership of the hotel workers union. For example, trusteeships have been used to blunt effective local dissent and remove elected local officers who may not be favored by the international union. PSI's investigation has found that the threat of a trusteeship is also a tactic used by this union if an election does not turn out in a desired way or if certain individuals are not placed on local payrolls. As long as the international union can impose a trusteeship without any real restraints, these sorts of tactics are possible. In another instance, PSI investigators were told that a trusteeship was imposed to ensure a merger of local welfare funds with the international's funds, without any input from the rank and file membership.

These actions are not consistent with the permissible purposes of trusteeships, as defined by the Landrum-Griffin Act. Further, the Labor Department can only institute a trusteeship investigation if a union member requsts that it do so. Unfortunately, union members are often unaware of the imposition of a trusteeship, the effects of it, or their rights under Landrum-Griffin.

The proposed legislation will enable DOL to investigate a trusteeship if a statutory violation is suspected, and institute a civil court action for appropriate relief. It will also require that a fair hearing be held before a trusteeship is imposed, to ensure compliance with the union's constitution and bylaws.

The second section of the bill attempts to overturn the ninth circuit's decision in *Donovan* v. *Hotel Employees and Restaurant Employees Local 19*, 700 F.2d 539 (1983), and close a loophole in the Landrum-Griffin provisions for removing union officers.

In 1978, HERE Local 19 (San Jose) President Frank Marolda was convicted for embezzling union funds. Although this conviction was later overturned on procedural grounds, a group of local 19 members attempted to remove Marolda from office, and the Labor Department eventually filed a civil suit for removal. On appeal, the ninth circuit ruled that Landrum-Griffin does not empower DOL to institute a civil suit when a union fails to follow its own internal removal procedures; suit can only be brought if the internal procedures are found to be inadequate or nonexistent. This decision leaves the incongruous situation of not allowing DOL intervention when the union has removal procedures but refuses to use them, while allowing intervention when there are no procedures. This is a distinction without a difference, and the bill which I am introducing today will close this loophole while extending a more flexible enforcement authority to DOL.

Finally, the bill will improve the enforcement of section 501(a) of Landrum-Griffin, which imposes a strict fiduciary responsibility on all union officers, by giving DOL the authority to institute a civil action.

Section 501(a) already imposes a fiduciary responsibility by stating that union officers must hold and use union assets solely for the benefit of the union and its members. Under 501(b), union members may institute civil suits to recover misused funds and secure other equitable relief. Section 501(c) imposes criminal liability for fiduciary breaches by union officers.

Criminal actions, however, are not always practical, and civil suits by union members are difficult to institute and sustain. Most rank and file members are not privy to the evidence which would engender a 501(b) suit; indeed, many are not even aware of their rights under 501(b). Civil suits entail costs which may not be affordable, and a member's suit against an officer invites pressure, intimidation, and perhaps loss of a job. In short, members' suits are not an effective way to deter fiduciary breaches and recover misused funds. DOL is in the best position to act on behalf of the union members, and the proposed legislation will provide this authority.

These added powers are essential if Landrum-Griffin is to survive.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2971

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Labor Trusteeships and Fiduciary Amendments Act of 1984".

TITLE I—TRUSTEESHIP INVESTIGATIONS

AUTHORITY TO INVESTIGATE TRUSTEESHIPS

SEC. 101. Section 304(a) of the Labor-Management Reporting and Disclosure Act of 1959 (hereinafter in this Act referred to as "the Act") is amended to read as follows:

"(a) After any investigation in which the Secretary finds probable cause to believe that a labor organization has violated the provisions of this Act, the Secretary shall bring a civil action in any district court of the United States having jurisdiction of the labor organization for such relief (including injunctions) as may be appropriate. Any member or subordinate body of a labor organization affected by any violation of this Act (except section 301 of this Act) may bring a civil action in any district court in the United States having jurisdiction of the labor organization for such relief (including injunctions) as may be appropriate.".

FAIR HEARING REQUIREMENT WITH RESPECT TO IMPOSING A TRUSTEESHIP

SEC. 102. Section 304(c) of the Act is amended to read as follows:

"(c) In any proceeding pursuant to this section a trusteeship established by a labor organization conforming with the procedure requirements of its constitution and bylaws shall be valid only if the constitution or bylaws include provision for a fair hearing with respect to the issue of establishing a trusteeship and such a hearing is held. After such fair hearing the executive board or such other body as is provided for in the constitution or bylaws of the labor organization shall certify that the hearing was fair and in conformity with its constitution and bylaws before the imposition of a trusteeship. The hearing and certification required by this subsection may be complied with within a reasonable time (not to exceed 60 days) following the imposition of the trusteeship if the labor organization finds that exigent circumstances exist which prevent the completion of the hearing and certification requirements prior to imposition.".

TITLE II—REMOVAL PROCEDURES

PROCEDURE FOR REMOVAL OF OFFICERS GUILTY OF SERIOUS MISCONDUCT

SEC. 201. Section 401(h) of the Act is amended—

(1) by striking out "the Administrative Procedure Act" and inserting in lieu thereof

"subchapter II of chapter 5 of title 5 of the United States Code", and

(2) by inserting a comma and the following: "or such procedure has not been followed," after "adequate procedure".

TITLE III—PROVISIONS RELATING TO THE FIDUCIARY RESPONSIBILITY OF OFFICERS OF LABOR ORGANIZATIONS RECOUPMENT

SEC. 301. The first sentence of section 501(b) of the Act is amended by inserting before the period a comma and the following: "or other appropriate relief for the benefit of the labor organization, including the restoration of any profits which have been made through the use of assets of the labor organization by the fiduciary to such labor organization, and other equitable or remedial relief, including removal of such fiduciary.".

LIMITATIONS ON LIABILITY

SEC. 302. Section 501 of the Labor-Management Reporting and Disclosure Act of 1959 is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsection:

"(c) No fiduciary shall be liable with respect to a breach of fiduciary duty under this section if such breach was committed before he became a fiduciary or after he ceased to be a fiduciary.".

SECRETARIAL CIVIL ACTION

SEC. 303. Section 501 of the Labor-Management Reporting and Disclosure Act of 1959 is amended by adding after subsection (c) (as added by section 402 of this Act) the following new subsection:

"(d) A civil action to enforce this section may be brought by the Secretary.".

LABOR-TRUSTEESHIPS AND FUDICIARY AMENDMENTS OF 1984—SECTION-BY-SECTION ANALYSIS

TITLE I—TRUSTEESHIP INVESTIGATIONS

Section 101—Authority to Investigate Trusteeships

Secretarial authority to investigate labor trusteeships is unduly circumscribed by section 304(a) of LMRDA (29 U.S.C. 464(a)). Investigative authority is triggered only after a member of a local files a written complaint alleging violation of the act. Frequently workers do not know their rights and in that circumstance the law is useless in protecting these rights. At other times workers will not complain for fear of retaliation. They are reluctant to identify themselves on paper when a telephone call can accomplish the same result. The requirement that a complaint be in writing has a chilling effect on the exercise of those rights under LMRDA.

To remedy this, the secretary is given more flexible power to investigate under his own authority.

Section 102—Fair Hearing Requirement With Respect to Imposing a Trusteeship

Under current law a trusteeship is presumed to be valid for a period of 18 months if it is established in conformity with the labor organization's constitution, and if a fair hearing is held before the organization's executive board or similar body. This presumption can only be overcome by clear and convincing proof that the trusteeship was not established or maintained for a purpose allowable under the statute.

The 18 month presumption is arbitrary and fails to adequately protect the interests of the union members. There is no logical reason for creating a higher burden of proof ("clear and convincing") based upon the duration of the trusteeship. To remedy this, the presumption is removed. Further, if a fair hearing cannot be held before a trusteeship is imposed due to exigent circumstances, the labor organization is given a reasonable amount of time not to exceed 60 days.

TITLE II—REMOVAL PROCEDURES

Section 201—Procedure for Removal of Officers Guilty of Serious Misconduct

Recent case law handicaps Secretarial authority in protecting union integrity. In *Donovan* v. *Hotel Employees Local 19*, 700 F.2d 539 (9th Cir., 1983) the court determined that the Secretary of Labor was powerless to intervene when the union failed to follow internal procedures specified in its constitution for the removal of officers guilty of serious misconduct. Apparently, the Secretary can intervene only when the union's constitution or by-laws do not provide for adequate removal procedures. If those procedures are not followed the Secretary cannot intervene. As such section 401(h) of LMRDA (29 U.S.C. 481(h)) is rendered a meaningless enforcement tool. This amendment puts substance into the law by providing that removal procedures specified in the union constitution must "actually be followed" to comply with the law.

TITLE III—FIDUCIARY RESPONSIBILITIES OF OFFICERS OF LABOR ORGANIZATIONS

Section 301—Recoupment of Profits Made From Conversion of Union Funds

One of the highest forms of dishonesty and disloyalty by a union official acting in a fiduciary capacity is conversion of union funds to personal gain or profit. For such a breach of fiduciary responsibility, the current law, section 501(b) of LMRDA (29 U.S.C. 501(b)), provides only for suit "to recover damages or secure an accounting or other appropriate relief." It is unclear whether this language authorizes the recovery of profits derived from the conversion of union funds or property to personal use.

Recovery of profits derived from the misuse of union funds by a fiduciary is made an explicit statutory remedy. The removal of the fiduciary is also specified as an optional remedy for breach of trust.

While the recovery of profits made from the misuse of union assets and the removal of union fiduciaries may be inherent remedies under the current law—signified by the phase: "other appropriate relief"—it is better to state these options so that no doubt remains. The language in the amendment parallels section 409 of the Employment Retirement Income Security Act (29 U.S.C. 2109) which addresses liability for breach of fiduciary duty within the scope of retirement and welfare fund programs.

Section 302—Limitation of Fiduciary Liability

A new subsection is added to section 501 LMRDA, stating that a fiduciary is liable under this section only for an act which he commits while functioning as a fiduciary. It has long been recognized that labor officials because of their function of leadership, responsibility, power and trust must be held to a high fiduciary standard for their actions. When a labor official occupies such a position the potential for corruptibility is much greater. Therefore an extraordinary standard of care and accountability is appropriate. However, when a labor official no longer occupies a position of power and trust, either by leaving the union or returning to the rank and file, this high standard of care should apply only to actions while he was an official. As a member of the rank and file he should not be held to the same fiduciary standards as that of an official.

Accountability runs with the office. Once out of office the official returns to an "ordinary standard" of care. However, if the official commits improper acts while in office, but the acts are not discovered until after he leaves office, then he shall be held to the fiduciary standard for those acts while he was in office.

Section 303—Civil Action Authority by Secretary

Current law provides no authority for the Secretary to initiate civil suit against official misconduct, section 501 of LMRDA (29 U.S.C. 501(b)). Legal recourse for breach of trust or failure in fiduciary duty is limited to civil action by the labor organization or its governing board. If these bodies do not act with in a reasonable period of time only a member of the labor organization may initiate a civil action for relief.

Authority is sought for the Secretary to initiate suit in his own right to enhance the effectiveness of the fiduciary standards. The Secretary may gain access to information through audit and investigation that might be unknown to labor organization members and that could be the basis of a Section 501(a) suit. Further, the Secretary may develop embezzlement cases which the U.S. Attorney declines to prosecute. In either instance, it could be appropriate for the Secretary to institute civil action on behalf on the members to enforce the LMRDA fiduciary standards. It would also be beneficial to allow the Secretary to bring civil suit upon the complaint of a member, particularly one who may be fearful of complaining to his union about financial mismanagement or of filing suit against union officials. The Secretary could protect the identity of the complaining members and bring suit on behalf of the entire union membership. In addition, recourse to enforcement through the Secretary would be beneficial where a member of a labor organization does not have sufficient financial resources to cover the costs of litigation and is unable to find an attorney willing to take the case on a contingent fee, notwithstanding the provision in Section 501(b) for the recovery of fees to pay legal counsel.●

● Mr. RUDMAN. Mr. President, I take pleasure in sponsoring this bill with Senator ROTH today. The Labor Trusteeship and Fiduciary Amendments of 1984 are a direct outgrowth of a series of hearings on the Hotel Employees and Restaurant Employees International Union held in the Permanent Subcommittee on Investigations since 1981. The subcommittee filed its report on August 27 and endorsed the concept behind this legislation. Specifically, the subcommittee said:

The Labor-Management Reporting and Disclosures Act (1959) should be amended to provide the Department of Labor with express authority to investigate and, if warranted, institute civil actions designed to enforce the requirements of 29 U.S.C. 501(a), which bind union officers to a fiduciary standard of prudence in dealing with union assets. The Act's current reliance upon private enforcement is impractical and criminal prosecutions under 29 U.S.C. 501(c) are rarely brought and are difficult to sustain. Based upon its experience with HEREIU, the Subcommittee further recommends

that, if this civil enforcement authority is granted to DOL, it should be used to review the legitimacy of enormous legal and other professional fees paid by the union to defend its officers when charged with fiduciary violations.

While working closely with the ranking minority member, Senator NUNN, we uncovered a series of transactions by the Hotel Employees and Restaurant Employees International Union which provided the evidentiary support the Senate will need to pass this bill. First and foremost, there is a need to vest authority in the Secretary of Labor to investigate violations of fiduciary obligations by union officers. By amending section 501 of the Landrum-Griffin Act, we propose to give the union rank and file the litigation support necessary to enforce their already existing civil remedies. Obviously, it is not practical to assume that an average union member can institute a lawsuit to enforce his individual rights and to deter financial abuses by union officers.

The subcommittee also found a great potential for abuse with respect to the imposition of trusteeships. It is obviously extremely antidemocratic for the members to first elect a slate of officers and later find that those officers have been removed and a trusteeship imposed over a local union by the International. In some cases, trusteeships are necessary and an effective tool in putting a local union back on its feet. This proposed legislation will enable the Department of Labor to investigate the purposes behind trusteeships if statutory violations are suspected and institute court action if necessary. But the potential remedial aspects of trusteeships will be preserved.

Mr. President, this piece of legislation coupled with the report on Hotel Employees and Restaurant Employees International Union, constitutes another chapter in the long and illustrious history of the Permanent Subcommittee on Investigations in its continuing war on union/management corruption and I would commend the reading of the report to all of the Members of this body and urge that they support this legislation.●

By Mr. QUAYLE:

S.J. Res. 350. Joint resolution to recognize the importance of the Bureau of Apprenticeship and Training of the Department of Labor in promoting apprenticeship programs; to the Committee on Labor and Human Resources.

APPRENTICESHIP PROGRAMS

● Mr. QUAYLE. Mr. President, today I would like to introduce a joint resolution to recognize the importance of the role of the Bureau of Apprenticeship and Training of the Department of Labor in promoting apprenticeship programs. A similar resolution has been introduced in the House by Congressman HILER of Indiana.

It has come to my attention that the number of staff at the Bureau of Apprenticeship and Training has been steadily reduced over the last few years and that a further reduction is proposed for fiscal year 1985. Many of my constituents are concerned that the Bureau will not be able to carry out its duties in an effective manner.

The apprenticeship system is one of the most effective means of fulfilling our need for carpenters, electricians, and other skilled workers. The Bureau of Apprenticeship and Training encourages business and industry to train for existing occupation needs and with no financial assistance from the taxpayers. As a matter of fact, all persons in training are wage earners and taxpayers from the first day training.

Therefore, I want to express my support for the services provided by the Bureau. Apprenticeship is an important component of the education and training system in Indiana.

I ask unanimous consent that the resolution be printed in the RECORD following my remarks.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 350

Whereas a national apprenticeship system under the Federal Bureau of Apprenticeship and Training of the Department of Labor has been in existence since 1937;

Whereas such Bureau provides a valuable service linking industry and labor in developing, promoting, and monitoring apprenticeship programs;

Whereas a Federal role ensures uniform national standards for apprenticeship programs; and

Whereas the effectiveness of apprenticeship programs is undisputed in the training of skilled tradesmen: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States recognizes the effectiveness of apprenticeship training in developing a skilled work force and commends the Bureau of Apprenticeship and Training for its role in promoting apprenticeship programs.●

ADDITIONAL COSPONSORS

S. 1839

At the request of Mr. GRASSLEY, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 1839, a bill to provide for an equitable reduction of liability of contractors with the United States in certain cases, to provide a comprehensive system for indemnification by the United States of its contractors for liability in excess of reasonably available financial protection, and for other purposes.

S. 2266

At the request of Mr. CRANSTON, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 2266, a bill to grant a Federal charter to Vietnam Veterans of America, Inc.

S. 2456

At the request of Mr. BRADLEY, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 2456, a bill to establish a commission to study the 1932-1933 famine caused by the Soviet Government in Ukraine.

S. 2470

At the request of Mr. DENTON, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 2470, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 2740

At the request of Mr. THURMOND, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2740, a bill to amend title 5, United State Code, to prohibit employment in civil service positions in the executive branch of any individual required to register under the Military Selective Service Act who has not so registered.

S. 2857

At the request of Mr. ANDREWS, the names of the Senator from Nevada [Mr. HECHT] and the Senator from Colorado [Mr. ARMSTRONG] were added as cosponsors of S. 2857, a bill to enable honey producers and handlers to finance a nationally coordinated research, promotion, and consumer information program designed to expand their markets for honey.

S. 2859

At the request of Mr. WEICKER, the names of the Senator from California [Mr. CRANSTON], the Senator from North Dakota [Mr. ANDREWS], the Senator from Kansas [Mr. DOLE], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 2859, a bill to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination.

S. 2872

At the request of Mr. GRASSLEY, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 2872, a bill to reform the Residential Conservation Service and to repeal the Commercial and Apartment Conservation Service, and for other purposes.

S. 2893

At the request of Mr. SPECTER, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 2893, a bill to amend the Internal Revenue Code of 1954 to repeal the limitation on the aggregate face

amount of private activity bonds, and for other purposes.

S. 2894

At the request of Mr. MELCHER, the names of the Senator from North Dakota [Mr. ANDREWS] and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 2894, a bill to amend the Internal Revenue Code of 1954 to clarify the application of the imputed interest and interest accrual rules in the case of sales of residences, farms, and real property used in a trade or business,

SENATE JOINT RESOLUTION 299

At the request of Mr. ABDNOR, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Joint Resolution 299, a joint resolution to designate November 1984 as "National Diabetes Month."

SENATE JOINT RESOLUTION 304

At the request of Mr. HELMS, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Joint Resolution 304, a joint resolution to designate the month of October 1984 as "National Quality Month."

SENATE JOINT RESOLUTION 336

At the request of Mr. DENTON, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from Alaska [Mr. STEVENS], the Senator from Georgia [Mr. MATTINGLY], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Joint Resolution 336, a joint resolution to proclaim October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world.

SENATE JOINT RESOLUTION 342

At the request of Mr. DODD, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of Senate Joint Resolution 342, a joint resolution to designate November 21, 1985 as "William Beaumont Day".

SENATE CONCURRENT RESOLUTION 10

At the request of Mr. DODD, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of Senate Concurrent Resolution 10, a concurrent resolution calling upon the Government of the United Kingdom to ban the use of plastic and rubber bullets against civilians.

SENATE CONCURRENT RESOLUTION 120

At the request of Mrs. HAWKINS, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of Senate Concurrent Resolution 120, a concurrent resolution expressing the sense of the Congress that the legislatures of the States should develop and enact legislation designed to provide child victims of sexual assault with protection and assistance during administrative and judicial proceedings.

SENATE RESOLUTION 139

At the request of Mr. ZORINSKY, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of Senate Resolution 139, a resolution disapproving the recommendation of the Study Group on Senate Practices and Procedures to abolish the Senate Committee on Veterans' Affairs.

SENATE RESOLUTION 431

At the request of Mr. DIXON, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from South Carolina [Mr. HOLLINGS], the Senator from North Dakota [Mr. BURDICK], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of Senate Resolution 431, a resolution relating to Canadian pork imports.

AMENDMENT NO. 3592

At the request of Mr. BOSCHWITZ, the names of the Senator from Oregon [Mr. HATFIELD] and the Senator from California [Mr. CRANSTON] were added as cosponsors of amendment No. 3592 intended to be proposed to S. 2722, an original bill to amend the National School Lunch Act and the Child Nutrition Act of 1966 to reauthorize certain child nutrition programs for fiscal years 1985 and 1986.

SENATE CONCURRENT RESOLUTION 138—RELATING TO A 6-MONTH MORITORIUM ON TESTING OF NUCLEAR WARHEADS

Mr. PROXMIRE submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 138

Whereas the nuclear arms race between the United States and the Soviet Union is getting dangerously out of control;

Whereas a comprehensive ban on the testing of nuclear warheads would be an important first step in achieving a verifiable United States-Soviet freeze on the nuclear arms race;

Whereas every American president from Dwight Eisenhower on has supported negotiations toward a comprehensive test ban;

Whereas the United States and the Soviet Union pledged in the Limited Nuclear Test Ban Treaty of 1963 "to achieve the discontinuance of all test explosions of nuclear weapons for all time";

Whereas the United States and the Soviet Union pledged in the Threshold Test Ban Treaty of 1974 to "continue their negotiations with a view toward achieving a solution to the problem of the cessation of all underground nuclear weapon tests";

Whereas the United States and the Soviet Union pledged in the Treaty on the Non-Proliferation of Nuclear Weapons of 1968 to "pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date" and a comprehensive nuclear test ban would aid efforts to halt the spread of nuclear weapons;

Whereas the United States signed the Threshold Test Ban Treaty in 1974 and the Peaceful Nuclear Explosions Treaty in 1976, but has yet to ratify these important treaties;

Whereas ratification of the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty would greatly aid in the negotiation, verification, and implementation of a comprehensive nuclear test ban;

Whereas President Kennedy on June 10, 1963, challenged the Soviet Union to a test ban and announced a United States moratorium on nuclear tests, and on August 5, 1963, the United States and the Soviet Union signed the Limited Nuclear Test Ban Treaty;

Whereas substantial progress has already been made in previous negotiations toward a comprehensive nuclear test ban so that the conclusion of such a treaty could be quickly achieved;

Whereas a bold initiative is now needed by the United States to achieve a mutual and verifiable halt to the testing of nuclear warheads; and

Whereas a six-month United States-Soviet moratorium on the testing of nuclear warheads would provide the United States and the Soviet Union an opportunity to negotiate a comprehensive nuclear test ban and would aid those negotiations: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should—

(1) immediately seek a six-month verifiable moratorium with the Government of the Soviet Union on the testing of nuclear explosive devices;

(2) utilize the six-month moratorium period to negotiate a verifiable comprehensive nuclear test ban with the Government of the Soviet Union; and

(3) request the advice and consent of the Senate to the ratification of the Threshold Test Ban Treaty of 1974 and the Peaceful Nuclear Explosions Treaty of 1976 in order to aid in the negotiation, verification, and implementation of a comprehensive nuclear test ban treaty.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

SENATE RESOLUTION 436—RELATING TO THE 100TH ANNIVERSARY OF THE NAVAL WAR COLLEGE

Mr. PELL submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 436

Whereas in naval circles, both in the United States and throughout the world, the United States Naval War College is one of our best known institutions, highly respected, and eagerly sought after by officers competing for admission to its highly selective ranks;

Whereas the Naval War College from its very inception has had a singular impact on naval planning and wartime strategy, particularly on the buildup of United States naval forces at the beginning of this century as a result of the influence of Alfred Thayer Mahan and subsequently in the development of United States planning for the war in the Pacific (1941-45);

Whereas in the complexities of the post World War II environment and the nuclear age of the Naval War College has continued

to have a major impact on United States military and strategic thinking;

Whereas the Naval War College throughout its existence has attracted the very highest caliber students and faculty, and has contributed to international understanding through courses of study for officers from allied nations; and

Whereas the Naval War College, as the oldest college of its kind in the world, continues to face the challenge of providing inspiring leadership and innovative thinking to the naval affairs of our Nation, and dedicates itself to building the Navy of the twenty-first century; Now, therefore, be it

Resolved, That the Senate commemorates the Naval War College in Newport, Rhode Island, on the occasion of its 100th anniversary.

Mr. PELL. Mr. President, 1 month from today the Nation will mark the 100th anniversary of one of the world's leading centers of military study, the U.S. Naval War College in Newport, RI. Today, I am proud to join with my colleague Senator CHAFEE in introducing a resolution commemorating the War College on this important centennial milestone.

The State of Rhode Island has been honored to serve as the home for the War College, which was not only the first such institution in the United States, but the first naval war college anywhere in the world. From its earliest years, the War College has been renowned throughout the world for its leadership in military affairs and for its highly motivated student body and superb faculty. Today its student body consists of the most promising midcareer officers in the U.S. Navy, complemented by substantial student representation from our other Armed Forces, civilian agencies, and a number of foreign nations. The faculty is made up of both military officers and civilians, almost all of them recognized experts in professional specialties related to naval operations.

Given the widespread influence of the War College today, it is hard for us to realize what an innovative idea this institution was back in 1884. The United States at that time was still looking inward after the Civil War, unaware of the great responsibilities in both hemisphere and world affairs that would soon be thrust upon the Nation. Many senior naval officers opposed the idea of a war college on the ground that all one needed to know about the Navy could be learned on board ship. The War College did indeed have a modest beginning. Established by a general order of Secretary of the Navy William E. Chandler issued on October 6, 1884, the War College opened with its nine students meeting in what had formerly been the poor house of the city of Newport, located on Coasters Harbor Island in Narragansett Bay.

The founding president of the War College, Stephen B. Luce, recognized that there would soon be much more that the Navy would be called upon to do in support of national policy and he recruited a faculty of equally visionary military strategists, men like Alfred Thayer Mahan and Army Lt. Tasker H. Bliss—whose recruitment established the precedent of having officers from the other services serve on the faculty; Bliss later served as the first Commandant of the Army War College. Mahan's influence was immense, and stemmed from the publication of his memorable War College lectures under the title, "The Influence of Sea Power Upon History, 1660–1783."

Perhaps the greatest indication of the impact of the Naval War College was the fact that in 1942 all of our four and three star admirals and most two star admirals had attended the college. King, Nimitz, Halsey, Spruance—all had spent 1 or more years of study in Newport. Of this experience, Admiral Nimitz told the Naval War College students in 1960:

> The war with Japan had been reenacted in the game rooms at the War College by so many people, and in so many different ways, that nothing that happened during the war was a surprise * * * absolutely nothing except the kamikaze tactics toward the end of the war; we had not visualized these.

The complexities of the post World War II environment and the nuclear age created new challenges for the War College. The curriculum was radically changed to meet these new circumstances, and has continued to adapt to rapidly changing military technology and new directions in international relations. Within the past 10 years, in the post Vietnam period, even greater emphasis has been placed on broadening the curriculum and stressing decisionmaking skills. Students today grapple with a course of study that is roughly twice as demanding, in terms of reading and writing requirements, as the curriculum of a decade ago.

While the course of study has been refined to be responsive to national policy needs, the central mission of the War College has remained unchanged: To provide advanced professional training to those midcareer officers who will soon bear great responsibilities in the national defense. Each year the Navy entrusts to the War College the most promising of its midcareer officers, the greatest single asset it possesses for the future. In the nuclear age, the challenge faced by these outstanding men and women goes far beyond the Clausewitzian premise "war is a continuation of politics by other means." The consequences of a failure of deterrence today are so great that the mission of the War College is truly the preservation of peace and prevention of world annihilation. I salute the War College for its continuing success in producing naval leaders fully capable of meeting the challenges of a world characterized by change, complexity, and uncertainty.

We in Rhode Island are proud to serve as a temporary home to the more than 500 students annually attending the Naval War College, and we take further pride in the fact so many of them have chosen to make Rhode Island their permanent home upon completion of their naval careers.

I urge all of my colleagues to join with Senator CHAFEE and me in sponsoring this resolution to commend the Naval War College—the oldest college of its kind in the world—on its centennial anniversary.

AMENDMENTS SUBMITTED

FINANCIAL SERVICES COMPETITIVE EQUITY ACT

D'AMATO AMENDMENT NOS. 3713 THROUGH 3752

(Ordered to lie on the table.)

Mr. D'AMATO submitted 40 amendments intended to be proposed by him to the bill (S. 2851) to authorize depository institutions holding companies to engage in certain activities of a financial nature and in certain securities activities, to provide for the safe and sound operation of depository institutions, and for other purposes; as follows:

AMENDMENT No. 3713

Strike out Title X, redesignate succeeding provisions accordingly, and amend the table of contents accordingly.

AMENDMENT No. 3714

Strike out Title X and in lieu thereof insert the following:

SEC. 1001. The first sentence of subsection (c) of section 5155 of the Revised Statutes (12 U.S.C. 36) shall be amended by repealing the part thereof that follows the word "recognition" and precedes the period.

SEC. 1002. Section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) shall be repealed.

AMENDMENT No. 3715

Strike out Title X and in lieu thereof insert the following:

SEC. 1001. Section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) shall be repealed.

AMENDMENT No. 3716

Strike Title X and in lieu thereof insert the following:

SEC. 1001. Effective one year from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) shall be repealed.

AMENDMENT No. 3717

Strike Title X and in lieu thereof insert the following:

SEC. 1001. Effective two years from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) shall be repealed.

AMENDMENT No. 3718

Strike Title X and in lieu thereof insert the following:

SEC. 1001. This Title may be cited as the "Banking Geographic Deregulation Act of 1983".

SEC. 1002. Section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is amended by inserting before the period at the end of the first sentence the following: ": *Provided*, That, for each year following the date of enactment of this proviso, a bank holding company may apply to-acquire additional banks in each of two States selected by such bank holding company, and, notwithstanding that such acquisitions would otherwise be prohibited hereby, each such application may be approved under this section: *Provided further*, That the foregoing proviso shall not permit (i) an acquisition of shares or assets of, or interests in, a bank located in a state which adopts a law or certifies that the voters of such State have voted in favor of any provision, constitutional or otherwise, which states explicitly and by its terms that such State does not want to permit the acquisition of such shares, assets, or interests by an out-of-State bank holding company, or (ii) any such acquisition by a bank holding company the operations of the banking subsidiaries of which are principally conducted in any such State as defined by subparagraph (i) of this subsection.".

SEC. 1003. Effective five years from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is hereby repealed.

AMENDMENT No. 3719

Strike Title X and in lieu thereof insert the following:

SEC. 1001. This Title may be cited as the "Banking Geographic Deregulation Act of 1983".

SEC. 1002. Section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is amended by inserting before the period at the end of the first sentence the following: ": *Provided*, That, for each year following one year after the date of enactment of this proviso, a bank holding company may apply to acquire additional banks in each of two States selected by such bank holding company, and, notwithstanding that such acquisitions would otherwise be prohibited hereby, each such application may be approved under this section: *Provided further*, That the foregoing proviso shall not permit (i) an acquisition of shares or assets of, or interests in, a bank located in a State which adopts a law or certifies that the voters of such State have voted in favor of any provision, constitutional or otherwise, which states explicitly and by its terms that such State does not want to permit the acquisition of such shares, assets, or interests by an out-of-State bank holding compnay, or (ii) any such acquisition by a bank holding company the operations of the banking subsidiaries of which are principally conducted in any such State as defined by subparagraph (i) of this subsection.".

SEC. 1003. Effective five years from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is hereby repealed.

AMENDMENT No. 3720

Strike Title X and in lieu thereof insert the following:

SEC. 1001. This Title may be cited as the "Banking Geographic Deregulation Act of 1983".

SEC. 1002. Section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is amended by inserting before the period at the end of the first sentence the following: ": *Provided*, That, for each year following one year after the date of enactment of this proviso, a bank holding company may apply to acquire additional banks in each of two States selected by such bank holding company, and, notwithstanding that such acquisitions would otherwise be prohibited hereby, each such application may be approved under this section: *Provided further*, That the foregoing proviso shall not permit (i) an acquisition of shares or assets of, or interests in, a bank located in a State which adopts a law or certifies that the voters of such State have voted in favor of any provision, constitutional or otherwise, which states explicitly and by its terms that such State does not want to permit the acquisition of such shares, assets, or interests by an out-of-State bank holding company, or (ii) any such acquisition by a bank holding company the operations of the banking subsidiaries of which are principally conducted in any such State as defined by subparagraph (i) of this subsection.".

SEC. 1003. The Federal Reserve Board shall not approve an acquisition under the provisions of this Act by a bank holding company with over two billion dollars in deposits of a bank with one billion dollars in deposits.

SEC. 1004. Effective five years from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is hereby repealed.

AMENDMENT No. 3721

Strike Title X and in lieu thereof insert the following:

SEC. 1001. This Title may be cited as the "Banking Geographic Deregulation Act of 1983".

SEC. 1002. Section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is amended by inserting before the period at the end of the first sentence the following: ": *Provided*, That, for each year following one year after the date of enactment of this proviso, a bank holding company may apply to acquire additional banks in each of two States selected by such bank holding company, and, notwithstanding that such acquisitions would otherwise be prohibited hereby, each such application may be approved under this section: *Provided further*, That the foregoing proviso shall not permit (i) an acquisition of shares or assets of, or interests in, a bank located in a State which adopts a law or certifies that the voters of such State have voted in favor of any provision, constitutional or otherwise, which states explicitly and by its terms that such State does not want to permit the acquisition of such shares, assets, or interests by an out-of-State bank holding company, or (ii) any such acquisition by a bank holding company the operations of the banking subsidiaries of which are principally conducted in any such State as defined by subparagraph (i) of this subsection.".

SEC. 1003. The Federal Reserve Board shall not approve an acquisition under the provisions of this Act by a bank holding company with over five billion dollars in deposits of a bank with over 250 million dollars in deposits.

SEC. 1004. Effective five years from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is hereby repealed.

AMENDMENT No. 3722

Strike Title X and in lieu thereof insert the following:

SEC. 1001. Section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is amended by inserting after the first sentence thereof the following:

"A State statute authorizing the acquisition of shares or assets of a State bank by an out-of-state bank holding company may not, directly or indirectly, authorize such acquisitions by bank holding companies based on the geographical location of such companies or the State in which such companies' operations are conducted: *Provided*, That this prohibition shall not limit the ability of a State to enact such a statute requiring reciprocal treatment by other States."

AMENDMENT No. 3723

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. Effective two years from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) shall be repealed.

AMENDMENT No. 3724

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. Effective two years from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act is amended to read as follows: "The Board shall not approve an acquisition by a bank holding company with over two billion dollars in deposits of a bank with over one billion dollars in deposits."

AMENDMENT No. 3725

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. Effective two years from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act is amended to read as follows: "The Board shall not approve an acquisition by a bank holding company with over five billion dollars in deposits of a bank with over 250 million dollars in deposits."

AMENDMENT No. 3726

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective two years from the date of enactment of this Act, section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) shall be repealed.

(b) One year after the date of enactment of this Act, the Secretary of the Treasury, after consultation with the Federal Reserve Board, the Comptroller of the Currency, the Chairman of the Federal Deposit Insurance Corporation, and the Chairman of the Federal Home Loan Bank board, shall submit to Congress recommendations on legislation concerning interstate banking."

AMENDMENT No. 3727

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective one year from the date of enactment of this title, the provisions of a State statute which grant authority for bank acquisitions on the basis of limitations such as the geographic location or proximity of another State shall be null and void and such State shall be deemed to have specifically authorized by its statute laws such authority without regard to the geographic location or proximity of another State.

(b) A State may not amend or repeal any such statute if any acquisition, merger, or branch has been approved by the relevant Federal or State banking regulator in reliance upon the authority of such statute, in a manner which would have the practical effect, directly or indirectly, or limiting the ability of institutions in another State to participate in an equal manner under such statute after the one-year period, notwithstanding any conflicting provisions of a State's constitution or statutes, which are hereby preempted.

AMENDMENT No. 3728

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective one year from the date of enactment of this title, the provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall be null and void and such State shall be deemed to have specifically authorized by its statute laws such authority without regard to the geographic location or proximity of another State. A State may not amend or repeal its statute, if an acquisition, merger, or branch has been approved by the relevant Federal or State banking regulator in reliance upon the authority of such statute, in a manner which would have the practical effect, directly or indirectly, of limiting the ability of institutions in another State to participate in an equal manner under such statute after the one year period, notwithstanding any conflicting provisions of a State's constitution or statutes, which are hereby preempted.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over two billion dollars in deposits of a bank with over one billion dollars in deposits."

AMENDMENT No. 3729

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective one year from the date of enactment of this title, the provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall be null and void and such State shall be deemed to have specifically authorized by its statute laws such authority without regard to the geographic location or proximity of another State. A State may not amend or repeal its statute, if an acquisition, merger, or branch has been approved by the relevant Federal or State banking regulator in reliance upon the authority of such statute, in a manner which would have the practical effect, directly or indirectly, of limiting the ability of institutions in another State to participate in an equal manner under such statute after the one year period, notwithstanding any conflicting provisions of a State's constitution or statutes, which are hereby preempted.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over five billion dollars in deposits of a bank with over 250 million dollars in deposits."

AMENDMENT No. 3730

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. Effective two years from the date of enactment of this title, the provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall be null and void and such State shall be deemed to have specifically authorized by its statute laws such authority without regard to the geographic location or proximity of another state. A State may not amend or repeal its statute, if an acquisition, merger, or branch has been approved by the relevant Federal or State banking regulator in reliance upon the authority of such statute, in a manner which would have the practical effect, directly or indirectly, of limiting the ability of institutions in another State to participate in an equal manner under such statute after the two year period, notwithstanding any conflicting provisions of a State's constitution or statutes, which are hereby preempted.

AMENDMENT No. 3731

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective two years from the date of enactment of this title, the privisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall be null and void and such State shall be deemed to have specifically authorized by its statute laws such authority without regard to the geographic location or proximity of another state. A State may not amend or repeal its statute, if an acquisition, merger, or branch has been approved by the relevant Federal or State banking regulator in reliance upon the authority of such statute, in a manner which would have the practical effect, directly or indirectly, of limiting the ability of institutions in another State to participate in an equal manner under such statute after the two year period, notwithstanding any conflicting provisions of a State's constitution or statutes, which are hereby preempted.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over two billion dollars in deposits of a bank with over one billion dollars in deposits."

AMENDMENT No. 3732

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective two years from the date of enactment of this title, the provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall be null and void and such State shall be deemed to have specifically authorized by its statute laws such authority without regard to the geographic location or proximity of another State. A State may not amend or repeal its statute, if an acquisition, merger, or branch has been approved by the relevant Federal or State banking regulator in reliance upon the authority of such statute, in a manner which would have the practical effect, directly or indirectly, of limiting the ability of institutions in another State to participate in an equal manner under such statute after the two year period, notwithstanding any conflicting provisions of a State's constitution or statutes, which are hereby preempted.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over five billion dollars in deposits of a bank with over 250 million dollars in deposits."

AMENDMENT No. 3733

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective two years after the date of enactment of this title, section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is amended by inserting before the period at the end of the first sentence the following: ": *Provided*, That, for each year a bank holding company may apply to acquire additional banks in each of two States selected by such bank holding company, and, notwithstanding that such acquisitions would otherwise be prohibited hereby, each such application may be approved under this section: *Provided further*, That the foregoing proviso shall not permit (i) an acquisition of shares or assets of, or interests in, a bank located in a State which adopts a law or certifies that the voters of such State have voted in favor of any provision, constitutional or otherwise, which states explicitly and by its terms that such State does not want to permit the acquisition of such shares, assets, or interests by an out-of-State bank holding company, or (ii) any such acquisition by a bank holding company the operations of the banking subsidiaries of which are principally conducted in any such State as defined by subparagraph (i) of this subsection.".

(b) Effective five years from the date of enactment of this title, section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is hereby repealed.

AMENDMENT No. 3734

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective two years after the date of enactment of this title, section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is amended by inserting before the period at the end of the first sentence the following: ": *Provided*, That, for each year a bank holding company may apply to acquire additional banks in each of two States selected by such bank holding company, and, notwithstanding that such acquisitions would otherwise be prohibited hereby, each such application may be approved under this section: *Provided further*, That the foregoing proviso shall not permit (i) an acquisition of shares or assets of, or interests in, a bank located in a State which adopts a law or certifies that the voters of such State have voted in favor of any provision, constitutional of otherwise, which states explicitly and by its terms that such State does not want to permit the acquisition of such shares, assets, or interests by an out-of-State bank holding company, or (ii) any such acquisition by a bank holding company the operations of the banking subsidiaries of which are principally conducted in any such State as defined by subparagraph (i) of this subsection.".

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over two billion dollars in deposits of a bank with over one billion dollars in deposits.".

(c) Effective five years from the date of enactment of this title, section 3(d) of the Bank Holding Company Act is amended to read as follows: "The Board shall not ap-

prove an acquisition by a bank holding company with over two billion dollars in deposits of a bank with over one billion dollars in deposits.".

AMENDMENT No. 3735

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective two years after the date of enactment of this title, section 3(d) of the Bank Holding Company Act (12 U.S.C. 1842(d)) is amended by inserting before the period at the end of the first sentence the following: ": *Provided*, That, for each year a bank holding company may apply to acquire additional banks in each of two States selected by such bank holding company, and, notwithstanding that such acquisitions would otherwise be prohibited hereby, each such application may be approved under this section: *Provided further*, That the foregoing proviso shall not permit (i) an acquisition of shares or assets of, or interests in, a bank located in a State which adopts a law or certifies that the voters of such State have voted in favor of any provision, constitutional or otherwise, which states explicitly and by its terms that such State does not want to permit the acquisition of such shares, assets, or interests by an out-of-State bank holding company, or (ii) any such acquisition by a bank holding company the operations of the banking subsidiaries of which are principally conducted in any such State as defined by subparagraph (i) of this subsection.".

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over five billion dollars in deposits of a bank with over 250 million dollars in deposits."

(c) Effective five years from the date of enactment of this title, section 3(d) of the Bank Holding Company Act is amended to read as follows: "The Board shall not approve an acquisition by a bank holding company with over five billion dollars in deposits of a bank with over 250 million dollars in deposits."

AMENDMENT No. 3736

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. The provisions of a State statute which grants authority on the basis of limitations such as the geographic location or proximity of another State shall not exclude contiguous States, and such State shall be deemed to have specifically authorized by its statute laws such authority with respect to contiguous States.

AMENDMENT No. 3737

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) The provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall not exclude contiguous States, and such State shall be deemed to have specifically authorized by its statute laws such authority with respect to contiguous States.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over two billion dollars in deposits of a bank with over one billion dollars in deposits."

AMENDMENT No. 3738

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) The provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall not exclude contiguous States, and such State shall be deemed to have specifically authorized by its statute laws such authority with respect to contiguous States.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over five billion dollars in deposits of a bank with over 250 million dollars in deposits.".

AMENDMENT No. 3739

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. Effective two years from the date of enactment of this title, the provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall not exclude contiguous States, and such State shall be deemed to have specifically authorized by its statute laws such authority with respect to contiguous States. A State may not amend or repeal its statute, if an acquisition, merger, or branch has been approved by the relevant Federal or State banking regulator in reliance upon the authority of such statute, in a manner which would have the practical effect, directly or indirectly, of limiting the ability of institutions in another contiguous State to participate in an equal manner under such statute after the two year period, notwithstanding any conflicting provisions of a State's constitution or statutes, which are hereby preempted.

AMENDMENT No. 3740

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective two years from the date of enactment of this title, the provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall not exclude contiguous States, and such State shall be deemed to have specifically authorized by its statute laws such authority with respect to contiguous States. A State may not amend or repeal its statute, if an acquisition, merger, or branch has been approved by the relevant Federal or State banking regulator in reliance upon the authority of such statute, in a manner which would have the practical effect, directly or indirectly, of limiting the ability of institutions in another contiguous State to participate in an equal manner under such statute after the two year period, notwithstanding any conflicting provisions of a State's constitution or statutes, which are hereby preempted.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over two billion dollars in deposits of a bank with over one billion dollars in deposits.".

AMENDMENT No. 3741

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) Effective two years from the date of enactment of this title, the provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall not exclude contiguous States, and such State shall be deemed to have specifically authorized by its statute laws such authority with respect to contiguous States. A State may not amend or repeal its statute, if an acquisition, merger, or branch has been approved by the relevant Federal or State banking regulator in reliance upon the authority of such statute, in a manner which would have the practical effect, directly or indirectly, of limiting the ability of institutions in another contiguous State to participate in an equal manner under such statute after the two year period, notwithstanding any conflicting provisions of a State's constitution or statutes, which are hereby preempted.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over five billion dollars in deposits of a bank with over 250 million dollars in deposits.".

AMENDMENT No. 3742

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. The provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall not directly or indirectly discriminate against a State with which there is a common Standard Metropolitan Statistical Area.

AMENDMENT No. 3743

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) The provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall not directly or indirectly discriminate against a State with which there is a common Standard Metropolitan Statistical Area.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over two billion dollars in deposits of a bank with over one billion dollars in deposits.".

AMENDMENT No. 3744

On page 126, strike out lines 2 through 24 and insert in lieu thereof the following:

SEC. 1007. (a) The provisions of a State statute which grant authority on the basis of limitations such as the geographic location or proximity of another State shall not directly or indirectly discriminate against a State with which there is a common Standard Metropolitan Statistical Area.

(b) Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "The Board shall not approve an acquisition by a bank holding company with over five billion dollars in deposits of a bank with over 250 million dollars in deposits.".

AMENDMENT No. 3745

At the end of Title X, add the following:

SEC. 1008. Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "Except under section 13(b) of the Federal Deposit Insurance Act, the Board shall not approve an acquisition by a bank holding company,

directly or indirectly, with over two billion dollars in deposits of a bank with over one billion dollars in deposits.".

AMENDMENT NO. 3746

At the end of Title X, add the following:

SEC. 1008. Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "Except under section 13(b) of the Federal Deposit Insurance Act, the Board shall not approve an acquisition by a bank holding company, directly or indirectly, with over five billion dollars in deposits of a bank with over 250 million dollars in deposits.".

AMENDMENT NO. 3747

At the end of Title X, add the following:

SEC. 1008. Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "Except under section 13(b) of the Federal Deposit Insurance Act, the Board shall not approve an acquisition by a bank holding company, directly or indirectly, which is one of the three largest in a state in terms of bank deposits of a bank which is one of the three largest in another State.".

AMENDMENT NO. 3748

At the end of Title X, add the following:

SEC. 1008. Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "Except under section 13(b) of the Federal Deposit Insurance Act, the Board shall not approve an acquisition by a bank holding company, directly or indirectly, which would enable a bank holding company principally located in one State to control over ten percent of the bank deposits in another State.".

AMENDMENT NO. 3749

At the end of Title X, add the following:

SEC. 1008. Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "Except under section 13(b) of the Federal Deposit Insurance Act, the Board shall not approve an acquisition by a bank holding company, directly or indirectly, which would enable a bank holding company principally located in one State to control over five percent of the bank deposits in another State.".

AMENDMENT NO. 3750

At the end of Title X, add the following:

SEC. 1008. Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "Except under section 13(b) of the Federal Deposit Insurance Act, the Board shall not approve an acquisition by a bank holding company, directly or indirectly, which would enable bank holding companies principally located in other States to control over fifty percent of the bank deposits in one State.".

AMENDMENT NO. 3751

At the end of Title X, add the following:

SEC. 1008. Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "Except under section 13(b) of the Federal Deposit Insurance Act, the Board shall not approve an acquisition by a bank holding company, directly or indirectly, which would enable bank holding companies principally located in other States to control over twenty-five percent of the bank deposits in one State.".

AMENDMENT NO. 3752

At the end of Title X, add the following:

SEC. 1008. Section 3(d) of the Bank Holding Company Act is amended by adding at the end thereof the following: "Except under section 13(b) of the Federal Deposit Insurance Act, the Board shall not approve an acquisition by a bank holding company, directly or indirectly, which is one of the five largest in a state in terms of bank deposits of a bank which is one of the five largest in another State.".

Mr. D'AMATO. Mr. President, S. 2851, the Financial Services Competitive Equity Act, was recently reported by the Banking Committee. Title X of this bill would authorize States to enter into regional banking pacts, allowing mergers and acquisitions by banking institutions within the compacting States. States not permitted into the compacts could not participate.

The issue presented by title X has been portrayed as a battle between the big money center banks and the regional banks, but it has much, much broader implications of a constitutional nature. It would set a precedent going against one of the cornerstones of our Constitution. If we allow States to set up economic zones which exclude other States in the area of banking, what area will be next? Surely there are any number of industries which would like the States in their home region to protect them from competition from businesses headquartered in other States. In the area of banking, it appears that California and New York will bear the brunt of the discrimination, but the next time around it could be other States. This type of economic protectionism was just what the authors of the Constitution were hoping to avoid—as is evidenced by the commerce and compact clauses.

The incredible irony is that many of the States which are pushing for compacts are open to entry by foreign banks; indeed foreign entry is often encouraged by cities wishing to become financial centers. Nevertheless, entry by American banks headquarters in certain States is to be forbidden.

The bearings on S. 2181 (now S. 2851) were almost entirely devoted to the issue of what new powers should be granted to bank holding companies within the context of the traditional separation of banking and commerce. The hearing record is almost blank on the merits of title X.

In view of the minimal time devoted to this issue in the hearings, it is not surprising that there is little understanding of the true impact of title X. Hopefully a full discussion of this issue on the Senate floor will help educate Senators about title X's far reaching impact.

Let us look at the arguments put forth in favor of this ratification of regional compacts. First, it is often argued that legislation which would permit States to form regional interstate compacts is merely a matter of confirming States' rights. Under the Bank Holding Company Act States now have the right to permit interstate banking. That is States' rights.

Proponents of compact legislation now propose to go further and permit States to set up compacts, including some States and excluding others. Apparently it is feared, with good reason, that States cannot set up such compacts on their own without running afoul of the Constitution; therefore specific congressional authorization is needed to override, in effect, the compact and commerce clauses of the Constitution. These clauses, of course, were adopted for the specific purpose of preventing just this type of State action. For example, the commerce clause "reflected a central concern of the framers that was an immediate reason for calling the Constitutional Convention: the conviction that in order to succeed, the new Union would have to avoid the tendencies toward economic Balkanization that had plagued relations among the Colonies and later among the States under the Articles of Confederation" (Hughes v. Oklahoma). How can the issue of States' rights, which derive from the Constitution, now be invoked to promote a type of State action which is specifically prohibited in the same document?

It is also argued that regional compacts will provide a limited experiment in interstate banking. This argument, unfortunately, misreads the forces which will be unleashed by regional compacts. In NOW account legislation, which is often cited as a precedent for compacts, the Congress was capable of limiting this modest experiment on a State-by-State basis. With regional compacts, the Congress is, in effect, abdicating the interstate banking issue to the State legislatures.

This compact phenomenon has grown rapidly since compact legislation was first introduced at the Federal level. It is not hard to imagine that within a year or so the majority of States will be members of four or five compacts which cover the country, except for a few isolated States purposely left out. A rash of intraregional mergers will have taken place, without congressional input, which will permanently change the nature of the banking industry in this country.

Another argument often made in favor of title X is that it promotes regional economies. If the Congress were to decide to phase-in interstate banking, it might well choose to begin by adopting an interim regional step—permitting contiguous State banking, for example. However, the regional economic argument in connection with State compacts is simply belied by the facts. The regions which are being created simply have nothing to do with

natural market areas; they are being created based on the economic protectionist fears of the bankers who are promoting them.

One simple fact says it all: Utah has adopted a bill creating a region of 11 Western States—including Alaska and Hawaii, but excluding California. Is this a natural market area?

Two regions are being set up which, in effect, surround, but exclude, New York State. The New England zone includes Connecticut, where the 40,000 residents who work in New York far exceed those commuting to Massachusetts, much less Maine. The proposed Middle Atlantic zone would match New Jersey with Maryland but ignore the more than 200,000 commuters from New Jersey to New York.

What about the antitrust implications of title X? Members of Congress have often expressed concerns about interstate banking leading to a greatly increased concentration level in the banking industry. And yet Congress is considering permitting a system which will create the worst possible competitive situation, without any federally imposed limits on concentration levels and, indeed, as discussed above, basically without any hearings.

Under current antitrust law, it is now widely understood that there are almost no limits on so-called market extension mergers in the banking industry. Where two banks compete in the same market, antitrust law will generally prohibit the consolidation of two banks with large market shares. However, where there is little or no direct competition involved—such as when the largest bank in one State acquires the largest bank in another State—the merger will be permitted.

Already in New England, where bank concentration levels are already generally high, the very largest banking institutions are signing agreements to merge with each other. Applications for such mergers have been submitted to the Federal Reserve Board and several have been approved, but stayed pending a ruling by the Supreme Court on the constitutionality of the compact laws. Within the proposed southeast zone, an agreement to merge has been signed by very large banking institutions in Georgia and Florida. The same Georgia institution has a mutual investment pact with large institutions in South Carolina and Alabama. One can only presume that large institutions in North Carolina and elsewhere will soon be added to this agreement.

The result of compact legislation will be a large number of mergers between the largest banks in the various States in a region. For example, a region of, say, seven States which now has 20 to 25 regional banks may within a few years only have 5 or 6.

Furthermore, these new regional giants will be protected by law from direct competition from outside their regions. From an antitrust perspective, the result will be worse than a total repeal of all prohibitions on interstate banking. As Senator Proxmire stated in his additional views with respect to title X: "In some ways, regional interstate mergers achieve the worst of both worlds. They undermine the principle of local control while failing to maximize competition from all banks in the system." Surely those in Congress who have expressed concern about the impact on concentration levels of interstate banking cannot be pleased with such a result.

In sum, Mr. President, title X of S. 2851 is poor public policy. It raises serious problems in the context of the structure of banking in this country. Even worse is the precedent it would set for allowing States to come together for economic protectionist purposes and to discriminate against other States. In this particular case it is the clear intent of these compacts to discriminate against my home State of New York, and I would not be doing my duty to my State if I did not strongly protest this action. I hope other Senators will look beyond the protectionist pleas of their bankers to the fundamental issues involved here and join me in striking title X when and if S. 2851 reaches the floor. If not, I have a number of amendments which it is my intention to offer which deal with the issues I have just discussed.

ETHNIC AMERICAN DAY

PRESSLER AMENDMENT NO. 3753

Mr. STEVENS (for Mr. PRESSLER) proposed an amendment to the joint resolution (S.J. Res. 253) to authorize and request the President to designate September 16, 1984, as "Ethnic American Day"; as follows:

On page 2, line 4, strike out "16" and insert in lieu thereof "30".

The title of the joint resolution is amended by striking out "16" and inserting in lieu thereof "30".

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HELMS. Mr. President, the Committee on Agriculture, Nutrition, and Forestry has scheduled a hearing to receive testimony on the nominations of Mr. Robert R. Davis, of Illinois, to be a member of the Commodity Futures Trading Commission and Ms. Crete B. Harvey, of Illinois, and Mr. Melvin A. Ensley, of Washington, to be members of the Federal Farm Credit Board, Farm Credit Administration.

The hearing will be held on Wednesday, September 12, 1984, at 10 a.m. in room 328-A Russell Senate Office Building.

For further information please contact the Agriculture Committee staff at 224-0014 or 224-0017.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, the Senate Committee on Governmental Affairs will hold a nomination hearing for Susan R. Holmes, Rufus King III, Colleen Kotelly, Noel Anketell Kramer, Robert Richter, Robert Tignor, and Emmett G. Sullivan to the associate judges of the Superior Court of the District of Columbia and Andrew L. Frey to be associate judge of the District of Columbia Court of Appeals on Tuesday, September 11, at 9 a.m. in SD-342 of the Dirksen Senate Office Building. Any persons wishing to submit testimony or further information can contact Ms. Eileen Mayer at 224-4161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 6, at 2 p.m., to hold a hearing to consider the nomination of Robert Stuart of Illinois, to be Ambassador to Norway.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUDGET STATUS REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1984 pursuant to section 311 of the Congressional Budget Act.

Since my last report, the Congress has cleared and the President has signed H.R. 6040, making supplemental appropriations for 1984, and H.R. 4325, Child Support Enforcement Amendments of 1984. The bills affect both budget authority and outlays.

The report follows:

REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET STATUS OF THE FISCAL YEAR 1984 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 91

REFLECTING COMPLETED ACTION AS OF SEPT. 4, 1984

[In millions of dollars]

	Budget authority	Outlays	Revenues
Second budget resolution level	922,125	852,125	679,600
Current level	923,981	854,899	666,374
Amount remaining	0	0	0

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $0 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 91 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 91 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 91.●

UNITED STATES-SOVIET RELATIONS AND NUCLEAR ARMS CONTROL

● Mr. KENNEDY. Mr. President, at this time of uncertainty over the future course of United States-Soviet relations, a very thoughtful call for common sense and reason has been offered by Averell Harriman, Clark Clifford, and Marshall Shulman, three distinguished experts in United States-Soviet affairs.

In a recent op-ed article in the New York Times, they urge our Nation address the critical issue of nuclear arms control in a serious and bipartisan manner. They note that "until this administration, both parties and recent Presidents—Eisenhower, Kennedy, Johnson, Nixon, Ford, and Carter—have sought to reduce danger of nuclear war by limiting nuclear weapons through negotiation. They did so not because they liked the Soviet Union, nor out of any disregard for the military balance, but because they understood that our security requires more moderate and more stable levels of nuclear arms, not unregulated military competition. Our Presidents did not all succeed—but, until now, they have tried."

I strongly agree that it is critical that both the United States and the Soviet Union make the effort to begin serious negotiations on nuclear arms control. Instead of exchanging rhetoric, the superpowers have the responsibility to negotiate verifiable arms control agreements that will reduce the risk of nuclear war.

I urge my colleagues to read this important article and ask that it be printed in the RECORD.

The article follows:

[From the New York Times, Sept. 2, 1984]

BIPARTISANSHIP—OR DANGER

(By W. Averell Harriman, Clark M. Clifford and Marshall D. Shulman)

The spectacle of a great nation leaving crucial issues—the control of nuclear weapons and America's relations with the Soviet Union—to media consultants and image manipulators, the modern gladiators of politics, increasingly is generating apprehension among many Americans as well as in the wider world. What's needed instead is serious discussion leading to solid bipartisanship.

We are accustomed to a certain amount of circus and bombast in election campaigns, but isn't there something fundamentally wrong about letting questions about the future of life on this planet be settled by those who package slogans and promote slick half-truths?

With some issues, this matters less, since we treat campaign platforms and candidates' promises with skepticism. But the most urgent matters confronting us—nuclear weapons and superpower relations—can no longer be left to the vagaries of circus politics. If the governance of this country is to be equal to our responsibilities, both parties must seriously discuss the choices to be made, and out of that discussion must come, in place of extremism, a new articulation of the measured center ground that can restore bipartisan support for responsible policies.

It defies common sense to assert that America has become more secure. In fact, since 1981 our situation has become deeply troubling: there has been a total breakdown in negotiations with the Soviet Union while we have rushed into the largest peacetime military buildup in our history. Some regard these developments with complacency, even satisfaction, but, ignoring the lessons of history, they are blind to the dangerous trends now set in motion.

On both sides of the nuclear blance, the military competition is steadily mounting. New systems planned and introduced are bringing both sides closer to the hair trigger. Many of these systems will prove extremely difficult, perhaps impossible, to verify, and that will make any future arms control agreements far harder to reach.

The lack of serious diplomatic contact heightens the danger of misperception and miscalculation in a crisis. And our allies' diminishing confidence in the wisdom and good sense of our leadership accelerates fragmentation of the alliance and the tensions in and between Western European nations. If present trends continue, the alliance may be reduced in a few years to little more than a shell.

Despite all the boasts from officials like President Reagan and the chief delegate to the United Nations, Jeane J. Kirkpatrick, our national security policy now rests largely on myths, illusions and faulty judgments.

With insistence and zest, the Administration has taken up the erroneous assumption that Moscow has acquired a nuclear advantage, and that huge programs of new nuclear weapons are needed not only to overcome our supposed inferiority but also to achieve security through superiority. The prevailing judgment has been that our military buildup can compel the Kremlin to accept negotiations on our terms and that if it does not, it will break under the strain of trying to keep pace with us. Actually, the effect has been just the opposite: the Administration's military programs have stiffened the Kremlin's determination to match our military efforts whatever the cost.

Our policies have made Moscow more truculent, more persuaded of our malign intent—therefore more dangerous. This embattled state of mind has also tightened the grip of repressive practices in Soviet society.

This Administration has never treated arms control as truly important to national security, and in its more candid moments has said so. Positions have been advanced in negotiations, not to find common ground but to create the appearance of flexibility as a mask to justify a further buildup. Because the proposals have been so one-sided, they have turned the negotiations into an unproductive forum for invective. Moscow's walkout from the strategic-arms talks cannot be excused—indeed, its policies bear a heavy share of the blame, but so must the Administration.

The limited programs of cooperation set up by the Nixon Administration have all been systematically dismantled. Restrictions on trade relations have tightened. The picador rhetoric of hostility has reached a new crescendo, unprecedented in two decades, with angry exchanges only intermittently and tactically constrained. Recently, the Administration revived John Foster Dulles's policy of "rollback" in Eastern Europe—whether as serious policy or merely campaign rhetoric is not clear. The only plausible explanation for the overall course is that those with a dominant voice in the Administration have a not-so-hidden agenda leading toward confrontation, in the mistaken belief that we can force the Russians to buckle. In effect, that agenda has been advanced by Moscow's lack of restraint in exploiting opportunities in the third world and in its military programs—for example, in deployment of the SS-20 missiles.

The absence of strong, self-confident political leadership in the Kremlin during a prolonged success process has made it difficult to exercise control over the military establishment. But the Soviet leadership, whatever its present condition, faces major economic problems, heightened by the prospect of still greater deflection of resources to the military sector in order to keep up with America. Whether Moscow's concern about this is powerful enough to bring it to accept negotiated limits on the military competition is not entirely clear. That possibility should be tested by serious American efforts to shape agreements that serve both nations' legitimate security interests. Such efforts need not presuppose trust or involve illusions about benign Soviet purposes; they depend only on the extent to which Moscow recognizes its self-interest in reducing the risk of war.

Until this Administration, both parties and recent Presidents—Eisenhower, Kennedy, Johnson, Nixon, Ford, Carter—have sought to reduce the danger of nuclear war by limiting nuclear weapons through negotiation. They did so not because they liked the Soviet Union, nor out of any disregard for the military balance, but because they understood that our security requires more moderate and more stable levels of nuclear arms, not unregulated military competition. Our Presidents did not all succeed—but, until now, they have tried.

Restoration of this commitment and creation of a politically effective bipartisan constituency in support of it must be America's No. 1 priority. We can achieve it only through honest discussion and debate—not by bitter, harsh and grotesque simplifications that call into question the patriotism of Americans who believe in the wisdom of the course taken by six Presidents of both parties. As for the Democrats, they would err grievously if, in pursuit of hard-line supporters, they were tempted to compete with the Reagan Administration's extremist appeals.

More than the outcome of the election is at stake: the nature of the debate will affect the level of understanding and the climate of opinion that will influence our policies whoever is elected. If America is to make a new start after the campaign, responsible people, Republicans and Democrats alike, must immediately begin to address the issue of nuclear arms with the seriousness it deserves. There is a potentially lethal reality we must face: what, in the end, will it profit any candidate to win an election but suffer the loss of the peace that so many loyal and dedicated Americans have fought so hard to preserve?

(W. Averell Harriman, former Ambassador to the Soviet Union, has been an adviser to five Presidents and was chief negotiator of the 1963 Limited Test Ban Treaty. Clark M. Clifford was counsel to President Harry S. Truman and Secretary of Defense in the Johnson Administration. Marshall D. Shulman, professor of international relations and director of the Harriman Institute for Advanced Study of the Soviet Union, at Columbia University, served as special adviser on the Soviet Union to President Jimmy Carter's Secretaries of State, Cyrus R. Vance and Edmund S. Muskie.)●

HONORING MARTIN JANIS

● Mr. GLENN. Mr. President, last month the National Association of State Units on Aging and the National Association of Area Agencies on Aging held their annual training conference in Chicago. More than 800 senior citizens and persons who work on behalf of senior citizens attended this conference from across the Nation.

At the conference banquet on August 22, the National Association of State Units on Aging presented their 20th Anniversary Achievement Award to Martin Janis, former director of the Ohio Commission on Aging. I was proud to nominate Martin Janis for this award, which was established to honor the achievements of State directors on aging over the past 20 years and to encourage continued State leadership on behalf of the elderly. Throughout his adult life, Mr. Janis has worked tirelessly on the State and community levels to improve the lives of Ohioans, particularly Ohio's older citizens.

Mr. Janis' career in public service began in Toledo, OH, where he was actively involved in business and community activities from 1935–63. In 1962, he was elected to the Ohio House of Representatives. He sponsored the Ohio Worker Training Act which provided retraining of unemployed persons for new careers. This was one of the first such programs in the country, and an idea which has renewed relevance in today's economy.

In 1963, Mr. Janis was appointed by Gov. James Rhodes as director of the Ohio Department of Mental Hygiene and Correction. He was the first lay person to head this department and served longer than any director, from 1963 through 1970. In 1963, at the request of the Secretary of Health, Education and Welfare, Mr. Janis testified at congressional hearings in support of legislation for a National Community Mental Health Act. He was also instrumental in the passage of State legislation to establish community mental health and mental retardation programs in the State of Ohio. Ohio remains in the forefront of all States in this programming.

In 1968, Mr. Janis worked for the passage of an amendment to the Ohio Constitution which permitted any State department collecting fees for its services to use such revenue for the amortization of revenue bonds issued for capital improvements. This enabled Ohio to replace its antiquated and large State-operated mental health and mental retardation facilities with smaller modern units. It also provided matching funds to local communities for the development of mental health centers and facilities for the mentally retarded.

In 1965, Mr. Janis established the division of administration on aging within the department of mental hygiene and correction. It was one of the first such divisions legislatively established to deal specifically with programs for senior citizens. From 1975 through 1982, Mr. Janis served as director of the Ohio Commission on Aging. Under his leadership the State commission gained national prominence for its outstanding and innovative programs for senior citizens. Following are just a few examples of his numerous contributions to senior citizens:

Established Ohio's two golden age villages—Worley Terrace in Columbus and Glendale Terrace in Toledo. These are unique in that they provide housing and personal care services to older residents. Services include meals, preventive health, barber and cosmetology care, and recreational and social programs. These two housing projects were recognized by the U.S. Senate Special Committee on Aging in 1975 as outstanding examples of congregate living facilities for older persons.

Established seven geriatric centers throughout Ohio which provide nursing home care for patients who do not need to be in a mental hospital but still require specialized nursing attention.

Established the Golden Buckeye Card Program which provides retail services discounts to Ohioans 65 and older. Over 1.2 million older Ohioans carry the Golden Buckeye Card and over 34,000 merchants honor it. It results in estimated savings in excess of $75 million annually to cardholders, and has furthered a better understanding of the needs of senior citizens.

Instrumental in passage of legislation mandating that Ohio's seven medical schools have offices of geriatric medicine.

Established the Ohio network of educational consultants in the field of aging which provides the institutions of higher education with direct input into training and educational programs sponsored by the Ohio Commission on Aging.

Instrumental in development of senior centers as the community focal point in the delivery of services to older Ohioans.

Established annual statewide activities involving senior citizens, including "elderwalk" which emphasizes the importance of physical exercise; the Governor's art show and auction which offers talented older citizens the opportunity to display and sell their artwork; the Governor's conference on aging; and senior citizens day at the Ohio State Fair.

Although Mr. Janis is supposedly retired from public service, he continues to work on behalf of senior citizens. His current efforts include working with local, State, and Federal officials to establish facilities for senior citizens in South Toledo which will cover a full spectrum of needs, including subsidized housing, mental health services, a multipurpose senior center, a nursing home, and offices for the area agency on aging and other aging organizations.

In my work as a Member of the U.S. Senate and the ranking Democratic member of the Special Committee on Aging, I have often relied on the advice and experience of Martin Janis. He is an outstanding citizen of Ohio and the United States of America, and I am proud to regard him as my personal friend and colleague. He is a dedicated advocate for senior citizens, and I am pleased that the National Association of State Units on Aging has honored him with the 20th Anniversary Achievement Award for outstanding service.●

VICTIMS OF CRIME ASSISTANCE ACT

● Mr. COCHRAN. Mr. President, on August 10, shortly before we adjourned for the August recess, the Senate considered and approved S. 2423, the Victims of Crime Assistance Act of 1984.

As a cosponsor of this legislation, I want to commend Senators THURMOND, LAXALT, BIDEN, and other members of the Judiciary Committee for their leadership in bringing this bipartisan measure before the Senate.

For too long, those victimized by crime have been overlooked and neglected. Many are poor and elderly. The rights of criminal defendants in many instances in the past have been more zealously protected than those of the victims of the crimes.

The enactment of legislation to provide Federal assistance to State Victims Assistance Programs is an important step in recognizing the rights of victims.

S. 2423 establishes a crime victims assistance fund into which will be deposited Federal criminal fines, public contributions, penaly surcharges on convicted defendants, and the proceeds received by defendants for the sale of the stories about their criminal misdeeds. This so-called "Son of Sam" provision will serve to prohibit criminals from later profiting from their criminal activities.

This fund, authorized in the amount of $100 million, will be distributed to State compensation and victims assistance programs. Forty percent of the funds will be distributed to the States to existing Victims Compensation Programs based on the assistance provided to victims in the previous fiscal year. Forty-five percent of the funds will be distributed to the States based on population to improve the assistance provided by State and local governments and nonprofit organizations. The remaining 15 percent will be distributed among Federal law enforcement agencies to establish Federal programs.

I am particularly pleased that title V of this bill contains my proposal to provide compensation to the victims of federally protected witnesses. The bill establishes a $1 million fund to be administered by the Attorney General for the payment of restitution and compensation to the victims of crimes causing death or serious bodily injury committed by protected persons.

Payments would be made as provided in the Victims and Witness Protection Act and only to the extent that the victim or his estate has not otherwise recovered. It would also provide compensation payments, only in the case of death, to the victim's estate in cases occurring prior to the date of enactment. These cases include the heinous murders committed by the notorious Marion Albert Pruitt.

I believe we have a special obligation and responsibility to the victims of those persons whom the Government admits into the Federal Witness Security Program and shields from an unsuspecting public. This bill will provide some relief for this special group of victims.

Mr. President, I welcome the adoption of this comprehensive victims assistance legislation and urge my colleagues in the House of Representatives to act as quickly in approving its enactment.●

TRIBUTE TO BAY COUNTY SHERIFF KEVIN F. GREEN

● Mr. LEVIN. Mr. President, on September 11, 1984 the Bay County, MI, Commission and citizens will pay special tribute to Bay County Sheriff, Kevin F. Green.

Sheriff Green is an outstanding individual whose dedication to his community goes far above and beyond the call of duty. He not only carries out all the regular responsibilities associated with his office, but Kevin Green puts in countless extra hours talking to young people and senior citizens.

During the 1983-84 school year Sheriff Green spoke with nearly 14,000 students in Bay County schools. These students range from preschool through high school. To the youngest children Sheriff Green talks about avoiding strangers and bicycle safety. To the older ones he speaks about alcohol and drug abuse, drunk driving, self defense and rape prevention.

Sheriff Green is also a popular speaker with senior citizens groups in Bay County. He spends countless hours speaking with groups about safety and self defense.

I am pleased to have this opportunity to commend Sheriff Kevin F. Green on the excellent job he is doing. His dedication and unselfish interest in his community and its citizens has not gone unnoticed.●

TIM GIAGO SELECTED AS FIRST PRESIDENT OF NATIVE AMERICAN PRESS ASSOCIATION

● Mr. ABDNOR. Mr. President, a very special meeting was recently held in Tuskahoma, OK, which resulted in the creation of the Native American Press Association. Fifteen Native Americans have joined together to create an association which will unite our Nation's Native American newspapers in their efforts to bring greater attention to issues which affect both our Indian and non-Indian populations.

I am especially pleased because this organization was the creation of Mr. Tim Giago, editor of the Lakota Times. This newspaper was founded on the Pine Ridge Reservation of South Dakota in 1981. Since that time it has become the Nation's largest Indian weekly under Tim's able leadership. It is only fitting that he should be selected as the first president of the new Native American Press Association.

While the founding of this association may not appear to be a major milestone to some, anyone familiar with the problems associated with beginning such an undertaking in Indian country can truly appreciate the magnitude of this auspicious beginning. It is important to note that one of the keystones of this organization is to promote greater understanding between Indian people and between Indians and non-Indians. This is indeed a worthy goal and we in South Dakota take great pride and honor in the selection of Tim Giago as president of the Native American Press Association [NAPA].

Mr. President, I should also like to include the following article from the August 29 edition of the Lakota Times which details the creation of the NAPA.

The article follows:

NATIVE AMERICAN PRESS ASSOCIATION FORMALIZED; LAKOTA TIMES PUBLISHER ELECTED FIRST PRESIDENT

(By Adrian C. Louis)

TUSKAHOMA, OKLA.—The fifteen member Board of Directors of the Native American Press Association met at the site of the capitol of the Choctaw Indian Nation and formally adopted their constitution and articles of incorporation. The group, which will be incorporated in the District of Columbia also selected officers who will serve two year terms. Those officers selected were Tim Giago, Publisher of the Lakota Times of the Pine Ridge Reservation as President; Loren Tapahe, Publisher of the Navajo Times as Vice-President Anita Austin, Editor of the Colorado-based Native American Rights Fund newsletter as Secretary; and Mary Polanco, Editor of the Jicarilla (Apache) Chieftain as Treasurer.

The Native American Press Association (NAPA) will seek to develop and improve communications between Indian people and between Indians and the non-Indian public. It will promote the highest standards in professional journalism and will promote the exchange of news, ideas, and experiences through technical assistance among members in print journalism in America. Among the chartering newspapers are the largest Indian weekly, the largest Indian monthly, and the largest Indian daily newspapers in the United States.

Newly elected President Tim Giago sounded a strong note in his address to the delegated Board Members. "There's not a single Indian editor in the United States or Canada who does not throw his hands up in the air every week at some of the garbage printed in major newspapers and magazines about Indian people. Why responsible, professional newspapers would print some of these distorted, ill-conceived articles is beyond us."

Giago went on to stress the value of newspapers to the various Indian communities of this country. "Presently, many Indian newspapers, tribally-owned or funded by an organization, have fallen on very hard times," he said "They are the first to be cut from the budget during tough times. The service provided to the Indian community by a newspaper is intangible. It doesn't put food on the table, pay the rent, or provide health care. The fact that newspapers are a vital link between the tribal structures and the people is often overlooked. If the people are not informed, they cannot make decisions affecting their very survival. The service provided by a newspaper is to inform and educate and that service cannot be measured in dollars."

In a strong show of Indian unity, the Board of Directors agreed that the Native American Press Association would assist and encourage member newspapers by holding workshops in financing and advertising, photography, legal matters, and would provide a powerful link between the general public newspapers and the Indian press. "There are many more services we hope to provide, including a monthly newsletter to

our members, but we are approaching our goals one step at a time," Giago added.

The new organization, which was originally conceived of by Lakota Times Publisher Tim Giago and it's Managing Editor, Adrian Louis, met in an organizational conference at Penn State University in June.

At the Board of Directors meeting hosted by the Choctaw Nation of Oklahoma, Charles Trimble, an Oglala Sioux and founder of an earlier press group called the American Indian Press Association addressed the group and had high praise for their efforts.

Trimble, also a former Director of the National Congress of American Indians, said, "Your basis is more sound than the AIPA's was when we founded it in 1968. You have a great association. If I can be of any service I will, but I caution you on federal dependency. We (AIPA) never meant to be totally dependent on feds, but we did get fed grants. When you do this you are compromised because there is no freedom in a state of dependency."

The first two meetings of NAPA have been funded under grants from the Gannett Foundation. Gannett publishes USA Today, as well owning a large network of daily newspapers.

The NAPA has slated a general membership convention to be held at the Kah-Nee-Ta Resort owned by the Warm Springs (Oregon) Indian Tribe. The tentative date is March 13-16 and at that time it is expected that the vast majority of the several hundred American Indian newspapers in America will send representatives.●

ORDERS FOR FRIDAY

ORDER FOR RECESS UNTIL 10 A.M.

Mr. STEVENS. Mr. President, I ask unanimous consent that when the Senate stands in recess today, it convene at 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE

Mr. STEVENS. Mr. President, I ask unanimous consent that following the time for the two leaders under the standing order on tomorrow, there be a special order, for not to exceed 15 minutes, for Senator PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that following the special order on tomorrow, there be a period for the transaction of routine morning business, not to extend beyond 11 a.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. STEVENS. Mr. President, on tomorrow, following the period for the transaction of routine morning business, the Senate will resume consideration of the pending Baker motion to proceed to the consideration of S. 2851, the banking bill. I am informed that a cloture motion has been filed. It is my understanding that the motion will be voted on Monday.

The PRESIDING OFFICER. That is correct.

RECESS UNTIL 10 A.M. TOMORROW

Mr. STEVENS. Mr. President, if there be no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess in accordance with the previous order.

There being no objection, the Senate, at 4:57 p.m., recessed until tomorrow, Friday, September 7, 1984, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate, September 6, 1984:

THE JUDICIARY

H. Ted Milburn, of Tennessee, to be U.S. circuit judge for the sixth circuit vice a new position created by Public Law 98-353, approved July 10, 1984.

James F. Holderman, Jr., of Illinois, to be U.S. district judge for the northern district of Illinois vice a new position created by Public Law 98-353, approved July 10, 1984.

Richard F. Suhrheinrich, of Michigan, to be U.S. district judge for the eastern district of Michigan vice Russell James Harvey, retired.

James H. Jarvis II, of Tennessee, to be U.S. district judge for the eastern district of Tennessee vice a new position created by Public Law 98-353, approved July 10, 1984.

Thomas A. Higgins, of Tennessee, to be U.S. district judge for the middle district of Tennessee vice L. Clure Morton, retired.

DEPARTMENT OF JUSTICE

James R. Laffoon, of California, to be U.S. Marshal for the southern district of California for the term of 4 years (reappointment).

CONFIRMATIONS

Executive nominations confirmed by the Senate, September 6, 1984:

INTERSTATE COMMERCE COMMISSION

J.J. Simmons III, of Oklahoma, to be a member of the Interstate Commerce Commission for the remainder of the term expiring December 31, 1985.

Paul H. Lamboley, of Nevada, to be a member of the Interstate Commerce Commission for the remainder of the term expiring December 31, 1984.

Andrew John Strenio, Jr., of Maryland, to be a member of the Interstate Commerce Commission for a term expiring December 31, 1985.

WITHDRAWAL

Nomination withdrawn from the Senate, September 6, 1984:

Paul M. Bator, of Massachusetts, to be U.S. circuit judge for the District of Columbia circuit, vice a new position created by Public Law 98.353, approved July 10, 1984, which was sent to the Senate on July 31, 1984.

HOUSE OF REPRESENTATIVES—*Thursday, September 6, 1984*

The House met at 11 a.m.

The Right Reverend Monsignor James P. Cassidy, director, health and hospitals, Catholic Charities, archdiocese of New York, New York, NY, offered the following prayer:

Almighty God and Father of the whole human family, bless us and pour out Your sustaining grace on this august assembly.

May they fully realize the magnitude of the responsibilities which has been conferred on them by You and the people of this country.

Inspire them, O Lord, to be wise in their judgments. May they always have before them Your greater good, which is the good of each and every person.

Keep them, O Lord, open and responsive to all the uncertainties found in this changing world.

Make them, O Lord, the defenders of life and freedom for everyone in God's human family, and today, in particular, remember the people of Cuba who celebrate the anniversary of their independence. Grant that we may all know that freedom and liberation do not come with a class struggle, but with the peace and freedom of God.

Bless us, O Lord, with Your strength that we may always have the courage to do Your Almighty will here and forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

THE RIGHT REVEREND MONSIGNOR JAMES P. CASSIDY

(Mr. PEPPER asked and was given permission to address the House for 1 minute.)

Mr. PEPPER. Mr. Speaker, I share the expression of gratitude of my colleagues that we have been fortunate enough this morning to have the invocation given by the Right Reverend Monsignor James P. Cassidy, a longtime and cherished friend of mine. He is deep in the spirit, eloquent of speech, and great in the Christian service which he has rendered for the benefit of the health and hospital care of the people of New York and of the Nation.

We are grateful to the Monsignor for his inspiring words and for the refreshing spirit which he has brought to our Chamber. We are very much indebted to him for his time.

Mr. BIAGGI. Mr. Speaker, I want to join my colleagues in welcoming a good friend and fellow New Yorker, Msgr. James P. Cassidy, the deliverer of today's opening prayer.

We are indeed honored to be blessed with the spiritual wisdom that is offered today by Monsignor Cassidy. During the more than 15 years he has served with the Catholic Archdiocese of New York, Monsignor Cassidy has established himself as a truly committed and compassionate figure in the Catholic Church. He served for many years under the late Terence Cardinal Cooke, and now serves with equal distinction under Archbishop John O'Connor, the new head of the Catholic Archdiocese of New York.

I also want to take this opportunity to formally congratulate Monsignor Cassidy for his recent appointment to the position of adviser to the Holy See (director) of all Catholic hospitals and health centers throughout the world. His deep devotion to the health and spiritual well-being of his fellow man is clearly reflected in Monsignor Cassidy's appointment to this very important position.

Monsignor Cassidy was accompanied to Washington today by Dr. Joseph R. Julia, of the Cuban Crusade for Relief and Rehabilitation Asssociation, a New York-based group which each year around this time sponsors "Cuban Independence Day," a time to focus on the reunification of the Cuban people under the Almighty, and freedom for all Cubans. Monsignor Cassidy's active involvement in this group is further testimony to his deep and unwavering compassion for his fellow man. His presence here today is deeply appreciated.

ELECTION OF CHAIRMEN OF CERTAIN STANDING COMMITTEES

Mr. LONG of Louisiana. Mr. Speaker, I offer a privileged resolution (H. Res. 576) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 576

Be it resolved that the following Members are hereby elected as chairmen of the committees designated:

Augustus F. Hawkins, Committee on Education and Labor.

Frank Annunzio, Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INTRODUCTION OF THE STATE-CHARTERED SAVINGS AND LOAN ASSOCIATION REGULATORY POLICY ACT

(Mr. BADHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BADHAM. Mr. Speaker, today I am introducing legislation titled the State-Chartered Savings and Loan Association Regulatory Policy Act. This bill is in response to regulations proposed by the Federal Home Loan Bank Board imposing limitations on investment activities of State-chartered savings and loan associations insured by the Federal Savings and Loan Insurance Corporation. This act provides a workable and reasonable means of reconciling the legitimate concerns of the Board regarding the integrity of the FSLIC insurance fund and the legitimate concerns of the States to retain primary authority over the activities of State-chartered associations.

Under the Nation's dual banking system, the primary responsibility for supervision for State-chartered financial institutions has always been in the hands of State regulatory authorities. Limitations on State authority that would be imposed by the proposed rule appear to be inconsistent with the appropriate balance between State and Federal functions in this area.

The enactment of this legislation would permit the States to determine the activities that may be engaged in by State-chartered associations. Should the State-chartering authority fail to satisfy the standards and procedures adopted by the FSLIC, the associations located in the State would not be permitted to engage in any investment activities in which Federal associations are not allowed to participate. Thus, the legislation preserves the States' authority over the investment activities of State-chartered associations and allows such associations to continue to engage in profitable activities, while at the same time ensuring that these associations are adequately regulated.

The legislation also addresses the issue of the FSLIC's funding over the long term by authorizing the FSLIC to assess additional risk-related premiums against associations whose investments exceed the limitations imposed

on Federal associations. Because this presents a new approach to funding the FSLIC insurance fund, the legislation requires the FSLIC to make a report to Congress after it has had some experience with the additional premium plan, and gives Congress an opportunity at that time to reconsider the plan.

RIOTING AND REPRESSION IN SOUTH AFRICA

(Mrs. COLLINS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS. Mr. Speaker, I am outraged by the current wave of violence in South Africa. It has claimed nearly 40 lives including children as young as 6 years old. Police arrested, beat, and shot peaceful student demonstrators and election monitors. This brutality provoked widespread unrest leading to more vicious police retaliation in the desperately poor black townships surrounding Johannesburg.

This horrible series of rioting and repression should come as a surprise to no one. Sadly, it has occurred many times before. We shall not forget the massacre of 64 black passive resisters in Sharpeville in 1960. More recently, the Soweto riots of 1976 continued for months and left more than 600 dead among all races. As we all know, these uprisings will continue until the South African Government finally accepts the need for a truly just and racially equal society.

The Reagan administration policy of so-called constructive engagement with this racist regime is a national shame. It strengthens apartheid and thus postpones peaceful change. I believe that America must reverse this immoral policy and demonstrate its commitment to the oppressed and not to the oppressors.

COMPUTER SURVEILLANCE OF TEENAGERS SUBJECT TO DRAFT REGISTRATION

(Mr. PAUL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, it is now common knowledge that Federal Government computers are routinely used to compare lists of 18-year-olds who get drivers licenses with those who have registered for the draft. Computer surveillance seems appropriate for 1984 and unfortunately the wave of the future. This is in spite of the fact that Social Security's and Health and Human Services' computers are already being used to keep tabs on our 18- and 19-year-olds.

A recent story revealed an imaginary person received a threat from the Defense Department if he did not immediately register for the draft. Two brothers, 7 years ago, signed a fictitious name on an ice cream parlor's list in order to get a free sundae. This list, unbelievably, found its way into the Government files and is now being used for monitoring our teenagers.

Millions of tax dollars are spent on this type of computer surveillance—a disgusting procedure for a professed free society.

The irony is that it's done by an administration that brags about its limited Government philosophy. And the little condemnation we hear comes from those who involve Government in every jot and tittle of our economic lives. Why is it that it's so difficult to defend freedom consistently across the board?

REPUBLICANS IN REALITY BECOMING A WHITE POLITICAL PARTY

(Mr. MITCHELL asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MITCHELL. Mr. Speaker, let me say to my colleagues in the House that since 1900 one of the major concerns has been the possibility of the formation of a white political party in this Nation. It has been a constant danger for us. Certainly George Wallace attempted to form a white political party some years ago and was repudiated.

Unfortunately, at the convention in Dallas, had any objective parties looked at that convention, they would have assumed that it was a white political party in formation. Of those who participated in the Republican Convention, there were only 3 percent nonwhite. At the Republican Convention in Dallas the vast majority of the people there, 80 percent, had family incomes of over $100,000.

For many years, good thinking people in this Nation have fought against the possibility of a white political party forming, and I know that many Republicans are repulsed by that idea. I know that many Democrats are also. The American people do not want an all-white party. They want a party that is going to embrace all the diverse elements that exist in this country.

Mr. Speaker, we have been striving toward that consistently and conscientiously and with a great deal of success, but when we witness the Republican Party with just 3 percent nonwhite participation, that suggests to me that that party is becoming a white political party.

□ 1110

MONDALE'S CRUEL TAX HOAX

(Mr. LOEFFLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOEFFLER. Mr. Speaker, the American taxpayer has been a long-suffering creature. He has been patient beyond expectation, and willing to sacrifice when his Government has convinced him that there is no other way.

Fritz Mondale is determined to convince the American taxpayer that the fate of the Nation depends on the average citizen's willingness to tighten his belt and deliver his wallet to the U.S. Government. Not only is Mondale's solution of massive tax increases way off the mark, it is a cruel hoax.

Mondale plans to take it in with one hand and shovel it out just as fast with the other. The Democratic platform is replete with promises that, if they were to be realized, would result in huge increases in Federal spending.

If Mondale were to try to fund his planned additional spending and reduce projected deficits, the tax increases that would be required would bring the economy to its knees. American taxpayers may have been long suffering, but their memories are also long enough to recall the disastrous Carter-Mondale economic policies and to recognize a tax "shell game" when they see one.

IT IS TIME TO CONCENTRATE ON THE ISSUES, NOT "HIT LISTS"

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KLECZKA. Mr. Speaker, I bring to your attention articles appearing in today's Washington Post and yesterday's New York Times. These articles describe a "purge list" sent to the Environmental Protection Agency by the White House in 1981. On this list was a number of career EPA officials that a business organization wanted purged from the agency.

Instead of spending valuable time on "hit lists," the White House should be working to solve the problems that plague America. The poverty rate in this country is a staggering 15.2 percent. Federal housing assistance is barely one-third of what it was 3 years ago. Arms control talks are going nowhere. And only 6 of the 520 hazardous waste sites on the EPA's national priorities list have received action.

With all of these problems and more, I am amazed that the White House had time to work on hit lists.

Mr. Speaker, hit lists are dangerous things, and they also are wasteful. It is time the administration started placing the needs of the American public over their own political goals.

WILLIAMSPORT'S DISTRICT 12 BIG LEAGUE SOFTBALL ALL-STAR GIRLS TEAM WINS CHAMPIONSHIP

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, recently, while the Little League World Series was taking place at Williamsport, PA, another sports event for our youngsters was taking place at Indianapolis, IN, that being the Big League Softball World Series for Girls.

I am proud to say this counterpart in Little League World Series was captured this year, the world championship this year, by a team from the Williamsport area. The finals were between the team from California, the Arcadia-Pasadena team, against this Williamsport 12 District Team, and Williamsport, as I say, won it.

What this indicates is that girls' softball is just as important as boys' baseball and that youth programs such as this emulate properly the Olympics that we saw in Los Angeles this summer.

Sportsmanship and the American way of life are alive and well in the sports programs for youth.

The Williamsport team included Kay Czap and Tracy Marovich of Loyalsock, Old Lycoming's Donna Shief, Natalie White, Diana Smith, Melissa and Maureen Kennedy, and Colleen McCallus. From Newberry there were Lesa Keller and Deb Peterman and South Williamsport's program added Lorrie Condo, Alicia Eastlake, and Jennifer Stutz. The Williamsport District 12 Big League Softball All-Star Team was managed by Chuck Shaffer of Old Lycoming and coached by Ken Keller of Newberry.

WAIT 'TIL THE POLLS CLOSE

(Mr. WYDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, colleagues, earlier this morning I wrote President Reagan and Democratic Presidential nominee Walter Mondale asking them to pledge now to refrain from making an official announcement of victory or defeat on election day until after the polls have closed in the Pacific time zone.

I have made this request of the two candidates because I believe it is important to try and prevent a repeat of the 1980 general election in which an early conclusion of the Presidential race harmed voter turnout in Western States.

There is little doubt that the fact that the 1980 Presidential race was conceded around 5 p.m. Pacific time put a real dent in the turnout of voters throughout Western States.

I commend my colleagues on congressional efforts to ask major television networks to abstain from announcing a victor until Western polls are closed. I must say that I think it unlikely that the networks will agree to hold off on their projections. But whether or not the networks pick a winner while polls are open in the West, the candidates should not unnecessarily discourage voters by conceding defeat or claiming victory before the polls are closed.

I believe that a mutual pledge, made now by both major candidates, not only would go far toward maintaining interest in the Presidential race, but would also help ensure a larger turnout for local races.

All of us want to encourage a large voter turnout this November. The proposal I have made today, if adopted, should help a lot.

MR. MONDALE WON'T TELL YOU, I JUST DID

(Mr. CAMPBELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CAMPBELL. Mr. Speaker, today, on the 49th day of Walter Mondale's secret tax plan, he came to the Hill to talk to his Democrat colleagues. An award should be given for the most patronizing statement of the 1984 Presidential campaign and it most certainly should go to Walter Mondale for the peculiar reasoning and illogical conclusion that stems from his statement, "Let's tell the truth—Mr. Reagan will raise taxes and so will I," he said. "He won't tell you. I just did."

Let us really tell the truth, Mr. Mondale.

Mondale's program would boost the deficit to $234 billion by 1989 before taxes, and require annual tax increases per household of over $1,890. Mr. Mondale will not tell you. I just did.

Mr. Mondale's program will not be able to use his massive tax hike to reduce the deficit because he will need every last billion that he has promised to all the special groups in this country to pay them off. Mr. Mondale will not tell you, but I just did.

Mondale's program according to the Wall Street Journal is estimated to carry a price tag of somewhere between $45 and $90 billion. Mr. Mondale won't tell you. I just did.

Mondale won't consider alternatives to higher taxes. He does not realize that they break the spirit of a worker who is trying to make a better life. Mr. Mondale won't tell you. I just did.

Mondale's program would cripple the economic recovery that has taken several years to establish—interest rates are down, inflation is down, unemployment is down, new workers have decreased the budget deficit by approximately $20 million. Mr. Mondale won't tell you. I just did.

President Reagan is bringing America back—why return to the days of gloom and doom. Mr. Mondale won't tell you. I just did.

THE NONBANK BANKS

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, yesterday, I began a series of 1-minute presentations on our banking system. Today, I would like to talk about the nonbank banks.

For purposes of regulation, the law defines a bank as any institution accepting deposits and making commercial loans.

Banks, in turn, have been protected by the Federal Deposit Insurance Corporation, for example, and regulated since the 1930's.

Regulations include a restriction on interstate banking and a limit on commercial activities by banks in the fields of insurance, securities, and real estate.

These restrictions were designed to increase the safety and soundness of the banking system by limiting nonbanking speculation by banks and to prevent undue concentrations of money and power, issues still relevant today.

Recently, however, some institutions figured out if they did not make commercial loans, they were not banks, and if they were not a bank, then the institution would not be restricted by geography or type of business. Thus, the nonbank bank loophole, a loophole which is being abused and which is in part threatening a return to the financial crisis of the 1930's.

The House Banking Committee is attempting to close the loophole. They deserve our support.

THE BALANCED BUDGET AMENDMENT, AN AMERICAN ISSUE

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, Public Law 95-435 mandated a closely balanced budget by 1981. Public Law 96-5 required—and get this—that the House Budget Committee propose balanced budgets for fiscal year 1981 and beyond. These two statutorily required balanced budgets join a number of others that have failed.

Now, the chairman of the Budget Committee proposes another statute that would require the President to submit a balanced budget and the

Speaker says he would move it to the floor in 48 hours.

Statutes don't work and it seems blatantly hypocritical for House leadership to promote legislation to call on the administration to do what law already requires this House to do. It is doubtful that a statute will ever force the budget to be balanced—only the Constitution will.

Mr. Speaker, the balanced budget amendment is not the President's issue—it is not a Republican or Democrat issue—it's an American issue. Let's pass the balanced budget amendment together and call it a victory for all of America.

FAIRNESS IN OUR CONFUSED TAX SYSTEM

(Mr. SILJANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SILJANDER. Mr. Speaker, Will Rogers once said that the income tax has made more liars out of the American people than golf has. He went on to say that even when you make out a tax form on the level, you really do not know whether you are a crook or a martyr.

What he said was very appropos. The present income tax system is complicated, confusing, and very elitist.

The Democrat Members of the House met with Walter Mondale, their Presidential candidate this morning, here on the floor. I for one would ask the Democrats whether or not during that meeting Walter Mondale said anything, but the same rheortic that he has made clear that he intends to raise taxes. We know that for sure, but did he ask the Democrats to bring up Bradley-Gephardt and ask for tax simplification? Did he ask to bring up Kemp-Kasten, fair and simple tax? Did he ask to bring up SILJANDER's 10-percent modified flat tax bill?

□ 1120

I rather doubt he did. And if he did I would invite one of the Democratic Members as they alternate their 1 minutes to come down in the well and let us know what Walter Mondale told the Democrats and what he encouraged them to do regarding fairness in our presently complicated, confusing tax system.

The American taxpayers, as Will Rogers appropriately pointed out, have been martyrs long enough.

PRESIDENT REAGAN CAN PICK UP THE PEACE MOVEMENT

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, I want to congratulate President Reagan today on his pending announcement to send to the Senate the "Genocide Treaty" for ratification. I think it is long overdue. The treaty was concluded in 1948. It has been a black mark on this country that we have not ratified it.

I would hope that when President Reagan begins his discussions of arms control that he can follow that precedent and possibly offer to the Senate of the United States the SALT-II Treaty for ratification or the Comprehensive Test Ban Treaty; or the Threshold Test Ban Treaty.

It has been said many, many times that the President is the only President in the last 40 years to not meet with a Soviet leader. He has an opportunity not only to win other votes with the Genocide Treaty but to influence the whole peace movement by the ratification of SALT, threshold test ban, comprehensive test ban, and this is not only good politics but good government.

POLICY COMPARISON—REAGAN VERSUS MONDALE-CARTER

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, last night on national television you told Walter Mondale to, in effect, attack President Reagan and get tough in this campaign. You also said that if the President really wants a balanced budget, "have him get it over here and I will have it on the floor in 48 hours."

That sounds strange, Mr. Speaker, when you do not even support the constitutional amendment to balance the budget. President Reagan does. Let us look at the record, Mr. Speaker. Under Carter-Mondale inflation went to over 13 percent; under President Reagan it is down to below 4 percent; prime interest rates reached a high of 21.5 percent because of their policies, under Reagan it is about 11 to 13 percent; unemployment because of Carter-Mondale skyrocketed, under Reagan it has headed down, down, down.

Your policies, Mr. Speaker, yours and Mondale's are the policies of the past; President Reagan's are the policies of the future. The American people will not be fooled by you or by Mr. Mondale.

LET US GET TOUGH ON THE ISSUES ALONE

(Mr. MACK asked and was given permission to address the House for 1 minute.)

Mr. MACK. Mr. Speaker, yesterday Speaker O'NEILL chided Walter Mondale for allowing himself to be pushed around by the Republicans.

Mr. Speaker, the Carter-Mondale-O'Neill-Ferraro ticket is not being pushed around; it is their ideas that are being pushed around.

Yesterday Speaker O'NEILL said that he cannot understand Fritz Mondale. And I might add neither can the American people.

In addition, his sidekick, TONY COELHO, said, and I quote:

> Mondale has to show the American people that he has fire in his belly and is willing to lead. I don't think they are convinced of that.

TONY, for once you and I agree. The American people have been listening to Walter Mondale for the last 8 months and they are less convinced now than they were before.

Mr. Speaker, you challenged Mr. Mondale to toughen up. Well, did he toughen up enough this morning at your caucus to challenge you to bring the balanced-budget amendments to the floor or the line-item veto or criminal justice reform or to appoint conferees to immigration reform? The American people hope that he is going to get tough enough.

ELIMINATING TAX INDEXING LEADS TO HUGE INVISIBLE TAX ON AMERICA'S MIDDLE CLASS AND POOR

(Mr. McCAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCAIN. Mr. Speaker, like the poor fellow who brought his horse to water but could not make him drink, Walter Mondale proposes to throw more tax money at the deficit with little change of making it shrink.

If, as Mr. Mondale claims, he is able to reduce the deficit by two-thirds, our annual debt would be reduced to less than $100 billion by 1989. On the other hand, if Mr. Mondale makes good on the campaign promises he has so far offered to the American people, he will create a $200 billion deficit by 1989.

This, gentlemen, is a simple mathematical fact.

Where will Mr. Mondale get the money he needs? He will get it by eliminating tax indexing, a move designed by the Democrats to use inflation as an excuse to levy a huge invisible tax on American's middle class. Indexing is the only protection that the middle class and the poor of America have against inflation.

I am sure the American people will reject this move.

LET US GET TOUGH ON THE TOUGH ISSUES NOW, NOT AFTER THE ELECTION

(Mr. LUNGREN asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, as other Members have indicated yesterday, you gave some advice to Mr. Mondale. You told him to get tough. The question is what did Mr. Mondale tell you and the rest of your Democratic colleagues on this floor a few minutes ago in that closed session that you had.

Did he say "Let's get tough on the tough issues, let's have the courage and the guts to deal with those issues that maybe we would not want to deal with, but the American people know we have to deal with?"

Let us give just one example, Mr. Speaker, immigration reform. As you recall, you got a phone call, I guess in the dark of night, some time ago from Mr. Mondale begging you not to allow the immigration reform bill to be brought to the floor until after the Democratic primary in California. Why? Because Mr. Mondale was afraid that if Members faced a tough issue and really did what the people wanted them to do, and that is exercise their best judgment, some candidates might have lost votes because people would have known when they went to the polls how they were going to vote on a particular issue. It is much tougher, I guess, in Mr. Mondale's lexicon to tell the people how you are going to vote after they have been to the polls.

The question here today, Mr. Speaker, is did Mr. Mondale say let's get tough on issues, let's deal with immigration reform, or did he suggest as he did a few weeks ago, let us postpone it until after the next election so we can keep the people in the dark?

LET US TALK ABOUT ISSUES, NOT ABOUT MEANNESS

(Mr. McEWEN asked and was given permission to address the House for 1 minute.)

Mr. McEWEN. Mr. Speaker, it is disappointing to read in this morning's newspaper that you have instructed the Democrat candidate for President, Mr. Mondale, to become additionally mean. You know, after watching the Democrat primary season in which money was collected in churches for Democratic candidates, in which a reverend-minister addressed the convention as a major Presidential candidate, in which the Democratic nominee for Vice President accused our President of being un-Christian, I believe it is time to lay aside these artificial issues, like bringing religion into the campaign, like being mean and vicious.

After listening to the 1 minutes that we heard this morning, this effort to drive wedges among the American people, between rich and poor, black and white, young and old, women and men, I think it is time to get down to the real issues, not just trying to be mean and to divide and separate America as you advise Mr. Mondale. Let us talk about unemployment and how the Reagan administration is bringing new jobs to America. Let us hear about the Democrat position on the crime bill? What about the balanced budget amendment? How about enterprise zones? Let us talk about issues, Mr. Speaker. Let us not just talk about meanness.

PARTY SHOULD NOT RESORT TO A MEAN OR DIRTY CAMPAIGN OF DECEPTION, DISTORTION, OR DEMAGOGUERY

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, the morning papers report that campaign toughness is being urged on Walter Mondale. In fact the Democrats met here in this Chamber this morning on that subject.

Now, think about that. Here is a man that we are being told is tough enough to deal with the Soviets but whose own party does not think he is tough enough to deal with Ronald Reagan. Let us hope that toughness is just not another way of saying meanness or dirty politics. A party, no matter how desperate its election prospects, should not resort to a mean campaign or to a dirty campaign.

What was suggested to Walter Mondale in the Democratic Caucus today? What kind of toughness was urged on him? Let us hope it was merely the kind of toughness that we require when dealing with the Soviets in the unlikely eventuality that he is actually elected. But the meanness of the rhetoric coming from Democratic leaders over the last several weeks makes me think that we can expect not toughness but deception, distortion, and demagoguery instead.

ANOTHER CASE OF THE REPUBLICANS SAYING ONE THING BUT DOING SOMETHING ELSE

(Mr. RUSSO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUSSO. Mr. Speaker, as I sit here in this Chamber this morning listening to all the comments by my Republican colleagues, I would just like to remind them of what Mr. WALKER from Pennsylvania just said—what we ought to do is talk about issues, talk about the problems facing the American people, and do away with this meanness—which was evidenced by the comments made by my Republican colleagues this morning about Candidate Mondale.

So, again, it is another case of the Republicans saying one thing but doing something else. It is like President Reagan saying he supports a constitutional amendment to balance the budget but yet giving us the largest budget deficits in the history of the country.

Let us put the rhetoric aside, let us get down to the basic issues which are the concern of the American people. That is what we ought to do.

□ 1130

THE LEVEL OF RHETORIC

(Mr. WEBER asked and was given permission to address the House for 1 minute.)

Mr. WEBER. Mr. Speaker, I, too, agree that we should be talking about the real issues and I hope that that is indeed the advice that Mr. Mondale got today. I hope he will urge this Congress to deal with crime, enterprise zones, the balanced budget constitutional amendment, the line item veto, and the immigration bill.

But, let us look at the kind of debate that the Speaker has engaged in himself in the past before we see what kind of advice he is likely to be giving Mr. Mondale in their closed door session today.

Last year the Speaker said of the President, "It is sinful that this man is President."

He said of Mrs. Reagan, "She could be the queen of Beverly Hills."

And today he urged Mr. Mondale to talk about "the incompetence of this man unless he has his 3-by-5 cards."

It is this elevated level of rhetoric that the Speaker himself has engaged in that we can expect to see out of Mr. Mondale if he indeed follows the advice of the Speaker.

The Speaker, indeed, accused Mr. Mondale of being "too much of a gentleman." That tells us a whole lot about the level of rhetoric that the Speaker is urging upon this Presidential campaign and, indeed, the level of rhetoric in which the Speaker himself has engaged over the last 4 years.

THE ISSUE OF MEANNESS

(Ms. OAKAR asked and was given permission to address the House for 1 minute.)

Ms. OAKAR. Mr. Speaker, I really have to comment on the issue of meanness. I think it is fair criticism to talk about meanness of the Reagan administration and philosophy.

I would like to cite one group of people where the President's philosophy has been absolutely extraordinarily mean and that is to our senior citizens. It was mean of the President to propose cuts of Social Security that involved $29 billion worth of cuts in his first budget proposal. And guess who was most affected? Poor women who were between 75 and 90 years old. That is mean.

It was mean of the President to propose and foster cuts regarding the only access to health care that most seniors have, to medicare, when what he was proposing were cuts that meant more out-of-pocket expenses for our elderly.

It was mean when the President has proposed and followed through on cutting housing programs in half.

And it was extraordinarily mean when he proposed to cut out the only employment program of the Older Americans Act, title V, and we had to restore it under the leadership of Senator PEPPER.

I think the President's plilosophy is mean. I think senior citizens understand that. I think they fear of what 4 more years will bring if Ronald Reagan is reelected.

THE QUESTION OF A BALANCED BUDGET

(Mr. DORGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN. Mr. Speaker, I am always a little amused listening to these 1-minutes, particularly by those who talked about balanced budgets.

I would simply like to remind those in the Chamber again that the budget submitted by this President, for this fiscal year, asked for $925 billion in spending and $745 billion in revenue. That is $180 billion in deficits. That is a sea of red ink that this country is going to choke on.

You do not need to change the Constitution to do something about that. All you have to do is ask the President to submit a better budget.

This President submits requests for the biggest budget deficits in the history of the country and then he says, "Let's change the U.S. Constitution so that 5 or 7 or 10 years from now we can prevent somebody from doing what I am doing."

I think that is a little disingenuous. Frankly, I do not think the American people buy this sort of excuse. We in Congress ought to, and this President ought to develop a process that starts to balance this budget. We cannot do it without his help, and we need his real help now.

CONGRESS FACES ITS OWN CHALLENGE

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, I think it is wonderful that one of the Presidential candidates came to the Hill today. We have 3½ weeks in which to show the American people that we are capable of passing bills they want, that we can pass an omnibus crime package, that we can pass a constitutional amendment to require a balanced budget, that we could even take serious steps to balance the budget originating right here in the House.

I think, Mr. Speaker, that rather than talking about how angry the campaign should be or how hard the candidates should hit each other, the challenge to every Member of this House for the next 3½ weeks is to avoid delay, to avoid demagoguery, to avoid deception, and to offer the American people a series of specific choices to create a clear record so that we have done our job in the next 3 weeks before we go home.

I would hope, Mr. Speaker, that with your leadership this House, the people's House, would respond to the American people and would take up the specific bills, because I can assure you, Mr. Speaker, in October we will point out the failures if they do occur.

REIMBURSING THE OKEFENOKE RURAL ELECTRIC MEMBERSHIP CORPORATION FOR CERTAIN COSTS

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 806) to provide for a plan to reimburse the Okefenoke Rural Electric Membership Corporation for the costs incurred in installing electrical service to the Cumberland Island National Seashore; and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Ohio?

Mr. McCAIN. Reserving the right to object, Mr. Speaker, will the gentleman explain the measure.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. McCAIN. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

Mr. Speaker, S. 806 directs the Secretary of the Interior to reimburse the Okefenoke Rural Electric Membership Corp. [REMC] in Georgia for a portion of the cost of powerlines installed on the Cumberland Island National Seashore.

Identical legislation passed the House in the 97th Congress, on October 1, 1982, section 1 of H.R. 6882, but was not acted on by the Senate at that time. S. 806 was introduced in the Senate by Senators SAM NUNN and MACK MATTINGLY and is supported by our colleagues LINDSAY THOMAS and ROY ROWLAND, who represent the area involved.

Cumberland Island was designated as a national seashore in 1972, and the majority of the land has been acquired. Most of the land on the island will ultimately be owned by the Park Service, and the majority of the land will be in wilderness status under legislation enacted in the 97th Congress.

Prior to the designation of the island as a national seashore, the Okefenoke REMC installed underwater transmission lines to the island, transformers, and electric meters. This was based on the planned private development of the island. However, establishment of the Cumberland Island National Seashore has precluded that development, and so the Okefenoke REMC will be unable to recover its capital investment for service to the island.

S. 806 addresses this issue by directing the Secretary to conduct an audit to determine the cost of the equipment installed which serves the needs of the Federal Government on the island. No payment will be made to compensate for the cost of the equipment which serves the remaining private property on the island.

The bill provides an authorization level for payment up to $338,000. However, the amount paid will be based solely on the Department's audit, and its current estimate of the cost is $60,000.

In exchange for the payment, the REMC agrees to continue to operate and maintain electric service to the island for use by the remaining private owners and the National Park Service.

I would point out that the Okefenoke REMC must service the electrical equipment by crossing several miles of open water, maintain trucks and equipment on the island, and keep a stock of equipment and spare parts there as well. In addition, had the Okefenoke REMC not made this capital investment, the Federal Government would have been required to install and service the equipment itself at a cost which today would amount to many hundreds of thousands of dollars.

I conclude by reiterating that an identical bill passed the House in the last Congress, S. 806 supported by all Members of the House and Senate who are affected and the administration has stated in their report that they have no objection to the bill.

Mr. Speaker, I urge passage of S. 806.

Mr. McCAIN. Mr. Speaker, I appreciate the explanation and also I appreciate the hard work of the subcommittee chairman, my colleague, the gentleman from Ohio, on this bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 806

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, the Secretary of the Interior shall reimburse the Okefenoke Rural Electric Membership Corporation for the cost incurred by such corporation in installing transmission lines, transformers, and electric meters which serve the administrative needs of the Federal Government within Cumberland Island National Seashore in the State of Georgia. No such payment shall be made unless—

(1) the Corporation has entered into a written agreement with the Secretary which provides for—

(A) the continued adequate provision of electrical service by the Corporation at reasonable rates to satisfy the administrative needs of the seashore, as determined by the Secretary, and

(B) the prompt repayment of the Secretary of any amounts paid by the Secretary under this Act, plus interest, in the event of the Corporation's future failure to provide electrical service under terms provided pursuant to paragraph (A); and

(2) the Secretary has performed an audit of the Corporation's records to determine the amount appropriately due the Corporation under the terms of this Act, which amount so determined by the Secretary shall constitute the maximum amount to be paid.

The amount so determined by the Secretary shall be reduced by an amount equal to the sum of all reimbursement for such facilities paid to the Corporation by any governmental or nongovernmental source before the date on which payment is made by the Secretary under this Act.

(b) There is authorized to be appropriated to carry out the provisions of subsection (a) not more than $338,000.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE SAINT CROIX ISLAND INTERNATIONAL HISTORIC SITE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 25) redesignating the Saint Croix Island National Monument in the State in Maine as the "Saint Croix Island International Historic Site," with a Senate amendment to the House amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the Senate joint resolution.

The Clerk read the Senate amendment to the House amendment, as follows:

Strike out lines 1 to 5, of the House engrossed amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

□ 1140

Mr. McCAIN. Reserving the right to object, Mr. Speaker, will the gentleman explain the Senate amendment?

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. McCAIN. Yes; I will be glad to yield to my colleague, the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, Senate Joint Resolution 25 would redesignate the St. Croix Island National Monument as the St. Croix Island International Historic Site.

St. Croix Island is located on the boundary between Maine and New Brunswick, Canada.

A companion bill (H.J. Res. 106) was introduced on January 27, 1983 by the gentlewoman from Maine [Ms. SNOWE].

Mr. Speaker, St. Croix Island was settled in 1604 by a group of 150 French settlers who later resettled to a more habitable site across the Bay of Fundy at Port Royal.

In recognition of the importance of the site to the history of both Canada and the United States, Congress authorized the St. Croix Island National Monument in 1949. More recently, in 1981, Canada and the United States dedicated an interpretive structure on St. Croix Island at Red Beach, ME, and a similar structure will be built by New Brunswick on the opposite shore. In addition, Canadian and U.S. officials have signed a memorandum of understanding citing the historic significance of this island to both nations.

Senate Joint Resolution 25 would recognize the truly international significance of St. Croix Island by redesignating the area as the St. Croix Island International Historic Site.

Mr. Speaker, I urge passage of this bill.

Mr. McCAIN. Mr. Speaker, I thank the gentleman again for his work on this bill. I would also like to express our appreciation to our colleague, the gentlewoman from Maine [Ms. SNOWE].

● Ms. SNOWE. Mr. Speaker, I rise in support of Senate Joint Resolution 25, legislation which redesignates the St. Croix Island National Monument in the State of Maine as an international historic site. It is a fitting honor for the famous Island of St. Croix that the House is acting to pass legislation making this designation official.

Since 1604 when Samuel de Champlain first brought settlers to the island, St. Croix has set itself apart by being the first European settlement in Upper North America. The island is situated at the boundary between Maine and New Brunswick, Canada. Both countries have held the island in high esteem, and Congress recognized its proud traditions in 1949 when St. Croix was established as a national monument.

In recent years, the United States and Canada have worked together in support of an island whose traditions are a source of inspiration for both countries. A memorandum of understanding signed by the two nations cites the dual-historic value of St. Croix. Other improvements and the construction of permanent shelters on both shores will help to preserve the island's significance for years to come.

As an established national monument and as a unit of the National Park System, no part of this resolution affects the status of the island. Redesignating St. Croix as an international historic site is a simple but important step we can take to better maintain a common historical bond.

Mr. Speaker, I look forward to the redesignation of St. Croix as an international historic site.●

Mr. McCAIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the legislation just considered and adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DRUG PRICE COMPETITION AND PATENT TERM RESTORATION ACT OF 1984

The SPEAKER pro tempore. Pursuant to House Resolution 569 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3605.

□ 1142

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3605) to amend the Federal Food, Drug, and Cosmetic Act to authorize an abbreviated new drug ap-

plication under section 505 of that act for generic new drugs equivalent to approved new drugs, with Mr. DANIEL in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, August 8, 1984, all time for general debate had expired.

Pursuant to the rule, the committee amendment in the nature of a substitute recommended by the Committee on Energy and Commerce shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read. It shall be in order to consider en bloc the amendments recommended by the Committee on the Judiciary now printed in the bill to each title. It shall be in order to consider an amendment offered by Representative DERRICK adding a new title III consisting of the text of title II of H.R. 5929, which shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 3605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Drug Price Competition and Patent Term Restoration Act of 1984".

The CHAIRMAN. Are there any amendments to section 1? If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—ABBREVIATED NEW DRUG APPLICATIONS

SEC. 101. Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by redesignating subsection (j) as subsection (k) and inserting after subsection (i) the following:

"(j)(1) Any person may file with the Secretary an abbreviated application for the approval of a new drug.

"(2)(A) An abbreviated application for a new drug shall contain—

"(i) information to show that the conditions of use prescribed, recommended, or suggested in the labeling proposed for the new drug have been previously approved for a drug listed under paragraph (6) (hereinafter in this subsection referred to as a 'listed drug');

"(ii)(I) if the listed drug referred to in clause (i) has only one active ingredient, information to show that the active ingredient of the new drug is the same as that of the listed drug.

"(II) if the listed drug referred to in clause (i) has more than one active ingredient, information to show that the active ingredients of the new drug are the same as those of the listed drug, or

"(III) if the listed drug referred to in clause (i) has more than one active ingredient and if one of the active ingredients of the new drug is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the other active ingredients of the new drug are the same as the active ingredients of the listed drug, information to show that the different active ingredient is an active ingredient of a listed drug or of a drug which does not meet the requirements of section 201(p), and such other information respecting the different active ingredient with respect to which the petition was filed as the Secretary may require;

"(iii) information to show that the route of administration, the dosage form, and the strength of the new drug are the same as those of the listed drug referred to in clause (i) or, if the route of administration, the dosage form, or the strength of the new drug is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), such information respecting the route of administration, dosage form, or strength with respect to which the petition was filed as the Secretary may require;

"(iv) information to show that the new drug is bioequivalent to the listed drug referred to in clause (i), except that if the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the active ingredients of the new drug are of the same pharmacological or therapeutic class as those of the listed drug referred to in clause (i) and the new drug can be expected to have the same therapeutic effect as the listed drug when administered to patients for a condition of use referred to in clause (i);

"(v) information to show that the labeling proposed for the new drug is the same as the labeling approved for the listed drug referred to in clause (i) except for changes required because of differences approved under a petition filed under subparagraph (C) or because the new drug and the listed drug are produced or distributed by different manufacturers;

"(vi) the items specified in clauses (B) through (F) of subsection (b)(1);

"(vii) a certification, in the opinion of the applicant and to the best of his knowledge, with respect to each patent which claims the listed drug referred to in clause (i) or which claims a use for such listed drug for which the applicant is seeking approval under this subsection and for which information is required to be filed under subsection (b) or (c)—

"(I) that such patent information has not been filed,

"(II) that such patent has expired,

"(III) of the date on which such patent will expire, or

"(IV) that such patent is invalid or will not be infringed by the manufacture, use, or sale of the new drug for which the application is submitted; and

"(viii) if with respect to the listed drug referred to in clause (i) information was filed under subsection (b) or (c) for a method of use patent which does not claim a use for which the applicant is seeking approval under this subsection, a statement that the method of use patent does not claim such a use.

The Secretary may not require that an abbreviated application contain information in addition to that required by clauses (i) through (viii).

"(B)(i) An applicant who makes a certification described in subparagraph (A)(vii)(IV) shall include in the application a statement that the applicant has given the notice required by clause (ii) to—

"(I) each owner of the patent which is the subject of the certification or the representative of such owner designated to receive such notice, and

"(II) the holder of the approved application under subsection (b) for the drug which is claimed by the patent or a use of which is claimed by the patent or the representative of such holder designated to receive such notice.

"(ii) The notice referred to in clause (i) shall state that an application, which contains data from bioavailability or bioequivalence studies, has been submitted under this subsection for the drug with respect to which the certification is made to obtain approval to engage in the commercial manufacture, use, or sale of such drug before the expiration of the patent referred to in the certification. Such notice shall include a detailed statement of the factual and legal basis of the applicant's opinion that the patent is not valid or will not be infringed.

"(iii) If an application is amended to include a certification described in subparagraph (A)(vii)(IV), the notice required by clause (ii) shall be given when the amended application is submitted.

"(C) If a person wants to submit an abbreviated application for a new drug which has a different active ingredient or whose route of administration, dosage form, or strength differ from that of a listed drug, such person shall submit a petition to the Secretary seeking permission to file such an application. The Secretary shall approve or disapprove a petition submitted under this subparagraph within ninety days of the date the petition is submitted. The Secretary shall approve such a petition unless the Secretary finds that investigations must be conducted to show the safety and effectiveness of the drug or of any of its active ingredients of the drug or of the route of administration, the dosage form, or strength which differ from the listed drug.

"(3) Subject to paragraph (4), the Secretary shall approve an application for a drug unless the Secretary finds—

"(A) the methods used in, or the facilities and controls used for, the manufacture, processing, and packing of the drug are inadequate to assure and preserve its identity, strength, quality, and purity;

"(B) information submitted with the application is insufficient to show that each of the proposed conditions of use have been previously approved for the listed drug referred to in the application;

"(C)(i) if the listed drug has only one active ingredient, information submitted with the application is insufficient to show that the active ingredient is the same as that of the listed drug,

"(ii) if the listed drug has more than one active ingredient, information submitted with the application is insufficient to show that the active ingredients are the same as the active ingredients of the listed drug, or

"(iii) if the listed drug has more than one active ingredient and if the application is for a drug which has an active ingredient different from the listed drug, information submitted with the application is insufficient to show—

"(I) that the other active ingredients are the same as the active ingredients of the listed drug, or

"(II) that the different active ingredient is an active ingredient of a listed drug or a drug which does not meet the requirements of section 201(p),

or no petition to file an application for the drug with the different ingredient was approved under paragraph (2)(C);

"(D)(i) if the application is for a drug whose route of administration, dosage form, or strength of the drug is the same as the route of administration, dosage form, or

strength of the listed drug referred to in the application, information submitted in the application is insufficient to show that the route of administration, dosage form, or strength is the same as that of the listed drug, or

"(ii) if the application is for a drug whose route of administration, dosage form, or strength of the drug is different from that of the listed drug referred to in the application, no petition to file an application for the drug with the different route of administration, dosage form, or strength was approved under paragraph (2)(C);

"(E) if the application was filed pursuant to the approval of a petition under paragraph (2)(C), the application did not contain the information required by the Secretary respecting the active ingredient, route of administration, dosage form, or strength which is not the same;

"(F) information submitted in the application is insufficient to show that the drug is bioequivalent to the listed drug referred to in the application or, if the application was filed pursuant to a petition approved under paragraph (2)(C), information submitted in the application is insufficient to show that the active ingredients of the new drug are of the same pharmacological or therapeutic class as those of the listed drug referred to in paragraph (2)A)(i) and that the new drug can be expected to have the same therapeutic effect as the listed drug when administered to patients for a condition of use referred to in such paragraph;

"(G) information submitted in the application is insufficient to show that the labeling proposed for the drug is the same as the labeling approved for the listed drug referred to in the application except for changes required because of differences approved under a petition filed under paragraph (2)(C) or because the drug and the listed drug are produced or distributed by different manufacturers;

"(H) information submitted in the application or any other information available to the Secretary shows that (i) the inactive ingredients of the drug are unsafe for use under the conditions prescribed, recommended, or suggested in the labeling proposed for the drug, or (ii) the composition of the drug is unsafe under such conditions because of the type or quantity of inactive ingredients included or the manner in which the inactive ingredients are included;

"(I) the approval under subsection (c) of the listed drug referred to in the application under this subsection has been withdrawn or suspended for grounds described in the first sentence of subsection (e), the approval under this subsection of the listed drug referred to in the application under this subsection has been withdrawn or suspended under paragraph (5), or the Secretary has determined that the listed drug has been withdrawn from sale for safety or effectiveness reasons;

"(J) the application does not meet any other requirement of paragraph (2)A); or

"(K) the application contains an untrue statement of material fact.

"(4)(A) Within one hundred and eighty days of the initial receipt of an application under paragraph (2) or within such additional period as may be agreed upon by the Secretary and the applicant, the Secretary shall approve or disapprove the application.

"(B) The approval of an application submitted under paragraph (2) shall be made effective on the last applicable date determined under the following:

"(i) If the applicant only made a certification described in subclause (I) or (II) of paragraph (2)(A)(vii) or in both such subclauses, the approval may be made effective immediately.

"(ii) If the applicant made a certification described in subclause (III) of paragraph (2)(A)(vii), the approval may be made effective on the date certified under subclause (III).

"(iii) If the applicant made a certification described in subclause (IV) of paragraph (2)(A)(vii), the approval shall be made effective immediately unless an action is brought for infringement of a patent which is the subject of the certification before the expiration of forty-five days from the date the notice provided under paragraph (2)(B)(i) is received. If such an action is brought before the expiration of such days, the approval shall be made effective upon the expiration of the eighteen month period beginning on the date of the receipt of the notice provided under paragraph (2)(B)(i) or such shorter or longer period as the court may order because either party to the action failed to reasonably cooperate in expediting the action, except that—

"(I) if before the expiration of such period the court decides that such patent is invalid or not infringed, the approval shall be made effective on the date of the court decision, or

"(II) if before the expiration of such period the court decides that such patent has been infringed, the approval shall be made effective on such date as the court orders under section 271(e)(4)(A) of title 35, United States Code.

In such an action, each of the parties shall reasonably cooperate in expediting the action. Until the expiration of the forty-five-day period beginning on the date the notice made under paragraph (2)(B)(i) is received, no action may be brought under section 2201 of title 28, United States Code, for a declaratory judgment with respect to the patent. Any action brought under section 2201 shall be brought in the judicial district where the defendant has its principal place of business or a regular and established place of business.

"(iv) If the application contains a certification described in subclause (IV) of paragraph (2)(A)(vii) and is for a drug for which a previous application has been submitted under this subsection containing such a certification, the application shall be made effective not earlier than one hundred and eighty days after—

"(I) the date the Secretary receives notice from the applicant under the previous application of the first commercial marketing of the drug under the previous application, or

"(II) the date of a decision of a court in an action described in clause (iii) holding the patent which is the subject of the certification to be invalid or not infringed,

whichever is earlier.

"(C) If the Secretary decides to disapprove an application, the Secretary shall give the applicant notice of an opportunity for a hearing before the Secretary on the question of whether such application is approvable. If the applicant elects to accept the opportunity for hearing by written request within thirty days after such notice, such hearing shall commence not more than ninety days after the expiration of such thirty days unless the Secretary and the applicant otherwise agree. Any such hearing shall thereafter be conducted on an expedited basis and the Secretary's order thereon shall be issued within ninety days after the date fixed by the Secretary for filing final briefs.

"(D)(i) If an application (other than an abbreviated new drug application) submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted effective before the expiration of ten years from the date of the approval of the application under subsection (b).

"(ii) If an application submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), is approved after the date of the enactment of this subsection and if the holder of the approved application certifies to the Secretary that no patent has ever been issued to any person for such drug or for a method of using such drug and that the holder cannot receive a patent for such drug or for a method of using such drug because in the opinion of the holder a patent may not be issued for such drug or for a method of using such drug for any known therapeutic purposes the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted effective before the expiration of four years from the date of the approval of the application under subsection (b) unless the Secretary determines that an adequate supply of such drug will not be available or the holder of the application approved under subsection (b) consents to an earlier effective date for an application under this subsection.

"(5) If a drug approved under this subsection refers in its approved application to a drug the approval of which was withdrawn or suspended for grounds described in the first sentence of subsection (e) or was withdrawn or suspended under this paragraph or which, as determined by the Secretary, has been withdrawn from sale for safety or effectiveness reasons, the approval of the drug under this subsection shall be withdrawn or suspended—

"(A) for the same period as the withdrawal or suspension under subsection (e) of this paragraph, or

"(B) if the listed drug has been withdrawn from sale, for the period of withdrawal from sale or, if earlier, the period ending on the date the Secretary determines that the withdrawal from sale is not for safety or effectiveness reasons.

"(6)(A)(i) Within sixty days of the date of the enactment of this subsection, the Secretary shall publish and make available to the public—

"(I) a list in alphabetical order of the official and proprietary name of each drug which has been approved for safety and effectiveness under subsection (c) before the date of the enactment of this subsection;

"(II) the date of approval if the drug is approved after 1981 and the number of the application which was approved; and

"(III) whether in vitro or in vivo bioequivalence studies, or both such studies, are required for applications filed under this subsection which will refer to the drug published.

"(ii) Every thirty days after the publication of the first list under clause (i) the Secretary shall revise the list to include each drug which has been approved for safety and effectiveness under subsection (c) or approved under this subsection during the thirty-day period.

"(iii) When patent information submitted under subsection (b) or (c) respecting a drug included on the list is to be published by the Secretary the Secretary shall, in revisions made under clause (ii), include such information for such drug.

"(B) A drug approved for safety and effectiveness under subsection (c) or approved under this subsection shall, for purposes of this subsection, be considered to have been published under subparagraph (A) on the date of its approval or the date of enactment, whichever is later.

"(C) If the approval of a drug was withdrawn or suspended for grounds described in the first sentence of subsection (e) or was withdrawn or suspended under paragraph (5) or if the Secretary determines that a drug has been withdrawn from sale for safety or effectiveness reasons, it may not be published in the list under subparagraph (A) or, if the withdrawal or suspension occurred after its publication in such list, it shall be immediately removed from such list—

"(i) for the same period as the withdrawal or suspension under subsection (e) or paragraph (5), or

"(ii) if the listed drug has been withdrawn from sale, for the period of withdrawal from sale or, if earlier, the period ending on the date the Secretary determines that the withdrawal from sale is not for safety or effectiveness reasons.

A notice of the removal shall be published in the Federal Register.

"(7) For purposes of this section:

"(A) the term 'bioavailability' means the rate and extent to which the active ingredient or therapeutic ingredient is absorbed from a drug and becomes available at the site of drug action.

"(B) A drug shall be considered to be bioequivalent to a listed drug if—

"(i) the rate and extent of absorption of the drug do not show a significant difference from the rate and extent of absorption of the listed drug when administered at the same molar dose of the therapeutic ingredient under similar experimental conditions in either a single dose or multiple doses; or

"(ii) the extent of absorption of the drug does not show a significant difference from the extent of absorption of the listed drug when administered at the same molar dose of the therapeutic ingredient under similar experimental conditions in either a single dose or multiple doses and the difference from the listed drug in the rate of absorption of the drug is intentional, is reflected in its proposed labeling, is not essential to the attainment of effective body drug concentrations on chronic use, and is considered medically insignificant for the drug.".

SEC. 102. (a)(1) Section 505(b) of such Act is amended by adding at the end the following: "The applicant shall file with the application the patent number and the expiration date of any patent which claims the drug for which the applicant submitted the application or which claims a method of using such drug and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If an application is filed under this subsection for a drug and a patent which claims such drug or a method of using such drug is issued after the filing date but before approval of the application, the applicant shall amend the application to include the information required by the preceding sentence. Upon approval of the application, the Secretary shall publish information submitted under the two preceding sentences.".

(2) Section 505(c) of such Act is amended by inserting "(1)" after "(c)", by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and by adding at the end the following:

"(2) If the patent information described in subsection (b) could not be filed with the submission of an application under subsection (b) because the application was filed before the patent information was required under subsection (b) or a patent was issued after the application was approved under such subsection, the holder of an approved application shall file with the Secretary the patent number and the expiration date of any patent which claims the drug for which the application was submitted or which claims a method of using such drug and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If the holder of an approved application could not file patent information under subsection (b) because it was not required at the time the application was approved, the holder shall file such information under this subsection not later than thirty days after the date of the enactment of this sentence, and if the holder of an approved application could not file patent information under subsection (b) because no patent had been issued when the application was filed or approved, the holder shall file such information under this subsection not later than thirty days after the date the patent involved is issued. Upon the submission of patent information under this subsection, the Secretary shall publish it.".

(3)(A) The first sentence of section 505(d) of such Act is amended by redesignating clause (6) as clause (7) and inserting after clause (5) the following: "(6) the application failed to contain the patent information prescribed by subsection (b); or".

(B) The first sentence of section 505(e) of such Act is amended by redesignating clause (4) as clause (5) and inserting after clause (3) the following: "(4) the patent information prescribed by subsection (c) was not filed within thirty days after the receipt of written notice from the Secretary specifying the failure to file such information; or".

(b)(1) Section 505(a) of such Act is amended by inserting "or (j)" after "subsection (b)".

(2) Section 505(c) of such Act is amended by striking out "this subsection" and inserting in lieu thereof "subsection (b)".

(3) The second sentence of section 505(e) of such Act is amended by inserting "submitted under subsection (b) or (j)" after "an application".

(4) The second sentence of section 505(e) is amended by striking out "(j)" each place it occurs in clause (1) and inserting in lieu thereof "(k)"

(5) Section 505(k)(1) of such Act (as so redesignated) is amended by striking out "pursuant to this section" and inserting in lieu thereof "under subsection (b) or (j)".

(6) Subsection (a) and (b) of section 527 of such Act are each amended by striking out "505(b)" each place it occurs and inserting in lieu thereof "505".

SEC. 103. (a) Section 505(b) of such Act is amended by inserting "(1)" after "(b)", by redesignating clauses (1) through (6) as clauses (A) through (F), respectively, and by adding at the end the following:

"(2) An application submitted under paragraph (1) for a drug listed under subsection (j)(6) for which investigations described in clause (A) of such paragraph and relied upon by the applicant for approval of the application were not conducted by or for the applicant or for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted shall also include—

"(A) a certification, in the opinion of the applicant and to the best of his knowledge, with respect to each patent which claims the drug for which such investigations were conducted or which claims a use for such drug for which the applicant is seeking approval under this subsection and for which information is required to be filed under paragraph (1) of subsection (c)—

"(i) that such patent information has not been filed,

"(ii) that such patent has expired,

"(iii) of the date on which such patent will expire, or

"(iv) that such patent is invalid or will not be infringed by the manufacture, use, or sale of the new drug for which the application is submitted; and

"(B) if with respect to the drug for which investigations described in paragraph (1)(A) were conducted information was filed under paragraph (1) of subsection (c) for a method of use patent which does not claim a use for which the applicant is seeking approval under this subsection, a statement that the method of use patent does not claim such a use.

"(3)(A) An applicant who makes a certification described in paragraph (2)(A)(iv) shall include in the application a statement that the applicant has given the notice required by subparagraph (B) to—

"(i) each owner of the patient which is the subject of the certification or the representative of such owner designated to receive such notice, and

"(ii) the holder of the approved application under subsection (b) for the drug which is claimed by the patent or a use of which is claimed by the patent or the representative of such holder designated to receive such notice.

"(B) The notice referred to in subparagraph (A) shall state that an application has been submitted under this subsection for the drug with respect to which the certification is made to obtain approval to engage in the commercial manufacture, use, or sale of the drug before the expiration of the patent referred to in the certification. Such notice shall include a detailed statement of the factual and legal basis of the applicant's opinion that the patent is not valid or will not be infringed.

"(C) If an application is amended to include a certification described in paragraph (2)(A)(iv), the notice required by subparagraph (B) shall be given when the amended application is submitted.".

(b) Section 505(c) of such Act (as amended by section 102(a)(2)) is amended by adding at the end the following:

"(3) The approval of an application filed under subsection (b) which contains a certification required by paragraph (2) of such subsection shall be made effective on the last applicable date determined under the following:

"(A) If the applicant only made a certification described in clause (i) or (ii) of subsection (b)(2)(A) or in both such clauses, the approval may be made effective immediately.

"(B) If the applicant made a certification described in clause (iii) of subsection (b)(2)(A), the approval may be made effective on the date certified under clause (iii).

"(C) If the applicant made a certification described in clause (iv) of subsection (b)(2)(A), the approval shall be made effective immediately unless an action is brought for infringement of a patent which is the subject of the certification before the expiration of forty-five days from the date the notice provided under paragraph (3)(B) is received. If such an action is brought before the expiration of such days, the approval may be made effective upon the expiration of the eighteen-month period beginning on the date of the receipt of the notice provided under paragraph (3)(B) or such shorter or longer period as the court may order because either party to the action failed to reasonably cooperate in expediting the action, except that—

"(i) if before the expiration of such period the court decides that such patent is invalid or not infringed, the approval may be made effective on the date of the court decision, or

"(ii) if before the expiration of such period the court decides that such patent has been infringed, the approval may be made effective on such date as the court orders under section 271(e)(4)(A) of title 35, United States Code.

In such an action, each of the parties shall reasonably cooperate in expediting the action. Until the expiration of the forty-five-day period beginning on the date the notice made under paragraph (3)(B) is received, no action may be brought under section 2201 of title 28, United States Code, for a declaratory judgment with respect to the patent. Any action brought under such section 2201 shall be brought in the judicial district where the defendant has its principal place of business or a regular and established place of business.

"(D)(i) If an application (other than an abbreviated new drug application) submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of another application for a drug for which investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant or which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted effective before the expiration of ten years from the date of the approval of the application previously approved under subsection (b).

"(ii) If an application submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), is approved after the date of the enactment of this subsection and if the holder of the approved application certifies to the Secretary that no patent has ever been issued to any person for such drug or for a method of using such drug and that the holder cannot receive a patent for such drug or for a method of using such drug because in the opinion of the holder a patent may not be issued for such drug or for a method of using for any known therapeutic purposes such drug, the Secretary may not make the approval of another application for a drug for which investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant or which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted effective before the expiration of four years from the date of the approval of the application previously approved under subsection (b) unless the Secretary determines that an adequate supply of such drug will not be available or the holder of the application approved under subsection (b) consents to an earlier effective date for an application under this subsection.".

SEC. 104. Section 505 of such Act is amended by adding at the end the following:

"(l) Safety and effectiveness data and information which has been submitted in an application under subsection (b) for a drug and which has not previously been disclosed to the public shall be made available to the public, upon request, unless extraordinary circumstances are shown—

"(1) if no work is being or will be undertaken to have the application approved,

"(2) if the Secretary has determined that the application is not approvable and all legal appeals have been exhausted,

"(3) if approval of the application under subsection (c) is withdrawn and all legal appeals have been exhausted,

"(4) if the Secretary has determined that such drug is not a new drug, or

"(5) upon the effective date of the approval of the first application under subsection (j) which refers to such drug or upon the date upon which the approval of an application under subsection (j) which refers to such drug could be made effective if such an application had been submitted.

"(m) For purposes of this section, the term 'patent' means a patent issued by the Patent and Trademark Office of the Department of Commerce.".

SEC. 105. (a) The Secretary of Health and Human Services shall promulgate, in accordance with the notice and comment requirements of section 553 of title 5, United States Code, such regulations as may be necessary for the administration of section 505 of the Federal Food, Drug, and Cosmetic Act, as amended by sections 101, 102, and 103 of this Act, within one year of the date of enactment of this Act.

(b) During the period beginning on the date of the enactment of this Act and ending on the date regulations promulgated under subsection (a) take effect, abbreviated new drug applications may be submitted in accordance with the provisions of section 314.2 of title 21 of the Code of Federal Regulations and shall be considered as suitable for any drug which has been approved for safety and effectiveness under section 505(c) of the Federal Food, Drug, and Cosmetic Act before the date of the enactment of this Act. If any such provision is inconsistent with the requirements of section 505(j) of the Federal Food, Drug, and Cosmetic Act, the Secretary shall consider the application under the applicable requirements of such section. The Secretary of Health and Human Services may not approve such an abbreviated new drug application which is filed for a drug which is described in sections 505(c)(3)(D) and 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act except in accordance with such section.

SEC. 106. Section 2201 of title 28, United States Code, is amended by inserting "(a)" before "In a case" and by adding at the end the following:

"(b) For limitations on actions brought with respect to drug patents see section 505 of the Federal Food, Drug, and Cosmetic Act.".

JUDICIARY COMMITTEE AMENDMENTS

Mr. KASTENMEIER. Mr. Chairman, I offer amendments recommended by the Committee on the Judiciary.

The CHAIRMAN. The Clerk will report the committee amendments to title I.

The Clerk read as follows:

Amendments recommended by the Committee on the Judiciary: Page 15, line 3, strike out "(i)."

Page 15, beginning on line 15, strike out all through line 10, page 16.

Page 27, line 5, strike out "(i)."

Page 27, insert close quotation marks at the end of line 21, and beginning on line 22, strike out all down through line 23, page 28.

Mr. KASTENMEIER. Mr. Chairman, this is a very simple amendment. What we propose to do here I think can be agreed to. A little later in the debate in the context of a much larger amendment this issue will surface again.

The amendment, which was approved by the Committee on the Judiciary, deleted from the bill authority of the Commissioner of the Food and Drug Administration to grant exclusive marketing authority for up to 4 years for unpatentable substances. The Judiciary Committee concluded that such authority to issue second class patents should not be granted without a strong showing of urgent need. There was no such showing. Further, the committee concluded that authority to grant the equivalent of a monopoly is something which should be limited to the appropriate Federal agencies, namely the Patent and Trademark Office in the case of nonobvious, useful inventions.

Having said that, I will say that subsequent to agreeing to this amendment, we will consider the question of whether similar authority should be granted, either for terms of 3 years or 5 years. It is my understanding this issue will come up at a later point in time in the form of an amendment that the gentleman from California [Mr. WAXMAN] will offer. I think at this point the amendment offered by the Committee on the Judiciary is not controversial. I urge adoption of the amendment.

The CHAIRMAN. The question is on the committee amendments recommended by the Committee on the Judiciary.

The committee amendments were agreed to.

The CHAIRMAN. Are there any other amendments to title I?

AMENDMENT OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WAXMAN:

Page 2, strike out line 17 and all that follows through line 6 on page 31 and insert in lieu thereof the following:

TITLE I—ABBREVIATED NEW DRUG APPLICATIONS

SEC. 101. Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by redesignating subsection (j) as subsection (k) and inserting after subsection (i) the following:

"(j)(1) Any person may file with the Secretary an abbreviated application for the approval of a new drug.

"(2)(A) An abbreviated application for a new drug shall contain—

"(i) information to show that the conditions of use prescribed, recommended, or suggested in the labeling proposed for the new drug have been previously approved for a drug listed under paragraph (6) (hereinafter in this subsection referred to as a 'listed drug');

"(ii)(I) if the listed drug referred to in clause (i) has only one active ingredient, information to show that the active ingredient of the new drug is the same as that of the listed drug,

"(II) if the listed drug referred to in clause (i) has more than one active ingredient, information to show that the active ingredients of the new drug are the same as those of the listed drug, or

"(III) if the listed drug referred to in clause (i) has more than one active ingredient and if one of the active ingredients of the new drug is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the other active ingredients of the new drug are the same as the active ingredients of the listed drug, information to show that the different active ingredient is an active ingredient of a listed drug or of a drug which does not meet the requirements of section 201(p), and such other information respecting the different active ingredient with respect to which the petition was filed as the Secretary may require;

"(iii) information to show that the route of administration, the dosage form, and the strength of the new drug are the same as those of the listed drug referred to in clause (i) or, if the route of administration, the dosage form, or the strength of the new drug is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), such information respecting the route of administration, dosage form, or strength with respect to which the petition was filed as the Secretary may require;

"(iv) information to show that the new drug is bioequivalent to the listed drug referred to in clause (i), except that if the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the active ingredients of the new drug are of the same pharmacological or therapeutic class as those of the listed drug referred to in clause (i) and the new drug can be expected to have the same therapeutic effect as the listed drug when administered to patients for a condition of use referred to in clause (i);

"(v) information to show that the labeling proposed for the new drug is the same as the labeling approved for the listed drug referred to in clause (i) except for changes required because of differences approved under a petition filed under subparagraph (C) or because the new drug and the listed drug are produced or distributed by different manufacturers;

"(vi) the items specified in clauses (B) through (F) of subsection (b)(1);

"(vii) a certification, in the opinion of the applicant and to the best of his knowledge, with respect to each patent which claims the listed drug referred to in clause (i) or which claims a use for such listed drug for which the applicant is seeking approval under this subsection and for which information is required to be filed under subsection (b) or (c)—

"(I) that such patent information has not been filed,

"(II) that such patent has expired,

"(III) of the date on which such patent will expire, or

"(IV) that such patent is invalid or will not be infringed by the manufacture, use, or sale of the new drug for which the application is submitted; and

"(viii) if with respect to the listed drug referred to in clause (i) information was filed under subsection (b) or (c) for a method of use patent which does not claim a use for which the applicant is seeking approval under this subsection, a statement that the method of use patent does not claim such a use.

The Secretary may not require that an abbreviated application contain information in addition to that required by clauses (i) through (viii).

"(B)(i) An applicant who makes a certification described in subparagraph (A)(vii)(IV) shall include in the application a statement that the applicant will give the notice required by clause (ii) to—

"(I) each owner of the patent which is the subject of the certification or the representative of such owner designated to receive such notice, and

"(II) the holder of the approved application under subsection (b) for the drug which is claimed by the patent or a use of which is claimed by the patent or the representative of such holder designated to receive such notice.

"(ii) The notice referred to in clause (i) shall state that an application, which contains data from bioavailability or bioequivalence studies, has been submitted under this subsection for the drug with respect to which the certification is made to obtain approval to engage in the commercial manufacture, use, or sale of such drug before the expiration of the patent referred to in the certification. Such notice shall include a detailed statement of the factual and legal basis of the applicant's opinion that the patent is not valid or will not be infringed.

"(iii) If an application is amended to include a certification described in subparagraph (A)(vii)(IV), the notice required by clause (ii) shall be given when the amended application is submitted.

"(C) If a person wants to submit an abbreviated application for a new drug which has a different active ingredient or whose route of administration, dosage form, or strength differ from that of a listed drug, such person shall submit a petition to the Secretary seeking permission to file such an application. The Secretary shall approve or disapprove a petition submitted under this subparagraph within ninety days of the date the petition is submitted. The Secretary shall approve such a petition unless the Secretary finds—

"(i) that investigations must be conducted to show the safety and effectiveness of the drug or of any of its active ingredients, the route of administration, the dosage form, or strength which differ from the listed drug; or

"(ii) that any drug with a different active ingredient may not be adequately evaluated for approval as safe and effective on the basis of the information required to be submitted in an abbreviated application.

"(3) Subject to paragraph (4), the Secretary shall approve an application for a drug unless the Secretary finds—

"(A) the methods used in, or the facilities and controls used for, the manufacture, processing, and packing of the drug are inadequate to assure and preserve its identity, strength, quality, and purity;

"(B) information submitted with the application is insufficient to show that each of the proposed conditions of use have been previously approved for the listed drug referred to in the application;

"(c)(i) if the listed drug has only one active ingredient, information submitted with the application is insufficient to show that the active ingredient is the same as that of the listed drug,

"(ii) if the listed drug has more than one active ingredient, information submitted with the application is insufficient to show that the active ingredients are the same as the active ingredients of the listed drug, or

"(iii) if the listed drug has more than one active ingredient and if the application is for a drug which has an active ingredient different from the listed drug, information submitted with the application is insufficient to show—

"(I) that the other active ingredients are the same as the active ingredients of the listed drug, or

"(II) that the different active ingredient is an active ingredient of a listed drug or a drug which does not meet the requirements of section 201(p),

or no petition to file an application for the drug with the different ingredient was approved under paragraph (2)(C);

"(D)(i) if the application is for a drug whose route of administration, dosage form, or strength of the drug is the same as the route of administration, dosage form, or strength of the listed drug referred to in the application, information submitted in the application is insufficient to show that the route of administration, dosage form, or strength is the same as that of the listed drug, or

"(ii) if the application is for a drug whose route of administration, dosage form, or strength of the drug is different from that of the listed drug referred to in the application, no petition to file an application for the drug with the different route of administration, dosage form, or strength was approved under paragraph (2)(C);

"(E) if the application was filed pursuant to the approval of a petition under paragraph (2)(C), the application did not contain the information required by the Secretary respecting the active ingredient, route of administration, dosage form, or strength which is not the same;

"(F) information submitted in the application is insufficient to show that the drug is bioequivalent to the listed drug referred to in the application or, if the application was filed pursuant to a petition approved under

paragraph (2)(C), information submitted in the application is insufficient to show that the active ingredients of the new drug are of the same pharmacological or therapeutic class as those of the listed drug referred to in paragraph (2)(A)(i) and that the new drug can be expected to have the same therapeutic effect as the listed drug when administered to patients for a condition of use referred to in such paragraph;

"(G) information submitted in the application is insufficient to show that the labeling proposed for the drug is the same as the labeling approved for the listed drug referred to in the application except for changes required because of differences approved under a petition filed under paragraph (2)(C) or because the drug and the listed drug are produced or distributed by different manufacturers;

"(H) information submitted in the application or any other information available to the Secretary shows that (i) the inactive ingredients of the drug are unsafe for use under the conditions prescribed, recommended, or suggested in the labeling proposed for the drug, or (ii) the composition of the drug is unsafe under such conditions because of the type or quantity of inactive ingredients included or the manner in which the inactive ingredients are included;

"(I) the approval under subsection (c) of the listed drug referred to in the application under this subsection has been withdrawn or suspended for grounds described in the first sentence of subsection (e), the Secretary has published a notice of opportunity for hearing to withdraw approval of the listed drug under subsection (c) for grounds described in the first sentence of subsection (e), the approval under this subsection of the listed drug referred to in the application under this subsection has been withdrawn or suspended under paragraph (5), or the Secretary has determined that the listed drug has been withdrawn from sale for safety or effectiveness reasons;

"(J) the application does not meet any other requirement of paragraph (2)(A); or

"(K) the application contains an untrue statement of material fact.

"(4)(A) Within one hundred and eighty days of the initial receipt of an application under paragraph (2) or within such additional period as may be agreed upon by the Secretary and the applicant, the Secretary shall approve or disapprove the application.

"(B) The approval of an application submitted under paragraph (2) shall be made effective on the last applicable date determined under the following:

"(i) If the applicant only made a certification described in subclause (I) or (II) of paragraph (2)(A)(vii) or in both such subclauses, the approval may be made effective immediately.

"(ii) If the applicant made a certification described in subclause (III) of paragraph (2)(A)(vii), the approval may be made effective on the date certified under subclause (III).

"(iii) If the applicant made a certification described in subclause (IV) of paragraph (2)(A)(vii), the approval shall be made effective immediately unless an action is brought for infringement of a patent which is the subject of the certification before the expiration of forty-five days from the date the notice provided under paragraph (2)(B)(i) is received. If such an action is brought before the expiration of such days, the approval shall be made effective upon the expiration of the thirty-month period beginning on the date of the receipt of the notice provided under paragraph (2)(B)(i) or such shorter or longer period as the court may order because either party to the action failed to reasonably cooperate in expediting the action, except that—

"(I) if before the expiration of such period the court decides that such patent is invalid or not infringed, the approval shall be made effective on the date of the court decision,

"(II) if before the expiration of such period the court decides that such patent has been infringed, the approval shall be made effective on such date as the court orders under section 271(e)(4)(A) of title 35, United States Code, or

"(III) if before the expiration of such period the court grants a preliminary injunction prohibiting the applicant from engaging in the commercial manufacture or sale of the drug until the court decides the issues of patent validity and infringement and if the court decides that such patent is not invalid or not infringed, the approval shall be made effective on the date of such court decision.

In such an action, each of the parties shall reasonably cooperate in expediting the action. Until the expiration of forty-five days from the date the notice made under paragraph (2)(B)(i) is received, no action may be brought under section 2201 of title 28, United States Code, for a declaratory judgment with respect to the patent. Any action brought under section 2201 shall be brought in the judicial district where the defendant has its principal place of business or a regular and established place of business.

"(iv) If the application contains a certification described in subclause (IV) of paragraph (2)(A)(vii) and is for a drug for which a previous application has been submitted under this subsection containing such a certification, the application shall be made effective not earlier than one hundred and eighty days after—

"(I) the date the Secretary receives notice from the applicant under the previous application of the first commercial marketing of the drug under the previous application, or

"(II) the date of a decision of a court in an action described in clause (iii) holding the patent which is the subject of the certification to be invalid or not infringed,

whichever is earlier.

"(C) If the Secretary decides to disapprove an application, the Secretary shall give the applicant notice of an opportunity for a hearing before the Secretary on the question of whether such application is approvable. If the applicant elects to accept the opportunity for hearing by written request within thirty days after such notice, such hearing shall commence not more than ninety days after the expiration of such thirty days unless the Secretary and the applicant otherwise agree. Any such hearing shall thereafter be conducted on an expedited basis and the Secretary's order thereon shall be issued within ninety days after the date fixed by the Secretary for filing final briefs.

"(D)(i) If an application (other than an abbreviated new drug application) submitted under subsection (b) for a drug, no active ingredient (incuding any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted effective before the expiration of ten years from the date of the approval of the application under subsection (b).

"(ii) If an application submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), is approved after the date of the enactment of this subsection, no application may be submitted under this subsection which refers to the drug for which the subsection (b) application was submitted before the expiration of five years from the date of the approval of the application under subsection (b), except that such an application may be submitted under this subsection after the expiration of four years from the date of the approval of the subsection (b) application if it contains a certification of patent invalidity or noninfringement described in subclause (IV) of paragraph (2)(A)(vii). The approval of such an application shall be made effective in accordance with subparagraph (B) except that, if an action for patent infringement is commenced during the one-year period beginning forty-eight months after the date of the approval of the subsection (b) application, the thirty-month period referred to in subparagraph (B)(iii) shall be extended by such amount of time (if any) which is required for seven and one-half years to have elapsed from the date of approval of the subsection (b) application.

"(iii) If an application submitted under subsection (b) for a drug, which includes an active ingredient (including any ester or salt of the active ingredient) that has been approved in another application approved under subsection (b), is approved after the date of enactment of this subsection and if such application contains reports of new clinical investigations (other than bioavailability studies) essential to the approval of the application and conducted or sponsored by the applicant, the Secretary may not make the approval of an application submitted under this subsection for the conditions of approval of such drug in the subsection (b) application effective before the expiration of three years from the date of the approval of the application under subsection (b) for such drug.

"(iv) If a supplement to an application approved under subsection (b) is approved after the date of enactment of this subsection and the supplement contains reports of new clinical investigations (other than bioavailability studies) essential to the approval of the supplement and conducted or sponsored by the person submitting the supplement, the Secretary may not make the approval of an application submitted under this subsection for a change approved in the supplement effective before the expiration of three years from the date of the approval of the supplement under subsection (b).

"(v) If an application (or supplement to an application) submitted under subsection (b) for a drug, which includes an active ingredient (including any ester or salt of the active ingredient) that has been approved in another application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted or which refers to a change approved in a supplement

to the subsection (b) application effective before the expiration of two years from the date of enactment of this subsection.

"(5) If a drug approved under this subsection refers in its approved application to a drug the approval of which was withdrawn or suspended for grounds described in the first sentence of subsection (e) or was withdrawn or suspended under this paragraph or which, as determined by the Secretary, has been withdrawn from sale for safety or effectiveness reasons, the approval of the drug under this subsection shall be withdrawn or suspended—

"(A) for the same period as the withdrawal or suspension under subsection (e) or this paragraph, or

"(B) if the listed drug has been withdrawn from sale, for the period of withdrawal from sale or, if earlier, the period ending on the date the Secretary determines that the withdrawal from sale is not for safety or effectiveness reasons.

"(6)(A)(i) Within sixty days of the date of the enactment of this subsection, the Secretary shall publish and make available to the public—

"(I) a list in alphabetical order of the official and proprietary name of each drug which has been approved for safety and effectiveness under subsection (c) before the date of the enactment of this subsection:

"(II) the date of approval if the drug is approved after 1981 and the number of the application which was approved; and

"(III) whether in vitro or in vivo bioequivalence studies, or both such studies, are required for applications filed under this subsection which will refer to the drug published.

"(ii) Every thirty days after the publication of the first list under clause (i) the Secretary shall revise the list to include each drug which has been approved for safety and effectiveness under subsection (c) or approved under this subsection during the thirty day-period.

"(iii) When patent information submitted under subsection (b) or (c) respecting a drug included on the list is to be published by the Secretary the Secretary shall, in revisions made under clause (ii), include such information for such drug.

"(B) A drug approved for safety and effectiveness under subsection (c) or approved under this subsection shall, for purposes of this subsection, be considered to have been published under subparagraph (A) on the date of its approval or the date of enactment, whichever is later.

"(C) If the approval of a drug was withdrawn or suspended for grounds described in the first sentence of subsection (e) or was withdrawn or suspended under paragraph (5) or if the Secretary determines that a drug has been withdrawn from sale for safety or effectiveness reasons, it may not be published in the list under subparagraph (A) or, if the withdrawal or suspension occurred after its publication in such list, it shall be immediately removed from such list—

"(i) for the same period as the withdrawal or suspension under subsection (e) or paragraph (5), or

"(ii) if the listed drug has been withdrawn from sale, for the period of withdrawal from sale or, if earlier, the period ending on the date the Secretary determines that the withdrawal from sale is not for safety or effectiveness reasons.

A notice of the removal shall be published in the Federal Register.

"(7) For purposes of this subsection:

"(A) The term 'bioavailability' means the rate and extent to which the active ingredient or therapeutic ingredient is absorbed from a drug and becomes available at the site of drug action.

"(B) A drug shall be considered to be bioequivalent to a listed drug if—

"(i) the rate and extent of absorption of the drug do not show a significant difference from the rate and extent of absorption of the listed drug when administered at the same molar dose of the therapeutic ingredient under similar experimental conditions in either a single dose or multiple doses; or

"(ii) the extent of absorption of the drug does not show a significant difference from the extent of absorption of the listed drug when administered at the same molar dose of the therapeutic ingredient under similar experimental conditions in either a single dose or multiple doses and the difference from the listed drug in the rate of absorption of the drug is intentional, is reflected in its proposed labeling, is not essential to the attainment of effective body drug concentrations on chronic use, and is considered medically insignificant for the drug.".

SEC. 102. (a)(1) Section 505(b) of such Act is amended by adding at the end the following: "The applicant shall file with the application the patent number and the expiration date of any patent which claims the drug for which the applicant submitted the application or which claims a method of using such drug and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If any application is filed under this subsection for a drug and a patent which claims such drug or a method of using such drug is issued after the filing date but before approval of the application, the applicant shall amend the application to include the information required by the preceding sentence. Upon approval of the application, the Secretary shall publish information submitted under the two preceding sentences.".

(2) Section 505(c) of such Act is amended by inserting "(1)" after "(c)", by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and by adding at the end the following:

"(2) If the patent information described in subsection (b) could not be filed with the submission of an application under subsection (b) because the application was filed before the patent information was required under subsection (b) or a patent was issued after the application was approved under such subsection, the holder of an approved application shall file with the Secretary the patent number and the expiration date of any patent which claims the drug for which the application was submitted or which claims a method of using such drug and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If the holder of an approved application could not file patent information under subsection (b) because it was not required at the time the application was approved, the holder shall file such information under this subsection not later than thirty days after the date of the enactment of this sentence, and if the holder of an approved application could not file patent information under subsection (b) because no patent had been issued when the application was filed or approved, the holder shall file such information under this subsection not later than thirty days after the date the patent involved is issued. Upon the submission of patent information under this subsection, the Secretary shall publish it.".

(3)(A) The first sentence of section 505(d) of such Act is amended by redesignating clause (6) as clause (7) and inserting after clause (5) the following: "(6) the application failed to contain the patent information prescribed by subsection (b); or".

(B) The first sentence of section 505(e) of such Act is amended by redesignating clause (4) as clause (5) and inserting after clause (3) the following: "(4) the patent information prescribed by subsection (c) was not filed within thirty days after the receipt of written notice from the Secretary specifying the failure to file such information; or".

(b)(1) Section 505(a) of such Act is amended by inserting "or (j)" after "subsection (b)".

(2) Section 505(c) of such Act is amended by striking out "this subsection" and inserting in lieu thereof "subsection (b)".

(3) The second sentence of section 505(e) of such Act is amended by inserting "submitted under subsection (b) or (j)" after "an application".

(4) The second sentence of section 505(e) is amended by striking out "(j)" each place it occurs in clause (1) and inserting in lieu thereof "(k)".

(5) Section 505(k)(1) of such Act (as so redesignated) is amended by striking out "pursuant to this section" and inserting in lieu thereof "under subsection (b) or (j)".

(6) Subsections (a) and (b) of section 527 of such Act are each amended by striking out "505(b)" each place it occurs and inserting in lieu thereof "505".

SEC. 103. (a) Section 505(b) of such Act is amended by inserting "(1)" after "(b)", by redesignating clauses (1) through (6) as clauses (A) through (F), respectively, and by adding at the end the following:

"(2) An application submitted under paragraph (1) for a drug for which the investigations described in clause (A) of such paragraph and relied upon by the applicant for approval of the application were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted shall also include—

"(A) a certification, in the opinion of the applicant and to the best of his knowledge, with respect to each patent which claims the drug for which such investigations were conducted or which claims a use for such drug for which the applicant is seeking approval under this subsection and for which information is required to be filed under paragraph (1) or subsection (c)—

"(i) that such patent information has not been filed,

"(ii) that such patent has expired,

"(iii) of the date on which such patent will expire, or

"(iv) that such patent is invalid or will not be infringed by the manufacture, use, or sale of the new drug for which the application is submitted; and

"(B) if with respect to the drug for which investigations described in paragraph (1)(A) were conducted information was filed under paragraph (1) or subsection (c) for a method of use patent which does not claim a use for which the applicant is seeking approval under this subsection, a statement that the method of use patent does not claim such a use.

"(3)(A) An applicant who makes a certification described in paragraph (2)(A)(iv)

shall include in the application a statement that the applicant will give the notice required by subparagraph (B) to—

"(i) each owner of the patent which is the subject of the certification or the representative of such owner designated to receive such notice, and

"(ii) the holder of the approved application under subsection (b) for the drug which is claimed by the patent or a use of which is claimed by the patent or the representative of such holder designated to receive such notice.

"(B) The notice referred to in subparagraph (A) shall state that an application has been submitted under this subsection for the drug with respect to which the certification is made to obtain approval to engage in the commercial manufacture, use, or sale of the drug before the expiration of the patent referred to in the certification. Such notice shall include a detailed statement of the factual and legal basis of the applicant's opinion that the patent is not valid or will not be infringed.

"(C) If an application is amended to include a certification described in paragraph (2)(A)(iv), the notice required by subparagraph (B) shall be given when the amended application is submitted.".

(b) Section 505(c) of such Act (as amended by section 102(a)(2)) is amended by adding at the end the following:

"(3) The approval of an application filed under subsection (b) which contains a certification required by paragraph (2) of such subsection shall be made effective on the last applicable date determined under the following:

"(A) If the applicant only made a certification described in clause (i) or (ii) of subsection (b)(2)(A) or in both such clauses, the approval may be made effective immediately.

"(B) If the applicant made a certification described in clause (iii) of subsection (b)(2)(A), the approval may be made effective on the date certified under clause (iii).

"(C) If the applicant made a certification described in clause (iv) of subsection (b)(2)(A), the approval shall be made effective immediately unless an action is brought for infringement of a patent which is the subject of the certification before the expiration of forty-five days from the date the notice provided under paragraph (3)(B) is received. If such an action is brought before the expiration of such days, the approval may be made effective upon the expiration of the thirty-month period beginning on the date of the receipt of the notice provided under paragraph (3)(B) or such shorter or longer period as the court may order because either party to the action failed to reasonably cooperate in expediting the action, except that—

"(i) if before the expiration of such period the court decides that such patent is invalid or not infringed, the approval may be made effective on the date of the court decision,

"(ii) if before the expiration of such period the court decides that such patent has been infringed, the approval may be made effective on such date as the court orders under section 271(e)(4)(A) of title 35, United States Code, or

"(iii) if before the expiration of such period the court grants a preliminary injunction prohibiting the applicant from engaging in the commercial manufacture or sale of the drug until the court decides the issues of patent validity and infringement and if the court decides that such patent is not invalid or not infringed, the approval shall be made effective on the date of such court decision.

In such an action, each of the parties shall reasonably cooperate in expediting the action. Until the expiration of forty-five days from the date the notice made under paragraph (3)(B) is received, no action may be brought under section 2201 of title 28, United States Code, for a declaratory judgment with respect to the patent. Any action brought under such section 2201 shall be brought in the judicial district where the defendant has its principal place of business or a regular and established place of business.

"(D)(i) If an application (other than an abbreviated new drug application) submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of another application for a drug for which the investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted effective before the expiration of ten years from the date of the approval of the application previously approved under subsection (b).

"(ii) If an application submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), is approved after the date of the enactment of this clause, no application which refers to the drug for which the subsection (b) application was submitted and for which the investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted may be submitted under subsection (b) before the expiration of five years from the date of the approval of the application under subsection (b), except that such an application may be submitted under subsection (b) after the expiration of four years from the date of the approval of the subsection (b) application if it contains a certification of patent invalidity or noninfringement described in clause (iv) of subsection (b)(2)(a). The approval of such an application shall be made effective in accordance with this paragraph except that, if an action for patent infringement is commenced during the one-year period beginning forty-eight months after the date of the approval of the subsection (b) application, the thirty-month period referred to in subparagraph (C) shall be extended by such amount of time (if any) which is required for seven and one-half years to have elapsed from the date of approval of the subsection (b) application.

"(iii) If an application submitted under subsection (b) for a drug, which includes an active ingredient (including any ester or salt of the active ingredient) that has been approved in another application approved under subsection (b), is approved after the date of the enactment of this clause and if such application contains reports of new clinical investigations (other than bioavailability studies) essential to the approval of the application and conducted or sponsored by the applicant, the Secretary may not make the approval of an application submitted under subsection (b) for the conditions of approval of such drug in the approved subsection (b) application effective before the expiration of three years from the date of the approval of the application under subsection (b) if the investigations described in clause (A) of subsection (b)(1) relied upon by the applicant for approval of the application were not conducted by or for the applicant and if the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted.

"(iv) If a supplement to an application approved under subsection (b) is approved after the date of enactment of this clause and the supplement contains reports of new clinical investigations (other than bioavailability studies) essential to the approval of the supplement and conducted or sponsored by the person submitting the supplement, the Secretary may not make the approval of an application submitted under subsection (b) for a change approved in the supplement effective before the expiration of three years from the date of the approval of the supplement under subsection (b) if the investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant and if the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted.

"(v) If an application (or supplement to an application) submitted under subsection (b) for a drug, which includes an active ingredient (including any ester or salt of the active ingredient) that has been approved in another application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this clause, the Secretary may not make the approval of an application submitted under this subsection and for which the investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted and which refers to the drug for which the subsection (b) application was submitted effective before the expiration of two years from the date of enactment of this clause.".

SEC. 104. Section 505 of such Act is amended by adding at the end the following:

"(l) Safety and effectiveness data and information which has been submitted in an application under subsection (b) for a drug and which has not previously been disclosed to the public shall be made available to the public, upon request, unless extraordinary circumstances are shown—

"(1) if no work is being or will be undertaken to have the application approved,

"(2) if the Secretary has determined that the application is not approvable and all legal appeals have been exhausted,

"(3) if approval of the application under subsection (c) is withdrawn and all legal appeals have been exhausted,

"(4) if the Secretary has determined that such drug is not a new drug, or

"(5) upon the effective date of the approval of the first application under subsection (j) which refers to such drug or upon the

date upon which the approval of an application under subsection (j) which refers to such drug could be made effective if such an application had been submitted.

"(m) For purposes of this section, the term 'patent' means a patent issued by the Patent and Trademark Office of the Department of Commerce.".

SEC. 105. (a) The Secretary of Health and Human Services shall promugate, in accordance with the notice and comment requirements of section 553 of title 5, United States Code, such regulations as may be necessary for the administration of section 505 of the Federal Food, Drug, and Cosmetic Act, as amended by section 101, 102, and 103 of this Act, within one year of the date of enactment of this Act.

(b) During the period beginning sixty days after the date of the enactment of this Act and ending on the date regulations promulgated under subsection (a) take effect, abbreviated new drug applications may be submitted in accordance with the provisions of section 314.2 of title 21 of the Code of Federal Regulations and shall be considered as suitable for any drug which has been approved for safety and effectiveness under section 505(c) of the Federal Food, Drug, and Cosmetic Act before the date of the enactment of this Act. If any such provision is inconsistent with the requirements of section 505(j) of the Federal Food, Drug, and Cosmetic Act, the Secretary shall consider the application under the applicable requirements of such section. The Secretary of Health and Human Services may not approve such an abbreviated new drug application which is filed for a drug which is described in sections 505(c)(3)(D) and 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act except in accordance with such section.

SEC. 106. Section 2201 of title 28, United States Code, is amended by inserting "(a)" before "In a case" and by adding at the end the following:

"(b) For limitations on actions brought with respect to drug patents see section 505 of the Federal Food, Drug, and Cosmetic Act.".

Mr. WAXMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Chairman, this amendment makes several changes to title I of the bill to incorporate compromises reached in negotiations between the brand name drug industry and the generic drug industry. While the bill before us has been endorsed by an overwhelming majority of the brand name drug companies as well as the generic drug industry, consumer, senior citizen, and labor groups, several major drugmakers and the Patent and Trademark Office continued to have concerns about some provisions of H.R. 3605.

During the final week of session before the August break, the chairman of the Senate Labor and Human Resources Committee, Senator HATCH, worked tirelessly to address these last remaining concerns. As a result of his diligence and commitment to making more low-cost generic drugs available for our citizens, a number of changes to the bill were agreed upon by the brand name and generic drug industries and subsequently passed by the Senate on August 10.

With technical and minor modifications, this amendment adds those changes to the bill before us. Let me describe the changes.

First, the amendment provides a 5-year period of exclusive market life for drugs approved for the first time after enactment of the legislation. This provision will give the drug industry the incentives needed to develop new chemical entities whose therapeutic usefulness is discovered late when little or no patent life remains.

Generic drugmakers that wished to challenge the validity of any patent life remaining on such drugs would not be barred from doing so. Such patent litigation could commence at the expiration of the fourth year of the period and the generic drugmaker could begin marketing after a favorable court decision or 7½ years after approval of the brand name drug, whichever occurs first.

Second, the 10-year period of exclusive market life for drugs approved between 1982 and the date of enactment of the bill is supplemented by affording a 2-year period of exclusive market life to drugs which are not new chemical entities approved during that same period.

Third, a 3-year period of exclusive market life is afforded to nonnew chemical entities approved after enactment of the bill which have undergone new clinical studies essential to FDA approval. This provision will encourage drugmakers to obtain FDA approval for significant therapeutic uses of previously approved drugs.

Fourth, the period during which a generic drugmaker may not market pending the judicial resolution of a challenge to patent validity is expanded from the 18 months currently in the bill to 30 months. Some of the brand name drug companies felt this change increases the likelihood that such patent litigation will be concluded before the generic drugmaker begins marketing.

Fifth, the bill clarifies the authority of the Food and Drug Administration [FDA] to reject a petition filed by a generic drugmaker for consideration of a combination product that differs from the approved product of the brand name manufacturer.

Last, the authority of the FDA to disapprove generic copies of brand name drugs when the agency is seeking to remove the brand name drug from the market due to safety or effectiveness concerns is clarified.

While there was some discussion on amending section 104 of the bill dealing with the confidentiality of safety and effectiveness data and information submitted in a new drug application, no change is made in that section by this amendment. With the exception of subsection (l)(5), the provision in section 104 statutorily codifies the current FDA regulation pertaining to disclosure of this type of information. FDA's current approach to release of the data and to its policies regarding the extraordinary circumstances when the data would not be released are explained in the preamble to FDA's Freedom of Information Act regulations—39 Federal Register 44602-44642 (December 24, 1974). Section 104 adopts this same approach.

These changes to H.R. 3605 do not upset the fundamental balance of the bill that assures consumers of more low-cost generic drugs when a valid patent expires and the drug industry of sufficient incentive to develop innovative pharmaceutical therapies. I urge my colleagues to support the amendment.

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Mr. MADIGAN. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from California, which takes care of one of the two administration objections to this bill. I understand that their second objection will be addressed in an amendment to be offered later by the gentleman from California.

The amendment now under consideration adopts the compromise proposals agreed to by Senator HATCH and the chief executive officers of the domestic drug companies that previously were not supporting this bill. These changes are fair and reasonable; they do not alter the basic thrust of H.R. 3605, and they do bring the bill in line with the Senate-passed bill, so that this important measure can be quickly signed into law.

I urge my colleagues to support the amendment of the gentleman from California [Mr. WAXMAN].

Mr. KASTENMEIER. Mr. Chairman, I reluctantly rise in opposition to the amendment offered by the gentleman from California to express strong reservations about the amendment.

The bill before us, H.R. 3605, represents a far from perfect compromise which—on balance—furthers the public interest. This amendment, on the other hand, undoes that balance and tilts too heavily toward unwarranted rewards for private economic interests. Moreover, the various changes suggested by this amendment constitute fundamentally wrongheaded public policy. The proposed changes in the bill include four different types of monopoly or exclusive marketing authority. These changes do little to further the interests of consumers, nor do they strengthen our

system of intellectual property protection.

The first "minor" change made by this amendment is to protect from generic competition until the fall of 1986 drugs approved between 1982 and today which do not constitute "new chemical entities." In lay terms this means that for the next 2 years no one may obtain approval for a generic substitute for the oral contraceptive Ortho-Novum, produced by Johnson & Johnson. This provision also precludes generic competition in the over-the-counter [OTC] market for two newly introduced pain relievers, Advil, made by American Home Products, and NUPRIN, made by Bristol Myers. The sales of the drugs affected by this minor amendment are in the hundreds of millions of dollars. Precluding competition by generics for these drugs cannot and do not serve the interests of consumers.

The second minor change to the bill being proposed is to grant the Food and Drug Administration authority to bar generic competition for either 5-plus or 3 years, depending on the nature of the drug. The grant of authority to issue the functional equivalent of a monopoly should be reserved to the patent and copyright laws. These changes serve to undermine the integrity of our system of intellectual property law. Furthermore, the basic rationale for this grant of authority to the FDA is that patent protection is insufficient. Thus, under this proposal, the FDA will be able to grant a monopoly to persons for ideas which are not sufficiently unique or useful to constitute a patentable invention. Let me give two quick examples of how bad an idea this will be.

First, under this proposal a drug company whose patent is going to expire could—under some circumstances—conduct short, simple, noninnovative, clinical trials and seek FDA approval for an over-the-counter version of the drug. Under this proposal, even though this change would not affect patent status, the drug company would receive a "reward" of 3 years of exclusive marketing authority.

In a second example, a drug company could seek FDA approval for the use of an unpatentable substance—like a naturally occurring chemical or substances like lithium, vaccines, or blood products—and obtain a right to exclude all others from the market for up to 3 years. The proposal does not guide the FDA in determining who first had the idea—which is the approach used in patent law. Rather, the monopoly is to be granted to whomever the FDA grants approval first. This first-to-file or first-to-decision approach is a radical departure from our current intellectual property law.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. KASTENMEIER] has expired.

(By unanimous consent, Mr. KASTENMEIER was allowed to proceed for 2 additional minutes.)

Mr. KASTENMEIER. Finally, with respect to the proposed 5-year rule, let me explain to my colleagues what this will mean with respect to patent litigation. Once this provision is in place, then no one will be able to challenge the validity of a patent for at least 5 years. Thus, we will have two types of patents: those subject to challenge at any time after issuance, and those subject to challenge only after the expiration of 5 years. The net effect of this provision is to give pioneer drug companies super patents—unchallengable patents. In addition, this provision will delay the entry of generic competition for up to 90 months—7½ years—even when the original patent is invalid.

I should also note that these giveaways should not have been necessary. We already had made a compromise by putting in the bill a 10-year rule that serves to protect from generic competition drugs approved between 1982 and the date of enactment for the next 10 years. Thus, we are protecting the following drugs:

Zantac by Glaxo/Roche;
Dolobid by Merck Sharpe & Dohme;
Feldene by Pfizer [1];
Cardizem by Marion [1];
Wytension by Wyeth.

These drugs have a combined estimated market of over a half of a billion dollars—$500 million. Thus, we have already given a significant concession to the drug industry, and I fail to see why we should go farther.

CONCLUSION

The agreement which has passed the U.S. Senate—and which is represented in this proposal—is not in the public interest. This proposal is not the result of thoughtful consideration by committees or by Members of Congress; rather it is the byproduct of a backroom deal between two branches of the drug industry. While there are substantial consumer benefits through the easing of approvals for generic competition, there are some significant, anticonsumer provisions in the amendment before us. I urge defeat of the amendment.

□ 1200

AMENDMENT OFFERED BY MR. SHAW TO THE AMENDMENT OFFERED BY MR. WAXMAN

Mr. SHAW. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from California [Mr. WAXMAN].

The Clerk read as follows:

Amendment offered by Mr. SHAW to the amendment offered by Mr. WAXMAN: In the proposed section 505(j)(4)(D)(iii) and 505(c)(3)C) of the Federal Food, Drug and Cosmetics Act, strike out "thirty-month" and insert in lieu thereof "eighteen-month".

Mr. SHAW. Mr. Chairman, as I view the debate this morning and the sleepy pace at which it goes on and the discussion of this not being a controversial substitute to the House bill, I think all the Members should take careful note of exactly what we are doing.

I have heard this morning around this floor talk of compromise. The word "compromise" has been used very often. But I think when we are talking about extending patent protection on medicine that we have to be very conscious and very concerned about people who were not involved in this so-called compromise.

First of all, we have to consider who is using these drugs the most. It is the elderly; it is the sick. And anything that we do to extend the life of patents, anything we do to keep other drugs off of the market, is going to have an extraordinary effect upon this segment of our population.

The House bill, as it came to the Committee on the Judiciary and the other committees of Congress, provided that in the event a new application is filed and infringement notification is also filed, that the new drug—which could be a great drug, could be a great thing for the American consumer—will be held off of the market for 18 months. I do not think that that is good law.

But the language that we are now considering is even worse law. It extends this period of time for 30 months. This means that during the period of time that litigation is going on to determine whether this drug is, in fact, an infringement, that those who would compete in this market would be prohibited from doing so for 18 months, and it is even more extraordinary when we extend that to 30 months.

Now, this is automatic. It is automatic. There are no damages provided for in this bill. If the suit was wrongfully brought just to keep the competition off the market, the generic drug company that was manufacturing the other drug or the other drug company which would, in fact, put itself in a competitive position—and competition does, I must say, mean lower costs to the consumer—there are no responsibilities in this bill for any damages that might be incurred.

So an infringement suit can be brought of a very frivolous nature. It does not, in our Federal court proceeding, require any great attorney to let litigation drag on for 30 months, as clogged as our Federal courts are today. I think that the group that we must talk to are the aged and the sick of this country. That is who I think we have to have a primary responsibility for here in this Chamber today.

[1] These drugs actually received more favorable treatment in the nature of a 10-year protection—the functional equivalent of patent term extension—than any new drug patented after the date of enactment will receive.

This amendment does not do all that much, but I think it is an important step forward and it is one that we should certainly support. I would ask my colleagues to simply vote in favor of this amendment and roll that time period back from 30 months to the 18 months as the language is in the House bill.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman from Florida yield?

Mr. SHAW. I would be glad to yield to the chairman, the gentleman from Wisconsin.

Mr. KASTENMEIER. I thank the gentleman for yielding.

Mr. Chairman, I am pleased to join the gentleman in support of this amendment. I think it is an excellent idea. I think it does get us back to where we were before.

As the gentleman has so well explained, it is certainly in the public interest.

Mr. SHAW. I thank the gentleman for his support, and also the leadership that he has given in the Committee on the Judiciary in getting this House bill before us today.

Mr. WAXMAN. Mr. Chairman, I rise in reluctant but nevertheless opposition to the amendment offered by the gentleman from Florida.

Mr. Chairman, I rise in opposition to the amendment because the change from 18 months to 30 months was a change agreed upon as part of a package to bring along all of the groups that were interested in this legislation.

The facts of life are that a generic drug manufacturer will await, as a practical matter, until the decision of a court on a patent challenge before that manufacturer markets a generic drug. That is the information they have given us as to their practice. We would expect the litigation to be resolved and, once it is resolved, it is determinative of the issue.

What the 18-month or 30-month issue deals with is, should not the litigation be resolved, at what point would we allow the generic manufacturer to go on the market with the generic product anyway. The 30-month period is one that gave further assurance to the brand-name drug manufacturer that the generic drug manufacturer would not put his competitor on that market until that court decision came through.

So as a practical matter, if we accept what the generic drug manufacturers tell us is their practice, that they will await a court decision as to whether that patent is valid or not, then we are not talking about, in any significant way, reducing the number of generic drugs that will be available to the public.

I would have preferred the 18-month to the 30-month period because I do not want to extend that option any further than is necessary. As a matter of fact, I would have preferred that the whole patent infringement law stay the way it is now on the books, without any special rules for drug manufacturers, in order to prevent someone from marketing another competitive product. After all, under the patent law, if someone markets a competitive product, they can go to court and sue for an injunction, or they can sue for treble damages for infringment of that patent. As far as I am concerned, that is sufficient protection for the original manufacturer of a product who has that product under patent protection.

But on balance, what we have is a total bill that I think is very good. It provides low-cost, generic drugs for millions of Americans, saving maybe a billion dollars over a several-year period. There is going to be a significant savings to people who purchase drugs. Twenty percent of the people who buy drugs in this country are elderly. Medicare does not pay for drugs. Many people are under the misapprehension that medicare does. So that is coming out of the pockets of the elderly and obviously the sick.

So on balance this is a good bill, and that provision brought everybody along and, therefore, I would reluctantly resist the gentleman's amendment.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I would be pleased to yield to the gentleman from Florida.

Mr. SHAW. I thank the gentleman for yielding.

Mr. Chairman, I know that the gentleman, as the chairman, would be opposing this particular amendment reluctantly. I do realize that balance is trying to be reached, but what the Members should be very much aware of, the balance being taking some of the bad with the good.

□ 1210

This is an opportunity to extract some of the bad, so I think we can even get a better balance. What we are talking about, when we are talking about bringing people on board and bringing them along, is trying to stop obstructionism within this House and within the rules by which we do business. I understand that. But I have not seen anything of such a consequence come through this House this week, nor do I expect it will, and I think all the Members have plenty of time to sit here and work on this important piece of legislation.

The gentleman brought up the question of medicare and medicaid. This is also an opportunity for us as Members of this Congress to do some cost containment within the medicare program. This is an extraordinarily important program to the elderly citizens of this country, and this is an opportunity for us to do something constructive which is going to send the message out to the elderly people that we are on their side and in this particular instance we are for lower cost on drugs. And also this is going to have a direct effect on our own budget, which we are very painfully aware of, but it does not in any way take anything away from anybody except perhaps some profits by the big name drug companies, and I think they have plenty of that.

Mr. Chairman, I thank the gentleman for yielding.

The CHAIRMAN. The time of the gentleman from California [Mr. WAXMAN] has expired.

(By unanimous consent, Mr. WAXMAN was allowed to proceed for 2 additional minutes.)

Mr. WAXMAN. Mr. Chairman, I appreciate what the gentleman has said and, of course, what he has said is the significance of this legislation, which he has pointed out so ably. This legislation will do more to contain the cost of elderly care than perhaps anything else this Congress has passed, because it will bring about lower priced generic alternatives to brand-name drugs once the patent has expired or if there is no valid patent and the courts decide that there is no valid patent in order to give that monopoly protection.

A patent is a monopoly, and when anyone holds a monopoly, that person has the ability or that company has the ability to charge the highest price because there is no one else in competition, and as a matter of public policy we, under the patent law, give that protection to the person who has put money into research and development for an innovative and new product.

But at some point public policy calls for the free market system competition which will bring about the result of a lower price for the consumer. That is the purpose of the legislation.

This particular amendment deals with a very narrow area of when a patent might be challenged and at what point the challenger can market the product that he wishes to market in competition, and as a practical matter generic drug manufacturers will not market a product until the court has decided that they are free to do so without infringing the original patent.

I therefore think that adopting this amendment will not mean more generics on the market for the benefit of the consumers, and as a political matter in dealing with this legislation it would shake the overall compromise that has been signed off on by the original drug manufacturers, the Pharmaceutical Manufacturers Association, the generic drug manufacturers, and the consumers and the elderly, because on balance this is a good bill.

Therefore, Mr. Chairman, we should defeat this amendment and go with the bill.

Mr. MOORHEAD. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong support of the Waxman amendment and against the Shaw perfecting amendment.

We have struggled for a long time with this legislation, and most of the things that are in this bill, together with the amendments that the gentleman from California [Mr. WAXMAN] will offer today, are the result of much effort and work over a long period of time and which resulted in compromises between the various industries that are involved, the people that will be affected, the senior citizens of our country, the people who manufacture generics, and the people whose patents need to be protected to guarantee that they can get a recovery on the investment that they have made.

Surely this bill in this form, as it is being amended today by the gentleman from California [Mr. WAXMAN], will speed the marketing by generic drugs following patent expiration. If we start fooling around with this formula that has been worked on for long and arduous negotiating periods that have involved Members of Congress, committee chairmen, members of the committees, and so forth, we will end up without a bill that will help our senior citizens, one that will help the generic drug manufacturers, and at the same time protect those people who have invested millions of dollars in new drugs that are needed by all of the citizens of America that would not be produced unless there were some minimum protection for them after they got the drugs on the market.

For that reason, Mr. Chairman, I strongly support the amendment offered by the gentleman from California [Mr. WAXMAN], and I oppose the amendment offered by the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, we keep talking about the balance and we keep talking about the parties to this particular compromise. We are the parties, we are the people who work and labor right here in this Chamber, and we are the ones to make the decisions, not any members of any particular industry. It is going to be up to each Member of this Congress when we get to a vote—and I intend to ask for a recorded vote on this particular item—to decide their exact vote.

I do not know of anyone who was in that room when this compromise was struck. I certainly was not. I was in the Judiciary Committee when the House bill came through, and we worked on what we thought was a good balance at that particular time.

I agree with the other speakers, this bill has a lot of good things in it, and I intend to support it on final passage, I do believe. But I think this is a most important amendment, and when we talk about balance, I think our primary consideration has to be the people, the consumers, and particularly the elderly, the sick, and the infirmed. These are the types of people we have to be concerned about today.

Mr. Chairman, I thank the gentleman for yielding.

□ 1220

Mr. MADIGAN. I appreciate the gentleman's position and his remarks. I am sure he understands that compromise is the essence of any political activity and a compromise is what we have here and the senior citizens of America are the real beneficiaries of this compromise.

I would hate to see it picked apart and destroyed. I would hope this amendment would be defeated.

Mr. KASTENMEIER. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Mr. Chairman, I will be very brief, but I did want to comment about some of the suggestions by my friend, the gentleman from California [Mr. MOORHEAD] and others that this bill has been carefully worked out. As a matter of fact, the care that has been taken was with respect to the bill that appears on the floor, the Waxman bill, H.R. 3605, as reported by two committees. There was no care taken with respect to the backroom deal in the Senate involving the chief executive officer of one of the dissenting drug companies and a lobbyist of one of the generic groups. That is really what is being imposed upon this body today.

There is no reason we should not take to conference or to the Senate the original H.R. 3605. If the deal worked out over there has any validity at all, it could, in part, be accepted in conference; but as the gentleman from Florida [Mr. SHAW] has pointed out in this argument, which I support, what we do here is limit the access of the patent law to contest, to challenge a patent, pursuant to conditions of FDA approval for a period of years. That is not necessary and at the very least we should do what the gentleman from Florida suggests, go back to the 18-month period of time.

I would also say that while the gentleman from California [Mr. WAXMAN] may be correct, that consumers and the elderly did support his carefully worked out version, I do not believe there is any evidence that they support the Waxman amendment offered here this morning, which was worked out on a 24-hour basis in the Senate 4 weeks ago.

So I would hope the House would stand on its own feet and approve its version of the bill and if there are any changes to be made, let them be made in an orderly fashion.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, just briefly, as the ranking minority member of the Judiciary Committee, I want to speak briefly in support of what my colleague, the gentleman from California [Mr. MOORHEAD] the ranking member of the subcommittee involved, and the gentleman from Illinois [Mr. MADIGAN], speaking on behalf of the minority for the Commerce Committee, said that we do support this compromise legislation which will be presented to us through amendments offered by the gentleman from California [Mr. WAXMAN].

The compromise has two admirable goals: First, to provide renewed incentives for pharmaceutical innovation by restoring some of the patent life lost during periods of Federal premarket regulatory review; and second, give the generic drug industry the ability to bring generic copies of off-patent drugs to market as soon as the patent expires. The consumer is the ultimate benefactor of this legislation because they will receive cheaper drugs today and better drugs tomorrow.

This is important legislation, it is important to the consumer, especially the elderly. It has the support of the pharmaceutical industry, the generic drug industry, the AFL-CIO and a number of individual unions, the American Association of Retired Persons and the National Council of Senior Citizens, and I urge a favorable vote for its enactment.

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will not take the 5 minutes, but I think it is important for us to realize that not only the series of amendments that are offered as a substitute for title I, but also the bill itself before us, H.R. 3605, is the result of a great deal of negotiation and compromise and adjustment and an attempt at consensus between various interested parties and groups.

I have stated previously in debate relating to this bill that I do not think you get good legislation that way. I still believe that is the case; however, this is no time to say in this total process that this one step of negotiation is the wrong step. If it is wrong now, it was wrong at the beginning, it was wrong for H.R. 3605 to be a negotiated bill and to be brought to this floor in that form. Let us not say just one step is wrong.

Now, we can say we have done something in this process that has brought us to a point where there ought to be agreement and there ought to be an end to the controversy and there ought to be some balance.

Or, we can say let us start all over in the next Congress, and perhaps that is the better course; but if we are going

to act on a bill today or if there is going to be legislation finalized along with the action of the other body, the gentleman from California [Mr. WAXMAN] has offered the way for that course to be pursued and to be completed in a reasonable manner.

So I would urge that the amendment of the gentleman from Florida be defeated and I would urge that the substitute for title I offered by the gentleman from California [Mr. WAXMAN] be adopted, and that we put an end to the negotiations.

If it does not work out in this Congress, hopefully next time we will do it by the legislative process rather than by the negotiating process.

Mr. SHAW. Mr. Chairman, will the gentleman yield to me?

Mr. MOORHEAD. Yes; I yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairman, I would like to just pick up on one item that the gentleman did bring up. He is talking about protection. This is protectionism, this type of provision within the law itself. It is already there to a certain degree, and what we are being asked to do is to extend that.

As the gentleman from California [Mr. WAXMAN] pointed out, the remedies are already in the law, triple damages. How much are we going to give them? This absolutely smothers competition, and it guarantees an absolute monopoly in a particular area that might not even be an infringement. This is wrong.

Mr. Chairman, this is what I am trying to get to, and this is what I am trying to lessen with this amendment.

Mr. MOORHEAD. Mr. Chairman, all patents protect. They create a monopoly. We try to encourage innovation. We try to encourage the development of new products, and to do that we protect products.

But this bill as it is being amended will provide for the generic drug manufacturers and provide senior citizens their drugs more rapidly than they would otherwise get them except for those instances in which a patent is expiring before the drug ever gets on the market. We give them 5 years in which to recover their investment. But for most drugs that are manufactured, the generics will be able to get them and get them on the market and be able to provide drugs for the senior citizens that are reasonably priced for the American people.

Mr. Chairman, I do not think that we want to take away the balance that is in this legislation, which is what the gentleman's amendment would do.

Mr. MADIGAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Shaw amendment.

I wish to associate myself with the remarks of the two gentlemen from California [Messrs. MOORHEAD and WAXMAN]. I think what the gentleman from California has just said is absolutely correct.

While it is true that the adoption of the Shaw amendment might make this bill a little bit better for senior citizens, the fact of the matter is that the senior citizens are the principal beneficiaries of the bill to begin with. They are the people we have been trying to help through this whole process, but by trying to make it a little bit better for them, we lose all of the other parties to the compromise that have enabled us to get this far and we insure that this bill thus would never become law.

So I think the two gentlemen from California have been absolutely on target when they said that what we have done is in the best interests of the senior citizens. They want this bill, we want this bill, but we cannot tear it apart now by trying to make it a little bit better here and a little bit better there, because if we do that, we are going to lose the bill.

Mr. SHAW. Mr. Chairman, will the gentleman yield for one short moment?

Mr. MADIGAN. I am happy to yield to the gentleman from Florida.

Mr. GEKAS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, over the last 18 months, I have found myself almost automatically opposing everything that the gentleman from California [Mr. WAXMAN] would propose almost viscerally because of our different philosophies.

Now, I am confused today, because I think I agree with him on this particular issue. It seems to me, and this is what I need some clarification on, and I will ask the gentleman from Illinois to state it for me—I talked at side bar with the gentleman from Florida whose amendment we are going to be considering. If indeed we have arrived at a position where the gentleman from California is now offering an amendment that is the consensus of agreement that brings into play the agreement that the administration and senior citizens and the major drug companies and of the regulators, then it seems to me that we rank-and-file people are not privy to all the information that is absolutely necessary to make an independent judgment that gives us a basis upon which to cast a final vote.

Is that indeed the case, this gigantic compromise?

I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I thank the gentleman for yielding.

The administration has two concerns about the bill. One of their two concerns is addressed in the amendment offered by the gentleman from California [Mr. WAXMAN]. He then later in the process will offer a second amendment which addresses the administration's second concern and then enables the administration to be supportive of the bill.

The amendment being considered now which addresses one of two administration concerns represents a compromise between all the parties the gentleman described in his statement.

What we have in supporting the Waxman amendment is one-half of what we need for administration support and the compromise that has brought us to this point where we have senior citizens, drug companies, Members of the other body, and everybody in unison in support of what the gentleman from California has asked us to consider.

Mr. GEKAS. In recapturing my time, Mr. Chairman, I would further yield to the gentleman from Illinois to answer one other question.

How would the adoption of the Shaw amendment do serious damage to this compromise if indeed it only affects the 18-month time period extending it to 30 months? Is that a serious blow to the compromise which we are discussing here?

I yield to the gentleman from Illinois.

Mr. MADIGAN. Well, I thank the gentleman for yielding.

What we have done under the leadership of Senator HATCH and Chairman WAXMAN and others is that we have tried to get a compromise that would represent the majority of the things sought by the majority of the people who have been interested in this legislation.

□ 1230

Now, if we are to begin the process by adopting this amendment, and then this amendment, and then this amendment over here—as there is more than one amendment to be considered, each takes away part of this compromise. So the adoption of the Shaw amendment, should that be the case, would be the first stone pulled out of the foundation, and there are other stones that will be attempted to be pulled out of the foundation, and then the whole structure is going to collapse.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Florida.

Mr. SHAW. I thank the gentleman for yielding.

I think it is important and I would like to repeat this particular point: I did not pull this amendment out of the air. This is the amendment that is presently in the House bill. This is the language that is presently in the House bill and it goes back to this language—that is all it does. So this is not anything new or innovative or that is unheard of. It was considered by the

committees of the House of Representatives and passed, and it was done in open hearings, not in back rooms, and it is, I think, a much better language and should be supported.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from California with whom I seem to be agreeing.

Mr. WAXMAN. Well, it is a pleasure that the gentleman agrees with me. I would hope that in the future the gentleman would distrust his visceral reaction which would lead him into disagreement with my position.

Mr. GEKAS. I will try—I will try.

Mr. WAXMAN. I thank the gentleman.

The original 18 months, just for historical footnote, was a number of months that was arrived at after negotiation, not in the legislative hearings but between the various industry groups as they tried to resolve competing concerns.

The generic drug manufacturers—first of all, this bill is a bill dealing primarily with getting generic drugs on the market when the patent expires. The conceptualization of the bill is to give more time and more incentives for research and development.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GEKAS] has expired.

(On request of Mr. WAXMAN and by unanimous consent, Mr. GEKAS was allowed to proceed for 2 additional minutes.)

Mr. WAXMAN. Mr. Chairman, will the gentleman yield further?

Mr. GEKAS. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, the whole conceptuality of this bill is to give more time for the firm developing the patented drug, to give them a further incentive for research and development. There is a public good in that. The other side of it is to give the opportunity for competition in generic drugs to be on the market after that patent has expired.

This issue is a side issue. That is a side issue of when there is an invalid patent. The pharmaceutical manufacturers, the brand-name manufacturers were concerned that the generic manufacturers would come in and say that the patent was invalid and immediately go out in the market and compete, and they would be at some disadvantage. There were negotiations back and forth.

As far as I was concerned, the present patent law ought to be operative and they ought to go to court and try to enforce their patents. But instead of leaving the law as it is, it was agreed upon to have a period of time by which there most likely would have been a court adjudication of the patent in question.

As a practical matter, the generic drug manufacturers have told us they wait for a court decision before they will market a drug. But this is a side issue to the overall importance of this bill. But it is a significant issue in terms of emotion.

I must tell you that while we may want the legislative process to be only Congressmen and Senators discussing the issues on a certain academic, intellectual level, there is a practical level by which people deal in day-to-day life. And the pharmaceutical manufacturers had an enormous amount of distrust with the generic manufacturers, the feeling that they may challenge a lot of patents that were quite valid. And the distrust ran the other way as well; the generic manufacturers said, "All they are trying to do is to keep us off the market and keep us from pressing our case."

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GEKAS] has again expired.

(By unanimous consent, Mr. GEKAS was allowed to proceed for 2 additional minutes.)

Mr. WAXMAN. Mr. Chairman, will the gentleman yield further?

Mr. GEKAS. I yield further to the gentleman from California.

Mr. WAXMAN. The 18-month figure was a compromise. It was a compromise that brought onboard the Pharmaceutical Manufacturers Association along with the generic drug groups.

The change from 18 to 30 months was a change that brought on the dissident groups within the PMA and has brought us to a package now that we can say with confidence is opposed by no one and backed by all of the groups concerned because their definition of reality has been redefined by virtue of this process having taken place. So I would make that clarification to the gentleman. I appreciate the significance of the legislative process, but let us not elevate procedure over substance.

What we have here is substantively a very good bill in the public interest. The public will benefit twice; by the further incentive for research and development for new, innovative drugs and by the immediate reduction in drug prices when a generic is on the market as a competitor.

That is a very worthwhile objective for this Congress to accomplish.

Mr. GEKAS. I thank the gentleman.

Recapturing my time, Mr. Chairman, I just wish to say that I reluctantly disagree with my colleague from Florida [Mr. SHAW] on this particular issue and I reluctantly agree with the gentleman from California [Mr. WAXMAN] and will support his amendment.

I thank the gentleman for his explanation.

Mr. Chairman, I yield back the balance of my time.

Mr. CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SHAW] to the amendment offered by the gentleman from California [Mr. WAXMAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SHAW. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Chair announces that pursuant to clause 2, rule XXIII, he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 374]

Albosta	Crockett	Gore
Anderson	Daniel	Gramm
Andrews (NC)	Dannemeyer	Gray
Andrews (TX)	Darden	Green
Annunzio	Daschle	Guarini
Anthony	Daub	Gunderson
Applegate	Davis	Hall (OH)
AuCoin	de la Garza	Hall, Ralph
Badham	Dellums	Hall, Sam
Barnes	Derrick	Hamilton
Bartlett	DeWine	Hammerschmidt
Bateman	Dickinson	Hance
Bates	Dicks	Hansen (UT)
Bedell	Dixon	Hartnett
Bennett	Donnelly	Hatcher
Bereuter	Dorgan	Hawkins
Berman	Downey	Hayes
Biaggi	Dreier	Hefner
Bilirakis	Duncan	Hertel
Boehlert	Durbin	Hightower
Boland	Dwyer	Hiler
Boner	Dymally	Hillis
Bonior	Dyson	Holt
Borski	Eckart	Hopkins
Bosco	Edgar	Howard
Boxer	Edwards (AL)	Hoyer
Britt	Edwards (CA)	Hubbard
Brooks	Edwards (OK)	Huckaby
Broomfield	Emerson	Hughes
Brown (CO)	English	Hunter
Broyhill	Erdreich	Hutto
Bryant	Erlenborn	Hyde
Burton (CA)	Evans (IA)	Ireland
Burton (IN)	Evans (IL)	Jacobs
Byron	Fascell	Jeffords
Campbell	Fazio	Jenkins
Carney	Feighan	Johnson
Carper	Fiedler	Jones (NC)
Carr	Fields	Jones (OK)
Chandler	Fish	Jones (TN)
Chappie	Foglietta	Kaptur
Clarke	Ford (MI)	Kasich
Clay	Ford (TN)	Kastenmeier
Clinger	Frank	Kazen
Coats	Franklin	Kemp
Coelho	Frenzel	Kennelly
Coleman (MO)	Frost	Kildee
Coleman (TX)	Garcia	Kindness
Conable	Gaydos	Kleczka
Conte	Gejdenson	Kogovsek
Conyers	Gekas	Kolter
Cooper	Gephardt	Kostmayer
Coughlin	Gibbons	Kramer
Courter	Gilman	LaFalce
Coyne	Gingrich	Lagomarsino
Craig	Glickman	Lantos
Crane, Daniel	Gonzalez	Latta
Crane, Philip	Goodling	Leath

Lehman (CA)
Lehman (FL)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Long (MD)
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken
Lundine
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Marriott
Martin (IL)
Martin (NY)
Martinez
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McCollum
McEwen
McGrath
McHugh
McKernan
McKinney
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Minish
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moody
Moore
Moorhead
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Nichols
Nielson
Nowak
O'Brien
Oakar
Oberstar
Obey
Olin
Ortiz
Oxley
Packard
Panetta
Parris
Patman
Patterson
Paul
Pease
Penny
Pepper
Petri
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Rahall
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schumer
Seiberling
Sensenbrenner
Sharp
Shaw
Shelby
Shumway
Sikorski
Siljander
Sisisky
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny
Snowe
Snyder
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Thomas (CA)
Thomas (GA)
Torricelli
Traxler
Udall
Valentine
Vander Jagt
Vento
Volkmer
Walgren
Walker
Watkins
Waxman
Weaver
Weber
Weiss
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Young (MO)
Zschau

□ 1250

The CHAIRMAN. Three hundred and sixty-two Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Florida [Mr. SHAW] for a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. The Chair will announce again that this is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 66, noes 304, answered "present" 1, not voting 61, as follows:

[Roll No. 375]

AYES—66

Applegate
Badham
Bilirakis
Bonior
Boxer
Brown (CO)
Coelho
Conyers
Davis
Dellums
Durbin
Eckart
Edwards (CA)
Fascell
Foglietta
Frank
Garcia
Glickman
Gonzalez
Gore
Guarini
Hall, Sam
Hammerschmidt
Hertel
Hunter
Ireland
Jacobs
Jones (OK)
Kastenmeier
Kildee
Kleczka
Kogovsek
Kramer
Lehman (FL)
Long (MD)
Lowry (WA)
Mack
MacKay
Markey
McCollum
McKinney
Minish
Moody
Morrison (CT)
Oberstar
Obey
Pepper
Petri
Rahall
Roemer
Roth
Russo
Schroeder
Seiberling
Shaw
Slattery
Smith (FL)
Smith (IA)
Snyder
St Germain
Stratton
Vento
Volkmer
Weaver
Weiss
Young (FL)

NOES—304

Albosta
Anderson
Andrews (NC)
Andrews (TX)
Annunzio
Anthony
Archer
AuCoin
Barnes
Bartlett
Bateman
Bates
Bedell
Bennett
Bereuter
Berman
Biaggi
Boehlert
Boland
Boner
Borski
Bosco
Breaux
Britt
Brooks
Broomfield
Brown (CA)
Broyhill
Bryant
Burton (CA)
Burton (IN)
Byron
Campbell
Carney
Carper
Carr
Chandler
Chappie
Clarke
Clay
Clinger
Coats
Coleman (MO)
Coleman (TX)
Collins
Conable
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane, Daniel
Crane, Philip
Crockett
D'Amours
Daniel
Dannemeyer
Darden
Daschle
Daub
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan
Downey
Dreier
Duncan
Dwyer
Dymally
Dyson
Edgar
Edwards (AL)
Edwards (OK)
Emerson
English
Erdreich
Erlenborn
Evans (IA)
Evans (IL)
Fazio
Feighan
Fiedler
Fields
Fish
Ford (MI)
Ford (TN)
Franklin
Frenzel
Frost
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Goodling
Gramm
Gray
Green
Gunderson
Hall (OH)
Hall, Ralph
Hamilton
Hance
Hansen (UT)
Hartnett
Hatcher
Hayes
Hefner
Hightower
Hiler
Hillis
Holt
Hopkins
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson
Jones (NC)
Jones (TN)
Kaptur
Kasich
Kazen
Kemp
Kennelly
Kindness
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Latta
Leath
Lehman (CA)
Leland
Lent
Levin
Levine
Levitas
Lewis (CA)
Lipinski
Livingston
Lloyd
Loeffler
Long (LA)
Lott
Lowery (CA)
Lujan
Luken
Lundine
Lungren
Madigan
Marlenee
Marriott
Martin (IL)
Martin (NY)
Martinez
Mavroules
Mazzoli
McCain
McCandless
McCloskey
McEwen
McGrath
McHugh
McKernan
McNulty
Mica
Michel
Mikulski
Miller (CA)
Miller (OH)
Mineta
Mitchell
Moakley
Molinari
Mollohan
Montgomery
Moore
Moorhead
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Nichols
Nielson
Nowak
O'Brien
Oakar
Olin
Ortiz
Ottinger
Oxley
Packard
Panetta
Parris
Patman
Patterson
Paul
Pease
Penny
Pickle
Porter
Price
Pritchard
Pursell
Quillen
Ratchford
Ray
Regula
Reid
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Roukema
Rowland
Roybal
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schumer
Sensenbrenner
Sharp
Shelby
Shumway
Shuster
Sikorski
Siljander
Sisisky
Skeen
Skelton
Smith (NE)
Smith (NJ)
Smith, Denny
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stangeland
Stenholm
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Thomas (CA)
Thomas (GA)
Torricelli
Traxler
Udall
Valentine
Vander Jagt
Walgren
Walker
Watkins
Waxman
Weber
Wheat
Whitehurst
Whitley
Whittaker
Whitten
Williams (MT)
Williams (OH)
Wilson
Wirth
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (MO)
Zschau

ANSWERED "PRESENT"—1

de la Garza

NOT VOTING—61

Ackerman
Addabbo
Akaka
Alexander
Aspin
Barnard
Beilenson
Bethune
Bevill
Bliley
Boggs
Bonker
Boucher
Chappell
Cheney
Corcoran
Dowdy
Early
Ferraro
Flippo
Florio
Foley
Fowler
Fuqua
Gradison
Gregg
Hall (IN)
Hansen (ID)
Harkin
Harrison
Hawkins
Heftel
Horton
Leach
Lewis (FL)
Martin (NC)
Matsui
McCurdy
McDade
Neal
Nelson
Owens
Pashayan
Rangel
Roberts
Rostenkowski
Rudd
Schulze
Shannon
Simon
Smith, Robert
Stark
Stump
Tauzin
Taylor
Torres
Towns
Vandergriff
Vucanovich
Winn
Wright

The Clerk announced the following pair:

On this vote:

Mr. Nelson for, with Mr. Rangel against.

Mr. WILSON and Mr. BURTON of Indiana changed their votes from "aye" to "no."

Messrs. WEAVER, LOWRY of Washington, and ECKART, Mrs. BOXER, Messrs. DAVIS, LONG of Maryland, and COELHO, Mrs. SCHROEDER, and Mr. KOGOVSEK changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1300

The CHAIRMAN. Are there further amendments to the Waxman amendment?

AMENDMENT OFFERED BY MR. QUILLEN TO THE AMENDMENT OFFERED BY MR. WAXMAN

Mr. QUILLEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUILLEN to the amendment offered by Mr. WAXMAN: In the proposed section 505(j)(4)(D) (ii), (iii), and (v), strike out "for a drug" and insert in

lieu thereof "for a drug which is subject to section 503(b)" and in the proposed section 505(j)(4)(D)(iv) is amended by inserting after "change approved in the supplement" the following: "for a drug subject to section 503(b)".

Mr. QUILLEN. Mr. Chairman, I am offering an amendment to the substitute being offered by the gentleman from California [Mr. WAXMAN]. The amendment would limit the application of the bill to prescription drugs only. If the amendment is adopted, over-the-counter drugs would not be affected by the bill's provisions. Congress has debated legislation affecting the drug industry for the past 3½ years. In the last Congress, legislation to restore lost patent protection to drugs was narrowly defeated. That legislation was considered in response to concerns by prescription drug companies that part of their patent protection was lost while drugs were being reviewed by the Food and Drug Administration.

A compromise was developed in this Congress that granted limited patent restoration while at the same time speeding the approval process for generic competitors. Throughout all of this discussion, the debate has been about the prescription drug industry. Extensive hearings have been held in the House Judiciary Committee as well as the Energy and Commerce Committee. The legislation came before the Rules Committee, on which I serve, recently.

Throughout all of this debate, however, no consideration has been given to these issues as applied to over-the-counter drugs. In the last-minute compromise that passed the other body just before the recess, language was inserted to grant a period of market protection outside of the patent system by building in a statutory delay before the Food and Drug Administration could approve generic versions of any drug; prescription or over-the-counter.

This amendment is necessary to avoid sweeping over-the-counter drugs into the provisions of an enormously complex bill without the benefit of any hearings or extensive discussion of this issue. For this reason, I strongly urge my colleagues on both sides of the aisle to support the amendment so that we can revisit the over-the-counter drug issue at a time when it can be given the attention that it deserves.

As a Member of Congress who has devoted much of his time to opposing unnecessary restraints on small business, I am reluctant to vote for a bill that would have such a dramatic and unprecedented effect on the entire drug industry without having the benefit of hearings and informed discussions of its impact on over-the-counter drug companies in general, and small companies in particular.

Mr. Chairman, I have a letter here from Chattem Drug Co. of Chattanooga, TN, dated September 5, 1985, stating:

It has come to our attention that the future of the small over-the-counter pharmaceutical companies of the United States has been placed in jeopardy by language in H.R. 3506, which is scheduled for floor action Thursday. The language originated in a last-minute compromise that produced S. 2926.

□ 1310

The letter goes on to state opposition to the inclusion of over-the-counter drugs, and in closing says:

Circumstances have limited opportunities to respond because no hearings were held, no opportunity for the small drug companies to make an input.

And the views stated by Chattem are shared by Combe, Inc., Schmid Laboratories, Inc., the Mentholatum Co., Goody's Manufacturing Corp., MK Laboratories, Inc., and others.

Mr. Chairman, I urge the approval of this amendment because we could go back to a hearing process and determine in actuality whether or not the provisions of the compromise are really needed.

Mrs. LLOYD. Mr. Chairman, will the gentleman yield?

Mr. QUILLEN. I yield to the gentlewoman from Tennessee.

Mrs. LLOYD. I thank the gentleman for yielding. Mr. Chairman, I rise in strong support for the amendment offered by my colleague from Tennessee to exempt over-the-counter drugs from the terms of this bill and limit it instead to prescription drugs. As has been mentioned, no hearings, no formal discussion of the inclusion of OTC drugs in this bill were held by House committees. I have been concerned for some time that small, over-the-counter manufacturers, like Chattem, have been completely left out during consideration of this compromise. I don't think we should now be including them in the scope of this legislation.

This bill accords an additional 3 years of protection to the large drug companies, a period of time they can use to establish a strong market foothold. That's a tremendous disadvantage for smaller firms, such as Chattem, Combe, Inc., Schmid Laboratories, Inc., the Mentholatum Co., Goody's Manufacturing Corp., and MK Laboratories in the over-the-counter industry who may have limited advertising budgets.

Passage of this bill will clearly benefit consumers. But I don't think we want to include in it language restricting the ability of the smaller business to freely compete. Their presence in this market is of benefit to consumers as well. We should not, through a reluctance to fully debate, impose unfair, unreasonable, monopolistic limits to their operations.

Mr. DUNCAN. Mr. Chairman, will the gentleman yield?

Mr. QUILLEN. I yield to the gentleman from Tennessee.

Mr. DUNCAN. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Tennessee [Mr. QUILLEN]. It is a good amendment and I urge all of my colleagues to vote for approval of the amendment as stated.

Mr. QUILLEN. I thank the gentleman.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman from Tennessee yield?

Mr. QUILLEN. I would be happy to yield to the gentleman from Wisconsin.

Mr. KASTENMEIER. I thank the gentleman for yielding.

Mr. Chairman, I want to compliment the gentleman on his amendment. Obviously, in the original versions neither the Committee on Energy and Commerce nor the Committee on the Judiciary contemplated a monopoly grant for over-the-counter drugs and the gentleman is quite right to raise this as an issue.

I hope the gentleman's amendment succeeds.

Mr. QUILLEN. I thank the gentleman for his contribution.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. QUILLEN. I would be happy to yield to the gentleman from Tennessee.

Mr. GORE. I thank the gentleman for yielding.

Mr. Chairman, I intend to seek my own time on this amendment, but I just want the Members of this body to understand that this is not just a routine amendment that is going to be debated briefly and then passed by and then never heard from again. This is an extremely important matter.

My colleague, with whom I am proud and privileged to serve, has an extremely important point to make here and I hope that my colleagues will listen to his argument.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. QUILLEN] has expired.

(On request of Mr. GORE and by unanimous consent, Mr. QUILLEN was allowed to proceed for 2 additional minutes.)

Mr. GORE. If the gentleman will yield further, what happened here is that a compromise was reached between consumer groups and senior citizens' groups and others on the one hand, and the pharmaceutical industry on the other hand, including the large companies and the generic companies, and a pretty sensible balance was struck.

I was one of those who worked along with Chairman WAXMAN in trying to

put this original thing together, and he has done a fabulous job on it. But what happened then is that even though the industry supported the compromise, a few companies within the industry wanted a little more. They wanted some extra provisions, even though the industry as a whole had signed off on it, and they convinced the other body to add some other provisions. Then they let it be known that they would kill the bill if they did not get their way.

The bill came back over here and now some modifications have been made to those new provisions, but essentially they are being offered in the substitute offered by the gentleman from California.

My colleague from Tennessee quite sensibly is saying, "Look, there have been no hearings held on this. This is not what all these groups agreed to. This is not in the public interest."

Yes; it is true that if this amendment passed, then the compromise would have to be revisited. It would be a little more difficult, but they would accept this amendment because it is in the public interest. Let us argue it out.

I support the amendment offered by my colleague, and I am going to seek my own time to speak a little bit longer on it, but I wanted to lend my support on this occasion.

Mr. QUILLEN. I thank the gentleman.

Mr. Chairman, I would hope that the gentleman from California [Mr. WAXMAN] would accept this amendment. It is a good amendment, and I cannot imagine the gentleman from California agreeing to a compromise that neither the Committee on the Judiciary nor the House Committee on Energy and Commerce has held hearings on. No mention of this was made in the Committee on Rules when the rule was requested.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. QUILLEN] has again expired.

(By unanimous consent, Mr. QUILLEN was allowed to proceed for 1 additional minute.)

Mr. QUILLEN. Then to bring it up without the drug companies really knowing what the situation is, and they were not cognizant of the fact before a day or two ago of what language was going into the compromise or whether or not the compromise would be accepted in the House. I think it is not becoming to this body to pass legislation in this way.

Mr. Chairman, I urge the adoption of the amendment.

Mr. WAXMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and my colleagues, I admire the tenacity of the Tennessee delegation in pursuing this amendment. The leading force behind this amendment is evidently an over-the-counter firm in their State, and I appreciate the fact that they can have concerns about the legislation.

For the history of this legislation, let me indicate that we were dealing primarily with prescription drugs and the Proprietary Association which represents the over-the-counter drug manufacturers came to us and said, "Now, wait a second. If we put money into the research and development of a new drug that would be sold over the counter, why should we not be protected?"

I indicated that there has never been an over-the-counter drug that met that classification. Over-the-counter drugs primarily are drugs that previously had been prescription drugs and after a long period of time, when the patents had expired and the record of that drug usage was clear that it was in the public interest and there would be no harm done to sell it over the counter rather than by prescription, then the over-the-counter manufacturer went forward and produced that product.

But at the insistence of the Proprietary Association, we agreed to put them in the bill. So the legislation applies to the over-the-counter drugs.

I do not think they are going to be disadvantaged by the compromise that was worked out that is before us today. The only time an over-the-counter product will receive additional protection is when there is a switch from a prescription drug status to an over-the-counter status, and there were human clinical trials to justify the FDA approving that new drug application.

Under those circumstances, the 3-year provision of the legislation would go into effect. The 3-year protection, in effect, provides that a product that is not a new chemical entity would be protected for 3 years after the FDA approval because there were essential clinical trials submitted to FDA, and only when clinical trials were submitted. Most likely an over-the-counter drug is not going to have a clinical trial period in order to get FDA approval and, therefore, this 3-year rule would not apply, but when there has been an investment by an over-the-counter firm to go through those clinical trials, to get FDA approval, then the argument that the Proprietary Association made to us that they ought to be protected, it seems to me, is a valid one. They ought to be protected because they have made their investment and they would be protected under this legislation for 3 years. This protection is fair, because the manufacturer had to spend a substantial amount of money to conduct those tests. The manufacturer deserves the same period to recoup that investment. If a switch to OTC is made without new studies, then the OTC product would not receive protection from competition.

Therefore, I must reluctantly—and I say reluctantly because of the enormous admiration I have for the gentleman from Tennessee and his colleagues also from Tennessee—oppose this amendment and argue that we ought to leave this compromise that has been worked out in place.

□ 1320

Mr. QUILLEN. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I am happy to yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Chairman, I have here, I will say to the gentleman from California, a confidential active member insert from the board to which the gentleman refers as supporting this compromise. This is the Proprietary Association. Let me read it to the gentleman.

PA board members reaffirm position on patent term legislation.

Both the executive committee and the board of directors have overwhelmingly reaffirmed the Proprietary Association's policy of not becoming actively involved in current negotiations.

Now, the gentleman says that they agreed and have worked out the negotiation. I do not understand, because somebody must have been speaking from the Proprietary Association without the authority of the board or the executive committee because it clearly states this.

The CHAIRMAN. The time of the gentleman from California [Mr. WAXMAN] has expired.

(By unanimous consent, Mr. WAXMAN was allowed to proceed for 2 additional minutes.)

Mr. WAXMAN. Mr. Chairman, I will reclaim my time to respond.

The Proprietary Association wanted to be included in this legislation so they would get the protection for their patent should they receive a patent for one of their products, and on that basis, at the request of the association, we put them in the bill, but they were not involved as participants in the overall working out of this bill because it did not affect them so directly.

The Proprietary Association is not asking for the Quillen amendment. There is only one company asking for the Quillen amendment, a company in the State of Tennessee, and they think they are going to be disadvantaged by this compromise. I disagree with their interpretation.

Mr. QUILLEN. Mr. Chairman, will the gentleman yield on that point?

Mr. WAXMAN. I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Chairman, I read there in my testimony that there are five companies, including Mentholatum and Chattem Drug. I turn the list over, and I see there are five drug companies that are interested in this amendment. And there were others, but others did not know about it.

Mr. Alex Guerry and Mr. Jolly of Chattem Drug are members of the board of directors of the association, and they did not know anything about it. They have repeatedly told me that the Proprietary Association was taking no stand on it.

Mr. WAXMAN. Mr. Chairman, it is my understanding that the Proprietary Association has not come to us with this amendment. This amendment was generated by some representatives of at least one company, maybe more, but I only know of one company in the State of Tennessee that feels that they may be in some way disadvantaged by the changes that have been proposed from the Senate version of the bill which provides for this 3-year protection. But I disagree with them. As I read the bill, I do not think they are disadvantaged, and I think if an over-the-counter drug company puts in the money for research, they ought to be protected for 3 years.

The CHAIRMAN. The time of the gentleman from California [Mr. WAXMAN] has again expired.

(By unanimous consent, Mr. WAXMAN was allowed to proceed for 5 additional minutes.)

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I thank the chairman of the subcommittee for yielding.

I understand, having been a party to this, that these people came to us and asked us to put them in the bill, No. 1, and that they asked to be put in the bill because there is a possibility of their making a considerable investment into the processes that would lead to the development and approval, of a new over-the-counter drug.

Mr. WAXMAN. The gentleman is correct.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. The trade association asked to be included in the legislation, and we did that.

Mr. MADIGAN. For the reasons I have just stated, is that correct?

Mr. WAXMAN. That is correct.

Mr. MADIGAN. Now, I am given to understand, and I ask the gentleman if he has the same understanding, that one new over-the-counter drug, an aspirin substitute, has been developed, and under the terms of this bill, because of the development expense that has been incurred, the company would have an exclusive marketing period for that product; is that correct?

Mr. WAXMAN. Yes; that is correct.

Mr. MADIGAN. And now I understand that there is a company in Tennessee that does not want that company to have the exclusive marketing period for the product that they have invested the research dollars in. The company in Tennessee wants to come along piggyback and compete immediately on this new over-the-counter product even though the first company is the company that spent the research and development dollars.

Does the gentleman have an understanding that is anything similar to that?

Mr. WAXMAN. I have the same understanding that the gentleman has.

Mr. QUILLEN. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Chairman, I have asked the gentleman to yield so I may respond.

The emphasis has been placed on one company from Tennessee. Let me read what I read a moment ago.

The views of the company from Tennessee, Chattem Drug, "are shared by Combe, Inc., Schmid Laboratories, Inc., the Mentholatum Co., Goody's Manufacturing Co., MK Laboratories, Inc., and others."

Now, the gentleman says it is one company in Tennessee. I am proud of that company, and I am glad that they contacted me and talked about this amendment. They are reliable and aboveboard, and they do not want to piggyback on anybody's back. They are leaders in their field, and they do not want to be squeezed by a larger company. So by reference, let us not have this get out of hand.

Mr. WAXMAN. Mr. Chairman, the only comment I would make is that the gentleman may be correct about those other companies. I do not know one way or the other. The only company that has contacted us is Chattem Drug in the State of Tennessee. They may have supporters from other companies as well.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I am pleased to yield to my colleague, the gentleman from Tennessee.

Mr. GORE. Mr. Chairman, I want to clear up my colleague's statements about the Proprietary Association. Let me state my understanding of what has happened, and the gentleman can clarify it if he feels it is mistaken.

It is my understanding that the Proprietary Association has not taken any position in favor of the substitute language that the gentleman is trying to put into the bill, nor has it taken a position in favor of the Quillen amendment. It has officially decided to be neutral on this entire question.

Now, my colleague said a moment ago——

Mr. WAXMAN. No; let me clarify that position.

Mr. GORE. All right.

Mr. WAXMAN. By and large, the gentleman is correct, with one addition. The Proprietary Association said to us that if they were not included in the bill, they would not be neutral; they would be opposed to the bill.

Mr. GORE. All right.

Mr. WAXMAN. But once we put them in the bill, then they were satisfied. That is not to say the real issues are those to be decided by the generic and pharmaceutical manufacturers; they are incidental to those issues.

Mr. GORE. All right. That is the statement about which there is some controversy that I want to pursue. My understanding is that it was not the Proprietary Association at all which made the statement to the gentleman that they would withdraw support for the bill unless we put this substitute language in, and in fact the association did not act on this but, instead, one person within the association came and spoke with the gentleman and his staff and communicated his views about it, and there is some great controversy about whether he is purporting to speak for the association or not.

Mr. WAXMAN. No; let me clarify it. I was not saying the Proprietary Association wanted to be included in the coverage of the bill with these amendments. They wanted to be included in the coverage of the bill originally, and it was the head of the association that came to see me, and we agreed to put them in.

The CHAIRMAN. The time of the gentleman from California [Mr. WAXMAN] has again expired.

(By unanimous consent, Mr. WAXMAN was allowed to proceed for 1 additional minute.)

Mr. WAXMAN. Mr. Chairman, the only other time we have had contact by an over-the-counter drug manufacturer was not on behalf of the association but on behalf of only one drug manufacturer in the State of Tennessee, and that related to this one issue of the 3-year rule. That individual said he would like to see a change, but he did not represent, nor could he, the association, although he did indicate to us that he is a member of the board of directors. But he did not claim to be representing the association's position; it was only what he thought was in his best interest.

Mr. GORE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, let me try to put this in perspective, if I can.

First of all, it is true that there is a Tennessee company that has a great interest in the outcome of this legislation and this amendment. But it is not true that that is the principal reason for this controversy. As my colleague, the gentleman from Tennessee, stated, there are many other companies involved, and much more importantly than that, the public interest is in-

volved and the interests of consumers and senior citizens are involved.

□ 1330

This entire effort to rewrite the new drug approval procedures and this whole law has been a very difficult and complex effort to strike a balance between the interests of consumers and generic drug companies, on the one hand, which is the interest of having more competition from generic drugs in order to drive drug prices down. That is one interest that is involved here.

The second interest is that we give enough compensation and incentive to the innovators of new drugs to invest the money and develop new drugs.

Now, where do you draw that line? How do you strike that balance? Years ago they said we will have 14 years for patent protection. Well, that 14 years was eroded a little bit by the time necessary for the FDA to approve drugs and then there were proposals to extend the patent period and that is how this controversy began.

I stood with my colleague, the gentleman from California, 2 years ago here in the well of this House speaking against one effort to strike that balance, which he and I and some others felt went too far in taking away from the consumer interests and giving too much incentive and too much encouragement to the innovators of new drugs when they really did not need as much as we felt was given them in that bill. It was a well-intentioned bill and there was a legitimate difference of opinion on it.

Well, we fought that bill and managed to stop that bill, just barely.

Well, in this Congress another effort began to strike a compromise between the consumer interests and the major drug manufacturers' interests to give them incentive and yet stimulate more competition and drive prices down.

OK. That effort was led by my colleague, the gentleman from California, and to put this whole dispute into perspective, let me say very clearly for my colleagues on both sides of the aisle that the gentleman from California [Mr. WAXMAN], the gentleman from Illinois [Mr. MADIGAN], the gentleman from Oklahoma [Mr. SYNAR], and others have worked tirelessly to get what I felt was a tremendous compromise, the biggest change in the Nation's drug laws since the Kefauver amendments of 1962. It is an excellent package, but—and here is the big but—after that compromise was arrived at, then a minority within the pharmaceutical industry said, "Well, there is not enough in it for us. We want more. We want to tilt it away from the consumer a little bit more. We don't want quite so much competition from generic drugs. We don't want to drive the prices down quite so low. We want more protection."

They found champions in the other body.

My colleague, the gentleman from California, the chairman of the subcommittee, would not give them the time of day. He said, "No, you are asking for too much. You are asking for too much from the consumers and senior citizens," and he would not put it into the bill and I admire him for it. His motives here today are perfectly genuine, but let me outline them so that we all clearly understand what is involved.

Members of the other body put in these additional provisions to tilt it away from the consumer interests and more toward the large drug manufacturers and they made it known that they would kill the bill if they did not get their way.

All right. At this point you have this huge effort which has gone on for 2 years to get a compromise which is in the public interest. Overall, you know, this bill needs to pass. It is a good bill, but here we have a situation where the whole endeavor, 2 years worth, is in jepoardy because a minority of the pharmaceutical industry is stamping its feet and saying, "We are going to kill it."

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

(By unanimous consent, Mr. GORE was allowed to proceed for 5 additional minutes.)

Mr. GORE. Because a minority within the industry is stamping their feet and saying, "We will kill the bill unless you add this additional language."

After the compromise, after the industry accepted the compromise, a minority within the industry was able to get the other body to put these extra provisions in extending it to over-the-counter drugs, putting in this 3-year rule and the 2-year rule and the rest.

All right. We have a decision to make here in this body. Do we want to automatically accept what the other body has done to placate the minority of companies that disagreed with the original compromise for fear that if we do not the whole endeavor may be jeopardized?

Now, it is a legitimate question. I helped in the early days to give birth to this compromise and I certainly understand and appreciate the fact that we do not want to risk this whole endeavor being destroyed or lost because of this dispute.

I would argue to you though, my colleagues, that we do not have to automatically accept what the other body has done. We can say, "Look, we think you went a little bit too far away from the consumer interests, away from the generic companies, away from the small companies, a little bit too far away from competition and driving prices down. We would like to give it one more shot. Let us see if we cannot pass this package, which is a good package overall, without these extra provisions."

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. GORE. I will in just a moment.

My colleague said they would not be able to get this provision unless they went to the expense to get new clinical trials. My colleague has no commitment from the industry whether they will accept even that qualification. They may still stamp their feet and insist upon the original Senate version. There is no agreement from the industry that they will accept that.

Second, there is no way to enforce this provision, because the information upon which the new clinical trials are based is confidential and those who wish to challenge it cannot get access to it.

So I would argue very strongly, particularly in light of the fact that the industry and the other body has not agreed to even the refinements my colleague, the gentleman from California, is suggesting, there will have to be further discussions with them in any event. Let us have those further discussions on our terms. Let us have the compromise take place from a good sound House position and what they manage to get in over there in the other body, rather than going toward what is a bad position in the other body and then having a compromise that is worse off from the consumer point of view.

Now I will be happy to yield to my colleague.

Mr. WAXMAN. Mr. Chairman, I thank my friend for yielding to me, because I want to put this in a different perspective. I think the gentleman is painting a picture in which this amendment fits in a much more significant place than it deserves.

We live in a world where there are competing interests. I originally introduced a bill only for the promotion of generic drugs so that consumers could have lower prices. That was the point that I was pushing; but we compromised with the pharmaceutical manufacturers and they said, "Wait a minute. We put in the money for research and development to bring about these innovations. If we did not put in that money, there would be nothing for generics to copy and we ought to be protected."

We tried to balance out those interests. That has been the whole course of the negotiations on this legislation.

It is accurate to say that there were changes brought about in the legislation in the Senate which were more to the liking of the pharmaceutical manufacturers.

Mr. GORE. Because a minority within the industry wanted a little more than the industry as a whole and

wanted those changes. Is that not correct?

Mr. WAXMAN. There was a dissident group of manufacturers who were insisting on further concessions.

Mr. GORE. And this was to satisfy them.

Mr. WAXMAN. Will the gentleman yield to me? It was not an effort to satisfy them that resulted in this OTC company in Tennessee being disadvantaged. That is giving this amendment too much stature. That was not on the table in the discussions.

Mr. GORE. Well, reclaiming my time——

Mr. WAXMAN. Then I will have to seek my own time, because the gentleman is not yielding.

Mr. GORE. Well, I will yield right back to the gentleman.

Mr. WAXMAN. I will give the gentleman my real motivations when I have a chance to talk.

Mr. GORE. Well, I apologize to my colleague. I yield further.

Mr. WAXMAN. Well, I thank the gentleman for yielding further, because I do want to have a chance to match the statement the gentleman made. We do not have an enormous amount of disagreement on the general overall picture with this legislation, but we do disagree on this particular amendment and this particular question that deals with the interest of a particular company primarily in the State of Tennessee and maybe with other companies as well. The Senate approved a rule which established a 3-year protection for a non-new chemical entity where there were clinical tests.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

(By unanimous consent, Mr. GORE was allowed to proceed for 2 additional minutes.)

Mr. GORE. I yield to the gentleman from California.

Mr. WAXMAN. The bill came over to us with some question about whether an over-the-counter manufacturer would be disadvantaged.

We clarified the language, which by the way everybody has agreed to that is involved in the negotiations, so that the 3-year provision will apply only when a substantial investment is made in new clinical trials.

I must disagree with my friend, the gentleman from Tennessee. If an over-the-counter company developed a drug product or changed a drug product which is of enough significance that new clinical tests are a prerequisite to FDA approval, I think it should be protected.

□ 1340

It would be fine to say that the consumer could get the same drug at a lower price if there were generics of the new drug. But there would not be a new drug to copy if the first company did not put in the money to develop it. What we are saying is if they put the money in to develop it, they ought to have a 3-year protection. We have narrowed it to make sure that it is a significant-enough change so that the 3-year rule will apply only when new clinical tests are essential to getting FDA approval and when there is an investment of some magnitude.

So I disagree. I think this is a provision that we ought to support. I understand the gentleman's [Mr. GORE] concern for the public interest and the Tennessee company's concerns as well, but I think we ought to on balance reject this amendment.

Mr. GORE. If I may reclaim my time, has the gentleman [Mr. WAXMAN] gotten an agreement from those who supported the original language which he is substituting into this bill, has he gotten an agreement from the industry and from the sponsors of that language in the other body that they will accept his requirement that new clinical trials have to be involved?

Mr. WAXMAN. Yes; we have an agreement that they will accept this clarification of the 3-year rule which we are putting in the House bill.

The CHAIRMAN. The time of the gentleman [Mr. GORE] has again expired.

(By unanimous consent, Mr. GORE was allowed to proceed for 1 additional minute.)

Mr. GORE. I will not use a full minute, Mr. Chairman. I simply wanted to conclude by urging my colleagues to support the amendment. I am utterly convinced that the public interest is in favor of passing this amendment and going forward with the negotiations one more time and not letting the dissident companies who form a minority have the last word in this matter and squeeze out an additional concession from the consumers in this country.

But I wanted to conclude by putting it again in perspective by saying that I think my colleagues who have managed this bill and who have written this bill overall have done a fantastic job and are eminently serving the public interest with a monumental effort to reform our Nation's drug laws. I think this bill overall is definitely in the public interest and I strongly support it.

I would urge your support of this amendment.

Mr. MADIGAN. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, if I may have the attention of the chairman of the subcommittee [Mr. WAXMAN], the manager of the bill, I should like to ask him a couple of questions. I thank the gentleman for giving me his attention.

I think one of the things that is important that we address before we vote on this amendment is this issue that has been raised about large drug companies versus small drug companies and something being in this compromise fashioned by the gentleman [Mr. WAXMAN] and others that somehow benefits large companies at the expense of small companies.

That has been suggested now I think three times in the debate. But I have been involved in the process of helping develop this bill and this compromise and I do not know of any provision in the bill anywhere that treats a large company differently than a small company.

Can the gentleman [Mr. WAXMAN] tell me of any provision like that?

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, I do want to point out that I think that when that distinction has been made that it is a flare of rhetoric as part of trying to bootstrap a position that ought to be argued solely on the merits of that position.

This protection for 3 years will apply for any company, big or small, that puts in the money as an investment to develop a product that will have to be approved by FDA and requires clinical tests, which means it is not just some minor change in a chemical entity that has already previously been approved, but a change that is significant enough to require clinical tests. Whether the company is big or small, supported the original agreement or came on board later, it does not make any differences. The principle is that we are going to protect their investment for 3 years, and I think that is reasonable.

We were very careful in drafting this to make it narrow enough so that we are only protecting some change that is significant enough to require clinical tests and not some very minor change that would allow a company to come in and claim that there is some reason they ought to be protected on and on and on and on and on.

So I would suggest that when we hear the discussion of big companies or companies that were excessively greedy, and I do not disagree with my colleague's [Mr. GORE's] characterization of some of those dissident companies that were fighting for further changes in this bill; they were fighting for their economic self-interest. And I would also go along with the characterization that he gave them as to their standards, as to what they saw as their interests, irrespective of the public interest.

But this has nothing to do with that. This has to do with the issue of whether we give protection to over-the-counter drugs when an investment has been made to get a drug approved just as it would be for an ordinary pharmaceutical by any pharmaceutical manufacturer, big or large, rich or poor, if there are any poor ones.

Mr. MADIGAN. As a matter of fact, the whole problem with the dissident manufacturers, as they have been described here, dealt more with prescription drugs and patent terms. The over-the-counter thing was not involved in that controversy at all that I recall.

I am directing that a question to the chairman of the subcommittee.

Mr. WAXMAN. Except to the extent that the over-the-counter drug group, the trade association, the proprietary association, wanted to be included in a protection of any patents that they may have. And although it is very rare that they have patented products that would be extended, we are providing for them to be treated the same as the pharmaceutical companies when that rare occasion comes about.

Mr. MADIGAN. Just in summary and to come back to my original question so that this will be clear in everybody's mind, it is 3 years in the bill, it is 3 years to a large company, it is 3 years to a small company, it is 3 years to a middle-size company, it is 3 years whether the company is in Tennessee or New York or Minnesota or wherever they might be located; is that correct?

Mr. WAXMAN. That is correct.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. Yes; I yield to the gentleman from Tennessee.

Mr. GORE. I thank the gentleman for yielding.

I appreciate my colleague yielding.

Mr. Chairman, I would submit that the distinction between large and small is not merely a rhetorical flare. Although there are some small companies that are innovators and research-intensive and though there are many large companies, certainly, that produce generic drugs, by and large it is the case that the research-intensive companies are much larger and they have a set of interests that need to be balanced in this bill and those companies that are more likely to come in and produce generics when the patent period ends, although large companies are in that part of the industry, by and large they are more likely to be smaller companies. And I think you can see a clear distinction.

Now, as for there being no large companies instigating the original change, in the language of the other body, which led to this controversy, the American Home Products Co. can hardly be described as a mom and pop operation. They are the ones that are responsible for this being put in the bill.

Mr. MADIGAN. Well, I think the gentleman, if we just extrapolate what the gentleman has said, he has made the point which I suggested in the beginning of the discussion on this amendment because he is suggesting that the large companies do the research, the small companies do the generic business, over the counter, and the gentleman does not want the large companies to have the 3-year exclusive marketing to recover their investment; the gentleman wants the small company to be able to come in on them immediately.

Mr. SKELTON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of H.R. 3065.

Mr. Chairman, I rise today in support of H.R. 3065. I cosponsored H.R. 3065 because I believe that increasing the availability of generic drugs through expedited approval process embodied in the bill is a logical means of showing the rate of increase in the cost of health care. Most importantly, making generic drugs more available offers some relief to the millions of older Americans whose budgets are strained because medicare does not cover the cost of outpatient drugs. Currently, 17 percent of the out-of-pocket payments made by the elderly for health care are devoted to paying for drugs. Giving seniors the option of purchasing lower-priced generic drugs is imperative.

The approval process included in H.R. 3065 assures that, while generic drugs will be made more quickly available, the quality and effectiveness of those drugs will not be reduced. Moreover, H.R. 3065 offers incentives to drug manufacturers to continue to develop new drugs by extending the period in which the developing manufacturer can enjoy exclusive marketing rights.

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment, not in opposition to our esteemed colleague from Tennessee but in opposition to his amendment. I think it is interesting, Mr. Chairman, how in debate sometimes we see the different perspectives exhibited, those different perspectives represented by those of us who serve here in this House of Representatives and sometimes we may get things a little out of focus.

The gentleman from Illinois [Mr. MADIGAN] I think has helped to bring things back into focus very nicely but I think there is one other aspect of this whole matter that has gotten a little out of focus, at least from what I understand to be the case.

That is I have never known generic drug manufacturers to be clothed quite so heavily in the cloak of consumerism and protection of senior citizens as has been the case in the discussion of this bill.

□ 1350

They are making money off of those people. Right? They are making money off of those people just as surely as the innovators who invent drugs.

Now, the question is, How much money are they going to make? Are they going to make more money because we say to the innovators who invent the drugs, "No, you only have a little bit of protection here"?

"Patent? Well, forget about patents. We are going to do this kind of outside of the patent law."

"The regulatory process is going to limit your proprietary rights and we are going to work those around in such a manner as is necessary to fulfill a public policy, whatever we decided it is from time to time."

Today we are trying to decide that the public policy is somewhere in the area that balances in a negotiated compromise between all these parties that are concerned. But do not forget the consumer generally is going to paying for all of this.

Now, what is the least expensive way for the consumer to pay for it? Is it to say to the over-the-counter drug people, "well, you don't live under these same rules that are applicable to prescription drugs." In the event that there is some innovation in over-the-counter drugs, we should be treating that innovation and its costly process just the same as though it was a prescription drug, it seems to me. If it is an advantage to the public to have that drug available, it ought to be available on the same terms as a prescription drug. We ought not to say, "well, some people can make more profit out of it than the innovators can make and therefore discourage innovation in the public interest."

That is what we are really down to here. Are we going to discourage innovation in this over-the-counter drug market—and there is not much of it now. Now we say there are small companies. Well OK. Many of them are small, but what they make their living from is a kind of business that is profitable. So let us not feel sorry for them to any greater extent than we feel sorry for anyone else who is providing drugs, whether over-the-counter prescription, to the American public. It is our role to determine what is fair in the law.

Mr. QUILLEN. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to the gentleman from Tennessee.

Mr. QUILLEN. I thank the gentleman for yielding.

The gentleman has raised some points that I think could be developed in his committee and in the Commerce Committee, if hearings were held.

The point is that no hearings, no discussion on the inclusion of over-the-counter drugs into this measure has ever taken place in the House of Representatives. Therefore, what we are doing is buying by piggyback what the Senate has done. I do not think it is right for this body to do that. I think we have competent committees that could hold hearings and develop the facts, and if they turn out the way the gentleman is stating, then let us bring it to the floor of the House. But let us not bring it to the floor under an assumption that we are doing the right thing by latching onto something because we think that is the only way we are going to get a measure.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. KINDNESS] has expired.

(By unanimous consent, Mr. KINDNESS was allowed to proceed for 2 additional minutes.)

Mr. KINDNESS. Mr. Chairman, I want to thank the gentleman from Tennessee for his observations which are quite correct in a sense, but we have to remember that this bill, as it was reported by the committee, was not subject to hearings either, as I understand it, in the Energy and Commerce Committee. It was the result of a lot of work that followed hearings.

Now, in those hearings there was not a direction of attention to over-the-counter drugs. I understand that. But the principles that apply to drugs that are supposed to be available on the market to help people in their illnesses, those principles ought to be the same, whether the drug is sold only with a prescription or without a prescription. There is no basis for differentiating on that basis alone.

If the FDA has to approve in order for the drug to be marketed and if there is the expense involved, the investment you might call it, in getting the testing done and the data together for the approval, that company that does it, it seems to me, ought to be protected. It does not matter a whit whether it is prescription or not prescription.

The gentleman's point sounds substantial, but when you back off and take a look at it, it is really not a matter of substance. There is really no difference between a prescription drug and a nonprescription drug except that we treat it differently in some aspects of the law.

Mr. QUILLEN. If the gentleman will yield further, we held a hearing in the Rules Committee at which this inclusion was never discussed, never mentioned. The small drug companies, which, to some degree, have been criticized—and I certainly do not—I think they are very responsible and very honorable. They need to be heard. They did not know about the compromise. Although they are members of the board of the proprietary association, they did not know about it.

The CHAIRMAN pro tempore. The time of the gentleman from Ohio [Mr. KINDNESS] has again expired.

(At the request of Mr. QUILLEN and by unanimous consent, Mr. KINDNESS was allowed to proceed for 2 additional minutes.)

Mr. QUILLEN. I know that the gentleman from Ohio always advocates complete and thorough hearings on every matter that comes before the House and I know the gentleman from California would like to have hearings on all matters. But when you come before us and say, "Here, now, accept this pig in a poke that the Senate has worked out," without these companies having an opportunity for an input, I think, we are doing an injustice.

Mr. KINDNESS. I thank the gentleman for that observation which is essentially correct about the whole bill. But if the bill is a negotiated bill, as it appears to have been, we are at that stage where we are getting down to the final form of it, I think, and I would urge the defeat of the amendment. Basically, I think we would find that the bill with the additional amendments to be offered by the gentleman from California [Mr. WAXMAN] to be pretty much acceptable.

Mr. KASTENMEIER. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I did want to underline the point made by the gentleman from Tennessee [Mr. QUILLEN] that indeed there have not been hearings on this question and, in fact, would underline the statement made by the gentleman from Tennessee [Mr. GORE], who pointed out in his wisdom the gentleman from California rejected this approach formerly.

Apparently the only mention of this general issue before the Subcommittee on Health and Environment, chaired by Mr. WAXMAN, was by Dr. Novich, Deputy Commissioner of the Food and Drug Administration who said:

> Should there be a lengthier pre-eligibility period before ANDAs are permitted to avoid disincentives to drug innovation? This is a controversial issue on which many people have expressed strong views, and we believe it is a legitimate subject for debate. Those who oppose establishing a pre-eligibility period to preserve incentives for drug innovation argue that Congress has established a patent system for the specific purpose of encouraging invention and that FDA should not impose requirements designed to achieve the same objective.

So when the gentleman from Ohio [Mr. KINDNESS] talks about innovation, it is not a patentable innovation. We are not talking about prescription drugs for which patents are obtained. We are talking about investments that any business enterprise might make prior to putting a product on the market.

□ 1400

We do not reward all products that are the product of investment and research with protective monopoly devices such as that included in the Waxman amendment. Indeed, we ought to reject the Waxman amendment.

I think it has been pointed out even the proprietary industry itself is badly split on the 3-year rule which was added in the Senate. At least we know that this is a controversial item for consumers, and I would hope that we could indeed reject the additional device found in the Waxman amendment to protect a product which is not a new chemical entity, and which may be off patent or be an item for which no patent could be obtained.

Mr. Chairman, I hope we agree to the Quillen amendment.

Mr. BOEHLERT. Mr. Chairman, as I considered the proposed amendment, I asked myself some important questions dealing with consumer interests, particularly those of our senior citizens since the impact of any action no doubt will be greatest on this group.

The first question I asked was this: Isn't it in the consumers' interest, particularly our elderly consumers, to have new, improved drugs brought to the market?

The answer, of course, is "Yes."

Then I asked: Isn't it in the consumers' interest, particularly our elderly consumers, to encourage research and development that hopefully will produce new, improved drugs which can be brought to the market?

Here, too, my answer was yes.

Then, I said to myself, isn't it fair to provide some measure of protection for a company, large or small, which makes a substantial investment to develop the new and improved drugs we all want to see available to the public?

My answer to all three of these questions was the same. Yes. Therefore, I have logically and objectively concluded that the pending amendment is contrary to a whole range of interests, the most important of which is that of the consumers, particularly our elderly.

I urge rejection of the pending amendment and in the process wish to commend both the chairman of the subcommittee [Mr. WAXMAN] and the ranking member [Mr. MADIGAN] for their responsible leadership on this issue. We're in agreement.

Mr. ROWLAND. Mr. Chairman, I rise in support of the Waxman amendment to H.R. 3605. I commend the chairman of the Health Subcommittee and members of the Energy and Com-

merce Committee in helping to fashion a compromise between all the interested parties so that we can pass a bill that will provide for the greater availability of generic substitutes to the public. The greater presence of generic drugs, will provide needed relief, especially to the elderly. Our senior citizens, many of whom are on fixed incomes, are the major users of prescription drugs, and few receive any assistance to help pay for this medication. As a former family physician and one who is extremely interested in containing health care costs, I believe this compromise is an important step in addressing the skyrocketing cost of health care.

The CHAIRMAN pro tempore (Mr. BENNETT). The question is on the amendment offered by the gentleman from Tennessee [Mr. QUILLEN] to the amendment offered by the gentleman from California [Mr. WAXMAN].

The question was taken; and on a division (demanded by Mr. WAXMAN) there were—ayes 4, noes 13.

RECORDED VOTE

Mr. QUILLEN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 24, noes 347, answered "present" 1, not voting 60, as follows:

[Roll No. 376]

AYES—24

Albosta	Latta	Petri
Cooper	Lehman (FL)	Quillen
Duncan	Lloyd	Sawyer
Gore	McKinney	Seiberling
Hammerschmidt	Moody	Skelton
Jeffords	Morrison (CT)	Vander Jagt
Jones (NC)	Nichols	Vento
Kastenmeier	Obey	Yates

NOES—347

Anderson	Byron	Dickinson
Andrews (NC)	Campbell	Dicks
Andrews (TX)	Carney	Dingell
Annunzio	Carper	Dixon
Anthony	Carr	Donnelly
Applegate	Chandler	Dorgan
Archer	Chappell	Downey
AuCoin	Chappie	Dreier
Badham	Cheney	Durbin
Barnes	Clarke	Dwyer
Bartlett	Clay	Dymally
Bateman	Clinger	Dyson
Bates	Coats	Eckart
Bedell	Coelho	Edgar
Bennett	Coleman (MO)	Edwards (AL)
Bereuter	Coleman (TX)	Edwards (CA)
Berman	Collins	Edwards (OK)
Biaggi	Conte	Emerson
Bilirakis	Conyers	English
Boehlert	Coughlin	Erdreich
Boggs	Courter	Erlenborn
Boland	Coyne	Evans (IA)
Boner	Craig	Evans (IL)
Bonior	Crane, Daniel	Fascell
Borski	Crane, Philip	Fazio
Bosco	Crockett	Feighan
Boxer	D'Amours	Fiedler
Breaux	Daniel	Fields
Britt	Dannemeyer	Fish
Brooks	Darden	Foglietta
Broomfield	Daschle	Ford (MI)
Brown (CA)	Daub	Ford (TN)
Brown (CO)	Davis	Fowler
Broyhill	de la Garza	Frank
Bryant	Dellums	Franklin
Burton (CA)	Derrick	Frenzel
Burton (IN)	DeWine	Frost
Garcia	Mack	Rowland
Gaydos	MacKay	Roybal
Gejdenson	Madigan	Russo
Gekas	Markey	Sabo
Gephardt	Marlenee	Savage
Gibbons	Marriott	Schaefer
Gilman	Martin (IL)	Scheuer
Gingrich	Martin (NY)	Schneider
Glickman	Martinez	Schroeder
Goodling	Mavroules	Schumer
Gramm	Mazzoli	Sensenbrenner
Gray	McCain	Sharp
Green	McCandless	Shaw
Guarini	McCloskey	Shelby
Gunderson	McCollum	Shumway
Hall (OH)	McEwen	Shuster
Hall, Ralph	McGrath	Sikorski
Hall, Sam	McHugh	Siljander
Hamilton	McKernan	Sisisky
Hance	McNulty	Skeen
Hansen (UT)	Mica	Slattery
Hartnett	Michel	Smith (FL)
Hatcher	Mikulski	Smith (IA)
Hawkins	Miller (OH)	Smith (NE)
Hayes	Mineta	Smith (NJ)
Hefner	Minish	Smith, Denny
Hertel	Mitchell	Snowe
Hightower	Moakley	Snyder
Hiler	Molinari	Solarz
Hillis	Mollohan	Solomon
Holt	Montgomery	Spence
Hopkins	Moore	Spratt
Howard	Moorhead	St Germain
Hoyer	Morrison (WA)	Staggers
Hubbard	Mrazek	Stangeland
Huckaby	Murphy	Stenholm
Hughes	Murtha	Stokes
Hunter	Myers	Stratton
Hutto	Natcher	Studds
Hyde	Nielson	Sundquist
Ireland	Nowak	Swift
Jacobs	O'Brien	Synar
Jenkins	Oakar	Tallon
Johnson	Oberstar	Tauke
Jones (OK)	Olin	Thomas (CA)
Jones (TN)	Ortiz	Thomas (GA)
Kaptur	Ottinger	Torricelli
Kasich	Oxley	Traxler
Kazen	Packard	Udall
Kemp	Panetta	Valentine
Kennelly	Parris	Volkmer
Kildee	Patman	Walgren
Kindness	Patterson	Walker
Kleczka	Paul	Watkins
Kogovsek	Pease	Waxman
Kolter	Penny	Weaver
Kostmayer	Pepper	Weber
Kramer	Pickle	Weiss
LaFalce	Porter	Wheat
Lagomarsino	Price	Whitehurst
Lantos	Pritchard	Whitley
Leath	Pursell	Whittaker
Lehman (CA)	Rahall	Whitten
Leland	Ratchford	Williams (MT)
Levin	Ray	Williams (OH)
Levine	Regula	Wilson
Levitas	Reid	Wirth
Lipinski	Richardson	Wise
Livingston	Ridge	Wolf
Loeffler	Rinaldo	Wolpe
Long (LA)	Ritter	Wortley
Long (MD)	Robinson	Wyden
Lott	Rodino	Wylie
Lowery (CA)	Roe	Yatron
Lowry (WA)	Roemer	Young (AK)
Lujan	Rogers	Young (FL)
Luken	Rose	Young (MO)
Lundine	Roth	Zschau
Lungren	Roukema	

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—60

Ackerman	Boucher	Gregg
Addabbo	Conable	Hall (IN)
Akaka	Corcoran	Hansen (ID)
Alexander	Dowdy	Harkin
Aspin	Early	Harrison
Barnard	Ferraro	Heftel
Beilenson	Flippo	Horton
Bethune	Florio	Leach
Bevill	Foley	Lent
Bliley	Fuqua	Lewis (CA)
Bonker	Gradison	Lewis (FL)
Martin (NC)	Rangel	Stump
Matsui	Roberts	Tauzin
McCurdy	Rostenkowski	Taylor
McDade	Rudd	Torres
Miller (CA)	Schulze	Towns
Neal	Shannon	Vandergriff
Nelson	Simon	Vucanovich
Owens	Smith, Robert	Winn
Pashayan	Stark	Wright

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Mr. BENNETT and Mr. KOGOVSEK changed their votes from "aye" to "no."

Mr. YATES and Mr. LEHMAN of Florida changed their votes from "no" to "aye."

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any other amendments to the Waxman amendment?

If not, the question is on the amendment offered by the gentleman from California [Mr. WAXMAN].

The amendment was agreed to.

The CHAIRMAN. The Clerk will designate title II.

The Clerk read as follows:

TITLE II—PATENT EXTENSION

SEC. 201. (a) Title 35 of the United States Code is amended by adding the following new section immediately after section 155A:

"§ 156. Extension of patent term

"(a) The term of a patent which claims a product, a method of using a product, or a method of manufacturing a product shall be extended in accordance with this section from the original expiration date of the patent if—

"(1) the term of the patent has not expired before an application is submitted under subsection (d) for its extension;

"(2) the term of the patent has never been extended;

"(3) an application for extension is submitted by the owner of record of the patent or its agent and in accordance with the requirements of subsection (d);

"(4)(A) in the case of a patent which claims the product or a method of using the product—

"(i) the product is not claimed in another patent having an earlier issuance date or which was previously extended, and

"(ii) the product and the use approved for the product in the applicable regulatory review period are not identically disclosed or described in another patent having an earlier issuance date or which was previously extended; or

"(B) in the case of a patent which claims the product, the product is also claimed in a patent which has an earlier issuance date or which was previously extended and which does not identically disclose or describe the product and—

"(i) the holder of the patent to be extended has never been and will not become the holder of the patent which has an earlier issuance date or which was previously extended, and

"(ii) the holder of the patent which has an earlier issuance date or which was previously extended has never been and will not become the holder of the patent to be extended;

"(5)(A) in the case of a patent which claims a method of manufacturing the prod-

uct which does not primarily use recombinant DNA technology in the manufacture of the product—

"(i) no other patent has been issued which claims the product or a method of using the product and no other patent which claims a method of using the product may be issued for any known therapeutic purposes; and

"(ii) no other method of manufacturing the product which does not primarily use recombinant DNA technology in the manufacture of the product is claimed in a patent having an earlier issuance date;

"(B) in the case of a patent which claims a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product—

"(i) the holder of the patent for the method of manufacturing the product (I) is not the holder of a patent claiming the product or a method of using the product, (II) is not owned or controlled by a holder of a patent claiming the product or a method of using the product or by a person who owns or controls a holder of such a patent, and (III) does not own or control the holder of such a patent or a person who owns or controls a holder of such patent; and

"(ii) no other method of manufacturing the product primarily using recombinant DNA technology is claimed in a patent having an earlier issuance.

"(6) the product has been subject to a regulatory review period before its commercial marketing or use;

"(7)(A) except as provided in subparagraph (B), the permission for the commercial marketing or use of the product after such regulatory review period is the first permitted commercial marketing or use of the product under the provision of law under which such regulatory review period occurred; or

"(B) in the case of a patent which claims a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the permission for the commercial marketing or use of the product after such regulatory review period is the first permitted commercial marketing or use of a product manufactured under the process claimed in the patent; and

"(8) the patent does not claim another product or a method of using or manufacturing another product which product received permission for commercial marketing or use under such provision of law before the filing of an application for extension.

The product referred to in paragraphs (4), (5), (6), and (7) is hereinafter in this section referred to as the 'approved product'. For purposes of paragraph (4)(B) (5)(B), the holder of a patent is any person who is the owner of record of the patent or is the exclusive licensee of the owner of record of the patent.

"(b) The rights derived from any patent the term of which is extended under this section shall during the period during which the patent is extended—

"(1) in the case of a patent which claims a product, be limited to any use approved for the approved product before the expiration of the term of the patent under the provision of law under which the applicable regulatory review occurred;

"(2) in the case of a patent which claims a method of using a product, be limited to any use claimed by the patent and approved for the approved product before the expiration of the term of the patent under the provision of law under which the applicable regulatory review occurred; and

"(3) in the case of a patent which claims a method of manufacturing a product, be limited to the method of manufacturing as used to make the approved product.

"(c) The term of a patent eligible for extension under subsection (a) shall be extended by the time equal to the regulatory review period for the approved product which period occurs after the date the patent is issued, except that—

"(1) each period of the regulatory review period shall be reduced by any period determined under subsection (d)(2)(B) during which the applicant for the patent extension did not act with due diligence during such period of the regulatory review period;

"(2) after any reduction required by paragraph (1), the period of extension shall include only one-half of the time remaining in the periods described in paragraphs (1)(B)(i), (2)(B)(i), and (3)(B)(i) of subsection (g); and

"(3) if the period remaining in the term of a patent after the date of the approval of the approved product under the provision of law under which such regulatory review occurred when added to the regulatory review period as revised under paragraphs (1) and (2) exceeds fourteen years, the period of extension shall be reduced so that the total of both such periods does not exceed fourteen years.

"(d)(1) To obtain an extension of the term of a patent under this section, the owner of record of the patent or its agent shall submit an application to the Commissioner. Such an application may only be submitted within the sixty-day period beginning on the date the product received permission under the provision of law under which the applicable regulatory review period occurred for commercial marketing or use. The application shall contain—

"(A) the identity of the approved product;

"(B) the identity of the patent for which an extension is being sought and the identification of each claim of such patent which claims the approved product or a method of using or manufacturing the approved product;

"(C) the identity of every other patent known to the patent owner which claims or identically discloses or describes the approved product or a method of using or manufacturing the approved product;

"(D) the identity of all other products which have received permission under the provision of law under which the applicable regulatory review period occurred for commercial marketing or use and which are claimed in any of the patent identified in subparagraph (C);

"(E) information to enable the Commissioner to determine under subsections (a) and (b) the eligibility of a patent for extension and the rights that will be derived from the extension and information to enable the Commissoner and the Secretary of Health and Human Services or the Secretary of Agriculture to determine the period of the extension under subsection (g);

"(F) a brief description of the activities undertaken by the applicant during the applicable regulatory review period with respect to the approved product and the significant dates applicable to such activities; and

"(G) such patent or other information as the Commissioner may require.

"(2)(A) Within sixty days of the submittal of an application for extension of the term of a patent under paragraph (1), the Commissioner shall notify—

"(i) the Secretary of Agriculture if the patent claims a drug product or a method of using or manufacturing a drug product and the drug product is subject to the Virus Serum Toxin Act, and

"(ii) the Secretary of Health and Human Services if the patent claims any other drug product, a medical device, or a food additive or color additive or a method of using or manufacturing such a product, device, or additive and if the product, device, and additive are subject to the Federal Food, Drug, and Cosmetic Act,

of the extension application and shall submit to the Secretary who is so notified a copy of the application. Not later than thirty days after the receipt of an application from the Commissioner, the Secretary receiving the application shall review the dates contained in the application pursuant to paragraph (1)(E) and determine the applicable regulatory review period, shall notify the Commissioner of the determination, and shall publish in the Federal Register a notice of such determination.

"(B)(i) If a petition is submitted to the Secretary making the determination under paragraph (A), not later than one hundred and eighty days after the publication of the determination under subparagraph (A), upon which it may reasonably be determined that the applicant did not act with due diligence during the applicable regulatory review period, the Secretary making the determination shall, in accordance with regulations promulgated by such Secretary determine if the applicant acted with due diligence during the applicable regulatory review period. The Secretary shall make such determination not later than ninety days after the receipt of such a petition. The Secretary of Health and Human Services may not delegate the authority to make the determination prescribed by this subparagraph to an office below the Office of the Commissioner of Food and Drugs.

"(ii) The Secretary making a determination under clause (i) shall notify the Commissioner of the determination and shall publish in the Federal Register a notice of such determination together with the factual and legal basis for such determination. Any interested person may request, within the sixty day period beginning on the publication of a determination, the Secretary making the determination to hold an informal hearing on the determination. If such a request is made within such period, such Secretary shall hold such hearing not later than thirty days after the date of the request, or at the request of the person making the request, not later than sixty days after such date. The Secretary who is holding the hearing shall provide notice of the hearing to the owner of the patent involved and to any interested person and provide the owner and any interested person an opportunity to participate in the hearing. Within thirty days after the completion of the hearing, such Secretary shall affirm or revise the determination which was the subject of the hearing and notify the Commissioner of any revision of the determination and shall publish any such revision in the Federal Register.

"(3) For purposes of paragraph (2)(B), the term 'due diligence' means that degree of attention, continuous directed effort, and timeliness as may reasonably be expected from, and are ordinarily exercised by, a person during a regulatory review period.

"(4) An application for the extension of the term of a patent is subject to the disclo-

sure requirements prescribed by the Commissioner.

"(e)(1) A determination that a patent is eligible for extension may be made by the Commissioner solely on the basis of the information contained in the application for the extension. If the Commissioner determines that a patent is eligible for extension under subseciton (a) and that the requirements of subsection (d) have been complied with, the Commissioner shall issue to the applicant for the extension of the term of the patent a certificate of extension, under seal, for the period prescribed by subsection (c). Such certificate shall be recorded in the official file of the patent and shall be considered as part of the original patent.

"(2) If the term of a patent for which an application has been submitted under subsection (d) would expire before a determination is made under paragraph (1) respecting the application, the Commissioner shall extend, until such determination is made, the term of the patent for periods of up to one year if he determines that the patent is eligible for extension.

"(f) For purposes of this section:

"(1) The term 'product' means:

"(A) A drug product.

"(B) Any medical device, food additive, or color additive subject to regulation under the Federal Food, Drug, and Cosmetic Act.

"(2) The term 'drug product' means the active ingredient of a new drug, antibiotic drug, new animal drug, or human or veterinary biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act, and the Virus Serum Toxin Act including any salt or ester of the active ingredient, as a single entity or in combination with another active ingredient.

"(3) The term 'major health or environmental effects test' means a test which is reasonably related to the evaluation of the health or environmental effects of a product, which requires at least six months to conduct, and the data from which is submitted to receive permission for commercial marketing or use. Periods of analysis or evaluation of test results are not to be included in determining if the conduct of a test required at least six months.

"(4)(A) Any reference to section 351 is a reference to section 351 of the Public Health Service Act.

"(B) Any reference to section 503, 505, 507, 512, or 515 is a reference to section 503, 505, 507, 512, or 515 of the Federal Food, Drug, and Cosmetic Act.

"(C) Any reference to the Virus Serum Toxin Act is a reference to the Act of March 4, 1913 (21 U.S.C. 151-158).

"(5) The term 'informal hearing' has the meaning prescribed for such term by section 201(y) of the Federal Food, Drug, and Cosmetic Act.

"(6) The term 'patent' means a patent issued by the United States Patent and Trademark Office.

"(g) For purposes of this section, the term 'regulatory review period' has the following meanings:

"(1)(A) In the case of a product which is a drug product, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a drug product is the sum of—

"(i) the period beginning on the date—

"(I) an exemption under subsection (i) of section 505, subsection (d) of section 507, or subsection (i) of section 512, or

"(II) the authority to prepare an experimental drug product under the Virus Serum Toxin Act,

became effective for the approved drug product and ending on the date an application was initially submitted for such drug product under section 351, 505, 507, or 512 or the Virus Serum Toxin Act, and

"(ii) the period beginning on the date the application was initially submitted for the approved drug product under section 351, subsection (b) of such section 505, section 507, section 512, or the Virus Serum Toxin Act and ending on the date such application was approved under such section or Act.

"(2)(A) In the case of a product which is a food additive or color additive, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a food or color additive is the sum of—

"(i) the period beginning on the date a major health or environmental effects test on the additive was initiated and ending on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and

"(ii) the period beginning on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and ending on the date such regulation became effective or, if objections were filed to such regulation, ending on the date such objections were resolved and commercial marketing was permitted or, if commercial marketing was permitted and later revoked pending further proceedings as a result of such objections, ending on the date such proceedings were finally resolved and commercial marketing was permitted.

"(3)(A) In the case of a product which is a medical device, the terms means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a medical device is the sum of—

"(i) the period beginning on the date a clinical investigation on humans involving the device was begun and ending on the date an application was initially submitted with respect to the device under section 515, and

"(ii) the period beginning on the date an application was initially submitted with respect to the device under section 515 and ending on the date such application was approved under such Act or the period beginning on the date a notice of completion of a product development protocol was initially submitted under section 515(f)(5) and ending on the date the protocol was declared completed under section 515(f)(6).

"(4) A period determined under any of the preceding paragraphs is subject to the following limitations:

"(A) If the patient involved was issued after the date of the enactment of this section, the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.

"(B) If the patent involved was issued before the date of the enactment of this section and—

"(i) no request for an exemption described in paragraph (1)(B) was submitted,

"(ii) no request was submitted for the preparation of an experimental drug product described in paragraph (1)(B),

"(iii) no major health or environmental effects test described in paragraph (2) was initiated and no petition for a regulation or application for registration described in such paragraph was submitted, or

"(iv) no clinical investigation described in paragraph (3) was begun or product development protocol described in such paragraph was submitted, before such date for the approved product the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.

"(C) If the patent involved was issued before the date of the enactment of this section and if an action described in subparagraph (B) was taken before the date of the enactment of this section with respect to the approved product and the commercial marketing or use of the product has not been approved before such date, the period of extension determined on the basis of the regulatory review period determined under such paragraph may not exceed two years.

"(h) The Commissioner may establish such fees as the Commissioner determines appropriate to cover the costs to the Office of receiving and acting upon applications under this section.".

(b) The analysis for chapter 14 of title 35 of the United States Code is amended by adding at the end thereof the following:

"156. Extension of patent term.".

SEC. 202. Section 271 of title 35, United States Code is amended by adding at the end the following:

"(e)(1) It shall not be an act of infringement to make, use, or sell a patented invention solely for uses reasonably related to the development and submission of information under a Federal law which regulates the manufacture, use, or sale of drugs.

"(2) It shall be an act of infringement to submit an application under section 505(j) of the Federal Food, Drug, and Cosmetic Act or described in section 505(b)(2) of such Act for a drug claimed in a patent or the use of which is claimed in a patent, if the purpose of such submission is to obtain approval under such Act to engage in the commercial manufacture, use, or sale of a drug claimed in a patent or the use of which is claimed in a patent before the expiration of such patent.

"(3) In any action for patent infringement brought under this section, no injunctive or other relief may be granted which would prohibit the making, using, or selling of a patented invention under paragraph (1).

"(4) For an act of infringement described in paragraph (2)—

"(A) the court shall order the effective date of any approval of the drug involved in the infringement to be a date which is not earlier than the date of the expiration of the patent which has been infringed,

"(B) injunctive relief may be granted against an infringer to prevent the commercial manufacture, use, or sale of an approved drug, and

"(C) damages or other monetary relief may be awarded against an infringer only if there has been commercial manufacture, use, or sale of an approved drug.

The remedies prescribed by subparagraphs (A), (B), and (C) are the only remedies which may be granted by a court for an act of infringement described in paragraph (2), except that a court may award attorney fees under section 285.".

SEC. 203. Section 282 of title 35, United States Code, is amended by adding at the end the following:

"Invalidity of the extension of a patent term or any portion thereof under section 156 of this title because of the material failure—

"(1) by the applicant for the extension, or

"(2) by the Commissioner,

to comply with the requirements of such section shall be a defense in any action involving the infringement of a patent during the period of the extension of its term and shall be pleaded. A due diligence determination under section 156(d)(2) is not subject to review in such an action.".

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JUDICIARY COMMITTEE AMENDMENTS TO TITLE II

The CHAIRMAN. The Clerk will report the amendments by the Committee on the Judiciary to title II.

The Clerk read as follows:

Committee amendments to title II:

Page 38, line 2, strike out "or the Secretary of Agriculture".

Page 38, strike out lines 13, through 24, and insert in lieu thereof the following:

"(1) the Commissioner shall notify the Secretary of Health and Human Services if the patent claims any human drug product, a medical device, or a food additive or color additive or a method of using or manufacturing such a product, device, or additive and if the product, device, and additive are subject to the Federal Food, Drug, and Cosmetic Act.".

Page 39, line 9, strike out "who is so notified".

Page 39, line 11, strike out "receiving the application".

Page 39, lines 18 and 23, strike out "making the determination".

Page 39, line 24, stike out "such" and insert in lieu thereof "the".

Page 40, beginning in line 3 strike out "of Health and Human Services".

Page 40, beginning in line 7 strike out "making a determination under clause (i)".

Page 40, line 13, stike out "making the determination".

Page 40, lines 15 and 23, strike out "such" and insert in lieu thereof "the".

Page 40, beginning in line 18 strike out "who is holding the hearing".

Page 42, line 6, strike out "drug product" and insert in lieu thereof "human drug product".

Page 42, line 10, strike out "drug product" and insert in lieu thereof "human drug product".

Page 42, beginning in line 11, strike out "new animal" and all that follows through line 15 and insert in lieu thereof the following: "or human biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act)".

Page 43, lines 7 and 8, strike out "512,".

Page 43, strike out lines 10 through 12.

Page 43, lines 21 and 24, insert "human" before "drug".

Page 44, strike out lines 1 through 12, and insert in lieu thereof the following:

"(i) the period beginning on the date an exemption under subsection (i) of section 505 or under subsection (d) of section 507 became effective for the approved human drug product and ending on the date an application was initially submitted for such drug product under section 351, 505, or 507, and".

Page 44, strike out lines 23 through 25 and lines 1 and 2 on page 45 and insert in lieu thereof the following: "human drug product under section 351, subsection (b) of section 505, or section 507 and ending on the date such application was approved under such section."

Page 47, strike out lines 14 through 16 and redesignate clauses (iii) and (iv) as clauses (i) and (iii), respectively.

Page 48, line 25, insert after "patented invention" the following: "(other than a new animal drug or veterinary biological product (as those terms are used in the Federal Food, Drug, Cosmetic Act and the Act of March 4, 1913))".

Mr. KASTENMEIER (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

Mr. CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KASTENMEIER. I will be very brief, Mr. Chairman.

I rise in support of the Judiciary Committee amendments.

The amendment deletes authority for patent term extension for animal drugs, because these substances are dealt with in another bill recently ordered reported by the Committee on the Judiciary, H.R. 6034.

I know of no opposition to these amendments and I would hope that the Committee of the Whole could vote for the amendments.

The CHAIRMAN. The question is on the Judiciary Committee amendments to title II.

The Judiciary Committee amendments to title II were agreed to.

AMENDMENT OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WAXMAN: Page 31, strike out line 7 and all that follows through line 2 on page 51 and insert in lieu thereof the following:

TITLE II—PATENT EXTENSION

SEC. 201. (a) Title 35 of the United States Code is amended by adding the following new section immediately after section 155A:

"§ 156. Extension of patent term

"(a) The term of a patent which claims a product, a method of using a product, or a method of manufacturing a product shall be extended in accordance with this section from the original expiration date of the patent if—

"(1) the term of the patent has not expired before an application is submitted under subsection (d) for its extension;

"(2) the term of the patent has never been extended;

"(3) an application for extension is submitted by the owner of record of the patent or its agent and in accordance with the requirements of subsection (d);

"(4) the product has been subject to a regulatory review period before its commercial marketing or use;

"(5)(A) except as provided in subparagraph (B), the permission for the commercial marketing or use of the product after such regulatory review period is the first permitted commercial marketing or use of the product under the provision of law under which such regulatory review period occurred; or

"(B) in the case of a patent which claims a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product, the permission for the commercial marketing or use of the product after such regulatory review period is the first permitted commercial marketing or use of a product manufactured under the process claimed in the patent.

The product referred to in paragraphs (4) and (5) is hereinafter in this section referred to as the 'approved product'.

"(b) The rights derived from any patent the term of which is extended under this section shall during the period during which the patent is extended—

"(1) in the case of a patent which claims a product, be limited to any use approved for the approved product before the expiration of the term of the patent under the provision of law under which the applicable regulatory review occurred;

"(2) in the case of a patent which claims a method of using a product, be limited to any use claimed by the patent and approved for the approved product before the expiration of the term of the patent under the provision of law under which the applicable regulatory review occurred; and

"(3) in the case of a patent which claims a method of manufacturing a product, be limited to the method of manufacturing as used to make the approved product.

"(c) The term of a patent eligible for extension under subsection (a) shall be extended by the time equal to the regulatory review period for the approved product which period occurs after the date the patent is issued, except that—

"(1) each period of the regulatory review period shall be reduced by any period determined under subsection (d)(2)(B) during which the applicant for the patent extension did not act with due diligence during such period of the regulatory review period;

"(2) after any reduction required by paragraph (1), the period of extension shall include only one-half of the time remaining in the periods described in paragraphs (1)(B)(i), (2)(B)(i), and (3)(B)(i) of subsection (g);

"(3) if the period remaining in the term of a patent after the date of the approval of the approved product under the provision of law under which such regulatory review occurred when added to the regulatory review period as revised under paragraphs (1) and (2) exceeds fourteen years, the period of extension shall be reduced so that the total of both such periods does not exceed fourteen years; and

"(4) in no event shall more than one patent be extended for the same regulatory review period for any product.

"(d)(1) To obtain an extension of the term of a patent under this section, the owner of record of the patent or its agent shall submit an application to the Commissioner. Such an application may only be submitted within the sixty-day period beginning on the date the product received permission under the provision of law under which the applicable regulatory review period occured for commercial marketing or use. The application shall contain—

"(A) the identity of the approved product and the Federal stature under which regulatory review occurred;

"(B) the identity of the patent for which an extension is being sought and the identity of each claim of such patent which claims the approved product or a method of using or manufacturing the approved product;

"(C) information to enable the Commissioner to determine under subsections (a) and (b) the eligibility of a patent for extension and the rights that will be derived from the extension and information to enable the Commissioner and the Secretary of Health and Human Services to determine the period of the extension under subsection (g);

"(D) a brief description of the activities undertaken by the applicant during the applicable regulatory review period with respect to the approved product and the significant dates applicable to such activities; and

"(E) such patent or other information as the Commissioner may require.

"(2)(A) Within sixty days of the submittal of an application for extension of the term of a patent under paragraph (1), the Commissioner shall notify the Secretary of Health and Human Services if the patent claims any human drug product, a medical device, or a food additive or color additive or a method of using or manufacturing such a product, device, or additive and if the product, device, and additive are subject to the Federal Food, Drug, and Cosmetic Act, of the extension application and shall submit to the Secretary a copy of the application. Not later than 30 days after the receipt of an application from the Commissioner, the Secretary shall review the dates contained in the application pursuant to paragraph (1)(C) and determine the applicable regulatory review period, shall notify the Commissioner of the determination, and shall publish in the Federal Register a notice of such determination.

"(B)(i) If a petition is submitted to the Secretary under subparagraph (A), not later than one hundred and eighty days after the publication of the determination under subparagraph (A), upon which it may reasonably be determined that the applicant did not act with due diligence during the applicable regulatory review period, the Secretary shall, in accordance with regulations promulgated by the Secretary determine if the applicant acted with due diligence during the applicable regulatory review period. The Secretary shall make such determination not later than 90 days after the receipt of such a petition. The Secretary may not delegate the authority to make the determination prescribed by this subparagraph to an office below the Office of the Commissioner of Food and Drugs.

"(ii) The Secretary shall notify the Commissioner of the determination and shall publish in the Federal Register a notice of such determination together with the factual and legal basis for such determination. Any interested person may request, within the 60 day period beginning on the publication of a determination, the Secretary to hold an informal hearing on the determination. If such a request is made within such period, the Secretary shall hold such hearing not later than thirty days after the date of the request, or at the request of the person making the request, not later than sixty days after such date. The Secretary shall provide notice of the hearing to the owner of the patent involved and to any interested person and provide the owner and any interested person an opportunity to participate in the hearing. Within thirty days after the completion of the hearing, the Secretary shall affirm or revise the determination which was the subject of the hearing and notify the Commissioner of any revision of the determination and shall publish any such revision in the Federal Register.

"(3) For purposes of paragraph (2)(B), the term 'due diligence' means that degree of attention, continuous direct effort, and timeliness as may reasonably be expected from, and are ordinarily exercised by, a person during a regulatory review period.

"(4) An application for the extension of the term of a patent is subject to the disclosure requirements prescribed by the Commissioner.

"(e)(1) A determination that a patent is eligible for extension may be made by the Commissioner solely on the basis of the representations contained in the application for the extension. If the Commissioner determines that a patent is eligible for extension under subsection (a) and that the requirements of subsection (d) have been complied with, the Commissioner shall issue to the applicant for the extension of the term of the patent a certificate of extension, under seal, for the period prescribed by subsection (c). Such certificate shall be recorded in the official file of the patent and shall be considered as part of the original patent.

"(2) If the term of a patent for which an application has been submitted under subsection (d) would expire before a certificate of extension is issued or denied under paragraph (1) respecting the application, the Commissioner shall extend, until such determination is made, the term of the patent for periods of up to one year if he determines that the patent is eligible for extension.

"(f) For purposes of this section:

"(1) The term 'product' means:

"(A) A human drug product.

"(B) Any medical device, food additive, or color additive subject to regulation under the Federal Food, Drug, and Cosmetic Act.

"(2) The term 'human drug product' means the active ingredient of a new drug, antibiotic drug, or human biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act) including any salt or ester of the active ingredient, as a single entity or in combination with another active ingredient.

"(3) The term 'major health or environmental effects test' means a test which is reasonably related to the evaluation of the health or environmental effects of a product, which requires at least six months to conduct, and the data from which is submitted to receive permission for commercial marketing or use. Periods of analysis or evaluation of test results are not to be included in determining if the conduct of a test required at least six months.

"(4)(A) Any reference to section 351 is a reference to section 351 of the Public Health Service Act.

"(B) Any reference to section 503, 505, 507, or 515 is a reference to section 503, 505, 507, or 515 of the Federal Food, Drug, and Cosmetic Act.

"(5) The term 'informal hearing' has the meaning prescribed for such term by section 201(y) of the Federal Food, Drug, and Cosmetic Act.

"(6) The term 'patent' means a patent issued by the United States Patent and Trademark Office.

"(g) For purposes of this section, the term 'regulatory review period' has the following meanings:

"(1)(A) In the case of a product which is a human drug product, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a human drug product is the sum of—

"(i) the period beginning on the date an exemption under subsection (i) of section 505 or subsection (d) of section 507 became effective for the approved human drug product and ending on the date an application was initially submitted for such drug product under section 351, 505, or 507, and

"(ii) the period beginning on the date the application was initially submitted for the approved human drug product under section 351, subsection (b) of section 505, or section 507 and ending on the date such application was approved under such section.

"(2)(A) In the case of a product which is a food additive or color additive, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a food or color additive is the sum of—

"(i) the period beginning on the date a major health or environmental effects test on the additive was initiated and ending on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and

"(ii) the period beginning on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and ending on the date such regulation became effective or, if objections were filed to such regulation, ending on the date such objections were resolved and commercial marketing was permitted or, if commercial marketing was permitted and later revoked pending further proceedings as a result of such objections, ending on the date such proceedings were finally resolved and commercial marketing was permitted.

"(3)(A) In the case of a product which is a medical device, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a medical device is the sum of—

"(i) the period beginning on the date a clinical investigation on humans involving the device was begun and ending on the date an application was initially submitted with respect to the device under section 515, and

"(ii) the period beginning on the date an application was initially submitted with respect to the device under section 515 and ending on the date such application was approved under such Act or the period beginning on the date a notice of completion of a product development protocol was initially submitted under section 515(f)(5) and ending on the date the protocol was declared completed under section 515(f)(6).

"(4) A period determined under any of the preceding paragraphs is subject to the following limitations:

"(A) If the patent involved was issued after the date of the enactment of this section, the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.

"(B) If the patent involved was issued before the date of the enactment of this section and—

"(i) no request for an exemption described in paragraph (1)(B) was submitted,

"(ii) no major health or environmenal effects test described in paragraph (2) was initiated and no petition for a regulation or application for registration described in such paragraph was submitted, or

"(iii) no clinical investigation described in paragraph (3) was begun or product development protocol described in such paragraph was submitted.

before such date for the approved product the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.

"(C) If the patent involved was issued before the date of the enactment of this section and if an action described in subparagraph (B) was taken before the date of the enactment of this section with respect to the approved product and the commercial marketing or use of the product has not been approved before such date, the period of extension determined on the basis of the regulatory review period determined under such paragraph may not exceed two years.

"(h) The Commissioner may establish such fees as the Commissioner determines appropriate to cover the costs to the Office of receiving and acting upon applications under this section.".

(b) The analysis for chapter 14 of title 35 of the United States Code is amended by adding at the end thereof the following:

"156. Extension of patent term.".

SEC. 202. Section 271 of title 35, United States Code is amended by adding at the end the following:

"(e)(1) It shall not be an act of infringement to make, use, or sell a patented invention (other than a new animal drug or veterinary biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Act of March 4, 1913)) solely for uses reasonably related to the development and submission of information under a Federal law which regulates the manufacture, use, or sale of drugs.

"(2) It shall be an act of infringement to submit an application under section 505(j) of the Federal Food, Drug, and Cosmetic Act or described in section 505 (b)(2) of such Act for a drug claimed in a patent or the use of which is claimed in a patent, if the purpose of such submission is to obtain approval under such Act to engage in the commercial manufacture, use, or sale of a drug claimed in a patent or the use of which is claimed in a patent before the expiration of such patent.

"(3) In any action for patent infringement brought under this section, no injunctive or other relief may be granted which would prohibit the making, using, or selling of a patented invention under paragraph (1).

"(4) For an act of infringement described in paragraph (2)—

"(A) the court shall order the effective date of any approval of the drug involved in the infringement to be a date which is not earlier than the date of the expiration of the patent which has been infringed,

"(B) injunctive relief may be granted against an infringer to prevent the commercial manufacture, use, or sale of an approved drug, and

"(C) damages or other monetary relief may be awarded against an infringer only if there has been commercial manufacture, use, or sale of an approved drug.

The remedies prescribed by subparagraphs (A), (B), and (C) are the only remedies which may be granted by a court for an act of infringement described in paragraph (2), except that a court may award attorney fees under section 285.".

SEC. 203. Section 282 of title 35, United States Code, is amended by adding at the end the following:

"Invalidity of the extension of a patent term or any portion thereof under section 156 of this title because of the material failure—

"(1) by the applicant for the extension, or

"(2) by the Commissioner,

to comply with the requirements of such section shall be a defense in any action involving the infringement of a patent during the period of the extension of its term and shall be pleaded. A due diligence determination under section 156(d)(2) is not subject to review in such an action.".

Mr. WAXMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Chairman, my amendment to title II is the same as the text of title II of the Senate-passed bill. This amendment would make one significant change to title II of the bill before us.

The one change involves the rules about which patents can be extended. Under this amendment, the patentholder would be allowed to select the patent to be extended. Under the bill, the first issued patent would have automatically been extended. The rules in the bill which establish the length of patent extension and which allow only one patent per drug to be extended are not changed.

I believe this amendment is acceptable because it gives the patentholder the flexibility to select the most important patent for extension, but it does not undercut the two most important rules. They are that only one patent can be extended per drug and only for up to 14 years.

This amendment also addresses an issue raised by the Patent and Trademark Office [PTO]. The PTO expressed concern that the bill may require it to verify information submitted in an application for patent extension. The amendment clarifies that the PTO may rely upon representations made by a patentowner in its application.

This is a good amendment and I urge all Members to support it.

Mr. MADIGAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this change referred to by the chairman of the subcommittee is the one requested by the Patent Office, and with this change enables the administration to be supportive of not only this amendment but of the bill, and I would urge that all my colleagues support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. WAXMAN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DERRICK

Mr. DERRICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DERRICK: Insert at the end the following:

TITLE III—AMENDMENTS TO THE TEXTILE FIBER PRODUCTS IDENTIFICATION ACT AND THE WOOL PRODUCTS LABELING ACT OF 1939

SEC. 301. Subsection (b) of section 4 of the Textile Fiber Products Identification Act (15 U.S.C. 70b) is amended by adding at the end thereof the following new paragraph:

"(5) If it is a textile fiber product processed or manufactured in the United States, it be so identified.".

SEC. 302. Subsection (e) of section 4 of the Textile Fiber Products Identification Act (15 U.S.C. 70b) is amended to read as follows:

"(e) For purposes of this Act, in addition to the textile fiber products contained therein, a package of textile fiber products intended for sale to the ultimate consumer shall be misbranded unless such package has affixed to it a stamp, tag, label, or other means of identification bearing the information required by subsection (b), with respect to such contained textile fiber products, or is transparent to the extent it allows for the clear reading of the stamp, tag, label, or other means of identification on the textile fiber product, or in the case of hosiery items, this section shall not be construed as requiring the affixing of a stamp, tag, label, or other means of identification to each hosiery product contained in a package if (1) such hosiery products are intended for sale to the ultimate consumer in such package, (2) such package has affixed to it a stamp, tag, label, or other means of identification bearing, with respect to the hosiery products contained therein, the information required by subsection (b), and (3) the information on the stamp, tag, label, or other means of identification affixed to such package is equally applicable with respect to each textile fiber product contained therein.".

SEC. 303. Section 4 of the Textile Fiber Products Identification Act (15 U.S.C. 70b) is amended by adding at the end thereof the following new subsections:

"(i) For the purposes of this Act, a textile fiber product shall be considered to be falsely or deceptively advertised in any mail order catalog or mail order promotional material which is used in the direct sale or direct offering for sale of such textile fiber product, unless such textile fiber product description states in a clear and conspicuous manner that such textile fiber product is processed or manufactured in the United States of America, or imported, or both.

"(j) For purposes of this Act, any textile fiber product shall be misbranded if a stamp, tag, label, or other identification conforming to the requirements of this section is not on or affixed to the collar of such product if such product contains a collar, or if such product does not contain a collar, in the most conspicuous place on the inner side of such product, unless it is on or affixed on the outer side of such product, or

in the case of hosiery items on the outer side of such product or package.".

SEC. 304. Paragraph (2) of section 4(a) of the Wool Products Labeling Act of 1939 (15 U.S.C. 68b(1)) is amended by adding at the end thereof the following new subparagraphs:

"(5) If it is an imported wool product without the name of the country where processed or manufactured.

"(6) If it is wool product processed or manufactured in the United States, it shall be so identified.".

SEC. 305. Section 4 of the Wool Products Labeling Act of 1939 (15 U.S.C. 68b) is amended by adding at the end thereof the following new subsections:

"(e) For the purposes of this Act, a wool product shall be considered to be falsely or deceptively advertised in any mail order catalog or mail order promotional material which is used in the direct sale or direct offering for sale of such wool product, unless such wool product description states in a clear and conspicuous manner that such wool product is processed or manufactured in the United States of America, or imported, or both.

"(f) For purposes of this Act, any wool product shall be misbranded if a stamp, tag, label, or other identification conforming to the requirements of this section is not on or affixed to the collar of such product if such product contains a collar, or if such product does not contain a collar in the most conspicuous place on the inner side of such product, unless it is on or affixed on the outer side of such product or in the case of hosiery items, on the outer side of such product or package.".

SEC. 306. Section 5 of the Wool Products Labeling Act of 1939 (15 U.S.C. 68c) is amended—

(1) by striking out "Any person" in the first paragraph and inserting in lieu thereof "(a) Any person",

(2) by striking out "Any person" in the second paragraph and inserting in lieu thereof "(b) Any person", and

(3) by inserting after subsection (b) (as designated by this section) the following new subsection:

"(c) For the purposes of subsections (a) and (b) of this section, any package of wool products intended for sale to the ultimate consumer shall also be considered a wool product and shall have affixed to it a stamp, tag, label, or other means of identification bearing the information required by section 4, with respect to the wool products contained therein, unless such package of wool products is transparent to the extent that it allows for the clear reading of the stamp, tag, label, or other means of identification affixed to the wool product, or in the case of hosiery items this section shall not be construed as requiring the affixing of a stamp, tag, label, or other means of identification to each hosiery product contained in a package if (1) such hosiery products are intended for sale to the ultimate consumer in such package, (2) such package has affixed to it a stamp, tag, label, or other means of identification bearing, with respect to the hosiery products contained therein, the information required by subsection (4), and (3) the information on the stamp, tag, label, or other means of identification affixed to such package is equally applicable with respect to each hosiery product contained therein.".

SEC. 307. The amendments made by this title shall be effective ninety days after the date of enactment of this Act.

Mr. DERRICK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

● Mr. DERRICK. Mr. Chairman, the amendment I offered to the Textile Fiber Products Identification Act would do three things: Strengthen and erase some of the ambiguity in current labeling law; require country of origin labeling on catalog sales items to indicate whether the garment was made in the United States or imported; and, require that all U.S.-made goods bear a country-of-origin label. This amendment has been unanimously approved by the House Committee on Energy and Commerce and its Subcommittee on Commerce. The amendment was also approved by the full Senate as an amendment to S. 1538.

A study by the chairman of the department of textiles, College of Home Economics at the University of Missouri, Dr. Kitty Dickerson, reveals that more than one-third of all Americans carefully notice labels in reaching buying decisions to determine if the goods were made in the United States of America, and further feel it is important to know whether the item was produced in this country.

Country-of-origin labeling is currently required on foreign manufactured products by the Textile Fiber Products Identification Act. The Federal Trade Commission has issued regulations to require that a tag or stamp, bearing the English name of the country of origin, be conspicuously placed on all imported goods.

However, because the statute itself does not include this requirement for clear and conspicuous labeling, widespread abuses of these regulations are occurring. Consumers are often led to believe the product was domestically made because the label was not conspicuously placed or because the product entered the United States in bulk, and once separated, no longer carried the import label or it could not be easily seen. These goods are imported in compliance with the regulations set forth by the Federal Trade Commission. But by the time these products reach the consumer they are in violation of the basic objective of the Textile Fiber Products Identification Act and the Wool Products Labeling Act. Because there is no Federal law to require that U.S. goods display a country-of-origin label, consumers are often led to believe the unmarked goods were produced in the United States. This amendment would correct this problem by requiring that U.S.-made goods bear an origin label.

Finally, the proposal I offered as title III of H.R. 3605 would allow consumers who purchase textile products by mail to determine if they were produced in the United States or were imported. Because the buyer does not have an opportunity to inspect the product before purchase, the Federal Trade Commission has issued advisory opinions that the country-of-origin information ought to be included in all mail order promotional material. This legislation will take effect 90 days after enactment. All catalog mail order promotional material printed before that date would not be required to carry the disclosure on country of origin.

This amendment was originally introduced in the House by my distinguished colleague from North Carolina, JIM BROYHILL. His bill was subsequently incorporated as title II of H.R. 5929, introduced by Congressman FLORIO. The Energy and Commerce Committee has marked up H.R. 5929, and has ordered it to be reported. However, the Judiciary Committee has requested referral of this bill due to concerns of members of that panel regarding title I. I would emphasize that the Judiciary Committee's concerns center on title I only, which deals with counterfeit goods. In the Senate, the bill was considered and reported from the Committee on Commerce, and was subsequently added as an amendment to S. 1538 on the floor of that Chamber.

Mr. Chairman, as the record indicates, this measure carries the strong endorsement of Members on both sides of the aisle, and in both Chambers of Congress. The adoption of legislation to clarify and strengthen current textile and apparel, labeling laws would certainly benefit the consumers of textile goods as well as the textile, apparel, and wool industries. This amendment does not impose any onerous requirements on domestic or foreign manufacturers. At the present time section 12 of the Textile Products Identification Act of 1965 exempts a number of items from the country-of-origin rules. Some of these items are: trimmings, facings, interfacings, stiffenings, including window shade accessories. My amendment recognizes this exemption and does not require that these items have to be labeled in regard to their country of origin. I think this is a very worthwhile piece of legislation with great benefit to the workers of this Nation, our economy, and U.S. consumers.●

Mr. HEFNER. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Chairman, I rise in strong support of this amendment.

Mr. BROYHILL, Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in strong support of the amendment that has been

offered here by the gentleman from South Carolina [Mr. DERRICK].

He has stated the many problems that are confronting the textile and apparel industry. Certainly they are serious problems. We have seen the textile and apparel imports increasing substantially just in the past 12 months.

What this amendment is about, however, really goes, it seems to me, to a question of what are fair trade practices. Studies have shown that the consumers of U.S. textile and apparel products would prefer American-made products if they know where those products are made. Unfortunately, there is presently in existence in the law no provision or regulation requireing that American-made products be labeled as such. Of course, the public has a tendency to assume that a product is domestically produced unless that product is labeled as coming from a foreign country. But that is not always the case.

What this legislation is designed to do is to give consumers the information they have a right to know and need in order to make informed purchasing decisions.

Now, the amendment that is offered by the gentleman from South Carolina is based on H.R. 5638, a bill that I introduced on May 10, 1984. It has been cosponsored by some 79 of my colleagues. What the amendment offered by the gentleman from South Carolina would do simply is to require that the textile and apparel products be labeled as made in the United States if they are produced domestically, and as I have said, this would assist consumers in making consumer decisions.

Also, the amendment would correct certain ambiguities and strengthen provisions in our present laws. At the present time the Federal Trade Commission has issued regulations to carry out the Textile Fiber Products Identification Act, and those regulations currently provide that all imported textile products bear a country-of-origin label. This requirement is not in the law itself. Many textile and apparel products are not in compliance as they enter this country. Oftentimes the label are placed in inconspicuous places, and it makes enforcement a major problem.

In addition, the amendment offered by the gentleman from South Carolina requires that the bulk container, as well as the individual textile product, be labeled as to country of origin. Frequently we have found in the marketplace that the bulk shipments into the United States are labeled correctly, but on entry and on placement in the shelves, retail shelves, the goods are broken up and packages are broken up, and by the time the product reaches the shelf no label exists.

Finally, the amendment would require that the descriptive material for textile and wool products in catalogs and in mail-order promotional literature must contain an appropriate disclosure of where they were made. Here also American consumers have the right to know what they are buying, and this amendment will assure that they have the information they need to make well-informed choices.

So, Mr. Chairman, as I have stated earlier, this amendment is a good first step toward correcting an imbalance in the law. It provides American consumers with the information they need with respect to the products that they are about to purchase. I urge my colleagues to join with us in voting for this amendment.

Mr. JENKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, today I rise in strong support of the Derrick amendment on textile labeling. Current law does not address the oversights that this proposal seeks to remedy. I am also opposed to any amendments that will alter its intent. Please bear in mind that this legislation has progressed through a House subcommittee and full committee without a dissenting vote, It has passed the full Senate without a dissenting vote. There would not appear to be a need to make changes on what has unanimously been agreed to in the legislative process.

A few of the most important features of this proposal should be noted. First, under this proposal, all U.S.-made textile products would be required to contain a label noting that they are made in the United States; and all labels—both foreign and domestic—must be conspicuously placed. Consumer surveys have indicated that the American consumer, if given a chance, would like to purchase American-made textile products over their foreign counterparts. However, there are presently no clear-cut ways that the consumer can determine whether a garment is manufactured in the United States or not. The absence of any origin label generally causes the consumer to automatically assume that a product is domestically produced, but such is often not the case. Although there are laws that require that foreign-made textile products be labeled as such, there are various ways the American consumer can be deceived by labels placed in such an inconspicuous manner that few ever detect them. This provision would help provide information that the consumer desires.

A second and most important feature of this proposal is a requirement that mail-order catalog offerings indicate whether a textile product is imported or made in the United States. The Federal Trade Commission has maintained in numerous advisory opinions issued that country-of-origin information should be included in all mail order catalogs and promotional materials, so that the consumer may determine where a textile product originated at the point of purchase. The Federal Trade Commission has based its determination on the fact that when a consumer orders textile products, he or she does not have an opportunity, generally, to inspect the merchandise before making payment.

It should also be noted here that a number of mail order catalog companies already disclose such information, and do not consider this item-by-item type of disclosure as overly burdensome or costly in the least. In response to the mail-order catalog industry's contention that this requirement is costly, I understand that they have provided no data to prove their contention, despite persistent requests for this data from the subcommittee which conducted hearings on this matter.

It should also be pointed out that, in addition to the bill being a consumer information proposal, it requires absolutely no Federal expenditure in order to be enacted.

This proposal comes at a time when the domestic industry is seriously hurting from unfair foreign competition. The textile industry has had to deal in a practical manner with the consequences of a 44-percent year-to-date import increase in textiles and apparel. Hundreds of thousands of job opportunities are being displaced annually due to the phenomenal import surge the industry has witnessed in recent years. I've received stacks of letters from textile workers in my district who have either been laid off or are living in constant fear of losing their jobs to imports. They have asked me to support this labeling proposal. A large coalition known as AFTAC, which is comprised of textile and apparel manufacturers, natural fiber and man-made fiber producers, and two labor unions, has asked me to support this proposal. Let me just name some of the 21 organizations which are members of AFTAC [the American Fiber, Textile, Apparel Coalition] so you may see the broad support that this proposal enjoys: the American Apparel Manufacturers Association, the American Textile Manufacturers Institute, the International Ladies' Garment Workers Union, the Amalgamated Clothing and Textile Workers Union, the National Cotton Council, The National Wool Growers Association, the Man-Made Fiber Producers Association, and the Northern Textile Association.

I once again urge all my fellow colleagues to join me in my support of this proposal by voting down any

amendments that would weaken its intent.

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Mr. BROYHILL. Mr. Chairman, would the gentleman yield?

Mr. JENKINS. I would be happy to yield.

Mr. BROYHILL. Mr. Chairman, as one example of what the bill would do, and I hold it in my hand here, a textile product, it is a pair of work gloves, a 100-percent cotton work gloves. These came in a bulk shipment and on the bulk container it was marked from the country of origin. Well, what happened was that the retailer broke these up and put them on the retail shelf and there is absolutely no indication of the country of origin. That is just one of the simple amendments that is included in the gentleman's amendment to assure that when the bulk shipment is broken up that the individual garment or the individual item itself be appropriately marked.

I just wanted to show that to the Members and to indicate this which we have found out there in the market place.

Mr. JENKINS. I thank my colleague for pointing that out. This is a good example of what is occurring today.

I do urge that all my colleagues support this very needed amendment.

Mr. CAMPBELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the textile labeling amendment offered by my colleague, the gentleman from South Carolina [Mr. DERRICK]. This amendment is based on H.R. 5638, of which I was an original cosponsor.

To me this is a straightforward piece of legislation that simply gives American consumers a choice, an option to support American workers and American industry by buying U.S. made textile and apparel goods. I cannot find anything wrong with that.

American consumers have become increasingly aware of the desirability of buying American. The overall trade deficit has skyrocketed in this country, fueled in no small part by the growing textile-apparel trade deficit. Consumers cannot help but be aware of the detrimental effect the trade imbalance has on American jobs. Night after night on the evening news Americans see workers, not only in textile and apparel, but in other areas who have been put out of work because their jobs have been taken by imports. They cannot help but become sensitized to their plight.

Moreover, studies have shown that given the option, consumers prefer to buy American. Yet it is often difficult for them to make an informed choice, and that is what this legislation is all about.

Current law in this area is easily evaded. While there is a requirement that imported goods be marked as to country of origin, the fact is that these labels are often placed in inconspicuous places or are missing entirely on the individual items, as was just pointed out by the gentleman from North Carolina [Mr. BROYHILL]. By requiring that the label in each item be attached to the most conspicuous space on the inner side of the foreign-made product, this amendment would insure that consumers know exactly what they are buying. By also requiring American-made goods to be so labeled, which is not necessarily done today, we could also insure that the consumer knows what the choice is.

Mr. Chairman, the suggestion that this very simple, very straightforward measure could be construed as an unfair trade barrier is frankly somewhat ludicrous and I think if it is made, it should be rejected. It is not a trade barrier. It is merely letting people make an informed choice.

I would also like to say a word about some efforts that have been suggested to delete from the textile labeling amendment the requirement that catalog items be identified as U.S.-made or imported. This is a vital section of the legislation inasmuch as it represents the only way that we can give consumers a choice, since they do not have an opportunity to inspect catalog-ordered merchandise prior to their purchasing it and getting it home.

Now, this obviously is not an onerous requirement, since many catalogs, a Sears catalog I was just looking at had it in it, where it was made; so it is not an onerous requirement. I think that it also should be pointed out, Mr. Chairman, that the catalog language reflects a compromise achieved in the Senate with the input of the catalog and mail order industry.

This is a good bill. This is a good piece of legislation. This is a good amendment to the bill. By adopting this amendment today, we are doing American consumers a service by recognizing their right to choose. We are doing a vital American industry a service by giving them the opportunity to promote American quality and workmanship.

By adopting this legislation, we could join with the industry in the goal of making it as easy as possible for Americans to find U.S.-made textiles and apparel when they go shopping.

I do not know whether you have been shopping lately and tried to look through to see if you could find where something was made or not, but if you have not, go try it and you will see the need for this.

Quite frankly, Mr. Chairman, I believe the American consumer will come through for the American worker under these circumnstances.

In closing, I would just like to reiterate something that my colleague, the gentleman from South Carolina [Mr. DERRICK] said earlier. The textile industry is an employer of some 2 million people in this country. It is an entry level industry. It employs more women and minorities than any other industry in this country and they are being put out of work simply because the American consumer in many instances does not know whether they are buying an American-made product or a foreign-made product.

Does it not make sense just to let them choose for themselves? I trust the American people. Give them the information and I think they will make the right decision. That is what this bill does.

Mr. NICHOLS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise this afternoon to support the amendment of Congressman BUTLER DERRICK to H.R. 3605.

This amendment, known as the "Anticounterfeiting, Textile Fiber and Wool Products Identification Act," contains two very important provisions:

No. 1, all U.S.-made textile products would be required to show an origin label.

Second, all mail order catalogs would be required to indicate whether a textile product is imported or made in the United States of America. The Federal Trade Commission on numerous occasions has maintained opinions that such information should be disclosed in all mail order catalogs and promotional materials.

Mr. Chairman, I represent a district in Alabama which I proudly claim is perhaps the second largest textile apparel district in the country. I must tell you that the unemployment in my home county of Talladega in Alabama for the month of June exceeded 15 percent. We are in bad shape down there in textiles.

Last week I discussed in my weekly column the seriousness of the growth of textile imports in this country. Let me give you some figures. In 1983 textile and apparel imports increased by 25 percent over the figures for 1982, contributing to a textile apparel fiber trade deficit of some $10.6 billion, 15 percent of the Nation's total trade deficit.

The bottom line is that these increases in imports in 1983 represent the loss of some 140,000 American jobs. In the first 4 months of this year, textile apparel imports were up 49 percent over the same period last year.

The amendment now pending will help correct the problem our Nation faces and allow American consumers

to know where the products they purchase are made, so that they can make an informed decision.

I urge my colleagues to oppose all weakening amendments, so that the American public can make an informed decision on the textile products which they purchase.

Mr. ROGERS. Mr. Chairman, I move to strike the requisite number of words.

□ 1450

Mr. Chairman, I rise in support of the amendment of the gentlemen from South Carolina because I believe we must take some action to protect our own textile industry from the devastation it is suffering not as a result of free trade but of unfair foreign imports.

I was a cosponsor of H.R. 5638, which has been incorporated into this amendment. I supported that legislation because it strengthened provisions of current law which require textile products to be labeled as to country or origin.

In my own district, thousands of people depend on the textile industry for their livelihood. Our people work for little more than minimum wage, but they seldom complain, and are proud to have their jobs. The factories in my district have increased their productivity and quality in response to foreign imports—and their product is equal to or above any foreign made textile.

And yet, I can take you there today and we can walk through many of those plants that are now dusty and idle because of unfair foreign imports.

I am often amazed at the lackluster enforcement of our trade laws, especially labeling and quota regulations. Some of our trading partners who ship millions of square yards of textile and apparel products to this country each year have devised ingenious ways to bypass our laws and regulations. And, what is even more astounding is their reaction when we take steps to properly enforce our existing trade laws—they threaten retaliation by boycotting other American products which are legally exported to their countries.

Each month of 1984 has produced record import levels of textile and apparel imports. In July 1984, the highest monthly import level ever was reached—with over 1 billion square yards—an increase of 76 percent over the previous July 1983 figures. And, probably when August and September figures are available, new records will be set.

Now I realize that some of the enormous trade imbalance we are presently experiencing is due to our own healthy economy and the strong American dollar.

But I also know that our American textile workers deserve an opportunity to compete fairly in the market place—and this amendment will provide them with this opportunity. The American consumer should have the right to know where the garment he is purchasing is made. And, our customs officials who are charged with enforcing our quota laws should not have to tear an article of clothing apart just to find the country of origin label. It should be prominently displayed—conspicously and packaged in a way which will allow the label to be read through the package.

This amendment is critical to the textile and apparel industry, and to the job security of the hundreds of thousands of Americans in those entry level jobs who work in those factories. Please help us stop this mass exodus of our jobs overseas.

I ask that you support this amendment and that you oppose any weakening amendments to it.

Mr. Chairman, I yield back the balance of my time.

Mr. BRITT. Mr. Chairman, I move to strike the requisite number of words and I rise in strong support of the amendment.

Mr. Chairman, I rise to express my strong support for the textile labeling amendment.

This is a consumer amendment. American consumers want to buy quality apparel made in the United States. Conspicuous country-of-origin labels will give American consumers the opportunity to distinguish domestic and foreign goods—an opportunity that they are now denied. This amendment will ensure that the consumer has the chance to make an informed choice.

The provisions of this amendment are eminently fair. They require not only labels on foreign-made goods, but also on those made in the United States. In addition, they extend to the fast-growing mail-order trade, requiring identification of country of origin in catalog and other advertising.

The provisions are reasonable in their scope. For example, in the early versions of this legislation, concerns were raised that labels cannot easily be affixed to hosiery items. These concerns have been addressed in the amendment by language requiring only package labeling, not affixed labeling, for hosiery.

This amendment has the strong support of textile manufacturers and textile labor groups. This industry has suffered greatly from subsidized foreign imports. At the same time, many foreign markets are closed to American exports by unconscionable tariff structures. In the first 6 months of 1984, the textile and apparel trade deficit reached the unprecedented level of $7.4 billion.

Imports of textiles and apparel are up nearly 50 percent over 1983, a record year. In July textile and apparel imports exceeded 1 billion square yards for the first time. This translates into thousands and thousands of American jobs.

Last week I spent a morning working at a textile plant in my district. I worked through the entire manufacturing process from threading the warper to grading the final product, the cloth. I learned firsthand of the skill of American textile workers and the quality of their product and I was directly confronted with their fears and uncertainties in the face of the rising tide of imported goods. This amendment is not a complete solution to the textile import problem but it is a good start.

This is a consumer amendment. This is a fair amendment and I urge its adoption by the House.

Mr. HEFNER. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I would like to engage Mr. DERRICK in a brief colloquy, just a couple of questions.

This in my opinion is legislation that has been needed for an industry that has been devastated. I would like to ask a couple of questions because some of the people are laboring under the illusion that this is going to be a costly amendment to the taxpayers.

Is there any cost involved to the taxpayers of this country through this amendment?

Mr. DERRICK. Mr. Chairman, will the gentleman yield?

Mr. HEFNER. I yield to the gentleman.

Mr. DERRICK. I thank the gentleman for yielding.

Mr. Chairman, there may be some little cost involved, just from an inspection matter at customs, but that is all, very minimal.

Mr. HEFNER. This is basically an amendment that is supported, as I understand it, and it has been worked on very hard, it is supported not only by the business community, by labor organizations, but it is truly an overall consumer bill.

Mr. DERRICK. This is one of the best patriotic amendments that we can have on the floor of this House. It is supported by business it is supported by labor, it is supported by your textile workers. But all we are doing is giving people an opportunity to make a choice.

I think there is one thing we ought to understand, that this in no way restricts imports. What this does is give the people of this country an opportunity to make the decision on the facts of whether they want to buy goods made in this country or goods that were made overseas.

Mr. HEFNER. Mr. Chairman, I think it is very worthwhile legislation and I would urge my colleagues to support it because I believe that given the choice, the consumers of this country,

certainly out of compassion for their coworkers in the textile industry, given the choice, they would choose products that were made in this country.

Many times you go in to buy apparel or whatever and you have difficulty finding where it is made, the origin of the garment, or whatever, and even when you find out some of the countries you cannot even pronounce the names, you have no idea where they are coming from, countries you never heard of.

So I commend Mr. DERRICK and Mr. BROYHILL for bringing this legislation to the floor. For the constituents of my District it is something that we fought for for a long while and I am just happy it has finally come to fruition. I urge all of my colleagues to vote for this fair and important amendment.

Mrs. LLOYD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment brought to the floor by our colleague from South Carolina [Mr. DERRICK] and commend the work of the gentleman from North Carolina [Mr. BROYHILL].

I think this is one of the most important consumer amendments this body is going to consider this late in the session because it is truly an American amendment.

I know the frustrations of the consumer who wants, and makes an honest effort, to buy American-made products but who is deprived of the information necessary to make that choice. On several occasions I have gone into a store and tried to buy an American-made blouse or skirt and not been able to identify the country of origin. This amendment does not impose any unfair restriction on domestic or foreign manufacturers but clarifies and strengthens current textile and apparel labeling laws.

Besides helping consumers make informed purchases, this amendment is also important to our textile industry, one of the Nation's oldest. I'm proud of the contribution this industry has made to the growth of my district and the jobs it has provided. The American textile workers deserve our support at this critical time through the Derrick amendment. There is another very relevant issue that is touched on by this amendment. As my colleague has pointed out, a sizable percentage of textile workers are women. Many of them have been unemployed as a result of jobs lost in the domestic textile industry due to imports.

I have no statistics, but I do know of the women in my district who have worked in this industry and who have lost their jobs in recent years. They are often the family's second wage earner, they don't have the flexibility of the specific training to relocate with other industries in other sectors of the country. Or they may be the head of household and bear sole responsibility for the support of their children. This industry has given them the opportunity to supplement their family income or to provide on their own for their dependents. It's vitally important to them that these jobs remain in the Third District and in this country.

So this is a fair amendment, it benefits this country, its consumers and its workers and I urge all of my colleagues to support it.

AMENDMENTS OFFERED BY MR. BROYHILL TO THE AMENDMENT OFFERED BY MR. DERRICK

Mr. BROYHILL. Mr. Chairman, I offer amendments to the amendment offered by the gentleman from South Carolina [Mr. DERRICK].

The Clerk read as follows:

Amendments offered by Mr. BROYHILL: In the subsection (j) proposed to be added by section 303 strike out "collar of such product if such product contains a collar, or if such product does not contain a collar" and insert in lieu thereof "inside center of the neck midway between the shoulder seams or, if such product does not contain a neck".

In the proposed section 304 strike out "(15 U.S.C. 68b(1))" and insert in lieu thereof "(15 U.S.C. 68b(a)(2))", strike out "subparagraphs" and insert in lieu thereof "subparagraph", strike out the proposed paragraphs (5) and (6) and insert in lieu thereof the following:

"(D) the name of the country where processed or manufactured.".

In the subsection (e) proposed to be added by section 305 strike out "catalog or mail order".

In the subsection (f) proposed to be added by section 305 strike out "collar of such product if such product contains a collar, or if such product does not contain a collar in the most conspicuous place on the inner side of such product, unless it is on or affixed on the outer side of such product or in the case of hosiery items, on the outer side of such product or package" and insert in lieu thereof "inside center of the neck midway between the shoulder seams or, if such product does not contain a neck, in the most conspicuous place on the inner side of such product, unless it is on or affixed on the outer side of such product or in the case of hosiery items, on the outer side of such product or package".

Mr. BROYHILL. (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BROYHILL. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DERRICK. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from South Carolina.

Mr. DERRICK. I thank the gentleman for yielding.

Mr. Chairman, I just want to say that I certainly have no objection to the amendments. As a matter of fact, I support them and hope that the House will allow them to be accepted.

Mr. BROYHILL. I thank the gentleman.

Mr. Chairman, I rise to offer amendments en bloc to the amendment offered by the gentleman from South Carolina.

My amendments would simply make technical corrections to the amendment.

The gentleman's amendment is based on H.R. 5638, the Textile Fiber and Wool Products Identification Improvement Act, a bill which I introduced in the House on May 10, 1984.

Since that bill was introduced, the Committee on Energy and Commerce, on which I serve as the ranking minority member, has held hearings on the bill and has ordered reported to the House the Textile labeling provisions as title II of H.R. 5929, the Anticounterfeiting and Textile Fiber and Wool Products Identification Improvement Act.

My amendments would simply conform the language in the Derrick amendment to the language contained in H.R. 5929 as ordered reported to the House. This is also the same language which was contained in S. 1538, which passed the Senate on June 29, 1984.

I urge my colleagues to adopt these amendments.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Chairman, as some Members know, I am opposed to the Derrick amendment. However, the Broyhill amendment to it is, in my judgment, what the mover has suggested, an amendment to make it conform to the Senate bill which does not do any substantive damage. Therefore, I have no objection to the amendment.

Mr. BROYHILL. I thank the gentleman.

The CHAIRMAN. The question is on the amendments offered by the gentleman from North Carolina [Mr. BROYHILL] to the amendment offered by the gentleman from South Carolina [Mr. DERRICK].

The amendments to the amendment were agreed to.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by my friends from South Carolina and in some wonderment that we are even debating something that I would have thought

would have been so noncontroversial as to have been simply adopted as easily as the amendments of the gentleman from North Carolina.

We confront some difficult issues in the area of imports versus domestic products. There are difficult tradeoffs that have to be made as we try to respond to the legitimate economic concerns of American workers and as we try and protect them against unfair subsidies and we try and balance that off against the undoubted consumer advantage that comes in when less expensive products are brought in here.

None of those difficult issues that are involved when we debate free trade versus the degree of protection are at issue today. This is simply a matter of choice for the American consumer. It says if you want to take into account the fact that these products were made in America you can do so. If you do not want to, you do not have to. We are not proposing that those who buy imported goods have that stamped on their foreheads. We are not proposing that people who buy imported goods have to carry separate shopping bags that say, "I have imports in this bag."

What we are saying is that those American consumers who wish to give some preference in their buying decision to the fact that things were made in America, either because they think that may be a better assurance of quality or because they want to be supportive of domestic economics, or for whatever other reason, that they be allowed to do so.

We have a situation now where the consumers have to, with regard to a very important issue to many of them, buy in the dark. They cannot know in many cases where the product was made.

As to those to whom there is no issue, then this is not a problem. This is not going to force itself on anybody. It does not, as was clarified in the colloquy between the gentleman from North Carolina and the gentleman from South Carolina, require any governmental cost. It will impose the most minimal of costs on people who are in the business of selling.

I understand there may be some amendments later to erode and weaken this. They will come from those who probably do not support the whole concept, but understandably do not want to take it on head-on similar to trying to take a piece out of it here and a piece out of it there. I would say to them I have a lot of sympathy with those of my friends who have day after day tried to defend the principle of free trade. I recognize that there are difficult issues there.

But if you undermine and oppose an effort like this, if we are obstructed in trying to simply deal with the labeling question, then the pressures for greater restrictions are going to grow.

I would say to those who most strongly believe in free trade and who are opposed to various measures that will restrict the flow of goods ought to be among the strongest supporters of this labeling because it is one way—it is experimental, we are not sure how it will work—to give the consumers the kind of choice that may lessen some of the pressure for those other things.

The arguments against various forms of protection and restrictions have been cloaked in consumer preference and they have some legitimacy, although I do not always agree with them. That very argument here says that we should support the amendment offered by the gentleman from South Carolina.

There is everything to be said in terms of the argument about free trade and its opposition in favor of this amendment. It is a reasonable effort to try to keep us from having to make some of the more difficult choices.

I hope that the amendment is adopted and I hope that subsequent efforts which we may have to weaken it are rejected.

Mr. KINDNESS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment and I wish to associate myself with the remarks of the gentleman from Massachusetts [Mr. FRANK], who just spoke.

I think it is important for us to realize in addition, however, that this is a tested concept, a tried and true concept. Labeling has worked I am sure as in the case of the automobile industry. Now when you get those labels right out there on the back and the sides and sometimes the front of the automobile where it says Datsun, people quit buying those Japanese cars, I guess. Up front it has that Mercedes symbol on the radiator of the car. People know that is a foreign car, so they do not buy that. It solves all those problems just to have that labeling. So we know that it works, I assume.

It will work in the case of textiles and apparel. I suppose.

If it does not, at least we will have left things in the context of the free exercise of choice by American consumers. That is the important point.

No; I do not think that the labeling is going to keep people from buying foreign-made goods, textile or apparel goods. No this probably will not do all that much good all by itself.

But it will afford people, like many in this room and many others who have a particular interest or concern, the opportunity to be informed consumers and say, "I'll pay more for U.S. goods." That is what it will come down to. "I'll pay more for U.S. goods in order to have them."

Now, we all know that is really what we are talking about here. We are not being honest about it up to now, but that is really what is involved. We have a problem that really relates much more to the value of the dollar today and the value of the dollar today is so high in relation to other currencies because, in essence, we cannot learn how to control Federal spending. Interest rates will be high as long as the threat of renewed inflation resulting from Federal deficits continues. Foreign money will come into the United States and be invested here because it is attractive to do so. That will keep interest rates up, that will keep our dollar attractive and too high in value in relation to other currencies. We will have a tough time selling anything we make in this country in other countries. Other countries will have an easier time selling their goods in the United States.

Until we get hold of that problem we are not going to solve any of this concern about people losing their jobs because of foreign competition. We can compete if we have fair conditions. We have done it for decades in textiles and apparel and in other lines of manufacture.

Now, I do support, in all honesty, this amendment. I believe it is desirable. But I am saying we are only touching the surface in the barest way here.

□ 1510

We ought to be honest with ourselves and say we are creating the problem of people losing their jobs to foreign competition, because we do not control spending in this Congress.

I yield to the gentleman from South Carolina.

Mr. CAMPBELL. I appreciate the gentleman yielding, and I certainly agree with him that we have a problem with the strength of the dollar and because of the imbalance between our currency and other currencies. This bill in no way will address that problem. It is not a panacea. We all know that.

However, I think that the importance of the amendment may rest in faith in the American people. I heard a story that was told me as true, and I am not sure whether it was or not, but it made a lot of sense. The person who told it was from North Carolina and was from a small town there. A textile mill had gone out of business and the manager of the department store in the town, a small town, wrote a letter to the superintendent of the mill and said, "You have ruined this town; you have put my store out of business by shutting your plant down. How could you do that?"

And the superintendent of the mill went down to the department store and went through and could not determine that there were any American-made products in that department

store. He wrote the store manager back and said, "No; I did not put you out of business; you put us both out of business."

The question must be asked. Would those textile workers in that textile town truly have bought foreign goods and put themselves out of business had they had the opportunity to choose otherwise? That is what we are giving them, that opportunity.

Mr. KINDNESS. I thank the gentleman. I think that is quite right. And oftentimes the case would be that the U.S. consumer would say, "I will pay for U.S. goods in order to make sure that our economy will remain strong." And I, along with many others, would do that.

Mr. RITTER. Mr. Chairman, I rise in support of the amendment. I, too, understand that this amendment is not a panacea to the textile and apparel import problem. But it is a step in the right direction.

In my district, the Lehigh Valley of Pennyslvania, both the cities of Allentown, PA, and Bethlehem, PA, have organized rallies and programs around buy-American. In Bethlehem, PA, just last week there was a major Think-American/Buy-American rally at one of our high school football stadiums.

People are ready to think American and Buy American. But one of the problems is, if you go and look at the labels on apparel you do not know, in many cases, whether it is American or not. People have come up to me and have asked, "How do you know whether it is a U.S.-made goods or not? There are so many pieces of apparel that I have looked at where I cannot tell whether it is an import or is not." This legislation makes it easier for the consumers to find out.

Mr. Chairman. There is a rising tide of a kind of national interest and an interest in promoting our own products which will help in the sales and in the marketing, the purchase, and then in the production and jobs relating to the apparel and textile industry.

While many important points have been made, there is one other crucial point that this amendment seeks to address; that is that the burgeoning sales in catalogs, in direct mail, in telecommunications and phone order sales, are areas that will be covered by the amendment. We are all familiar with the enormous amount of marketing and sales that have taken place in these new arenas of American trade and commerce.

What this amendment does is require that a label—imported or made in the U.S.A.—be placed in ads in a catalog or in a telephone message, as well as require a similar label for a garment in a store. That is essential, given the increasing volume of goods that are sold outside of traditional stores.

I support this amendment and urge my colleagues to do the same.

AMENDMENT OFFERED BY MR. FRENZEL TO THE AMENDMENT OFFERED BY MR. DERRICK, AS AMENDED

Mr. FRENZEL. Mr. Chairman I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL to the amendment offered by Mr. DERRICK, as amended: On page 2 of the amendment, delete lines 16-24. On page 3 of the amendment, delete lines 21 through line 3 of page 4.

Mr. FRENZEL. Mr. Chairman, some of the Members who heard the scheduled debate on this bill will recall that I very strongly opposed this amendment.

I opposed the rule which allowed this nongermane bill to be tacked on to a pill bill, to which it has no relevance whatsoever. But the House decided to go ahead in this way, so we are working on this nongermane amendment.

And while we abuse our regular procedures in this way, we cannot get a budget, we cannot move a balanced budget amendment, we cannot move the President's crime proposal. But, we have plenty of time for nongermane amendments.

My amendment strikes a portion of the bill which relates to catalog and mail-order sales, requiring that catalog indicate whether the goods being offered for sale are foreign or United States.

I notice that very few of the speakers who said it was merely a labeling bill indicated that it was also a highly discriminatory bill against people offering goods for sale by mail. It singles out the catalog houses and those who sell by mail against those who sell by newspaper ads, by television ads, by telephone calls, by dropping flyers at your home. None of these are obligated to tell you whether the goods are foreign made or not. But the mail-order houses must.

What bothers me about this is that if it is so good, if it is so wonderful for America to have these goods designated, why do not American producers do so now? Why is it necessary that it be made mandatory by law? I would think that if we are proud of what we produce, we would put "Made in U.S.A." on it, and I think many producers do. You and I will normally purchase those goods.

But the problem here is that we have a subtle form of protectionism in which our trading partners are being asked to jump through new hoops. They are being subjected to protectionism already in the form of new customs regulations to which they object very violently and which has caused those regulations to be temporarily suspended.

That conflict is going to cost us exports and is going to cost us jobs. It means lower farm prices and fewer jobs in industry. It is very hard to see that the bill before us is going to gain us any net jobs.

We have been told that this is the largest low-level industry, or entry-level industry, and, therefore, it is going to have trouble. Any industry which has a low-skill level is going to be subject to competition. We know that. And it is good for the consumers of this country to have competition so that they can buy the best product at the best price.

However, the proponents did not say that the textile industry is one of the-most protected industries in the United States, has been since the GATT was created. We, the United States have the highest textile tariffs in the world and, of course, we have quotas under the multifiber agreement that compare with the rest of the world. We also have, of course, these regulations which now make it even more difficult to bring in textile materials.

It has been said that these people want to be protected against allegedly unfair trade subsidized imports. The trade laws apply, and if imports are subsidized the normal relief action can be sought.

It is also said that our textile producers are fighting against unconscionable tariffs abroad. At least one speaker said that. Our tariffs are higher than anybody's, so if theirs are unconscionable, certainly ours are, too.

The next thing is that the bill really does not have much to do with the consumer. I doubt that anybody here has gotten any letters from consumers saying they would like to have this labeling or that they need to read in their catalog that the material comes from someplace else or from the United States.

As a matter of fact, the labeling laws are now clear and do require that the U.S. origin be noted on stuff now. It is true that not every piece of textile goods within a bale or box or carton is required to be labeled. That is going to be an extra cost, of course, for the consumer. Whether the consumer wants to bear that cost, or has been consulted, there has been no showing or no demonstration here.

So what we are doing here is that unless you pass my amendment, the catalog houses must determine 6 months in advance, whenever they decide to print their catalog, where they are going to get their material. They are going to have to put that in their catalog, send it out to the printer. If they run out of the material or the supplier cannot supply it, there is no way that they can exchange it, even if they want to exchange foreign-

made goods which they could not obtain, for U.S.-made products.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. FRENZEL] has expired.

(By unanimous consent, Mr. FRENZEL was allowed to proceed for 3 additional minutes.)

Mr. FRENZEL. If they cannot get foreign-made goods and are obliged, and would like to order, U.S.-made goods as a substitute, they would not be able to do so because of the advance notice that they need in printing their catalog.

□ 1520

For some reason we have singled out the catalog houses for discriminatory treatment. The FTC gives the best clue for the reason. It says the people cannot see the material before they buy it. My guess is that an awful lot of consumers do not closely scrutinize material in any instance. Nevertheless, it does seem to me that this is highly discriminatory.

What is the difference between the catalog seller and the person making the telephone approach? There is none. But the catalog seller is saddled with a new regulation.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman.

Mr. FRANK. I thank the gentleman for yielding.

The gentleman has again said that one problem for the gentleman in this bill is that it discriminates and that it requires catalog sellers to do something that newspaper and flyer sellers do not. If the bill were amended to require that people who sell by newspaper and flyer and telephone had to follow the same rule; that is, if the discrimination were eliminated by broadening it, would that in any way minimize the gentleman's opposition to it?

Mr. FRENZEL. I think I would be more inclined to vote for it because I suspect you would then have difficulty passing the bill.

Mr. FRANK. If the gentleman would yield further, would that minimize the gentleman's oppostion to the amendment offered by the gentleman from South Carolina?

Mr. FRENZEL. In my judgment, it would not. But I would feel better if everyone were in the same bag, even if it is a lousy bag.

Mr. FRANK. If the gentleman would yield further, the gentleman would still be opposed to the amendment. In fact, he would probably argue then that it would be even worse?

Mr. FRENZEL. My objection to the bill would be minimized, and I would not seek to remove the catalog houses from a position of distress that everyone else would then be in.

If the gentleman wishes to move that amendment, I would be delighted to support the amendment.

Mr. FRANK. Well, afterwards, I would need some time to draft it. Maybe we will work on it. I will thank the gentleman for his cosponsorship.

Mr. FRENZEL. I thank the gentleman for his help and for reinforcing my point that we are discriminating.

As I was saying at the time the gentleman made his observations, if a telephone seller who calls has foreign goods to offer, there is no compulsion on that seller to describe the goods as foreign or regular. There is no compulsion in newspaper ads. There is no compulsion in television or radio ads.

It seems to me we have jumped on one burgeoning form of salesmanship in the United States and tried to attach some sort of extra penalty, which may not be terribly expensive and may not burden the consumer greatly, but still is an extra burden. It will take away a little flexibility from that type of merchandiser.

In my judgment the whole amendment, the Derrick amendment, is unwise policy. I think much of the sting would be taken out of it if we could remove the section that discriminates against catalog houses. I urge the adoption of my amendment.

Mr. DERRICK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I cannot understand why the proponent of this amendment has any objection to people being able to make an educated choice on purchases. Certainly they have that right to make that educated choice in a catalog.

As the gentleman well knows, that this point that we reached here is a compromise. We started out with a suggestion, and there were those who wanted to make it the country of origin; each country, as opposed to U.S.A.- or foreign-made. As the gentleman also knows, some of your major catalog houses today already do this. Many other catalog houses are in the process of doing this in anticipation of the passing of this legislation.

Why should people not have an opportunity to look in a catalog and see where these goods are made? The idea that a company does not know what the product is going to be when they write the catalog is absurd. To say that they are going to write the catalog before they get the products, why, my goodness, that is ridiculous.

They have 90 days under this amendment. Any catalogs that have already been written; any catalogs that are printed 90 days after the enactment of this legislation are not covered. That should give ample time to get probably into the fall of 1985. I would ask the membership to please oppose this amendment based on those observations.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman.

Mr. CAMPBELL. I thank the gentleman for yielding, and I certainly want to join him in opposition to this amendment. I want to raise another point: The gentleman pointed out that in the catalog sales that you are allowing people to make an informed purchase. Now, people buy from that book, the goods are shipped to their home, and then they have it.

The author of the amendment that we are in opposition to made another statement. He said this discriminates against newspaper advertising, and so forth. Newspaper advertising generally advertises a store where you go and purchase something, and the people go to purchase it and their label is on it there. I just do not think that that comparison can be made. I think that the compromise that has been worked out to label either made in the U.S.A. or foreign-made is sufficient, and I urge the defeat of this amendment.

Mr. DERRICK. I thank the gentleman and I yield back the balance of my time.

Mr. BROYHILL. Mr. Chairman, I rise in opposition to the gentleman's amendment.

Mr. Chairman, I must oppose the amendment offered by the gentleman from Minnesota. He has certainly been an ally of mine in a number of battles here on the floor of the House, but I feel very strongly about this particular provision. This provision only requires that there be a disclosure of country of origin in catalogs and mail order material. This is certainly a fair requirement.

I want to point out to the Members, in answer to the arguments made by the gentleman from Minnesota, that many catalogs are currently providing this kind of information in their catalogs. I have in my hand a catalog that is issued by one of the more prestigious organizations in the United States and all through this catalog they provide this kind of country-of-origin information. In many instances they say that the goods are imported.

All that the amendment that is offered by the gentleman from South Carolina says is that the description in the catalog must disclose whether a textile product is imported or domestically made so that consumers can make an educated decision. Mr. Chairman, I would like to point out that the Federal Trade Commission in the past has issued advisory opinions stating that country-of-origin information ought to be included in mail order promotional material since consumers do not have the opportunity to inspect the merchandise prior to purchase. All we are saying is that if it is made do-

mestically that that information must be put into the catalog.

The gentleman has indicated that there be some extra expense to this. I am not aware of any additional costs. As I have already pointed out, a number of merchandisers are already including this type of information in their catalog, and apparently if there is added expense, they feel that it is worth whatever minimal added expense it is.

I might point out that I have requested information on the cost that would be imposed by item-by-item disclosure and, as of this moment, the catalog and mail order industry people have failed to supply this information to me despite my numerous requests for that information.

Mr. Chairman, this requirement is not burdensome; it is not expensive, and it is in the consumers' interest to know where the product is made; that is, whether it is imported or whether it is made domestically.

I also want to repeat what the gentleman from South Carolina has already said, and that is that a compromise has already been made on this issue. When the bill was originally written, it required the actual country of origin be disclosed. But in order to accommodate the mail order and catalog people, we amended that to say that all they had to indicate was whether a particular textile product is imported. That change was made to ease whatever burden might be placed on them.

For that reason, I would urge that we reject the amendment by the gentleman from Minnesota, and that we retain the language that is in the amendment offered by the gentleman from South Carolina.

□ 1530

Mr. JENKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I shall not take the 5 minutes, but I rise to point out and try to correct the statement made by my dear friend and seatmate over in the Committee on Ways and Means, the gentleman from Minnesota, that this is not a special provision just for the textile industry, that we are charting a new course. I realize that the gentleman from Minnesota does not have a great number of textile or apparel industries in his district, but he does have a great number of dairies and dairy products that are processed up in Minnesota, and there is in existing law today a requirement that all imported dairy products show the country of origin and there is in law today a provision that all domestically produced dairy products, cheeses, show not only that it is made in the United States but there is a requirement that it show the exact address where it is processed.

So this is not a burdensome amendment for one particular segment of the industry. It is already in existence in the dairy industry. We are simply asking for this very small amendment that will be of some benefit to the textile and apparel industry.

So I would urge my colleagues to defeat the amendment offered by my dear friend, the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I would be happy to yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Chairman, I thank my distinguished friend for his important contribution, and perhaps if he and the distinguished gentleman from Massachusetts next to him put in a repealer on this amendment we can clean it out for both dairy and textiles and probably improve the lot of the American consumer along with it from a price standpoint.

Mr. JENKINS. The gentleman would support, I am sure, the elimination on dairy products.

Mr. FRENZEL. Yes; and if the gentleman would yield further, I said textiles is the most protected industry in the United States. I do not mean to imply that agriculture generally and dairy specifically is not protected as well. It is simply part of a pattern of American protectionism. Every country has it. I would like to avoid it as much as possible, and this is not a virulent form that we face in this particular bill. It is simply adding another log to the fire.

Mr. JENKINS. I urge my colleagues to oppose the amendment offered by the gentleman from Minnesota.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. FRENZEL] to the amendment offered by the gentleman from South Carolina [Mr. DERRICK], as amended.

The question was taken; and on a division (demanded by Mr. FRENZEL) there were—ayes 3, noes 23.

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote, pending which I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count for a quorum.

Mr. FRENZEL. Mr. Chairman, I withdraw both requests.

So the amendment to the amendment, as amended, was rejected.

AMENDMENT OFFERED BY MR. FRENZEL TO THE AMENDMENT OFFERED BY MR. DERRICK, AS AMENDED

Mr. FRENZEL. Mr. Chairman, I offer an amendment, numbered 3, to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL to the amendment offered by Mr. DERRICK: On page 2 of the amendment, on line 25, strike "or imported, or both." On page 4, line 2, strike "or imported, or both."

Mr. FRENZEL. Mr. Chairman, I do not want to go on here too long because it is obvious that my point of view is not shared by the Committee of the Whole. I have no desire to keep this body working longer than necessary.

If my colleagues opposed the previous amendment, they are not likely to be thrilled by this one. This also relates to the cataloging but rather than deleting all the requirements for cataloging, it would only delete the ones relating to imported materials.

Mr. Chairman, I have said on a couple of occasions that I think it is a good thing that catalog houses, where they can, where it fits their merchandising, and where they think their consumers and customers want it, produce their catalogs in such a way as to give maximum information, including the situs of production.

I also believe it is a good thing for U.S. firms to promote U.S.-made commodities. I usually tilt that way in buying, myself. My judgment is that if the product offered is a good one and the price is right, then Americans are going to buy them.

What I object to is compulsory regulations in the marketplace to force people to do things that are not necessarily good policy. I particularly object to them when they are made in a discriminatory way against a single set of advertisers.

I believe that this is a good amendment and that it should be adopted. I have no illusions about its success.

Mr. DERRICK. Mr. Chairman, I rise in opposition to the amendment.

My position is basically the same as it was to the prior amendment. Of course, this amendment does a little less, but it is bad for the same reasons.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. FRENZEL] to the amendment offered by the gentleman from South Carolina [Mr. DERRICK], as amended.

The amendment to the amendment, as amended, was rejected.

AMENDMENT OFFERED BY MR. FRENZEL TO THE AMENDMENT OFFERED BY MR. DERRICK, AS AMENDED

Mr. FRENZEL. Mr. Chairman, I offer an amendment, numbered 4, to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL to the amendment offered by Mr. DERRICK: On page 5 of the amendment, strike on line 19 "ninety" and insert in lieu thereof "one hundred and eighty".

Mr. FRENZEL. Mr. Chairman, this amendment changes the effective date of the bill as it applies to the regulations on catalog houses from 90 days

after passage to 180 days after passage.

Earlier in discussions here I indicated the difficulties of producing catalogs in advance of a season. Catalog houses are even now, of course, putting together their catalogs for the spring. If this bill is passed promptly, as I believe it will be, and signed either in September or October, those catalogs which are now at the printers or perhaps on the way are going to have to be recalled.

I do not think it is the intention of the promoters of this amendment, or of the dedicated and heroic protectors of the textile industry to unnecessarily hurt anybody who happens to be in the catalog merchandising business. I would think that it would not be a major sacrifice if we deferred for an additional 90 days the effective date of this bill as it affects the catalog houses.

Again, since the House seems so determined to pass this bill, I am not optimistic about the amendment's chances, but I feel compelled to offer it because I believe at least in the beginning we ought to give this class of merchandisers and their customers a little more time to put the first catalog together so the FTC or the Department of Justice or one of our gimlet-eyed Representatives of North or South Carolina does not haul them off to jail.

□ 1540

It seems to me that we could temper whatever hard-hearted justice we intend to deliver with a little mercy. I hope the amendment to extend the effective date with respect to catalogs only might be extended by only 90 days.

Mr. DERRICK. Mr. Chairman, I rise in opposition to the amendment.

I put a ditto on the other remarks I have made about the preparedness, but in addition to this, this is also a compromise that has been reached on the 90 days.

It is my understanding that the Direct Mail Association supports it or has raised no objection to it. It was not even raised as an objection in the Senate.

Further I would like to say that many of the large retailers are already doing this, and many of our smaller retailers are already doing it. Many of them are already gearing up to doing it in anticipation of this bill passing.

As far as the 90 days are concerned, no catalogs will have to be recalled. Any catalog that is printed before 90 days after the enactment of this bill will not have to have any of these requirements in it.

Let me make one final point. If we put this in, this will mean that the bill will have to go to conference, and that probably means that it will not get through; very likely it will not get through during this term of Congress. So I think it is very important that we vote "no."

Mr. BROYHILL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I will take my full 5 minutes, but I just want to say that the gentleman from South Carolina [Mr. DERRICK] is entirely correct. This amendment is simply not needed because the disclosures that are required under the terms of this bill are prospective in nature, not retroactive. They would apply only to those catalogs that are produced 90 days after enactment. I want to assure the gentleman that it does not in any way apply to catalogs that are being put together today or that were printed before the effective date and which may still be in use.

I also want to point out this fact: It is interesting that the textile and apparel industry strongly supports this title. Many of them are importers, as we know, and they do not perceive this 90-day effective date as being too tight a deadline to meet. This is somewhat ironic since the textile industry does have a greater burden to shoulder since they have to place, for the first time, new labels in their products, whereas the catalog and direct-mail people simply have to put a new line in their typed descriptive material.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

I certainly do not want to cause the gentleman any delay in applying whatever protection or extra incentive to sales of U.S. goods he can find, but 90 days is a pretty short time for putting a catalog together. It is true that many of the large catalog houses such as the one that the gentleman showed me that sells to rich folks probably have already done so. Who was it, Sears Roebuck?

Mr. BROYHILL. Sears Roebuck.

Mr. FRENZEL. Yes; Sears Roebuck. The large houses that have billions of dollars like the makers of that catalog probably can do that. However, when we are talking about something being offered by a small mail order house for Easter or spring and the catalog is already in process, it is likely to be difficult. Yes, it is prospective, but it is only 90 days prospective.

Mr. Chairman, I thank the gentleman for yielding, and I regret that he would not see fit to support the amendment.

Mr. BROYHILL. Again, Mr. Chairman, I argue that this 90-day effective date is not burdensome. It does not apply to catalogs that are put together now or printed in the time prior to the effective date.

Mr. CAMPBELL. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from South Carolina.

Mr. CAMPBELL. Mr. Chairman, I just want to underscore the point the gentleman from South Carolina [Mr. DERRICK] made. Not only is this not needed, but this amendment, however innocuous it might seem to be, could kill the bill because it could force us to a conference and time is running out. For that reason, if nothing else, I think we should oppose the amendment.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

Obviously the plea that these poor, struggling ma-and-pa catalogers only have 90 days has some appeal, except the reality is that they have much more than 90 days. This is not a new issue. This is not the first day it came up. It is not immediately being enacted.

This issue has been a live one for some time. It was discussed here, and people knew it was coming. So any catalog printer with any prudence has been on notice that we were likely to do this. If they were not able to get the message before now, they just do not want to get the message. They had considerably more than 90 days if they knew that this was coming, and I think they were advised that it was coming.

Mr. FRENZEL. Mr. Chairman, I have got to say that that is a better argument than the one that says that if the bill goes to conference, it will lose.

Mr. FRANK. Mr. Chairman, if the gentleman will yield, I want to thank the gentleman for that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. FRENZEL] to the amendment offered by the gentleman from South Carolina [Mr. DERRICK], as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. FRENZEL. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 377]

Albosta	Emerson	Lloyd
Anderson	English	Loeffler
Andrews (NC)	Erdreich	Long (LA)
Andrews (TX)	Erlenborn	Long (MD)
Annunzio	Evans (IA)	Lott
Anthony	Evans (IL)	Lowery (CA)
Applegate	Fascell	Lowry (WA)
AuCoin	Fazio	Lujan
Badham	Feighan	Luken
Barnes	Fiedler	Lundine
Bartlett	Fields	Lungren
Bateman	Fish	Mack
Bates	Foglietta	Madigan
Bedell	Ford (TN)	Markey
Bennett	Fowler	Marlenee
Bereuter	Frank	Marriott
Berman	Franklin	Martin (IL)
Bevill	Frenzel	Martin (NY)
Biaggi	Garcia	Martinez
Bilirakis	Gaydos	Mavroules
Boehlert	Gejdenson	Mazzoli
Boggs	Gekas	McCain
Boland	Gephardt	McCandless
Boner	Gilman	McCloskey
Bonior	Gingrich	McCollum
Borski	Glickman	McEwen
Bosco	Gonzalez	McGrath
Boxer	Goodling	McHugh
Breaux	Gore	McKernan
Britt	Gramm	McNulty
Brooks	Green	Mica
Broomfield	Guarini	Michel
Brown (CA)	Gunderson	Mikulski
Brown (CO)	Hall (OH)	Miller (CA)
Broyhill	Hall, Ralph	Miller (OH)
Bryant	Hall, Sam	Mineta
Burton (CA)	Hamilton	Minish
Burton (IN)	Hammerschmidt	Mitchell
Byron	Hansen (UT)	Moakley
Campbell	Hartnett	Molinari
Carper	Hatcher	Mollohan
Carr	Hawkins	Montgomery
Chandler	Hayes	Moore
Chappell	Hefner	Moorhead
Chappie	Hertel	Morrison (CT)
Cheney	Hightower	Morrison (WA)
Clarke	Hiler	Mrazek
Clay	Hillis	Murphy
Clinger	Holt	Murtha
Coats	Hopkins	Myers
Coelho	Howard	Natcher
Coleman (MO)	Hoyer	Nichols
Coleman (TX)	Hubbard	Nielson
Collins	Huckaby	Nowak
Conable	Hughes	O'Brien
Conte	Hunter	Oakar
Conyers	Hutto	Oberstar
Cooper	Hyde	Obey
Coughlin	Ireland	Olin
Courter	Jacobs	Ortiz
Coyne	Jeffords	Ottinger
Craig	Jenkins	Oxley
Crane, Daniel	Johnson	Packard
Crane, Philip	Jones (NC)	Panetta
Crockett	Jones (OK)	Parris
D'Amours	Jones (TN)	Patman
Daniel	Kaptur	Patterson
Dannemeyer	Kasich	Paul
Darden	Kastenmeier	Pease
Daschle	Kemp	Penny
Daub	Kennelly	Pepper
Davis	Kildee	Petri
de la Garza	Kindness	Pickle
Derrick	Kogovsek	Porter
DeWine	Kolter	Price
Dickinson	Kostmayer	Pursell
Dicks	Kramer	Quillen
Dixon	LaFalce	Rahall
Donnelly	Lagomarsino	Ratchford
Dorgan	Lantos	Ray
Downey	Latta	Regula
Dreier	Leath	Reid
Duncan	Lehman (CA)	Richardson
Durbin	Lehman (FL)	Ridge
Dwyer	Lent	Rinaldo
Dymally	Levin	Ritter
Dyson	Levine	Robinson
Eckart	Levitas	Rodino
Edgar	Lewis (CA)	Roe
Edwards (CA)	Lipinski	Roemer
Edwards (OK)	Livingston	Rogers
Rose	Smith (NE)	Volkmer
Roth	Smith (NJ)	Walker
Roukema	Smith, Denny	Watkins
Rowland	Snowe	Waxman
Roybal	Snyder	Weber
Russo	Solarz	Weiss
Sabo	Solomon	Wheat
Savage	Spence	Whitehurst
Sawyer	Spratt	Whitley
Schaefer	St Germain	Whittaker
Schneider	Staggers	Whitten
Schroeder	Stangeland	Williams (MT)
Schulze	Stokes	Williams (OH)
Schumer	Stratton	Wilson
Seiberling	Studds	Wirth
Sensenbrenner	Sundquist	Wise
Sharp	Swift	Wolf
Shaw	Synar	Wolpe
Shumway	Tallon	Wortley
Shuster	Tauke	Wyden
Sikorski	Thomas (CA)	Wylie
Siljander	Thomas (GA)	Yates
Sisisky	Torricelli	Yatron
Skeen	Udall	Young (AK)
Skelton	Valentine	Young (FL)
Slattery	Vander Jagt	Young (MO)
Smith (IA)	Vento	Zschau

□ 1600

The CHAIRMAN. Three hundred and fifty-four Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Minnesota [Mr. FRENZEL] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 36, noes 323, answered "present" 1, not voting 72, as follows:

[Roll No. 378]

AYES—36

Anderson	Evans (IA)	Petri
Bereuter	Frenzel	Sabo
Burton (IN)	Green	Schaefer
Chandler	Jeffords	Smith (IA)
Clinger	Kastenmeier	Smith (NE)
Conable	Kramer	Smith, Denny
Crane, Daniel	Livingston	Stangeland
Crane, Philip	Lungren	Tauke
Dannemeyer	McCandless	Vento
Daub	Miller (OH)	Walker
English	Morrison (WA)	Weber
Erlenborn	Paul	Zschau

NOES—323

Albosta	Britt	Craig
Andrews (NC)	Brooks	Crockett
Andrews (TX)	Broomfield	D'Amours
Annunzio	Brown (CA)	Daniel
Anthony	Brown (CO)	Darden
Applegate	Broyhill	Daschle
Archer	Bryant	Davis
AuCoin	Burton (CA)	de la Garza
Badham	Byron	Dellums
Barnes	Campbell	Derrick
Bartlett	Carper	DeWine
Bateman	Carr	Dickinson
Bates	Chappell	Dicks
Bedell	Chappie	Dingell
Bennett	Cheney	Dixon
Berman	Clarke	Donnelly
Bevill	Clay	Dorgan
Biaggi	Coats	Downey
Bilirakis	Coelho	Dreier
Boehlert	Coleman (MO)	Duncan
Boggs	Coleman (TX)	Durbin
Boland	Collins	Dwyer
Boner	Conte	Dymally
Bonior	Conyers	Dyson
Borski	Cooper	Eckart
Bosco	Coughlin	Edgar
Boxer	Courter	Edwards (AL)
Breaux	Coyne	Edwards (CA)
Edwards (OK)	Levin	Rinaldo
Emerson	Levine	Ritter
Erdreich	Levitas	Robinson
Evans (IL)	Lipinski	Rodino
Fazio	Lloyd	Roe
Feighan	Loeffler	Roemer
Fiedler	Long (LA)	Rogers
Fields	Long (MD)	Rose
Fish	Lott	Roth
Foglietta	Lowery (CA)	Roukema
Ford (TN)	Lowry (WA)	Rowland
Fowler	Lujan	Roybal
Frank	Lundine	Russo
Franklin	Mack	Savage
Frost	Madigan	Sawyer
Garcia	Markey	Scheuer
Gaydos	Marlenee	Schneider
Gejdenson	Marriott	Schroeder
Gekas	Martin (IL)	Schulze
Gephardt	Martin (NY)	Schumer
Gilman	Martinez	Seiberling
Gingrich	Mavroules	Sensenbrenner
Glickman	Mazzoli	Sharp
Gonzalez	McCain	Shaw
Goodling	McCloskey	Shumway
Gore	McCollum	Shuster
Gramm	McEwen	Sikorski
Gray	McGrath	Siljander
Guarini	McHugh	Sisisky
Gunderson	McKernan	Skeen
Hall (OH)	McKinney	Skelton
Hall, Ralph	McNulty	Slattery
Hall, Sam	Michel	Smith (NJ)
Hamilton	Miller (CA)	Snowe
Hammerschmidt	Mineta	Snyder
Hansen (UT)	Minish	Solarz
Harrison	Mitchell	Solomon
Hartnett	Moakley	Spence
Hatcher	Molinari	Spratt
Hawkins	Mollohan	St Germain
Hayes	Montgomery	Staggers
Hefner	Moore	Stokes
Hertel	Moorhead	Stratton
Hightower	Morrison (CT)	Studds
Hiler	Mrazek	Sundquist
Hillis	Murphy	Swift
Holt	Murtha	Synar
Hopkins	Myers	Tallon
Howard	Natcher	Thomas (CA)
Hoyer	Nichols	Thomas (GA)
Hubbard	Nielson	Torricelli
Huckaby	Nowak	Udall
Hughes	O'Brien	Valentine
Hunter	Oakar	Vander Jagt
Hutto	Oberstar	Volkmer
Hyde	Obey	Watkins
Ireland	Olin	Waxman
Jacobs	Ortiz	Weaver
Jenkins	Ottinger	Weiss
Johnson	Oxley	Wheat
Jones (NC)	Packard	Whitehurst
Jones (OK)	Panetta	Whitley
Jones (TN)	Parris	Whittaker
Kaptur	Patman	Whitten
Kasich	Patterson	Williams (MT)
Kemp	Pease	Williams (OH)
Kennelly	Penny	Wilson
Kildee	Pepper	Wirth
Kindness	Pickle	Wise
Kogovsek	Porter	Wolf
Kolter	Price	Wolpe
Kostmayer	Pursell	Wortley
LaFalce	Quillen	Wyden
Lagomarsino	Rahall	Wylie
Lantos	Ratchford	Yates
Latta	Ray	Yatron
Leath	Regula	Young (AK)
Lehman (CA)	Reid	Young (FL)
Lehman (FL)	Richardson	Young (MO)
Lent	Ridge	

ANSWERED "PRESENT"—1

Mikulski

NOT VOTING—72

Ackerman	Boucher	Ford (MI)
Addabbo	Carney	Fuqua
Akaka	Corcoran	Gibbons
Alexander	Dowdy	Gradison
Aspin	Early	Gregg
Barnard	Fascell	Hall (IN)
Beilenson	Ferraro	Hance
Bethune	Flippo	Hansen (ID)
Bliley	Florio	Harkin
Bonker	Foley	Heftel

Horton	Moody	Smith, Robert
Kazen	Neal	Stark
Kleczka	Nelson	Stenholm
Leach	Owens	Stump
Leland	Pashayan	Tauzin
Lewis (CA)	Pritchard	Taylor
Lewis (FL)	Rangel	Torres
Luken	Roberts	Towns
MacKay	Rostenkowski	Traxler
Martin (NC)	Rudd	Vandergriff
Matsui	Shannon	Vucanovich
McCurdy	Shelby	Walgren
McDade	Simon	Winn
Mica	Smith (FL)	Wright

□ 1610

So the amendment to the amendment as amended, was rejected.

The result of the vote was announced as above recorded.

● Mr. DARDEN. Mr. Chairman, I rise today in support of the Derrick amendment to H.R. 3605, the Drug Price Competition Act. This amendment would strengthen current law by requiring that origin labels be displayed in a clear and conspicuous manner on textile products. Placing such labels on textile and apparel products would allow American consumers to choose between products made in the United States and foreign goods. These regulations would also be helpful to the Customs Service in stopping transshipped and other mishandled textile and apparel imports.

It is no secret that the U.S. textile industry has been struggling to survive in the wake of surging imports of foreign textile and apparel goods. The textile and apparel imports for the first 7 months of 1984 increased 44 percent over imports from the same period last year, exceeding 6 billion square yards. At the current rate, textile and apparel imports might well pass last year's record level by almost 3 billion square yards. These imports have had a crippling effect on the textile industry in Georgia. In the past 2 years, 20 textile plants in Georgia have closed and employment in the State's textile industry has dropped from 115,000 to its current level of 106,600 largely as a result of foreign competition. A large number of the individuals affected by this decline in Georgia's textile industry are my constituents.

Mr. Chairman, this amendment would in no way alter the current regulations regarding the importation of textile and apparel goods. It is strictly a consumer information proposal and will give Americans an opportunity to make a knowledgeable decision about buying products made by Americans. When the American consumer goes to buy a car, or a television, or a camera, he has an obvious choice between American-made products and foreign goods. Why should that same consumer not make a similar decision between products when buying clothing? I feel we should give the consumer this option and, therefore, I strongly favor this proposal. I urge my colleagues to support and vote in favor of this amendment.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. DERRICK] as amended.

The amendment, as amended, was agreed to.

Mr. MINISH. Mr. Chairman, I rise to add my vigorous support for H.R. 3605, the Drug Price Competition and Patent Term Restoration Act.

I commend the outstanding work of my distinguished colleagues, Messrs. WAXMAN, DINGELL, and KASTENMEIER for their assiduous efforts on behalf of this legislation.

As we have discussed here today, this bill would make more low-cost generic drugs available by establishing a generic drug approval procedure for pioneer drugs first approved after 1962. Under our current law, this approval method is available for pioneer drugs approved before 1962. A lengthy and expensive application procedure is required for generic copies of drugs approved after 1962. Consequently, it has been difficult for generic manufacturers to submit such applications and the buying public are the losers.

Many patents have already expired for some frequently prescribed medications first approved after 1962 and many other important ones will be expiring in the next few years. It is estimated that availability of generic copies of drugs approved after 1962 would save consumers $920 million over the next 12 years. The Congressional Budget Office has observed that 10 generic versions of popular drugs now on the market cost half as much as their brand-name equivalents.

Generic drugs are a valuable resource for combating the high costs of health care. Everyone in this country will benefit by enactment of this legislation, but I feel it is particularly important that our senior citizens who fill more prescriptions than other segments of our population, can save money on their medical bills. Moreover, it is reported that the Federal Government spent $2.4 billion for drugs in the medicaid program for the poor, and in veteran and military hospitals in 1983. Therefore, this bill is not just a matter of assistance to individuals, but an important savings for our Federal budget as well.

This bill also extends the patent life for brand-name, pioneer drugs. This extension was included to help protect the investment in research and development that manufacturers undertake to develop pioneer drugs.

I wholeheartedly endorse this significant measure and call on my colleagues for their assistance in seeing that H.R. 3605 passes the House today.

● Mr. MOORHEAD. Mr. Chairman, I rise in support of the compromise bill, S. 2926, passed by the other body, late August 10, 1984. S. 2926 represents a significant gain for the American public. It speeds the marketing by generic drug firms of previously approved drugs following patent expiration. It also reestablishes a portion of the patent incentives for research-intensive drug firms which today lose much of their patent term during the Federal premarket review process.

Compared with H.R. 3605, S. 2926 contains some real improvements. Title II of that bill relating to patent term extension has been simplified. The complicated and unnecessary eligibility requirements for a patent to be extended have been removed and I applaud the other body for having done so. A particularly disturbing provision, however, was maintained and I am concerned by its implications and consequences, if enacted. Specifically, I refer to section 202 which would retroactively overrule the recent Federal Court of Appeals decision in Roche against Bolar.

Enactment of this section would create an unprecedented exception to the exclusionary rights to which a patent holder is entitled during the patent term. Overturning the Bolar decision would allow experimental use of a drug product prior to expiration of the patent. There is no legitimate basis for distinguishing between the exclusionary rights accorded a pharmaceutical manufacturer during the patent term and those enjoyed by any other patent holder.

In addition, the proposed reversal of Roche against Bolar, especially if done retroactively, is clearly in conflict with the position which the United States has advocated internationally. For many years now we have been urging developing countries to adopt and to use strong and effective patent laws. Should section 202 be enacted, the world patent community might conclude that the actions of the United States do not always agree with its words. The United States could be seen to be diminishing patent rights for pharmaceuticals at the same time we are asking others to increase such rights. Another fundamental problem of the current language of section 202 concerns the constitutional implications of retroactive reversal of the Bolar decision. Apparently the other body had similar concerns. But instead of amending section 202 to avoid its retroactive application, the other body added a section 301 providing that the remainder of this act shall not be affected if any provision is declared unconstitutional. In my opinion, Congress should not enact legislation containing constitutional deficiencies. Those who have engaged in previous patent infringement in violation of existing law should not be rewarded by retroactively legitimizing their conduct without forcing the payment of

appropriate compensation to the injured parties. For this reason, section 202 should be amended to permit experimental use of a drug by a nonpatentee only during the period for which the patent has been extended.

I know this change will not be made, but I would like the record to show that there are some of us including the administration who strongly believe that that reversal of the Bolar case is not good policy. But I will nonetheless vote in favor of the compromise.●

● Mr. WALGREN. Mr. Chairman, I urge support for H.R. 3605, the Drug Price Competition and Patent Term Restoration Act of 1984, and I hope the House will approve it. This bill will accomplish two objectives. First, it will make available almost immediately nearly twice as many low-cost, generic drugs as are now available. Second, it will create new incentives for research and development by restoring the patent time lost by a development of a new drug while waiting for approval by the Federal Food and Drug Administration.

H.R. 3605 will make hundreds of new low-cost, generic drugs available by speeding up the approval process for these drugs. As the current law stands, all drugs approved after 1962 can only be made available in generic form through a long and involved testing process. This process is unnecessary because the active ingredient in the generic drug is identical to that in the name-brand drug. Under H.R. 3605, this testing process would be speeded up tremendously without endangering the safety to the consumer. As well as making more generic drugs available to the public, this bill will create new incentives for R&D in the pharmaceutical industry. As the current law stands, a newly discovered drug will receive a patent for 17 years. During that period no one except the patent holder can produce the drug. This 17-year period is considered to be fair by most people. Often, however, the drug approval process takes between 5 and 10 years. As a result, the pharmaceutical companies lose much of the time during which they would not have to compete with other firms. The result is that the patent period is inadvertently cut short and R&D becomes much less profitable, and the public loses out on the opportunity to use new drugs that would otherwise be developed.

Under H.R. 3605 this inequity would be redressed because the pharmaceutical companies will have an opportunity to extend their patents once their product is approved. This will encourage more research, a goal we should favor in an effort to relieve pain and cure diseases that still plague mankind.

The consumers of this country should welcome this bill because it could save $1 billion over the next 10 years. In my own district in Pittsburgh this is especially important to many people whose budgets are still feeling the pinch of the lagging recession.

This bill should also help the elderly who live on a fixed income, but who must spend 3½ times more than the rest of the population on health care. People over 65 average six doctor visits a year compared to only four for people in the 25 to 44 age group. And the elderly spend substantially more on drugs than the rest of the population.

H.R. 3605 addresses several needs and carefully balances the needs of the industry with the health needs of the people in our society. I certainly hope that Members on both sides of the aisle will place their support, and vote, for this bill.●

● Mr. COLEMAN of Texas. Mr. Chairman, I rise in strong support of this bill and ask to revise and extend my remarks.

Mr. Chairman, this is a good bill that the House should pass. American senior citizens and consumers can save an estimated $920 million over the next 12 years as a result of this legislation that could dramatically increase the availability of low-cost, generic drugs. The bill represents another step toward free-market ecomomics in the pharmaceutical industry, and it provides easier entry into the marketplace for generic substitutes of brand-name drugs, which often enjoy long periods of market exclusivity.

All of us complain about the rising costs of goods and services, and nowhere is inflation more evident than in health-care costs. Consequently, nowhere is the rising cost of health care felt more than by our elderly. Two factors create a "misery index" for the elderly in health care costs: One, living on a fixed income; and two, rising costs. Mr. Chairman, this bill begins to ease the terrible burden carried by our senior citizens by allowing them to participate in the lower prices a free-market economy can produce. Rather than being forced to pay higher prices because of bureacratic redtape, the elderly of this Nation will have the opportunity to shop around for the best, most equitable prices. Rather than having to sacrifice other needs for life-sustaining drugs, the elderly will be given the opportunity to fulfill all their needs. This bill is fair and it is needed, and there is no reason it should not become law.●

● Mr. WEISS. Mr. Chairman, in July of last year I joined Chairman WAXMAN as an original sponsor of H.R. 3605, a bill to provide expedited approval of generic equivalents of drugs originally approved after 1962.

Such an abbreviated approval process is already in place for drugs originally approved before 1962. But the lengthy and expensive application procedure required for generic copies of drugs approved after 1962 has made it economically impossible for many generic manufacturers to submit such applications. As a result, there are now about 150 drugs which are no longer protected by patents, but for which no generic equivalent exists.

By providing rapid approval of generic drugs already proven to be safe, H.R. 3605 promised to save consumers about $1 billion over the next decade in drug costs. However, it quickly became apparent that passage of H.R. 3605 was unlikely unless a compromise could be reached with major drug manufacturers. Therefore, Chairman WAXMAN engaged in extensive negotiations with representatives of the brand-name generic drug companies in order to craft a workable compromise that would satisfy all interested parties.

The compromise that was fashioned provided for both faster approval of generic drugs along with extended patent terms for companies that develop pioneer drugs. The drug companies have long promoted patent term extensions as a method of encouraging research and development into new drugs. They have argued that the extension of patent protection will compensate for the period of patent protection lost while the new product is awaiting approval.

While some of the senior citizen, labor, and consumer groups that favor the abbreviated approval of generic drugs have in the past opposed patent term extension for new drugs, they were willing to endorse the compromise bill in order to achieve substantial savings for consumers on their drug costs. I shared their concern that increased profits for drug firms would not necessarily lead to increased research, but I joined them in support of this reasonable compromise, which satisfied most of the parties involved.

Unfortunately, a number of dissident brand-name drug manufacturers broke rank with their own industry association and began an all-out lobbying campaign to create additional and unnecessary benefits for drug manufacturers. In order to satisfy these powerful interests, it became necessary to upset the delicate balance of the previous compromise and to slant the bill in favor of major drug companies. Last-minute changes to the bill include a provision allowing a drug company holding multiple patents to decide which of the patents would be extended and a provision providing market exclusivity for some products that are not patentable.

I am disappointed that the dissident companies would seek to upset a well-reasoned and equitable compromise, and I am disturbed that these powerful interests must be accommodated before we can pass legislation benefit-

ing the consumer. However, the savings to consumers under this bill remain intact. Senior citizens and others who are currently burdened by excessive drug costs will experience a considerable reduction in these costs in the near future. I believe that these benefits to the consumers outweigh the concern we may feel over excessive profits for drug manufacturers, and I urge my colleagues to join me in approving the amended version of H.R. 3605.●

The CHAIRMAN. Are there further amendments? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. BROWN of California] having assumed the chair, Mr. DANIEL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3605) to amend the Federal Food, Drug, and Cosmetic Act to authorize an abbreviated new drug application under section 505 of that Act for generic new drugs equivalent to approved new drugs, pursuant to House Resolution 569, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the Committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROYHILL. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 362, nays 0, not voting 70, as follows:

[Roll No. 379]

YEAS—362

Albosta	Archer	Bates
Anderson	Aspin	Bedell
Andrews (NC)	AuCoin	Bennett
Andrews (TX)	Badham	Bereuter
Annunzio	Barnes	Berman
Anthony	Bartlett	Bevill
Applegate	Bateman	Biaggi
Bilirakis	Gephardt	McEwen
Boehlert	Gibbons	McGrath
Boggs	Gilman	McHugh
Boland	Gingrich	McKernan
Boner	Glickman	McKinney
Bonior	Gonzalez	McNulty
Borski	Goodling	Mica
Boxer	Gore	Michel
Breaux	Gramm	Miller (CA)
Britt	Gray	Miller (OH)
Brooks	Green	Mineta
Broomfield	Guarini	Minish
Brown (CA)	Gunderson	Mitchell
Brown (CO)	Hall (OH)	Moakley
Broyhill	Hall, Ralph	Molinari
Bryant	Hall, Sam	Mollohan
Burton (CA)	Hamilton	Montgomery
Burton (IN)	Hammerschmidt	Moore
Byron	Hansen (UT)	Moorhead
Campbell	Harrison	Morrison (CT)
Carper	Hartnett	Morrison (WA)
Carr	Hatcher	Mrazek
Chandler	Hawkins	Murphy
Chappell	Hayes	Murtha
Chappie	Hefner	Myers
Cheney	Hertel	Natcher
Clarke	Hightower	Nichols
Clay	Hiler	Nielson
Clinger	Hillis	Nowak
Coats	Holt	O'Brien
Coelho	Hopkins	Oakar
Coleman (MO)	Howard	Oberstar
Coleman (TX)	Hoyer	Obey
Collins	Hubbard	Olin
Conable	Huckaby	Ortiz
Conte	Hughes	Oxley
Conyers	Hunter	Packard
Cooper	Hutto	Panetta
Coughlin	Hyde	Parris
Courter	Ireland	Patman
Coyne	Jacobs	Patterson
Craig	Jeffords	Paul
Crane, Daniel	Jenkins	Pease
Crane, Philip	Johnson	Penny
Crockett	Jones (NC)	Pepper
D'Amours	Jones (OK)	Petri
Daniel	Jones (TN)	Pickle
Dannemeyer	Kaptur	Porter
Darden	Kasich	Price
Daschle	Kastenmeier	Pritchard
Daub	Kemp	Pursell
Davis	Kennelly	Quillen
de la Garza	Kildee	Rahall
Dellums	Kindness	Ratchford
Derrick	Kogovsek	Ray
DeWine	Kolter	Regula
Dickinson	Kostmayer	Reid
Dingell	Kramer	Richardson
Dixon	LaFalce	Ridge
Donnelly	Lagomarsino	Rinaldo
Dorgan	Lantos	Ritter
Downey	Latta	Robinson
Dreier	Leath	Rodino
Duncan	Lehman (CA)	Roe
Durbin	Lehman (FL)	Roemer
Dwyer	Lent	Rogers
Dymally	Levin	Rose
Dyson	Levine	Roth
Eckart	Levitas	Roukema
Edgar	Lewis (CA)	Rowland
Edwards (AL)	Lipinski	Roybal
Edwards (CA)	Livingston	Russo
Edwards (OK)	Lloyd	Sabo
Emerson	Loeffler	Savage
English	Long (LA)	Sawyer
Erdreich	Long (MD)	Schaefer
Erlenborn	Lott	Scheuer
Evans (IA)	Lowery (CA)	Schneider
Evans (IL)	Lowry (WA)	Schroeder
Fascell	Lujan	Schulze
Fazio	Lundine	Schumer
Feighan	Lungren	Seiberling
Fiedler	Mack	Sensenbrenner
Fields	Madigan	Sharp
Fish	Markey	Shaw
Foglietta	Marlenee	Shumway
Ford (TN)	Marriott	Shuster
Fowler	Martin (IL)	Sikorski
Frank	Martin (NY)	Siljander
Franklin	Martinez	Sisisky
Frenzel	Mavroules	Skeen
Frost	Mazzoli	Skelton
Garcia	McCain	Slattery
Gaydos	McCandless	Smith (IA)
Gejdenson	McCloskey	Smith (NE)
Gekas	McCollum	Smith (NJ)
Smith, Denny	Thomas (CA)	Whitten
Snowe	Thomas (GA)	Williams (MT)
Snyder	Torricelli	Williams (OH)
Solarz	Udall	Wilson
Solomon	Valentine	Wirth
Spence	Vander Jagt	Wise
Spratt	Vento	Wolf
St Germain	Volkmer	Wolpe
Staggers	Walker	Wortley
Stangeland	Watkins	Wyden
Stokes	Waxman	Wylie
Stratton	Weaver	Yates
Studds	Weber	Yatron
Sundquist	Weiss	Young (AK)
Swift	Wheat	Young (FL)
Synar	Whitehurst	Young (MO)
Tallon	Whitley	Zschau
Tauke	Whittaker	

NOT VOTING—70

Ackerman	Hall (IN)	Rangel
Addabbo	Hance	Roberts
Akaka	Hansen (ID)	Rostenkowski
Alexander	Harkin	Rudd
Barnard	Heftel	Shannon
Beilenson	Horton	Shelby
Bethune	Kazen	Simon
Bliley	Kleczka	Smith (FL)
Bonker	Leach	Smith, Robert
Bosco	Leland	Stark
Boucher	Lewis (FL)	Stenholm
Carney	Luken	Stump
Corcoran	MacKay	Tauzin
Dicks	Martin (NC)	Taylor
Dowdy	Matsui	Torres
Early	McCurdy	Towns
Ferraro	McDade	Traxler
Flippo	Mikulski	Vandergriff
Florio	Moody	Vucanovich
Foley	Neal	Walgren
Ford (MI)	Nelson	Winn
Fuqua	Ottinger	Wright
Gradison	Owens	
Gregg	Pashayan	

□ 1630

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to amend the Federal Food, Drug, and Cosmetic Act to revise the procedures for new drug applications and to amend title 35, United States Code, to authorize the extension of the patents for certain regulated products, and for other purposes."

A motion to reconsider was laid on the table.

Mr. WAXMAN. Mr. Speaker, pursuant to the provisions of House Resolution 569, I call up from the Speaker's table the Senate bill (S. 1538) to amend the patent laws of the United States, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves to strike out all after the enacting clause of the Senate bill, S. 1538, and to insert in lieu thereof the provisions of the bill, H.R. 3605, as passed, as follows:

That this Act may be cited as the "Drug Price Competition and Patent Term Restoration Act of 1984".

TITLE I—ABBREVIATED NEW DRUG APPLICATIONS

SECTION 101. Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by redesignating subsection (j) as subsection (k) and inserting after subsection (i) the following:

"(j)(1) Any person may file with the Secretary an abbreviated application for the approval of a new drug.

"(2)(A) An abbreviated application for a new drug shall contain—

"(i) information to show that the conditions of use prescribed, recommended, or suggested in the labeling proposed for the new drug have been previously approved for a drug listed under paragraph (6) (hereinafter in this subsection referred to as a 'listed drug');

"(ii)(I) if the listed drug referred to in clause (i) has only one active ingredient, information to show that the active ingredient of the new drug is the same as that of the listed drug,

"(II) if the listed drug referred to in clause (i) has more than one active ingredient, information to show that the active ingredients of the new drug are the same as those of the listed drug, or

"(III) if the listed drug referred to in clause (i) has more than one active ingredient and if one of the active ingredients of the new drug is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the other active ingredients of the new drug are the same as the active ingredients of the listed drug, information to show that the different active ingredient is an active ingredient of a listed drug or of a drug which does not meet the requirements of section 201(p), and such other information respecting the different active ingredient with respect to which the petition was filed as the Secretary may require;

"(iii) information to show that the route of administration, the dosage form, and the strength of the new drug are the same as those of the listed drug referred to in clause (i) or, if the route of administration, the dosage form, or the strength of the new drug is different and the application is filed pursuant to the approval of a petition filed under subparagraph (C), such information respecting the route of administration, dosage form, or strength with respect to which the petition was filed as the Secretary may require;

"(iv) information to show that the new drug is bioequivalent to the listed drug referred to in clause (i), except that if the application is filed pursuant to the approval of a petition filed under subparagraph (C), information to show that the active ingredients of the new drug are of the same pharmacological or therapeutic class as those of the listed drug referred to in clause (i) and the new drug can be expected to have the same therapeutic effect as the listed drug when administered to patients for a condition of use referred to in clause (i);

"(v) information to show that the labeling proposed for the new drug is the same as the labeling approved for the listed drug referred to in clause (i) except for changes required because of differences approved under a petition filed under subparagraph (C) or because the new drug and the listed drug are produced or distributed by different manufacturers;

"(vi) the items specified in clauses (B) through (F) of subsection (b)(1);

"(vii) a certification, in the opinion of the applicant and to the best of his knowledge, with respect to each patent which claims the listed drug referred to in clause (i) or which claims a use for such listed drug for which the applicant is seeking approval under this subsection and for which information is required to be filed under subsection (b) or (c)—

"(I) that such patent information has not been filed,

"(II) that such patent has expired,

"(III) of the date on which such patent will expire, or

"(IV) that such patent is invalid or will not be infringed by the manufacture, use, or sale of the new drug for which the application is submitted; and

"(viii) if with respect to the listed drug referred to in clause (i) information was filed under subsection (b) or (c) for a method of use patent which does not claim a use for which the applicant is seeking approval under this subsection, a statement that the method of use patent does not claim such a use.

The Secretary may not require that an abbreviated application contain information in addition to that required by clauses (i) through (viii).

"(B)(i) An applicant who makes a certification described in subparagraph (A)(vii)(IV) shall include in the application a statement that the applicant will give the notice required by clause (ii) to—

"(I) each owner of the patent which is the subject of the certification or the representative of such owner designated to receive such notice, and

"(II) the holder of the approved application under subsection (b) for the drug which is claimed by the patent or a use of which is claimed by the patent or the representative of such holder designated to receive such notice.

"(ii) The notice referred to in clauses (i) shall state that an application, which contains data from bioavailability or bioequivalence studies, has been submitted under this subsection for the drug with respect to which the certification is made to obtain approval to engage in the commercial manufacture, use, or sale of such drug before the expiration of the patent referred to in the certification. Such notice shall include a detailed statement of the factual and legal basis of the applicant's opinion that the patent is not valid or will not be infringed.

"(iii) If an application is amended to include a certification described in subparagraph (A)(vii)(IV), the notice required by clause (ii) shall be given when the amended application is submitted.

"(C) If a person wants to submit an abbreviated application for a new drug which has a different active ingredient or whose route of administration, dosage form, or strength differ from that of a listed drug, such person shall submit a petition to the Secretary seeking permission to file such an application. The Secretary shall approve or disapprove a petition submitted under this subparagraph within ninety days of the date the petition is submitted. The Secretary shall approve such a petition unless the Secretary finds—

"(i) that investigations must be conducted to show the safety and effectiveness of the drug or of any of its active ingredients, the route of administration, the dosage form, or strength which differ from the listed drug; or

"(ii) that any drug with a different active ingredient may not be adequately valuated for approval as safe and effective on the basis of the information required to be submitted in an abbreviated application.

"(3) Subject to paragraph (4), the Secretary shall approve an application for a drug unless the Secretary finds—

"(A) the methods used in, or the facilities and controls used for, the manufacture, processing, and packing of the drug are inadequate to assure and preserve its identity, strength, quality, and purity;

"(B) information submitted with the application is insufficient to show that each of the proposed conditions of use have been previously approved for the listed drug referred to in the application;

"(C)(i) if the listed drug has only one active ingredient, information submitted with the application is insufficient to show that the active ingredient is the same as that of the listed drug,

"(ii) if the listed drug has more than one active ingredient, information submitted with the application is insufficient to show that the active ingredients are the same as the active ingredients of the listed drug, or

"(iii) if the listed drug has more than one active ingredient and if the application is for a drug which has an active ingredient different from the listed drug, information submitted with the application is insufficient to show—

"(I) that the other active ingredients are the same as the active ingredients of the listed drug, or

"(II) that the different active ingredient is an active ingredient of a listed drug or a drug which does not meet the requirements of section 201(p),

or no petition to file an application for the drug with the different ingredient was approved under paragraph (2)(C);

"(D)(i) if the application is for a drug whose route of administration, dosage form, or strength of the drug is the same as the route of administration, dosage form, or strength of the listed drug referred to in the application, information submitted in the application is insufficient to show that the route of administration, dosage form, or strength is the same as that of the listed drug, or

"(ii) if the application is for a drug whose route of administration, dosage form, or strength of the drug is different from that of the listed drug referred to in the application, no petition to file an application for the drug with the different route of administration, dosage form, or strength was approved under paragraph (2)(C);

"(E) if the application was filed pursuant to the approval of a petition under paragraph (2)(C), the application did not contain the information required by the Secretary respecting the active ingredient, route of administration, dosage form, or strength which is not the same;

"(F) information submitted in the application is insufficient to show that the drug is bioequivalent to the listed drug referred to in the application or, if the application was filed pursuant to a petition approved under paragraph (2)(C), information submitted in the application is insufficient to show that the active ingredients of the new drug are of the same pharmacological or therapeutic class as those of the listed drug referred to in paragraph (2)(A)(i) and that the new drug can be expected to have the same therapeutic effect as the listed drug when administered to patients for a condition of use referred to in such paragraph;

"(G) information submitted in the application is insufficient to show that the labeling proposed for the drug is the same as the labeling approved for the listed drug referred to in the application except for changes required because of differences approved under a petition filed under paragraph (2)(C) or because the drug and the listed drug are produced or distributed by different manufacturers;

"(H) information submitted in the application or any other information available to the Secretary shows that (i) the inactive ingredients of the drug are unsafe for use under the conditions prescribed, recommended, or suggested in the labeling proposed for the drug, or (ii) the composition of the drug is unsafe under such conditions because of the type or quantity of inactive ingredients included or the manner in which the inactive ingredients are included;

"(I) the approval under subsection (c) of the listed drug referred to in the application under this subsection has been withdrawn or suspended for grounds described in the first sentence of subsection (e), the Secretary has published a notice of opportunity for hearing to withdraw approval of the listed drug under subsection (c) for grounds described in the first sentence of subsection (e), the approval under this subsection of the listed drug referred to in the application under this subsection has been withdrawn or suspended under paragraph (5), or the Secretary determined that the listed drug has been withdrawn from sale for safety or effectiveness reasons;

"(J) the application does not meet any other requirement of paragraph (2)(A); or

"(K) the application contains an untrue statement of material fact.

"(4)(A) Within one hundred and eighty days of the initial receipt of an application under paragraph (2) or within such additional periods as may be agreed upon by the Secretary and the applicant, the Secretary shall approve or disapprove the application.

"(B) The approval of an application submitted under paragraph (2) shall be made effective on the last applicable date determined under the following:

"(i) If the applicant only made a certification described in subclause (I) or (II) of paragraph (2)(A)(vii) or in both such subclauses, the approval may be made effective immediately.

"(ii) If the applicant made a certification described in subclause (III) of paragraph (2)(A)(vii), the approval may be made effective on the date certified under subclause (III).

"(iii) If the applicant made a certification described in subclause (IV) of paragraph (2)(A)(vii), the approval shall be made effective immediately unless an action is brought for infringement of a patent which is the subject of the certification before the expiration of forty-five days from the date the notice provided under paragraph (2)(B)(i) is received. If such an action is brought before the expiration of such days, the approval shall be made effective upon the expiration of the thirty-month period beginning on the date of the receipt of the notice provided under paragraph (2)(B)(i) or such shorter or longer period as the court may order because either party to the action failed to reasonably cooperate in expediting the action, except that—

"(I) if before the expiration of such period the court decides that such patent is invalid or not infringed, the approval shall be made effective on the date of the court decision,

"(II) if before the expiration of such period the court decides that such patent has been infringed, the approval shall be made effective on such date as the court orders under section 271(e)(4)(A) of title 35, United States Code, or

"(III) if before the expiration of such period the court grants a preliminary injunction prohibiting the applicant from engaging in the commerical manufacture or sale of the drug until the court decides the issues of patent validity and infringement and if the court decides that such patent is not invalid or not infringed, the approval shall be made effective on the date of such court decision.

In such an action, each of the parties shall reasonably cooperate in expediting the action. Until the expiration of forty-five days from the date the notice made under paragraph (2)(B)(1) is received, no action may be brought under section 2201 of title 28, United States Code, for a declaratory judgment with respect to the patent. Any action brought under section 2201 shall be brought in the judicial district where the defendant has its principal place of business or a regular and established place of business.

"(iv) If the application contains a certification described in subclause (IV) of paragraph (2)(A)(vii) and if for a drug for which a previous application has been submitted under this subsection containing such a certification, the application shall be made effective not earlier than one hundred and eighty days after—

"(I) the date the Secretary receives notice from the applicant under the previous application of the first commercial marketing of the drug under the previous applications, or

"(II) the date of a decision of a court in an action described in clause (iii) holding the patent which is the subject of the certification to be invalid or not infringed,

whichever is earlier.

"(C) If the Secretary decides to disapprove an application, the Secretary shall give the applicant notice of an opportunity for a hearing before the Secretary on the question of whether such application is approvable. If the applicant elects to accept the opportunity for hearing by written request within thirty days after such notice, such hearing shall commence not more than ninety days after the expiration of such thirty days unless the Secretary and the applicant otherwise agree. Any such hearing shall thereafter be conducted on an expedited basis and the Secretary's order thereon shall be issued within ninety days after the date fixed by the Secretary for filing final briefs.

"(D)(i) If an application (other than an abbreviation new drug application) submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), was approved during the period beginning January 1, 1982, and ending of the date of the enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted effective before the expiration of ten years from the date of the approval of the application under subsection (b).

"(ii) If an application submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), is approved after the date of the enactment of this subsection, no application may be submitted under this subsection which refers to the drug for which the subsection (b) application was submitted before the expiration of five years from the date of the approval of the application under subsection (b), except that such an application may be submitted under this subsection after the expiration of four years from the date of the approval of the subsection (b) application if it contains a certification of patent invalidity or noninfringement described in subclause (IV) of paragraph (2)(A)(vii). The approval of such an application shall be made effective in accordance with subparagraph (B) except that, if an action for patent infringement is commenced during the one-year period beginning forty-eight months after the date of the approval of the subsection (b) application, the thirty-month period referred to in subparagraph (B)(iii) shall be extended by such amount of time (if any) which is required for seven and one-half years to have elapsed from the date of approval of the subsection (b) application.

"(iii) If an application submitted under subsection (b) for a drug, which includes an active ingredient (including any ester or salt of the active ingredient) that has been approved in another application approved under subsection (b), is approved after the date of enactment of this subsection and if such application contains reports of new clinical investigations (other than bioavailability studies) essential to the approval of the application and conducted or sponsored by the applicant, the Secretary may not make the approval of an application submitted under this subsection for the conditions of approval of such drug in the subsection (b) application effective before the expiration of three years from the date of the approval of the application under subsection (b) for such drug.

"(iv) If a supplement to an application approved under subsection (b) is approved after the date of enactment of this subsection and the supplement contains reports of new clinical investigations (other than bioavailability studies) essential to the approval of the supplement and conducted or sponsored by the person submitting the supplement, the Secretary may not make the approval of an application submitted under this subsection for a change approved in the supplement effective before the expiration of three years from the date of the approval of the supplement under subsection (b).

"(v) If an application (or supplement to an application) submitted under subsection (b) for a drug, which includes an active ingredient (including any ester or salt of the active ingredient) that has been approved in another application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of an application submitted under this subsection which refers to the drug for which the subsection (b) application was submitted or which refers to a change approved in a supplement to the subsection (b) application effective before the expiration of two years from the date of enactment of this subsection.

"(5) If a drug approved under this subsection refers in its approved application to a drug the approval of which was withdrawn or suspended for grounds described in the first sentence of subsection (e) or was withdrawn or suspended under this paragraph or which, as determined by the Secretary, has been withdrawn from sale for safety or effectiveness reasons, the approval of the

drug under this subsection shall be withdrawn or suspended—

"(A) for the same period as the withdrawal or suspension under subsection (e) of this paragraph, or

"(B) if the listed drug has been withdrawn from sale, for the period of withdrawal from sale or, if earlier, the period ending on the date the Secretary determines that the withdrawal from sale is not for safety or effectiveness reasons.

"(6)(A)(i) Within sixty days of the date of the enactment of this subsection, the Secretary shall publish and make available to the public—

"(I) a list in alphabetical order of the official and proprietary name of each drug which has been approved for safety and effectiveness under subsection (c) before the date of the enactment of this subsection;

"(II) the date of approval if the drug is approved after 1981 and the number of the application which was approved; and

"(III) whether in vitro or in vivo bioequivalence studies, or both such studies, are required for applications filed under this subsection which will refer to the drug published.

"(ii) Every thirty days after the publication of the first list under clause (i) the Secretary shall revise the list to include each drug which has been approved for safety and effectiveness under subsection (c) or approved under this subsection during the thirty day-period.

"(iii) When patent information submitted under subsection (b) or (c) respecting a drug included on the list is to be published by the Secretary the Secretary shall, in revisions made under clause (ii), include such information for such drug.

"(B) A drug approved for safety and effectiveness under subsection (c) or approved under this subsection shall, for purposes of this subsection, be considered to have been published under subparagraph (A) on the date of its approval or the date of enactment, whichever is later.

"(C) If the approval of a drug was withdrawn or suspended for grounds described in the first sentence of subsection (e) or was withdrawn or suspended under paragraph (5) or if the Secretary determines that a drug has been withdrawn from sale for safety or effectiveness reasons, it may not be published in the list under subparagraph (A) or, if the withdrawal or suspension occurred after its publication in such list, it shall be immediately removed from such list—

"(i) for the same period as the withdrawal or suspension under subsection (e) or paragraph (5), or

"(ii) if the listed drug has been withdrawn from sale, for the period of withdrawal from sale or, if earlier, the period ending on the date the Secretary determines that the withdrawal from sale if not for safety or effectiveness reasons.

A notice of the removal shall be published in the Federal Register.

"(7) For purposes of this subsection:

"(A) The term 'bioavailability' means the rate and extent to which the active ingredient or therapeutic ingredient is absorbed from a drug and becomes available at the site of drug action.

"(B) A drug shall be considered to be bioequivalent to a listed drug if—

"(i) the rate and extent of absorption of the drug do not show a significant difference from the rate and extent of absorption of the listed drug when administered at the same molar dose of the therapeutic ingredient under similar experimental conditions in either a single dose or multiple doses; or

"(ii) the extent of absorbtion of the drug does not show a significant difference from the extent of absorption of the listed drug when administered at the same molar dose of the therapeutic ingredient under similar experimental conditions in either a single dose or multiple doses and the difference from the listed drug in the rate of absorption of the drug is intentional, is reflected in its proposed labeling, is not essential to the attainment of effective body drug concentrations on chronic use, and is considered medically insignificant for the drug.".

SEC. 102. (a)(1) Section 505(b) of such Act is amended by adding at the end the following: "The applicant shall file with the application the patent number and the expiration date of any patent which claims the drug for which the applicant submitted the application or which claims a method of using such drug and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If an application is filed under this subsection for a drug and a patent which claims such drug or a method of using such drug is issued after the filing date but before approval of the application, the applicant shall amend the application to include the information required by the preceding sentence. Upon approval of the application, the Secretary shall publish information submitted under the two preceding sentences.".

(2) Section 505(c) of such Act is amended by inserting "(1)" after "(c), by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and by adding at the end the following:

"(2) If the patent information described in subsection (b) could not be filed with the submission of an application under subsection (b) because the application was filed before the patent information was required under subsection (b) or a patent was issued after the application was approved under such subsection, the holder of an approved application shall file with the Secretary the patent number and the expiration date of any patent which claims the drug for which the application was submitted or which claims a method of using such drug and with respect to which a claim of patent infringement could reasonably be asserted if a person not licensed by the owner engaged in the manufacture, use, or sale of the drug. If the holder of an approved application could not file patent information under subsection (b) because it was not required at the time the application was approved, the holder shall file such information under this subsection not later than thirty days after the date of the enactment of this sentence, and if the holder of an approved application could not file patent information under subsection (b) because no patent had been issued when one application was filed or approved, the holder shall file such information under this subsection not later than thirty days after the date the patent involved is issued. Upon the submission of patent information under this subsection, the Secretary shall publish it.".

(3)(A) The first sentence of section 505(d) of such Act is amended by redesignating clause (6) as clause (7) and inserting after clause (5) the following: "(6) the application failed to contain the patent information prescribed by subsection (b); or".

(B) The first sentence of section 505(e) of such Act is amended by redesignating clause (4) as clause (5) and inserting after clause (3) the following: "(4) the patent information prescribed by subsection (c) was not filed within thirty days after the receipt of written notice from the Secretary specifying the failure to file such information; or".

(b)(1) Section 505(a) of such Act is amended by inserting "or (j)" after "subsection (b)".

(2) Section 505(c) of such Act is amended by striking out "this subsection" and inserting in lieu thereof "subsection (b)".

(3) The second sentence of section 505(e) of such Act is amended by inserting "submitted under subsection (b) or (j)" after "an application".

(4) The second sentence of section 505(e) is amended by striking out "(j)" each place it occurs in clause (1) and inserting in lieu thereof "(k)".

(5) Section 505(k)(1) of such Act (as so redesignated) is amended by striking out "pursuant to this section" and inserting in lieu thereof "under subsection (b) or (j)".

(6) Subsections (a) and (b) of section 527 of such Act are each amended by striking out "505(b)" each place it occurs and inserting in lieu thereof "505".

SEC. 103. (a) Section 505(b) of such Act is amended by inserting "(1)" after "(b)", by redesignating clauses (1) through (6) as clauses (A) through (F), respectively, and by adding at the end the following:

"(2) An application submitted under paragraph (1) for a drug for which the investigations described in clause (A) of such paragraph and relied upon by the applicant for approval of the application were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted shall also include—

"(A) a certification, in the opinion of the applicant and to the best of his knowledge, with respect to each patent which claims the drug for which such investigations were conducted or which claims a use for such drug for which the applicant is seeking approval under this subsection and for which information is required to be filed under paragraph (1) or subsection (c)—

"(i) that such patent information has not been filed.

"(ii) that such patent has expired.

"(iii) of the date on which such patent will expire, or

"(iv) that such patent is invalid or will not be infringed by the manufacture, use, or sale of the new drug for which the application is submitted; and

"(B) if with respect to the drug for which investigations described in paragraph (1)(A) were conducted information was filed under paragraph (1) or subsection (c) for a method of use patent which does not claim a use for which the applicant is seeking approval under this subsection, a statement that the method of use patent does not claim such a use.

"(3)(A) An applicant who makes a certification described in paragraph (2)(A)(iv) shall include in the application a statement that the applicant will give the notice required by subparagraph (B) to—

"(i) each owner of the patent which is the subject of the certification or the representative of such owner designated to receive such notice, and

"(ii) the holder of the approved application under subsection (b) for the drug which is claimed by the patent or a use of which is claimed by the patent or the representative

of such holder designated to receive such notice.

"(B) The notice referred to in subparagraph (A) shall state that an application has been submitted under this subsection for the drug with respect to which the certification is made to obtain approval to engage in the commercial manufacture, use, or sale of the drug before the expiration of the patent referred to in the certification. Such notice shall include a detailed statement of the factual and legal basis of the applicant's opinion that the patent is not valid or will not be infringed.

"(C) If an application is amended to include a certification described in paragraph (2)(A)(iv), the notice required by subparagraph (B) shall be given when the amended application is submitted.".

(b) Section 505(c) of such Act (as amended by section 102(a)(2)) is amended by adding at the end the following:

"(3) The approval of an application filed under subsection (b) which contains a certification required by paragraph (2) of such subsection shall be made effective on the last applicable date determined under the following:

"(A) If the applicant only made a certification described in clause (i) or (ii) of subsection (b)(2)(A) or in both such clauses, the approval may be made effective immediately.

"(B) If the applicant made a certification described in clause (iii) of subsection (b)(2)(A), the approval may be made effective on the date certified under clause (iii).

"(C) If the applicant made a certification described in clause (iv) of subsection (b)(2)(A), the approval shall be made effective immediately unless an action is brought for infringement of a patent which is the subject of the certification before the expiration of forty-five days from the date the notice provided under paragraph (3)(B) is received. If such an action is brought before the expiration of such days, the approval may be made effective upon the expiration of the thirty-month period beginning on the date of the receipt of the notice provided under paragraph (3)(B) or such shorter or longer period as the court may order because either party to the action failed to reasonably cooperate in expediting the action, except that—

"(i) if before the expiration of such period the court decides that such patent is invalid or not infringed, the approval may be made effective on the date of the court decision,

"(ii) if before the expiration of such period the court decides that such patent has been infringed, the approval may be made effective on such date as the court orders under section 271(e)(4)(A) of title 35, United States Code, or

"(iii) if before the expiration of such period the court grants a preliminary injunction prohibiting the applicant from engaging in the commercial manufacture or sale of the drug until the court decides the issues of patent validity and infringement and if the court decides that such patent is not invalid or not infringed, the approval shall be made effective on the date of such court decision.

In such an action, each of the parties shall reasonably cooperate in expediting the action. Until the expiration of forty-five days from the date the notice made under paragraph (3)(B) is received, no action may be brought under section 2201 of title 28, United States Code, for a declaratory judgment with respect to the patent. Any action brought under such section 2201 shall be brought in the judicial district where the defendant has its principal place of business or a regular and established place of business.

"(D)(i) If an application (other than an abbreviated new drug application) submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this subsection, the Secretary may not make the approval of another application for a drug for which the investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted effective before the expiration of ten years from the date of the approval of the application previously approved under subsection (b).

"(ii) If an application submitted under subsection (b) for a drug, no active ingredient (including any ester or salt of the active ingredient) of which has been approved in any other application under subsection (b), is approved after the date of the enactment of this clause, no application which refers to the drug for which the subsection (b) application was submitted and for which the investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted may be submitted under subsection (b) before the expiration of five years from the date of the approval of the application under subsection (b), except that such an application may be submitted under subsection (b) after the expiration of four years from the date of the approval of the subsection (b) application if it contains a certification of patent invalidity or noninfringement described in clause (iv) of subsection (b)(2)(a). The approval of such an application shall be made effective in accordance with this paragraph except that, if an action for patent infringement is commenced during the one-year period beginning forty-eight months after the date of the approval of the subsection (b) application, the thirty-month period referred to in subparagraph (C) shall be extended by such amount of time (if any) which is required for seven and one-half years to have elapsed from the date of approval of the subsection (b) application.

"(iii) If an application submitted under subsection (b) for a drug, which includes an active ingredient (including any ester or salt of the active ingredient) that has been approved in another application approved under subsection (b), is approved after the date of the enactment of this clause and if such application contains reports of new clinical investigations (other than bioavailability studies) essential to the approval of the application and conducted or sponsored by the applicant, the Secretary may not make the approval of an application submitted under subsection (b) for the conditions of approval of such drug in the approved subsection (b) application effective before the expiration of three years from the date of the approval of the application under subsection (b) if the investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant and if the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted.

"(iv) If a supplement to an application approved under subsection (b) is approved after the date of enactment of this clause and the supplement contains reports of new clinical investigations (other than bioavailability studies) essential to the approval of the supplement and conducted or sponsored by the person submitting the supplement, the Secretary may not make the approval of an application submitted under subsection (b) for a change approved in the supplement effective before the expiration of three years from the date of the approval of the supplement under subsection (b) if the investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant and if the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted.

"(v) If an application (or supplement to an application) submitted under subsection (b) for a drug, which includes an active ingredient (including any ester or salt of the active ingredient) that has been approved in another application under subsection (b), was approved during the period beginning January 1, 1982, and ending on the date of the enactment of this clause, the Secretary may not make the approval of an application submitted under this subsection and for which the investigations described in clause (A) of subsection (b)(1) and relied upon by the applicant for approval of the application were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted and which refers to the drug for which the subsection (b) application was submitted effective before the expiration of two years from the date of enactment of this clause.".

SEC. 104. Section 505 of such Act is amended by adding at the end the following:

"(l) Safety and effectiveness data and information which has been submitted in an application under subsection (b) for a drug and which has not previously been disclosed to the public shall be made available to the public, upon request, unless extraordinary circumstances are shown—

"(1) if no work is being or will be undertaken to have the application approved,

"(2) if the Secretary has determined that the application is not approvable and all legal appeals have been exhausted,

"(3) if approval of the application under subsection (c) is withdrawn and all legal appeals have been exhausted,

"(4) if the Secretary has determined that such drug is not a new drug, or

"(5) upon the effective date of the approval of the first application under subsection (j) which refers to such drug or upon the date upon which the approval of an application under subsection (j) which refers to such drug could be made effective if such an application had been submitted.

"(m) For purposes of this section, the term 'patent' means a patent issued by the Patent and Trademark Office of the Department of Commerce.".

SEC. 105. (a) The Secretary of Health and Human Services shall promulgate, in accordance with the notice and comment re-

quirements of section 553 of title 5, United States Code, such regulations as may be necessary for the administration of section 505 of the Federal Food, Drug, and Cosmetic Act, as amended by sections 101, 102, and 103 of this Act, within one year of the date of enactment of this Act.

(b) During the period beginning sixty days after the date of the enactment of this Act and ending on the date regulations promulgated under subsection (a) take effect, abbreviated new drug applications may be submitted in accordance with the provisions of section 314.2 of title 21 of the Code of Federal Regulations and shall be considered as suitable for any drug which has been approved for safety and effectiveness under section 505(c) of the Federal Food, Drug, and Cosmetic Act before the date of the enactment of this Act. If any such provision is inconsistent with the requirements of section 505(j) of the Federal Food, Drug, and Cosmetic Act, the Secretary shall consider the application under the applicable requirements of such section. The Secretary of Health and Human Services may not approve such an abbreviated new drug application which is filed for a drug which is described in sections 505(c)(3)(D) and 505(j)(4)(D) of the Federal Food, Drug, and Cosmetic Act except in accordance with such section.

SEC. 106. Section 2201 of title 28, United States Code, is amended by inserting "(a)" before "In a case" and by adding at the end the following:

"(b) For limitations on actions brought with respect to drug patents see section 505 of the Federal Food, Drug, and Cosmetic Act.".

TITLE II—PATENT EXTENSION

SEC. 201. (a) Title 35 of the United States Code is amended by adding the following new section immediately after section 155A:

"§ 156. Extension of patent term

"(a) The term of a patent which claims a product, a method of using a product, or a method of manufacturing a product shall be extended in accordance with this section from the original expiration date of the patent if—

"(1) the term of the patent has not expired before an application is submitted under subsection (d) for its extension;

"(2) the term of the patent has never been extended;

"(3) an application for extension is submitted by the owner of record of the patent or its agent and in accordance with the requirement of subsection (d);

"(4) the product has been subject to a regulatory review period before its commercial marketing or use;

"(5)(A) except as provided in subparagraph (B), the permission for the commercial marketing or use of the product after such regulatory review period is the first permitted commercial marketing or use of the product under the provision of law under which such regulatory review period occurred; or

"(B) in the case of a patent which claims a method of manufacturing the product which primarily uses recombinant DNA technology in the manufacture of the product the permission for the commercial marketing or use of the product after such regulatory review period is the first permitted commerical marketing or use of a product manufactured under the process claimed in the patent.

The product referred to in paragraphs (4) and (5) is hereinafter in this section referred to as the 'approved product'.

"(b) The rights derived from any patent the term of which is extended under this section shall during the period during which the patent is extended—

"(1) in the case of a patent which claims a product, be limited to any use approved for the approved product before the expiration of the term of the patent under the provision of law under which the applicable regulatory review occurred;

"(2) in the case of a patent which claims a method of using a product, be limited to any use claimed by the patent and approved for the approved product before the expiration of the term of the patent under the provision of law under which the applicable regulatory review occurred; and

"(3) in the case of a patent which claims a method of manufacturing a product, be limited to the method of manufacturing as used to make the approved product.

"(c) The term of a patent eligible for extension under subsection (a) shall be extended by the time equal to the regulatory review period for the approved product which period occurs after the date the patent is issued, except that—

"(1) each period of the regulatory review period shall be reduced by any period determined under subsection (d)(2)(B) during which the applicant for the patent extension did not act with due diligence during such period of the regulatory review period;

"(2) after any reduction required by paragraph (1), the period of extension shall include only one-half of the time remaining in the periods described in paragraphs (1)(B)(i), (2)(B)(i), and (3)(B)(i) of subsection (g);

"(3) if the period remaining in the term of a patent after the date of the approval of the approved product under the provision of law under which such regulatory review occurred when added to the regulatory review period as revised under paragraph (1) and (2) exceeds fourteen years, the period of extension shall be reduced so that the total of both such periods does not exceed fourteen years; and

"(4) in no event shall more than one patent be extended for the same regulatory review period for any product.

"(d)(1) To obtain an extension of the term of a patent under this section, the owner of record of the patent or its agent shall submit an application to the Commissioner. Such an application may only be submitted within the sixty-day period beginning on the date the product received permission under the provision of law under which the applicable regulatory review period occurred for commercial marketing or use. The application shall contain—

"(A) the identity of the approved product and the Federal statute under which regulatory review occurred;

"(B) the identity of the patent for which an extension is being sought and the identity of each claim of such patent which claims the approved product or a method of using or manufacturing the approved product;

"(C) information to enable the Commissioner to determine under subsections (a) and (b) the eligibility of a patent for extension and the rights that will be derived from the extension and information to enable the Commissioner and the Secretary of Health and Human Services to determine the period of the extension under subsection (g);

"(D) a brief description of the activities undertaken by the applicant during the applicable regulatory review period with respect to the approved product and the significant dates applicable to such activities; and

"(E) such patent or other information as the Commissioner may require.

"(2)(A) Within sixty days of the submittal of an application for extension of the term of a patent under paragraph (1), the Commissioner shall notify the Secretary of Health and Human Services if the patent claims any human drug product, a medical device, or a food additive or color additive or a method of using or manufacturing such a product, device, or additive and if the product, device, and additive are subject to the Federal Food, Drug, and Cosmetic Act, of the extension application and shall submit to the Secretary a copy of the application. Not later than 30 days after the receipt of an application from the Commissioner, the Secretary shall review the dates contained in the application pursuant to paragraph (1)(C) and determine the applicable regulatory review period, shall notify the Commissioner of the determination, and shall publish in the Federal Register a notice of such determination.

"(B)(i) If a petition is submitted to the Secretary under subparagraph (A), not later than one hundred and eighty days after the publication of the determination under subparagraph (A), upon which it may reasonably be determined that the applicant did not act with due diligence during the applicable regulatory review period, the Secretary shall, in accordance with regulations promulgated by the Secretary determine if the applicant acted with due diligence during the applicable regulatory review period. The Secretary shall make such determination not later than 90 days after the receipt of such a petition. The Secretary may not delegate the authority to make the determination prescribed by this subparagraph to an office below the Office of the Commissioner of Food and Drugs.

"(ii) The Secretary shall notify the Commissioner of the determination and shall publish in the Federal Register a notice of such determination together with the factual and legal basis for such determination. Any interested person may request, within the 60 day period beginning on the publication of a determination, the Secretary to hold an informal hearing on the determination. If such a request is made within such period, the Secretary shall hold such hearing not later than thirty days after the date of the request, or at the request of the person making the request, not later than sixty days after such date. The Secretary shall provide notice of the hearing to the owner of the patent involved and to any interested person and provide the owner and any interested person an opportunity to participate in the hearing. Within thirty days after the completion of the hearing, the Secretary shall affirm or revise the determination which was the subject of the hearing and notify the Commissioner of any revision of the determination and shall publish any such revision in the Federal Register.

"(3) For purposes of paragraph (2)(B), the term 'due diligence' means that degree of attention, continuous directed effort, and timeliness as may reasonably be expected from, and are ordinarily exercised by, person during a regulatory review period.

"(4) An application for the extension of the term of a patent is subject to the disclo-

sure requirements prescribed by the Commissioner.

"(e)(1) A determination that a patent is eligible for extension may be made by the Commissioner solely on the basis of the representations contained in the application for the extension. If the Commissioner determines that a patent is eligible for extension under subsection (a) and that the requirements of subsection (d) have been complied with, the Comissioner shall issue to the applicant for the extension of the term of the patent a certificate of extension, under seal, for the period prescribed by subsection (c). Such certificate shall be recorded in the official file of the patent and shall be considered as part of the original patent.

"(2) If the term of a patent for which an application has been submitted under subsection (d) would expire before a certificate of extension is issued or denied under paragraph (1) respecting the application, the Commissioner shall extend, until such determination is made, the term of the patent for periods of up to one year if he determines that the patent is eligible for extension.

"(f) For purposes for this section:

"(1) The term 'product' means:

"(A) A human drug product.

"(B) Any medical device, food additive, or color additive subject to regulation under the Federal Food, Drug, and Cosmetic Act.

"(2) The term 'human drug product' means the active ingredient of a new drug, antibiotic drug, or human biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act) including any salt or ester of the active ingredient, as a single entity or in combination with another active ingredient.

"(3) The term 'major health or environmental effects test' means a test which is reasonably related to the evaluation of the health or environmental effects of a product, which requires at least six months to conduct, and the data from which is submitted to receive permission for commercial marketing or use. Periods of analysis or evaluation of test results are not to be included in determining if the conduct of a test required at least six months.

"(4)(A) Any reference to section 351 is a reference to section 351 of the Public Health Service Act.

"(B) Any reference to section 503, 505, 507, or 515 is a reference to section 503, 505, 507, or 515 of the Federal Food, Drug, and Cosmetic Act.

"(5) The term 'informal hearing' has the meaning prescribed for such term by section 201(y) of the Federal Food, Drug, and Cosmetic Act.

"(6) The term 'patent' means a patent issued by the United States Patent and Trademark Office.

"(g) For purposes of this section, the term 'regulatory review period' has the following meanings:

"(1)(A) In the case of a product which is a human drug product, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a human drug product is the sum of—

"(i) the period beginning on the date an exemption under subsection (i) of section 505 or subsection (d) of section 507 became effective for the approved human drug product and ending on the date an application was initially submitted for such drug product under section 351, 505, or 507, and

"(ii) the period beginning on the date the application was initially submitted for the approved human drug product under section 351, subsection (b) of section 505, or section 507 and ending on the date such application was approved under such section.

"(2)(A) In the case of a product which is a food additive or color additive, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a food or color additive is the sum of—

"(i) the period beginning on the date a major health or environmental effects test on the additive was initiated and ending on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and

"(ii) the period beginning on the date a petition was initially submitted with respect to the product under the Federal Food, Drug, and Cosmetic Act requesting the issuance of a regulation for use of the product, and ending on the date such regulation became effective or, if objections were filed to such regulation, ending on the date such objections were resolved and commercial marketing was permitted or, if commercial marketing was permitted and later revoked pending further proceedings as a result of such objections, ending on the date such proceedings were finally resolved and commercial marketing was permitted.

"(3)(A) In the case of a product which is a medical device, the term means the period described in subparagraph (B) to which the limitation described in paragraph (4) applies.

"(B) The regulatory review period for a medical device is the sum of—

"(i) the period beginning on the date a clinical investigation on humans involving the device was begun and ending on the date an application was initially submitted with respect to the device under section 515, and

"(ii) the period beginning on the date an application was initially submitted with respect to the device under section 515 and ending on the date such application was approved under such Act or the period beginning on the date a notice of completion of a product development protocol was initially submitted under section 515(f)(5) and ending on the date the protocol was declared completed under section 515(f)(6).

"(4) A period determined under any of the preceding paragraphs is subject to the following limitations:

"(A) If the patent involved was issued after the date of the enactment of this section, the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.

"(B) If the patent involved was issued before the date of the enactment of this section and—

"(i) no request for an exemption described in paragraph (1)(B) was submitted,

"(ii) no major health or environmental effects test described in paragraph (2) was initiated and no petition for a regulation or application for registration described in such paragraph was submitted, or

"(iii) no clinical investigation described in paragraph (3) was begun or product development protocol described in such paragraph was submitted,

before such date for the approved product the period of extension determined on the basis of the regulatory review period determined under any such paragraph may not exceed five years.

"(C) If the patent involved was issued before the date of the enactment of this section and if an action described in subparagraph (B) was taken before the date of the enactment of this section with respect to the approved product and the commercial marketing or use of the product has not been approved before such date, the period of extension determined on the basis of the regulatory review period determined under such paragraph may not exceed two years.

"(h) The Commissioner may establish such fees as the Commissioner determines appropriate to cover the costs to the Office of receiving and acting upon applications under this section.".

(b) The analysis for chapter 14 of title 35 of the United States Code is amended by adding at the end thereof the following:

"156. Extension of patent term.".

SEC. 202. Section 271 of title 35, United States Code is amended by adding at the end the following:

"(e)(1) It shall not be an act of infringement to make, use, or sell, a patented invention (other than a new animal drug or veterinary biological product (as those terms are used in the Federal Food, Drug, and Cosmetic Act and the Act of March 4, 1913)) solely for uses reasonably related to the development and submission of information under a Federal law which regulates the manufacture, use, or sale of drugs.

"(2) It shall be an act of infringement to submit an application under section 505(j) of the Federal Food, Drug, and Cosmetic Act or described in section 505(b)(2) of such Act for a drug claimed in a patent or the use of which is claimed in a patent, if the purpose of such submission is to obtain approval under such Act to engage in the commercial manufacture, use, or sale of a drug claimed in a patent or the use of which is claimed in a patent before the expiration of such patent.

"(3) In any action for patent infringement brought under this section, no injunctive or other relief may be granted which would prohibit the making, using, or selling of a patented invention under paragraph (1).

"(4) For an act of infringement described in paragraph (2)—

"(A) the court shall order the effective date of any approval of the drug involved in the infringement to be a date which is not earlier than the date of the expiration of the patent which has been infringed,

"(B) injunctive relief may be granted against an infringer to prevent the commercial manufacture, use, or sale of an approved drug, and

"(C) damages or other monetary relief may be awarded against and infringer only if there has been commercial manufacture, use, or sale of an approved drug.

The remedies prescribed by subparagraphs (A), (B), and (C) are the only remedies which may be granted by a court for an act of infringement described in paragraph (2), except that a court may award attorney fees under section 285.".

SEC. 203. Section 282 of title 35, United States Code, is amended by adding at the end the following:

"Invalidity of the extension of a patent term or any portion thereof under section 156 of this title because of the material failure—

"(1) by the applicant for the extension, or

"(2) by the Commissioner,

to comply with the requirements of such section shall be a defense in any action involving the infringement of a patent during the period of the extension of its term and shall be pleaded. A due diligence determination under section 156(d)(2) is not subject to review; in such an action.".

TITLE III—AMENDMENTS TO THE TEXTILE FIBER PRODUCTS IDENTIFICATION ACT AND THE WOOL PRODUCTS LABELING ACT OF 1939

SEC. 301. Subsection (b) of section 4 of the Textile Fiber Products Identification Act (15 U.S.C. 70b) is amended by adding at the end thereof the following new paragraph:

"(5) If it is a textile fiber product processed or manufactured in the United States, it be so identified.".

SEC. 302. Subsection (e) of section 4 of the Textile Fiber Products Identification Act (15 U.S.C. 70b) is amended to read as follows:

"(e) For purposes of this Act, in addition to the textile fiber products contained therein, a package of textile fiber products intended for sale to the ultimate consumer shall be misbranded unless such package has affixed to it a stamp, tag, label, or other means of identification bearing the information required by subsection (b), with respect to such contained textile fiber products, or is transparent to the extent it allows for the clear reading of the stamp, tag, label, or other means of identification on the textile fiber product, or in the case of hosiery items, this section shall not be construed as requiring the affixing of a stamp, tag, label, or other means of identification to each hosiery product contained in a package if (1) such hosiery products are intended for sale to the ultimate consumer in such package, (2) such package has affixed to it a stamp, tag, label, or other means of identification bearing, with respect to the hosiery products contained therein, the information required by subsection (b), and (3) the information on the stamp, tag, label, or other means of identification affixed to such package is equally applicable with respect to each textile fiber product contained therein.".

SEC. 303. Section 4 of the Textile Fiber Products Identification Act (15 U.S.C. 70b) is amended by adding at the end thereof the following new subsections:

"(i) For the purposes of this Act, a textile fiber product shall be considered to be falsely or deceptively advertised in any mail order catalog or mail order promotional material which is used in the direct sale or direct offering for sale of such textile fiber product, unless such textile fiber product description states in a clear and conspicuous manner that such textile fiber product is processed or manufactured in the United States of America, or imported, or both.

"(j) For purposes of this Act, any textile fiber product shall be misbranded if a stamp, tag, label, or other identification conforming to the requirements of this section is not on or affixed to the inside center of the neck midway between the shoulder seams or, if such product does not contain a neck, in the most conspicuous place on the inner side of such product, unless it is on or affixed on the outer side of such product, or in the case of hosiery items on the outer side of such product or package.".

SEC. 304. Paragraph (2) of section 4(a) of the Wool Products Labeling Act of 1939 (15 U.S.C. 68(a)(2)) is amended by adding at the end of thereof the following new subparagraph: "(D) the name of the country where processed or manufactured.".

SEC. 305. Section 4 of the Wool Products Labeling Act of 1939 (15 U.S.C. 68b) is amended by adding at the end thereof the following new subsections:

"(e) For the purposes of this Act, a wool product shall be considered to be falsely or deceptively advertised in any mail order promotional material which is used in the direct sale or direct offering for sale of such wool product, unless such wool product description states in a clear and conspicuous manner that such wool product is processed or manufactured in the United States of America, or imported, or both.

"(f) For purposes of this Act, any wool product shall be misbranded if a stamp, tag, label, or other identification conforming to the requirements of this section is not on or affixed to the inside center of the neck midway between the shoulder seams or, if such product does not contain a neck, in the most conspicuous place on the inner side of such product, unless it is on or affixed on the outer side of such product or in the case of hosiery items, on the outer side of such product or package.".

SEC. 306. Section 5 of the Wool Products Labeling Act of 1939 (15 U.S.C. 68c) is amended—

(1) by striking out "Any person" in the first paragraph and inserting in lieu thereof "(a) Any person",

(2) by striking out "Any person" in the second paragraph and inserting in lieu thereof "(b) Any person", and

(3) by inserting after subsection (b) (as designated by this section) the following new subsection:

"(c) For the purposes of subsections (a) and (b) of this section, any package of wool products intended for sale to the ultimate consumer shall also be considered a wool product and shall have affixed to it a stamp, tag, label, or other means of identification bearing the information required by section 4, with respect to the wool products contained therein, unless such package of wool products is transparent to the extent that it allows for the clear reading of the stamp, tag, label, or other means of identification affixed to the wool product, or in the case of hosiery items this section shall not be construed as requiring the affixing of a stamp, tag, label, or other means of identification to each hosiery product contained in a package if (1) such hosiery products are intended for sale to the ultimate consumer in such package, (2) such package has affixed to it a stamp, tag, label, or other means of identification bearing, with respect to the hosiery products contained therein, the information required by subsection (4), and (3) the information on the stamp, tag, label, or other means of identification affixed to such package is equally applicable with respect to each hosiery product contained therein.".

SEC. 307. The amendments made by this title shall be effective ninety days after the date of enactment of this Act.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the Federal Drug, and Cosmetic Act to revise the procedures for new drug applications and to amend title 35, United States Code, to authorize the extension of the patents for certain regulated products, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 3605) was laid on the table.

AUTHORIZING THE CLERK TO MAKE TECHNICAL CORRECTIONS IN ENGROSSMENT OF HOUSE AMENDMENT TO S. 1538

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make technical corrections in the engrossment of the House amendment to S. 1538.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries.

PERMISSION FOR RESCHEDULING OF DISTRICT OF COLUMBIA DAY ON MONDAY, SEPTEMBER 17, 1984

Mr. DELLUMS. Mr. Speaker, under clause 8, rule XXIV, I ask unanimous consent that District of Columbia Day be scheduled on Monday, September 17, 1984, in lieu of the regular District Days of September 10 and 24.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. SUNDQUIST. Mr. Speaker, reserving the right to object, my question is, has this been cleared with the ranking Member?

Mr. DELLUMS. Mr. Speaker, if the gentleman will yield, yes; it has, I would say to my colleague. The reason for the request is very straightforward. As the gentleman knows, we plan to adjourn sine die early in October. There are only a few legislative days remaining. There are three pieces of legislation, including the disposition of the St. Elizabeths Hospital, which, on the one hand, is not controversial, but is extremely important.

If we do not move the days to the 17th, there is a great likelihood that the Senate would not be able to act expeditiously, so we are asking for the movement to the 17th. It is a rather

straightforward request, I would say to my colleague.

Mr. SUNDQUIST. Mr. Speaker, I thank the gentleman for that explanation, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 529, IMMIGRATION REFORM AND CONTROL ACT OF 1983

Mr. RODINO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 529) to revise and reform the Immigration and Nationality Act, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey? The Chair hears none, and appoints the following conferees:

From the Committee on the Judiciary: Messrs. RODINO, MAZZOLI, SAM B. HALL, JR., SYNAR, FRANK, CROCKETT, SCHUMER, FEIGHAN, SMITH of Florida, BERMAN, FISH, MOORHEAD, HYDE, LUNGREN, and MCCOLLUM.

As additional conferees: From the Committee on Agriculture, solely for consideration of section 101 of the bill and section 101 of the House amendment: Messrs. DE LA GARZA, PANETTA, and MORRISON of Washington.

From the Committee on Agriculture, solely for consideration of sections 211, 214, and 407 of the bill, of sections 211 and 214 of the House amendment, and of such portions of sections 301 and 302 of the bill and sections 301 and 304 of the House amendment as relate to eligibility and funding for public assistance programs within the jurisdiction of the Committee on Agriculture: Messrs. DE LA GARZA, JONES of Tennessee, PANETTA, MORRISON of Washington, and CHAPPIE.

From the Committee on Education and Labor, solely for consideration of sections 101, 211, 214, and 407 of the bill, of sections 101, 211, 214, and 305 of the House amendment, of subsection 107(d) of the Immigration and Nationality Act as contained in section 122 of the House amendment, and of such portions of sections 301 and 302 of the bill and of sections 301 and 304 of the House amendment as relate to eligibility and funding for public assistance programs within the jurisdiction of the Committee on Education and Labor: Messrs. HAWKINS, FORD of Michigan, MILLER of California, ERLENBORN, and PACKARD.

From the Committee on Energy and Commerce, solely for consideration of such portions of sections 301 and 302 of the bill and of sections 301 and 304 of the House amendment, as relate to eligibility and funding for public assistance programs within the jurisdiction of the Committee on Energy and Commerce: Messrs. DINGELL, WAXMAN, and BROYHILL.

Solely for consideration of section 119 of the House amendment: Mr. DE LA GARZA.

Solely for consideration of sections 111, 115, 116, 117, 118, subsection 205(f), and title V of the House amendment, and modifications thereof committed to conference: Mr. ROYBAL.

□ 1640

CONFERENCE REPORT ON H.R. 5798, TREASURY, POST OFFICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1985

Mr. ROYBAL submitted the following conference report and statement on the bill (H.R. 5798) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and other independent agencies, for the fiscal year ending September 30, 1985, and for other purposes.

CONFERENCE REPORT (H. REPT. No. 98-993)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5798) "making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1985, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 10, 12, 16, 29, 36, 42, 43, 44, 45, 50, 54, 55, 59, 60, 61, 62, 63, 65, 67, 68, 69, 71, 73, 82, 83, 84, 85, 90, and 91.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 9, 21, 22, 30, 33, 38, 41, 47, 48, 58, 64, 74, 76, 86, 87, and 88, and agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$982,457,000;* and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,353,535,000;* and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,070,521,000;* and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$24,985,000;* and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$38,500,000;* and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$50,000;* and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$217,090,000*; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$161,000,000*; and the Senate agree to the same.

Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$39,128,000*; and the Senate agree to the same.

Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert *511*; and the Senate agree to the same.

Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows:

In lieu of section number 514 named in said amendment insert *512*; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 513. None of the funds appropriated under this Act shall be obligated or expended to implement, promulgate, administer, enforce, or reissue or revise the proposed Office of Personnel Management regulations and the proposed Federal Personnel Manual issuances published in the Federal Register on March 30, 1983 on pages 13341 through 13381, as superseded by proposed regulations and Federal Personnel Manual issuances published in the Federal Register on July 14, 1983 on pages 32275 through 32312, and as further superseded by proposed regulations and Federal Personnel Manual is-

suances published in the Federal Register on October 25, 1983 on pages 49462 through 49498: Provided, That this section shall expire on July 1, 1985.

And the Senate agree to the same.

Amendment numbered 79:

That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert *514*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6, 7, 11, 13, 14, 15, 20, 23, 24, 25, 26, 27, 28, 34, 35, 37, 46, 49, 51, 52, 57, 66, 70, 72, 80, 81, 89 and 92.

EDWARD R. ROYBAL,
JOSEPH ADDABBO,
DANIEL AKAKA,
STENY HOYER,
EDWARD BOLAND,
CLARENCE LONG,
JAMIE WHITTEN
(except amendments 24, 26, 27, 66, and 92),
CLARENCE MILLER,
ELDON RUDD,
HAROLD ROGERS,
SILVIO CONTE,
Managers on the Part of the House.

JAMES ABDNOR,
PAUL LAXALT,
MACK MATTINGLY,
MARK O. HATFIELD,
DENNIS DECONCINI,
JOHN STENNIS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5798) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 1985, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agree upon by the managers and recommended in the accompanying conference report:

TITLE I—DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

Amendment No. 1: Deletes language proposed by the Senate relating to maintenance and insurance for real properties leased or owned overseas.

Amendment No. 2: Provides $22,000 for official reception and representation expenses as proposed by the House instead of $95,000 as proposed by the Senate.

Amendment No. 3: Appropriates $56,474,000 for salaries and expenses as proposed by the House instead of $77,242,000 as proposed by the Senate.

Amendment No. 4: Deletes language proposed by the Senate which would prohibit expenditure of funds appropriated for salaries and expenses unless certain public official appointments are made.

INTERNATIONAL AFFAIRS

Amendment No. 5: Restores language proposed by the House which appropriates $22,768,000 for international affairs. The Senate had proposed to consolidate this activity with the Office of the Secretary into a single appropriation.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate making funds available for salaries and expenses of the Center, as a bureau of the Treasury. The conferees are agreed that the Center should remain within the Treasury Department.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. The Senate amendment provides that the Center may train state and local government law enforcement personnel and other law enforcement officials under certain circumstances. It also allows the acceptance of gifts to the Center and provides for travel under certain circumstances.

Amendment No. 8: Appropriates $18,314,000 for salaries and expenses as proposed by the Senate instead of $16,964,000 as proposed by the House.

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

Amendment No. 9: Appropriates $235,994,000 for salaries and expenses as proposed by the Senate instead of $226,608,000 as proposed by the House.

The conferees expect the Bureau to consolidate its operations in the Federal building in Hyattsville, Maryland. The conferees direct that that building be totally utilized by the Bureau and directs the General Services Administration and the Office of Management and Budget to ensure that the Bureau move expeditiously to Hyattsville and that the space in that building be efficiently utilized by the Bureau of Government Financial Operations. The conferees are agreed that a small number of the personnel currently working in the Bureau may be located in the General Accounting Office building in Washington, D.C. in addition to those personnel already located in that building. (The computer operations are currently in the GAO Building.) The conferees direct that the Bureau obtain the approval of the House and Senate Committees on Appropriations prior to transferring any activities or personnel to the General Accounting Office Building.

Amendment No. 10: Deletes language proposed by the Senate which exempts the Bureau from the travel limitation imposed by Section 501 of this Act.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which makes available $5,000 for official reception and representation expenses.

Amendment No. 12: Appropriates $169,271,000 for salaries and expenses as proposed by the House instead of $167,271,000 as proposed by the Senate.

U.S. CUSTOMS SERVICE

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment appropriates $643,465,000 for salaries and expenses and specifies certain conditions under which those funds shall be available. Since it is not the policy of the Conferees to direct departments as to where personnel should be placed, the Conferees direct that the additional 100 Customs personnel be assigned to the highest priority drug interdiction task force requirements, and report the allocation of such personnel to the Committees on Appropriations of the House and Senate within thirty days after the enactment of this Act.

INVESTIGATION OF CUSTOMS

The Conferees direct that the General Accounting Office conduct a study of the Customs Service operations. This report should include, but not be limited to the adequacy of the number of personnel requested to be funded by the Customs Service, and the adequacy of the number of Customs personnel currently on board to effectively perform their mission. The conferees direct the GAO to carefully review the geographic distribution of Customs personnel to ensure that adequate personnel are properly assigned to those geographic areas where the workload warrants. The conferees direct that particular attention be given to the study of the effectiveness of the Service in stopping the smuggling of drugs into this country and the effectiveness of the Service in stopping fraudulent imports in excess of quotas. The Conferees also direct the GAO to review the effectiveness of the coordination and cooperation between the Customs Service and other federal, state and local law enforcement agencies.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment appropriates $44,425,000 for the air interdiction program.

BUREAU OF THE MINT

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment appropriates $47,758,000 for salaries and expenses.

INTERNAL REVENUE SERVICE

Amendment No. 16: Appropriates $104,687,000 for salaries and expenses as proposed by the House instead of $102,000,000 as proposed by the Senate.

Amendment No. 17: Appropriates $982,457,000 for processing tax returns instead of $992,457,000 as proposed by the House and $972,457,000 as proposed by the Senate.

Amendment No. 18: Appropriates $1,353,535,000 for examinations and appeals instead of $1,357,073,000 as proposed by the House and $1,350,000,000 as proposed by the Senate.

Amendment No. 19: Appropriates $1,070,521,000 for investigations, collection, and taxpayer service instead of $1,081,142,000 as proposed by the House and $1,060,000,000 as proposed by the Senate.

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment mandates that the Internal Revenue Service maintain the Tax Counseling for the Elderly program at $2,000,000.

U.S. SECRET SERVICE

Amendment No. 21: Appropriates $286,500,000 for salaries and expenses as proposed by the Senate instead of $278,331,000 as proposed by the House.

DEPARTMENT OF THE TREASURY—GENERAL PROVISIONS

Amendment No. 22: Deletes the House provision regarding payment of excise taxes.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 104. Not to exceed 1 per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. However, no such appropriation shall be increased or decreased by more than 1 per centum and any such proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment limits transfers between appropriations to the Department of the Treasury to one per centum.

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment prohibits the IRS from imposing or assessing taxes due on certain manufactured items.

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits certain agencies in the Treasury Department from being placed under the jurisdiction of the Inspector General.

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment exempts the University of Arizona from certain customs requirements.

TITLE II—U.S. POSTAL SERVICE

Amendment No. 27. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate inserting language regarding fees for information requested or provided concerning an address of a postal customer.

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate regarding the closing of certain post offices.

The conferees concur in the amount of $801,000,000 to be appropriated for revenue forgone in fiscal year 1985 with the intention that preferred mail rates will remain at Step 14 on the phasing schedule until September 30, 1985. The conferees recognize that the ongoing postal rate case (R84-1) could be completed and U.S. Postal Service could implement a new rate schedule during the course of fiscal year 1985. In that instance, the conferees intend that nonprofit and other preferred mail rates will be adjusted only to reflect the level of Step 14 on the new rate schedule for the duration of fiscal year 1985.

The House Conferees concur in the report language of the Senate concerning the establishment of a Federal Drug Enforcement Task Force in Hawaii.

Amendment No. 29: Deletes language proposed by the Senate regarding a redlining study.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF ADMINISTRATION

Amendment No. 30: Appropriates $16,172,000 for salaries and expenses as proposed by the Senate instead of $14,645,000 as proposed by the House.

THE WHITE HOUSE OFFICE

Amendment No. 31: Appropriates $24,985,000 as proposed by the Senate instead of $23,731,000 as proposed by the House. Deletes a provision regarding the Chairperson of the National Advisory Committee on Oceans and Atmosphere proposed by the Senate.

The House Conferees concur in the report language of the Senate concerning the establishment of a Federal Drug Enforcement Task Force in Hawaii.

OFFICE OF MANAGEMENT AND BUDGET

Amendment No. 32: Appropriates $38,500,000 for salaries and expenses instead of $37,889,000 as proposed by the House and $39,000,000 as proposed by the Senate.

TITLE IV—INDEPENDENT AGENCIES

FEDERAL ELECTION COMMISSION

Amendment No. 33: Appropriates $12,900,000 for salaries and expenses as proposed by the Senate instead of $12,834,000 as proposed by the House.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDING FUND

Limitations on availability of revenue

Amendment No. 34: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: *$2,252,221,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

In lieu of the sum named in said amendment insert the following: *$120,299,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 36: Retains language proposed by the House making available $20,000,000 for construction of a Long Beach, CA Federal Building.

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment makes available $1,750,000 for construction costs in connection with the Old Post Office in the District of Columbia.

Amendment No. 38: Makes available $81,952,000 for other selected purchases as proposed by the Senate instead of $70,217, 000 as proposed by the House.

Amendment No. 39: Establishes a limit of $50,000 on liquidation of claims instead of $40,000 as proposed by the House and $100,000 as proposed by the Senate.

Amendment No. 40: Makes available $217,090,000 for repairs and alterations instead of $228,432,000 as proposed by the House and $216,018,000 as proposed by the Senate.

Amendment No. 41: Makes available $3,000,000 for the Blair House as proposed by the Senate instead of $6,611,000 as proposed by the House.

Amendment No. 42: Makes available $1,931,000 for repair and alteration of the 844 N. Rush Street Building in Chicago, Illinois as proposed by the House.

Amendment No. 43: Makes available $1,357,000 for repair and alteration of the Peoria, Illinois Federal Building and Courthouse as proposed by the House.

Amendment No. 44: Makes available $1,395,000 for the repair and alteration of the Lansing, Michigan Federal Building and Courthouse as proposed by the House.

Amendment No. 45: Makes available $8,654,000 for the repair and alteration of the St. Louis, Missouri Courthouse and Customshouse as proposed by the House.

Amendment No. 46: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate making available $941,000 for the repair and alteration of the Las Vegas, Nevada Federal Building.

Amendment No. 47: Deletes $8,672,000 for the repair and alteration of the Pittsburgh, Pennsylvania Post Office, Courthouse as proposed by the Senate.

Amendment No. 48: Makes available $694,998,000 for real property operations as proposed by the Senate instead of $685,848,000 as proposed by the House.

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate prohibiting the use of funds to move the Spartanburg, S.C. Social Security office.

Amendment No. 50: Makes available $58,883,000 for design and construction services as proposed by the House instead of $55,536,000 as proposed by the Senate.

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate making available $3,000,000 for additional construction at the James J. Rowley Secret Service Training Center.

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: *$2,252,221,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

PERSONAL PROPERTY

Amendment No. 53: Appropriates $161,000,000 for operating expenses instead of $156,944,000 as proposed by the House and $164,000,000 as proposed by the Senate.

NATIONAL ARCHIVES AND RECORDS SERVICE

Amendment No. 54: Appropriates $98,925,000 for operating expenses as proposed by the House instead of $96,325,000 as proposed by the Senate.

Amendment No. 55: Makes available $5,200,000 for construction related to the John F. Kennedy Library in Boston, Mass. as proposed by the House.

FEDERAL PROPERTY RESOURCES SERVICES

Amendment No. 56: Appropriates $39,128,000 for operating expenses instead of $40,257,000 as proposed by the House and $38,000,000 as proposed by the Senate.

Amendment No. 57: Reported in technical disagreement. The managers on the part of

the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND LIMITATION ON AVAILABILITY OF FUNDS

During the fiscal year ending September 30, 1985, not more than $185,000,000 in addition to amounts previously appropriated, all to remain available until expended, may be obligated from amounts in the National Defense Stockpile Transaction Fund for the acquisition of strategic and critical materials under section 6(a)(1) of the Strategic and Critical Material Stock Piling Act (50 US.C. 98e(a)(1)) and for transportation and other incidental expenses related to such acquisition: Provided, That none of the funds appropriated by this paragraph may be used to purchase any strategic and critical materials for the National Defense Stockpile that are not mined and refined in the United States; Provided further, That this paragraph shall only apply to those strategic and critical materials that are currently mined and refined in the United States or which can be produced domestically at the levels and quantities required by the Federal Emergency Management Agency.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section would allow the Stockpile managers to continue to purchase strategic and critical materials with the understanding that they would "Buy America" unless (1) those strategic and critical materials are not mined and refined in the U.S. or (2) those strategic and critical materials are not available in sufficient quanties in the U.S. to meet strategic requirements.

The Conferees strongly support the concept of barter as a means of acquiring needed strategic materials for the National Defense Stockpile. GSA is urged to explore the possibilities for expanded use of barter, to engage in barter transactions whenever possible under existing authority, and to report back to the House and Senate Appropriations Committees by December 31, 1984 on the Agency's efforts to engage in barter transactions.

GENERAL MANAGEMENT AND ADMINISTRATION

Amendment No. 58: Appropriates $137,000,000 for salaries and expenses as proposed by the Senate instead of $123,635,000 as proposed by the House.

The Conferees direct that of the amount restored to this account above the House allowance, $900,000 is specifically earmarked to pay personnel costs associated with support to Congressional District offices. This is in addition to the $800,000 made available through the GSA reimbursable account to cover increased equipment purchase, installation, and maintenance costs for the Congressional District offices.

Amendment No. 59: Deletes language proposed by the Senate making available $2,500 for reception and representation expenses.

Amendment Nos. 60, 61, 62, and 63: Delete Senate amendments changing section numbers.

Amendment No. 64: Establishes a limitation of one per centum on the transfer of funds within GSA as proposed by the Senate instead of three per centum as proposed by the House.

Amendment No. 65: Deletes Senate amendment changing section number.

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment establishes procedures regarding Presidential libraries.

Amendment No. 67: Retains a House provision making funds available for the purpose of leasing space in buildings erected by the lessor on land owned by the United States.

The conferees are agreed that all projects of this nature must have prior approval of the House and Senate Committees on Appropriations.

OFFICE OF PERSONNEL MANAGEMENT

Amendment No. 68: Deletes Senate language making available $2,500 for official reception and representation expenses.

Amendment No. 69: Appropriates $106,653,000 for salaries and expenses as proposed by the House instead of $110,000,000 as proposed by the Senate.

The conferees concur in the language expressed in the Senate report (S. Rept. 98-562) on page 70 regarding the Combined Federal Campaign.

Amendment No. 70: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate making available $12,000 for entertainment expenses of the President's Commission on Executive Exchange.

Amendment No. 71: Deletes a Senate provision which makes $1,500 available for official reception and representation expenses.

GENERAL PROVISIONS—THIS ACT

Amendment No. 72: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment exempts the Office of Personnel Management from the travel limitation in carrying out its observation responsibilities of the Voting Rights Act.

Amendment No. 73: Retains language proposed by the House which prohibits the closing of the Information Resources Management Office of GSA located in Sacramento, California.

Amendment No. 74: Deletes language proposed by the House which prohibits OMB review of marketing orders. Similar restrictive language has been included in the bill in the paragraph appropriating funds for the Office of Management and Budget.

Amendment No. 75: Changes section number.

Amendment No. 76: Deletes provision regarding Hickam Air Force Base as proposed by the Senate.

The Committees have been notified by GSA of its intent to immediately convey the former Hickam Administrative Annex in Honolulu (GSA control number 9-D-HI-477-B) to the State of Hawaii for airport use under section 13(g) of the Surplus Property Act of 1944. The Conferees expect GSA to fulfill this commitment to the State. Hence, the Conferees have deleted section 514 as proposed by the House.

Amendment No. 77: Changes section number.

Amendment No. 78: Changes section number and modifies OPM personnel performance provisions inserted by the House to provide that the provision shall expire July 1, 1985.

Amendment No. 79: Changes section number.

Amendment No. 80: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the section number named in said amendment insert: *515*

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 81: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

In lieu of the section number 514 proposed in said amendment insert the following: *516*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment restricts the procurement of stainless steel flatware.

Amendment No. 82: Retains language proposed by the House which prohibits the Customs Service from closing or consolidating certain offices and functions.

On August 3, 1984, the United States Customs Service published interim regulations relating to textiles and textile products. Included in the interim regulations were provisions relating to transportation and merchandise in transit. Pursuant to those interim regulations, and in recognition of the concerns of shippers and brokers, the Committee expects that, prior to the effective date of the interim regulations, the Customs Service will issue internal directives designed to minimize commercial and operational problems related to in-bond movements by ocean-rail intermodal carriers. These directives are necessary at this time to prevent disruption of existing transportation practices involving those shipments which are of minimal enforcement concern.

While the committee recognizes that Customs always reserves the right to examine cargo identified as high risk, it is hoped that these directives will provide that cargo moving by ocean-rail intermodal carriers under their bonds will usually be processed at the point of destination.

Amendment Nos. 83, 84, and 85: Retain section numbers as proposed by the House.

Amendment No. 86: Deletes a provision proposed by the House which imposes a one per centum reduction in each dollar amount in the bill.

The Conferees are agreed that the paragraph entitled "Committee Procedures Regarding Report Language" appearing on page 4 of Senate Report No. 98-562 shall not be operative.

Amendment No. 87: Deletes provisions proposed by the House which prohibit construction of an annex to the Post Office and Court House Building in Charleston, South Carolina.

The Conferees have deleted the language added by the House which would have prohibited the construction of an annex to the U.S. Post Office and Court House Building in Charleston, S.C. The Conferees are concerned that such restrictive language will foreclose any options that the city of Charleston and the General Services Administration might have to reach an agreement on a mutually acceptable site for this project in fiscal year 1985. Therefore, the Conferees have deleted the House language but expect GSA not to make funds available for construction until an agreement is arrived at. The conferees expect GSA to work in close cooperation with the city of Charleston and all interested parties in the city including local historic and preservation groups to reach an agreement on the location of this important project.

Amendment No. 88: Deletes a provision proposed by the House which reduces the amount available for allowances and office staffs for former presidents.

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number proposed by said amendment insert the following: *620*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment imposes restrictions on remodeling certain executive offices.

Amendment No. 90: Deletes a provision proposed by the Senate regarding the Federal Employee Health Benefits program.

The Conferees are aware of communications from the authorizing committees with jurisdiction over the Federal Employee Health Benefits Program (FEHBP) concerning the issue of allowing additional health insurance plans to participate in FEHBP. Since inclusion of additional plans is a legislative matter involving a complex analysis of the effect of new health plans on the health insurance program and its participants, the Conferees have deferred action on the inclusion of additional health plans but request that the authorizing committees hold hearings on legislation dealing with inclusion of new plans in FEHBP.

Amendment No. 91: Deletes a provision proposed by the Senate regarding the jurisdiction of the Secret Service.

Amendment No. 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate.

This amendment inserts a bill entitled "Comprehensive Forfeiture Act of 1984". This amendment amends Title 18 of the U.S. Code, the Tariff Act of 1930, and other existing legislation.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1985 recommended by the Committee of Conference, with comparisons to the fiscal year 1984 amount, the 1985 budget estimates, and the House and Senate bills for 1985 follow:

New budget (obligational) authority, fiscal year 1984	$11,968,900,000
Budget estimates of new (obligational) authority, fiscal year 1985	12,349,687,000
House bill, fiscal year 1985	11,896,587,701
Senate bill, fiscal year 1985	12,738,652,000
Conference agreement, fiscal year 1985	12,766,276,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1984	+797,376,000
Budget estimates of new (obligational) authority, fiscal year 1985	+416,589,000
House bill, fiscal year 1985	+869,688,299
Senate bill, fiscal year 1985	+27,624,000

EDWARD R. ROYBAL,
JOSEPH ADDABBO,
DANIEL AKAKA,
STENY HOYER,
EDWARD BOLAND,
CLARENCE LONG,
JAMIE WHITTEN
(except amendments 24, 26, 27, 66, and 92),
CLARENCE MILLER,
ELDON RUDD,
HAROLD ROGERS,
SILVIO CONTE,
Managers on the Part of the House.

JAMES ABDNOR,
PAUL LAXALT,
MACK MATTINGLY,
MARK O. HATFIELD,
DENNIS DECONCINI,
JOHN STENNIS,
Managers on the Part of the Senate.

HEALTH PROFESSIONS AND SERVICES AMENDMENTS OF 1984

The SPEAKER. Pursuant to House Resolution 536 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5602.

□ 1642

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5602) to amend titles VII and VIII of the Public Health Service Act to extend the programs of assistance for the training of health professions personnel, to revise and extend the National Health Service Corps Program under that act, and to revise and extend the programs of assistance under that act for health maintenance organizations and migrant and community health centers, with Mr. LEVIN of Michigan in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from California [Mr. WAXMAN] will be recognized for 30 minutes and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 30 minutes.

The Chair now recognizes the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the legislation before us today is H.R. 5602, the Health Professions and Services Amendments of 1984. This bill would reauthorize and revise the health professions educational programs in titles VII and VIII of the Public Health Services Act and reauthorize and revise the Community Health Centers, Migrant Health, National Health Service Corps, and the Health Maintenance Organization programs, also under the Public Health Service Act.

The bill also creates a new requirement that the Secretary of the Department of Health and Human Services study criteria and methods for collecting and disseminating health care consumer information and prepare and implement a plan for providing technical assistance in the use of those criteria and methods.

Title I of the bill reauthorizes programs in title VII of the Public Health Service Act that assist disadvantaged, low-income, and other students who can no longer afford the high costs of education to become doctors, dentists, public health workers, and other health professionals. These programs also create opportunities for physicians to become primary care practitioners instead of subspecialists and address severe national shortages in public health, preventive medicine, and health administration. The programs in title I of the bill include:

First, HEAL insurance for market-rate student loans;

Second, HPSL low-interest student loans;

Third, scholarships for students of exceptional financial need;

Fourth, capitation assistance to schools of public health;

Fifth, support for departments of family medicine;

Sixth, the area health education centers;

Seventh, support for programs to train physician assistants;

Eighth, programs and traineeships in general internal medicine, general pediatrics, family medicine, and general dentistry;

Ninth, assistance for students from disadvantaged backgrounds;

Tenth, project grant authorities for health professions schools;

Eleventh, support for schools with advanced financial distress; and

Twelfth, support for programs and traineeships in health administration, public health, and preventive medicine.

Title I would also: For the first time, set aside 50 percent of new Federal HPSL loan funds for students from disadvantaged backgrounds; and provide for the improvement of health professional training in geriatrics.

Title II would extend nursing education programs for 4 years. This title principally supports education in the advanced nursing fields of education, research, and clinical specialties. The programs affected include:

First, special project grants and contracts;

Second, support for educational programs in advanced nursing, and for training nurse practitioners and nurse midwives; and

Third, traineeships for advanced nursing and nurse anesthetists.

Title II would also: Create a new authority for special demonstration grants.

Title III of the bill would extend for 4 years the National Health Service Corps Program. The current authority for such appropriations as are neces-

sary to fund 550 new scholarships annually is extended for 4 years. The bill also would also modify provisions related to the areas and the types of practice in which scholarship recipients may fulfill their service obligations. These modifications are necessary to:

Assure that particular populations or institutions are not deprived of needed National Health Service Corps placements if the overall physician supply in a shortage area increases; and,

Assure that physicians who are able to serve their payback time in a private practice setting are meeting their statutory obligation to serve all medicare and medicaid recipients and to serve others without regard to their ability to pay.

Title IV would extend for 4 years the programs of support for health maintenance organizations and migrant and community health centers. The effect of the community health center extension is not to extend the primary care block grant option. This is done because no State has actually put that block grant into operation and the Department of Health and Human Services has been enjoined from proceeding with implementation because it had failed to administer the program in accordance with the statute.

Title V would create a new requirement that the Secretary study criteria and methods for collecting and disseminating health care consumer information and prepare a plan for providing technical assistance in the use of the criteria and methods.

Mr. Chairman, these programs address important national goals at modest cost. They deserve our continued support.

Mr. Chairman, this bill has been worked out with the minority and we will, in the course of the consideration of this legislation, be offering amendments which would bring to the Members the agreements and compromises that we have come to.

At this point in the general debate, I would like to call upon the gentleman from New Mexico [Mr. RICHARDSON], and I yield 5 minutes to him for some remarks that he wishes to make on the legislation.

Mr. RICHARDSON. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of H.R. 5602, the Health Professions and Services Amendments of 1984. I am particularly proud to have authored a portion of this bill which reauthorizes the National Health Service Corps Program for another 4 years. This legislation addresses a very real problem in the U.S. health care delivery system: Medical services to underserved, disadvantaged, and rural areas.

Mr. Chairman, in my home State of New Mexico and many other areas, the National Health Service Corps Program makes a major difference in the lives of over 100,000 New Mexicans who have come to depend on the health manpower shortage area clinics where health corps workers serve, as their principal source of health care. Many of my constituents live in rural areas, and without these clinics they would have to travel great distances to obtain health care.

Last year, the National Health Service Corps Program faced new and restrictive policies created by the administration. But the Congress, in a sharp rebuke to the White House, reversed these policies that would have forced many clinics served by National Health Service Corps medical personnel to close their doors.

Mr. Chairman, the National Health Service Corps Program provides medical personnel to health manpower shortage areas, areas that have no hospital or emergency facilities. In return for receiving Government scholarship aid while they attend school, National Health Service Corps workers make a commitment to serve in a health manpower shortage area clinic for a limited period of time following graduation. The clinics where they work then pay the Government back for its cost in educating the individual in addition to paying him or her a salary. This new legislation will provide for over 2,000 new, repayable medical scholarships for health professionals.

I want my colleagues to know that there have been virtually no new National Health Service Corps scholarships since President Reagan took office. Without bringing new doctors into the system, the program will die.

The Congress, Mr. Chairman, cannot allow this to happen.

A high percentage of the patients who use these rural health clinics in New Mexico and across the country are living on small fixed incomes and have chronic health problems.

In addition to reauthorizing the National Health Service Corps field and scholarship programs, my provisions have three other features. The legislation will allow the Secretary of Health and Human Services to ensure the National Health Service Corps professionals provide service to the health manpower shortage areas that have the greatest need.

Second, the Secretary can require that those National Health Service Corps personnel with private practice option serve all medicare and medicaid recipients and all other people without regard to their ability to pay.

Another important feature of this legislation will provide stability to the many rural health care clinics across the country by prohibiting the Secretary of Health and Human Services from removing a health manpower shortage area designation without demonstrating that there is no longer a need for the designation.

Just last year, the National Health Service Corps served over 2 million Americans. That number is expected to increase by at least 600,000 patients by next year. Many of these Americans have no reasonable alternative to the care provided by Health Corps professionals.

Mr. Chairman, I believe that the strength of our Nation must include maintaining the well-being of all of our citizens. We must ensure that all Americans have both the financial and physical access to health care sevices, no matter where they live. The National Health Service Corps Program benefits the Nation as a whole by establishing a creative, low-cost, commonsense way to successfully deliver quality health care to those in need. I ask my colleagues to join me in supporting the National Health Service Corps as well as the entire group of health professions and services amendments.

Mr. MADIGAN. Mr. Chairman, I yield myself such time as I may consume.

□ 1650

Mr. Chairman, today the House will consider H.R. 5602, legislation which reauthorizes the Health Professions Education Program, the Nurse Training Act, the National Health Service Corps, health maintenance organizations, and migrant and community health centers. These Public Health Service Programs provide funding for both the training of health professionals and for primary care health services for many of our Nation's poor.

Title I of H.R. 5602 provides for the reauthorization of a wide variety of programs of student assistance and institutional support relating to health professions education. The purpose of this funding is no longer to increase the number of health professionals, but to improve their geographic distribution, to increase the supply of primary care practitioners, and to provide individuals from disadvantaged backgrounds the opportunity for an education in the health professions.

This legislation provides for a 2-year authorization of the health manpower authorities in title 7 of the Public Health Service Act. Because of our committee's concern over the method by which health professions educational programs are financed, a 3- or 4-year reauthorization of these programs seemed unwarranted. Currently, we are in a transitional, very fluid period in the history of supporting health professions training programs. This is largely due to a predicted surplus of overall physician manpower, increasing indebtedness of graduates,

and very probable changes in medicare reimbursement of the teaching component which is still calculated on a cost basis and not incorporated within the diagnosis related group or DRG. These concerns of both the minority and majority members of the committee have resulted in a 2-year extension of title 7 programs, which provides an approximate freeze in authorization levels in 1985 and an increase equal to the CBO inflator in 1986.

The reauthorization of the nursing programs in title 8 of the PHS Act reflects the recommendations of the recently completed Institute of Medicine study on nursing and nursing education. The IOM study found that although there is no longer a shortage of practicing nurses there is a shortage of nurses with advanced degrees needed to fill administrative, research, and teaching positions. Title II of H.R. 5602 provides, for the most part, funding for institutional and individual support for nurse practitioners and advanced nurse training. H.R. 5602 also provides a new authority for demonstration grants for improvements in clinical nursing in institutions, homes, and ambulatory facilities.

Title III of H.R. 5602 provides for the reauthorization and makes minor changes in the National Health Service Corps Scholarship and Field Programs. The Scholarship Program provides tuition and stipend support for medical, nursing, and other health professionals in return for which students are obligated to serve in the Corps. The Field Program assigns members of the Corps to medically underserved areas, where they provide health services in community and migrant health centers, hospitals, and local health departments.

This legislation changes the method by which health manpower service areas are designated in order to assure that population groups that should be eligible for National Health Service Corps personnel are protected from losing corpsmen prematurely.

The legislation also requires the Department of Health and Human Services to increase monitoring of those corpsmen who are participating in the Private Placement Option Program to assure that all participants are providing services to medicare and medicaid recipients, as well as to any other person who seeks care, regardless of his or her ability to pay.

Title IV of H.R. 5602 extends authorizations for community and migrant health centers for 4 more years. The centers funded through this section are typically private, nonprofit entities governed by a board of directors composed of local residents and users of the centers. Both types of centers serve medically underserved populations. The minority believes both of these programs are necessary and have worked with the majority to assure authorization levels are fiscally responsible.

H.R. 5602 also extends through fiscal year 1988 the authority for the health maintenance organization loan fund. This fund is designed to provide capital to federally qualified health maintenance organizations unable to obtain capital through the private sector. The minority agrees with the majority that HMO's should be allowed to grow and supports the continuation of this fund.

Title V of H.R. 5602 requires the Secretary of HHS to study the criteria and methodologies for collecting and disseminating health care consumer education and to prepare a plan for furnishing technical assistance to the public in the use of such criteria and methodologies. While still skeptical of the necessity for the Federal Government to help businesses obtain such information, we have worked with the majority to clarify this section and believe that the amendment to be offered by the gentleman from Oregon significantly improves the title as passed by the committee.

Following general debate, the gentleman from California [Mr. WAXMAN] will offer a series of amendments to H.R. 5602 which I support. These amendments will reduce the authorization levels in H.R. 5602 as reported by the Committee on Energy and Commerce by over $200 million. If the Waxman amendments are adopted, H.R. 5602 will provide for a continuation of current services with only a modest increase in funding.

Mr. WAXMAN. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Ohio [Mr. STOKES] for the purpose of engaging in a colloquy.

Mr. STOKES. Mr. Chairman, I think my distinguished subcommittee chairman for yielding time to me.

Mr. Chairman, I rise in strong support of H.R. 5602, the Health Professions and Services Amendment Act of 1984, which extends through fiscal year 1986, the authorizations for Federal health professions programs, for primary health centers and for health maintenance organizations [HMO's]. Additionally, title V of H.R. 5602, instructs the Department of Health and Human Services to study means of improving the public's information about such matters as health care costs, patterns in the utilization of health care services, and alternative health care delivery systems.

Initially, I would like to take this opportunity to commend the gentleman from California [Mr. WAXMAN] for his splendid work and outstanding leadership in the development of this legislation. Additionally, I would like to acknowledge the members of the Subcommittee on Health and the Environment for their efforts on behalf of H.R. 5602.

Mr. Chairman, minorities are severely underrepresented in the health professions. According to a study published by the Association of Minority Health Professions Schools [AMHPS], an organization of eight predominantly black medical, dental, pharmacy, and veterinary schools, there are significant shortages in the number of minority health professionals in this country. The AMHPS study warned that these shortages are likely to become acute unless action is taken by the President and the Congress.

While blacks in this country represent nearly 12 percent of the population, the percentage of minority physicians is a pitful 2.6 percent. This percentage represents a mere one-half of 1 percent increase in the proportion of black doctors which has existed since 1950. The statistics for the representation of blacks in other health professions are equally dismal. Less than 3 percent of the Nation's dentists are black, only 2.3 percent of the pharmacists, and a mere 1.6 percent of the veterinarians throughout America are black.

Mr. Chairman, the severe lack of minorities in the health professions is a problem that deserves priority national attention and action by the Congress.

The Health Professions and Services Amendment Act of 1984 proposes important changes in the Health Professions Student Loan Program [HPSL] that will greatly aid our national effort to increase the number of minority health professionals. Specifically, the bill authorizes substantial new funds for HPSL, 50 percent of which would be directed to students from disadvantaged backgrounds. This is an important first step to increasing minority participation in the health professions and I would like to express my appreciation to the chairman for including this provision in the health manpower reauthorization bill.

Mr. WAXMAN. Mr. Chairman, if the gentleman will yield, I believe all involved in the reauthorization process recognize the need for a continued Federal commitment to keep access to an education in the health professions open to students from all walks of life.

Mr. STOKES. I would like to have clarification of some matters relating to the administration of the Health Professions Student Loan Program. Of course, we all acknowledge the importance of collecting debts due the Government.

Graduates who benefited from the availability of low-interest loans are under every moral and legal obligation to repay those loans so that much needed funds can be recycled to other students. I believe the committee fully expects schools, associations, and students to continue their efforts to bring HPSL default rates down.

Mr. WAXMAN. That is certainly true, Mr. STOKES.

Mr. STOKES. I remain concerned, however, about a Department of Health and Human Services rule published in June 1983. That regulation is still in force, but the penalties for noncompliance were withdrawn in December of last year. Had that regulation been implemented as originally planned, many schools would have been suspended from participation in the Health Professions Student Loan Program and many low income health professions students could have faced a serious undeserved reduction in the availability of financial assistance.

I understand that when the committee asked the Department about this problem, it received assurances from DHHS that they are considering revised rules that would be reasonable and achievable and that would give schools adequate time to improve their debt collection efforts.

Mr. WAXMAN. That is my understanding.

Mr. STOKES. I understand that the new rules will require schools to do all they can to collect student loans after the effective date of the rules.

Mr. WAXMAN. My understanding is that the new rules would be tight, but they would apply prospectively.

Mr. STOKES. Rather than retrospectively?

Mr. WAXMAN. That is my expectation. We have expressed to the Department our view that it is fair for Government to set clear standards and then enforce them, but punishing future potential student borrowers by holding schools to retroactively applied standards undermines the congressional purpose in authorizing the HPSL Program.

Mr. STOKES. I just wanted to get that clarified for the record. Mr. WAXMAN, I would like to ask whether legislation is needed to reconcile the need for prudent administration of HPSL funds with the need to ensure continued availability of HPSL loans to low-income students?

Mr. WAXMAN. The subcommittee considered including statutory language to address this concern in the reauthorization bill. Given the Department's assurances, and because the final regulation has not yet been issued, we did not include such directives in H.R. 5602. Let me assure you, however, that the subcommittee will take a close look at the final regulations and their impact on schools and students.

Mr. STOKES. Thank you, Mr. WAXMAN, I appreciate your clarification of the committee's intent in reference to debt collection regulations for the HSPL Program.

Mr. WAXMAN. I am pleased to respond to my colleague's concerns for the record.

Mr. MADIGAN. Mr. Chairman, I yield such time as he may consume to a member of the committee, the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Chairman, I thank my colleague for yielding me this time.

Let me say to the members of the committee that during the debate on H.R. 5602, at the amendment stage, this Member from California plans to offer an amendment or a substitute, depending on how the parliamentary situation is, that will seek to give to the members of the committee an option as to what level of funding we seek to establish for titles I, II, III, and IV for the years 1985, 1986, 1987, and 1988.

This bill illustrates once again that inviolable principle of legislative draftsmanship that Presidents propose and Congresses dispose. For example, the administration has asked that we, the Congress, authorize in fiscal year 1985 for title I $84.9 million. What do we find in H.R. 5602 for title I? The answer is: $173.3 million.

I will repeat that. The administration asks for $84.9 million; the House has before it a vehicle that will authorize $173.3 million, better than twice what the President asks for.

□ 1700

On title II, the administration asks for $12.3 million. The bill before us would authorize $76 million. That is a growth factor of six times what the administration has asked for.

Under title III, the administration has asked for $67 million. The bill before us would authorize $90 million, an increase of $13 million.

With respect to title IV, the bill would authorize $440 million. The administration has asked that the authorization for this title IV be included in a community block grant, so it is difficult to evaluate what the administration under this program would be requesting, but I can give the members of the committee, my colleagues, a little more insight.

In 1984 for title IV we appropriated $387 million, and this authorization is for $440 million for 1985, growing to $588 million in 1988.

One of the questions that this Member from California is asked continually in town hall forums in this election year and last year, and I suspect that my experience is not unique in this regard, is that constituents and people all over this country are asking Members of Congress, "Congressman, do you support the effort to call for a balanced budget of the Federal Government?"

"Yes; I do."

"Do you support the amendment to the Constitution which would mandate a balanced budget on the Congress of the United States?"

"Yes; I do."

"Well, then, how are you going to get a balanced budget? How are you going to get the requirement implemented requiring a balanced budget when you have a deficit right now of $180 billion? Where are you going to cut? How are you going to achieve that?"

I do not know whether the House, the 98th Congress quite frankly, is ready to answer that question because obviously the logical beginning step is not to cut. Politically, that is very difficult, we all know that; but it is not unreasonable to suggest that in order to get to a balanced budget that we say to these meritorious programs, and I am not questioning the need for each of these programs, that we not cut them, but we just hold them where they are, that we freeze the spending or the authorization level at what we are spending in 1984, for 1985 and the outyears, as a means of indicating to the taxpayers that the need is here for this special interest group that must be met at the Federal level, but as a means of establishing the goal of a balanced budget we are just going to freeze it and hold it constant until Federal revenues catch up. Now, that process would probably take 3 or 4 years, that is, if we freeze Federal spending and let revenues grow at an annual rate of $30 to $40 billion over 4 years' time, we have significantly reduced the deficit that we are all claiming that we want to reduce.

That is why I am offering the amendment that I intend to offer, namely, a proposal whereby we in the committee will have an opportunity of voting as to whether as a policy option for this program, we will not cut it, we will just freeze it where it is for 1985, 1986, 1987, and 1988, and then the taxpayers, our constituents, will have an opportunity to determine if in these closing days, we are doing something to get a handle on runaway spending, because, Mr. Chairman, we cannot realistically talk out of one side of our mouths that we want to balance the budget of this country and out of the other side of our mouth continue to vote for programs whereby we are authorizing increases in spending of the magnitude that are contained in this bill.

How in the world can any of us go home and say in 1984 we are spending $125 million in title I and we are going to expand that in 1985 to $173 million? What rational approach would justify an increase of that magnitude? Who can seriously suggest that that vote will indicate a desire to balance the budget?

Again, in 1984, we are appropriating $41.9 million for nursing training and yet this bill would raise that to $76 million, an increase of about 75 percent just in 1 year.

Now, there is evidence that came before the committee We have nurses that do not particularly like shift work in hospitals and some hospitals are having difficulty filling their job slots, but the nursing profession has to admit that we probably have enough nurses in the country right now. There are certain specialties where there are deficiencies, but for us to be increasing the authorization for training nurses at this point in our history in the face of the current balance between supply and demand, I do not think makes all that much sense.

Then in the National Health Service Corps, $91 million appropriated in 1984, and on this point I commend the bill, it is a little bit less, $90 million; but for title IV, Community and Migrant Health Service, we spent $387 million in 1984 and in 1985 it proposes to go up to $440 million.

I do not think we can justify increases of that magnitude and I hope that I will have the opportunity to offer an amendment that will give the Members of the Committee a chance to vote up or down on freezing expenditures for 1985 and the outyears at approximately what we spent in 1984, because I think it is a pattern, an indication of logically how we can get a handle on runaway spending, namely, that we do not cut things, we just freeze them where they are until the revenue catches up.

I thank my colleagues for the time.

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. DWYER].

Mr. DWYER of New Jersey. Mr. Chairman, I would like the subcommittee chairman to clarify section 788 (a)1, a provision which would provide certain special assistance to schools of medicine and/or osteopathic medicine which provide the first or last 2 years of training.

I am particularly supportive of this provision authored by the chairman for several reasons. In New Jersey, we have the largest, free-standing, statewide public health sciences educational system in the Nation, and yet there is no medical library in all of South Jersey to serve the Rutgers Medical School and the School of Osteopathic Medicine in Camden. Students, residents and professionals are forced to travel to Philadelphia or almost 2 hours away to Piscataway, or even farther to Newark for medical school libraries of any note.

It is my understanding that the Rutgers Medical School and the School of Osteopathic Medicine in Camden, which are part of a statewide system, but provide only 2 years of training at the Camden site, would be eligible for such funding for a medical school library under this provision.

I yield to the gentleman from California.

Mr. WAXMAN. The gentleman is correct.

Mr. DWYER of New Jersey. I thank the gentleman.

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, I had intended to offer some amendments, but as a result of conversations with the chairman of the subcommittee, the gentleman from California [Mr. WAXMAN], I will not do so.

Basically, my amendments would address the fact that in the Senate bill there is language that gives the Secretary the authority to collect bad debts, student loans made by doctors when they were in medical school and health professionals in medical schools. It allows them to refer those loans out, very similar to what we have done in the guaranteed student loans for students not going into medical school.

Apparently, there is no specific authority under the statute to allow that kind of collection with respect to loans under this law.

I am particularly concerned about the language which would give HHS the authority through referral to help in collecting defaulted student loans, including withholding from payroll check, should the person in default be a Federal employee, or referred to the Justice Department for legal action, if necessary.

It seems that high-paying health professionals, particularly doctors who have gone to school and gotten these loans ought to pay them back, that we need the same kind of stringent collection authority for these people that we do for regular students; so I will not offer the amendment now, but I would like to get the assurance from the chairman of the subcommittee that he will look favorably upon that language that is in the Senate bill when it goes to conference.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield to me?

Mr. GLICKMAN. I would be happy to yield.

Mr. WAXMAN. The gentleman raises an excellent issue. Doctors should be required to pay back their loans, and when we get into conference, we are going to look favorably upon a provision that will accomplish exactly that result.

I commend the gentleman for raising the issue.

Mr. GLICKMAN. Mr. Chairman, I thank my colleague.

Mr. MADIGAN. Mr. Chairman, I yield 4 minutes to the very distinguished gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. Mr. Chairman, I am pleased to join with the gentleman from Oregon in support of the section of this bill directing the Department of Health and Human Services to study ways to collect and interpret data on health care utilization and cost and then to provide technical assistance to health consumers and providers desiring to gather this type of data.

□ 1710

In my analysis of health care issues it has occured to me that accurate data is the key to holding back skyrocketing health costs through a competitive marketplace approach.

That key is missing in many parts of the Nation.

This proposal, Mr. Chairman, does not put the Federal Government in the business of collecting and disseminating health care cost information. It limits the Federal role to providing technical assistance to other organizations which will provide information to consumers, whether they be employers, organized groups, or individuals.

If we are to avoid complete Federal control over access to and pricing of health care, we need to encourage consumers to make more educated choices. Before consumers can determine where they can get the best at the most reasonable price they must have information comparing the services offered by health care providers.

This proposal helps achieve that goal. It is backed by a coalition of business, labor, and elderly groups and it deserves your support.

I commend the gentleman from Oregon [Mr. WYDEN] and the gentleman from Illinois [Mr. MADIGAN] for working out an agreement which helps further this proposal.

I base my own support of this proposal on our own experience in Iowa. The State of Iowa has been in the forefront of gathering and disseminating information on health care services and costs. In 1983 the Iowa legislature created the Iowa Health Data Commission, a centerpiece of Iowa's agenda for ensuring access to high quality affordable health care.

The commission, working with the Health Policy Corporation of Iowa, already has issued two landmark reports. One report examines variations in hospital charges across the State of Iowa for treatment of 25 frequently occurring diagnoses. Charges for treatment of a fractured upper femur, for example, ranged from $3,300 to over $8,200 in small hospitals and from $3,800 to $11,300 in large hospitals. Obviously consumers need this kind of information in order to determine where they can get the best deal and the best quality of service.

The second study reports changes in selected characteristics of Iowa hospitals between 1977 and 1982. Again the statistics are startling. In one hospital, for example, the total expenses per bed increased from $28,000 to $39,250

over the 5-year period. By the end of this year the third report will be released, providing information on doctor charges in all Iowa hospitals. I believe the information provided to Iowa consumers is key to our effort to both contain health costs and ensure continued access to high quality health care.

Whether these consumers are businesses selecting benefits for employees, individuals choosing hospitals, or doctors or local governments seeking to meet health care needs of their employees or citizens, all need information to make their decisions. When they have information, these decisions will unleash competitive forces which will bring about higher quality care at lower prices.

We in Iowa are fortunate to have much information already available and more on the way. But few other areas of the Nation have the ability to collect data, accurately analyze the information, and account for complicating factors, and disseminate that data.

I am very much aware of the nationwide need for the expertise to collect and analyze health care data. This legislation is a positive step toward making more of that expertise available to health care consumers across the Nation.

Mr. WAXMAN. Mr. Chairman, I yield 4 minutes to a very distinguished member of our subcommittee, the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. I thank the Chairman.

Mr. Chairman, I want to commend Chairman WAXMAN for, as usual, a very, very superb job in putting this legislation together.

I have a particular interest in title V. This is legislation that has been developed with our colleague from Iowa [Mr. TAUKE]. I also want to thank the gentleman from Illinois [Mr. MADIGAN] who has been enormously patient as we worked through the details of this section.

I also want to thank the gentleman from Arizona [Mr. MCCAIN] for his assistance in developing this legislation.

Mr. Chairman and colleagues, I think it is clear to all of us that health care costs are the new "Pac-man" in this country; they are literally gobbling up everything in sight. For example, for our businesses there are no costs rising faster than health care costs. I have a special interest in title V of this legislation because I believe, it would give health care purchasers for the first time, an opportunity to get a handle on what they are buying in the health care marketplace.

Moreover, I think it is high time that our citizens were in a position to be able to shop for health care in this country rather than, as they have in the past, literally just signing a blank check for their health care.

Since introducing this amendment to the legislation I have been contacted by many, many groups around the country, business groups, labor groups, senior citizens groups, who are currently attempting to gather health care consumer information in order to regain control of their health care bills.

I am very impressed with their efforts, but I think it is clear that these groups today are facing enormous roadblocks in getting the information they need, in knowing how to address the data for all the considerations that make health care data unique, and in interpreting it in a fair and responsible way.

To truly control the growth of health care costs we are going to need the cooperation of everyone in the marketplace; providers, insurers, and purchasers.

Many providers are trying to do their part now through the prospective payment system, and involvement in alternative health care delivery systems like HMO's and PPO's; insurers are trying to do their part by making alternatives available for consumers in the health care packages. And now it is time that we made it possible for purchasers to look more closely at the health care choices, negotiate the best possible health care prices and be in a position to educate themselves and their associates about the right way to use the health care system.

That is what this amendment does, Mr. Chairman and colleagues. It does not call for more bureaucracy. It does not call for volumes of Federal regulations or the addition of hundreds of Civil Service payrolls. Under this title the Federal Government will not be collecting health care data, nor will providers be required to make any data available. What title V does is add a missing ingredient to the effort to control health care costs.

Under this title health care purchasers will be able to request from the Department of Health and Human Services technical assistance, and state of the art information about how to collect and interpret health care consumer data.

I think this amendment is essential if we are going to create a more competitive health care marketplace.

The legislation is endorsed by groups from the U.S. Chamber of Commerce to the AFL-CIO, to the American Association of Retired Persons. It is compatible with the beliefs of the current administration and with Members of both sides of the aisle of this body.

It is another way for all of us to put our votes where our mouths are and provide the private sector with the tools to do the job we are asking of it in the health care marketplace.

Again, Mr. Chairman, I want to commend the chairman of the subcommittee [Mr. WAXMAN] who, as always, has been invaluable in preparing this title.

I thank my colleagues on the other side.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Illinois [Mr. MADIGAN] has 13 minutes remaining; the gentleman from California [Mr. WAXMAN] has 12 minutes remaining.

Mr. MADIGAN. Mr. Chairman, I yield 4 minutes to the gentleman from Arizona [Mr. MCCAIN].

Mr. MCCAIN. I thank the gentleman.

Mr. Chairman, I rise in support of title V of the Health Professions and Services Amendments of 1984.

This legislation would direct the Department of Health and Human Services to study methods of gathering health care data to be used for educating consumers when purchasing health care.

I would also like to extend my appreciation to the gentleman from Oregon [Mr. WYDEN] for this amendment and the very hard and dedicated work he has done on it. I think it is necessary. I feel that one of the only answers to bringing down the skyrocketing costs of health care in this Nation is to provide the consumer with much needed information which at present they do not have.

Mr. Chairman, under this program, the Department of Health and Human Services would provide consumers with state-of-the-art technical advice about how to collect, interpret, and share information about the use of health care services, the cost, and quality of these services. Groups which seek this information, such as State and local government employers, senior citizen groups, corporations, and unions could create their own scientific data banks to correctly interpret health care cost information.

Health care costs have risen far in excess of what is reasonable and measures must be taken to bring costs in line with the normal inflation rate. This health care "shopping bill" is one way to ensure that health care facilities are forthcoming with their pricing and performance data. Informed decisions concerning the purchase of health care can be made in the marketplace with the appropriate data. Health care facilities will be forced to compete for the consumer and thus offer quality services at a lower price.

Currently, a myriad of factors make using health care information a very difficult and complicated chore. Under this legislation, purchasers of health care will have access to uniform information which they will be able to interpret when making purchasing decisions.

In my judgment, title V will not create an additional layer of Government bureaucracy. It simply seeks to

redirect a portion of the Government's activities in the important area of health care costs.

A prime example of what can happen if there is no cooperation between the health care industry and consumers is occurring in Arizona. This November Arizona voters will go to the polls and vote on control of hospital costs. A bitter battle between the State's hospital industry and some of its largest employers involved the legislature in two emergency sessions.

A business-backed coalition wants to amend the Arizona constitution and establish a three-person Arizona Health Care Authority. They will be empowered to control hospital rates, services, and construction. Millions of dollars will be spent by both sides trying to influence the voters.

Even without an initiative campaign, we should all be concerned because the issue of containing health-care costs remains high on the agenda of State legislatures. Approximately 400 bills aimed at controlling health care costs are expected to be introduced in State capitols this year.

Title V is a step in the right direction. By striking down this barrier to competition that lack of information poses, we will be opening the door to cost-effective, proquality decisions in health care purchases.

□ 1720

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. COLEMAN].

Mr. COLEMAN of Texas. Mr. Chairman, I rise in support of the Health Professions and Services Amendments of 1984 and will strongly oppose any amendments to cut the authorization levels proposed in H.R. 5602.

Although America prides herself in her ability to care for her citizens, she falls shamefully short of adequate health care for her indigent citizens. The degree of neglect is exemplified by the care available to indigent citizens in the 16th Congressional District of Texas. Two community health care clinics in El Paso, Centro Medico del Valle and Centro de Salud Familiar La Fe, are burdened by an incredible demand on the health services they must provide.

The health clinics in El Paso serve areas which have been designated as medically underserved and health manpower shortage areas by the U.S. Department of Health and Human Services. Some of the criteria used in such designation include physician to population ratio, a high proportion of the population under age 5 and over age 65, the infant mortality rate, high incidences of poverty and accessibility barriers.

The Department of Health and Human Services has determined that a shortage of primary care exists when the ratio of physicians to the population in the area, in the group, or being served by the facility is 1 to 3,500. According to the 1980 census, the physician to population ratio in the areas in my district served by community health clinics were from the lowest 1 to 4,434 to the highest which was a staggering 0 to 17,644. It is remarkable that these clinics manage to exist on the skeletal budgets currently available to them. The major frustration of these health care providers is that at best the health care they are able to provide is minimal.

The majority of patients utilizing these clinics are people of low income who have come to depend on the clinics for medical service. The majority of the population in the clinics' service areas have incomes at or below the poverty level and unemployment well above the national average. The Texas Employment Commission data indicates an unemployment rate of about 16 percent and as high as 35 percent in some pockets of the service area to which I am referring.

In surveying the population groups served by the clinics, census information reveals that the majority are Mexican-Americans, approximately 20 percent are under 5 and over 65, approximately 25 percent are women in the child-bearing age range, and the mean age was about 20.5 years. This translates into specific health problems; family planning, infant mortality, prenatal care, maternity care, dental care, and chronic health problems in the elderly population.

I commend the committee for including provisions in the bill which would require the Department of Health and Human Services to review dedesignated health manpower shortage areas in order to ensure that medically underserved population groups have access to Federal programs even if they are in a geographic area which has experienced an increase in the number of physicians. The committee report correctly points out that this is not the only good indicator of access to health services for all population groups.

I support the continuance of the National Health Service Corps which provides doctors, nurses, dentists and other health care providers to the health manpower shortage areas. I strongly urge the Department of Health and Human Services to continue to fund salaries for these providers in critical areas, such as my district, especially when the private practice option (private organizations assuming financial responsibility for salaries) is not available.

Finally, I applaud efforts aimed at increasing medical care for our country's migrant workers whose transitory occupations create unique health needs and deserve special attention.

We cannot afford to neglect the health care needs of any of our citizens, least of all those who need it most but cannot afford it. I strongly urge my colleagues to support this legislation.

Mr. MADIGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. PURSELL], my intelligent, patient, and long-suffering colleague.

Mr. PURSELL. Mr. Chairman, H.R. 5602 calls for reauthorizing federally supported nursing education programs. I believe passage of this legislation is vital if we want to continue the high quality nursing programs we have in this Nation.

Federal funding of nursing education is not new. The Federal Government has provided assistance for nursing education since the 1930's.

Recognizing a severe shortage of professional nurses nationwide Congress passed the Nurse Training Act in 1964. This measure consolidated and expanded existing educational support programs authorized under title VIII of the Public Health Service Act.

Since 1964 with the support of title VIII the Nation's supply of nurses has increased substantially.

In 1964 there were only 550,000 registered nurses in this country. Today there are 1.7 million nurses nationwide.

However, in spite of the increased number of nurses we cannot withdraw our support of the programs in title VIII. If anything the advances nurses have made further emphasize the need for continuing financial support for nursing education.

Nursing can be instrumental both in reducing health care costs and providing quality health care services.

The nurse is the most cost-effective provider of care within our health care system. Research data now available shows nursing care can reduce recovery rates and increase the success of preventive health care. One study showed that improved care for certain surgery patients saved one hospital more than $51,000 and reduced the average patient stay by 40 to 50 percent.

Another study in Arizona showed that when school nurse practitioners were used the school district saved $19,000.

However, the latest study by the Institute of Medicine stated that a wide range of problems can be lessened only by substantially increasing the supply of nurses with advanced education.

If nursing is to continue to generate the number of graduates needed to maintain our Nation's supply of nurses then Federal assistance in the form of student loans and traineeships must be continued.

Lack of Federal funds for nursing students would mean a serious decline

in the number of nurses in this country.

Therefore, I urge my colleagues to join me in supporting H.R. 5602.

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I rise in strong support of this bill. I think it is a marvelous bill. I want to associate myself with the previous speaker. I commend the chairman, the gentleman from California [Mr. WAXMAN] and the minority member of the committee for fine work. We need programs that guarantee loans for our health students. We need programs that further the education of nurses who are central to health delivery. I love the idea of providing incentives for those who work in under-served areas. That is very, very important.

I want to take an opportunity also to commend my friend from Oregon [Mr. WYDEN] who is responsible for the thrust of title V that promotes the availability of consumer education about health care costs.

If there is one thing America needs it is better consumer information about health care. In these times of rampant health care inflation, it is absolutely critical that the public be able to understand and evaluate the cost of health care. This is so vital this insuring information to a quality health care system and that it be made available to the American people.

Mr. Chairman, we would not ask people to take a job without knowing the salary. We would not expect people to decide where to attend college without knowing the tuition. Nor should we ignore the information that people have a right to know concerning health care, especially in view of the fact that collectively we spend about 10 cents for every dollar on health care. We must have the benefit of data.

I want to take this opportunity again to commend the chairman, the gentleman from California [Mr. WAXMAN], the gentleman from Illinois [Mr. MADIGAN], and, of course, my friend from Oregon [Mr. WYDEN] for this wonderful bill.

□ 1730

I think, if anything, I certainly am going to oppose the amendment of my friend from California that guts this bill. If anything, we need more, not less of this type of programming.

● Mrs. SCHNEIDER. The legislation before us today, H.R. 5602, the health professisons and services amendments, offers a two-part approach to solving our current health manpower shortage. First, it authorizes the Federal funding crucial to the education of our Nation's aspiring health professionals. Professional education is an expensive proposition in any field, but nowhere is the need for financial support more compelling than in nursing, medicine, and public health. The average annual cost of a medical education at State schools is currently $10,639 for residents and $14,060 for out-of-State students. At private schools, it is $19,500. If we close the doors to health profession education to all but the most wealthy, then we do our Nation a great disservice. Clearly, we must afford talented, young people from all walks of life the opportunity to enter these fields. H.R. 5602 addresses this situation by reauthorizing new Federal capital contributions to the Health Professions Student Loan Program, and by assisting institutions in recruiting and providing financial aid to students from disadvantaged backgrounds.

Second, the health professions and services amendments reauthorizes the National Health Service Corps [NHSC] for 4 years. The NHSC has been one of the most successful health service programs authorized by the Congress, because it makes doctors, nurses, dentists, and other essential health care providers available in underserved areas. Currently, there are almost 3,000 NHSC providers serving over 2.5 million people in health manpower shortage areas across the country. In my own State of Rhode Island, both rural and inner city communities depend upon these individuals.

Today, we have a unique opportunity to promote the availability of quality health care services to all members of our society. I urge my colleagues to join me in supporting H.R. 5602.●

● Mr. DAVIS. Mr. Chairman, I rise in support of H.R. 5602, the Health Professions and Services Amendments of 1984.

Title IV of this bill is especially important because it provides for the health care needs of the rural and the poor. This legislation promotes high quality health care both efficiently and inexpensively through a network of community health centers.

Nationally, the 750 community health care centers serve 5 million people and save money by encouraging preventive medicine and by reducing inpatient costs as much as 50 percent. One study indicates that health centers saved the Medicaid Program $580 million in 1980 alone. This amounts to a medicaid savings of $1.62 for each dollar spent on health centers. Numerous studies have shown that these centers provide as efficient and effective care as other providers of medical care including private practitioners, group practices, and hospital-based settings—at equal or lower costs.

In my rural northern Michigan district, community health care centers serve tens of thousands of citizens with quality health care. They were instrumental in initiating regionwide CPR and emergency medical training programs, stop-smoking clinics, and home care programs for senior citizens. The centers are also credited with the significant decline of infant mortality rates. Such preventive measures reduce hospitalization and emergency care costs. Because my district has chronically high rates of unemployment and poverty, these health centers are an especially important component of the "safety net" that protects the less fortunate. Without these centers, where patients pay according to their ability, many rural Michigan residents—especially senior citizens—would be without basic health service.

Perhaps it is too rare of an occurrence when we have the opportunity to be both fiscally prudent and socially responsible. On behalf of the 5 million Americans now being served by community health care centers, and on behalf of the 51 million Americans who still do not have access to adequate health care, I strongly urge your support on this bill.●

● Mr. WALGREN. Mr. Chairman, critical to a sound health care system are the people who work in it—the nurses, doctors, dentists, clinic aides, laboratory technicians, and public health personnel who provide health care to our people. This country can be proud of its ability to train and provide a wide range of health care professionals to serve our Nation's health care needs.

The bill before us today will continue that commitment by extending the programs that provide loans to health care students to enable them to get their education. With the cost of higher education going through the roof, many students could not get an education without Federal loans and scholarships and I am pleased to vote to continue them today. I am also pleased that the bill embodies certain emphases to enhance particular aspects of health care delivery: training for nurse practitioners, physician assistants, and public health personnel; training programs in preventive medicine, family medicine, pediatrics, nutrition, alcoholism, public health, and health administration.

I am particularly grateful that as a member of the Health Subcommittee, I was able to help mold this bill and that the committee agreed to my amendment for a new initiative in geriatrics education. A February 1, 1984, report from the Department of Health and Human Services gives more than enough documentation of the problems, current and future.

Although 11 percent of the population are elderly and they consume 30 percent of all health care expenditures, only 1 percent of health training money is spent on training to treat the elderly.

In the year 2000 there will be 10 million more Americans over age 65 than today. Persons over 85 will more than

double. As more people live longer, the demands for medical services will increase.

By the year 2000, there will be 1 million more older people with disabilities. The elderly will make about 230 million visits to physicians, compared to 165 million in 1980, an increase of 40 percent. Short-term hospital care will jump by 50 percent. Residents of nursing homes will increase by over a million.

As families continue to disperse, more elderly will be living alone, with greater need for nursing and other support. To meet these staggering needs, all health professionals will require knowledge and skills to deal with aging.

I am pleased that the committee adopted my amendment to make a modest start to encourage health and medical education to meet this challenge. My amendment would target $2 million in 1985 and $3 million in 1986 for health professions schools to upgrade their curricula and faculty in geriatrics education.

The Department of Health and Human Services report indicates that many such schools have increased their attention to aging problems, but concludes, that "these activities are still very modest. Faculty members with special preparation in aging are in very short supply, ranging from 5 to 25 percent of the number required in different fields." In hearings entitled, "Young Physicians, Older Patients," our Subcommittee on Health found that medical students get very little exposure to the elderly. Forty percent of the medical schools offer no specific course in geriatrics and two-thirds have no rotation experience. Additionally, most training is in acute care—emergency cases in hospitals—not prevention or treatment of chronic health care problems of the aged. The Association of American Medical Colleges has noted, "Only sporadic, frequently uncoordinated efforts are presently underway." Similarly, the American Nursing Association found that "an inadequate number of health care professionals with the necessary expertise in gerontology, particularly nursing, have been prepared. . . ."

Our resources are so inadequate to the task that we have to be sure we are making the wisest effort. In the view of the professionals, the best bang for the buck would be to invest in the following: training of faculty members to teach students; developing new courses in geriatrics; and providing opportunities for people now working in health care to get retraining. My amendment targets funds for these specific purposes.

Clearly, training in all aspects of geriatrics should be integrated into medical school curricula. Students can and should experience a full range of multi-site, interdisciplinary opportunities to work with all types of older people, the dependent as well as the vigorous.

We should be concerned about a fundamental problem in providing the best health care to the elderly: Many in our society may just not be interested. An underlying problem may be an attitudinal one. Studies show our society harbors a subtle bias against the elderly. Our subcommittee hearings found that many doctors do not like to deal with declining or dying patients. They avoid treating old people because many of the ailments of the elderly by their nature do not improve. Many are fatal. Medical successes or reversals of disability or disease are rare. Additionally, older people require greater understanding and time in a good doctor-patient relationship. One witness before us talked about "significant and pervasive neglect of the elderly." Our witnesses suggested that many medical students unconsciously do not seek training in treating the elderly.

Medical education must face up to the "demographic imperative" of aging. We also must face up to the moral imperative. Not only do we spend our health dollars more effectively when we have trained personnel, we spend them more compassionately. I hope that my amendment will be a small stimulus to start moving us in the right direction and provide some leadership for all health professions schools to follow.●

● Mr. CORRADA. Mr. Chairman, I rise in support of H.R. 5602, the Health Professions and Services Amendments of 1984. I urge my colleagues to approve this legislation in a swift and diligent manner.

My support for this bill stems from the palpable benefits derived from the programs which the measure reauthorizes. The legislation provides for low-interest loans which not only enable many students to complete their studies but are a positive way of keeping health costs down by not overburdening future health practitioners with enormous debts from onerous student loans. These high cost loans would have to be paid with increased fees to the consumer.

In addition, the bill has incentives and special loans for the recruitment of students from disadvantaged backgrounds. The bill also reauthorizes some smaller programs for students with exceptional financial needs.

This bill carries particular emphasis in encouraging primary health care. There are special grants and other forms of financial assistance of the instructional programs in general internal medicine, general pediatrics, family medicine, and general dentistry. The National Health Service Corps is authorized through fiscal year 1988. Also, this bill will encourage students to enter the allied health professions and thus improve our general health delivery system.

Nursing is an essential part of that system, and as such, will receive significant funding increases through this bill. Included in the measure are moneys for advanced training programs, for nurse practitioners, and for midwives.

The community health centers and migrant health centers are authorized with increased funding.

Opponents of this bill will argue that it is too expensive, $172.5 million in fiscal year 1985. It should be pointed out that these moneys would be very well spent and will help reduce health expenditures in future years. Preventive health care is cheaper than remedial health care. This bill is a valid attempt at providing and encouraging the former.

Once again, I urge my colleagues to take a positive step toward the wellness of the citizens of the United States and approve this worthwhile measure.●

● Mr. FAUNTROY. Mr. Chairman, I rise in support of H.R. 5602, the Health Professions and Services Amendments of 1984. This legislation amends titles VII and VIII of the Public Health Service Act to extend the programs of assistance for the training of health professions personnel, to revise and extend the National Health Service Corps Program under the act, and to revise and extend the programs of assistance for health maintenance organizations and migrant and community health centers.

Legislation providing for Federal support of health professions education was first enacted by the Congress in 1963. Over the following 20 years, Congress expanded the Federal commitment for essentially two purposes: First, to increase enrollments at the various health professions schools; and second, to assure the financial viability of the schools. Congress felt that enrollments needed to be increased due to shortages of health manpower. Furthermore, Congress expanded the program to provide assistance to black, other disadvantaged minority and female health professions students. This action served to significantly increase the number of minority and female health professionals.

Among the reauthorization provisions in H.R. 5602 which I strongly support are the following:

First, Health Education Assistance Loan [HEAL] Program.

Second, Health Professions Student Loan [HPSL] Program.

Third, scholarships for first-year students of exceptional need.

Fourth, support for departments of family medicine.

Fifth, support for programs to train physician assistants.

Sixth, assistance to institutions in recruiting and providing educational assistance to students from disadvantaged backgrounds.

Seventh, support for health professions schools with advanced financial distress.

Eighth, 4-year extension of programs in nurse education, the National Health Service Corps Program, Health Maintenance Organizations, and Migrant and Community Health Centers.

Mr. Chairman, I strongly urge my colleagues to support H.R. 5602.●

● Mr. HAWKINS. Mr. Chairman, I rise in support of the nursing education amendment. This amendment would provide much needed aid for the training of individuals in advanced fields of nursing. Moreover, the provision of these funds will indirectly assist many of the residents in both rural and urban communities that are presently medically underserved. The continued funding of this program will help eliminate the shortage of health professionals practicing in predominantly black and Hispanic areas such as Watts, in my own district, the 29th District of California.

With recent funding cuts in the Health Education Assistance Loan [HEAL] Program, and the National Health Service Corps, individuals interested in careers in allied health professions and nursing have little or no funds available to them to pursue careers in this area. Thus, I urge my colleagues to support passage of this amendment, and to oppose any amendment that would eliminate these desperately needed funds.●

● Mr. FRENZEL. Mr. Chairman, today we are to consider H.R. 5602, to revise and extend the Public Health Service Act to extend the programs of assistance for the training of health professions personnel, revise and extend the National Health Service Corps Program and the programs of assistance under that act for health maintenance organizations and migrant and community health centers.

Few can argue with the success of many of these programs. The Nation's supply of registered nurses has tripled in the last 20 years, increasing from 550,000 in 1964 to 1.7 million today. In fact, Minnesota has an oversupply of nurses. The Public Health Service Act was enacted to provide educational assistance to health professions and avert an anticipated shortage of health care human resources, and improve access to, and quality of, medical services in America, and it has succeeded.

However, H.R. 5602 constitutes spending in excess of the House-passed budget on a program which has already achieved its goals. The bill would surely exacerbate the deficit problem facing the country.

The National Health Service Corps has been an extremely successful program in dealing with the maldistribution of health care professionals. This is another instance where a program has met its goals. And it has thereby decreased its need. When a Federal program is as successful as this one has been, there is no justification for spending the estimated outlays of $426.6 million in fiscal year 1985, $766.9 million in fiscal year 1986, $823.8 million in fiscal year 1987, $813.9 million in fiscal year 1988, and $327.4 million in fiscal year 1989.

The nearly $2 billion in spending will add about three fourths of a billion dollars to the deficit over the next 3 years. Nothing but an emergency can justify that kind of olympian spending, and there has been no showing of any emergency.

Committee testimony revealed that there are more than enough National Health Service corpsmen available for placement in health manpower shortage areas and that the available supply will exceed demand for at least the next few years. To increase the authorizations is in keeping with congressional tradition because we increase everything. But it simply does not make sense.

I applaud the splendid job this program has done for the many fine men and women who have chosen health careers, such as nurses, dentists, chiropractors, osteopaths, psychologists, and veterinarians. The work they have done has improved the status of our Nation's health care.

The deficit problem cannot take a back seat to such programs, particularly one such as this which has fulfilled its original intent. I must oppose this bill on the basis that the needs which created these programs have been largely met.

We still have a need to reduce the deficit, but this bill expands it in typical congressional style. H.R. 5602 represents gross overspending and ought to be defeated.●

● Mr. KLECZKA. Mr. Chairman, I rise in strong support of H.R. 5602, the Health Professions and Services Amendments of 1984.

Mr. Chairman, H.R. 5602 extends the authorizations of various programs under the Public Health Service Act which aid the training of health professionals and provide financial assistance to the National Health Service Corps, health maintenance organizations, and migrant and community health centers. This legislation will assure a continued supply of well-trained doctors and nurses and the continued existence of cost-saving health programs designed to serve the needy and those situated in health manpower shortage areas.

Of particular concern is title IV of H.R. 5602 which would set aside $395 million in fiscal year 1985 for community health centers. Considering the burden placed on the Federal budget as a result of soaring health care costs, funding for community health centers is a wise investment. Through strong efforts in health promotion and disease prevention, centers reduce costly inpatient care by as much as 50 percent. According to a study commissioned by the Department of Health and Human Services, community health centers saved the medicaid program $580 million in 1980. In addition, the centers themselves are extremely cost-efficient. Between 1974 and 1983, the centers decreased their costs per patient encounter by 21 percent. Perhaps more importantly, however, is the fact that in many communities, these health centers are the primary health care provider.

Community health centers are specifically situated in inner-city communities that cannot attract enough private practitioners and have been hardest hit by the recent economic recession. Furthermore, the health centers keep the people of the community healthy and productive.

Mr. Chairman, a prime example of the success of the Community Health Centers Program is the 16th Street Community Health Center of Milwaukee which has been serving the residents of my congressional district for nearly 15 years. Many of the poor and elderly in Milwaukee simply have no other place to turn for basic health care services. With a strong emphasis on preventive care, the center also provides prenatal care, nutrition education, and social services. Demands on the 16th Street Community Health Center have grown dramatically over the past several years with 9,000 patient visits expected in 1985.

Due to cuts in Federal health care programs and a continuing economic downturn in many areas, community health centers will likely face an increased demand for services over the next few years. H.R. 5602 provides a modest funding increase for community health centers that will allow them to meet this rising demand.

Mr. Chairman, H.R. 5602, will cost money. However, often, the Federal Government must spend now in order to save later. Community health centers, health maintenance organizations, migrant health centers are cost-effective ways of assuring adequate health care in communities across the Nation. With a focus on preventive health care, these organizations will continue to reduce the burden on other costly Federal health care programs.

Mr. Chairman, I urge my colleagues to support this legislation.●

Mr. WAXMAN. Mr. Chairman, I yield back the balance of my time.

Mr. MADIGAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time having expired, pursuant to the rule, the bill

will now be considered under the 5-minute rule by titles, and each title shall be considered as having been read.

The Clerk will now designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Health Professions and Services Amendments of 1984".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent that the remainder of the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the remainder of the bill is as follows:

TITLE I—PROGRAMS UNDER TITLE VII OF THE PUBLIC HEALTH SERVICE ACT

SEC. 101. (a) The first sentence of section 728(a) (42 U.S.C. 294a(a)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: "$275,000,000 for the fiscal year ending September 30, 1985; and $300,000,000 for the fiscal year ending September 30, 1986".

(b) The last sentence of such section is amended by striking out "1987" and inserting in lieu thereof "1989".

SEC. 102. (a) Section 740(a) (42 U.S.C. 294m(a)) is amended by inserting before the period the following: "and with any public or other nonprofit school which is located in a State and which offers graduate programs in clinical psychology".

(b) Section 740(b) is amended—

(1) by inserting before the semicolon at the end of paragraph (4) the following: "and to students pursuing a full-time course of study at the school in a graduate program in clinical psychology"; and

(2) by adding after paragraph (6) the following:

"For purposes of this section, the term 'graduate program in clinical psychology' has the meaning prescribed by section 737(3).".

(c) Section 701(5) (42 U.S.C. 292a(5)) is amended by inserting "or in clinical psychology" after "health administration".

SEC. 103. (a) Section 742(a) (42 U.S.C. 244(o)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$10,000,000 for the fiscal year ending September 30, 1985, and $10,700,000 for the fiscal year ending September 30, 1986".

(b) Section 740(b) (42 U.S.C. 294m(b)) is amended by adding after paragraph (6) the following: "With respect to fiscal years beginning after fiscal year 1984, each agreement shall provide that at least one-half of the Federal contribution in such fiscal years to the student loan fund of the school shall be used to make loans to individuals from disadvantaged backgrounds as determined in accordance with criteria prescribed by the Secretary.".

(c) Section 743 (42 U.S.C. 294p) is amended by striking out "1987" each place it occurs and inserting in lieu thereof "1989".

SEC. 104. Section 758(d) (42 U.S.C. 294z(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$8,000,000 for the fiscal year ending September 30, 1985, and $8,600,000 for the fiscal year ending September 30, 1986".

SEC. 105. Section 770(e)(4) (42 U.S.C. 295f(e)(4)) is amended by striking out "and" after "1983," and by inserting after "1984," the following: "$7,500,000 for the fiscal year ending September 30, 1985, and $8,000,000 for the fiscal year ending September 30, 1986,".

SEC. 106. Section 771(c)(1) (42 U.S.C. 295f 1(e)(1)) is amended by striking out "which exceeds" and all that follows in that section and inserting in lieu thereof the following: "which is at least the same as the number of full-time, first year students enrolled in such school in the school year beginning in the fiscal year ending September 30, 1976.".

SEC. 107. (a) Section 780(c) (42 U.S.C. 295g(c)) is amended by striking out "and" after "1983," and by inserting after "1984" a comma and the following: "$11,000,000 for the fiscal year ending September 30, 1985, and $11,800,000 for the fiscal year ending September 30, 1986,".

(b) Section 780 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:

"(c) In making grants under subsection (a), the Secretary shall give priority to an applicant which demonstrates to the satisfaction of the Secretary a commitment to making the applicant's family medicine program a permanent component of its medical education training program. Criteria to be used by the Secretary in evaluating an applicant's commitment include—

"(1) the proportion of the salaries of its family medicine faculty, residents, and fellows and other trainees paid from grants under subsection (a), from patient care revenues, and from other sources;

"(2) the number and proportion of family medicine faculty who are full time in regular tenured positions or positions leading to a tenured position and who are in part-time positions or in clinical, adjunct, or other faculty positions;

"(3) the number and proportion of faculty, residents, and fellows and other trainees in family medicine; and

"(4) the degree to which the numbers and proportions reported under paragraphs (1), (2), and (3) differ from those for other medical and surgical departments of the applicant.".

SEC. 108. The first sentence of section 781(g) (42 U.S.C. 295g-1(g)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$18,000,000 for the fiscal year ending September 30, 1985, and $19,200,000 for the fiscal year ending September 30, 1986".

SEC. 109. Section 782 (42 U.S.C. 295g-2) is amended to read as follows:

"GRANTS FOR SCHOOLS OF PUBLIC HEALTH

"SEC. 782. (a) The Secretary may make grants to public and nonprofit private schools of public health for projects to develop new programs or expand existing programs in human nutrition, geriatrics, health promotion and disease prevention, alcoholism, and injury due to accidents.

"(b) For grants under subsection (a) there are authorized to be appropriated $3,000,000 for fiscal year 1985, and $3,200,000 for fiscal year 1986.".

SEC. 110. Section 783(d) (42 U.S.C. 295g-3(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$6,000,000 for the fiscal year ending September 30, 1985, and $6,400,000 for the fiscal year ending September 30, 1986".

SEC. 111. (a) Section 784(b) (42 U.S.C. 295g-4(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$24,000,000 for the fiscal year ending September 30, 1985, and $28,000,000 for the fiscal year ending September 30, 1986".

(b) Section 784 is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) in making grants and entering into contracts under subsection (a), the Secretary shall give priority to an applicant which demonstrates to the satisfaction of the Secretary a commitment to making its general internal medicine and general pediatrics programs permanent components of its medical education training program. Criteria to be used by the Secretary in evaluating an applicant's commitment include—

"(1) the proportion of the salaries of general internal medicine and general pediatrics faculty residents, and fellows and other trainees paid from grants under subsection (a), from patient care revenues, and from other sources;

"(2) the number and proportion of general internal medicine and general pediatrics faculty who are full-time in regular tenured positions or positions leading to a tenured position and who are in part-time positions or in clinical, adjunct, or other faculty positions;

"(3) the number and proportion of faculty, residents, and fellows and other trainees in general internal family medicine and general pediatrics and in other internal medicine or pediatrics positions and programs of the applicant; and

"(4) the degree to which the numbers and proportions reported under paragraphs (1), (2), and (3) differ from those for the rest of the departments of internal medicine and pediatrics, and other medical and surgical departments of the applicant.".

SEC. 112. (a)(1) The first sentence of section 786(c) (42 U.S.C. 295g-6(c)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$38,000,000 for the fiscal year ending September 30, 1985, and $40,600,000 for the fiscal year ending September 30, 1986".

(2) Section 786(c) is amended by adding at the end the following: "In any fiscal year, the Secretary shall obligate for grants under subsection (b) not less than 7 percent of the amount appropriated under this subsection for such fiscal year.".

(b) Section 786 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) In making grants under subsection (a), the Secretary shall give priority to an applicant which demonstrates to the satisfaction of the Secretary a commitment to making its family medicine program a permanent component of its medical education training program. Criteria to be used by the Secretary in evaluating an applicant's commitment include—

"(1) the proportion of the salaries of family medicine faculty, residents, and fel-

lows and other trainees paid from grants for funds authorized under subsection (a), from patient care revenues, and from other sources;

"(2) the number and proportion of family medicine faculty who are full-time in regular tenured positions or positions leading to a tenured position and who are in part-time positions or in clinical, adjunct, or other faculty positions;

"(3) the number and proportion of faculty, residents, and fellows and other trainees in family medicine; and

"(4) the degree to which the numbers and proportions reported under paragraphs (1), (2), and (3) differ from those for other medical and surgical departments of the applicant.".

(c) Section 786(b) is amended—

(1) by inserting "or an approved advanced educational program in the general practice of dentistry" before the semicolon in paragraph (1); and

(2) by striking out "residents" in paragraph (2) and inserting in lieu thereof "participants".

SEC. 113. (a) The first sentence of section 787(b) (42 U.S.C. 295g-7(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$24,000,000 for the fiscal year ending September 30, 1985, and $25,700,000 for the fiscal year ending September 30, 1986".

(b)(1) Section 787(a)(1) is amended—

(A) by inserting a comma after "podiatry" and the following: "public and nonprofit private schools which offer graduate programs in clinical psychology,"; and

(B) by adding at the end the following: "*ERR20*'For purposes of this section, the term 'graduate programs in clinical psychology' has the meaning prescribed for that term by section 737(3).".

(2) Section 787(a)(2) is amended by inserting after subparagraph (E) the following:

"The term 'regular course of education of such a school' as used in subparagraph (D) includes a graduate program in clinical psychology.".

SEC. 114. (a) Section 788(f) (42 U.S.C. 295g-8(f)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: "4,000,000 for the fiscal year ending September 30, 1985; $4,300,000 for the fiscal year ending September 30, 1986".

(b)(1) Subsection (a)(1) of section 788 is amended to read as follows:

"(a)(1) The Secretary may make grants to maintain and improve schools which provide the first or last two years of education leading to the degree of doctor of medicine.".

(2) Paragraph (2) of section 788(a) is repealed and paragraph (3) of such section is redesignated as paragraph (2).

(3) Section 788(a)(2) (as so redesignated) is amended by inserting "or last" after "the first" and by inserting "or be operated jointly with a school that is accredited by" after "accredited by".

(4) Section 788(b) is amended to read as follows:

"(b) The Secretary may make grants to and enter into contracts with any health profession, allied health profession, or nurse training institution for special projects and programs for—

"(1) curriculum development and training in health policy and policy analysis, the organization, delivery, and financing of health care, the determinants of health and the role of medicine in health, and the delivery of health care services to low-income and aged persons;

"(2) curriculum and program development and training in applying the social and behavioral sciences to the study of health and health care delivery issues;

"(3) training in geriatric care and long-term care;

"(4) training in health promotion and disease prevention; and

"(5) curriculum development and training in human nutrition.".

(c) The heading for section 788 is amended to read as follows:

"TWO-YEAR SCHOOLS OF MEDICINE INTERDISCIPLINARY TRAINING, AND CURRICULUM DEVELOPMENT".

SEC. 115. (a) The first sentence of section 788B(h) (42 U.S.C. 295g-8b(h)) is amended to read as follows: "For the purpose of entering into contracts to carry out this section and section 788A there are authorized to be appropriated $6,000,000 for the fiscal year ending September 30, 1985, and $6,400,000 for the fiscal year ending September 30, 1986.".

(b) Subsections (b)(1) and (f) of section 788B are each amended by striking out "five years" and inserting in lieu thereof "seven years".

SEC. 116. (a) Section 791(d) (42 U.S.C. 295h(d)) is amended by striking out "and" after "1983", and by inserting before the period a comma and the following: "$2,500,000 for the fiscal year ending September 30, 1985, and $2,700,000 for the fiscal year ending September 30, 1986".

(b) Subsection (c)(2)(A)(i)(II) of section 791 is amended to read as follows:

"(II) such entity shall expend or obligate from non-Federal sources to conduct such programs at least $200,000 in fiscal year 1985 and $225,000 in fiscal year 1986;".

SEC. 117. Section 791A(c) (42 U.S.C. 295h-1a(c)) is amended by striking out "and" after "1980;" and by inserting before the period a semicolon and the following: "$1,000,000 for the fiscal year ending September 30, 1985; $1,100,000 for the fiscal year ending September 30, 1986".

SEC. 118. Section 792(c) (42 U.S.C. 295h-1b(c)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: $4,500,000 for the fiscal year ending September 30, 1985; and $4,800,000 for the fiscal year ending September 30, 1986".

SEC. 119. Section 793(c) (42 U.S.C. 295h-1(c)) is amended by striking out "and" after "1983" and by inserting before the period a comma and the following: "$3,000,000 for the fiscal year ending September 30, 1985, and $3,200,000 for the fiscal year ending September 30, 1986".

SEC. 120. Section 702(a) (42 U.S.C. 292b(a)) is amended (1) by striking out "four representatives" and inserting in lieu thereof "three representatives", (2) by striking out "podiatry, and public health" and inserting in lieu thereof "and podiatry", and (3) by inserting after "791" the following: "and one representative of schools of public health".

TITLE II—PROGRAMS UNDER TITLE VIII OF THE PUBLIC HEALTH SERVICE ACT

SEC. 201. The first sentence of section 820(d) (42 U.S.C. 296k(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$11,000,000 for the fiscal year ending September 30, 1985, $12,000,000 for the fiscal year ending September 30, 1986, $13,000,000 for the fiscal year ending September 30, 1987, and $14,000,000 for the fiscal year ending September 30, 1988".

SEC. 202. (a) Section 821(b) (42 U.S.C. 296l(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$19,000,000 for the fiscal year ending September 30, 1985, $20,000,000 for the fiscal year ending September 30, 1986, $21,000,000 for the fiscal year ending September 30, 1987, and $22,000,000 for the fiscal year ending September 30, 1988".

(b) Section 821(a) is amended by striking out all after paragraph (3) and inserting in lieu thereof the following: "programs which lead to masters and doctoral degrees and which prepare nurses to serve as nurse educators, administrators, and researchers or in clinical nurse specialties determined by the Secretary to require advanced training.".

SEC. 203. (a) Section 822(e) (42 U.S.C. 296m(e)) is amended to read as follows:

"(e) For grants and contracts under subsection (a) and (b), there are authorized to be appropriated $18,000,000 for fiscal year 1985, $19,000,000 for fiscal year 1986, $20,000,000 for fiscal year 1987, and $21,000,000 for fiscal year 1988.".

(b)(1) Section 822(a)(1) is amended by inserting "and nurse midwives" after "nurse practitioners" the first two times it appears in such section.

(2) Sections 822(a)(2), 822(b), and 822(c) are each amended by inserting "and nurse midwives" after "nurse practitioners".

(3) Section 822(a)(2)(A) is amended by inserting after "and which" the following: "in the case of nurse practitioners".

(4) The heading for section 822 is amended to read as follows:

"NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS".

SEC. 204. Subpart IV of part A of title VIII is amended by adding after section 822 the following new section:

"DEMONSTRATION GRANTS

"SEC. 823. (a) The Secretary may make grants to public and nonprofit private entities for projects to demonstrate—

"(1) improvements in clinical nursing care in institutions,

"(2) improvements in clinical nursing care in homes, independent nursing practice arrangements, and ambulatory facilities, and

"(3) programs to encourage nurses to practice in health manpower shortage areas.

"(b) For grants under subsection (a), there are authorized to be appropriated $8,000,000 for fiscal year 1985, $9,000,000 for fiscal year 1986, $10,000,000 for fiscal year 1987, and $11,000,000 for fiscal year 1988.".

SEC. 205. (a)(1) The first sentence of section 830(b) (42 U.S.C. 297(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$14,000,000 for the fiscal year ending September 30, 1985, $15,000,000 for the fiscal year ending September 30, 1986, $16,000,000 for the fiscal year ending September 30, 1987, and $17,000,000 for the fiscal year ending September 30, 1988".

(2) The second sentence of such section is amended by striking out "1981" and inserting in lieu thereof "1985".

(b) Paragraph (1) of section 830(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to public and nonprofit private schools of nursing to cover the cost of traineeships for nurses in masters degree and doctoral degree programs in order to educate such nurses—

"(i) to teach in the various fields of nurse training (including practical nurse training),

"(ii) to serve in administrative or supervisory capacities, or

"(iii) to serve in other professional nursing specialties determined by the Secretary to require advanced training.

"(B) The Secretary may make grants to public and nonprofit private schools to cover the cost of traineeships in certificate or degree programs to educate nurses to serve in and prepare for practice as nurse practitioners and nurse midwives.".

SEC. 206. Section 831(b) (42 U.S.C. 297-1(b)) is amended to read as follows:

"(b) For grants under subsection (a), there are authorized to be appropriated $1,000,000 for fiscal year 1985, $1,200,000 for fiscal year 1986, $1,400,000 for fiscal year 1987, and $1,600,000 for fiscal year 1988.".

TITLE III—NATIONAL HEALTH SERVICE CORPS PROGRAM

SEC. 301. (a) Section 338(a) (42 U.S.C. 254k(a)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: "$90,000,000 for the fiscal year ending September 30, 1985; $95,000,000 for the fiscal year ending September 30, 1986; $100,000,000 for the fiscal year ending September 30, 1987; and $105,000,000 for the fiscal year ending September 30, 1988".

(b) Section 338F(a) (42 U.S.C. 294y(a)) is amended—

(1) by striking out "1982, and each of the two" in the second sentence and inserting in lieu thereof "1985, and each of the three",

(2) by striking out "1984" each place it occurs and inserting in lieu thereof "1988", and

(3) by striking out "1985, and for each of the two" and inserting in lieu thereof "1989, and for each of the three".

SEC. 302. Section 338C(a)(2) (42 U.S.C. 294v(a)(2)) is amended by inserting before the period the following: "for which the Secretary has made the evaluation and determination described in section 333(a)(1)(D)".

SEC. 303. Section 338C(b) is amended by inserting at the end the following: "The Secretary shall take such action as may be appropriate to assure that the conditions of the written agreement prescribed by this subsection are adhered to.".

SEC. 304. Section 332(a)(1) (42 U.S.C. 254e(a)(1)) is amended by adding at the end the following: "The Secretary may not remove an area from the areas determined to be health manpower shortage areas under clause (A) unless the Secretary also determines that such an area does not have a population group described in clause (B) or a facility described in clause (C).".

TITLE IV—HEALTH MAINTENANCE ORGANIZATIONS AND MIGRANT AND COMMUNITY HEALTH CENTERS

SEC. 401. (a) Section 1309(b) (42 U.S.C. 300e-8(b)) is amended by striking out "1982, 1983, and 1984" and inserting in lieu thereof "1985, 1986, 1987, and 1988".

(b) Section 1305(d) (42 U.S.C. 300e-4(d)) is amended by striking out "September 30, 1986" and inserting in lieu thereof "September 30, 1989".

SEC. 402. (a) The first sentence of section 329(h)(1) (42 U.S.C. 247d(h)(1)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$55,000,000 for the fiscal year ending September 30, 1985, $60,000,000 for the fiscal year ending September 30, 1986, $66,000,000 for the fiscal year ending September 30, 1987, and $73,000,000 for the fiscal year ending September 30, 1988".

(b) Section 329(d)(2) is amended by inserting before the semicolon the following: "and the costs of repaying loans made by the Farmer's Home Loan Administration for buildings".

SEC. 403. Section 330(g) (42 U.S.C. 254c(g)) is amended by striking out paragraphs (1) and (2), by redesignating paragraph (3) as paragraph (2), and by inserting before that paragraph the following:

"(g)(1) For grants under subsection (d), there are authorized to be appropriated $385,000,000 for fiscal year 1985, $425,000,000 for fiscal year 1986, $465,000,000 for fiscal year 1987, and $515,000,000 for fiscal year 1988. The Secretary may not expend for grants under subsection (d)(1)(C) in any fiscal year an amount which exceeds 5 per centum of the funds appropriated under this paragraph for that fiscal year.".

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 7, insert after "section" the following: "and section 741".

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent that the committee amendments be considered en bloc and that they be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the remaining committee amendments is as follows:

Committee amendments: Page 3, insert after line 10 the following:

(d)(1) Sections 741(b) and 741(f)(1)(A) are each amended by inserting "a doctoral degree in clinical psychology or an equivalent degree," after "doctor of optometry or an equivalent degree,".

(2) Section 741(c) is amended by inserting after "veterinary medicine" the following: "or at a school in a graduate program in psychology".

Page 4, strike out line 22 through line 2 on page 5 and insert in lieu thereof the following:

SEC. 106. Paragraph (1) of section 771(e) (42 U.S.C. 295f-1(e)) is amended to read as follows:

"(1) To be eligible for a grant under section 770 for a fiscal year beginning after fiscal year 1984, the product of the hours of instruction offered by a school of public health and the number of students enrolled in such hours of instruction in such school, in the school year beginning in fiscal year 1985 and in each school year thereafter beginning in a fiscal year in which a grant under section 770 is applied for, shall be at least the same as the product of the hours of instruction offered by the school and the number of students enrolled in such hours of instruction in the school year beginning in fiscal year 1984.".

Page 6, beginning in line 5 strike "Criteria" and all that follows through line 23 and insert close quotation marks and a period.

Page 6, line 24, insert "(a)" after "108." and insert after line 4 on page 7 the following:

(b)(1) Section 781(a)(2) is amended by striking out "enter into contracts with schools of medicine and osteopathy," and insert in lieu thereof the following: "enter into contracts with schools of medicine and osteopathy, and public or nonprofit private entities which have served as regional area health education centers,".

(2) The last sentence of section 781(g) is amended by striking out "may" and inserting in lieu thereof "shall".

Page 8, beginning in line 18 strike "Criteria" and all that follows through line 15 on page 9 and insert close quotation marks and a period.

Page 10, beginning in line 10 strike "criteria" and all that follows through line 4 on page 11 and insert close quotation marks and a period.

Page 12, insert before the first period in line 15 the following: "or osteopathy".

Page 12, insert after the first period in line 16 the following: "Grants provided under this paragraph to schools which were in existence on the date of the enactment of the Health Professions and Services Amendments of 1984 may be used for construction and the purchase of equipment.".

Page 12, line 23, strike out "and" and insert in lieu thereof a comma and the following: "by inserting 'or osteopathy' after 'medicine' and".

Page 13, strike out line 17 and redesignate the succeeding paragraphs accordingly.

Page 14, redesignate subsection (c) in line 23 as subsection (d) and insert after line 21, page 13, the following:

(c)(1) Section 788(d) is amended—

(A) by striking out "with schools of medicine or osteopathy or other appropriate public or nonprofit private entities to assist in meeting the costs of such schools or entities" and inserting in lieu thereof "with accredited health professions schools referred to in section 701(4) to assist in meeting the costs of such schools"; and

(B) by amending paragraph (1) to read as follows:

"(1) improve the training of health professionals in geriatrics, develop and disseminate curriculum relating to the treatment of the health problems of the elderly, expand and strengthen instruction in such treatment, support the training and retraining of faculty to provide such instruction, and support continuing education of health professionals in such treatment; and".

(2) Section 788(f) is amended—

(A) in inserting "(1)" after "(f)",

(B) by striking out "For purposes of this section" and inserting in lieu thereof "For purposes of subsections (a), (b), (c), and (e) of this section", and

(C) by adding at the end the following:

"(2) For purposes of subsection (d) there are authorized to be appropriated $2,000,000 for fiscal year 1985 and $3,000,000 for fiscal year 1986.".

Page 15, line 19, strike out "(i)(II)" and insert in lieu thereof "(ii)", and in line 21, strike out "(II)" and insert in lieu thereof "(ii)".

Page 16, insert after line 23 the following:

SEC. 121. (a)(1) Section 701(4) (42 U.S.C. 292a(4)) is amended (A) by inserting "'school of chiropractic'," after "'school of dentistry,'", and (B) by inserting "degree of doctor of chiropractic," after "doctor of dentistry or an equivalent degree,".

(2) Section 701(5) is amended by inserting "chiropractic," after "dentistry,".

(b)(1) Section 740(a) (42 U.S.C. 2940(a)) is amended by inserting "chiropractic," after "dentistry,".

(2) Sections 740(b)(4), 741(b), and 741(f)(1)(A) are each amended by inserting

"degree of doctor of chiropractic," after "doctor of dentistry or an equivalent degree,".

(3) Section 741(c) is amended by inserting "chiropractic," after "dentistry,".

(4) Section 742(a) (42 U.S.C. 294(a)) is amended by adding at the end the following: "Of the amount appropriated under this subsection for any fiscal year, not more than 4 per centum of such amount shall be made available for Federal capital contributions for student loan funds at schools of chiropractic.".

(c)(1) Section 787(a)(1) (42 U.S.C. 295g-7(a)(1)) is amended by inserting "chiropractic," after "dentistry,".

(2) Section 787(b) is amended by inserting at the end the following: "Of the amount appropriated under this subsection for any fiscal year, not more than 4 per centum of such amount shall be obligated for grants or contracts to schools of chiropractic.".

Page 18, strike out lines 6 through 10 and insert in lieu thereof the following: "$12,000,000 for the fiscal year ending September 30, 1985, $13,000,000 for the fiscal year ending September 30, 1986, $14,000,000 for the fiscal year ending September 30, 1987, and $15,000,000 for the fiscal year ending September 30, 1988".

Page 18, strike out lines 18 through 22 and insert in lieu thereof the following:

$21,000,000 for the fiscal year ending September 30, 1985,

$22,000,000 for the fiscal year ending September 30, 1986,

$23,000,000 for the fiscal year ending September 30, 1987, and $24,000,000 for the fiscal year ending September 30, 1988.

Page 19, beginning in line 12 strike out "$18,000,000" and all that follows through line 15 and insert in lieu thereof the following:

$19,000,000 for the fiscal year ending September 30, 1985,

$20,000,000 for the fiscal year ending September 30, 1986,

$21,000,000 for the fiscal year ending September 30, 1987, and $22,000,000 for the fiscal year ending September 30, 1988.

Page 19, insert before the period in line 25 the following: "each place it occurs".

Page 20, redesignate paragraph (4) in line 7 as paragraph (5) and insert after line 3 the following:

(4) Section 822(b)(3) is amended by inserting before "for a period" the following: "or in a public health care facility".

Page 21, strike out lines 4 through 8 and insert in lieu thereof the following:

$15,000,000 for the fiscal year ending September 30, 1985, $16,000,000 for the fiscal year ending September 30, 1987, $17,000,000 for the fiscal year ending September 30, 1987, and $18,000,000 for the fiscal year ending September 30, 1988".

Page 25, insert after line 8 the following:

TITLE V—HEALTH CARE CONSUMER INFORMATION

SEC. 501. Section 304 of such Act (42 U.S.C. 242k) is amended by adding at the end the following:

"(e)(1) The Secretary shall—

"(A) study (i) criteria and methodologies for use in collecting and disseminating health care consumer information, including information on alternative health care delivery systems and aggregate information on health care cost and utilization, and (ii) means to assist in collecting and disseminating such information;

"(B) Prepare a plan for furnishing to the public, upon request, technical assistance (i) in the use of the criteria and methodologies described in subparagraph (A), (ii) in the use of information on alternative health care delivery systems, and (iii) to identify sources of information which are appropriate for use in collecting and disseminating health care consumer information described in subparagraph (A);

"(C) not later than 6 months after the completion of the study and preparation of the plan required by subparagraphs (A) and (B), carry out, to the extent feasible, the activities for which the plan was prepared under subparagraph (B); and

"(D) develop improvements in criteria and methodologies for use in collecting and disseminating health care consumer information and develop methodologies for defining and measuring quality of health care services.

Not later than 9 months after the date of the enactment of this subsection, the Secretary shall complete the study required by subparagraph (A), shall complete the plan required by subparagraph (B), and report to Congress the results of the study and the completion of the plan.

"(2) In carrying out paragraph (1), the Secretary shall consult with the National Committee on Vital and Health Statistics established under section 306(k)(1), the Health Care Financing Administration, the Prospective Payment Assessment Commission, and representatives of—

"(A) physicians, hospitals, and other health care providers,

"(B) insurers,

"(C) businesses, unions, and public entities which purchase health care through insurance or selfinsurance, and

"(D) members of the general public.

"(3) In carrying out paragraph (1), the Secretary shall assure that health care consumer information is collected, identified, and interpreted in a matter consistent with the confidentiality of individually identifiable patient medical information.".

AMENDMENTS OFFERED BY MR. WAXMAN TO THE COMMITTEE AMENDMENTS

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent to offer a series of amendments to the committee amendments and to have those amendments considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the amendments to the committee amendments offered by Mr. WAXMAN to be considered en bloc is as follows:

Amendments offered by Mr. WAXMAN to the committee amendments: Page 7, strike out lines 5 through 10 and insert in lieu thereof the following:

(b)(1) Section 781(a)(2) is amended by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively and by striking out all that precedes clause (i) (as so redesignated) and inserting in lieu thereof the following:

"(2)(A) The Secretary shall enter into contracts with schools of medicine and osteopathy—

"(i) which have previously received Federal financial assistance for an area health education center program under section 802 of the Health Professionals Education Assistance Act of 1976 in fiscal year 1979 or under paragraph (1), or

"(ii) which are receiving assistance under paragraph (1),

to carry out projects described in subparagraph (B) through area health education centers for which Federal financial assistance was provided under paragraph (1) and which are no longer eligible to receive such assistance.

"(B) Projects for which assistance may be provided under subparagraph (A) are—".

Page 18, insert "and" after "1986," in line 12 and strike out the comma after "1987" in line 13 and all that follows through "1988" in line 14.

Page 18, insert "and" after "1986," in line 24 and strike out the comma after "1987" in line 1 on page 19 and all that follows through "1988" in line 2 on that page.

Page 19, insert "and" after "1986," in line 17 and strike out the comma after "1987" in line 18 and all that follows through "1988" in line 19.

Page 21, insert "and" after "1986," in line 10 and strike out the comma after "1987" in line 11 and all that follows through "1988" in line 12.

The CHAIRMAN. Is there any debate on the amendments to the committee amendments? If not, the question is on the amendments offered by the gentleman from California [Mr. WAXMAN] to the committee amendments.

The amendments to the committee amendments were agreed to.

The CHAIRMAN. Is there any debate to be had on the committee amendments?

AMENDMENT OFFERED BY MR. WYDEN TO THE COMMITTEE AMENDMENTS, AS AMENDED

Mr. WYDEN. Mr. Chairman, I offer an amendment to the committee amendments.

The Clerk read as follows:

Amendment offered by Mr. WYDEN to the committee amendments, as amended: Page 25, strike out line 13 and all that follows through on line 10 on page 27 and insert in lieu thereof the following:

"(e)(1) The Secretary shall—

"(A) study (i) criteria and methodologies for use in collecting and disseminating aggregate health care cost and utilization data and other health care consumer information, (ii) Federal laws and programs under which such information is collected and disseminated and the activities of public and private entities and individuals in the collection and dissemination of such information, and (iii) means to assist in collecting and disseminating such information through public and private entities and individuals;

"(B) develop improvements in criteria and methodologies for use in collecting and disseminating health care consumer information and develop methodologies for defining and measuring quality of health care services;

"(C) prepare a plan for having appropriate public or private entities, or both, furnish, either directly or through referral, to the public, upon request, technical assistance relating to the criteria and methodologies identified in subparagraph (A); and

"(D) not later than six months after the completion of the study and preparation of the plan required by subparagraphs (A) and (C), carry out, to the extent feasible, the plan prepared under subparagraph (C).

Not later than nine months after the date of the enactment of this subsection, the Secretary shall complete the study required by subparagraph (A), shall complete the plan required by subparagraph (C), and report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate the results of the study and the developed plan. The Secretary shall also periodically report to such committees on the actions taken under subparagraph (B) and the technical assistance provided under the plan.

"(2) In carrying out paragraph (1), the Secretary shall consult with the National Committee on Vital and Health Statistics established under section 306(k)(1), the Health Care Financing Administration, the Prospective Payment Assessment Commission, and representatives of—

"(A) physicians, hospitals, and other health care providers,

"(B) insurers,

"(C) businesses, unions, and public entities which purchase health care through insurance or self-insurance, and

"(D) health care consumers.

"(3) In carrying out paragraph (1), the Secretary shall assure that the methodology and criteria referred to in subparagraphs (A) and (B) of such paragraph shall protect the confidentiality of individually identifiable patient medical information.

"(4) This subsection does not authorize the Secretary to require the disclosure of any information.".

Mr. WYDEN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. WYDEN. Mr. Chairman, this is a technical amendment. It has been worked out with the minority. I think this amendment represents a strong bipartisan support for this title, a major step forward, in my view, in strengthening and clarifying the opportunity for health care purchasers.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. WYDEN. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I want to congratulate the gentleman on his amendment and say that we have had an opportunity to review it on this side and to work with him, and we intend to support it.

Mr. WYDEN. I thank the gentleman.

Mr. WAXMAN, Mr. Chairman, will the gentleman yield?

Mr. WYDEN. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I congratulate the gentleman, as well, on these amendments, and we enthusiastically support them.

Mr. WYDEN. I thank the gentleman.

The CHAIRMAN. Is there any further debate on the amendment offered by the gentleman from Oregon? If not, the question is on the amendment offered by the gentleman from Oregon [Mr. WYDEN] to the committee amendments, as amended.

The amendment to the committee amendments, as amended, was agreed to.

The CHAIRMAN. The question is on the committee amendments, as amended.

The committee amendments, as amended, were agreed to.

PARLIAMENTARY INQUIRY

Mr. WAXMAN. Mr. Chairman, a point of parliamentary inquiry. The committee amendments have just been adopted; is that correct?

The CHAIRMAN. Yes; the committee amendments have been adopted en bloc, as amended.

AMENDMENTS OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer a series of amendments, and I ask unanimous consent that they be considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. MADIGAN. Mr. Chairman, reserving the right to object, under my reservation I would ask the gentleman from California if he intends to explain the amendments.

Mr. WAXMAN. If the gentleman will yield to me, I will give the gentleman as much explanation as he desires.

Mr. MADIGAN. I do not desire very much. I know what is in them. But I think some of our colleagues might want to hear a little bit about them.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the amendments offered by Mr. WAXMAN to be considered en bloc is as follows:

Amendments offered by Mr. WAXMAN:

Page 3, insert after line 19 the following:

(e)(1) Section 741(c) is amended by adding at the end the following: "If an individual who was a full-time student at a school described in the preceding sentence—

"(1) leaves the school to engage in an activity which is directly related to the health profession for which the individual is preparing and leaves with the intent to return to such school as a full-time student, and

"(2) engages in such activity for not more than two years,

such individual may not be required under the preceding sentence to begin loan repayments.".

(2) The amendment made by paragraph (1) shall take effect as of June 30, 1982.

Page 17, insert after line 25 the following:

SEC. 122. Section 709(d) (42 U.S.C. 292j(d)) is amended to read as follows:

"(d) Funds appropriated under this title may be used by the Secretary to provide technical assistance in relation to any of the authorities under this title.".

Page 20, insert "and" after "1986," in line 25 and strike out the comma after "1987" in line 26 and all that follows through "1988" in that line.

Page 22 insert "and" after "1986," in line 13 and strike out the comma after "1987" in line 14 and all that follows through "1988" in that line.

Page 22, strike out lines 21 through 24 and insert in lieu thereof the following:

"$90,000,000 for the fiscal year ending September 30, 1986; $95,000,000 for the fiscal year ending September 30, 1987; and $100,000,000 for the fiscal year ending September 30, 1988".

Page 24, strike out lines 13 through 17 and insert in lieu thereof the following:

"$47,000,000 for the fiscal year ending September 30, 1985, $51,000,000 for the fiscal year ending September 30, 1986, $58,000,000 for the fiscal year ending September 30, 1987, and $64,000,000 for the fiscal year ending September 30, 1988".

Page 25, strike out "appropriated" in line 2 and all that follows through line 4 and insert in lieu thereof the following:

appropriated: $375,000,000 for fiscal year 1985, $410,000,000 for fiscal year 1986, $445,000,000 for fiscal year 1987, and $482,000,000 for fiscal year 1988. The

Page 25, insert after line 8, the following:

SEC. 404. No health maintenance organization may be required, as a condition for being federally qualified under title XIII of the Public Health Service Act, to include organ transplants, other than kidney transplants, in its basic health services (as defined in section 1302 of such Act) before the health maintenance organization's contract year beginning after January 1, 1986. In making any determination whether an organ transplant procedure should be included in a health maintenance organization's contract entered into after January 1, 1986, the Secretary shall provide an opportunity for public comment on the proposed determination prior to its implementation.

Mr. WAXMAN. Mr. Chairman and my colleagues, the amendments that we have adopted pursuant to negotiations with the minority reduce the funding levels for many of the programs that are reauthorized in this legislation. There is before us, as well, an amendment which provides authority to use some title VII funds for technical assistance, as the Secretary already may under title VIII. It is a very technical amendment. By and large, the amendments that we have offered en bloc have fulfilled the compromise that we have worked out with the minority, which primarily dealt with reducing the funding levels to a point which is acceptable, I presume, to the ranking minority member of our subcommittee.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Illinois.

Mr. MADIGAN. So what we are considering now is the $218.6 million reduction in authorization. That is included in what we are doing right now?

Mr. WAXMAN. Much of that, I understand, was already adopted, but it is part of the overall procedure of

what we are moving to accomplish here to accomplish that agreement. The motion right before us at the present time is very technical. All of the amendments that we have considered en bloc within the last 5 minutes, or so, have accomplished exactly that purpose.

Mr. MADIGAN. I thank the gentleman.

The CHAIRMAN. Is there further discussion on the amendments offered by the gentleman from California? If not, the question is on the amendments offered by the gentleman from California [Mr. WAXMAN], which are being considered en bloc.

The amendments were agreed to.

AMENDMENT OFFERED BY MRS. BOGGS

Mrs. BOGGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. Boggs: Page 3, insert after line 19 the following:

(c)(1) Section 741(c) is amended by adding at the end the following: "If an individual who was a full-time student at a school described in the preceding sentence—

"(1) leaves the school to engage in an activity which is directly related to the health profession for which the individual is preparing and leaves with the intent to return to such school as a full-time student, and

"(2) engages in such actitivity for not more than two years,

such individual may not be required under the preceding sentence to begin loan repayments.".

(2) The amendment made by paragraph (1) shall take effect as of June 30, 1982.

Mrs. BOGGS (during the reading). Mr. Chariman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Louisiana?

There was no objection.

Mrs. BOGGS. Mr. Chairman, under the Public Health Service Act, which governs the Health Professions Student Loan Program, health professions student loans must be repaid over a 10-year period which begins 1 year after the student who received the loan ceases to pursue a full-time course of study. Unfortunately, the regulations issued persuant to the act are not flexible enough to address situations in which a health professions student leaves his or her school for more than a 1-year period in order to participate in a special internship or training program directly related to his or her discipline.

I am personally aware of an instance in which a medical student left medical school in order to participate in a program directly related to the study of medicine. Because this fellowship lasted more than 1 year, his health professions student loan was placed in a repayment status even though he returned to medical school after internship. Other students are similarly situated.

The purpose of this amendment is simply to correct this situation. It is not intended to affect the repayment schedule of students leaving health professions studies without clear intentions of returning. Rather, it is intended to address very limited instances in which an individual leaves school to engage in an activity directly related to his or her health profession with the intent of returning to that school to complete necessary course work. This special exception is to be granted for leaves that last no more than 2 years.

I thank the gentleman from California for his advice and assistance in dealing with this situation.

I urge adoption of the amendment.

Mr. WAXMAN. Mr. Chairman, will the gentlewoman yield?

Mrs. BOGGS. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentlewoman for yielding.

Mr. Chairman, we have had an opportunity to review this amendment. I think it is a very worthwhile amendment. It is made necessary by the way the Department chose to interpret the relevant provision in the case of a student who did a fellowship during medical school, and we would join in supporting that amendment.

Mrs. BOGGS. I thank the gentleman.

Mr. MADIGAN. Mr. Chairman, will the gentlewoman yield?

Mrs. BOGGS. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I want to congratulate the gentlewoman on her taking this much interest in this individual and I assure her that on the minority side we intend to support her amendment.

□ 1740

Mrs. BOGGS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Louisiana [Mrs. BOGGS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON: Page 27, insert after line 10 the following:

TITLE VI—PLAGUE

SEC 601. Section 317 (42 U.S.C. 247b) is amended by adding at the end the following:

"(K) The Secretary, acting through the Director of the Centers for Disease Control, may make grants to States for the control of plague. For grants under this subsection, there are authorized to be appropriated $1,000,000 for each of the fiscal years 1985, 1986, and 1987.".

Mr. RICHARDSON. Mr. Chairman, while plague is classified as a rare disease in the United States, in my district in northern New Mexico and in other locations in the country, plague presents a unique and major hazard to the public health. The amendment I am offering today addresses the need for additional funding for research in meaningful plague prevention strategies.

Plague is primarily a disease of rodents and their fleas. Humans are infected after being bitten by rodent fleas. Plague is found in rodents throughout the American West. Plague, if untreated, has a 60-percent fatality rate.

In my home State of New Mexico, there have been 143 cases of plague since 1949. New Mexico reports over two-thirds of the Nation's plague cases each year; 84 percent of New Mexico's plague cases each year occur in my district. Three plague cases have already been reported in New Mexico this year.

There is, at present, no good prevention strategy for plague. Large-scale rodent/flea control has been tried and proven ineffective. Educating the public to seek early medical treatment and educating physicians in diagnosis and therapy of plague has resulted in a decreased fatality rate but does not attack the plague problem at its root—prevention of the disease.

In February 1984, the Ad Hoc National Plague Prevention and Control Committee met in Santa Fe to discuss strategies for plague prevention. The overwhelming conclusion of those in attendance was that there is a strong need for additional research in plague prevention to include the basic biology of flea vectors and plague ecology; documentation of the role of pets in transporting or transmitting plague to humans; studies to delineate plague risk factors among humans; evaluation and improvement of existing plague control strategies directed at preventing human cases; and development of improved and simplified laboratory diagnostic tests.

While a large number of plague cases occur in New Mexico, plague cases are reported in many other States throughout the country. My amendment would authorize $1 million per year for the next 3 years to be used to research plague prevention strategies. These funds would go to the Center for Disease Control to be allocated to State health agencies and other interested research groups on a competitive basis.

Mr. Chairman, the last plague fatality in New Mexico was a 71-year-old gentleman who was exposed to the disease while chopping wood. His family has written me urging the Congress to do everything it can to keep other families from suffering as they have. This family has also started a fund for plague education at St. Vincent's Hos-

pital in Santa Fe where Mr. Morrison died. The ultimate goal of this amendment is to prevent these tragedies from reoccurring by eliminating plague as a health hazard throughout the United States. I urge my colleagues to support my amendment which addresses a very real need—the prevention of bubonic and pneumonic plague.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, I have had an opportunity to discuss this situation with the gentleman on previous occasions and I am shocked to hear about the situation in his district.

We would fully support this amendment, and I want to work with the gentleman further. I think it may be necessary for our committee to come out there to New Mexico to hold hearings to look further into the situation. We ought not to, in this day and age, permit recurrence of the plague, such a dreaded disease to occur anywhere in our Nation today.

I want to commend the gentleman for the leadership he has given to try and deal with this very serious public health problem.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman.

Mr. MADIGAN. I want to associate myself with the remarks of the gentleman from California, and assure the gentleman from New Mexico that we also want to be helpful to him in dealing with this very serious public health problem in New Mexico. We certainly intend to support his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment

The Clerk read as follows:

Amendment offered by Mr. SOLOMON: Page 17, insert after line 25 the following:

SEC. 122. (a)(1) Section 731(a)(1)(A) (42 U.S.C. 294d(a)(1)(A)) is amended by striking out "and" at the end of clause (iii), by redesignating clause (iv) as clause (v), and by inserting after clause (iii) the following:

"(iv) if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section has presented himself and submitted to registration under such section; and".

(2) Section 731(a)(1)(B) is amended by striking out "and" at the end of clause (ii), by redesignating clause (ii) as clause (iv), and by inserting after clause (ii) the following:

"(iii) if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section has presented himself and submitted to registration under such section; and".

(3) Section 741(b) (42 U.S.C. 294-n(b)) is amended by inserting "(1)" after "student" and by inserting before the period a comma and the following: "and (2) who if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section has presented himself and submitted to registration under such section".

(b) The Secretary of Health and Human Services, in cooperation with the Director of Selective Service, shall conduct a study to determine if health professions schools are engaged in a pattern or practice of failure to comply with section 12(f) of the Military Selective Service Act (50 U.S.C. App. 462(f)) (or regulations issued under such section) or are engaged in pattern or practice of providing loans or work assistance to persons who are required to register under section 3 of such Act (and any proclamation of the President and regulations prescribed under that section) and have not so registered. The Secretary shall complete the study and report its results to the Congress not later than one year after the date of the enactment of this Act.

Mr. SOLOMON. Mr. Chairman, I will not take much time on this amendment. We all know that the so-called Solomon amendment over a year ago was enacted into law, and was passed overwhelmingly by this House and the other House, and was recently upheld by the Supreme Court. Overwhelmingly upheld, I should say, by the Supreme Court. What that Solomon amendment did at that time was to simply prohibit any Federal grants and loans under the Higher Education Assistance Act from going to any young man who was in violation of the draft registration law.

At the time, we had made a promise to the more than 13 million young men who had lived up to their obligations as U.S. citizens and who had obeyed the law. We told them that we would pass similar legislation affecting all young men under all categories. This is the first opportunity that we have had under the Health Professional Service Act of including those young men as well under this act. My amendment simply extends the Solomon amendment to cover those young men, and also calls for a study which would look into some universities who stated that they may possibly want to flaunt the law and make up the difference for aid that might be lost to some of these young men.

I think that we, the Congress, ought to know what effect that really does have if there are universities of higher education doing that. Consequently, that is all that this amendment does. It simply extends the Solomon amendment to this category.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman.

Mr. WAXMAN. I must indicate to the gentleman that I oppose his amendment. I have opposed it at other times when he has offered this very same amendment. There are, I think, special problems when it comes to the health professional schools with this amendment. But I recognize the fact that this House has voted on this issue a number of times and that the clear will of the majority of the House is in support of this amendment. I want to indicate that acknowledgement to him. I expect that the amendment will carry and I will not press for a record vote on the issue because we have had so many other votes in the past.

Mr. SOLOMON. I thank the chairman, and I also recognized him to be, as does the rest of the House, a very reasonable man.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman.

Mr. PURSELL. Could the gentleman indicate in the track record now the percentage of students who have registered under the law? What percentage that is?

Mr. SOLOMON. Prior to the enactment of this law and the publicity that it has received, there was only a 79-percent compliance throughout the entire Nation. Today, through August 31, there is a 97-percent compliance, which means that more than 12 million young men have lived up to their obligations as U.S. citizens.

What we were trying to do with the original intent of the law was to first of all let them know it is a very important law; encourage them to live up to the law, and thirdly, to let them know that the Federal Government did mean business. That if they did not register, they were going to be sought out and prosecuted.

Mr. PURSELL. Well, as I understand, I think the gentleman is accurate. The information that I have is that it was close to 98 percent, which leads me to believe that we really do not need the amendment and that it is inappropriate. I too, shall not make a major issue of this at this late hour, but I think with a 98-percent compliance by the students of America, I have to congratulate them on doing it voluntarily. Certainly it is not the issue it is purported to be in some circles in the country.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BONER OF TENNESSEE

Mr. BONER of Tennessee. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONER of Tennessee: Page 17, insert after line 25 the following:

SEC. 122. The Secretary of Health and Human Services shall conduct a study of the delivery of inpatient and outpatient health care services to the homeless and shall include in the study an evaluation of eligibility requirements which prevent the homeless from receiving health care services and an evaluation of the efficiency of the delivery of health care services to the homeless. The Secretary shall complete the study and report its results to the Congress not later than September 30, 1985, together with recommendations for legislation to improve health care delivery services to the homeless.

Mr. BONER of Tennessee (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BONER of Tennessee. Mr. Chairman, I recently had the opportunity to spend 2 days and 2 nights on the streets of Nashville to learn about the problems of the homeless. In addition, I recently had the privilege of chairing a hearing of the Aging Subcommittee on Housing and Consumer Interests in order to focus attention on the problems of the homeless and to hear from community leaders and social service experts of the need not only to provide shelter and food to the homeless but, as importantly, the need to provide adequate health services.

I was proud of the tremendous effort these community members are making to help the homeless. In fact, I have learned that in cities all across our Nation, many thousands of individuals are volunteering their time, money, and energy to assist the homeless. Much of their efforts are being done without the aid of the Federal Government. In fact, some of these efforts are being done in spite of the roadblocks and barriers imposed by this Government. My own belief is that the Federal Government should provide a helping hand, not a hindrance.

One of the areas where the Federal Government can be particularly helpful is in evaluating the delivery of assistance to the homeless and in recommending better ways to coordinate this assistance. One area of much-needed assistance which I learned is virtually unavailable to the homeless is adequate health care.

The barriers for the homeless to the health care system are numerous. Most important are the particular physical and mental ills of the homeless. To be specific, we are dealing with the consequences of trauma, both major and petty; the problems of infestation with scabies and lice, and the skin infections which ensue; the problems of vascular disease, cellulitus and leg ulcers; plus all the standard medical disorders, including cardiac arrest, diabetes, hypertension, acute and chronic pulmonary disease, and tuberculosis. Many of these medical needs can only be treated through constant medical monitoring—a course of action that is nearly impossible for the homeless. In addition, many of the homeless are mentally ill and not currently served on either an inpatient or outpatient basis.

Some of the barriers for the homeless involve strict eligibility requirements. Others involve clear financial and insurance problems. As many in our country have found, the first question usually asked when being admitted for any kind of health treatment is the patient's ability to pay. This problem is exacerbated when a homeless person not only has no financial means to pay for health services, but also is unable to receive public supported health services because of residency requirements.

The medical needs of the homeless population have been identified. What has not been identified is the availability of medical services. My amendment would require the Secretary of Health and Human Services to evaluate and report to the Congress on what medical services are available, how those services can be changed, made more efficient, and coordinated. The Secretary's report would be due at the end of the 1985 fiscal year.

Mr. Chairman, the medical needs of our Nation's homeless population deserve such a study.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BONER of Tennessee. I yield to the gentleman from California.

Mr. WAXMAN. I have had an opportunity to see the gentleman's amendment and to evaluate it. I think it is a worthwhile amendment. I would join him in supporting this study.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. BONER of Tennessee. I yield to the gentleman from Illinois.

Mr. MADIGAN. I would associate myself with the remarks of the chairman of the subcommittee and assure the gentleman that we have had a chance to review his amendment, and we intend to support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. BONER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. GREEN

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: Page 14, insert after line 22 the following:

(d) Section 788 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following:

"(f) The Secretary may make grants to schools of veterinary medicine for (1) the development of curriculum for training in the care of animals used in research, the treatment of animals while being used in research, and the development of alternatives to the use of animals in research, and (2) the provision of such training.".

Page 14, line 14, strike out "and (e)" and insert in lieu thereof "(e), and (f)" and in line 23 strike out "(d)" and insert lieu thereof "(e)".

Mr. GREEN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GREEN. Mr. Chairman, today I am offering an amendment to H.R. 5602 which would authorize funding for curriculum development and training in research animal care and use and alternatives to the use of animals. This amendment would add a category under section 788(b) of the Manpower Act, to provide a mechanism for implementing the "Animals in Research" section of the NIH authorization. This section, which the House approved June 5, requires that NIH-funded research facilities provide to their scientists, technicians and others, instruction on training in humane care and use of laboratory animals, as well as alternatives.

The NIH reauthorization legislation mandates NIH scientists, technicians and others involved with live animal research are to have available to them, instruction and training in the humane practices of animal care and training in alternatives. However, to date, no such training is available. My amendment would open the door for schools of veterinary medicine to develop the necessary courses to meet this need.

I urge acceptance of this amendment. It is the most direct way to provide scientists with this necessary training so that we can eliminate pain in experiments where animals are necessary and use alternatives where animals are not.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding to me. We have had an opportunity to look at this amendment. I think it is a very worthwhile amendment, and I would join in supporting it and congratulate the gentleman for offering it.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Illinois.

Mr. MADIGAN. I appreciate the gentleman yielding. I was hoping the gentleman would give us a 30- or 40-minute explanation of this amendment, but I understand that we have had the opportunity to look at this amendment on both sides and we are

all supportive of it. We congratulate the gentleman for his interest in this regard.

Mr. CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GREEN].

The amendment was agreed to.

□ 1750

AMENDMENT OFFERED BY MR. STOKES

Mr. STOKES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STOKES: Page 17, insert after line 25 the following:

SEC. 122. (a) Section 731(a)(2)(D) is amended by striking the words "compounded semiannually and".

Mr. STOKES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. STOKES. Mr. Chairman, my amendment would be extremely beneficial for health professions students who are forced to borrow under the Health Education Assistance Loan Program [HEAL]. The HEAL Program provides Federal insurance for market-rate loans to health professions students.

A disproportionate number of poor, disadvantaged and minority students are forced to use this expensive program to cover part of the cost of an education in the health professions.

Mr. Chairman, the current statute allows lenders to charge interest for HEAL loans at a rate equal to the 91-day Tressury bond equivalent, plus 3½ percent. for the current quarter, that rate is 13¾ percent.

Additionally, Mr. Chairman, current law directs lenders to compound the interest on HEAL loans semiannually. This means that lenders earn interest on interest—a practice uncommon for student loans, and one that has harsh impact on already poor and disadvantaged students.

Let me describe the impact of semiannual compounding for a first year student who borrows $10,000 under the HEAL Program: At current rates, that student would owe the lender $18,777 when he begins repayment 4¾ years later. In contrast, if my amendment is adopted, the lender would be owed $16,531. In other words, the student would pay $2,246 less in interest charges. Mr. Chairman, I believe the Health Education Assistance Loan Program is expensive enough for our young people, who are trying to pay for their education, without adding to the problem by letting bankers double dip. I believe that 3½ points over the treasury bill rate is a very fair return on a guaranteed loan.

I urge my colleagues to join me in supporting this amendment which would end the practice of compounding interest for HEAL loans. It is our chance to help students while preserving a fair return for lenders—and all without costs to the Federal Government.

I urge support of my amendment.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. STOKES. I would be delighted to yield to the distinguished subcommittee chairman.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, we have had an opportunity to examine this amendment. It would end semiannual compounding in dealing with the HEAL loan interest. I think it is a very worthwhile amendment and would join with the gentleman in supporting it.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield to me?

Mr. STOKES. I am delighted to yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman bringing this matter to our attention because I think the present practice of the semiannual compounding cannot be justified. We certainly, on the minority side, intend to support the gentleman's amendment.

Mr. STOKES. Mr. Chairman, I thank both the distinguished chairman and the ranking member of the subcommittee, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. STOKES].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 27, after line 10, insert the following new title:

TITLE VI

It is the sense of the Congress that the problem of rising health care costs can be reduced if those engaged in health care professions do everything possible to hold down the cost of delivering health care to the Nation by considering options to institutionalized health services wherever appropriate.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. WAXMAN. I thank the gentleman for yielding.

Mr. Chairman, I have had a chance to look at the gentleman's amendment. It is merely a statement of encouragement that health care costs be held down and to look at noninstitutionalization as a primary way of doing it.

I think it is a worthwhile statement and I would join the gentleman in supporting it and urge that it be part of the legislation.

Mr. WALKER. I thank the gentleman.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

Mr. Chairman, I assure the gentleman of my support for his proposal.

Mr. WALKER. Mr. Chairman, I thank the gentleman, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. DANNEMEYER: Strike all after the enacting clause and insert the following: That (a) this Act may be cited as the "Health Professions and Services Amendments of 1984".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

TITLE I—PROGRAMS UNDER TITLE VII OF THE PUBLIC HEALTH SERVICE ACT

SEC. 101. (a) The first sentence of section 728(a) (42 U.S.C. 294a(a)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: "$250,000,000 for the fiscal year ending September 30, 1985; and $250,000,000 for the fiscal year ending September 30, 1986".

(b) The last sentence of such section is amended by striking out "1987" and inserting in lieu thereof "1989".

SEC. 102. (a) Section 740(a) (42 U.S.C. 294m(a)) is amended by inserting before the period the following: "and with any public or other nonprofit school which is located in a State and which offers graduate programs in clinical psychology".

(b) Section 740(b) is amended—

(1) by inserting before the semicolon at the end of paragraph (4) the following: "and to students pursuing a full-time course of study at the school in a graduate program in clinical psychology"; and

(2) by adding after paragraph (6) the following:

"For purposes of this section and section 741, the term 'graduate program in clinical psychology' has the meaning prescribed by section 737(3).".

(c) Section 701(5) (42 U.S.C. 292a(5)) is amended by inserting "or in clinical psychology" after "health administration".

(d)(1) Sections 741(b) and 741(f)(1)(A) are each amended by inserting "a doctoral degree in clinical psychology or an equivalent degree," after "doctor of optometry or an equivalent degree,".

(2) Section 741(c) is amended by inserting after "veterinary medicine" the following: "or at a school in a graduate program in psychology".

SEC. 103. (a) Section 742(a) (42 U.S.C. 244(o)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$10,000,000 for the fiscal year ending September 30, 1985, and $10,000,000 for the fiscal year ending September 30, 1986".

(b) Section 740(b) (42 U.S.C. 294m(b)) is amended by adding after paragraph (6) the following: "With respect to fiscal years beginning after fiscal year 1984, each agreement shall provide that at least one-half of the Federal contribution in such fiscal years to the student loan fund of the school shall be used to make loans to individuals from disadvantaged backgrounds as determined in accordance with criteria prescribed by the Secretary.".

(c) Section 743 (42 U.S.C. 294p) is amended by striking out "1987" each place it occurs and inserting in lieu thereof "1989".

SEC. 104. Section 758(d) (42 U.S.C. 294z(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$7,000,000 for the fiscal year ending September 30, 1985, and $7,000,000 for the fiscal year ending September 30, 1986".

SEC. 105. Section 770(e)(4) (42 U.S.C. 295f(e)(4)) is amended by striking out "and" after "1983," and by inserting after "1984," the following: "$7,500,000 for the fiscal year ending September 30, 1985, and $7,500,000 for the fiscal year ending September 30, 1986,".

SEC. 106. Paragraph (1) of section 771(e) (42 U.S.C. 295f-1(e)) is amended to read as follows:

"(1) To be eligible for a grant under section 770 for a fiscal year beginning after fiscal year 1984, the product of the hours of instruction offered by a school of public health and the number of students enrolled in such hours of instruction in such school, in the school year beginning in fiscal year 1985 and in each school year thereafter beginning in a fiscal year in which a grant under section 770 is applied for, shall be at least the same as the product of the hours of instruction offered by the school and the number of students enrolled in such hours of instruction in the school year beginning in fiscal year 1984.".

SEC. 107. (a) Section 780(c) (42 U.S.C. 295g(c)) is amended by striking out "and" after "1983," and by inserting after "1984" a comma and the following: "$11,000,000 for the fiscal year ending September 30, 1985, and $11,000,000 for the fiscal year ending September 30, 1986,".

(b) Section 780 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:

"(c) In making grants under subsection (a), the Secretary shall give priority to an applicant which demonstrates to the satisfaction of the Secretary a commitment to making the applicant's family medicine program a permanent component of its medical education training program.".

SEC. 108. (a) The first sentence of section 781(g) (42 U.S.C. 295g-1(g)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$18,000,000 for the fiscal year ending September 30, 1985, and $18,000,000 for the fiscal year ending September 30, 1986".

(b)(1) Section 781(a)(2) is amended by striking out "enter into contracts with schools of medicine and osteopathy," and insert in lieu thereof the following: "enter into contracts with schools of medicine and osteopathy, and public or nonprofit private entities which have served as regional area health education centers,".

(2) The last sentence of section 781(g) is amended by striking out "may" and inserting in lieu thereof "shall".

SEC. 109. Section 783(d) (42 U.S.C. 295g-3(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$6,000,000 for the fiscal year ending September 30, 1985, and $6,000,000 for the fiscal year ending September 30, 1986".

SEC. 110. (a) Section 784(b) (42 U.S.C. 295g-4(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$20,000,000 for the fiscal year ending September 30, 1985, and $20,000,000 for the fiscal year ending September 30, 1986".

(b) Section 784 is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) In making grants and entering into contracts under subsection (a), the Secretary shall give priority to an applicant which demonstrates to the satisfaction of the Secretary a commitment to making its general internal medicine and general pediatrics programs permanent components of its medical education training program.".

SEC. 111. (a)(1) The first sentence of section 786(c) (42 U.S.C. 295g-6(c)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$36,000,000 for the fiscal year ending September 30, 1985, and $36,000,000 for the fiscal year ending September 30, 1986".

(2) Section 786(c) is amended by adding at the end the following: "In any fiscal year, the Secretary shall obligate for grants under subsection (b) not less than 7 percent of the amount appropriated under this subsection for such fiscal year.".

(b) Section 786 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) In making grants under subsection (a), the Secretary shall give priority to an applicant which demonstrates to the satisfaction of the Secretary a commitment to making its family medicine program a permanent component of its medical education training program.".

(c) Section 786(b) is amended—

(1) by inserting "or an approved advanced educational program in the general practice of dentistry" before the semicolon in paragraph (1); and

(2) by striking out "residents" in paragraph (2) and inserting in lieu thereof "participants".

SEC. 112. (a) The first sentence of section 787(b) (42 U.S.C. 295g-7(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$23,000,000 for the fiscal year ending September 30, 1985, and $23,000,000 for the fiscal year ending September 30, 1986".

(b)(1) Section 787(a)(1) is amended—

(A) by inserting a comma after "podiatry" and the following: "public and nonprofit private schools which offer graduate programs in clinical psychology,"; and

(B) by adding at the end the following: "For purposes of this section, the term 'graduate programs in clinical psychology' has the meaning prescribed for that term by section 737(3).".

(2) Section 787(a)(2) is amended by inserting after subparagraph (E) the following: "The term 'regular course of education of such a school' as used in subparagraph (D) includes a graduate program in clinical psychology.".

SEC. 113. (a) Section 788(f) (42 U.S.C. 295g-8(f)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: "4,000,000 for the fiscal year ending September 30, 1985; $4,000,000 for the fiscal year ending September 30, 1986".

(b)(1) Subsection (a)(1) of section 788 is amended to read as follows:

"(a)(1) The Secretary may make grants to maintain and improve schools which provide the first or last two years of education leading to the degree of doctor of medicine or osteopathy. Grants provided under this paragraph to schools which were in existence on the date of the enactment of the Health Professions and Services Amendments of 1984 may be used for construction and the purchase of equipment.".

(2) Paragraph (2) of section 788(a) is repealed and paragraph (3) of such section is redesignated as paragraph (2).

(3) Section 788(a)(2) (as so redesignated) is amended by inserting "or last" after "the first", by inserting "or osteopathy" after "medicine" and by inserting "or be operated jointly with a school that is accredited by" after "accredited by".

(4) Section 788(b) is amended to read as follows:

"(b) The Secretary may make grants to and enter into contracts with any health profession, allied health profession, or nurse training institution for special projects and programs for—

"(1) curriculum development and training in health policy and policy analysis, the organization, delivery, and financing of health care, the determinants of health and the role of medicine in health, and the delivery of health care services to low-income and aged persons;

"(2) curriculum and program development and training in applying the social and behavioral sciences to the study of health and health care delivery issues;

"(3) training in health promotion and disease prevention; and

"(4) curriculum development and training in human nutrition.".

(c)(1) Section 788(d) is amended—

(A) by striking out "with schools of medicine or osteopathy or other appropriate public or nonprofit private entities to assist in meeting the costs of such schools or entities" and inserting in lieu thereof "with accredited health professions schools referred to in section 701(4) to assist in meeting the costs of such schools"; and

(B) by amending paragraph (1) to read as follows:

"(1) improve the training of health professionals in geriatrics, develop and disseminate curriculum relating to the treatment of the health problems of the elderly, expand and strengthen instruction in such treatment, support the training and retraining of faculty to provide such instruction, and sup-

port continuing education of health professionals in such treatment; and".

(2) Section 788(f) is amended—

(A) by inserting "(1)" after "(f)",

(B) by striking out "For purposes of this section" and inserting in lieu thereof "For purposes of subsections (a), (b), (c), and (e) of this section", and

(C) by adding at the end the following:

"(2) For purposes of subsection (d) there are authorized to be appropriated $2,000,000 for fiscal year 1985 and $3,000,000 for fiscal year 1986.".

(d) The heading for section 788 is amended to read as follows:

"TWO-YEAR SCHOOLS OF MEDICINE, INTERDISCIPLINARY TRAINING, AND CURRICULUM DEVELOPMENT".

SEC. 114. (a) The first sentence of section 788B(h) (42 U.S.C. 295g-8b(h)) is amended to read as follows: "For the purpose of entering into contracts to carry out this section and section 788A there are authorized to be appropriated $6,000,000 for the fiscal year ending September 30, 1985, and $6,000,000 for the fiscal year ending September 30, 1986.".

(b) Subsections (b)(1) and (f) of section 788B are each amended by striking out "five years" and inserting in lieu thereof "seven years".

SEC. 115. (a) Section 791(d) (42 U.S.C. 295h(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$2,000,000 for the fiscal year ending September 30, 1985, and $2,000,000 for the fiscal year ending September 30, 1986".

(b) Subsection (c)(2)(A)(ii) of section 791 is amended to read as follows:

"(ii) such entity shall expend or obligate from non-Federal sources to conduct such programs at least $200,000 in fiscal year 1985 and $225,000 in fiscal year 1986;".

SEC. 116. Section 791A(c) (42 U.S.C. 295h-1a(c)) is amended by striking out "and" after "1980;" and by inserting before the period a semicolon and the following: "$500,000 for the fiscal year ending September 30, 1985; $500,000 for the fiscal year ending September 30, 1986".

SEC. 117. Section 792(c) (42 U.S.C. 295h-1b(c)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: "$4,000,000 for the fiscal year ending September 30, 1985; and $4,000,000 for the fiscal year ending September 30, 1986".

SEC. 118. Section 793(c) (42 U.S.C. 295h-1(c)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$2,000,000 for the fiscal year ending September 30, 1985, and $2,000,000 for the fiscal year ending September 30, 1986".

SEC. 119. Section 702(a) (42 U.S.C. 292b(a)) is amended (1) by striking out "four representatives" and inserting in lieu thereof "three representatives", (2) by striking out "podiatry, and public health" and inserting in lieu thereof "and podiatry", and (3) by inserting after "791" the following: "and one representative of schools of public health".

SEC. 120. (a)(1) Section 701(4) (42 U.S.C. 292a(4)) is amended (A) by inserting "'school of chiropractic'," after "'school of dentistry',", and (B) by inserting "degree of doctor of chiropractic," after "doctor of dentistry or an equivalent degree,".

(2) Section 701(5) is amended by inserting "chiropractic," after "dentistry,".

(b)(1) Section 740(a) (42 U.S.C. 294m(a)) is amended by inserting "chiropractic," after "dentistry,".

(2) Sections 740(b)(4), 741(b), and 741(f)(1)(A) are each amended by inserting "degree of doctor of chiropractic," after "doctor of dentistry or an equivalent degree,".

(3) Section 741(c) is amended by inserting "chiropractic," after "dentistry,".

(4) Section 742(a) (42 U.S.C. 294o(a)) is amended by adding at the end the following: "Of the amount appropriated under this subsection for any fiscal year, not more than 4 per centum of such amount shall be made available for Federal capital contributions for student loan funds at schools of chiropractic.".

(c)(1) Section 787(a)(1) (42 U.S.C. 295g-7(a)(1)) is amended by inserting "chiropractic," after "dentistry,".

(2) Section 787(b) is amended by inserting at the end the following: "Of the amount appropriated under this subsection for any fiscal year, not more than 4 per centum of such amount shall be obligated for grants or contracts to schools of chiropractic.".

TITLE II—PROGRAMS UNDER TITLE VIII OF THE PUBLIC HEALTH SERVICE ACT

SEC. 201. The first sentence of section 820(d) (42 U.S.C. 296k(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$11,000,000 for the fiscal year ending September 30, 1985, $11,000,000 for the fiscal year ending September 30, 1986, $11,000,000 for the fiscal year ending September 30, 1987, and $11,000,000 for the fiscal year ending September 30, 1988".

SEC. 202. (a) Section 821(b) (42 U.S.C. 296l(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$16,000,000 for the fiscal year ending September 30, 1985, $16,000,000 for the fiscal year ending September 30, 1986, $16,000,000 for the fiscal year ending September 30, 1987, and $16,000,000 for the fiscal year ending September 30, 1988".

(b) Section 821(a) is amended by striking out all after paragraph (3) and inserting in lieu thereof the following:

"programs which lead to masters and doctoral degrees and which prepare nurses to serve as nurse educators, administrators, and researchers or in clinical nurse specialities determined by the Secretary to require advanced training.".

SEC. 203. (a) Section 822(e) (42 U.S.C. 296m(e)) is amended to read as follows:

"(e) For grants and contracts under subsections (a) and (b), there are authorized to be appropriated $14,000,000 for the fiscal year ending September 30, 1985, $14,000,000 for the fiscal year ending September 30, 1986, $14,000,000 for the fiscal year ending September 30, 1987, and $14,000,000 for the fiscal year ending September 30, 1988.".

(b)(1) Section 822(a)(1) is amended by inserting "and nurse midwives" after "nurse practitioners" the first two times it appears in such section.

(2) Sections 822(a)(2), 822(b), and 822(c) are each amended by inserting "and nurse midwives" after "nurse practitioners" each place it occurs.

(3) Section 822(a)(2)(A) is amended by inserting after "and which" the following: "in the case of nurse practitioners".

(4) Section 822(b)(3) is amended by inserting before "for a period" the following: "or in a public health care facility".

(5) The heading for section 822 is amended to read as follows:

"NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS".

SEC. 204. (a)(1) The first sentence of section 830(b) (42 U.S.C. 297(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$11,000,000 for the fiscal year ending September 30, 1985, $11,000,000 for the fiscal year ending September 30, 1986, $11,000,000 for the fiscal year ending September 30, 1987, and $11,000,000 for the fiscal year ending September 30, 1988".

(2) The second sentence of such section is amended by striking out "1981" and inserting in lieu thereof "1985".

(b) Paragraph (1) of section 830(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to public and nonprofit private schools of nursing to cover the cost of traineeships for nurses in masters degree and doctoral degree programs in order to educate such nurses—

"(i) to teach in the various fields of nurse training (including practical nurse training),

"(ii) to serve in administrative or supervisory capacities, or

"(iii) to serve in other professional nursing specialties determined by the Secretary to require advanced training.

"(B) The Secretary may make grants to public and nonprofit private schools to cover the cost of traineeships in certificate or degree programs to educate nurses to serve in and prepare for practice as nurse practitioners and nurse midwives.".

TITLE III—NATIONAL HEALTH SERVICE CORPS PROGRAM

SEC. 301. (a) Section 338(a) (42 U.S.C. 254k(a)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: "$90,000,000 for the fiscal year ending September 30, 1985; $90,000,000 for the fiscal year ending September 30, 1986; $90,000,000 for the fiscal year ending September 30, 1987; and $90,000,000 for the fiscal year ending September 30, 1988".

(b) Section 338F(a) (42 U.S.C. 294y(a)) is amended—

(1) by striking out "1982, and each of the two" in the second sentence and inserting in lieu thereof "1985, and each of the three",

(2) by striking out "1984" each place it occurs and inserting in lieu thereof "1988", and

(3) by striking out "1985, and for each of the two" and inserting in lieu thereof "1989, and for each of the three".

SEC. 302. Section 338C(a)(2) (42 U.S.C. 294v(a)(2)) is amended by inserting before the period the following: "for which the Secretary has made the evaluation and determination described in section 333(a)(1)(D)".

SEC. 303. Section 338C(b) is amended by inserting at the end the following: "The Secretary shall take such action as may be appropriate to assure that the conditions of the written agreement prescribed by this subsection are adhered to.".

SEC. 304. Section 332(a)(1) (42 U.S.C. 254e(a)(1)) is amended by adding at the end the following: "The Secretary may not remove an area from the areas determined to be health manpower shortage areas under clause (A) unless the Secretary also determines that such an area does not have a population group described in clause (B) or a facility described in clause (C).".

TITLE IV—HEALTH MAINTENANCE ORGANIZATIONS AND MIGRANT AND COMMUNITY HEALTH CENTERS

SEC. 401. (a) Section 1309(b) (42 U.S.C. 300e-8(b)) is amended by striking out "1982, 1983, and 1984" and inserting in lieu thereof "1985, 1986, 1987, and 1988".

(b) Section 1305(d) (42 U.S.C. 300e-4(d)) is amended by striking out "September 30, 1986" and inserting in lieu thereof "September 30, 1989".

SEC. 402. (a) The first sentence of section 329(h)(1) (42 U.S.C. 247d(h)(1)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$51,000,000 for the fiscal year ending September 30, 1985, $51,000,000 for the fiscal year ending September 30, 1986, $51,000,000 for the fiscal year ending September 30, 1987, and $51,000,000 for the fiscal year ending September 30, 1988".

(b) Section 329(d)(2) is amended by inserting before the semicolon the following: "and the costs of repaying loans made by the Farmer's Home Loan Administration for buildings".

SEC. 403. Section 330(g) (42 U.S.C. 254c(g)) is amended by striking out paragraphs (1) and (2), by redesignating paragraph (3) as paragraph (2), and by inserting before that paragraph the following:

"(g)(1) For grants under subsection (d), there are authorized to be appropriated $327,000,000 for fiscal year 1985, $327,000,000 for fiscal year 1986, $327,000,000 for fiscal year 1987, and $327,000,000 for fiscal year 1988. The Secretary may not expend for grants under subsection (d)(1)(C) in any fiscal year an amount which exceeds 5 per centum of the funds appropriated under this paragraph for that fiscal year.".

TITLE V—HEALTH CARE CONSUMER INFORMATION

SEC. 501. Section 304 of such Act (42 U.S.C. 242k) is amended by adding at the end the following:

"(e)(1) The Secretary shall—

"(A) study (i) criteria and methodologies for use in collecting and disseminating health care consumer information, including information on alternative health care delivery systems and aggregate information on health care cost and utilization, and (ii) means to assist in collecting and disseminating such information;

"(B) prepare a plan for furnishing to the public, upon request, technical assistance (i) in the use of the criteria and methodologies described in subparagraph (A), (ii) in the use of information on alternative health care delivery systems, and (iii) to identify sources of information which are appropriate for use in collecting and disseminating health care consumer information described in subparagraph (A);

"(C) not later than six months after the completion of the study and preparation of the plan required by subparagraphs (A) and (B), carry out, to the extent feasible, the activities for which the plan was prepared under subparagraph (B); and

"(D) develop improvements in criteria and methodologies for use in collecting and disseminating health care consumer information and develop methodologies for defining and measuring quality of health care services.

Not later than nine months after the date of the enactment of this subsection, the Secretary shall complete the study required by subparagraph (A), shall complete the plan required by subparagraph (B), and report to Congress the results of the study and the completion of the plan.

"(2) In carrying out paragraph (1), the Secretary shall consult with the National Committee on Vital and Health Statistics established under section 306(k)(1), the Health Care Financing Administration, the Prospective Payment Assessment Commission, and representatives of—

"(A) physicians, hospitals, and other health care providers,

"(B) insurers,

"(C) businesses, unions, and public entities which purchase health care through insurance or self-insurance, and

"(D) members of the general public.

"(3) In carrying out paragraph (1), the Secretary shall assure that health care consumer information is collected, identified, and interpreted in a manner consistent with the confidentiality of individually identifiable patient medical information.".

Mr. DANNEMEYER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DANNEMEYER. Mr. Chairman and Members of the Committee: During the general debate on this bill, I indicated to the Members that I would offer an amendment in the nature of a substitute that would give the members of the committee an option to indicate that we fully support titles I through V of this bill, but in amounts that would reflect the necessity of reconciling that seemingly irreconcilable conflict between the lack of revenues to finance Federal spending and the fact that the deficit this year is roughtly $180 billion.

I mentioned these figures before, but I think it is important to consider this amendment in the nature of a substitute that we have the figures before us again.

Title I, in 1984, we appropriated $125.8 million. In the amendment offered by the gentleman from California [Mr. WAXMAN], that figure for 1985 rises to $173 million; I will repeat that—an increase from $125 to $173 million. That is about a 40-percent increase in 1 year. And then in 1986, it would increase to $187 million.

In title II, nurses training, we appropriated $41.9 million. Under the amended bill before us, that $41 million would rise to $76 million in 1985, $81 million in 1986, and $86 million in 1987.

In title III, National Health Service, we appropriated $91 million in 1984. It would be kept at that level in 1985, $90 million in 1986, and $95 million in 1987.

Then in title IV, we appropriated $387 million, and this compromise bill would raise that to $422 million in 1985, $461 million in 1986, $503 million in 1987, and $546 million in 1988.

The amendment in the nature of a substitute that this Member from California is now offering to the Committee would, in effect, impose a freeze on what was spent in 1984, or what was initially authorized, or requested, rather, by the committee on the form of H.R. 5602, and I will read these figures so we have them before us.

In title I, this amendment I am offering would say $158 million rather than the $173 million that is in the bill.

In title II, my amendment would offer $52 million rather than the $76 million that is in the bill.

In title III, it is the same—$90 million and $90 million.

In title IV, $378 million in my amendment as opposed to $422 million.

These figures that I have just read for 1985 that are in the amendment that this Member from California is now offering would be frozen at that level for 1986, 1987, and 1988. Some say that it is unfair to freeze because it does not take inflation into account. To the contrary, I would argue that the pattern of annual spending increases we see in this and other measures is unfair because it helps precipitate the inflation in the first place. Moreover, I would contend we will never end the budget deficits that produce inflation and high interest rates until we cut the growth of spending. Taxing people more takes money out of the economy just as surely as borrowing to cover the deficits, so that is not the answer. The answer is to exercise fiscal discipline, and there is no time like the present, when we are hearing all this campaign rhetoric about the deficit, to begin.

So I think each of us has an opportunity this afternoon when we consider this amendment to put our votes where I suspect our voices are when we are campaigning around the country for reelection. I do not think there is a Member in the body who does not say to his Town Hall Forums or his mailings that he sends to his district either in a newsletter or a letter, "I support balancing the budget," but I suspect there will be a tendency to say that old bromide, "Do not cut him, do not cut me; cut that guy behind the tree."

We all want to make exceptions. Do not cut this program; cut somebody else.

The CHAIRMAN. The time of the gentleman from California [Mr. DANNEMEYER] has expired.

(By unanimous consent, Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. DANNEMEYER. Mr. Chairman, the gentleman from Michigan, [Mr. PURSELL] earlier remarked that he supported the concept generally of

working toward balancing the budget but he could not bring himself to support my amendment because, as I understand him, the demand for health care services is so large that he had to come to the conclusion that the amendment that I am offering should not be adopted.

I want to close by again mentioning a fact that we see time and time again. The President of the United States is accountable to the country for the level of spending, at least in the eyes of some. Well, let us put that statement in perspective.

In this instance, the administration, President Reagan, requested of Congress for title I, $84 million. The committee bill before us would authorize $173 million, better than double the amount.

The administration requested in title II, $12 million. In the committee bill, it is $76 million—6 times more.

And in title III, $67 million. In the bill before us, some $90 million.

The point that this establishes here again is that Congress has a tendency to disregard requests from the President, and rather than appropriating or authorizing less than what the President has ask for, here again we see an illustration of how Congress, in its wisdom, seeks to authorize funding substantially in excess of what the administration is asking. We can only conclude that the administration in their view, that is, in the proponents of this legislation, really do not know what they are doing.

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Those people down there administering those programs do not know what they need to run them. They have no concept of what the need of the programs may be around the country, but we, in the Congress, have all this wisdom at our fingertips, and how we can justify authorizing a level of appropriation that is six times what the administration asks is something I do not understand.

Mr. Chairman, I ask for the Member's support for this amendment in the nature of a substitute.

Mr. WAXMAN. Mr. Chairman, I rise in opposition to this amendment, which is a substitute for the bill which has been worked out with the minority.

The funding levels for these important programs in title I represent modest levels that were worked out through discussions. In fact, the funding for fiscal year 1985 actually represents a decrease from current fiscal year 1984 authorizations from $178.3 to $172.5 million.

These programs are critical for students wishing to enter the health professions. They have widespread support from the American Academy of Pediatrics, the American College of Physicians, the American Academy of Family Physicians, the Association of American Medical Colleges, the Association of Minority Health Professions Schools, the American Medical Student Association, the American Association of Dental Schools, the Association of Schools of Public Health, many hospitals, many medical schools, and teaching programs.

In the area of nurse training, these programs aid nursing students directly and make grants to improve and assist nursing schools. The dollar levels in the committee amendments are the levels recommended by the Institute of Medicine of the National Academy of Sciences after a 2½-year study.

The committee amendments were bipartisan, offered by the gentleman from New Jersey [Mr. RINALDO] and the gentleman from New Jersey [Mr. FLORIO], and these amendments were passed by the committee.

The funding levels for the Community and Migrant Health Centers represent the funding that will be necessary just to keep these programs going at a pretty much their present level. I would like to see more money in there, and in fact the committee bill did have more money for all these programs, but in order to gain bipartisan support for the legislation, we have agreed to a reduction in the funding levels. With that, I think the Committee of the Whole ought to stand behind the compromise worked out by the gentleman from Illinois [Mr. MADIGAN] representing the minority and those of us representing the majority and oppose the Dannemeyer substitute. It is a hatchet-cutting of these programs, and I think these programs are deserving of at least the support that we have in the legislation that is before us.

Mr. MADIGAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am going to be very, very brief, because as the gentleman from California [Mr. WAXMAN] has said, he has already agreed to and we have already adopted an amendment to reduce the authorizations contained in the bill by some $218.5 million. I presume that in conference with the Senate we can probably expect that some further reduction will come about. I would suggest that the combination of what we have already accomplished and what we intend to accomplish in the conference is perhaps every inch as far as we should go.

While the amendment offered by my friend and colleague, the gentleman from California [Mr. DANNEMEYER] is well-intentioned because of his deep and abiding concern about the budget deficit, I think as the gentleman from Michigan [Mr. PURSELL] said awhile ago, we can look at everything in the budget before we start tampering with the delivery of health care in the United States. I believe the action we have already taken has been a responsible one with the reduction that has already been effected by the amendment, and I would urge that the members of the committee reject the Dannemeyer amendment.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. MADIGAN. I am happy to yield to my colleague, the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I join with the gentleman from Illinois [Mr. MADIGAN] and I rise in support of H.R. 5602, the Health Professions and Services Amendments of 1984. By and large, this is a very good piece of legislation, and it should be supported.

This legislation will reauthorize several programs in the Public Health Services Act, on which the Labor/Health and Human Services/Education Appropriations Subcommittee on which I serve as the ranking minority member deferred action in contemplation of House action on this authorization legislation.

There are a couple of very important areas of this legislation on which I should focus. The first is community health centers. CHC's are very important to this country in terms of providing medical assistance to those who would otherwise not have access to basic health services. There are 750 CHC's in this country, which serve 5 million Americans. Scores of studies have shown them to be effective and efficient providers of high quality health care. Through strong efforts in health promotion and disease prevention, CHC's reduce the cost of inpatient care by as much as 50 percent and, according to one study, health centers saved the medicaid program $580 million in 1980.

At this time, I would like to extend my deep appreciation to the gentleman from North Carolina [Mr. BROYHILL], the ranking member of the Energy and Commerce Committee, and the gentleman from California [Mr. WAXMAN], the chairman of the Health Subcommittee, for their hard work and cooperation on the amendment on the Area Health Education Center Program included in this bill.

The AHEC Program has been very successful in decentralizing medical and health education programs, providing training and continuing education programs in areas not previously served.

With respect to the current law, there was one small problem that was affecting AHEC's in my own congressional district. After the 6-year funding cycle, at which time the AHEC's are expected to become self-supporting, AHEC's are, under the law, eligible to apply for special initiative funding, to allow for continued innovation and development in their programs. Due to a technicality in the law, the Department of Health and Human

Services gave its opinion that some of the AHEC's in Massachusetts, including those in my district, as well as those in one or two other States, were not eligible to apply for special initiative funding. I worked with HHS to develop an amendment to correct that defect, and Representatives WAXMAN and BROYHILL were good enough to work with me on that. It was included in this bill in full committee as a result of an amendment offered by Mr. BROYHILL. Senator KENNEDY was instrumental in seeing that a similar provision went into the Senate bill.

Since that time, I understand that an alternative to the language in the bill has been developed by Mr. WAXMAN, and may be offered on the floor today. Basically, the difference is whether these previously ineligible AHEC's would be eligible to apply for funding directly, which is the version now in the bill, or whether they would be eligible to apply for funding through the medical school that administers the statewide AHEC Program, which is the way the program currently operates, and which would be encompassed by the WAXMAN amendment.

I have no real preference as to the mechanism, so long as it gets the job done. I have checked with HHS, and received their assurance that either approach would work. Let me say that I do appreciate all of the time and effort put in by Mr. WAXMAN and Mr. BROYHILL in remedying this small problem of great importance to me.

Next, Mr. Chairman, I am pleased to note that this legislation makes several beneficial changes with respect to nurse training programs in general. This legislation funds nurse education assistance at $76 million for fiscal year 1985 and targets Federal funds in areas where the assistance is most needed: assistance to minority students and students from disadvantaged backgrounds, and for demonstration projects to improve access to nursing services in the community.

The nursing profession alone plays an important part in the reduction of health care costs through innovations in care and in services delivery. The legislation also encourages grants to schools to support nurse education demonstration projects, and grants should especially be targeted to those projects that will provide improved, more effective long term care for the elderly. Additionally, the legislation allows nurses to fulfill their obligations as members of the National Health Service Corps by working in public health care facilities.

Mr. Chairman, overall, this is very good legislation which I am pleased to be able to support. Let me also once again express my thanks to the gentleman from North Carolina and the gentleman from California for their help in the AHEC area.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from California [Mr. DANNEMEYER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote, and pending that, I object to the vote on the ground that a quorum is not present.

The CHAIRMAN. The gentleman makes the point of order that a quorum is not present. Evidently a quorum is not present.

Mr. DANNEMEYER. Mr. Chairman, I withdraw my objection on the ground that a quorum is not present, and I repeat my request for a recorded vote.

Mr. WAXMAN. Mr. Chairman, I would ask unanimous consent that we proceed to a rollcall vote on the Dannemeyer amendment.

The CHAIRMAN. A quorum is not present.

Pursuant to the provisions of clause 2, rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device——

Mr. DANNEMEYER. Mr. Chairman, did I understand that my colleague, the gentleman from California, asked unanimous consent for a recorded vote?

The CHAIRMAN. The Chair had announced the absence of a quorum. So, therefore, let me repeat that under the rule, pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 380]

Albosta	Brown (CA)	Crane, Daniel
Anderson	Brown (CO)	Crane, Philip
Andrews (TX)	Broyhill	D'Amours
Annunzio	Bryant	Daniel
Anthony	Burton (CA)	Dannemeyer
Applegate	Byron	Darden
Archer	Campbell	Daub
Aspin	Carper	Davis
AuCoin	Carr	Dellums
Badham	Chandler	Derrick
Bartlett	Chappie	DeWine
Bateman	Cheney	Dickinson
Bates	Clarke	Dicks
Bedell	Clay	Dixon
Bennett	Clinger	Donnelly
Bereuter	Coats	Dorgan
Berman	Coleman (MO)	Downey
Bevill	Coleman (TX)	Dreier
Biaggi	Collins	Duncan
Bilirakis	Conable	Durbin
Boggs	Conte	Dwyer
Boner	Conyers	Dymally
Borski	Cooper	Dyson
Breaux	Coughlin	Eckart
Britt	Courter	Edgar
Brooks	Coyne	Edwards (CA)
Broomfield	Craig	Edwards (OK)
Emerson	Levitas	Ritter
English	Lewis (CA)	Robinson
Erdreich	Livingston	Rodino
Evans (IA)	Lloyd	Roe
Evans (IL)	Loeffler	Roemer
Fazio	Long (MD)	Rogers
Feighan	Lott	Roth
Fiedler	Lowery (CA)	Rowland
Fields	Lowry (WA)	Roybal
Foglietta	Lujan	Sabo
Fowler	Lundine	Savage
Frank	Lungren	Sawyer
Franklin	Mack	Schaefer
Frenzel	Madigan	Scheuer
Frost	Marlenee	Schneider
Garcia	Marriott	Schroeder
Gaydos	Martin (IL)	Schulze
Gejdenson	Martinez	Seiberling
Gekas	Mavroules	Sensenbrenner
Gephardt	Mazzoli	Sharp
Gibbons	McCandless	Shaw
Gilman	McCloskey	Shumway
Gingrich	McCollum	Sikorski
Glickman	McEwen	Siljander
Gonzalez	McGrath	Sisisky
Goodling	McHugh	Skeen
Gore	McKernan	Skelton
Gray	McKinney	Slattery
Green	McNulty	Smith (IA)
Guarini	Mikulski	Smith (NE)
Gunderson	Miller (OH)	Smith (NJ)
Hall (OH)	Mineta	Snowe
Hall, Ralph	Minish	Snyder
Hall, Sam	Mitchell	Solarz
Hamilton	Moakley	Solomon
Hammerschmidt	Molinari	Spence
Harrison	Mollohan	Spratt
Hatcher	Montgomery	St Germain
Hawkins	Moore	Staggers
Hayes	Morrison (CT)	Stangeland
Hefner	Morrison (WA)	Stokes
Hertel	Mrazek	Stratton
Hiler	Murphy	Sundquist
Hillis	Murtha	Swift
Holt	Myers	Synar
Hopkins	Natcher	Tauke
Hoyer	Nichols	Thomas (GA)
Hubbard	Nielson	Udall
Huckaby	Nowak	Valentine
Hughes	Oakar	Vander Jagt
Hunter	Oberstar	Vento
Hutto	Obey	Volkmer
Hyde	Olin	Walker
Ireland	Ortiz	Watkins
Jacobs	Oxley	Waxman
Johnson	Packard	Weaver
Jones (NC)	Panetta	Weber
Jones (OK)	Parris	Weiss
Jones (TN)	Patman	Wheat
Kaptur	Patterson	Whitehurst
Kasich	Paul	Whitley
Kastenmeier	Pease	Whittaker
Kemp	Penny	Williams (OH)
Kennelly	Petri	Wirth
Kildee	Pickle	Wise
Kindness	Porter	Wolf
Kogovsek	Price	Wolpe
Kolter	Pursell	Wortley
Kramer	Rahall	Wyden
LaFalce	Rangel	Wylie
Lagomarsino	Ratchford	Yates
Latta	Ray	Yatron
Leath	Regula	Young (AK)
Lehman (CA)	Reid	Young (FL)
Lehman (FL)	Richardson	Young (MO)
Lent	Ridge	Zschau
Levin	Rinaldo	

□ 1820

The CHAIRMAN. Three hundred and eleven Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from California [Mr. DANNEMEYER] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 78, noes 236, not voting 118, as follows:

[Roll No. 381]

AYES—78

Archer	Hiler	Nichols
Badham	Hopkins	Nielson
Bartlett	Hubbard	Oxley
Bateman	Hunter	Packard
Bennett	Ireland	Patman
Bilirakis	Kasich	Paul
Broyhill	Kindness	Ray
Campbell	Kramer	Ritter
Chappie	Latta	Roemer
Cheney	Leath	Rogers
Conable	Lewis (CA)	Schaefer
Craig	Livingston	Schulze
Crane, Daniel	Loeffler	Sensenbrenner
Crane, Philip	Lott	Shaw
Dannemeyer	Lowery (CA)	Shumway
Daub	Lujan	Siljander
DeWine	Lungren	Skeen
Dickinson	Mack	Snyder
Dreier	Marlenee	Solomon
Erdreich	Martin (IL)	Stangeland
Fields	McCandless	Tauke
Franklin	McCollum	Walker
Frenzel	McEwen	Weber
Gingrich	Miller (OH)	Whittaker
Gunderson	Montgomery	Young (AK)
Hall, Sam	Moore	Zschau

NOES—236

Albosta	Dyson	LaFalce
Anderson	Eckart	Lagomarsino
Andrews (NC)	Edgar	Lehman (CA)
Annunzio	Edwards (CA)	Lehman (FL)
Anthony	Edwards (OK)	Lent
Applegate	Emerson	Levin
Aspin	English	Levitas
AuCoin	Evans (IA)	Lloyd
Bates	Evans (IL)	Long (MD)
Bedell	Fascell	Lowry (WA)
Bereuter	Fazio	Lundine
Berman	Feighan	Madigan
Bevill	Fiedler	Marriott
Biaggi	Foglietta	Martinez
Boggs	Fowler	Mavroules
Boner	Frank	Mazzoli
Bonior	Frost	McCloskey
Borski	Garcia	McGrath
Breaux	Gaydos	McHugh
Britt	Gejdenson	McKernan
Brooks	Gekas	McKinney
Broomfield	Gephardt	McNulty
Brown (CA)	Gibbons	Mikulski
Brown (CO)	Gilman	Mineta
Bryant	Glickman	Minish
Burton (CA)	Gonzalez	Mitchell
Byron	Goodling	Moakley
Carper	Gore	Molinari
Carr	Gray	Mollohan
Chandler	Green	Morrison (CT)
Clarke	Guarini	Morrison (WA)
Clay	Hall (OH)	Mrazek
Clinger	Hall, Ralph	Murphy
Coats	Hamilton	Murtha
Coelho	Hammerschmidt	Myers
Coleman (MO)	Harrison	Natcher
Coleman (TX)	Hatcher	Nowak
Collins	Hawkins	Oakar
Conte	Hayes	Oberstar
Conyers	Hefner	Obey
Cooper	Hertel	Olin
Coughlin	Hillis	Ortiz
Courter	Holt	Panetta
Coyne	Hoyer	Parris
D'Amours	Huckaby	Patterson
Daniel	Hughes	Pease
Darden	Hutto	Penny
Davis	Hyde	Petri
Dellums	Jacobs	Pickle
Derrick	Johnson	Porter
Dicks	Jones (NC)	Price
Dingell	Jones (OK)	Pursell
Dixon	Jones (TN)	Rahall
Donnelly	Kaptur	Rangel
Dorgan	Kastenmeier	Ratchford
Downey	Kemp	Regula
Duncan	Kennelly	Reid
Durbin	Kildee	Richardson
Dwyer	Kogovsek	Ridge
Dymally	Kolter	Rinaldo
Robinson	Smith (NE)	Watkins
Rodino	Smith (NJ)	Waxman
Roe	Snowe	Weaver
Roth	Solarz	Weiss
Rowland	Spence	Wheat
Roybal	Spratt	Whitehurst
Sabo	St Germain	Williams (OH)
Savage	Staggers	Wirth
Sawyer	Stokes	Wise
Scheuer	Stratton	Wolf
Schneider	Sundquist	Wolpe
Schroeder	Swift	Wortley
Seiberling	Synar	Wyden
Sharp	Thomas (GA)	Wylie
Sikorski	Udall	Yates
Sisisky	Valentine	Yatron
Skelton	Vander Jagt	Young (FL)
Slattery	Vento	Young (MO)
Smith (IA)	Volkmer	

NOT VOTING—118

Ackerman	Hansen (ID)	Pepper
Addabbo	Hansen (UT)	Pritchard
Akaka	Harkin	Quillen
Alexander	Hartnett	Roberts
Andrews (TX)	Heftel	Rose
Barnard	Hightower	Rostenkowski
Barnes	Horton	Roukema
Beilenson	Howard	Rudd
Bethune	Jeffords	Russo
Bliley	Jenkins	Schumer
Boehlert	Kazen	Shannon
Boland	Kleczka	Shelby
Bonker	Kostmayer	Shuster
Bosco	Lantos	Simon
Boucher	Leach	Smith (FL)
Boxer	Leland	Smith, Denny
Burton (IN)	Levine	Smith, Robert
Carney	Lewis (FL)	Stark
Chappell	Lipinski	Stenholm
Corcoran	Long (LA)	Studds
Crockett	Luken	Stump
Daschle	MacKay	Tallon
de la Garza	Markey	Tauzin
Dowdy	Martin (NC)	Taylor
Early	Martin (NY)	Thomas (CA)
Edwards (AL)	Matsui	Torres
Erlenborn	McCain	Torricelli
Ferraro	McCurdy	Towns
Fish	McDade	Traxler
Flippo	Mica	Vandergriff
Florio	Michel	Vucanovich
Foley	Miller (CA)	Walgren
Ford (MI)	Moody	Whitley
Ford (TN)	Moorhead	Whitten
Fuqua	Neal	Williams (MT)
Gradison	Nelson	Wilson
Gramm	O'Brien	Winn
Gregg	Ottinger	Wright
Hall (IN)	Owens	
Hance	Pashayan	

□ 1830

Mr. MARRIOTT changed his vote from "aye" to "no."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERFECTING AMENDMENT TO COMMITTEE AMENDMENTS OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent to offer a perfecting amendment to the committee amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Perfecting amendment to committee amendments offered by Mr. WAXMAN: Page 14, line 3, insert before "to assist" the following "or 701(10)".

The CHAIRMAN. The question is on the perfecting amendment to the committee amendments offered by the gentleman from California [Mr. WAXMAN].

The perfecting amendment to the committee amendments was agreed to.

Mr. DYMALLY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to support H.R. 5602—the health professions and services amendments—because it strengthens and improves our public health capability, particularly in serving underserved and minority communities. Mr. Chairman, the monumental problems of health care and the delivery of services are of concern to all Americans, but more critical to people in my district which has epidemic health problems and needs among residents who demographically are 65-percent minority, representing the health needs of black, Hispanic, and Asian-Pacific families.

Mr. WAXMAN and his colleagues are to be congratulated for their serious efforts to meet the critical health needs of all our districts, ever mindful of the mounting national deficit which the entire Nation faces. Passage of H.R. 5602 will give impetus to strengthening our health service delivery capacity from the U.S. Public Health Service, to State and local health agencies who must have the wherewithal to carry out and improve our continuing efforts toward health research, health manpower needs and particularly for providing services to the underserved areas of our cities and States.

I strongly support H.R. 5602, and endorse the appropriations to match the authorizations contained in these amendments.

Mr. RINALDO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the health professions and services amendments, which includes a 3-year reauthorization for community health centers.

The community health centers which are funded under this program provide essential health care in areas where private health care is not available. For many years, community health centers have provided primary care—immunizations, physical examinations, prenatal care, and other routine health services—to the poor and unemployed.

During this long history of service, several studies have documented the effectiveness of the community health care program. Community health centers have helped to reduce Federal outlays for health care by reducing reliance on expensive hospital emergency room services which are often the only other source of care in medically underserved areas. In addition, because community health center patients are able to obtain preventive health care at the centers, their need for more expensive, acute hospital

care is reduced. According to eight separate studies, health center patients used hospital care 22 to 67 percent less than similar patient groups served by other health care providers.

As a result, community health centers saved Federal tax dollars that otherwise would have been spent on hospital care under the medicaid and medicare programs. In 1980, health centers saved $580 million under the medicaid program alone, a saving of $1.61 in medicaid spending for every $1 spent on community health services. These savings more than equal the cost of the Community Health Center Program, which would be authorized at $385 million in 1985 under H.R. 5602.

These cost savings would not be available without the Community Health Center Program because the population served by the centers has no other source of primary health care. The majority of health center patients are not eligible for medicaid, and since many are unemployed, they are also without health insurance to pay for private health care. Community health centers are also located in areas which are too poor or too isolated to support a private health care system. One study of 21 health centers showed that 25 percent of the patients previously had no regular source of health care and 50 percent had previously used hospital emergency and outpatient departments. Only 4 percent had previously had access to a private physician.

Finally, the effectiveness of community health centers has been overwhelmingly demonstrated by the improved health and productivity of their patient populations. For example, infant mortality rates have significantly improved in areas served by community health centers. In one county, there was a 40-percent reduction in infant mortality over the 4-year period which followed the establishment of a health center. Another study indicated that early detection of infections at community health centers helped to reduce the incidence of rheumatic fever in Baltimore by 60 percent over a 10-year period. These examples indicate the extent to which a relatively small investment in prenatal and primary health care has resulted in dramatic improvements in the public health.

In my own district, the Plainfield Neighborhood Community Health Services organization has provided outstanding care to low-income residents for many years. Having reviewed the work of this organization, I am convinced that the Community Health Services Program provides essential services efficiently and cost effectively. The bill, H.R. 5602, would allow a 2.4-percent real growth in the program over the next 4 years, and funding would be below the level allowed in the 1985 budget resolution. This is an exceedingly modest price to pay for basic health care that has actually saved the taxpayers from higher medicaid and other health care costs.

I therefore urge my colleagues to support this legislation at the funding levels recommended by our committee.

The CHAIRMAN. Are there further amendments?

If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. RAHALL] having assumed the chair, Mr. LEVIN of Michigan, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5602) to amend titles VII and VIII of the Public Health Service Act to extend the programs of assistance for the training of health professions personnel, to revise and extend the National Health Service Corps program under that act, and to revise and extend the programs of assistance under that act for health maintenance organizations and migrant and community health centers, pursuant to House Resolution 536, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2574), to revise and extend title VIII of the Public Health Service Act, relating to nurse education, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is the objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nurse Education Amendments of 1984".

REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SPECIAL PROJECTS

SEC. 3. (a) Section 820(a) is amended—

(1) by striking out "or" after the semicolon in paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

(3) by inserting after paragraph (5) the following:

"(6) demonstrate clinical nurse education programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities;

"(7) demonstrate methods to improve access to nursing services in noninstitutional settings through support of nursing practice arrangements in communities; or

"(8) demonstrate methods to encourage nursing graduates to practice in health manpower shortage areas (designated under section 332) in order to improve the specialty and geographical distribution of nurses in the United States.".

(b) Section 820(d) is amended—

(1) by striking out the first sentence and inserting in lieu thereof: "(1) For payments under grants and contracts under paragraphs (1) through (5) of subsection (a), there are authorized to be appropriated $10,000,000 for the fiscal year ending September 30, 1985, $11,000,000 for the fiscal year ending September 30, 1986, and $12,000,000 for the fiscal year ending September 30, 1987.";

(2) by striking out "this subsection" in the second sentence and inserting in lieu thereof "this paragraph";

(3) by striking out "1981," in such sentence and inserting in lieu thereof "1984,"; and

(4) by adding at the end thereof the following new paragraph:

"(2) For payments under grants and contracts under paragraphs (6), (7), and (8) of subsection (a), there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1985, $5,500,000 for the fiscal year ending September 30, 1986, and $6,000,000 for the fiscal year ending September 30, 1987. Not less than 25 percent of the amounts appropriated under this paragraph shall be obligated for grants and contracts under paragraph (7) of subsection (a).".

ADVANCED NURSE EDUCATION

SEC. 4. Section 821 is amended to read as follows:

"ADVANCED NURSE EDUCATION

"SEC. 821. (a) The Secretary may make grants to and enter into contracts with public and private nonprofit collegiate schools of nursing to meet the costs of projects to—

"(1) plan, develop, and operate,

"(2) expand, or

"(3) maintain,

programs which lead to masters' and doctoral degrees and which prepare professional nurses to serve as nurse educators, administrators, consultants, or researchers or to serve in clinical nurse specialties determined by the Secretary.

"(b) For payments under grants and contracts under this section, there are authorized to be appropriated $17,500,000 for the fiscal year ending September 30, 1985, $18,500,000 for the fiscal year ending September 30, 1986, and $19,500,000 for the fiscal year ending September 30, 1987.".

NURSE PRACTITIONER PROGRAMS

SEC. 5. (a)(1) Paragraph (1) of section 822(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to and enter into contracts with public and private nonprofit schools of nursing to meet the costs of projects to—

"(i) plan, develop, and operate,

"(ii) expand, or

"(iii) maintain,

programs for the education of nurse practitioners.

"(B) The Secretary may make grants to and enter into contracts with public and private nonprofit schools of nursing and appropriate public and private nonprofit entities to meet the costs of projects to—

"(i) plan, develop, and operate,

"(ii) expand, or

"(iii) maintain,

accredited certificate programs for nurse midwives.".

(2) Paragraph (2) of such section is amended—

(A) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(2)(A) For purposes of this section, the term 'programs for the education of nurse practitioners' means educational programs for registered nurses which—

"(i) meet guidelines prescribed by the Secretary in accordance with subparagraph (B);

"(ii) have as their objective the education of nurses (including pediatric nurses, geriatric nurses, and nurse midwives) who will, upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities, and other health care institutions; and

"(iii) lead to a masters' degree or a doctoral degree, except that compliance with the provisions of this clause is not required for programs to educate nurse midwives."; and

(B) by striking out "training" in subparagraph (B) and inserting in lieu thereof "education".

(b) Section 822 is further amended by striking out subsections (b) and (d) and by redesignating subsections (c) and (e) as subsections (b) and (c), respectively.

(c) Section 822(b) (as redesignated by subsection (b) of this section) is amended by striking out "training" and inserting in lieu thereof "education".

(d) Section 822(c) (as redesignated by subsection (b) of this section) is amended to read as follows:

"(c) For payments under grants and contracts under this section, there are authorized to be appropriated $12,000,000 for the fiscal year ending September 30, 1985, $13,000,000 for the fiscal year ending September 30, 1986, and $14,000,000 for the fiscal year ending September 30, 1987.".

(e)(1) Notwithstanding the amendments made by subsections (a), (b), and (c) of this section, the Secretary of Health and Human Services may make one grant or enter into one contract with a school, hospital, or entity which, in fiscal year 1984, received a grant or contract under section 822 of the Public Health Service Act (as such section was in effect on September 30, 1984) in order to enable such school, hospital, or entity to maintain programs for the training of nurse practitioners which are in existence on September 30, 1984, or traineeship programs to train nurse practitioners which are in existence on such date. The provisions of such section (as such section was in effect on September 30, 1984) shall apply to grants made and contracts entered into under the preceding sentence.

(2) The Secretary of Health and Human Services may use funds appropriated under subsection (c) of section 822 of the Public Health Service Act (as amended and redesignated by subsections (b) and (d) of this section) for grants and contracts under paragraph (1) of this subsection.

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

SEC. 6. (a) Paragraph (1) of section 830(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to public and private nonprofit schools of nursing to cover the cost of traineeships for nurses in masters' degree and doctoral degree programs in order to educate such nurses to—

"(i) serve in and prepare for practice as nurse practitioners,

"(ii) serve in and prepare for practice as nurse administrators, nurse educators, and nurse researchers, or

"(iii) serve in and prepare for practice in other professional nursing specialties determined by the Secretary to require advanced education.

"(B) The Secretary may make grants to public and private nonprofit schools of nursing and appropriate public and private nonprofit entities to cover the cost of traineeships to educate nurses to serve in and prepare for practice as nurse midwives.".

(b) Section 830 is further amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting "(1)" before "There" in such subsection;

(3) by striking out "this section" in the first sentence of such subsection and inserting in lieu thereof "subsection (a)";

(4) by striking out "and" after "1983," in such sentence;

(5) by inserting a comma and "$12,000,000 for the fiscal year ending September 30, 1985, $13,000,000 for the fiscal year ending September 30, 1986, and $14,000,000 for the fiscal year ending September 30, 1987" before the period in such sentence;

(6) by striking out the second sentence of such subsection;

(7) by adding at the end of such subsection the following new paragraph:

"(2) To carry out subsection (b), there are authorized to be appropriated $3,000,000 for the fiscal year ending September 30, 1985, $3,500,000 for the fiscal year ending September 30, 1986, and $4,000,000 for the fiscal year ending September 30, 1987.";

(8) by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit schools of nursing to cover the costs of post baccalaureate and post doctoral fellowships for faculty in such schools to enable such faculty to—

"(1) expand knowledge with respect to nursing by working with groups of students;

"(2) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature infants, physically and mentally disabled individuals, and ethnic and minority groups;

"(3) examine nursing interventions that result in positive outcomes in health status, with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, disease prevention, and ethical concerns; and

"(4) address other areas of nursing practice considered by the Secretary to require additional study."; and

(9) by striking out "TRAINING" in the section heading and inserting in lieu thereof "EDUCATION".

NURSE ANESTHETISTS

SEC. 7. (a) Section 831(a)(1) is amended by striking out "Commissioner" and inserting in lieu thereof "Secretary".

(b) Section 831 is further amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists which are accredited by an entity or entities designated by the Secretary of Education, including grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such nurse anesthetists to obtain advanced education relevant to their teaching functions.".

(c) Section 831(c) (as redesignated by subsection (b) of this section) is amended to read as follows:

"(c) For the purpose of making grants under this section, there are authorized to be appropriated $1,000,000 for the fiscal year ending September 30, 1985, $1,300,000 for the fiscal year ending September 30, 1986, and $1,600,000 for the fiscal year ending September 30, 1987.".

(d) The section heading for such section is amended by striking out "TRAINEESHIPS FOR THE TRAINING OF".

STUDENT LOANS

SEC. 8. (a) The last sentence of section 836(a) is amended by striking out "and to persons who enter as first-year students after enactment of this title".

(b) Section 837 is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "There are authorized to be appropriated for allotments under section 838 to schools of nursing for Federal capital contributions to their student loan funds established under section 835, $1,000,000 for the fiscal year ending September 30, 1985, $1,300,000 for the fiscal year ending September 30, 1986, and $1,600,000 for the fiscal year ending September 30, 1987.";

(2) by striking out "1985," in the second sentence and inserting in lieu thereof "1988,";

(3) by striking out "1984," in such sentence and inserting in lieu thereof "1987,"; and

(4) by striking out the last two sentences.

(c) Section 838 is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a)(1) The Secretary shall from time to time set dates by which schools of nursing must file applications for Federal capital contributions.

"(2) If the total of the amounts requested for any fiscal year in such applications exceeds the total amount appropriated under section 837 for that fiscal year, the allotment from such total amount to the loan fund of each school of nursing shall be reduced to whichever of the following is the smaller: (A) the amount requested in its application or (B) an amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled on a full-time basis in such school during such fiscal year bears to the estimated total number of students enrolled in all such schools on a full-time basis during such year. Amounts remaining after allotment under the preceding sen-

tence shall be reallotted in accordance with clause (B) of such sentence among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school's loan fund under this paragraph and paragraph (3) from exceeding the total so requested by it.

"(3) Funds which, pursuant to section 839 (c) or pursuant to a loan agreement under section 835, are returned to the Secretary in any fiscal year, shall be available for allotment in such fiscal year and in the fiscal year succeeding the fiscal year. Funds described in the preceding sentence shall be allotted among schools of nursing in such manner as the Secretary determines will best carry out the provisions of this subpart, except that in making such allotments, the Secretary shall give priority to schools of nursing which established student loan funds under this subpart after September 30, 1975.

"(b) Allotments to a loan fund of a school shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.".

(d) Section 839 is amended—

(1) by striking out "1987," each place it appears in subsections (a) and (b) and inserting in lieu thereof "1990,"; and

(2) by adding at the end thereof the following new subsection:

"(c)(1) Within 30 days after the termination of any agreement with a school under section 835 or the termination in any other manner of a school's participation in the loan program under this subpart, such school shall pay to the Secretary from the balance of the loan fund of such school established under section 835, an amount which bears the same ratio to the balance in such fund on the date of such termination as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 835(b)(2)(A) bears to the total amount in such fund on such date derived from such Federal capital contributions and from funds deposited in the fund pursuant to section 835(b)(2)(B). The remainder of such balance shall be paid to the school.

"(2) A school to which paragraph (1) applies shall pay to the Secretary after the date on which payment is made under such paragraph and not less than quarterly, the same proportionate share of amounts received by the school after the date of termination referred to in paragraph (1) in payment of principal or interest on loans made from the loan fund as was determined for the Secretary under such paragraph.".

(e) Section 6103(m) of the Internal Revenue Code of 1954 is amended—

(1) by inserting "ADMINISTERED BY THE DEPARTMENT OF EDUCATION" before the period in the paragraph heading of paragraph (4); and

(2) by adding at the end thereof the following new paragraph:

"(5) INDIVIDUALS WHO HAVE DEFAULTED ON STUDENT LOANS ADMINISTERED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—

"(A) IN GENERAL.—Upon written request by the Secretary of Health and Human Services, the Secretary may disclose the mailing address of any taxpayer who has defaulted on a loan made under part C of title VII of the Public Health Service Act or under subpart II of part C of title VIII of such Act, for use only by officers, employees, or agents of the Department of Health and Human Services for the purposes of locating such taxpayer for purposes of collecting such loan.

"(B) DISCLOSURE TO SCHOOLS AND ELIGIBLE LENDERS.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to—

"(i) any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part C of title VIII of such Act, or

"(ii) any eligible lender (within the meaning of section 737(4) of such Act) participating under subpart I of part C of title VII of such Act,

for use only by officers, employees, or agents of such school or eligible lender whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subparts for the purposes of collecting such loans.".

REPEALS

SEC. 9. (a) Sections 801, 802, 803, 805, 810, 811, and 815 are repealed.

(b) Part A of title VIII is amended by striking out the headings for subparts I, II, III, and IV.

(c) Section 804 is redesignated as section 858, and is amended—

(1) by striking out "this subpart" in the matter preceding clause (1) and inserting in lieu thereof "subpart I of part A (as such subpart was in effect prior to September 30, 1984)";

(2) by inserting "under subpart I of part A (as such subpart was in effect prior to September 30, 1984) after "Federal participation" in the matter following clause (3); and

(3) by adding "FOR CONSTRUCTION ASSISTANCE" at the end of the section heading.

(d) Section 851(b) is amended by striking out ", and in the review of applications for construction projects under subpart I of part A, of applications under section 805, and of applications under subpart III of part A".

(e) Section 853(1) is amended by striking out "the Canal Zone,".

(f) Section 853(6) is amended to read as follows:

"(6) The term 'accredited' when applied to any program of nurse education means a program accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education, except that a school of nursing seeking an agreement under subpart II of part C for the establishment of a student loan fund, which is not, at the time of the application under such subpart, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of such subpart if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the agreement with such school is made under such subpart; except that the provisions of this clause shall not apply for purposes of section 838. For the purpose of this paragraph, the Secretary of Education shall publish a list of recognized accrediting bodies, and of State agencies, which the Secretary of Education determines to be reliable authority as to the quality of education offered.".

BUREAU OF NURSING

SEC. 10. (a) Parts B and C of title VIII are redesignated as parts C and D, respectively.

(b) Title VIII is amended by inserting before section 820 the following:

"PART B—SPECIAL PROJECTS".

(c) Part A of title VIII is amended to read as follows:

"PART A—BUREAU OF NURSING

"ESTABLISHMENT

"SEC. 801. (a) There is established in the Health Resources and Services Administration the Bureau of Nursing. The Bureau shall be composed of—

"(1) the Division for Advanced Nurse Education established by section 802;

"(2) the Division for Nurse Educational Support established by section 803; and

"(3) the Center for Nursing Studies and Research established by section 804.

"(b) The Bureau shall be headed by a Director, who shall be appointed by the Secretary. The Secretary shall carry out this title through the Director.

"(c) The Secretary shall carry out the provisions of section 951 of the Nurse Training Act of 1975 through the Director.

"DIVISION FOR ADVANCED NURSE EDUCATION

"SEC. 802. There is established in the Bureau the Division for Advanced Nurse Education. The Secretary shall carry out part B through the Director and the Division.

"DIVISION FOR NURSE EDUCATIONAL SUPPORT

"SEC. 803. There is established in the Bureau the Division of Nurse Educational Support. The Secretary shall carry out part C through the Director and the Division.

"CENTER FOR NURSING STUDIES AND RESEARCH

"SEC. 804. (a) There is established in the Bureau the Center for Nursing Studies and Research. The Secretary, through the Center, shall conduct and support programs of basic and clinical research, training, and information dissemination relating to—

"(1) the promotion of health;

"(2) the prevention of illness;

"(3) the responses of patients and their families to acute and chronic illnesses, disabilities, and the aging process; and

"(4) nursing education, nursing services, and professional nursing resources.

Programs conducted under this subsection shall be in addition to the programs described in paragraphs (1) and (2) of subsection (b).

"(b) The Secretary shall carry out through the Center—

"(1) programs of research, training, and information dissemination relating to nursing conducted and supported by the Secretary under section 301; and

"(2) the program of National Research Service Awards relating to nursing under section 472.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 805. (a) To carry out section 804 (a), there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1985, $5,500,000 for the fiscal year ending September 30, 1986, and $6,000,000 for the fiscal year ending September 30, 1987. Amounts appropriated

under this subsection shall be in addition to amounts appropriated under sections 301 and 472.

"(b) For the establishment and initial operation of the Bureau, there are authorized to be appropriated $2,000,000 for the fiscal year ending September 30, 1985, and each of the two succeeding fiscal years.".

(d) Section 853 is amended by adding at the end thereof the following new paragraphs:

"(11) The term 'Bureau' means the Bureau of Nursing established under section 801.

"(12) The term 'Director' means the Director of the Bureau.".

(e)(1) The Division of Nursing of the Health Resources and Services Administration of the Department of Health and Human Services is terminated.

(2) Section 472 is amended—

(A) by striking out "Division of Nursing of the Health Resources Administration," in subsection (a)(1)(A)(i) and inserting in lieu thereof "Bureau of Nursing of the Health Resources and Services Administration,"; and

(B) by striking out "Division" in such subsection and inserting in lieu thereof "Bureau".

EFFECTIVE DATE

SEC. 11. This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves to strike out all after the enacting clause of the Senate bill, S. 2574, and to insert in lieu thereof the provisions of the bill, H.R. 5602, as passed by the House.

That (a) this Act may be cited as the "Health Professions and Services Amendments of 1984".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal, of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

TITLE I—PROGRAMS UNDER TITLE VII OF THE PUBLIC HEALTH SERVICE ACT

SEC. 101. (a) The first sentence of section 728(a) (42 U.S.C. 294a(a)) is amended by striking out "and" and "1983;" and by inserting before the period a semicolon and the following: "$275,000,000 for the fiscal year ending September 30, 1985; and $300,000,000 for the fiscal year ending September 30, 1986".

(b) The last sentence of such section is amended by striking out "1987" and inserting in lieu thereof "1980".

SEC. 102. (a) Section 740(a) (42 U.S.C. 294m(a)) is amended by inserting before the period the following: "and with any public or other nonprofit school which is located in a State and which offers graduate programs in clinical psychology".

(b) Section 740(b) is amended—

(1) by inserting before the semicolon at the end of paragraph (4) the following: "and to students pursuing a full-time course of study at the school in a graduate program in clinical psychology"; and

(2) by adding after paragraph (6) the following:

"For purposes of this section and section 741, the term 'graduate program in clinical psychology' has the meaning prescribed by section 737(3).".

(c) Section 701(5) (42 U.S.C. 292a(5)) is amended by inserting "or in clinical psychology" after "health administration".

(d)(1) Sections 741(b) and 741(f)(1)(A) are each amended by inserting "a doctoral degree in clinical psychology or an equivalent degree," after "doctor of optometry or an equivalent degree,".

(2) Section 741(c) is amended by inserting after "veterinary medicine" the following: "or at a school in a graduate program in psychology".

(e)(1) Section 741(c) is amended by adding at the end the following: "If an individual who was a full-time student at a school described in the preceding sentence—

"(1) leaves the school to engage in an activity which is directly related to the health profession for which the individual is preparing and leaves with the intent to return to such school as a full-time student, and

"(2) engages in such activity for not more than two years, such individual may not be required under the preceding sentence to begin loan repayments.".

(2) The amendment made by paragraph (1) shall take effect as of June 30, 1982.

SEC. 103. (a) Section 742(a) (42 U.S.C. 244(o)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$10,000,000 for the fiscal year ending September 30, 1985, and $10,700,000 for the fiscal year ending September 30, 1986".

(b) Section 740(b) (42 U.S.C. 294m(b)) is amended by adding after paragraph (6) the following: "With respect to fiscal years beginning after fiscal year 1984, each agreement shall provide that at least one-half of the Federal contribution in such fiscal years to the student loan fund of the school shall be used to make loans to individuals from disadvantaged backgrounds as determined in accordance with criteria prescribed by the Secretary.".

(c) Section 743 (42 U.S.C. 294p) is amended by striking out "1987" each place it occurs and inserting in lieu thereof "1989".

SEC. 104. Section 758(d) (42 U.S.C. 294z(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$8,000,000 for the fiscal year ending September 30, 1985, and $8,600,000 for the fiscal year ending September 30, 1986".

SEC. 105. Section 770(e)(4) (42 U.S.C. 295(e)(4)) is amended by striking out "and" after "1983," and by inserting after "1984," the following: "$7,500,000 for the fiscal year ending September 30, 1985, and $8,000,000 for the fiscal year ending September 30, 1986,".

SEC. 106. Paragraph (1) of section 771(e) (42 U.S.C. 295f-1(e)) is amended to read as follows:

"(1) To be eligible for a grant under section 770 for a fiscal year beginning after fiscal year 1984, the product of the hours of instruction offered by a school of public health and the number of students enrolled in such hours of instruction in such school, in the school year beginning in fiscal year 1985 and in each school year thereafter beginning in a fiscal year in which a grant under section 770 is applied for, shall be at least the same as the product of the hours of instruction offered by the school and the number of students enrolled in such hours of instruction in the school year beginning in fiscal year 1984.".

SEC. 107. (a) Section 780(c) (42 U.S.C. 295(c)) is amended by striking out "and" after "1983," and by inserting after "1984" a comma and the following: "$11,000,000 for the fiscal year ending September 30, 1985, and $11,800,000 for the fiscal year ending September 30, 1986,".

(b) Section 780 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:

"(c) In making grants under subsection (a), the Secretary shall give priority to an applicant which demonstrates to the satisfaction of the Secretary a commitment to making the applicant's family medicine program a permanent component of its medical education training program.".

SEC. 108. (a) The first sentence of section 781(g) (42 U.S.C. 295g-1(g)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$18,000,000 for the fiscal year ending September 30, 1985, and $19,200,000 for the fiscal year ending September 30, 1986".

(b)(1) Section 781(a)(2) is amended by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively and by striking out all that precedes clause (i) (as so redesignated) and inserting in lieu thereof the following:

"(2)(A) The Secretary shall enter into contracts with schools of medicine and osteopathy—

"(i) which have previously received Federal financial assistance for an area health education center program under section 802 of the Health Professionals Educational Assistance Act of 1976 in fiscal year 1979 or under paragraph (1), or

"(ii) which are receiving assistance under paragraph (1),

to carry out projects described in subparagraph (B) through area health education centers for which Federal financial assistance was provided under paragraph (1) and which are no longer eligible to receive such assistance.

"(B) Projects for which assistance may be provided under subparagraph (A) are—".

(2) The last sentence of section 781(g) is amended by striking out "may" and inserting in lieu thereof "shall".

SEC. 109. Section 782 (42 U.S.C. 295g-2) is amended to read as follows:

"GRANTS FOR SCHOOLS OF PUBLIC HEALTH

"SEC. 782. (a) The Secretary may make grants to public and nonprofit private schools of public health for projects to develop new programs or expand existing programs in human nutrition, geriatrics, health promotion and disease prevention, alcoholism, and injury due to accidents.

"(b) For grants under subsection (a) there are authorized to be appropriated $3,000,000 for fiscal year 1985, and $3,200,000 for fiscal year 1986.".

SEC. 110. Section 783(d) (42 U.S.C. 295g-3(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$6,000,000 for the fiscal year ending September 30, 1986".

SEC. 111. (a) Section 784(b) (42 U.S.C. 295g-4(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$24,000,000 for the fiscal year ending September 30, 1985, and $28,000,000 for the fiscal year ending September 30, 1986".

(b) Section 784 is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) In making grants and entering into contracts under subsection (a), the Secre-

tary shall give priority to an applicant which demonstrates to the satisfaction of the Secretary a commitment to making its general internal medicine and general pediatrics programs permament components of its medical education training program.".

SEC. 112. (a)(1) The first sentence of section 786(c) (42 U.S.C. 295g-6(c)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$38,000,000 for the fiscal year ending September 30, 1985, and $40,600,000 for the fiscal year ending September 30, 1986".

(2) Section 786(c) is amended by adding at the end the following: "In any fiscal year, the Secretary shall obligate for grants under subsection (b) not less than 7 percent of the amount appropriated under this subsection for such fiscal year.".

(b) Section 786 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) In making grants under subsection (a), the Secretary shall give priority to an applicant which demonstrates to the satisfaction of the Secretary a commitment to making its family medicine program a permanent component of its medical education training program.".

(c) Section 786(b) is amended—

(1) by inserting "or an approved advanced educational program in the general practice of dentistry" before the semicolon in paragraph (1); and

(2) by striking out "residents" in paragraph (2) and inserting in lieu thereof "participants".

SEC. 113. (a) The first sentence of section 787(b) (42 U.S.C. 295g-7(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$24,000,000 for the fiscal year ending September 30, 1985, and $25,700,000 for the fiscal year ending September 30, 1986".

(b)(1) Section 787(a)(1) is amended—

(A) by inserting a comma after "podiatry" and the following: "public and nonprofit private schools which offer graduate programs in clinical psychology,"; and

(B) by adding at the end the following: "For purposes of this section, the term 'graduate programs in clinical psychology' has the meaning prescribed for that term by section 737(3).".

(2) Section 787(a)(2) is amended by inserting after subparagraph (E) the following: "The term 'regular course of education of such a school' as used in subparagrpah (D) includes a graduate program in clinical psychology.".

SEC. 114. (a) Section 788(f) (42 U.S.C. 295g-8(f)) is amended by striking out "and" and "1983;" and by inserting before the period a semicolon and the following: "4,000,000 for the fiscal year ending September 30, 1985; $4,300,000 for the fiscal year ending September 30, 1986".

(b)(1) Subsection (a)(1) of section 788 is amended to read as follows:

"(a)(1) The Secretary may make grants to maintain and improve schools which provide the first or last two years of education leading to the degree of doctor of medicine or osteopathy. Grants provided under this paragraph to schools which were in existence on the date of the enactment of the Health Professions and Services Amendments of 1984 may be used for construction and the purchase of equipment.".

(2) Paragraph (2) of section 788(a) is repealed and paragraph (3) of such section is redesignated as paragraph (2).

(3) Section 788(a)(2) (as so redesignated) is amended by inserting "or last" after "the first", by inserting "or osteopathy" after "medicine" and by inserting "or be operated jointly with a school that is accredited by" after "accredited by".

(4) Section 788(b) is amended to read as follows:

"(b) The Secretary may make grants to and enter into contracts with any health profession, allied health profession, or nurse training institution for special projects and programs for—

"(1) curriculum development and training in health policy and policy analysis, the organization, delivery, and financing of health care, the determinants of health and the role of medicine in health, and the delivery of health care services to low-income and aged persons;

"(2) curriculum and program development and training in applying the social and behavioral sciences to the study of health and health care delivery issues;

"(3) training in health promotion and disease prevention; and

"(4) curriculum development and training in human nutrition.".

(c)(1) Section 788(d) is amended—

(A) by striking out "with schools of medicine or osteopathy or other appropriate public or nonprofit private entities to assist in meeting the costs of such schools or entities" and inserting in lieu thereof "with accredited health professions schools referred to in section 701(4) or 701(10) to assist in meeting the costs of such schools"; and

(B) by amending paragraph (1) to read as follows:

"(1) improve the training of health professionals in geriatrics, develop and disseminate curriculum relating to the treatment of the health problems of the elderly, expand and strengthen instruction in such treatment, support the training and retraining of faculty to provide such instruction, and support continuing education of health professionals in such treatment; and".

(2) Section 788(f) amended—

(A) by inserting "(1) after "(f)",

(B) by striking out "For purposes of this section" and inserting in lieu thereof "For purposes of subsections (a), (b), (c), (e), and (f) of this section", and

(C) by adding at the end the following:

"(2) For purposes of subsection (d) there are authorized to be appropriated $2,000,000 for fiscal year 1985 and $3,000,000 for fiscal year 1986.".

(d) Section 788 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (c) the following:

"(f) The Secretary may make grants to schools of veterinary medicine for (1) the development of curriculum for training in the care of animals used in research, the treatment of animals while being used in research, and the development of alternatives to the use of animals in research, and (2) the provision of such training.".

(e) The heading for section 788 is amended to read as follows:

"TWO-YEAR SCHOOLS OF MEDICINE, INTERDISCIPLINARY TRAINING, AND CURRICULUM DEVELOPMENT"

SEC. 115. (a) The first sentence of section 788B(h) (42 U.S.C. 295g-8b(h)) is amended to read as follows: "For the purpose of entering into contracts to carry out this section and section 788A there are authorized to be appropriated $6,000,000 for the fiscal year ending September 30, 1985, and $6,400,000 for the fiscal year ending September 30, 1986.".

(b) Subsections (b)(1) and (f) of section 788B are each amended by striking out "five years" and inserting in lieu thereof "seven years".

SEC. 116. (a) Section 791(d) (42 U.S.C. 295h(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$2,500,000 for the fiscal year ending September 30, 1985 and $2,700,000 for the fiscal year ending September 30, 1986".

(b) Subsection (c)(2)(A)(ii) of section 791 is amended to read as follows:

"(ii) such entity shall expend or obligate from non-Federal sources to conduct such programs at least $200,000 in fiscal year 1985 and $225,000 in fiscal year 1986;".

SEC. 117. Section 791A(c) (42 U.S.C. 295h-1a(c)) is amended by striking out "and" after "1980;" and by inserting before the period a semicolon and the following: "$1,000,000 for the fiscal year ending September 30, 1985; $1,100,000 for the fiscal year ending September 30, 1986".

SEC. 118. Section 792(c) (42 U.S.C. 295h-1b(c)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: "$4,500,000 for the fiscal year ending September 30, 1985; and $4,800,000 for the fiscal year ending September 30, 1986".

SEC. 119. Section 793(c) (42 U.S.C. 295h-1(c)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$3,000,000 for the fiscal year ending September 30, 1985, and $3,200,000 for the fiscal year ending September 30, 1986".

SEC. 120. Section 702(a) (42 U.S.C. 292b(a)) is amended (1) by striking out "four representatives" and inserting in lieu thereof "three representatives", (2) by striking out "podiatry, and public health" and inserting in lieu thereof "and podiatry", and (3) by inserting after "791" the following: "and one representative of schools of public health".

SEC. 121. (a)(1) Section 701(4) (42 U.S.C. 292a(4)) is amended (A) by inserting "'school of chiropractic'," after "'school of dentistry',", and (B) by inserting "degree of doctor of chiropractic," after "doctor of dentistry or an equivalent degree,".

(2) Section 701(5) is amended by inserting "chiropractic," after "dentistry,".

(b)(1) Section 740(a) (42 U.S.C. 294m(a)) is amended by inserting "chiropractic," after "dentistry,".

(2) Sections 740(b)(4), 741(b), and 741(f)(1)(A) are each amended by inserting "degree of doctor of chiropractic," after "doctor of dentistry or an equivalent degree,".

(3) Section 741(c) is amended by inserting "chiropractic," after "dentistry,".

(4) Section 742(a) (42 U.S.C. 294o(a)) is amended by adding at the end the following: "Of the amount appropriated under this subsection for any fiscal year, not more than 4 per centum of such amount shall be made available for Federal capital contributions for student loan funds at schools of chiropractic.".

(c)(1) Section 787(a)(1) (42 U.S.C. 295g-7(a)(1)) is amended by inserting "chiropractic," after "dentistry,".

(2) Section 787(b) is amended by inserting at the end the following: "Of the amount appropriated under this subsection for any fiscal year, not more than 4 per centum of such amount shall be obligated for grants or contracts to schools of chiropractic.".

SEC. 122. Section 709(d) (42 U.S.C. 292j(d)) is amended to read as follows:

"(d) Funds appropriated under this title may be used by the Secretary to provide technical assistance in relation to any of the authorities under this title.".

SEC. 123. (a)(1) Section 731(a)(1)(A) (42 U.S.C. 294d(a)(1)(A)) is amended by striking out "and" at the end of clause (iii), by redesignating clause (iv) as clause (v), and by inserting after clause (iii) the following:

"(iv) if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section has presented himself and submitted to registration under such section; and".

(2) Section 731(a)(1)(B) is amended by striking out "and" at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following:

"(iii) if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section has presented himself and submitted to registration under such section; and".

(3) Section 741(b) (42 U.S.C. 294-n(b)) is amended by inserting "(1)" after "student" and by inserting before the period a comma and the following: "and (2) who if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section has presented himself and submitted to registration under such section".

(b) The Secretary of Health and Human Services, in cooperation with the Director of Selective Service, shall conduct a study to determine if health professions schools are engaged in a pattern or practice of failure to comply with section 12(f) of the Military Selective Service Act (50 U.S.C. App. 462(f)) (or regulations issued under such section) or are engaged in a pattern or practice of providing loans or work assistance to persons who are required to register under section 3 of such Act (and any proclamation of the President and regulations prescribed under that section) and have not so registered. The Secretary shall complete the study and report its results to the Congress not later than one year after the date of the enactment of this Act.

SEC. 124. The Secretary of Health and Human Services shall conduct a study of the delivery of inpatient and outpatient health care services to the homeless and shall include in the study an evaluation of eligibility requirements which prevent the homeless from receiving health care services and an evaluation of the efficiency of the delivery of health care services to the homeless. The Secretary shall complete the study and report its results to the Congress not later than September 30, 1985, together with recommendations for legislation to improve health care delivery services to the homeless.

Sec. 125. Section 731(a)(2)(D) is amended by striking the words "compounded semiannually and".

TITLE II—PROGRAMS UNDER TITLE VIII OF THE PUBLIC HEALTH SERVICE ACT

SEC. 201. The first sentence of section 820(d) (42 U.S.C. 296k(d)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$12,000,000 for the fiscal year ending September 30, 1985, $13,000,000 for the fiscal year ending September 30, 1986, and $14,000,000 for the fiscal year ending September 30, 1987".

SEC. 202. (a) Section 821(b) (42 U.S.C. 296l(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$21,000,000 for the fiscal year ending September 30, 1985, $22,000,000 for the fiscal year ending September 30, 1986, and $23,000,000 for the fiscal year ending September 30, 1987".

(b) Section 821(a) is amended by striking out all after paragraph (3) and inserting in lieu thereof the following: "programs which lead to masters and doctoral degrees and which prepare nurses to serve as nurse educators, administrators, and researchers or in clinical nurse specialities determined by the Secretary to require advanced training.".

SEC. 203. (a) Section 822(e) (42 U.S.C. 296m(e)) is amended to read as follows:

"(e) For grants and contracts under subsections (a) and (b), there are authorized to be appropriated $19,000,000 for the fiscal year ending September 30, 1985, $20,000,000 for the fiscal year ending September 30, 1986, and $21,000,000 for the fiscal year ending September 30, 1987.".

(b)(1) Section 822(a)(1) is amended by inserting "and nurse midwives" after "nurse practitioners" the first two times it appears in such section.

(2) Sections 822(a)(2), 822(b), and 822(c) are each amended by inserting "and nurse midwives" after "nurse practitioners" each place it occurs.

(3) Section 822(a)(2)(A) is amended by inserting after "and which" the following: "in the case of nurse practitioners".

(4) Section 822(b)(3) is amended by inserting before "for a period" the following: "or in a public health care facility".

(5) The heading for section 822 is amended to read as follows:

"NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS".

SEC. 204. Subpart IV of part A of title VIII is amended by adding after section 822 the following new section:

"DEMONSTRATION GRANTS

"SEC. 823. (a) The Secretary may make grants to public and nonprofit private entities for projects to demonstrate—

"(1) improvements in clinical nursing care in institutions,

"(2) improvements in clinical nursing care in homes, independent nursing practice arrangements, and ambulatory facilities, and

"(3) programs to encourage nurses to practice in health manpower shortage areas.

"(b) For grants under subsection (a), there are authorized to be appropriated $8,000,000 for fiscal year 1985, $9,000,000 for fiscal year 1986, and $10,000,000 for fiscal year 1987.".

SEC. 205. (a)(1) The first sentence of section 830(b) (42 U.S.C. 297(b)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: "$15,000,000 for the fiscal year ending September 30, 1985, "$16,000,000 for the fiscal year ending September 30, 1986, "$17,000,000 for the fiscal year ending September 30, 1987".

(2) The second sentence of such section is amended by striking out "1981" and inserting in lieu thereof "1985".

(b) Paragraph (1) of section 830(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to public and nonprofit private schools of nursing to cover the cost of traineeships for nurses in masters degree and doctoral degree programs in order to educate such nurses——

"(i) to teach in the various fields of nurse training (including practical nurse training),

"(ii) to serve in administrative or supervisory capacities, or

"(iii) to serve in other professional nursing specialties determined by the Secretary to require advanced training.

"(B) The Secretary may make grants to public and nonprofit private schools to cover the cost of traineeships in certificate or degree programs to educate nurses to serve in and prepare for practice as nurse practitioners and nurse midwives.".

SEC. 206. Section 831(b) (42 U.S.C. 297-1(b)) is amended to read as follows:

"(b) For grants under subsection (a), there are authorized to be appropriated $1,000,000 for fiscal year 1985, $1,200,000 for fiscal year 1986, and $1,400,000 for fiscal year 1987.".

TITLE III—NATIONAL HEALTH SERVICE CORPS PROGRAM

SEC. 301. (a) Section 338(a) (42 U.S.C. 254k(a)) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and the following: $90,000,000 for the fiscal year ending September 30, 1986; $95,000,000 for the fiscal year ending September 30, 1987; and $100,000,000 for the fiscal year ending September 30, 1988".

(b) Section 338F(a) (42 U.S.C. 294y(a)) is amended—

(1) by striking out "1982, and each of the two" in the second sentence and inserting in lieu thereof "1985, and each of the three",

(2) by striking out "1984 "each place it occurs, and inserting in lieu thereof "1988", and

(3) by striking out "1985, and for each of the two" and inserting in lieu thereof "1989, and each of the three".

SEC. 302. Section 338C(a)(2) (42 U.S.C. 294v(a)(2)) is amended by inserting before the period the following: "for which the Secretary has made the evaluation and determination described in section 333(a)(1)(D)".

SEC. 303. Section 338C(b) is amended by inserting at the end the following: "The Secretary shall take such action as may be appropriate to assure that the conditions of the written agreement prescribed by this subsection are adhered to.".

SEC. 304. Section 332(a)(1) (42 U.S.C. 254e(a)(1)) is amended by adding at the end the following: "The Secretary may not remove an area from the areas determined to be health manpower shortage areas under clause (A) unless the Secretary also determines that such an area does not have a population group described in clause (B) or a facility described in clause (C).".

TITLE IV—HEALTH MAINTENANCE ORGANIZATIONS AND MIGRANT AND COMMUNITY HEALTH CENTERS

SEC. 401. (a) Section 1309(b) (42 U.S.C. 300e-8(b)) is amended by striking out "1982, 1983, and 1984" and inserting in lieu thereof "1985, 1986, 1987, and 1988".

(b) Section 1305(d) (42 U.S.C. 300e-4(d)) is amended by striking out "September 30, 1986" and inserting in lieu thereof "September 30, 1989".

SEC. 402. (a) The first sentence of section 329(h)(1) (42 U.S.C. 247d(h)(1)) is amended by striking out "and" after "1983," and by inserting before the period a comma and the following: $47,000,000 for the fiscal year ending September 30, 1985, $51,000,000 for the fiscal year ending September 30, 1986, $58,000,000 for the fiscal year ending Sep-

tember 30, 1987, and $64,000,000 for the fiscal year ending September 30, 1988".

(b) Section 329(d)(2) is amended by inserting before the semicolon the following: "and the costs of repaying loans made by the Farmer's Home Loan Administration for buildings".

SEC. 403. Section 330(g) (42 U.S.C. 254c(g)) is amended by striking out paragraphs (1) and (2), by redesignating paragraph (3) as paragraph (2), and by inserting before that paragraph the following:

"(g)(1) For grants under subsection (d), there are authorized to be appropriated: $375,000,000 for fiscal year 1985, $410,000,000 for fiscal year 1986, $445,000,000 for fiscal year 1987, and $482,000,000 for fiscal year 1988. The Secretary may not expend for grants under subsection (d)(1)(C) in any fiscal year an amount which exceeds 5 per centum of the funds appropriated under this paragraph for that fiscal year.".

SEC. 404. No health maintenance organization may be required, as a condition for being federally qualified under title XIII of the Public Health Service Act, to include organ transplants, other than kidney transplants, in its basic health services (as defined in section 1302 of such Act) before the health maintenance organization's contract year beginning after January 1, 1986. In making any determination whether an organ transplant procedure should be included in a health maintenance organization's contract entered into after January 1, 1986, the Secretary shall provide an opportunity for public comment on the proposed determination prior to its implementation.

TITLE V—HEALTH CARE CONSUMER INFORMATION

SEC. 501. Section 304 of such Act (42 U.S.C. 242k) is amended by adding at the end the following:

"(e)(1) The Secretary shall—

"(A) study (i) criteria and methodologies for use in collecting and disseminating aggregate health care cost and utilization data and other health care consumer information, (ii) Federal laws and programs under which such information is collected and disseminated and the activities of public and private entities and individuals in the collection and dissemination of such information, and (iii) means to assist in collecting and disseminating such information through public and private entities and individuals;

"(B) develop improvements in criteria and methodologies for use in collecting and disseminating health care consumer information and develop methodologies for defining and measuring quality of health care services;

"(C) prepare a plan for having appropriate public or private entities, or both, furnish, either directly or through referral, to the public, upon request, technical assistance relating to the criteria and methodologies identified in subparagraph (A); and

"(D) not later than six months after the completion of the study and preparation of the plan required by subparagraphs (A) and (C), carry out, to the extent feasible, the plan prepared under subparagraph (C).

Not later than nine months after the date of enactment of this subsection, the Secretary shall complete the study required by subparagraph (A), shall complete the plan required by subparagraph (C), and report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate the results of the study and the developed plan. The Secretary shall also periodically report to such committees on the actions taken under subparagraph (B) and the technical assistance provided under the plan.

"(2) In carrying out paragraph (1), the Secretary shall consult with the National Committee on Vital and Health Statistics established under section 306(k)(1), the Health Care Financing Administration, the Prospective Payment Assessment Commission, and representatives of—

"(A) physicians, hospitals, and other health care providers,

"(B) insurers,

"(C) businesses, unions, and public entities which purchase health care through insurance or self-insurance, and

"(D) health care consumers.

"(3) In carrying out paragraph (1), the Secretary shall assure that the methodology and criteria referred to in subparagraphs (A) and (B) of such paragraph shall protect the confidentiality of individually identifiable patient medical information information.

"(4) This subsection does not authorize the Secretary to require the disclosure of any information.".

TITLE VI—PLAGUE

SEC. 601. Section 317 (42 U.S.C. 247b) is amended by adding at the end the following:

"(k) The Secretary, acting through the Director of the Centers for Disease Control, may make grants to States for the control of plague. For grants under this subsection, there are authorized to be appropriated $1,000,000 for each of the fiscal years 1985, 1986, and 1987.".

TITLE VII—HEALTH CARE COSTS

SEC. 701. It is the sense of the Congress that the problem of rising health care costs can be reduced if those engaged in health care professions do everything possible to hold down the cost of delivering health care to the nation by considering options to institutionalized health services wherever appropriate.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An Act to amend titles VII and VIII of the Public Health Service Act to extend the programs of assistance for the training of health professions personnel, to revise and extend the National Health Service Corps Program under that act, and to revise and extend the programs of assistance under that act for health maintenance organizations and migrant and community health centers."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 5602) was laid on the table.

AUTHORIZING THE CLERK TO MAKE TECHNICAL CORRECTIONS IN ENGROSSMENT OF HOUSE AMENDMENT TO S. 2574

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the enrolling clerk be authorized to make technical corrections in the engrossment of the House amendment to the Senate bill, S. 2574.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 5602, just passed by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO HAVE UNTIL MIDNIGHT TOMORROW TO FILE REPORTS ON SUNDRY BILLS

Mr. BREAUX. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries have until midnight, Friday, September 7, 1984, to file the reports on the following bills:

H.R. 1511, to provide for jurisdiction over common carriers by water engaging in foreign commerce to and from the United States utilizing ports in countries contiguous to the United States;

H.R. 5492, to provide for the conservation of Atlantic striped bass, and for other purposes;

H.R. 1438, to provide for the restoration of the fish and wildlife in the Trinity River Basin, CA, and for other purposes;

H.R. 5755, to amend the Fish and Wildlife Coordination Act; and

H.R. 5464, to establish the Chimon Island National Wildlife Refuge.

I am informed that this request has been cleared by the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

□ 1840

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL 5 P.M. TOMORROW TO FILE REPORTS ON SUNDRY BILLS

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until 5 p.m. Friday, September 7, 1984, to file reports on the following bills:

H.R. 4028, to amend the Drug Abuse Prevention, Treatment and Rehabilitation Act;

H.R. 3347, the Extradition Act of 1984; and

H.R. 6071, the Trademark Counterfeiting Act of 1984.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

Mr. ROGERS. Mr. Speaker, reserving the right to object, have the matters been cleared with the minority Members?

Mr. HUGHES. If the gentleman will yield, yes, they have been.

Mr. ROGERS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

REVISED DEFERRAL OF BUDGET AUTHORITY RELATING TO DEPARTMENT OF ENERGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-254)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and orderd to be printed:

(For message, see proceedings of the Senate of today, Thursday, September 6, 1984.)

EXCLUSION OF AGENCIES FROM COVERAGE UNDER MERIT PAY SYSTEM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-255)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Post Office and Civil Service and orderd to be printed:

(For message, see proceedings of the Senate of today, Thursday, September 6, 1984.)

RESIGNATION AS CHAIRMAN AND MEMBER OF COMMITTEE ON HOUSE ADMINISTRATION

The SPEAKER pro tempore laid before the House the following resignation as chairman and member of the Committee on House Administration:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 6, 1984.

Hon. THOMAS "TIP" O'NEILL, Jr.,
Speaker of the House,
Washington, DC.

DEAR MR. SPEAKER: I hereby resign my position as Chairman and member of the Committee on House Administration.

Sincerely,

AUGUSTUS F. HAWKINS,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted effective at the beginning of business today.

There was no objection.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute.)

Mr. LOTT. Mr. Speaker, I have asked for this time for the purpose of receiving the schedule for next week from the distinguished gentleman from Missouri [Mr. GEPHARDT], and I yield to the gentleman for that purpose.

Mr. GEPHARDT. I thank the gentleman for yielding.

Mr. Speaker, the schedule for next week is as follows:

On Monday, September 10, the House will meet at noon and will consider the following 11 bills on the Suspension Calendar:

H.R. 3979, comprehensive smoking education bill;

H.J. Res. 247, man's inhumanity to man;

H.R. 3194, Abandoned Shipwreck Act of 1984;

H.R. 5492, conservation and management of Atlantic striped bass;

H.R. 5755, Fish and Wildlife Coordination Act Amendments;

H.R. 5464, establish Chimon Island National Wildlife Refuge;

H.R. 1511, common carriers by water in foreign commerce—United States and Canada;

H.R. 3347, improve procedures for extradition between the United States and other countries;

H.R. 6031, Money Laundering Penalties Act of 1984;

H.R. 4028, Drug Abuse Prevention and Treatment Act Amendments; and

H.R. 6071, Trademark Counterfeiting Act.

Recorded votes on these suspension bills will be postponed until Wednesday, September 12, and the votes on the suspensions will be at the end of business on Wednesday.

On Tuesday, September 11, the House will again meet at noon and will consider the following 13 bills on the Suspension Calendar:

H.R. 5607, book preservation bill;

H.R. 5479, United States Code, title 5 amendments re awards and expenses of certain agency and court proceedings;

H.R. 5644, Supreme Court discretion re selection of cases for review;

H.R. 5645, permit U.S. courts to establish the order of hearing for certain civil matters;

H.R. 5938, United States Code, title 17 amendments re rental of sound recordings;

H.R. 5714, Shoal Water Bay Indian Tribe claim settlement;

H.R. 5519, reauthorize Indian financing;

S. 2819, Technical Amendments to Housing and Community Development Act;

S. 2040, Secondary Mortgage Market Enhancement Act;

H.J. Res. 605, implementation of U.S. opposition to torture by foreign countries;

H. Con. Res. 107, concern re plight of Ethiopian Jews;

H.J. Res. 136, wildlife preserve for humpback whales; and

H. Con. Res. 298, sense of Congress re Namibian prisoners.

Once again, the recorded votes on these suspension bills will be postponed until the end of business on Wednesday, September 12.

On Wednesday, September 12, the House will meet at 10 a.m. and will consider H.R. 1437, the California wilderness bill. The rule would permit consideration of this bill. The House will also consider H.R. 4567, Indian health care amendments, an open rule, with 1 hour of general debate.

Again, recorded votes on suspensions debated on Monday and Tuesday would come at the end of business on Wednesday.

On Thursday and Friday, September 13 and 14, 1984, the House will meet at 10 a.m. and will consider H.R. 5609, the American Defense Education Act, subject to a rule being granted, and H.R. 4444, the Small Reclamation Projects Act, an open rule, with 1 hour of general debate.

The House will adjourn by 3 p.m. on Friday and, obviously, conference reports may be brought up at any time, and any further program will be announced later.

Mr. LOTT. Mr. Speaker, I would like to address a couple questions to the gentleman from Missouri about the schedule. I think it is important to repeat that we have this long list of 11 suspensions on Monday, 13 suspensions on Tuesday, but the recorded votes on those suspensions will not come until after the other 2 bills on Wednesday, Wednesday afternoon; is that correct?

Mr. GEPHARDT. That is correct. As the gentleman knows, there are a number of primary elections on Tuesday, and for the reason we are having these votes put on Wednesday.

Mr. LOTT. I understand there are perhaps 10 primaries on Tuesday, so that's why the gentleman is putting off the votes on the suspensions until after the 2 other bills scheduled on Wednesday, so it will be sometime Wednesday afternoon before we will vote on those suspensions, if any are demanded on Monday or Tuesday?

Mr. GEPHARDT. That is correct.

Mr. LOTT. The gentleman has on the schedule for Thursday and Friday, or Thursday and the balance of the week, two bills, H.R. 5609, the American Defense Education Act, and H.R.

4444, the Small Reclamation Projects Act. If the House should complete those two bills on Thursday, would there be then a session on Friday, or does the gentleman anticipate a session on Friday? I ask the question so that the Members can make plans for next Friday and the week after that.

Mr. GEPHARDT. If we are able to complete the business that is scheduled on this schedule that we have just announced, then the intention would not be to have a session on Friday.

Mr. LOTT. I would like to take it one step beyond next week and go over into the next week because I have had some Members complain today that they found out yesterday that as a matter of fact we would not have recorded votes on Monday or Tuesday. Some of them came long distances back here, so far that it was hard for them to go back and be back here on Wednesday. The point is, the next week there are also a couple of primaries. Are we going to have votes deferred until the close of business on Tuesday, or do we know yet?

Mr. GEPHARDT. The intention on the following week after the next week would be to have votes on Tuesday but not on Monday.

As the gentleman probably understands, there are two primaries in that week, and with that kind of a primary schedule we feel that we should go forward with votes on Tuesday.

Mr. LOTT. It is helpful for the Members to know that. They do know now that there will not be votes on Monday, and the votes on Tuesday that will occur will probably occur at the close of business, after the suspensions have been considered.

Mr. GEPHARDT. I think that would be the intention.

Mr. LOTT. I have two other questions. This bill, H.R. 5609, the American Defense Education Act, that is the bill that would cost an estimated $11 billion, is that correct, pending before the Rules Committee?

Mr. GEPHARDT. I am not aware of the exact cost of that bill. If the gentleman has heard the bill before the committee he might have a better notion of the exact cost. Obviously, the bill would be considered by the House, and the House would work its will.

Mr. LOTT. I thank the gentleman.

ADJOURNMENT TO MONDAY, SEPTEMBER 10, 1984

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore. Is the objection to the request of the gentleman from Missouri?

There was no objection.

REQUEST TO DISPENSE WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. WEBER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

□ 1850

REAGAN ADMINISTRATION POLICIES SPELL DISASTER FOR HEALTH COVERAGE OF NATION'S UNEMPLOYED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. LEVIN] is recognized for 5 minutes.

Mr. LEVIN of Michigan. Mr. Speaker, the President has said, and repeated it on various occasions that there is not "one single fact or figure" that proves that his administration has been picking on "the needy."

Well, some weeks ago we had the report of the Urban Institute, which showed that the facts are quite the contrary; that the Reagan administration has indeed in effect been picking on the needy. For example, it showed, and it is a nonpartisan and widely respected think tank. It showed, for example, that since 1980 the disposable income of the poorest one-fifth of all American families has declined by 7.6 percent. That is after inflation. While the income of the top one-fifth has risen by 8.7 percent.

In essence it showed that these figures translate into a $25 billion income transfer to the wealthiest Americans; the upper one-fifth, from the other four-fifths of America. The Reagan administration program, Mr. Speaker, has gone far beyond hurting the poor and helping the rich. It has also been hurting the middle. I want today to discuss one such area relating to health insurance and the state of health of millions of families.

Last year, the House passed a bill, H.R. 3021, that would have authorized new block grants for 2 years for States that wanted to provide health insurance benefits to unemployed people and their families. Those who had been out of work for a year or longer would have had priority for coverage. Well, that bill has died in the Senate and it has been opposed by the administration. The main reason given, the main argument, was that only 13 percent of Americans were losing unemployment insurance and unemployment coverage because of unemployment. Well, it turns out that there is reason to believe that the figure is far beyond 13 percent.

There is a recent study from the University of Michigan, and it has been based on interviews with a large number of people within the State of Michigan; 1,332 unemployed workers in southeastern Michigan who were interviewed between October 1983 and January 1984. Here is what it found. That 51 percent of the 1,332 workers who were interviewed had no health insurance. Not 13 percent; but 51 percent. It found that among those who had been out of work 3 months or less, 26 percent had lost health insurance coverage. Those unemployed 4 to 12 months, 50 percent were without insurance, and those who had been unemployed for more than 2 years, 70 percent were without insurance far beyond the 13 percent projected by the administration.

It also found that in only one-third of the cases were unemployed workers able to get other coverage. In a final finding, that in rating their own health, unemployed workers considered themselves to be in poorer health than the general population. The jobless said that their health was much worse than employed acquaintances in their age group.

Well, what are the arguments of the administration? They go something like this: Well, it is not serious, only 13 percent. Another argument is that most of those who lost their benefits received coverage from spouses. But in the University of Michigan study, this was found not to be true in two-thirds of the cases of the jobless.

Then the third argument of the administration is that the jobless, many of them never had health insurance anyway, so they did not really lose it through unemployment. But in the University of Michigan study it was found that this was the case in only 22 percent of the cases. In 78 percent of the cases of unemployed workers there had been health insurance coverage.

It was also found that only one-fourth of the unemployed who had lost their insurance had used medicaid. So we find that indeed a broad range of middle-income families have been hurt by the Reagan administration policies.

THE GREATEST THREAT TO THE SOCIAL SECURITY PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WEAVER] is recognized for 5 minutes.

Mr. WEAVER. Mr. Speaker, the greatest threat to the Social Security Program and recipients, and it is a dire threat, one that I want to alert all senior citizens in this country to, the greatest threat is President Ronald Reagan and the Republican Party.

Now, would President Reagan come out against Social Security? Heavens no. He has actually said he would like to raise the Social Security benefits this year even though the law does not stipulate it and is required to do so. Would the Republican Members of Congress vote against Social Security? Heavens no; they would not. Why, the senior citizens would have them flogged and set aside and replaced.

So how and why are they a threat to Social Security? They have come forth with a constitutional amendment to balance the budget, and the reason they want that constitutional amendment to balance the budget is so that they can force steep, deep cuts on Social Security spending. That is their sole purpose for a constitutional amendment to balance the budget. That is because without Social Security in there, President Ronald Reagan is the biggest spender in the history of the United States of America, and the Republican Party is the most flagrantly wasteful political party in our history.

The deficits of the first term of Ronald Reagan's Presidency will be greater than the deficits we have obligated ourselves to since George Washington through Jimmy Carter. I challenge the Republican and President Reagan, therefore to do one thing: I am ready to vote for that constitutional amendment to balance the budget. I am ready to vote for it right now with one amendment. I will offer that amendment. I can assure you I would like to ask my friends and colleagues if they would vote against the amendment. That amendment is to except the Social Security trust fund from the constitutional amendment to balance the budget. If they will do that, you have got one vote right here for that constitutional amendment to balance the budget. Because then, it reveals the Federal budget for what it is: 60 percent military. Sixty percent military.

If I have time left. I would be delighted to yield to the gentleman from Idaho [Mr. CRAIG]. I intend to take a 60-minute special order Monday to go into this in great detail and depth, but if the gentleman would like to speak now, fine. Delighted.

□ 1900

Mr. CRAIG. I appreciate my colleague yielding.

If I were to suggest to the gentleman that the adoption of a constitutional amendment to balance the budget would take 2 years in the ratification process at the State level, would then take another 2 years to implement, and that during that time, with Social Security as it currently is, allowed to grow as we have suggested it will grow based on the new proposals we have put together in a bipartisan manner, and at that time, 4 to 5 years down the road when the action of the three-fourths of the States of this Nation, in concert with this Congress, would say that we would have to have a balanced budget and we allowed the budget the grow on course during that time at about a 3-percent growth rate, as is projected as a reasonable growth rate, and that does include Social Security, that it would come in balance on its own and that nobody who advocates a constitutional amendment to balance the Federal budget advocates any reduction in Social Security except those who technically oppose it anyway and are only using this as an excuse, and I am talking about the procedure that——

Mr. WEAVER. Mr. Speaker, I would reclaim my time and tell the gentleman that I strongly support a balanced budget and that if the Social Security trust fund is excepted from it, let us face it, if you do bring it to the floor I will offer an amendment or someone else will.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. WEAVER. I would be delighted to yield to my dear friend, the gentlewoman from Ohio.

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Speaker, the gentleman just hit the nail right on the head, because one of the real frauds is that the Social Security trust fund is under the auspices of the budget. It never was until 1969.

Mr. WEAVER. That is right.

Ms. OAKAR. During the Vietnam era.

Mr. WEAVER. And Lyndon Johnson put it in.

Ms. OAKAR. That is right. The Republicans ratified it, but Johnson did suggest it. If we took the trust fund out of the budget, all the phony baloney percentages of what we really spend for defense and so on would just be eradicated.

Mr. WEAVER. I tell my dear friend from Ohio that she is exactly right and we really should bring this issue to the floor of the House of Representatives and really find out what the Republicans would be trying to do to us.

Mr. Speaker, I yield back the balance of my time.

FORTY-FIFTH ANNIVERSARY OF INVASION OF POLAND

The SPEAKER pro tempore (Mr. RAHALL). Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, the month of September marks the 45th anniversary of the invasion of Poland. On September 1, 1939, the forces of nazism invaded Poland from the west, and on September 17, the forces of communism invaded Poland from the east, and Poland became a tyrannized and persecuted nation.

Alone and unaided, the 830,000 soldiers and officers of the Polish Army fought heroically against overwhelming odds and the terror unleashed by the invaders. Thousands of Polish infanty, Navy, and Air Force troops were forced to flee the military might of the hostile occupiers of thier country. Eventually they joined the Allies and took up arms once more throughtout Europe and in North Africa, continuing their courageous efforts to achieve self-determination and freedom. As the regular army slowly disintegrated within the country, a brave underground movement developed, directed by the Polish government-in-exile, and the Polish home army together with civilian men, women, and children, fearlessly destroyed enemy planes, ammunition dumps, bridges, and other military installations.

Often forced to survive for months or even years in the forests and mountains, members of the resistance and the Polish populace at large reacted with spirit and conviction. Refusing to betray their national honor and collaborate with the enemy, 6 million Poles preferred self-respect and death to capitulation. The nation lost close to one quarter of her population, and Warsaw, the Polish capital, was leveled to the ground.

On several occasions I have urged that the United States confer the American Legion of Merit, on a posthumous basis, to Lt. Gen. Stefan Rowecki, Lt. Gen. Tadeusz Bor-Komorowski, and Maj. Gen. Leopold Okulicki, the three commanders of the Polish home army, in recognition of their heroic actions in the cause of freedom during World War II. The leadership and fortitude that these three men exhibited were not only vital to the Allies in their fight against the Nazis, but also serve today as an inspiration to the brave people of Poland. I am proud to report to my colleagues that in August of this year, the American Legion of Merit was finally bestowed on these valiant generals, who contributed so much to the ultimate defeat of the Nazis.

Once the Nazis had been eliminated, the Communist regime unfortunately occupied the country and began its campaign to destroy the culture and spirit of the Polish people. Today Poles still must face the daily tyranny of their Communist oppressors. Last Friday marked the fourth anniversary of the Solidarity Trade Union, and thousands of people turned out in Poland to demonstrate their desire for human rights, human respect, and human dignity, and I join hands with the Polish people in their continuing struggle for their personal liberty and national integrity.

Those Poles who have emigrated to the United States have brought with them their love of liberty and their respect for law. They have contributed mightily to the social, economic, political, and cultural advancement of our Nation, and they have helped to make the United States one of the greatest countries in the world.

Mr. Speaker, as we commemorate the 45th anniversary of the invasion of Poland, I join with Americans of Polish descent who reside in the 11th Congressional District of Illinois which I am honored to represent, as well as Poles all over this Nation, in their hopes and prayers for the day when the people of Poland can live in personal and economic freedom with the right to choose the course of their own national destiny.●

GENOCIDE CONVENTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 5 minutes.

● Mr. FASCELL. Mr. Speaker, today President Reagan announced his support for Senate ratification of one of the most important human rights instruments ever negotiated: The Genocide Convention. I congratulate President Reagan for his endorsement and am glad he has finally joined previous Democratic and Republican Presidents who have supported ratification. I only wish Mr. Reagan had made his announcement sooner. The President has stated that he supports ratification with the three understandings and one declaration called for in the attached resolution.

Unfortunately, the Congress will likely adjourn in a few weeks and consideration in the other body probably will be postponed to the next Congress. However, the President's endorsement will hopefully lead to ratification and the adoption of implementing legislation which will give effect to this important measure in the United States.

The Genocide Convention is an international treaty. Called the International Convention on the Prevention and Punishment of the Crime of Genocide, its purpose is to make genocide an international crime, whether committed during times of peace or war. The convention also provides that constitutionally responsible rulers, public officials as well as private persons who commit genocide or conspire or comply in committing genocide are to be punished as international criminals. Persons charged with the crime of genocide are to be tried by a competent tribunal of the state where the act was committed.

Genocide is not a new international crime as contemporary cases in Cambodia and Uganda demonstrate. But Hitler's persecution of various minorities, especially the Jewish people during World War II, gave particular impetus to the U.N. preparation of the convention. The U.N. General Assembly unanimously adopted the convention on December 9, 1948. It came into force in 1951. Today more than 90 states are parties to the convention. The United States, however, has not yet ratified it since President Truman transmitted it to the Senate in 1949.

Since then, in the other body, the Foreign Relations Committee has held several hearings on the convention. Most recently, in 1976, the committee recommended that the Senate give its advice and consent with three understandings and a declaration, but the other body has not yet acted. In the mid-1970's, the American Bar Association changed its position and came out in support of Senate ratification. The ABA still supports ratification and I hope its membership will work for Senate advice and consent in coming months.

Ratification of the Genocide Convention should strengthen U.S. diplomacy on human rights in both bilateral as well as multilateral meetings. Once the Genocide Convention is ratified, I sincerely hope the President will then address five other human rights conventions pending before the Senate: the two international covenants, the Convention on the Elimination of Racial Discrimination, the Convention on the Elimination of Discrimination Against Women, and the Inter-American Convention.

Clearly, it is in our national interest to be able to show our friends, allies and even adversaries that the United States means what it says about its tradition and commitment to human rights and fundamental freedoms. We have long cherished these traditions at home and it is high time we demonstrated our support for them abroad by subscribing to these international human rights treaties. The Genocide Convention is a most commendable measure on which to begin this important effort.

The text of the resolution follows:

TEXT OF RESOLUTION OF RATIFICATION

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the International Convention on the Prevention and Punishment of the Crime of Genocide, adopted unanimously by the General Assembly of the United Nations in Paris on December 9, 1948, and signed on behalf of the United States on December 11, 1948 (Executive O, Eighty-first Congress, first session) subject to the following understandings and declaration:

1. That the United States Government understands and construes the words "intent to destroy, in whole or in part, a national, ethnical, racial, or religious group as such" appearing in article II, to mean the intent to destroy a national, ethnical, racial, or religious group by the acts specified in article II in such manner as to affect a substantial part of the group concerned.

2. That the United States Government understands and construes the words "mental harm" appearing in article II(b) of this Convention to mean permanent impairment of mental faculties.

3. That the United States Government understands and construes article VI of the Convention in accordance with the agreed language of the Report of the Legal Committee of the United Nations General Assembly that nothing in article VI shall affect the right of any State to bring to trial before its own tribunals any of its nationals for acts committed outside the United States.

4. That the United States Government declares that it will not deposit its instrument of ratification until after the implementing legislation referred to in article V has been enacted.●

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LEVINE] is recognized for 5 minutes.

● Mr. LEVINE of California. Mr. Speaker, I was unavoidably absent and unable to vote on rollcalls 371-373 on August 10, 1984. Had I been present, I would have voted "aye" on the Levitas amendment establishing an administrative mechanism to compensate victims of hazardous waste exposure; "no" on the Conable amendment that sought to terminate the tax provisions on September 30, 1986; and "aye" on final passage of the bill, H.R. 5640.

H.R. 5640, the Superfund Expansion and Protection Act, is a critical hazardous waste cleanup law. It extends the Superfund Program through fiscal year 1990 and provides a total of $10.2 billion over that period. Among its provisions are strict timetables for the Environmental Protection Agency [EPA] to cleanup abandoned hazardous waste sites, and the establishment of national cleanup standards at Superfund sites. In addition, the bill gives citizens the right to sue EPA or any State or local agency to compel it to perform any duty under the Superfund law which it has failed to perform.

Mr. Speaker, the EPA has identified over 17,000 toxic waste sites in the United States and estimates that the final tally may exceed 22,000. There are currently 546 sites on the national priorities list eligible for Superfund cleanup, 19 of which are in my own State of California. To date, only six sites nationwide have been cleaned up. Passage of H.R. 5640 by the House has not only increased essential funding, it has significantly enhanced the authority for corrective action at toxic waste sites. I am a strong supporter of this legislation and hope to see swift action in the other body as well.●

REAGAN ADMINISTRATION'S SOUTHERN AFRICA FAILURES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. HAYES] is recognized for 5 minutes.

Mr. HAYES. Mr. Speaker, for the last few days the world has watched in horror as over 29 men, women, and children have lost their lives, and hundreds more have been injured, in the worst wave of violence to sweep the apartheid ridden nation of South Africa since the Soweto uprisings of 1976.

The spark which ignited this latest explosion was the South African Government's adoption of a new Constitution which established separate and unequal parliamentary representation for whites, Asians, and coloreds, while totally excluding blacks, who make up nearly 85 percent of the country's population.

State Department spokesman John Hughes said Tuesday that our country is "deeply disturbed and concerned by the continuing violence" in South Africa, but this is contradicted by our Government's abstention during the United Nations Security Council's recent vote to reject the legitimacy of the new constitutional elections.

President Reagan and his advisers often claim to be concerned with the promotion of democracy and human rights throughout the world, but they have remained conspicuously silent while the good name of the United States continues to be tarnished by our military and economic support for one of the most brutal and unjust regimes in the history of modern civilization.

By failing to speak out against repeated injustices by the South African Government, and by continuing to allow American citizens and corporations to do business in South Africa while it denies the vast majority of its people, rights which Americans hold as basic to freedom and human dignity, our country has become the object of scorn and ridicule throughout much of the world.

Despite objections by freedom loving Members of Congress and representatives of humanitarian, religious, and labor organizations, the United States, under the Reagan administration, has continued to be South Africa's major source of support in the world community.

The administration's latest Southern Africa policy initiative of "constructive engagement" has been a total failure. Rather than facilitating the independence of Namibia, which is illegally occupied by South African troops, our recent activities have only served to shield South Africa from its many critics while allowing it to pursue a course of military aggression and economic destabilization against its neighbors.

As those entrusted with the responsibility of governing on behalf of the people of this great Nation, Members of Congress must take the first steps in changing the disastrous path we are taking in Southern Africa.

How much longer will we allow our country to be South Africa's major trade partner? How much longer will we continue to protect it from United Nations sanctions? How much longer will we allow U.S. based corporations to move plants and jobs to South Africa to profit at the expense of displaced American and oppressed South African workers? How much longer will we continue to use the rationale of South Africa's profession of anticommunism to serve as a justification for our tacit approval of one of the world's most vicious and corrupt regimes?

How much longer can we continue to allow our leaders to ignore the fact that the situation in Southern Africa constitutes one of the greatest threats to world peace of our time?

It is time for our Government to realize that the greatest threats to the stability of nations come not from outside, but from the poverty, ignorance, exploitation, and hopelessness of their own oppressed citizens. We will not be able to make true and lasting friendships in the Third World until we begin to concentrate on exporting the technologies of housing, food production, health care, economic development, and education, rather than the technologies of war.

I am asking Members of Congress and right minded people throughout our great Nation to join me in: First, calling for an immediate end to all diplomatic and military ties between the United States and the Pretoria Government; second, demanding the immediate divestiture of all investments by U.S.-based corporations and individuals now doing business in South Africa; and third, calling for the suspension of all travel and trade relations between the United States and South Africa.

MSGR. GENO C. BARONI

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Ms. MIKULSKI] is recognized for 30 minutes.

GENERAL LEAVE

Ms. MIKULSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

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Ms. MIKULSKI. Mr. Speaker, this special order is in tribute to Msgr. Geno Baroni, a friend, a patriot, and someone who devoted his life to the cause of social justice who died on August 27 at the age of 53, after a long bout with cancer.

Monsignor Baroni made an outstanding contribution to our country through the many, many things that he did. Going back to his early days as a young priest in Altoona, he organized credit unions to help the people of his community. He came to Washington, DC, in 1960 and arrived on Columbus Day.

Monsignor Baroni always had a flair for both symbolism and show business. But he took that in a way to be able to make his point. Monsignor Baroni was known probably best for being an organizer. He was living proof of his own philosophy that one person can make a difference and he did.

Monsignor Baroni changed the world and the world will never be the same because of him. Monsignor Baroni made a considerable contribution to our national life. He created lasting institutions for social justice and self-help. He stood with people of color in their own struggle for social justice.

When Martin Luther King cried out, when Bull Conner had turned the dogs on women and children in the march for Alabama, and Dr. King called out for people to join him in the march to Selma, it was Monsignor Baroni who was the first Catholic clergy to respond, taking with him hundreds of priests and nuns to march in that protest.

Monsignor Baroni also launched a social movement for ethnic pride and self-help. We now know that the Statue of Liberty is getting a facelift, but Monsignor Baroni gave her a shot in the arm.

Because what he did was, he believed in the beatitudes. He believed that the meek would inherit the Earth, but only if they organized. That is why he worked to organize the march on Washington for jobs and justice. That is why he established the National Center for Urban Ethnic Affairs to be of help to those of us who came from the little Italies, the Greek towns and the Polish hills.

Through that work what he worked to do was end the elitism of planners and the corruption of the machines on which our political bosses had gained control and to end bigotry.

Monsignor Baroni also said that it is not by bread alone that man lives but by credit, and he empowered in neighborhoods to establish credit unions and work to establish the National Co-op Bank and establish housing with other self-help initiatives so that people have control over their own money, their own neighborhoods, and their own destinies.

What Monsignor Baroni tried to do was to make sure that every person

had a chance. It is said that as he worked so much for others to teach them how to be able to fight for themselves, ultimately he could not fight for his own life.

But that he did; he fought for 4 years against the insidious cancer that tried to erode his body. And up until the very last moments of his life he was organizing from his hospital bed. He was calling upon the Catholic Church to organize hospice care from the parishes. He was asking. He was helping people of all religious faiths to learn how to be counseling in the areas of death and dying.

Though he is gone from us, his legacy will still be with us. We will miss him because we still need him.

Other people had many things to say about Monsignor Baroni and I would like to include those in the RECORD. I would like to include the Washington Post editorial on Monsignor Baroni. The Washington Post obituary by Colman McCarthy. The New York Times obituary by Philip Shabecoff.

The newspaper articles follow:

[From the Washington Post, Aug. 30, 1984]

GENO CHARLES BARONI

There were more than a few racially tense moments in the Washington of the 1960s, and when friction became particularly severe and potentially explosive, the word would go out quietly from President Johnson, Walter Washington, the chief of police or whoever else needed information, advice and help to round up cool heads for heated neighborhoods: Check with Geno, the priest of the streets. Usually, a ride up and down the rough-and-tough blocks of 14th Street NW would turn up a gathering somewhere in which you would spot the short, round figure of a white man of the cloth, touching bases as well as hearts among a group of black people. Monsignor Geno Baroni, who died of cancer Monday at the age of 53, was that special man.

Later he became a monsignor and an assistant secretary of housing and urban development. But the pastorate of Father Baroni then and always extended well beyond the black, brown and white membership of his parish at Sts. Paul and Augustine Church at 15th and V Street NW. So did his closest interreligious friendships, which included a Protestant minister and a local Jewish leader who teamed up with him to keep a low profile and a close touch on the pulse of downtown.

Monsignor Baroni was much more than a troubleshooter, though. His canny sensitivity to the concerns of people of all colors and ethnic groups made him the builder of effective coalitions working to improve housing, health care, education and police relations. And though he took this work seriously that was not how he took himself. There was humor, often at his expense, and there were comments that endeared him to ethnic groups and racial minorities who could related to the conditions he cited. John Kromkowski, president of the National Center for Urban Ethnic Affairs, which Monsignor Baroni founded, recalled that when the Kerner Commission "divided America into black and white, rich and poor, Baroni testified that a public policy based on such assumptions would make 'our cities black, brown and broke.' . . . His support for working-class communities as well as the poor who lived next door separated him from the limousine liberals and elitist radical chic."

All of us who had the good fortune to know Geno Baroni will miss his special insight, his concern for the neglected and the powerless and his unswerving faith in the ability of people to get along with each other. Thanks to his presence on the streets and in the centers of authority, Washington is clearly a better place.

[From the Washington Post, Aug. 29, 1984]

MSGR. GENO BARONI, NOTED FOR WORK WITH ETHNICS, URBAN POOR, DIES AT 53

(By Colman McCarthy)

Msgr. Geno Baroni, 53, who for more than 25 years extended his priestly ministry among ethnic groups and the urban poor into a national leadership role in neighborhood organizing, died of cancer Aug. 27 at Providence Hospital.

Following confirmation by the Senate in April, 1977, Msgr. Baroni served for four years in the Carter Administration as assistant secretary for neighborhood development, consumer affairs and regulatory functions in the Department of Housing and Urban Development. Until then, no Catholic priest ever had held that high a federal appointment. On leaving HUD, Msgr. Baroni was appointed special assistant for community affairs to the Archbishop of Washington, James A. Hickey.

Before government service, he was the founder-president of the National Center for Urban Ethnic Affairs, an arm of the U.S. Catholic Conference. He organized neighborhood groups in 45 cities. He also was the founder-president of the National Italian-American Foundation.

Msgr. Baroni's death "leaves Washington a much poorer place," Archbishop Hickey said. "His life and work enriched not only this community but our nation and church as well. We have lost a passionate voice for justice, a powerful defender of diversity and human rights, and a caring priest who served the least, the lost, and the left-out among us."

A naturally cheerful spirit with a taste for both the wry insight and the comforting word, Msgr. Baroni thrived on building wide four-lane bridges between disparate political or ethnic groups. He believed—and seldom stopped trying to persuade others to believe—that coalitions of several small interest groups can have more muscle than one large interest group that is isolated. Linkage was everything.

During the 1960s, when he served as an assistant pastor of Sts. Paul and Augustine parish at 15th and V streets NW, he urged the black congregation to see the Hispanics of the neighboring Adams-Morgan community as allies, not enemies. He believed that power politics is groups politics is cultural politics.

In a 1972 speech, Msgr. Baroni explained that white ethnics, a bloc of some 40 million Americans, need to bond themselves with blacks and Hispanics. The speech argued that ethnics, blacks and Hispanics "are allies because they share a common oppression. The politicians and planners funnel tax money to the Defense Department when it needs to go to the housing department. Doesn't this hurt ethnics as well as blacks? What happens if we don't build more housing? Right now, we are building at a rate of 13 million units over 10 years when we need a minimum of 26 million. What does that mean if not more polarization? . . . We know how many houses we need, so why don't we build them? Why not reconvert Mack Truck and Boeing Aircraft and build houses, not tanks and jet fighters?"

Msgr. Baroni woke to ethnic identity early in life. He was born in Acosta, Pa., a coal town near Pittsburgh. His parents were Italian immigrants who liked the American pot but saw no need to melt in it.

"My family," Msgr. Baroni once recalled, "used to eat mushrooms, snails, gizzard, tripe, brains and dandelions—Italian soul food. We raised rabbits and caught squirrels. Rabbit was my favorite meat. I ate it because that's what poor people ate. Now if I want these same things, I have to go to a fancy restaurant."

In Acosta, Msgr. Baroni learned his rank: "The Episcopalians and the Jews owned the mines, the Presbyterians and Lutherans were the bosses, and the Italians and Poles dug the coal," he said. In high school, where all the teachers were Protestant, he caused trouble: "When I took my salami sandwiches to school, the teacher fused about the smell."

After studying theology at Mount St. Mary's College in Emmitsburg, Md., Msgr. Baroni was ordained in 1956. He served in working-class parishes in Altoona and Johnstown, PA, until 1960. He already was an unconventional priest. His Irish pastor at Sacred Heart Church issued some kindly advice on success and religion; if the young priest kept going to union meetings with the faithful he would never become a bishop. Msgr. Baroni, in an interview, recalled saying: "Me, a bishop? I'm just an Italian kid lucky to be ordained at all."

In the parish in Johnstown, which was engulfed in a steel mill, Msgr. Baroni recalled that "the pastor spoke for the company and I spoke for the union." One of the young priest's enduring corporal works of mercy was to be begin a cooperative credit union among the parish families. It started with 20 members and now has 7,000.

Following an illness in which a change of scenery was prescribed as a medicine, Msgr. Baroni came to Washington in 1960. At Sts. Paul and Augustine, which was a merger of a black parish and a white one, he threw himself into the problems of the Shaw and Cardozo neighborhoods.

He developed parish programs for housing, health care and education. Among congressional and city officials, he became known as a general in the 1960s War on Poverty who lived among the troops, not at the officer's club in the suburbs.

He reflected once on what he regarded as the mind-set that prevails among the middle and upper class: "In the suburbs, you can't tell the difference between Protestants, Catholics and Jews. They're all nice, well-meaning people. If you tell them about poor Mrs. Brown who is going to be evicted because her relief check got lost in the mail and she can't pay the rent, you'll get a flood of sympathy. They'll give you as much secondhand underwear as you can carry. Someone will even give you a check. But talk about welfare reform or social change? Then you'll get this business about lazy, no good chiselers living off of welfare."

At HUD, Msgr. Baroni's experience in neighborhoods was relied on by then secretary Patricia Harris. Fortune magazine wrote in 1978 that. Harris "has assigned the task of working with inner-city groups to a remarkable ghetto priest, Father Geno Baroni, who is now applying on a national scale some of the lessons he learned as a

pastor in one of the toughest areas of Washington."

Before congressional committees Msgr. Baroni was an able shaker of the federal money tree. In 1978, he persuaded Congress to add $15 billion to an appropriations bill for self-help programs in 21 cities.

Visitors to Msgr. Baroni's HUD office invariably were asked to look at a silk screen sent to him by an elderly woman who had heard him speak on the importance of ethnic consciousness. The screen bears these words: "There are only two lasting things we can leave our children. One is roots, the other is wings."

Msgr. Baroni is survived by his mother and a sister.

[From the New York Times, Aug. 29, 1984]

MSGR. GENO BARONI, A LEADER IN NEIGHBORHOOD ORGANIZING

(By Philip Shabecoff)

WASHINGTON, August 28.—Geno C. Baroni, a Roman Catholic priest, civil rights activist, community organizer and former Assistant Secretary of Housing and Urban Development, died of cancer Sunday at Providence Hospital. He was 53 years old.

The son of an immigrant Italian coal miner in Pennsylvania, Monsignor Baroni became a leading force in the neighborhood revival movement of the 1960's and 1970's, a spokesman for the urban blue-collar working family and the creator of a nationwide network of church, civil rights, community and political leaders concerned with helping the inner-city poor.

He was also known as a teacher who inspired hundreds of people to become involved in public affairs. Representative Marcy Kaptur, Democrat of Ohio, recalled a recent meeting with about 15 political and community leaders from all over the country who discovered "that the thing we all had in common was that we became involved in public life because of Geno."

In the Catholic Church, his calls for a social ministry generated what came to be called the "urban mafia," clergymen who worked for better housing, jobs and other social improvements for the urban poor. He founded the church's Campaign for Human Development, a multimillion-dollar fund for social and economic justice.

"A CARING PRIEST"

Archbishop James A. Hickey of the Washington archdiocese said: "His life and work enriched not only the community but our nation and church as well. We have lost a passionate voice for justice, a powerful defender of diversity and human rights and a caring priest who served the least, the lost and the left-out among us."

The founder of the National Center for Urban Ethnic Affairs, Monsignor Baroni called attention to the plight of the working-class white ethnic neighborhoods placed under siege by the decline of the cities in the 60's and 70's. His answer to the weakening influence of traditional city institutions was community organization and a revitalization of neighborhoods.

Because of his links to the civil rights movement—he was the Catholic Church's coordinator for the Rev. Martin Luther King's march on Washington in 1963—Monsignor Baroni was able to build bridges between white workers and minority groups.

"If you want to live in the city and improve your neighborhoods," he once said, "you have to learn to get along with the blacks and Chicanos. In fact, if you want to get anywhere you have to form political coalitions with them."

SELF-HELP PROGRAMS

In 1977 President Carter named Monsignor Baroni Assistant Secretary of Housing and Urban Development for neighborhoods, voluntary associations and consumer protection. He established a nationwide program to promote the development of low-income neighborhoods through self-help programs devised by local organizations.

Monsignor Baroni was born Oct. 24, 1930, in Acosta, Pa. He received his education at Mount St. Mary's College, Emmitsburg, Md., and was ordained a priest in 1956. As an assistant pastor of St. Columbia Church in Johnstown, Pa., and St. Leo's Church in Altoona, Pa., he was active in community affairs and helped start credit unions in several parishes. He once said, "Man does not live by bread alone but by credit as well."

He came to Washington as an assistant pastor at Saints Paul and Augustine Church in 1960. Later he became executive director of the Office of Urban Affairs of the Archdiocese of Washington and then director of the United States Catholic Conference. He was named a Prelate of Honor by Pope Paul VI in 1970.

A short, stocky, man who liked good food, drink and company, Monsignor Baroni was a dynamic speaker, but Representative Barbara A. Milkulski, Democrat of Maryland, once introduced him by saying, "I've known Geno for 15 years and never once heard him complete a sentence."

In recent years, while he battled mesothelioma, Monsignor Baroni joined other cancer sufferers to bring the powers of will and spirit to bear on their affliction. "People who are organized," he said not long ago, "will be able to move from powerlessness to power because power is the ability to act."

He is survived by his mother, Josephine, his brothers Angelo and John, and his sisters, Rose Hebda and Mary Halkias.

A mass of Christian burial will be celebrated by Archbishop Hickey on Friday at St. Augustine's Church. The archdiocese and the Baroni family are establishing a living memorial to Monsignor Baroni. Contributions can be made to the archdiocese.

I would now like to take this opportunity to yield to my colleague from Ohio, Congresswoman MARY ROSE OAKAR, for such time as she may consume.

Ms. OAKAR. Mr. Speaker, I thank my friend from Maryland for yielding, and I guess we are all a part of Monsignor Baroni's great training and we are all part of the love that he manifested to each and every one of us but he was indeed a colleague.

And his mind did know no limits. His parish had no boundaries. His living testament in the struggle of indigent against economic and political powerlessness, the ethnic Americans against bigotry. The black Americans against the bigotry and blind hatred and the dispossessed against the power of the elite.

Even as his body, as BARBARA said, was stricken with cancer, his mind continued to work on the pressing problems of proverty and homelessness in America.

When I speak of Monsignor Baroni, I speak from my heart.

We speak from our hearts. He touched all who came within his circle and many who he did not even realize that in his network he touched very, very deeply.

In meetings, his quick smile, easy laughter often cut through the distrust of strangers. I loved his ability to reduce lengthy and often profound statements into one or two poignant sentences.

The Government utilized Monsignor Baroni's talents also, and I say as a Catholic that I was proud that a priest was appointed an Assistant Secretary of Housing and Urban Development and proud that President Carter appointed Monsignor Baroni to this position.

Many of us know him from this period as well because we listened intently to his testimony before our congressional committees. He was a compelling witness. He helped get millions added to the now unfortunately defunct self-help program that has been cut by the Reagan administration.

He mixed his philosophy with politics in the best way through action in uniting diverse groups. He often said that he did not propagandize, he organized.

I am proud to be considered a friend of Monsignor Baroni, having worked and talked with them so often and when I think of Geno, I think of his enormous living legacy to humanity.

He was a general in the war on poverty, the founder-president of the National Italian-American Federation, the cofounder of the Consumer Co-op Bank. He was an organizer of so many neighborhood groups spanning our great country and many other projects aimed at bridging cultural differences. Bridging the differences, something that we really need so desperately today.

And his conscience saw war in misery and poverty as conditions which the victims as well as the institutions had a moral imperative to organize to overcome.

I think Monsignor Baroni really is still alive. I personally think that his living legacy is with us. When I think of my own district, I think of a project that he helped so beautifully with and gave so much extra time beyond the call of duty.

We have a senior citizens's housing project where so many people are so happy because they are housed properly and decently that he helped cut through redtape and that they are close to their church and their community and they do not have to be displaced and it is that kind of living legacy that will make memory of this great, wonderful person live on and on and on and I just feel personally blessed having known him and I know

all of us feel the same way and I yield back to my dear friend from Maryland, and thank her for giving me this time.

Ms. MIKULSKI. Mr. Speaker, I now yield such time as she may consume to the gentlewoman from Ohio, Congresswoman KAPTUR.

Ms. KAPTUR. Mr. Speaker, I want to thank our distinguished colleague from the State of Maryland.

Tonight, it is my great privilege to pay tribute to my treasured friend, Geno Charles Baroni, the Right Reverend Monsignor. I do so on behalf of all the people of Ohio's Ninth District, people he helped so much with his keen insight on the human condition, his inspiration, his humor and his vision that extended from the humblest neighborhood to this great Nation and our place in the world community.

□ 1920

On a personal note, without his special encouragement and counsel I would not now hold this seat in Congress. I owe him a special debt of gratitude.

Tonight I use this opportunity to enter into the American Historical Record the achievement of this truly remarkable man.

Feelings run deep in matters of family, politics, and religion and they ran deep for Geno Baroni.

Geno walked where angels fear to tread, always dealing with challenges that seem somehow intractable, problems of the human condition.

He seemed to at once be rushing through life in a quest to help people gain more control over their own lives and at the same time taking time for every single human being whose path he crossed. A more creative, warm, human and insightful American we could not have known, a better teacher we could not have known.

For so many of us that knew Washington as our second city, with our districts being our first, he was our man in Washington, a masterful politician at best and we will miss him.

In 1979, when Loyola University awarded him a doctorate of humane letters, they said on the certificate, "His capacity for vision in a troubled and cynical world is truly rare.

Tonight I would like to recount some of his great achievements in terms of public policy, but I would also like to enter a few of his quotes into the record as basic Baroni and someone some day will write a great, great piece of literature about this interesting man.

He said, "You've got to understand coal mining, very ecumenical. The Episcopalians own them, the Lutherans, Methodists and Presbyterians were the bosses and the Italians, Hungarians, Poles, and Slavs, and mountain people dug the coal."

He said, "People don't live in cities. They live in neighborhoods. Neighborhoods are the building blocks of the city. If neighborhoods die, cities die."

He said, "I used to think I wanted to save the world. Then I got to Washington and I thought I would save the city. Now I would settle for a neighborhood."

And then he said, "Life is like two loaves of bread. One is for the stomach and the other you sell and you buy something for the soul that counts, a flower."

And he said, "If cities are not to end up black, brown, and broke, we have to form new coalitions. What are the convergent issues between groups?"

And he said, "For 27 years I had been told to melt or get off the pot. America is still looking for a sense of identity."

And he said, "My mother still tells me that if God wanted me to be a politician, he would have made me an Irish Catholic."

And he said, "It is sometimes easier to beg forgiveness than to ask permission."

And he said, "Who will shape and share the burden of social change?"

And he said, "Who am I and who are we as Americans?"

In the 1950's, as the son of a Pennsylvania coal miner and seeing the abuses that grew out of that economic system, he was motivated to set up the miners legal defense fund, which has helped so many families in the State of Pennsylvania. At the same time, he began his desire to work with the credit of families and he began to set up credit unions there. He said he was tired of the company stores, tired of families' inability to own their own property and he was sick of script, and one of his lasting legacies are credit unions set up throughout this country, the one started in his own town has grown to a membership of over 7,000 persons and it has helped so many families in that community to become self-sufficient.

I have often thought that when a movie is done on this great man, and it surely will, it should be entitled, "To Bless a Strike," for in fact it was his blessing of a steelworkers' strike in the mill town of Johnstown that caused the local bishop in that community to see fit to ask him to leave and he ended up in Washington in the late 1950's. It was a blessing for this city and, in fact, for the Nation that that happened.

He moved to Washington and started a center here in the 14th and U Street area and began working through his own church, believing and counseling as he had for so many years that people had to assure control of their own destinies in cooperation with those in the public-private sector.

In Washington he started a parish based credit union which now has assets of over one-half million dollars.

The programs he started in the 14th Street area were forerunners for national legislation in Head Start. By working through the urban church he was able to work and to develop ideas for upward bound drug rehabilitation programs and for cooperative housing.

In the 1960's he was able to get enacted into the regulations of credit unions a new type of credit union that was a territorially based community development credit union as an alternative to loan shark operations.

He participated in the Catholic march on Washington and was instrumental and one of the real forces behind the passage of the 1964 Civil Rights Act and he saw this city and others explode in the 1960's and he began to work on programs, some of them resulting in the OEO, the Office of Economic Opportunity, and from that experience he learned what programs work and which ones did not.

He was responsible for housing for the elderly here and throughout this country, always searching for new ways for people to find ways to help themselves.

He believed the church had to be more than an ambulance service for society. He looked outside the church doors and saw poverty just a few miles from the White House here in Washington and wondered how that could be possible in this great, great capital city.

On the night of Martin Luther King's death in 1968 he was sitting at an urban rehabilitation housing meeting here and through his efforts in Washington and the work of Senator PERCY in the Senate we have the 235 housing program, which has housed so many thousands of Americans.

In the early 1970's, working through the Catholic church, he became instrumental and a major force behind the founding of the campaign for human development, the church's largest foundation, a self-help effort to unleash the creative energies of men and women around this country and through that campaign work throughout this country and including in this Congress has been passed legislation for housing, for credit unions, for legal representation, for day care, for brown lung disease, for workers' rights, for urban homesteading, for voter registration and community building through hundreds of groups and thousands of people in cities around this country.

He founded the National Center for Urban Ethnic Affairs and began a new mission in the middle of the 1970's as he tried to understand what held us together as a society, to build coalitions between groups, to try to understand the diversity of America and

that effort led also to the development of national legislation.

He believed very much in the alliance of average Americans, ethnic Americans of all backgrounds, with the poor as an absolutely unbeatable legislative coalition.

He thought that power was the ability to act and he wanted to provide opportunities at every turn for the growth of individuals.

He was responsible for the passage of the National Commission on Neighborhoods and elevated the work of self-help groups around this country to national as well as international attention.

Through his work the neighborhood self-help program became a reality. Ethnic studies, the ethnic work that has been done through the National Endowment for the Arts and Humanities, which explore the full dimensions of race and ethnicity. He began festivals throughout this Nation where community groups raised money for self-help projects.

He helped to pass legislation for the National Consumer Cooperative Bank, which passed this House by one vote.

He helped to found the National Italian-American Foundation, was responsible for the passage of the Home Mortgage Disclosure Act, the Community Reinvestment Act and commercial business trip revitalization around this country.

In 1977 he went to the U.S. Government as the highest ranking Catholic priest to hold a subcabinet level position. During that time he not only expanded his self-help development programs, but housing, counseling programs, youth employment, the targeting of all kinds of Federal funds to community and self-help groups who were trying very much to pull themselves up by their bootstraps.

In 1980 he left the U.S. Government and became the chief adviser to the Archbishop of Washington and began again to work with the homeless and the needy across this country and throughout all of this fighting three battles with one of the most devastating forms of asbestos-related cancer that any person could ever imagine going through.

The type of bravery and courage with which he faced that final battle is one that I doubt I shall ever see again in my own life.

He left an unfinished agenda as well here at home. He was very interested in traveling abroad to develop linkages between self-help groups in America and self-help groups in developing nations around the world, in Africa and Central America and in Ireland.

□ 1930

He was very interested in religious orders and in labor unions, small companies investing their pension funds in economically viable and socially responsible investments. He was interested in setting up new forms of housing corporations to tap the creative energies of Americans of good will as well as religious groups, to build the housing in America that is still needed today.

Finally he wanted a permanent location in this Nation for the teaching of neighborhood development and self-help to which he had dedicated his life. And all the while his experiences and quests raised and inspired another generation of torch-bearers from the world of church, from the world of politics, from neighborhoods and from labor.

Many of us are what we are because of what he released in us. He leaves a tremendous legacy for those who choose to understand it.

We want to thank you this evening, dear Father Geno, as the Lord himself would say: "Well done, my good and faithful servant, well done."

Ms. MIKULSKI. I thank the gentlewoman from Ohio.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY. I thank the gentlewoman from Maryland.

Mr. Speaker, I want to commend my colleague from Maryland for taking this moment for us to share the great gift of a life, Msgr. Geno Baroni.

I knew Monsignor Baroni not in the role of a public official nor when he was a member of the Carter administration as the Assistant Secretary for HUD, for neighborhoods. But I first came to know Geno Baroni as a person working in Washington, DC, who cared deeply about the poor, the needy, and about the homeless. He was a part of the fight in the late 1960's and early 1970's to call attention to the need for us in Government to address the issue of providing shelter for the homeless. Indeed, as I met with him on many occasions, as one who was intimately involved in the development of low-cost housing, I was always motivated and moved by the fact that he cared so deeply, when he became a member of the Department of Housing and Urban Development, with regard to neighborhoods and helped to start the Neighborhood Self-Help Program. We all understood then what his motivation was; it was one of commitment to all of God's children which was also reflected in the fact that in 1963 he served as the Catholic coordinator for the March on Washington, led by Dr. Martin Luther King, Jr.

As a minister I want to say now that when I think of Geno Baroni I think of the words, that parable of the last judgment when the judge would say, "When I was hungry you fed me, when I was thirsty you gave me drink, and when I was naked you clothed me, and when I needed shelter you took me in, and when I was sick and in prison you came to visit me." In that parable they asked the judge: "When did we see you hungry, thirsty, naked, sick, and in prison?" And the response was "In that you did it unto the least of these you did it unto me."

Msgr. Geno Baroni did it for the least of these.

● Ms. FERRARO. Mr. Speaker, I would like to join my colleagues today in paying tribute to Msgr. Geno Baroni—a man who spent his life working toward a more equitable society.

As legislators, we take individual problems and try to solve them by developing legislation to combat them on a broad scale. Monsignor Baroni spent part of his time in Washington working in the Carter administration as an Assistant Secretary of Housing and Urban Development. In that capacity, he created a national program to encourage local organizations to develop their own neighborhoods.

But Monsignor Baroni never lost sight of individuals. He worked on the local level, person to person. Priest, professor, organizer, civil rights activist, coalition-builder—he worked in all capacities to improve the lives of the urban poor. Toward that goal he built coalitions between different minority groups, asserting that for any group to advance all must work together.

Even at the most difficult time of his life he reached out to help those around him. Afflicted with mesothelioma and faced with a difficult death, he joined other cancer victims in an effort to combat the inevitable.

Monsignor Baroni had a strong social conscience, and he spent his whole life following that conscience. On all levels, he worked with and for those who have the most to gain in our society—the poor and those who are discriminated against. He never gave up, never lost sight of the more equitable society he worked toward. He set an example for all of us, showing us all the true meaning of religion in public and private life.●

● Mr. DOWNEY of New York. Mr. Speaker, it was with a great sense of loss that I learned of the death of Msgr. Geno Baroni last week at the age of 53. Those of us who know him were saddened to realize that a great and compassionate champion of the working man and woman would no longer be among us to prod us to do more—to do more to strengthen urban housing programs, to do more to support community development programs, to do more to end the evil system of apartheid in South Africa.

Certainly there was no person who better exemplified Pope Paul's VI's exhortation, "If you want peace, work for justice."

Monsignor Baroni's work in urban neighborhoods with community groups demonstrated to all of us the

value and effectiveness of organizing coalitions made up of people of diverse backgrounds in order to maintain a dynamic and nurturing environment in which to raise our families.

His work with those struggling for the liberation of South Africa showed to us all the common basis of the struggle for social justice here in the United States and overseas.

Monsignor Baroni's long struggle with cancer stands as a testament to his personal courage, his unfailing sense of humor and his deep personal faith. These characteristics served him well in his active life—a life which is a model for all of us.

Mr. Speaker, our sadness is eased when we think of how much Geno Baroni accomplished in his short life. And so it is with a certain joy that we celebrate his accomplishments and his faith. We all have a great deal to do to carry on his work and I believe that Geno would have said to us: "Don't mourn. Organize!"●

● Mrs. BOGGS. Mr. Speaker, in losing Msgr. Geno Baroni, our Nation has lost an effective, compassionate advocate for the poor and the oppressed. We have lost a wonderful human being—who served God and his fellow men and women with zest, zeal, love, and good humor. I am glad that those of us who knew Monsignor Baroni, worked with him and respected and admired him—have this opportunity today to express our appreciation of him and of his significant contributions to bettering the quality of life for so many.

Monsignor Baroni really knew the people he was trying to help. Everything he said reflected his personal experience of the realities of poverty, life in urban neighborhoods and the power of organizing to accomplish change.

He was dynamic. He was committed. He was an energizer of others. He was endlessly compassionate and endlessly eager to do something about problems and unfortunate situations. He loved life and his love and hope were infectious. He gave people hope and showed them how to change what wasn't good. His special qualities were felt by everyone who know him—and he inspired poor residents of declining urban neighborhoods, young people, other clergymen, and people in public life—among them, many Members of Congress

I was one of them. It was a pleasure to have him at the Department of Housing and Urban Development as Assistant Secretary for Neighborhoods, Voluntary Associations and Consumer Protection. As a member of the HUD-Independent Agencies Subcommittee of the Appropriations Committee, I thoroughly enjoyed working with him in his efforts to develop effective ways for Government to help the urban poor and to revitalize urban neighborhoods. He understood the importance of neighborhoods to urban life and, during his tenure at HUD, he used his position well to tailor governmental programs to meet the realities and the potential. As a Representative from a city of neighborhoods—New Orleans—I was particularly appreciative of what Monsignor Baroni was trying to accomplish. I applauded his vigorous efforts and his many successes and I was inspired by him.

We were privileged to have Monsignor Baroni working among us and with us. We will miss him very much.●

● Mr. ANNUNZIO. Mr. Speaker, I join with my colleagues in tribute to Msgr. Geno Charles Baroni, whose untimely death on August 27, was a tremendous loss to the Catholic Church, to the citizens of Washington, DC, and to our Nation. He was a champion of the civil rights movement and a strong advocate for the urban poor and minority groups, and America has truly lost a caring voice for justice and human rights.

My association with Monsignor Baroni goes back to the time when he frequently used to stop by my office to talk about forming a national organization which promoted the ethnicity of Italian Americans, and he was one of the earliest supporters of what eventually became the National Italian American Foundation, and subsequently, he was elected the first president of the National Italian American Foundation. Monsignor Baroni was a man of deep compassion and great courage, and I am proud to say that I had the opportunity to work with him and to be touched by his inspirational actions as a spokesman for the urban blue-collar working family, for ethnic groups, for minorities, and for the poor. The monsignor was the creator and motivator of a vast network of church, civil rights, community, and political groups, concerned with helping the innercity poor, and he will be missed by all those who had the privilege of knowing him.

Born on October 30, 1930, in Acosta, PA, the son of Italian immigrants, Monsignor Baroni, whose father worked in the coal mines for almost 50 years, attended the seminary at Mount St. Mary's College, and was ordained in 1956. He became assistant pastor of St. Columba Church in Johnstown, and also of St. Leo's Church in Altoona, where he organized the first community-based low-income credit union in several parishes. While serving these poverty stricken communities, he established a tradition which he later was to transplant to Washington—the celebration of the working people at an annual Labor Day mass.

He transferred his dedication to ethnic, racial, and worker rights from rural Pennsylvania to Washington, when he became assistant pastor for Sts. Paul and Augustine Church, a black church and a white church which had merged. Monsignor Baroni put the struggle against urban poverty at the forefront, and also combined the role of parish priest with that of civil rights activist in the movement to end racial discrimination. He established an innercity neighborhood center which became headquarters for community meetings, and he was the Catholic Church's coordinator for the March on Washington in 1963. During the 1965 voter registration drive in Selma, the monsignor went to Alabama to march with Rev. Martin Luther King, Jr.

In 1967, he was named executive director of the Archdiocese of Washington's Office of Urban Affairs, where in his 4 years in that post, he founded several nonprofit housing groups including the Urban Rehabilitation Corporation, which applied Federal funds to rejuvenation of decaying housing units. Also, he helped found the Interreligious Committee on Religion and Race.

From 1968 to 1970, the monsignor was program director of the urban task force of the U.S. Catholic Conference, where he was instrumental in creating the Campaign for Human Development, the U.S. Catholic bishops major self-help, antipoverty program. In 1977, President Carter appointed him Assistant Secretary of Housing and Urban Development for Neighborhoods, Voluntary Associations, and Consumer Protection, becoming the first Catholic priest to serve in a Cabinet-level position in U.S. history. Among his major achievements in this post was the establishment of an Office of Neighborhood Development, and he also worked for the passage of the National Consumer Cooperative Bank Program and the Neighborhood Self Help Act.

Mr. Speaker, at this point in the RECORD, I would like to include a tribute to Monsignor Baroni, which appeared as an editorial in the Washington Post on August 30.

The editorial follows:

GENO CHARLES BARONI

There were more than a few racially tense moments in the Washington of the 1960s, and when friction became particularly severe and potentially explosive, the word would go out quietly from President Johnson, Walter Washington, the chief of police or whoever else needed information, advice and help to round up cool heads for heated neighborhoods: Check with Geno, the priest of the streets. Usually, a ride up and down the rough-and-tough blocks of 14th Street NW would turn up a gathering somewhere in which you would spot the short, round figure of a white man of the cloth, touching bases as well as hearts among a group of black people. Monsignor Geno Baroni, who died of cancer Monday at the age of 53, was that special man.

Later he became a monsignor and an assistant secretary of housing and urban development. But the pastorate of Father

Baroni then and always extended well beyond the black, brown and white membership of his parish at Sts. Paul and Augustine Church at 15th and V Streets NW. So did his closest interreligious friendships, which included a Protestant minister and a local Jewish leader who teamed up with him to keep a low profile and a close touch on the pulse of downtown.

Monsignor Baroni was much more than a troubleshooter, though. His canny sensitivity to the concerns of people of all colors and ethnic groups made him the builder of effective coalitions working to improve housing, health care, education and police relations. And though he took this work seriously, that was not how he took himself. There was humor, often at his expense, and there were comments that endeared him to ethnic groups and racial minorities who could relate the conditions he cited. John Kromkowski, president of the National Center for Urban Ethnic Affairs, which Monsignor Baroni founded, recalled that when the Kerner Commission "divided America into black and white, rich and poor, Baroni testified that a public policy based on such assumptions would make 'our cities black, brown and broke.' . . . His support for working-class communities as well as the poor who lived next door separated him from the limousine liberals and elistist radical chic."

All of us who had the good fortune to know Geno Baroni will miss his special insight, his concern for the neglected and the powerless and his unswerving faith in the ability of people to get along with each other. Thanks to his presence on the streets and in the centers of authority, Washington is clearly a better place.

For his exemplary service to his church and to our Nation, Monsignor Baroni was named Prelate of Honor with the title of reverend monsignor by Pope Paul VI in 1970. He also was the recipient of numerous awards in recognition of his dedication to the causes of humanity. He received the Community Service Award from the Office of Black Catholics in 1980, and received the first Associated Catholic Charities Advocacy Award in 1983. The Italian Government bestowed upon him the Commendatore Award in recognition of his distinguished service and last Monday he was posthumously awarded the Cardinal Gibbons Award at the Archdiocese's 32 Annual Labor Day Mass Monday, in recognition of his outstanding leadership in the church and in society on issues of social justice and human rights.

Monsignor Baroni served on the boards of directors of Common Cause, the National Urban Coalition, the Robert F. Kennedy Memorial Foundation, the National Committee for Full Employment, the Council for Urban Economic Development, and the Leadership Conference on Civil Rights. Presidents tapped his valuable experience and appointed him to leadership roles on four White House Conferences on Youth, on Civil Rights, on Hunger-Nutrition, and on Ethnicity and Neighborhood Revitalization.

Mr. Speaker, Monsignor Baroni was widely respected for his effective pastoral and community activities. His life's work in service to the church has enriched the Washington community and our country, and his death is a great loss to those whom he served as a public official and as a spiritual leader.

Mrs. Annunzio and I extend our deepest sympathy to his mother, Josephine, his two brothers, Angelo and John, his two sisters Rose Hebda and Mary Halkias, and the other members of his family who survive him.●

● Mr. OBERSTAR. Mr. Speaker, I learned of Msgr. Geno Baroni's death only upon my return from Minnesota and still find it difficult to accept that he has gone from us in one sense. Monsignor Baroni's life offered us the example of the beatitudes in everyday living. He was an extraordinary person, a close personal friend, a public service professional whom I greatly admired, and I feel a tremendous sense of loss at his death.

Of course, Monsignor Baroni will never be gone in the spiritual sense, which mattered so much to him. His tireless energy, his decency, his love of God and of his fellow humans will continue to inspire those of us who had the honor of knowing and working with this great man.

He was to me, as an elected official, the ideal of a public servant, and as a Catholic, the ideal of a priest.

He never forgot the experiences of his early life in limited financial means. As a priest, a pastor, and as a member of the Carter administration, he brought with him the compassion, the empathy, the energy, the larger view of humanity which made him so successful a champion of the weakest in our society.

Pragmatic, dedicated, and insightful, Monsignor Baroni was a person of action and of faith—a wonderful, inspiring combination. To have lost him at such an early age, when he had yet so much to contribute to society is a matter of profound sadness.●

● Mr. McKINNEY. Mr. Speaker, recently the American people mourned the passing of a good and valuable friend, Msgr. Geno Baroni. The tribute that my colleagues and I are paying to him today is well deserved, but, as those of us who knew Geno will attest, this is truly one occasion when words will prove inadequate.

Geno Baroni was an individual who towered above us all. His good works as a priest were not something that he performed as a religious duty: They were as much a part of life to Monsignor Baroni as eating or sleeping. Geno Baroni lived to serve people, all the people. He did this in the only way he knew, the devotion of his life to the betterment of mankind.

That may sound rather idealistic, but on the contrary, Geno approached his mission with a clarity of purpose. One could not help but be impressed by his sincere desire to improve the condition of the poor people in our cities.

The intensity of his involvement inspired you whether he was testifying before a congressional committee or chatting on the street. For Geno Baroni success was measured by how much he could do for others who were not powerful.

Like all who knew him, I was deeply saddened to learn of Geno Baroni's death on August 26. But I was able to find some consolation as I read the lengthy pieces that appeared in the Washington Post and New York Times recounting his accomplishments. So much of his spirit and personality has been captured in those pieces which my good friend from Baltimore, Ms. MIKULSKI, has included with her remarks. You can almost hear some of the stories being told.

Perhaps the most moving words that Geno left with us, though, related to his battle with cancer, but the thought epitomized the way Msgr. Geno Baroni approached all aspects of his life:

> People who are organized will be able to move from powerlessness to power because power is the ability to act.

Geno Baroni was a man of immense power in this world. We were fortunate to have him with us and we will miss his help and we will miss him.●

● Mr. RODINO. Mr. Speaker, I join in this tribute to Msgr. Geno Baroni with a sense of great sadness and great loss.

Monsignor Baroni was a man loved and trusted by people of all races and ethnic backgrounds. He toiled tirelessly and fearlessly—as priest and public servant—to earn that love and trust.

As priest, he ministered to the spiritual needs of the members of his interracial parish in a bleak inner-city neighborhood of Washington. And he forged close interreligious relationships that helped immensely in his never-ending struggle to improve the quality of life for all the poor, the alienated, and neglected people of his beloved Washington.

Monsignor Baroni was the essence of what a public servant should be both as a high official of the Federal Government and as a humble priest of the streets. His influence reached far beyond the borders of this city as he helped communities throughout the Nation organize to feed the hungry and shelter the homeless. Above all, he taught people of different races and varied backgrounds to care for each other, to get along with one another.

Monsignor Baroni was a fighter. Before his dread disease rendered him bedridden a few months ago, he continued to work on projects to help the less fortunate members of our society, and he offered comfort and counsel to others who suffered from cancer.

Mr. Speaker, we shall miss greatly Monsignor Baroni. We shall miss his wisdom and his leadership, his humor, and his humaneness. He was truly a servant of God and of mankind.●

● Mr. CONYERS. Mr. Speaker, we all share the grief over the loss of Msgr. Geno Baroni. Son of an Italian immigrant coal miner, Monsignor Baroni was a leading force in the neighborhood revival movement and the creator of a nationwide network of church, civil rights, community, and political leaders concerned with helping the inner-city poor. He brought together previously disassociated groups and bound them together in a common struggle for civil rights and human justice.

As an Assistant Secretary for Neighborhood Development, Consumer Affairs, and Regulatory Functions in the Department of Housing and Urban Development—the first priest to ever hold that high a Federal appointive office—Monsignor Baroni brought with him a passion for social and human justice and an undying energy in fighting for these ideals.

Some knew Monsignor Baroni as a ghetto priest, others knew him as a social activist. Still others saw him as a critical political organizer for minorities, white ethnics, and the poor because, as he said in a 1972 speech, "they share a common oppression." Indeed, he was a voice for the voiceless. He committed his life to breaking down the segregationalist walls that fragment our society while trying to strengthen the bridges that bind us together. He was a soldier as well as a leader.

Monsignor Baroni was also known as a teacher who inspired hundreds to involve themselves in public affairs, often with astounding success. He advanced a social ministry whereby clergymen worked for better housing, jobs, and other social improvements for the urban poor. He founded the chruch's Campaign for Human Development, a multimillion-dollar fund for social and economic justice.

When he discovered that he was dying of cancer, his response was to join with other cancer sufferers to bring powers of will and spirit to bear on their affliction. He knew that his struggles were ones that never cease.

I knew him as a quintessential Christian. His efforts to improve the human condition will serve as a model for all us and will long be remembered.●

● Mr. MURTHA. Mr. Speaker, I want to join in this special recognition of Msgr. Geno Baroni, not only because of all he did to help Americans throughout this great country, but because with his death the area I represent lost a native son of which we were justifiably proud and a friend who helped thousands in our area through his faith, determination, and guidance.

Monsignor Baroni was the son of Josephine Baroni, who still resides in the Somerset County town of Acosta, and the late Guido Baroni who died in 1979. He graduated from Somerset High School and was ordained in Altoona. Before assuming his post with the U.S. Department of Housing and Urban Development in Washington, he was an assistant pastor at Sacred Heart and St. Leo's Churches in Altoona and at St. Columba's in Johnstown.

A recent news article in the Johnstown Tribune Democrat included a couple quotes from Monsignor Baroni that I believe illustrate a great deal about his character.

One of his first steps after completing studies at Mount St. Mary's College in Emmitsburg, MD, was to establish a local credit union to help area citizens. "Man does not live by bread alone, but also by credit," said the Monsignor in establishing the credit union that still exists and is still helping people today.

And when informed in 1981 that he was suffering from cancer, Monsignor Baroni continued his efforts to organize the homeless and poor in Washington saying: "You don't stop living, you know. You just go on living." And he did, helping thousands more citizens before his death in late August.

I personally had the opportunity to work with Monsignor Baroni following the disastrous Johnstown flood in 1977. He visited the city just days folloing the flood and worked with myself and community leaders in the following weeks to make certain HUD responded quickly and fully in the massive rebuilding effort that followed. In that effort, as thoughout his life, I saw clearly the deep and constant concern Monsignor Baroni had for helping his fellow human beings. As Archbishop James Hickey of the Washington archdiocese said at the time of his death, Monsignor Baroni was "a passionate voice for justice, a powerful defender of diversity and human rights, and a caring priest who served the least, the lost, and the left out among us."

In honoring Monsignor Baroni today, let us pay him the compliment I believe he would have wanted most, which is to say that in remembering his life we join the thousands of others who he touched in recommitting ourselves to helping those people and causes that he devoted his life to in the cause of justice, hope, and better lives for all.●

Mr. BARNES. Mr. Speaker, Msgr. Geno Baroni, to whom we pay tribute today, played many roles in his life, all of them with great spirit and devotion. He was a priest, a social activist, a community organizer, a civil servent, and a teacher who inspired hundreds to become involved in public affairs. But most importantly, he was a friend to all those who had the privilege of knowing him and working with him, especially the poor, minority groups, and the powerless.

His unconventional ministry, which lasted for over 25 years, was based on the conviction that coalitions of groups working together can make a difference in social conditions. As an assistant pastor of St. Paul and Augustine's parish in Washington, DC, in the 1960's, he developed programs for housing, health care, and education, and became known among congressional and city officials as a general in the war of poverty. He was also founder and president of the National Center for Urban Ethnic Affairs, an arm of the U.S. Catholic Conference. Starting in 1977, Monsignor Baroni served for 4 years in the Carter administration as Assistant Secretary for Neighborhood Development within the Department of Housing and Urban Development. Afterwards, he worked as a special assistant to the Archbishop of Washington, DC, James A. Hickey.

Father J. Bryan Hehir of the U.S. Catholic Conference perhaps put it best in his words at the funeral mass on August 31, when he described Monsignor Baroni as "an artist of the human condition who could touch human suffering in so many ways. We can grieve the brevity of this life," he said, "but we have to celebrate its richness."●

● Mr. MAZZOLI. Mr. Speaker, I would like to pay tribute to Msgr. Geno Baroni, a devoted priest, who dedicated his life to helping people.

I know Monsignor Baroni for many years. He was a good man and an effective administrator whose life reflected the things which he believed. Much of his effort in later years was spent in building programs—as well as people. Monsignor Baroni will be remembered by many for his efforts to help the less fortunate and people from all walks of life. We will miss him.●

● Mr. WAXMAN. Mr. Speaker, on August 28 this Nation lost a remarkable man, Msgr. Geno Baroni, who died of cancer at the age of 53.

Monsignor Baroni was born in a tarpaper shack in a coal mining community in western Pennsylvania to parents who never learned to read or write. His father was a union organizer for coal miners, and Monsignor Baroni grew to be a leading champion of the principles of justice and workers' rights.

Monsignor Baroni was ordained a priest in 1956 and came to Washington, DC, in 1960 after having worked as a parish priest in Altoona and Johnstown, PA. He served in important posts under the last three Democratic administrations, and most recently as an Assistant Secretary of the

Department of Housing and Urban Development under President Carter.

But he was best known on the streets of Washington for his compassion for the poor and his untiring efforts in behalf of better health care, quality education, and decent housing.

All of us mourn the loss of Monsignor Baroni. His uncommon sensitivity to the needs of the poor and his perserverence in bettering their lives will be missed.●

● Mr. OTTINGER. Mr. Speaker, I am pleased to join my colleagues, BARBARA MIKULSKI and MARCY KAPTUR, in paying tribute to the remarkable works of the late Father Geno Baroni. I am grateful that they have given us this opportunity to recognize the works of an incredibly able and effective man.

Community action organizers are a rare and wonderful breed. Geno Baroni spent most of his life superbly executing this role, empowering disadvantaged people to help themselves. In the style of his mentor, Saul Alinsky, Geno Baroni organized communities of the disadvantaged, showing them how to impact the policies which affect their lives.

Under President Jimmy Carter, Geno Baroni was given the opportunity to put his precepts into official policy as Assistant Secretary of the Department of Housing and Urban Development for Housing and Neighborhood Concerns. He did the most creative and effective job in that role, for the first time having the Government become an instrument for assisting community organizations to become effective policy and development advocates.

Even though his official role and position were abolished by the callous Reagan administration, the beneficial results of his creative efforts lives on in communities across this land and his work serves as an excellent example of how community organizing work can be successful for the generations of organizers who follow him.

Geno Baroni is a priest whom the country will remember for his dedication and good works.●

● Mr. GARCIA. Mr. Speaker, as a child growing up in a family headed by a minister, one of life's earliest lessons taught to me by my father, was that Christianity challenged us to help our fellow man. Few of us could have represented this fundamental principle of good will and worked to assist our fellow beings as much as the late Msgr. Geno Baroni did.

Active in over 45 cities, Monsignor Baroni always served the needs of those that society would prefer to ignore—the poor and left out. During his years as an active community leader, he developed programs for housing, health care, and education. Because of his active and selfless dedication to the betterment of America's cities and neighborhoods, he will always be remembered by those of us who see the difficulties confronting the poor on a daily basis in our congressional districts.

In 1977, when I was deciding on whether or not to seek a congressional seat, I sought out the advice of many, including Monsignor Baroni. He was always available for consultation. As we talked, it became clear to me that the great accomplishments of this man, symbolized by the hope he had given to so many communities across the Nation, presented a clear reason why anyone should want to serve as a public official. While there were many factors involved with my decision, his thoughts, deeds, and achievements were encouragement to run for election and represent the people of the South Bronx in Washington.

Monsignor Baroni was a cautious man, but also a responsive one. A spiritual leader with full knowledge of the needs of the material world in which we live. Last week, the Archbishop of Washington, James Hickey, stated it best, "We have lost a passionate voice for justice, a powerful defender of diversity and human rights." Mr. Speaker, the cheerful attitude of hope offered by the late Monsignor Baroni is going to be missed immensely. But, his accomplishments will be everlasting.●

● Mr. FLORIO. Mr. Speaker, last week our Nation lost one of its gems. Msgr. Geno Baroni, a Roman Catholic priest, a teacher, a servant of the poor and misbegotten, died of cancer at the age of 53.

The son of an Italian immigrant coal miner, Monsignor Baroni experienced firsthand the needs of the less fortunate and became known as a civil rights activist, a community organizer, and a champion of social reform. His knowledge of public affairs led him to serve as the Assistant Secretary of the Department of Housing and Urban Development in the Carter administration and special assistant for community affairs to the archbishop of Washington, James A. Hickey.

He understood and defended diversity and encouraged unity among several small interest groups to achieve justice.

He strove to help people learn to help themselves and successfully ministered to their corporal as well as spiritual needs. Remembering his roots, he channeled his empathy to make life better for millions.

As Archbishop Hickey most poignantly stated, " * * * Monsignor Baroni's death leaves Washington a much poorer place." The Nation, as well, is now poorer.●

● Mr. BIAGGI. Mr. Speaker, on August 27 of this year, I was grieved to learn that Msgr. Geno Baroni died. At this time I would like to pay tribute to this man, who was a good friend and a tireless worker who always gave of himself for others.

Monsignor Baroni was a man of enormous energy. Throughout his life he felt a deep commitment to the underprivileged and dedicated most of his life to helping out and serving the needs of the less fortunate. Monsignor Baroni was a community activist who brought together diverse groups. He was a community activist and organizer who tackled the tough urban issues long before it became fashionable to do so. Through his dedicated work he was able to reach out and affect the day-to-day lives of so many individuals.

Although he was taken from us at so young an age—53—Monsignor Baroni left an impressive legacy. Not only was he an activist priest who helped form neighborhood groups in 45 cities; he worked on national level committees to provide a much-needed voice for the underprivileged. He served as Assistant Secretary of the Department of Housing and Urban Development, where he used his position to confront many housing and neighborhood concerns. Always striving to bring various urban groups together for the purpose of building a better community, Monsignor Baroni founded the National Center for Urban Ethnic Groups. Monsignor Baroni, through his strong will, powerful vision, and deep-seated faith, planted a seed in so many urban communities throughout this land. His memory will live on in cities across the country as more and more community groups, spurred on by his work, work together to make our cities a cleaner, safer, and better place to live.

Monsignor Baroni will be sorely missed by all of us who knew him. It is always difficult to lose such a warmhearted, dedicated, selfless, and giving person. However, all of us who knew him can take comfort in the fact that his memory will live on through his many accomplishments and through the lives of the countless number of people he reached out to.●

Ms. MIKULSKI. Mr. Speaker, that concludes those who wish to pay their tribute and respect.

Mr. Speaker, I yield back what time I may have on this special order.

RELIGION AND POLITICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, I am going to begin this special order tonight by commenting on a couple of things that were said in special orders earlier here this evening that I think deserve a little bit of being put into perspective and then I would go on to another topic where a number of my colleagues plan to join me.

Earlier this evening we heard from the gentleman from Michigan [Mr. LEVIN] concerning the unfairness with which the Reagan administration has treated the poor in the country citing the recent report by the Urban Institute.

The Urban Institute did indeed come out with a report recently which gave some of the material that Mr. LEVIN referred to and he specifically referred to the fact that there had been a decline in the income of the poorest people in our society, in their real income.

Most of that, as I recall the report, was based upon the fact that their taxes had actually gone up during the course of the Reagan administration.

This is material that has been cited very recently by Walter Mondale as well. And it is interesting to note why their taxes went up. They went up as a result of a Social Security tax increase which hits the lowest portion of our income people because the high-income people only pay on the first $35,000 to $40,000 of their income, so that Social Security tax increases always go to the poor first. And that Social Security tax increase was passed during the Carter-Mondale administration in 1977. It was not implemented until later on, but the fact is that the decline in the real income of the poor is a result of higher taxes which Walter Mondale says he wants to raise even higher and is also as a result of this massive Social Security tax increase in particular.

So I think that we need to be clear about what we are talking about here. Some of the problems that have accrued to the poor during the Reagan years are left-over problems from the Carter administration and we ought to be quite clear what it is we are talking about in all these instances.

The gentleman from Oregon [Mr. WEAVER] talked to us about the fact that the balanced budget amendment to the Constitution is really a way of trying to attack the Social Security System. That is such a ridiculous argument that it hardly bears any discussion here. But it should be noted that the one proposal he made I think most of us on the floor who favor the balanced budget amendment would be fully in favor of. He suggested, for instance, that if we wanted to really say that the balanced budget amendment had nothing to do with Social Security we would simply exempt the Social Security Trust Fund from the provisions of it.

I think most of us would readily agree to that. The Social Security Trust Fund was put into the overall budget by kind of a sleight of hand by Lyndon Johnson in order to help justify his Vietnam budgets anyhow.

So that we would be perfectly willing I think to separate out the Social Security Trust Fund. I do not have any problem with that. It seems to me that is one way of getting that issue behind us. Nobody wants to take on Social Security. What we are trying to do is get a balanced budget in terms of the operating expenses of the Federal Government. So that that argument, it seems to me, really is not one that we can put very much stock in and ought not confuse people on the issue of the balanced budget.

What we really wanted to discuss here this evening was the rather remarkable speech delivered by a candidate for President of the United States today to the B'nai B'rith.

Mr. Mondale, the Democratic candidate, delivered a speech on religion in politics. I think that it is important, maybe, to begin to clarify this issue to some extent because it is an issue which has generated quite a bit of emotion in recent days across the country. It is an issue that was raised with regard to the Republican Convention, it is an issue that has been raised with regard to President Reagan. And today Walter Mondale gave a speech which said what I think are some rather remarkable things that need to have some questions asked about them, too.

Walter Mondale in his speech today said that no President should attempt to transform policy debate into theological debates, he must not let it be thought that political dissent from him is un-Christian.

I do not have any problem with what Walter Mondale said there. The problem is I do not know when the President has done that or when any President has done that.

Walter Mondale is raising a straw man in order to knock it down. The President of the United States to my knowledge has never suggested that he wants to have a theological debate in this country rather than a policy debate. Nor has he ever suggested that political dissent from him is an un-Christian activity.

In fact, the only time that has come up in the course of the Presidential campaign is when Walter Mondale's running mate said it at the Democratic Convention when she said that the Reagan administration policies are un-Christian. That was the only time that it came up.

Now, I have not read that Walter Mondale chastised GERALDINE FERRARO for making that statement. If he is in fact serious about the statement that he made today, where is the public record of condemnation of his Vice Presidential candidate for having made precisely the statement that he condemns, who knows who, for making in the speech that he delivered today?

□ 1940

I really wonder what it is we are talking about here when you have this kind of statement made.

Mr. Mondale also talked about a determined band is raising doubt about people's faith. They are reaching for Government power to impose their own beliefs on other people.

Who? Where? How? I am a little confused by that. I know some issues that have been raised on the public front that deal with basic moral issues. I know that some of those issues have already been legislated about and that there are some people in the Congress and some people out across the country who have some doubts about some of the legislation that has passed in that regard and we believe that we have a right to raise questions about some of those issues, given where the law stands in the country today.

But I do not know of anybody who is reaching for Government power to impose their own beliefs on other people. In fact, I think it is just the opposite. What many of us are trying to do is get Government out of some places where it has interjected itself and ought not have to have done so.

Let us take the issue of school prayer, for example. School prayer would not be an issue in the Congress, it would not be an issue out across the country if the Federal Government had not injected itself into the issue in the first place. Back when I was a kid in school there was no doubt about it, there was no controversy about it. It was simply done in the schools. In some cases it was done imperfectly. It probably should have been modified. There are probably ways of doing it better than it was being done then, but it was not a great controversy across the country.

It was not until the Supreme Court injected the Federal Government into the issue that it created the controversy.

And all that is being said today by people who have raised that issue on the House floor is that what we want is for students to voluntarily be able to exercise their own beliefs in the public institutions that they are required to attend. We think they ought to be granted freedom of speech as relates to their own religion. If you do not believe that that is a problem, just take the line that was in the Washington Post after we had the debate on school prayer on the floor the other day and when we decided, in all of our magnanimity, that what we ought to be able to do is to have silent prayer in the schools, the Washington Post wrote, in their article, that most Capitol Hill observers believe that the status quo was preserved in the House of Representatives where students may silently exercise their right of free speech.

You can silently exercise your right of free speech with regard to religion in the Gulags in the Soviet Union. That is not what we are all about as a society.

What we are all about is whether or not students can exercise their religious views as it pertains to them in the public institutions where they are required to attend. That is all we ever talked about. It is, in fact, an attempt to get the Government off their backs where Government says that they cannot do that today.

We are not suggesting that they should be able to impose their religious views on other students, on the institution as a whole. We are simply suggesting that they ought to be personally able to exercise their own right to pray, even if that prayer is out loud. If it is a grace before their luncheon meal. If it is a prayer before they take a math test. They ought to be able to do it and Government ought not interfere. We want Government out of the classroom with regard to prayer, not Government in the classroom with regard to prayer.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Minnesota.

Mr. WEBER. I thank the gentleman for yielding.

I thank the gentleman for taking out this special order time. I think that he has focused on an important issue. I really think that the debate on this whole issue has been turned on its head by our friends on the other side of the aisle, particularly former Vice President Mondale and our colleague from New York [Ms. FERRARO].

They seem to be implying that any discussion of morality in relationship to public policy involves imposing one's religious beliefs on another. It is very important, I think, to try to straighten this out so that the American people can understand exactly what is being discussed here.

In my view, there are no political issues that come up or very few political issues that come up that are without moral dimension. It is not just the issues that are being discussed in this Presidential campaign.

Why indeed do we have a welfare system if someone does not make a moral determination that we have some responsibility to help the poor? Why do we have any kind of a system to benefit our retirees, social security, medicare, if somewhere involved in this thinking process we do not determine that we have a moral obligation to care for the elderly in their retirement years?

Of course, the best example of all, in my judgment, is the issue of civil rights. What is the issue of civil rights if it is not at its base a moral issue?

Granted these issues can be very divisive.

Mr. WALKER. Slavery was a moral issue that we addressed in this country and should have been addressed. It was a basic moral issue that a free people could not stop from addressing.

Mr. WEBER. That is exactly right. And, of course, those issues are very divisive. We fought a war over the issue of slavery. People shed blood over the issue of civil rights in the streets of America as recently as the 1960's and perhaps more recently.

What is at issue here is not imposing one's religious views on another, it is a set of issues that have a value dimension to them, a moral dimension to them, that somehow are unacceptable to people of a particular political philosophy.

Rather than simply arguing their point of view, if you will, on the issue of school prayer, or abortion, or tuition tax credits or the other issues that we see lumped together in this Christian rights agenda, if you will, rather than simply stating their positions on those issues, we hear from our friends on the left and from the Democratic ticket that it is not legitimate to discuss those issues in the American political marketplace of ideas.

Mr. WALKER. If the gentleman will let me reclaim my time for a moment, the reason why is that they already have the Government political power on their side on those issues. They are already using the Government to enforce their viewpoint on those issues and so therefore they do not want any discussion of it because if, in fact, Government would get out of those issues we would go back to having the people making individual decisions about the issues and they fear those individual decisions.

Mr. WEBER. I think the gentleman is right.

Let me say in addition to that that I think it is important for us to establish that there is a difference between state and church and that there is some discussion and a way of presenting certain points of view that, in my judgment, is not acceptable in the American political arena.

I would argue that questioning an individual's religious beliefs is not acceptable in the American political arena. That, in my judgment, goes beyond what we believe in in this country when we talk about separation of church and state.

Mr. WALKER. I certainly agree with the gentleman.

Mr. WEBER. But let me point out as the gentleman from Pennsylvania has pointed out, President Reagan has never questioned the religious beliefs of Walter Mondale or GERALDINE FERRARO. He has never accused them of being less than Christian or any other politician in this country.

That kind of discussion came first from the Democrats.

Mr. WALKER. And yet, Walter Mondale accuses him of that in the speech today. In the course of the speech today, Walter Mondale accuses the President of doing exactly that which I know of nothing on the public record which indicates that President Reagan has ever questioned the faith of any political opponent.

Mr. WEBER. Precisely so. But our colleague from New York, the Democratic candidate for Vice President, did specifically say that she questioned whether or not—or she did not believe whether or not President Reagan was a good Christian.

So, in my judgment, we really have seen the debate turned on its head. While on the one hand the President is pursuing a long and respected tradition in this country, discussing the moral dimensions of serious policy issues, we find his opponents saying that that is not legitimate and then in the very next breath breaking a fairly sacred rule of American politics and going directly to a criticism of our President's personal religious beliefs and personal religious practices.

I think that that in itself represents a greater threat to the whole role of church and state in the American political arena than anything that this President has done or that this President's supporters have done.

Mr. WALKER. I would say to the gentleman if Walter Mondale is concerned about the fact that someone raises a religious dimension with regard to the political arena, he has a fairly short memory. He ran with a candidate in 1976 and 1980 who had no hesitancy about advertising his religious beliefs as part of what he was doing on the political front.

So, if that is what he is accusing the President of, it is certainly something that Walter Mondale was not speaking out against when Jimmy Carter was making a rather noticeable point about his own fundamentalist religious views.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. HYDE. I thank my friend for yielding.

I have just been going over this remarkable document that is the speech of the former Vice President under Mr. Carter, who was born again and made that phrase a very popular one, and all to the good, I might add.

□ 1950

There is an old saying, "He who defines the argument has it half won." And Mr. Mondale, throughout this speech, has set up about 10 or 12 straw men so that he might knock them down. He says such interesting things as, "Today the religious clauses of the

first amendment do not need to be fixed, they need to be followed."

Well, first of all, I do not know anybody who wants to fix them. I know a lot of people, mostly here tonight on this side of the aisle—the Chamber is bereft of Democrats except Mr. RAHALL, for whom my admiration is boundless for his patience sitting up there, taking a little nourishment and listening very carefully to what we are saying—but to return to the lecture by Mr. Mondale today, he just said so many things that are not so. He charges President Reagan with accusing him of things the President has never accused him of that are outrageous, and then he turns them away with righteous indignation and scorn. But talking about the first amendment, he says it does not need to be fixed, he says it needs to be followed. Oh, how right he is, but he does not quite know how right he is.

The second clause of the religious clauses says, "or prohibiting the free exercise thereof * * *"

Well, what does it mean? We need to understand it before we can follow it. And it would seem to me the free exercise of religion ought to let kids in school say a prayer. If we open this Congress every day with a chaplain of a different faith coming in here and leading us in prayer, if the Supreme Court itself opens with a prayer, what is wrong with the school opening with a prayer, any kind of a prayer, a Jewish prayer, Moslem prayer, a Unitarian prayer, any kind of a prayer, but some pause in the day's turmoil to reflect upon the eternal truths and the fact that there is a God?

Now, for those who do not believe in God, they do not have to pray. We do not have to sit here if we are agnostic or atheist. We can stay in our rooms. And a youngster does not have to participate in school prayer. Yes; he will feel uncomfortable if he is by himself, but so does a kid taking sex education whose parents do not want him to stay in class, and leaves, he feels uncomfortable, or she, too, I suppose.

Mr. WALKER. I think the gentleman would agree with me that the child feels awfully uncomfortable who has been told at home that he ought to say a prayer aloud over a meal and is denied that opportunity in the schools as they are structured today under the present law. That child is uncomfortable, too.

Mr. HYDE. I suppose in the Pledge of Allegiance, where they say "one nation under"—you should pardon the expression—"God," or how does the child sing "God Bless America"? I guess we need permission from the ACLU to do that.

But here is an interesting line from Mr. Mondale's speech: "To ask the State to enforce the religious life of our people is to betray a telling cynicism about the American people."

Who wants the State to enforce religious beliefs on anybody? Now, if he is talking about abortion, as I suspect he is—you know, this whole issue flared up over abortion—religion had its role in the public life of this country when the marches at Selma were going on, when the red liquid was being poured by the brothers Berrigan on the draft records, when lettuce was being boycotted, the clergy were welcome allies in the public arena; but, of course, when you get into the sexual revolution, when abortion starts to be the issue, all of a sudden religion seems somewhat out of place and disreputable and ought not be a participant in this public debate.

Mr. WALKER. If the gentleman will let me reclaim my time, that is an interesting point, because one of the things he criticizes in his speech is the fact that the Christian Voice Report Card, which flunks GERALDINE FERRARO on the moral family issues because she supports nuclear freeze—that is a quote from the Walter Mondale speech—later on he praises the Presbyterian Church in here. Now, as a Presbyterian I am aware of the fact that the Presbyterian Church specifically backs the nuclear freeze, and in its most recent general assembly meeting called on the denomination to work within the political arena to try to get the nuclear freeze passed.

Mr. HYDE. Do you mean Mr. Mondale is not protesting against that?

Mr. WALKER. Well, he praises the Presbyterian Church later on and protests a group that criticizes GERALDINE FERRARO's position on the nuclear freeze.

I have a problem with that. It sounds to me as though it is kind of a one-sided religious-political tie that he is talking about here.

Mr. HYDE. It depends on the side of the question. If you are for the freeze, you welcome clergy support; if you are against the freeze, it is an intrusion that borders on a violation of the Constitution.

But let me add just two points.

Mr. WALKER. I will be glad to yield to the gentleman.

Mr. HYDE. The gentleman has been very generous to me, and I appreciate it.

Mr. Mondale says to ask the State to enforce the religious life of our people is to betray a telling cynicism of the American people.

I do not know a single, solitary person in public life, certainly not a Republican Member of Congress, certainly not this administration, who wants to use the machinery of Government to enforce any religious beliefs on anyone.

Now, if he means through the lines there, reading between the lines, that in advocating resistance to abortion we are imposing somehow a peculiarly narrow religious belief on a secular society and thus using the fist of Government to smash down the wall of separation of church and state—their language comes so easily, I might add—if that is what he means, the Supreme Court has put that to rest in Harris against McCrea. They said abortion is not a uniquely religious notion, it is the traditional way that our society is looked upon preserving innocent human life.

And, last, let me just suggest to my friend that Germany, before World War II, had the most literate population, I suppose, in all of Europe. The literacy rate was as high as it could possibly get, a very educated and modern, civilized state, and a religious community. People went to church on Sunday, the Catholic churches, the Lutheran churches were crowded, the German people went to church. And you must ask yourself: How did that country, with all its literacy and its civilization and its culture, how did that country avert its eyes while 6 million Jews were incinerated and millions of non-Jews were incinerated and herded into camps like cattle, like animals, and slaughtered? How could that happen?

Well, I will tell you my answer is that the principles that are taught by all religions, respect for human life, for the weak, for the vulnerable, for the defenseless, somehow were kept in the closet. They were kept in the closet and they did not animate and energize and inform that people, enough of those people, so that they would avert their eyes from this carnage, from this Holocaust.

We have to look at a country and say: If you do not carry your moral principles into the public arena and let them animate your decisions, how much do you believe in those moral principles? Is that the Wizard of Oz, to read to your kids, and then put on the shelf and not let it guide you, not let it energize you, not let it animate you? Well, if that is what you go to church on Sunday for, stay home and watch TV because you are wasting your time. It is meaningless. But if we have universities and if we have libraries and if we have clergy to teach us what is the difference between right and wrong and we are not permitted to bring that into this Chamber and to try to implement that through access to the political process—I do not have a machinegun, I do not even use my open hand to force anybody to do anything, but I want access to the microphone, I want access to the political process, so that I may, hopefully, prayerfully, persuade them to the rightness, to the logic of my position. That is democracy. And that is all we want who want prayer in school, who oppose abortion, and who think that if you believe something, then you ought to act on it. Is there something wrong with

that? If you say you believe something, it ought to guide your life and you ought not to keep it in the closet under lock and key when you come in here.

The subject of abortion is a very sensitive one with these people. It is like saying, "I personally do not believe in slavery, but I would not raise a finger to stop you from owning a slave." One could question, could not one, how deep my conviction is in opposition of slavery? This building exists to protect the weak from the strong. There is nothing weaker than an unborn child. Now, they do not have to support abortion or oppose abortion to be good, solid, moral people; I understand that. But do not accuse us who want to fight to defend the weak from the strong trying to impose our religious beliefs on anybody. That is nonsense. We want to advocate them and persuade people.

I resent Mr. Mondale and the Governor of New York and the rest of them getting on their high horse because some of us have a different view of what religious values ought to mean different from them. They want to show up on Sunday, go to church, but Monday, Tuesday, Wednesday, Thursday, Friday you better not carry your moral convictions into this Chamber, or somehow you are a cultural lag, a throw-back to the Middle Ages. Well, that is not my notion in this democracy. And I prefer to agree with George Washington and Abraham Lincoln and the Founding Fathers who thought God was pretty important. The first thing they did was run out and hire a chaplain. The first thing they did in the First Congress, their first official act was to go get a chaplain. That must offend some of these secularists who think the first amendment guarantees hostility to all religions, disbelief is the established religion.

But they need an issue. They have lost the economy. They are trying foreign policy, they are trying arms control. And now they are bringing in religion and calling the kettle black.

□ 2000

It is wrong, it is unfair, it is divisive, and it is not going to win. I hope Mr. Mondale will forgive me if I close my remarks by using the expression "God Bless America."

Mr. WALKER. I thank the gentleman very much, and I think the gentleman makes several valid points. The gentleman, above all, knows that what we have happening in America today is the fact that Government power is being wielded on the abortion issue in a way that permits abortion. The question before this Chamber on many occasions is whether or not Government power ought to be used against the weak and the helpless or whether or not Government power ought to be protecting the weak and the helpless. It is an application of Government power that we are really talking about on that issue. It has nothing to do with the great diversity of religions that are on both sides of that particular matter.

I would agree with the gentleman, I think that some of the code words that are in the Mondale speech refer to abortion. He just did not have the nerve, evidently, to say that.

I yield to the gentleman from Minnesota.

Mr. WEBER. I thank the gentleman for yielding. I think that there is an important question raised by this line of thought developed by the gentleman from Illinois and the gentleman from Pennsylvania. An important question raised for Democrats around this country and for Democrats in this Chamber. You know, the language used in this speech by Mr. Mondale, in discussion those of us who take positions different from his on issues like abortion, school prayer, and tuition tax credits, is pretty strong. He calls us a determined band, raising doubts about peoples' faith. An extreme fringe; an ambitious crowd with fire in its eyes.

My question to Mr. Mondale and to the Democrats in this Chamber, in this body, is if that applies to us, what does it say about those Democrats, admittedly a minority, but some of them in this body who precisely the same positions. You know, not every Democrat is prochoice. Not every Democrat is opposed to the voluntary school prayer amendment. Not every Democrat is against tuition tax credits. Should they be read out of the Democratic Party because they do not conform to Mondale's views of what is proper political discussion? If that strikes you as an extreme statement, consider this: The views of those who are opposed to abortion were excluded from the Democratic National Convention when the National Right to Life Committee tried to buy an ad to pay for its placement in a brochure or pamphlet constructed by the Democratic National Convention.

They sent back a $5,000 check to the National Right to Life Committee and refused to permit them to pay to get their views into that brochure.

Mr. WALKER. Let me yield to the gentleman, then I think there is a point to follow up on that.

Mr. HYDE. You know, in reading this drivel, I do not know what else to call it, I came across one of the most outrageous things I have ever read in the English language. The former Vice President says, and I quote:

> At the Republican Convention in Dallas, moderates were driven out. An ambitious crowd with fire in its eyes seized control of the platform, the podium, and perhaps the future of the party.

I was there, I was on the platform committee. I sat there and I listened to my dear friend and leader of the mainsteam group and the moderate wing and the liberal wing, Mr. JIM LEACH of Iowa. A dear friend; I listened to him with great respect because I do respect him. I totally disagree with him but I respect him. He was not driven out, he was having coffee, as I recall, while he testified.

Mr. John Buchanan, a former Member of Congress, and another moderate with a capital "M", testified.

Mr. WALKER. Quoted by Mr. Mondale in his speech.

Mr. HYDE. Yes. Senator WEICKER and I had some spirited but I hope friendly debate on various issues. I did not see anybody driven out. They were not carried out, they were not pushed out, they were not nudged out, they were welcomed in. They were listened to with respect. They did not prevail, but again that is democracy. There were not enough of them.

So we welcome our liberals. The conservatives in the Democratic Party, that dwindling band, were driven out. I did not see any address the convention; I did not see the prolife forces represented there. They could not even buy an ad in their book. So when it comes to intolerance, I must say they have the gold medal, for intolerance belonged in San Francisco.

Mr. WALKER. I thank the gentleman because he homed in on precisely the language in the former Vice President's speech that I was going to mention. You know, to suggest that moderates were driven out of the Republican Convention in Dallas is to suggest a total inaccuracy, and is something which facts would show were not correct.

Some of the moderates were not happy with certain provisions of the platform, but the fact is they participated in the deliberations. I saw them on the floor of the convention. They were there and were participating in the deliberations of our party. That is totally different from the Democrats experience in San Francisco. I do not even think most of the conservatives went to San Francisco. I would be surprised to hear of any that were out there. I know that they did not participate. I know that their platform does not suggest any concessions whatsoever to any conservatives whatsoever.

If the problem is of a, as Mr. Mondale puts it, "an ambitious crowd with fire in its eyes seizing control of the party," the problem is in his party, and it is a liberal problem in his party.

I yield to the gentleman from Minnesota.

Mr. WEBER. I thank the gentleman from Pennsylvania for yielding. I just want to make one final point which I think is very important in considering the moral position of the two parties on the real issue that is involved in the separation of church and state and the

real issue that is involved in the pluralism that we all respect in the American society.

Mr. Mondale, in his speech, goes on to ask rhetorically of his audience:

> Judge us by whether we understand them. Judge whether we honor the spirit of pluralism and the letter of church-state separation. Judge whether we unify America. Judge whether we denounce bigotry and divisiveness.

I think that is a pretty important question. Let me say that our platform, the Republican Party platform, speaks directly to that issue, and I have some interest in that because I was the cochairman of the subcommittee of the Republican Platform Committee that did speak directly to that issue. Let me read to you from the Republican Party platform.

We say, on page 41 of the Republican Party platform:

> The Republican Party reaffirms its support of the pluralism and freedom that have been part and parcel of this great country. In so doing, it repudiates and completely disassociates itself from people, organizations, publications, and entities which promulgate the practice of any form of bigotry, racism, anti-semitism, or religious intolerance.

I think that speaks directly to the issue that Mr. Mondale rhetorically raised before the Convention of B'nai B'rith today. But let me say in answer to Mr. Mondale, that statement that I just read to you from the Republican Party platform was not included in the Democratic Party platform. It was going to be offered at one point by a delegate from the State of Ohio, and accordingly to news accounts from San Francisco, the Mondale people prevented it from being offered; prevented it from being included in Democratic Party platform because of opposition from some of Mr. Jackson's supporters at the convention.

Mr. WALKER. Now, wait a minute. Is the gentleman saying that the language that he just read to us was going to be offered as a portion of the Democratic platform, and the Mondale people prevented that from happening?

Mr. WEBER. Accordingly to news reports from the San Francisco convention, a delegate from Ohio was prepared to offer an explicit statement, almost word for word, like the statement I just read, condemning bigotry and anti-Semitism specifically. According to those news reports, it was not offered because the Mondale people at that convention felt that it would be divisive and a slur to Mr. Jackson and some of his supporters. Why? You can only guess. Let me just tell you though, we had no problem such as that at our convention. there was no faction, none of these zealots, none of these fire-eyed people at the Republican Convention that Mr. Mondale speaks so disparagingly of, had any problem accepting the statement that I just read to you today condemning bigotry, racism, anti-Semitism, and religious intolerance. It was the democrats that has a problem putting that on their platform; not the Republicans.

Mr. WALKER. I think the gentleman makes an extremely important point. Here is another little section of Walter Mondale's speech today that I think is kind of interesting.

□ 2010

He says:

> I join those Americans in their concerns. I stand with them in condemning the explosion in drug traffic. I share their outrage at child molesting. Anger at street crime is legitimate. An epidemic of teenage pregnancy is a national calamity. A blizzard of pornography is indecent. Low standards, whether they infect the classroom, the workplace, the government or the street corner are a threat to all of us.

He said that today and it just raises a question with me. He was right here on Capitol Hill today, right in this Chamber, meeting with Democrats who control this place and the legislative schedule. If he is concerned about drug traffic, child molesting, and street crime, did he ask his colleagues here in the Congress to do something to get the passage of the anticrime package that would deal with some of those issues? I did not hear anything about that. I did not hear him say that on those moral issues that he was willing to come up to tell TIP O'NEILL and the Democrats here that they ought to pass those bills and do something about what he claims to be concerned about.

He also says the epidemic of teenage pregnancy is a national calamity, and, boy, it is. But what about the programs that have been instituted around here that have created the dependency that allows teenage girls to go out and get pregnant and collect welfare and so, therefore, encourage the kind of teenage pregnancy, the maternalization of proverty that we see taking place in this country? Did Walter Mondale speak out against that today when he had a chance to in the House Chamber, suggesting that maybe that is something that ought to be dealt with before the end of this Congress? I doubt it.

This statement is really amazing. He says, "A blizzard of pornography is indecent." It sure is. I wonder. Has Walter Mondale suggested to his Vice Presidential running mate's husband that he ought to immediately get rid of the pornography operation that is operating out of one of the buildings that he manages? Has he taken even a stand to suggest that that pornography operation ought not go next January; it ought to go now?

If these are issues that he really feels strongly about, can we really expect him to take strong stands? He criticizes people who take strong stands about other issues, but the things that he says that he is for, that he wants to do something about, is he really willing to stand up and do anything about them or is he just making a speech? I suspect he may just be making a speech, because I have not heard one word about him doing any of those things.

Mr. SILJANDER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Michigan.

Mr. SILJANDER. I thank the gentleman for yielding.

Mr. Speaker, the gentleman has pointed out time and time again throughout this speech, which I have read twice now sitting up here, that there seems to be clearly two tracks of thought. On the one hand, Mr. Mondale says, and I quote:

> A determined band are reaching for government power to impose their beliefs on other people.

Let us look through history just for a moment, and recent history as well, and we will find that the Democrats and the more liberal thinkers of America on slavery, civil rights, Vietnam, more recently the nuclear freeze, the ecological movement, Central America and the policies there, South Africa, the National World Council of Churches, we have seen in all these issues the liberals using church pulpits, specifically church pulpits, church goers, and religion to perpetuate, for better or for worse, these particular thinkings and political issues.

The nuclear freeze was debated on this floor for 42 hours and it consumed nearly 7 weeks of congressional time. That certainly is a political issue. It is in the Democrat national platform.

Jesse Jackson of late, a candidate for the Presidency of the United States in the Democrat Party, has been in pulpits preaching the doctrine that he believes in, the political doctrine that he believes in. Cameras of all three networks and others following him pulpit to pulpit, church to church, encouraging the goers to register and vote and to join the Rainbow Coalition.

We have seen preachers of the past, mostly of the more liberal Democrat nature, pushing in pulpits, in public forums as preachers, using the cloak of morality to in any way they can perpetuate their thinking. We have seen it in all these issues, I repeat: Slavery, civil rights, Vietnam, ecological, nuclear freeze, Central America policies, South Africa, the National World Council of Churches, encompassing all denominations, have been involved in politics around the world, specific issues, for years. The Catholic Church, the pastoral letter regarding Central America, regarding social

issues, has been involved in politics for years.

My point is just this to the gentleman: We have Mr. Mondale, who has associated himself with many of these same issues, many of these same promoters of these issues. On the one hand he condemns the new right who observed a tactic encouraging their parishioners to register and vote, to become informed, to become involved in issues that they feel are important. All of a sudden the shout goes up, "Separation of church and state." "Is it not hideous," say the liberals and Walter Mondale, "that preachers such as Jerry Falwell and Jimmy Swigert," and others mentioned in his speech, "would dare try to combine church and state by advocating that their respective constituencies, spiritual in nature, become involved and aware in politics, and take stands on issues," while on the other hand he and his party have been doing it for years.

So the more fundamentalist movement has taken note of a very, very successful endeavor and simply duplicated it, and now hypocritically the far left is saying we have fire in our eyes, we are wild maniacs at our convention, and we are uncontrolled simply because we are essentially duplicating the tactics of the left of the past and the tactics of the more liberal and moderates of the present.

I am not criticizing their tactics, mind you, nor am I criticizing necessarily the issues that they are promoting. I am simply saying I hope clearly that they have used the pulpit, that they have used religious forums and religious congregations for decades to promote their own thinking.

One other point, if I may, with the gentleman.

While Walter Mondale criticizes church and state, which I define as not using religion to promote issues which I just discussed, a second issue it seems clear in his speech that is inconsistent in which I see a double track is not using moral convictions and political deliberations. That is essentially what much of this debate is centered around.

We all know and we all studied in school the socialization process in America. It encompasses the church, the school, the family and other institutions. All of us are brought up in a certain view of the world, a certain culture. We are all part of these three, and our moral convictions either reflect part of our family traditions, our church or synagogue or mosque traditions, and part of our schooling traditions. We cannot help but avoid that. No society can help but avoid that.

So naturally we apply our moral convictions to what we perceive is right and wrong, and what we perceive is right or wrong is certainly public servants defined by what we consider moral and immoral. If an FBI agent dressed like an Arab offered you money, the gentleman from Pennsylvania, I certainly believe that your moral conviction, based on your socialization process that you have experienced since you were born, would tell you "Certainly not. I will not accept a bribe from an FBI agent dressed like an Arab." Nor would I accept a date with a page. All the types of issues that have come in this Congress. In fact, the Congress brought up considering it immoral. Members were censured as a result because the Congress as a body determines certain behaviors are immoral.

Where did we come up with the idea that certain behaviors are immoral? We came up with them because of certain belief systems that we all possess. Walter Mondale, I am certain, based on his speech, since it encompassed religion, since his wife's father is a preacher and since his father was a preacher and he has been so religiously involved in things according to his speech, he certainly ought to have some form of moral convictions and I truly believe he does.

The trouble is that he is not tolerant of others' beliefs. He has been criticizing Ronald Reagan and several others in his speech for being intolerant because they are criticizing others' philosophies or views of the world; yet Walter Mondale, certainly from a deeply religious background, using his moral convictions and his belief system, is very, very strongly, ardently, criticizing those on the other side of the spectrum for what they believe in.

□ 2020

Now I see a very clear dual dimension. While it is all right for him to criticize and call some of us "fire in our eyes" and associate the Christian voice with Reverend Farrakhan and others. While it is all right for him to make such ridiculous comments and say I condemn them all, to quote Mr. Mondale.

I condemn them all and call them spiritual obscenities. Referring to the Ku Klux Klan, I hate them, too. But is it not interesting that he seems to have a free form to criticize, to hate, to condemn, to finger point, to accuse, including the President of the United States, whom the Speaker of this House said it would be immoral to vote for.

It is all right for them to say those types of things, radical statements, but if Jerry Falwell or BOB WALKER or HENRY HYDE or any other Member would dare to say anything that tends to be more of a moderate to conservative element, all of a sudden we are doing something that is immoral and wrong and somehow we are mixing church and state and mixing up our religion with our political practice, which Walter Mondale feels is inappropriate.

So, I thank the gentleman for his special order and for the opportunity to express these two concerns of hypocrisy that I see protruding from this entire document.

And before I sit down, I want to correct the record on one miscellaneous element, if I may.

Mr. Mondale said, and I am quoting his speech:

> Last month in Dallas, Mr. Reagan attacked those of us who are trying to preserve the separation of church and state. He supports a constitutional amendment instituting school prayer with the prayers chosen by local politicians.

This is untrue. Anyone who knows the President's constitutional amendment for voluntary prayer in school and if Walter Mondale's writers would have had enough gumption and enough integrity to at least read the document that they are criticizing they would find that in the document, in the constitutional amendment itself, there are words prohibiting anyone, including local politicians from choosing a prayer; from leading a prayer, or having anything to do with a prayer.

If they would read the document they would have found that prayers must be instituted and followed and done specifically and only by the students themselves.

So this is an inaccurate statement, a wrong statement and a very unfortunate one to be made by a man running for the Presidency of the United States.

Mr. WALKER. Well, I thank the gentleman for pointing that out, because there is another note that I had made here. The gentleman if absolutely correct. No one that I know of who has supported the school prayer issue has suggested that the prayer should be chosen by local politicians. I do not know of anybody who has suggested that.

The only people who have suggested that have been people who have been trying to mislead the American people into believing that there is something that we want to do that would mandate particular prayers in the public schools.

We have always said forthrightly we have no intention of doing that whatsoever. But Walter Mondale, in making that statement, just tells a plain lie. I mean that just is totally inaccurate and there is no way that he can defend having made that statement.

Mr. HYDE. Would the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from Illinois.

Mr. HYDE. I think my friend is being too harsh on Walter Mondale. I think he has probably got a logistics

problem in getting accurate information.

Mr. WALKER. The gentleman is probably correct. I may be harsh.

Mr. HYDE. His well-oiled machine that made him ultimately at the 11th hour, triumph and snatch that nomination away from the gentleman from Colorado and sundry other people, he may have trouble.

You know how it is with staff, getting the accurate information.

And I would prefer that explanation for his inaccuracy, his untruth than that it is deliberate. So if we could put that to rest I would appreciate that.

Mr. WALKER. I do not think we would want to use Mayor Young's characterization of some of those staffs, those same boys may have just fouled up on this. So I may have been unnecessarily harsh.

Mr. HYDE. But if the gentleman would yield further, I would like to comment briefly on another extraordinary paragraph in Vice President Mondale's speech.

He says on page 2:

I have never thought it proper for political leaders to use religion to partisan advantage by advertising their own faith and questioning their opponents.

Now, if you look at the paragraph above that wonderful statement that has a certain ring to it, he says:

My dad was a minister. My mom was a director of religious education. My wife, Joan's dad, is a minister. I was taught to believe the God of the Old and New Testaments. The God of justice and mercy and love.

It brings a tear to your eye to hear those sentiments but just below that he says:

I have never though it proper for political leaders to use religion to partisan advantage by advertising their own faith.

He has just done it and done it very effectively, I am sure.

And then the next line, "And questioning their opponents."

I have a one-question quiz for the gentleman from Pennsylvania and I know you will pass it, but I still want to go through the motions anyway. Name me one Presidential candidate in this current race who has been criticized publicly by a Vice-Presidential candidate and had their Christianity questioned. The question is, I doubt if Mr. Reagan is a good Christian.

Now, Mr. Mondale excoriates anybody who questions their opponents' religion, so I want to ask you if that has happened and who has questioned whose religion.

Can the gentleman answer that?

Mr. WALKER. Would the gentleman make this a multiple choice question, maybe?

Mr. HYDE. I think the gentleman from Georgia may have the answer. Maybe the Speaker knows up there. He is all-wise and all-knowing.

Mr. GINGRICH. I just have to comment that the gentleman from Illinois earlier made the point that it is possible that one of the reasons that this particular speech is so thoroughly inaccurate is because, in fact, the Mondale campaign does not know.

It suddenly struck me a second ago that all of us including the media have misunderstood Mondale's speech. This speech is aimed at GERALDINE FERRARO and is designed to communicate to Ms. FERRARO——

Mr. HYDE. The gentleman has the number of this problem. She is the only one that fits this description.

Mr. WALKER. Jesse Jackson may also fit some of this because Jesse Jackson, you know, just the other day did say something to the effect that if Jesus were alive today he would support liberal Democratic programs and so on and also made reference to President Reagan as being the equivalent of King Herod.

So maybe the speech is aimed at him as well.

Mr. SILJANDER. If the gentleman will yield, there is one other person that this also is very applicable to, and that is his former President of the United States, who he served under as Vice President, Jimmy Carter, who well termed and made the public very aware of the term, "born-again President."

It was Jimmy Carter who said he was born again. It was Jimmy Carter who said he was a born-again Christian and people should vote for him as a result. And he is referring certainly and I will throw another name in here, his own former running mate, President Jimmy Carter.

Mr. HYDE. Well, if the gentleman would yield, Jerry Falwell is quoted without much admiration or enthusiasm in this speech and even criticized for saying, "We will get two more Supreme Court judges if Ronald Reagan is elected."

Well, Jerry Falwell is not a Republican. He is not a Republican. I will say again in case some of his speech writers are listening in. Jerry Falwell is not a Republican. He is an independent and you would think he is on the Republican National Committee.

He is just a man who is religiously trained; a minister of God who has been watching the left, the trendy vicars picket and boycott lettuce and splash duck's blood on draft records and said, hey, it is our country, too. It is our country, too.

We are worried about the tidal wave of drugs and pornography, the condition of the movies, the exploitation of women in the magazines that is going on, the drugs, the crime in the streets that is spread now to suburbia.

It is our country, too. Maybe we need a moral reawakening. Oh, my God, what a bold thing to say. How it must chill the ultraleft, the McGovern rightwing which is now ascendant in the Democratic Party.

I certainly do not include the Speaker, who is a man of eminent reason and common sense.

But, in any event, the very things he accuses Reagan of, his own people have been guilty of and the French must have a word for it but I do not, and I thank the gentleman for yielding.

Mr. WALKER. I thank the gentleman very much.

Well, in Walter Mondale's speech he quotes a group of church people who recently met in New York and he says yesterday in New York they issued a statement.

□ 2030

They said in their statement, and I quote, "To reject categorically the pernicious notion that one brand of politics meets God's approval and that others are necessarily evil," and they urge both parties to commit themselves, "to the spirit of religious tolerance and mutual forebearance that is indispensable to a free society."

I think all of us here would agree with what those churchmen said, virtually everybody who spoke on the floor here tonight.

Walter Mondale went on to say, "I accept the challenge for myself, for GERALDINE FERRARO, and for the Democratic Party."

Well, if he really did, he would have had a hard time giving the speech that he gave today, because the speech that he gave today is particularly out of line with precisely what those church people said yesterday.

There was another speech given to the B'nai B'rith today, given by the President of the United States. I am going to close with the words that he chose when talking about this issue.

He said:

So let me speak plainly. The United States of America is and must remain a nation of openness to people of all beliefs. Our very unity has been strengthened by this pluralism. That is how we began. That is how we must always be. The ideals of our country leave no room whatsoever for intolerance, anti-Semitism, or bigotry of any kind—none.

The President of the United States is absolutely right. That is what we are attempting to do in raising the issues we raise. I wish Walter Mondale would join us.

Mr. Speaker, I yield back the balance of my time.

CUBAN INDEPENDENCE DAY CRUSADE 1984

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. PEPPER] is recognized for 60 minutes.

● Mr. PEPPER. Mr. Speaker, it gives me great pleasure, as every year, to commend Msgr. James P. Cassidy of

Catholic Charities of New York and recently appointed director of worldwide Catholic health centers on his profound and moving open prayer as guest chaplain this morning.

Monsignor Cassidy and his associates of the Cuban Crusade for Relief and Rehabilitation hope through prayer and other peaceful efforts within the mantle of the church to bring about an essential transformation of Cuban society away from communism and toward freedom and democracy.

This is an idea that elicits broad resonance and a heartfelt yearning among the Cuban-American population of my district and in the Nation wherever the former "pearl of the Caribbean" is remembered as an island of freedom and beauty that has fallen under the evil sway of a bloody tyrant, Fidel Castro. We share the fervent hope that someday the people of Cuba will be free again from domination by the Soviet Union and their representative in our hemisphere, Castro.

This annual observance which usually coincides with Cuban Independence Day on May 20 was delayed until now because of the untimely death of one of the vigilant founders of the group and an untiring Cuban patriot of democracy, Miss Candelaria Achay. She strove with great and inspired effort to carry the message of Christ to the desecrated island that was her original home as a worker for the welfare of the impoverished and the sick which she was forced to flee. Following is a brief description of her and her work which I commend to the attention of our colleagues:

CUBA INDEPENDENCE DAY—1984

Crusade 1984—Respectfully, our message today is being addressed to His Excellency Ronald W. Reagan, Vice President George Bush and Administration, Honorable Speaker Thomas P. O'Neill Jr., Congressmen Claude Pepper, and Dante B. Fascell and all other Members of Congress.

In this glorious day—May 20th, 1902—we wish also to pay humble tribute to Miss Candelaria Achay, the beloved co-founder of our international "Cuban Crusade for Relief and Rehabilitation", who recently expired at St. Vincent Hospital in New York City. She functioned as the Indisputable leader of our organization for more than 25 years.

Divinely inspired, she helped to carry on the torch of hope and the message of Christ on the desecrated island of Cuba and elsewhere, through an arduous and bitter struggle.

Miss Achay was born in Cuba, of Cuban-Chinese parents, December 12, 1927, and received basic religious education at the Sacred Heart Academy; but, shortly had to abandon the religious career because of failing health.

Soon she entered into the political arena during the regime of President Fulgencio Batista. First-rank collaborator of the President's wife, in one of the most successful social projects ever executed in Cuba; dealing with housing for the poor, health center, and better wages for fishermen and workers of the mining industry.

She was co-founder of the "Obra Benéfica Religiosa Social en la Sierra Maestra", together with Dr. Joseph R. Julia and Vicentian Father Superior Lorenzo Elosegui Orodengae C.M. in 1957.

In 1961, she was co-founder of the "Cuban Crusade for Relief and Rehabilitation Association Inc.". She personally helped thousands of Cubans, latinamericans and others to obtain employment, housing, clothing, furniture, medical help, educational grants, at the Cuban Crusade offices in New York City and Miami. In 1965, she was elected Chairman of the Committee for Hemispheric War on Poverty Crusade in Latinamerica.

In 1984, she accompanied Dr. Julia to the Orient setting up the "Cuban Crusade Asian Chapter", with central offices in Taipei, Taiwan—"The Power of the Cross" postcards were printed and distributed through Asia.

She is a co-owner of patented "Achay-Julia" economical homes which are intended to benefit the poor world-wide.

Soon after Castro's successful take-over in Cuba in 1959, the above Committee met with him on numerous occasions from January 1959 until July 5, 1960.

Mr. Castro gave his personal approval to said "Obra Benéfica Religiosa", which immediately became law by Resolution No. 575 of the "Ministerio de Finanzas" in July 5, 1960.

The 575 Resolution of July 5, 1960, set a unique precedent since it permitted, for the first time, the teaching of religious and social work within a communist country. Our Sierra Maestra's program was conceived and so officially sanctioned as an autonomous organization without any direct government control or intervention.

It allowed for the construction of: (a) one 300 hospital beds in Sierra Maestra; (b) a vocational center for the teaching of arts, trade, agricultural, and mining techniques.

Dr. Joseph R. Julia, Father L. Elosegui O.,CM, and Candelaria Achay, presiding, formed the Vincentian Fathers Committee.

Both Dr. Joseph R. Julia and Candelaria Achay were designated via legal document, with the exclusive presentation and "Power of Attorney", globally of the "Obra Benéfica Religiosa Social St. Vincent de Paul en la Sierra Maestra".

It is, therefore, the most perfect instrument in our hands with which spearhead the process of peace, and gradual normalization of relations between Americans and Cubans, Now!

It was precisely Miss Achay's dream and profetic desire at the time of her ill fated premature death.

It all began with Mr. Castro's revolution embracing of the Christian Crucifix and the insidious metamorphosis that followed. Castro's rise to power in Cuba marked a turning point in the traditional love-hate relationship between North and South and among Latinamericans themselves.

Time is now ripe for action and not for a military intervention, nor for an aggresive political adventurism which could turn out to be as counterproductive today as it has been in the past.

It is a time for action through good will and common sense. As Miss Achay said it, "the moment of truth is now!"

During long years, our "Obra Benéfica Religiosa Social" was forced into painful inactivity. But, we were not dead, through our efforts, funds were raised in Cuba and in the United States from firms like Hirsh and Company of Wall Street and others who happened to believe in the sincerity, feasibility, and down to earth approach of our program.

We offer a sensible way out of this Caribbean alienation; the shortest possible approach; perhaps the only door still open to reconciliation.

Our "Obra Benefica Religiosa Social St. Vincent de Paul", has a 20 year old record of credibility in the United States Congress, and within the Spanish-American communities as well.

We have no attachment whatsoever to vested interests here or abroad, this is why we can speak today, freely and loud.

We are only truly committed to God, and to the highest ideals of freedom. These reasons may explain why our program has received (a) best wishes for success from our State Dept. in bringing about closer relations between cubans and americans; (b) the blessings from the Papal Nuncio, with an introduction to America by a letter to late Cardinal Francis Spellman; (c) the blessing by late Cuban Cardinal Manuel Arteaga.

Closing words—In memory of our beloved "Candy Achay":

Ms. Candy Achay was a catholic mystic. On September 8, 1962, in a dream, she received a direct revelation from the Patroness Virgin of Cuba "The Virgin of Charity". The revelation was painted in December 1962, by a famous Vincentian, Father Superior Lorenzo Elosegui Orobengua CM. It is titled the "Power of the Cross", and it depicts the end of atheistic oppression in Cuba.

The Virgin of Charity is shown high in the heavens carrying child Jesus surrounded by purple and reddish clouds depicting the bloody period the earth's people have been traversing for nearly a century being gathered by God Almighty for dispersement in Space. In her right hand is the cross from which emanates the healing vibrations of Jesus Child falling directly upon Cuba, killing the dragon Atheism. The sickle and hammer symbols of the regime in Cuba are broken signifying the end of Cuba's Atheism by divine intervention.

The three figures in the rowboat are the original Cubans to whom the Virgin appeared in Cuba's Bay of Nipes last century, rowing towards Cuba to spread the message of freedom. This is a divine message from God Almighty announcing the coming victory of Jesus Christ over the forces of darkness.

Miss Candy's remains were cremated and her ashes were thrown in the waters in front of the Statue of Liberty in New York City.

Candy's last wishes were—"May my ashes reach a free Cuba someday!"

REMEMBRANCES

"Candy is a ray of light shining down from the Almighty . . ."—Dr. Josheph R. Julian, life long associated of Candy and cofounder of Cuban Crusade.

". . . a loyal friend, . . . I feel her presence down to my soul . . ."—Rev. Father Lorenzo Elosegui Obergoa, Seville, Spain.

"She is the personification of love . . ."—The late John Wm. McCormack, Speaker of the House, December 14, 1977.

"She is the soul of Asia—with her Chinese ancestors . . . she is now in the "Celestial Heaven".—Steve Min, President Taiwan—Phillipine Chapter.

"A Chinese sister from Cuba; her soul was always Chinese".—Peter and Vince Wu Families.

"A Chinese princess, who will help us . . . from the far reaches of Heaven".—Mr.

James T. Fan, President Japanese and Korean Chapter.

"My best friend . . . Excellency in love and goodness"—A. D. Paniagua, MD.

"Candy was a great believer in the conversion of all atheists to God's way of life".—General Penli Chao—Taiwan.

"The Power of the Cross" message can be applied in conventing Mainland China away from present Atheism".

"We have distributed thousands in Thailand, Mainland and Burma".—Gen. Kei-Chi Chiu (Generalisimo Chang Kai Shek assistant).

COMMITTEE FOR HEMISPHERIC WAR ON POVERTY CRUSADE

Crusade 1984—Respectfully, our message today is being addressed to His Excellency Ronald W. Reagan, Vice-President George Bush and Administration, Honorable Speaker Thomas P. O'Neill Jr., Congressmen Dante B. Fascell, Claude Pepper, and all other members of Congress.

The above tribute to our beloved Candelaria Achay is a direct appeal to President Fidel Castro of the Socialist Republic of Cuba so we could save precious lives of Cubans, Salvadorans, Nicaraguans and many others, now being wasted in a senseless "Class War" throughout the hemisphere.

As stated in Rome, Italy last August 22nd, His Holiness Pope John Paul II—referring to Marxist influence on "liberation theology", said that the Church's efforts to help the poor could not be based on class struggle.

The Pope's comments were contained in a message read to 67 Bishops in Zimbabwe at the Inter-Regional conference of Southern African Bishops, in which the Pope emphasized the Roman Catholic Church's wish to be close to the suffering and the oppressed.

He said, "the solidarity of the Church with the poor, with the victims of unjust laws or unjust social and economic structures goes without saying." But, the Pope warned that he would not tolerate the basing of such solidarity on class struggle a fundamental Marxist principle that is evident in many movements aiding the poor.

"The forms in which this solidarity is realized cannot be dictated by an analysis based on class distinction and class struggle." Pope John Paul said, "the church's task is to call all men and women to conversion and reconciliation without opposing groups, without being against anyone". The message was read in English.

Pope John Paul told Latin American Bishops in 1979 that he objects to viewing Jesus as a "political activist", as a fighter against Roman domination and the authorities and even as someone involved in a class struggle.

He told the Church's officials charged with fighting heresy to resist the Marxist based brand of liberation theology and its idea of class struggle.

(Signed) Dr. Joseph R. Julia; Alejandro D. Paniagua, M.D.; General Penli Chao; General Kei Chi Chiu; Mr. James T. Fam; Rev. Father Lorenzo Elosegui Obergoa; Mr. Steve Mim; and Peter and Vince Wo Families.

CUBAN INDEPENDENCE DAY

Crusade 1984—Worldwide Solidarity Message honoring Cuban patriots Jose Marti, General Antonio Maceo Grajales, General Generoso Campos Marquette and American patriot President Theodore Roosevelt, who personally led Americans fighting alongside Cubans to successfully liberate Cuba. That first real liberation date was commemorated on May 20, 1902 and is known as Cuban Independence Day.

To: His Excellency Ronald W. Reagan, Vice-President George Bush and Administration. Honorable Speaker Thomas P. O'Neill Jr., Congressmen Dante B. Fascell, Claude Pepper, Robert Garcia and all other members of the United States of America, House of Representatives and Senate and to the peoples of the world.

Cuban Independence Day is also Latin American and World American Solidarity Day since it signifies the very first day of Hemispheric and Global Brotherhood. In order to reflect the true beliefs and sentiments of world-wide peoples after having their memories refreshed as to the real historical and present day established and known facts that remain unchallenged today, we expose these facts for the global population to hear, see and take very careful notice of.

The United States, in joining Cuban patriots last century in their struggle for freedom against Spanish tyranny, did not exact their pound of flesh and colonize Cuba as has always and still is the practice when large powerful nations have aided small countries in their so-called freedom wars. Instead America rejoiced together with Cuba on May 20th, 1902 when they celebrated their hard won freedom then. America had helped a new free democratic nation to be born by aiding them during their liberation struggles and after economically.

And today more than ever, it is very necessary for the United States to point out their record, referring to all of their dealings with any nation small or large; America has always liberated or aided liberation but has never colonized anyone.

May 20th, anniversary of the free Republic of Cuba's Liberation Day is the first and best example of America's fraternal behaviour towards a hemispheric brothers liberation struggle; the United States is your brother and not your master. The same is true for the rest of the world proven time and again via its total aid for many European, Asian and African nations during World Wars I and II. Practically all militarily occupied or colonized nations were liberated by America at a very high cost of American materials and blood, at the end of those wars.

Soviet Russia and mainland China were major recipients of that aid. Communist Russia has repaid that debt by colonizing fourteen now captive nations and utilizing force to dominate its now imperialistic Russian Empire, a major political enemy of America. Chinese Communists overran mainland China and now threaten to colonize all Asia. It is important to note that all communist takeovers titled liberation revolutions have taken place after World War II, when both Russia and China were aided to liberate themselves from German and Japanese occupation with America's help.

The above statements are historically established facts forgotten under the stress of political battle by U.S. against an ever aggressive foe who specializes in propaganda trickery, such as Russian sponsored "World Peace Movement" and utter falsehoods represented by Russian backed "World Nuclear Freeze", and who has enslaved countries utilizing the noble colors of liberation, falsely and criminally.

In the name of Cubans, Americans and the world's peoples, we publicly challenge our atheistic totalitarian and political adversaries to produce and name just one May 20th style of real free self-autonomous sovereign state produced by Russia or China, via a Communist induced and backed revolution. In two words, they cannot.

May 20th, Cuban Independence Day, also Latin-American and World Solidarity Day is the actual anniversary of America's Foreign Policy Principles; Liberate and Aid to Liberate, as against the Dominate by Force and colonize practice championed by World Communism.

American and global peoples our duty and moral obligations is to hammer out these truths via the entire global media to educate world opinion by commemorating next May 20th anniversary of Cuban Independence Day 1902 representing the first true 20th century liberation and transmitting the above Solidarity message of strong truths hemispherically and universally.

We call upon the free nations of the world to stand united behind American Universal Foreign Policy and aid, liberate all of the world's enslaved peoples from communist tyranny and oppression now infiltering the Western Hemisphere and elsewhere via the communist surrogate of Soviet Russia, who in 1959 stole Cuban liberty from Cubans, Fidel Castros Red Cuba.

We also call upon the global free nations to join in complete solidarity; militarily, economically, politically and religiously and thus unified march to triump over World Communism before the 1980's end.

Dr. Joseph R. Julia, President, Cuban Crusade Political Committees.

Dr. Alejandro Paniaqua, President Carribbean Committee.

Mr. Steve Min, (Wu Shiu Mei), Asian Committee President.

Mr. Joseph Yali, President, African Committee.

Mr. Peter Hartwich, Chairman, Cuban Crusade Campaign 1984.

General Penli Chao, Taiwan, General Adviser.

General Kei-Chi Chiu, Taiwan, General Adviser.●

IT'S TIME FOR THE HOUSE DEMOCRATS TO PUT UP OR SHUT UP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, the title of my special order is "It's time for the House Democrats to put up or shut up."

I think it fits particularly well after the special order from the gentleman from Pennsylvania, because precisely the kind of deception, distortion and demagoguery which he just outlined in Mr. Mondale's speech today is going to become, I am afraid, characteristic across this country in the next few months, in the next 2 months of many House Democratic campaigns. I thought it was important to put into perspective now at the beginning of this last month of session what is at stake and what is happening.

The two conventions are over. The two platforms have been written. The two tickets have been chosen. We have the clearest choice in years. We have a liberal, Walter Mondale, protege of

Jimmy Carter; a liberal, GERALDINE FERRARO, protege of TIP O'NEILL.

On the other side we have conservatives, Ronald Reagan and GEORGE BUSH. It is the clearest liberal-welfare state versus conservative opportunity society choice we could have asked for. We have liberal Democratic platform promising a massive tax increase in the acceptance speech by Walter Mondale, estimated by some at as much as $1,800 per family tax increase. We have a Democratic platform so liberal that it condemns the United States for a century of interference in Central America, a paragraph which condemns Woodrow Wilson, a Democrat; Franklin Roosevelt, a Democrat; Harry Truman, a Democrat; John F. Kennedy, a Democrat; and Lyndon Johnson, a Democrat.

Now, a party so liberal that it condemns five of its own Presidents, frankly if you go back a century it also includes Grover Cleveland, but he was in the last century and I am not sure Mondale's staff thought he was a part of them; but a party which condemns five Democratic Presidents in the 20th century in a Democratic platform is pretty far to the left.

The Democratic platform supports radical values and radical lifestyles.

The Democrats fail to condemn anti-Semitism, as was pointed out in the special order of the gentleman from Pennsylvania [Mr. WALKER].

Given a chance on the floor of the convention, the Mondale forces begged those Democrats who were furious at the anti-Semitic remarks of some Democratic campaigners, begged them not to do anything, promised them that week on Friday the Democratic National Committee would condemn anti-Semitism, failed on Friday to condemn anti-Semitism.

It tells you something about the kind of narrow, old-fashioned special interest politics that Mr. Mondale chose to go to a Jewish organization to finally 7 weeks later have the courage to say something that his party failed to say to the entire Nation.

The Democrats ignored voluntary school prayer. The Democrats ignored a constitutional amendment to require a balanced budget.

The Democrats ignored welfare reform.

The Democrats ignored the omnibus bill to stop crime and drugs.

The press has been saying that this campaign is falling apart on the left because Walter Mondale has no ideas. The press is frightened, but it is the liberal members of the press, to look at the ideas Walter Mondale does have.

The fact is that Walter Mondale is the clearest Democratic candidate with ideas in years, certainly much clearer than his predecessor, Jimmy Carter. Walter Mondale's ideas are the ideas of 1936, the year in which TIP O'NEILL was first elected to public office.

Walter Mondale's ideas are the ideas of big government, high taxation, a large welfare state.

The problem is that working Americans are simply repudiating those ideas. It is not that we are confused. Walter Mondale is very up front. He said, "Vote for me and I will raise your taxes."

People said, "Fine, I won't vote for you. Thank you for telling me in advance."

He has dropped. He has plummeted in the weeks that it sank in that the boy was serious. Early on there was this thought that maybe he did not mean it, but with each passing week as the country begins to realize, these folks really are a long way over on the left and it is a little strange. They really want my wallet and they want my pocketbook and they have fallen apart.

Liberal analysts who do not want to say, "Gosh, liberalism is not popular," simply say that Walter Mondale has no new ideas. Well, he does not, but he has a lot of old ideas.

Working Americans are against the big liberal welfare state.

Working Americans are for an opportunity society.

Working Americans are against big tax increases.

Working Americans are for take-home pay.

Working Americans are against big government bureaucracy in Washington.

Working Americans are for more government at home, more chance to control through local elected officials what happens.

Finally, working Americans are against weakness in foreign policy.

Working Americans favor an America strong enough not to have an Iranian hostage crisis for 400 days.

Working Americans want an America strong enough not to have the Communists penetrating Grenada.

Working Americans happen to believe that the Walter Mondale-Jimmy Carter policies were not real effective in protecting American interests.

Congressional Democrats looking at the polling data, as we all do, are beginning to figure out that this is not going to be a good year. As we walk across the floor, as my colleagues have, I am sure it has become obvious that our good friends on the left are beginning to sense that maybe Mondale is not going to win in a landslide. There is some feeling he may not carry any State represented in this building. There is some sense that even in Guam he is in trouble and there is a feeling out there among congressional Democrats that this would be a good time to run and hide, that in fact they are not really Democrats. They are really just local folks who happened to get elected on the Democratic ticket.

Now, all of us have experienced, I am sure every Member here has experienced the classic Democratic defenses. I predict these are the four things Democratic incumbents will say and Democratic candidates will say across America in the next 60 days.

Defense No. 1: "I'm really just like you. I don't understand those guys up there, either."

Defense No. 2: "Not only am I just like you, I'm really helpless. I get frustrated with all the bad things they do."

Defense No. 3: This is progressive, if the first one does not work, you fall back—"I don't like Mondale, either."

Finally, defense No. 4: "I don't even like O'NEILL."

And what you will see happen is that when the Democrats get in trouble, when they are at 60 percent they sort of ignore it. When the poll comes in and they are 55, they go to, "I really believe like you do."

At 50 they begin explaining how they in fact wanted to pass the crime bill, but the liberal Democrats would not let them.

When the poll shows them at 45, they are angry about how bad Mondale is.

When the poll shows them about 40, they are angry about everybody in the Democratic hierarchy.

Now, I point tonight at the beginning of this 3½ weeks just to say to our good friends on the left that it is time to put up or shut up.

First of all, who are you going to vote for for President? It is a clear choice. It is secret ballot for those who are not in public life, but if you are in public life you ought to say to the folks back home who you are going to vote for.

I am going to vote for Reagan. I do not mind saying that.

BOB WALKER is going to vote for Reagan.

We would be delighted for our friends on the left to rush in and proudly tell how many are going to vote for Walter Mondale.

Second, you have to ask the question, who would you vote for for Speaker next year?

The gentleman from Illinois proudly recommends the man who I think would be a dramatic improvement, a man who I think would have a sense of dignity and nonpartisanship more appropriately. I will not mention that man for the record, because there is no reason to get him in real trouble.

I could think of probably 70 or 80 good solid moderate Democrats, none of whom will be chosen by the Democratic caucus, any of whom would in fact be closer to working Americans than the current leadership; but the question ought to be asked, if the lib-

eral Democrats in liberal caucus insist on nominating a liberal for Speaker, are you going to vote for him?

Now, if an incumbent Democrat says, "Well, I am really going to vote for Mondale," and says, "Well, I am really going to vote for the liberal caucus's choice," then you have to ask the question, "Wait a second. If we are going to get more of the same, why are we voting for you?"

Now, let me make the point of where I come from personal. It hit me one day while the Speaker was attacking me for the deficit that I was 11 years old when his party took control. I was only 9 when he was elected. He spent 2 years in the minority. I was 11 years old. I was in school. My dad was in the Army. We were at Fort Riley, KS. I went to school at Junction City.

□ 2040

And I frankly did not have much to do with the deficit that year. And it sort of ticked me off when I began to think about it, the gall of the Democrats who have run this House for 30 years attacking me for the Tax Code. My party has not been in charge of the Ways and Means Committee for 30 years. So every American who is mad about loopholes ought to vote Republican just to give the other side a chance. My party has not been in charge of the Budget Committee since it was formed. We have never been in charge of the Budget Committee. So Americans who are upset about deficits ought to vote Republican to give us a chance. My party has not been in charge of the Judiciary Committee since I was 11. So after 30 years maybe it is time for Americans who are upset about crime and drugs to give us a chance.

The Democrats who go home and campaign this fall bear the burden of 30 years of being in charge of this room. The message to the Democrates tonight is simple: we have 3½ weeks to go. We have 3½ weeks to change that record. You are in control. You have the speakership. You control the calendar. You control the schedule.

We could pass—the schedule this week has been a joke. I was absolutely shocked to discover I think this is the only day this week we are going to have votes; 1 day this week.

We may have votes 2 days next week.

Now, if you thought everything was wonderful, if you did not care about crime, if you did not care about drugs, you are not worried about welfare reform, you did not want to pass the constitutional amendment for a balanced budget, you did not care about voluntary school prayer, maybe we should only vote 1 or 2 days. But any Democrat who plans 3½ weeks from now to take the defense "We could not get it all done" had better be served notice 1 day a week does not count. Most Americans have to work 5 days a week. They do not understand the idea that overtime here was that we stayed around until 7 once this week. They are really charging up the hill, 2 days next week.

Then when we finally get down to the last 3 days before we adjourn they will talk about the crush of business, the need to have all-night sessions. And it is a joke. It is a deliberate manipulative ploy. The fact is working Americans want welfare reform, House Democrats do not. That is why they do not schedule, that is why they do not report it out of committee, that is why it is not here before we adjourn.

Working Americans want an omnibus crime bill such as the one which passed the other body 91 to 1. House Democrats do not. That is why they do not schedule it, that is why they do not report it out of committee, that is why we are not going to see it.

Working Americans want to see the immigration reform bill passed; House Democrats do not. That is why they have not even appointed conferees, unless they appointed them today. If they appointed them today it is after I think 4 weeks that the other body was ready to go. So a deliberate 1-month delay to slow the process down.

Working Americans want a constitutional amendment to require balanced budgets; House Democrats do not. That is why they do not want to bring it to the floor. That is why they are hoping deeply that we will not get enough signatures on the discharge petition by next Thursday, because under their schedule next Thursday would be the last day we could possibly get it in and get it reported out before we go home.

Working Americans want voluntary school prayer; House Democrats do not. That is why they have not reported that constitutional amendment, I think since our good friend, Mr. WEBER of Minnesota, was in college, as I remember, or high school. It has been something like 13, 14 years.

Now the question that should be asked, as I said earlier: "Who will you vote for for President? Who will you vote for for Speaker? What did you do in this coming 3 weeks to get these things passed?" Because the proof is in the pudding. Do not go home and say, "We have had control for only 30 years, give us another 2." We have 3½ weeks, and if the Democrats want to get something done, they control this body, they can get it out.

Across America the message should be that the time to act is now. Every moderate and conservative, every working American who is breathing a sigh of relief at the collapse of the Mondale campaign should wake up because in 1972, as George McGovern collapsed, liberal Democrats shifted their resources and their emphasis to congressional races. In 1972, faced with the reality that their candidate was not going to make it, liberal Democrats simply said, "Fine, we will just cut him out. We are going to support our local candidates," because if they could keep control of this House they could stop conservatism.

What do they hope to do this year? Exactly the same thing.

What is happening right now is very simple, they are beginning to figure out here among the House Democrats that Mondale may be another McGovern; not only is he as far to the left as McGovern, not only does he have a relatively weak ticket, not only is their platform pretty goofy in its leftwing version, but the American public is turning off. So what is going to happen? The Democrats are going to try to cut their losses, they are going to fight desparately to hold on to the last bastion of power, a bastion they have had now for 30 years. And they are going to use what I think is the 6-D theme; doom, despair, delay, deception, distortion, and demagoguery.

Doom: Someone said to me a little while ago that if Chicken Little were alive he would vote for Walter Mondale; that here is a man who loved doom. If something bad could be said it will be said and he will relish it as he says it.

You are going to hear Democrats running across America warning about a desparate future. They cannot warn about a desparate present because we have saved them from that. And much of what they describe will remarkably resemble 1980 and the last year of Jimmy Carter and Walter Mondale; high interest rates, high inflation, a decaying economy, everything we experienced in 1980.

Second, their despair as their ticket collapses will be translated into a general despair about America. Because they cannot accept that the American people really do not want tax increases, they are likely to despair themselves and then claim that it is the American condition.

Third, delay: We are seeing it right here. We could be passing the legislation that working Americans want. We could be doing the things that working Americans want. Instead, the Democratic leadership is deliberately delaying and sloughing off and avoiding the votes that matter.

Now, because doom, despair, and delay do not work with the American people, we will get the second set of 3-D's: deception, distortion, and demagoguery.

Anyone who reads the special order by Mr. WALKER, that long, elaborate analysis of everything that Walter Mondale said today, can appreciate why we fear a campaign of deception, distortion, and demagoguery.

Let me take just two examples and frankly this is the sort of stuff that

drives decent people out of politics, because it is destructive of reasonable debate.

Mr. Mondale said today, and the gentleman from Michigan [Mr. SILJANDER] brought this up and drew our attention to it, and it is really worth looking at; it is the sort of thing that I think attorneys in a trial would look at as absolutely damning evidence.

In the middle of a carefully designed and constructed speech today Mr. Mondale said "Reagan supports a constitutional amendment instituting school prayer with the prayers chosen by local politicians."

Now that statement is totally false. I do not know how to describe it otherwise to any decent American citizen. Either Mr. Mondale's staff did him a total disservice or he decided to deliberately smear the President of the United States. But that sentence is just plain totally false. If that statement were true I would be with Mr. Mondale. I think every member of the Republican Party in the House would be with Mr. Mondale. I do not think there is a single vote in this House for local politicians deciding on prayer.

Mr. Speaker, I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, it occurs to me that I think Mr. Mondale got bad information from his staff. He certainly would not deliberately go before a national audience and quote Mr. Reagan as advocating an amendment that Mr. Reagan does not advocate.

I mean you would really look silly. And he must know that this evening. So I do not think he did that deliberately. I just think the information given to him was shoddy, woefully inadequate.

But that raises another question: Mr. Mondale, if he should become President, are those people that are advising him now and informing him now, going to be in the inner circle? Will they give him the same quality of information about foreign policy and arms control?

I would say we would be in desperate situation then if the same sort of disinformation and misinformation and inaccuracies are handed to the Chief Executive of this country, the Commander in Chief; I must tremble for the Republic.

□ 2050

Mr. GINGRICH. I wish I could share the spirit of human warmth and generosity that characterize the gentleman from Illinois, who is one of the most humorous, one of the most effective, one of the most articulate Members of the House, but let me pose for the gentleman from Illinois this problem. You see I think this kind of deliberate deception and distortion and demagoguery is in fact in response to yesterday's advice that Mr. Mondale got from the Speaker of the House, Mr. O'NEILL.

Let me quote from both the Washington Times and the Washington Post. The Washington Post had its headline: "Hill Democrats Urge Mondale to Start Slugging at Reagan."

It says in here:

> In tough language O'Neill said Mondale was "being too much of a gentleman trying to talk issues" while the Republicans have been "beating the hell" out of him." This is all from the Speaker of the House.
>
> Asked if he believes that nice guys finish last, O'Neill said, "Yea, that's an old axiom, isn't it?"

Now, I think in fact today's speech is in a sense the beginning of the new Mr. Bad Guy Mondale and is the beginning of a campaign we can expect to see over and over for the next 60 days. I remember one time that the gentleman from Illinois was on a television show with a Democratic pollster and as I remember the television show, the Democrat pollster said, "You know, we had to lie and smear about Social Security because it was the only issue that was working." That is a paraphase and I am not sure that I have it exactly.

Mr. HYDE. If the gentleman would yield, the gentleman conceded that they demogoged the issue of Social Security. I accused them of terrorizing old folks for a few votes by telling them that the Reagan administration was going to do away with Social Security and he conceded the point. That was a television broadcast with Mr. Mark Shields, the moderator, and the gentleman who made that startling admission was Mr. Peter Hart, a well-known pollster for the Democratic Party. He was perfectly honest and I congratulate him for that.

Mr. GINGRICH. Let me go on to say then in the same tradition, again from the Washington Post this morning:

> In an attempt to raise the specter of Social Security cuts O'Neill said, "As of today every plan this administration has put forward for long-term deficit reduction has relied on massive cuts in Social Security."

Now, that is just simply plain not true, period. The Speaker of the House yesterday, and let me repeat for any who are in doubt, said something which is just not true.

He said:

> As of today every plan this administration has put forward for long-term deficit reduction has relied on massive cuts in Social Security.

Mr. WALKER. If the gentleman will yield, I think the gentleman was on the floor when we had a Member of the Democratic Party parade out here earlier this evening trying to scare people on the balanced budget amendment by raising Social Security as a part of that and was supported by a couple of colleagues on that side of the aisle. In other words, every issue that comes up that is a legitimate issue for public debate it seems that what they try to do is scare older Americans about the fact that it is going to somehow affect the integrity of Social Security. It really is a disgusting political tactic and does border on what the gentleman from Illinois referred to evidently on a television show as terrorizing older citizens.

Mr. GINGRICH. While the Democratic themes of doom and despair are failing and their tactic in the House of delay will backfire, I think every American reporter and every American analyst and every citizen should be aware of the fact that October is going to be a month of deception, distortion and demagoguery.

Now, I think our answer, as they become more desperate and their rhetoric becomes more extreme, our answer has to be to slow down the dialog, our answer has to be to look at the facts. They ask the questions in a simple way. Working Americans should ask simple questions. They should start with I think every working American should say to themselves, "How old was I in 1954 when the Democrats took over the country?" It sort of gives you a sense of perspective on how many years the Democrats have been in charge of the House.

I should not have said country, they took over the House. Sometimes in this room you get the feeling that this place becomes the country.

For 30 years the Democrats have been in charge.

For people who are watching this we are now currently running a poll up here to find out what the average age was of the Members, who are participating, in 1954. I will report the results presently.

Working Americans should ask Democratic challengers "Would you really have voted for a Democratic Speaker of the House who bottled up crime bills? Would you really go up and vote in 1985 for a Democratic Speaker of the House who bottled up the constitution amendment to require a balanced budget?"

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from California.

Mr. LUNGREN. I thank the gentleman for yielding.

I just wonder if we could pose the question this way: Mr. Mondale has tried to make a lot of political hay out of the fact that the President has not met with the leader of the Soviet Union, ignoring the fact, of course, that we have had three leaders in the Soviet Union, all of them in various stages of failing health, and the fact that the Soviet Union has left the bargaining table when we tried to bargain in good faith, but it just seems to me we ought to posit this question: If Mr.

Mondale is afraid of ever disagreeing with the ACLU and major labor unions of this country, what makes us think that he will stand up to the Soviet Union in the person of whoever happens to be the leader of that country at the time we might be engaged in negotiations. One should see whether one has to be involved in being a tough negotiator from what that person has done before.

President Reagan, to my knowledge, is the only former labor union leader we have ever had as President of the United States. He is the only person I know of who has served in that office who has actually negotiated contracts on behalf of a major labor union in the United States and knows something about how you engage in such negotiations.

Mr. GINGRICH. I think the gentleman is asking a question that frankly can also be applied to every Democratic incumbent. How many Democratic incumbents who go back home and proudly claim everything they have done, how many of them have tried to negotiate with TIP O'NEILL to get the crime bill out? How many of them have tried to negotiate with the Speaker of the House to get any of the constitutional amendments to require a balanced budget?

I think the gentleman's point is perfectly correct.

Mr. LUNGREN. You might even ask another question. The Speaker of the House revealed 2 months ago that Mr. Mondale had called him personally and begged virtually that the Speaker postpone consideration of the immigration bill on this floor. One that the House of Representatives was very divided on. It ran across different philosophical and political lines. But the reason he asked him to postpone, I thought was interesting. He said:

> Can you please postpone it past the primary in California so that I don't have to take a position on it and members of my party don't have to take positions on it prior to the time that the people in California are going to cast their vote.

In other words, he wanted to make sure that the people of California were left in the dark as much as possible as to positions taken by people they were asked to vote upon.

I just ask if that the gentleman from Georgia believes would be another chapter of John F. Kennedy's book "Profiles in Courage"?

Mr. GINGRICH. Well, I think the point the gentleman is making again applies exactly here. The Democratic strategy of delay in that case almost delay in order to deceive because, of course, I think all along it was fairly clear where Mr. Mondale was going to come down. He just did not want to have to do it prior to the California primary.

Mr. LUNGREN. Well, the big problem of course the former Vice President had was that he had two constituent groups, two special interest groups. One, Hispanic activist organizations, who were against the bill and labor unions who had come out in support of the bill. He wanted to diminish the controversy and not have to take the political heat for finally having to decide a question between two of the many special interest groups in which he had found himself on a very, very tough issue.

I wonder if the gentleman has found the answer to the questions that a number of us asked this morning in our 1-minute discussions when we inquired as to whether Mr. Mondale, in meeting with the Democratic caucus here on the floor of this House about 12 hours ago, had ever asked them whether they should vigorously confront the immigration issue, had asked them whether they should at least have an opportunity to vote on the President's crime package to show, in fact, as Mr. Mondale has suggested that his party is as strong for law enforcement as is the President's party or whether they have even discussed the balanced budget constitutional amendment. Has the gentleman received any information from other Members?

Mr. GINGRICH. All I can report to the Member is that given the schedule we are now being told about it is the liberal strategy of the Democratic leadership of the House and I assume, since he visited them here today, of the Democratic candidate for President, to avoid virtually every major issue that working Americans care about.

□ 2100

Mr. LUNGREN. Can the gentleman perhaps instruct us as to why the Democratic Members of the U.S. Senate would work with Republican Members on a bipartisan basis to get out a major comprehensive crime package, initially sponsored by the President of the United States, voted out 91 to 1, and yet never allow us to vote on its entirety here on the floor of the House?

Mr. GINGRICH. Well, I think that the Democrats in the other body would have to explain for themselves why they acted as they did. I think that it is clear, though that it is the deliberate intention of the Democratic leadership in the House, and that it is being accepted, apparently, by Democrats in the House, to avoid passing this incredibly important anticrime and antidrug package.

Mr. LUNGREN. Would the gentleman have believed before he served here that organizations such as the ACLU could have such a stranglehold on one of the major political parties in this country?

Mr. GINGRICH. I think that it is amazing that the Democrats have turned the Judiciary Committee into what one major publication called "the graveyard of legislation," and I think that it is stunning that the Democrats, at a time when even Vice President Mondale in his speech today talked about the problems that we have——

Mr. WALKER. If the gentleman will yield, let us just quote the words of the Vice President as he spoke today. He said, speaking about the American people, "I stand with them condemning the explosion in drug traffic, I share their outrage at child molesting, anger at street crime is legitimate, a blizzard of pornography is indecent." That is what he is saying today. And yet we cannot find any hint that when he came to the Hill he suggested that the bills designed to do something about a number of those things ought to be brought to this floor by the Democrats in Congress.

Mr. GINGRICH. Let me just say that that is why I deliberately used the title "put up or shut up." I am personally tired of very glib, very articulate Democratic politicians feeling that they can say anything that has no relationship to their actions.

Mr. LUNGREN. If the gentleman will yield, I would ask the gentleman a question: Based on the remarks of Mr. Mondale today, would the gentleman believe, based on those remarks, that Mr. Mondale would not support us having an opportunity to vote on capital punishment?

Mr. GINGRICH. I think we have to ask Mr. Mondale and we have to ask his Representatives in the House, both Ms. FERRARO and Mr. O'NEILL, are they going to listen to the speech today in public, in which Mr. Mondale said he was against crime and wanted, presumably, a strong bill? Or what did they discuss in the private closed meeting here?

Mr. LUNGREN. If the gentleman will further yield, does the gentleman have any indication that Mr. Mondale's operatives here in the House, namely, Speaker O'NEILL and Ms. FERRARO, have worked so that we could deal with the insanity defense reform here on the floor of the House?

Mr. GINGRICH. I think we have every evidence that they have delayed and they have avoided and they have strangled opportunities to bring this bill to the floor.

Mr. LUNGREN. Does the gentleman have any evidence of the fact that they have assisted in trying to bring to the floor of the House bail reform so that the Federal judges across this country can consider the dangerousness of the individual when they decide whether or not an individual charged with a violent crime should be let out on the street?

Mr. GINGRICH. Well, of course, the gentleman from California serves on

the Judiciary Committee and is an expert in many of these areas. But my understanding is, as just a Member of the House at large, that in fact the Democratic leadership has deliberately avoided that very important reform coming to the House floor.

Mr. LUNGREN. Does the gentleman recall that the Speaker, in a speech that he made as we started this Congress, indicated that the ERA would be designated with the No. 1, to indicate how important it was, and the rapidity with which that bill was brought to the floor, and the lack of an opportunity for us to debate it for any extensive period of time, and contrast that with the fact that the President's total comprehensive crime package was not even sent to relevant subcommittees in this House for 51 weeks?

Mr. GINGRICH. As the gentleman knows, the Speaker himself has said that he controls the calendar. He controls the schedule. He is in charge. And that is why I say "put up or shut up."

If they wanted to pass these very, very important reforms, if they wanted to have a major impact on drug traffic, if they wanted to stop much of the crime in America, if they wanted to impact on the constitutional amendment to require a balanced budget, they could bring them to the floor tomorrow.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I just want to emphasize a point here. The Speaker said, in a news conference I think it was yesterday, that if the President sent a balanced budget up here, he would have it on the floor in 48 hours. I think the Speaker gave us the timeframe in which he works. In other words, if he wants to get something to the floor, he can do it within a 48-hour time period. So what he has really told us is that if he really wanted a crime control bill on the floor, he could have it out here in a 48-hour period, if he really wanted an immigration bill to move out here, he could have it out here within a 48-hour period, if he really wanted the balanced budget amendment to the Constitution, he could get it out here in a 48-hour period. The point is, he does not want any of those things and we are not going to see them out here in a 48-hour period. He gave us the timeframe. We do not have to debate that any more. We know what the time period is. He said.

Mr. GINGRICH. I yield to the gentleman from Florida.

Mr. MACK. Let me build on that point about the 48 hours it is something that was clearly said yesterday, that, in essence, if you will bring the legislation that I am interested in, that is, a balanced budget, bring it here, I will see that it gets to the floor in 48 hours.

The one thing that is perfectly clear is that there is no intention. In fact, the Speaker's only role between now and—well, I guess it is maybe a dual role—but the most significant role that he has between now and the time that we adjourn is to make sure that the working Americans in this country never are able to find out how the Democrats in their district would vote on issues that are concerning them, whether that is criminal justice reform, whether that is immigration reform, whether that is a balanced budget. Those issues will not be allowed to come to the floor of this House because, once and for all, if they did, people back home would understand really where they stand. And for that reason, every effort on the part of the Speaker will be to continue the delay that you have talked about. They have been able to delay these issues for the last 18, 19 months in this session, and they have been able to delay those issues for many, many years, as you referred some of us were just 14 when this House came into the control of the Democrats.

So I think that the points that you have raised about doom and despair and delay are things that are going to continue. What we need to be prepared, and I think the message that you are trying to deliver, is: What is going to happen in the month of October, as those Democrats begin to get concerned about what is happening throughout the country, if now we are going to hear about demagoguery, distortion, and deceit.

Mr. LUNGREN. If the gentleman will yield further, I think we might make an observation here that it is obvious that the Speaker and the Democratic leadership determine the schedule of this House. The Speaker has said on many occasions that he schedules things; bills come on the floor because he decides that. It might be of interest to note that we had 1 day of votes here this week. That is today. There were no votes taken on the floor yesterday. We are not going to be in session tomorrow. We are going to be in a type of session on Monday and Tuesday, but we have already determined, after we heard from the Speaker, that there will be no votes on Monday or Tuesday. Evidently we will have a chance to vote on Wednesday and Thursday. The question about next Friday is up in the air.

The idea that somehow we are overwhelmed with other pieces of legislation is so ludicrous that you cannot even repeat it very easily. So people ought to be able to focus on the fact that we have plenty of time available. We may not have legislative days available, because that has been the Speaker's decision as to when we work and when we do not work, when we will bring up important bills, when we will not bring up important bills.

The fact of the matter is, we had 4 days this week, the other 4 workdays of this week—well, excuse me, 3 days of this week, because the first day of the week was a holiday, but 3 days of this week in which we could have dealt with or begun to deal with the balanced budget constitutional amendment question, the criminal reform package of the President, and a host of other things.

How about the line-item veto that the President has talked about?

The Speaker says, "You give me a balanced budget, and send it up here," when he knows the President has no legislative responsibility as far as the budget is concerned. He cannot veto it. People do not realize that. He has no influence. It gets thrown in here because it is nonbinding in a truly statutory sense. But if the Speaker is serious about giving the President of the United States responsibility for what we spend, then he ought to be willing to let us vote on a line-item veto, because then the President will have what 43 Governors of the States of the Union have, an ability to exercise his decisionmaking with respect to particular spending within overall spending on appropriation bills.

And so I think that one of the things we ought to remind ourselves here is that we may be dwindling down to just a precious few legislative days, but it is not because the calendar of the year is stopping us. It is because of a decision made by the chief scheduler of this House, and that is the Speaker of the House of Representatives.

Mr. GINGRICH. As I listened to the gentleman I asked if they could find me a copy of the Constitution, because I wanted to check something which I thought was correct. When you read the Constitution of the United States, the basic document of this Government, it begins, of course, with the Preamble, "We the people of the United States," with which we are all familiar with, and it then goes to article I, section 1. You would think that the Founding Fathers deliberately designed the Constitution to have a structure of importance, so that article I, section 1, would talk about the thing they thought was most important, the beginning building block of the whole process. Article I, section 1:

> All legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Now, you have to, in fact, go on a pretty long way in this particular version before—let us see if I can find the exact page—and you find page after page about the Senators, the House Members, how they are chosen, how they are organized, what they are

paid, you go on and on, you talk about every bill that is passed and how it is going to be signed into law, and you keep going, on and on, for page after page, it has a whole section on Congress:

The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States * * *.

It goes on:

To borrow money on the credit of the United States;

To regulate Commerce with foreign Nations * * *.

To establish an uniform Rule of Naturalization, and uniform Laws on the subject of Bankruptcies * * *.

To coin Money * * *.

To establish Post Offices and post Roads;

To promote the Progress of Science and useful Arts * * *.

To constitute Tribunals inferior to the Supreme Court;

To define and punish Piracies and Felonies * * *.

To declare War * * *.

To raise and support Armies * * *.

To provide and maintain a Navy;

To make Rules for the Government and Regulation of the land and naval forces;

To provide for calling forth the Militia * * *.

□ 2110

It goes on and on. The Founding Fathers gave us enormous power. Only finally, after all the enormous power of the Congress you get to article II; the executive power shall be vested in the President.

Now, in the Constitution, it is right clear, it seems to me, that the Founding Fathers thought that probably the Speaker of the House ought to be important enough that he could write his own budget. That probably the Budget Committee should not be the responsive committee to the White House. Can you imagine the chairman of an important committee responding to the President? Oh, I think we will sit around and wait for a few weeks and pay our staff to see if the President wants to do something. That is ridiculous. We are independently elected. We are supposed to represent the people in our own way in the House. To think that the most the Speaker can do is for cheap partisan reasons in some way, and I assume there can be no other reason, oh, it is all the President's responsibilities.

I yield to the gentleman from California.

Mr. LUNGREN. Through all the arguments over the War Powers Act and prior to that, in discussions of the relative powers of the legislative branch and the executive branch, one thing has always been crystal clear, and that is the ultimate power of the Congress is the power of the purse.

Whether you agree with the War Powers Act or disagree with it, and I think there are some very strong constitutional problems with it, everyone said the ultimate weapon that the Congress has is the power of the purse. The President may be the Commander in Chief, but the Congress can cut off his funding for things that he may be involved in, and at that point we are, therefore, able to exercise most directly our influence over his warmaking responsibilities and our direct influence over international relations.

So the power of the purse is seen as integral to the very essence of the legislative branch. What is the power of the purse? It is the power to spend money. It is the power to raise taxes. What essentially is the budget made up of? A budget is made up of the type of spending determined by the Federal Government and how you are going to fund it. What is that? That essentially is the ultimate responsibility of the House of Representatives.

It has been said so many times it is almost a cliche, but it ought to be repeated. The President cannot spend $1, cannot spend one quarter, cannot spend one penny unless it is approved, statutorily, by the House of Representatives and the U.S. Senate. What we talk about here in the House of Representatives as the budget—the budget—is a mechanism that we have established between and the two House of Congress; the House of Representatives and the Senate, to guide our actions.

What I said a minute ago that the President has been cut out of the action is extremely important. The President cannot exercise his veto power so his ultimate power that the Founding Fathers gave him in a statutory sense, is denied him in the budgetary process. He may send something up here and hope that influences us, but under the rules of the House and the Senate, we can totally ignore what he sends up to us, and we can pass something, get the agreement with the Senate, and he has no ability to influence our decisions whatsoever with respect to the budget.

So what the Speaker is saying is, the old thing about the spider to the fly, come into my lair, Mr. President, you send up this document in which you are at your weakest constitutional position, in which you can only indirectly influence what we do here, and then let us cut it up and cut you up in the meantime. In essence, have no meaningful ability to make the decision.

Now, if the Speaker is willing to give the President an effective line-item veto, that may change the relationship between the executive branch and the legislative branch, much as it is changed in 43 States in the Union. But the Speaker has indicated to us that he sees no reason to give the President that ability, and therefore, it makes eminent sense for the President to ignore this political game of having him send up a budget to balance next year when the Speaker knows the President has no ability to directly influence that once he sent it up here.

Mr. GINGRICH. Well, I think the gentleman is correct, and the point I want to drive home is that we are now in the season when the Democrats who have controlled the House for 30 years are going to be dodging and trying to hide from their responsibilities. Every Republican challenger across the country should stand up and say that if they were in the Congress today, they would fight over the next 3 weeks to bring up welfare reform, to pass the Immigration bill, to pass a constitutional amendment to require a balanced budget. To pass enterprise zones, to have voluntary school prayer, to do the things the American people want.

In October when the session is over, when the debates are held, this is the real question Democratic encumbents should have to answer: Your party has had control of the House for 30 years; working Americans want Representatives who represent them. Do you represent working Americans who want welfare reform, and after 30 years, why could you not pass it?

Do you represent working Americans who want immigration reform? And after 30 years, why could you not pass it? Do you represent working Americans who want a constitutional amendment to require a balanced budget? And, after 30 years, why could you not pass it? Do you want enterprize zones to create jobs in the inner cities, to have a chance for people who are poor today to work their way out of poverty? And, after 30 years, why could you not pass it?

Do you want to allow our children to voluntarily, on their own, without interference from the Government, have the right to pray in school? And, after 30 years, why could you not pass it?

We have 3 weeks yet for the Democrats to take away all those issues; it would be so simple. All they have to do is pass the bills. It would not be difficult for the Democrats to seize the high ground. If they would pass the bills the working Americans want. If they would pass the legislation that working Americans, in poll after poll, say they favor. If they would meet the challenge of crime and drugs by passing the Omnibus Crime bill, we would not be talking. We would not have special orders, and there would be no issue in October.

But, those Democrats who in 1972 practiced running away from George McGovern; those Democrats who practiced in the past saying well, go ahead and vote for the conservative for President, but I am a nice guy, vote for me later on, need to be aware that this is not that kind of year. In 1984, it is time to put up or shut up. When we

adjourn, working Americans, the news media, and challengers across America are going to have a report card. They are going to look at each of these issues. So, for those Democrats who hope to avoid the liberal Democrat label; for the Democrats who hope to avoid running with Walter Mondale and the Democratic power structure, they have 3 weeks. The time for them to get the job done is now, because after these 3 weeks, when we have adjourned, then it is too late. Then they bear the burden, not just of their own incumbency, but of 30 years of the Democratic Party having run the House. Thirty years of not having passed those constitutional amendments.

I think then the legitimate question working Americans can ask in October is: Since you have failed so completely, since you are going to vote for the liberal candidate for President, since you are going to vote for the liberal candidate for Speaker, since we know what they will do, then the signal to send to Washington is to elect somebody new.

The time to avoid that for our Democratic friends is right now. For their sake, I hope they give America good legislation because then we would have a very different campaign come October.

□ 2120

BUREAU OF INDIAN AFFAIRS FISCAL ACCOUNTABILITY ACT OF 1984

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 10 minutes.

● Mr. UDALL. Mr. Speaker, I have introduced today H.R. 6202, the Bureau of Indian Affairs Fiscal Accountability Act of 1984. The following is an explanatory statement of this proposed legislation.

HISTORY OF THE BUREAU OF INDIAN AFFAIRS

The Bureau of Indian Affairs is the principal Federal agency charged with carrying out the Government-to-government relationship between the United States and the Indian tribes; implementing the trust and fiduciary responsibility of the United States for the Indian tribes and their lands and resources; and providing or funding various educational, social, economic, and governmental programs to meet the legal, moral, and historical obligations of the United States.

The Bureau was created as an agency of the War Department on March 11, 1824, by order of the Secretary of War Calhoun. By the act of July 9, 1832 (4 Stat. 564; 25 U.S.C. 1-2), Congress authorized the President to appoint, with the advice and consent of the Senate, a Commissioner of Indian Affairs who was to have "* * * the direction and management of all Indian affairs, and of all matters arising out of Indian relations * * *." He was under the direction of the Secretary of War and subject to the regulations prescribed by the President.

Two years later, the act of June 30, 1834 (4 Stat. 735) was passed "* * * to provide for the organization of the Department of Indian Affairs." This constituted, in effect, a reorganization of the field force of the War Department having charge of Indian affairs and has been considered to be the organic law of the Bureau of Indian Affairs.

In 1849, under section 5 of the act of March 3, 1849 (9 Stat. 395), by which the Department of the Interior was established, the Bureau of Indian Affairs passed from military to civil control. The act provided: "That the Secretary of the Interior shall exercise supervisory and appellate powers now exercised by the Secretary of the War Department, in relation to all acts of the Commissioner of Indian Affairs."

The Bureau continued in the Department of the Interior, with major statutory authorities in the field of Indian affairs vested in the Commissioner of Indian Affairs subject to the supervisory and appellate powers of the Secretary. Then, in 1950, pursuant to the reorganization plan of 1950, all existing functions and authorities of the Commissioner were transferred to the Secretary with power to delegate. In practice, through delegations from the Secretary, the Commissioner continued in effective control of the Bureau.

Finally, in 1977, the Bureau was placed under the leadership of an Assistant Secretary for Indian Affairs by order of Secretary Andrus. The position of Commissioner has essentially been left vacant since that order. There is currently pending before the House Committee on Interior and Insular Affairs legislation recommended by the administration (S. 1999 and H.R. 4290) to statutorily create and designate an Assistant Secretary of the Interior for Indian Affairs.

APPROPRIATIONS PROCESS

Beginning in 1865, when the Committee on Appropriations was established, until 1885, all general appropriation bills in the House of Representatives were within the jurisdiction of, and referred to, the Committee on Appropriations. In 1885, the rules of the House were changed to permit some general appropriation bills to be referred to other committees. Finally, in 1920, the rules were again changed to revest the Committee on Appropriations with jurisdiction over all appropriations measures.

The current rules of the House continue the separation of the authorization and appropriation process. The legislative committees have jurisdiction over any bills authorizing the appropriation of money for any purpose within their substantive jurisdiction. Legislative committees may not report any bill containing an appropriation. Any such bill is subject to a point of order on the floor.

Conversely, as noted, the Committee on Appropriation has jurisdiction over all appropriation bills, but, in general, may not report a bill containing appropriations for a purpose not authorized by existing law and many not report a bill containing legislative matter. Again, such a bill would be subject to a point of order on the floor.

During the period between 1885 and 1920, the House Committee on Indian Affairs had jurisdiction over both legislative and appropriation bills relating to the Indian Department or Bureau of Indian Affairs. The Appropriation Acts reported by the Indian Affairs Committee were entitled "an act making appropriations for the current and contingent expenses of the Indian Department, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending ——." In fact, these acts generally contained both appropriation and substantive legislative provisions.

After the revesting of all appropriation jurisdiction in the Appropriations Committee in 1920, Members began to raise points of order against bills making appropriations for Indian purposes on the grounds that there was no law authorizing appropriations for such purposes. In response to this practice, the Committee on Indian Affairs reported legislation which was enacted as the act of November 21, 1921 (42 Stat. 208; 25 U.S.C. 13) to provide authority for the appropriation of funds for the Bureau of Indian Affairs.

THE SNYDER ACT

That act, commonly known as the Snyder Act, provides extremely broad authority for the appropriation of funds for Indian purposes and has no monetary or fiscal year limitation. Its brief provisions are as follows:

The Bureau of Indian Affairs, under the supervision of the Secretary of the Interior, shall direct, supervise, and expend such moneys as Congress may from time to time appropriate for the benefit, care, and assistance of the Indians throughout the United States for the following purposes:

General support and civilization, including education.

For relief of distress and conservation of health.

For industrial assistance and advancement and general administration of Indian property.

For extension, improvement, operation, and maintenance of existing Indian irrigation systems and for development of water supplies.

For the enlargement, extension, improvement, and repair of the buildings and grounds of existing plants and projects.

For the employment of inspectors, supervisors, superintendants, clerks, field ma-

trons, farmers, physicians, Indian police, Indian judges, and other employees.

For the suppression of traffic in intoxicating liquor and deleterious drugs.

For the purchase of horse-drawn and motor-propelled passenger-carrying vehicles for official use.

And for general and incidental expenses in connection with the administration of Indian affairs.

The Snyder Act, in effect, says that such sums as are deemed necessary are authorized to be appropriated for such purposes as are deemed necessary to carry out the responsibilities of the United States in the field of Indian affairs for as long as may be deemed necessary. The Snyder Act is the basic law authorizing the various programs funded by the Congress and administered by the Bureau of Indian Affairs.

Since the Snyder Act has no fiscal year or monetary limitation, there is no need for the periodic enactment of reauthorization legislation to continue the programs and functions of the Bureau of Indian Affairs as is the case with most other Federal agencies and programs. As a consequence, the Snyder Act is considered by the Indian tribes to be the centerpiece of this Nation's commitment to its legal, moral, and historical obligations to the Indian tribes. They would be strongly opposed to any effort to repeal, suspend, or substantially modify the act.

Since the Snyder Act is an extremely broad authorization statute, it has the needed flexibility to permit the administration and the Appropriations Committees to periodically fashion and fund new programs or efforts to meet the changing needs and problems in Indian affairs. Almost all of the programs and efforts of the Bureau—and of the Indian Health Service in the Department of Health and Human Services—were developed through the appropriation process under the broad umbrella of the Snyder Act. The legislative committees are able to maintain some degree of involvement in this process through their legislative and oversight jurisdiction and through the congressional budget process.

BIA APPROPRIATIONS

The very features of the Snyder Act which establish the permanency of the Bureau and the Nation's commitment to Indian tribes and which gives the Bureau and the Appropriations Committees the needed flexibility to craft and fund programs to meet changing needs also give rise to the potential for administrative abuse in the apportionment or diversion of appropriations and to a lack of accountability for appropriation apportionment and expenditure.

Appropriations for the Bureau are included in the annual Appropriation Act for the Department of the Interior and Related Agencies. Because of the broad language of the Snyder Act and, in part, because the various programs of the Bureau are primarily developed through the appropriation process and not through specific legislative authority, the BIA appropriation language is in the form of three lump-sum appropriations: Operation of Indian programs; construction; and road construction. Appropriations relating to Indian trust funds and to direct or guaranteed loans are not relevant and not considered. While there may be specific appropriation language on line-items, set-asides, or limitations relating to these lump-sum appropriations, they are not additions to the lump sums.

These three lump-sum appropriation figures are based upon the breakdowns contained in the BIA budget justification submitted to the Congress for each fiscal year. The budget justification allots the requested lump-sum amount among the various activities subactivities, and program elements within that appropriation. For instance, under the operation of Indian programs appropriation, there are the following activities: Education, Indian services, economic development/employment programs, natural resource development, trust responsibilities, facilities management, and general administration.

Each activity has two or more subactivities and each subactivity is further broken down into its constituent program elements. In each case, the justification shows the proposed allotment of the requested funds and personnel positions among the activities, subactivities, and program elements. In addition, it shows how the Bureau proposes to distribute the total allotment of each subactivity to the tribe/agency level, the area level, and the central office level.

The justification is submitted to support the Bureau's request for the lump-sum appropriations and also represents their intention to allot whatever funds are appropriated among the various activities, subactivities, and program elements. In general, the justification is used by the Appropriations Committees to accept, increase, or decrease the lump-sum requests based upon their decisions to accept, increase, or decrease proposed funding in the subdivisions within that appropriation.

After the appropriation process is completed and the Interior Appropriation Act is passed, it is expected that the Bureau would allot and expend or obligate funds appropriated to it as stated in the budget justification subject to the express language of the Appropriation Act and the directives of the Appropriations Committees as found in the reports of such committees, including any conference committee report.

However, since the statutory language of the Bureau's appropriation is on a lump-sum basis subject to any limitations within the language, there does not appear to be any independent legal prohibition, except for the reprogramming procedure, to prevent the Bureau from transferring or diverting funds allotted to any particular activity, subactivity, or program element to another activity, subactivity, or program element within the same appropriation. While to be found doing so may subject Bureau officials to the wrath of the two Appropriations Committees, there does not appear to be clear legal penalty in existing law, including chapter 15 of title 31, United States Code, for doing so. In short, there is general lack of a legal requirement that the Bureau account for how it allots its appropriations among the various programs and how it, in fact, expends or obligates funds within those programs.

The legislation I am introducing today will establish a legal requirement that the BIA clearly set forth its allotment of appropriated funds based upon the budget justification as modified by appropriation language and directives of the Appropriations Committees; that, subject to certain exceptions, it must actually allot and expend or obligate those funds as set forth; and the Bureau account for how it, in fact, did expend or obligate the funds.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ROBERTS (at the request of Mr. MICHEL), for today, on account of attending a funeral.

Mr. LEWIS of Florida (at the request of Mr. MICHEL), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

By OBEY, for 60 minutes on today and on Monday, September 10; Wednesday, September 12; Thursday, September 13; and Tuesday, September 18.

(The following Members (at the request of Mr. ROGERS) to revise and extend their remarks and include extraneous material:)

Mr. SILJANDER, for 30 minutes, today.

Mr. FISH, for 60 minutes, on September 12.

Mr. FISH, for 60 minutes, on September 13.

Mr. MOLINARI, for 60 minutes, on September 13.

Mr. NIELSON of Utah, for 15 minutes, on September 12.

(The following Members (at the request of Mr. WEAVER) to revise and extend their remarks and include extraneous material:)

Mr. WEAVER, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. RODINO, for 5 minutes, today.
Mr. FORD of Michigan, for 5 minutes, today.
Mr. PEPPER, for 60 minutes, today.
Mr. FASCELL, for 5 minutes, today.
Mr. LEVINE of California, for 5 minutes, today.
Mr. UDALL, for 10 minutes, today.
Mr. HAYES, for 5 minutes, today.
Mr. GONZALEZ, for 60 minutes, today.
Mr. WEAVER, for 60 minutes, on September 10.
Mr. LEVIN of Michigan, for 5 minutes, on September 12.
Mr. LEVIN of Michigan, for 5 minutes, on September 13.
Mr. MOODY, for 60 minutes, on September 12.
Mr. MOODY, for 60 minutes, on September 13.
Mr. GLICKMAN, for 60 minutes, on September 24.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. BOEHLERT, to revise and extend his remarks prior to the vote on the amendment offered by the gentleman from Tennessee [Mr. QUILLEN].

Mr. ROWLAND, to revise and extend his remarks prior to the vote on the amendment offered by the gentleman from Tennessee [Mr. QUILLEN].

Mr. BIAGGI, to revise and extend his remarks immediately following prayer.

(The following Members (at the request of Mr. ROGERS) and to include extraneous matter:)

Mr. YOUNG of Alaska in two instances.
Mr. BROOMFIELD in three instances.
Mr. BROYHILL in two instances.
Mr. BILIRAKIS.
Mr. GILMAN in five instances.
Mr. SAWYER in two instances.
Mr. ZSCHAU.
Mr. CLINGER.
Mr. QUILLEN.
Mr. MILLER of Ohio in three instances.
Mr. FISH.
Mr. ARCHER.
Mr. JEFFORDS in two instances.
Mr. RITTER.
Mr. DEWINE.
Mr. MOLINARI.
Mr. LENT in two instances.
Mr. CARNEY.
Mr. DANIEL B. CRANE.
Mr. HYDE.
Mr. SMITH of New Jersey.
Mr. O'BRIEN in two instances.
Mr. GEKAS.
Mr. DAVIS.

(The following Members (at the request of Mr. WEAVER) and to include extraneous matter:)

Mr. KASTENMEIER.
Mr. BERMAN.
Mr. HAMILTON in three instances.
Mr. SIKORSKI.
Mr. EDGAR.
Mr. BONIOR of Michigan.
Mr. STARK.
Mr. MATSUI.
Mr. WYDEN.
Mr. GARCIA in two instances.
Mr. FLORIO.
Mr. EDWARDS of California.
Mr. BARNES in two instances.
Mr. COYNE.
Mr. KILDEE.
Mr. HUBBARD.
Mr. APPLEGATE.
Mr. SCHUMER.
Mr. GAYDOS.
Mr. ACKERMAN.
Mr. STUDDS.
Mr. KOSTMAYER.
Mr. GORE.
Mr. MARKEY.
Mr. ECKART.
Mrs. BYRON.
Mr. FOWLER.
Mr. HAYES.
Mr. MORRISON of Connecticut in two instances.
Mr. BORSKI.
Mr. WEISS.
Mr. MAZZOLI.
Mr. DYSON in two instances.
Mr. HAWKINS.
Mr. DORGAN.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

[Inadvertently omitted from Record of Wednesday, September 5, 1984]

S.J. Res. 332. Joint Resolution to proclaim October 16, 1984, as "World Food Day."

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. HAWKINS, from the Committee on House Administration, reported that that commitee did on the following days present to the President, for his approvel, bills and joint resolutions of the House of the following titles:

[Inadvertently omitted from Record of Wednesday, September 5, 1984]

On August 10, 1984:

H.R. 5325. An act to amend part D of title VI of the Social Security Act to assure, through mandatory income withholding, incentive payments to States, and other improvements in the child support enforcement program, that all children in the United States who are in need of assistance in securing financial support from their parents will receive such assistance regardless of their circumstances, and for other purposes.

On August 20, 1984:

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 3787. An act to amend the National Trails System Act by adding the California Trail to the study list, and for other purposes;

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute program, and for other purposes;

H.R. 4280. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes;

H.R. 4596. An act to amend section 1601(d) of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simply to McClintock House at 16 East Williams Street, Waterloo, NY;

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness and for other purposes;

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes;

H.R. 5712. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 5890. An act to establish a commission to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr.;

H.R. 6040. An act making suplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes;

H.J. Res. 452. Joint resolution recognizing the important contributions of the arts to a complete education;

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week";

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week";

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month";

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week"; and

H.J. Res. 600. Joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

ADJOURNMENT

The SPEAKER pro tempore. Without objection, the House stands in adjournment until noon on Monday next.

There was no objection.

Accordingly (at 9 o'clock and 20 minutes p.m.) under its previous order, the

House adjourned until Monday, September 10, 1984, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3969. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter April 1 through June 30, 1984, pursuant to Public Law 98-212, section 718; to the Committee on Appropriations.

3970. A letter from the Secretary of Housing and Urban Development, transmitting the quarterly report on HUD-owned multifamily project negotiated sales; to the Committee on Appropriations.

3971. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter of offer to Saudi Arabia for defense articles (Transmittal No. 84-66), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

3972. A letter from the Secretary of Housing and Urban Development, transmitting a report on the housing and revitalization activities undertaken by local governments approved for participation in the section 8 (housing) Neighborhood Strategy Area [NAS] Program, pursuant to Public Law 98-181, section 220; to the Committee on Banking, Finance and Urban Affairs,

3973. A letter from the Secretary, Interstate Commerce Commission, transmitting notification of a delay in submitting a printed final decision in Finance Docket No. 30300, CSX Corporation—Control—American Commercial Lines, Inc., pursuant to 49 U.S.C. 11345(e) (94 Stat. 1932); to the Committee on Energy and Commerce.

3974. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed lease of defense articles to Korea (Transmittal No. 17-84), pursuant to AECA, section 62(a) (95 Stat. 1525); to the Committee on Foreign Affairs.

3975. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter of offer to Saudi Arabia for defense articles and services (Transmittal No. 84-66), pursuant to AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 95 Stat. 1520); to the Committee on Foreign Affairs.

3976. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

3977. A letter from the Acting Secretary of State, transmitting an additional report on the situation in Grenada; to the Committee on Foreign Affairs.

3978. A communication from the President of the United States, transmitting a draft of proposed legislation to authorize the establishment of a Presidential fund to provide emergency food assistance abroad, and for other purposes (H. Doc. No. 98-253); to the Committee on Foreign Affairs and ordered to be printed.

3979. A letter from the Deputy Director for Administration, Central Intelligence Agency, transmitting notification of a proposed revision of the statement of general routine uses for all CIA records systems, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3980. A letter from the Inspector General, Department of Health and Human Services, transmitting notificaton of a proposed new computer matching program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3981. A letter from the Attorney General, Department of Justice, transmitting his determination that the Department of Justice will refrain from defending the constitutionality of the appointment provisions of the Bankruptcy Amendments and Federal Judgeship Act of 1984, pursuant to Public Law 96-132, section 21; to the Committee on the Judiciary.

3982. A letter from the Chief Immigration Judge, Department of Justice, transmitting a report on grants of suspension of deportation of certain aliens, pursuant to INA, section 244(c) (66 Stat. 214, 76 Stat. 1247); to the Committee on the Judiciary.

3983. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the act of June 3, 1948, to provide for the involuntary separation or retirement of commissioned officers of the National Oceanic and Atmospheric Administration, and for other purposes; to the Committee on Merchant Marine and Fisheries.

3984. A letter from the Acting Director, National Science Foundation, transmitting a report on Federal support to universities, colleges, and selected nonprofit institutions, fiscal year 1982, pursuant to the act of May 10, 1950, chapter 171, section 3(a)(7) (82 Stat. 360); to the Committee on Science and Technology.

3985. A communication from the President of the United States, transmitting notification of his decision not to grant import relief to the copper industry, pursuant to Public Law 93-618, section 203(b) (H. Doc. No. 98-256); to the Committee on Ways and Means and ordered to be printed.

3986. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report of the nondisclosure of safeguards information for the quarter ending June 30, 1984, pursuant to AEA, sections 147d. and 147e. (94 Stat. 788); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

3987. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the allocation and obligation to El Salvador of the amount appropriated by the Urgent Supplemental Appropriations Act of 1984; jointly, to the Committees on Foreign Affairs and Appropriations.

3988. A letter from the Secretary of Transportation, transmitting a report on administration of the offshore oil pollution compensation fund, pursuant to Public Law 95-372, section 314; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

3989. A letter from the Chairman, National Transportation Safety Board, transmitting the Board's fiscal year 1986 budget, pursuant to Public Law 93-633, section 304(b)(7); jointly, to the Committees on Energy and Commerce, Public Works and Transportation, and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KASTENMEIER: Committee on the Judiciary. H.R. 5479. A bill to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes; with an amendment (Rept. No. 98-992). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROYBAL: Committee of Conference. Conference report on H.R. 5798 (Rept. No. 98-993). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4557. A bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 with respect to the treatment of mortgage backed securities, to increase the authority of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, and for other purposes; with amendments (Rept. No. 98-994 Pt. I). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. Report on the activity of the Committee on Energy and Commerce for the 98th Congress, 1st session (Rept. No. 98-995). Referred to the Committee on the Whole House on the State of the Union.

Mr. HUGHES: Committee on the Judiciary. H.R. 6067. A bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing ammunition, and for other purposes; with amendments (Rept. No. 98-996). Referred to the Committee on the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON:

H.R. 6193. A bill to equalize the duties on imported tuna, whether or not packed in oil, to the Committee on Ways and Means.

By Mr. BADHAM:

H.R. 6194. A bill to amend the National Housing Act to protect the rights of State-chartered savings and loan associations to engage in activities and make investments authorized under State law and to provide for additional funding of the primary reserve of the Federal Savings and Loan Insurance Corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BATES (for himself and Mr. JACOBS):

H.R. 6195. A bill to amend the Communications Act of 1934 to prohibit willful or malicious interference to radio communications; to the Committee on Energy and Commerce.

By Mr. DASCHLE (for himself and Mr. BEREUTER):

H.R. 6196. A bill to coordinate and expand services for the prevention, identification, treatment, and followup care of alcohol and drug abuse among Indian youth, and for other purposes; Jointly, to the Committees on Interior and Insular Affairs, Education and Labor, and Energy and Commerce.

By Mr. HANSEN of Utah:

H.R. 6197. A bill to improve the land ownership patterns and management of State and Federal lands in the State of Utah, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JEFFORDS:

H.R. 6198. A bill to amend the Federal Power Act to delegate to the States the authority to license small hydroelectric power projects; to the Committee on Energy and Commerce.

By Mr. JENKINS (for himself and Mr. HEFTEL of Hawaii):

H.R. 6199. A bill to amend section 501(c)(14) of the Internal Revenue Code of 1954 to exempt from income taxation certain nonprofit corporations and associations organized to provide reserve funds for domestic savings and loan associations, and for other purposes; to the Committee on Ways and Means.

By Mr. MINISH:

H.R. 6200. A bill to require that the President transmit to the Congress, and that the congressional budget committees report, a balanced budget for each fiscal year; jointly, to the Committees on Government Operations and Rules.

By Mr. SAWYER (for himself, Mr. FISH, Mr. MOORHEAD, Mr. HYDE, and Mr. DEWINE):

H.R. 6201. A bill to strengthen and improve the operations of the U.S. Bureau of Prisons; to the Committee on the Judiciary.

By Mr. UDALL (for himself, Mr. MCCAIN, and Mr. MCNULTY):

H.R. 6202. A bill entitled: "Bureau of Indian Affairs Fiscal Accountability Act of 1984"; to the Committee on Interior and Insular Affairs.

By Mr. WEISS (for himself and Mr. WOLPE):

H.R. 6203. A bill making supplemental appropriations for the fiscal year ending September 30, 1985, for famine relief and recovery in developing countries; to the Committee on Appropriations.

By Mr. DORGAN:

H.J. Res. 643. Joint resolution proposing an amendment to the Constitution to require a balanced Federal budget; to the Committee on the Judiciary.

By Mr. KOSTMAYER:

H.J. Res. 644. Joint resolution designating the week beginning April 14, 1985, as "National Alopecia Areata Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. LANTOS (for himself and Mr. GILMAN):

H. Con. Res. 352. Concurrent resolution expressing the sense of the Congress that the U.S. Embassy in Israel should be located in the city of Jerusalem; to the Committee on Foreign Affairs.

By Mr. LONG of Louisiana:

H. Res. 576. Resolution designating the chairmen of two standing committees of the House; considered and agreed to.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

465. By the SPEAKER: Memorial of the Legislature of the State of California, relative to the Older Americans Act; to the Committee on Education and Labor.

466. Also, memorial of the Legislature of the State of California, relative to cigarette smoking; to the Committee on Energy and Commerce.

467. Also, memorial of the Legislature of the State of California, relative to the Coast Guard's Vessel Traffic Service on San Francisco Bay; to the Committee on Merchant Marine and Fisheries.

468. Also, memorial of the Legislature of the State of California, relative to the Coast Zone Management Act of 1972; to the Committee on Merchant Marine and Fisheries.

469. Also, memorial of the Legislature of the State of California, relative to the National Science Foundation; to the Committee on Science and Technology.

470. Also, memorial of the Senate of the State of Illinois, relative to health care benefits for those exposed to agent orange; to the Committee on Veterans' Affairs.

471. Also, memorial of the Legislature of the State of California, relative to the employment of handicapped students; jointly, to the Committees on the Judiciary and Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JEFFORDS:

H.R. 6204. A bill entitled: "The Tehran American School Claim Act of 1984"; to the Committee on the Judiciary.

By Mr. YOUNG of Alaska:

H.R. 6205. A bill for the relief of the vessel *Ululani*; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1315: Mr. FOGLIETTA, Mr. FUQUA, Mr. QUILLEN, and Mr. WOLF.

H.R. 1351: Mr. SCHUMER.

H.R. 2568: Mr. ECKART, Mr. CAMPBELL, Mr. DWYER, Mr. STUDDS, Mr. BIAGGI, and Mr. VANDER JAGT.

H.R. 2700: Mr. ROYBAL.

H.R. 3027: Mr. ROYBAL.

H.R. 3043: Mr. BENNETT.

H.R. 4402: Mr. OXLEY, Ms. KAPTUR, Mr. ANDREWS of North Carolina, Mr. PEPPER, Mr. LEWIS of Florida, Mr. BENNETT, Mr. HUTTO, and Mr. MCCOLLUM.

H.R. 4494: Ms. KAPTUR.

H.R. 4559: Mr. ACKERMAN.

H.R. 4642: Mr. BORSKI.

H.R. 4865: Mr. SLATTERY and Mr. KOGOVSEK.

H.R. 4876: Mr. FRENZEL.

H.R. 4901: Mr. BONIOR of Michigan.

H.R. 4966: Mr. SKEEN.

H.R. 5017: Mr. KOLTER, Mr. UDALL, Mr. KASTENMEIER, Mr. COLEMAN of Texas, Mr. SCHEUER, Mr. WILSON, Mr. MRAZEK, and Mr. BATES.

H.R. 5024: Mr. KOGOVSEK and Mr. EDWARDS of Oklahoma.

H.R. 5159: Mr. SENSENBRENNER and Mr. EMERSON.

H.R. 5232: Mr. GILMAN and Mr. KOSTMAYER.

H.R. 5377: Mr. UDALL, Mr. LELAND, Mr. SHAW, Mr. CARPER, Mrs. JOHNSON, Mr. EDGAR, and Mr. MAVROULES.

H.R. 5400: Mr. MADIGAN and Mr. PORTER.

H.R. 5501: Mr. DENNY SMITH and Mr. DANNEMEYER.

H.R. 5569: Mr. CONYERS.

H.R. 5581: Mr. VOLKMER, Mr. EVANS of Illinois, and Mr. ACKERMAN.

H.R. 5582: Mr. EVANS of Illinois, Mr. VOLKMER, Mr. MORRISON of Connecticut, Mr. MCNULTY, and Mr. ACKERMAN.

H.R. 5627: Mr. BIAGGI, Mr. BOEHLERT, Mr. CARNEY, Mr. CRAIG, Mr. GUNDERSON, Mr. HARTNETT, Mr. LUJAN, Mr. MARTIN of New York, Mr. ROGERS, Mr. SUNDQUIST, and Mr. WORTLEY.

H.R. 5704: Mr. RUSSO.

H.R. 5745: Mr. MCKINNEY, Mr. GEJDENSON, and Mr. TORRICELLI.

H.R. 5791: Mr. JONES of Tennessee, Mr. EVANS of Illinois, Mr. BIAGGI, Mr. DWYER of New Jersey, Mr. HAYES, Ms. KAPTUR, and Mr. HORTON.

H.R. 5849: Mr. LELAND, Mr. CONYERS, Mr. FRANK, Mr. HERTEL of Michigan, Mr. LEHMAN of Florida, Mr. ROE, Mr. WHITTAKER, Mr. WEISS, Mr. TORRICELLI, Mr. RAHALL, Mrs. BOXER, Mr. VENTO, Mr. RICHARDSON, Mr. MARTINEZ, Mr. DWYER of New Jersey, Mr. TOWNS, Mrs. KENNELLY, and Mr. YOUNG of Missouri.

H.R. 5874: Mr. VENTO, Mr. KOLTER, Mr. WON PAT, Mr. KAZEN, and Mr. HAWKINS.

H.R. 5930: Mr. FISH, Mr. HEFTEL of Hawaii, Ms. KAPTUR, and Mr. HUGHES.

H.R. 5940: Mr. RITTER and Mr. EVANS of Iowa.

H.R. 5944: Mr. BENNETT, Mr. SEIBERLING, Mr. THOMAS of Georgia, Mr. WEISS, Mr. MATSUI, Mr. CORCORAN, Mr. ST GERMAIN, Mr. MACKAY, Mr. MORRISON of Connecticut, Mr. BROWN of California, Mr. GILMAN, Mr. WAXMAN, Mr. COURTER, Mr. LANTOS, and Mr. ACKERMAN.

H.R. 6021: Mr. DERRICK, Mrs. BYRON, Mr. DANNEMEYER, Mr. DASCHLE, Mr. DAUB, Mr. EVANS of Illinois, Mr. ANDERSON, Mr. STENHOLM, and Mr. LEWIS of Florida.

H.R. 6045: Mr. MARTINEZ and Mrs. MARTIN of Illinois.

H.R. 6053: Mr. HARRISON, Mr. STANGELAND, Mr. EVANS of Illinois, Mrs. HOLT, Mr. DWYER of New Jersey, Mr. WILLIAMS of Montana, Mr. MCGRATH, Mr. LUKEN, Mr. EMERSON, Mr. WILSON, Mr. SHUMWAY, and Mr. RUSSO.

H.R. 6066: Mr. WEAVER, Mr. KOLTER, Mr. WILSON, Mr. WILLIAMS of Montana, Mr. DWYER of New Jersey, Mr. TORRICELLI, Mr. ENGLISH, Mr. ROWLAND, Mr. HUCKABY, Mr. ACKERMAN, and Mr. MINISH.

H.R. 6067: Mr. DE LUGO, Mr. ADDABBO, and Mr. SIMON.

H.R. 6080: Mr. SISISKY, Mr. EVANS of Illinois, Mr. MARTINEZ, and Mr. MOAKLEY.

H.R. 6096: Mr. PEASE and Mr. CONTE.

H.R. 6101: Mr. HUBBARD.

H.R. 6137: Mr. MARTINEZ.

H.R. 6158: Mr. HUTTO, Mr. MCCURDY, and Mr. MATSUI.

H.R. 6162: Mr. TOWNS, Mr. WEBER, Mr. WON PAT, Mr. SIMON, Mr. DYMALLY, Mr. CONYERS, Mr. FAUNTROY, Mr. MRAZEK, Mrs. COLLINS of Illinois, Ms. KAPTUR, Mr. PRITCHARD, Mr. LEVIN of Michigan, Mr. CROCKETT, and Mr. LAGOMARSINO.

H.R. 6175: Mr. VENTO, Mr. WEISS, Mr. TOWNS, Mr. MATSUI, and Mrs. BURTON of California.

H.J. Res. 392: Mr. BARNARD, Mr. BONIOR of Michigan, Mr. MARKEY, Mr. ROEMER, Mr. HEFNER, Mr. PRICE, Mr. KASTENMEIER, Mr. SUNIA, Mr. MAZZOLI, Mr. KLECZKA, Mr. CONTE, Mr. CONABLE, Mr. WON PAT, Mr. MOORHEAD, Mrs. JOHNSON, Mr. SMITH of Iowa, Mr. LUNDINE, Mr. KINDNESS, Mr. TORRES, Mr. EVANS of Iowa, Mr. YOUNG of Alaska, and Mr. SCHULZE.

H.J. Res. 400: Mr. CRAIG, Mr. BADHAM, and Mr. TORRICELLI.

H.J. Res. 482: Mr. KILDEE.

H.J. Res. 508: Mr. CONABLE, Mr. FOWLER, Mr. LEVIN of Michigan, Mr. LIVINGSTON, Mr.

MCKAY, Mr. MOLINARI, Mr. RAHALL, Mr. SOLARZ, and Mr. WOLF.

H.J. Res. 512: Mr. PARRIS, Mr. WIRTH, Mr. PURSELL, Mr. MCKINNEY, Mr. LUNDINE, Mr. SOLOMON, Mr. HILLIS, Mr. WEAVER, Mr. ROBINSON, Mr. STENHOLM, Mr. LEHMAN of Florida, and Mr. ROBERT F. SMITH.

H.J. Res. 589: Mr. PICKLE, Mr. LATTA, Mr. SAVAGE, Mr. WILLIAMS of Ohio, Mr. STOKES, Mr. TOWNS, Mr. BILIRAKIS, Mr. THOMAS of Georgia, Mr. STENHOLM, Mr. TORRICELLI, Mrs. BOXER, Mr. WOLF, Mr. HATCHER, Mr. MILLER of Ohio, Mr. BROWN of Colorado, Mrs. SCHNEIDER, Mr. WILSON, Mr. YATRON, Mr. STARK, Mr. WYDEN, Mr. HUTTO, and Mr. JONES of Tennessee.

H.J. Res. 591: Mr. WINN, Mr. EVANS of Iowa, Mr. ROBERTS, Mr. SABO, Mr. SIKORSKI, Mr. DANIEL, Mr. FEIGHAN, Mr. CARPER, Mr. SISISKY, Mr. BATEMAN, Mr. FROST, Mr. MACKAY, Mr. BROYHILL, Mr. TOWNS, Mr. HUTTO, Mr. DYMALLY, Mr. BOUCHER, Mr. TORRICELLI, Mr. TAUKE, Mr. SKELTON, Mr. SAM B. HALL, Jr., Mr. MATSUI, Mr. KASTENMEIER, Mr. VANDER JAGT, Mr. FLIPPO, Mrs. ROUKEMA, Mr. CORRADA, Mr. LUJAN, Mr. SUNDQUIST, Mr. SILJANDER, Mr. ROEMER, Mr. ANNUNZIO, and Mr. MURPHY.

H.J. Res. 609: Mr. WORTLEY, Mr. WOLF, Mr. HANSEN of Utah, Mr. EARLY, Mr. GUARINI, Mrs. KENNELLY, Mr. SISISKY Mr. TORRES, Mr. MCCAIN, Mr. GREGG, Mr. SWIFT, Mr. MARRIOTT, Mr. MINISH, Ms. OAKAR, Mr. BOEHLERT, Mrs. COLLINS, Mrs. BURTON of California, Mr. EMERSON, Mr. MILLER of Ohio, and Mr. LEWIS of California.

H.J. Res. 611: Mr. FISH, Mr. PORTER, Mr. SIMON, Mr. SOLARZ, Mr. GRAY, Mr. REID, Mr. DAUB, Mr. WIRTH, Mr. WEISS, Mr. GUARINI, Mr. WYDEN, Mr. BARNARD, Mr. PRICE, Mr. WILLIAMS of Ohio, Mr. DIXON, Mr. OWENS, Mr. PATTERSON, Mr. ADDABBO, Mr. HARRISON, Mr. TOWNS, Mr. KOLTER, Mr. MCEWEN, Mr. LENT, Mr. DYMALLY, Mr. MARTINEZ, Mr. KOSTMAYER, Mr. THOMAS of Georgia, Mr. RODINO, Mr. YATRON, Mr. STANGELAND, Mr. SMITH of New Jersey, Mr. HANSEN of Utah, Mr. ROE, Ms. MIKULSKI, Mr. FAZIO, Mr. FORD of Tennessee, Mr. QUILLEN, Mr. WON PAT, Mr. WOLF, Mr. FRANK, Mr. BRYANT, Mr. BROYHILL, Mr. HOYER, Mr. LONG of Louisiana , Mr. DANIEL, Mr. GREEN, Mr. NELSON of Florida, Mr. DEWINE, Mr. WOLPE, Mr. LEWIS of Florida, Mr. SIKORSKI, Mr. LEACH of Iowa, Mr. STARK, Mr. NEAL, Mr. ROWLAND, Mr. MCNULTY, Mr. SKELTON, Mr. LUNDINE, Mr. BROOKS, Mr. YATES, Mr. BADHAM, Mr. COELHO, Mr. OXLEY, Mr. GARCIA, Mr. SPRATT, and Mr. MATSUI.

H.J. Res. 613: Mr. KASICH, Mr. FEIGHAN, Mr. DEWINE, Mr. BRYANT, Mrs. JOHNSON, Mr. MATSUI, Mr. BIAGGI, and Mr. DE LUGO.

H.J. Res. 616: Mr. SCHEUER.

H.J. Res. 619: Mr. BRYANT.

H.J. Res. 630: Mr. BROYHILL, Mr. FISH, Mr. ANDREWS of Texas, Mr. BRYANT, Mr. APPLEGATE, Mr. ADDABBO, Mr. MOLLOHAN, Mr. DYMALLY, Mr. SIMON, Mrs. COLLINS, Ms. KAPTUR, Mr. KOSTMAYER, Mr. MCCLOSKEY, Mr. BARNES, Mr. BEDELL, Mr. BONER of Tennessee, and Mr. BOEHLERT.

H.J. Res. 632: Mr. CRAIG, Mr. JACOBS, Mr. MCCAIN, Mr. MCGRATH, Mr. TRAXLER, and Mr. VENTO.

H. Con. Res. 260: Mr. SCHUMER, Mr. KEMP, and Mr. CARNEY.

H. Con. Res. 322: Mr. BURTON of Indiana, Mr. EMERSON, Mr. YATRON, Mr. ENGLISH, Mrs. HOLT, Mrs. SCHROEDER, Mr. SCHUMER, Mr. PEPPER, Mr. MCGRATH, Mr. BIAGGI, Mr. DASCHLE, and Mr. KLECZKA.

H. Con. Res. 341: Mr. DWYER of New Jersey, Mr. SIMON, Mr. BERMAN, Mr. ACKERMAN, Mr. COATS, and Mr. HORTON.

H. Con. Res. 344: Mr. COYNE and Mr. WHEAT.

H. Con. Res. 345: Mr. SIMON, Mr. OWENS, Mr. MCHUGH, Mr. STOKES, Mr. FISH, Mrs. BOXER, Mr. HOYER, Mr. RANGEL, and Mr. MINETA.

H. Con. Res. 347: Mr. BONIOR of Michigan, Ms. KAPTUR, Mr. FRANK, Ms. SNOWE, Mr. MILLER of California, Mr. SCHUMER, Mr. SIMON, Mr. BERMAN, Mr. APPLEGATE, Mr. BARNES, Mr. DWYER of New Jersey, Mr. FISH, Mr. FROST, Mr. RANGEL, and Mr. OWENS.

H. Res. 430: Mr. ANDREWS of Texas, Mr. BIAGGI, Mr. CARR, Mr. DONNELLY, Mr. HARKIN, Mr. HARRISON, Mr. KASTENMEIER, Mr. MACKAY, Mr. MOAKLEY, Mr. PEASE, Mr. PRICE, Mr. TALLON, and Mr. ZSCHAU.

H. Res. 518: Mr. FIELDS.

PETITIONS, ETC.

Under clause 1 of rule XXII petitions and papers were laid on the Clerk's desk and referred as follows:

409. By the SPEAKER: Petition of First Federal Savings, Ottawa, IL, relative to budget deficits; to the Committee on Banking, Finance and Urban Affairs.

410. Also, petition on the Board of Directors, National District Attorneys Association, San Diego, CA, relative to the Comprehensive Control Act of 1983; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

VETERAN ARTISTS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BONIOR of Michigan. Mr. Speaker, war strains the human spirit, but out of that strain has often come greater understanding. The art born of America's wars has made a lasting contribution. It is one of the ways in which the horror of war is slowly and partially tamed.

Stars and Stripes, the national veterans newspaper, helped sponsor the show "Vietnam: Reflexes and Reflections," a moving exhibit of art by Vietnam veterans. In a distinguished series of special articles, the paper has profiled a number of veteran artists.

I call my colleagues' attention to three of those profiles.

VETERAN ARTIST: RICHARD OLSEN

(By Dan McCurry)

Former Army Captain and Vietnam veteran, Richard Olsen, hung his first one-man show in the gallery of the University of Wisconsin in May, 1964. "Ole" was the first of a growing group of veterans from that conflict to share their wartime experiences through art.

This Wisconsin show, "Viet-Nam Re-visited," brought home to the American hinterland those scenes of war which were little known.

It provided none of those convenient pauses for television commercials, and denial, enjoyed by most American war-watchers in 1964.

Oils and pastels were entitled with "Hill 881," "POW," "KIA," "The Prisoners," and other familiar vocabularies of previous wars.

"Stand Solidly Now," and "Welcome to the War" showed those scenes of human misery familiar to all soldiers.

"Commemorative to Tim Lan" reminded the gallery visitor that Americans were dying in Vietnam.

And "Untitled Dream" showed the horrors of warfare, of the delayed stress syndrome which were those dream memories from which scores of combat veterans were to paint, to write and to struggle with psychologically, even today.

"The crystalizing effect of an experience in combat has an overwhelming result on a person who has creative ambition," Olsen says. "It could be in literary circles like Hemmingway. It could be in photography like Robert Capra, who went through five wars."

Olsen and his twin brother, Don, went to Vietnam as helicopter pilots in 1962. Don opted for a career in the Army. Richard left the military with a Purple Heart and five Air medals to pursue a career in the arts.

"Many artists came out of WWII and Korea, went to school on the GI Bill and merged into the abstract expressionist school of painting," Dick observed. "But few of their pieces reflected that wartime experience. I wanted my work to tell the Vietnam story."

"My father was an architect," he continued, "and at night, he would let us stay up half an hour extra if we would draw . . . and be quiet. That was the time I developed my imagination with a pencil. Later I would paint to relax before a football game. But it was of the idealized scene of streams, clouds and sky. I would transport myself to a controlled world.

But in Vietnam, that peace and control was no longer in nature. The landscape, even in those early years of war, was full of fear."

Olsen decided to become a professional painter after reading the work of Giotto, an Italian who added perspective to art. "That man changed the face of the world from a Gothic world into a Renaissance world. One man brought human considerations into everything."

The pioneer efforts of Dick Olsen certainly brought a human dimension into the public's view of Vietnam. Presently he serves as professor in the Art Department of the University of Georgia where he continues to help other veterans pursue art careers.

Professor Olsen's Vietnam-related work will be on exhibit in the Cannon Rotunda of the House of Representatives, September 12-24, as part of the collection of the Vietnam Veterans Art Group.

VETERAN ARTIST: LOU POSNER

(By Dan McCurry)

On his canvases and in his conversations, Connecticut artist Lou Posner moves very deliberately. The carefully edited images created by this former Navy journalist almost hum with an intense energy.

"I think that the strongest creative messages are often the simplest," he contends. "There is a power in paring your work down to the essentials."

In the work reflecting his Vietnam experience, Posner paints almost exclusively in the hard glows of sienna and amber. These shades highlight the sparseness of the pieces which are constructed with the same intricacy as those public housing heating systems on which he worked with his father.

Living above the family's appliance store in Trenton, NJ, attending a public school through the week and Reformed Temple on the Sabbath, Posner's life differed little from those of other eastern European Jewish immigrant families.

Posner wanted to be a doctor. Vietnam changed that dream when, in 1966, he opted for the Navy's longer enlistment over an Army draft notice.

"Bad health prevented my father from fighting in WWII," Posner explained, "but to our family, military service was an obligation."

After training in journalism and radio/tv at Ft. Ben Harrison, and three state-wide assignments, Posner was ordered to Danang, South Vietnam in 1969.

"There were writers working around the clock there," he recalls. "Most of our work was put into the circular file, and not because of its quality.

"Public Affairs people didn't want to publish anything they didn't have to print because there was the chance that it would be disapproved by higher command echelons. If it wasn't published, then there was no chance for criticism.

"For example, I was sent to interview sailors on Christmas Eve. Of course, all they wanted for Christmas was to go home. My superiors decided not to release any of those interviews."

In his last posting to Saigon, Posner's major work was writing solicitations for donations for a Navy program to buy chickens and pigs to increase the protein in the diet of South Vietnamese Navy families.

"I am still angry at the incredible inefficiency and wasted energy I experienced in the Navy," Posner explains.

Only charcoal portraits of friends remain from his artistic experiments in Vietnam. Painting was just a hobby; Posner wanted to be a writer.

"I was naive enough to believe that I could support myself as a writer. I have 200 poems, a couple of plays, three and one-half books and four years of rejection slips. In 1974, I was one-third finished with a book about Vietnam when I couldn't continue.

"I don't know exactly why I stopped writing, but the remembering was too painful to continue.

"On the other hand, my paintings were selling. With a tangible product to sell, I thought things might be easier. The art seemed more of a challenge."

Posner had received no formal artistic training. Like other veterans, he did not settle down when he returned from Vietnam, but traveled around the U.S. and Canada for several years.

"In 1971, the Appleton, WI Library loaned me over fifty books on oil painting. In 1976, I took some Masters course at Wesleyan University in Connecticut.

Even after he was painting full time, Posner had still not come to know himself as a professional artist. "At some point, I looked around and saw that I had enough work with which I was pleased," he recalled. "Then I accepted myself as an artist.

"One of the biggest thrills of my life was when a customer redecorated her bedroom around the color scheme of one of my paintings. In that room I had the feeling that I was standing inside my own painting."

Posner never hesitates to borrow from any technique or tradition. Early cubist images were of seated musicians. In the "Squatting Vietnamese," Posner utilizes the cubist technique to depict a familiar Asian rural scene.

His "Self Portrait" collage shows Posner after boot camp, and again after his discharge. The physical and psychological changes of those four years reflect upon one another in an unmistakable anger.

"I try to find a style that is suited or adequate for the message I want to present," he says. "These different styles often disorient my friends who wish that I would continue in one style.

"But, I don't like to say the same things twice. It smacks of sloganism and demogoguery. It is also boring."

Posner's canvases are never boring. Two color experiments in amber and sienna dramatically accent his minimalist techniques, demonstrating a power which is heightened by their simplicity.

Posner's work is not composed, however, to bring comfort to the observer. "An artist

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

must have the individual freedom and honesty to produce works that are tailored to the desires of others. That responsibility should be taken very seriously," Posner believes.

The sense of obligation which took Posner into the Navy also present in both his Vietnam art works and in his view of that experience.

"When large groups of people are asked to act on orders from authority," he says, "that authority must deeply feel their responsibility to determine just what those orders should be. Such accountability was often missing in Vietnam."

In his move from writing to painting, Posner has found artistic success. But he won't be soon looking for another job. "My wife, Mary, simply refuses to allow me to drop art and pursue another career," he says with a grin.

Mary is a practicing psychologist in New Haven where both she and Lou are involved with the local veterans' community. Lou has returned to writing again, this time in the production of a Vet Center newsletter.

Posner's work will be shown in the Cannon Rotunda of the U.S. House of Representatives, September 12-24.

VETERAN ARTIST: DON GLISSON

(By Dan McCurry)

There are many veterans with enormous hearts and a talent to match. Within a small network of art critics, their reputation will travel far. But their names will not often appear in print.

Don Glisson of Petersburg, VA, is such a man. Like the walnut trees in which he carves, Don has also taken 13 years to "season out" the Vietnam combat experiences which chopped so much from his life.

The well seasoned tone of his portfolio shows the diversity of his talents. With Don's early focus on nautical art, sea lovers have purchased and carried his carvings along many international waterways. Glisson's oil portraits now hang in the homes of the Duponts, Singers and other leading families of Tidewater, VA.

His airbrushed landscapes and pinstriping have turned countless friends' vans and motorcycles into mobile billboards of Don's work.

Commercial success has been hard won. "I was really a hellion as a kid," Don confided, "But I always seemed to have a bent to draw."

As a child, many nights were spent at the kitchen table under the tutelage of his Mother, Maude, who guided Don thru simple graphics exercises to develop his eye and hand.

Before joining the Department of the Army as Chief Management Analyst, Maude had also worked as an artist, touching up commercial photos for Woodward and Lothrop's Department Stores in Washington, DC.

Crossland High School art teacher John Hawkinson gave Don his only formal art training.

Don affectionately recalls this teacher. "He's still probably out there sharing his multitude of skills in the class he called 'Studio 7.' Not only did Hawkinson give me basic art forms, he also taught me how to make a living in art."

Because Don fell one grade behind during his senior year he was already draft age.

"All through that last year, the Selective Service was on me. Pressure got so heavy that I ran away to the beach. But the draft board came and got me and in four months I was in Vietnam.

"One year later I was coming home through the Seattle, Washington Airport. Here I had been in heavy combat for my country but was still not old enough to buy liquor at home. Everybody's got that story, but is still tells the tale."

In Vietnam, Don served first in amphibian logistics, then as a helicopter door gunner with the First Cavalry.

There was little time for art work in the First Cavalry. But when words were inadequate for telling of life in combat, many soldiers often sketched a story on envelopes going home. Don still has many of these sketches.

"After the war, I did some reflective pieces about 'Nam. They are closet pieces, I keep them hidden away. My veiws of that war are not pretty.

For over seven years Don's Vietnam experiences plugged up his artistic energies. Then Gene Myers, owner of a Woodbridge, Virginia marina convinced him to paint signs and plaques for boats. This lead to an ongoing commission with the Virginia Bass Fisherman's Association to carve game fish models.

Though he had landed a steady job as window display designer for Montgomery Wards, Don soon went into business for himself, living and working in the coal cellar of an 1870's building in Fredricksburg, VA.

"Only thing that cellar had going for it was the low rent," he said. "But soon I got a handle on how to make a living as an artist.

"Then I married a fine woman, Bonnie, and had two wonderful kids, DJ and Lydia Nicole. With them, my life seems a pleasure."

Three years ago, Don's art career was almost ended when his right hand was torn off in a cement mixer. Fortunatley, Bonnie, an orthopedic nurse, had rapid access to specialist who saved the hand and arm.

During this recuperation, Don painted some of his most acclaimed portraits.

Though his refuses to discuss his Vietnam years, Don's paintings continue to show this unfinished business.

"Tether Me Not" which he calls "just a passing thought" is a powerful depiction of a coiled rope savagely frayed at one end.

"Butterfly" combines the "found art" of a butterly killed on his car windshield with a lichen covered twig discovered in the middle of a bulldozed mudflat. Here life continues to grow out of death.

"I must make my living by word-of-mouth trade," he says. "It takes a lot of sensitivity to do art and a lot of brashness to be in sales. The two don't go well together. Fortunately my clients seem to understand.

"I'm just a backwoods person, like a rock on water sort of skipping along, It works well for me."●

THE BANACH BOYS: TRUE AMERICAN HEROES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. GILMAN. Mr. Speaker, our colleagues who read the New York Times on Labor Day know that Port Jervis, NY, experienced last Saturday what some called the greatest day that Port Jervis has ever seen.

Port Jervis, NY, enjoys a total population of about 8,500 people, but last Saturday, over 10,000 crowded into the picturesque little city on the Delaware River.

For last Saturday, Olympic gold medalists, the Banach boys—Lou and Ed—returned home to Port Jervis.

Ed and Lou Banach are believed to be the first twins to garner gold medals at an Olympiad. On August 9, Ed Banach won the gold medal for wrestling in the 198-pound weight class. Two days later—August 11—his twin brother, Lou, copped another gold medal in the 220-pound wrestling class.

The eyes and ears of millions of viewers were on Los Angeles as the Banach boys captured the hearts and the imagination of the whole world. Undoubtedly, most viewers are now well familiar with their heart-wrenching life story.

The Banach boys were born in Newton, NJ, and were 2 of 14 children. When they were 3, a fire destroyed their home. Their mother consequently suffered a nervous breakdown and their father left them. Eleven of the Banach children were separated and sent to various foster homes. Lou and Ed, and their older brother Steve, were kept together by their beautiful, caring adoptive parents: Alan and Stephanie Tooley of Montague, NJ.

In 1972, the Tooleys, with their adopted children, moved to Port Jervis, NY—just over the State line—and it was there that the Banach boys first became interested in wrestling.

With the three Banach brothers on the team, the Port Jervis Red Raiders soon became the New York State champions. The people of Port Jervis became ardent wrestling fans, following the careers of the three Banach boys as they went undefeated in 90 consecutive bouts.

The oldest Banach brother, Steve, eventually went into the Army and gave up his wrestling career. But the Banach twins, Lou and Ed, were recruited by the University of Iowa where they went on to make that fine school's wrestling team a living legend.

The pinnacle of the Banach boys' careers came last month in Los Angeles. It is doubtful that anyone in the Olympic's worldwide audience was not duly impressed in hearing how these young men overcame their tragic childhood, triumphing over adversity and emerging No. 1 in their chosen sport and there was a marked feeling of admiration and respect for that unselfish couple, the Tooleys, who adopted the Banach boys and led them on a sterling path.

Now that they have each won their richly-deserved gold medals, Ed and Lou Banach have retired from competitive wrestling. Ed, who married a classmate at the University of Iowa, is

returning there as assistant wrestling coach. Lou is a second lieutenant at West Point and has already published his first book of poetry.

Mr. Speaker, I know my colleagues join with my constituency in the Port Jervis area in saluting the Banach boys, as true American heroes.●

CORRECTIONAL IMPROVEMENTS ACT OF 1984

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. SAWYER. Mr. Speaker, today I am pleased to introduce the Correctional Improvements Act of 1984. This proposal is designed to improve the functioning of the Federal prison system by correcting and updating controlling legislation. It is my understanding that many persons in the Bureau of Prisons and the Department of Justice worked long and hard to fashion this noncontroversial bill to better the efficiency and the effectiveness of our correctional institutions.

It is clear to me that to function properly our criminal justice system must work well from start to finish. People are always anxious to have adequate numbers of police to protect their communities. Many of these same people, however, are loath to invest tax dollars in prison construction. Surely the effectiveness of the law enforcement officer is diminished by the early release of criminals from over-crowded prisons. The Attorney General's Task Force on Violent Crime recommended that $200 million be applied to prison construction for each of 4 years. While this proposal, which is contained in H.R. 2447, has not been enacted, it highlights the serious need for more congressional interest in the proper functioning of our prison system. I sincerely hope that Congress will increase its assistance to the Federal Bureau of Prisons.

One important form of assistance that Congress can provide is the passage of the bill I am introducing today. The Correctional Improvements Act of 1984 would update many laws pertaining to the administration of correctional facilities.

The Bureau of Prisons has done an excellent job in maximizing the efficiency in correctional facilities' administration. The forward views of the Bureau have helped to modernize the Federal approach to prison administration. We have a long way to go.

Mr. Speaker, the Correctional Improvements Act of 1984 merely takes outmoded laws that are no longer helpful and updates them in light of new techniques in the administration of the Federal prison system. Many of the changes in this bill appear minor, but together, these changes will greatly assist the Bureau of Prisons, improve the quality of life of the prisoner, and create a more efficient use of tax dollars.

I urge my colleagues to join me in cosponsoring this important law enforcement legislation.

SECTION-BY-SECTION ANALYSIS OF THE CORRECTIONAL IMPROVEMENTS ACT OF 1984

SECTION 1—SHORT TITLE

SECTION 2—ESCAPE FROM CIVIL CONTEMPT

The purpose of this amendment is to broaden the definition of escape to include persons is custody as a result of findings of contempt under Section 28 U.S.C. 1826 in addition to those already covered under 18 U.S.C. 401. A similar provision was passed by the State in S. 1762 Title X, part L (Section 1013) on February 2, 1984.

SECTION 3—PROVIDING OR POSSESSING CONTRABAND IN PRISON; SUMMARY SEIZURE OF SAME

Section 3(a) amends 18 U.S.C. 1791 to establish the offense of possession of contraband in prison and does away with the previous requirement that it be introduced so that an inmate's attempt to make, procure, or possess contraband will constitute the offense. It also incorporates from 18 U.S.C. 1791 the possession or conveyancing of weapons in prison. The absolute sentence of 10 years imprisonment is eliminated and a graduated scale established based on severity.

Section 3(b) amends 18 U.S.C. 1792 to deal only with the instigation of a mutiny or riot at a Federal penal or correctional facility and provides for a sentence of up to 10 years or a $25,000 fine or both. The provisions about conveying weapons is eliminated because it is now covered in subsection (a)'s amendment to 18 U.S.C. 1791.

Section 3(c) amends the sectional analysis to include the new code sections.

Section 3(d) creates a new code section to be found at 18 U.S.C. 4012 which clearly authorizes the forfeiture and seizure of contraband items found in the possession of prisoners.

SECTION 4—TRESPASS ON BUREAU OF PRISONS RESERVATION AND LAND

Currently there is no provision to prosecute those who trespass on Bureau of Prisons property unless they do some damage pursuant to 18 U.S.C. 1361. This provision would allow for arrest, prosecution and punishment of those who willfully and knowingly trespass and threaten the orderly operation of Bureau of Prisons facilities.

SECTION 5—ARREST AUTHORITY

This proposed version of 18 U.S.C. § 3050 will give Federal Bureau of Prisons' employees the authority to arrest off of Bureau of Prisons property only in cases where an officer is assaulted, and when there is an escape or someone assists in an escape. This would authorize any officer transporting an inmate to arrest the parties involved in any assault or escape occurring in his presence. The balance of the arrest authority is confined to Federal Bureau of Prisons property for actions such as damage to property, trespass, contraband and disruptive type violations. All such violations require arrest authority and have been the subject of confusion in the past due to jurisdictional questions arising on the federal reservation properties between local law enforcement and the Federal Bureau of Investigation. This granting of a limited arrest authority when necessary to protect security or government property or to insure the orderly operation of Bureau facilities will avoid any future problems occasioned by the unavailability of a local FBI agent.

SECTION 6—CONTRACTING WITH PRIVATE ORGANIZATIONS

The Bureau of Prisons has broad authority under 18 U.S.C. 4042 to designate any suitable facility for service of sentence, including private facilities (e.g., privately run community treatment centers) for concurrent service of sentence. This amendment expands contracting authority to the same extent. While we believe current law authorizes this, it is desirable to resolve any doubt by clarifying legislation. Private contracting is an important option for an expanding prison population and special needs of some offenders.

SECTION 7—DISCHARGE PAYMENTS

The present gratuity carries a maximum of $100. While a gratuity even approaching $500 will be rare, it is desirable for staff to have this discretion to make higher awards for deserving inmates with special needs. The dollar amount was last amended in 1962. Five-hundred dollars was the amount in the Department's Revised Criminal Code, in the version which passed the Senate.

SECTION 8—AUTHORITY TO EXCHANGE INMATES WITH STATES

The current law requires reimbursement of the United States in full for all costs and expenses of boarded State prisoners, and precludes such flexible arrangements as prisoner exchanges, which this proposal would allow.

SECTION 9—DONATIONS ON BEHALF OF THE BUREAU OF PRISONS

From time to time, federal institutions receive offers of property donations from nongovernment sources. In the past the Bureau of Prisons has had requests from institutions to authorize them to accept offers of such items as pianos, clothing, library books, automobiles for inmate vocational training, and other similar items.

Currently, there is no authority to accept donated property. There is a Comptroller General's decision (36 C.G. 268, October 2, 1956) which included the following statement: "It is well established that in the absence of specific legislation, there is no authority for an official of the government to accept on behalf of the United States voluntary donations or contributions to augment appropriations."

The Attorney General is authorized by 31 U.S.C. § 725s-4 to accept gifts or bequests of money for credit to the "Commissary funds Federal Prisons," but this does not cover items on property. This proposed 18 USC § 4043 would authorize the Attorney General to accept gifts on behalf of the Bureau of Prisons, and to utilize these gifts as deemed best.

ACCEPTING VOLUNTARY SERVICES

Under present law, the Bureau of Prisons lacks authority to accept voluntary and uncompensated services (31 U.S.C. 665(b)). Highly qualified members of the community are willing to provide education, training, counseling and other services to federal prisoners on a voluntary basis. Under proposed § 4044, the Bureau could improve correctional programs, with considerable savings, if specifically enabled to accept such services.

AUTHORITY TO CONDUCT AUTOPSIES

Federal authority in this area, as provided by proposed § 4045, would fill a void when-

ever an incarcerated person dies under circumstances which warrant autopsy. Generally, the laws of the states where Federal facilities are located provide by statute for autopsy without consent of next of kin where circumstances of death warrant the examination. Although local authorities usually are cooperative and will conduct autopsies, local laws are not in fact applicable to exclusive Federal reservations. We have encountered difficulty in obtaining autopsies where they were needed in some instances.●

EUROPEAN VIEWS OF THE STRATEGIC DEFENSE INITIATIVE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. HAMILTON. Mr. Speaker, on August 1, 1984 a number of public witnesses testified before the Subcommittee on Europe and the Middle East on the question of political-military issues in the Atlantic Alliance. A number of my colleagues expressed interest in the testimony of Andrew Pierre, director, Project on European-American Relations, Council on Foreign Relations, particularly his views on the European reaction to the strategic defense initiative [SDI].

Mr. Pierre believes that the SDI "raises some extremely serious problems for the Atlantic Alliance," and his views warrant serious attention.

An excerpt of his testimony follows:

EXCERPT OF TESTIMONY MADE BY ANDREW J. PIERRE

The Strategic Defense Initiative [SDI] potentially raises some extremely serious problems for the Atlantic Alliance, and this has not been adequately recognized.

The SDI could ultimately lead to the real decoupling of Europe and the United States. There is nothing that, if not handled well, could be more destabilizing to American-European relations, not to mention Soviet-American relations.

With respect to the United States there are, of course, serious doubts about the technological feasibility of constructing an adequate "shield" or nuclear umbrella. Is even one percent leakage of such a "shield" acceptable?

But when one turns to Western Europe these doubts must be multiplied many times over. It is hard to see how adequate missile defense of Western Europe is in the cards. For the United States we can have a layer defense whereby we try to hit the incoming systems at various points in their trajectory, and we have 20 to 30 minutes to do this.

In Europe the time scale is down to five to ten minutes, maybe even less then five in some cases. It is hard to see how there could be layered defense of Europe.

The Europeans would have to contend not only with SS-20s, but tactical nuclear systems of a shorter range, low flying cruise missiles, bombers, and so on.

An effective defense of Europe through a kind of nuclear "shield" or ballistic missile defense remains highly unlikely. I hesitate to say a technological impossibility. But that is certainly the way it looks right now.

Suppose, however, it worked for the United States. Such a "shield" would make this country a Fortress America. We would be defended. But Western Europe would not be. Is this not true decoupling?

Suppose the Soviet Union were to respond by building a ballistic missile defense of its own. U.S. strategic offensive forces would no longer provide a credible nuclear guarantee to Europe.

Indeed, that may no longer be their role. Presumably as we move away from mutual assured destruction to missile defense we would be moving away from any theoretical deterrence system whereby we would provide a nuclear shield for Europe.

In my view, the Alliance will not support the SDI. At present many Europeans hope it will go away. If, however, we do proceed seriously, the British and French will have to give a great deal of thought to upgrading their own nuclear forces, something that they are already in the process of doing in a more limited way.

And SDI could even raise the question of a nuclear role for West Germany. Moreover, SDI would enormously complicate the arms control problem.

Indeed, if I were to go out on a limb I would say that potentially the notion that the United States is defended and Europe is not can spell the demise of NATO.

For this reason alone, I think we should be very cautious as we approach the Strategic Defense Initiative issue, not to mention the feasibility question for the United States.●

THE TEHRAN AMERICAN SCHOOL CLAIM ACT OF 1984

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. JEFFORDS. Mr. Speaker, today I am introducing the Tehran American School Act of 1984. This legislation would permit the U.S. Government to reimburse the school for money, just over $13,000, held for it by the U.S. Embassy in Tehran and lost as a consequence of the seizure of the Embassy.

Identical legislation has been introduced in the other body by my colleagues Senators STAFFORD and LEAHY. This claim was originally filed with the State Department by Mr. William Keough, who was superintendent of schools for the Tehran American School and had previously served in a like capacity in several Vermont communities.

As a result of the political tensions in Iran and in anticipation of closing, the school arranged through the Embassy to sell some of the school's motor vehicles in 1979. Just over $18,000 was raised, which, after deducting amounts owed the Embassy, left the school with $13,333.94 due to it.

The Comptroller General of the United States judged that the U.S. Government technically could not reimburse the school, as the loss was due to an uncontrollable event. I would also note that the State Department has concluded that the hostage agreement between the United States and Iran precludes submission of this claim to Iran. In light of the extraordinary circumstances and equities of the situation, the Comptroller General suggested that legislation be introduced to award the school's claim, pursuant to the provisions of the Meritorious Claims Act.

Mr. Speaker, I hope that the House will give this legislation prompt and favorable consideration.

The text of the Comptroller General's report to the Congress follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC, June 15, 1982.

To the Congress of the United States:

The Meritorious Claims Act of April 10, 1928, 45 Stat. 413, 31 U.S.C. § 236 (1976), provides that:

"When there is filed in the General Accounting Office a claim or demand against the United States that may not lawfully be adjusted by the use of an appropriation theretofore made, but which claim or demand in the judgment of the Comptroller General of the United States contains such elements of legal liability or equity as to be deserving of the consideration of the Congress, he shall submit the same to the Congress by a special report containing the material facts and his recommendation thereon."

In accordance with that Act, we make the following report and recommendation on the claim of the Tehran American School for $13,333.94.

The facts in this case show that as a result of the political tensions in Iran in 1979, in anticipation of closing, the Tehran American School arranged that the United States Embassy in Tehran sell three of the School's motor vehicles. The State Department informed us that United States Embassies provide this kind of assistance to American institutions operating in foreign countries. Although State indicated that occasionally the proceeds from these sales are given directly to the seller, since the School had closed, the monies were placed in the Embassy cashier safe with other receipts normally kept in the safe. The other receipts regularly were deposited in an account at the Tehran bank used by the Embassy.[1]

For payment, the Embassy intended to have the United States disbursing office in Paris issue a $13,333.94 Treasury check drawn on funds deposited in the Tehran bank used by the Embassy. ($18,194.74 from the sale minus amounts owed by the School to the Embassy for outstanding telephone bills and other payables.) As a result of the Embassy seizure, however, the safe was lost and never recovered and the Paris disbursing office was not notified to make the payment.

In its submission to us the State Department stated that the sale of the motor vehicles was made in accordance with Department regulations, the funds were properly maintained in the safe, and the loss was not due to negligence. The Department also concluded that the United States was re-

[1] A State Department official informed us that to the best of his knowledge the receipts held in the Embassy safe were deposited weekly.

sponsible for the funds and that payment to the School was warranted.[2]

We agreed with the State Department's characterization of the relationship between the School and the Embassy as that of principal and agent. As such, we concluded that there was nothing in the record to suggest that the Embassy breached its duty as agent to exercise reasonable care to protect the School's monies. The funds in the safe were lost as a result of the seizure of the American Embassy—an uncontrollable event.

We also found that the Embassy's commingling of the proceeds from the sale of the School's vehicle with other receipts in the safe was in the normal course of business and impliedly was undertaken with the School's consent. The proceeds from the sale of the vehicles could not have been paid directly by the buyer to the School since the School had closed. The Embassy took the cash proceeds intending to draw a Treasury check against the funds deposited in the Tehran bank used by the Embassy. But for the seizure of the Embassy, the funds in the Embassy safe, including the receipts from the sale, would have been deposited in that bank. There is nothing in the record to indicate that the School objected to the Embassy following its regular procedures for payment. Since the commingling of the proceeds of the sale with other monies in the Embassy safe was proper, we determined that the risk of loss was shifted to the School. Thus, the Embassy was not liable to the School for the $13,333.94.

The Meritorious Claims Act is an extraordinary remedy whose use is limited to extraordinary circumstances. The cases we have reported for the consideration of the Congress generally have involved equitable circumstances of an unusual nature, and which are unlikely to constitute a recurring problem, since to report to the Congress a particular case when similar equities exist or are likely to arise with respect to other claimants would constitute preferential treatment over others in similar circumstances. 53 Comp. Gen. 157, 158 (1973)

We think the seizure and occupation of the United States Embassy and resulting loss of the proceeds from the sale of the School's vehicles, was an extraordinary circumstances calling for equitable consideration. Although other individuals and institutions were damaged by the hostilities in Iran, the State Department has informed us that it is not aware of any similar claims in which the Government had the direct responsibility for safeguarding the private party's funds.

If the Congress agrees with our recommendation, it is suggested that enactment of a statute in substantially the following form will accomplish the desired result:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of the Tehran American School for $13,333.94 which amount constitutes proceeds from the sale of three motor vehicles arranged by the United States Embassy in Tehran, Iran in 1979. There is hereby appropriated from any money in the Treasury not otherwise appropriated such amount as may be necessary for the payment of the claim."

MILTON J. SOCOLAR,
Acting Comptroller General.

Mr. Speaker, the text of this legislation is as follows:

H.R. 6204

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Comptroller General of the United States be, and hereby is, authorized and directed to settle and adjust the claim of the Tehran American School for $13,333.94, which amount constitutes proceeds from the sale of three motor vehicles arranged by the United States Embassy in Tehran, Iran in 1979. There is hereby appropriated from any money in the Treasury not otherwise appropriated such amount as may be necessary for the payment of the claim.●

[2] The Department determined that the Hostage Agreements between the United States and Iran precluded the United States from submitting the claim either to the Iranian Government or the Iran-United States Claims Tribunal.

AMY BULL CRIST: A LIVING LEGEND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. GILMAN. Mr. Speaker, many of us have seen the current television advertising campaign sponsored by the National Education Association, which stresses the importance of individual dedication by outstanding persons in the educational field.

The residents of Orange County, NY, can readily identify with those commercials, for we are fortunate enough to have in our midst an individual who personifies the best in those who have chosen education not only as a profession, but as a way of life.

Amy Bull Crist, a "first lady" of my Orange County, NY, constituents, began her career as a one-room schoolteacher with the responsibility of simultaneously educating children in grades 1 through 8. Fifty years later, she retired as district superintendent for the Orange-Ulster Board of Cooperative Educational Services.

In those 50 years as an educator, her compassion and her caring literally touched thousands of lives: fellow educators who were inspired by her, parents who were reassured by her, and most importantly, students who learned from her.

Amy Bull Crist believed in traditional education: the learning of "the three B's" as the basic foundation for a learning program. But by no means did she lack one iota of compassion. She privately arranged for a patron to subsidize medical surgery for students who were in need. She paid out of her own pocket for eyeglasses and hearing aids for students whose families could not afford to purchase them. She founded and served as the first president of Occupations, Inc., a not-for-profit, sheltered workshop for the handicapped which today serves thousands of clients. In 1950, after learning that Orange County had one of the lowest percentages of collegebound high school graduates, Amy Bull Crist lobbied for the establishment of an Orange County Community College, which is now one of the finest and most respected 2-year community colleges in our Nation. Amy was a charter member of that institution's board of trustees and helped to guide the college through its formative years.

Believing that we all learn from our past, Amy Bull Crist serves as cochair of the Orange County History and Heritage Collection, as chair of "Hill-Hold," a historic site in Orange County, and as trustee of the Orange County Museum and Gallery.

Mr. Speaker, this summer was one of the few times in her life that Amy Bull Crist was able to receive rather than to give. As the recipient of the 12th annual James E. Allen, Jr., Memorial Award for Distinguished Service to Education, the regents of the University of the State of New York singled her out to draw the attention of all New Yorkers to the outstanding dedication Amy Bull Crist has exemplified over the years.

In their citation, the regents chose to quote Amy's own words in outlining her beliefs:

All children are entitled to the best education possible;

Schools are effective only if their program is based on planning and research;

Quality education can only be given to children by superior teachers who understand the children they teach; and

Children must assume responsibility for high standards of work and school citizenship."

Mr. Speaker, in the presentation of this prestigious regents award, New Yorkers everywhere became aware of the service and dedication of Amy Bull Crist. In bringing Amy's outstanding service and dedication to her profession to the attention of our colleagues, I hope that teachers and educators throughout our Nation will be inspired by the achievements of this truly great lady.●

DOCUMENTATION OF THE VESSEL "ULULANI"

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. YOUNG of Alaska. Mr. Speaker, I am introducing a bill today which will permit the Coast Guard to issue a document to the vessel *Ululani,* official number 239729, so that its owners, Imants and Kristie Leitis, can operate it as a charter service in Alaska.

This legislation is needed because the abstract or chain of title shows that the vessel was sold to a foreign corporation and a prior owner neglected to file the necessary paperwork with the Maritime Administration to cure this defect. Other than this problem, the Leitises are working hard to put the vessel in shape and should be able to go into business next year.

The vessel is a wooden hull sailboat with an auxiliary engine. The intention is to operate it as a sightseeing charter out of Seward, Alaska or in Prince William Sound. The vessel is 63 feet in length, 29 gross tons, 25 net tons, and 105 horsepower. The marine survey conducted on the vessels at the request of the Leitises shows that although a lot of maintenance may be necessary, the full design is good and sailing abilities should be good also. The Leitises will be investing large amounts of money to put the vessel in shape and make it seaworthy, and should not have a legal technicality stand in the way of operating it.

This legislation will clearly permit the vessel to be documented under a U.S. flag, although it will still be necessary to undergo Coast Guard safety inspections so that the vessel may be operated as a charter service. This type of legislation has routinely been approved in similar situations. The vessel *Ululani* is certainly no different and merits our prompt action. The vessel has been undergoing appropriate preparation to be safely operated and this will be one more way to support the American merchant marine industry.●

CITIZEN/LABOR ENERGY COALITION WRONG AGAIN

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BROYHILL. Mr. Speaker, a self-styled "consumer" organization, the Citizen/Labor Energy Coalition [CLEC], has been conducting extensive fundraising campaigns since 1981, ostensibly for the purpose of passing legislation to lower consumer natural gas prices. In support of its campaign, CLEC has issued numerous studies projecting tremendous natural gas price increases. These studies have been uniformly wrong. CLEC itself was forced to withdraw a study it issued last fall because of major errors.

CLEC's latest study, issued July 12, 1984, claims that average domestic natural gas wellhead prices will increase 20 percent in nominal dollars in 1985 compared to 1984 and that average residential gas bills will increase 14 percent in nominal dollars, or about $100 in 1985 as compared to 1984. Knowing of CLEC's past record of inaccuracy, I asked the Department of Energy to review CLEC's analysis. The DOE responded in a letter dated August 7, 1984, from Jan W. Mares, Assistant Secretary for Policy, Safety, and Environment. The DOE's basic conclusion is, "that CLEC's projections, like past projections made by CLEC, are much too high and are based on erroneous assumptions." Partial decontrol on January 1, 1985, will not cause gas prices to "fly up."

I would like to share the DOE analysis with my colleagues and I ask that it be reprinted at this point.

DEPARTMENT OF ENERGY,
Washington, DC, August 7, 1984.

Hon. JAMES T. BROYHILL,
House of Representatives,
Washington, DC.

DEAR MR. BROYHILL: In response to a request by your staff, we have analyzed the natural gas price projections recently published by the Citizen/Labor Energy Coalition (CLEC). The CLEC projections show a substantial increase in residential gas bills in 1985. Our analysis indicates that CLEC's projections, like past projections made by CLEC, are much too high and are based on erroneous assumptions. The most critical CLEC assumptions are that there will be no renegotiation of problem indefinite price escalators and that most wellhead price increases must be borne by "captive" residential gas customers. Recent developments in the domestic natural gas market clearly indicate that both of these assumptions are wrong. Barring major oil price increase, gas prices will not fly up in 1985 upon partial decontrol.

It is ironic that CLEC is urging Congress to consider increased regulation of the domestic natural gas market to correct the problems in the gas market. As explained in detail in the *First Report Required by Section 123 of the Natural Gas Policy Act of 1978*, federal regulation of the domestic natural gas market, along with restricted access to interstate pipeline capacity, have caused the current problems in the gas market. The costly shortages of the 1970s' and the current inefficient surplus, are the direct result of federal regulation of the domestic gas market. The way to eliminate these problems is to reduce, not increase, federal regulation of the domestic natural gas market.

I hope the enclosed analysis is useful. Please do not hesitate to contact me if you have any questions about this analysis or need additional information on this issue.

Sincerely,

JAN W. MARES,
Assistant Secretary
for Policy, Safety, and Environment.

Enclosure.

ANALYSIS OF CLEC PROJECTIONS OF 1985 CONSUMER GAS BILL INCREASE

On July 12, 1984, the Citizen/Labor Energy Coalition (CLEC) released a five page study entitled "Cost of Inaction." The study claims that:

Average domestic natural gas wellhead prices will increase 20 percent in nominal dollars in 1985 compared to 1984.

Average residential gas bills will increase 14 percent in nominal dollars, or about $100, in 1985 compared to 1984.

The CLEC study claims that most of the projected increase in wellhead gas prices will be caused by indefinite price escalators in producer/pipeline contracts that will be triggered in 1985 under the partial decontrol provisions of the Natural Gas Policy Act of 1978 (NGPA).

The CLEC projection of consumer price increases in 1985 is much too high. The CLEC projections are the result of two major assumptions—both of which are wrong. The CLEC study:

Assumes that producer/pipeline contracts will not be renegotiated and that wellhead prices will increase by 20 percent in 1985 as compared to 1984.

Assumes that most wellhead price increases are borne by "captive" residential gas customers who consume the same quantity of gas regardless of its price.

The Department of Energy (DOE) in The First Report Required by Section 123 of the Natural Gas Policy Act of 1978, estimates that average domestic wellhead prices will increase only 2.5 percent above inflation in 1985, and average residential gas prices will rise only 1 percent above inflation in 1985 compared in 1984. The Energy Information Administration (EIA) projects average residential gas prices will rise only 3 percent above inflation in 1985 in its Annual Energy Outlook, 1983.

WELLHEAD PRICE FLY-UP UPON PARTIAL DECONTROL

The CLEC study assumes an unrealistic wellhead price fly-up scenario under partial decontrol in 1985. CLEC's estimate of a 20 percent wellhead price increase (including inflation) is higher than even the Interstate Natural Gas Association of America's (INGAA) worst-case estimate of 12 percent (above inflation) referenced in the CLEC study. The CLEC study fails to justify its excessively high projection that wellhead prices will fly up by 20 percent.

Furthermore, we believe the INGAA estimate of fly-up is much too high because it is based on contract terms in effect at the time of its survey and does not reflect the substantial amount of contract renegotiation that has occurred since the survey was completed.

As a result of gas prices that are above market-clearing levels, and competition from alternative fuels, producers and pipelines are currently signing more flexible contracts, renegotiating existing contracts, and undertaking special marketing programs. These initiatives indicate that producers and pipelines will take measures to maintain competitive natural gas prices when regulatory constraints are eliminated. There is no reason to believe that producers and pipelines will allow gas prices to fly up under partial decontrol, which would cause them to lose sales to competitors and alternative fuels.

DOE's *First Report Required by Section 123 of the Natural Gas Policy Act of 1978* explains in greater detail why wellhead prices will not fly up in 1985. DOE projects wellhead prices to increase 2.5 percent above inflation in 1985 as a result of increased demand and a reduced gas surplus.

RESIDENTIAL PRICES AND CONSUMPTION

The CLEC study is based on the incorrect assumption that most wellhead price increases are borne by residential and commercial customers, while industrial gas consumers are able to avoid much of the burden of wellhead price increases. The CLEC study also assumes incorrectly that the quantity of gas demanded is equal in all cases, despite differing price levels.

In fact, residential and commercial natural gas consumers have and will continue to reduce their gas consumption if gas prices rise. Econometric analysis shows that residential customers will reduce their gas consumption by over three percent for every ten percent increase in gas prices. Residential customers in several areas of the country are choosing to heat with electricity and wood rather than gas as a result of gas rising price. In addition, studies by the American Gas Association show that a large number of commercial users can switch to residual fuel. Distribution companies have begun to dispute minimum bills and reduce purchases from high-cost pipelines and their suppliers.

By assuming that gas consumers consume the same quantity of gas regardless of the price of gas, CLEC exaggerates the ability of producers to increase wellhead prices and overestimates increases in residential gas prices and gas bills.

PAST CLEC PROJECTIONS HAVE OVERSTATED ACTUAL PRICE INCREASES

In October 1983, CLEC projected dramatic increases, 21 percent on a national average, in winter heating bills for the 1983-84 heating season compared to the 1982-83 heating season. The report met with much skepticism and was quickly retracted by CLEC because of "erroneously inflated" heating costs.[1] In that study approximately 7 percent of the increase was due to projected rate increases and 14 percent to the expectation of a much colder winter. In reality, residential gas price was less than 2 percent higher in the first quarter of 1984, in nominal terms, than in the first quarter of 1983.●

THE VICE PRESIDENCY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, September 5, 1984, into the CONGRESSIONAL RECORD:

THE VICE PRESIDENCY

The first nomination of a woman, Geraldine Ferraro, as the vice-presidential candidate of a major political party has sparked the public's interest in the office that she is seeking. There can be no doubt that the Vice Presidency is a job in transition.

Perhaps no office on earth has been so reviled by its occupants as that of the Vice President. Slandered, cursed, and forgotten, the Vice Presidency often proved to be a pool of political quicksand where people could sink into obscurity for the duration of their terms in the executive branch or the remainder of their careers in public life. In the past twenty years, however, attitudes toward the Vice Presidency have been chaning. A gradual reshaping and expansion of the office has transformed it into an active training ground for future Presidents. The Vice Presidency today may not be so much a hardship post as a springboard to political prominence.

Ambiguity in constitutional definition of the Vice Presidency historically has accounted for many of the difficulties of previous Vice Presidents. Some architects of the Constitution thought that the creation of a Vice Presidency was unnecessary, and, when the Vice Presidency was finally set up at the end of the Constitutional Convention of 1787, its powers were left largely undefined. More important, early electoral procedures put the President and Vice President in an adversarial relationship. They were political rivals until the party convention, when the candidate with the most votes won the spot at the top of the ticket, his closest contender receiving the second position. These procedures, combined with early presidential efforts to consolidate the executive power, often led to vice-presidential isolation from the flow of information and the formulation of policy.

The Vice President's frustrating confinement to ceremonial duties led to some memorable quotes in American politics. The first Vice President, John Adams, complained that "my country, in its wisdom, contrived for me the most insignificant office that ever the invention of man contrived or his imagination conceived." Speaker John Nance Garner lamented that he "gave up the second most important job in the government for one that didn't amount to a hill of beans." Thomas Jefferson called the Vice Presidency "honorable and easy" compared with "the splendid misery" of the Presidency. Apparently the only politician to achieve greatness in the post—apart from the many Vice Presidents who went on to achieve later fame as Presidents—was a Hoosier named Thomas Riley Marshall. Mr. Marshall correctly perceived his role in Woodrow Wilson's administration as that of goodwill ambassador, not policy maker, and he kept the country amused for eight years as he travelled about telling anecdotes. It was Mr. Marshall, the President's "only vice," who said, "What this country needs is a good 5 cent cigar!"

According to some political scientists, a stronger Vice Presidency began to emerge as a result of the Watergate scandal. Gerald Ford demanded greater independence and more staff from President Nixon as a condition for replacing Spiro Agnew as Vice President, and in turn granted his Vice President, Nelson Rockefeller, increased responsibilities. Since the Ford Administration the trend toward an expanding Vice Presidency has continued, with Walter Mondale and George Bush assuming progressively greater roles in their administration. Mr. Mondale moved in President Carter's inner circle and influenced electoral reform, executive appointments, U.S. policy during the hostage crisis, and the establishment of a Department of Education. Mr. Bush has served as chairman of President Reagan's crisis management team and has exercised leadership in the area of regulatory reform. A former vice presidential aids has observed that because of individual efforts like these, "Input—the opportunity to have your say—is now a basic right in the Vice Presidency."

Protocol, an important gauge of political power, has also changed for the Vice President. Lyndon Johnson had a staff of fewer than twenty people when he was Vice President, but today Mr. Bush has a staff of seventy and an annual budget of $2 million. The past three Vice Presidents have enjoyed independent access to the Oval Office, and all have had their own offices in the West Wing of the White House, only a stone's throw from the President's desk. The Vice Presidency has its own seal and flag, and an official location in the prestigious Old Executive Office Building.

Most political commentators now agree that the Vice Presidency is an ideal breeding ground for future Presidents. It trains its occupant to work effectively within the critical limits of media visibility and presidential policy. It allows him to master the skills of being a follower before becoming a leader, and enables him to contribute a balance of geography, expertise, or gender to a presidential ticket. The Vice President has a unique chance to learn how to be President, how to shape a government, how to identify talented assistants, how to deal with adversaries as well as friends at the pinnacle of power, how to manage intelligence, national security, and intentional relations, and how to cope with Congress. Few jobs, if any, offer the people who fill them as much potential to learn. Of the past twelve presidential candidates of the major parties, six have been Vice Presidents, a statistic seeming to prove that Vice Presidents have been taking advantage of this potential.

The Vice Presidency has long been a post to American politics where politicians languished, faithfully awaiting a day when America might need their services. Now, thanks to a series of strong Vice Presidents and able Presidents, the Vice Presidency has at last developed into what might be called a "good job," a job of active responsibilities and recognized duties where a Vice President can better learn to serve the American people. The current attention to the Vice Presidency only demonstrates that good things may indeed come to those who, like so many Vice Presidents of years past, patiently stand and wait.●

[1] "Survey Erred in Predicting Soaring Natural Gas Prices," *USA Today*, October 31, 1983.

A TRIBUTE TO THE WASHINGTON OFFICE ON LATIN AMERICA

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BARNES. Mr. Speaker, recently the Washington Office on Latin America celebrated its 10th anniversary. As many of my colleagues know, during those 10 years WOLA has established itself as a leader in the struggle for a U.S. policy that promotes human rights and democracy in Latin America.

On the occasion of WOLA's 10th birthday our former colleague, the Honorable Robert F. Drinan, authored an article for the National Catholic Reporter that pays appropriate tribute to this fine organization. Particularly at this time, when WOLA is under attack by an administration that spends more time denigrating human rights organizations than promoting human rights, I am pleased to join Father Drinan in this tribute by placing his article in the RECORD.

No one who labors for human rights in Latin America has any doubts about WOLA's contributions. Certainly the Subcommittee on Western Hemisphere Affairs, which I have the honor to chair, has benefited greatly from WOLA's expertise and concern. But I have discovered that the most elo-

quent testimony on WOLA's behalf comes from Latin America's oppressed themselves, and those who struggle to promote and defend democracy and human rights in their societies. WOLA obviously has a special place in their hearts.

I hope the next 10 years will be fruitful both for WOLA and for its cause, and I submit Father Drinan's article at this point.

LATIN AMERICA OFFICE MARKS 10TH ANNIVERSARY AS REGION'S STRIFE GROWS

(By Robert F. Drinan)

In the summer 10 years ago, when the country was traumatized by the unraveling of the Watergate drama and the aftermath of Vietnam, a religiously affiliated organization called the Washington Office of Latin America (WOLA) was born. It was the coming together of a loose coalition jolted into action by the revelation that the government of Chile had been changed by the CIA.

On a summer night in 1984, the friends and admirers of WOLA came together to celebrate its 10th anniversary. The lovely garden party brought together that increasing number of individuals and groups who are deeply concerned about the repression, the crushing poverty and the bloodshed in Latin America.

It was an evening tinged with melancholy and sadness. The short talks referred constantly to the pain and suffering with which the people of South America are afflicted. The growth of WOLA was noted, but everyone knew that, despite its strength and influence, U.S. policies in Latin America have worsened in almost every respect. In conversations made pleasant by wine, tacos and captivating Mexican music, the talk was filled with a sense of foreboding over what tragedy might happen next in Central America. Would Congress hold firm in its withdrawal of funds for the contras? Would the Pentagon continue to defy the law and the intentions of Congress in its massive construction projects in Honduras?

The 200 guests of WOLA were people connected spiritually or organizationally with the 11,000 American religious personnel who are working in every nation of Latin America. WOLA and its friends exist to be the voice of this courageous group. WOLA's level of frustration is very high. In the last 40 months, it has seen the human rights program of the Carter administration in Latin America almost dismantled, the Contadora process defied and several nations of South America made subservient to American banks because of unbelievably large loans.

The only consolation for the friends of WOLA was the certainty that this vibrant organization will continue to grow in influence. It now has 11 full-time personnel, and funding has grown from $6,000 a year a decade ago to $370,000 in 1984. It has earned the respect of even those many forces in Washington that want to continue to dominate and exploit the 350 million people of Latin America.

Tensions between Catholics and Protestants do not exist in WOLA. All people affiliated with WOLA recognize that the common enemies of religion in Latin America are the dictators and the military—and, now, sad as it is to record it, the White House.

The able and unassuming director of WOLA for its first decade has been the Reverend Joseph Eldridge, an ordained minister of the United Methodist church who served as a missionary in Santiago, Chile, from 1970 to 1973. It was the coming to power of General Augusto Pinochet that prompted Eldridge to return to Washington and to become, in essence, the founding father of WOLA. He orchestrates the ceaseless stream of conferences, publications and human rights missions that WOLA sponsors, and he has gathered support from 33 church-related groups and 13 foundations.

The friends and watchers of WOLA speculated at a beautiful midsummer night's party about what WOLA should do in its second decade. The answer was obvious: Somehow, the churches of America brought together in WOLA should preach from the housetops that the United States has been arrogant and exploitative in the use of its power in Latin America. They should preach that this attitude is now causing suffering beyond description to the peoples of Central America who want to escape from the economic and political tyranny with which they have been afflicted for several generations.

Considering the profundity and the persistence of U.S. mistakes in its dealings with Latin America, it is clear that the work of WOLA has just begun.

(Jesuit Father Robert F. Drinan is a professor of law at Georgetown University.)●

WEBSTER HOUSE

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. QUILLEN. Mr. Speaker, I wish to bring to the attention of Members a private restoration project of an historic building in my district which is a source of great pride to its owners, Mr. and Mrs. George D. Webster and to the people of the Rogersville, TN area. The Websters are a warm and friendly couple with a love of history and have done an outstanding job in the restoration of a lovely country home that occupies grounds on which were played out a number of important events from the early days of Tennessee pioneer history through a battle during the War Between the States.

I wish to insert at this point an informative pamphlet that describes Webster House and its interesting history:

WEBSTER HOUSE

Webster House was built by Drury Alsbrook Spears in 1858 on lands that had been owned by the Spears family since 1796. The bricks in the original house were made on the site. Webster House was restored in the period 1968–72, and a new wing was added in 1977–78.

Webster Angus Farms is owned by George D. Webster. Mr. Webster is a great-grandson of Drury Alsbrook Spears and a great-great-grandson of Joseph Rogers, founder of Rogersville (1786), the second oldest town in Tennessee, at that time part of the State of Franklin. The farms comprise 900 acres bordering on the Holston River in Hawkins County.

Many events of early historic interest have occurred here. The Holston River was a major travel route for both Indians and early white settlers. The lands were occupied by the Cherokees; arrowheads and other artifacts are still found here. After the Long Island peace conference between the Cherokees and the Virginians in 1761, Lt. Henry Timberlake set out in a dugout canoe down the Holston and spent a night with friendly Cherokees here at this farm. Early in 1779 Colonel Evan Shelby led one thousand volunteers in a complete rout and defeat of the Chickamauga Indians. On the way to this encounter, Colonel Shelby's army rendezvoused on this farm, built canoes from nearby forests and headed down the Holston. In the winter of 1779–80, Colonel John Donelson, who led a group of boats on the way to Fort Nashborough and founded what is now Nashville, spent part of the winter on this farm at the confluence of Big Creek and the Holston River. During the late 18th century, the land was North Carolina, the State of Franklin, the Territory of the United States South of the River Ohio, and finally, Tennessee (1796).

In the War Between the States, the Skirmish of Big Creek was fought partly on this farm on November 6, 1863 at a Spears house called "Seven Maples". Confederate soldiers defeated the Union Troops and threw many captured Union guns into what became known as Bloody Pond. Later, Lt. Lazarus Spears, CSA, home on leave, was ambushed by bushwhackers and hung on a persimmon tree in the front field of Webster House. The hat he wore that day is still preserved in the house. Millbend is another landmark house on the property, its land having originally settled in 1782.

The portraits of Joseph Rogers (1763–1833) and his wife Mary Amis Rogers (1764–1833) were painted in 1831 by M. Scarborough. The portraits of Dr. Hugh Kelso Walker, Rogersville physician (1802–1866) (great-grandfather of Mr. Webster), and his wife, Frances Rogers Gaines Walker, are by the well-known Tennessee painter Samuel Shaver. Throughout the house are paintings in oil, watercolor and pastels by Ruth Parke Webster (1890–1965) who lived here all her life. The fireboards are by Washington artist Betsy Edgeworth. In the bedrooms are several of Mrs. Webster's collection of Currier & Ives lithographs. The many antique books were collected by the Drs. Hugh and Joseph Walker families.

The circular Peacock Garden was designed in 1979 by Donald Parker, chief landscape architect of Colonial Williamsburg. The large English boxwoods in front of the house are over fifty years old and all of the smaller boxwoods were propagated from them by Mrs. Webster. Over a thousand boxwood cuttings are planted here annually. The farms raise Aberdeen Angus cattle and burley tobacco. Trees include sycamore, magnolia, hemlock, maple, walnut, cedar, ash, pecan and holly.

Most of the furniture was owned by the Spears, Webster and Walker families. Several pieces were made for Dr. Hugh Walker for his home in Rogersville which he built in 1838. The Walker home is being restored by the Webster Foundation, Inc.●

WILDERNESS PRESERVATION

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. KASTENMEIER. Mr. Speaker, this year marks the 20th anniversary of the passage of the historic Wilderness Act. Senator Gaylord Nelson, one of the great environmentalists of our times, has reminded us of this occasion by presenting an eloquent case for wilderness preservation in the September 4, 1984 New York Times.

Senator Nelson, who is now chairman of the Wilderness Society, has stressed the importance of preserving part of our natural heritage not only for today but for all times.

I urge my colleagues to read Senator Nelson's comments.

[From the New York Times, Sept. 4, 1984]

AH, WILDERNESS! SAVE IT

(By Gaylord Nelson)

WASHINGTON.—Today, and 200 years from now, when Americans want to know what the land looked like when their forebears arrived, they need not resort to pictures in a history book. They can go see the real thing, in no small part because of the passage of the Wilderness Act of 1964.

But as we celebrate this 20th anniversary, we must face the fact that much more remains to be done. The acreage preserved so far has been modest. Less than 2 percent of the land in the lower 48 states has been designated wilderness, and with each passing day there is a little bit less wilderness left to protect.

Congress can help by acting promptly on legislation that would protect land in a dozen states. Most prominent is a California bill designating such sites as the Tuolumne River and the Ansel Adams Wilderness in the Sierra Nevada. This measure, passed in August by the Senate, now awaits House approval, as does legislation for Florida, Utah and Arkansas. Not as far along are bills for Pennsylvania, Colorado, Texas, Virginia and other states. The proposed bills for Wyoming, Montana and Idaho, however, are inadequate because they do not include acreage that clearly deserves protection.

Opponents of wilderness bills, which represent long study and considerable compromise, continue to traffic in myths. They warn that we are "locking up" land needed by oil, timber and mining companies. But surely a country as large and as rich as ours can afford to keep more than just two acres out of every 200 in their original condition. Nor are we talking about land rich in mineral resources. Independence geological surveys indicate that only about 1.2 percent of the nation's undiscovered, recoverable oil is in existing wilderness areas.

In contrast, the recreational value of these areas is tremendous. The Wilderness Act, originally introduced by Hubert H. Humphrey, wanted land set aside for "the use and enjoyment of the American people," and Americans are responding. During the past decade, recreational-visitor days have increased 42 percent, to more than 11 million a year. Wilderness areas are hardly the exclusive playgrounds of the elite as some opponents would have us believe.

Even those who never set foot in a wilderness area can expect to "use and enjoy" this land. Almost half of our modern pharmaceuticals are derived from natural substances. The rosy periwinkle, for example, is the key ingredient in drugs used to treat leukemia and Hodgkin's disease. And because we have yet to tap the potential of nearly 99 percent of the plants that do exist, we should treasure the research opportunities offered by these natural laboratories called wilderness.

Wilderness does many other things for us. The high quality of New York's water, for example, is a direct result of the foresight of those who years ago protected watersheds in the Adirondacks and Catskills. Wilderness limits erosion and the siltation of streams and rivers. It also provides vital habitat for wildlife valued by hunter and bird-watcher alike.

Few of us will leave as bountiful a legacy as that of the great environmentalists—men like Frederick Law Olmsted, John Muir and Howard Zahniser, a director of the Wilderness society whose lobbying efforts did so much to move Congress. But all of us should try. While there is still a little time left, shouldn't we save here and there a few undisturbed remnants of nature's work? Is not a million years or 10,000 of evolving landscape and fragile beauty worthy of our most attentive stewardship? The ultimate test of man's conscience may be his willingness to sacrifice something today for future generations whose words of thanks will not be heard.●

TAX REFORM—ITS TIME HAS COME

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. STARK. Mr. Speaker, we expect to make some difficult and profound tax decisions in the next Congress. The traditional practice of tax reform has been to apply loophole-closing band-aids to the Internal Revenue Code. Unfortunately, history teaches us that this approach cannot cure our sick tax laws, with their patchwork quilt of deductions, exemptions, credits, special preferences, exclusions, offsets, and miscellaneous conditions. Accordingly, tax reform is a process that has frustrated the most optimistic legislator looking for a better, simpler, and fairer way to raise the needed revenue of Government.

Most experts now believe that the process of reforming the tax laws while adding to their length and complexity just will not fly any longer. There is too much grassroots desire for justice and equity in the whole area of tax policy to continue this process. We in Congress have heard the cumulative voice of our constituents and must respond to their concerns.

However, in our zeal to solve this vital problem, we should avoid the primrose path of Reaganomics and its promises of a good national life without tax increases while accompanied by huge deficits. Americans do not want to mortgage their Nation's future to test the specious wisdom of supply-side economic theories. Moreover, our citizens want the Federal Government to continue to play a vital role in the domestic life of this Nation—one that must be reasonably supported by all the people.

The Democratic responsibility in this tax policy dialog is to develop and propose major tax reform legislation that will meet the public's desire for simplicity and fairness while at the same time reflecting the party's traditional concern for evenhanded treatment of all our citizens. It is not an easy task. Thus far, it has been an elusive one.

A recent article in the New Republic provides an excellent summary of what is wrong with Reaganomics. It also explains where the Democrats are in the arena of tax reform and what they must do to deal with the historic challenge posed by the 1984 Presidential election. All of us, Democrats and Republicans, can learn from the ideas discussed in this article.

TAX TANGLES

Whoever is the next President, 1985 will bring a national debate about who shall pay taxes. We have Ronald Reagan to thank for that. There is no reasonable prospect that growth, at any sustainable rate, will be sufficient to ease projected federal deficits. And there is an undisputed consensus that those deficits are a route to national bankruptcy.

The debate will come; but we fear for its quality and its outcome. Already, as has so often been the case in the Reagan years, the conservative side of the debate has sounded a more certain trumpet than the liberal. Conservatives have a very clear theory of economic growth, and a tax policy that logically follows: private capital formation is a source of national wealth; therefore taxes on corporate profits, on dividends, on family fortunes, and on capital gains should be as low as possible, and taxes on personal income should be flat rather than progressive.

That theory, put into practice, has gouged huge holes out of the tax code. Hence the deficit. And it has brought us to a point, according to our friends at Citizens for Tax Justice, where the total base that is given away in loopholes is now almost as large as the base that is taxed. In fiscal 1983 there was eighty-nine cents of tax expenditure for every dollar of tax. In corporate collections, there was $37 billion in tax collections and $62 billion in tax expenditures. There is no evidence that this massive tax subsidy has done much for economic growth. The current recovery is instructively Keynesian, a pure product of deficit spending, and the fact that the rich have been designated to do the spending is immaterial. What has changed is the balance of who pays taxes. If half the tax base is exempt from taxation, then the other half must bear twice the load.

The Reagan years have also given us a brand of tax politics in which the function of the "tax-writing" committees of Congress is less to tax than to spend. Since 1981 the appropriation window has been sealed shut,

but the tax subsidy window has been thrown wide open. Even in the recently enacted "deficit reduction"—a politically painful election-year tax hike—Congress couldn't resist adding several billion dollars' worth of additional special interest loopholes. The tax-writing committees have become prized assignments, not for the innocent pleasure of fashioning national tax policy but for the lucrative vice of servicing corporate PAC-men. The capital formation ideology gives members of Congress and economic royalists ideological camouflage for doing what comes naturally. It disguises the mutual massage parlor as a fiscal health club.

The orgy has gone on so long that tax expenditures at last must take a breather. The next Administration and Congress will spend much of 1985 debating how to raise new revenue. But the danger is that instead of restoring some taxes on the freeloaders, Congress will place an even greater load on current taxpayers, through new taxes on consumption. For liberals are less sure than conservatives of what they believe about taxes and economic policy.

Not so long ago, liberals championed the progressive income tax and shunned consumption taxes as a regressive burden on those least able to pay. Unfortunately, despite the evident failure of supply-side economics, the malarkey about capital formation and tax policy has taken deep root, even in the liberal consciousness. Many liberals who should know better wish to tax consumption on the theory that the United States suffers mainly from a shortage of savings and investment. In reality, America's rates of savings and capital investment have been quite constant since World War II. The net savings rate did fall during the Reagan Administration, but only because the huge federal deficit has eaten up so much of the personal savings supply—another refutation, if any were needed, of the supply-side mythology.

We predict that if Mr. Reagan is reelected, and finally owns up to the need for more revenue, his people will concoct some awful blend of flat-rate income and consumption taxes. The American Council for Capital Formation, which wrote much of the script for the first Reagan tax program, is a good leading indicator of the next ideological fashion. When the Council and its tireless chairman, Charles Walker, begin shifting from wide lapels to narrow ones, it means that Congress will soon be heading for the tailor—or maybe for the cleaners. Lately, Mr. Walker has been singing the prases of value-added taxes. It would seem that the good people of the capital formation lobby have correctly discerned that somebody will bear a hefty tax increase next year, and they want to be sure that this somebody isn't them.

In this climate, Democrats and liberals need to figure out what they believe, and fast. Those among them who truly believe that tax fairness and economic equity are bad for economic growth should have the courage of their convictions and join the Republican Party. The rest should begin looking at proposals like the "fair tax" bill proposed by Senator Bill Bradley of New Jersey and Representative Richard Gephardt of Missouri, which Walter Mondale has been edging toward embracing. Bradley-Gephardt trades a broader base for lower rates, getting rid of most personal tax deductions and permitting a lowering of rates to a top rate of 30 percent, with a vast majority of taxpayers paying only 14 percent. It greatly simplifies the tax code, but without sacrificing the principle of progressivity. The conservative variant of the "flat tax," designed by Robert Hall and Alvin Rabushka of the Hoover Institution, also simplifies the tax code by getting rid of personal deductions, but taxes all personal income at a uniform 19 percent—thereby creating a massive shift in the tax burden from the well-off onto the middle class and the working poor.

Another conservative proposal with perverse appeal to some liberals is the idea that the only income which should be taxed is income that is spent. Under what is sometimes termed a "progressive expenditure tax," a taxpayer could subtract from taxable income all income set aside as savings, and the remainder (that which was spent) would be taxed at a progressive rate. That sounds fine in theory, but in practice it would allow a person with a million dollars in investment income to save $900,000 of it and pay a tax only on the $100,000 that was spent. If that millionaire were taxed at the 30 percent rate on his taxable income, his true tax rate would be just 3 percent ($30,000 out of a million dollars). Why begrudge the millionaire his tax windfall? Not out of "envy," but because there is no evidence that tax incentives are needed to coax savings out of people who can afford to save—and because if those with financial means don't pay taxes, then somebody else has to pay. There is no way that a "progressive" expenditure tax could be anything but steeply regressive. It would codify all the recent peicemeal tax preferences, like the "all-savers" gimmick and the I.R.A. write-off, into a single gigantic loophole.

A look at the tax policy of other nations suggests how nonsensical the claims about tax inequity and capital formation truly are. The world's two top economic performers, Germany and Japan, both have tax systems with fewer loopholes and more equity than our own. Great Britain, with the greatest tax favoritism for capital investment, has the poorest rate of actual investment. One recent study for the National Bureau of Economic Research, by Mervyn King of the University of Birmingham, England, and Don Fullerton of the Hoover Institution—both of them reliably laissez-faire economists—found that the actual economic performance of four major nations was exactly the opposite of what the capital formation school would predict. Germany, with the highest taxes on capital, had the *best* rate of capital formation; the United States with the second highest tax rate on capital (pre-Reagan), had the second best record; Sweden, ranking third in capital taxes, had the third highest capital formation; and Britain, with a negative tax on capital, had the worst performance. Said King and Fullerton: "The results are surprising to say the least."

Japan, with the highest rate of savings and investments of all, has no value-added tax, no consumption tax, lower sales tax rates than the United States, and the highest effective tax rates on corporate profits in the world. With a gross national product one third the size of ours, Japan actually collects more corporate tax revenue than we do. That doesn't mean we can, in a kind of liberal parody of voodoo economics, encourage capital formation by taxing it; it simply means that tax incentives as the premier tool of economic policy have been ludicrously oversold. "Tax laws do not hold the key to the kingdom of growth and prosperity, as a lot of people have been telling us in recent years," Representative Byron Dorgan, the populist former North Dakota state tax commissioner—on the House Ways and Means Committee—has observed. "There is not, on one side, the tax laws, and on the other side, behavior. Those, who assert that are asserting nonsense." (Mr. Dorgan's comments came in an illuminating symposium titled "Less Taxing Alternatives," sponsored by the Democracy Project and Citizens for Tax Justice. The test is available, for $7.50, from the Democracy Project, 145 East 49th Street, New York, N.Y. 10017.)

The brutally Darwinian tax giveaways of the Reagan years and the deficit that resulted now provide an opportunity to rebuild a tax system that is both adequate and fair. Tax reform has always been a thankless cause. The constituencies for loopholes are unbiquitous; the constituency for fairness is ephemeral. Walter Mondale's task as candidate is to challenge not just the artifacts of Reagonomics but the broader ideology which disguises greed as economic necessity. And if by some chance Mr. Modale is elected, he will have to exercise uncommon Presidential leadership to face down the Congressional predilection for tax expenditure. The markup session of any tax legislation to repeal major loopholes will be an olympics of special pleading.

In making his acceptance-speech pledge to raise taxes, Mr. Mondale sought—and got—credit for "boldness." But has yet to show he is prepared to stay the course. If he isn't, he should stick with cowardice, like his rival the incumbent.

Mr. Mondale's "bold" promise to raise taxes was, in fact, artfully ambiguous: the President, said the former Vice President, "will sock it to average-income families again, and he'll leave his rich friends alone. And I won't stand for it." Very well, but what would Mr. Mondale actually do? His statement can be interpreted in two ways. Either (a) he will sock it to the rich and leave average people alone, or (b) he will sock it to both to the rich and to average people. If he meant (a), then his assertion that this constitutes "my plan to cut the deficit" by two thirds is bluster. You can't make a serious dent in the deficit by taxing only the rich. Nor is there much political boldness in promising to raise taxes only on rich people. The only logical interpretation is (b). Yet that opens him up to the charge that he is, well, planning to raise average people's taxes.

Mr. Mondale obviously intended to smoke out Mr. Reagan on the deficit issue, and to some extent he has succeeded. But he smoked himself out, too. Reeling from the inevitable counterattack, he has retreated to his pre-boldness position that any tax increases in a Mondale Administration "would hold the average American family harmless," and in fact wouldn't even touch anyone making less than $30,000 a year. His real targets, he suggests, are incomes over $100,000. It won't wash, because that's not where the money is. And Mr. Mondale risks ending up in the worst of all possible worlds. He could lose the editorial writers by seeming unwilling to face up to the deficit after all. He could lose the political analysts by turning out (one again) not to be "bold." And whatever he does, he'll surely get tarred by the Republicans as an old-fashioned "tax and spend" Democrat.

Mr. Reagan's obfuscations and evasions have been more successful. He began, at his press conference the week after Mr. Mondale's challenge, by saying that he had no plans to raise taxes—except that, well, he

might. His advisers determined that this needed firming up. Mr. Reagan's latest formulation, as we went to press, was: "I will propose no increase in personal income taxes, and I will veto any tax bill that would raise personal income tax rates for working Americans or that would fail to make our tax system simpler or more fair." This clever construction leaves Mr. Reagan with loopholes for either a consumption tax or a Republican-style income-tax "reform" that would place a larger share of the tax burden on middle-class people even while lowering their tax rates.

Although Mr. Mondale has endorsed the general notion of cutting out loopholes and lowering tax rates, he has held back from explicitly endorsing Bradley-Gephart, fearing to offend the denizens of various loopholes. The Democratic Party platform is similarly evasive, thus fumbling an opportunity to make this sort of reform a Democratic issue. It is probably the only way to make a tax increase really digestible. The complexity of the present tax code and the suspicion that others are getting away with murder gripe people almost as much as the amount they have to pay.

Mr. Reagan may yet be backed into the corner of foreswearing any kind of tax increase, however prettily packaged. There are loud voices in the Republican Party insisting that prosperity alone will raise tax revenues enough to solve the deficit problem, along with some (unspecified) cuts in spending. After all, they say, the economy has been expanding at an annual rate of over 7 percent, and if this keeps up. . . . It's the free lunch, its hour come 'round at last. Unfortunately, however, this can't keep up. The growth so far in this recovery has come from putting idle people and factories back to work. That's the relatively easy part. As the economy reaches full capacity, it can only grow through new investment and technological advance—a much slower process.

Nothing threatens that process more than the deficit, and nothing either candidate has said has brought us any nearer to closing the deficit. Mr. Reagan's massive fiscal shell game—his "tax cut" program that was really a massive transfer of wealth from the poor, the middle class, and the future to the well-off—created the present dilemma. Mr. Mondale, in his acceptance speech, shined a light in the direction of the only possible so-

only grow through new investment and technological advance—a much slower process.

REMEMBERING OUR VETERANS

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BILIRAKIS. Mr. Speaker, I want to share with my colleagues a poem which was written by a disabled veteran from my district, Clayton S. Glore. When I read Mr. Glore's poem, it struck me as a moving reminder of how much our Armed Forces veterans and their families have given to their country, and of how much we owe them for their service. As Americans, we cherish our freedom, and we must always remember those who fought to keep America free. The poem, entitled "Remember Me," is as follows:

REMEMBER ME?

(By Clayton S. Glore)

I was a baker until I decided to leave my business and family to fight for the freedom of this New Land.
On September 11, 1777 we engaged the British on a small stream called the Brandywine.
I now lie at rest in Wilmington, Delaware.
Will my family understand why I did not come home and will they remember me?
My father died fighting the British in 1777.
I did not know my father well, he was killed when I was in my teens.
I was a farmer until I joined the Army to fight the British for a second time.
On August 24, 1814 we tried to stop General Ross from crossing the Potomac.
I now lie at rest in Georgetown, Maryland.
Will my son be able to live in peace and will he remember me?
My father died in 1814, fighting to keep this country free.
I was a homesteader until I joined the Army to fight the Mexicans under Santa Anna.
On February 22, 1846 we engaged 18,000 Mexicans at the Angostura Pass.
I now lie at rest in El Paso, Texas.
Will my wife and three sons understand why I had to leave and will they remember me?
Our father died in Mexico in 1846.
My two brothers and I worked the ranch until my older brother got married and took his wife and our Ma back to Indiana. My younger brother left to join the Rebs last year.
I joined up with the GAR in May.
On July 3, 1863 we met the Rebs head on at the Ridge.
I now lie at rest in Gettysburg, Pennsylvania.
Will my brother come out of this terrible war alive? Will he understand why I could not fight on the same side and will they remember me?
My two uncles were killed on July 3, 1863 in Gettysburg.
My dad had to take care of my grandmother, mother, sister and me so he couldn't go to war, thank God!
I was a gunsmith until I joined the Army to fight the Spanish in Cuba.
On July 1, 1898 we charged San Juan Hill.
I now lie at rest in Charleston, South Carolina.
Will my sister stay with my wife and son and will they remember me?
My father died fighting the Spanish in 1898.
I haven't even stopped growing and here I am going to a place I've only read about. I'll be fighting against the Hun and some guy named Kaizer "Bill."
I'm home now and the war to end all wars is over. I own my own newspaper and have a wife and two sons.
My God! They said it would end all wars, but they call this new horror World War Two. Today I received my recall. Here we go again.
Our headquarters was hit on June 3, 1942 by a German bomb.
I now lie at rest in Arlington, Virginia.
Will British historians even remember we were in North Africa and back home will they remember me?
My father was killed in North Africa in 1942.
I was an attorney until I joined the Air Force and went to Korea.
On May 21, 1951, I engaged three MIG fighters.
I now lie at rest in San Francisco, California.
Will my wife and sons be able to make it without me and will they remember me?
My father was killed in 1951 in Korea.
My brother joined the Marines and I joined the Navy.
As a Navy medic I was assigned to the Marines in Hue.
On January 3, 1968 our bunker took a 122 rocket.
I still lie in Hue, listed as Missing in Action.
Will my country bring me home, forget, or will they remember me?
My brother is an MIA in Vietnam.
I am a married career Marine with a son in the Army.
On Sunday, October 23, 1983, in Lebanon, my life ended.
I now lie at rest in Jacksonville, Florida.
Will people always kill in the name of their God and will God remember me?
My father was killed in Lebanon just a few days ago.
I am a Ranger in the U.S. Army. My wife is expecting our first child after the first of the year.
On October 25, 1983 we engaged Cuban 'construction workers' on an island called Grenada.
I now lie at rest near Fort Bragg, North Carolina.
Will people never understand that as a free people some of us will give our all to remain that way?
When will they realize that this country was born, raised, and continued to exist because of me and men like me?
We gave you our lives and left you our names. For all of this, I only ask you remember me.●

A STRONG DEMOCRACY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. GARCIA. Mr. Speaker, an August 30 article in the New York Times entitled "U.S. Investigating Travel to Cuba," raises some serious questions about administration policy restricting travel to that nation. Not only has the administration taken upon itself to enforce, strictly, travel to Cuba, it has also decided to harass a travel agency which facilitates such travel.

The issue of whether or not trips to Havana made by scholars, journalists, and other professionals are legitimate is separate from what the Government is doing to Marazal Tours, Inc., a travel agency that arranges trips to Cuba for American citizens. As the article explains, the Government has subpoenaed records from Marazal Tours to see if that agency is abiding by U.S. law in arranging these trips, as well as to determine whether or not its customers have also abided by the law.

Why should Marazal Tours be harassed because of possible infractions of the law by its customers? It is senseless. It is a great deal of money to

become involved in a law suit, but it is particularly disturbing when the purpose of that law suit is simple harassment. This administration has gone out of its way to encourage free enterprise. That is all that Marazal Tours is doing—participating in the free enterprise system. Unless there is ample evidence of wrongdoing, Marazal Tours should be left alone.

On September 4, the Washington Post ran an editorial on the subject of travel restrictions. The Post editorial concludes by saying:

A strong democracy such as ours has nothing to fear from allowing citizens to see a communist society in operation. And we have a lot to lose by restricting the exercise of this right. Let them all go, grandmothers, journalists, evangelists and political organizers, tourists and fishermen.

We, to paraphrase F.D.R., having nothing to fear with this issue but ourselves.

I am submitting the August 30 New York Times article and September 4 editorial from the Washington Post for the perusal of my colleagues.

[From the New York Times, Aug. 30, 1984]

UNITED STATES INVESTIGATING TRAVEL TO CUBA—WASHINGTON MOVES TO TIGHTEN CURBS—IT SUBPOENAS A TRAVEL AGENCY'S FILES

(By Philip Taubman)

WASHINGTON, Aug. 29.—The Reagan Administration, in an effort to tighten the enforcement of curbs on travel to Cuba, is investigating trips to Havana by scholars, journalists, lawyers and other professionals, Administration officials said today.

They said that the Government has subpoenaed the records of a New York travel agency that arranges most trips by Americans to Cuba.

The Treasury Department, according to the officials, wants to examine the records of the Manhattan travel agency, Marazul Tours Inc., to see if the company and its customers, particularly scholars, journalists and lawyers, have abided by restrictions on tourist and business travel to Cuba that were established by the Administration in 1982 and upheld in June by the United States Supreme Court.

The restrictions, which were designed to support a trade and financial embargo against Cuba, bar ordinary tourist and business travel to Cuba to limit the Castro Government's hard currency earnings from tourism.

PROFESSIONAL TRIPS ARE FOCUS

The Government investigation, according to Administration officials, focuses on about 2,000 trips to Cuba by American scholars, journalists, lawyers and others who traveled under an exemption that permits visits for certain kinds of professional research and meetings.

Administration officials said they suspect some of these visits may have violated the regulations by offering opportunities for tourist trips under the guise of research or attendance at meetings.

The investigation of Marazul and its customers signals a more aggressive effort by the Administration to enforce the travel restrictions, the officials said.

"Because of the Supreme Court decision we feel we are in a stronger position in terms of enforcement," Dennis M. O'Connell, a Treasury official said.

13,000 NAMES TURNED OVER

Lawyers representing Marazul said that one subpoena, served earlier this month, forced the travel agency to turn over to the Government by today thousands of records, including the names of more than 13,000 Americans who have visited Cuba since 1982. Many of them are from the New York area.

Most of the visitors assisted by Marazul were Cuban-Americans returning to the island to see close relatives, one of the categories of travel permitted under the restrictions, according to Francisco Aruca, the owner of the travel agency.

Of more interest to the Administration, officials said, were trips to Cuba by Americans who said they were doing academic research, reporting, or attending business or scholarly meetings. Marazul has arranged about 2,000 such trips since the travel restrictions went into effect, Mr. Aruca said.

AN OUTRAGEOUS INTRUSION

Harold A. Mayerson, a lawyer for Marazul, called the Government investigation "an outrageous intrusion."

He said, "The Government is either trying to harass Marazul and force it to withdraw from arranging travel to Cuba or intends to remove the company's license to handle visits to Cuba. Either way, the goal appears to be to further limit travel to Havana."

A second subpoena asked Marazul to provide the names and addresses of lawyers who recently received a company brochure about a legal conference in Cuba next month. Marazul did not provide the names, reporting that it did not keep a copy of the mailing list, according to Mr. Mayerson. Mr. Aruca said Marazul sent the brochure to about 2,000 lawyers.

Michael D. Ratner, a lawyer at the Center for Constitutional Rights, who planned to attend the legal conference, said the center was considering filing a motion to quash portions of the second subpoena.

NO COMMENT ON INQUIRY

Mr. O'Connell, who is the director of the Treasury Department's Foreign Assets Control Office, the Government agency primarily responsible for enforcing the travel restrictions, said he could not comment on the Marazul investigation.

But he said that, in general, the office reviews travel records to determine whether visits to Cuba fall within the exemptions and "whether the spirit and letter of the regulations are being observed."

He added, "We check to see if the reasons for travel to Cuba have been inflated or distorted in any way. For example, what appears to be a legitimate professional conference may actually have been hoked up to provide a pretext for what is really a tourist or business trip."

Two years ago, shortly after the travel restrictions were imposed, the Treasury Department determined that a Texas travel agency had arranged unauthorized trips to Cuba. The department found that the trips, described as "professional research" by the travel agency, were primarily for the purpose of bass fishing. The agency was prohibited from handling other travel in Cuba.

PENALTIES FOR VIOLATION

A criminal violation of the travel ban carries a fine of up to 10 years, penalties that are applicable to both travelers and those who arrange trips. The Government, however, has relied of a variety of administrative penalties that, in effect, can bar a travel agency from doing business involving Cuba or prohibit people from visiting there.

The 1982 travel restrictions revived a ban on trips to Cuba that was in effect from 1963 to 1977.

In 1983, a Federal appeals court in Boston overturned the restrictions, ruling that in drawing up the regulations, the Administration relied on the 1917 Trading with the Enemy Act, "the relevant part of which had been repealed by the time it promulgated this regulation."

The ruling, which was stayed until further appeal, was overturned in June when the Supreme Court, in a 5-to-4 vote, upheld the travel curb, accepting the Government's argument that cutting off the flow of dollars to Cuba was an urgent foreign policy interest of the United States.

It is unclear what connection, if any, exists between the crackdown on travel to Cuba and current negotiations between Washington and Havana about immigration issues.

[From the Washington Post, Sept. 4, 1984]

DANGEROUS FISHERMEN

Now that the Supreme Court has upheld the administration's regulations reestablishing restrictions on travel to Cuba, the Treasury is moving with a vengence to enforce them. Tourists were first prohibited from visiting Castro's island back in 1963. At the same time, trade and economic sanctions were imposed in an effort to isolate Cuba and to cut off the flow of dollars that might be used to finance communist adventures abroad.

The travel restrictions were removed for a time during the Carter administration, but in 1982 this administration promulgated currency regulations that have the effect of barring travel to Cuba by all except those going to visit close relatives, conduct professional research, engage in official visits or report the news.

The Treasury believes that some travel agencies are trying to get around these restrictions by packaging tours described as "professional research" trips when in fact they are really for sightseers and beachcombers. A Texas travel agency, for example, was penalized for arranging a tour on the pretext that study was intended when the travelers were actually going for the bass fishing, which, of course, would be a dangerous threat to our national security.

The New York Times, in a story this week, reports that a crackdown on tour promoters has now begun in earnest. One Manhattan firm has been forced to turn over travel records of 13,000 clients who have gone to Cuba since 1982. A second subpoena was issued asking for the names of 2,000 lawyers who simply received an advertising brochure about a legal conference in Cuba; the agency has so far refused to comply with this demand.

If you lived through the 1950s all of this may have begun to sound familiar. In those days the government used to deny passports to individuals because of their political beliefs, a practice struck down by the Supreme Court. Though general travel bans such as the one that applies to Cuba have been sustained by the courts, they are bad policy and can lead to the kind of intrusive list-making we now see.

When the government starts compiling dossiers on who travels where and whether the traveler's reasons for doing so are approved, beware. These Reagan regulations

have not specifically been authorized by Congress, and legislators ought to step into the picture to make clear that they intended in earlier statutes to protect the right of Americans to travel.

A strong democracy such as ours has nothing to fear from allowing citizens to see a communist society in operation. And we have a lot to lose by restricting the exercise of this right. Let them all go, grandmothers and journalists, evangelists and political organizers, tourists and fishermen.●

ARE WE SAVING THE SEALS AND LOSING THE PEOPLE?

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. YOUNG of Alaska. Mr. Speaker, Members of both the House and the other body have recently been treated to a barrage of mail urging that they oppose the extension of the Interim Convention on the Conservation of North Pacific Fur Seals. Included in these mailings are stories of seals being "massacred," pictures of the seal harvest on St. Paul Island, and outright untruths about the alleged wealth and sophistication of the Aleut people.

Recently, the Washington Times published an article written by a freelance journalist who visited St. Paul Island and took the time to talk with the people living there. This is one of the best articles I have seen on the subject of the Aleut people and the annual fur seal harvest, produced by someone who has no ax to grind and represents no special interest group. Because of the importance of the Convention to the continued maintenance of the North Pacific fur seal, and to the Aleut people of Alaska, I ask that the article be included in the RECORD.

The article follows:

[From the Washington Times, Aug. 16, 1984]

WHICH SPECIES IS THE MOST ENDANGERED?

ALEUTS, SEALS VIE TO SURVIVE

(By Elinor Lander Horwitz)

Michael Zacharof, the mayor of St. Paul, the larger of the two inhabited Pribilof Islands, tells about the day Alaska Gov. William Sheffield flew in to shake hands with voters during his 1982 campaign.

"I like to kid Bill, so when I took him around and people would say, 'Hey, Mike, who's that guy?' I'd tell them, 'You better keep away from him. He's one of those humane society fellows!' "

Mr. Zacharof, a burly, energetic 47-year-old Aleut Indian, leans back against the teacher's desk and laughs. Seated on tiny chairs in the first-grade classroom of the island school, his audience—11 tourists who have just watched a slick video production about the cultural and economic signficance of the island's summer fur seal slaughter—appreciatively laugh with him.

In June this year U.S. District Court Judge Gerhardt Gesell refused to halt the summer fur seal harvest on this 8- by 14-mile island in the Bering Sea 800 miles west of Anchorage, 1,200 miles east of Siberia. A suit had been brought by the Humane Society of the United States, the International Fund for Animal Welfare, and the Fund for Animals charging that the seal harvesting violates the Marine Mammal Protection Act. The suit resulted from years of opposition by environmental and animal welfare groups, which judge the harvest to be a threat to the survival of the species—seal populations have decreased markedly in recent decades—and also inhumane.

The mayor warms to the sensitive questions of the visitors, who an hour ago would have hesitatingly identified with the position of the plantiffs and who are now indignantly concerned about the future of the largest Aleut community in the world, the 537 citizens of St. Paul Island. If the federal government yields to these pressures and the harvest is stopped there will be no employment on the island, everyone will leave, and the Aleuts will face "cultural extinction," Mr. Zacharof says. He offers to take interested visitors out in his van in the morning to witness the slaughter of 700 seals, which will take place on the killing ground adjacent to the rookery at Northeast Point.

The crew goes out five mornings a week in the summer, rotating rookeries until the limit, a low 22,000 animals this year, is reached. Limits are set by four nations signatory to the International Fur Seal Treaty of 1911. The treaty was enacted to halt pelagic sealing—shooting seals, predominantly females, from boats—a practice that had brought the species to dangerously low levels. Periodically renewed—it was extended for four years in October 1980—it prohibits pelagic sealing, awards the Pribilof harvest exclusively to the United States, and designates the sharing of pelts by the United States and the U.S.S.R. (which harvests seals in the Commander Islands) with Canada and Japan.

At 6:30 it is still too gray and misty at the killing ground to get a reading on a camera loaded with ASA 400 film. The first herders appear over a ridge waving sticks and rattles. Large groups of agitated seals move ahead of them at a remarkable rate, swiveling their heads and vocalizing loudly. Only male seals below breeding age and under 49 inches long may be harvested.

Females are distinguishable in this posture only by head shape. Errors are extremely rare and a man who kills a female seal has not only committed an illegal act but has invited the ridicule of his peers for years to come.

The slaughter is efficiently accomplished. Each person involved is a skilled specialist with a descriptive title. Two "pod-cutters" with clangorous metal rattles bring groups of five to 10 seals at a time to the "stunners," who circle them and strike each seal on the front of the skull with a 5-foot hickory club. The "stickers" pull the limp seals to one side and pierce each one in the heart. The "ripper" opens the belly of the seal and, in one motion, the "peelers" strip the pelt, which is tossed on a pile. The warm red carcasses, neatly lined up on the tundra, steam in the cold air.

All parts of the seal are potentially usable. Some of the seal meat will be consumed by the islanders and some will be shipped to St. George Island, 45 miles away, where sealing was halted in 1972. Pickled seal flipper is a delicacy. The remainder will become dog food, mink food, or bait. Two young boys, one with a knife and one with a stack of Ziploc bags, walk down the rows slicing off genitals for shipment to Korea, where they are valued as aphrodisiacs.

Later the visitors will see the pelts stripped of their blubber and packaged for shipment. Fifteen percent will go to Canada and 15 percent to Japan under the terms of the treaty. The rest belongs to the U.S. government and will be sent to the Fouke Fur Co. of Greenville, S.C., where the coarse guard hairs will be removed and the pelts tanned and dyed. Until recent years the harvest, conducted by the U.S. Department of Commerce, was extraordinarily profitable. An estimated $100 million was taken into the Treasury within a century. But in the past 15 years, due to changes in fashion, sensitivities aroused by environmental activists, and increased costs of harvesting and processing, it has been a losing proposition. Most of this year's pelts will be sold to Western European countries and the government will not even break even.

The fur seal harvest, as a commercial venture, began in the late 18th century when Russian Fleet Master Gerassim Pribilof landed on the islands. The U.S. purchase of Alaska a century later was largely motivated by interest in the fur-seal harvest, which provided Russia virtually all its revenue from the territory.

Today 80 percent (now about 900,000) of the fur seals in the world still come each summer to breed on the volcanic rocks of St. Paul Island, St. George Island, and three uninhabited mounds known as Otter Island, Walrus Island, and Sea Lion Island.

The human population is virtually entirely made up of descendants of Aleuts brought by the Russians from Unalaska, Atka, and other islands of the Aleutian chain to harvest the seals. The Aleuts adopted Russian names and were converted quickly from their shamanistic religion to the Russian Orthodox church.

The persistence of the Russian tradition is remarkable. Worshippers at the church of St. Peter and Paul chant the services on successive weeks in Slavonic, Aleut, and English. Landmarks on the island are Tolstoi Point, Zapadni, Kitovi, and Lukanian Rookeries, Polovina ("half-way point") Hill, and a cinder-cone crater dubbed Bogoslof. Names over the doorways of the shabby frame houses are: Stepetin, Philemonoff, Melovidov, Esmilka, Kochergin, Buterin.

Although fewer than 100 people are employed in the seal killing and processing, and those only seasonally, the industry is still virtually the only source of jobs on the island.

In the 1960s the islanders achieved full Civil Service wages, the federal government continued to subsidize maintenance of roads, buildings, power plants, and other services, sales plummeted, and profits sharply decreased. In recent years the federal government has been putting $5-6 million annually into the island; taking approximately $1 million out.

"We were slaves of the Russians for 100 years and slaves of the U.S. government for 100 years," Mr. Zacharof says, reviewing a litany of complaints about the heavy-handled paternalism with which the U.S. government ruled the island before the 1960's.

In 1982 a pullout ("transfer of responsibility") was proposed by the administration. This year, the fur harvest was turned over to the native Tanadgusix ("our land") corporation, and the corporation was paid $500,000 to run it this summer. Subsidies were withdrawn and the islanders given a trust fund of $20 million to help them over

the period requested to establish an alternate economic base.

Fishing has always been put forth as an alternative industry for the island. Although the Pribilofs are surrounded by the world's richest bottom fishing grounds, neither St. Paul nor St. George had a serviceable harbor. This summer the first phase of a major harbor construction project is under way. The venture, which will cost $25 million, is being funded by the state of Alaska. Mr. Zacharof warns that all this will take years. He says that anxiety about the future following the abrupt federal government withdrawal is the reason for the island's distressing high rate of alcoholism and for a rash of suicides that led recently to the deaths of five young men.

Mr. Zacharof anticipates new job opportunities and increased revenues from another source as well. He invites suggestions from the visitors on how tourism, which will bring approximately 900 adventurers to the island this year, can be increased. The 1984 Fodor's Alaska lists the islands in its final pages under "The Most Remote Areas," describing them as "almost in tomorrow in time and next door to Siberia in space," visited only by "inveterate travelers addicted to way-out destinations."

The tourists come between June 1 and Sept. 1, laden with cameras, binoculars, telescopes, and field guides—generally on three- or four-day package tours from Anchorage that include transportation, lodging, and guided bus trips mornings and afternoons. Visitors sleep in the rickety frame King Eider Hotel, at considerable expense, in rooms furnished with unmatched narrow twin beds, a small ceiling light, a sink. Meals are served cafeteria-style at the restaurant down the road where the adventurous are invited—at shameless prices—to try seal steak, which tastes rather like venison.

Not to worry. The visitors didn't come to the Pribilofs for luxury. They came for the red-legged kittiwake. They came to this foggy windy speck in the sea to acquaint themselves with the most spectacular seabird colony in the world. They came to identify and enjoy the wild flowers of the sub-Arctic tundra which lavishly coat the treeless island with yellow, blue, lavender, purple, and pink blossoms. They came also to observe the overcrowded community of squirming, barking, birthing, copulating Arctic fur seals. They knew about the harvest, did not plan to watch it, and felt as a certainty that it was a national disgrace.

By the second day the visitors are insiders. They have listened to the issues and they feel involved. Things are more complicated up close. They call the mayor "Mike" and walk up the hill after dinner for a pricey sundae at the little cafe the Russian Orthodox priest and his wife run in the basement of their home.

What will happen to these people? Why don't the humane society folks lay off the seals and do something about the poor minks?

In summer the sun sets over St. Paul Island at 1:30 a.m. by the third night the tourists, who will rise early to down fried eggs and reindeer sausage and try once more to catch a look at the McKay's bunting, lie restlessly in their undersized beds in the King Elder. They draw the heavy curtains at 10:30 p.m. and listen to the raucous shouts from the town bar, and the calls from the 18-hour-a-day baseball game on the nearby diamond ("Hit it, Dmitri, you jerk!"). Three-wheeled "all-terrain" vehicles roar back and forth on the scoria—volcanic ash—roads, at speeds inspired by boredom and booze.

The island begins to seem a dispirited and dispiriting place. The visitors are naturalists and they want to maintain their integrity. They yearn for a solid point of view. No one knows why the fur seal population has fallen and few researchers point to the harvest.

Will the fur seal treaty be renewed in October and the harvest thereby continued for another four years? Most people think yes. Some feel the issue will be so unpopular that the administration will not permit it to surface near election time. All predict that environmentalists will wage a strong counterattack when it reaches the Senate for ratification. Michael Zacharof traveled to Washington last year to tell congressmen that the treaty must be signed and the harvest continued.

In a memorable speech he declared, "The Aleuts are the rare and endangered species of the Bering Sea."●

IN RELIEF OF THE JUNIOR ACHIEVEMENT OF SACRAMENTO, INC.

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. MATSUI. Mr. Speaker, the Junior Achievement has long been recognized as an outstanding organization dedicated toward the education of our youth. Teenagers, through the first-hand experience of operating their own business, gain practical knowledge in such areas as business basics, economic management and applied management. Such training provides our youth with important skills to assist them in embarking on future careers.

The Junior Achievement of Sacramento, Inc, was established to provide teenagers with practical experience in how American business operates. The program, funded through charitable donations and supervised by adult volunteers from the business community, has greatly enriched the educational experience of our youth. Indeed, the Sacramento program has been recognized for its outstanding achievements and contributions to my community.

As a nonprofit, volunteer organization, the Junior Achievement of Sacramento, Inc., qualifies as an organization exempt from taxation. The Junior Achievement of Sacramento, Inc., established and maintained this status with the Internal Revenue Service since its inception. Unfortunately, due to an inadvertent error by a volunteer to the organization, the exempt status of this nonprofit organization has been jeopardized.

Today, Mr. Speaker, I rise to introduce legislation on behalf of this commendable organization seeking resolution of this matter. This bill provides that services performed after June 30, 1977, and before January 1, 1984 in the employ of Junior Achievement of Sacramento, Inc., shall not be treated as employment for the purposes of charter 21 of the Internal Revenue Code of 1951 and title II of the Social Security Act. Furthermore, services shall not be treated as performed after June 30, 1977, to the extent that remuneration for such services is paid after such date. I believe that Junior Achievement of Sacramento, Inc., deserves this extraordinary relief granted by this legislation based upon the following factual information.

The secretary to the volunteer treasurer of this organization inadvertently filed a Form 941 for the quarters ending December 31, 1975, March 31, 1976, and June 30, 1976 and erroneously withheld and remitted FICA taxes with those returns. Upon discovery of these filings, the organization immediately filed Form 941C requesting a refund of the taxes paid. The request for the refund was denied in January 1977.

After that denial, the organization continued to correspond with the Internal Revenue Service regarding the matter, and, upon the advise of their attorney, filed Form 941 and paid FICA taxes for two quarters in 1977 under protest. The Service then refunded the taxes paid for the quarter ended December 31, 1975. The organization immediately wrote to the Service stating that apparently their claim for a refund had been reconsidered and granted. Accordingly, the organization filed Forms 941 and 941C for the quarter ended December 31, 1977 and applied for and received a refund of the taxes paid in the earlier quarters of 1977.

Consequently, the Junior Achievement had every reason to believe that the Service had recognized the organization's exempt status and that the refund for the quarters ended March 31, 1976 and June 30, 1976, would soon be forthcoming. In addition, the FICA taxes originally withheld from the employee in 1976 and 1977 were refunded to the employee. Subsequent to that time, the organization did not withhold any FICA taxes from its employees and filed its quarterly payroll tax returns as an exempt organization. Unfortunately, however, the Service has continued to demand repayment of these taxes.

It is apparent from the chronology of events that upon the discovery of the error in filing taxes, the organization made every attempt to clarify the situation and make amends with the Service. Indeed, the refund of the taxes paid for the quarter ending December 31, 1975, and the quarters in 1977, would indicate that the Service recognized the error and granted the organization's request for a refund due to their exempt status. Furthermore, the organization has continued to file its quarterly payroll tax returns as an

exempt organization and has not withheld any FICA taxes from its employees since 1977; yet the Service refuses to recognize the previous error and still demands repayment.

To persist in collecting these taxes is not only unjustifiable but inequitable. To allow a nonprofit organization such as the Junior Achievement to suffer this burden is inexcusable. In addition, it would seriously impair the organization's ability to continue within the community. Therefore, I urge my colleagues to support this legislation and I respectfully request that the committee grant the immediate consideration of this urgent matter in order that this inequity may be resolved in the near future.

The legislation follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) for the purposes of chapter 21 of the Internal Revenue Code of 1954 and title II of the Social Security Act, services performed after June 30, 1977, and before January 1, 1984, in the employ of Junior Achievement of Sacramento, Inc., shall not be treated as employment.

(b) For purposes of subsection (a), services shall be treated as performed after June 30, 1977, to the extent that remuneration for such services is paid after such date.●

TRIBUTE TO D.B. BOSTICK, SR.

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. HUBBARD. Mr. Speaker, I speak today in tribute to, and in memory of, a long-time friend and constituent of mine, David Beverly (D.B.) Bostick, Sr., of Hopkinsville, KY, who died on August 2 at the age of 85 at Jennie Stuart Medical Center in Hopkinsville, KY.

A native of Christian County, KY, D.B. Bostick was a self-made, self-educated mechanical genius. With only an eighth-grade education, he was chief engineer for the Kentucky Light and Power Plant at age 19. In later years, D.B. was chief engineer at Watts Bar and Muscle Shoals Plants of the Tennessee Valley Authority. After leaving TVA, he opened "Dick's Place" in Hopkinsville, a favorite eating place for people from many miles around, especially area farmers.

D.B. Bostick was a member of the Grace Episcopal Church in Hopkinsville and supported the Elk Club, Odd Fellows, and Sons of the American Revolution. In 1946, he found D.B. Bostick & Son, Inc., which has been in business since that time serving Kentucky and local communities' needs for a quality mechanical contracting firm.

I believe D.B.'s greatest contributions to his fellow men were the love he gave to his family, his unquestioned honesty in dealing with the public, and his success at showing how far a person could go in life; also by his hard work, honesty, and fairness to all people.

Just before his death, one of D.B. Bostick's greatest dreams came true. He had worked long and hard to obtain a patent on his beautiful Bostick bank lamp. He received word that his patent was granted, and his smile upon hearing this good news lit up his hospital room. My wife, Carol, and I will treasure the two bank lamps he gave us as a wedding gift.

I am proud to have represented D.B. Bostick as his Congressman in the U.S. House of Representatives. I am also proud that D.B. Bostick, Sr., and I were friends.

Survivors include his lovely wife, Katherine Black Bostick, of Hopkinsville; a son, D.B. Bostick, Jr., and a daughter, Mrs. Jack (Margaret) Gilkey, both of Hopkinsville; a half brother, Lon Bostick, and a half sister, Mrs. Cecil (Alline) Cornelius, also of Hopkinsville; four grandchildren and two great-grandchildren.

My wife, Carol, and I extend our sympathy to the survivors and friends of this outstanding Kentuckian who was an inspiration to those of us who knew and loved him.●

RUMBARGER CEMETERY ASSOCIATION COMMENDED

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. CLINGER. Mr. Speaker, I feel it is important to recognize the volunteer efforts that have always helped beautify communities throughout the United States and improve the quality of life for all Americans. I rise today to call to the attention of my colleagues the outstanding effort put forth by the Rumbarger Cemetery Association in DuBois, PA.

For over 20 years, the association, which is chaired by Mr. Wallace Lindsay, has been doing renovation on the badly deteriorated burial site. In 1977, the association was able to obtain the deed for the land where the cemetery is located and assure that the land would not be converted into a recreation area.

With continued volunteer help and financial support, the Rumbarger Cemetery can be maintained at its present level. I would like to commend Mr. Lindsay and the association for their outstanding commitment and untiring efforts over the years, and salute the ideals behind all community volunteer efforts across our country.●

POSTCARDS FOR PEACE

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. KILDEE. Mr. Speaker, I am pleased to bring to the attention of my colleagues in the Congress an unusual and inspiring effort to encourage world peace.

The "Postcards for Peace" project began in the Kirkridge United Presbyterian Church in Grand Blanc, MI. The earnest simplicity of this idea belies its scope. On World Communion Sunday, October 7, 1984, each participant will send postcards to President Reagan and Soviet General Secretary Chernenko urging the two to work together for world peace with justice.

"Postcards for Peace" was adopted nationally by the Presbyterian Church (U.S.A.) at its general assembly in June. Since then the project has been growing steadily, embraced by different denominations in houses of worship throughout the country. Individuals of every faith are invited to join in this grassroots effort with a global vision, so that millions of cards will reach the leaders of the world's superpowers and renew hope for international understanding.●

QUESTIONS RAISED ABOUT GRACE COMMISSION

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. FORD of Michigan. Mr. Speaker, the work of the President's Private Sector Survey on Cost Control, popularly known as the Grace Commission, has been discredited in a number of studies by highly regarded organizations.

Both the General Accounting Office and the Congressional Budget Office have raised serious questions about savings proposals in Grace Commission reports. So have studies outside the Government.

Moreover, a review by the professional staff of the Post Office and Civil Service Committee found sections of the report dealing with Federal employees to be so riddled with factual error as to be useless in setting public policy.

Yet the White House, and many of my colleagues as well, continue to embrace the reports as meaningful.

I was delightfully surprised last month when conservative columnist George Will, in the Washington Post of August 9, exposed the Commission's work for what it really is—a stack of recommendations to change public

policy rather than achieve savings through "modern business practices."

I offer the article for the benefit of my colleagues who still labor under the false impression that the Commission offers some magic to save the people's money.

[From the Washington Post, Aug. 9, 1984]

CONSERVATIVE COWBOYS HEAD 'EM OFF AT THE HOOVER DAM

(By George F. Will)

If you have tears, prepare to shed them for one of President Reagan's 2,478 favorite ideas.

He got these ideas from Peter Grace. When conservatives say, "Let Reagan be Reagan," they mean "Let Reagan be Grace." One of the most radical fellows in or around government, Grace, a businessman, chaired the commission that recently rendered 2,478 recommendations for "cost control" in government.

Reagan has seized upon these recommendations as a refutation of the notion that a tax increase will be required to reduce the deficit to manageable proportions. Vowing at a press conference to rely instead on spending cuts, Reagan said, "We have a task force working on 2,478 recommendations . . . of ways in which government can be made more economic and efficient by simply turning to modern business practices."

Reagan has not read the 10-foot-high stack of documentation for the 47 Grace volumes, so he can be forgiven for not knowing that they involve a lot more than "modern business practices." Brigades of public-spirited persons donated their time to the commission, and identified hundreds of possible efficiencies that could indeed save billions of dollars. But most of the large sums pertain not to more efficient administration of policies—not to diminishing "waste, fraud and abuse"—but to changing policies.

For example, the report proposes cutting pensions for more than 5 million federal workers and their spouses. Were Reagan to endorse all 2,478 ideas, he would lose 50 states.

He and other conservatives who use the Grace report to suppress talk of tax increases are, shall we say, selective in their enthusiasm for the particular recommendations. This was shown when Congress recently tumbled over itself in antic haste to send to Reagan a bill that does the opposite of the Grace proposal concerning federal sales of hydroelectric power.

The proposal was that federal power-marketing administrations charge for their electricity something more than mere cost-recovery rates, if not the full rate the market would bear. Congressional conservatives recently had a chance to stop praising and start implementing the Grace recommendations with respect to the Hoover Dam.

Since 1937 the dam has been generating electricity under a contract that guarantees cheap power to parts of Nevada, Arizona and Southern California for 50 years. Although the contract still has three years to run; although Congress has so much work and so little time that it cannot pass even appropriation bills in a timely manner; although the Depression-era Hoover rates are from one-fourth to one-fourteenth those that unsubsidized Americans pay—nevertheless, Congress has rushed to extend for 30 years, until 2017, the cheap sale of this federal resource.

The vote in the Republican-controlled Senate was 64-34, with every senator from west of Missouri voting to continue the subsidy. That is Reagan country, pardner, but it also is where there are other cheap federal power arrangements.

Furthermore, conservative cowboys can spot trouble coming across a far mesa and they saw a slew of troubles in the suggestion that federal resources should be sold at something approaching market rates. Suppose that obnoxious principle were applied to water, or grazing, fees. All those folks whose church-going clothes include cowboy boots and Adam Smith neckties worship at the altar of the Glorious Free Market, but this is hitting close to home.

Conservative Republican senators said (hang on tight—this argument can give you ideological whiplash) it would be "laissez-faire economics—the public be damned" to end federally subsidized rates. They said it is good conservative government-bashing policy to continue this subsidy. Why? Because it is "consumer protection" to prevent big government from charging big (market) rates. Anyway, they said, it is sound anti-government policy to prevent government from going "into business to make a profit." (What happened to Reagan's sound business practices? Hush.) Besides, subsidized power is—stand up and salute, conservatives—a "tradition."

As Mark Twain said, get the facts first—you can distort them later. The fact is that Congress has again demonstrated the real conservatism of modern government, which labors to protect people from disagreeable change.

Twain also said that thunder is impressive, but lightning does the work. The Grace report is thunderous, but Congress must do the work. Will Reagan, who praises the Grace approach, veto the bill by which Congress shreds a Grace idea? No.

Reagan now says he will veto any increase in "personal" income taxes. The adjective is a modifier, modifying his opposition to taxes. His pledge leaves—as it should—lots of kinds of taxes unmentioned. The Hoover Dam vote illustrates why today's 2,479th idea—that tax increases are coming—will not go away.●

EUGENE FISHER, ESQ.

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding member of our community, Mr. Eugene Fisher. As a lawyer, a real estate developer, but most of all, as a humanitarian and a philanthropist, Mr. Fisher has made his indelible mark on the lives of his friends and neighbors in southern California. His contributions to over a hundred charities, organizations, and community service organizations are a testament to his generosity of spirit and his abiding concern for the welfare of others. It is this spirit that reflects the enduring values and greatness of the American people. We are proud to know him and we congratulate the Gateway Hospital Mens Club for voting him their "Man of the Year 1984." ●

DEMOCRACY IN URUGUAY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. GARCIA. Mr. Speaker, the upcoming elections in Uruguay are clouded in controversy. The imprisonment of Wilson Ferreira, leader of the Uruguayan National Party, has cast a shadow over what is hoped to be a move back to democracy in Uruguay.

The State Department has not been supportive of Mr. Ferreira's struggle to participate in the upcoming elections. While it is by no means necessary or appropriate for the United States to interfere with Uruguay's internal politics, it is, nonetheless, important that we openly express our concern over the current state of affairs in Uruguay.

I am submitting for the RECORD an article from the Washington Office on Latin America on the current situation in Uruguay. I am also submitting a letter to the New York Times from Peter Bell of the Carnegie Endowment on United States response to current problems in Uruguay. I hope that my colleagues find both of them useful.

[From the Washington Office on Latin America, July-August 1984]

URUGUAYAN TRANSITION TOTTERS

The June 16 arrest of the controversial Uruguayan National Party leader Wilson Ferreira Aldunate and his son, Juan Raul, as they came off the boat from exile in Argentina cast a shadow over Uruguay's "transition" to democratic rule and unleashed a storm of reaction in Uruguay and throughout the world.

In late 1983, Wilson Ferreira, a former Senator and Minister of Agriculture, was overwhelmingly chosen by the National (*Blanco*) Party as their presidential candidate for the scheduled November 1984 elections. His fate is a litmus test of the sincerity of the Uruguayan military's commitment to a return to democracy, which was interrupted on June 27, 1973 with the illegal closure of the Uruguayan Parliament.

Ultimately, the fate of Wilson Ferreira will be decided by a political, not a legal process.

Wilson currently faces up to 30 years imprisonment for charges which include: "attacking the morale of the Armed Forces," committing "acts capable of exposing the Republic to the danger of a war or other reprisals" and subversive association. The judicial documents indicate that Wilson Ferreira's most serious "crime" is his 1976 testimony before the U.S. Congress which led to a cut-off of U.S. military aid to Uruguay for human rights reasons. Juan Ferreira was indicted on lesser charges, which carry a possibility for release on bail. A judicial holiday from July 1-23 forced postponement of immediate court action on either case.

Wilson's prominence at this current tenuous juncture in Uruguay is apparent. For publishing or broadcasting statements by or photographs of the proscribed Blanco presidential candidate, the Uruguayan generals have closed down newspapers, a radio station and a television channel. National

Party headquarters was raided twice and copies of speeches by Wilson confiscated. In anticipation of his return, the Uruguayan military government restricted domestic travel and prohibited publicity or promotion of demonstrations or rallies. It issued decrees that reiterated the ban on direct or indirect media coverage of Ferreira's activities and warned that "professional agitators" had infiltrated the country.

Despite the various bans and threats, popular mobilization on behalf of the Ferreiras has been widespread. Approximately 20,000 Uruguayans gathered in Montevideo to await the arrival of the ship which carried the Ferreiras back to their homeland. In the weeks since, the streets of Montevideo and other Uruguayan cities have teemed with demonstrators seeking the release of the Ferreiras. The demand of a June 27 peaceful work stoppage included Wilson's release, freedom, elections, amnesty, and democracy.

Likewise, international pressure on behalf of Wilson Ferreira has been considerable. Governments of democratic nations such as Argentina, Bolivia, Colombia, Coata Rica, Ecuador, France, Italy, Mexico, Panama, Spain and Venezuela have called for the release of Wilson Ferreira. While U.S. congressional response has been significant (see Washington in Focus, 6/29/84), the Reagan administration has maintained an extremely low profile. The State Department's only press guidance on the subject expresses the expectation that the cases "will be processed expeditiously with all the guarantees of due process of law."

Although ultimately, the fate of Wilson Ferreira will be decided by a political, not a legal process, the U.S. State Department accepts the legality of Uruguayan military justice and expresses its hope that "this incident does not jeopardize" the return to civilian government. This statement is ambiguous at best, and at worst, indicates tacit support of the Uruguayan government's actions.

In fact, the Uruguayan government leads one to understand that the U.S. government sees eye-to-eye with them on the issue of the Ferreiras. In a June 21 press conference on the subject, Uruguayan President Alvarez remarked, "The [U.S.] Department of State has been very careful not to interfere in the internal affairs of Uruguay by saying, and in this it acted very properly, that the aspiration of the Department of State was coincidental with the aspiration of the Uruguayan Government." (FBIS, 6/22/84.)

By failing to publicly declare its consternation over the arrests, and appearing to side with the Uruguayan military, the United States risks identifying itself once more with the forces of repression in Latin America.

[From the New York Times, Aug. 21, 1984]

WASHINGTON ERROR IN THE URUGUAYAN CRISIS

To the Editor:

In his letter of Aug. 14, Assistant Secretary of State Elliott Abrams defends the Reagan Administration's response to Wilson Ferreira's imprisonment in Uruguary. He states that all of the Administration's actions there are designed to advance the return of democracy.

Mr. Abrams divides Uruguayan opinion regarding the political crisis in that country into two camps—those who believe there should be no transition to elected government without Ferreira, and others who believe "the transition itself is more important than the immediate situation of any individual politician."

From the State Department's weak public statement supporting a speedy and fair trial for Ferreira and from my own discussion with department officials after Ferreira's arrest, it is clear that the Administration has sided with the second camp.

The problem with Mr. Abrams's analysis is that Ferreira is not just "any individual politican." By far the most popular politican in Uruguary, he would undoubtedly be the presidential choice in a free election. Thus, his freedom to run for president has itself become an important symbol of the return to meaningful democracy.

Ferreira's dramatic return to Montevideo marked a critical moment in Uruguayan history. The Reagan Administration should have forthrightly denounced the arrest and trumped-up charges, and urged that all Uruguayan politicians be permitted to participate in the electoral transition to democracy.

The Administration's failure to do so makes the United States seem resistant to the very democracy it seeks to promote.

(Peter D. Bell, Senior Associate, Carnegie Endowment for International Peace, Washington, Aug. 15, 1984.)●

ADVENTURE IN SCIENCE PROGRAM

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BARNES. Mr. Speaker, I would like to call your attention to the excellent work being done by Adventure in Science, a nonprofit, all-volunteer educational group which is aimed at increasing the mathematical and scientific knowledge of elementary and secondary school students. I am proud to have an organization of such devotion to the education of today's youth in my district of Montgomery County, MD.

The program was started 11 years ago in the basement laboratory of Dr. Ralph Nash, a recently retired NASA physicist, relying on donations of time, talent, and equipment to encourage student exploration of any scientific area they choose from "Astronomy to Zoology." The program has blossomed into a second basement laboratory as well as into space at the National Bureau of Standards. During 1983, 94 area students participated and their explorations were guided by 70 area volunteer technical professionals.

"Adventure in Science's" approach is a healthy combination of brief explanations, group discussions, and individually paced work for each student. The students gain a thorough understanding of ideas by conducting simple experiments. It is this kind of hand-on experience that creates a memorable impact.

In today's world of high technology it is important for young people to build and maintain a storehouse of scientific knowledge in order to contribute to and shape the progress of this great Nation in the future. The "Adventure in Science" program should stand as a paradigm for similar efforts to stimulate the scientific curiosity of children who will become the technological leaders of tomorrow.●

AMBASSADOR ROWNY TALKS ABOUT AMERICA'S ARMS CONTROL EFFORTS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BROOMFIELD. Mr. Speaker, I commend Chief U.S. Arms Negotiator Edward L. Rowny for an excellent speech earlier today regarding arms control. With all of the recent discussion about America's arms control policy and the great impact which this issue has on all of us, he chose an excellent time to lay the facts on the line about what America wants to accomplish in the arms control area. I have included excerpts from his speech for my colleagues in the Congress.

Ambassador Rowny told the American Legion's National Convention in Salt Lake City that "one of President Reagan's major foreign policy goals is to reduce the risk of nuclear war through substantial reductions in the United States and Soviet nuclear arsenals." He stressed that the President has worked long and hard, and his team has negotiated patiently, seriously, and flexibly. He also said that by making a number of changes and offering new negotiating initiatives to meet Soviet concerns, our Government demonstrated its genuine commitment to arms control and reducing the threat of nuclear war. According to the Ambassador, no U.S. proposals were ever put on a take-it-or-leave-it basis.

As a 10-year veteran of nuclear arms negotiations with Moscow, he said that the Soviets "have always acted in their own interest" and for that reason they will return to the negotiating table. He also noted that the Soviets have convinced him that they too are interested in reducing the threat of nuclear war.

With these thoughts in mind, I strongly recommend the following thoughts from Ambassador Rowny's recent speech to my colleagues.

REMARKS OF AMBASSADOR EDWARD L. ROWNY TO THE AMERICAN LEGION, SALT LAKE CITY, SEPT. 5, 1984

As Legionnaires, no one knows better than you the importance of preserving the peace. As President Reagan indicated, one of his major foreign policy goals is to reduce the risk of war through substantial reductions in the U.S. and Soviet nuclear arsenals. In seeking to attain this goal, we have worked long and hard, negotiating patiently, seri-

ously and flexibly. We will continue to strive to bring about a peaceful world by reducing or banning those weapons which contribute to fear, danger and instability. But you can be assured we will do so in a way that improves this country's security. Any arms control agreement we enter into must serve the goal of enhancing the security, not only of the U.S., but also simply for agreement's sake—an agreement has to be the right one.

I speak to you as one who cherishes peace. Like you, I have seen war firsthand. In Europe, in Korea and then in Vietnam, I have personally experienced the horrors that result when peace breaks down or when nations are lulled into a false sense of security. Most of us realize the truism of President Reagan's statement that a nuclear war must never be fought and can never be won.

BOLD STEPS BY PRESIDENT REAGAN

Let me state our arms control goals clearly. We seek substantial reductions, lower equal levels, stabilizing and verifiable agreements. In striving to attain a stable balance at substantially reduced levels of weapons, President Reagan has been continuously and closely involved in the arms control process.

President Reagan has taken bold and imaginative steps in his search for new arms control agreements that really have some meaning and purpose. His one and only goal in these negotiations is to help make the world a safer place for us and our children. Does this sound like the President is inflexible and an opponent of arms control?

What the United States seeks is to get away from the type of arms control agreements that allowed increases in strategic forces. In the Strategic Arms Limitation Talks (SALT), we thought we had constrained Soviet strategic programs. To paraphrase former Secretary of Defense Brown, "when we built, the Soviets built; when we failed to build, the Soviets continued to build." In START, we seek to build down, not build up.

The most disturbing aspect of the Soviet buildup is, indeed, the massive growth in their intercontinental ballistic missile capabilities.

The Soviet START proposal would permit the number of ballistic missile warheads to increase by one-half over current numbers, whereas the U.S. proposal calls for a one-third reduction in current warhead numbers. Moreover, our proposal seeks to redress, by way of Soviet reductions, the better than three-to-one advantage in ballistic missile throw-weight the Soviets have over us. Throw-weight is important because it can be used to increase the destructive power and the accuracy of a missile.

MOVEMENT AND FLEXIBILITY IN START

The United States proposal seeks to make deep reductions in the nuclear stockpiles of both countries. During the year-and-a-half of negotiations, we painstakingly explained our proposals to the Soviets, relying on one underlying premise, namely that we and the Soviets want a more stable strategic relationship. In some cases, the Soviets agreed with our views; in other cases, they didn't. In response, to the stated concerns of the Soviets, the President authorized me to make significant modifications and to propose new and different initiatives in a search for common ground. No U.S. proposal was offered on a take-it-or-leave-it basis.

In the course of the negotiations, the Soviets made some extreme and unfounded charges about the effect the U.S. START proposal would have on Soviet strategic forces.

The Soviets' main assumption was that the U.S. proposal would force the Soviet Union to build new strategic systems. The image the Soviets tried to convey was that of a country eager to beat its swords into plowshares, forced against its will, by the U.S., into a crash program to acquire weapons it had no desire for. This image does not stand up to close scurtiny. Indeed, it is evident that the Soviet Union has not stopped producing new weapons; it has not stopped testing new weapons; it has not stopped deploying new weapons. Instead, it has vigorously moved ahead on all fronts.

GRADUAL EVOLUTION TO STABILITY

Critics of our policy who say we are asking too much of the Soviets can't have it both ways. How can these critics accuse us of not doing enough, or not being serious about arms control, and then say that our proposals for large reductions, even banning some weapons, are too much or are more arms control than the Soviets will accept? How can we and the Soviets move to a more stable relationship without getting rid of dangerous and destabilizing missiles? How can there be reductions without getting rid of something? But the bottom line is that we do not seek to force the Soviets to restructure radically. Rather, we are encouraging a gradual evolution to more stabilizing systems.

Another major allegation the Soviets made was that the U.S. proposal would cause the Soviet Union to make severe reductions while U.S. forces remain unaffected. This is not true. The United States would also be required to make substantial reductions. I want to emphasize that our reductions would not be trivial and would not be limited only to the elimination of old, unwanted systems.

At this point, let me comment on the freeze. A freeze would do nothing to diminish the existing nuclear threat. Negotiating the terms of a freeze, to say nothing of provisions for verifying a freeze, would derail any negotiations on reducing nuclear arms. The only thing a freeze would do is reduce any incentive the Soviets might have to negotiate the reductions we have proposed. A freeze would prevent the introduction of newer, more stabilizing systems, and would thereby perpetuate the existing dangerous strategic imbalance that results from the high levels of Soviet destabilizing weapons.

THE RECORD OF START NEGOTIATIONS IN 1983

From the beginning of START in 1982, President Reagan showed a great deal of flexibility in efforts to move the talks toward an agreement. First, some background. At Eureka College in May 1982, the President proposed a reduction to 850 ballistic missiles—one-half of the current U.S. level and a reduction to 5,000 ballistic missile warheads, a one-third reduction from current U.S. and Soviet levels. At Eureka, the President also proposed that the negotiations focus first on the most dangerous and destabilizing systems—ballistic missiles. We did not, however, neglect the other elements of strategic forces and heavy bombers. From the outset of START, the U.S. proposed equal numbers of heavy bombers at levels well below what would have been allowed by SALT II.

But the Soviets did not want to reduce as much as we did. And the Soviets claimed that by focusing on missiles, we were attempting to hide something. In the spring of 1983, we met the Soviet concerns by modifying our proposal in three ways. First, because the Soviets would not come down to 850 we changed our proposal to be closer to theirs. Second, because the Soviets wanted to negotiate on all systems simultaneously, we put everything on the table at one time. Third, we told the Soviets they need not reduce their 3-to-1 advantage in missile throw-weight down to equality. We, of course, would prefer equality sooner, not later.

Thus, as a result of our willingness to try new initiatives and show flexibility in order to move toward an agreement, a great deal of progress was made during the spring and summer of 1983. More progress was made than is generally recognized.

TRADEOFFS PAVE THE WAY FOR REAL PROGRESS

We believe our proposal for trade-offs, which we introduced in the fall of 1983, could pave the way for an agreement. For example, we are prepared to reduce submarine-launched ballistic missiles and bombers and to limit the number of air-launched cruise missiles we might otherwise be allowed to build. We are willing to reduce or limit those weapons which are of concern to the Soviets if they reduce or limit their weapons which are of concern to us. We also introduced the build-down concept which calls for reducing more weapons than are added for modernization. This concept is more important because it marks the beginning of a bipartisan approach to arms control in the Congress.

SOVIETS REFUSE TO RESUME START

No one can predict what the Soviets might do. When they walked out of the intermediate-range negotiations, they did not say they would *not* return to START. They simply said they would not return to START until they completed their reassessment of the strategic situation. Based on my ten years of face-to-face negotiating experience with the Soviets, however, I am convinced that it is not a question of "if" but "when" they will come back to the table. They have always acted in their own interest and it's in their interest—as it is in ours—to reduce the threat of nuclear war.

ARMS CONTROL AND MODERNIZATION

All this presents a mammoth challenge to the United States. One thing is clear. We *must* continue to modernize our forces. This gives the Soviets added incentive to negotiate. They are cold realists. They have indicated to me that they, too, want to avoid a nuclear war. Similarly, they know that they have no hope in the long-run of competing with the U.S. technologically. Therefore, they have nothing to gain from a costly arms race. Accordingly, in the interests of stability, we must redress the imbalance which was allowed to occur. By doing so we accomplish two goals. First, we take care of our own security by improving stability. And second, we are put in a better position to negotiate an arms control agreement. As the Soviets so often tell us, they don't give up something for nothing.

The Soviets' relentless buildup of multiple warhead, land-based, intercontinental ballistic missiles gives them a potential first-strike force. The Soviets have deployed over 800 heavy and medium ICBMs including 308 massive SS-18s.

The Peacekeeper, MX, missile represents a limited response to this lopsided advantage the Soviets have in their 800 medium and heavy ICBMs. And this response is one of moderation. We intend to deploy only 100

Peacekeeper missiles, one-half the number proposed by previous Administrations.

In the final analysis, deterrence of nuclear war is our goal. We can get there by matching the Soviets, which we don't want to do. What we aim to do is to achieve deterrence which at the same time enhances stability.

AN HISTORIC OPPORTUNITY

Let me leave you with several thoughts. I believe that there is an historic opportunity before the United States and the Soviet Union to reverse the accumulation of nuclear arsenals on both sides.

Without giving up our basic principles or abandoning our long-range objectives, we changed our proposals to meet the major concerns the Soviets had with them. To our pleasant surprise, the Soviets changed their original proposals in several ways to meet our concerns. As a result, and contrary to the general public perception, we made a substantial amount of progress in START prior to the Soviets leaving the table.

President Reagan has gone farther than any other President in the breadth, the content, and the depth of his arms control proposals. He has sought substantial reductions, even the total elimination, of more types and more categories of nuclear weapons than any of his predecessors.

If all we wanted is an agreement, for agreement's sake, I can assure you I could have brought one home in 1983. But I, like President Reagan, want real arms control, real reductions, a real reduction of the threat of nuclear war. I remain convinced that we can, with patience and with your continued support for the President's modernization programs and his arms control policies, reach an equitable and verifiable agreement with the Soviet Union. Such an agreement is one of President Reagan's main goals.●

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. EDGAR. Mr. Speaker, in the whirlwind of the election year and given the chilled relations between the United States and the Soviet Union since the downing of KAL 007, it is all too easy to forget the people who comprise our world. Within the context of political primaries, national conventions, and even the Olympics, we tend to forget about the vast number of individuals and families who live out their daily lives under the shadow of fear.

But in the excitement of this summer's activities, the plight of Andrei Sakhorov and his wife, Elena Bonner, brought home to the American public the stark realities faced by dissenters in the Soviet Union. Even now, the exact whereabouts of the couple are unknown. As we return from our home districts to finish the business of the 98th Congress, I would like to take this opportunity as part of the 1984 Congressional Call to Conscience Vigil for Soviet Jewry to remind my colleagues of the continuing struggle of Jews in the Soviet Union.

Although their goals and means are peaceful, Jews who wish to leave the Soviet Union and emigrate to their homeland of Israel face harassment and arbitrary imprisonment at the hands of Soviet authorities. These people are the victims of a continuing tragedy—a situation exacerbated by the ailing relations between the United States and the Soviet Union and worsened by the failing health of the Soviet leader, Konstantin Chernenko. In July, a scant 85 of the thousands of Jews seeking to emigrate left the Soviet Union. As Members of Congress, it is our responsibility to voice the loud calls of our constituents on behalf of Jews in the Soviet Union.

As a member of the Congressional Human Rights Caucus and activist on behalf of Soviet Jewish refuseniks and other prisoners of conscience, I personally realize that progress in the field of human rights is often slow and agonizing. Individual cries for reform often fall upon deaf ears, but together we can make a difference. In the spirit of international cooperation, we must continue to urge Soviet leaders to reverse their policies and to let Jews freely emigrate to Israel. It is only through coordinated and concerted action on all levels that attention is drawn to individual cases and to the problem as a whole.

Next week, you will be receiving a "Dear Colleague" from me asking you to sign a letter to Konstantin Chernenko on behalf of Yakov Mesh and his family. Yakov Mesh, his wife Marina, and their son Marat, all of Odessa, have been seeking to emigrate to Israel since 1977. Their request has been repeatedly denied and the family have been constantly harassed and frequently detained by the KGB. As part of this body's overall effort on behalf of Soviet Jewry, I urge you to sign this letter on behalf of the Mesh family.

In closing, I would like to praise all of those who have struggled on behalf of Jews in the Soviet Union and urge others to become actively involved in this effort.●

SOVIET HARASSMENT OF JEWISH REFUSENIKS

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. SIKORSKI. Mr. Speaker, as a participant in the Union of Councils for Soviet Jews Call to Conscience Vigil, I would like to call to your attention the plight of Tashpulat and Lelia Katanov, and their two sons Igor, age 15, and German, age 12. Thank you for this opportunity to speak on their behalf.

The Katanov family, like so many other Soviet Jews trying to leave the Soviet Union, are classified as refuseniks. The term "refusenik" is an international word which describes a Soviet Jew who, having been consistently refused permission to emigrate to Israel, is harassed by the KGB, usually dismissed from work, and lives in fear of arrest and trumped-up charges which could result in imprisonment.

Tashpulat first applied for a visa to emigrate to Israel on June 28, 1979, but was refused permission on August 25, 1979. Both Tashpulat, technician, and Lelia, economist, were immediately fired from their jobs, cutting them off from their sole source of income. When Tashpulat applied for a second time, he was once again denied permission to emigrate, without reason or explanation from Soviet authorities.

The Katanov family suffers from another dilemma. As with all Jewish refusenik families, there is concern that as Igor gets close to finishing high school, he will become eligible for the military draft. If he refuses to serve, he could be imprisoned for up to 3 years. However, after being in the military for the required term, he could then be detained indefinitely on the grounds of knowing "military secrets."

I need not remind you of the horror stories that have befallen Soviet Jews seeking to emigrate. As members of the U.S. House of Representatives, we must raise our voices in support of the plight of the Katanov family and other refuseniks who have been denied their fundamental freedoms.●

PAYING TRIBUTE TO THE AMERICAN LEGION POST 33 BASEBALL TEAM OF STEUBENVILLE, OH

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. APPLEGATE. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the achievements of the American Legion Post 33 baseball team of Steubenville, OH. For the fourth time, Post 33 has captured the Ohio American Legion baseball championship.

Post 33 culminated its successful season by beating Ashtabula Post 103 by a score of 11 to 3 at Ohio University on August 10, 1984. Steubenville had successfully maneuvered itself through the double-elimination tournament in the minimum of just five games. After obtaining the State title, the team went on to the Great Lakes regional tournament, and while not totally successful there, did make an impressive showing.

Post 33 had previously captured the State title in 1964, 1978, and 1979. The

first three titles came under the leadership of Ang Vaccaro, who retired from coaching at the beginning of the 1983 season. Vaccaro was succeeded by Coach Chuck Watt, who in just 2 years has accumulated an outstanding record of 75 wins and just 20 losses.

Mr. Speaker, I ask that my colleagues join me in paying tribute to the young athletes, coaches, and managers of Post 33 who have brought honor to the city of Steubenville and the State of Ohio.●

OLYMPIC GAMES AND INTERNATIONAL UNITY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. SCHUMER. Mr. Speaker, I would like to praise the overwhelming spirit of unity present at our 1984 international Olympic games in Los Angeles. The games were symbolic in that they served to emphasize that diverse nationalities can flourish in a climate of international cooperation, working toward a common goal of athletic excellence.

I am particularly proud of Chris Mullins, one of my constituents, who was a member of the U.S. Olympic basketball team that brought home the gold. Chris proved to be one of the more dominant and explosive players on the team, and has a history of excellent defensive play.

Chris Mullins graduated from Xaverian High School in my district. Currently projected as a first-round draft pick in the NBA, Chris has a healthy list of awards behind him. He was a member of the Big East Conference all-rookie team and was selected Big East Player of the Year. He received the Haggerty Award for best player in the New York area; was selected to the U.S. Pan-American team; and garnered a UPI first team all-American position.

Chris is presently in his senior year at St. John's University, where he benefits from the advice of basketball coach Mr. Lou Carneseca.

I wish Chris Mullins continued success in his basketball career. He is an excellent example of what hard work, perseverance, and talent can accomplish.●

COMMUNITY CHILD WATCH WEEK

HON. HAROLD S. SAWYER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. SAWYER. Mr. Speaker, it is with pride that I would today like to recognize the week of September 15-22 as Community Child Watch Week in my home State of Michigan. Because of the efforts of citizens in Grand Rapids, Community Child Watch was created 5 years ago. Its creation was in response to the need for a program to protect children when they are away from home. Police departments, school systems, and community agencies work together to train volunteers and observe and report any situation which might be dangerous to children. Volunteers over the age of 18 complete an application to join in the effort and attend a 1-hour training session. After the session, each volunteer receives a handbook and a window poster that shows neighborhood children where they can go for emergency help. It also helps prevent crimes of all kinds, and teaches children how to use child watch volunteers and how to keep themselves safe.

I'm very pleased to see the residents of Grand Rapids, as well as the State of Michigan, taking such an active role in preserving the safety of our children. It's our responsibility to collectively take every precaution to provide a safe and secure environment for our children, and this child watch program makes a tremendous contribution to that goal.

I'd like to thank the volunteers of the Community Child Watch program for their dedication and their commitment to this worthy cause, and I wish them sucess in their celebrations on Saturday, September 15, in promoting Community Child Watch across Michigan.●

JOSEPH ATIYEH, OLYMPIC MEDALIST

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. RITTER. Mr. Speaker, I would like to pay tribute to Joseph Atiyeh, the first person representing Syria in an Olympiad to win a medal. He won a silver medal in the 220 pound freestyle wrestling class. He also had the honor of carrying the Syrian flag during the opening ceremonies.

Joseph was born in Syria and raised in Allentown, PA, in my congressional district. He holds both American and Syrian citizenship. Joseph was a two-time all American at Louisiana State University. After winning the silver medal, he was presented the Syrian Merit Award for Excellence by Syrian President Assad, and received a hero's welcome while touring Syrian villages and cities.

He will be recognized at a victory celebration in Allentown, PA, on September 7, which will include many dignitaries and myself. The celebration is being sponsored by the Lehigh Valley Arab-American Community. I congratulate Joseph on his fine accomplishment and also would like to commend our Lehigh Valley and our Nation's Arab-American community for their unique contribution to our ethnic heritage.●

IT'S TIME FOR ADMINISTRATION TO LEAVE MOTHER GOOSE LAND

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. FLORIO. Mr. Speaker, over the past several years, Congress, the States, and many others have tried to tackle the problem of acid rain in a variety of ways. However, as we have learned, acid rain has proven to be one of the most difficult issues facing the Congress and our Nation today.

It is an issue that has pitted North against South, East against West. In short, it is an issue that has created its own Civil War.

Some, namely the administration, seem to think that by simply pretending acid rain isn't a problem, it will some day disappear and our problems will be over. However, contrary to the administration's "let's-pretend-it-doesn't-exist" approach, I believe acid rain is a real problem, a problem that should be addressed now, and not left under the microscope for years to come.

We are beyond the point of simpy talking about acid rain, its cause and effects. We must act now if we are to save our lakes, rivers, forests, and wildlife from irreversible contamination. The time has come to develop and implement a sound Federal policy to stamp out acid rain.

As the editorial below suggests, it is time for the administration to leave Mother Goose land and face reality: Acid rain is destroying our country's natural resources; resources which, once gone, will not come back again some other day.

The article follows:

[From the Philadelphia Inquirer, Aug. 28, 1984]

PANEL'S ACID-RAIN REPORT SHOULD BE MADE PUBLIC

The Reagan administration's position on acid ran is becoming a parody of a nursery rhyme—"Acid rain, go away, come again some other day"—and is just about as childish.

Since March the White House has suppressed a report, written by an independent panel of top scientists commissioned by the Reagan administration in 1982, that recommends immediate strong action to combat acid rain damage to the environment. And on Sunday, Environmental Protection Agency Administrator William D. Ruckelshaus, appearing on ABC-TV's This Week with David Brinkley, had the temerity to

criticize the panel for recommending that action be taken.

In a truly dismaying statement, Mr. Ruckelshaus said:

"What the scientists have done . . . is to go from the assessment of the risk—what the nature of the problem is—and jump in and start telling people what to do about it. That is a mixed scientific-social-political kind of judgment which is up to the Congress, the President and policy-makers to make."

Having said that, Mr. Ruckelshaus went on to advise environmental groups to muffle their opposition to the administration's policies during the election campaign. "Many of the groups . . . stood in the Rose Garden in September 1980 and endorsed President Carter's re-election," he said. "They're still mad at the President. I think it's unfortunate. I don't think they ought to do that. I think it denigrates from their own credibility."

Welcome to Mother Goose land. If anybody's credibility on environmental concerns is on the line it is Mr. Reagan's and nothing makes the point clearer than his handling of the acid rain issue. Not all the answers are known about acid rain, which is doing untold damage to the environment of the Northeast and Midwest, but it is generally blamed on sulfur dioxide and nitrogen oxide compounds discharged into the atmosphere by power plants and automobiles. As Congress has debated proposed steps to reduce acid rain, the Reagan administration has argued that the exact cause and effect were unknown and that more study was needed. Thus, the President appointed the panel to make an independent review of the problem.

If the administration believes that its policy is right, there is no good reason why the panel's report should not be made public. And there's absolutely no reason why acid rain and other environmental concerns should not be issues in the election campaign. The nation needs to begin reducing the damage that acid rain is causing, and the only way that can be done intelligently and effectively is for the public to have the facts. By refusing to release the panel's report President Reagan apparently would like acid rain to go away and come again some other day. It won't.●

STATEN ISLAND BOROUGH PRESIDENT ANTHONY GAETA RETIRES

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. MOLINARI. Mr. Speaker, it was announced today that the borough president of Staten Island, Anthony R. Gaeta, will be retiring in November. Tony Gaeta has been one of the most popular elected officials in the history of New York City politics. He is a man who has amassed armies of friends and, amazingly, virtually no enemies.

Mr. Gaeta began his career as a tax assessor for the city of New York in 1949. He was the administrative assistant for Congressman John M. Murphy for 10 years and was subsequently elected to the position of city councilman. In 1977, he was elected as the borough president and has held that position since that time.

Mr. Gaeta's greatest quality is that he is a man of the people. His door at borough hall has always been open and it does not matter whether the person entering that door is a Democrat, Republican, or a member of any other party. Staten Island is the only borough in New York City where there is a viable two-party system. Having held public office myself for 10 years, I cannot recall any time when Borough President Gaeta let partisan politics interject itself into the relationship which I have enjoyed with him.

Those of us who have toiled in the political vineyards have known our share of confrontations, frustrations, successes, and failures. One of the most rewarding experiences, however, is the people with whom you meet and work. Tony Gaeta ranks on the top of the list of the fine men and women that I have worked with in New York City, Albany, and Washington. He is a public servant in every sense of the word.

President Gaeta is intensely interested in the welfare of the borough that he represents and has taken off the gloves and fought for that borough when necessary. He has always found time for his family with whom he enjoys a close, loving relationship. I wish him and his family well in his retirement.

I know that Mr. Gaeta will continue to try to help his fellow man after he leaves office. He has served his borough well and he has served his country well. I salute my good friend Tony Gaeta.●

A TRIBUTE TO THREE OUTSTANDING OLYMPIC ATHLETES

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. ARCHER. Mr. Speaker, today I would like to pay tribute to three outstanding Olympic athletes who have lived and trained in the Seventh Congressional District of Texas which I represent: Mary Lou Retton, Carl Lewis, and Julianne McNamara.

They have been much lauded throughout the world as Olympians, and on behalf of the residents of the Seventh District of Texas, I'm taking this opportunity to extend our congratulations to Mary Lou, Carl, and Julianne for the honor they've brought our area of the Nation. Acknowledgement for their years of training and dedication to represent their country cannot be overstated. Julianne's resplendent, graceful performance; Carl's strong drive and his seemingly effortless accomplishment; and Mary Lou, who entranced the crowds with her excellence and precision.

We should continue to offer our support and encouragement for these amateur athletes who give their all for the pursuit of outstanding achievement. The games in Los Angeles represented our spirit and enthusiasm to all the world. The youth of our Nation holds promise—promise to commitment, integrity, and magnificence.

I know my colleagues join with me in saluting not just these three athletes, but all our Olympians. They have uplifted the spirit of our Nation with their dedication and energy. These young achievers are our hope for the future.●

AGRICULTURE PATENT REFORM ACT OF 1984

HON. MICHAEL DeWINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. DEWINE. Mr. Speaker, on April 26, 1984, I joined with my colleague, DAN GLICKMAN, in introducing the Agriculture Patent Reform Act of 1984. This bill corrects a major inequity that has arisen under our current patent system for agriculture chemicals, pesticides and animal drugs. This bill will go a very long way in assuring American farmers that new and effective products will continue to be available to protect and to increase the yield of their crops and livestock. This bill encourages the marketing of such products.

Patent law was designed to encourage the research and development of new products and technologies. By rewarding those who put forth the initiative, time and capital investment necessary to develop new products we assure our position as a world leader in new technologies. As George Washington said when he urged the Congress to act on our first patent law in 1790, "I cannot forebear intimating to you the expediency of giving effectual encouragement * * * to the exertions of skill and genius in producing * * *" new products. And because today this research and development is very expensive—return on investment is not at all certain—patent protection is critical in spuring economic risk taking and the development of new products. This is the reward we give those who bring new inventions and products to the marketplace.

Since 1861, patent term protection has been set at 17 years. Our laws have asserted that for that period of time the patent holder has the exclusive right to the making, using and marketing of the new product. Unfortunately, the regulatory process

through which these products must travel has become a disincentive to new research and development. This process may take upward of 7 years or more, and all the while the "patent clock" is ticking away. Very quickly a 17 year patent has an effective patent life of 10 years or less.

Now, this does not mean that the regulatory review process should be eliminated. On the contrary, this process has become a necessary assurance of the safety and efficacy of new products. But, neither should we sacrifice our long established policy, as evidenced by our patent laws, of rewarding those who create and develop new products and technologies.

H.R. 6034 serves to remedy this inequity by restoring up to 5 years of the patent life lost to regulatory review and testing. This bill also provides for the term extension to be reduced for any time of the regulatory review period during which the product manufacturer failed to act with due diligence. By doing this we assure the safest and fastest possible marketing of new products. This bill is fair and balanced; it merely restores that which is lost due to Government regulation.

It is important to note that this bill has the support of every major farm group in this country. These groups represent the consumers of the new products this bill will encourage. They do so because patent protection encourages new and better products which make farming more economical by making it more efficient. And in the end, we, the consumers benefit as well.

Mr. Speaker, this bill has been reported out of the House Judiciary Committee and I urge its immediate consideration and passage by this body. This bill is needed and needed now.●

WELCOME TO OUR NEWLY NATURALIZED AMERICANS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. GILMAN. Mr. Speaker, it is with sincere pleasure that I congratulate the residents of New York's 22d Congressional District who have recently chosen to become citizens of the United States, with all of the privileges, freedoms, and responsibilities that American citizenship entails.

Our Hudson Valley region in New York State is proud of its newest citizens, and I invite my colleagues to join in welcoming the following newly naturalized Americans and extending to them our best wishes for a happy and prosperous life in their new homeland:

Mr. Abe Mannoopermpil Abraham, Mr. Asmath M. Abrahim, Ms. Rosa Ines Acevedo, Mr. David Nahum Adler, Ms. Maria del Carmen Aguiar, Ms. Virginia Aguilar, Ms. Marcelle Aine, Ms. Letizia Albiani, Ms. Christine Albrecht, Mr. Lindon Desmond Alexander, Ms. Lesly Renaud Alphonse, Ms. Elsy Andrews, Mr. Ida Annunziata, Ms. Huguette Antoine, Ms. Remedios Aranzamendez, Mrs. Maria Rosa Arca, Mrs. Millicent Arneaud, Mrs. F. Asturias, Ms. Danie Atisme, Ms. Marie Clauzite Atisme, Mr. Fehmi Numan Aydin, Ms. Avelina Aguas Ayson, Mr. Benjamin Santos Ayson, Ms. Marie Anne Lina Azard, Ms. Roldye Michel Azard, Mr. Kanagasabapathy Balendran, Mr. Luis Batapa Barredo, Mrs. Fanny Barrero, Mr. Joseph Basch, Mrs. Loris Johnson Batten, Mr. Ulrick Beauvilaire, Mr. Dan Beit-Halahami, Mrs. G. Bhanusali, Mrs. Esther Bickel, Mr. Jacob Bickel, Ms. Yelva Blain, Ms. Leslie Arnold Bloom, Mrs. Salka Bloom, Ms. Linda Bohleke, Ms. M. Bonhomme, Ms. Noris Remigio Bonilla, Miss Liliana Joana Bornstein, Ms. Justa Boursiquot, Mr. Aba Breisch, Mrs. Philippa Jane Broadhurst, Mr. Haron Bruck, Mr. John Bucek, Mrs. Edith Armida Buckley, Mr. Stanley E. Bulua, Mr. H. Caballero, Ms. Marina Cabrera.

Mrs. Nella Durante Calabertta, Mr. Azarian Campbell, Ms. Elena Capatina, Mr. Jack Cappel, Mr. Generosa Lazarte Carlos, Mrs. Anita Lara Castro, Mr. David Docosta Catlyn, Mrs. M. Catwell, Mr. S. Cerbolles, Mr. Raymond Delroy Chang, Mr. Peter Hsiu-Huang Cheng, Mr. Marc Dominique Cherimond, Ms. Marie Myrlande Cherimond, Mr. Bal Krishen Cherwoo, Mr. Jean Joseph Chery, Miss Mirlande Chery, Ms. Yichung Reneee Cho, Mr. Chi-Che Chu, Mr. Tsu-Yi Chu, Ms. Tsuling Chu, Mr. Man You Chung, Mr. Cesar S. Clemente, Ms. Rosita Agpalo Clemente, Ms. E. Clohessy, Mr. Alfred Signson Co, Mr. Herman Melvin Copeland, Ms. Lillian Cornejo, Mr. Carmine Cortese, Mrs. Maria Mercedes Costa, Mr. Hub Shop Road Coutable, Ms. Sylviane Eliane Coutable, Ms. Gina Cueva, Ms. Terisita Mirella Cueva, Ms. Gail Cunard, Ms. Shamita Das, Mr. John Daskkalis, Mr. Jonathan William Dator, Miss Amanda Suzanne DeMeola, Mrs. Carna Debora, Ms. Elizabeth Catherine Deevy, Mr. Walter W. Delgadillo, Ms. Lucie Demossthene, Ms. Marie Sonia Demosthene, Mr. Kedar Shashi Deshpande, Mr. Shailesh Shasi Deshpande, Ms. Natale DiIorio, Ms. Rosario Diaz.

Mrs. Noemi Oliveira Diniz, Mr. Oliamas Souza Diniz, Mr. Dean Joseph Doherty, Ms. Bibliane Marie Dolne, Ms. Endamise Dolne, Mr. Amado V. Dolorico, Mrs. Sonio T. Dolorico, Mr. Jose Mauricio Domingo, Mr. Raoul H. Dominguez, Ms. Charlemagne Dominique. Mr. Gregory Peck Dominique, Mrs. Martha Dorado, Mr. Raymond Dubuche, Mr. John Feinsley Dufrene, Mr. Chatterpaul Dukhram, Mr. T. Dumornay, Mr. Ervin Eidlisz, Mr. Mose Ekstein, Ms. Yita Ekstein, Mr. Efim Ekstra, Mrs. Natalia Ekstra-Rodin, Mrs. Cacheca Veronica Elias, Ms. Nuala Bernadette Emerson, Mr. Horst Karl Eppenbach, Ms. Catherine Ewing, Mr. Henry Eyssallene, Mr. Ibrahim Fadl, Mrs. Linda Esther Fanous, Mr. George Mircea Farcas, Mrs. A. Farmer, Mr. Domenico Federico, Mr. Raphy Kessler Felix, Ms. Juana Altagracia Ferreira, Mr. Zvi Feuerstein, Mr. Pietro Fini, Mr. Vincenzo Fini, Ms. F. Flores, Mr. Samuel Woodrow Fogarty, Ms. Sulina Fontaine, Mr. Eugenio Viado Fontanilla, Mrs. Jocelyn Zosa Forde, Mr. Eusebio Formoso, Mr. Bohdan Gafycz, Mr. Glen Joseph Gairey, Mrs. Sultana Galatali, Ms. Sossi Galian, Ms. Ligia Antonia Garcia, Mr. Leovigildo Antonio Garcia, Mr. Bernardo Hermo Gastelu, Mrs. Rosa Isabel Gastelu, Mr. Nechama Pnina Gelbman.

Mr. John Koickal George, Ms. M. Germosen, Mr. Dhanachai Getbamrungrat, Ms. Monica Hervas Gildore, Mr. Erika Goldberger, Mrs. Freda Goldstein, Ms. Rachel Goldstein, Mr. Arnold Freeman Gomez, Mr. Mario Arnaldo Gomex, Mr. Harry Gorstayn, Mrs. Judy G. Green, Mrs. Winsome D.B. Gregory, Ms. Eva Rita Grunfeld, Mr. Bela Grunhut, Ms. Mireille Guiteau, Ms. Thelma Altagracia Guzman, Mrs. Helga Hackbarth, Mr. Farhad Hakima-Fard, Ms. Clover Winnoah Hall, Mr. Avraham Samuel Hamburger, Ms. Hayah Ahuvah Hamburger, Ms. Miriam Hamburger, Mr. Sayed Ezzeldin Abas Hamza, Mrs. Alice Han, Miss Gaelle J. M. Harris, Mrs. Angalina Harrow, Mrs. Anna Harvey, Miss Tracey Lynne Haskell, Ms. Dang Thi Hill, Garfield Oleto Hines, Ms. Chiewen Lai Hsu, Mr. David Tsung-Hwa Hsu, Ms. Jane Hsu, Mrs. Linda Jung-Yung Hsu, Mr. Deng Ruey Hwang, Mrs. Gloria Irizarry, Mr. Josiah Emmanuel James, Mrs. Liliana Robert Jimenez, Mr. L. Johnson, Mr. St. Fort Joseph, Mr. Frantz Juin, Mrs. Nila Jurado, Mr. Hans Kaplan, Ms. Nazan Karadagli, Ms. Rezzan Karadagli, Mr. Joseph Kavalan, Mr. William Patrick Keaveney, Ms. Rose Kelman.

Ms. Haideh Keshmirian, Mr. Sini Suren Kilerciyan, Ms. Carlene Sunki Kim, Mr. Ko Soo Kim, Ms. Yun Sik Kim, Mrs. Audrey Elsie Klores, Mr. Josh Klugman, Ms. Heike Koenig, Ms. Lea Kohn, Mr. Otto Kohn, Mr. Benno Kollegger, Mrs. Helga Kollegger, Mrs. Anna Kovacs, Mr. Yok Wah Kow, En-Te Kuo, Mr. J. Kwiatkowski, Mr. Walter Kwok, Mrs. M. Labeach, Ms. Marlene Lafleur, Mr. Abel Lafontant, Ms. Choy Ling Lam, Ms. June Jarvis Larkin, Ms. Aida Lau, Ms. Claudette H. P. Lazarus, Ms. Nympha Trabado Leano, Mrs. Francine Tsiang Lee, Mrs. Hsiu-Hsiu Su Lee, Mr. Vincent Gock Che Lee, Mr. Eugene Lefkovitz, Mr. Gerard Leonard, Ms. Li-Hsiu Lin Leung, Mrs. Maria Lenarda Levato, Mrs. Ordea Leveque, Mr. Brett Ian Levinthal, Ms. Ruth Katharina Ley, Mr. A. Liahov, Ms. Pauline Louie, Ms. Alice Louis, Ms. Arielle Louis, Mr. Spyridon Lourentzatos, Mrs. Isabel Maria Lupi, Mr. Dagmar Eliasova Machacek, Mr. Geva Elhanan Mannor, Mrs. Fiorella Marcoccia, Mrs. Lea Markovitz, Ms. M. Marseille, Ms. Maria Marshall, Mr. Emilio Martelli, Mrs. Marvetta Olivia Martin, Mrs. Michele Martin, Ms. Alourdes Ceil Massenat.

Mrs. Gracey Mathai, Ms. Marie-Anne Odette Mathieu, Ms. Frantzcy Mathurin, Mr. Jean Dodge Mathurin, Mr. Juan Munoz Mayta, Ms. Mary Teresa McCann, Mr. Myles Kieran McCann, Mrs. Winifred Agnes McCormick, Ms. Hazel Elaine McKenzie, Mr. Christopher Kevin Meehan, Miss Julie Lynn Meehan, Ms. Laurette Menard, Mr. Albert Michaelian, Mr. Frantz Michel, Mr. Miguel Carlos Mijailidis, Mrs. Josefina Miranda, Mr. Vincenzo Molica, Mr. Robinson Molina, Mr. Gorden Hornemann Moller, Ms. Marlene Mondestin, Mr. Winston Atlee Moore, Mr. Luis Emilio Morales, Mr. A. Morawski, Mr. Justo Moronta, Ms. Yvonne Moussignac, Ms. Zahida Mughal, Mr. John Christopher Mulvey, Mr. Gregory Najac, Mr. P. Narcisse, Jr., Mr. Mario Nardi, Mrs. Rosetta Nardi, Mr. Ramesh K. Nayer, Mr. Ernest Nebot, Ms. Sofia Bautista Nollido, Ms. Coreen Olivia Norville, Miss Andrea T. Nudelman, Ms. Bernadette Rene Oge, Mr. Umit Ogut, Ms. Gloria Alampay Oliveros, Mr. Jose Lusung Oliveros, Ms. Ana Celia Olivo, Mr. Jorge Olivo, Ms. Emmable Orelus, Ms. Rosalba Orozco, Ms. Lourdes

Ortiz, Mr. George Constantin Parvu, Ms. B. Pasternak.

Ms. J. Patel, Mr. Yashvantrai Patel, Ms. Marilyn Andree Paul, Mr. Ivan Martin Peill, Mr. Jose Ramon Pena, Mrs. Mary Blanca Pena, Mr. Casiano Elias Penin, Mr. Armando Pereiras, Mrs. A. Pereiras, Ms. Alicia Perez, Ms. Angela Perez, Mrs. Cathy Perez, Ms. Corazon Mercado Pidlaoan, Ms. Trinidad Maria Polanco, Mr. Ron Pomroy, Mr. Piero Porcu, Mr. Ravi Prakash, Mr. Nicolas Leger Preval, Ms. Rudie Princivil, Mr. F. Provenzale, Mrs. Giovanna Provenzale, Ms. Mariamma Punnoose, Mr. Nicola Pupo, Mr. John Mathew Puthenkalam, Ms. Theonne Armand Rameau, Mrs. Elizabeth Ramirez, Mrs. Sara Alicia Ramirez, Ms. Irene Ramos, Mr. Vickram Ramroop, Mr. Shiv Narain Rastogi, Mr. Victor Raymond, Ms. Denise Antoinette Reau, Ms. Milagros Tolete Recientes, Mr. and Mrs. G. Regenauer, Ms. Shirley Regis, Mr. William Gordon Reynolds, Mr. Francisco Geraldo Reynoso, Ms. Maria Orquidea Rocha, Ms. Margaret Teresa Roder, Mrs. Angela Rodriguez, Mr. Florencio Rodriguez, Mrs. Graciela Rodriguez, Mr. Manuel Roger Rodriguez, Ms. Ingred Rofofsky, Mr. Satish K. Rahatgi, Mr. Joseph Mordecai Rokach, Mr. Torgrim Rom, Mrs. T. Rom, Mrs. Teresa Iris Roman, Mrs. V. Rosal-Greif, Mr. Mauricio Roberto Rosales.

Ms. Andrise Rosarion, Mr. Guy Edouard Rosarion, Mrs. Alourdes Rosembert, Mr. Aron Rosenberg, Mr. Herman Rosenberg, Mrs. Emilia Rotundo, Mr. Domenico Ruggiero, Miss Catherine Ann Russell, Mr. Dmitri Rutman, Mr. Shanmugham Sadras, Mrs. Vicki Salamouras, Mr. Ernest Salazar, Mr. Nardo Trinidad San Diego, Ms. Terisita Lee San Diego, Mr. Chaim Sander, Ms. Sukhminder Kaur Sandhu, Ms. Dilia Mercedes Santos, Mr. Alix Saturne, Mr. Victorio Savellano, Ms. Rosalinda Gustilo Sazon, Mr. Teodorico Beating Sazon, Mr. Isaac Scher, Mr. Hans Helmut Schwendimann, Ms. Maria Majia Schwendimann, Ms. Carmina Seche, Ms. Rimma Sedova, Mr. Deacon Thomas Shoreland, Ms. Pnina Silber, Mr. Manpreet Singh, Mr. Athenasios Smernaos, Ms. Carmel Margaret Smyth, Mr. Zeng Zong Song, Ms. Sue Huey Song, Ms. Syeda Ayesha Soofia, Mrs. Judith Spark-Palmer, Ms. Herta Sperchman, Mr. Chaim S. Spilman, Mrs Rivka Spilman, Mrs. Evita Sterling, Mr. Yizchak Stern, Catherine Theresa Swanepoel, Ms. Marie Mona Sylvestre, Ms. Ilona Szybiak, Ms. Arlene Tablizo, Mr. Fred Tablizo, Mr. Jean Tadal, Mr. Joe Taktajian, Ms. Ismay Venita Taylor.

Ms. Sandra O. V. Taylor, Mr. Pinches Teichman, Mr. Steven Telesco, Mrs. Chaya Teller, Ms. Denise Louise Thermidor, Mr. Kadumputara V. Thomas, Mrs. Ava Pui Yuk Ting, Mr. Terence Kwang Hou Ting, Mrs. Elvire Milord Toussaint, Mr. Joseph Heffrard Toussaint, Ms. Katerina Tsirilakis, Mr. George Tuica, Miss Ilada Uzzo, Mrs. Manigeh Ghani VanDerveer, Ms. Annamma Varghese, Mrs. Marlene Ann Verdes, Mr. and Mrs. G. Villanueva, Ms. Martha Rosario Wagner, Ms. Joyce Silvia Walker, Ms. Amy Eng Watson, Ms. Gislaine Marie Wawa, Mrs. Hanna Weinberg, Mr. Zeev Avraham Weinberg, Mr. Aron Weiss, Mr. Abraham Weiss, Ms. Gertrude Werkshage, Mr. Klaus Werkshage, Ms. Rachel Wiznitzer, Mr. Yosef Wiznitzer, Mr. Mike Xhidija, Mrs. Fernanda Xisto, Mr. Avaham Yacobi, Ms. Diana Yacobi, Mr. Joseph Yagen, Ms. Phongsiri Sivasen Yee, Mrs. C. Youhanna, Ms. Giana Bruna Zamboni, Mrs. Justina Zamora, Ms. Ana Altagracia Zapata, Mr. Jose De Jesus Zapata, Mr. Joseph Zappavigna, Mr. Jose Zetina, Mr. Mohammad Ziaullah, Mr. Noel Reginaldo de la Rosa.●

JUDGE WILLIAM D. STEIN

HON. ED ZSCHAU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. ZSCHAU. Mr. Speaker, today William D. Stein will be sworn in as judge of the municipal court of the State of California for the city and county of San Francisco. A lifelong resident of San Francisco and a graduate of its public school system from elementary through law school, Mr. Stein takes his place on the bench after a long and effective career in the office of the California attorney general. Appointed deputy attorney general in 1965, Mr. Stein served in that capacity in the criminal division until 1980, when then-Attorney General George Deukmejian appointed him assistant attorney general in charge of the criminal section of the San Francisco office. He thereafter served as acting chief assistant attorney general in charge of the criminal division statewide prior to being appointed by Governor Deukmejian to the municipal court.

Mr. Stein brings a diverse legal background to the bench. A practiced trial lawyer, he has prosecuted all types of criminal cases. As an accomplished appellate advocate, he has argued before most California appellate courts, the California Supreme Court, several U.S. district courts, the U.S. Court of Appeals for the Ninth Circuit, and the U.S. Supreme Court. Further, he has handled a number of matters relating to the fitness of State judges before the California Commission on Judicial Performance. The State's judicial system is indeed fortunate to have an individual of his abilities on the bench, and I am confident that he will continue his fine service to the people of California.●

THE VOYAGER 2 MISSION TO NEPTUNE AND TRITON AND THE GAMMA RAY OBSERVATORY

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. FOWLER. Mr. Speaker, one of the hallmarks of the era in which we live is the exploration of space. Provided that sufficient funding is forthcoming, the next 5 years will see a temporary resurgence of the "golden era of space exploration." In 1986, the Voyager 2 spacecraft will encounter the planet Uranus, and the Hubble space telescope will begin operation. In 1988 the Venus radar mapper will start returning images of Venus and the Galileo mission will arrive at Jupiter. In 1989 Voyager 2 will fly by Neptune and its moons. Finally, sometime before the end of the decade, the gamma ray observatory is to be launched.

Printed below is a summary of the Voyager mission to Neptune, and the gamma ray observatory.

These missions and others already approved will being a bountiful harvest of scientific knowledge and international prestige to the United States. However, the frontiers of science move steadily onward and if we are to enjoy such benefits in the next decade and into the next century we must begin now to chart the course for the future of the U.S. Space Science Program.

NASA, JET PROPULSION LABORATORY,
VOYAGER AT NEPTUNE AND TRITON: 1989

INTRODUCTION

The planet Neptune orbits at the outskirts of the solar system, nearly 3 billion miles from the Sun. Despite its rank as the fourth largest planet in the solar system, it is invisible to the naked eye. Our view of Neptune has not improved substantially since it was discovered in 1846. Today, through even the most powerful telescopes, the planet appears only as a small, mottled, bluish-green ball. What we know of Neptune's characteristics has been inferred from extremely limited measurements.

In August 1989, on the twelfth anniversary of its launch, the Voyager 2 spacecraft will encounter Neptune and its moons. At that time, Voyager will be 1.35 billion miles beyond the planet Uranus, which the spacecraft will have encountered in January 1986. The robot spacecraft will be linked by radio to engineers and scientists at NASA's Jet Propulsion Laboratory in Pasadena, California. At the speed of light, Voyager's signal will take four hours and six minutes to travel from Neptune to Earth.

From June through September, 1989, Voyager 2's cameras and a battery of 10 other instruments will scan and probe Neptune and its satellites to collect new data on one of the least understood planet-moon families in the solar system.

NEPTUNE

Their births in the cold and dark domain of the outer solar system gave Uranus and Neptune, the seventh and eighth planets from the Sun, characteristics that differ from those of Jupiter and Saturn, the other giant gas planets.

Both Uranus and Neptune have only about one-fifth the mass of Jupiter and are almost the same size: Uranus is approximately 32,200 miles in diameter and Neptune, 31,000 miles. Uranus like Saturn, has dense rings, whereas Neptune does not—although, like Jupiter, Neptune may possess a tenuous ring.

All the gaseous planets have rocky cores of about the same size, but the amount of hydrogen and helium enveloping the cores differs vastly. Jupiter and Saturn are made up mostly of hydrogen and helium—the components of their atmospheres. Uranus and Neptune are mostly carbon, nitrogen, and oxygen—the main components of their cores.

Despite their similarities, however, Uranus and Neptune each possess distin-

guishing characteristics. For example, although Neptune is slightly smaller in diameter, it is more massive, being equal to about 17 Earth masses. Uranus is equivalent to about 14.

The most obvious difference between Uranus and Neptune is in the direction their axes tilt. Uranus is tipped over on its axis and, in its current orbital position, points its southern pole at the Sun. With its moons traveling in the planet's equatorial plane, the Uranian system resembles a bulls eye facing the Sun. But Neptune's axis, like Earth's has only a slight tilt of 28 degrees.

From the sparse data collected on the two planets, scientists conclude that Uranus has lost most of the heat stored during its formation, while Neptune is still warm.

Voyager will measure the precise ratio of the amount of energy Neptune emits versus the amount it receives from the Sun, enabling scientists to produce a theoretical model of the source of Neptune's excess heat. Some theories predict that if Neptune emits more than 30 percent of the solar energy it absorbs, the planet will exhibit a banded atmosphere like Jupiter's. If it emits less than 30 percent of the energy it absorbs, however, it might possess a completely different weather system—one driven, like Earth's by the transportation of heat from the equatorial regions of the poles.

NEPTUNE'S MOONS

Neptune has at least three moons. Triton and Nereid are very different from one another, but both travel in orbits unlike any others in the solar system. A third, 1981 N1, reported in 1981, is a mysterious object about which virtually nothing is known.

Nereid, only 190 miles across, travels in a wildly elliptical orbit, more so than any other known satellite in the solar system. It comes as close as 800,000 miles to Neptune, then pulls as far away as 3.5 million miles. It may be a captured asteroid or comet.

Triton is the largest and most enigmatic of Neptune's moons. What little is known of Triton suggests that it is also one of the most interesting objects in the solar system. Its mass and size are poorly known, but it is estimated to be about 2,175 miles in diameter, a little larger than Mercury.

For some unknown reason, and unlike any other of the larger moons in the solar system, this giant satellite orbits Neptune backwards, moving opposite to the direction in which the planet rotates.

Current evidence suggests that methane exists as ice on the satellite's surface, beneath a nitrogen—methane atmosphere equivalent to about a tenth of Earth's atmosphere. In fact, Triton is cold enough for nitrogen to exist as a liquid on its surface. Lakes or even a shallow ocean of liquid nitrogen may exist on this strange moon.

Scientists are especially interested in seeing Triton's surface, which might harbor a rich, hydrocarbon sludge of organic molecules.

Triton's reddish color is believed to be due to photochemistry, the action of sunlight on chemicals in Triton's atmosphere—the same type of action that occurs in the much denser atmosphere of Saturn's moon Titan.

The satellite's highly inclined orbit may contribute to dramatic seasonal variations. Each pole spends 82 years facing the Sun, while the other is in darkness. At the lighted pole, ices of nitrogen, methane, neon, and argon may vaporize, adding to Triton's atmosphere. Meanwhile, volatiles at the unlighted pole would condense into the ice cap. This alternating shrinkage and growth of polar caps could mean that Triton's atmosphere varies as dramatically, growing thicker and thinner with its 41-year-long seasons.

Voyager observations of other planetary systems have revealed a variety of geologic processes occurring on small bodies: eight active volcanoes were observed erupting on Jupiter's Io. Europa showed a cracked and icy surface, evidence of tidal heating. Many of Saturn's and Jupiter's moons exhibited fault lines, ridges, and valleys—evidence of tectonics and other geophysical activity. Scientists anticipate that Triton might possess any or all of these characteristics and more.

Triton's surface is expected to be visible to Voyager's cameras through the moon's atmosphere. At Voyager's closest approach, the spacecraft will be within 27,000 miles of the moon, allowing easy detection of surface features, as well as any oceans of liquid nitrogen.

Many intriguing theories about Triton's origin and orbit have been postulated since its discovery in 1846, although a number of them have been disproven over the years. For example, scientists once thought it possible that the outermost known planet, Pluto, was an escaped satellite of Neptune. They speculated that Pluto's departure perturbed Triton to such a degree that the moon was thrown into its unique retrograde orbit. That suggestion now seems unlikely, however, since the discovery that Pluto itself has a satellite, Charon.

Another theory to explain Triton's retrograde orbit proposes that Triton is a captured object. However, most of the other retrograde objects in the solar system are small (such as Saturn's Phoebe and Jupiter's Leda, Carme, Pasiphae, and Sinope) and are probably captured asterorids or comets. The fact that Triton vastly outclasses all those bodies in size makes less plausible the concept that Triton is a captured object.

If, however, Triton was captured, scientists say its initial orbit around Neptune would have been noncircular. Triton's orbital path would have become more circular as tidal distortion and dissipation siphoned energy from the moon's orbital momentum over hundreds of millions of years. The resulting tidal heating might be manifested in the form of volcanism, ridging, or other geophysical activity. Evidence of such past activity would be visible to Voyager's cameras.

While Triton's history is uncertain, its future is fairly predictable. Its retrograde orbit is forcing it to slowly spiral toward Neptune. It is already nearer to Neptune than our moon is to Earth. Eons from now, when Triton drifts too close, it will be torn apart by Neptune's gravity field. Remnants of the giant satellite will form huge rings of debris around the planet, similar to those around Saturn.

VOYAGER EXPERIMENTS

At Neptune, Voyager's 11 experiments will—

Determine Neptune's rotation and pole orientation.

Measure the density, temperature, and composition of Neptune's atmosphere.

Determine Neptune's heat balance.

Detect any magnetic field, and measure its strength and orientation.

Listen for radio emissions from Neptune.

Search for auroral emissions from Neptune.

Investigate the magnetosphere and plasma environment around Neptune, and define its composition and structure.

Search for rings and small satellites around Neptune.

Measure the diameters of Neptune and its moons.

Define the mass and density of Neptune and Triton.

Measure the pressure, temperature, and composition of Triton's atmosphere.

Measure the surface properties and features of Triton's surface.

Determine the presence of liquid nitrogen on the surface of Triton.

Look for polar caps and evidence of other seasonal variations on Triton.

Voyager 2 will also continue its investigations of interplanetary space at and beyond Neptune's orbit. Instruments on the spacecraft will

Measure the solar wind.

Search for low-energy cosmic rays outside the solar system.

Measure radio emissions from the Sun.

Voyager scientists also intend to use the spacecraft to detect and characterize the boundary of the heliosphere, thereby determining where the Sun's influence fades and interstellar space begins.

VOYAGER AT NEPTUNE

The Uranus and Neptune encounters will be complicated by the vast distance that Voyager's radio signal must travel to Earth. The signal containing science and engineering data (transmitted at 19 watts) is growing dimmer as Voyager moves farther away from Earth, and advanced computer and telecommunications techniques will be used on the spacecraft and on the ground to ensure the quality and quantity of data from Voyager.

Image data compression techniques, whereby photographic information collected by Voyager will be considered onboard the spacecraft and "decompressed" through computer processing on the ground, will allow 50 percent more images (5,000 at Neptune) to be returned than previously planned.

Antennas at the three Deep Space Tracking Complexes of NASA's Deep Space Network (DSN) will be upgraded to improve their ability to capture Voyager's radio transmissions from Uranus and beyond. For example, each complex (California, Spain, and Australia) will have a pair of 34-meter antennas, and the 64-meter antenna at each complex will be enlarged to 70 meters for the Neptune encounter and for future DSN workloads. In addition, combining signals received by multiple antennas (called "arraying") provides enhanced reception capability.

NASA is currently negotiating with several foreign governments, as well as the National Radio Astronomy Observatory, to provide additional antenna arraying capabilities for Voyager's Neptune encounter.

TRW SPACE AND TECHNOLOGY GROUP, MESSENGERS OF CREATION

GAMMA RAYS

Gamma rays are a form of electromagnetic radiation, like radio waves or light rays or X-rays, but with shorter wavelength and therefore higher energy. All these forms of radiation have properties of both waves and particles. The particles are packets of energy (photons). Lower-energy photons are emitted when an electron changes energy level in its atom, but gamma-ray photons are emitted when the nucleus of an atom changes energy level. Photons are also emitted when a high-energy electron interacts with matter, with a strong magnetic

field, or with other, lower-energy, photons. Gamma-ray photons are also created when matter and antimatter meet, as when a positron and an electron meet and annihilate each other.

All these processes are going on out in the universe, and each produces gamma-rays with characteristic energies or a flux of gamma-ray photons with characteristic spectral shape. The excited nucleus in an element deactivates to lower energy levels and emits a gamma-ray photon, characteristic of the specific element. Gamma-ray astronomy is so important because it can tell us what processes created the photons and what kinds of atoms were involved.

Because of the extremely short wavelength of gamma rays, we do not discuss them in the common terms of wavelength or frequency but use an equivalent measure, energy. Visible light measured in these terms has an energy in the range of one electron volt, while the lowest-energy gamma rays begin at a tenth of a million electron volts. We do not know how high gamma ray energies can go, because they are at the top end of the spectrum, but they have been observed at billions of electron volts.

Gamma rays are truly messengers of the creative events in our early universe. The universe is largely transparent to gamma rays. They can reach our detectors from the remotest parts of the universe without losing energy or being deflected. Other forms of radiation tend to be dispersed by interstellar matter: for example, we cannot "see" the center of our own galaxy at other wavelengths because of all the intervening matter. The Gamma-Ray Observatory will help us find out what is at the center of the galaxy and what is going on there.

THE GAMMA-RAY OBSERVATORY

We have spoken of gamma-rays as another part of the spectrum, like radio waves or light or X-rays. The gamma-ray part of the spectrum is, however, much larger than than these other regions. The range of energies is over ten thousand times the range of visible light and over a hundred times that of X-rays.

The information we want is spread over the full range of gamma-ray energies. No single instrument could cover the entire range; GRO carries four different instruments, one of which will look for and measure gamma-ray bursts.

The low-energy range from a tenth of a million to ten million electron volts is covered by the Oriented Scintillation Spectrometer Experiment, which consists of four separate detectors that can rotate to look at different parts of the sky. One reason for this arrangement is that the background radiation can be measured and then subtracted from the measurements of point source. The sensitivity of this instrument will be over ten times better than that of any previously flown unit and it will be able to determine the direction of a source to a fraction of a degree.

The mid-range instrument is called the Imaging Compton Telescope. It covers the range from one to thirty million electron volts and will be able to determine angle of arrival to within less than a degree at the energies. It can measure the energy of the photons to within 5 percent (also at the higher energies). Special provisions are made to reduce the background radiation effects.

For the highest energy range, from 20 million to 30 billion electron volts, the Energetic Gamma-Ray Experiment Telescope will be able to measure the position of a source to a fraction of a degree and the energy of individual photons to within 15 percent.

Finally, the Burst and Transient Source Experiment will continuously observe the full sky (except for Earth blockage) for gamma-ray bursts or other short-duration phenomena. It will also make a full-sky survey of long-lived strong sources.

All these instruments together weigh some six tons. The full observatory including these instruments will weigh about 15 tons. It has been designed to be launched, serviced, and retrieved by the Space Shuttle. Every advantage has been taken of earlier experience to make the spacecraft as inexpensive as possible, using off-the-shelf components and proven designs.

THE MISSION OF THE GAMMA-RAY OBSERVATORY

Astronomers and astrophysicists are looking forward eagerly to the launching of the Gamma-Ray Observatory, which is designed to collect far more and better gamma-ray data than has ever before been possible. They have enough jobs lined up for it to keep it busy for many years. The earlier gamma-ray observations have raised dozens of questions that can be answered only by the high-sensitivity, high-resolution observations GRO is being built to make.

For example there is a diffuse flux of gamma rays that seems to be coming from all directions. Some of it probably comes from interactions of fast-moving protons (and a few electrons) called cosmic rays, which seem to be coming from all directions. When they encounter matter in the form of interstellar dust or gas, the interaction can produce gamma rays. The energy of these gamma rays can tell us about the characteristics of the cosmic rays and the matter they encountered. One thing we hope to learn is whether the cosmic rays are really coming uniformly from all directions or have regional sources of higher and lower intensity.

GRO's data will tell us about the nature and distribution of that matter. We are especially interested in the center of our galaxy, which is obscured at other wavelengths by clouds and dust.

Probably first on the target plan for the GRO are the point sources of gamma radiation that have already been observed, particularly the supernova remnant in the Crab Nebula in our galaxy. High-resolution gamma-ray observations may help us understand how the heavier elements are formed in such supernovas.

Quasars, pulsars, and active galaxies are high on the list, because of the unusual and poorly understood nature of these objects. And the list goes on. It includes our own sun, which is also a source of gamma rays. GRO has special provisions for solar observations. The plan is that the GRO will, in addition to observing many known sources, make the first full-sky, gamma-ray survey of the heavens.

These messengers of creation will tell us some things we expect. They will probably tell us many things we did not expect. It has always turned out that way.●

FOREIGN GOVERNMENTS' PAYMENTS FOR U.S. WEAPONS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. HAMILTON. Mr. Speaker, a San Francisco Examiner article of July 15, 1984, raised several questions about the management of U.S. arms sales to foreign countries. The article claimed that "the Pentagon can't accurately determine how much foreign governments owe for the weapons they buy."

I wrote to the Department of Defense July 23, 1984, asking whether these reports were accurate, and I enclose for my colleagues' attention the newspaper article, my letter, and the Department of Defense reply of August 17. A copy of the Defense Department's 1984 Report on the FMS Financial Management Improvement Program group's activities referred to in the Defense Department reply is retained in Committee on Foreign Affairs files.

[From San Francisco Examiner, July 15, 1984]

PENTAGON DOESN'T KNOW HOW MUCH NATIONS OWE UNITED STATES FOR WEAPONS SALES

(By Robert Gettlin)

WASHINGTON.—A Defense Department program that administers arms sales is so ineptly managed that the Pentagon can't accurately determine how much foreign governments owe for the weapons they buy, according to government officials and audit reports.

The result, officials say, is billion-dollar discrepancies in the Pentagon's unbalanced books.

More than 40 reports by Pentagon auditors and the General Accounting Office (GAO) dating back 15 years have turned up a persistent pattern of incomplete records, unbalanced books and inaccurate billings in the accounts of the Foreign Military Sales Trust fund.

Because of continued mismanagement, officials said, some foreign governments aren't making payments for the weapons they buy from U.S companies.

This, in turn, can drain the resources of the military services that oversee the weapons contracts by forcing the military to make payments from public funds and seek reimbursement later.

The trust fund, managed by the Pentagon's Defense Security Assistance Agency, collects quarterly deposits from foreign governments.

When bills come due for jet fighters, tanks, ships, missiles, guns or any other weapon, the U.S. manufacturer is paid out of a foreign country's trust fund account. The U.S. government acts as the intermediary between the commercial supplier of arms and the foreign government.

In fiscal 1983, $18.3 billion in such agreements involving 74 nations was channeled through the trust fund and represented about 90 percent of all weapons deals between foreign nations and U.S. companies.

"We may never get a true picture of the trust fund," said an auditor in the Office of the Inspector General at the Defense Department. "Documents are missing and records are inaccurate."

A major problem, experts said, is that 40 defense-related organizations are involved in management of the trust fund.

"Each of the military services is involved and there are branches within the services involved," one Pentagon official said. "The best thing to do is create a whole new trust fund and do it right from the start."

The Defense Department refuses to do that—despite a similar suggestion from Congress in 1982—although a special Pentagon office created in 1983 to deal with the mounting trust fund difficulties has acknowledged that there are serious problems with the accounts.

According to the most recent audit by the Pentagon's inspector general, there were "gross differences of $1.2 billion" between two sets of records in the fund.

These records, like a personal checking account and a monthly credit card bill, are supposed to keep track of what foreign governments have available to spend on weapons and what they owe for purchases already made.

The June 1983 audit concluded, "An accurate determination of the differences between the two sets of records could not be made and the reasons for many of the differences remained unknown."

That is what the GAO concluded three years earlier in June 1980, when it found a $1.5 billion discrepancy between the two sets of records.

The Pentagon "could not determine the amount of money available for purchases of military goods and services" by foreign nations, the GAO report concluded.

"A lot of the problems that the General Accounting Office has reported on in the past are still problems," said Al Huntington, an auditor with the GAO who has done extensive work on the trust fund. "The Defense Department is now studying the foreign military sales accounting and financial management system."

"To the extent that we don't get reimbursed (from other governments) for foreign military sales, the money comes out of appropriated (taxpayer) funds," said Bob Davis, an aide to the House defense appropriations subcommittee.

A January 1984 report by the GAO said that Saudi Arabia, which has negotiated weapons and related agreements with the United States worth $45 billion over the last decade, has refused to pay more than $1 billion in trust fund billings.

According to officials familiar with the report, the Saudis have refused to pay charges for their ambitious naval expansion program and other agreements, citing inaccuracies in the billings and a failure to deliver weapons on time.

JULY 23, 1984.

Hon. CASPAR W. WEINBERGER,
Secretary, Department of Defense, The Pentagon, Washington, DC.

DEAR MR. SECRETARY: In recent weeks, there have been some reports in the newspaper about the poor performance of the Foreign Military Sales Trust Fund. I attach for your consideration and response an article which appeared in the San Francisco Examiner July 15, 1984. This article draws from studies done both by Defense Department auditors and the General Accounting Office.

This article says that the management of arms sales by various Department of Defense groups is so inept that the Pentagon can't accurately determine how much foreign governments owe for the weapons they buy and that some foreign governments aren't even making payments for weapons purchased from U.S. companies.

I would like to know whether these reports of mismanagement are accurate, what the Defense Department is doing to correct these problems and why it has taken so long to straighten out the persisting problems of the operations of the FMS Trust Funds.

I appreciate your consideration of this matter and look forward to your reply.

With best regards,

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 17, 1984.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR CHAIRMAN: This is in response to your letter of July 23rd expressing concern about a recent article in the San Francisco Examiner that alleges poor management of the Foreign Military Sales (FMS) program by the Department of Defense.

Concerning the questions you have raised about the Department of Defense's management of the FMS program, I believe it is only fair to say that there are some problems that we are well aware of, most of which can be traced to the unforeseen growth that has occurred in this program over the past eight years. However, I do not believe that these administrative problems are correctly characterized either by the title given the article or by many of the charges contained therein. For the most part, the general substance of audit reports referred to in the article is yesterday's news and represents conditions that existed 5 or 6 years ago, many of which have been corrected. The reporter conveniently overlooks the fact that a major effort to correct the deficiencies has been underway for some time. As an example, in November 1982 former Deputy Secretary Carlucci established a new group in the Office of the Assistant Secretary of Defense (Comptroller) whose sole objective or charter was to identify problems in our FMS systems and to direct implementation of improvements. Since its activation the FMS Financial Management Improvement Program group (FFMIP), as it is known throughout the Department, has worked directly with project officers in the implementing agencies to insure that improvements are made in the shortest possible time.

It is important to point out that we have tried to be very candid in this matter and to keep the Congress fully informed of our ongoing management initiatives. In April 1984 the DoD Comptroller submitted to the Congress a report that very carefully details the activities of the FFMIP and, in my opinion, clearly demonstrates that the Department is acting responsibly and in a straightforward manner to resolve the technical problems that have been identified. I am enclosing a copy of the report for your information.

While I would like to be able to say this effort can be wrapped up in a few months, I think it is clear to everyone familiar with the projects involved that the work will continue over several years. Perhaps the major reason for the extended nature of the effort is the fact that many of the projects are interrelated and must be completed in sequence. Also, we have deliberately decided to take a measured approach to insure that we do not become victims of the "quick-fix" syndrome and wind up trading one set of problems for another.

I would like to point out that the cited article is somewhat misleading in the overall impression it attempts to convey and is less than balanced because the author has completely ignored explanations provided by DoD. These explanations were in the form of answers to five specific questions posed by the reporter—answers which I believe were responsive and forthright. A copy of the questions and answers are enclosed for your information.

In addition to completely ignoring our official comments, the reporter implied that the U.S. taxpayer was footing the bill because Saudi Arabia had refused to make more than $1 billion in trust fund billings. In fact, the GAO report referred to in the article clearly indicated that Saudi Arabia had sufficient funds on hand in the trust fund to meet its overall requirements. This kind of reporting, far from informing the public, only misleads and contributes nothing to the legitimate role of the press in keeping all taxpayers accurately informed about the acitivities of government.

A final concern I have has to do with the impression conveyed to our friends and allies who are legitimate partners in this important program. We also have a responsibility to them, and while they are generally satisfied with our performance, I believe articles such as the one by Mr. Gettlin do a disservice to all concerned and clearly conflict with the important national security objectives with which we all generally agree.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF, Director.

Attachments.

NEWHOUSE NEWS SERVICE REPORTER REQUEST

Q. Because of problems with discrepancies between trust fund balances and individual country accounts, several countries (notably the Saudis) are refusing to pay into the fund until their perception of inaccurate billing is cleared up. Please comment on the problem and what you're doing to fix.

A. The Arms Export Control Act directs that payments for FMS sales be made in advance of performance or delivery. Our billing procedures have been designed to accomplish this. To date, no country has refused to pay its quarterly bill because of a perception of inaccurate billings. In point of fact, the Saudis have paid in $2.3B during the first seven months of this fiscal year. A few countries, for selected sales cases, have questioned the amount of advance funds required that was shown on the quarterly bill.

Q. What's the latest discrepancy amount between case accounting records and the trust fund cash balance (reporter says the IG quotes a $1.2B difference). What's the latest finding?

A. The variance between case accounting records and the trust fund cash balance as of 31 March 84 is $586M. Much of this variance is related to "float" which is the lag between the time disbursements are made at a paying activity until they are posted to the SAAC case records. The cash and case accounting records are in balance at case closure.

Q. The 2 Nov 82 Carlucci letter to MILSECS (atch 1 to the FFMIP report) says "Since FY76 Congress has reduced DoD direct appropriations by $413M because of FMS underbillings." What's the latest underbilling estimate and explain why.

A. Since the FY 76 timeframe detailed policy guidance was issued in 1981 in the "FMS Financial Management Manual", DoD 7290.3-M, that should preclude underbillings by giving in depth instruction in the pricing of articles and services sold under FMS. From our perspective, there is no current underbilling estimate. There is certainly no intent to underbill and where legitimate underbillings are discovered, appropriate corrective action is taken.

Q. In the Wall Street Journal article, L/Gen Gast says that FMS has brought $30B into the U.S. Treasury in the last three years. Where does this money come from and how does it get into the Treasury?

A. The $30B was derived through a standard formula for calculating economic costs and benefits by applying an economic multiplier of 2.5 with an average national tax rate of 25 percent against the value of total FMS agreements for the three years. In essence, because almost all FMS articles and services are purchased in the U.S., including those purchased with U.S.-financed credits, these sales bring revenue to the U.S. Treasury.

Q. Does a country's refusal to pay into the Trust Fund put an undue drain on the Treasury?

A. No, because we would not continue performance of a contract if the country failed to pay its quarterly bill. As indicated in our answer to your first question, the quarterly bill includes an anticipated amount for the next quarter to satisfy working capital requirements. In addition, the bill includes an estimated amount for termination liability which would cover any cost incurred if the contract were terminated. In summary, the country must make payments to the Trust Fund before funds are disbursed to the contractor.●

HOW THE DEMOCRATIC TWIG WAS BENT

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. HYDE. Mr. Speaker, the Republican Study Committee has produced some outstanding research material recently and Frank Gregorsky has played a key role in this scholarly work.

The Washington Times of September 5, 1984, contains one of his recent articles which I take pleasure in sharing with my colleagues:

[From the Washington Times, Sept. 5, 1984]

HOW THE DEMOCRATIC TWIG WAS BENT

(By Frank Gregorsky)

The Coalition for a Democratic Majority was formed in 1972 to combat McGovernism and defend the realistic Truman-Kennedy tradition. In June, CDM took its recommendations to the party's platform committee. But their proposals got short shrift.

There are a few similarities between what CDM gave the committee and what the committee gave the rest of us. Both value international law and the Taiwan Relations Act. Both condemn the Soviets for Poland and Afghanistan. Both wish the president had done more to control the spread of nuclear materials. Both disdain the Palestine Liberation Organization.

But even areas of seeming agreement look like rhetorical concessions. In nearly all areas where CDM invited the Democrats to think clearly about foreign policy, the San Francisco Democrats preferred defeatism and fantasy.

Here's what CDM wanted said about Grenada: "Our military action in Grenada was a strong and necessary signal that we can act to oppose the imposition of Soviet-Cuban totalitarianism in this hemisphere."

And here's what the platform ended up saying: "In Grenada, Mr. Reagan renounced diplomacy for over two years, encouraging extremism, instability, and crisis. By his failure to avoid military action, he divided us from our European allies and alienated our friends throughout the Western Hemisphere."

The CDM draft sought to link President Reagan's approach in El Salvador to that of his Democratic predecessor: "U.S. policy in El Salvador has in general followed the lines established during the last year of the Carter-Mondale administration: a strategy of economic and social reform coupled with carefully restricted military assistance to defend democratic governments. . . ."

Ignoring Carter's lame-duck support of El Salvador, the final platform blamed everything on President Reagan:

"Since he took office the region has become much more unstable; the hemisphere is much more hostile to us; and the poverty is much deeper. Today in El Salvador, after more than a billion dollars in American aid, the guerrillas are stronger than they were three years ago, and the people are much pooper. . . . In Honduras, an emerging democracy has been transformed into a staging ground for possible regional war. And in Costa Rica our backing for rebels based there is in danger of dragging that peaceful democracy into a military confrontation with Nicaragua."

The CDM, recognizing that "coalition government" with Communists means slavery on the installment plan, pledged to reject "any proposal which would replace the existing elected government of El Salvador with any form of coalition that grants power to unelected, armed revolutionary groups." But the Democrats hint that such groups ought to help run El Salvador:

"A Democratic president will support the newly elected president of El Salvador in his efforts to establish civilian democratic control, by channeling U.S. aid through him and by conditioning it on . . . serious negotiations with contending forces in El Salvador. . . ."

One wonders why the platform wordsmiths didn't tell Mr. Duarte to confine his overtures to "contending democratic forces."

The CDM platform draft stressed the importance of military strength in crisis regions: "Military power, as the late Sen. Henry M. Jackson so persuasively argued, is not a basis for our foreign policy. It can be most effective when it provides a shield behind which those who share the democratic idea can strengthen their purposes and institutions."

But the San Francisco Democrats ridicule the Henry Jackson-JFK concept of "shields" against communism while allies build democracy "paternalism . . . is always resented whether we choose to label it a 'special relationship' or to call it a 'defensive shield.'" They make any military alliance sound like an insult.

The CDM proposal was crystal-clear about Nicaragua: "We strongly endorse the demands of Nicaraguan democrats inside and outside of their country: the Sandinistas must restore full rights and freedoms to the media, the labor unions, the churches, the opposition political parties, and the private economic sector. . . . So far, nothing the Sandinistas have yet proposed suggests a real willingness to permit the Nicaraguan revolution to return to its democratic course. Until this is achieved, the United States must continue to support the Nicaraguan democratic opposition."

But the San Francisco Democrats will have none of it:

"We must terminate our support for the contras and other paramilitary groups fighting in Nicaragua. We must halt those U.S. military exercises in the region which are being conducted . . . to intimidate or provoke the Nicaraguan government or . . . as a pretext for deeper U.S. military involvement in the area."

The CDM credits the president with a "highly necessary increase in [the] defense budget," and commits to "steady, carefully programmed increases in defense spending at levels of 6-8 percent in real terms for each of the next four years." But even Fritz Mondale's primary pledge of 4 percent annual spending growth never made it to the platform. It contains no promise of general defense budget growth.

CDM favored building some B-1 bombers and some MX missiles because "the United States needs additional deterrent capability." The San Francisco Democrats disagreed. They vow to "terminate production of the MX missile and the B-1 bomber . . . prohibit the production of nerve gas, and work for a verifiable treaty banning chemical weapons." How do you get a treaty to ban something you've already banned on your own?

The San Francisco Democrats hit space-based defense with Luddite self-righteousness: "Mr. Reagan wants to open the heavens for warfare. His Star Wars proposal would create a vulnerable and provocative 'shield' that would lull our nation into a false sense of security . . ." Just where do they think ICBMs would travel *now*?

By contrast, the CDM draft was at least willing to allow "research and development on a range of defensive technologies [to] avoid being surprised by the Soviet Union in this important area."

The Democratic platform endorses the nuclear freeze. Stump orthodoxy triumphed over CDM's realism: ". . . the nuclear freeze is a slogan, not a practical or adequate arms control program."

The CDM is proud of Harry Truman's legacy: "It was the Democratic Party which proposed and executed the Marshall Plan, the Truman Doctrine, containment, NATO, and the Point Four Program." The final platform's chapter 3 does not mention his name. (Perhaps they think he started the Cold War.)

The Democrats spurn Jeane Kirkpatrick's distinction between salvageable right-wing dictatorships and incorrigible, imperialist leftist ones tied to Mowcow. The Reagan administration, the platform scoffs, "downgrades repression in the noncommunist world, by drawing useless distinctions between 'totalitarian' and 'authoritarian' regimes."

The San Francisco Democrats strain at gnats while ignoring army ants. They think we live in a world "threatened by the dictatorships on the left and right." But it's hard to name one right-wing dictatorship (other than Iran) that murders American diplomats and routinely subverts U.S. allies.

Here's how the platform would cope with bad people: "A Democratic administration will initiate and establish a Peace Academy. In the interests of balancing this nation's investment in the study of making war, the Peace Academy will study the disciplines and train experts in the arts of waging peace." The CDM draft had the good sense to ignore the Peace Academy while focusing on Soviet history and potential. Democratic platform-writers did the exact opposit, warning the United States to avoid an approach which "fuels Soviet paranoia." Thus they put the blame for Soviet misbehavior on fear of the United States, making us responsible for the Soviet mentality.

The CDM took seriously liberal talk of peacefully challenging totalitarian systems: "We will expand Radio Free Europe and Radio Liberty, and expedite the establishment of Radio Marti for the Cuban people. We will explore the possibility of expanding similar broadcasting capability to the peoples of Indochina." The San Francisco Democrats tossed that idea into the round file.

The Coalition for a Democratic Majority, in sum, had little influence on the Democratic platform. Mr. Mondale compromised with the hard left (Gary and Jesse) not with party's traditionalists.

Traditional Democrats were abandoned by their party. President Mondale might not follow the platform to the letter, but the platform reflects the radical world-view of those who now hold the reins of the party. If those traditional Democrats now desert their party in droves, the San Francisco Democrats will have only themselves to blame.●

BARBARA FRITCHIE

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mrs. BYRON. Mr. Speaker, I rise today to pay tribute to Barbara Fritchie of Frederick, MD, who became a Civil War legend through a popular poem written by John Greenleaf Whittier.

In 1862, during the Confederate occupation of Frederick, Union flags were forbidden to be flown in the city. Historians differ on the exact sequence of events, but Barbara Fritchie—95 years old at the time—is known to have waved the Union flag at passing Confederate soldiers in defiance of their edict.

As Whittier described her brave stand: "Shoot, if you must, this old gray head, But spare your country's flag." Barbara Fritchie's remarkable valor is still well-known throughout the world, and has touched the hearts of those in peril since that historical confrontation.

On Saturday, September 8, a parade and other activities will be held in Frederick, MD, to honor the unique historical contributions made by Barbara Fritchie. I encourage all of you to visit the Barbara Fritchie Home and Museum in Frederick.●

DR. WILLIAM L. PODESTA

HON. DANIEL B. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. DANIEL B. CRANE. Mr. Speaker, Dr. William L. Podesta of Mattoon will be the guest of honor in a surprise salute on Wednesday, September 12, at the Eastern Illinois Dental Society's annual banquet.

As you know, Mr. Speaker, Bill Podesta richly deserves this high honor. He is in his 50th year of service to his profession, his community, and the people of the State of Illinois.

He served for 9 years on the Lake Land College board of directors, and added to his commitment to education by his 12 years of service on the Mattoon School Board. He was named a fellow of the American College of Dentists in 1976, and was recognized by his colleagues once again by his appointment as a fellow of the International College of Dentists in 1981. In January of this year, he was named assistant professor of dental administration at the University of Illinois.

A listing of all of Bill Podesta's awards, honors, and contributions to his fellow man would take pages, and would only hint at the kind of man he is. One example, though, stands out: In 1976—42 years after he received his D.D.S. degree from St. Louis University—Bill Podesta earned his bachelor's degree from Eastern Illinois University. That degree he was forced to forego during the depression, but, characteristic of his dedication to young people and his commitment to education, he literally went back to the classroom as an undergraduate to earn this degree.

As my colleagues can tell, Bill Podesta is one extraordinary human being. I consider it an honor and a privilege to call him my friend.●

A BIRTHDAY MESSAGE FOR KIM FRIDMAN

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. ECKART. Mr. Speaker, I want to take this opportunity to commemorate the 50th birthday of Kim Fridman, a Soviet refusenik whom I adopted this spring.

Kim has been trying to emigrate to Israel since 1971. Repeatedly, he has been refused a visa on the grounds of secrecy. He has been separated from his family since 1976, when his wife Genrietta and daughter Victoria were allowed to emigrate. He now has a baby granddaughter whom he has never seen. In March 1981, Kim was arrested and charged with parasitism, even through the prosecutor found it difficult to present evidence that he was unemployed for as short a period as 2 months.

In early 1984, Kim joined 19 other refuseniks in writing a letter of protest to the Presidium of the Supreme Soviet, asserting that "our demand to on Aliya to Israel is no more than a demand for a home," and that they "hold no grudge against the U.S.S.R."

Kim, on this day, your 50th birthday, many Americans are hoping that your wish to go on to your homeland will come true.●

IN HONOR OF EVELYN PARLAN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. ACKERMAN. Mr. Speaker, I rise today to ask my colleagues in the House of Representatives to join me in honoring Evelyn Parlan of Flushing, NY, who made the ultimate sacrifice: She gave up her own life to save another human being from the oncoming wheels of an automobile.

On August 26, 1984, Mrs. Parlan, a 46-year-old nurse's aide and mother of three, was on her way home after buying a newspaper when she stopped on the sidewalk to talk to her friend, Laura Berg. As a weaving, out-of-control automobile bumped over the curb and raced toward them, Mrs. Parlan pushed Mrs. Berg out of the way and was fatally crushed.

The kind of courage and selflessness Evelyn showed when she risked her life for her friend are the qualities of a remarkable woman.

Mr. Speaker, there is no way to repay Mrs. Parlan for her heroism. But her poignant sacrifice gives us a message of tremendous faith and hope, a message the people of Queens and the people of this Nation can cherish and can draw strength from.

Mrs. Berg is alive and safe today. Mrs. Parlan did not die in vain. She died as she lived, giving to those around her.

Mrs. Parlan's tragic death has brought deep sorrow and grief to her family and friends and to all those who knew her. Let us honor Mrs. Parlan for her valiant sacrifice and for her precious gift of life to another human being.●

WAIT 'TIL THE POLLS CLOSE

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. WYDEN. Mr. Speaker, earlier this morning I wrote President Reagan and Democratic Presidential nominee Walter Mondale asking them to pledge now to refrain from making an official announcement of victory or defeat on election day until after the polls have closed in the Pacific time zone.

I have made this request of the two candidates because I believe it is important to try and prevent a repeat of the 1980 general election in which an early conclusion of the Presidential race harmed voter turnout in Western States.

There is little doubt that the fact that the 1980 Presidential race was conceded around 5 p.m. Pacific time put a real dent in the turnout of voters throughout Western States.

I commend my colleagues on congressional efforts to ask major television networks to abstain from announcing a victor until western polls are closed. I must say that I think it unlikely that the networks will agree to hold off on their projections. But whether or not the networks pick a winner while polls are open in the West, the candidates should not unnecessarily discourage voters by conceding defeat or claiming victory before the polls are closed.

I believe that a mutual pledge, made now by both major candidates, not only would go far toward maintaining interest in the Presidential race, but would also help ensure a larger turnout for local races.

All of us want to encourage a large voter turnout this November. The proposal I have made today, if adopted, should help a lot.●

MORE RESEARCH NEEDED ON ALZHEIMER'S DISEASE

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. GORE. Mr. Speaker, this month the Investigations and Oversight Subcommittee of the Science and Technology Committee, which I chair, will continue to hold hearings on the treatment of Alzheimer's disease victims. The problem of caring for these victims is a major concern to many families. As many as 4 million Americans suffer from the disease, about 10 percent of those over 65.

The disease causes loss of memory and confusion, and in time prevents the victims from taking care of themselves. In many cases, the patient may lose the ability to speak and to recognize even close relatives. Its cause is not known. There is presently no cure or prevention.

In short, it robs many in our population of their intellectual ability at a time when they should be enjoying the fruits of a lifetime of activities.

We cannot turn our backs on these victims and their families when they so desperately need our help. More research must be conducted into the causes of the disease, and methods of care must be carefully examined and openly discussed.

Legislation, recently introduced by my distinguished colleague, Congressman CLAUDE PEPPER, would establish 20 major Alzheimer's research centers around the country. This is an important first step. I strongly endorse this measure and invite my colleagues to join in its support.

Congressman PEPPER assisted me in Tennessee in conducting the first of three congressional hearings on the issue of patient care. During the hearings we heard from many families of victims. In the words of one family member who testified, the emotional stress of seeing their loved one suffer is like enduring a "funeral that lasts for years."

Mr. Speaker, our goal is clear—to provide adequate health care for the victims. We must get the information to help us reach this goal as quickly as possible.

In closing, I would like to share with my colleagues an editorial that appeared this week in the Johnson City Press-Chronicle in Johnson City, TN, the site of our first hearing and a major Alzheimer's research center:

[From the Johnson City Press-Chronicle]

AVOIDING THE FUNERAL

"A funeral that lasts for years."

That's the way one family member described the effect of Alzheimer's Disease at a congressional hearing held here Thursday.

Many people are touched by the malady—an organic brain disease in which mental functions are progressively lost. Sometimes the process covers a span of 20 years—hence, the "funeral that lasts for years" remark.

At present, there is no treatment to arrest Alzheimer's Disease. But the congressional subcommittee, with Rep. Albert Gore Jr. of Tennessee and Rep. Claude Pepper of Florida, is seeking ways to attack the problem.

One of these is a proposed bill by Pepper—who, at 84, is certainly not an Alzheimer's Disease victim—and Gore which would establish 20 regional centers across the country for research and treatment of the disease.

And Rep. Pepper suggests that one of these centers could come to East Tennessee State University's Quillen-Dishner College of Medicine where research is already under way on Alzheimer's Disease. Certainly, the center would be most welcome, not only for adding to the regional medical center concept in Johnson City but also for providing a new means of treatment for Alzheimer's Disease victims in our area.

The disease is now the fourth largest killer in America and accounts for more than half the admissions to nursing homes. Fifty-two thousand victims live in Tennessee.

Between 300 and 400 persons attended Thursday's hearing. Asked to show personal involvement in the family with Alzheimer's, almost every person in the audience raised a hand.

Research on Alzheimer's is vital if we are to avoid those "funerals that last for years." And Reps. Gore and Pepper are on the right track.●

LABORERS LOCAL 455

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. MORRISON of Connecticut. Mr. Speaker, today it gives me great pleasure to recognize the Laborers Local 455 of New Haven, CT, for its work on behalf of young people in south-central Connecticut.

Local 455 will hold its Third Annual Youth Achievement Award ceremony on September 10, at which it will present $100 to a member's son or daughter who excels in scholarship, sports, or community service.

I will have the privilege of presenting the award to this year's winner, Miss Karen Butler, who attends North Branford High School in my district, where she was ranked among the top 10 of her junior class. She is currently taking honor courses in history, English, and mathematics.

As a member of the House Select Committee on Children, Youth, and Families, I have heard testimony from educators and other professionals, parents, and young people about the need to involve all segments of the community, public and private, in helping our young people become productive citizens.

Local 455 should be commended for its commitment to the development of youth in the New Haven community. I am happy to have the opportunity to recognize its contribution and to offer my warmest congratulations to award-winner Karen Butler.●

STOP POISONING OUR CHILDREN

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. MARKEY. Mr. Speaker, on July 30, 1984, the Environmental Protection Agency [EPA] finally did something right. EPA, after considerable careful research, has concluded that lead put into the air from automobile exhaust is responsible for 80

percent of the lead in the human body, and is thus responsible for most lead toxicity in children.

Lead has been recognized as a hazardous substance for almost a century. Lead poisoning has at times been endemic among the children living in city slums; it was thought that the primary source of lead was flaking leaded paint which children would eat. However, studies done since 1976, in several cities in the United States as well as in Belgium and Italy, show two new and disturbing facts. One is that about 80 percent of the lead in blood, in both children and adults, comes from airborne lead from automobile exhaust. The other is that people, and children in particular, are sensitive to much lower levels of lead than was previously thought.

The relationship between blood lead levels and lead in gasoline has been demonstrated dramatically in the data developed by EPA since 1976. Using data from the second national health and nutrition examination survey and data from refineries, EPA found a significant correlation between average levels of lead in blood, in both children and adults, and the lead content of gasoline. Between 1976 and 1978, lead added to gasoline averaged around 180,000 tons per year, while average blood lead levels were about 15 micrograms per deciliter (ug/dl). By mid-1978, lead in gasoline had been reduced to 140,000 tons/year and blood lead had dropped to about 13 ug/dl. In mid-1979, these numbers were 120,000 tons/year and 12 ug/dl, respectively. By 1980, they had dropped to 100,000 tons per year of added lead, and less than 10 ug/dl. average blood lead. Although this shows the correlation between blood lead and gasoline lead in very broad outline, the dramatic decrease in blood lead levels with the marked increase in use of unleaded gas is unmistakable.

Symptoms of lead poisoning, severe mental retardation in children, and profound damage to the central nervous system have long been known to occur at blood lead levels in excess of 70 ug/dl. Anemia, anorexia and kidney disorders have also been found in children at this level.

More recently, however, levels of blood lead as low as 40 ug/dl have been correlated with nerve dysfunction, lowered IQ and poor school performance in preschool and elementary school children. Interference with hemoglobin synthesis, vitamin D metabolism and brain wave changes in children have been found at lead levels of 12-30 ug/dl. Below 10 ug/dl, there have been no observed effects. We could easily achieve this level in all children by eliminating lead from gasoline.

It may well be that we can trace some juvenile delinquency and poor school behavior in children in low-income neighborhoods to chronic excessive lead exposure. In many major cities, freeways are routed through slums and elevated over the streets and houses, so that the automobile exhaust permeates the street air. Poor children breathe lead-laden, exhaust-laden air. Lead poisoning, with its insidious expression in behavior and school performance, is another disease of poverty.

We must remove this source of lead poisoning, and the sooner this is done, the better. EPA has proposed a schedule to phase in a standard of 0.1 gram of lead per gallon of gasoline (0.1 gplg) by 1988, and implement a standard of 0.5 gplg by July 1985. Since the lower standard of 0.1 gplg will amply protect cars that use leaded gasoline, there is no reason to wait until 1988 to implement it. The only objection to immediate implementation comes from the refiners. Are we going to sacrifice children's health to oil company profits?

Removing lead from gasoline, and thus from city air, is going to take everyone's cooperation. One of EPA's most appalling findings concerns the use of leaded gas in automobiles with catalytic converters, that require unleaded gas. In communities which have an exhaust inspection and maintenance program, this sort of misfueling was found in about 10 percent of the cars tested. In communities where there is no exhaust inspection, misfueling ran as high as 45 percent. Perhaps this EPA study of the effects of airborne lead will help curb misfueling and the illegal use of leaded gasoline. Sooner or later, however, leaded gasoline must be removed from the market.

The discovery of adverse health effects has led to drastically curtailed use of a number of substances: asbestos, DDT and EDB are three examples. There are adequate gasoline additives which can be substitutes for lead and which are comparable in cost. EPA should implement the 0.1 gplg standard for leaded gasoline immediately. Moreover, EPA must disseminate the results of its study of lead as widely as possible. There is no question that once the consequences of widespread lead exposure are known and understood, the public will support the removal of lead wholeheartedly. As Thomas Jefferson said:

Enlighten the people generally, and . . . oppressions of body and mind will vanish like evil spirits at the dawn of day.●

THE LIMITS OF STING OPERATIONS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. EDWARDS of California. Mr. Speaker, the following editorial from the August 19, 1984, San Jose Mercury News points out that in catching criminals there is a place for sting operations. But "elaborate schemes in which government agents construct the crime into which an individual is drawn" is another matter.

Mr. Speaker, I commend the editorial to the attention of my colleagues.

GOVERNMENT ON TRIAL

In the end, the John Z. De Lorean cocaine trafficking case turned not on the question of the maverick car-maker's guilt or innocence, but on the government's conduct in building a case against him.

The essential facts were quite clear. Federal prosecutors presented 65 audio tapes and more than five hours of video tapes in which De Lorean was clearly heard and seen making a scheme to buy and sell more than $24 million in cocaine.

"There's not a court or judge in the country that would have acquitted De Lorean on the basis of the evidence," Harvard law professor Alan Dershowitz told the New York Times. "De Lorean's guilt or innocense played no role in this. All the attention was focused on the government and he was presented as the victim."

According to the jury—perhaps the only dispassionate, informed group of experts on the case—that was where the attention belonged.

Informant James T. Hoffman was an admitted perjurer and cocaine smuggler turned government informer. Hoffman, it was revealed, had tried to obtain lucrative payment for his services. And other witnesses—both federal agents—admitted altering their investigative notes and back-dating documents.

Despite the prosecution's assertion that this was just "a straightforward narcotics case," in which De Lorean was a "ready and willing" participant in a drug deal, the jury came to believe that it was rather an escapade in government misconduct in which overzealous agents enticed De Lorean with lies and deceit.

"I think the important thing to come out of this case is there is going to be an impact on the future. The way the government agents operated in this case was not appropriate," one juror said after it was all over.

Surely there is a place for sting operations in law enforcement. The familiar mugging decoy and phony fencing operation are, by now, venerable institutions in the field. But these are not the same as elaborate schemes in which government agents *construct* the crime into which an individual is drawn.

They're not even the same as the bribery traps set to snare public officials. In these, an offer made and accepted is the essence of the case against those who should be held to a higher standard.

While the U.S. Supreme Court has been busy softening protections for criminal defendants, the De Lorean jury in Los Angeles showed that as far as ordinary citizens are concerned, there are limits to how far the

government may go to make its case, even when serious charges are involved.

It seems the lay judgment delivered in this case was an endorsement of the late Justice Felix Frankfurter's assertion that "No matter what the defendant's past record, or the depths to which he has sunk in the estimation of society, certain police conduct to ensnare him into further crime is not to be tolerated by an advanced society."●

STEEL IMPORT FIGURES MEAN QUOTAS MORE IMPORTANT THAN EVER

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. GAYDOS. Mr. Speaker, I'm sure it will come as no surprise to you or to my colleagues that the latest figures on steel imports for the month of July are of great concern to me * * * as they should be to everyone in this country, whether they are intimately involved in the American steel industry or related industries, industries that use steel, or just people concerned about the future of this Nation and its industrial capacity and strength.

The figures for July are shocking, especially in the light of the recent recommendations by the International Trade Commission for quotas and tariffs on steel imports.

Just for the benefit of those Members who may not have seen the figures or heard the news, steel imports for the month of July reached an all-time single month high of 2.7 million tons, nearly 33 percent of the steel market.

There are some who will hear this or read this and say, "big deal. It just means that American consumers of steel and buyers of products made from steel have saved money because foreign steel is cheaper."

Obviously, that's the narrow view of the issue. What those people are overlooking is the cost to all Americans for unemployment benefits to steelworkers whose jobs are lost forever. What they are overlooking is the loss in taxes to Federal, State, and local governments because of plant closings or shrinking profits, tax losses that will have to be made up by you and me and every working American in order to provide the basic community services we expect and demand from our governments.

So, when steel imports take nearly 33 percent of the American steel market, it is a big deal. It costs every one of us.

A lot of people oppose the Fair Trade in Steel Act of 1984, H.R. 5081, arguing that the problems of increasing imports can be resolved through administrative action, such as the ITC recommendations on which President Reagan is to act by September 24, and through direct agreements negotiated with our trading partners.

As to the first, a recent report by Dr. David Cantor of the Congressional Research Service on a comparison between the impacts of the ITC recommendations and the fair trade in steel bill showed clearly that the ITC recommendations will have little or no impact on steel imports. I commend you to my remarks in the CONGRESSIONAL RECORD of August 9, 1984, for a fuller discussion of Dr. Cantor's findings.

Insofar as negotiated agreements with our trading partners, I believe them to be less than useful. In fact, judging by the level of imports from our trading partners in steel, it appears that already negotiated import levels have been and are being ignored.

Just look at the numbers: Japan's steel exports to the United States increased by 95 percent from July 1983 to July 1984, from 342,000 tons to 667,000 tons. The EEC, our European friends who are so concerned about the ITC proposal and the fair trade in steel bill, are shipping as much steel as they can now before the President's decision is made. The difference is very visible: In July 1983, the EEC nations shipped 297,000 tons of steel to the United States. In July 1984, the figure was 625,000 tons, an increase of 110 percent.

With the exception of Canada, in fact, every other steel importing country also increased its levels from July 1983 to July 1984. Those other nations in total increased by 96 percent the amount of steel shipped to the United States, from 558,000 tons in July 1983 to 1 million tons in July 1984.

Last year, for all of 1983, total tonnage of imported steel was just over 17 million tons. For the first seven months of 1984—from January through July—imports have surpassed the 15-million-ton level, meaning that imports for the full year of 1984 can be projected to somewhere around 25 million tons.

We, as a nation, cannot afford this. What it will mean to the American steel industry is chaos, economic disruption, more plant closings, more employee dismissals and few prospects for the American steel industry to get the breathing space it needs to modernize its facilities and procedures in order to achieve some degree of competitiveness with other steelmaking nations.

A recent article by David M. Roderick, chairman of United States Steel Corp., in the Pittsburgh Post-Gazette, which follows, puts the issue in its proper perspective. I strongly recommend it to you.

The fair trade in steel bill is vital to the well-being of this Nation's steel industry and to the Nation, itself, as well.

CHEAP FOREIGN STEEL IS A TROJAN HORSE

(By David M. Roderick)

Detractors of the Fair Trade in Steel Act, such as the syndicated columnist "TRB" of The New Republic, would find steel quite unnecessary in their economic scheme of things. Wood will suffice if all you care to do is construct a 20th-century Trojan horse and set it innocently before the gates of U.S. trade.

The TRB article, "Protectionism Is No Answer" (Post-Gazette, Aug. 15) itself begs the question and resorts to pat phrases regarding free trade. It strings together a number of facts and options into a pastiche that is more opinionated than factual—and to bolster its case cites statistics that are both distorted and disputed.

It's true that American steel workers make more than Brazilian steel workers. Who would expect the reverse in an advanced industrial economy?

It's true that a ton of American-made steel will cost you more than a ton of Brazilian-made steel. Who can ignore the massive subsidies provided by the Brazilian government to their steel industry, making their production costs and selling costs totally unrelated!

It's true that a quota on imported steel might lead to an increase in the price of steel, but even with inflation factored in, such an increase would be a modest one. And not at a cost to the U.S. consumer of $7.7 billion, as claimed by TRB, citing a study by the Congressional Budget Office.

This is the same study that projects a price hike even without a quota system in place. This is the same study that estimated the domestic industry's realized price at $514 per ton in 1983, rather than the real $474 experienced by the industry.

If we could accept their findings, and also the fruits of those findings, the American domestic steel industry would have reduced its $3 billion losses by $2.5 billion in 1983.

The study and the author both point to the economic negatives of steel quotas without acknowledging the positive factors. Another study by the respected Congressional Research Service is not so remiss.

The alleged higher cost to consumers for steel, if a 15 percent quota were enacted, is not much more than the $6.1 billion in additional taxes that would be collected. Not to mention increased industrial sales, a $28 billion-plus for the GNP and the increase of 112,000 or more jobs. For again TRB forgets the loss—or addition—of a steel-industry job has a ripple effect, supporting an additional 2.35 jobs with suppliers, retailers and others.

The loss of a steel-related job is not the loss of one job but of 3.35 jobs—and the price of that kind of unemployment is hardly marginal.

Put another way, the "cost" to the American economy in 1983 from steel imports over 15 percent (the level the quota bill would impose) was more than a simple loss of steel tonnage, but a $5.1 billion negative for the GNP, a loss of $1.1 billion in taxes, and a direct cost of $350 million in unemployment benefits. TRB, where was your calculator?

And, about TRB's mention of mini-mills: The Fair Trade in Steel Act does not propose to limit mini-mills to a percentage of the domestic market. TRB gives them about 20 percent of the market—16 percent is closer to the mark. And the success of the mini-mills has not been growth at the ex-

pense of the larger, integrated producers alone. They have also taken market share from foreign producers on high volume, lower value and limited market lines. To inject the mini-mill phenomenon into the discussion of quotas is hardly relevant.

Rebuttal of every comment is unnecessary to make the point. The matter of the temporary quota on steel imports is not to be so simply dismissed as "special-interest politics" in the service of misguided steel managers.

If the Brazilians are crazy enough to sell steel here at a lower price than it cost them to produce it, why shouldn't we take advantage of their stupidity? Because it will only encourage them to continue the practice with subsidies largely provided from improvident loans by world bankers, which endanger the world monetary system. Because it encourages overproduction and overcapacity, which is the true problem in the world steel marketplace. Because if Brazil and all other nations resorting to unfair steel trade are allowed to continue such dumping practices, it will surely decimate the American steel industry and leave us dependent on foreign producers.

Back to the Trojan horse. We may save a buck or two on cheaper steel now—but just wait until we need steel and foreign sources are our major source. The risks will be almost as high as the prices and no one will be talking about just how crazy those Brazilians really were!

(David M. Roderick is chairman of U.S. Steel Corp.)●

GRANTING STATES AUTHORITY OVER LICENSING SMALL HYDROELECTRIC PROJECTS

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. JEFFORDS. Mr. Speaker, today, I have introduced legislation that will result in more effective scrutiny of the environmental and economic impacts of small hydroelectric projects.

Hydroelectric power, particularly in my region of the country, offers a very plentiful and renewable indigenous energy alternative. In the quest for energy self-sufficiency, hydroelectricity offers an attractive prospect. However, we cannot push the development of these projects at the expense of other equally important riverine resources: fisheries resources, prime flood plain agricultural lands, recreational opportunities, natural areas and riverfront investments.

Since the passage of the Public Utility Regulatory Policies Act [PURPA], there has been a rush to develop hydroelectric projects at new and existing dams. Many of these are very small projects with a design output of well below the 30 megawatts [MW] identified in the definition of small hydroelectric power project in PURPA. A case in point: in my small State of Vermont there are currently 79 hydroelectric projects seeking licensing from the Federal Energy Regulatory Commission [FERC]. All of these are under 15 MW in size with the majority being less than 5 MW. A 5 MW project may not appear to be of much consequence in terms of power generation. But even a dam of this size can reek havoc on a river's fisheries resources and recreational potential.

It is the job of FERC to review and assess the costs and benefits of all hydroelectric projects in terms of a project's environmental and economic impacts. Unfortunately, the word I am getting from my State is that in an effort to license projects, FERC is not giving adequate attention to unique State concerns in specific applications.

It is my opinion that with small projects on rivers wholly within one State, many States have the wherewithal to adequately evaluate the merits of projects and decide whether or not a license should be issued pursuant to both Federal and State statutes. By granting this authority to States that can show compentence in performing this task, the citizens of those States can be assured that hydroelectric projects are being developed that are truly in their best interests.

There are too many unique resource concerns involved in a decision to approve a hydroelectric project for this to be solely in the hands of a Federal agency. For example, in Vermont, the protection of prime agricultural lands is a critical State concern. We all know that the development of many hydroelectric dams involved the flooding of valuable riverside farmland. Assessing the benefits of a project versus this very specific concern would be better handled by an individual State.

This transfer of authority would also reduce confusion for applicants who now must apply for a license to FERC, but as a part of that licensing procedure must consult with various State agencies to acquire geological, environmental and utility planning information. I urge my colleagues to seriously review and consider cosponsoring this legislation. The language of the bill is as follows:

That part I of the Federal Power Act is amended by adding the following new section at the end thereof:

"STATE AUTHORITY OVER SMALL HYDROELECTRIC PROJECTS

"SEC. 31. (a) The Commission shall delegate to any State the licensing authority over small hydroelectric power projects which are located entirely in that State if the Governor of the State applies to the Commission for such delegation and establishes (pursuant to such rules and regulations as may be promulgated by the Commission) that such licensing authority will be exercised in accordance with substantially the same provisions and rules of law as would be applicable if such licensing authority were exercised by the Commission.

"(b) As used in this section, the term 'small hydroelectric power project' has the meaning prescribed by title IV of the Public Utility Regulatory Policies Act of 1978.".●

LAND OF THE FREE; HOME OF THE BRAVE

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. DYSON. Mr. Speaker, today I would like to read the winning essays of this outstanding writing contest sponsored by the Wicomico County Historical Society and the Jewish War Veterans Ladies' Auxiliary of Salisbury, MD. The theme of the contest was "Land of the Free; Home of the Brave".

First went to Mark Handy of Salisbury, MD; second prize to Renee Cane of Hebron; and third went to Kennerly Clay of Quantico.

Mr. Speaker, I am sure you would like to join me and our colleagues today in recognition of these three young patriotic Americans and their writing talent.

LAND OF THE FREE; HOME OF THE BRAVE

(By Mark Handy, James M. Bennett High School)

Though America can make no claim to having complete freedom, she is one of the freest countries in the world. Her citizens have freedom of speech, press, religion, and assembly, but the freedom which is most important in the guarding of this country is the freedom her citizens have to become involved at every level, affecting anything official. This involvement is more than voting; it often includes fighting an unfair or outdated system, or lobbying for a cause. Such a system of constant checking and action by people outside as well as inside the Government has kept the United States from internal corruption.

Given the right to be involved, bravery is required for people to get involved in a cause, to spend time and money for what they believe is right or needs to be changed. It is this bravery, a willingness to get involved, which keeps the United States in a prominent, enviable position in the world. This type of bravery is different from the bravery involved in rescuing someone from a burning car. These dangerous feats at high personal risk show compassion for other people, which anyone can have. But patriotic bravery shows loyalty to a country, and it needs freedom to be expressed.

America is not the home of all the brave, but she has her fair share. Where a government provides the opportunity for action, and the people provide the will to take it, the country will survive because it is a land of freedom and a home of bravery.

LAND OF THE FREE; HOME OF THE BRAVE

(By Renee Cane, J.M. Bennett Senior High)

As our National Anthem says this is the land of the free and the home of the brave. Through the years our country has fought many battles. Some of these battles have been against other countries while others have been against our fellow Americans. No matter where the fights took place, they have occurred because we Americans were fighting for something we believed in.

Through our bravery and fighting efforts we have established a reputation in other countries as being the free land. Many

people from other nations yearn to come to the United States because they know they will have freedom of speech, the freedom to achieve what they want, and be entitled to all the other rights and privileges Americans have.

Our country would not have earned the title of being the land of the free if she hadn't had the bravery to achieve it.

LAND OF THE FREE; HOME OF THE BRAVE

(By Kennerly Clay, J.M. Bennett Senior High)

America offers opportunity and freedom, but opportunity often comes by chance, and freedom has to be worked for.

Foreigners come from all over the world expecting to find the great "America" and some do. But, for most of the others there is criticism, prejudice, and mockery. And sometimes opportunity in America depends on connections and sacrifice to move ahead. Sometimes even after great sacrifices the goals still aren't reached.

In spite of America's lack of perfect freedom, we have the freedom to work on our faults. People here are free to speak what they think and print what they please.

No one can make us do something which we don't want to do, and no one keeps us from achieving what we want.

This independence requires the bravery of all people to stand up for their beliefs. If a person can achieve wanted goals and be his own person without too much outside influence, he is truly brave and outwardly free. Most importantly his mind is free to think and develop in any direction.●

AN ACCURATE ASSESSMENT OF THE EPA'S EFFORTS TO CLEAN UP HAZARDOUS WASTES

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BROYHILL. Mr. Speaker, recently, criticism has been leveled at Environmental Protection Agency Administrator William Ruckelshaus and the Agency regarding the effort to clean up hazardous waste sites. This criticism is not only misplaced, but, considering its sources, is most troublesome. Before these critics further disparage the performance of the Agency in an attempt to condemn the Reagan administration's environmental policy, they should acknowledge that the Reagan administration is at the forefront of the effort, spearheaded by Administrator Ruckelshaus, to address the threat hazardous waste and acid rain pose to the environment and the health of every American.

Rather than condemn the Agency, its efforts should be praised. The most vociferous critics of this Agency's performance are, perhaps, the greatest impediments to the Agency's efforts to clean up pollution. Ridding the environment of hazardous wastes and other pollutants is a massive task that will not occur overnight. Moreover, the spread of misinformation regarding the present efforts to address these environmental problems detracts from, rather than contributes to, the cleanup process.

The motivation of such critics is purely political or they would accurately cite the performance of the Agency to assure the American people that great progress has been made to clean up the environment. Instead, these critics are attempting to gain political advantage through the dissemination of inaccurate and misleading information designed to incite fear in the American people.

I would like to share with my colleagues an accurate portrayal of the Agency's role in cleaning up the environment, the administration's environmental policy and the manner in which critics have distorted the Agency's and the administration's efforts to address the problems related to the environmental issue. I ask that the attached article from the Thursday, September 6, 1984, Washington Post be printed in the RECORD at this point:

CLEARING THE AIR

(By Nick Thimmesch)

William Ruckelshaus, administrator of the Environmental Protection Agency, is a civilized gent of good humor. His dander rarely rises, but it did when he served in the Nixon administration, and it is now as he watches so-called environmentalists play hardball politics with his agency on behalf of the Mondale candidacy.

Ruckelshaus returned to EPA 15 months ago because he didn't want to see the agency he set up in 1971 get mangled in politics. His homecoming was literally cheered by EPA employees and saluted by editorialists across the republic.

So when officials of the Wilderness Society and the Sierra Club charge that the Reagan administration has "totally reversed" air and water pollution policies, Ruckelshaus gnashes his teeth, because those are his responsibilities.

"Those same officers of environmental groups who claim they never endorsed anyone for president before did the same thing in 1980 when they came out for Carter," Ruckelshaus says. "They were mad at Reagan then and they're still mad at him. I think such endorsements are unfortunate. It cuts the credibility of these organizations. To make progress on the environment, we've got to work together.

"The way that Tip O'Neill and his committee chairmen passed that Superfund bill August 8 was a scandal. They limited debate on the $10.2 billion bill to three hours—three hours! They introduced 31 amendments and recorded votes on only five, the rest were by voice. . . . They threw in amendments on moving expenses and victim's compensation and lost sight of the goal of cleaning up dumps.

"The Democrats are trying to claim that it is they who will clean up toxic wastes, but they are the same group that cut our budget request for this program. The bill should either be dealt with responsibly or put off until after the election. Otherwise, the government will be spending money so fast, it will make our heads swim.

"Everybody's playing politics with the environment. Last spring, Mondale stood on a platform . . . at a dump near Atlantic City and blamed Gary Hart for the mess. Hart was outraged. If Mondale portrays Hart as being against cleaning up dumps, God only knows what he'll say about Reagan."

Ruckelshaus argues that there has been "remarkable" progress in cleaning up water and air pollution. In 1970, the Cuyahoga River in Ohio burst into flames from flammable pollutants. Dead fish were measured in terms of square miles, not numbers, in Pensacola Bay. Sixty million people were on sewage systems discharging raw sewage into surface waters. Vast areas along the Atlantic and Great Lakes shorelines were closed to swimming and fishing.

"Back in 1971, when I was sitting here," says Ruckelshaus, "Nixon would call when the wind would shift toward the White House, and ask, 'what is that godawful odor, what are you doing about the Potomac?' It was about the only time he did call.

"Now people can swim and fish in that river. Over 99 percent of the streams in the country are designated 'fishable-swimmable,' as mandated by the Clean Water Act. Lake Erie is alive. The Trinity River in Dallas, once called a sewer, has fish. I guess the most symbolic achievement is the return of the bald eagle—a resurgence linked to the ban on DDT."

Ruckelshaus also says that though the U.S. population grew by 30 million since 1970, with the GNP climbing 36 percent, our air has 53 percent less particulates emission, 21 percent less sulfur oxides, and 20 percent less carbon monoxide. As leaded-gas use declined, lead levels decreased 63 percent in the 1975–82 period.

"In the world, only Japan has taken the steps we have to meet air standards," he says. "The Europeans have done very little. Our challenge now is acid rain caused by sulfur oxides—70 percent of which is coming from coal-fired power plants. We've got scrubbers on 100 such plants and have cut sulfur oxide considerably, but we're burning more coal away from our urban areas, and it's carrying across the countryside.

"We are doubling our research budget to find ways to minimize acid rain. We can retrofit scrubbers on old plants, wash the coal, build new plants, or switch from high to low sulfur content coal.

"The biggest lobby for doing nothing about acid rain is the United Mine Workers union because they're mining high-sulfur coal. They endorse Mondale, who says he has a 'secret plan' on acid rain. He won't tell anybody what it is, certainly not the mine workers."

Ruckelshaus says there's plenty of work to do on the environment that there always will be, and that the public should try to learn something about risk assessment and risk management. There are thousands of substances that show toxicity in animals, and EPA couldn't work on all of them even with a budget 10 times its present size. Moreover, any biochemist worth his salt will tell you that the human diet is loaded with toxics, including carcinogens. How about black pepper, mushrooms, celery, peanut butter, potatoes, coffee, tea, browned meat or alfalfa sprouts? But we must all eat to live.

"I wouldn't stay here if I didn't think I was serving the public interest," says Ruckelshaus. "The president has given me virtually everything I've asked for."●

OLYMPIC TEAM'S HEAD COACH

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. MORRISON of Connecticut. Mr. Speaker, I would like to honor today the man who led the U.S. men's gymnastics team to their astounding gold medal-winning victories in the 1984 International Olympics in Los Angeles.

Abie Grossfeld, the Olympic team's head coach and the U.S. national coach, is being honored today at Southern Connecticut State University in New Haven, CT, in Connecticut's Third District. Mr. Grossfeld has coached there for the past 20 years, bringing national and international acclaim to the university and its gymnastics programs and to the country.

The 1984 men's gymnastic team is the first American men's team to win the gold medal in Olympic gymnastics competition. Many attribute the surprise success to Mr. Grossfeld, who, before the Olympics took place, had hoped his team would win the bronze. Mr. Grossfeld is one of the country's leading gymnastics technicians and is recognized for his innovative teaching and long competition and coaching experience.

Mr. Grossfeld was a top member of the U.S. gymnastics teams in Melbourne in 1956 and in Rome in 1960; in 1972, he was the team's head coach in Munich. Mr. Grossfeld was also the head coach of the 1983 U.S. team at the Pan American Games and at the World Championships in 1966, 1981, and 1983. Many of Mr. Grossfeld's top gymnastics have won important medals, from Peter Kormann of southern Connecticut, who won a bronze in the 1976 Montreal Olympics to the stars of the 1984 Olympics.

I know that all of my colleagues share my pride in the accomplishment of Abie Grossfeld and the 1984 U.S. men's gymnastic team.●

BALANCED BUDGET AMENDMENT

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. DORGAN. Mr. Speaker, I am introducing today a resolution proposing a constitutional amendment to balance the budget. This amendment requires the President to submit, and Congress to enact, a budget in which outlays do not exceed revenues. It would remove the Social Security trust funds from the unified budget, and so remove the temptation to balance the budget by drawing on funds pledged to recipients of Social Security. Further, it would provide the President, and Congress, with the necessary flexibility to respond to national emergencies.

Almost 1 year ago I introduced the deficit control resolution of 1983, an act which would have produced balanced budgets within a short time. I felt at that time that the national debt had grown out of control and that interest on the debt was consuming far too much of the taxpayer dollar. I felt then that high interest rates, an overvalued dollar, and sagging export sales were largely caused by deepening Federal deficits. I felt then that the President and Congress had to regain control over the Federal fiscal policy.

We could have corrected our course without a constitutional amendment to balance the budget. But since I introduced that resolution, the national debt has grown by another $150 billion. Interest rates have been rising and exports have been falling. The budget problem has increased in severity, and will continue to do so until we act forcefully and responsibly.

BUDGET DEFICITS DRIVE TRADE DEFICITS

Much has been said about the seen and foreseen dangers of skyrocketing budget deficits, while too little has been said about mounting trade deficits—which may hit $130 billion this year. Let me talk about one clear and present danger which is driving family farmers and other exporters into bankruptcy: The danger of deficits fomenting an overvalued dollar, which makes our exports uncompetitive and unaffordable in world markets. In the words of Brookings fellow Robert Z. Lawrence, "There is . . . a direct link between the Government budget deficit and the trade deficit."

From 1980 to the end of 1983, the trade-weighted real exchange value of the dollar against major foreign currencies increased by 45 percent. The overvalued dollar has just hit a record-shattering level against the British pound, French franc, and West German mark.

Our family farmers have experienced the disasters of drought, flood, and tornado, but never before has an overvalued dollar wrought such havoc in farm communities. Farm exports, long the mainstay of U.S. trade, dropped from 164 million tons in 1980 to a projected 140 million tons in 1984. As exports fell, so did farm income—so much, in fact, that in 1983 total net farm income was negative before Government support. The farm economy and rural businesses and banks have been devastated by the double blow from high domestic interest rates and low export sales, two sides of the high deficit coin.

This situation feeds on itself; large budget deficits create an overvalued dollar, which causes even larger budget and trade deficits. In the past few years, over 1 million jobs have been lost, and billions in U.S. unemployment and social service dollars paid out. Loss of GNP in the same period is estimated at $100 billion. Farmers cannot pay back their loans; today, 45 percent of FmHA loans to farmers are delinquent. So we have paid the price of lower inflation with higher unemployment and lower exports and a ruinous form of economy.

Due to our overhanging national debt, the United States is becoming a debtor nation. We are increasingly using foreign dollars to finance current consumption, without any realistic prospects for retiring the debt. Within 3 years we could become a debtor nation for the first time since 1914, according to Dr. Richard N. Cooper, Boas professor of economics at Harvard University. In other words, it will take only 4 years to wipe out the "net claims which America built up on the rest of the world" in the prior 60 years.

STRONG BUDGET MEDICINE

The idea of a balanced budget is hardly new. Four years ago our current President focused public attention with his promise to have the budget balanced by 1984. The deficit then was almost $60 billion. Four years later, under the budgets submitted by the current administration, defense spending has doubled and the deficit has tripled. Election year promises are not the answer. Nor is the idea, sounded 4 years ago, and repeated every year since, that the deficit will cure itself. The deficit has gone too high, and accumulated too fast, to be self-liquidating. The disease has infected the very bones of the economy, and only strong medicine will effect a cure.

This balanced budget amendment is such medicine. It requires each of the responsible parties—the President and the Congress—to take responsible action. The President must submit a budget with outlays not exceeding revenues each fiscal year, and the Congress must enact such a budget each fiscal year. For too long we have been pointing our fingers in blame to gain some partisan advantage. The Nation has become too serious for a game. The President and the Congress must share equally in bringing the deficits under control.

This amendment is unique since it also makes clear that Social Security and medicare trust funds will be taken out of the unified budget as they were prior to 1969. These trust funds, which come from employee and employer contributions, are separated from the unified budget in order to remove the temptation from any future President or Congress to take from these trust funds to finance the deficit. The current President and Congress agreed with this approach when they passed

and signed into law my amendment last year to keep Social Security apart from the other budget items, starting in 1992. The provision in this amendment makes that point crystal clear, and would simply speed up the transition to independent, inviolate Social Security and hospital insurance trust funds.

This amendment, unlike some others, provides a measure of flexibility for future Presidents and Congresses to address times of national emergency. It does so by permitting a temporary waiver of budget balance, upon the majority vote of both Houses of Congress, and the President's signature, in case of a national emergency.

This amendment, if it becomes part of the Constitution, is only the first step. The more difficult steps come later, in deciding how the budget is to be balanced. If we are serious about a balanced budget, we cannot ignore spending on national defense, estimated to cost $2 trillion over the next 5 years in the administration's budget plan. We cannot ignore the proliferation of corporate income tax loopholes, which have decreased the share of revenues paid by corporations. We cannot ignore tax shelters used by the rich, which increase the tax burdens on the wage earner. we cannot ignore waste in any corner of the Federal bureaucracy.

Our Government has behaved like the public bucket has no bottom. We have been ordering everything on the menu, when we knew we didn't have the money to pay for it. This amendment is the first step in making us live within our means, in holding down interest rates, and in moving American exports. In fact, this kind of discipline would set us on a course of fiscal responsibility that will provide for long-term economic growth.●

ADDITIONAL FUNDS FOR FAMINE RELIEF TARGET AFRICA

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. WEISS. Mr. Speaker, a human tragedy of monumental proportions continues to unfold on the African Continent. The savage drought that has gripped most of sub-Saharan Africa for many months is not diminishing. In an effort to increase the U.S. response to this tragedy, I am today, with HOWARD WOLPE, chairman of the Subcommittee on Africa, introducing a bill to provide supplemental appropriations for famine relief and recovery assistance for drought-stricken countries in Africa. This bill would provide an increase of $265 million for the Food-for-Peace Program and an increase of $185 million for other AID programs.

In southern Africa, 12 more months of severe food shortages are anticipated. In east Africa, Kenya is suffering the worst drought in at least 50 years, and the prospects for the main crop this season are extremely poor. In Ethiopia, the secondary harvest was almost a complete failure several months ago, and the number of people threatened by famine has increased to 6 million. Nomads in the Sahel continue to flock to the cities for food. The need for food assistance is expected to be 20 to 30 percent greater in the coming year.

The humanitarian response ought to be growing in proportion to the dimensions of this tragedy. The evidence is overwhelming that food shipments to date have been inadequate and subject to agonizing delays, often because of the lack of transportation. The U.N. Food and Agriculture Organization in August estimated that there is still a gap of some 418,000 metric tons of food between the total needs of African nations and the commitments that donor countries have made.

Yet, the fiscal 1985 agriculture appropriation that the House and the Senate passed contains only $650 million in the food-for-peace—Public Law 480, title II—account, the same as the fiscal 1984 level before it was supplemented with additional funds. And this level proved so inadequate that the House overwhelmingly passed a $150 million emergency supplemental before the fiscal year was half over. Unfortunately, the supplemental aid was delayed when the administration and its supporters in the Senate attached it to controversial covert aid for the Nicaraguan insurgents. It was enacted in two separate parts—$90 million that passed in March and $60 million that was finally enacted in June after being detached from the covert aid for Nicaragua.

Because of the severity of the crisis and because of the many months that always elapse between the approval and the delivery of food assistance, I believe that we must initiate action immediately to provide additional assistance to Africa. In the bill that I am introducing I am asking for an additional $130 million for the Public Law 480, title II emergency reserve, including $100 million designated specifically for Africa. Also under title II, I am seeking an additional $20 million for the World Food Program to use only in Africa and $115 million for private voluntary organizations. The total additional aid for Public Law 480, title II under this bill is $265 million.

In conjunction with this emergency food aid, I believe it is imperative that we step up the type of assistance that enables developing countries to address their longer term needs and to initiate a process of recovery. Therefore, as part of this legislation, I am also asking for fiscal year 1985 supplemental appropriations of $50 million for refugee projects, $50 million for health services, $60 million for the Office of Foreign Disaster Assistance and $25 million for Project Outreach grants that help private voluntary organizations to extend Public Law 480, title II programs to the poorest population groups. The total for these AID accounts is $185 million.

The refugee assistance is intended to strengthen services for areas including and surrounding refugee camps, through both bilateral and multilateral channels. The U.N. High Commission for Refugees [UNHCR] and the U.N. Development Program [UNDP] are both working on refugee projects in Africa, with UNDP recently having been assigned a coordinating role for the projects proposed at the Second International Conference on Assistance to Refugees in Africa [ICARA] held in July 1984.

Nearly one-half of the world's refugees are in Africa, placing an overwhelming burden on the countries of asylum. Host country hospitals and schools are often overcrowded with refugees. Roads have frequently been destroyed by the weight of relief supplies and landscapes stripped of trees and shrubs to provide fuel for refugee survival. The refugees weigh heavily on a very fragile infrastructure. The refugee funds in this legislation are intended to support projects of the type proposed at ICARA II—linking emergency humanitarian aid to development projects.

Additional funding for health services is probably the greatest need in Africa after food supplies. Eighty percent of Africans lack access to primary health care and their average life expectancy is only 43 years. Yet the United States spends relatively little on health services in Africa compared to other regions of the world where the need is actually less severe. The funds in this legislation are intended for health services provided in conjunction with title II food programs. People who are weakened by malnutrition are easy prey for many diseases and usually need health care as well as food assistance. Moreover, health clinics can provide channels through which food aid is distributed as well.

Additional funding for AID's Office of Foreign Disaster Assistance [OFDA] is important to the drought-stricken nations as a source for in-country transportation of food. Public Law 480, title II covers transport of supplies to a country's port of entry but getting the food to outlying areas is a monumental problem on a continent where road systems are rudimentary and spare parts often scarcer than the motor vehicles themselves. Repeatedly we hear that food is sit-

ting on docks or in warehouses because trucks are unavailable, or if there are trucks, they need repairs, or if they are in working order, there is no gas. Therefore, I feel it is imperative that we make additional funding available to OFDA, to provide for trucks, spare parts, and fuel, as well as other famine-related needs such as seeds, fertilizer, tools, cattle vaccines, blankets, and shelter materials.

I am also proposing an additional $25 million for Project Outreach, a program that helps private voluntary organizations [PVO's] extend title II programs to the poorest population groups, including those in less accessible regions. In extending food programs to these PVO's incur exceptionally high expenses for transportation, interim storage, fumigation, distribution, administration and logistics. Requests for these grants have far exceeded the available funds.

I recognize that determining the exact level of need for famine relief as well as the level that can be absorbed in each country is extremely difficult. But since we have no accurate means of determining how much food is needed nor how much can be absorbed, it is futile to argue over these figures. Another contention is that large shipments of emergency food create a dependency on aid and that we should concentrate instead on working with African governments to alter the domestic policies that have discouraged farmers from producing more food. This is a very important long-term goal, and it is vital that we provide the necessary support to help bring it about.

In the meantime, if the lack of food is stunting the development of African children, they cannot become the productive farmers of tomorrow. They cannot become the leaders who will help their nations become self sufficient agriculturally. If farmers and nomads are abandoning traditional lifestyles in their search for food, it will be difficult for these nations to restore former levels of food production, let alone progress toward self reliance. The effects of the drought have already undermined the economies and social structures of the affected nations. A continuation of this upheaval will have a devastating effect on the future of Africa.

For these reasons, I believe that immediate and major increases in aid levels are imperative to help Africa through the present crisis. The lag time in delivering food after Congress approves it can be up to 4 months. Politics can create further frustrating delays, as demonstrated earlier this year. I view this proposal as an early start on moving a supplemental bill through the lengthy legislative process. Let us not wait for forecasts of massive starvation before we take further action.

The World Food Council at its 10th anniversary session in June 1984 strongly recommended that the international donor community step up emergency and relief supplies to the highly affected African nations. The United States should maintain a leadership role in this effort, as it has in the past. The Council stated that hunger today is largely a natural and man-made phenomenon: human error or neglect creates it, human complacency perpetuates it and human resolve can eradicate it.

I believe that we have the resolve to overcome the complacency surrounding the current famine in Africa. I urge my colleagues to cosponsor this legislation.

H.R. 6203

A bill making supplemental appropriations for the fiscal year ending September 30, 1985, for famine relief and recovery in developing countries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes, namely:

DEPARTMENT OF AGRICULTURE

PUBLIC LAW 480

For an additional amount for "Public Law 480", for agricultural commodities supplied in connection with dispositions abroad pursuant to title II of the Agricultural Trade Development and Assistance Act of 1954, $265,000,000, of which $265,000,000 is hereby appropriated.

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION

For an additional amount for "Agriculture, rural development and nutrition, Development Assistance", $25,000,000 which shall be for Project Outreach grants in support of programs under title II of Public Law 480.

For an additional amount for "Health", $50,000,000.

ENERGY AND SELECTED DEVELOPMENT ACTIVITIES

For an additional amount for "Energy and Selected Development Activities, Development Assistance", $50,000,000, which shall be for projects, such as those proposed at the second International Conference on Assistance to Refugees in Africa (ICARA II), to address the longer-term development needs created by refugees and displaced persons in Africa.

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International Disaster Assistance", $60,000,000.

GENERAL PROVISIONS

The funds appropriated by this Act for foreign assistance shall be available for obligation and expenditure notwithstanding section 10 of Public Law 91-672 (22 U.S.C 2412).●

LET'S FACE THE FACTS: HUMAN RIGHTS IS A JOKE IN CUBA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BROOMFIELD. Mr. Speaker, hats off to Elliott Abrams for telling the truth about human rights in Cuba. It is about time that Americans heard about the seamier side of life on that island.

Mr. Elliott Abrams, Assistant Secretary of State for Human Rights and Humanitarian Affairs, lowered the guns on the many naive American citizens and groups who blame their own country for all of the problems in the world and ignore the reality of human rights abuses in Cuba. Some organizations go to great lengths to distort the truth about human rights violations in Cuba, and try to paint Cuba as a human rights paradise. In fact, it is a totalitarian state.

Let's look at Cuba's human rights record for a moment. Cuba is essentially a one-party Communist state based on the Soviet model. Real power is in the hands of one person, Fidel Castro. He dominates the center ring of the Cuban circus. Mr. Abrams correctly described Castro as a "vicious tyrant" who is known for his "ruthless repression of human rights." Political rights are basically nonexistent along with civil liberties. In general terms, the Cuban people are not free to do what they want to do.

The entire electoral system is largely a show. Political opponents are excluded from nominations by law while others are disqualified by law. Some are disqualified by the party first. No debate is allowed on major issues. The elected assemblies do not oppose party decisions.

Civil liberties are equally limited in Cuba. The media are state controlled and publish only as the state directs. Although thousands of political prisoners have been released in recent years, most of them have gone into exile.

On the subject of prisoners, Mr. Abrams said:

Everyone here, I know, is profoundly relieved that the dreadful ordeal of Andres Vargas Gomez and 26 other Cuban dissidents has now, finally, ended. Yet it would be a grave disserve to those Cubans who remain in Castro's prison—often in conditions of unspeakable brutality—to pretend that Castro's release of these courageous men was anything other than a propaganda gesture, aimed at misleading American and world public opinion about the true nature of conditions in Cuba.

Hundreds of dissidents who have refused to recant continue to be held in difficult conditions. There has been an increase in judicial executions for allegedly political crimes. Unfortunate-

ly, new arrests are frequent. Hundreds of thousands of opponents of the system are formally discriminated against. Writing or speaking against the system, even in private, is severely repressed. In addition, the freedom to choose work, education, or residence is greatly restricted. It is generally illegal to leave cuba and the practice of religion is discouraged by the Government.

In reference to the issue of religion in Cuba, Mr. Abrams said.

A proverbial visitor from Mars, coming to the U.S. for the first time, might well find the silence of some human rights groups about Cuba thoroughly puzzling. After all, he might ask, aren't many of these groups supported in part by American churches? And doesn't the Cuban Government severely persecute the Church in Cuba? How, then, can human rights organizations possibly refrain from criticizing the Cuban Government for its grave human rights violations.

Let's wake up America and see the other side of the coin. Cuba does have a serious human rights problem that we can't afford to ignore. I commend Mr. Abrams for his candor on this critical issue.

With these thoughts in mind, I strongly recommend the following article to my colleagues in the House.

[From the Washington Post, Aug. 24, 1984]

U.S. OFFICIAL CHARGES "APOLOGISTS" ARE IGNORING CUBA'S RIGHTS ABUSES

(By Joanne Omang)

Assistant Secretary of State Elliott Abrams last night fired a broadside at Americans who speak well of Cuba as he attacked church figures, human-rights groups, politicians and journalists as "apologists" whose views are "distorted by a seemingly invincible anti-Americanism."

In a strongly worded speech that State Department officials said represents administration policy, Abrams said that human-rights abuses in Cuba are widely ignored by the media and by many others, who instead blame America for most world problems.

"These people will never take off their rose-colored glasses, because these glasses protect them from a harsh, glaring reality: that they have spent years defending tyrants, years demeaning their own great nation, years obfuscating the truth, years . . . on the wrong side of history and justice and liberty," said Abrams, who heads the department's bureau of human rights and humanitarian affairs.

He delivered the speech to a meeting in Palm Beach, Fla., of the Cuban-American National Foundation, which opposes Cuban President Fidel Castro.

It comes after the second round of talks between Cuban and U.S. officials on the problem of Cuban criminals and others jailed in the United States since the 1980 flood of refuges from the Cuban port of Mariel.

Kenneth N. Skoug Jr., director of the department's Office of Cuban Affairs, said the speech is consistent with U.S. policy and unrelated to the talks, which are "proceeding in a businesslike, serious way."

An official close to the policy issue noted that anti-Castro Cubans represent a substantial voting block in Florida.

Abrams said it is "shocking" that when author and prominent Democrat Frank F. Mankiewicz was named president of National Public Radio, "there was no great public outcry over the fact that he had previously served as a willing apologist for one of the most vicious tyrants of our time."

Mankiewicz and Kirby Jones authored a book on Cuba and Castro that included a passage saying Cubans are "proud of their accomplishments and sing songs about themselves and their country that reflect their self-pride."

Abrams said such a passage about blacks in South Africa or Chileans under the tight rule of Gen. Augusto Pinochet would have aroused "scorn and derision . . . evidently, however, praising the Castro dictatorship is not nearly so grave an offense."

Mankiewicz, now with the public relations firm Gray & Co., said he and Abrams "are both committed to human rights, and my commitment has never been selective."

Abrams said the Washington Office on Latin America, a human rights group, has made "virtually no efforts on behalf of Cuban political prisoners" but condemned abuses in Chile, Argentina, El Salvador and Uruguay.

"It is as though WOLA were deaf in its left ear and blind in its left eye," Abrams said.

Heather Foote of WOLA said the group has dealt with allegations regarding Cuba but focused on nations "where U.S. foreign policy has contributed to the pattern of abuses."

Abrams quoted William Wipfler of the National Council of Churches, Sister Helen G. Volkomener of Fort Wright College of the Holy Names, Corinne Johnson of the American Friends Service Committee and the Rev. Bryan J. Hehir, speaking for the U.S. Catholic Conference, as making statements he said were "grossly misleading" regarding human-rights violations in Cuba.

"Since many of today's journalists, human-rights activists and even clergymen are simply yesterday's peace activists in a somewhat more decorous garb, it is not surprising that their view of the world is distorted by a seemingly invincible anti-Americanism . . . and by a profound reluctance to criticize America's adversaries," Abrams said.●

UNION OIL, ROMEOVILLE, BEGIN BLAST CLEANUP

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. O'BRIEN. Mr. Speaker, on July 23, 1984, an explosion during a repair operation at the Union Oil Co. refinery in Romeoville, IL, caused a tragic loss of life and extensive damage to property.

Seventeen people, all employees of the company, died in the explosion and over 30 were injured, some seriously. The blast heavily damaged 7 adjacent businesses, 1 church and 22 nearby homes and overturned a 75-foot, high-tension electrical tower near the area. The explosion broke windows in Joliet, 15 miles away, and was heard as far away as the Illinois-Indiana border, 40 miles away.

Union Oil and its employee and labor organizations have responded to the mammoth responsibilty of rebuilding the ravaged plant. I have toured the facility since the explosion and have seen many of their efforts in action. None of the some 700 employees of the plant have been laid off as a result of the explosion; all are working in general maintenance and cleanup while the damage is assessed and steps toward recovery begin.

In a true showing of community spirit, other groups have also brought their resources to bear on the task of assisting the stricken refinery and its workers. The American Red Cross responded immediately after the incident by providing sanitation facilities and bottled water and conducting a detailed damage assessment. The Salvation Army provided food, as did a number of local restaurants. Other asssistance was provided by the Romeoville Jaycees and American Legion Post 1261.

The damage to the plant—the largest of five owned by Union Oil's parent company, Unocal, in the United States—is so vast that company officials have been unable to determine when the plant will reopen. And the effect on Romeoville has another dimension—the town will lose about $880,00 in utility tax payments over the next 12 months as a result of the damage to the refinery.

The efforts of the company, labor organization and community in the aftermath of one of the worst refinery explosions in American history will long be remembered.●

TRIBUTE TO NIKOLA TESLA

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. GEKAS. Mr. Speaker, things that we seem to take for granted today, such as electricity and electric lights, were extraordinary discoveries that immensely changed our everyday lives. Almost all Americans automatically think of men like Franklin and Edison as being the great contributors to these changes, but one man who also made significant contributions and is rarely recognized is Nikola Tesla, the man who discovered the practical applications of alternating currents.

This year marks the 100th anniversary of Nikola Tesla's arrival in the United States as a penniless Serbian immigrant. Once in the United States, he worked at finding different and useful applications of electricity. He patented the equipment that formed the system for generating and using the power from Niagara Falls.

During his lifetime and thereafter, he was the recipient of numerous awards and honors in recognition of his findings. Among those awards are honorary degrees from Yale, Columbia, the High Technical School in Vienna, Universities of Belgrade and Zagreb, honorary fellowships from the American Association for the Advancement of Science, American Electro-Therapeutic Association, and the American Institute of Electrical Engineers, as well as a long list of other medals and awards.

Bernard Behrend once said of Tesla's work, "Were we to eliminate from our industrial world the results of Tesla's work, the wheels of industry would cease to turn, our electric trains and cars would stop, our towns would be dark, our mills and factories dead and idle. So far-reaching is his work that it has become the warp and woof of industry."

Nikola Tesla worked all his life but not for fame and fortune. He only wanted the freedom and opportunity to work in the field he loved best. he was truly a great American and a great scientist who should be remembered by all for all time.●

LOUD AND CLEAR

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Ms. OAKAR. Mr. Speaker, a woman who has created, and reported history is a credit to Cleveland and the Nation. At a time when she is rallying back to good health, I believe this article reminds us of her great genius and wishes her Godspeed in good health.

[From Savvy magazine, July 1984]

LOUD AND CLEAR

(By Patricia Burstein)

Dorothy Fuldheim has lived through the major technological innovations of the twentieth century—the invention of the telephone, the automobile, the airplane, the television, and the computer. She has seen medicine virtually eliminate smallpox, diphtheria, and polio. During her lifetime, scientists have plumbed the depths of the sea and men have walked on the moon. But the ultimate object of Fuldheim's fascination is the human brain. "I'm in awe of that instrument," she says. "It will let us understand what makes the universe tick, if, indeed, it does."

At ninety, Fuldheim's brain is not only ticking, but resounding with questions and opinions. She is Cleveland's premier newscaster and the oldest working broadcast journalist in the world. She first went on the air in 1947, which makes her the first woman ever to deliver television news.

Signed recently to a new three-year contract for more than $100,000 a year, Dorothy Fuldheim makes money the old-fashioned way. She tapes interviews with four celebrities each week for the noon show on Cleveland's top-rated ABC affilate, WEWS-TV, and writes and delivers commentaries for the early evening and 11:00 P.M. newscasts every day. On Wednesday, she hosts a call-in show in which viewers get to "Ask Dorothy" about everything from Lebanon to potholes.

In 1981 alone, she made three trips overseas for major stories. The first, in April, was to Belfast, Northern Ireland, where she interviewed the mother of IRA hunger-striker Bobby Sands. She covered the Royal Wedding in London that July, and Anwar Sadat's funeral in Cairo the following October. Back home, viewers were worried about her globe-trotting. "They were nervous because of my age," Fuldheim recalls. "It was the silliest thing. I go where I want."

She is five feet tall and slightly stooped from arthritis, for which she receives treatments each morning before work. Her knees hurt, but she keeps walking instead of talking about it. Though she tints her hair red, she makes no other attempts to camouflage her age. She wears no makeup, not even lipstick, and only grudgingly submits to a dusting of powder for the camera.

Fuldheim arrives at her ground-floor office by 9:30 a.m. every day. Though this particular morning is cold and damp, she wears a thin royal-blue cotton suit. She goes over her mail, wire copy, and local and national newspapers. Her neat beige-toned office also serves as the proverbial "green room" for guests. Spurning a talent coordinator, Fuldheim herself greets and talks with interviewees for fifteen minutes prior to taping. "I like to get the flowering of their minds and achievements," she explains. "I pretty much know how far I can go. I don't try to get in too deeply with everyone."

Maybe not, but according to the station's vice president and general manager, Ed Cervenak, Fuldheim has the admirable ability to "ask the questons people want to know, such as 'How much do you make?' "

One segment with a guest promoting "singing" Valentine's Day cards is more like a vivisection than an interview. "Why would anyone send such a silly card?" Fuldheim inquires of the greeting card company representative. "Why is it so expensive? In my day we paid five cents for a card. People can't spend this kind of money. For what? To throw the card away? If I get four or five cards, will they play the same song?"

Seemingly oblivious to the diatribe, the guest beams at Fuldheim. "Oh, no," she responds. "We have six songs. There are six hundred people in our creative department." To which Fuldheim replies, "You mean that's all they do, the six songs?" The woman cheerfully explains, "Actually, there are seventeen thousand people in all, with many varied and important functions." Fuldheim pounces again, this time to bring the interview to a fast close. "I'm awed," she deadpans, "that you're one of those seventeen thousand people . . . and a Happy Valentine's Day to you."

Back in her office, Fuldheim despairs over the interview, which she believes was a lost moment at a time when there are so many crucial issues to explore. "What that woman had to say was cheap and didn't mean a damn thing," she says, her voice quaking in anger. "A half-block from here is the unemployment office. I see people walking over there. They wear shoes with rundown heels. Could anything be worse? I can't be comfortable when I know there are people who are hungry and can't afford a doctor." She decides to delete the interview from the tape.

Fuldheim's interview subjects have run the gamut from greeting card salespeople to Albert Einstein, her favorite subject. "I was mesmerized by that man's knowledge," she says. Her most memorable interview: Helen Keller. "That woman never heard a human voice, never saw a smile, never heard music or the ripple of water, and yet she understood concepts," Fuldheim says in awe. "She represented an emancipation from the senses that I've never forgotten."

The most obnoxious subject, she claims, was former Yippie Jerry Rubin. When Rubin started talking about "eliminating pigs" and his support of the Black Panther party, Fuldheim ripped the microphone off him. "Out!" she shouted, pushing him off the seat during a live interview. "The interview is over!"

Fuldheim has appeared on *Tonight, Merv Griffin, Donahue,* and *Good Morning America,* among other talk shows, and does not always spare her hosts either. "David Hartman," she says, shrugging her shoulders disdainfully. "Now tell me how he got his job." When Hartman, host of ABC's *Good Morning America,* told her to be sure and come back real soon, Fuldheim told him if he wanted to see her, he would have to come to Cleveland.

Barbara Walters, who has both interviewed and been interviewed by Fuldheim, marvels at her skill. "She sits there, without notes, and everything she asks is to the point. Her drive, her intelligence, her audience appeal give us all hope that we can go on forever."

Fuldheim shrugs off such praise. "It gets my goat when people say it's remarkable how bright I am at my age," she says. "I was bright forty years ago. And the more I use my brain, the sharper it gets."

Dorothy Fuldheim was born in Passaic, New Jersey, in 1894, one of three children of an insurance salesman and a housewife. Because the family could not afford to buy books, Dorothy's father took her to the local courthouse, visits she credits with developing her devotion to words and to public speaking.

She received a teaching degree from Milwaukee Normal College in 1912, but after a short stint in the classroom switched to the stage. She appeared in plays in Milwaukee and Chicago, making her debut in *Romeo and Juliet.* She thinks she played Juliet but can't remember for certain. In any case, she says, "I must have been a lousy Juliet. When you're young, you can't feel that kind of tragedy."

After seeing her in one Chicago production, the social reformer Jane Addams, who knew of Fuldheim's ability as a public speaker, asked her to share a lecture platform on a world tour. In 1932, Fuldheim, then thirty-eight, traveled to Munich to get an interview with Adolph Hitler but was turned down. She staked him out near his office and confronted him on the street. Their lengthy conversation went unnoted: Fuldheim was not yet a journalist. "When I returned home, I warned that he was the Samson of Europe," she recalls. "I learned then—from the Germans response to Hitler—that a person's life is determined by economics."

Because of her speeches on social justice and world peace, Fuldheim earned a reputation as a "militant" in Cleveland, where she had moved at twenty-two to marry lawyer Milton Fuldheim, the first of two husbands. In public speaking engagements, she advocated birth control and opposed public utilities and railroads. By 1947 she was doing an ABC Radio Network commentary show, which came on right after arias by Metro-

politan Opera stars. That same year, WEWS-TV, the first television station in Ohio, offered her a job as a commentator at $150 a week.

Although skeptical of television's future, Fuldheim, then fifty-three, accepted, but continued lecturing and doing radio commentaries. When her first impression of the medium proved wrong, she signed on at the station full-time and has been there ever since. Competing stations have tried to lure her away, but Fuldheim vows she will never leave. The reason, she says, is that in 1970 she went on the air and said the killings at Kent State were murder, then cried over the dead students. The station was flooded with letters and calls protesting her show of emotion. "It got so bad that I called the station manager and offered to resign," she recalls. "And he said, 'Go to bed. I think you're nine feet tall.' Now do you think I could leave a guy like that?"

Such loyalty did not extend to husbands. "I've never known any man I wanted to be faithful to," Fuldheim says. Of her first marriage to Milton Fuldheim, with whom she had a daughter, she remarks, "It was a curious thing, but those years really didn't touch me much. I just didn't know any better." Several years after his death in 1952 she married again. Her second husband, also a lawyer, died in 1969. "I married the second time because he was my lover," Fuldheim says, "I don't particularly recommend marriage, but I do think every woman should have a lover." She pauses and then confesses, "I've never been with any man, except one, when I wasn't lonely—even in the sexual act. No matter if you're in love, you don't give yourself completely."

Her loneliness deepened when her daughter, Dorothy, her only child, died of a heart attack three years ago at the age of sixty. Fuldheim's only surviving relative now is her thirty-seven-year-old granddaughter, who is severly handicapped. Fuldheim arranges for her care in an apartment near the home she herself shares with a couple in suburban Shaker Heights. I've often thought that some people are porcelain and some pewter," she reflects sorrowfully. "My daughter was a fine piece of porcelain with an extraordinary mind and a noble nature. It seems an unworthy part of life that destroys the young and lets the old live. I wouldn't have minded if I had died. There would have been no sacrifice on my part. But nobody gave me the choice."

Fuldheim goes on, moving time forward, absorbing herself in the editorials she must write for two evening broadcasts. It is past noon. She orders a chicken salad sandwich and nibbles on it. Here longevity is clearly not attributable to diet. "I've got a real thing for chocolate," she admits. "I have it for breakfast. I tell you, I'm a different species." In the last two years, she has missed only two days of work—for a root canal appointment.

Agonizing over what to write, she considers Lebanon, but with news breaking about a possible troop withdrawal there, decides to wait a day or so. "I want to hear what Reagan has to say before I make up my mind," she says. "At least I should give him a chance."

The woman who has interviewed every president since Roosevelt knows exactly what she thinks of the present resident of the White House. "Reagan may be a nice guy," she remarks, "but he has no business being President in such a complicated period. He has no historical point of view." Whom would she put in his place? "Someone smart, like Kissinger," she answers. "But he's got an overwhelming ego."

Fuldheim has recounted her career in two books, *I Laughed, I Loved, I Cried,* and *One Thousand Friends,* about her interview subjects. She has also written a novel, *Three-and-a-Half Husbands,* recently adapted as a musical comedy. In fact, later this evening, she will attend a meeting on an $80 million theater complex that will be dedicated to her—and stage her musical as its first production.

But first there are the editorials. As Fuldheim labors over them, she answers a constantly ringing phone. A New York writer asks if he can do her biography. The Radio and Television Broadcasters' Association wants to know if she will be able to pick up a "Woman of the Year" award in Chicago. If Fuldheim can juggle this event with a speaking engagement in Cleveland the same day, she'll go. "Everyone is rushing to give me an award," she cracks. "I know perfectly well what happens when you get to a certain age." At eighty-seven she was voted the most influential woman in Cleveland; at ninety, the Cleveland Orchestra played "Happy Birthday" to her at a party for two thousand.

Fuldheim passes her handwritten commentaries to a secretary to type. Her eyes look tired. She lapses into a somnambulent monologue that straddles waking and sleeping. "My questions are unanswerable," she says. "They're the enigma of life itself. If life can torment me with these questions, it ought to be able to answer them. Is mankind an experiment that isn't working? By all odds it's a failure. Look at how we've killed ourselves in wars. I've walked through cemeteries in France . . . row after endless row of names—Jewish, Protestant, Catholic. In a cemetery they all lie together. Why don't they stand together in life? What I resent about dying is the knowledge that I'll never have about how the universe will end up."

The station's weatherman, Dan Dobrowolski, arrives to accompany her into the studio to deliver her commentaries, as he does every day just before six. "We make an odd pair," says Dobrowolski, twenty-five. "But she's no fuddy-duddy. I think her massive internal energy is what's kept her alive so long."

While her co-anchors fix their hair and apply makeup, Fuldheim practically cowers from a powder puff. On the air, she launches into her commentaries on nuclear disarmament, budget cutbacks affecting Social Security, and a new hormone that will enable short children to grow. She ends on that one. "Can you imagine what that means to those who are doomed to dwarf height?" she asks. "Perhaps we can make everyone beautiful and bright by finding the right substance in the brain."

Returning to her office, she goes over the rest of her mail and the late afternoon papers. She peers over a page and says, "It used to be that everyone was older than I. Now I'm older than everyone else. This is a completely new role. Whoever thought Dorothy would be old?"●

A TRIBUTE TO KNOGO CORP.: AN AMERICAN SUCCESS STORY

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. LENT. Mr. Speaker, it's a pleasure to have the opportunity to pay tribute to the outstanding contributions of Arthur Minasy, chairman of Knogo Corp., to the retail industry. Knogo Corp. of Hicksville, NY, is a true American success story.

Arthur Minasy developed the EAS (electronic article surveillance) antishoplifting device in his garage over 18 years ago. And business has been booming every since. Each year, retailers worldwide save billions of dollars in shoplifting losses thanks to Knogo devices which prevent shoplifting efficiently and effectively. Knogo sales and services in the United States, Europe, Australia, and Japan accounted for over $25 million in revenues in 1983.

Small businesses thrive on challenges, and Knogo is no exception. With hard work and determination, Arthur Minasy took the small business in his garage and made made it into the thriving, profitable enterprise it is today.

As a Long Islander, I appreciate Knogo's significant contributions to Long Island's low unemployment and prospering economy by employing over 300 people at its Hicksville plant.

Arthur Minasy is an inspiration to millions of hard-working small business men and women across America. The remarkable success of Knogo Corp. is an outstanding achievement which deserves our wholehearted recognition and appreciation. I extend my most sincere congratulations and best wishes for continued success.●

THE YEAR OF THE TEACHER

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. DYSON. Mr. Speaker, one of our colleagues, Hon. WILLIAM D. FORD, has introduced House Joint Resolution 613 designating 1985 as "the Year of the Teacher." I cannot think of a better profession to commemorate with a year of appreciation.

Everyone of us here today owes something to a teacher. Without the encouragement and patience of those teachers who gave us so much, many of us would not have been able to attain the goals we have set for ourselves. Designating 1985 as the "Year of the Teacher" is one small way to express this Nation's gratitude to its

teachers and to elevate them in the public's esteem.

Mr. Speaker, I would like to take this time to recognize a special teacher in Maryland's First District: Mr. Carvel LaCurtis. Mr. LaCurtis is a mathematics instructor at Pocomoke High School in Pocomoke, MD. He was named the "Maryland Mathematics Teacher of the Year for 1982-83" by the Maryland Mathematics Teachers Association and was appointed by Maryland State School Superintendent David Hornbeck to the Maryland Commission on Secondary Education's Instruction/Instructional Support Services Task Force.

Recently, a great honor was bestowed upon Mr. LaCurtis. He was selected as one of the State's two finalists for the Presidental Award for Excellence in Teaching Science and Mathematics. This program was established by the National Science Foundation to recognize outstanding secondary schoolteachers of science and mathematics who serve as models for their colleagues and to recognize the contributions they have made.

We in Maryland's First Congressional District are proud of Carvel LaCurtis and the contributions he has made to earn this award. To the teachers of this great country, I say, thank you for all your hard work and dedication to our Nation's youth.●

MILITARY CITES ALLIS-CHALMERS FOR PRODUCT EXCELLENCE

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. O'BRIEN. Mr. Speaker, Allis-Chalmers Corp.'s Industrial Truck Division has joined a select group of Government contractors by receiving the new Defense Department Quality Excellence Award.

The Matteson, IL, facility is the first contractor in northern Illinois to qualify for the special commendation under the program, which recognizes companies for producing high quality material for the military services and defense agencies.

Maj. Gen. Joseph H. Connolly, USAF, Deputy Director (Acquisition Management), Defense Logistics Agency, made the award presentation to Owen R. Davis, general manager and vice president of Allis-Chalmers, in a ceremony August 15 at the Matteson plant.

The award was based on excellence in the quality of products and services provided by a Government contractor over a 12-month period. The program is implemented through the quality assurance representatives assigned to defense contractors' facilities.

The latest presentation marks the third consecutive year Allis-Chalmers has been recognized by the Department of Defense for excellence in quality assurance. The company received awards in a former program in March 1983 and March 1982.

The Allis-Chalmers facility in Matteson was established in 1971 and employs about 600. The division produces a broad range of electric- and internal combustion-powered lift trucks.

Several Allis-Chalmers officials and employees shared in the responsibility for the company's excellence, including Ed Siebrasse, plant general manager; Dan J. Tutaj, director of corporate quality assurance; Robert Rieke, president, Local 1094, United Steelworkers of America; and Anthony DeCola, Allis-Chalmers' manager of marketing.

I ask other Members of Congress to join with me in saluting Allis-Chalmers' Matteson plant employees for their achievement.●

KIM FRIDMAN'S 50TH BIRTHDAY

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BORSKI. Mr. Speaker, I rise to pay tribute to refusenik Kim Fridman in honor of his 50th birthday which is today.

Kim Fridman, a radio engineer living in Kiev, applied for permission to emigrate to Israel in 1972. He received his first refusal in January 1973 because of his alleged classified work in the Kiev radio plant where he had access to secret documents. He had left this plant in 1969 in anticipation of applying for permission to emigrate. A number of his colleagues who worked with him at the plant were given permission to emigrate some years ago.

Between the years 1974-76, a monthly seminar on Jewish culture was conducted in his apartment. He also taught Hebrew. Kim was arrested several times, interrogated by the KGB and harassed for his teaching.

In 1976, Kim's wife, Henrietta, and daughter, Victoria, were allowed to emigrate to Israel. Victoria married and has a young daughter. Kim received additional refusals to his applications for emigration in 1978 and 1979.

On March 18, 1981, he was arrested and charged with "parasitism." After a 2-month confinement in Kiev's Lukianovka Prison, he was brought to trial on May 19 and sentenced to 1 year in a labor camp.

According to the National Conference of Soviet Jewry, Kim, who suffers from heart disease and has not been able to hold a steady job since 1979, worked as a bookbinder whenever his health permitted. A coworker could have testified to this fact, but because of KGB threats, was afraid to appear as a witness at the trial. However, the prosecutor found it difficult to present evidence that Fridman was unemployed for as short a period as 2 months. He added that in all his wide experience as a lawyer, he had never encountered a similar case. The prosecutor reprimanded him harshly, saying that he did not comprehend "what kind of trial" was involved. Fridman's appeal against the sentence was rejected.

Kim was released following completion of his 1-year labor camp sentence on March 27, 1982. He returned immediately to his former Kiev residence and in June 1982 was again refused permission to leave. Courageously, Kim continues to work toward receiving an exit visa.

I would like Kim's birthday to serve as a reminder to my colleagues, and to the many people across this Nation, of the need to focus our attention on the plight of the Jewish community in the Soviet Union, and to demand that justice prevail. Only when he is allowed to be reunited with his family, will birthdays for Kim Fridman truly be a celebration.●

COMMUNITY HEALTH CARE CENTERS

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. DAVIS. Mr. Speaker, I rise in support of H.R. 5602, the Health Professions and Services Amendments of 1984.

Title IV of this bill is especially important because it provides for the health care needs of the rural and the poor. This legislation promotes high quality health care both efficiently and inexpensively through a network of community health centers.

Nationally, the 750 community health care centers serve 5 million people and save money by encouraging preventive medicine and by reducing inpatient costs as much as 50 percent. One study indicates that health centers saved the Medicaid Program $580 million in 1980 alone. This amounts to a medicaid savings of $1.62 for each dollar spent on health centers. Numerous studies have shown that these centers provide as efficient and effective care as other providers of medical care including private practitioners, group practices, and hospital-based settings—at equal or lower costs.

In my rural northern Michigan district, community health care centers serve tens of thousands of citizens with quality health care. They were instrumental in initiating regionwide

CPR and emergency medical training programs, stop smoking clinics, and home care programs for senior citizens. The centers are also credited with the significant decline of infant mortality rates. Such preventive measures reduce hospitalization and emergency care costs. Because my district has chronically high rates of unemployment and poverty, these health centers are an especially important component of the safety net that protects the less fortunate. Without these centers, where patients pay according to their ability, many rural Michigan residents—especially senior citizens—would be without basic health service.

Perhaps it is too rare of an occurrence when we have the opportunity to be both fiscally prudent and socially responsible. On behalf of the 5 million Americans now being served by community health care centers, and on behalf of the 51 million Americans who still do not have access to adequate health care, I urge your support on this bill.●

RELIGIOUS DISCRIMINATION AGAINST SOVIET JEWS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. SMITH of New Jersey. Mr. Speaker, as many of my colleagues are aware, religious discrimination against Jews in the Soviet Union has increased dramatically since 1979. Many of us in Congress have been working diligently to encourage an easing of the extremely tight restrictions on Jews in the Soviet Union, particularly regarding the right to emigrate. Unfortunately, Mr. Speaker, the radical decline in emigration begun during Brezhnev's final years has dropped to its lowest point since the late sixties. This policy shift has had a devastating impact on the lives of thousands of refuseniks who must suffer persecution on a daily basis for their beliefs.

Among these refuseniks, Mr. Speaker, is one of the most respected Soviet scientists, Dr. Aleksandr Lerner, whom I had the honor of meeting at his apartment in Moscow in 1981. September 7 marks Dr. Lerner's 71st birthday and I would like to take this special occasion to bring the plight of Dr. Lerner and his family to the attention of my colleagues as just one illustration of the brutal impact this shift in Soviet policy has had.

The author of 168 scientific works, including 12 books, Dr. Lerner submitted his visa application to emigrate to Israel 13 long years ago in 1971. He was immediately denied permission and has been repeatedly refused on grounds of state secrets, an accusation he vehemently denies. As is the experience of so many Soviet Jews, Mr. Speaker, after submitting his family's application he was dismissed from his academic, research, and editorial posts and has suffered repeated harassment by the KGB with house searches, arrests, and summonses for interrogation.

For example, in an open letter published in the newspaper, Isvestia, on March 4, 1977, Dr. Lerner was accused of espionage and treason and of instructing persons who had a single platform and leader at American secret services and foreign anti-Soviet organizations. He has also been accused of systematically receiving through unofficial channels instructions, hostile literature and financial means in order to aggravate tension between the United States and USSR.

In a reply sent to the West, Dr. Lerner said:

(1) I was never connected in any form with any secret service of any foreign state, including the United States, nor have I ever collected or instructed anyone to collect information constituting military or statistical secrets.

(2) I never received remuneration for my activities either from the CIA or any other foreign organizations, and I never needed or need such remunerations.

(3) During the period of waiting for an emigration permit, since the end of 1971, I met with many foreigners, tourists, correspondents, scientists, diplomats and statesmen, but not one of them ever offered me to collaborate with a foreign secret service or an anti-Soviet organization.

In conclusion, Dr. Lerner pointed out: "all the charges presented againt me and my friends are nothing more than deliberately malicious slander.

Mr. Speaker, Dr. Lerner has been an active and respective member of the Moscow refusenik community. Until the fall of 1981, he hosted a weekly scientific seminar for unemployed Jewish scientists waiting to emigrate. Despite his official scientific expulsion, Dr. Lerner continues his scientific studies on his own. He has developed a theoretical model for an artificial heart which is viewed by American medical scientists as a unique contribution to health science.

On a more personal level, the denial of permission to emigrate to Israel has had tragic consequences within Dr. Lerner's family. In 1973, the Lerner's daughter, Sonya, was permitted to leave for Israel, while Dr. Lerner, his wife, Judith, and son, Vladimir were refused. On July 7, 1981, after 8 long years of separation in which two grandchildren were born in Israel, Judith Lerner died, Mr. Speaker, her wish to see the family reunited in Israel unfulfilled. A visitor's visa was granted to Sonya to attend her mother's funeral. In late 1982, authorities stepped up their harassment of the prominent scientist by threatening his son with criminal prosecution and him with the loss of Moscow residency if he continued meeting with foreigners.

Last year, on Dr. Lerner's 70th birthday, Mr. Speaker, scientists on three continents marked the occasion by publicizing his plight and appealing to the Soviet Government to allow him and his son to join their relatives in Israel. This year Dr. Lerner's situation has not improved. I can only hope that by focusing attention on the plight of brave individuals such as Dr. Lerner, we will see an improvement in the treatment of Jews in the Soviet Union. The right to family reunification is explicitly provided for in the 1975 Helsinki accords, Mr. Speaker, and I fervently hope that the Soviet Government will begin to observe its commitment to these accords by allowing refuseniks such as Dr. Lerner to fulfill their lifelong dream of emigrating to Israel.●

CONGRESSIONAL CALL TO CONSCIENCE VIGIL 1984

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. LENT. Mr. Speaker, the Kremlin is waging a campaign of persecution and anti-Semitism against thousands of innocent men and women in the Soviet Union and throughout Communist-ruled countries. This serious threat to human rights and freedom has intensified to frightening levels. We in the U.S. Congress must strengthen our efforts to fight anti-Semitism wherever and whenever it raises its ugly head.

The Congressional Call to Conscience Vigil 1984 is our opportunity to let the Kremlin's leaders know we will not stand by in silence while the Soviet Government perpetrates hatred and inhumanity of the worst kind. It is our duty as elected Representatives of a nation which values freedom and individual rights above all else to reaffirm our commitment to restoring these same rights to the brave men and women who struggle under the tyranny and oppression of communism.

As a former chairman of the Call to Conscience Vigil, I cannot overemphasize the importance of the participation of each and every one of my colleagues in today's vigil. Strong, persistent efforts are our most powerful weapon in the battle against anti-Semitism.

In fact, the Kremlin has stepped up its efforts to harass and threaten its Soviet Jewish citizens. Recently I received a letter from Elena Fridman, sister of Ida Nudel, the Soviet Jew and my Fourth Congressional District's Prisoner of Conscience. Ida was released last year after serving 4 years of internal exile in the harsh Siberian wastelands. Her crime was seeking to

emigrate to Israel and assisting other Soviet Jews trying to emigrate there.

Elena wrote that the Soviet Secret Police [KGB] has been harassing Ida, attempting to prevent here from observing religious holidays and from associating with other Jewish refuseniks. As part of my continuing campaign to free Ida, I urged my colleagues in this Chamber to join in an effort to assist Ida through two protests. One was directed to President Reagan urging the administration to redouble is efforts for her freedom; the other to Soviet President Chernenko demanding the Soviet authorities—after 12 long years—permit Ida to emigrate to Israel. I am proud to report that more than 90 of my colleagues in the House of Representatives cosigned the two messages. This clearly demonstrates the strong support and growing momentum in the U.S. Congress for relieving the plight of Soviet Jews. Our efforts are of immeasurable value to the courageous individuals like Ida Nudel, and the thousands of other refuseniks and prisoners of conscience. Ida told Elena that the letters she received during her exile in Siberia from me and the other U.S. supporters helped sustain her spirit and gave her the hope to hold on to her dream of freedom.

I have today been notified by the Greater New York Conference for Soviet Jewry that four Soviet Jews—all Hebrew teachers—have been arrested by the Soviet secret police. They are being held for investigation of anti-Soviet activities. I immediately sent a telegram to Soviet President Chernenko to protest the Soviet Government's continued persecution and outrageous treatment of anyone who encourages belief and practice of the Jewish religion and culture.

Unfortunately, reports show that emigration of Soviet Jews has hit the lowest level in many years—fewer than 1,000 people may be permitted visas during 1984. But most disturbing are the reports of violence, persecution, and harassment against not only Soviet Jews, but American citizens in the Soviet Union attempting to help them. This is intolerable.

Recently, two Long Island women visiting Russia, leading members of Jewish organizations on Long Island, were arrested and interrogated by the Soviet KGB for their visits with Soviet Jews. Such incidents prove the Kremlin is so concerned about our protests over their persecution of Soviet Jews that it will go to almost any length to discourage outside contact with Soviet Jews to keep the world from learning the truth about their tragic situation.

Mr. Speaker, if we believe in human rights, if we value the freedom to worship without fear of persecution, if we cherish the right to work and raise our families in the land of our choice, then it is our duty as Members of Congress to speak out and vehemently protest the Kremlin's official policy of anti-Semitism and racism. Only by a united effort can we help those in the Soviet Union who suffer persecution and oppression. I encourage every Member present to join us today in the Call to Conscience Vigil and help us win the fight for freedom and human rights.●

GENERIC DRUG BILL

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. MARKEY. Mr. Speaker, there is a lot of talk these days about Social Security, medicare, and how we can help the elderly. I rise in strong support of this bill since it offers the elderly more than just talk. It saves them money. By making generic drugs more available to the public, senior citizens will save money without sacrificing quality. I strongly support this measure and urge my colleagues to vote for it.

Prescription drugs represent a significant cost to senior citizens. Medicare is a bare bones program at best, covering only 42 percent of the average senior's medical bills. Even with medicare, senior citizens still must use $1 out of every $6 they have for their medical costs. One of the principal expenses facing senior citizens is prescription drugs. This bill will reform the way generic drugs come to market and will benefit consumers.

This bill is the most important consumer legislation to be considered this year. Consumers will save over $1 billion since low-cost generic drugs will be available. By reforming the current FDA procedures that bar competition from generic drug companies, consumers will be able to receive quality drugs at a fraction of the costs of name-brand prescriptions.

The savings from this bill represents a great saving to consumers and a landmark change in our drug laws. I am confident that this careful compromise will benefit consumers both in the short run and in the long term.

The short-run benefit is clear: $1 billion will be saved by consumers. The long-term benefits are also important. This legislation provides the incentives necessary for our country to maintain its worldwide leadership in pharmaceutical research by restoring patent time lost due to Government review. These short- and long-term benefits are equally important and equally significant.

This bill is a good compromise that helps us contain health care costs and protect the investment of drug companies. I strongly support this bill as the No. 1 consumer issue and the No. 1 elderly issue facing this Congress.

Give the senior citizens of this Nation, those who have to pay the most for prescription drugs a break. Vote yes for this bill and give consumers a $1 billion break.●

OPEN HOUSE AT CORAM, NY, POST OFFICE

HON. WILLIAM CARNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. CARNEY. Mr. Speaker, I would like to take this opportunity to highlight the activities of some public servants in my congressional district whom we can all take pride in.

On September 9, Postmaster Lois F. Boddy and the Coram, NY, Post Office will be hosting an open house at the post office from 1 to 4 p.m. This is an effort undertaken by the post office to improve customer relations in the community.

Mr. Speaker, I know that I speak for a great many of us when I say that our postal system is the finest in the world. The Coram Office certainly typifies the excellence we have come to expect—and perhaps take for granted. Saturday's open house is a worthwhile event, and I applaud Postmaster Boddy and the employees of the Coram Post Office who are taking this extra step by inviting their customers to stop by their post office.

The Coram Post Office is very proud of one of its members in particular, Mr. Frank Barone. Apart from being an excellent employee at the facility, Mr. Barone is a hero in the true sense of the word. On April 2, 1984, without regard to his own personal safety, Frank Barone rescued a child from a burning automobile. Frank is an inspiration to all of us, a public servant and a man who really cares about people.

Mr. Speaker, I am proud of the Coram Post Office and Frank Barone. I am sure that my colleagues join me in saluting some very fine public servants on Long Island.●

TRIBUTE TO MOE HENRY HANKIN

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. KOSTMAYER. Mr. Speaker, I want to pay tribute to a distinguished resident of my congressional district and a friend, Moe Henry Hankin, who died on July 31, 1984, at the age of 71.

Moe Hankin was a native of Pennsylvania and a senior partner in the Willow Grove law firm of Hankin, Hankin & Hankin. He was not only a highly regarded attorney, but was also

a respected banker and real estate developer. His leadership in these fields coupled with his lifelong commitment to civic causes earned him a well-deserved reputation as one of southeastern Pennsylvania's leading citizens.

He played a critically important role in the commercial development of Montgomery County, PA, and particularly the commercial revitalization of Willow Grove. His belief in the potential of that community motivated his successful efforts to bring a new business climate to Willow Grove. The Willow Grove Shopping Center he built in the mid-1950's was one of the first suburban shopping centers in the Greater Philadelphia area.

His real estate development in the area also included motor lodges, golf clubs, and a former amusement park. He was one of the first supporters of building a shopping mall at the site of the old amusement park. This mall, now a reality, is one of the largest in the area. He cofounded the Bank and Trust Co. of Old York Road in Willow Grove, where he served as its director and vice president for more than 40 years.

Moe Hankin's community and business achievements were numerous and he continuously demonstrated his commitment to the causes in which he believed. He was a cofounder of Temple Beth Am in Abington, PA and was a member of the Prime Ministers Club of the Israel Bond Organization, as well as the International Society for Israel Bonds. Mr. Hankin was a charter member of the Rotary Club of Willow Grove and was a director of the Philadelphia Opera Co. He was an active member of the Montgomery County and American Bar Associations and served as a member of the Benjamin Franklin Associates of the University of Pennsylvania Law School, his alma mater.

Mr. Speaker, Moe Hankin was an invaluable asset to Pennsylvania's Eighth Congressional District. I was honored to represent him in the House of Representatives and I always eagerly received his advice on local and national issues. His commitment and his leadership was admired. Moe Hankin will be long remembered and sorely missed. He is survived by his wife of 44 years, Sabina; a son, Lowen; a daughter, Mina; four grandchildren; two brothers, Perch and Max; and a sister, Pauline Shanken.●

NOW IS THE TIME TO RATIFY THE CONVENTION AGAINST GENOCIDE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. BROOMFIELD. Mr. Speaker, our country has waited far too long to ratify the Convention on the Prevention and Punishment of the Crime of Genocide. This is the time to move ahead and ratify the important Genocide Convention. I urge my colleagues in the other body to approve this long-pending convention.

The Convention was adopted in 1948 in response to the killing of 6 million Jews by the German Nazis. It defines genocide as the commission of certain acts with intent to destroy, in whole or in part, a national, ethnic, racial or religious group and obliges countries that are parties to it to prevent and punish genocide. It calls for punishment of people committing genocide, whether they are the leaders of the country, public officials, or private individuals.

Obviously, our country has long been committed to prevent and punish acts of genocide. The treaty, however, has been pending before the Senate for 35 years. It has been supported by Presidents Truman, Kennedy, Johnson, Nixon, Ford, and Carter. Although our Government has signed the treaty, the delay in ratifying it opened the United States to unnecessary criticism in various international fora.

The Convention was adopted unanimously by the United Nations General Assembly in Paris in 1948. President Truman sent it to the Senate in 1949, asking for approval. The Convention has been reported favorably by the Senate Foreign Relations Committee on numerous occasions. Although our country is the world's spokesman for human rights issues, we have dragged our feet on this Convention.

Over 90 countries have ratified the treaty, including the other members of the North Atlantic Treaty Organization and Communist countries.

In August, the administration completed an extensive review of the Convention and the President concluded that it would be in the Nation's best interest to ratify the Genocide Convention.

By signing the Convention, we can utilize the document in our own efforts to expand freedom and fight human rights abuses around the globe.

I strongly believe that ratifying this Convention is a move in the right direction. It will signal America's timeless commitment to human rights. Let us seize the moment and take action now.●

FINANCIAL REPORT OF THE MAZZOLI FAMILY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. MAZZOLI. Mr. Speaker, it has been my custom to submit a statement of financial disclosure every year that I have served in the House of Representatives. While the law now dictates that Members of Congress submit financial statements in May of each year, I continue to file this more detailed family financial report. In this way, my constituents are kept fully and completely informed concerning my financial status.

The financial statement follows:

Financial Report of Romano L. and Helen D. Mazzoli

RECAPITULATION OF INCOME AND EXPENSES FOR CALENDAR YEAR 1983

Interest and dividends:	
U.S. Treasury Bills (CK8-2-400-40-3938-01; CV6-2-400-40-3938-01; DM3-2-400-40-3938-01; and DW1-2-400-40-3938-01)	$1,753.80
Liberty National Bank & Trust., IRA Acct. 01-527329 (Helen Mazzoli)	419.52
Lincoln Federal Savings & Loan Acct. 37339-5	201.89
Lincoln Federal Savings & Loan IRA Acct. 1-01-205323 (R.L. Mazzoli)	156.12
American United Life Insurance Co., Policy 1116312	20.00
American United Life Insurance Co., Policy 1011729	22.69
Northern Virginia Savings & Loan, Acct. 5-99-76	41.63
Northern Virginia Savings & Loan, Acct. L-6084	2.04
Northern Virginia Savings & Loan, Acct. 5-18-241	69.79
Northern Virginia Savings & Loan, Acct. 80507	17.86
Northern Virginia Savings & Loan, Acct. 05-23-00192	29.26
Government Services & Loan, Acct. 89-800336-2	508.44
Government Services & Loan, Acct. 01-112091-0	10.57
First Federal Savings Assoc. of Arlington Acct. 05-018470-4	.15
Total interest and dividends	3,253.76
Honorariums:	
American Council on International Personnel	1,500.00
Agricultural Producers, Inc	1,000.00
Frozen Foods Association	500.00
Motion Picture Association of America	2,000.00
Distilled Spirits Council of the United States	1,500.00
Sullivan College	200.00
Northern Kentucky Chamber of Commerce	250.00
National Cable T.V. Association	1,500.00
Brookings Institution	250.00
California Tree Fruit League	1,000.00
Spalding College	500.00
Total honorariums	10,200.00
Salary:	
U.S. House of Representatives (R.L. Mazzoli)	69,368.61
V.V.K.R., Inc. Architects (Helen Mazzoli)	20,692.27
Total salaries	90,060.88
Gross income	103,514.64

STATEMENT OF FINANCIAL WORTH AS OF DECEMBER 31, 1983

Cash on deposit:	
Liberty National Bank & Trust Co., IRA Acct. 01-527329	4,642.99
Lincoln Federal Savings & Loan, IRA Acct. 1-01-205323..	2,156.12
Lincoln Federal Savings & Loan, Acct. 10373390	3,710.17
Northern Virginia Savings & Loan, Acct. 5-99-76	814.30
Northern Virginia Savings & Loan, Acct. 05-18-00241	734.37
Government Services S & L, Acct. 01-112091-00	157.67
Government Services S & L, Money Fund Acct. 89-800336-2	4,726.88
United Bank of Virginia, Acct. 800-79-962	23.04
Total	16,965.54
Securities, stocks and bonds:	
U.S. Government Bonds, Series E	1,649.41
U.S. Treasury Bill, Acct. EY6-2-400-40-3938-01	10,000.00
U.S. Treasury Bill, Acct. EP5-2-400-40-3938-01	10,000.00
Total	21,649.41
Real property:	
Residential:	
939 Ardmore Drive, Louisville, KY:	
Assessed value	42,000.00
Less: Mortgage, The Cumberland Savings & Loan Association	−7,886.04
Total	34,113.96
1030 Anderson Street, Alexandria, VA:	
Assessed value	102,300.00
Less: Mortgage, Cowger & Miller Co	−45,885.62
Total	56,414.38
Household goods and miscellaneous personal property	7,500.00
Cash surrender value of life insurance policies:	
American United Life Insurance Co., Policy 1011729	3,887.08
American United Life Insurance Co., Policy 1116312	494.50
Total	4,371.58
Federal employees retirement system: Contributions to system	53,986.30
Automobiles:	
1965 Rambler—fair market value	200.00
1973 Chevrolet—fair market value	942.00
Total	1,142.00
Total assets	196,143.25
Less: Miscellaneous liabilities	1,000.00
Net assets	195,143.25

INCOME TAX RECAPITULATION (FEDERAL, STATE, LOCAL)

Federal:	
Gross income	103,597.00
Adjustments to income	8,813.00
Adjusted gross income	94,784.00
Deductions and exemptions	17,455.00
Taxable income	77,329.00
Tax withheld	24,866.00
Tax due	23,619.00
Refund	1,247.00
Kentucky:	
Tax withheld	3,237.00
Tax due	2,970.00
Refund	267.00
Virginia:	
Tax withheld	904.00
Tax due	488.00
Refund	416.00
Louisville and Jefferson County:	
Tax due	246.00 ●

1983 FINANCIAL STATEMENT

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. STUDDS. Mr. Speaker, attached is a detailed copy of my financial statement for 1983. I request that it be placed in the CONGRESSIONAL RECORD as I do every year.

CONGRESSMAN GERRY E. STUDDS' 1983 FINANCIAL STATEMENT

Part I—Income 1983 (summary)

Salary	$69,368.61
Dividends—See part II for detailed explanation	1,172.80
Interest—See part III for detailed explanation	3,065.04
Newspaper fee—New York Times—For column written	150.00
Honoraria	1,000.00
Total income	74,656.45

Part II—Dividend income 1983

Securities and number of shares:	*Income derived 1983*
Burlington Industries (40)	$60.80
Exxon (347)	1,074.67
Tucker, Anthony Cash Management Fund ($447)	37.33
Total	1,172.80

Part III—Interest income 1983

Securities and bonds:	*Income derived 1983*
Loew's Theater 6⅞ debenture ($3,100	$213.13
U.S. Treasury 12 percent May 15, 1987 ($3,333)	400.00
Bank accounts:	
First National Bank of Boston (NOW)	$49.47
Capital City Federal Savings (CD)	49.48
American Security Bank (NOW)	155.42
American Security Bank (MMA)	1,850.10
Seamen's Savings Bank (NOW)	20.70
Seamen's Savings Bank (MMA)	326.24
Total	3,065.04

Part IV—Assets

1. Beatrice Studds Irrevocable Trust: My brother, Colin A. Studds, my sister, Mrs. Howard Babcock, and I have placed the following securities—owned jointly by the three of us—in an irrevocable trust for our mother, Beatrice Studds, with my brother as trustee. All income from these securities goes to our mother for as long as she shall live. My brother, my sister, and I each own one-third of the securities—and they will revert to us upon the dissolution of the trust at our mother's death. The following represents my one-third interest in the trust.

Colin A. Studds, III, Trustee Beatrice Studds, Irrevocable Trust, Under Agreement Dated August 1, 1973

Securities and number of shares:	*Market value* [1]
U.S. Treasury 13.875 note, due November 15, 1986 (5,000)	$5,200
Cigna convertible debenture (3,333)	3,063
Common stocks:	
West Point Pepperell (133)	5,586
W.R. Grace (67)	2,747
Middle South Utilities (100)	1,200
General Motors (50)	3,300
IBM (33)	3,729
American Home Products (67)	3,685
Detroit Edison (67)	2,004
Eastman Kodak (50)	3,050
Munford (100)	2,000
Park Electro-Chemical (100)	3,000
Regency Electronics (233)	1,864
Rogers Corporation (67)	1,943

[1] As of Apr. 30, 1984.

2. I own the following securities:

Securities and number of shares:	
Bonds:	*Market value* [1]
Loew's Theater, 6⅞ debenture ($3,100)	$2,108
U.S. Treasury, 12 percent, May 15, 1987 ($3,333)	3,333
Common Stocks:	
Burlington Industries (40)	1,080
Exxon (347)	14,821
PBA (200)	2,000

[1] As of Apr. 30, 1984.

3. Our family home in Cohasset, MA, with an estimated market value of approximately $180,000 is owned jointly by my brother, my sister and me. My interest in the house, therefore, is roughly, $60,000.00

4. Bank Accounts:

a. NOW account, First National Bank of Boston, c. 900.00.

b. NOW account, American Security Bank, c. 1,500.00.

c. Money Market Account, American Security Bank, c. 1,000.00.

d. NOW account, Seamen's Saving Bank, c. 200.00.

5. Two bedroom house in Provincetown, MA, estimated market value, $275,000.00.

6. Two room condominium apartment, Provincetown MA, $135,000.00.

7. 1981 Chevrolet Caprice.

8. 1974 Saab.

9. IRA—Fidelity Magellan Fund, $6,000.00

Part V—Liabilities 1983

1. Mortgage, condominium apartment, Provincetown, MA, Cape Cod Five Cents Savings Bank, approximately, $45,500.00

2. Automobile Loan—American Security Bank, c. 3,000.00.

3. Mortgage, two bedroom house, Provincetown, MA, Seamen's Savings Bank, approximately, $150,000.00.

4. Personal loan, land purchase, Provincetown, MA, Russell Lukes, Boston, c. 37,500.00.

Part IV—1983 taxes paid

1. Federal income tax	$16,326
2. Massachusetts income tax	3,626
3. Local property tax	2,504
Total taxes	22,456 ●

NATIONAL ALOPECIA AREATA AWARENESS WEEK

HON. PETER H. KOSTMAYER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, September 6, 1984

● Mr. KOSTMAYER. Mr. Speaker, today, I am introducing a joint resolution to designate the week beginning April 14, 1985 as "National Alopecia Areata Awareness Week." Alopecia areata is a serious disease which affects approximately 2 million people, particularly children and young adults.

Alopecia areata means "bald spot" in Latin. Alopecia occurs when the hair follicles stop production, causing severe hair loss. It is common for alopecia victims to lose all of their hair, including eyelashes, eyebrows and body hair. The follicles remain below the surface of the skin, and they can resume hair production, but we do not know yet how to trigger growth. Researchers have found evidence that this "hibernation" of the follicles is caused by a problem with body's immune system, and they believe that a cure for alopecia is within reach.

Since alopecia areata has no physically debilitating effects, it is hard for most of us to understand just how devasting the disease can be. Most alopecia victims hide their condition from friends and even family members, living in fear that someone will discover their secret. In a society that places so much importance on appearance, where we are inundated with advertisements for hair care products which equate beauty with shining hair, alopecia victims do not easily find acceptance.

Alopecia is particularly hard on children and young people, who are its primary victims. Those of us who have children of our own know just how cruel children can be to someone who is "different." Children with alopecia learn to be ashamed of their condition very early because of the cruel teasing they receive from their peers. Sadly enough, this sense of shame is often reinforced by adults. In my own district in Pennsylvania a school recently refused to admit a child because he had alopecia. He was a bright little boy, perfectly capable of keeping up with his schoolwork, but school officials told his parents that he should be sent to a special school just because he was bald.

Most alopecia victims have no idea that so many others share their condition. Often they believe that they are the only ones afflicted with this strange disease. They hide their condition with wigs and makeup, and confide in no one. Fearing detection, they often give up swimming and other sports that might cause their wigs to fall off.

In the past, alopecia victims and their families suffered alone. Then in 1982 Ashley Siegel started an alopecia areata support group in California. Ms. Siegel had turned to alcohol and drugs after she contacted alopecia at the beginning of her freshman year in college, but she waged a successful battle against alcoholism and sought to promote public awareness of alopecia by sharing her story. Ms. Siegel has traveled throughout the country speaking about the disease, and she has appeared on national and local television. Her story has also appeared in several national magazines.

The first small group has grown into the National Alopecia Areata Foundation, a network of support groups in 42 States which has helped thousands of people cope with the physical and emotional problems caused by alopecia areata. The Philadelphia area chapter which serves my district of Pennsylvania is an active support group with over 300 members. They work to reach out to other alopecia victims, to promote public awareness of the disease, and to raise funds for alopecia research.

With sufficient research funding, it is possible that researchers could discover the cure for alopecia areata in this decade. But now alopecia victims need more than dollars—they need our understanding. Most of the trauma associated with alopecia is a direct result of the public ignorance of the disease, and our inability to accept alopecia victims as normal members of society. That is why I believe it is crucial to set aside a week to promote awareness of alopecia areata.

Mr. Speaker, I urge my colleagues to join me in this effort and to cosponsor my resolution designating "National Alopecia Areata Awareness Week."●

SENATE—Friday, September 7, 1984

(Legislative day of Wednesday, September 5, 1984)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable SLADE GORTON, a Senator from the State of Washington.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, strong men and women, qualified to bear heavy responsibility for national affairs, in their preoccupation with their work are inclined to carry the burden alone. They believe in You but think of religion as impracticable and God as irrelevant to the business at hand. God of all power and all wisdom, help Your servants to comprehend that you are imminent, immediately available, and willing to provide superhuman resources which will make possible the impossible. In tense times and stressful hours, fill hearts with love and insight and peace. Demonstrate the power of Your presence and the perfection of Your guidance—dissolve deadlock and frustration. Relieve uptightness and grant warm hearts, cool heads, and unity in diversity. In the name of Him who is incarnate love. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 7, 1984.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SLADE GORTON, a Senator from the State of Washington, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. GORTON thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the majority leader is recognized.

Mr. BAKER. I thank the Chair.

SENATE SCHEDULE

Mr. BAKER. Mr. President, after the two leaders are recognized and the special order is executed, there will be a period for the transaction of routine morning business until 11 a.m. At 11 a.m. the Senate will resume consideration of the Baker motion to proceed to the consideration of S. 2851, which is the banking bill.

A cloture motion was filed on yesterday, which will require a vote under the provisions of rule XXII on Monday next 1 hour after the Senate convenes.

Mr. President, may I inquire of the minority leader if he would favor a time certain to vote on cloture other than at the expiration of the 1 hour after the Senate convenes. May I say that given the uncertainties of airline travel these days the later the better, and the hour I had in mind was 6 p.m. on Monday next.

Mr. BYRD. Mr. President, the distinguished majority leader makes an excellent point, especially with reference to airline travel.

We on our side will explore the matter and come back to the distinguished majority leader with our suggestions.

Mr. BAKER. I thank the minority leader.

Senators who may be listening in their offices may take note of the fact that it is the intention of the leadership on this side to negotiate with the minority leader on a time certain to vote on Monday on the cloture motion, and I have suggested 6 p.m.

If Members on this side have other ideas or conflicting arrangements, I hope they might contact our cloakrooms and let us know that.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. BAKER. I yield.

Mr. BYRD. Mr. President, Senators on both sides should recall that the distinguished majority leader has the power and the votes to set this vote at any time he wants by virtue of his power to adjourn the Senate or recess it over to whatever hour he deems best in creating the time for the vote on cloture under rule XXII.

Mr. BAKER. Mr. President, I thank the minority leader for his observation.

He knows and I wish other Members to know that, notwithstanding that that is perhaps an inherent option of the majority leadership, the leadership on this side would not undertake that without fully consulting first with the minority leader and trying in advance to get a unanimous-consent agreement to set the time if possible.

Mr. President, the situation today then is this. As far as the leadership on this side can ascertain, we will not be able to do anything except routine matters and continue the debate on the motion to proceed.

I, therefore, would not expect the day to be a late day. It may be that the Senate can stand in either recess or adjournment at a fairly early hour this afternoon.

It is also anticipated that a further time for the transaction of routine morning business may be provided later in the day.

Mr. President, on Monday, as I have already indicated, the vote on cloture will occur. There may be other matters that can be taken up by unanimous consent.

As and when we are able to reach the banking bill, it would be the intention of the leadership on this side to proceed with the debate on that measure and conclude the Senate's deliberation on that bill.

Behind that, however, are a great number of measures that require our attention. First among them, of course, is the series of appropriation bills that are here and available.

Mr. President, I have received word that the House of Representatives may send us their version of the continuing resolution sometime next week.

First of all, I am grateful that the House of Representatives will act on a CR apparently early.

Second, I think, in view of that, it behooves us to move the appropriation bills on this side as fast as possible so there are as few appropriation bills in the CR as we can arrange.

But, unlikely as it seems, Mr. President, here on the 7th day of September we are already beginning to arrange, schedule, and provide for the final acts of this session of Congress. I anticipate we will also have a debt limit sometime pretty soon. It need not be pointed out to Senators, I am sure, that the two things we absolutely must do are completion of the appropriations process through accommodation of the appropriation bills and a continuing resolution and the debt limit. Those two things will take priority in the matter of scheduling for the 3 weeks that are remaining.

Mr. PROXMIRE. Mr. President, will the majority leader yield briefly?

Mr. BAKER. I yield.

Mr. PROXMIRE. Mr. President, I am not asking the majority leader to make any commitment or give any answer at the present time, but I hope he will give very serious consideration to the possibility of taking up the Genocide Convention. I realize that he wants to be careful about that kind of thing, but I think it has the momentum now and it is a golden opportunity.

As I said yesterday, I have talked to many Members who oppose it. I doubt very much there will be any serious opposition in the Chamber. There might be.

But I think this would be an excellent opportunity to pass it in view of the fact that the Reagan administration now supports the convention.

Mr. BAKER. Mr. President, I thank the Senator.

Once again, I stand in awe of his dedication to this issue and his diligence in keeping the matter before the Senate over these many years.

I talked to the distinguished chairman of the Foreign Relations Committee yesterday on the telephone. He is in his home State of Illinois campaigning for reelection. He indicated to me that he did plan to have one additional day of hearings on the treaty. As I recall, he said on September 18.

I assume that the committee then would order the treaty reported. If that is the case, the leadership will give very serious consideration to trying to find a time to debate that measure. The administration is fully in support of the treaty and has now formally asked for its ratification by the Senate. And, as I always do, I am going to try very hard to comply with their wishes on a matter of foreign policy.

Mr. PROXMIRE. I thank my good friend. I do want to point out that I wrote the majority leader yesterday, as well as the minority leader, on this issue, and the chairman of the Foreign Relations Committee. I do hope that there would be the possibility of taking it up even earlier than the committee. I realize that is the majority leader's business, not mine, and it is only something that I suggest.

Mr. BAKER. I thank the Senator. I will be happy to confer further with the minority leader, the distinguished Senator from Wisconsin, and, of course, the chairman and ranking member of the Foreign Relations Committee to see what arrangements might be contemplated.

Mr. PROXMIRE. I thank the Senator.

FOREIGN TRAVEL—INTERPRETATION OF RULE 39

Mr. BAKER. Mr. President, rule 39 of the Standing Rules of the Senate states:

> Unless authorized by the Senate (or by the President of the United States after an adjournment sine die) no funds from the U.S. Government * * * shall be received for the purpose of travel outside the United States by any Member of the Senate whose term will expire at the end of a Congress after the date of the general election in which his successor is elected or in the case of a Member who is not a candidate, the earlier of the date of the general election or the adjournment sine die of the second regular session of that Congress.

The joint leadership is in complete support of rule 39 and believes that it should be enforced. However, the joint leadership interprets the rule to provide:

> That if a Member who is precluded from foreign travel by the provisions of Rule 39 is appointed as a delegate to an official conference to be attended by Members of the Senate, then the appointment of that individual shall constitute an authorization by the Senate and the individual will not be deemed in violation of Rule 39.

ORDER OF BUSINESS

Mr. BAKER. Mr. President, I believe I have no further need for my time remaining, if any, and I yield it if there is any to the minority leader.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the previous order, the Democratic leader is recognized.

WORDS OF WISDOM FROM A WISE MAN

Mr. BYRD. Mr. President, yesterday, September 6, our distinguished colleague and my good friend and fellow-West Virginian Senator JENNINGS RANDOLPH delivered a notably eloquent and penetrating opening convocation address at Alderson-Broaddus College in Philippi, WV. This month, Alderson-Broaddus is starting its 114th year with a student body numbering about 850 men and women. Alderson-Broaddus College has a strong faculty, a new president—Dr. W. Christian Sizemore—and a rich Baptist heritage.

As a noted Seventh-Day Baptist laymen, Senator RANDOLPH might have sufficient reason to feel at home on the Alderson-Broaddus campus for that last attribute alone. But Senator RANDOLPH is qualified on more grounds than a shared religious tradition to speak with facility and authority at a college or university. Before beginning his congressional career—Senator RANDOLPH was a veteran of 14 years in the House of Representatives and 26 years in the Senate—he was himself a college professor. In addition, Senator RANDOLPH has for 61 years been a trustee of Salem College, a Seventh-Day Baptist college in Salem, WV.

Moreover, during his cumulative 40 years on Capitol Hill, Senator RANDOLPH has always sought out and won membership on those House and Senate committees with jurisdiction over educational legislation. In those capacities, he has authored, sponsored, or cosponsored a significant number of education-related bills. Among those successful educational acts and programs with which Senator RANDOLPH's name is well-linked are: the Higher Education Act of 1965 and the Elementary and Secondary Education Act of 1965; various bills benefitting land-grant colleges, vocational educational, and education for the handicapped; the Adult Education Act; and the Career Incentive Education Act of 1978. As if that list of educational contributions were not enough, since 1958 Senator RANDOLPH has also served as a member of the Claude Worthington Benedum Foundation, a private philanthropic endeavor with a commendable record of educational support.

In yesterday's speech to the students and faculty of Alderson-Broaddus College and a large aggregate of citizens from Philippi, Senator RANDOLPH demonstrated again the depth of his understanding of higher education's role in modern American society, as well as his own continuing talent as a compelling and inspiring public speaker. I ask unanimous consent that President Sizemore's introduction of Senator RANDOLPH, and Senator RANDOLPH's address at Alderson-Broaddus College, "Better Students Build a Better World," be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRESIDENT SIZEMORE'S INTRODUCTION

The man who is our keynoter for this academic year is first and foremost a West Virginian. But his interests are national and international. His vision, his leadership, and his influence have spread beyond the boundaries of West Virginia to encompass all of America and have had worldwide impact. Above all else, he is a man who has proven himself in his profession as an educator, as an environmentalist, as a humanitarian, as an author, as a visionary leader, and as a pioneer. Jennings Randolph is not a spokesman for partisan positions and narrow ideologies. His proposals are not born of political expediencey but of deeply held convictions of what is right for West Virginia and America. Jennings Randolph is not a spokesman for partisan positions and narrow ideologies. His proposals are not born of political expediencey but of deeply held convictions of what is right for West Virginia and America. Jennings Randolph has proven himself as an independent voice whose only special interest is the future of our great Nation. It has been said that great men are like eagles—they do not flock—you find them one at a time. This morning, I present to you such a man—a man who, through a lifetime of discipline and dedica-

tion, has proven to be a true student himself, a real educator, a true West Virginian, and a great American—our distinguished senior Senator, the Honorable Jennings Randolph.

BETTER STUDENTS BUILD A BETTER WORLD

(Remarks by Senator Jennings Randolph)

Nearly 60 years ago, the American philosopher, Josiah Royce, said that we have become more informed, more knowing, and more clever—but we have not become more profound or more reverent.

These words continue applicable to American society. Despite our knowledge, we often seem to lack wisdom. We possess sophistication, but life for many people lacks meaning and purpose.

Today, on this historic hill, we feel a sense of purpose. Many students will overcome substantial obstacles to earn a degree. You work and study and will face future obligations. Bringing quality to your lives does not take a vacation. There are three challenges that are essential as you labor and plan for careers with constructive purpose and substance.

People are important. We are in a busy and complex world with increased emphasis on technology. We are prone to place people in restricted categories. We speak of "engineers," "professors," "bus drivers," "liberals," "conservatives," the "middle class," and the "silent majority."

We must recognize human values—to probe what other people are thinking and what motivates them. We must know people—individuals who laugh, who cry, who love, who have unique talents and genuine aspirations, who grow old and lonely, and who have fears and doubts.

Even on this beautiful campus, we classify individuals. They become "deans and administrators and coaches and office staff and students."

Possibly, in our technological society, we lose the charitable quality that enables us to be understanding of others—not merely tolerant but truly understanding.

We live in a world where our inventions have brought us closer together physically and have enabled us to communicate instantaneously. Yet these same advances are driving us further and further from each other. Conveniences make families and individuals self-reliant and people live side by side and share few greetings. Our level of technology is so great, our pace so fast, that we work next to each other and have no common language. I ask: Will our inventions become so overwhelming that we depend more on them than on each other?

Many of you will pursue specialized fields. Do not become so engrossed with the details of your work and so reliant on technology that you forget that an individual is liberated from labor to enhance his or her dignity. Machines do not necessarily improve the quality of life. In pursuing your goals, keep your sensitivity high, direct your energies toward people. If you practice medicine, remember that doctors heal people. If you enter politics, keep in mind that governments serve people. If you are an educator, remember that teachers teach people. If you work on a space shuttle, do not forget that shuttles transport people.

One of the most vital advantages of education at Alderson-Broaddus College is the teaching of humanistic values, leading to a quality life in a technological era.

In the future, you will realize successes and failures—good times and bad. I urge that you continue to believe that people are important. Do not just talk to your neighbors and co-workers. Counsel with them. Be concerned for people.

Maintain firmly your convictions. Act boldly on the ideals you know to be of value.

We have convinced ourselves that we can be responsible citizens without taking sides, without expressing convictions on fundamental issues—we fail to vote. I authored the 26th amendment to our Constitution which provides for youth 18 and 19 and 20, to vote. In the 1980 Presidential election, only 35 percent cast their ballots.

We must understand that education does not inevitably humanize. We know that a truly great college, such as Alderson-Broaddus, not only extends student knowledge but deepens convictions and values.

These qualities must be nurtured and cherished. This does not mean that you try to impose standards on others. Nor does it mean that you must be divisive, because we can have differences without being divisive. It does mean you will be challenged to constantly give attention to your convictions and values—assess them—make them a part of your daily living and association with other people.

The quality of your future over the next 50 years and the history you will make will depend to an unprecedented degree on how well you develop and practice the art of communication—not only how well you learn to communicate with your next door neighbor, but how well you communicate with your neighbors across oceans—so far away and yet almost the same as being in your backyards.

Nearly everything you will accomplish in this interdependent world will be done through the use of words—written, spoken and broadcast. Through language, you will choose, make decisions, and help formulate policy in this country, domestic and foreign. You will communicate in many ways—but language will be the most effective tool.

Learn all means of communicating available to you—and realize that the ballot box is a powerful form of communicating your views.

Good communication and only good communication will keep this world safe and secure—economically, educationally, politically, and militarily.

Communicate, remember your origins, look back at history and learn from its lessons, and use your freedom and liberty well so your children and grandchildren will have cause to congratulate you.

Alderson-Broaddus College seeks to give you a humanistic education. This means a reverence for natural and human life; a respect for excellence; an understanding of others; a striving for achievement without arrogance; an empathy toward opposing views; a commitment to fairness and social justice; a dedication to integrity and precison in thought and speech; an openness to change; and an inquiring intellect. I have referred to many lofty ideals. Some may feel they are not very practical. I submit that they are most practical and I am convinced they are within our grasp.

Alderson-Broaddus is judged on the record of its graduates. Be true to its ideals.

In 1946, John Masefield addressed the graduates of the University of Sheffield, England. He spoke a beautiful tribute to colleges worldwide. He said:

"There are few earthly things more beautiful than a college. It is a place where those who hate ignorance may strive to know; and where those who perceive truth may strive to make others see. Wherever a college stands, it stands and shines. Wherever a college exists, the free minds of men and women, urged on to full and fair inquiry, may still bring wisdom into human affairs."

Thank you, President Sizemore. Thank you, professors. Thank you, students!

ARE THE SOVIETS IN TROUBLE IN EASTERN EUROPE?

Mr. BYRD. Mr. President, the much publicized possibility that East German leader, Erich Honecker, would make an official visit to West Germany late this month, has collapsed in the face of intense Soviet pressure.

If the visit had taken place, it would have marked the first meeting of German leaders on German soil since that country was divided into two nations following World War II. Yet, it was predictable that the Soviets would exercise tremendous pressure on the East Germans to cancel this most visible symbol of the warming relations that have been occurring over the course of the past year between the two Germanys. It symbolizes further the growing restiveness within the Eastern bloc over Soviet military, economic, and political hegemony.

Things have not gone well for the Soviets and their Eastern European empire. On two occasions, in 1956 and 1968, the Soviets have had to invade two of their satellites in order to avoid a westward drift among key Warsaw Pact allies. In the case of Hungary, Soviet tanks crushed the 1956 student-led rebellion. In 1968, Soviet tanks rolled back the efforts of Czechoslovakian Communist Party Secretary Alexander Dubcek's efforts at economic and political liberalization in that country.

For the past 14 years, Romania has maintained a foreign policy independent of that of the Soviet Union. The most recent example of this independence was Nicolae Ceausescu's decision to send the Romanian team to the 1984 Olympics in Los Angeles.

In 1970, Polish leader Wladyslaw Gomulka, a Soviet hardliner, was toppled from power by worker strikes that presaged the solidarity movement in that country.

Hungary has undertaken an impressive economic reform which has emphasized encouragement for the private sector and stronger economic ties to the West.

Bulgaria is even beginning to break out of its grim isolation from the West with the visit of President Todor Zhivkov to West Germany on September 19.

But perhaps the greatest contradiction in Soviet policy toward its Eastern bloc allies is the current situation with East Germany. In 1971, East German leader Walter Ulbricht was toppled from power with the Soviet's blessings for opposing détente. Therefore, it is ironic that the current East

German leader, who supports détente with West Germany, finds himself under tremendous pressure from the Soviet leadership to cool it with the West.

Despite the efforts to crush the Polish solidarity movement, Hungary, Romania, East Germany, and Poland have all demonstrated a common interest in promoting greatly increased commerce with the West, economic reform at home that encourages private enterprise, and a desire to keep the fires of détente burning, no matter how dimly. Only Czechoslovakia continues to adhere to the Soviet line in its relations with the West.

It is clear why the Soviets are so deeply concerned about East Germany at this time. As the September 10, 1984 edition of Newsweek noted: "Moscow is clearly troubled by the new maverick streak in its once most reliable ally." And if the Soviet's most reliable ally within the Eastern bloc began charting an independent policy toward the West on economic matters, think of the repercussions throughout the Eastern bloc already beset by unrest.

However, the Soviets will probably be unable to slam the door tight in East Germany. For as the Newsweek article also pointed out:

> In recent years Honecker's countrymen have also come to emphasize their identity as Germans, a people with a proud, if tarnished, past. While the government used to preach that everything that preceded the communist takeover was either bourgeois or fascist, East Germans are now celebrating the careers of Martin Luther and even that symbol of Prussian militarism, Frederick the Great.

By this latest action on the part of the Soviets—blocking Honecker's visit to West Germany—A clear signal was sent to the entire world, east and west, north and south. Détente is for the Soviets only, not something to be enjoyed by Eastern European nations whose economic, cultural, and ethnic ties might lie with the West. And even if such relations bring improved living conditions to the people living under Communist-style governments in Eastern Europe, these living standards will have to be sacrificed for the so-called greater good of the Soviet Union. This fact should not be, and probably will not be, lost on the leaders and the people of Eastern Europe.

Soviet treatment of its Eastern bloc allies also stands in marked contrast to the independence demonstrated by our Western European allies. We weathered massive antinuclear demonstrations in Europe, failed miserably in our attempts to block Western credits and technology to build the Soviet gas pipeline, and stood almost alone in our total economic sanctions against Poland. We may disagree with our allies and we may attempt to lecture our friends—and, in some instances, hear some lectures from them with respect to ourselves—but we do not use the threat of force to keep our alliance with Western Europe intact.

This action by the Soviets cannot paper over the increasing problems they are having with their Eastern bloc allies. In fact, it demonstrates that these problems are probably even more serious than they now appear to the West.

I ask unanimous consent that the Newsweek article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRYING TO KEEP DÉTENTE ALIVE

Would he or wouldn't he? That was the most intriguing political question last week in both West and East Germany: would East German party boss Erich Honecker disregard his Kremlin masters and visit the federal republic? The trip, scheduled for late September, would mark a milestone in the rapidly improving relations between the two Germanys. Coming during an icy superpower stalemate, it could help preserve the dream of détente. But a Honecker visit also would represent a deviation from the Soviet line by Moscow's wealthiest and most stable ally—a prospect that has angered the Kremlin and delighted the Reagan administration. Stressed one U.S. official in Washington: "This is the European story to watch in the coming months."

There was some speculation that Honecker might postpone the trip until he can meet with Soviet President Konstantin Chernenko in October. Bonn officials also took pains to point out that even if the two-Germany summit does take place, it is unlikely to produce much in the way of concrete results. Even so, many West Germans were gripped by a mild euphoria over the prospect of the first trip ever by an East German leader to the federal republic. The papers were filled with features on rock music in East Berlin and personality profiles of the 72-year-old Honecker, long considered to be the toughest leader in the Eastern bloc. Meanwhile editorial writers and politicians were once again raising the issue of German reunification—even though everyone admitted that the Berlin wall isn't likely to fall anytime soon, if ever.

In fact, both Honecker and West German Chancellor Helmut Kohl have far more realistic objectives in pursuing their rapprochement. As one American diplomat puts it: "All they [the West Germans] can do is to try to continue to play a role with the East Germans, to keep Germany one nation culturally and to support the [East German] economy as a way of keeping the split from getting worse over future generations." But even those modest accomplishments could have the effect of pulling the two Germanys out of line with their respective superpower patrons. Although U.S. officials welcome the prospect of another East-bloc satellite inching away from the Soviet orbit, they do not relish the idea that Bonn might relax its opposition to Moscow for fear of alienating its sister to the east.

For its part, Moscow fears that East Germany might be infected by its contacts with the West and that the Bonn government could use its growing economic leverage to pressure East Germany for human-rights concessions. And coming at a time when other Eastern-bloc nations are showing increasing signs of restiveness, Moscow is clearly troubled by the new maverick streak in its once most reliable ally. "The Soviets are very mistrusting and suspicious about their satellites," says one Western diplomat in Moscow, "and if East Germany were to become the leader of an independent tendency within the bloc, it would alarm them very much."

Ice Age: Ironically, relations between the two Germanys began improving in the wake of the single most divisive East-West issue in recent years. A year ago Bonn was getting ready to approve the deployment of new U.S. Pershing II and cruise missiles on West German soil. As the Bundestag prepared to vote on the nuclear-missile deployment, Honecker predicted that a favorable decision would produce "a new ice age" in German-German relations.

But precisely the opposite happened—and the man responsible was clearly Honecker. In a speech delivered two weeks after the deployment was approved, Honecker signaled that he was adopting a policy of "damage control." He dutifully echoed the Soviet Union's denunciations of the United States. But he also noted dryly that the Soviet response—especially the stationing of SS-21 rockets in East Germany—"did not evoke jubilation in our country." Henceforth, he declared, he would pursue a "multifaceted dialogue" with Bonn regardless of the state of U.S.-Soviet relations. "It is always better to negotiate 10 times over," he said, "than to shoot once."

Dissidents: That speech was quickly followed by small signs of accommodation. In the next two months, negotiators for the two Germanys concluded talks on increasing the number of phone and telex lines linking East and West Berlin. They also agreed to transfer an elevated transit system in Berlin to West German control. At the same time, Honecker began loosening controls on emigration to the West. Already this year, some 33,000 of his countrymen have migrated to West Germany—more than triple the number in all of 1983. To an extent, Honecker may have been hoping to export East German dissidents; but the expatriates have nonetheless been accorded red-carpet treatment in the West.

In February both Honecker and Kohl traveled to Moscow for the funeral of Soviet leader Yuri Andropov. Following a long conversation, the two men agreed to begin negotiations on a range of small but vexing issues—and Honecker tentatively pledged to visit West Germany in the fall. The talks began paying off just five months later: East Germany agreed to a minor easing of currency regulations and promised that its post office would take care not to "lose" packages sent from the West. In addition, both nations agreed to take some small steps to reduce the pollution of jointly shared rivers. The breakthroughs may have seemed minor, but their psychological impact was immense. As a show of support for the rapprochement, West German banks agreed to lend East Germany a badly needed $333 million.

Even before the postal diplomacy, however, relations were growing entirely too cozy for Moscow. In May the Soviets launched an unusually sharp attack on the inter-German courtship. The first salvo appeared in the Russian daily Krasnaya Zvezda: in a long interview, Marshal Nikolai Ogarkov, chief of the Soviet general staff, compared trends in West Germany to those of the Hitler era. "As on the eve of World War II," Ogarkov declared, "revanchist, neofascist organizations are galvanizing their activity, strenu-

ously kindling national and racial hostility among the population, propagandizing the slogans of a 'greater Germany' and strenuously calling for 'the restoration of the German Reich within its historical borders'."

Those words seemed pretty strong to apply to postal reform and pollution control, but the Soviets had larger concerns. Just last week Krasnaya Zvezda marked the 45th anniversary of the Nazi invasion of Poland by charging that West German politicians were seeking sovereignty over East German territory "under the appearance of unification of German lands."

For the Kremlin, Honecker's new independence is only the latest in a series of blows to its master-client relationship with Eastern Europe. Already this year Matyas Szuros, party secretary for foreign affairs in Hungary, which has long pursued independent economic policies, has enunciated a theory of foreign relations that gives "relatively small countries" a special role as intermediaries between the superpowers. Romania has been as unruly as ever: it was the only Warsaw Pact country to send a delegation to the Los Angeles Olympics. And even normally servile Bulgaria joined with Romania recently in calling for a nuclear-free zone in the Balkans.

To a large extent, pressures within East Germany itself may have forced Honecker to pursue détente more aggressively. For one thing, the nation needs West German Deutsche marks to help pay its $8 billion foreign debt. Moreover, says an American diplomat, "East Germans are well informed, compare themselves with their counterparts in the West and basically think of themselves as a Western society with an overlay of Communist Party and Soviet-troop presence."

Prussian Pride: In recent years Honecker's countrymen have also come to emphasize their identity as Germans, a people with a proud, if tarnished, past. While the government used to preach that everything that preceded the communist takeover was either bourgeois or fascist, East Germans are now celebrating the careers of Martin Luther and even that symbol of Prussian militarism, Frederick the Great. More recently the sports-crazy East Germans have had another reason to bridle at Russian controls: they had their hearts set on competing in the Olympics, where East German athletes were expected to mine a mother lode of gold, and they were deeply hurt by the Soviet-bloc boycott.

For all of the recent movement, Moscow still has 400,000 troops on East German soil, and it is as determined as ever to maintain security on its western flank, particularly now that Poland has become a troubled ally. East Germany's economy is also heavily dependent on the Soviet Union: a huge chunk of the country's trade is still conducted with the East. Western officials doubt that Moscow would actually prevent Honecker from traveling to West Germany. But they expect the Soviets to keep a wary eye on Honecker—and to make sure that East Germany's margin for maneuver—and independence—remains limited.

Mr. BYRD. Mr. President, do I have some time remaining?

The ACTING PRESIDENT pro tempore. The Senator has 4 minutes and 38 seconds remaining.

Mr. BYRD. I thank the Chair. I yield that time to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. I thank my good friend.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin is recognized for a period not to exceed 15 minutes.

GENOCIDE IN CROATIA

Mr. PROXMIRE. Mr. President, on September 2 a Serbian Orthodox Church was consecrated in Jasenovac, Yugoslavia. The memorial church commemorates the hundreds of thousands of victims who perished at the Jasenovac death camp during World War II. The policy of deliberate and calculated extermination was directed at Serbs, Jews, and Gypsies, by the Axis puppet, the "Independent State of Croatia."

The atrocities committed at Jasenovac and other death camps in Yugoslavia claimed a huge percentage of that nation's people. The proportion of deaths to total population was greater in Yugoslavia than any other country during the war. These deaths should not be forgotten.

The Reverend Milan Markovina of the St. Sava Serbian Orthodox Cathedral in Milwaukee, WI, is one who will not forget. In a moving letter to me the reverend wrote that the church will be a memorial to the dead. He said, "But it will not be the dead burying the dead. It will be the living speaking to the world of the ultimate forces of Good and Evil."

By ratifying the Genocide Treaty, we in the Senate also have a chance to speak to the world about the forces of good and evil. The treaty helps assure men like the Reverend Markovina that something is being done to prevent further atrocities from occurring. We must address the forces of good and evil and clearly establish ourselves on the good side. We must ratify the Genocide Treaty.

Mr. President, I ask unanimous consent that the letter from Reverend Markovina be reprinted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ST. SAVA SERBIAN
ORTHODOX CATHEDRAL,
Milwaukee, WI, July 16, 1984.

Hon. WILLIAM PROXMIRE,
Milwaukee, WI.

DEAR SENATOR PROXMIRE: On September 2nd, 1984, His Holiness Patriarch German, head of the Serbian Orthodox Church in Yugoslavia, will consecrate a memorial church in Jasenovac, Yugoslavia. This church is on the site of the infamous W.W. II death camp of the same name, where hundreds of thousands of innocent people, men, women and children were systematically tortured and massacred by fascist Ustashi of Hitler's puppet "Independent State of Croatia", a declared enemy of the United States.

The count of victims has been generally established at 750,000 Serbs, 60,000 Jews and 30,000 Gypsies. However, more common graves are still being uncovered, pushing those totals up dramatically. Just recently one was uncovered in the vicinity of Jasenovac containing remains of more than 200,000 victims.

The Serbian Orthodox Church has long ago set aside September 12th of each year to commemorate the 750,000 New Martyrs.

I submit these things to you because of your exhaustive efforts to convince our government to join other nations in a common pact against genocide.

My father immigrated to this beautiful country as a teenager. At the time that I became a teenager, he received news from Yugoslavia of the pogrom that killed his brother and 23 close and distant relatives. This was part of a general massacre that happened on Christmas Day, December 25th, 1941. His relatives were murdered at Markovinsko Brdo a hilly section of the village of Dugoselo. I remember the pall that fell over our house when he received that terrible news. As fate would have it, he too died shortly thereafter.

I cannot allow the meaning of that experience die with him. For then his sorrow would be rendered meaningless to me, and by that measure would my sense of selfrespect be diminished.

I want to go to Jasenovac to honor his memory and the memory of those he loved, who died simply because they were serbs. And to honor the memory of all the other innocent victims, both there and throughout the world, who have died because of racial and religious intolerance and hatred. With the Lord's help, I plan to join many other Serbian Americans on an organized pilgrimage to Jasenovac, for the consecration.

The late bishop Nikolai Velimirovich, my teacher, considered by many to be the foremost Serbian theologian of modern times, advised the faithful not to seek revenge for those terrible deeds. For it is written in the scriptures: "Revenge is mine saith the Lord". Rather be said it would be just and good to build a church there to commemorate those innocent martyrs; to stand as a sentinel reminder of the deadly consequences of the decay of justice and Christian morality, and as a symbol of awareness and determination that such human suffering and devastation never be allowed to occur again. The church at Jasenovac is just such a church.

As one who as a youth has directly felt the shockwave, indeed the pain of genocide, and who wishes to contribute even this widow's mite to its eternal demise, I salute your efforts to make the United States a partner among nations formally committed to this goal.

In 1974, I visited Yugoslavia and the Serbian bishop of Karlovac, Simeon. I asked about the holocaust because it occurred in part on his diocesan territory. I was told the following story:

"Many years after the pogrom, the relatives of victims massacred and buried in a common grave decided to exhume the remains of their loved ones and give them a proper Christian burial. When the time came and simple wooden caskets were aligned for the common service, a local communist party functionary approached the senior clergymen (who told me this story and who has since, passed away) and told

him to forthright step aside, as party officials would conduct the memorial. He responded to this intrusion by saying that he was asked by the victims' relatives to conduct Christian burial services and would not step aside unless asked to do so by the same people. Forced to consult with the relatives, the functionary was told their wish was to have a Christian service and finally he himself was made to step aside.

As per custom, the hundreds of village and city folk drawn to the services held candles while the Orthodox funeral service was completed in its entirety.

During the services, an old man was observed in the distance slowly approaching the cemetery, carrying something on his shoulder. As he finally drew near, they saw that he was carrying a small wooden casket, which he placed alongside the many others and then took his place among the mourners.

When the services were finished, the man was asked about the small casket. He replied: 'At the time of the mass killings, my little son was among those murdered and buried in the mass grave. When the murderers left and I felt it was safe, I dug until I found the body of my son. I carried him home and buried him in the yard near my house. When after all these years, I heard the victims were to be exhumed and given a Christian burial, I thought that he too should be included. So I exhumed his remains, made a new casket and brought him here to be layed to rest with the others.' "

This touching story reflects the feelings of the relatives of hundreds of thousands of those lost in that great human tragedy, indeed, of decent people everywhere. The consecration and memorial services at the Jasenovac church will in effect be a common Christian funeral service for all the known and unknown martyrs, for those whose remains have been uncovered and those who were cremated or yet lie in undiscovered mass graves.

But it will not be the dead burying the dead. It will be the living speaking to the world of the ultimate forces of Good and Evil. Their testimony will exalt the sanctity of life and at once lay bare the basest degradation of man's inhumanity to man.

Modern technology and the social changes it has helped wrought provide an unprecedented challenge to the true freedom of the human spirit, having opened the door to the sophisticated controversy over relavant morality. Polemics abound over abortion, infanticide, euthanasia and other issues concerned with the sanctity of human life. But no amount of sophistry can alter the baseness and human degradation of genocide.

I respectfully submit that the presence at Jasenovac, on September 2, 1984 of pact proponents of highly respected international reputation such as yourself or your associates, would focus most effectively on this most basic transgression of human rights. It would bare this infamous deed to the world, and help convince many of the need for the anti-genocide pact.

I pray for your success in your efforts to have the United States become a signatory to the international pact against genocide.

Sincerely yours,

V. Rev. Fr. M.P. MARKOVINA.

LET'S GO BACK TO THE TABLE FOR A FULL BAN ON ALL NUCLEAR ARMS TESTING

Mr. PROXMIRE. Mr. President, what is the most important contribution this Federal Government could make to American citizens and the citizens of the rest of the world today? The answer is easy: The resumption of nuclear arms control negotiations with the Soviet Union. Recently six nations called on the two superpowers to resume nuclear arms negotiations. Pope Paul has just been reported to favor a nuclear arms freeze. But the Soviet Union and the United States both speed ahead in the nuclear and conventional arms race. Just since 1980, we have skyrocketed our military research and development from $14 billion per year to $27 billion. But hold on to your hat. As they say, brother, you aint' seen nothing yet. This is just the beginning. The administration has indicated it wants to double that smashing increase again, so we will be spending $54 billion on military research and development 5 years from now. A rapidly increasing proportion of this will be nuclear weapons research. So what? So this: Research and development charts the way for future overall military spending. R&D constitutes the relentless forerunner of the really big military spending. With military R&D quadrupling in less than 10 years we can predict that 15 or 20 years from now, if there is anything left of civilization, we will probably be burdened with a far more immense military budget, unless of course arms control begins to make some real progress.

President Reagan's answer to all this has become obvious. It is: "I'm ready for arms control. But where are the Russians? They walked out on the START talks. They walked out on the INF talks. As far as the United States is concerned everything is on the table." This response is only partly right. Sure the Russians walked out. But there is a way to bring them back. And that is to recognize everything is not on the table. The President can and should put something on the table that is not there. That something constitutes the heart of the arms race. That is: A truly comprehensive test ban treaty. No more testing of nuclear arms.

We have agreed to the Limited Test Ban Treaty of 1963. We have agreed to the Non-Proliferation Treaty of 1968. Both have been negotiated, ratified and constitute settled law for both superpowers. The United States has also signed but not ratified the Threshold Test Ban Treaty of 1974. Where do these partial test ban treaties leave the state of nuclear arms testing? They have safeguarded the atmosphere from the polluting effects of superpower nuclear weapons' test because the treaties require that all testing by the superpowers must be underground. We have limited the size of that underground nuclear weapons testing to 150 kilotons. Unfortunately, however, those limits have not stopped or even significantly slowed the onward rush of ever newer and more deadly nuclear weapons. Why not? Because the 150-kiloton limit leaves plenty of leeway for the testing of virtually any new nuclear weapons the military of either superpowers desires to test.

And how do we stop this race for ever newer and more devastating nuclear weapons? We can do it. Here's how: Since testing is absolutely critical to the advance of nuclear weapons we can stop the arms race in its tracks by simply stopping testing right down to a single kiloton. Would this stop effective nuclear research? Absolutely. But could seismic tests detect cheating? The administration claims it could not. But our seismic professional experts say that it could. And there is no question that it could detect cheating if we accept the conditions the Russians have indicated they will accept. What are the conditions? Here they are: If the treaty is radified the Soviets will exchange geophysical test-site data. They have also expressed interest in unmanned onsite seismic monitoring stations within the Soviet Union. And that is not all. They will agree to the right of onsite inspections by challenge in specific instances where doubts about a particular seismic event could not otherwise be dispelled.

Mr. President, here is an invitation which any administration that truly believes in arms control cannot and must not refuse. The President should promptly take the Russians up on this offer. In fact in failing to do so, this country is violating both the letter and spirit of three treaties that we have signed, two of which have been ratified. Let me document that accusation. The Limited Test Ban Treaty of 1963 specified in part:

> Seeking to achieve the discontinuance of all test explosions of nuclear weapons for all time, determined to continue negotiations to this end . . . have agreed to (the treaty).

Mr. President, that provision of the treaty we signed and ratified 20 years ago and have never renounced pledges this country to continue negotiations to the end of discontinuing all test explosions. Is this administration continuing such negotiations? No, indeed, they have refused to continue the negotiations.

Again, Mr. President, in the Non-Proliferation Treaty of 1968, a treaty our President signed and this Senate also ratified, this country pledged to achieve in the words of the treaty "the discontinuance of all test explosions of nuclear weapons for all time and to continue negotiations to this end." So again, by failing to continue negotiations with the Soviet Union for a truly comprehensive test ban we violate the specific language of a treaty we have signed and ratified.

Finally, the most explicit language of all occurred in the Threshold Test Ban Treaty. This treaty President Nixon signed. The Senate has not ratified. But both the President of the United States and the Soviet Union agreed to abide by that treaty as long as the other does. But have we? That treaty specifies:

The Parties shall continue negotiations with a view towards achieving a solution to the problem of the cessation of all underground nuclear weapons tests.

So there you have it, Mr. President. Not only are we continuing the research and development through testing of nuclear weapons that constitutes the heart of the arms race and thus pushing the world closer to nuclear war, but in doing so we are in explicit violation of three treaties which our President has signed, and which Presidents have committed us to abide by. Two of those treaties have been ratified by this U.S. Senate.

Mr. President, I ask unanimous consent that the full text of the three treaties to which I have referred: The Limited Test Ban Treaty, the Non-Proliferation Treaty and the Threshold Test Ban Treaty be printed in the RECORD at this point, along with a brief excerpt from an article in June 1984, issue of the Inquiry by Christopher E. Paine entitled "Arms Control Poker."

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

TREATY BANNING NUCLEAR WEAPON TESTS IN THE ATMOSPHERE, IN OUTER SPACE AND UNDER WATER

Signed at Moscow, August 5, 1963

Ratification advised by U.S. Senate September 24, 1963

Ratified by U.S. President October 7, 1963

U.S. ratification deposited at Washington, London, and Moscow October 10, 1963

Proclaimed by U.S. President October 10, 1963

Entered into force October 10, 1963

The Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland, and the Union of Soviet Socialist Republics, hereinafter referred to as the "Original Parties,"

Proclaiming as their principal aim the speediest possible achievement of an agreement on general and complete disarmament under strict international control in accordance with the objectives of the United Nations which would put an end to the armaments race and eliminate the incentive to the production and testing of all kinds of weapons, including nuclear weapons.

Seeking to achieve the discontinuance of all test explosions of nuclear weapons for all time, determined to continue negotiations to this end, and desiring to put an end to the contamination of man's environment by radioactive substances.

Have agreed as follows:

ARTICLE I

1. Each of the Parties to this Treaty undertakes to prohibit, to prevent, and not to carry out any nuclear weapon test explosion, or any other nuclear explosion, at any place under its jurisdiction or control:

(a) in the atmosphere; beyond its limits, including outer space; or under water, including territorial waters or high seas; or

(b) in any other environment if such explosion causes radioactive debris to be present outside the territorial limits of the State under whose jurisdiction or control such explosion is conducted. It is understood in this connection that the provisions of this subparagraph are without prejudice to the conclusion of a treaty resulting in the permanent banning of all nuclear test explosions, including all such explosions underground, the conclusion of which, as the Parties have stated in the Preamble to this Treaty, they seek to achieve.

2. Each of the Parties to this Treaty undertakes furthermore to refrain from causing, encouraging, or in any way participating in, the carrying out of any nuclear weapon test explosion, or any other nuclear explosion, anywhere which would take place in any of the environments described, or have the effect referred to, in paragraph 1 of this Article.

ARTICLE II

1. Any Party may propose amendments to this Treaty. The text of any proposed amendment shall be submitted to the Depositary Governments which shall circulate it to all Parties to this Treaty. Thereafter, if requested to do so by one-third or more of the Parties, the Depositary Governments shall convene a conference, to which they shall invite all the Parties, to consider such amendment.

2. Any amendment to this Treaty must be approved by a majority of the votes of all the Parties to this Treaty, including the votes of all of the Original Parties. The amendment shall enter into force for all Parties upon the deposit of instruments of ratification by a majority of all the parties, including the instruments of ratification of all of the Original Parties.

ARTICLE III

1. This Treaty shall be open to all States for signature. Any State which does not sign this Treaty before its entry into force in accordance with paragraph 3 of this Article may accede to it at any time.

2. This Treaty shall be subject to ratification by signatory States. Instruments of ratification and instruments of accession shall be deposited with the Governments of the Original Parties—the United States of America, the United Kingdom of Great Britain and Northern Ireland, and the Union of Soviet Socialist Republics—which are hereby designated the Depositary Governments.

3. This Treaty shall enter into force after its ratification by all the Original Parties and the deposit of their instruments of ratification.

4. For States whose instruments of ratification or accession are deposited subsequent to the entry into force of this Treaty, it shall enter into force on the date of the deposit of their instruments of ratification or accession.

5. The Depositary Governments shall promptly inform all signatory and acceding States of the date of each signature, the date of deposit of each instrument of ratification of and accession to this Treaty, the date of its entry into force, and the date of receipt of any requests for conferences or other notices.

6. This Treaty shall be registered by the Depositary Governments pursuant to Article 102 of the Charter of the United Nations.

ARTICLE IV

This Treaty shall be of unlimited duration.

Each Party shall in exercising its national sovereignty have the right to withdraw from the Treaty if it decides that extraordinary events, related to the subject matter of this Treaty, have jeopardized the supreme interests of its country. It shall give notice of such withdrawal to all other Parties to the Treaty three months in advance.

ARTICLE V

This Treaty, of which the English and Russian texts are equally authentic, shall be deposited in the archives of the Depositary Governments. Duly certified copies of this Treaty shall be transmitted by the Depository Governments to the Governments of the signatory and acceding States.

In witness whereof the undersigned, duly authorized, have signed this Treaty.

Done in triplicate at the city of Moscow the fifth day of August, one thousand nine hundred and sixty-three.

For the Government of the United States of America.

For the Government of the United Kingdom of Great Britain and Northern Ireland.

For the Government of the Union of Soviet Socialist Republics.

TREATY ON THE NON-PROLIFERATION OF NUCLEAR WEAPONS

Signed at Washington, London, and Moscow July 1, 1968

Ratification advised by U.S. Senate March 13, 1969

Ratified by U.S. President November 24, 1969

U.S. ratification deposited at Washington, London, and Moscow March 5, 1970

Proclaimed by U.S. President March 5, 1970

Entered into force March 5, 1970

The States concluding this Treaty, hereinafter referred to as the "Parties to the Treaty",

Considering the devastation that would be visited upon all mankind by a nuclear war and the consequent need to make every effort to avert the danger of such a war and to take measures to safeguard the security of peoples,

Believing that the proliferation of nuclear weapons would seriously enhance the danger of nuclear war,

In conformity with resolutions of the United Nations General Assembly calling for the conclusion of an agreement on the prevention of wider dissemination of nuclear weapons,

Undertaking to cooperate in facilitating the application of International Atomic Energy Agency safeguards on peaceful nuclear activities,

Expressing their support for research, development and other efforts to further the application, within the framework of the International Atomic Energy Agency safeguards system, of the principle of safeguarding effectively the flow of source and special fissionable materials by use of instruments and other techniques at certain strategic points,

Affirming the principle that the benefits of peaceful applications of nuclear technology, including any technological by-products which may be derived by nuclear-weapon States from the development of nuclear explosive devices, should be available for peaceful purposes to all Parties of the Treaty, whether nuclear-weapon or non-nuclear weapon States,

Convinced that, in furtherance of this principle, all Parties to the Treaty are entitled to participate in the fullest exchange of scientific information for, and to contribute alone or in cooperation with other States to, the further development of the applications of atomic energy for peaceful purposes,

Urging the cooperation of all States in the attainment of this objective,

Declaring their intention to achieve at the earliest possible date the cessation of the nuclear arms race and to undertake effective measures in the direction of nuclear disarmament.

Recalling the determination expressed by the Parties to the 1963 Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water in its Preamble to seek to achieve the discontinuance of all test explosions of nuclear weapons for all time and to continue negotiations to this end,

Desiring to further the easing of international tension and the strengthening of trust between States in order to facilitate the cessation of the manufacture of nuclear weapons, the liquidation of all their existing stockpiles, and the elimination from national arsenals of nuclear weapons and the means of their delivery pursuant to a treaty on general and complete disarmament under strict and effective international control,

Recalling that, in accordance with the Charter of the United Nations, States must refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State, or in any other manner inconsistent with the Purposes of the United Nations, and that the establishment and maintenance of international peace and security are to be promoted with the least diversion for armaments of the world's human and economic resources.

Have agreed as follows:

ARTICLE I

Each nuclear-weapon State Party to the Treaty undertakes not to transfer to any recipient whatsoever nuclear weapons or other nuclear explosive devices or control over such weapons or explosive devices directly, or indirectly; and not in any way to assist, encourage, or induce any non-nuclear-weapon State to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices, or control over such weapons or explosive devices.

ARTICLE II

Each non-nuclear-weapon State Party to the Treaty undertakes not to receive the transfer from any transfer or whatsoever of nuclear weapons or other nuclear explosive devices or of control over such weapons or explosive devices directly, or indirectly; and not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices; and not to seek or receive any assistance in the manufacture of nuclear weapons or other nuclear explosive devices.

ARTICLE III

1. Each non-nuclear-weapon State Party to the Treaty undertakes to accept safeguards, as set forth in an agreement to be negotiated and concluded with the International Atomic Energy Agency in accordance with the Statute of the International Atomic Energy Agency and the Agency's safeguards system, for the exclusive purpose of verification of the fulfillment of its obligations assumed under this Treaty with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices. Procedures for the safeguards required by this article shall be followed with respect to source or special fissionable material whether it is being produced, processed or used in any principal nuclear facility or is outside any such facility. The safeguards required by this article shall be applied to all source or special fissionable material in all peaceful nuclear activities within the territory of such State, under its jurisdiction, or carried out under its control anywhere.

2. Each State Party to the Treaty undertakes not to provide: (a) source or special fissionable material, or (b) equipment or material especially designed or prepared for the processing, use or production of special fissionable material, to any non-nuclear-weapon State for peaceful purposes, unless the source or special fissionable material shall be subject to the safeguards required by this article.

3. The safeguards required by this article shall be implemented in a manner designed to comply with article IV of this Treaty, and to avoid hampering the economic or technological development of the Parties or international cooperation in the field of peaceful nuclear activities, including the international exchange of nuclear material and equipment for the processing, use or production of nuclear material for peaceful purposes in accordance with the provisions of this article and the principle of safeguarding set forth in the Preamble of the Treaty.

4. Non-nuclear-weapon States Party to the Treaty shall conclude agreements with the International Atomic Energy Agency to meet the requirements of this article either individually or together with other States in accordance with the Statute of the International Atomic Energy Agency. Negotiation of such agreements shall commence within 180 days from the orginal entry into force of this Treaty. For States depositing their instruments of ratification or accession after the 180-day period, negotiation of such agreements shall commence not later than the date of such deposit. Such agreements shall enter into force not later than eighteen months after the date of initiation of negotiations.

ARTICLE IV

1. Nothing in this treaty shall be interpreted as affecting the inalienable right of all the Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with articles I and II of this Treaty.

2. All the Parties to the Treaty undertake to facilitate, and have the right to participate in, the fullest possible exchange of equipment, materials and scientific and technological information for the peaceful uses of nuclear energy. Parties to the Treaty in a position to do so shall also cooperate in contribution alone or together with other State or international organizations to the further development of the applications of nuclear energy for peaceful purposes, especially in the territories of non-nuclear-weapon States Party to the Treaty, with due consideration for the needs of the developing areas of the world.

ARTICLE V

Each party to the Treaty undertakes to take appropriate measures to ensure that, in accordance with this Treaty, under appropriate international observation and through appropriate international procedures, potential benefits from any peaceful applications of nuclear explosions will be made available to non-nuclear-weapon States Party to the Treaty on a nondiscriminatory basis and that the charge to such Parties for the explosive devices used will be as low as possible and exclude any charge for research and development. Non-nuclear-weapon States Party to the Treaty shall be able to obtain such benefits, pursuant to a special international agreement or agreements, through an appropriate international body with adequate representation of non-nuclear-weapon States. Negotiations on this subject shall commence as soon as possible after the Treaty enters into force. Non-nuclear-weapon States Party to the Treaty so desiring may also obtain such benefits pursuant to bilateral agreements.

ARTICLE VI

Each of the Parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict and effective international control.

ARTICLE VII

Nothing in this Treaty affects the right of any group of States to conclude regional treaties in order to assure the total absence of nuclear weapons in their respective territories.

ARTICLE VIII

1. Any Party to the Treaty may propose amendments to this Treaty. The text of any proposed amendment shall be submitted to the Depositary Governments which shall circulate it to all Parties to the Treaty. Thereupon, if requested to do so by one-third or more of the Parties to the Treaty, the Depositary Governments shall convene a conference, to which they shall invite all the Parties to the Treaty, to consider such an amendment.

2. Any amendment to this Treaty must be approved by a majority of the votes of all the Parties to the Treaty, including the votes of all nuclear-weapon States Party to the Treaty and all other Parties which, on the date the amendment is circulated, are members of the Board of Governors of the International Atomic Energy Agency. The amendment shall enter into force for each Party that deposits its instrument of ratification of the amendment upon the deposit of such instruments of ratification by a majority of all the Parties, including the instruments of ratification of all nuclear-weapon States Party to the Treaty and all other Parties which, on the date the amendment is circulated, are members of the Board of Governors of the International Atomic Energy Agency. Thereafter, it shall enter into force for any other Party upon the deposit of its instrument of ratification of the amendment.

3. Five years after the entry into force of this Treaty, a conference of Parties to the Treaty shall be held in Geneva, Switzerland, in order to review the operation of this Treaty with a view to assuring that the purposes of the Preamble and the provisions of the Treaty are being realized. At intervals of five years thereafter, a majority of the Parties to the Treaty may obtain, by submitting a proposal to this effect to the Depositary Governments, the convening of further conferences with the same objective of reviewing the operation of the Treaty.

ARTICLE IX

1. This Treaty shall be open to all States for signature. Any State which does not sign

the Treaty before its entry into force in accordance with paragraph 3 of this article may accede to it at any time.

2. This Treaty shall be subject to ratification by signatory States. Instruments of ratification and instruments of accession shall be deposited with the Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the Union of Soviet Socialist Republics, which are hereby designated the Depositary Governments.

3. This Treaty shall enter into force after its ratification by the States, the Governments of which are designated Depositaries of the Treaty, and forty other States signatory to this Treaty and the deposit of their instruments of ratification. For the purposes of this Treaty, a nuclear-weapon State is one which has manufactured and exploded a nuclear weapon or other nuclear explosive device prior to January 1, 1967.

4. For States whose instruments of ratification or accession are deposited subsequent to the entry into force of this Treaty, it shall enter into force on the date of the deposit of their instruments of ratification or accession.

5. The Depositary Governments shall promptly inform all signatory and acceding States of the date of each signature, the date of deposit of each instrument of ratification or of accession, the date of the entry into force of this Treaty, and the date of receipt of any requests for convening a conference or other notices.

6. This Treaty shall be registered by the Depositary Governments pursuant to article 102 of the Charter of the United Nations.

ARTICLE X

1. Each Party shall in exercising its national sovereignty have the right to withdraw from the Treaty if it decides that extraordinary events, related to the subject matter of this Treaty, have jeopardized the supreme interests of its country. It shall give notice of such withdrawal to all other Parties to the Treaty and to the United Nations Security Council three months in advance. Such notice shall include a statement of the extraordinary events it regards as having jeopardized its supreme interests.

2. Twenty-five years after the entry into force of the Treaty, a conference shall be convened to decide whether the Treaty shall continue in force indefinitely, or shall be extended for an additional fixed period or periods. This decision shall be taken by a majority of the Parties to the Treaty.

ARTICLE XI

This Treaty, the English, Russian, French, Spanish and Chinese texts of which are equally authentic, shall be deposited in the archives of the Depositary Governments. Duly certified copies of this Treaty shall be transmitted by the Depositary Governments to the Governments of the signatory and acceding States.

NON-PROLIFERATION TREATY

Country	Date of signature	Date of deposit of ratification	Date of deposit of accession
Afghanistan	July 1, 1968	Feb. 4, 1970	
Australia	Feb. 27, 1970	Jan. 23, 1973	
Austria	July 1, 1968	June 27, 1969	
Bahamas, The			Aug. 11, 1976.
Bangledesh			Aug. 31, 1979.
Barbados	July 1, 1968	Feb. 21, 1980	
Belgium	Aug. 20, 1968	May 2, 1975	
Benin	July 1, 1968	Oct. 31, 1972	
Bolivia	July 1, 1968	May 26, 1970	
Botswana	July 1, 1968	Apr. 28, 1969	

NON-PROLIFERATION TREATY—Continued

Country	Date of signature	Date of deposit of ratification	Date of deposit of accession
Bulgaria	July 1, 1968	Sept. 5, 1969	
Burundi			Mar. 19, 1971.
Cameroon	July 17, 1968	Jan. 8, 1969	
Canada	July 23, 1968	Jan. 8, 1969	
Cape Verde			Oct. 24, 1979.
Central African Republic.			Oct. 25, 1970.
Chad	July 1, 1968	Mar. 10, 1971	
China (Taiwan)	July 1, 1968	Jan. 27, 1970	
Colombia	July 1, 1968		
Congo, People's Republic of (Brazzaville).			Oct. 23, 1978.
Costa Rica	July 1, 1968	Mar. 3, 1970	
Cyprus	July 1, 1968	Feb. 10, 1970	
Czechoslovakia	July 1, 1968	July 22, 1969	
Denmark	July 1, 1968	Jan. 3, 1969	
Dominican Republic	July 1, 1968	July 24, 1971	
Ecuador	July 9, 1968	Mar. 7, 1969	
Egypt	July 1, 1968		
El Salvador	July 1, 1968	July 11, 1972	
Ethiopia	Sept. 5, 1968	Feb. 5, 1970	
Fiji			July 14, 1972.
Finland	July 1, 1968	Feb. 5, 1969	
Gabon			Feb. 19, 1974.
Gambia, The	Sept. 4, 1968	May. 12, 1975	
German Democratic Republic.	July 1, 1968	Oct. 31, 1969	
Germany, Federal Republic of.	Nov. 28, 1969	May 2, 1975	
Ghana	July 1, 1968	May 4, 1970	
Greece	July 1, 1968	Mar. 11, 1970	
Grenada			Sept. 2, 1975.
Guatemala	July 26, 1968	Sept. 22, 1970	
Guinea-Bissau			Aug. 20, 1976.
Haiti	July 1, 1968	June 2, 1970	
Holy See			Feb. 25, 1971.
Honduras	July 1, 1968	May 16, 1973	
Hungary	July 1, 1968	May 27, 1969	
Iceland	July 1, 1968	July 18, 1969	
Indonesia	Mar. 2, 1970	July 12, 1979	
Iran	July 1, 1968	Feb. 2, 1970	
Iraq	July 1, 1968	Oct. 29, 1969	
Ireland	July 1, 1968	July 1, 1968	
Italy	Jan. 28, 1969	May 2, 1975	
Ivory Coast	July 1, 1968	Mar. 6, 1973	
Jamaica	Apr. 14, 1969	Mar. 5, 1970	
Japan	Feb. 3, 1970	June 8, 1976	
Jordan	July 10, 1968	Feb. 11, 1970	
Kampuchea			June 2, 1972.
Kenya	July 1, 1968	June 11, 1970	
Korea, Republic of	July 1, 1968	Apr. 23, 1975	
Kuwait	Aug. 15, 1968		
Laos	July 1, 1968	Feb. 20, 1970	
Lebanon	July 1, 1968	July 15, 1970	
Lesotho	July 9, 1968	May 20, 1970	
Liberia	July 1, 1968	Mar. 5, 1970	
Libya	July 18, 1968	May 26, 1975	
Liechtenstein			Apr. 20, 1978.
Luxembourg	Aug. 14, 1968	May 2, 1975	
Madagascar	Aug. 22, 1968	Oct. 8, 1970	
Malaysia	July 1, 1968	Mar. 5, 1970	
Maldive Islands	Sept. 11, 1968	Apr. 7, 1970	
Mali	July 14, 1969	Feb. 10, 1970	
Malta	Apr. 17, 1969	Feb. 6, 1970	
Mauritius	July 1, 1968	Apr. 8, 1969	
Mexico	July 26, 1968	Jan. 21, 1969	
Mongolia	July 1, 1968	May 14, 1969	
Morocco	July 1, 1968	Nov. 27, 1970	
Nepal	July 1, 1968	Jan. 5, 1970	
Netherlands	Aug. 20, 1968	May 2, 1975	
New Zealand	July 1, 1968	Sept. 10, 1969	
Nicaragua	July 1, 1968	Mar. 6, 1973	
Nigeria	July 1, 1968	Sept. 27, 1968	
Norway	July 1, 1968	Feb. 5, 1969	
Panama	July 1, 1968	Jan. 13, 1977	
Paraguay	July 1, 1968	Feb. 4, 1970	
Peru	July 1, 1968	Mar. 3, 1970	
Philippines	July 1, 1968	Oct. 5, 1972	
Poland	July 1, 1968	June 12, 1969	
Portugal			Dec. 15, 1977.
Romania	July 1, 1968	Feb. 4, 1970	
Rwanda			May 20, 1975.
San Marino	July 1, 1968	Aug. 10, 1970	
St. Lucia			Dec. 28, 1979.
Senegal	July 1, 1968	Dec. 17, 1970	
Sierra Leone			Feb. 26, 1975.
Singapore	Feb. 5, 1970	Mar. 10, 1976	
Somalia	July 1, 1968	Mar. 5, 1970	
Sri Lanka	July 1, 1968	Mar. 5, 1979	
Sudan	Dec. 24, 1968	Oct. 31, 1973	
Suriname			June 30, 1976 [1].
Swaziland	June 24, 1969	Dec. 11, 1969	
Sweden	Aug. 19, 1968	Jan. 9, 1970	
Switzerland	Nov. 27, 1969	Mar. 9, 1977	
Syrian Arab Republic	July 1, 1968	Sept. 24, 1969	
Thailand			Dec. 2, 1972.
Togo	July 1, 1968	Feb. 26, 1970	
Tonga			July 7, 1971.
Trinidad and Tobago	Aug. 20, 1968		
Tunisia	July 1, 1968	Feb. 26, 1970	
Turkey	Jan. 28, 1969	Apr. 17, 1980	
Tuvalu			Jan. 19, 1979.

NON-PROLIFERATION TREATY—Continued

Country	Date of signature	Date of deposit of ratification	Date of deposit of accession
Union of Soviet Socialist Republics.	July 1, 1968	Mar. 5, 1970	
United Kingdom	July 1, 1968	Nov. 27, 1968	
United States	July 1, 1968	Mar. 5, 1970	
Upper Volta	Nov. 25, 1968	Mar. 3, 1970	
Uruguay	July 1, 1968	Aug. 31, 1970	
Venezuela	July 1, 1968	Sept. 25, 1975	
Western Samoa			Mar. 17, 1975.
Yemen Arab Republic (Sana).	Sept. 23, 1968		
Yemen, People's Democratic Republic of (Aden).	Nov. 14, 1968	June 1, 1979	
Yugoslavia	July 10, 1968	Mar. 4, 1970	
Zaire	July 22, 1968	Aug. 4, 1970	
Total	97	92	22.

[1] Effective November 25, 1975.

TREATY BETWEEN THE UNITED STATES OF AMERICA AND THE UNION OF SOVIET SOCIALIST REPUBLICS ON THE LIMITATION OF UNDERGROUND NUCLEAR WEAPON TESTS

(Signed at Moscow July 3, 1974)

The United States of America and the Union of Soviet Socialist Republics, hereinafter referred to as the Parties,

Declaring their intention to achieve at the earliest possible date the cessation of the nuclear arms race and to take effective measures toward reductions in strategic arms, nuclear disarmament, and general and complete disarmament under strict and effective international control,

Recalling the determination expressed by the Parties to the 1963 Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water in its Preamble to seek to achieve the discontinuance of all test explosions of nuclear weapons for all time, and to continue negotiations to this end,

Noting that the adoption of measures for the further limitation of underground nuclear weapon tests would contribute to the achievement of these objectives and would meet the interests of strengthening peace and the further relaxation of international tension,

Reaffirming their adherence to the objectives and principles of the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water and of the Treaty on the Non-Proliferation of Nuclear Weapons,

Have agreed as follows:

Article I

1. Each Party undertakes to prohibit, to prevent, and not to carry out any underground nuclear weapon test having a yield exceeding 150 kilotons at any place under its jurisdiction or control, beginning March 31, 1976.

2. Each Party shall limit the number of its underground nuclear weapon tests to a minimum.

3. The Parties shall continue their negotiations with a view toward achieving a solution to the problem of the cessation of all underground nuclear weapon tests.

Article II

1. For the purpose of providing assurance of compliance with the provisions of this Treaty, each Party shall use national technical means of verification at its disposal in a manner consistent with the generally recognized principles of international law.

2. Each Party undertakes not to interfere with the national technical means of verifi-

cation of the other Party operating in accordance with paragraph 1 of this Article.

3. To promote the objectives and implementation of the provisions of this Treaty the Parties shall, as necessary, consult with each other, make inquiries and furnish information in response to such inquiries.

Article III

The provisions of this Treaty do not extend to underground nuclear explosions carried out by the Parties for peaceful purposes. Underground nuclear explosions for peaceful purposes shall be governed by an agreement which is to be negotiated and concluded by the Parties at the earliest possible time.

Article IV

This Treaty shall be subject to ratification in accordance with the constitutional procedures of each Party. This Treaty shall enter into force on the day of the exchange of instruments of ratification.

Article V

1. This Treaty shall remain in force for a period of five years. Unless replaced earlier by an agreement in implementation of the objectives specified in paragraph 3 of Article I of this Treaty, it shall be extended for successive five-year periods unless either Party notifies the other of its termination no later than six months prior to the expiration of the Treaty. Before the expiration of this period the Parties may, as necessary, hold consultations to consider the situation relevant to the substance of this Treaty and to introduce possible amendments to the text of the Treaty.

2. Each Party shall, in exercising its national sovereignty, have the right to withdraw from this Treaty if it decides that extraordinary events related to the subject matter of this Treaty have jeopardized its supreme interests. It shall give notice of its decision to the other Party six months prior to withdrawal from this Treaty. Such notice shall include a statement of the extraordinary events the notifying Party regards as having jeopardized its supreme interests.

3. This Treaty shall be registered pursuant to Article 102 of the Charter of the United Nations.

Done at Moscow on July 3, 1974, in duplicate, in the English and Russian languages, both texts being equally authentic.

For the United States of America:

RICHARD NIXON,
The President of the United States of America.

For the Union of Soviet Socialist Republics:

L. BREZHNEV,
General Secretary of the Central Committee of the CPSU.

WIDENING THE "IMAGE RATIO"

In some areas, the opportunities for an agreement are so obvious that the political risks of trying to manufacture a deadlock at the negotiating table are simply too high. So, in the areas of nuclear underground testing and antisatellite (ASAT) interceptor testing, the Reagan administration is simply refusing to negotiate. In the case of the proposed Comprehensive Test Ban, this refusal represents a violation of the letter and spirit of both the 1963 Limited Test Ban Treaty and the 1968 Non-Proliferation Treaty. It also clashes with the still unratified 1974 Threshold Test Ban Treaty (TTBT).

Initially the administration tried to explain away its rejection of this thrice-iterated commitment by claiming that a Comprehensive Test Ban remained the "long-term" goal pending improvements in verification measures for the unratified TTBT and Peaceful Nuclear Explosions Treaty. This explanation was phony, because, among other reasons, linking the ratification of these treaties with the reduction of the uncertainty surrounding Western estimates of Soviet tests creates a classic Catch-22 situation. It is precisely ratification of these treaties that will cause the Soviet Union to exchange geophysical test-site data and facilitate more precise measurements of Soviet explosions.

The Comprehensive Test Ban verification problem consists mainly of identifying low-energy seismic events as either earthquakes or explosions. This is very different from estimating precise yields in the hundred-kiloton range, and one that the Russians have already agreed would be facilitated by unmanned "on-site" seismic monitoring stations and the right of on-site inspections by challenge in specific instances where doubts about a particular seismic event could not otherwise be dispelled.

The real reason the Reagan administration wants no part of a comprehensive test ban is its enthusiasm for the nuclear arms race, in particular a whole new "third generation" of advanced warhead concepts that some officials believe will help to transform their long-sought goal of a nuclear-war-fighting capability into reality.

As Richard L. Wagner, Weinberger's assistant, told the House Armed Services Committee in March 1983: "What it comes down to in the end is to keep their [the Soviets'] image of themselves inferior to their image of us. . . . By the 1990s we'll need some really new technology to keep the image ratio in our favor. The technology of nuclear explosive design is an important part of our overall technology capability."

WHY IS THE COUNCIL OF ECONOMIC ADVISERS IN DEEP FREEZE

Mr. PROXMIRE. Mr. President, President Reagan has slapped the Council of Economic Advisers into the political equivalent of solitary confinement and a deep freeze until after the November election.

Why has President Reagan failed to name a successor to Martin Feldstein, the retired Chairman of the Council of Economic Advisers? And why has the President made the astonishing decision not even to name an Acting Chairman of the Council until after the November elections?

This means that for the first time in its 38 year life, the Council will have no official leadership and no direction for two important months. The Council will not be able to advise the Congress or the country or the President on economic policy because neither of the two remaining members of the Council will have the authoritative status to do so.

Why has the President done this? The answer is obvious. The Council of Economic Advisers has become the victim of an horrendous Federal deficit policy that deeply embarrasses the administration and for which no respectable economist can or would offer a defense or a justification.

Before he departed, former Chairman Martin Feldstein spoke the harsh and unwelcome truth about the danger of the deficit and about the certainty that it would continue to grow worse as the years go on unless the President drastically changed his big military spending and deep tax cut policies. The administration obviously wants no more of that blunt and painful honesty in the few weeks before the election.

It is a tribute to the economics profession that it has established such a record of professionalism and integrity that the administration recognizes that it could not find a competent economist who would not insist on criticizing this Federal deficit policy and also win approval even by the Republican dominated Senate Banking Committee and the Republican Senate.

The administration seems to be leery even of giving an Acting Chairman title to Dr. William Niskanen, Jr., the next ranking member of the Council. During the next 2 months the Council should be busy preparing its economic report advising the President, the Congress, and the country on the policies the country should follow during 1985. Without a Chairman or Acting Chairman how can the Council make the kind of forceful and persuasive economic report that 1985 will call for?

Next year the Congress must make the most unpopular spending and tax decisions since the Employment Act of 1946 created the Council of Economic Advisers. We need the kind of respected economic advice that has characterized the Council of Economic Advisers in the past. The Reagan decision to slam the Council into an invisible limbo for fear they might become a political problem in the 1984 Presidential election will make wise economic policy in 1985 much more difficult.

For the 38 years of its existence the Council has generally fulfilled its purpose, that is to bring the wisdom of the economics profession to the conduct of economic policy. The members of the Council have been distinguished economists who have elevated the level of debate over economic policy.

Members of the Council—notably Dr. Martin Feldstein—have been able to maintain a high degree of independence from the President. They come to Government service only temporarily. They tend to put a higher value on maintaining the respect of their professional peers, than currying favor with a political faction.

In 1946 the Congress wisely decided to institutionalize the pressure of competent, professional economists both on the President and on the Congress by creating the Council of Economic Advisers. Never was that pressure to wisely shape Federal spending and revenue policy more critical than it is

today in this deficit distorted economy. Without that pressure the prospect that the Congress will say "no" to interest groups clamoring for special spending programs and tax breaks will be far weaker.

President Reagan has every right to appoint professional economists whose writing and record support his economic views provided only they have the competence to win the respect of the Congress and the country and the integrity to stand by their own principles. But does the President have the right to in effect suspend in limbo an agency created by the Congress? Does he have the right to do so to protect his own reelection? Is the President right to deny that Agency an effective leader and in doing so deny it the authority and power to carry on their statutory obligations, their principal function—the preparation of the Economic Report? After all that report provides the blueprint for Government economic policy for the coming year. Here we have an agency without a designated leader, an agency cut off from speaking freely or effectively about the policy that represents the heart of its responsibility. There was never a time when the country more earnestly needed an agency that could give authoritative and official advice of some of the most competent and professional economic experts. But the President of the United States has stilled its voice.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from the New York Times of Thursday, August 30, 1984, by Jonathan Fuerbringer, entitled "Whither the Council of Economic Advisers?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[The New York Times, Aug. 30, 1984]

WHITHER THE COUNCIL OF ECONOMIC ADVISERS?

(By Jonathan Fuerbringer)

WASHINGTON, August 29.—When Martin S. Feldstein, chairman of President Reagan's Council of Economic Advisers, left the Government to return to Harvard in July, the wind went out of the Council's sails. And the Reagan Administration is seeing to it that it remains becalmed.

The bespectacled Mr. Feldstein was the economist who regularly irritated the Administration by using the platform of the council chairmanship to broadcast the threat of huge Federal budget deficits and the necessity of spending cuts and tax increases to reduce the deficits. He was attacked by Larry Speakes, the White House spokesman, and by Treasury Secretary Donald T. Regan, who suggested tearing up the council's annual economic report this year.

Now there is nary a discouraging word from the two remaining members of the three-member council, which as originally designed in 1946 was to be the main source of economic advice for Presidents.

A CHAIRMANLESS COUNCIL

The Administration has made sure, so far, that the council will not be used as the platform for anything, at least before the November election. President Reagan has not moved to fill the vacancy created by Mr. Feldstein's departure or to appoint a new chairman, a decision hardly unusual just before an election. But he has also chosen not to name either of the two remaining members, William A. Niskanen Jr. and William Poole, as acting chairman.

A chairmanless Council of Economic Advisers is probably the best symbol of both President Reagan's well-known disdain for economists and Treasury Secretary Regan's distaste for Mr. Feldstein's advice and the challenge to the Treasury Secretary's role as chief economic adviser to the President.

What makes this treatment of the council even more pointed is that the person expected by many to be named acting chairman, Mr. Niskanen, has been a long-time supporter of the President and would go out of his way to keep the council out of the news and the White House's hair, before or after the election.

Speaking of the role of the council since Mr. Feldstein left, Mr. Niskanen said of him and Mr. Poole: "We are staying out of the papers. That reflects my personal choice and Bill's and the limited guidance we have from the White House."

But Mr. Niskanen is as mystified as others about why there is no acting chairman. "I wish I knew," he said.

"I am taking the inside actions that a chairman takes and I am not even sure I have the authority."

"It's an unusual circumstance for an agency not to have an acting head," he said with more than a touch of understatement. "So I have looked for signals. They have not made a positive signal, but there have not been negative signals either."

Officially, the White House, through a deputy spokesman, Marlin Fitzwater, said that "we haven't focused on it and we haven't made any decision" on either finding a new chairman or appointing an acting one.

Officials said that finding a permanent chairman might be difficult and that, in any case, a Senate confirmation hearing, which would surely center on the Administration's economic policies, is not something to consider in a September before an election.

"I think it's unfortunate that the President doesn't have enough confidence in the C.E.A. to designate an acting chairman," said Murray L. Weidenbaum, Mr. Reagan's first council chairman. "The very critical role of the C.E.A. is the chairman dealing with the President and the very senior members of the White House staff and the Troika and the chairman of the Federal Reserve."

NO MORE BREAKFAST WITH VOLCKER

Since Mr. Feldstein resigned, Mr. Niskanen has represented the council at Cabinet meetings and has attended the breakfasts held by Secretary Regan that include the Administration's top economic advisers, referred to as the Troika.

But, he said, he has not made the important personal contacts that the chairman of the council usually does. There is no more breakfast with the chairman of the Federal Reserve Board, Paul A. Volcker. And there are no contacts with leaders on Capitol Hill. "Those are something I have just dropped," Mr. Niskanen said. "That is the role of the chairman."

Mr. Niskanen also does not have contact with the President's top advisers in the White House. "I have not worked with the barons in the West Wing of the White House," he said. And although he acknowledged that such contact is crucial to the influence of the council, he said, "I haven't begun developing them."

After Labor Day Mr. Niskanen and Mr. Poole plan to begin work on the Economic Report of the President, which is usually issued in January and is sure to be an important statement about a Reagan second term if the President is re-elected. Normally, Mr. Poole said, a detailed outline is finished by mid-October and a first draft by Thanksgiving. This year this task will be begun without a chairman, and maybe even finished without one, acting or otherwise.

I DON'T WANT ANYONE SHOCKED

Mr. Niskanen said he wanted to have an outline for the senior White House staff in September. Again reflecting the difference between himself and Mr. Feldstein, Mr. Niskanen said: "I don't want the White House to have any surprises about what we are doing. I don't want anyone shocked or irritated."

For his part, Mr. Poole said, "It is a political season and there is not much business being transacted, there are no major initiatives being launched at this point."

He said the council was not being hurt by the absence of a chairman, but he acknowledged that any agency is troubled when its top job is vacant. Mr. Poole, who has already announced plans to return to Brown University in January, said the vacancy now will not mean any "permanent" damage to the council.

Walter W. Heller, the chairman of the council in the Kennedy and Johnson Administrations, now an outside adviser to Walter F. Mondale, Mr. Reagan's Democratic opponent, said the absence of a chairman at the council "probably doesn't make much difference in a Reagan administration, But in the long run I think it is regrettable."

LETTING THE AIR OUT OF A BALLOONING BUDGET

Mr. PROXMIRE. Mr. President, Donald Lambro recently published in the Washingtonian an article entitled "Who Says Government Spending Can't Be Cut?" He identifies 52 programs which should be cut, and says that doing so would balance the budget.

Although I do not agree with all of the specific cuts identified, and some cuts are double counted, Mr. Lambro does have hold of the right end of the stick. Next year, the Federal Government will spend around $925 billion. By taking a skeptical look at each and every program, we could cut spending by around $100 billion.

What do I mean by a skeptical look? Examine the so-called economic development programs. Most were started in the 1960's, when economists talked confidently about the stages of economic growth. They believed that if the Government provided assistance at certain key stages a region or a country's economy could be propelled into an economic "take off." Congress

swallowed these theories hook, line, and sinker and enacted a number of programs to provide such assistance.

We now know that these theories were bottled-in-bond malarkey. Economists now admit that they do not know what causes an economy to "take off." Even more to the point, analysts are finding more and more evidence that development assistance hurts more than it helps. It does not help the region which receives it while it hurts the rest of the country.

Yet Congress continues to support these programs. They may have lost an economic rationale but they have developed a political constituency.

Multiply this example time and again. Look at weapons systems which are obsolete before they go into production—the B-1 bomber for example. Do not forget the tax expenditures, also known as loopholes, which are so obsolete that they are mouldy—the oil depletion allowance for example.

Then apply the same test to programs which are welfare for the well-to-do or which are useful but cannot be afforded any longer. Do any of my colleagues doubt that we could find around $100 billion to cut?

Why do not we take this kind of look at spending programs and tax loopholes? Surely we would rather do this than reopen the debate on Social Security by freezing cost-of-living allowances. But I believe there are two reasons why Congress will not take such a hard look.

The first is political. Most discretionary spending programs are small—$100 million a year is now a small Federal program. But there are a lot of them—the budget would contain 9,250 $100 million-a-year programs. Each program has its supporters, its administering agency, and its congressional subcommittee. Each player to this game wins by expanding the program, not by cutting it back. Trying to cut these programs is the political equivalent of stirring up a nest of yellowjackets—no one sting hurts that much but the experience is still one to be avoided.

The second is procedural, and is one of the major flaws in the Congressional Budget Act. Before that law, the institutional ethos of the Appropriations Committee was to cut programs. It was known as the abominable, no Committee. It looked under all the rocks, looked behing all the doors, and more often then not ended by cutting spending programs.

Now, Congress looks to the Budget Committee to hold down spending while members serve on the Appropriations Committee to protect pet projects from the depredations of the Budget Committee. But the Budget Committee has neither the time nor the expertise to examine all Federal spending programs. By design, it is a "big picture" committee. That is why one easily understood action—such as freezing COLA's—is so attractive to that committee. It is why a catchy nickname for a budget resolution is a necessity these days.

Mr. Lambro is dead right about the budget containing a number of unnecessary or unjustifiable programs. But instead of going after those programs, Congress will probably impose some kind of budget freeze and add a surtax. This approach will hurt the needy while continuing tax and spending subsidies for the well-to-do. A searching examination of every spending and tax program would be much more fair but it would also be much more difficult to do. Given the way Congress operates, when fairness collides with difficulty, fairness gets run over.

Mr. President, I ask unanimous consent that Mr. Lambro's article appear at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHO SAYS GOVERNMENT SPENDING CAN'T BE CUT?

(By Donald Lambro)

"Anyone who thinks he can balance the budget in one year or even two is absolutely carzy," Edwin L. Dale blurted out over the telephone.

It isn't that Ed Dale, the former chief economic reporter for the New York Times who became the Reagan administration's spokesman at the Office of Management and Budget, doesn't believe that eventually the budget can be balanced. It's just that there are all those political obstacles to overcome, the enormity of the budget, the great girth of the deficits, the special-interest groups, plus all those so-called uncontrollable entitlements, not to mention the administration's resistance to any sizeable defense cuts.

"It just can't be done that quickly," Dale persisted.

This almost paralytic attitude is typical in Washington. The establishment view is that cutting federal spending to any significant degree, let alone balancing the budget, is virtually impossible. It is a goal devoutly to be wished, but not one that bears any realistic chance of being achieved.

The causes of this fiscal coma stem from many things, but especially from a false perception of federal spending itself—one that sees the budget as a huge, monolithic juggernaut that cannot be stopped. Thus, the popular mythology here is that when you examine the budget's major components, there is in the end little that can be cut without destroying a lot of programs and agencies that the political-media-bureaucracy axis equates with saving humanity.

Journalist William Greider composed perhaps the classic version of this impregnable view of the budget, when he included in his now-famous Atlantic piece on "The Education of David Stockman." It went like this:

When you discount 48 cents of every federal dollar for Social Security, military and civilian pensions, welfare and health-care payments, plus veterans' costs, then take away 25 cents for the Pentagon and 10 cents for interest payments on the debt, you're left with "17 cents for everything else that Washington does." Then account for programs like the FBI, national parks, county agents, the Foreign Service, and the Weather Bureau, he continued, and that leaves a meager 8 cents out of each federal dollar. But that's eaten up by grants to state and local governments, aid to handicapped children, and highway construction. Sure there is waste, sure there are programs that are "unnecessary and ineffective, even crazy," but after acknowledging that, we cannot "escape those basic dimensions of federal spending," Greider tell us.

Greider is not alone in his myopic view of the budget. When Jimmy Carter's OMB director, James McIntyre, briefed reporters on one of Carter's budgets, I remember him holding the thick budget book aloft and declaring with a perfectly straight face, " I've looked through this budget again and again for something I could cut without our country suffering adverse consequences, and I can't find it." To this day I will never understand why McIntyre was not laughed off the podium by the usually cynical White House press corps.

But he wasn't, of course because we have allowed our political leaders to con us into thinking that everything Washington does with our money is vital and essential to our national survival. More often than not, it isn't.

The figures are grim. The federal debt reached $1.4 trillion in 1983, and it is expected by the Congressional Budget Office (CBO) to hit $1.8 trillion by fiscal 1985 and surpass the $2 trillion mark by fiscal 1986, absorbing larger and larger amounts of the nation's available income and savings. Borrowing to finance this debt, as well as to finance spending by off-budget lending agencies, was projected to stay at 6 percent of GNP over the next four years, about twice what it was during the recovery of 1975-79. "This level of borrowing means," CBO has told Congress, "that the federal debt held by the public will grow faster than GNP, rising from 31 percent of GNP in 1982 to 50 percent by the end of 1988."

Equally disturbing, the one-year budget deficit climbed to just under $200 billion in fiscal 1983, after ballooning to $111 billion in fiscal 1982, which was nearly twice the $60 billion deficits run up in each of the two previous years under the Carter administration. Unless further spending cuts were made, or federal revenues increased dramatically, OMB director David Stockman was predicting yearly $200 billion deficits "as far as the eye can see."

Since 1981, administration critics have been screaming about Ronald Reagan's budget cuts, but knowledgeable observers of federal spending continue to ask, "What cuts?" Before he left office, Jimmy Carter proposed a fiscal 1982 budget of $739 billion. To his credit, Ronald Reagan succeeded in cutting that budget by $11 billion. But Reagan's next (fiscal 1983) budget, with much help from Congress, reached $830 billion.

The administration's fiscal 1984 spending proposals came in at $848.5 billion, a seemingly modest increase, but when all was said and done the real budget total for the year was headed toward $868 billion. Spending in fiscal 1985, which begins October 1, 1984, was projected by the Congressional Budget Office in the $928 billion range. The budget Reagan will submit in January 1985 will probably be very near the unprecedented $1 trillion mark. In other words, Ronald Reagan, the Budget Slayer, will have presided over four years of significant budgetary growth—with yearly federal outlays rising

from $728 billion in fiscal 1982 to over $928 billion in fiscal 1985.

In terms of deficits, the Reagan administration, again with most of the spending impetus from Congress, scaled new heights in the annals of federal debt accumulation. Between fiscal years 1982 and 1985, the government will have run up budget and off-budget deficits exceeding $700 billion.

Could Reagan and the Congress have done better? Could the budget have been substantially reduced? I firmly believe that it could and that it still can. Contrary to the conventional wisdom about an "uncontrollable" federal budget, we can have a balanced budget any time we want. And it can be done without raising taxes, savaging the poor, or gutting our needed military defense buildup. Here's how:

(1) Revenue sharing: Thousands of well-heeled cities and towns such as oil-rich Dallas and jewel-drenched Palm Springs, not to mention merely comfortable middle-class communities, are reaping billions of dollars from this no-strings-attached give-away program. Regardless of need, federal checks are being sent each year to 39,000 local governments, thousands of which deposit tidy budget surpluses in the bank or regularly balance their budgets. The states were expected to compile $60 billion in budget surpluses in fiscal 1985. The federal government, meanwhile, must borrow the money to give it away. Eliminate it. Annual savings: $4.6 billion.

(2) Community-development block grants: Though originally designed to help only poor and low-income people, these grants also have been heavily benefiting wealthy and middle-class cities and towns that are more able to pay for their own community development. Zero it out. Savings: $3.5 billion.

(3) Foreign aid: Uncle Sam spends nearly $12 billion a year on foreign assistance of all kinds, much of which never reaches the world's poor. In a time of fiscal crisis that threatens the economic health and security of our nation, is it too much to suggest that we reduce our foreign-aid expenditures by 50 percent until we get back on our feet economically? I think not. Estimated savings: $6 billion.

(4) Department of Education: A national Roper public-opinion poll found that 83 percent of those surveyed think education should not be a function of the federal government. Despite more than three-quarters of a trillion dollars spent on federal aid to education in the past ten years, test scores have plummeted, a decline halted only in 1982. Clearly, the key to better education is not more money but better teaching. It is equally clear that the Department of Education, whose grants provide less than 7 percent of all elementary and secondary education expenditures in the US, cannot produce good teaching. Education, including higher education, is a state and local responsibility. I would abolish the entire department with the exception of its approximately $1-billion-a-year expenditures for the handicapped, which I would double. Savings: $14 billion.

(5) Bureau of Indian Affairs: The BIA essentially duplicates existing federal health, education, welfare, and job programs being provided to non-Indians. It is hard to find a more scandal-ridden program, most of whose resources are consumed by an overpaid, bloated bureaucracy. If BIA's budget were simply divided up among America's 340,000 Indian families, many of whom are not poor by any means, it would be enough to give each family $3,000 a year, or more than enough to lift most poor Indians out of poverty. It's time for the Indians to be treated like everyone else, while providing a safety net of assistance to the truly needy. Close down the agency, but provide block-grant assistance to needy Indian governments from the Interior Department's remaining budget. Savings: $1.2 billion.

(6) Mass-transit assistance: Billions of dollars in federal grants are being given to localities for mass-transit operating costs, planning activities, demonstration projects, and even managerial training and research. Private systems operate more efficiently than government ones, but in any case, Washington should not be responsible for mass transit. OMB analysts say, "Primary responsibility for mass transit should remain with state and local governments." Stop the grants. Savings: $3 billion.

(7) Military retirement: Military pensions cost taxpayers $15 billion in 1982, $16.5 billion in 1983, and an estimated $17 billion in 1984. As with other entitlements, indexing pensions for inflation has been a costly mistake, one that private pensions cannot afford to provide. Eliminating yearly cost-of-living adjustments (COLA) could save an estimated $650 million in fiscal 1984.

(8) Civil-service retirement: It was also a mistake to peg civil-service pensions to inflation. Pensions have not only been rising faster than federal pay but, again, are providing federal retirees an unjustified benefit their counterparts in the private sector do not have. Suspend the COLA. Estimated savings in 1984: $880 million.

(9) Non-nuclear-energy research and development: The Energy Department is supporting private-sector research on new fossil fuels, solar and geothermal technologies, as well as energy conservation and storage. Meanwhile, spending on research and development programs among US energy corporations is up, dwarfing the total federal effort. Thus, getting the government out of this field will not significantly affect private energy R&D spending. Savings: nearly $1 billion.

(10) Economic Development Administration: There is very little evidence that EDA grants to economically depressed areas have significantly alleviated unemployment. That nearly 80 percent of the country was eligible for grants when President Reagan came into power shows how EDA had been turned into the ultimate pork barrel. The Reagan administration has emptied EDA's barrel considerably, but Congress continues to pour in more money. Now it should be sealed closed for good. Savings: $224 million.

(11) Extension services: Maintaining extension offices in every county in America is a vestige of a bygone era when we were a heavily agricultural country and communication was still in its infancy. Today, with a declining farm population, these county offices are turning to servicing non-farm constituencies with advice and literature on lawns, backyard gardening, hobbies, and home economics. Shut them down. Savings: $332 million.

(12) Maritime Administration subsidies: This program has been subsidizing the US shipping industry for nearly 50 years, but with little effect on our decaying maritime fleet. If US commerce is being shipped on cheaper foreign flagships, so much the better for our trade costs. Vigorous deregulation, not more federal subsidies, is needed to make our maritime industry competitive with the rest of the world. Savings: $400 million.

(13) Amtrak: The government's heavily subsidized passenger rail service is burdened by antiquated work rules, excessive pay scales, and poor management practices. For example, on Amtrak's Phoenix-to-Los Angeles run passengers pay only $66 for a one-way trip whose real cost is $280. Sell the lines or close them down. Savings: $716 million.

(14) Soil and water conservation: These programs have not been effective, according to various government budget analysts. A study by the Department of Agriculture found that only 21 percent of federal erosion-control aid went to areas that accounted for 84 percent of all serious erosion. Less than 4 percent of water-conservation aid went to lands where water use was highest. A moratorium on these programs is needed until our budget is in better shape. Savings: $917 million.

(15) Bureau of the Census: The 1980 census needlessly squandered more than $1 billion. Much of the census data it gathered—for example, how many bathrooms, air conditioners, and telephones we have—is used primarily by big business. This program should be mothballed until 1990, when the next census can be conducted on a far less epic scale. Savings: $168 million.

(16) National Oceanic and Atmospheric Administration: In addition to environmental satellites, fisheries, and oceanic research and development, NOAA runs the Weather Service and provides the shipping industry with charts and maps. The Reagan administration sought a modest reduction in its budget, plus a program of fees for industries using its services. But there is no reason why many of NOAA's lower-priority research projects cannot be postponed indefinitely. Significantly higher user fees than those proposed should be established to fund its most vital services, including the Weather Service, which provides a valuable, marketable service to broadcasters and newspapers at very little cost. Estimated savings: $500 million.

(17) Nuclear-energy research: Ronald Reagan wanted to shift these research and technology programs to the Commerce Department as part of a proposed dismantlement of the Energy Department, but that idea went nowhere. A better idea would be a moratorium on funding these projects, along with elimination of further funding for such programs as the Clinch River Breeder Reactor. Encouraging the nuclear-energy industry's development by streamlining federal regulatory policies would more than make up for the government's withdrawal from current R&D funding and would set nuclear energy on a free-enterprise basis to begin meeting our energy needs for the future. Savings: $815 million.

(18) Urban Development Action Grants: UDAG gives grants to communities to subsidize commercial developments and thus "create jobs." But government audits and my own investigations reveal that in many cases UDAG-subsidized developments were committed to be built anyway. Moreover, UDAG money is being used to build ritzy hotel complexes and upper-income housing projects. Derail this gravy train. Savings: $440 million.

(19) Social Security: Indexing Social Security for inflation, which in large part has contributed to its past insolvency, can no longer be afforded. The 7.4 percent cost-of-living adjustment granted in 1982 cost taxpayers a crushing $15 billion. If the 5.7 percent COLA for 1983 had been eliminated, it would have saved an estimated $9.8 billion.

Estimated savings for fiscal year 1984: $4.4 billion.

(20) Military pay: The military payroll is costing taxpayers about $40 billion a year. Annual raises and promotions continue to push the figure higher. It is certainly reasonable to ask our well-paid military personnel to take a pay freeze in order to help restore this country's economic security. Millions of people in the private sector have done so. Estimated savings: Nearly $2 billion.

(21) Civilian pay: Federal civil-service paychecks will total nearly $60 billion this fiscal year. As with the military it is difficult to justify giving further pay increases while the government continues to run severely high deficits. Civilian federal workers can take comfort in knowing that whatever happens to the economy, most of them will have job security, an incomparable pension, early retirement, plus other benefits not available in the real world. Estimated savings: $2.6 billion.

(22) Consultants: Uncle Sam spends about $4 billion annually on consultants, better known in Washington as "Beltway Bandits." Congressional hearings and investigations, internal audits, and GAO reports have shown that much of what the government is buying in the way of consulting reports, studies, program evaluations, and a range of other consultant services is of little or no value. A 50 percent reduction would hurt only the make-work specialists. Estimated savings: $2 billion.

(23) Military commissaries: With better military pay, it is no longer necessary—if it ever was—to provide cut-rate groceries and other goods at military commissaries for our active-duty and retired defense personnel. The stores should be eliminated except in remote areas. Savings: $850 million.

(24) Postal Service: The elimination of Saturday mail delivery was suggested by the Carter administration, but the idea died after heavy lobbying from postal employees. It is still a good idea. Of course, the government's monopoly on first-class mail delivery should be broken, opening up the business to the private sector, as Federal Trade Commission chairman James Miller has wisely suggested. In the meantime, taxpayer subsidies for the ever-inefficient Postal Service can and should be reduced. Eliminating Saturday delivery is a good place to start cutting costs. Estimated savings: $588 million.

(25) Corporate welfare: There is, according to an internal analysis in the Office of Management and Budget, an estimated $30 billion in "corporate welfare" scattered throughout the budget, much of it buried in off-budget accounts. It runs the gamut from credits and subsidies to trade assistance, loans, loan guarantees, federally backed insurance policies, and other forms of federal assistance for a variety of industries—from travel agents to aircraft merchants. Uncle Sam's corporate sugar daddies include the Export-Import Bank, the Small Business Administration, the Rural Electrification Administration, the Synthetic Fuels Corporation, the Overseas Private Investment Corporation, and many more. If Congress were to do nothing more than eliminate or substantially curb many of these unnecessary expenditures, it could make a major dent in the budget deficit.

(26) National Highway Traffic Safety Administration: Anyone who has taken even a cursory glance at the highway death toll in the last decade knows that this agency has been a joke. Years of costly research, experiments with the ill-fated seat-belt interlock system, and billions doled out to subsidize state and local highway-safety programs have not curbed the fatality rate. Increased gas costs, the 55-miles-per-hour national speed limit, changing driving habits, a more exercise-conscious population, a crackdown on drunk drivers by local authorities, among other things, have done much more to reduce highway fatalities. For all its bumper bashing, research, and costly regulations and recalls, the NHTSA has accomplished little, if anything. The enforcement of local highway-safety laws is not Washington's responsibility. Close the agency and institute a federal highway-assistance bonus system that would significantly reward states with lower per-capita highway accidents and fatalities. Savings: $200 million.

(27) Occupational Safety and Health Administration: If performance means anything in government programs anymore, then surely this agency is a failure. Despite billions spent on a huge bureaucracy, this program has had little effect on work-place accidents, the large proportion of which are due to carelessness and inexperience. OSHA's work-place inspectors should be eliminated, and its worker-health programs consolidated into the Environmental Protection Agency, which should have the responsibility for handling serious occupational health problems caused by chemicals or other substances. Savings: $216 million.

(28) Grants-in-aid: Grants to state and local governments have increased from $7 billion in 1960 to more than $90 billion today. But as we have seen with revenue sharing, there's no money to share. An across-the-board reduction of $10 billion in grants-in-aid would still leave an $80 billion pot that could be more efficiently turned over to the states and localities through block grants. Savings: $10 billion.

(29) National Science Foundation: Several years ago, then-senator Henry Bellmon of Oklahoma shocked NSF officials by asking them at an oversight hearing what would happen if Congress decided to "totally end" NSF's funding for five years. The officials were so surprised that anyone would even suggest such a thing that they asked to respond in writing. They predicted all sorts of bad things for enlightened research, but the true answer, of course, is that America would survive. Although NSF is Congress's favorite sacred cow, the agency has not produced many stunning scientific breakthroughs. De-funding this agency would hardly end scientific research in the United States. On the contrary, much of the work it subsidizes would go forward under the auspices of universities and corporations and dozens of other federal-research programs. Even with NSF's demise, the government would still be spending $43 billion a year on research and development. Savings: $1.3 billion.

(30) Defense spending: There is room for substantial cuts in the Pentagon's expenditures without gutting the strength of our armed forces. Those who oppose spending restraint in the Pentagon argue that it is impossible to cut the defense budget in the short run, except in the areas of pay and benefits, because of long-term contractual obligations. Yet I believe we can make relatively modest cuts that lead to a tighter, tougher, and more efficient military machine. Many contracts now in the Pentagon pipeline can be renegotiated to reduce or stretch out some procurement levels. Substantial savings can be achieved through selective base closings, more competitive procurement practices, service consolidations, longer tours of duty, a cutback in unnecessary travel costs and recreational facilities, pay and pension reforms, plus other management changes, auditing provisions, and spending cuts. Estimated savings: between $10 and $20 billion.

(31) Step up the collection of $38 billion in delinquent loans and other long-overdue payments out of the $250 billion now owed to the federal government.

(32) Cut $1.5 billion from the abuse-ridden $3.5 billion Farmers Home Administration loan program.

(33) Save $289 million by mandating workfare for welfare recipients able to work.

(34) Withhold $300 million from the civil-defense program, a collection of make-work activities of dubious effectiveness and value.

(35) Eliminate $700 million spent to run the US Employment Service, which ineffectively competes with private and other local government-employment services.

(36) Cut $300 million from the Agriculture Department's yearly $460 million research program.

(37) Reduce the $11.5 billion highway-assistance program by a modest $1 billion.

(38) Pick up about $800 million a year in various Coast Guard user fees from commercial vessels and private yacht and boat owners.

(39) Phase out $500 million in school-lunch subsidies for middle-class and wealthy schoolchildren, but preserve the reduced-price and free lunch programs for the needy.

(40) Roll back the budgets of the Departments of state, Justice, Interior, and Labor to fiscal 1981 levels for a savings of $8.4 billion.

(41) Curb the Veterans Administration's $24.8 billion budget by a modest $2 billion, including ending payments to veterans with "10 percent disability."

(42) Postpone $225 million in building and maintenance projects by the General Services Administration.

(43) Cut $1 billion from the Environmental Protection Agency's $2.4 billion in yearly construction-project grants.

(44) Slash $1 billion from overfunded federal housing programs. The government is already obligated to spend $363 billion on housing programs, and of that amount, as of mid-1983, an awesome $263 billion had not yet been spent. "If Congress did not commit another single dollar to housing," says Senator Bill Armstrong of Colorado, "another 300,000 units are already authorized to be provided by 1988." At present, housing assistance is going to 13 million Americans in 5.6 million housing units.

(45) Phase out all farm subsidies—costing taxpayers $21 billion in fiscal 1983—that prop up commodity prices at artificial levels in order to keep an over-abundance of crop and dairy farmers in business. Meanwhile, government warehouses are bulging with produce for which billions more are spent in storage costs. Eliminating the subsidies and target prices would allow farm products to reach real market levels, and thus make America's food more competitive on the world market.

(46) Scale down the National Aeronautics and Space Administration's $7.2 billion annual budget by $1 billion, and require private investors and foreign governments to pay more for the use of the space shuttle and other NASA facilities and services.

(47) Save an estimated $1 billion by declaring a temporary moratorium on all ongoing Army Corps of Engineers public-works construction projects.

(48) Close down these non-essential federal agencies: the Federal Trade Commission, the Civil Aeronautics Board, the Interstate Commerce Commission, the National Endowment for the Arts, the National Endowment for the Humanities, the Legal Services Corporation, the Securities and Exchange Commission, the Federal Election Commission, and the Corporation for Public Broadcasting. Savings: $978 million.

(49) Eliminate the government's $1-billion-a-year press and public-relations operations, including all promotional filmmaking, broadcasting, and publishing activities—except in areas vital to human health and safety.

(50) Cut at least $1 billion of the bureaucracy's $9 billion-a-year transportation bill through a moratorium on all nonessential and low-priority out-of-town travel, substituting teleconferencing wherever possible.

(51) Raise up to $10 billion by selling unneeded federal properties, buildings, and unused equipment.

(52) Eliminate the scandal-plagued Small Business Administration, which has helped fewer than 1 percent of the nation's small businesses. Reducing business tax rates would do far more to help America's small-business community than a program ten times the size of SBA. Savings: $576 million.

All of this totals more than $200 billion in potential spending cuts and budget savings, and exceeds the present yearly deficit.

And the spending cuts and savings I have listed cover only a relatively small number of potential programs, agencies, and expenditures where budget reductions can be achieved. A fuller examination of spending programs would yield much larger savings. The point that they serve to make, however, is that the budget is not some monolithic fiscal entity that defies control. Even among entitlement programs, I do not propose cutting benefits, but simply placing a moratorium on future cost-of-living raises until the government can slash the deficit, catch its fiscal breath, and give the economy a much-needed boost by allowing it to nurture itself on the newly freed savings that would become available.

True, my list contains some controversial spending reductions. Yet it eliminates the deficit without touching some of the government's biggest and most costly social programs, such as food stamps, aid to dependent children, Medicare, and Medicaid, and other major components of the social safety net for the needy. It does not weaken our basic defense, nor does it weaken applied medical research.

What my list seeks to do is to show that the budget is filled with many expenditures that are not vital to the health and safety and defense of our nation—spending that can be cut. Non-essential agencies can be zeroed out. Automatic cost-of-living adjustments can be withheld. Low-priority expenditures, unproductive research, and no-strings-attached grants to undeserving communities can be reduced or eliminated.

So Ed Dale is wrong. The federal government's budget could be balanced in one or two years, if we really wanted to do it that quickly, without harming the sick, the old, the poor, the jobless, the search for a cure for cancer, national security, or our efforts to clean up the environment. On the other hand, it probably wouldn't be very prudent to undertake so Herculean a task in one or two years. After all, it took decades for the government to become this fat, and it would be dangerous to the nation's health to attempt to shed that many pounds so quickly. The shock of a sudden withdrawal of federal funds from hundreds of subsidies and grants-in-aid programs and the resultant spurt of unemployment among federal, state, and local bureaucracies would have a serious effect.

But it can be done through a prudent, multi-year program of gradual spending reductions and program eliminations. All that is requried is leadership, determination, political courage, and a national will to bring the federal budget into balance with its income—and thus allow America to regain the full health and vigor needed for future economic growth and prosperity.

Mr. PROXMIRE. Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 11 a.m., with statements therein limited to 5 minutes each.

THE REA IS ONE OF THE GREATEST SUCCESS STORIES LAUNCHED BY ANY GOVERNMENT

Mr. ZORINSKY. Mr. President, in the recent September edition of Reader's Digest there appeared an article entitled "Power Play on the Potomac." While conceding that "the REA is one of the greatest success stories launched by any government," the remainder of its contents consisted of a diatribe against electric power consumers served by consumer owned and operated electric power generating and distribution systems including rural electric cooperatives, and by inference telephone systems eligible for loans through the Rural Electric Administration. Not the least of its impact is the impugning of the integrity of Congress and the supporters of S. 1300.

Certainly the Reader's Digest is a widely read and appreciated publication for its articles of diverse interest from a variety of publications. In this connection, however, it is interesting to note that the article on S. 1300 is the magazine's own invention. The author has previously written critical reviews of the REA program. It is not surprising, therefore, that he persists in his efforts.

We cannot ignore the fact that when President Roosevelt created the Rural Electric Administration by Executive order in 1935, the country's farm and rural areas were unlit, and living conditions were primitive. What has happened since is a success story of monumental proportions from which the entire Nation has greatly benefited. More efficient food production, lower food costs, and increased demand for goods and services provided by local businesses and city factories have made an immense contribution to the expansion of the national economy.

Nebraska's contribution was to provide leadership, through the efforts of former Senator George Norris, which demonstrated that consumers could provide themselves with electricity at a savings if they had access to investment capital at a reasonable cost. The system of publicly owned public power districts and REA's in Nebraska is unique among the 50 States and Nebraska's electric power consumers continue to reap the benefits through low-cost electric power.

S. 1300 would continue to assure sparsely populated areas the capital required to meet the increasing need for electricity as agricultural technology progresses. This is of vital interest to the maintenance of an abundant food supply at reasonable cost to the Nation's consumers.

Passage of the bill was virtually assured when 53 Members of the Senate recently sent a letter to Senate Majority Leader HOWARD BAKER, urging prompt consideration on the Senate floor. In spite of what appears to be assured passage—the bill has already passed the House of Representatives by a vote of 283 to 111—the administration persists in its attempt to block it.

As much as I view the worth of Reader's Digest and its monthly articles of interest, I consider setting its private editorial views against public and cooperative consumer electric power interests to be out of step with the Nation's overall economic concerns and welfare.

To further explain the need for action on this legislation, I am requesting that a letter which was sent to all Members of the Senate on June 5 by Senators ANDREWS, COCHRAN, HUDDLESTON, and myself be inserted in the RECORD following these remarks.

Also, Mr. President, I ask unanimous consent to insert in the CONGRESSIONAL RECORD following my remarks a copy of the letter of Mr. Bob Bergland, executive vice president, National Rural Electric Cooperative Association written in response to the Reader's Digest article.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION,
Washington, DC, August 31, 1984.

The EDITOR,
Reader's Digest
Pleasantville, NY.

DEAR SIR: I am writing to express very strong objection to the overall tone and specific content of the article "Power Play on the Potomac" which appears in the September, 1984, edition of your magazine.

With the sole exception of the statement on page 126 attesting to the success of rural electrification, ". . . the REA is one of the greatest success stories launched by any government," the article is among the most biased and misleading reports on the rural electric program ever published. The article

is in large measure nothing more than an updated version of the same discredited accusation against REA which appeared in your December, 1963 issue, under the title "The REA—A Case Study of Bureaucracy Run Wild."

The similarities should come as no surprise, however, since the author of the 1984 diatribe, Eugene H. Methvin, was co-author of the 1963 article. We noted also that the co-author of the 1963 article, Kenneth O. Gilmore, was recently named Editor-in-Chief of the magazine and therefore, we assume, must share responsibility for the content and timing of the current article.

I really do not understand why you have chosen this particular time to renew your violent opposition to the REA program. Rural electrification leaders across the country have voluntarily drafted and urged Congress to enact legislation (H.R. 3050 and S. 1300) which would substantially raise interest rates on loans which they receive from the REA Revolving Fund. They have done this out of a sense of responsibility to deal prudently with Federal expenditures, and out of a desire that the Revolving Fund, made available to them by Congress in 1973, be preserved so that additional Federal appropriations to the rural electrification program can be minimized or eliminated. You cite the Congressional Budget Office (CBO) as support for your anti-REA philosophy, but fail to disclose that the CBO informed Congress on June 28, 1984, that enactment of S. 1300 will result in the U.S. Treasury receiving about $11-billion *more* in REA loan repayments over the next 25 years than would be the case if S. 1300 were defeated, as is urged in your article.

Nor do I understand why you have singled out the rural electric segment of the electric utility industry for criticism when, in fact, very substantial Federal assistance in some form flows to all segments of that industry. Investor owned utilities benefit by about $4-billion per year through the special treatment they receive under the Internal Revenue Code for investment tax credits, accelerated depreciaiton and deferred taxation of reinvested common stock dividends. Municipal and other public-owned utilities have the power to issue instruments of debt on which the interest is exempt from federal income tax. This reduces their cost of financing, but also reduces revenue to the U.S. Treasury.

We fully understand and have not argued against the assistance received by the investor and public owned utilities. We believe the evidence is clear that they need this subsidy if they are to remain financially viable and meet the power needs of their consumers at affordable rates. But consider the fact that electric cooperatives serve an average of only five consumers per mile of line (compared with 37 for investor owned companies), receive revenues of $4,484 per mile (compared to $54,136 for the power companies), and have had to invest about 1.4 times the number of dollars per consumer as the investor owned segment. On this basis, we strongly believe that the Federal assistance extended to electric cooperatives is fully justified.

Mr. Methvin's article cites the fact that several urban metropolitan areas have spread into what used to be rural counties where, in years past, electric cooperatives built lines because no other utility was willing to provide affordable service—the implication being that the cooperatives should not be operating in areas that are no longer as rural as they once were. But since, as described above, all segments of the utility industry are benefiting from Federal assistance, I really do not understand how Federal dollars would be saved by transferring these facilities from a cooperative to a power company.

What is really unfair, however, is your failure to reveal that the majority of rural electric systems still serve areas with less than five consumers per mile—rural areas by anyone's definition. Nor do you bother to mention that the investor-owned utilities are still largely uninterested in serving the co-op territories, as evidenced by the recent refusal of the Public Service Company of Oklahoma to consider purchase of the Choctaw Electric Cooperative because of the difficult territory served by the cooperative.

Also notably absent from your article is the fact that, since 1972, the National Rural Utilities Cooperative Finance Corporation (CFC) and other non-Federal lenders have raised and loaned to electric cooperatives many bilions of dollars in private sector investment capital at full commercial market interest rates, thereby reducing substantially the rural electrics' need for Federal assistance through REA.

No mention is made either of the fact that on the loans they do receive from REA, electric cooperatives are paying interest rates of from two to six times what they did a decade ago, and that the REA interest rates would be raised even further by S. 1300. For REA guaranteed loans, which constitute the largest portion of our Federal borrowing, we pay the full cost of funds to the government plus one-eighth of one percent. Right now, this amounts to about 12¾ percent; all told, our average cost of capital is now close to 10 percent.

The record of the rural electrification program for loan repayment is somewhere between 99.9 and 100 percent. In our judgment, electric cooperatives have demonstrated a singularly high level of public responsibility and a unique record of regard for the tax paying public. This peerless record of financial responsibility has not been achieved without substantial sacrifice by the consumers of electric cooperatives, however, who currently pay retail rates which, on average, exceed those of investor-owned companies by 14 percent. This fact also is unfortunately omitted from your article.

Looking back on the tremendous challenge and struggle that has been involved in bringing reliable electric utility service to rural America, recognizing the enormous strides the electric cooperatives have made in the past twelve years in reducing their dependence on Federal assistance, and considering the fact that S. 1300 will close even further the gap between REA interest rates and the full cost of money to the government. I am quite frankly amazed, understandably angry, and most of all saddened to know that a publication of the stature and broad public acceptance enjoyed by *Reader's Digest* would publish a diatribe of this sort, based apparently on nothing more than a desire to resume the same kind of attack on one of America's most successful rural institutions which the same author vented two decades ago.

The most important asset any publication like *Reader's Digest* has is its credibility and its reputation for fairness and accuracy. By publishing "Power Play on the Potomac," you have squandered a portion of this precious asset, and in so doing you have made both the *Digest*, and it readers, that much poorer.

Sincerely,

BOB BERGLAND,
Executive Vice President.

COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY,
Washington, DC, June 5, 1984.

DEAR COLLEAGUE: The Committee on Agriculture, Nutrition, and Forestry has scheduled a markup of S. 1300—the Rural Electrification and Telephone Revolving Fund Self-Sufficiency Act of 1983—for June 7. We are confident that the Committee will order the bill reported at that time, clearing the way for action by the Senate. There are serious and complex problems facing the rural electrification and telephone programs that, in the absence of legislation, will get progressively worse. Therefore, in our judgment, it is imperative that Congress complete its consideration of S. 1300 this year. For that reason, we urge you to support our efforts to have S. 1300 scheduled for floor consideration as soon as possible.

S. 1300 will amend the law governing the revolving fund operated by the Rural Electrification Administration of the Department of Agriculture. The bill is needed to prevent the REA revolving fund, which provides financing for rural utilities, from becoming insolvent. S. 1300 and a companion bill, H.R. 3050, were introduced in May of 1983. Forty-six Senators are sponsors of S. 1300, and the House of Representatives approved H.R. 3050 by a vote of 283 to 111 on March 1 of this year.

Although the legislation has received strong bipartisan support in the House and the Senate, opponents of the REA programs would have you believe that S. 1300 simply provides an unnecessary subsidy for rural America rather than an essential service. We are concerned that the serious and complex problems facing the rural electrification and telephone programs—problems that are addressed in the legislation—are being ignored by its opponents.

Further, rather than offering viable alternatives, some opponents have attacked the integrity of the individuals and organizations who have worked to develop a responsible solution to the problems facing the rual electrification and telephone programs. Among those criticized by opponents are three former administrators of REA who have dedicated their careers, under both Republican and Democratic administrations, to providing electric and telephone service in rural areas.

We want to set the record straight on several points.

CONVERSION OF DEBT TO EQUITY AND INCREASING INTEREST RATES

Under current law, beginning in 1993 and in each year through 2017, the REA revolving fund is scheduled to make transfer payments to the Department of the Treasury in amounts totaling $7.9 billion. This amount represents the value of assets that were transferred to the fund when it was created in 1973 for use in REA lending activities.

In 1973, when Congress established the rules pertaining to the operation of the REA revolving fund, no one anticipated that the cost of borrowing money would reach unprecedented high levels and remain at excessively high levels for years and years. The high interest rates that have plagued the national economy in recent years have so eroded the financial stability of the fund as to make the fund's payment schedule to

the Treasury unrealistic in view of the expected need for REA loans.

Unless Congress acts, the effect of the drain on the capital base of the REA revolving fund will be to require either a substantial reduction—perhaps even a suspension—of new REA lending, or a sharp increase in interest rates on REA loans that would adversely affect utility rates and needed investment or, most likely, both. It must be emphasized that skyrocketing interest rates, not the management of the revolving fund, adversely affected the fund's viability.

S. 1300 resolves the problem by converting the $7.9 billion from an accounts payable liability beginning in 1993 to a Government equity, similar to the way that convertible bonds are converted to stock. The Federal Government will continue to maintain full control of its investment in the REA revolving fund at all times and Congress could at any time liquidate the Federal Government's investment.

S. 1300 also eliminates the fixed 2 and 5 percent rates of interest for loans made from the revolving fund and provides a formula that will allow the fund to vary its rate of interest on future loans to reflect more accurately the fluctuations of market interest rates. The Congressional Budget Office analysis indicates that the interest rates charged for loans under S. 1300 will eventually increase so as to equal the Treasury's cost of borrowing.

S. 1300—by strengthening the capital base of the REA revolving fund and providing for flexibility in setting interest rates—will make the fund permanently self-sustaining.

COST OF S. 1300

In terms of cost, the official Congressional Budget Office estimate states that S. 1300, as introduced, will increase budget outlays by $10.4 billion over 25 years. We believe that the real cost of S. 1300 is much lower. S. 1300 will, in fact, reduce Government costs because if S. 1300 is not enacted—and the REA programs are to continue operating as they do today—Congress will have to appropriate funds to meet the need for REA loans. CBO estimates that such appropriations would at least equal, and likely exceed, CBO's estimated cost of S. 1300.

Further, CBO estimates that the cost of S. 1300 will be reduced by at least $1.5 billion if the bill is revised to clarify the requirement in the bill that the revolving fund be managed in such a way that it will be balanced. The companion bill passed by the House of Representatives, H.R. 3050, incorporates such a clarification—known as the Stenholm amendment—and we intend to support a similar modification to S. 1300.

CONTRIBUTION OF BORROWERS

Much of the discussion about S. 1300 has focused on the cost of the Federal Government's contribution to making the revolving fund self-sufficient. However, it should be noted that, under S. 1300, the balancing of the fund will be a joint effort with REA borrowers and, therefore, the 25 million consumers served by REA-financed utilities. Under S. 1300, CBO estimates that REA borrowers will make additional payments of $4 billion to the fund as a result of the higher interest rates that will be charged on loans made through the fund.

Put in another perspective, the debate about the costs involved in stabilizing the REA revolving fund is not a debate about "losses to the Government", but a debate on whether the REA programs should be continued. We support strong and continuing REA programs, and believe that S. 1300 will attain that goal in the most cost-effective and responsible way possible.

DENSITY OF AREAS SERVED

Another allegation made by opponents of the legislation is that many cooperatives receiving REA loans do not serve rural areas. It is true that population growth has caused some of the service areas of a small number of cooperatives to become non-rural in character. However, even cooperatives serving areas that once were rural but are now developed have consumer density far less than the average investor-owned utility. And, because these systems have experienced fast and recent growth, they tend to have a great need for new capital. The utility rates charged by these systems would be severely affected without the REA programs.

Although the challenge of bringing electric and telephone service to rural areas has been successfully met by REA programs, the job of REA is far from completed. Like other utility systems, such as those in large cities, where utility services have been developed for decades, rural utility systems continue to need financing to update facilities and replace obsolete equipment, extend service to new customers, and repair damaged equipment. Without a viable REA revolving fund, as provided under S. 1300, for many rural utilities there will be no investment for the future and rural utility rates will have to be increased to prohibitively high levels.

In short, S. 1300 is sound and necessary legislation that merits your support. (If your staff needs any additional information about S. 1300, they may call Jack Cassidy of the Senate Agriculture Committee staff (224-5207).)

Sincerely,

WALTER D. HUDDLESTON.
EDWARD ZORINSKY.
THAD COCHRAN.
MARK ANDREWS.

PARENTAL KIDNAPING

Mr. STEVENS. Mr. President, parental kidnaping, as many Senators know, has been a serious problem nationwide. It has certainly been a great problem in Alaska. Several years have passed since the enactment of the Federal Parental Kidnapping Prevention Act, and several Members of the Senate, such as Senators SPECTER and HAWKINS, have taken an active interest in reviewing this problem.

Recently, the April issue of Barrister magazine published an article entitled, "A Child Is Missing." This is an excellent article on the background of the Parental Kidnaping Prevention Act, and the difficulties still remaining at the Federal level in developing programs that will bring the problem under control.

I ask unanimous consent that this article by Herbert A. Glieberman, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Barrister, April 1984]

A CHILD IS MISSING: PARENTS DO KIDNAP THEIR OWN CHILDREN—AS MANY AS 50,000 A YEAR. THE QUESTION IS ARE CHILD-SNATCHING LAWS EFFECTIVE?

(By Herbert A. Glieberman)

Three years ago Congress was confronted with the evidence that from 25,000 to 100,000 children a year were victims of parental kidnappings, as cited in Proposed Federal Parental Kidnapping Prevention Act: Hearings on S. 105 Before the Subcommittee on Child and Human Development of the Senate Comm. on Labor and Human Resources, 96th Cong., 2d Sess. 5 (1980). Only a small percentage of most children were ever reunited with their searching parents. To deter child-snatching and to locate abducting parents and missing children, Congress passed the Parental Kidnapping Prevention Act of 1980. Despite Congress's good intentions, according to many attorneys across the country, most of the act as enacted and enforced has proven to be of little value to the victimized custodial parent.

The PKPA basically provides for FBI assistance in states where child-snatching is a felony, a computerized "Parental Locater Service" to provide information regarding the location of abducting parents and missing children, and interstate enforcement of child custody judgments. The act represents Congress's first attempt at involvement in interstate child custody disputes of this nature. Such matters had previously been left to the states.

The only section of the PKPA that provides for active assistance in locating abducting parents and missing children involves the use of the FBI, the investigative arm of the Justice Department. The FBI was previously authorized, under the Fugitive Felon Act, to investigate and apprehend fugitives crossing state lines to avoid prosecution of a state felony. The PKPA extended the Fugitive Felon Act to make FBI assistance available if the abducting parent took the child across state lines to avoid prosecution for a state felony (i.e., child-snatching). This is cited in 18 U.S.C. § 1073 note (Supp. 1983) see P. Hoff, J. Schulman, & A. Volenik, Interstate Custody Disputes and Parental Kidnapping: Policy, Practice and Law, 8-24 (1982). By making FBI assistance available, the PKPA helps the state official who might otherwise be at a disadvantage in pursuing the abducting parent out of his own state. In addition to having access to resources unavailable to most people, the FBI also gives a parent who is without financial resources to hire a private detective a potentially very potent means by which he may be able to find a concealed child.

The process to obtain FBI Assistance must be commenced by the state or local prosecutor. FBI intervention cannot be obtained by a parent or the parent's attorney. The state or local prosecutor must apply to a U.S. Attorney for a federal fugitive felon warrant. Pursuant to Justice Department policy, the prosecutor must show that the state is committed to prosecute and extradite the fugitive and that the present location of the kidnapper is unknown. The U.S. Attorney, at least in the past, has had to obtain approval from the Justice Department in Washington before he could issue a warrant.

After the warrant is issued, the FBI investigation begins. If the abductor is located and apprehended, he will be turned over to the local authorities in the state of arrest

and the federal charges will be dismissed. He will either waive extradition or stand for extradition to the demanding state for prosecution by the state or local prosecutor on the state felony charge.

The major weakness in this section of the act is that the assistance of the FBI is only available if the child is abducted from a state where child-snatching is a felony (or if another felony has been committed). If the parent abducts the child from a state that treats the offense as a misdemeanor, there is not authorization for FBI intervention. Similarly, if the abducting parent takes the child to a state where child-snatching is a misdemeanor, the officials in that state may not be inclined to grant requests for extradition.

Currently, 18 states make child-snatching a felony; 13 states make it a misdemeanor; and 16 states have statutes that combine the two (*i.e.*, a felony if the parent leaves the state, a misdemeanor if he remains in the state). A few states have no provision at all for child-snatching. If enforcement must depend on how a state classifies the offense, then each non-felony state should elevate the offense to a felony. Otherwise, FBI assistance under the PKPA will be unavailable to a distressed parent if a non-felony state is involved.

Most state felony statutes provide that the abductor must have violated a custody order to be charged with the offense. If there has been no custody determination, then the abductor has not committed a felony and the FBI will not be available to locate the abducting parent. Because a significant percentage of all parental kidnappings occur prior to the entry of a custody decree, relatively few people will be able to qualify for FBI assistance. Some states have recognized this problem, however, and have adopted statutes which require less than the violation of a custody order for the maintenance of a child-snatching charge.

IS THE ABDUCTED CHILD IN PHYSICAL DANGER?

In addition to these problems, the Justice Department has failed to enforce the PKPA, at least until recent changes in policy. There is no question that Congress intended for the Justice Department to take an active role in child-snatching cases. The Justice Department has been fully aware of Congress's intent that it give interstate parental kidnappers the same treatment it gives other felons fleeing across the state lines.

The Justice Department, however, has in the past refused to pursue parental kidnappers as it pursues other felons under the Fugitive Felon Act. After the passage of the PKPA the Justice Department decided that it would refuse to issue a warrant in a child-snatching case unless there was independent credible information that the abducted child was in physical danger or then in a condition of abuse or neglect. In all other cases FBI involvement is automatic and a federal warrant is unconditionally issued once the fugitive crosses the state line. Attempting to justify the disparate treatment and the obvious burden now placed on the victimized parent, the Justice Department has maintained that child-snatching cases involve "family" matters that do not warrant the attention and resources that other, more serious offenses under the Fugitive Felon Act do.

Congressional opposition to the Justice Department's stance has had some effect. After Congress became aware of the Justice Department's continuing disregard for the PKPA and its refusal to substantively change its policy, it conducted investigations and held testimonial hearings. Two bills, in addition, were introduced to further manifest Congress's intent and directions to the Justice Department.

On October 12, 1982, Public Law 97-292 (HR 6976) went into effect and became known as the "Missing Children Act." The act was designed to assist the federal government and the states, as well as to "acquire, collect, classify, and preserve any information which would assist in the identification of any deceased individual who has not been identified, after the discovery of such deceased individual" and "to acquire, collect, classify and preserve any information which would assist in the location of any missing person (including an unemancipated person as defined by the laws of the place of residence of such person) and to provide confirmation as to any entry for such a person to the parent, legal guardian, or next of kin of that person (the attorney general may acquire, collect, classify, and preserve such information from such parent, guardian, or next of kin)," all in an effort to assist in tracking down missing children.

Section (4) of the act permits the federal government to "exchange such records and information with, and for the official use of, authorized officials of the federal government, the states, cities, and penal and other institutions." With this new act in place and taken together with other legislation, it is hoped that the federal government will play a larger part in helping to locate and return missing children to their proper parents.

Recently, the Justice Department gave some indication that its position had changed somewhat. FBI Director William Webster ordered FBI agents to intensify and improve their handling of child-kidnapping cases. In a memo to the agents, Webster ordered the review of all cases involving the possibility of child-kidnapping regardless of whether a ransom was demanded or evidence of interstate transportation was presented. The agents in the future will have to justify, with complete documentation, why they decided to conduct a full investigation or why they decided to refrain from one. Lie detector tests, according to the memo, are to be used "selectively as an investigative aid and not routinely applied to the missing child's relatives."

Senator Paula Hawkins of Florida, who initiated the most recent investigation into the Justice Department's inactions, called Webster's memo "a tremendous step forward," and said that the FBI's action "demonstrates a real commitment to the investigation of child kidnappings." The FBI's response may indicate the Justice Department's long-awaited submission to congressional pressure in this matter. Whether the Justice Department is willing to raise child-snatching to the level intended by the PKPA is not discernible by Webster's memo, however, and remains to be seen.

The Justice Department, one might note, is not alone in exhibiting a reluctance to become involved in parental kidnappings. According to divorce attorneys across the country, local prosecutors do not always enforce state criminal child-snatching statutes and sometimes charge an abductor with a felony only as an accommodation to the victimized parent with no intention of prosecuting the abductor. Local police departments, moreover, are reported by many attorneys to give child-snatching cases low priority.

Because of the apparent inadequacy of state criminal legislation and because of the refusal of some federal and state officials to enforce parental kidnapping laws, some congressional support has been garnered to make child-snatching a federal criminal offense. [It is currently not a federal criminal violation to kidnap one's own child, 18 U.S.C. § 1201 (Supp. 1982).] Two bills have been introduced to this effect: H.R. 1440, 97th Cong., 1st Sess. (1981) and H.R. 5018, 97th Cong., 1st Sess. (1981). Both are currently pending before the House Judiciary Committee Advocates say that child-snatching should be a federal crime to alleviate the problems associated with states that have various classifications for the offense. Abducting parents, moreover, might be less likely to kidnap their children if they knew that they would be committing a federal crime.

The PKPA also provides assistance in locating the abducting parent by use of the computerized Parental Locator Service. The PLS will provide the last address of the abducting parent and his place of employment, if known, if this information will be used to enforce a state or federal law with respect to the unlawful taking or restraint of a child, or to make or enforce a child custody determination. Previously available to locate parents delinquent in their child support obligations, the service does not offer any assistance in actively attempting to locate the missing parents.

Although the PLS does offer some useful information in locating missing parents, there are limitations. Furthermore, many abducting parents will remain underground. The PLS, consequently, would not be helpful if the abductor changed his name or used a false social security number. The state, in addition, may charge the parents a small fee for processing costs, and there may be a delay in receiving the information due to administration and procedure.

The third section of the PKPA requires that state courts enforce the custody determinations made by other states, consistent with federal jurisdictional standards. In the past an abducting parent would often take a child to another state after he was denied custody in his home state. He would then petition the court in the second state for custody and allege that a "change of circumstances" warranted a modification of the earlier judgment or that the earlier judgment deserved no recognition at all.

Because custody judgments are not considered "final" and because it was not hard to show changed circumstances, especially in the absence of a distant, nonpossessing parent, the court in the second state would often modify the prior judgment, or not recognize it, and award custody to the abductor. Many times the other parent would then abduct the child and the whole process would be repated. Had the first custody determination been granted full faith and credit, there would have been less incentive to kidnap and take the child to a more favorable forum and relitigate the issue. Also, there would be little possibility of conflicting judgments from two states.

Many of the problems associated with non-final custody determinations have been alleviated by the PKPA. Under the PKPA courts of a second state shall enforce child custody orders, except under certain circumstances, made by another state exercising jurisdiction consistent with specific, enumerated standards. In an effort to alleviate the problems discussed above, Congress, in effect, imposed judicial restraint where little previously existed.

With regard to the other major provisions affecting the enforcement of judgments, the PKPA also creates a duty to defer to the continuing jurisdiction of a state that made a custody determination consistent with various provisions of the act so long as that state has jurisdiction under its own law and remains the residence of the child or any contestant. *See* P. Hoff, J. Schulman & A. Volenik, *Interstate Custody Disputes and Parental Kidnapping: Policy, Practice and Law*, 3-33. In addition, it creates a duty to refrain from exercising jurisdiction during the pendency of an action in a court which is exercising jurisdiction consistently with the act. The PKPA further provides that before a custody determination is made, reasonable notice and an opportunity to be heard shall be given to the parties.

A previous attempt to provide for interstate recognition of child custody determinations had been made with the enactment of the Uniform Child Custody Jurisdiction Act. That act similarly provided for the enforcement of the judgments of sister states, but each state was not required to adopt the act. At the time the PKPA was passed, requiring all UCCJA and non-UCCJA states to enforce the judgments of sister states, 43 states had adopted the UCCJA. In passing the PKPA, Congress apparently realized that the incentive for child-snatching would be ever-present unless no state would provide an opportunity to relitigate custody.

Except for interstate enforcement of child custody determinations, the PKPA does not offer as much assistance as it should to the victims of parental kidnappings. Although Congress may have meant well, the provisions of the PKPA as drafted will hardly accomplish the goal of helping distressed parents locate abducting parents and missing children through either FBI assistance or the PLS. Also if the Justice Department does not in fact reverse its previous policy with regard to child-snatching cases, enforcement of the Criminal Provisions of the act will remain the same: non-existent.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3685. A communication from the Under Secretary of the Department of Energy, transmitting, pursuant to law, the Quarterly Report on Biomass Energy and Alcohol Fuels for the period between April 1 and June 30, 1984; to the Committee on Energy and Natural Resources.

EC-3686. A communication from the Secretary of the Interior, transmitting pursuant to law, the annual report on the Youth Conservation Corps (YCC) program in the Department of the Interior; to the Committee on Energy and Natural Resources.

EC-3687. A communication from the Chairman of the U.S. Nuclear Regulatory Commission, transmitting pursuant to law, a report of the nondisclosure of safeguards information by the Nuclear Regulatory Commission for the quarter ending June 30, 1984; to the Committee on Environment and Public Works.

EC-3688. A communication from the Chairman of the U.S. Nuclear Regulatory Commission, transmitting pursuant to law, a report from the NRC on abnormal occurrences at licensed nuclear facilities; to the Committee on Environment and Public Works.

EC-3689. A communication from the Acting Assistant Legal Adviser for Treaty Affairs of the Department of State, transmitting pursuant to law, international agreements other than treaties entered into by the United States in the 60-day period prior to August 15, 1984; to the Committee on Foreign Relations.

EC-3690. A communication from the Acting Secretary of State, transmitting, pursuant to law, a report on Commodity Credit Corporation payments to creditors on loans for which payment has not been received from the People's Republic of Poland; to the Committee on Foreign Relations.

EC-3691. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to August 9, 1984; to the Committee on Foreign Relations.

EC-3692. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to August 8, 1984; to the Committee on Foreign Relations.

EC-3693. A communication from the Acting Secretary of the Postal Rate Commission, transmitting, pursuant to law, notice of a prehearing conference relative to 1984 mail classification schedules; to the Committee on Governmental Affairs.

EC-3694. A communication from the Executive Secretary of the Federal Reserve employee benefits system, transmitting, pursuant to law, the annual report for the plan for 1983; to the Committee on Governmental Affairs.

EC-3695. A communication from the Director of the Peace Corps, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3696. A communication from the Inspector General of the Department of Housing and Urban Development, transmitting, pursuant to law, notice of a program of matching tenant date in assisted housing programs; to the Committee on Governmental Affairs.

EC-3697. A communication from the Secretary to the Railroad Retirement Board, transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3698. A communication from the District of Columbia auditor, transmitting, pursuant to law, a report entitled "Concerns Regarding the District's Medicaid Fraud Control Program"; to the Committee on Governmental Affairs.

EC-3699. A communication from the general counsel of the Securities and Exchange Commission, transmitting, pursuant to law, revisions to a Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3700. A communication from the Assistant Attorney General (administration), transmitting, pursuant to law, modifications to a Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3701. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of the reports issued by the General Accounting Office during July 1984; to the Committee on Governmental Affairs.

EC-3702. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. D'AMATO:

S. 2972. A bill for the relief of Julian and Filomenia Barias, husband and wife; to the Committee on the Judiciary.

By Mr. D'AMATO (for Mrs. HAWKINS (for herself and Mr. D'AMATO)):

S. 2973. A bill to promote the safety of children receiving day care services by establishing a national program for the licensing of child day care providers, establishing a clearinghouse for information with respect to criminal records of employees of day care centers, and establishing a hotline for reporting of abuse of children receiving day care services, and for other purposes; to the Committee on Finance.

By Mr. EAGLETON:

S. 2974. A bill for the relief of R. Dean Dawes and others; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BAKER (for himself and Mr. BYRD):

S. Res. 437. A resolution to direct the Senate legal counsel to represent Senator Charles McC. Mathias, Jr., in *State of Maryland* v. *Vivian Platsky David-Michel*, Crim. No. 605027D3; considered and agreed to.

By Mr. BAKER (for himself and Mr. BYRD):

S. Res. 438. A resolution directing the Senate legal counsel to represent the Subcommittee on Alcoholism and Drug Abuse in obtaining a writ of habeas corpus ad testificandum; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. D'AMATO (for Mrs. HAWKINS, for herself and Mr. D'AMATO):

S. 2973. A bill to promote the safety of children receiving day care services by establishing a national program for the licensing of child day care providers, establishing a clearinghouse for information with respect to criminal records of employees of day care centers, and establishing a hotline for reporting of abuse of children receiving day care services, and for other purposes; to the Committee on Finance.

NATIONAL CHILD PROTECTION ACT

Mrs. HAWKINS. Mr. President, today I am introducing with the distinguished Senator from New York, Senator D'AMATO, legislation that addresses one of the most henious

crimes—sexual child abuse. Recent publicity has focused public attention on shocking examples of children being sexually molested in day care centers. The crime of sexual child abuse is not new, but the increasing use of child care centers by working parents have given child molesters a new opportunity and increased access to our children.

I have worked closely with the distinguished Senator from New York, Senator D'AMATO in developing and drafting legislation that protects our children who are enrolled in child care centers from abuse. I know that the Senator shares my concern that all levels of Federal Government increase their efforts to protect our Nation's children. The Federal Government can not abdicate its responsibility to children by claiming that this is a role best left to the State and local governments. I agree that the State and local governments do have a responsibility and a major role to play in regulating childcare agencies to protect the children enrolled. But the Federal Government has a role to play as well. The Federal Government should display its leadership in this area by providing guidance, coordination, and funding to protect our children. I am pleased to join Senator D'AMATO in sponsoring this legislation.

Mr. D'AMATO. Mr. President, on behalf of Senator HAWKINS and myself, I rise today to introduce the National Child Protection Act. The National Child Protection Act will assure the safety and healthy development of our children. It will identify child abusers and will help prevent child abuse. Mr. President, our children deserve nothing less.

It now is almost impossible to acquire data about the incidence and prevalence of sexual abuse in day care centers. The problem is complicated by several factors, including the difficulty of distinguishing confirmed sexual abuse from reported sexual abuse. This is a national crisis.

The limited data now collected on sexual abuse by the American Humane Association and the National Center on Child Abuse and Neglect of the U.S. Department of Health and Human Services is not indicative of how widespread sexual abuse is in day care centers. It illustrates, however, that sexual abuse of children is a matter that we should be concerned about.

Nationally, in 1976, there were 1,955 sexual abuse cases reported. In 1981, however, this figure had grown nearly tenfold—to 17,594 cases. Much of this increase might be attributed to widespread publicity and the attention focused on this topic in recent years. However, the numbers strongly suggest that something needs to be done.

The problem is the sexual abuse, exploitation, and molestation of children. The National Child Protection Act does not attempt to solve all the problems that our children encounter, but it will help to alleviate this serious situation occurring across our country. Enactment of this legislation will provide us with needed information to accurately detect and deter the sexual abuse of children. We will not only be able to locate sexual abuse, but we will be able to prevent sexual abuse.

This legislation will send a message to molesters and child abusers. We will not tolerate them in American day care centers or anywhere else. This outlandish behavior and harm to our children must be discouraged. It must cease. And, it must cease now.

The need for regulatory standards governing child programs to assure the safety and health of our children has become ever more necessary following recent charges of child abuse filed against the staff of day care centers and schools in Chicago, Minneapolis, Cullman, AL, and Manhattan Beach, CA. Seven teachers at the Virginia McMartin Preschool in Manhattan Beach were charged with sexually abusing 180 children over a period of 10 years. This is outrageous. The children might have been in a prostitution ring, or used in pornographic films and photography. Recently, at the Praca Day Care Center in the Bronx, NY, and other centers, there has been sexual abuse reported. The accused at these facilities and at others may be found innocent. But, at the same time, our children are becoming fearful. And rightfully so. Parents are worried. We must ease their fears. The National Child Protection Act can do this and a lot more.

We can no longer wait, nor can we take the chance that these incidents will not occur again. We need to have a national reporting system of cases of sexual abuse. This national listing of abusers would be available to day care centers and to law enforcement agencies, not to the general public.

Mr. President, this reporting mechanism will decrease the incidence of sexual abuse. A child molester would not be able to transfer from center to center or from State to State and continue to abuse children. The reporting system would be uniform at all centers and in each State. There would be no disparity in the data collected. There would be a uniform reporting system on sexual abusers.

To assure a comparable system in each State, the Department of Health and Human Services would provide the guidelines for all States to follow. The States would be responsible for making certain that every day care center followed the same procedure. A toll free (800) phone number would be available 24 hours a day, 7 days a week, for anyone to report the abuse of a child. It is a national priority that we have this nationwide system.

Some States have taken it upon themselves to assure the safety and welfare of our children. For example, bills have been passed in State legislatures that allow the conviction of a child molester solely on the basis of the victim's testimony. Other States have taken additional steps. I would like to include a newsclipping to illustrate this point:

STATE TIGHTENS DAY-CARE HIRING RULES

ALABANY.—Gov. Cuomo yesterday signed a bill requiring child day care programs to check the names of potential new employes with the state's central child abuse registry to determine if they are among up to 75,000 adults in the state who have been involved in sexual and physical abuse cases.

The legislation, however, does not prompt the day-care agencies from hiring the employes if they are listed on the registry. The measure also allows day-care centers and other child-care agencies to make similar inquiries about present employes providing that they alert the employes about what they are doing.

However, many day care facilities are monitored much more loosely. Many only require minimal health and safety standards. Some do not have licensing requirements. Licensing regulations vary widely from State to State and are often subject to change.

Due to the growing number of two-income families, there will probably be an increase in the number of children attending day care. We must not allow them, nor the ones presently attending, to suffer any harm. It is in the best interest of this country that we help children develop to their fullest potential. Children should have available the best educational and developmental resources possible. They are our future. For this reason, there should be quality day care services throughout the United States, not just in a few centers and in a few States. To assure a safe and healthy development for our children, the highest standards of day care must be provided at all day care centers.

Adequate screening and licensing of all day care providers can bring us closer to this goal. Not just anyone should be responsible for the education and safety of our children. I recognize the significant contributions made by many day care directors and staff. However, to remove the bad from the good, there should be a check on all employees, aides, and volunteers working with youth at our day care centers. This system would be a fair system that is cognizant of dedicated, hard-working men and women. Based on the guidelines set forth by the Department of Health and Human Services, this system would be quick, efficient, and simple, and it would be the same in each State. It seems only reasonable to provide this background screening for the sake of our children.

Screening, however, is not enough. We must have qualified personnel at

our day care centers. Our children deserve the best. We need more than minimal standards for training and certification of day care center staff and directors.

For example, in 1980 it was reported that only 10 States and the District of Columbia required caregivers to have degrees beyond a high school diploma. When States do require higher education, many do not specify that they should be in early childhood education or child development.

It is only feasible and reasonable that those working with our children be qualified to do so. It is most noteworthy that many centers require that caregivers hold a "child development associate credential." It has been estimated that 13,000 people in the United States have this credential, and as many as 3,000 more may receive it this year. This is a significant step in the right direction. But more training and qualifications may be necessary to assure the healthy and best possible development for our children. Therefore, I would like the Department of Health and Human Services to closely assess this concern and I have required this assessment in my legislation.

The National Child Protection Act is not a big spending bill. It does not ask for increased funding for day care centers. It does ask, however, that we make certain that our children are safe and are given the best opportunity for healthy development. This legislation will not require the implementation of major change by centers or States. They can implement these guidelines for the benefit of our children with only minor changes in their present structure. Those that do not feel that our children are worth this extra protection do not need to receive funding for social service programs. After all, title XX is for the benefit of our children not for the destruction of innocent lives.

Mr. President, I strongly believe we can expediently provide a system that is in the best interest of our children. The Secretary of the Department of Health and Human Services, along with the National Advisory Panel, created by this legislation, can develop guidelines that will work toward the benefit of our children. This panel will help our Nation respond to this desperate situation. These leaders of child day care and representatives of the public serving on the panel will be an invaluable asset in directing and developing guidelines for the safety and healthy development of our children. This panel will consist of the Secretary of the Department of Health and Human Services, four appointed by the President of the United States, four appointed by the Speaker of the House of Representatives, and four appointed by the President pro tempore of the Senate.

The provisions in this legislation go a long way in promoting what we all want. This legislation, Mr. President, promotes the social, emotional, physical, and cognitive development of our children. It prevents the molestation of our children. Therefore, I urge my colleagues to recognize the importance of this bill and to join me in expeditiously passing this legislation for our children.

Our children, families, and country are calling upon us for help. We must respond with the speedy passage of the National Child Protection Act.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2973

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Child Protection Act".

AMENDMENT TO TITLE XX

SEC. 2. Title XX of the Social Security Act is amended by adding at the end thereof the following new section:

"LICENSING AND INFORMATION WITH RESPECT TO PROVIDER OF CHILD DAY CARE SERVICES

"SEC. 2008. (a) As a condition for receiving any funds under this title, a State must have in effect a program under which—

"(1) the State will require the licensing and monitoring of all providers of child day care services in accordance with the standards established by the Secretary pursuant to subsection (b);

"(2) the State will provide information to the Secretary with respect to all individuals providing child day care services or employed by providers of child day care services, and with respect to all individuals convicted of child abuse, child molesting, or similar crimes, in accordance with subsection (c); and

"(3) the State will have in effect a toll-free telephone hotline for the reporting of any allegations of child abuse, child molestation, or similar acts committed by any individual providing child day care services or by any employee of a provider of child day care services, in accordance with subsection (d).

"(b)(1) The Secretary shall by regulation establish standards and guidelines for State licensing and monitoring of providers of child day care services. Such standards and guidelines shall assure the safety, health, and developmental potential of children while receiving child day care services, and shall promote the social, emotional, physical, and cognitive growth of such children while receiving such services. The standards and guidelines shall include provisions for assuring that only adequately trained individuals provide such services.

"(2) The Secretary shall determine a uniform definition of 'child day care services', and of a 'provider of child day care services', which shall apply for purposes of this section, and which will assure that the maximum feasible number of children shall be protected under the provisions of this section.

"(c)(1) The Secretary shall establish a national file of the names, addresses, and social security numbers of all individuals convicted of crimes involving child abuse, child molestation, or such similar acts which the Secretary determines ought to be included in such file for the purpose of protecting children receiving child day care services.

"(2) Each State shall report to the Secretary the name, address, and social security number of any individual convicted in such State of child abuse, child molestation, or a similar act which the Secretary has determined under paragraph (1) ought to be included in the national file. For purposes of this paragraph the Secretary shall establish a uniform reporting system which shall apply to all the States.

"(3) Each State shall require that no individual or provider may be licensed to provide child day care services in such State if such individual, or any employee of such provider, has been convicted of a crime which has been reported (by any State) to the Secretary and is contained in the national file. Each State must, for purposes of ensuring compliance with this subsection, request the Secretary to check the names of each individual seeking a license to provide child day care services, and each employee of a provider seeking such a license, against the list of names contained in the national file, prior to granting such license.

"(d) Each State shall establish a toll-free telephone hotline for the reporting of any allegations of child abuse, child molestation, or any similar act designated by the Secretary for inclusion in the national file, committed by an individual providing child day care services, or by an employee of a provider of such services. The State must provide follow-up investigation of each such allegation in accordance with standards established by the Secretary under regulations.

"(e)(1) There is established an 'Advisory Panel on Child Protection', hereafter in this section referred to as the 'Panel'. The Panel shall consist of 13 members as follows:

"(A) four members appointed by the President, one of whom shall be designated as the Chairman;

"(B) four members appointed by the Speaker of the House of Representatives;

"(C) four members appointed by the President pro tempore of the Senate (upon recommendation of the Majority Leader and the Minority Leader); and

"(D) the Secretary of Health and Human Services, ex officio.

"(2) It shall be the duty of the Panel to advise the Secretary with respect to the standards and guidelines issued under this section, and to propose any recommendations for changes in such standards and guidelines which may be appropriate.

"(3) Members of the Panel who are not employees of the United States shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be compensated at a per diem rate established by the Secretary for each day (including traveltime) during which they are engaged in the actual business of the Panel. Any member of the Panel engaging in the actual business of the Panel away from his home or place of business may be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(4) The Secretary shall make available to the Panel such clerical and other assistance, and any pertinent data prepared by the Sec-

retary, as the Panel may require to carry out its functions.".

EFFECTIVE DATE

SEC. 3. (a) The Secretary of Health and Human Services shall promulgate all regulations required under section 2008 of the Social Security Act within 90 days after the date of the enactment of this Act.

(b) The requirements of section 2008 of the Social Security Act shall apply to States beginning 180 days after the date of the enactment of this Act.

By Mr. EAGLETON:

S. 2974. A bill for the relief of R. Dean Dawes and others; to the Committee on the Judiciary.

RELIEF OF R. DEAN DAWES AND OTHERS

● Mr. EAGLETON. Mr. President, I am today introducing a bill to authorize payment of $100,753 to a group of Missouri property owners who suffered damage to their land, crops, and equipment caused by the release of water by the U.S. Army Corps of Engineers from the Stockton Dam and Reservoir in Stockton, MO.

Despite the corps' public admission that the damaging flood resulted from its own gross miscalculation of downstream channel capacity, these property owners were denied recovery on the ground of sovereign immunity. Nor were they able to make a taking case under the fifth amendment because the courts have held that there must be evidence of a permanent or recurring flood threat.

That left only one recourse and that was to seek relief through Congress. In August 1976, I introduced a bill to authorize payment of the claimed damages. Under a Senate resolution the matter was referred to the U.S. Court of Claims for adjudication.

Now, 8 years after that referral and almost 12 years from the date of the initial flooding, the court has recommended that "in fairness and good conscience," these landowners be compensated for their losses in the aggregate amount of $100,753. This settlement has been agreed to by the Department of Justice and, even though it represents less than a third of the original amounts claimed, by the affected property owners.

Mr. President, justice for these property owners has already been denied too long. I want to urge the Senate to act promptly in writing an end to their unhappy travail. I ask unanimous consent that the full text of my bill be printed at this point in my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2974

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, pursuant to the recommendation of the United States Claims Court in *G.E. Amick, et al.* v. *United States,* (a) the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each of the individuals named in subsection (b) the amount set forth opposite the name of each such individual in full settlement of all claims of each such individual against the United States for damages arising in connection with the flooding of certain lands as the result of the unnecessary release of excess amounts of waters from the Stockton Dam and Reservoir during the period from November 1972 through June 1974, at which time such dam and reservoir were in operation under the control of the United States Army Corps of Engineers.

(b) The individuals referred to in subsection (a) and the amounts of money due each such individual are as follows:

R. Dean Dawes of Stockton, Missouri	$2,700.00
Harlen Chism of Stockton, Missouri	6,596.00
Ray and Clara Pinkman of Stockton, Missouri	4,211.00
Perrin Masters of Stockton, Missouri	2,394.00
Ray M. Pinkman of Stockton, Missouri	3,819.00
A.W. Spillers of El Dorado Springs, Missouri	3,500.00
Hester E. Simrell of Stockton, Missouri	2,200.00
G.E. Amick of El Dorado Springs, Missouri	3,200.00
T.M. Montgomery of Stockton, Missouri	3,087.00
T.M. and Berla Montgomery of Stockton, Missouri	190.00
A.C. and Virginia I. Montgomery of Stockton, Missouri	4,500.00
Irene Larson of Aurora, Missouri and Virginia Montgomery of Stockton, Missouri	7,796.00
Ruby Dean Leffler of Stockton, Missouri	4,982.00
Edward C. and Frances Pyle of Stockton, Missouri	1,545.00
Gilbert and Pansy Pyle and Ronnie and Kay Pyle of Stockton, Missouri	4,422.00
Gilbert and Ronnie Pyle of Stockton, Missouri	11,458.00
Lageta Cowan of Stockton, Missouri	3,200.00
Swangel Estate of Stockton, Missouri	12,123.00
W.H. Eslinger of Stockton, Missouri	5,668.00
J.C. Eslinger of Stockton, Missouri	5,668.00
Max A. and Betty Lee Smith of Stockton, Missouri	310.00
Lat and Zella Lee Smith of Stockton, Missouri	384.00
Riley Carver of El Dorado Springs, Missouri	6,800.00

SEC. 2. No part of each amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. A violation in this section is a misdemeanor punishable by a fine in an amount not to exceed $10,000.●

ADDITIONAL COSPONSORS

S. 281

At the request of Mr. RANDOLPH, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S. 281, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 1360

At the request of Mr. HART, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1360, a bill to establish a grant program to provide for a centralized system of child care information and referral.

S. 2770

At the request of Mr. MELCHER, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 2770, a bill to protect consumers and franchised automobile dealers from unfair price discrimination in the sale by the manufacturer of new motor vehicles, and for other purposes.

S. 2914

At the request of Mr. DOLE, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 2914, a bill to amend the Internal Revenue Code of 1954 to provide for the establishment of enterprise zones, and for other purposes.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. WALLOP. Mr. President, I would like to announce for the information of the Senate and the public that the hearing regarding S. 2916, S. 2032, and H.R. 5426, bills relating to Colorado wilderness, which was previously scheduled for Tuesday, September 11 at 9 a.m., has been postponed until Tuesday, September 18, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

For further information regarding this hearing you may wish to contact Mr. Tony Bevinetto of the subcommittee staff at 224-5161.

ADDITIONAL STATEMENTS

SENATOR PROXMIRE'S TENACITY

● Mr. MOYNIHAN. Mr. President, with this week's announcement by the spokesman of the Department of State that the administration would shortly submit the Genocide Convention to the Senate for its advice and consent to ratification, a 36-year debate seems to be nearing a fruitful conclusion.

President Reagan actively supports Senate action to approve the treaty, and one may reasonably expect that the Genocide Convention could be

ratified in a matter of a few weeks time.

Yet though this process may seem to be swift, in fact this would constitute only the conclusion to what may well be the lengthiest consideration ever given by the United States to an international commitment.

In the aftermath of World War II, the newly created General Assembly of the United Nations adopted, on December 9, 1948, a convention to make the mass killing of national, racial, ethnic or religious groups a crime under international law. It was thought necessary to do so because, as the experience of World War II so vividly and tragically demonstrated, the parties likely to engage in this odious practice had turned out to be sitting governments acting to murder large portions of their own populations.

The Genocide Convention made the Nazi effort to eliminate the Jewish people from the face of the Earth a crime under international law.

The United States was very much involved in the drafting of the convention, as it was in all aspects of the early years of the United Nations. Assistant Secretary of State Ernest A. Gross signed the treaty for the United States, on December 11, 1948, and President Truman sent it to the Senate on June 16, 1949. It was an altogether straightforward and, to my mind, unobjectionable proposition: The United States should formally commit itself to the prevention and punishment of genocide. Yet while the Senate Foreign Relations Committee has on several occasions reported the treaty to the full Senate with a favorable recommendation, the only Senate debate on the issue, in 1974, ended in stalemate before a vote could be taken.

The matter might have died of neglect, and long been forgotten over the years, save for the perseverance of one man who has kept the Genocide Convention alive as a matter of public debate: Senator WILLIAM PROXMIRE of Wisconsin.

In an extraordinary demonstration of tenacity and commitment to a cause in which he has firmly believed, Senator PROXMIRE has spoken on the floor of the Senate in favor of ratification of the Genocide Convention every single day on which the Senate has been in session since January 11, 1967.

Only 15 current Members were Senators on that day when BILL PROXMIRE first came to the floor to speak of the importance of the United States acceeding to the Genocide Convention—and Senators HOWARD BAKER, CHARLES PERCY, ERNEST HOLLINGS and MARK HATFIELD were attending their first day in session as Senators.

Since then, in a series of almost 3,000 floor statements, Senator PROXMIRE has daily reiterated his commitment to bringing this treaty before the full Senate for its consent, and in so doing has established a comprehensive record, an unprecedented one, in support thereof.

Seventeen years later, Senator PROXMIRE has prevailed. The President actively supports the Genocide Convention. It is a testament to a remarkable Senator. I salute and congratulate BILL PROXMIRE.

I ask to have printed in the RECORD at this point the text of Senator PROXMIRE's speech to the Senate of January 11, 1967, and the text of President Truman's original message submitting the treaty to the Senate in June 1949, and the complete text of the convention itself.

The material follows:

[From the Congressional Record—Senate, Jan. 11, 1967]

PLEDGE TO PLEAD DAILY FOR RATIFICATION OF GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, 18 long years ago the then President of the United States sent to the Senate a treaty, unanimously approved by the United Nations, to outlaw the terrible international crime of genocide. Since that time 69 nations throughout the world have ratified this basic human rights convention.

But the United States of America has not ratified it. The President favors its ramifications, but properly says it is up to the Senate. The Senate has failed, again and again, to act. The Senate's failure to act has become a national shame.

In 1963, the President of the United States sent to the Senate three other human rights conventions. For 4 long years, the Senate has failed to act on these treaties.

What would the treaties do?

One would outlaw human slavery.

One would prohibit forced labor.

One would guarantee the political rights of women.

Mr. President, the Senate has failed the Nation and the world on these vital human rights proposals.

I serve notice today that from now on I intend to speak day after day in this body to remind the Senate of our failure to act and of the necessity for prompt action.

Also, I expect to do all that I can to work in behalf of human rights groups throughout the Nation to bring to the attention of the Senate the deep interest and widespread support of the Nation for these proposals.

Mr. PELL. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. PELL. I should like to raise my voice in complete and full support of the words just uttered by the Senator from Wisconsin.

It is long past due that we approve these conventions, and I am very glad indeed that the Senator from Wisconsin is undertaking to make this effort.

Mr. PROXMIRE. I thank the distinguished Senator from Rhode Island. I certainly cherish and appreciate his support, as he is a member of the Committee on Foreign Relations.

Mr. MORSE. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. MORSE. Let me say to the Senator that when he gives his daily speeches on this subject, he will be speaking for me. I will be associating myself with his remarks on that subject. He has my full support.

It is long overdue for the Senate to take action on the issue the Senator has just raised.

Mr. PROXMIRE. I thank the distinguished Senator from Oregon. He is a great friend of human rights. I know that he has felt for many years that action should have been taken on these matters a long time ago.

INTERNATIONAL CONVENTION ON THE PREVENTION AND PUNISHMENT OF THE CRIME OF GENOCIDE

(Message from the President of the United States transmitting a certified copy of the Convention on the Prevention and Punishment of the Crime of Genocide, adopted unanimously by the General Assembly of the United Nations in Paris on December 9, 1948, and signed on behalf of the United States on December 11, 1948)

(June 16, 1949.—Convention was read the first time and the injunction of secrecy was removed therefrom. The convention, the President's message of transmittal, and the report by the Acting Secretary of State were referred to the Committee on Foreign Relations and ordered to be printed for the use of the Senate)

THE WHITE HOUSE,
June 16, 1949.

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the convention on the prevention and punishment of the crime of genocide, adopted unanimously by the General Assembly of the United Nations in Paris on December 9, 1948, and signed on behalf of the United States on December 11, 1948.

The character of the convention is explained in the enclosed report of the Acting Secretary of State. I endorse the recommendations of the Acting Secretary of State in his report and urge that the Senate advise and consent to my ratification of this convention.

In my letter of February 5, 1947, transmitting to the Congress my first annual report on the activities of the United Nations and the participation of the United States therein, I pointed out that one of the important achievements of the General Assembly's first session was the agreement of the members of the United Nations that genocide constitutes a crime under international law. I also emphasized that America has long been a symbol of freedom and democratic progress to peoples less favored than we have been and that we must maintain their belief in us by our policies and our acts.

By the leading part the United States has taken in the United Nations in producing an effective international legal instrument outlawing the world-shocking crime of genocide, we have established before the world our firm and clear policy toward that crime. By giving its advice and consent to my ratification of this convention, which I urge, the Senate of the United States will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of principles of law and justice.

HARRY S. TRUMAN.

(Enclosures: (1) Report of the Acting Secretary of State, (2) certified copy of convention on the prevention and punishment of genocide.)

DEPARTMENT OF STATE,
Washington, DC.

The PRESIDENT,
The White House.

I have the honor to transmit to you a certified copy of the convention on the prevention and punishment of the crime of genocide, adopted unanimously by the General Assembly of the United Nations in Paris on December 9, 1948, with the recommendation that it be submitted to the Senate for its advice and consent to ratification.

The convention defines genocide to mean certain acts, enumerated in article II, committed with the intent to destroy, in whole or in part, a national, ethnical, racial, or religious group, as such. These acts are discussed below.

The basic purpose of the convention is the prevention of the destruction of a human group as such. The first resolution of the General Assembly on this subject, 96(I), adopted unanimously by the members of the United Nations on December 11, 1946, succinctly pointed out that—

"Genocide is a denial of the right of existence of entire human groups, as homicide is the denial of the right to live of individual human beings."

The resolution also pointed out that genocide shocks the conscience of mankind, results in great losses to humanity and is contrary to moral law. Of course, homicide also is shocking, results in losses to humanity and is contrary to moral law. The distinction between those two crimes, therefore, is not a difference in underlying moral principles, because in the case of both crimes, moral principles are equally outraged. The distinction is that in homicide, the individual is the victime; in genocide, it is the group.

The General Assembly declared in this resolution that the physical extermination of human groups, as such, is of such grave and legitimate international concern that civilized society is justified in branding genocide as a crime under international law. The extermination of entire human groups impairs the self-preservation of civilization itself. The recent genocidal acts committed by the Nazi Government have placed heavy burdens and responsibilities on other countries, including our own. The millions of dollars spent by the United States alone on refugees, many of them victims of genocide, and the special immigration laws designed to take care of such unfortunates illustrate how genocide can deeply affect other states. On September 23, 1948, Secretary of State Marshall stated that—

"Governments which systematically disregard the rights of their own people are not likely to respect the rights of other nations and other people and are likely to seek their objectives by coercion and force in the international field."

It is not surprising, therefore, to find the General Assembly of the United Nations unanimously declaring that genocide is a matter of international concern.

Thus, the heart of the convention is its recognition of the principle that the prevention and punishment of genocide requires international cooperation. However, the convention does not substitute international responsibility for state responsibility. It leaves to states themselves the basic obligation to protect entire human groups in their right to live. On the other hand it is designed to insure international liability where state responsibility has not been properly discharged.

The convention was carefully drafted and, indeed, represents the culmination of more than 2 years of thoughtful consideration and treatment in the United Nations, as the following important steps in its formulation demonstrate:

The initial impetus came on November 2, 1946, when the delegations of Cuba, India, and Panama requested the Secretary-General of the United Nations to include in the agenda of the General Assembly an additional item: the prevention and punishment of the crime of genocide. The Assembly referred the item to its Sixth (Legal) Committee for study.

At its fifty-fifth plenary meeting on December 11, 1946, the Assembly adopted, without debate and unanimously, a draft resolution submitted by its Legal Committee. This resolution, referred to above, affirmed that "genocide is a crime under international law." It recommended international cooperation with a view to facilitating the prevention and punishment of genocide, and, to this end, it requested the Economic and Social Council of the United Nations to undertake the necessary studies to draw up a draft convention on the crime.

Pursuant to this resolution a draft convention on genocide was prepared by the ad hoc Committee on Genocide in the spring of 1948, under the chairmanship of the United States representative on this committee. This draft was again discussed by the Economic and Social Council in July and August 1948 in Geneva, and then in the Legal Committee of the General Assembly at its third regular session in Paris, where again the United States delegation played an important role in the formulation of the draft convention.

On December 9, 1948, the General Assembly unanimously adopted the convention to outlaw genocide, which was signed by the United States 2 days later. When signing, the United States representative said, in part:

"I am privileged to sign this convention on behalf of my Government, which has been proud to take an active part in the effort of the United Nations to bring this convention into being.

"The Government of the United States considers this an event of great importance in the development of international law and on cooperation among states for the purpose of eliminating practices offensive to all civilized mankind."

Genocide is a crime which has been perpetrated by man against man throughout history. Although man has always expressed his horror of this heinous crime, little or no action had been taken to prevent and punish it. The years immediately preceding World War II witnessed the most diabolically planned and executed series of genocidal acts even before committed. This time there was to be more than mere condemnation. A feeling of general repulsion swept over the world, and the following the war manifested itself in the General Assembly's resolution of December 1946. It is this resolution to which the Legal Committee gave full content by providing the General Assembly with a legal instrument designed not only to prevent genocidal acts but also to punish the guilty.

The genocide convention contains 19 articles. Of these, the first 9 are of a substantive character, and the remaining 10 are procedural in nature.

The preample is of a general and historical nature.

Article I carries into the convention the concept, unanimously affirmed by the General Assembly in its 1946 resolution, that genocide is a crime under international law. In this article the parties undertake to prevent and to punish the crime.

Article II specifies that any of the following five acts, if accompanied by the intent to destroy, in whole or in part, a national, ethnical, racial, or religious group, constitutes the crime of genocide:

(a) Killing members of the group;

(b) Causing serious bodily or mental harm to members of the group;

(c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;

(d) Imposing measures intended to prevent births within the group; and

(e) Forcibly transferring children of the group to another group.

This article, then, requires that there should be a specific intent to destroy a racial, religious, national, or ethnical group as such in whole on in part. With respect to this article the United States representative on the Legal Committee said:

"I am not aware that anyone contends that the crime of genocide and the crime of homicide are one and the same thing. If an individual is murdered by another individual, or indeed by a government official of a state, a crime of homicide has been committed and a civilized community will punish it as such. Such an act of homicide would not in itself be an international crime. To repeat the opening language of the resoluton of the General Assembly of December 1946, "genocide is a denial of the right of existence of entire human groups." This remains the principle on which we are proceeding.

"However, if an individual is murdered by another individual, or by group whether composed of private citizens or government officials, as part of a plan or with the intent to destroy one of the groups enumerated in article 2, the international legal crime of genocide is committed as well as the municipal-law crime of homicide."

The destruction of a group may be caused not only by killing. Bodily mutilation or disintegration of the mind caused by the imposition of stupefying drugs may destroy a group. So may sterilization of a group, as may the dispersal of its children.

Article III of the convention specifies that five acts involving genocide shall be punishable. These five genocidal acts are—

(a) The crime of genocide itself;

(b) Conspiracy to commit genocide;

(c) Direct and public incitement to commit genocide;

(d) Attempt to commit genocide; and

(e) Complicity in genocide.

The parties agree, in article IV, to punish guilty persons, irrespective of their status.

In article V the parties undertake to enact, "in accordance with their respective constitutions", the legislation necessary to implement the provisions of the convention. The convention does not purport to require any party to enact such legislation otherwise than in accordance with the country's constitutional provisions.

Article VI makes it clear that any person charged with the commission of any of the five genocidal acts enumerated in article III shall be tried by a court of the state in whose territory the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those states accepting such jurisdiction. Thus, the commission in American territory of genocidal acts would be tried only in American courts. No international tribunal is authorized to try anyone for the crime of genocide. Should such a tribunal be established,

Senate advice and consent to United States ratification of any agreement establishing it would be necessary before such an agreement would be binding on the United States.

By article VII the parties agree to extradite, in accordance with their laws and treaties, persons accused of committing genocidal acts; none of such acts is to be considered a political crime for the purpose of extradition. The United States representative on the Legal Committee, in voting in favor of the convention on December 2, 1948, said:

"With respect to article VII regarding extradition. I desire to state that until the Congress of the United States shall have enacted the necessary legislation to implement the convention, it will not be possible for the Government of the United States to surrender a person accused of a crime not already extraditable under existing laws."

Existing United States law provides for extradition only when there is a treaty therefor in force between the United States and the demanding government. Only after Congress has defined, and provided for the punishment of, the crime of genocide, and authorized surrender therefor, will it be possible to give effect to the provisions of article VII.

Article VIII recognizes the right of any party to call upon the organs of the United Nations for such action as may be appropriate under the Charter for the prevention and suppression of any of the acts enumerated in article III. This article merely affirms the right of the United Nations to call upon an organ of the United Nations in matters within its jurisdiction.

Article IX provides that disputes between the parties relating to the interpretation, application, or fulfillment of the convention, including disputes relating to the responsibility of a state for any of the acts enumerated in article III, shall be submitted to the International Court of Justice, when any party to a dispute so requests.

On December 2, 1948, in voting in favor of the genocide convention the representative of the United States made the following statement before the Legal Committee of the General Assembly:

"I wish that the following remarks be included in the record verbatim:

"Article IX provides that disputes between the contracting parties relating to the interpretation, application, or fulfillment of the present convention, 'including those relating to the responsibility of a state for genocide or any of the other acts enumerated in article III,' shall be submitted to the International Court of Justice. If 'responsibility of a state' is used in the traditional sense of responsibility to another state for injuries sustained by nationals of the complaining state in violation of principles of international law and similarly, if 'fulfillment' refers to disputes where interests of nationals of the complaining state are involved, these words would not appear to be objectionable. If, however, 'responsibility of a state' is not used in the traditional sense and if these words are intended to mean that a state can be held liable in damages for injury inflicted by it on it own nationals, this provision is objectionable and my Government makes a reservation with respect to such an interpretation."

In view of this statement, I recommend that the Senate give its advice and consent to ratification of the convention "with the understanding that article IX shall be understood in the traditional sense of responsibility to another state for injuries sustained by nationals of the complaining state in violation of principles of international law, and shall not be understood as meaning that a state can be held liable in damages for injuries inflicted by it on its own nationals."

The remaining articles are procedural in nature. By article XIV the convention is to be effective for an initial period of 10 years from the date it enters into force, and thereafter for successive periods of 5 years with respect to those Parties which have not denounced the convention by written notification to the Secretary-General of the United Nations at least 6 months before the expiration of the current period.

Article XV provides that if there are less than 16 parties to the convention, as a result of denunciations, the convention shall cease to be in force from the effective date of the denunciation which reduces the number of parties to less than 16.

Article XVI authorizes any party to request revision of the convention, by notification in writing to the Secretary-General of the United Nations. The General Assembly shall decide upon the steps, if any, to be taken in respect of such request.

It is my firm belief that the American people together with the other peoples of the world will hail United States ratification of this convention as another concrete example of our repeatedly affirmed determination to make the United Nations the cornerstone of our foreign policy and a workable institution for international peace and security.

Respectfully submitted.

JAMES E. WEBB,
Acting Secretary.

(Enclosure: Certified copy of convention on the prevention and punishment of genocide.)

CONVENTION ON THE PREVENTION AND PUNISHMENT OF THE CRIME OF GENOCIDE

The Contracting Parties,

Having considered the declaration made by the General Assembly of the United Nations in its resolution 96(I) dated 11 December 1946 that genocide is a crime under international law, contrary to the spirit and aims of the United Nations and condemned by the civilized world;

Recognizing that at all periods of history genocide has inflicted great losses on humanity; and

Being convinced that, in order to liberate mankind from such an odious scourge, international co-operation is required,

Hereby agree as hereinafter provided:

ARTICLE I

The Contracting Parties confirm that genocide, whether committed in time of peace or in time of war, is a crime under international law which they undertake to prevent and to punish.

ARTICLE II

In the present Convention, genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such:

(*a*) Killing members of the group;

(*b*) Causing serious bodily or mental harm to members of the group;

(*c*) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;

(*d*) Imposing measures intended to prevent births within the group;

(*e*) Forcibly transferring children of the group to another group.

ARTICLE III

The following acts shall be punishable:

(*a*) Genocide;

(*b*) Conspiracy to commit genocide;

(*c*) Direct and public incitement to commit genocide;

(*d*) Attempt to commit genocide;

(*e*) Complicity in genocide.

ARTICLE IV

Persons committing genocide or any of the other acts enumerated in article III shall be punished, whether they are constitutionally responsible rulers, public officials or private individuals.

ARTICLE V

The Contracting Parties undertake to enact, in accordance with their respective Constitutions, the necessary legislation to give effect to the provisions of the present Convention and, in particular, to provide effective penalties for persons guilty of genocide or of any of the other acts enumerated in article III.

ARTICLE VI

Persons charged with genocide or any of the other acts enumerated in article III shall be tried by a competent tribunal of the State in the territory of which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those Contracting Parties which shall have accepted its jurisdiction.

ARTICLE II

Genocide and the other acts enumerated in article III shall not be considered as political crimes for the purpose of extradition.

The Contracting Parties pledge themselves in such cases to grant extradition in accordance with their laws and treaties in force.

ARTICLE VIII

Any Contracting party may call upon the competent organs of the United Nations to take such action under the Charter of the United Nations as they consider appropriate for the prevention and suppression of acts of genocide or any of the other acts enumerated in article III.

ARTICLE IX

Disputes between the Contracting Parties relating to the interpretation, application or fulfillment of the present Convention, including those relating to the responsibility of a State for genocide or for any of the other acts enumerated in article III, shall be submitted to the International Court of Justice at the request of any of the parties to the dispute.

ARTICLE X

The present Convention, of which the Chinese, English, French, Russian and Spanish texts are equally authentic, shall bear the date of 9 December 1948.

ARTICLE XI

The present Convention shall be open until 31 December 1949 for signature on behalf of any Member of the United Nations and of any non-member State to which an invitation to sign has been addressed by the General Assembly.

The present Convention shall be ratified, and the instruments of ratification shall be deposited with the Secretary-General of the United Nations.

After 1 January 1950 the present Convention may be acceded to on behalf of any Member of the United Nations and of any non-member State which has received an invitation as aforesaid.

Instruments of accession shall be deposited with the Secretary-General of the United Nations.

ARTICLE XII

Any Contracting Party may at any time, by notification addressed to the Secretary-General of the United Nations, extend the application of the present Convention to all or any of the territories for the conduct of whose foreign relations that Contracting Party is responsible.

ARTICLE XIII

On the day when the first twenty instruments of ratification or accession have been deposited, the Secretary-General shall draw up a *procès-verbal* and transmit a copy thereof to each Member of the United Nations and to each of the non-member States contemplated in article XI.

The present Convention shall come into force on the ninetieth day following the date of deposit of the twentieth instrument of ratification or accession.

Any ratification or accession affected subsequent to the latter date shall become effective on the ninetieth day following the deposit of the instrument of ratification or accession.

ARTICLE XIV

The present Convention shall remain in effect for a period of ten years as from the date of its coming into force.

It shall thereafter remain in force for successive periods of five years for such Contracting Parties as have not denounced it at least six months before the expiration of the current period.

Denunciation shall be effected by a written notification addressed to the Secretary-General of the United Nations.

ARTICLE XV

If, as a result of denunciations, the number of Parties to the present Convention should become less than sixteen, the Convention shall cease to be in force as from the date on which the last of these denunciations shall become effective.

ARTICLE XVI

A request for the revision of the present Convention may be made at any time by any Contracting Party by means of a notification in writing addressed to the Secretary-General.

The General Assembly shall decide upon the steps, if any, to be taken in respect of such request.

ARTICLE XVII

The Secretary-General of the United Nations shall notify all Members of the United Nations and the non-member States contemplated in article XI of the following:

(a) Signatures, ratifications and accessions received in accordance with article XI;

(b) Notifications received in accordance with article XII;

(c) The date upon which the present Convention comes into force in accordance with article XIII;

(d) Denunciations received in accordance with article XIV;

(e) The abrogation of the Convention in accordance with article XV;

(f) Notifications received in accordance with article XVI.

ARTICLE XVIII

The original of the present Convention shall be deposited in the archives of the United Nations.

A certified copy of the Convention shall be transmitted to each Member of the United Nations and to each of the non-member States contemplated in article XI.

ARTICLE XIX

The present Convention shall be registered by the Secretary-General of the United Nations on the date of its coming into force.

For Afghanistan:
For Argentina:
For Australia: Herbert Evatt, December 11, 1948.
For the Kingdom of Belgium:
For Bolivia: Adolfo Costa du Reils, 11 Dec. 1948.
For Brazil: Joao Carlos Muniz, 11 December 1948.
For the Union of Burma:
For the Byelorussian Soviet Socialist Republic:
For Canada:
For Chile: Con la reserva que requiere tambien la aprobacion del Congreso de mi pais, H. Arancibia Lazo.
For China:
For Colombia:
For Costa Rica:
For Cuba:
For Czechoslovakia:
For Denmark:
For the Dominican Republic: J E Balaguer, 11 Dec. 1948.
For Ecuador: Homero Viteri Lafronte, 11 Diciembre de 1948.
For Egypt: Ahmed Moh, Krachaba, 12-12-48.
For El Salvador:
For Ethiopia: Aklilou, 11 December 1948.
For France: Robert Shuman, 11 Dec 1948.
For Greece:
For Guatemala:
For Haiti: Castel Demesmin, Le 11 Decembre 1948.
For Honduras:
For Iceland:
For India:
For Iran:
For Iraq:
For Lebanon:
For Liberia: Henry Cooper, 11/12/48.
For the Grand Duchy of Luxembourg:
For Mexico: Luis Padilla Nervo, Dec. 14, 1948.
For the Kingdom of the Netherlands:
For New Zealand:
For Nicaragua:
For the Kingdom of Norway: Finn Moe, Le 11 Decembre 1948.
For Pakistan: Zafrulla Khan, Dec. 11, '48.
For Panama: R.J. Alfaro, 11 Diciembre 1948.
For Paraguay: Carlos A. Vasconsellos, Diciembre 11, 1948.
For Peru: F. Berckemeyer, Diciembre 11/1948.
For the Philippine Republic: Carlos P. Romulo, December 11, 1948.
For Poland:
For Saudi Arabia:
For Siam:
For Sweden:
For Syria:
For Turkey:
For the Ukrainian Soviet Socialist Republic:
For the Union of South Africa:
For the Union of Soviet Socialist Republics:
For the United Kingdom of Great Britain and Northern Ireland:
For the United States of America: Ernest A. Gross, Dec. 11, 1948.
For Uruguay: Enrique C. Armand Ugon, Decembre 11 de 1948.
For Venezuela:
For Yemen:
For Yugoslavia: Ales Bebler, 11 Dec. 1948.

Certified true copy.
For the Secretary-General:

KERNO,
Assistant Secretary-General in charge of the Legal Department.●

THE BUREAU OF JUSTICE STATISTICS AND THE NATIONAL INSTITUTE OF JUSTICE

● Mr. HATCH. Mr. President, I join with my distinguished colleague, Senator BIDEN, in supporting the continued independence of the Nation's criminal justice statistics and research agencies—the Bureau of Justice Statistics and the National Institute of Justice.

This is not the first time that I have spoken out on this issue. In January of this year, when we passed S. 1762, I expressed my interest then in finding a way to preserve the independence of BJS and NIJ. I did so because this is far more than a mere technical issue. This is, instead, a classic instance of form dictating function.

If the criminal statistics and research agencies have a measure of independence from the Department of Justice and the Department's operational crime fighting mission, these agencies will be better able to produce statistics and research products that have both the substance and the appearance of objectivity. As an example, BJS, in a very real sense, gives the public a report card on the functioning of the Department of Justice. To allow the Department of Justice to control BJS would be very much like allowing a student to fill out his own report card. Moreover, if independent, these agencies will be in a better position to give priority to research and statistics efforts than if they are controlled by an agency whose primary mission is operational.

Nothing that has happened in the 5 years that these agencies have operated under the JSIA structure gives an indication that we have reason to change their structure. Indeed, BJS and NIJ have established a fine record of accomplishment and success. The Department's reasons for proposing to change the structure of these agencies—coordination and efficiency—have already been addressed in our amendments to H.R. 2175.

I think it is very important that at this time we send a signal to the American public that this Congress is truly serious about protecting the country from crime. Therefore, it is important for us to enact legislation to restore a modest and narrowly drawn Justice Assistance Program; important for us to address the crisis created by missing children; and important for us to address the problems of juvenile crime and justice. I am very pleased that we have done so today and I am very pleased that we have done so in a way that preserves the independence and

strength of the Nation's criminal justice research and statistics agencies.●

SENATOR KENNEDY AS ORATOR

● Mr. BENTSEN. Mr. President, the oratorical skills of my colleague from Massachusetts were never more in evidence than they were earlier this summer, at the Democratic National Convention in San Francisco, when he introduced our party's nominee for President.

The Senator's ability to gain the attention of his listeners, his ability to hold that attention, his ability to fire the imagination were on vivid display in his remarks introducing Vice President Walter Mondale to Democrats assembled in Moscone Center.

I ask that his remarks be printed in the RECORD so that they will be available to all Americans, now and in the future.

The remarks follow:

REMARKS OF SENATOR EDWARD M. KENNEDY, INTRODUCTION OF WALTER MONDALE, DEMOCRATIC NATIONAL CONVENTION

Let me begin with this—by his choice of Geraldine Ferraro, Walter Mondale has already done more for this country in one short day than Ronald Reagan has done in four long years in office.

And let me quote the words of Harry Truman at the beginning of his own campaign—words which are as true in 1984 as they were in 1948—"We will win this election—and [we will] make the Republicans like it—and don't you forget it."

In 1960, before the debates, they called Richard Nixon "the great debater"—and in 1984, they call Ronald Reagan "the great communicator." But we remember who won the debates and the election: John Kennedy did—and so will Walter Mondale—and so will Geraldine Ferraro.

In the great struggle of social justice in our century, the Democratic Party has been the tribune of the people, the enemy of the interests. And I do not see how our opponents can even dare to mention this question in 1984. For the greatest collection of special interests in all American history has now assembled inside the cold citadel of privilege known as the Republican Party. They lavish tax breaks on the greedy and deny bread to the needy. The few are feasting and the majority of young families cannot afford a mortgage or a home. We do not have to twist the record of our opponents. All we have to do is tell the truth on them, show the voters a clear view of that exclusive Republican citadel—and the walls will come tumbling down.

And Walter Mondale knows that the future not only offers a chance for change, but demands a spirit of sacrifice. The Republicans run for re-election by running from this reality. They talk and talk about a balanced budget constitutional amendment. But they have had their four years in office—and where, oh where, is their balanced budget? They blame everyone else. They blame the Congress and the past. And this is our response to them: If 20 billion dollar deficits were wrong under the Democrats, then 200 billion dollar deficits are at least as wrong when the Republicans are in power.

With President Mondale in the White House, instead of slashing essential measures to strengthen our schools, we will cancel that needless missile without a mission, that reckless weapon without a home—the MX missile. We cannot accept wasteful military spending which weakens both our economy and the national security. A just society cannot be tough on poor mothers—and easy on Pentagon contractors.

In 1984, our party will be in the forefront of the fight to preserve Medicare. And in 1985, with President Mondale in the White House, we will stop the repeated Republican attempts to destroy that program. Never again should any administration seek to balance the federal budget on the sickbeds of the elderly.

When President Reagan has a medical problem, his needs are taken care of in full. The White House physician will fill a prescription for him. And if he has to go to the hospital for an X-ray, all he has to do to call his helicopter is push a little button—I just hope it's the right button. Ronald Reagan should not be the only senior citizen in this country who does not have to worry about the cost of his medical care.

With the leadership of Walter Mondale, we will free ourselves to find the future—but we will never flee from responsibility for those who have been left out or left behind. We will never turn aside from injustice and pain, and pretend that we do not see. We will restore the guiding value of American progress—that we must advance not by climbing over each other, but by bringing everyone along.

How profoundly different this is from the radical course of our present leadership in Washington. No president in modern times has ever tried to give a tax exemption to segregated schools—except Ronald Reagan. Ever since the Equal Rights Amendment first passed the Congress, every president has called for its ratification—except Ronald Reagan. Ever since the days of William McKinley, every president has supported the progressive income tax—except Ronald Reagan. Ever since the shameful days of Warren G. Harding, no president has dared to appoint a Secretary of the Interior who was an enemy of the environment—except Ronald Reagan. And ever since the bygone days of Herbert Hoover, every president—even Richard Nixon—has negotiated with the leader of the Soviet Union—except Ronald Reagan.

His Deputy Undersecretary of Defense reassures us that we do not have to be too afraid of a nuclear exchange because—and let me quote his preposterous words: "Everybody's going to make it if there are enough shovels to go around." We have a better idea: Everybody's going to make it if the Reagan administration is no longer around.

For most of his public career, President Reagan has fervently denounced nuclear arms control. Suddenly, in this election year, he endorses it with equal fervor. But until now, Ronald Reagan has never met an arms control agreement he didn't dislike.

As Franklin Roosevelt said of another generation of Republicans on another issue: "At first, they opposed it; then when public opinion rose up to demand it, they seized their trapeze with the greatest of ease, and reversed themselves in mid-air." You know, he concluded, "the Republican . . . memory seems to be short in this [and in] other matters. And by the way—who was it who said that an elephant never forgets?"

Well, I am convinced that in 1984, the Republican elephant will fumble and stumble in mid-air. The voters will not forget Ronald Reagan's real and perilous views on the nuclear issue. He intends to spend billions on Star Wars in outer space—and that is why we must send him back to Hollywood—which is where both Star Wars and Ronald Reagan really belong.

In a second term, President Reagan would proceed even faster with an arms race that could end the human race. President Mondale will negotiate with the Soviet Union for a mutual and verifiable freeze on the production, testing and deployment of nuclear weapons.

President Reagan would stand even closer to right-wing dictatorships abroad and the racist regime in South Africa; he would sell even more sophisticated weapons to the enemies of Israel. President Mondale will stand for democracy—and he will stand against apartheid—and he will stand with Israel for a secure peace in the Middle East.

President Reagan will move nearer to confrontation and conflict in our own hemisphere and around the globe. President Mondale will build a strong America—strong in its nuclear deterrent, stronger than it now is in its conventional forces, and strongest of all in its determination to settle differences—wherever possible—by seeking talks and not by sending troops. Under President Mondale there will be no wasteful war in Lebanon, no secret war in Nicaragua, and no wider war in Central America.

In the Cabinet Room in the White House, Mr. Reagan has taken down Harry Truman's picture, and put up the portrait of his hero Calvin Coolidge. And how appropriate that is. President Coolidge said so many things that sound so much like the soothing Reagan syrup of today. On one occasion, he boasted: "No Congress ever assembled, on surveying the state of the union, has met with a more pleasant prospect." Calvin Coolidge said this as 1929 was drawing—only nine months before the Great Crash. Now President Reagan is speaking the same old Republican promise, travelling the same rutted Republican road. And in 1984, this nation cannot afford to re-elect a president who is nothing more than a California Coolidge.

Worst of all, the Reagan advisers now practice polarization politics as a conscious instrument of their campaign. They can be so self-righteous, because among Republicans there is very little diversity, and so there is even less disagreement.

We can be proud that our party has been the political home for generations of immigrants, of every color and from every country and faith. And as his friend Hubert Humphrey said of Walter Mondale, "The thing that is most evident about him is that he is not a polarizer." And under the leadership of Walter Mondale, there will be no room in the Democratic Party for bigotry of any kind—or bigots of any stripe.

So I come here now to raise my voice against the Reagan record and the threat of a second term—and even more, to speak for a good man, a strong and caring man, tempered in the vice-presidency, tested in a long and hard campaign, a leader of rare gifts and great heart.

And let me say to any of you who supported someone else in the primaries: I know you may feel a sense of disappointment. But we have an election to fight and to win, and a candidate who unites us in great and common purpose. Even when we were on different sides in 1980, I never lost my friendship for Fritz Mondale. I admire his courage and commitment. I recall how often

he has stood for things—not because they were popular, but because they were right.

The nation does not fully know him yet, but I remember how the best leaders of our time thought of Walter Mondale. His colleague from Minnesota, Hubert Humphrey, and my brother Robert Kennedy, who was close to him in the Senate, saw in him from the very beginning a very special promise. Now that promise has become the reality of a powerful and generous leadership—and that is how America will come to see him in the days and years ahead.

A few hours ago, he became the captain of our cause. A few months from now, he will become the president of our country. And then for us as Democrats, for America and for all the world, the dream we share will live again.

My fellow citizens: I present to you our leader—who never gave up in adversity, who came back against the odds, who won at this great convention, and who will win an even greater victory in November—the nominee of the Democratic Party and the next president of the United States, Walter Mondale.●

IN HONOR OF DR. JOHN BRADEMAS

● Mr. MOYNIHAN. Mr. President, on August 30, the American Political Science Association presented Dr. John Brademas—my good friend, our former colleague, now president of New York University—the second Hubert H. Humphrey Award, which recognizes "notable public service by a political scientist."

I rise to note this splendid honor and pay tribute to this remarkable man. In the citation that accompanied the award, the association praised Dr. Brademas for a career that has represented "a unique combination of outstanding public service and unusual academic distinction." Anyone who knows John Brademas will agree.

In the 4 years we served together in the Congress, and in the nearly 3 years that he has served as President of one of our Nation's great institutions of higher education, John Brademas has been a cherished colleague and friend; one most deserving of this accolade.

Mr. President, I ask that the association citation to Dr. Brademas be included in the RECORD.

The material follows:

AMERICAN POLITICAL SCIENCE ASSOCIATION
CITATION TO DR. JOHN BRADEMAS

This is the second time the Association has presented the Hubert H. Humphrey Award. The award was established to honor "notable public service by a political scientist." Last year's recipient was Senator Daniel Patrick Moynihan (D., NY). This year's selection committee, in addition to myself, was composed of Richard A. Brody, Stanford University and Laurily K. Epstein, NBC News.

We are pleased and honored to present this year's Humphrey Award to John Brademas, President of New York University and former Democratic member and leader of the U.S. House of Representatives. His distinguished career represents, in our judgment, a unique combination of outstanding public service and unusual academic distinction.

As a member of the House, as a Democratic leader and as the president of a major university, John Brademas has effectively blended strong commitments to democratic principles, great intellectual independence, and accomplished skills as political negotiation and compromise. He has also brought both to the Congress and the campus a contagious enthusiasm, a keen sense of humor, and a persuasive eloquence on behalf of his programs.

Born in Mishawaka, Indiana, March 2, 1927, John Brademas graduated from South Bend Central High School before he left to serve in the U.S. Navy during World War II. A magna cum laude and Phi Beta Kappa graduate from Harvard University in 1949, he was selected as a Rhodes Scholar, and earned a Doctor of Philosophy degree in Social Studies from Oxford University in 1954.

For a brief time he taught political science at Saint Mary's College in Notre Dame, Indiana, but he quickly succumbed to the lure of practical politics. During the 1950s he gained valuable experience, first as legislative assistant to Sen. Pat McNamara of Michigan, and later as executive assistant to Rep. Thomas Ashley of Ohio, and executive assistant to Adlai Stevenson.

Perseverance has long been a Brademas trademark. In his first attempt at seeking public office, running from his home town, South Bend, Indiana, he came within 2,000 votes of upsetting the incumbent Republican congressman. In 1956, he ran another close race, but lost. Finally, in 1958, he won the first of eleven consecutive terms in the House of Representatives. He capably served the 3rd District of Indiana from 1958 to 1980.

As a member of the House Education and Labor Committee, and later, the House Administration Committee in Congress, John Brademas played a key role in drafting and implementing many of the major acts concerning elementary and secondary education, higher education, vocational training, campaign financing, and federal support for the arts and humanities. He was the chief architect of the law establishing the National Institute of Education, the principal federal agency supporting research in education. He has long played a key role in the drafting and implementing of legislation concerned with the public support of the nation's arts and humanities.

Democratic floor whip in the 92nd Congress, he became chief deputy whip in the 93rd and 94th Congresses. In 1977, he was appointed the Democratic majority whip by Speaker Thomas P. O'Neill, Jr., and performed with great distinction in that capacity in the 95th and 96th Congresses.

Throughout his legislative career, but especially in his capacity as a House Democratic leader, he was especially adept at collecting disparate facts, distilling the appropriate principles and then transforming that knowledge into informed and effective public policy.

In 1981 Dr. Brademas was named the thirteenth president of New York University. As the leader of the largest and one of the most distinguished private universities in the land, Dr. Brademas has helped to create an environment in which teaching and research can flourish. Under his imaginative leadership and prudent management the traditional strengths of the institution have been enhanced, new funds have been tapped, and new programs, especially in the humanities and international studies, launched.

All during his professional career John Brademas has taken the time to share his knowledge of educational policy-making through service on numerous advisory boards of institutions of higher learning, including Harvard University, the Woodrow Wilson International Center for Scholars, and the University of Notre Dame. His congressional offices were always open to students of the legislative process. As a university president he has constantly encouraged the free exchange of ideas.

Dr. Brademas is the author of numerous articles and essays on Congress, politics, education and the arts, as well as a study of the anarchist movement in Spain, Anarcosindicalismo y revolución en España, 1930–37 (1974).

Long recognized for his contributions to education and the arts, Dr. Brademas has been the recipient of a number of outstanding honors and awards. For example, in 1978 he received the annual Award for Distinguished Service to the Arts of the American Academy and Institute of Arts and Letters. In 1980, he was with Leonard Bernstein and Eubie Blake, one of the first three recipients of the George Foster Peabody award for Outstanding Contribution to Music in America by the Peabody Conservatory of Music in Baltimore, Maryland.

In 1983 he was chosen to inaugurate the Julian J. Rothbaum Leeture series at the Carl Albert Congressional Research and Studies Center. These lectures, entitled "Politics, Education and the National Interest" are to be published by the University of Oklahoma Press.

We are pleased that this second award, like the first, goes to a colleague who shares a number of the qualities that Senator Humphrey represented—wit, warmth and eloquence, deeply-felt social and educational concerns, a commitment to make representative government work in practice, and a breadth of legislative and administrative leadership experience.

When we make this award tonight we honor a notable public servant who by training and belief is one of our own. John Brademas, you exemplify these qualities that the American Political Science Association wished to commemorate in establishing the Hubert H. Humphrey Award. We are delighted to present this award to you on behalf of a grateful Association and in memory of a great American.●

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KASTEN). Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, it is not unheard of to discover that after a cloture motion is filed, no one much wants to talk and that they wait instead for the cloture vote. That is essentially the situation we find today,

and I can understand the reasons for it. I am not being critical of it. It is just a fact of life that the next point of determination in the matter before the Senate will be a cloture vote on Monday next.

Mr. President, in view of that, it seems the better part of discretion to now provide for an additional period for the transaction of routine morning business and to arrange the schedule of the Senate for next Monday.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, first, I ask unanimous consent that there now be a further period for the transaction of routine morning business until the hour of 3 p.m. today in which Senators may speak for not more than 10 minutes each with the exception of the two leaders against whom no time limitation will apply.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, it is my understanding that the minority leader is prepared today to add another chapter to his presentation of the history of the Senate, which he has compiled now over a period of several years.

ORDERS FOR MONDAY

ORDER FOR RECESS UNTIL 3 P.M., MONDAY, SEPTEMBER 10, 1984

Mr. BAKER. Mr. President, I ask unanimous consent when the distinguished minority leader concludes his remarks on the history of the Senate today, the Chair automatically place the Senate in recess until the hour of 3 p.m. on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE AND A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I ask unanimous consent that on Monday next, after the recognition of the two leaders under the standing order, there be a special order in favor of the distinguished Senator from Wisconsin [Mr. PROXMIRE] of not to exceed 15 minutes, to be followed by a period for the transaction of routine morning business to extend not past the hour of 4 p.m. in which Senators may speak for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR VOTE ON CLOTURE MOTION AT 5:15 P.M. ON MONDAY

Mr. BAKER. Mr. President, under the order just entered, absent further arrangements, the vote on cloture would occur at 4 p.m. after a quorum is first established under the provisions of rule XXII. After consulting with the minority leader and other Senators and in order to accommodate the maximum convenience of Senators, I now make the following unanimous-consent request:

I ask unanimous consent that the cloture vote on the Baker motion to proceed to the consideration of S. 2851, the banking bill, occur at 5:15 p.m. on Monday next, September 10, 1984, that the rollcall vote be 1 hour in length, and that the mandatory quorum under the provisions of rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I thank the minority leader for his cooperation. He is unfailingly cooperative in the matter of scheduling the agenda of the Senate.

Senators should be on notice that there is now a time for the transaction of routine morning business, that the distinguished minority leader will make his presentation on the history of the Senate, and that at the conclusion of his remarks, the Senate will recess then until Monday.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I thank the majority leader for his accommodation to the Senate on both sides of the aisle with respect to the timing of the vote and the length of the rollcall. I also thank him for his accommodations to me in arranging for the morning business period to extend to such time as would allow me to speak on the U.S. Senate.

Mr. BAKER. Mr. President, I thank the minority leader.

THE CALENDAR

Mr. BAKER. Mr. President, there are four items that appear cleared for action by unanimous consent at this time. Could I inquire of the minority leader if he is prepared to consider for such action Calendar Order Nos. 1109, 1110, and two resolutions, Senate resolutions, with respect to representation by the Senate legal counsel?

Mr. BYRD. Mr. President, this side of the aisle is ready to proceed as suggested by the majority leader.

Mr. BAKER. There are three calendar items, including Calendar 1113.

Mr. BYRD. Yes, Mr. President, we are ready to proceed on this side.

Mr. BAKER. I thank the minority leader.

RELIEF OF THEDA JUNE DAVIS

Mr. BAKER. Mr. President, I ask the Chair to lay before the Senate Calendar Order No. 1109.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 743) for the relief of Theda June Davis.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the bill.

The bill was considered, ordered to a third reading, read the third time, and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RELIEF OF BENJAMIN B. DOEH

Mr. BAKER. Mr. President, I ask the Chair to lay before the Senate Calendar Order No. 1110.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2387) for the relief of Benjamin B. Doeh.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the bill.

The bill (H.R. 2387) was considered, ordered to a third reading, read a third time, and passed.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

OFFICIAL SENATE FLAG

Mr. BAKER. Mr. President, I ask the Chair now to lay before the Senate Calendar Order No. 1113.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 369) to authorize and direct the Secretary of the Senate to design and make available to Members an official Senate flag.

The PRESIDING OFFICER. Is there an objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the resolution.

The resolution (S. Res. 369) was considered and agreed to as follows:

S. RES. 369

Resolved, That the Secretary of the Senate is authorized and directed to design an official Senate flag utilizing the seal of the Senate as the principal symbol on such flag. Expenses incident to the designing and procurement of such flag shall be paid from the contingent fund of the Senate upon vouchers signed by the Secretary of the Senate.

SEC. 2. The Senate flag shall be available for purchase and use by Senators, or former Senators, only subject to the following conditions—

(1) purchase of the flag shall be limited to two flags per Senator, or former Senator, subject to replacement for loss, destruction or wear and tear; and

(2) the flag shall not be utilized or displayed for commercial purposes.

Senators who leave the Senate may retain their flags subject to the preceding restrictions.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. BAKER. Mr. President, on behalf of myself and the distinguished minority leader, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 437) to direct the Senate legal counsel to represent Senator Charles McC. Mathias, Jr., in State of Maryland v. Vivian Platsky David-Michel, Criminal No. 605027D3.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BAKER. Mr. President, this resolution would direct the Senate Legal Counsel to represent Senator CHARLES McC. MATHIAS, JR., in response to a subpoena seeking his testimony in the case of *State of Maryland* v. *Vivian Platsky David-Michel,* Crim. No. 605027D3, now pending in the District Court for Montgomery County, MD. The resolution further permits the Senate Legal Counsel to represent any other member, officer, or employee of the Senate to whom a subpoena is issued in this proceeding. The case involves alleged bomb threats made by the defendant on several occasions to employees of the Social Security Administration. Senator Mathias has no direct or indirect knowledge about this matter; at his request, the Senate Legal Counsel will assert all privileges to which he is entitled in this proceeding.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 437) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 437

Whereas, the case of State of Maryland v. Vivian Platsky David-Michel, Crim. No. 605027D3, is pending in the District Court for Montgomery County, Maryland;

Whereas, the defendant has subpoenaed Senator Charles McC. Mathias, Jr. to testify;

Whereas, by Rule VI of the Standing Rules of the Senate, no Senator shall absent himself from the service of the Senate without leave;

Whereas, pursuant to section 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a) (1982), the Senate may direct its counsel to defend the members of the Senate with respect to any subpoena or order relating to their official responsibilities; Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Mathias in connection with the subpoena for his testimony in the case of State of Maryland v. Vivian Platsky David-Michel, Crim. No. 605027D3, and also to represent any other member, officer, or employee of the Senate to whom a subpoena is issued in this proceeding.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. BAKER. Mr. President, on behalf of myself and the distinguished minority leader, I send another resolution to the desk and ask that it be immediately considered and stated by the clerk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 438) directing the Senate legal counsel to represent the Subcommittee on Alcoholism and Drug Abuse in obtaining a writ of habeas corpus ad testificandum.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BAKER. Mr. President, the Subcommittee on Alcoholism and Drug Abuse of the Committee on Labor and Human Resources wishes to apply to the U.S. District Court for the District of Columbia for a writ of habeas corpus ad testificandum. The purpose of the application is to obtain the presence of a Florida State prisoner for interrogation by the subcommittee in connection with scheduled hearings.

Committees of the Senate and House have requested and obtained many such writs over the years, the applications routinely being handled by committee counsel who are licensed to practice law and appear before the courts. When such counsel are not available on a committee's staff, the Senate legal counsel may provide representation for the committee before the courts. The following resolution will authorize the Senate legal counsel to represent the Subcommittee on Alcoholism and Drug Abuse in this matter.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 438) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 438

Whereas, the Subcommittee on Alcoholism and Drug Abuse of the Committee on Labor and Human Resources wishes to file an application in the United States District Court for the District of Columbia for a writ of habeas corpus ad testificandum to State of Florida authorities to bring Eugene Edward Morris, a witness, who is in the custody of Florida correctional authorities, to Washington, District of Columbia, for questioning by the subcommittee;

Whereas, pursuant to section 708(c) of the Ethics in Government Act of 1978, 2 U.S.C. § 288g(c) (1982), the Senate may direct the Senate Legal Counsel to perform such duties consistent with the purposes and limitations of title VII of the Ethics in Government Act of 1978 as the Senate may direct: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent the Subcommittee on Alcoholism and Drug Abuse in its application for a writ of habeas corpus ad testificandum to obtain the presence of Eugene Edward Morris at a hearing of the Subcommittee.

Mr. BAKER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, that concludes the action on matters that were cleared by unanimous consent on this side. Once again, I thank the minority leader for his consideration and cooperation in these matters.

Mr. President, there will be no rollcall votes in the Senate today.

Mr. President, I thank the minority leader for his cooperation.

Mr. BYRD. Mr. President, I thank the distinguished majority leader for his cooperation.

Mr. President, let the record show that I will be happy to yield to any Senator who wishes recognition to speak.

Mr. President, today I make my 70th speech on the U.S. Senate. Today's speech is entitled "Profiles of New Deal Senators."

THE UNITED STATES SENATE

PROFILES OF NEW DEAL SENATORS

Mr. BYRD. Mr. President, the United States Senate has always attracted some of the great personalities in American history. Towering, eloquent, magnetic, adroit, brilliant, blustering, intimidating, crafty, highminded, haughty, heroic and humorous, they have made their mark on the political scene from this Senate floor. Throughout my series of addresses on

the history of the Senate, I have endeavored to recall the lives and careers of its more illustrious members, many of whom are represented in the Capitol in marble and on canvas, but they were very much flesh-and-blood living creatures in their day. There was Henry Clay—"Harry of the West"—who dominated the Senate but failed repeatedly in his quest for the presidency. There was Daniel Webster—alternatively the "Godlike Daniel" and "Black Dan"—and John C. Calhoun, the "Iron Man." Then there were the likes of Thomas Hart Benton, Jefferson Davis, Andrew Johnson, Charles Sumner, Roscoe Conkling, Arthur Pue Gorman, Nelson Aldrich, Albert Beveridge, Robert La Follette, and many others about whom I have spoken in previous addresses.

Today I would like to focus on three Senators of the New Deal era, who, while in many ways unique men, were also proto types of so many others who served in this body over the past two hundred years. They represent the "Insider," the "Outsider," and the "Investigator." They also demonstrate that during the 1930's, a decade dominated by the magnificent figure of Franklin D. Roosevelt, Members of the Congress, individually and collectively, also exerted influence on the course of events. They were fascinating men, and I believe we would do well to stop and reflect on their careers.

JAMES F. BYRNES: THE "INSIDER"

The *Washington Post* once described James F. Byrnes as "a Senate man as the term is understood in the South. He rarely spoke on the floor. But in the cloakroom and in his office, over bourbon and branch water, he wheedled and bargained with a flair." "Jimmie" Byrnes, as most of the Senate knew and called him, served as democratic whip through the whirlwind days of the New Deal. He was a man the president could count on through thick and thin, and a legislative troubleshooter unequaled in his generation. The folks outside South Carolina may not have read much about James Byrnes in the newspapers during the 1930's—he would not become a "household name" until World War II began—but he was one of the most effective Members of the Senate and the quintessential "insider."

James Francis Byrnes was born in Charleston, South Carolina, in 1879, the child of Irish immigrants. His father died shortly before Byrnes was born and his mother, almost penniless, worked as a dressmaker to support her two children. Young Jimmie sold pies and newspapers and did other odd jobs to help his family. At fourteen he dropped out of school to work as a messenger and clerk in a law office. Throughout his life, Byrnes was always proud of his reputation as a "hustler" and "self-made" man. He read law and studied shorthand and became a court stenographer.

In 1904, he passed his bar exam, but few clients appeared at his doorstep, so he continued to labor as a court reporter. But this position gave him training in politics as well, for he had to travel the court circuit in six counties of South Carolina and spent many an evening in small town hotels near the courthouses, listening to the lawyers who were there to argue cases. From them, he recalled, "I learned not only the strategy of trial lawyers but something of the art of politics, an art more readily acquired by association than by study." In 1908, at the age of twenty-nine, he plunged into politics by running for solicitor, the South Carolina equivalent of district attorney. That job led him to a race for Congress in 1910, in which he defeated a three-term incumbent in the Democratic primary. He campaigned by horse and buggy, by train and "on nerve and nerve alone," but he won by fifty-seven votes.

In later years, James Byrnes observed that "there are two happy days in the life of a man in public office—the day he is elected and the day he steps out." Here he exaggerated, for the zeal with which he threw himself into his congressional career showed that Byrnes clearly enjoyed life as an office holder. It was 1911 when Congressman Byrnes first arrived in Washington, just as the Democrats regained control of the House of Representatives after years in the minority. Byrnes supported the election of Champ Clark as speaker and remained close to such powerhouses as Clark and John Nance Garner of Texas. He learned to keep his mouth shut and his eyes open. Byrnes had been disappointed with his first committee assignments, but he talked with an old-time congressman who advised him that the best committee was the "Committee on the State of the Union," by which he meant the House sitting as a Committee of the Whole. "If a man will remember he is a member of that committee and stay on the floor when the House is in session, he will learn more about government than in any other way." That advice, Byrnes learned, proved most accurate.

While still a freshman member of the House, Byrnes introduced a bill to improve the public roads in his district. Of course he was too junior to hope for passage of the measure, but he noticed that many other members had introduced similar bills for roads in their own districts. Byrnes called a meeting of these members in his office and proposed that they abandon their pending bills and pool their efforts in a single bill for a national highway system, based on federal payments to the states to improve roads used by rural mail carriers. The House passed the Byrnes amendment, and although the Senate did not accept it completely, it agreed to fund a study and appropriate a half million dollars as an experiment in federal-state matching grants for highway construction. The freshman congressman took back to his South Carolina district $20,000 to build the first federally-aided sand-clay road in the state. Here was a remarkable young member of Congress.

Senior members of the Democratic party in the House recognized Byrnes' potential and rewarded him with a coveted seat on the Appropriations Committee. This gave him an unparalleled education in government finance and also introduced him—while he chaired the naval appropriations subcommittee—to the young Assistant Secretary of the Navy, Franklin D. Roosevelt. At the 1920 Democratic convention, Byrnes worked hard for Roosevelt's nomination as vice president, and twelve years later he would swing the South Carolina delegation behind Roosevelt's presidential nomination.

In his seven terms in the House, James Byrnes won a strong reputation among the other members and from the Wilson administration, but little recognition outside Congress. In 1924, he ran for the Democratic nomination to the Senate, but was defeated by former South Carolina Governor Cole Blease. Blease campaigned in a particularly unscrupulous manner, taking advantage of Byrnes' conversion from Catholicism to Episcopalianism at the time of his marriage. Blease attacked Byrnes in Protestant districts as a Catholic altar-boy and in Catholic districts as a renegade from the Church. Byrnes lost by 2,200 votes, the only defeat in his political career.

For six years he retired to a law practice in Spartanburg, South Carolina, itching to get back into politics and to seek revenge against Blease. By 1930, the Nation was deep in the Great Depression, and as prices tumbled, factories closed, and people were laid off, Byrnes recalled, "some businessmen who did not admire Senator Blease, and many others who had opposed him for years, began to urge me to be a candidate for the Senate." Byrnes ran and this time he beat Blease by 5,000 votes.

When James Byrnes arrived in the United States Senate in 1931 he found many familiar faces, men with whom he had served in the House who had preceded him to the "Upper Body." There was Democratic leader Joe Robinson, Carter Glass, Alben Barkley, Pat Harrison, Bennett Champ Clark, Kenneth McKellar, and Carl Hayden among the Democrats, and George Norris and Wallace White on the Republican side. Pat Harrison, soon to become chairman of the Senate Finance Committee, held a dinner in

Byrnes' honor that first night, and it was clear that the Senate's "Inner Club" had accepted him with open arms. The freshman Senator was assigned a seat on the Appropriations Committee, at a time when such places generally only went to senior Senators. But Senator Byrnes did not come on too strongly. "House experience," he explained, "had taught me that if a new member of either House or Senate expects to stay a while and accomplish anything, he is wise to tread softly, to become familiar with the rules and, more important, with his colleagues." To the best of his ability he followed that pattern. Nevertheless, Franklin Roosevelt's election in 1932 drew Byrnes into the front ranks of Senate activity. During the campaign, Byrnes became part of Roosevelt's "Brain Trust," as his circle of advisors was known. After the election, a rumor spread that FDR wanted Byrnes to replace Joe Robinson as Democratic floor leader—as the Democrats were about to become the majority party in the Senate for the first time in fourteen years. But Byrnes quickly issued a statement denying he was a candidate for the post. "I was," he admitted, "aware that newspaper articles dubbing anyone 'the fair-haired boy' of the coming administration and 'the president's favorite senator' were harmful in the Senate, inviting friction and causing rivalries, and might endanger the extensive legislative program contemplated." Still, among the senators and the press, Byrnes was seen as the "White House Messenger Boy," and for all his efforts to shake that image he was the man to talk to if one wanted to determine the administration's position on an issue. He became the ablest tactician of New Deal legislation on Capitol Hill.

During the Bank Crisis of March 1933, Senator Byrnes worked closely with Carter Glass, a key member of the Banking Committee and chairman of the Appropriations Committee, and with Roosevelt's top aide, Raymond Moley, in preparing the Emergency Banking Act. This was the measure that reopened the Nation's banks and assured solvency to the banking system. As a member of the Senate Economy Committee, Byrnes also worked on the Economy Act of 1933, a little remembered bill from the early New Deal that slashed the budgets of federal agencies, salaries of government employees, and members of the cabinet. This piece of orthodox economic legislation represented a belief that the best way to meet a depression was through government retrenchment. It failed. Only then did the New Deal shift its attention to stimulating the economy by government spending.

Byrnes also worked on the Agricultural Adjustment Act, largely to keep inflationists in the Senate from using it as a vehicle to promote the old populist idea of free coinage of silver. Seeing Raymond Moley in the Senate gallery one day during the debate, Byrnes asked him to go with him to warn the President of the situation. Roosevelt heard them out and asked them to prepare a substitute amendment, increasing price levels by a modest increase in the currency. Byrnes was then dispatched to talk the author of the more inflationary measure, Senator Elmer Thomas of Oklahoma, into accepting their substitute. The Byrnes-Moley version was the one enacted. During the next four years of the New Deal, Senator Byrnes had his hand in numerous other critical pieces of legislation, but rarely did one outside his homestate read about his activities in the newspapers. In the familiar terms of the Senate, Byrnes was a "workhorse" rather than a "showhorse."

Still, the voters of South Carolina knew his importance in the Senate and returned him to office in 1936 with eighty-seven percent of the vote. President Roosevelt also won a landslide reelection that year, but both men found their second terms tougher than their first. Shortly after Roosevelt's second inauguration, he surprised Byrnes and other senators with a plan to "pack" the United States Supreme Court with an extra member for every justice over the age of seventy who did not retire. Byrnes had been unhappy with recent Supreme Court decisions against the New Deal, which he considered politically-motivated, but he did not care for all the provisions and methods of Roosevelt's packing plan. Still he remained a loyal soldier and announced publicly his support for the plan. Privately, Byrnes urged the President to seek a compromise. Roosevelt failed to heed his advice and suffered his worst legislative setback of his presidency. The "Court Packing Plan" was a major turning point for the New Deal, marking the end of FDR's good relations with Congress and the beginning of a series of legislative defeats.

The President erred, Byrnes believed, in trying to force Senate Democrats to elect Alben Barkley as their majority leader, after the July 1937 death of Joe Robinson. Roosevelt also erred in trying to "purge" the party of conservatives in the 1938 primaries. In each case he strained relations with Congress even further. When Roosevelt was in trouble on Capitol Hill he knew to call James Byrnes, by now Democratic party whip in the Senate.

In 1937, the Senate had defeated Roosevelt's reorganization plan to create an Executive Office of the Presidency and allow the President to appoint a few assistants. This proposal seems modest when compared to the enormous bureaucracy of the White House today, but in those days Roosevelt's bill was pictured as "dictatorial." In 1938, Roosevelt persuaded Byrnes to reintroduce a modified version of the plan, and despite 75,000 telegrams against it, he managed to maneuver it through to enactment. The structure of the modern presidency owes much to James Byrnes' efforts in that struggle.

By then the focus of national attention was shifting to war clouds in Europe and Asia. President Roosevelt suggested that Byrnes take a seat on the Foreign Relations Committee. Since Byrnes, very much a Senate insider, was a member of the Democratic Steering Committee, which made committee assignments, this proved a relatively simple deed to accomplish. Now Byrnes played an even more important role in piloting Roosevelt's legislation through the hostile waters of isolationism in the Senate. After Hitler invaded Poland, Roosevelt summoned Byrnes and other congressional leaders back to Washington, told them he planned to call Congess into special session, and asked for their help in repealing the arms embargo. "Knowing that the bill could not be passed without a real battle for the approval of both Congress and of the Nation," Byrnes later wrote, "upon the request of the President I devoted my time to this cause to the exclusion of everything else." On the eve of the vote, Byrnes predicted to the press that the bill would pass by a 65 to 31 margin. The actual vote was 63 to 30!

In his memoirs, Byrnes tells how General George C. Marshall asked for his help in gaining authority to promote younger officers of exceptional ability over those who outranked them in seniority. The measure had been blocked in the House by the chairman of the Military Affairs Committee, Andrew J. May. Byrnes slipped the bill in as an amendment to an appropriations bill, and deftly maneuvered it through the conference committee. "I was told by a friend on the House Appropriations Committee," he recalled, "that it was some days before May learned through one of the Army officers affected that he had himself voted for a bill containing the 'blocked' legislation." That bill enabled the Army to promote a young officer named Dwight Eisenhower over 366 senior officers, and helped Marshall to put into place the military leaders who led our armies during World War II, thanks to a little legislative slight-of-hand.

Senator Byrnes concluded his legislative career as a manager of the Lend-Lease Act, perhaps the most important of our pre-war preparedness bills. After a three-week fight against the hold-out isolationist opposition, the bill passed. As a result of Byrnes' long and loyal service on such critical legislation, in June 1941 the President appointed him to the United States Su-

preme Court. Jimmie Byrnes was too much of an activist to sit in judicial robes for long. A year later he resigned to become "Assistant President" during the war, handling domestic problems while Roosevelt dealt with international issues. He later became head of the Office of War Mobilization, and then became Secretary of State under Harry Truman.

Even after James Byrnes retired from federal service he was not done. The voters of South Carolina elected him their governor. It was truly a remarkable career. "In retrospect," he wrote, "I think I enjoyed most my service in the United States Senate. There I was engaged in the consideration of every phase of our national life—our foreign affairs as well as our domestic problems. Present always was the incentive that comes from accomplishment. There was independence of action, and there was the pleasure of competing with men who displayed good sportsmanship and whose friendship enriched my life." In later years, despite the high drama of his career in the judicial and executive branches, Jimmie Byrnes confided to a friend: "I would give all I own to be back in the United States Senate."[1]

HUEY P. LONG: THE "OUTSIDER"

Huey Long and James Byrnes were both Southern Democrats, men who could charm an audience, large or small, with their humor and their eloquence, but were ever two Senators more different? James Byrnes toiled away in committee, while Huey Long resigned his committee memberships. Byrnes operated in the cloakrooms, building coalitions and beguiling his opposition. Long operated on the Senate floor, confronting his opposition, mocking it, goading, driving it into a rage. Byrnes was the Senate "Insider"; Huey the great "Outsider." His audience was not on the floor but in the galleries and beyond, over the national radio networks and through the press.

Huey Pierce Long was born in Winn Parish, Louisiana in 1893. It was a poor, upland county, out-of-step with the rest of the state on many issues. In 1861, delegates from Winn Parish refused to support the state's secession from the Union, and Huey's grandfather, along with others from the parish, refused to serve in the Confederate army. They opposed the "aristocratic" Confederate government. In the 1890's, when Huey was born, Winn was a hotbed of populism. It also gave a large vote to the Socialist party and elected Socialists to local and municipal posts.

Young Huey was brash and dynamic. He excelled as a debater and took an early interest in politics. But family finances took a downturn and Huey was unable to use the small scholarship he had received to attend Louisiana State University. Instead he became a door-to-door salesman, selling Cottolene, a cottonseed oil substitute for cooking lard. It was while selling Cottolene that he met Rose McConnell, the girl he would marry two years later, at a cooking school contest the company sponsored. Just as a historical footnote, I should mention that Rose McConnell Long later succeeded her husband in the United States Senate, and that a dozen years later their son, Russell Long, our own very beloved colleague, was also elected to the Senate. They are the only father-mother-son team ever to have served in the history of this institution.

After he married, Huey Long was able to borrow enough funds to attend Tulane Law School for 9 months, during which he managed to master enough law to pass the state bar examination. He practiced law first in his hometown of Winnfield, and then in the larger Shreveport. "Always my cases in court were on the side of the small man—the under-dog," Long recalled proudly. "I had never taken a case against a poor man and have not done so to this day." Huey had a populist tinge to him from the start, and at the age of twenty-two he led a fight against a new state law limiting the money a worker could receive from his employer if injured on the job. Long took his case to the state Senate and spoke in its behalf. The bill eventually passed, but Huey Long did not gather a positive impression of the legislature. "It was my first time to have seen a legislature in session," he observed. "The formalities, mannerisms, kow-towing, and easily discernible insincerities surrounding all of the affairs of the session were, to my mind . . . disgusting."

Young Huey Long was eager to get into politics, but was underage to run for most state offices. Then he discovered that, by oversight, no minimum age had been set for state railroad commissioner. He threw his hat into the ring and carried on a colorful campaign by automobile, still a rarity in elections in 1918. He won the race, and immediately began to shake up the state's establishment.

As commissioner, Long lit out after the Standard Oil Company and other large corporations, which were exploiting the petroleum wealth of the state but not bearing their share of the tax burden. He also campaigned to limit the power of the utility companies and force them to lower their rates. On the strength of these popular issues, Long ran for governor when just thirty years old. He lost, but polled an impressive share of the vote for relative newcomer to statewide politics. No sooner had the ballots been counted for that losing race, however, than Huey Long began running for governor in the 1928 election. This time, he spoke out vigorously all over the state, ridiculing his opposition, promising better roads and highways, free school books, better schools and hospitals. This time, at the age of thirty-five he won.

It is doubtful that any governor has so dominated his state as Huey Long did from 1929 until he went to the Senate in 1931. Even then, he concentrated power in his own hands to an unprecedented degree, taking control of the various state administrative commissions and skillfully using his patronage powers to whip them into line. Under Governor Long, Louisiana schoolchildren received free textbooks, an extensive system of paved highways was built, and taxes on the state's oil and gas industries were increased to pay for his programs. Conservative opposition to Long rallied in the state legislature and the state House of Representatives voted to impeach their governor, but Long rallied his supporters in the Senate and defeated the attempt to remove him from office. Huey Long also took his case directly to the people, effectively using the radio to build public support and elect his own candidates to the state legislature. After the failed impeachment attempt, Long took a tougher stand against his opponents. "I used to try to get things done by saying 'please,'" he said. "That didn't work and now I'm a dynamiter. I dynamite 'em out of my path."

Governor Long's handling of the Louisiana legislature presented an amazing spectacle. He attended committee meetings to tell the legislators what he wanted, sometimes asserting himself in a dominant manner. Long would then be present in legislative chambers, shouting instructions to his floor leaders. Once, under his direction, the state Senate passed forty-four bills in a two hour period. His opponents called him a dictator, but Long's behavior had the approval of the voters. During that terrible period of depression, they wanted strong leadership, and Long was offering it. At the legislative session in 1931, the opposition succeeded in defeating Long's plans for a more extensive highway program. Long responded that he would take the issue to the people as a candidate for the United States Senate. If elected, he explained, he would remain at his job as governor long enough to put the highways under construction and assure that the work would be finished even if it required that the Senate seat be vacant for several months. In this fashion, he converted a campaign for the U.S. Senate into a plebiscite on concrete highways. In 1930, Huey Long was elected to the United States Senate. The Senate did not meet until December 1931, however, and even then Long lingered in Baton Rouge, running his state before turning the nominal leadership over to his succes-

sor, Alvin King. Huey Long was not sworn in as a Senator until January 1932, two months after the 72nd Congress had begun.

Unlike James Byrnes, who believed in keeping quiet and learning rules, Huey Long came to the Senate determined to break with tradition and use the floor of the Senate to project his further ambitions. Long's difference with his senior Senator, Edwin Broussard, was unusual, to say the least.

Broussard had been elected with Long's support. In fact, according to Long, Broussard—a south Louisiana Catholic—had actually conceded defeat in his quest for the Senate only to learn to his surprise that he had been elected by virture of a strong showing in the north Louisiana Bible Belt, where Broussard had expected to do poorly. the surprise was the result of Long's efforts on behalf of Broussard.

When Long announced his candidacy for the Senate, Broussard had made a statement of support for Joseph Ransdall, his colleague, causing Long to make a broadside response to Broussard. Long served notice on Broussard that if Long was elected to the Senate, he would personally see to it that Broussard was not reelected . . . and he did see to it.

So, when Long came to the Senate, he had no intention of having his colleague from Louisiana escort him down the aisle to take his oath. He was escorted by the democratic leader, Joe Robinson. Breaking tradition, of course, drew additional notice to the freshman Senator. Long also broke the rules that day by carrying a lighted cigar as he walked down the center aisle, placing it on the majority leader's desk while he took the oath. For Joe Robinson this was an omen of difficult times to come. Meanwhile, the new Senator from Louisiana went about the chamber, slapping the backs of staid members and congenially throwing his arm over the shoulders of senior senators. Everyone knew that the "Kingfish," as he like to be called, had arrived.

"I do not talk one way in the cloakroom and another way out here," said Senator Long on the floor. "I do not talk one way back there in the hills of Louisiana and another way here in the Senate." No, indeed. Very quickly he made it clear to other members of the Senate, as he had to the people of Louisiana, that he considered the concentration of wealth the cause of the depression and the greatest problem before them.

On April 14, 1932, in the very depths of the Depression, the Senate was considering a message from President Hoover on the need to balance the budget. "You want to balance the budget?" Long asked incredulously. "I tell you, that if in any country I live in, despite every physical and intellectual effort I could put forth, if I should see my children starving and my wife starving, the laws against robbing and stealing . . . would not amount to any more to me than they would to any other man, when it came to facing the time of starvation." Instead of balancing the budget they should be talking about redistributing the wealth, Long declared, and he proposed higher income and inheritance taxes on the wealthy. The American Dream was fading, Long warned the Senate: "This great and grand dream of America that all men are created free and equal . . . this great dream of America, this great light, and this great hope, have almost gone out of sight in this day and time, and everybody knows it; and there is a mere candle flicker here and yonder to take the place of what the great dream of America was supposed to be." Long's proposal to "share the wealth" was viewed as one of the most radical proposals ever made in the United States Senate . . . although within a few years the trend toward social welfare programs and high graduated income and inheritance taxes moved the nation very sharply toward the general direction he had been advocating.

When Long made his maiden speech entitled, "The Doom of America's Dream," he shocked conservatives by identifying himself as a "dangerous populist."

Democratic leader Joe Robinson took the floor to express his disagreement.

The following morning, the Chicago Tribune's front page cartoon in color picturing Long as a communist, dressed in Soviet attire, parading with a Russian flag while Joe Robinson stood draped in red and white stripes of the American flag.

Long brought the newspaper to the floor and discussed the cartoon. Referring to Robinson draped in the flag, he asked, "Where are the stars?"

Then he produced a copy of the *Martindale-Hubbell Law Directory.* Referring to Joe Robinson's law firm in Arkansas, he proceeded to read a list of corporate clients represented by the firm. "Now I do not say that just because a man is being paid by the special interests, that would influence his activities as a U.S. Senator. Oh, no."

At that point, a Senator invoked the rule of the Senate which forbade a Senator from reflecting badly upon the conduct of another Senator. Long was required to take his seat.

When permitted to proceed, Long then stated that as a Governor, he had never felt that someone should seek his favor and then fight against him. Therefore, he explained, he was resigning his committee assignments in view of the fact that Joe Robinson had obtained them for him.

The media of that day referred to the resignation from committees as a foolhardy thing to do. Actually it suited Long's plan very well, because it left him free to spend a great deal more time on the Senate floor where he was constantly a factor to consider.

More conservative Senators did not worry at first about Huey Long. "We always have a wild man," one Senator remarked. "We let him blow off steam—and then tame him," but not Huey Long. By the end of April he was ready to take on his own party's leadership. Senator Long, as his biographer T. Harry Williams perceived, "viewed the Senate primarily as a forum from which he could advertise Huey Long to the country."

The Kingfish had the White House in his sights. In Louisiana he had drawn attention to himself by attacking the Standard Oil Company; in Washington he would do the same by attacking Senate majority leader Joe Robinson.

Senator Long's resignation from his committee assignments told much about his relationship with this institution. He was not a man to bargain and wheedle in the cloakrooms, or to sit patiently through endless mark-up sessions waiting his turn to insert a technical amendment. He thought in terms of the grand sweep of larger issues, and he operated best when he had an audience—the larger the better. Even later in his Senate career, when he attended committee meetings, Huey Long would sit staring at the Brumidi cupids on the ceilings (this was when the committee still met in the Capitol Building). "He marched to a different drum," another Senate staffer of that era observed. "He was not a working senator, he was a speaking senator, he was a state-side senator."

The staff, by the way, loved to sit in the gallery and listen to Huey Long speak. He had an erroneous reputation for being a clown, for talking of "potlikker," and telling regional stories. But he was an amazingly gifted speaker, who could talk on almost any subject with a minimum of preparation.

I remember the late Senator Harley Kilgore, who, some years ago, represented West Virginia in the United States Senate along with the late Senator M. M. Neely. Once Harley Kilgore, who came from my home county, Raleigh County, said to me, with reference to Huey Long, that Senator Long would come to the breakfast or lunch table where other Senators were sitting and he would say, "Well, now, gentlemen, what do you want to discuss today?" He could talk on any subject and at length. I remember Harley Kilgore saying, "And he had an unlimited amount of brass." I have never forgotten that statement by the late Senator Harley Kilgore.

Huey Long spoke rapidly in the vernacular of the South, but in perfect grammatical form. His ideas and sentences were always connected. Senator Arthur Vandenberg, who stood politically on the opposite pole from Long, greatly admired his speaking. As a former editor who took pride in writing his own speeches, Vandenberg would come to the chamber when Long was speaking and sit back with a smile on his face because he was listening to a master of English, even if he disagreed with everything Long was saying.

Those who enjoyed hearing Huey Long speak had plenty of opportunity to do so, for he spoke a lot. The Senate is an institution of "unlimited debate," where a single senator, no matter how much in the minority, can influence legislation simply by holding the floor and talking, or filibustering. In January 1933, Huey Long filibustered against a banking bill introduced by Virginia's Senator Carter Glass, which he saw as increasing the power and advantage of the larger banks. He called for the reading of the *Senate Journal*, read from the Bible, delivered something of a sermon on concentrated wealth, and then began reading documents in a maddeningly slow pace. The Senate went into evening session, but on plowed Huey Long. "Imagine ninety-five senators trying to out-talk Huey Long," commentator Will Rogers quipped. "They can't get him warmed up." In the end, a cloture motion was adopted, but not before Long had won adoption of an amendment limiting the branch system of national banks, his objective from the start.

One commentator pointed out that the Senate thought it could haze Huey Long into submission, but he had been hazing them ever since he arrived. He was the perfect filibusterer, never losing his composure, but becoming more jovial the nastier the opposition became. His humor angered them all the more. At times he was known to walk behind some of his stuffier colleagues in the chamber, mocking their movements. He forever taunted Joe Robinson, but also took after the conservative chairman of the Finance Committee, Pat Harrison of Mississippi, and the Senator from Tennessee, Kenneth McKellar, the presiding officer, threatened to clear the galleries. Senator Alben Barkley, trying to help McKellar, objected that the spectators should not be punished: "When the people go to the circus, they ought to be allowed to laugh at the monkey." Immediately, Huey Long was on his feet, objecting: "Mr. President, I resent the unwarranted remark on the part of the Senator from Kentucky directed toward my good friend, the Senator from Tennessee." Watching performances like that, other Senators decided the wisest course of action was not to confront Long in debate. "Frankly, we are afraid of him," one Democratic Senator told a reporter. "It's like challenging a buzz saw. He will go the limit. It is safest for me and the rest of us to leave him alone."

There was always method to Long's madness, as other Senators learned. Once, during one of Long's many filibusters, Senator Hugo Black of Alabama interrupted while Long was reading a recipe for creole gumbo. "How long does it take that stuff to cook?" Black asked. "This recipe," Long replied, "takes as many days, weeks, months, and years, sir, as it has the energy to bubble." Black asked if there was not something they could throw into the pot to make it edible more quickly, like some special kind of shrimp. Shrimp would not do the job, Long replied, "it takes whale meat to change the cooking time." "Surely not the whole whale, Senator," said Black. "No, Senator, just the choice part." And indeed, when the Senators agreed to give Long the "choice part," he ended the filibuster.

Huey Long authored few bills while in the Senate, and was never a legislative draftsman. I do not know of any Senator who is a legislative draftsman. I do not know that I have ever seen one while I have been in the Senate for 26 years. In the old days, senators actually drafted their own bills. That was before senators had their own clerks and staffs. Of course, I know what is in a bill that is drafted for me, because I indicate what I want in the bill, and so do other senators. But the actual writing of complex bills is done by expert draftsmen, the Senate Legislative Counsel, and so on.

Huey Long was never a legislative draftsman, but he made his mark. He allied himself with the progressives in the Senate and pushed the Democratic majority and the Roosevelt Administration in the directions he sought. Historians credit the threat of a Long presidential candidacy with encouraging Franklin Roosevelt to institute a "Second New Deal" in 1935, particularly Roosevelt's tax package of June 1935. Knowledgeable persons, including the late Lyndon Johnson, credit the Roosevelt's decision to recommend the Social Security Act to the Huey Long threat.

Today, a statue of Huey Long stands in Statuary Hall within this building. He was the "Outsider" who scorned the rules and folkways of the institution, but still made it dance to his tune.[2]

As I have enjoyed reading much about Huey Long in the biography by T. Harry Williams, I am often led to think fondly about our own colleague here, Senator RUSSELL LONG, as we see him walking on the Senate floor and putting his arm around a Senator and talking in his ear. It is just one of the many things I have seen from Senator RUSSELL LONG that remind me of Senator Huey Long whom I never saw but about whom I have read quite much.

I certainly commend to my colleagues the reading of this book I hold in my hands, "Huey Long," a biography.

There is much about Huey, as we read, that we see reincarnated in Senator RUSSELL LONG. Surely, no more brilliant Senator ever sat in this Chamber than Senator RUSSELL LONG or his father, Senator Huey Long.

Mr. President, it has been called to my attention that Senator Huey Long was shot at Baton Rouge, Louisiana, on September 8, 1935, 49 years ago tomorrow. He died on September 10, 1935, 49 years ago this coming Monday.

HUGO BLACK: THE "INVESTIGATOR"

Strange as it may seem, Mr. President, the duties of a United States Senator were not always as rigorous and demanding as they are today. Once there were actually breathing spells in the schedule, times to stop, and read and reflect. A senator would be elected in November and not take his seat for over a year, until the following December, and even then the work was light. Hugo Black of Alabama spent his first year in Washington, in 1927, waiting for the Congress to get down to business. Having given up his law practice, he devoted himself to some serious reading, and, as his biographer Gerald Dunne describes it, "made the Library of Congress his post-graduate school." Black read extensively in economics, politics, and government, beginning with Adam Smith's The Wealth of Nations, and moving through the works of Thomas Jefferson, John Adams, and other Founding Fathers. He read Plutarch, Suetonius, Seneca, Cicero, and Livy. He studied Montesquieu, Rousseau, Locke, Spencer, and Veblen. He read the records of the Constitutional Convention. What an education, and how it showed in Hugo Black's forty-year career in Washington!

It took a while, however, for his Senate colleagues to recognize the potential of this newcomer member of the minority side. When he rose to deliver his maiden address, just four Senators sat lounging in their chairs on the floor. Mrs. Black, wearing a new dress purchased for this special occasion, was dismayed at the small turnout and asked an elderly doorman in the galleries how this could be. "These new senators are always bores," the doorman replied. Those who listened to his speech, with his quick, incisive manner, his gentle Southern accent and good humor, and his wealth of knowledge, had not wasted their afternoon. Hugo Black was on his way to becoming a very impressive United States Senator.

Hugo Black used to say that no one who knew him as a boy would ever have thought he would get beyond his small rural county in the hill country of east-central Alabama. Hugo Lafayette Black was born in Clay County, Alabama in 1886, the last of eight children of a Confederate army veteran and shopkeeper. Family tradition says the boy was named for Victor Hugo. Young Hugo received his first education sitting at the age of six as a spectator in the local courthouse, listening to the lawyers argue cases, a pastime he enjoyed more than playing games. In school he excelled at all his work, especially declamation. Here was a boy naturally bound for the courtroom, and for politics.

Hugo moved from the one-room Spring Hill Academy to the local Ashland College, a combination high school and junior college, and then briefly enrolled in the Birmingham Medical College, but his heart was in the law and not medicine, and after a year he switched to the University of Alabama Law School. In 1903 that was less impressive than it might seem. Black found it easier to qualify for the law school than for the undergraduate liberal arts program. The law school was something of a stepchild of the university, having a faculty of two professors and a class of twenty-three students. It set Hugo Black on his way, however, as a lawyer, and eventually a Senator and one of our greatest Supreme Court justices.

Black practiced law in Birmingham, Alabama, a major Southern industrial city with its great steel mills. There Black made his reputation as a lawyer for labor unions in particular, before he became a police court judge in 1911, at the age of twenty-five. Every morning, this job brought him face to face with defendants who were "drunks, petty thieves, crapshooters, dope peddlers, loafers, prostitutes, and those who the night before had been hot-tempered or careless with fists, razors, or switchblades," and, as historian Virginia Hamilton has noted, gave Black "more than an insight into human nature." Black then returned to private law practice before making his run for public office as county solicitor, a race he won, defeating the incumbent, Harrington P. Heflin. In 1917, Black resigned from office to join the Army, where he served as a training instructor during the First World War.

After the war, Black returned to his practice as a labor lawyer with obvious political ambitions. It was here that he made a fateful decision that would later haunt his career. Hugo Black joined the Ku Klux Klan. As Virginia Hamilton noted in her study of Black's Alabama years, "Despite his auspicious marriage and financial success, Black, in manner and sympathies, still retained the aura of Clay County at a time when rural farmer and city laborer were finding in the Ku Klux Klan a means by which they might share in political power." Black had several reasons for joining the Klan. One of his favorite professors in college had been Hiram Evans, Sr., father of the Grand Dragon of the Klan. Black also saw that many of the lawyers with whom he dealt and great numbers of the jurors he faced were Klan members, making his membership an asset to his courtroom success. Many of Black's clients in Birmingham, union members, were also Klan members, and he believed he could play a restraining influence on them and on the Klan's use of violence if he were a member. And he had political ambitions that could not be met by the state's conservative political establishment. Another young lawyer of that era, John Sparkman, later a United States senator, used to tell how the Klan tried to recruit him and how he resisted, even though he knew that it controlled the voting machinery in almost every Alabama county.

In 1923, Hugo Black joined the Klan, and in 1925 he resigned from it. But he maintained his close ties with Klan leaders, and they clearly supported him in his race for the Democratic nomination for the Senate in 1926, against the anti-Klan incumbent Oscar W. Underwood. Joining the Klan was an act he would later come to regret, but under the circumstances of the times it was a critical move in promoting his political career. Later, in a Senate debate in 1928, Maryland Senator William C. Bruce, a Catholic, said that he heard "that the junior senator from Alabama owes his seat in the Senate to the Ku Klux Klan." Black responded that it was not true. "I got all the Ku Klux votes I could get," he said, ". . . and all the Catholic votes I could get, and all the Jew votes I could get, and all the Baptist votes I could get, and all the others, and I have no apology to make for it, and I am here representing them."

In debate on the Senate floor, Black demonstrated the "rapier courtroom fencing" that had made him such a successful lawyer. Indeed, we might say that he never stopped acting as prosecuting attorney and police court judge even in the Senate. During the 1920s, Black had avidly read newspaper accounts of Senator Tom Walsh's committee investigating Teapot Dome. Once he came to the Senate, Black allied himself with Senator Walsh and pursued the role of congressional investigator. At first these efforts were frustrated by Black's status as a member of the minority party. For instance, he called for an investigation of the United States Shipping Board, which was paying handsome salaries to a large number of attorneys handling very few cases. The Republican majority blocked the proposed investigation, but adopted Black's amendments limiting salaries and staff on the Board. In 1930, the progressive Republican George Norris, who chaired the Judiciary Committee, invited Senator Black, who was not a member of the committee, to sit with one of its subcommittees investigating lobbyists for private power companies seeking to control Muscle Shoals, which would later become the public operations of the TVA. Black proved a tough and persistent questioner. "We cannot praise the senator from Alabama too highly," Senator Norris told the Senate after the hearings were concluded. "He has been of almost invaluable assistance."

But it was only after the Democrats took the majority in the Senate in March 1933 that Senator Black came into real national prominence as a congressional investigator. We do not identify him with any one major investigation, as with Tom Walsh and Teapot Dome; Estes Kefauver and organized crime; John McClellan and labor racketeering; or Sam Ervin and Watergate. Instead, Hugo Black made his name for a series of congressional investigations during the 1930s. Take, for example, his investigation of mail contracts in 1933. At the end of the Hoover administration, Senator Black had gotten a tip that the Post Office Department was rushing to sign one final mail contract before the Republicans left office. This was a ten-year contract to a Philadelphia steamship company for one million dollars a year. Senator Black called this contract "a raid on the public treasury" and a "gross, outrageous, and corrupt fraud." Black's public opposition caused the Post Office to withhold the contract, and it later developed that the Philadelphia company had no ships to carry the mail anyway. With the Democrats in the majority, Black became chairman of the special subcommittee to investigate mail subsidies. His investigations revealed that government subsidies were not necessary for paying mail deliveries, but were used to help American shipping lines compete with cheaper foreign lines. Black charged that the subsidies were going to line the pockets of the shipping line managers and their Washington lobbyists.

Despite Black's persistent and skillful questions, and the revelations of shady business operations and sloppy government oversight, the press paid little attention until he turned from steamship to airmail contracts. The airmail investigation hit the front pages, especially when President Hoover's postmaster general testified that he had given orders to burn papers relating to airmail contracts before he left office. Revelations of secret meetings between Post Office officials and airline executives surfaced, as did the

use of government subsidies to support private stock deals. The upshot of Black's investigation was President Roosevelt's decision to cancel the airmail contracts and assign the Army Air Corps to handle airmail services. Unfortunately, the Air Corps was not up to the new responsibilities and new contracts were issued to private companies, but with much tighter government controls. The investigation also led to the Air Mail Act of 1933, which empowered the president to appoint a Federal Aviation Commission to develop broad policy on aviation, and this in turn led to the Civil Aeronautics Act of 1938, which created both the Civil Aeronautics Board and the Federal Aviation Administration.

The eminent journalist Raymond Clapper compared Hugo Black favorably to Tom Walsh as a Senate investigator. Whereas Walsh had a "patient, plodding" style, Black was more aggressive. He gave his witnesses the impression that he already had the facts and wished them only to confirm them for the record. He was a hunch player who simetimes fired questions just on chance, and once in a while "he hooks a fish." Then, as Clapper described it, Black "sits back easily in his chair, puffs slowly on his cigar, rolls his large, open eyes quite innocently, and with a wise smile, undertakes to refresh the memory of a squirming witness."

In 1935, Hugo Black captured headlines again as chairman of a special investigation of public utility company lobbyists. The administration was sponsoring a public utilities holding company bill, designed to break up the giant "power trusts" and a storm of public protest, including thousands of telegrams had descended on the Congress. Senator Black suspected that lobbyists were behind the effort, and he introduced a bill to require all lobbyists to register their names, salaries, expenses, and objectives with the Secretary of the Senate and the Clerk of the House. To support his measure, Black subpoenaed lobbyists and executives for the utility companies, and records of the telegraph offices. He was thus able to prove that of some 14,782 telegrams sent to Congress from eleven different places, only three were paid for by private citizens. The rest were just the work of a "highpowered, deceptive, telegram-fixing, letter-framing, Washington-visiting $5,000,000 lobby." Not only did Black's investigation lead to passage of the "Black Bill," but it contributed to the enactment of the Public Utilities Holding Company Act. As Virginia Hamilton has written, Black's investigations, while supported by other members of the special committees, were really just one-man shows. The chairman was also the chief cross-examiner and publicist. He provided enough dramatic revelations and information to draw in large crowds of reporters and get a consistently good press. The power to investigate, Senator Black wrote at the time, was "one of the most powerful weapons in the hands of the people," and he demonstrated his skill with that weapon.

By focusing attention on Hugo Black's talents as an investigator, I do not wish to leave the impression that he was not involved in other legislative business. Senator Black was also well known as the sponsor of a "Thirty-Hour" bill which would limit the work week to thirty hours as a means of reducing unemployment. In 1937, he was also the Senate sponsor of the Black-Connery bill, which created the Fair Labor Standards Board to improve working conditions, raise wages, shorten hours, and guard against the use of child labor. Some Southern Senators charged that Black's bill would stifle industry in the South by forcing it to pay the same high wages paid in the North. Senator Ellison D. Smith, better known as "Cotton Ed" Smith, of South Carolina insisted that the lower wages were adequate in the South because its cost of living was lower. Senator Black, waving mill vouchers for abysmally low wages, amounting to about eight cents an hour, angrily responded: "I subscribe to the gospel that a man who is born in Alabama and who can do as much work as a man born in any state in New England is entitled to the same pay if he does the same work." The bill passed the Senate but seemed destined to be bottled up in the House, until in a twist of fate Hugo Black opened the way for its passage. Black was appointed to the Supreme Court, and Alabama Congressman Lister Hill ran in the Democratic primary for his seat (the wife of the Governor held the seat in the interim). Lister Hill campaigned in favor of the Fair Labor Standards bill, saying he could not see why Southern workers should not be paid just as well as Northern workers, and he won. That convinced other Southern congressmen that the bill was popular in their region and tipped the scales in favor of its passage.

In the meantime, President Roosevelt had picked Hugo Black as his first appointment to the Supreme Court, an especially significant act following Roosevelt's tremendous battle and unsuccessful effort to "pack" the court with liberal justices. The President wanted a man who sympathized with the objectives of the New Deal and one whom the Senate would confirm, and who better than a United States senator with a reputation as a liberal and a crusading investigator? Roosevelt did not bring up Black's former Klan membership with him. It certainly was no secret, and opposition newspapers had used it against the Senator from time to time, even in editorial cartoons. But his opponents now brought it back to the surface to embarrass him and derail his confirmation. Certainly, it caused a storm in the press. Black would not talk about the subject, except to say he was not then a Klansman. His reputation in the Senate was a strong one, and the issue was deflated. The Senate confirmed Hugo Black as a justice of the Supreme Court by a vote of 63 to 16. A happy Hugo Black sailed for a European vacation.

While he was gone, however, information surfaced that conclusively proved he had been a member of the Klan, and suggested that by accepting a "grand passport" from the Klan in 1926 he had actually accepted life membership. The new Justice Black arrived back in the United States beseiged by newspaper reporters. He decided to take an extraordinary step for a Supreme Court justice and go on the radio to speak directly to the American people. "All his practice at persuasive speaking," wrote one biographer, "to Alabama juries and voters, to Senate colleagues, and by radio to the American people, culminated in this brief talk." Black condemned the concerted campaign to revive prejudice and bigotry by trying to convince Americans he was intolerate of minority groups. He reaffirmed his belief in the Bill of Rights with its guarantees of religious freedom. His Senate record, he said, refuted all charges of intolerance. He never considered the unsolicited passport a membership of any kind. The speech rallied public opinion behind Hugo Black and ended the controversy. As we know, he went on to spend over thirty years on the Supreme Court, becoming its greatest civil libertarian and defender of the Bill of Rights. No speck of intolerance marred his long judicial career, confirming the wisdom of Franklin Roosevelt's choice for his first court appointment.

Mr. President, James Byrnes, Huey Long, and Hugo Black were just three of the many outstanding senators of the New Deal period. I have discussed them because they were unique individuals and representatives of "types" of Senators who have reappeared throughout Senate history. The Senate, we say, is a continuing body, stretching back to the founding of our republic. But it is also a constantly changing body as each new election sends it new members. Senators such as these three have left their mark upon this institution, and it is only fitting that we stop from time to time to recall their characters and achievements. May we have many more like them.[3]

Mr. President, I ask unanimous consent to have printed in the RECORD the footnotes to "Profiles of New Deal Senators."

There being no objection, the footnotes were ordered to be printed in the RECORD, as follows:

FOOTNOTES TO "PROFILES OF NEW DEAL SENATORS"

[1] Material on "James F. Byrnes: The 'Insider'" was drawn from Byrnes' memoir, *All In One Lifetime* (New York, 1958), and from *Memorial Addresses and Other Tributes in the Congress of the United States on the Life and Contributions of James F. Byrnes*, 92nd Congress, 2nd sess., S. Doc. 92-77 (Washington, 1972).

[2] The life of Huey Long, the "Outsider," is masterfully told in T. Harry Williams, *Huey Long* (New York, 1969), and in Alan Brinkley, *Voices of Protest: Huey Long, Father Coughlin, and the Great Depression* (New York, 1982). Additional material was drawn from Hugh Davis Graham, ed., *Huey Long* (Englewood Cliffs, New Jersey, 1970); and from an oral history interview with Darrell St. Claire for the Senate Historical Office. Hugo Black, Jr. described watching the encounter between Senators Long and Black in, *My Father: A Remembrance* (New York, 1975).

[3] Most valuable for the early life and Senate career of Hugo Black are Virginia Van Der Veer Hamilton, *Hugo Black: The Alabama Years* (Baton Rouge, 1972); and Gerald T. Dunne, *Hugo Black and the Judicial Revolution* (New York, 1977). Hugo Black, Jr.'s above cited memoir also shows the personal side of the man.

Mr. BYRD. I thank the Chair, and I again thank the distinguished majority leader. I yield the floor.

PROGRAM

(The following occurred earlier:)

Mr. BAKER. On Monday, Mr. President, the Senate will convene at 3 p.m., pursuant to an order for recess. After the recognition of the two leaders under the standing order, the distinguished Senator from Wisconsin, Mr. PROXMIRE, will be recognized on a special order of not to exceed 15 minutes, to be followed by a period for the transaction of routine morning business until the hour of 4 p.m.

At 4 p.m., Mr. President, the Senate will resume consideration of the Baker motion to proceed to the consideration of the banking bill. By the unanimous-consent order entered on today, a cloture vote will occur beginning at 5:15 p.m., on Monday next and will extend for a period of 1 hour, until 6:15 p.m. If cloture is invoked, the Senate will continue debate under the post-cloture provisions of rule XXII on the motion, and if cloture is not invoked, the Senate will continue to debate the motion itself.

RECESS UNTIL 3 P.M., MONDAY, SEPTEMBER 10, 1984

The PRESIDING OFFICER [Mr. MATTINGLY]. Under the previous order, the Senate stands in recess until the hour of 3 p.m., Monday next.

The Senate, at 12:22 p.m., recessed until Monday, September 10, 1984, at 3 p.m.